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Policy Brief – Part II: FY2005 Consolidated Appropriations Act (H.R. 4818)

LANGUAGE AND FUNDING OF NOTE:

All figures are based on Appropriations Committee information, CBO, and RSC calculations and do NOT include the 0.83% across-the-board reduction in non-defense, non-homeland-security accounts.

Foreign Military Financing – The bill contains \$4.8 billion for foreign military financing (an increase of \$221 million or 4.9%), including \$2.2 billion for Israel (an increase of \$72 million) and \$1.3 billion for Egypt (an increase of \$7.7 million). Such funding levels for Israel and Egypt fully meet the President's request.

Economic Support Fund – The bill contains \$2.48 billion for global economic support, including \$360 million for Israel, \$535 million for Egypt, and \$250 million for Jordan.

Pro-Life Provisions - All of the pro-life riders included in the House-passed spending bills are retained in the omnibus bill. Included in these provisions is the provision to prevent hospitals from having to perform abortions, otherwise known as the "Hyde-Weldon provision".

Title X Family Planning – The bill provides \$288 million (3.5% increase) for Title X family planning.

National Endowment for the Arts (NEA) - The bill includes \$122.9 million for the NEA of which \$2 million is reserved for the new American Masterpiece Initiative.

International Fund for Ireland – The bill contains \$18.5 million (\$10 million more than the President requested) in economic support for Ireland. Northern Ireland's current unemployment is less than the U.S.

Millennium Challenge Accounts (MCAs) - The bill provides \$1.5 billion (50% increase) for Millennium Challenge Accounts - President Bush's initiative to restructure foreign aid to reward (and therefore provide incentives to) those countries exhibiting certain best practices that lead to economic independence. MCA funds are in addition to (not instead of) the standard foreign aid that the United States distributes.

<u>Overtime Regulations</u> – A provision to overturn the Department of Labor's reform of overtime regulations is not included.

<u>Competitive Sourcing (A-76)</u> – Several provisions were included to <u>limit</u> (but still allow) the President's ability to conduct competitive sourcing activities under existing authorities (OMB's A-76 Circular). In a letter to the Appropriations Committees, OMB stated that these provisions "would limit the effectiveness of competitive sourcing in improving performance and reducing costs when the government obtains commercial services."

A list of earmarks in H.R. 4818 will be provided in a separate RSC document.