



Nebraska U.S. Senate Candidate Spending Analysis – Mike Johanns

Total Net Spending Agenda: \$6.199 billion

Economy, Transportation, and Infrastructure: Unknown

A. Labor – Job Training:

“I will work with Labor to provide training and educational opportunities, not only for our young people but also for workers who want or need an opportunity to advance their careers.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.

B. Labor – Trade Adjustment Assistance:

“In any trade agreement, I will work aggressively with our labor unions to protect U.S. jobs and to fund programs to help U.S. workers impacted by Trade Agreements.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown

C. Rural Development:

“I will also support job creation by encouraging rural development, investment in research, technology and infrastructure and I will work to expand the economic opportunities available as we look for new ways to make our nation energy independent.

We must target rural development as a national strategy. Investment in rural infrastructure, sewer, water and high speed Internet is the course of action I will pursue.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.

D. Federal Mortgage Subsidy:

“Republican Senate nominee Mike Johanns on Monday suggested a limited federal mortgage subsidy for troubled homebuyers as an alternative to the failed \$700 billion financial sector rescue plan.”

<http://mikejohanns2008.com/newsdisplay.php?vid=138>

Cost: Unknown

Education, Science, and Research: \$5.446 billion

A. Higher Education Funding:

“We must also make higher education more affordable for lower and middle class students and families. It is critical they have access to affordable student loans without a government takeover of student lending and I will also fight for increased funding for Pell Grants.” <http://www.mikejohanns2008.com/newsdisplay.php?vid=113>

Cost: Unknown.

Note: Secretary Johanns has not specified the amount in which he would like to increase Pell Grants, but according to the Congressional Research Service, each \$100 increase in the Maximum Pell Grant would increase spending by \$408 million. However, the more the maximum award is increased, the greater the expenditure effect: a \$500 increase in the maximum Pell Grant would increase spending by \$2.071 billion, and a \$1,800 increase in the maximum Pell Grant would increase spending by \$7.509 billion. Congressional Research Service, *Federal Pell Grants: Implications of Increasing the Maximum Award*, May 15, 2005.

<http://projectonstudentdebt.org/files/pub/Pell%20II.pdf>

B. Special Education Funding:

“The federal government should honor the commitment they made in the 1970s to states by funding special education programs at the full 40% level they promised. This funding is critical to our ability to best prepare all of our children for their future opportunities in the workforce.”

<http://www.mikejohanns2008.com/newsdisplay.php?vid=113>

Cost: \$5.446 billion (\$27.23 billion over five years).

Source: Related legislation was introduced in the form of S. 1159 (110th Congress): A bill to amend Part B of the Individuals with Disabilities Education Act to provide full federal funding of such part. The text appropriates the funding increases over five years.

Energy, Agriculture, and the Environment: -\$626 million (savings)

A. Alternative Energy:

“I will also support the development and use of wind energy, solar energy and battery-operated vehicles as part of our nation’s plan to be energy independent.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.

Note: It is unclear whether this policy would be implemented via tax credits or a new federal grant program. Related legislation, H.R. 5656 (109th Congress) included a program to develop technologies related to plug-in hybrid vehicles. The Congressional Budget Office (CBO) estimated it would cost \$1.3 billion over five years.

<http://www.cbo.gov/ftpdocs/73xx/doc7391/hr5656.pdf>

B. Agricultural Research:

“I will work to build a new initiative to fund agricultural research and extension programs because this critical funding has kept the U.S. farmer and rancher at the cutting edge of world production agriculture.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.

C. Farm Subsidies:

“I will support the strengthening of important programs that provide a critical safety net for our farmers and ranchers without raising their taxes.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

“(Subsidies are) supposed to be a safety net... because we want a strong food supply in our country. ... The policies make sense, but the purpose has drifted. It is not a sensible safety net. Someone raising wheat in western Nebraska, who is battling drought or bad prices, should have a safety net. Not someone living on Park Avenue,” Johanns said.

<http://mikejohanns2008.com/newsdisplay.php?vid=20>

Cost: -\$169 million (*savings*) (-\$845 million over five years).

Source: This estimate is from 2005. In the *Budget of the United States Government: Fiscal Year 2006*, President Bush proposed to reduce “the payment limit cap for individuals to \$250,000 for commodity payments, including all types of marketing loan gains, while removing the three-entity-rule.”

<http://www.whitehouse.gov/omb/budget/fy2006/pdf/budget/agriculture.pdf>

<http://www.whitehouse.gov/omb/budget/fy2006/pdf/budget/tables.pdf> (Table S-6)

D. Carbon Emissions Reduction:

“The right approach, which I will support, is investment in research and the development of the technologies to reduce carbon emissions and to deal with all other aspects of climate change that impact our environment.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: \$140 million (\$700 million over five years).

Source: CBO cost estimate for H.R. 1933 (110th Congress): A bill to amend the Energy Policy Act of 2005 to reauthorize and improve the carbon capture and storage research, development, and demonstration program of the Department of Energy, and for other purposes.

<http://www.cbo.gov/ftpdocs/83xx/doc8302/hr1933.pdf>

E. Cellulosic Plants

“I will also support a loan guarantee program for the construction of cellulosic plants.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown

F. Ethanol Research and Development:

“We must also promote investment in cellulosic ethanol research and development.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: \$3 million (\$10 million over three years).

Source: Related legislation was introduced in the form of H.R. 3118 (110th Congress): A bill to promote the production and use of ethanol. The text of the bill authorizes \$10 million.

G. Nuclear Power:

“We must expand the supply of energy through nuclear power plants as a part of our future energy needs.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.

Note: In 2003, S. 14 (108th Congress) contained a provision to furnish federal loan guarantees for the construction of the next generation of nuclear power plants. CBO estimated “that the net present value of amounts recovered by the government on its loan guarantee from continued plant operations following a default and the project’s technical and regulatory risk would result in a subsidy cost of 30 percent[,] or about \$375 million over the 2011-2013 period.”

<http://www.cbo.gov/ftpdocs/42xx/doc4206/s14.pdf>

Note: H.R. 2764, the Consolidated Appropriations Act (passed into law in the 110th Congress) contained \$20.5 billion in loan guarantees for the nuclear industry for nuclear power facilities.

[http://www.world-nuclear-news.org/NN-](http://www.world-nuclear-news.org/NN-US_solicits_bids_for_loan_guarantees_on_nuclear_construction-1007084.html)

[US_solicits_bids_for_loan_guarantees_on_nuclear_construction-1007084.html](http://www.world-nuclear-news.org/NN-US_solicits_bids_for_loan_guarantees_on_nuclear_construction-1007084.html)

H. Oil Exploration and Drilling – Arctic National Wildlife Refuge:

“Johanns says he would place a high priority on supporting new oil exploration and drilling ... and drilling in the Arctic National Wildlife Refuge.”

<http://www.mikejohanns2008.com/newsdisplay.php?vid=97>

Cost: -\$600 million (*savings*) (-\$3.002 billion over five years).

Source: Congressional Budget Office, *Budget Options*, February 2007, page 69.

<http://www.cbo.gov/doc.cfm?index=7821&type=1>

Note: CBO scores the revenues from this activity as offsetting receipts.

I. Oil Exploration and Drilling – Offshore Drilling:

“We should also expand domestic oil exploration and natural gas production while protecting our environment. ...

The United States needs to rely more on domestic oil and gas exploration, including drilling offshore ... while it develops alternative sources of energy such as solar and wind power and improves conservation measures.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.

Note: CBO scores the revenues from this activity as offsetting receipts.

J. Regulatory Assistance for Farmers:

“I will support programs that help farmers and ranchers comply with environmental regulations.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.

Health Care: \$131 million

A. Association Health Care Plans:

“I will support small businesses being allowed to unite to secure the best rates for health insurance for their employees and to contract in the most cost-efficient manner for healthcare coverage for employees.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: \$6 million (\$31 million over five years).

Source: CBO cost estimate for H.R. 525 (109th Congress): A bill to improve access and choice for entrepreneurs with small businesses with respect to medical care for their employees.

<http://www.cbo.gov/ftpdocs/62xx/doc6265/hr525.pdf>

B. Community-Based and Preventative Health Services:

“I will support healthcare reform that places an emphasis on community-based healthcare programs that encourage better health habits and preventative healthcare. This should be done at the state level.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.

C. Education Programs for Healthcare Professionals:

“I will work to encourage federal investment in training and education programs for doctors and healthcare professionals.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.

Note: A possibly related bill was introduced in the form of S. 1882, the Public Health Preparedness Workforce Development Act of 2007: A bill to amend the Public Health Service Act to establish various programs for the recruitment and retention of public health workers and to eliminate critical public health workforce shortages in federal, state, local, and tribal public health agencies. Text authorizes \$260 million in the first fiscal year, and “such sums as may be necessary” in subsequent years.

D. Electronic Medical Records and Telemedicine:

“I will work to encourage investment in the use of electronic medical records and Telemedicine Programs that improve service delivery and diagnosis while bringing specialty care and mental health services to all parts of our state.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: \$75 million (\$150 million over two years).

Source: Related legislation was introduced in the form of S. 1693, the Wired for Health Care Quality Act (110th Congress): A bill to enhance the adoption of a nationwide interoperable health information technology system and to improve the quality and reduce the costs of health care in the United States. A CBO estimate is available.

<http://www.cbo.gov/ftpdocs/84xx/doc8457/s1693.pdf>

E. Federal/State Partnership:

“I support a federal/state partnership to assist in providing healthcare coverage for the uninsured that assists in paying for private insurance premiums, co-pays and deductibles as a supplement to existing Medicaid, Medicare and private insurance pay plans.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.

Note: Related legislation was introduced in the form of S. 325 (110th Congress):
A bill to provide for innovation in health care through state initiatives that expand coverage and access and improve quality and efficiency in the health care system. The text authorizes “such sums as may be necessary.”

F. Health Care Portability:

“I will also support portability of healthcare plans.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.

G. Medicaid Rehabilitation Services:

“I will support rehabilitation services through fair rates and inclusion in our Medicaid and Medicare [p]rograms.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: \$50 million (\$100 million over two years).

Source: H.R. 5613, the Protecting the Medicaid Safety Net Act of 2008, includes a provision to prevent the Centers for Medicare & Medicaid Services from implementing a rule to rule narrow the definition of rehabilitation services. A CBO estimate is available.

<http://www.cbo.gov/ftpdocs/91xx/doc9157/hr5613.pdf>

Note: H.R. 6331, a bill pertaining to the Medicare rehabilitation services therapy caps, was recently passed into law at a cost of \$1.2 billion over three years.

<http://www.cbo.gov/doc.cfm?index=9595>

H. Medicare Reimbursement Rates:

“Access is often jeopardized by poor reimbursement rates for dentists, doctors and hospitals. I will work to provide rates that address and solve this issue.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.

I. Rural Critical Access Hospitals Flexibility:

I will support a change in legislation to allow for an average daily census calculation instead of an absolute cap on the number of beds allowed to give our Rural Critical Access Hospitals more flexibility in managing their resources.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.

J. Rural Medical Professionals:

“I will work to create incentive programs to bring doctors and medical professionals to rural Nebraska.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.

Homeland Security and Law Enforcement: \$1.188 billion

A. Border Security:

“I have a ... plan to end illegal immigration: ... Secure the border.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.

B. Employment Verification:

“I have a plan to ... implement a workplace verification program so employers only hire legal residents and sanction employers who knowingly hire illegal workers.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: \$1.188 billion (\$5.942 billion over five years).

Source: Related legislation was introduced in the form of H.R. 4088, the Secure America Through Verification and Enforcement Act of 2007, two sections of which set forth conditions for the mandatory use of the E-verify system, and mandatory notification of Social Security number mismatches and multiple uses. Only these two sections were used for this estimate. A CBO estimate is available. <http://www.cbo.gov/ftpdocs/91xx/doc9100/hr4088ltr.pdf>

Veterans: \$60 million

A. Veterans Benefits:

“I will support programs that update Veterans benefits for housing, education, medical care and long-term care.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: \$60 million (\$300 million over five years).

Source: Secretary Johanns has not specified how he will update these programs; however, S. 1606 (110th Congress), the Dignified Treatment of Wounded

Warriors Act, addresses some of these matters. A bill to provide for the establishment of a comprehensive policy on the care and management of wounded warriors in order to facilitate and enhance their care, rehabilitation, physical evaluation, transition from care by the Department of Defense to care by the Department of Veterans Affairs, and transition from military service to civilian life, and for other purposes. While a cost estimate is unavailable for S. 1606, CBO scored a related bill, H.R. 1538 (110th Congress), the Wounded Warrior Assistance Act: A bill to amend Title 10, United States Code, to improve the management of medical care, personnel actions, and quality of life issues for members of the Armed Forces who are receiving medical care in an outpatient status, and for other purposes.

<http://www.cbo.gov/ftpdocs/79xx/doc7905/hr1538.pdf>

B. Survivor Benefits:

“In those cases where a member of our armed services has made the ultimate sacrifice defending our nation, I support expanding the survivor benefits for the family.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.

Miscellaneous:

A. Federal Government – Transparency:

“I will demand that earmarks are open to public scrutiny and can be defended in the light of day.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.

B. Federal Government – Wasteful Spending:

“I’ll fight to cut wasteful spending, eliminate ineffective programs and make the federal government spend no more than is needed to provide essential programs and services.”

<http://www.mikejohanns2008.com/uploaded/file/HeresIsWhereIStand.pdf>

Cost: Unknown.