



## Sequestration could spur furloughs at Education

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Sequestration would force the Education Department to furlough many of its employees, the department's leader said Wednesday.

"If we're faced with tough calls, we have an obligation to be fiscally responsible," Secretary Arne Duncan said in an interview with Federal News Radio after a Senate Appropriations subcommittee on Labor, Health and Human Services and Education, and Related Agencies hearing Wednesday.

Duncan did not say exactly how many employees the automatic spending cuts would affect, but his statement followed a July 2012 [finding](#) by the Aerospace Industries Association (AIA) that \$500 billion in sequestration cuts to nondefense spending could result in the direct loss of 229,000 jobs in civilian agencies.

In addition to furloughs, Duncan said sequestration would squeeze the department's ability to prevent fraud, waste and abuse in large and complex student financial assistance programs.

"In higher education, our department would have to slash spending on contracts to support the processing and the origination of student loans," he testified. Congress, the Defense Department and industry groups have previously called attention to the possible effects sequestration could have on defense. But the subcommittee hearing represented the first time lawmakers have taken a deep look at the civilian parts of [government](#).

Democratic ranking members in the House sent Speaker John Boehner (R-Ohio) a [letter](#) Wednesday asking Republican members to begin immediate negotiations on a plan to replace the sequester, which is scheduled to begin in 2013, with a "balanced deficit reduction plan."

Sen. Tom Harkin (D-Iowa), the subcommittee chairman, added his voice to the discussion, by referencing his new [report](#) about the possible effects of sequestration on civilian agencies, such as the Departments of Education and Labor.

"The economic effects of cuts to nondefense programs could be worse than cuts to Pentagon spending," Harkin said.

But subcommittee ranking member Sen. Richard Shelby (R-Ala.) said he is concerned about the accuracy of Harkin's report because the Obama administration has not provided concrete information about the way agencies would implement the automatic cuts.

"Congress does not know the amount of the across-the-board cuts as the chairman's report states. It could be anywhere between 7.8 percent and 8.4 percent. In real terms this is a difference of \$1 billion in the Labor/HHS program reduction," Shelby said. "While the chairman has tried to show the effects of sequestration on Labor/HHS programs, in fact, it's only the Office of Budget and Management that can accurately provide this type of information."

If sequestration does occur, Education and other agencies would be forced to make across-the-board cuts, without factoring in the impact or effectiveness of their programs, Duncan said.

"I don't think we have a lot of flexibility there. I think we would have to cut across the board," he said. "It's a horrendous way to think about [budget choices](#)."

A case for sequestration

Duncan said Congress should do everything it can to stop sequestration. But Neal McCluskey, associate director for the Cato Institute's Center for Educational Freedom, told the committee that spending cuts at Education are necessary because some of its programs, such as Head Start, have yielded weak results at best.

"The federal government has accumulated an almost unimaginably huge debt and sequestration offers but a small first step to addressing it," McCluskey said. "Thankfully, cuts can be made, in fact, need to be made to federal education programs."

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