

Rep. Mike Pence (R-IN), Chairman

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H.R. 3058 —Amendments to the FY06 Treasury, Transportation/Housing and Urban Development Appropriations Bill, **Part V**

H.R. 3058, the FY06 Amendments to the FY06 Treasury, Transportation/Housing and Urban Development Appropriations Bill, is scheduled to be considered on the House floor on Thursday, June 30th, under a unanimous consent agreement. Below are the summaries of amendments currently available. <u>Note</u>: Summaries are based on RSC staff's review of actual amendment text. For a summary of the underlying bill, see the separate RSC Policy Brief distributed earlier.

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<u>Hefley (R-CO) #7:</u> Reduces funding in the Act by \$669,350,000. This amount is equal to one percent of the total amount of discretionary funding in the bill. According to the Republican Conference, this amendment is drafted under the Holman Rule which allows for the administration to determine where the cuts would come from (this is not an across the board cut).

<u>Kilpatrick (D-MI)</u>: Prohibits available funds from being used by the Department of Treasury to "recommend approval of the sale of Unocal Corporation to CNOOC Ltd. of China (National Offshore Oil Corporation)."

According to the sponsor, "China has had ample access to the U.S. market. Chinese companies have acquired IBM's personal computer sector; placed a bid for Maytag; purchased Treasury bonds, which have financed the deficits we have generated over the last 4 years; and it has dumped its clothing and textiles in the U.S. market place, forcing thousands of clothing and textile workers out of jobs."

Obey (D-WI): Prohibits funds from being used to violate OMB Circular No. A-11, section 22.2, entitled "Congressional testimony and communications."

SEC. __None of the funds made available in this Act may be used in contravention of that portion of OMB Circular No. A-11, section 22.2, entitled "Congressional testimony and communications" that states that in testimony before Congressional committees and communication with Members of Congress, witnesses will give frank and complete answers to all questions."

The amendment references a section in the Circular that requires testimony before Congressional committees and communication with Members to be "frank and complete," thus prohibiting funds from being used to violate this requirement. In other words, the amendment would affirm current Executive Branch policy, which states that witnesses will give frank and complete answers to Members of Congress and Committees.

Below is the text of OMB Circular No. A-11, section 22.2, with the referenced portion highlighted:

22.2 Congressional testimony and communications.

The Executive Branch communications that led to the President's budgetary decisions will not be disclosed either by the agencies or by those who have prepared the budget. In addition, agency justifications provided to OMB and any agency future year plans or long-range estimates will not be furnished to anyone outside the Executive Branch, except in accordance with this section.

When furnishing information on appropriations and budgetary matters, you (and your agency representatives) should be aware of the following limitation on communications:

"...An officer or employee of an agency may submit to Congress or a committee of Congress an appropriations estimate or request, a request for an increase in that estimate or request, or a recommendation on meeting the financial needs of the Government only when requested by either House of Congress" (31 U.S.C. 1108(e)).

You should also be aware of restrictions on communications to influence legislation that are not conducted through proper official channels (18 U.S.C. 1913).

After formal transmittal of the budget, an amendment, or a supplemental appropriation request, the following policies apply when testifying before any congressional committee or communicating with Members of Congress:

- Witnesses will give frank and complete answers to all questions.
- Witnesses will avoid volunteering personal opinions that reflect positions inconsistent with the President's program or appropriation request.
- If statutory provisions exist for the direct submission of the agency budget request to the Congress, OMB may provide you additional materials supporting the President's Budget request that you will forward to the Congress with the agency testimony. Witnesses will be prepared to explain the agency submission, the request in the President's Budget, and any justification material.
- When responding to specific questions on program and appropriations requests, witnesses will not provide the agency request to OMB or plans for the use of appropriations that exceed the President's request. Typically, witnesses are responsible for one or a few programs, whereas the President is responsible for all the needs of the Federal Government given the revenues available. Where appropriate, witnesses should explain this difference in perspective and that it is therefore not appropriate for them to support appropriations above the President's request.
- When asked to provide a written response that involves a statement of opinion on program and appropriations requests, witnesses will provide a reply through the agency head.
- Do not let your communications be perceived as an "appropriations estimate or request ... or an increase in that estimate or request" (31 U.S.C. 1108). You are expected to support the President's budgetary decisions and seek adjustments to those decisions only through established procedures if your agency head determines such action is necessary.

Brown (D-OH): Prohibits funds from being used "by the Council of Economic Advisors to produce an Economic Report to the President regarding the average cost of developing and introducing a new prescription drug to the market at \$800 million or more."

According to the sponsor, "The 2005 *Economic Report of the President* used an inflated estimate of the cost of drug research and development costs, without citing the source or even acknowledging that it was produced by a drug industry-funded researcher." This amendment is intended to prohibit such incidents.

<u>Velazquez (D-NY):</u> The amendment prohibits available funds from being "used by the General Services Administration to carry out the eTravel Service program." According to the GSA website the "eTS gives federal travelers the ability to manage their travel from end-to-end through a common, web based, governmentwide service." In November 2003, three competitively bid, eTS contracts were awarded to: CW Government Travel's E2 Solutions; EDS's FedTraveler.com; and Northrop Grumman Mission System's GovTrip. Source:

http://www.gsa.gov/Portal/gsa/ep/channelView.do?pageTypeId=8211&channelPage=%2Fep%2Fchannel%2FgsaOverview.jsp&channelId=-15901

<u>Van Hollen (D-MD)</u>: The amendment is identical to his amendment from last year which prohibited funds from being used to implement the revision to Office of Management and Budget Circular A–76 made on May 29, 2003. The revised circular A-76 allowed for increased public-private competition in providing certain government services (thereby allowing more private contracting often referred to as "outsourcing"). For more information on A-76, go to this website:

http://www.whitehouse.gov/omb/circulars/a076/rev_a76_052903.pdf Last year's amendment passed the House 210-187; http://clerk.house.gov/evs/2004/roll457.xml

Jackson-Lee (D-TX): The amendment would prevent federal funds from being used to enforce an 8-hour-a-month community service requirement for public housing tenants who are not 62 years or older, blind, disabled, employed at least 30 hours per week, in a job-training or job-search program, currently in school, or members of a family that receives TANF (welfare) assistance (among other exemptions). In 1998, Congress passed and President Bill Clinton signed a law (the Quality Housing and Work Responsibility Act of 1998), that requires some adult residents of public housing to perform eight hours of community service each month (96 hours per year or approximately 15 minutes a day) or participate in a self-sufficiency program for at least eight hours each month or a combination of the two totaling eight hours each month. HUD gives public housing authorities the flexibility to determine what activities meet the requirement of the law.

According to various reports, this community service provision applies to less than 20% or about 370,000 of all almost two million public housing adult residents. Activities that qualify for service under the law include hall monitoring, litter patrols, record-keeping, stuffing envelopes, babysitting neighbors' children, etc. According to information from HUD, if a resident failed to comply with the community service requirement, it results in ineligibility for continued occupancy and is grounds for non-renewal of the lease at the

end of a 12-month lease term, but not for termination of tenancy during the course of the 12-month lease term. However, residents may request a grievance hearing. This provision was temporarily suspended for one year after an amendment to the FY02 HUD appropriations bill prevented funds from enforcing the 8-hour a month community service requirement, but has been in force since then. The amendment failed on voice vote.

<u>Jackson-Lee (D-TX):</u> Text of the amendment is not available. According to the sponsor, the amendment gives FAA \$5 million to help air traffic controllers. According to the sponsor the amendment will be offered and withdrawn.

Knollenberg (R-MI): Text of the amendment was not available. According to the U.C., the amendment is regarding funding levels. According to Congressional Quarterly, the amendment, at least in part, will delete three zeroes that were incorrectly added to the National Archives' budget. The agency's budget should have read \$284 million, but the committee bill lists the budget as \$284 billion.

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