



Budget Watchdog

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\$2.2 Billion Budget Gimmick in CR

Republicans Plan to Shift Funding Backward From 2004 to 2003

Today the House is scheduled to consider a month-long continuing resolution (CR) containing a budget gimmick designed to spend an extra \$2.2 billion more than the 2004 funding limit set by the Republican budget resolution. The CR accomplishes this feat by shifting \$2.2 billion of previously appropriated 2004 education funding back to fiscal year 2003, thus providing room to spend that \$2.2 billion on something else in 2004.

A \$2.2 Billion Gimmick

The 2003 Omnibus Appropriations Bill contained \$25.8 billion in advance appropriations, a higher-than-usual amount. (Advance appropriations allocate 2004 funding in 2003 appropriations bill.) This summer, House Republicans flipped a portion of that advance appropriation – \$2.2 billion – back into 2003 in the Labor-HHS-Education appropriations bill. This move “frees up” \$2.2 billion under the 2004 budget resolution cap of \$784.7 billion, but at the same time deepens the 2003 deficit by the same amount.

To use this budget gimmick, Republicans have to shift that \$2.2 billion from 2004 to 2003 funding before the beginning of the new fiscal year on Wednesday. They inserted the shift in the CR

because the 2004 Labor-HHS-Education appropriations bill will not be signed into law by Wednesday.

Republicans Chose Tax Cuts

Congressional Republicans would not have to resort to this type of budget gimmick if they passed a reasonable budget resolution that accommodated necessary funding for national priorities. However, their budget resolution did not do this. Instead of providing sufficient funding for needed programs, the Republican budget resolution made room for \$1.3 trillion in new tax cuts on top of the \$1.35 trillion in tax cuts they have already enacted into law since 2001.

By burying their budget gimmick in the must-pass CR, Republicans are sneaking an extra \$2.2 billion past the unrealistic limits their budget resolution pledged to follow. The funding is necessary, but the funding mechanism is a charade. With it, Republicans claim that we can afford additional tax cuts for the wealthy as well as funding for vital programs such as education. Democrats know that we have to make a choice.