## **APPROPRIATIONS ALERT**

## BY THE COMMITTEE ON THE BUDGET, REPUBLICAN CAUCUS

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## THE CONSOLIDATED SECURITY, DISASTER ASSISTANCE, AND CONTINUING APPROPRIATIONS ACT, 2009

## CR + MINIBUS + SUPPLEMENTAL SPENDING

(H.R. 2638)

2	4 September 2008

The huge end-of-session omnibus spending bill scheduled for consideration today was filed after 11 p.m. Tuesday, and will come to the House floor under a closed rule. As a result, Members will have had less than 24 hours to review a measure comprising 357 pages (and an additional 752 pages in the Joint Explanatory Statement), with more than \$1 trillion in new spending; and Members will have no opportunity to offer amendments. Thus, the Democratic Majority – having deliberately abandoned the responsibility to fund the basic operations of government – also have jettisoned any pretense of regular order in the House.

The bill, H.R. 2638, is much more than a continuing resolution [CR] to keep the government running – made necessary because the Majority will have failed to send to the President even one regular appropriations bill for fiscal year 2009, which begins a week from today. It is a combination CR, supplemental, and omnibus appropriations bill.

The measure provides spending for a range of government operations and activities funded in the discretionary budget. These include the following: temporary fiscal year 2009 funding for nine of the 12 annual appropriations bills under a CR at the enacted 2008 nonemergency level, with some adjustments; the fiscal year 2009 Defense, Homeland Security, and Military Construction appropriations bills; and emergency supplemental spending for various items, including hurricanes, firefighting, flooding, and loan guaranties for U.S. automakers.

The bill also contains roughly 2,627 congressional earmarks totaling \$16.1 billion in spending.

Table 1: Comparison of H.R. 2638 With Fiscal Year 2008 Enacted Levels (dollars in billions)

	FY 2008 BA	FY 2009 BA	Percentage Increase
CR Plus Anomalies	386	391	1.3
Defense Appropriations	459	488	6.3
Homeland Security Appropriations	37	42	14
Military Construction Appropriations	60	73	21.6
Base Discretionary Spending	943	994	5.4
Emergencies		10	
Emergency Disasters		23	
H.R. 2638 Grand Total		1,029	

- Budget Cost. In total, regular nonemergency budget authority [BA] totals \$994 billion, and when emergency spending is included, the bill will total \$1.029 trillion in BA.
- Budget Resolution Compliance. The bill violates budget rules in several areas. The fiscal year 2009 funding for the Homeland Security and Military Construction bills exceed their respective 302(b) subcommittee allocations, established pursuant to the budget resolution. In addition, the emergency designation for \$34 billion in spending is not within the Appropriations Committee's jurisdiction.

Normally, points of order under the 1974 Budget Act would lie against the measure for these violations; but these were waived by the rule governing floor consideration.

Division A: Continuing Resolution. The measure covers the discretionary programs, projects, and activities funded by nine of the 12 regular appropriations bills. To date, only one of these 12 bills has been considered and passed by the full House. Therefore, because these bills will not be enacted by 1 October 2008, the start of the new fiscal year, a continuing resolution is necessary.

The bill provides funding through 6 March 2009 – more than 5 months into the new fiscal year – under the terms and conditions in the 2008 bills, with some exceptions. The rate of funding also is at the level in the 2008 appropriations bills, with certain exceptions, termed "anomalies," allowing certain programs to spend at higher annualized rates. These include, among others, annualized spending rates of \$6.66 billion for the Special Supplemental Nutrition Program for Women, Infants, and Children [WIC]; \$5.1 billion for the Low-Income Home Energy Assistance Program [LIHEAP] (of which \$2.8 billion is designated as an emergency); \$997 million for the Rural Housing Rental Assistance Program; \$163.2 million for the Commodity Supplemental Food Program; and \$2.9 billion for the Census Bureau.

Subdivision A of the bill also designates \$11 billion as emergency spending, including the subsidy cost for auto industry loan guaranties.

The bill does not continue the fiscal year 2008 ban on drilling in the Outer Continental Shelf.

- Division B: Fiscal Year 2008 Disaster Package. H.R. 2638 provides \$22.9 billion in fiscal year 2008 emergency disaster assistance to address damages from hurricanes, floods, wildfires, and other natural disasters. Funding items include:
  - \$7.9 billion for the Federal Emergency Management Agency Disaster Relief Fund.
  - \$6.5 billion for Community Development Block Grants.
  - \$2.8 billion for various the Army Corps of Engineers programs.
  - \$2.8 billion for LIHEAP (out of the total \$5.1 billion cited above).
  - \$910 million for wildfires.
  - \$850 million for the Federal Aid Highway Emergency Relief Program.

- Divisions C Through E: Fiscal Year 2009 Security Minibus. The measure includes three regular appropriations bills for fiscal year 2009: Defense, Homeland Security, and Military Construction/Veterans. To date, the House has considered and passed only the Military Construction bill.
  - The Defense component of H.R. 2638 is \$4 billion below the President's 2009 budget request, but roughly \$29 billion above last year's enacted level, excluding emergencies.
  - The Homeland Security bill is roughly \$5 billion above last year's 2008 enacted level, excluding emergencies and \$2.4 billion above the President's 2009 request.
  - The fiscal year 2009 Military Construction and Veterans Affairs portion appears to be approximately \$13 billion above last year's 2008 nonemergency enacted level, and \$4 billion above the President's 2009 request.
- **Earmarks.** The bill contains 2,627 congressionally sponsored earmarks, with a total cost of \$16.1 billion. If the earmarks attributed solely to the President are included, the bill contains 2,760 earmarks at a cost of \$19.1 billion.

The amount of money spent on earmarks in just the three regular appropriations bills included in the CR is already more than the earmark total in all the appropriations bills for fiscal year 2008 – and two of these bills never even passed the House.

Among the most egregious earmarks are \$24.5 million for the National Drug Intelligence Center [NDIC], in Johnstown, PA, and \$1.75 million for a Heritage Center in San Francisco.