

http://johnshadegg.house.gov/rsc/

ph (202) 226-9717 / fax (202) 226-1633

Staff Contact: Russ Vought, x68581 September 8, 2005

# **Appropriations Policy Brief**

# H.R. 3673: The Hurricane Katrina Supplemental for FY05

BY THE NUMBERS:					
Dollars in Billions					
	President's Request	House Appropriations			
FY05 Emergency Spending	51.8	51.8			
Rescissions	0.0	0.0			

The House Appropriations Committee bill is the <u>same</u> as the President's request.

### **Background:**

Due to Hurricane Katrina, the Administration has now sent two supplemental requests to Congress totaling \$62.3 billion in hurricane-related disaster relief. The President has already signed the first supplemental into law (P.L. 109-61) providing \$10.5 billion to the Federal Emergency Management Agency (FEMA) and the Department of Defense.

#### In billions

September 1 <sup>st</sup> Request – P.L. 109-61	\$10.5
September 7 <sup>th</sup> Request – <i>H.R. 3673</i>	\$51.8
Total	\$62.3 Billion

### **Funding Details of H.R. 3673:**

#### In millions

Department/Agency	President's	House	Purpose
	Requests	Appropriations	(As Included In the Request)
FEMA	50,000.0	50,000.0	"To enable FEMA to continue ongoing response
			and recovery efforts" (food, shelter, medical care),
			\$15M for an Inspector General
Army Corps of	400.0	400.0	Dredge channels and repair pump stations and
Engineer			facilitate the draining of flooded areas, particularly
			in New Orleans

Defense	1,400.0	1,400.0	Deploy military personnel to assist with the relief
			effort and repair DOD property
Total	51,800.0	51,800.0	

**NOTE:** A detailed, line-by-line budget justification, outlining how the agencies plan to spend these new appropriations, is currently unavailable.

### **BUDGET DISCUSSION:**

All of the \$51.8 billion requested by the President would be designated as an emergency and thus would not be counted against the levels provided in the budget resolution for FY05. However, once enacted, the Congressional Budget Office is required to assume that this one-time spending will continue and factor it into the baseline for the following year. In the past, this increase in the baseline is then often used to claim that spending is under control the following year, when if emergency spending was excluded, spending actually increases significantly.