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United States Senate
WASHINGTON, DC 20510-7012

February 16, 2007

The Honorable Elaine Chao
Secretary
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, D.C. 20210

Dear Secretary Chao:

Congress recently passed an enhanced Continuing Resolution that included funding for the FY 2007 Labor, Health and Human Services, and Education Appropriations Bill. As you know, this late action on FY 2007 funding for most federal departments and agencies was the direct result of the 109th Congress' failure to complete nine of the eleven appropriations bills.

Given we are nearly half way through the fiscal year before the enactment of final funding levels, most federal departments and agencies face significant challenges and decisions about how to use the funds they were provided. I encourage you to use the bill reported out of the Republican-controlled Senate Appropriations Committee during the 109th Congress as guidance when you determine how to allocate your department's funds in Fiscal Year 2007.

I strongly support the priorities included in this bill. I believe they are essential to the nation and to my home state of Nevada. Thank you in advance for your consideration of this request.

My best wishes to you.

Sincerely,


HARRY REID
United States Senator

*P.S. I'll keep
an eye on
Mitch*

481722

U.S. Department of Labor

Assistant Secretary for
Congressional and Intergovernmental Affairs
Washington, D.C. 20210



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The Honorable Harry Reid
Majority Leader
United States Senate
Washington, D.C. 20510

Dear Senator Reid:

Thank you for your letter to Secretary Chao regarding the allocation of funding in the Department's Fiscal Year 2007 operating plan.

While we appreciate your support for the FY 2007 Labor, Health and Human Services, and Education Appropriations bill reported out of the Senate committee during the 109th Congress, that bill was superseded by H.J. Res. 20, the enacted full-year appropriation for FY 2007. The Department is bound by the statutory provisions of H.J. Res. 20. In view of Section 112, the Department may accord earmark status only to those statutorily designated. Accordingly, the Department is governed by a competitive, merit-based procurement process for selecting its grantees, consistent with the guidance set forth in the Office of Management and Budget's memorandum of February 15, 2007.

However, we do encourage all potential grantees to apply competitively for resources that may be available from the Department, as well as other federal agencies. The application process has been greatly streamlined. Potential grantees may logon to www.Grants.gov and review the opportunities available there. The site is a central storehouse for information on over 1,000 grant programs and affords access to approximately \$400 billion in annual awards. By registering once on this site, potential grantees can apply for grants from 26 different federal agencies.

Thank you for your interest in the Department of Labor's programs. If you have any questions, please contact me at (202) 693-4601.

Sincerely,

Kristine A. Iverson