



COMMITTEE ON THE BUDGET

Majority Caucus
U.S. House of Representatives
Jim Nussle, *Chairman*

309 Cannon House Office Building
Washington, DC 20515 • (202) 226-7270
James T. Bates, *Chief of Staff* • www.budget.house.gov

FACT SHEET

FY 2007 HOUSE BUDGET RESOLUTION STRENGTH, SPENDING CONTROL, REFORM

The Fiscal Year 2007 budget advances the Republican PLAN to support our growing economy, strengthen our nation's most critical programs, reform the federal government, and spend the taxpayers' dollars wisely.

Our budget is based on three clear priorities: *Strength, Spending Control, and Reform.*

- **Strength:** We will further build on our nation's greatest strengths, including,
 - ▶ **The Economy** – Continues successful Republican pro-growth policies (*no tax increase*) to keep our economy growing strong and creating jobs.
 - ▶ **Defense and Homeland Security** – Provides whatever is *needed* to support our troops, and keep our nation's defense and security the strongest in the world.
 - ▶ **War on Terror** – Continues to set aside a \$50 billion reserve for war costs.
- **Spending Control:** Controls the spending we *can* control.
 - ▶ Continues our efforts to restrain non-security discretionary spending.
 - ▶ Reforms and achieves savings in entitlement programs for the second, consecutive year.
 - ▶ Keeps us on track to cut deficits in half by FY 2009.
- **Reform:** In addition to mandatory programs, begins budget process reforms to better reflect and address how federal government dollars are actually *spent*.
 - ▶ **Emergencies** – Establishes "rainy day" fund to better budget for natural disaster emergencies.
 - ▶ **Other Reforms** – Subsequent reform package includes: earmark reform; the line-item veto; and procedures to sunset programs and agencies that have outlived their usefulness.

Budget Summary

- **Discretionary:** \$873 billion for regular appropriations bills – an increase of 3.6% over FY06.
- **Emergency Reserve:** \$6.45 billion.
- **War Reserve:** \$50 billion.
- **Mandatory Savings:** \$6.8 billion over five years.
- **Taxes:** Accommodates enactment of House-passed tax bills.
- **Amendments to Committee-passed Budget:**
 - ▶ *Increases Emergency Reserve Fund from \$4.3 billion to \$6.45 billion.*
 - ▶ *Eliminates \$2.3 billion Avian Flu Reserve, as it is assumed in the supplemental.*
 - ▶ *Adjusts budget levels to conform with above changes.*