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Legislative Bulletin......March 15, 2011

Contents:

H.J.Res. 48—FY 2011 Further Continuing Appropriations Amendments.

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<u>Order of Business</u>: The House is scheduled to consider the legislation on Tuesday, March 15, 2011, under a likely closed rule.

Background: The previous Congress failed to enact a final spending plan for FY 2011 (in fact, it failed to enact into law *any* of the twelve FY 2011 appropriations bills).

On February 19, 2011, the House passed <u>H.R. 1</u>, the FY 2011 Full Year Continuing Resolution Appropriations Act. This legislation would have enacted a final FY 2011 spending level (through the remainder of the fiscal year) \$61 billion below last year's spending and \$100 billion below the President's request (approximately \$81 billion of this spending reduction was for "non-security spending"). The Senate has yet to pass any legislation wrapping up the FY 2011 process.

H.J.Res. 48 would be the second continuing resolution (CR) extension this Congress. <u>H.J.Res.</u> 44 extended the CR through March 18, 2011, with a total savings of \$4.01 billion.

Summary:

Two Week Extension of Existing CR: The legislation extends the existing CR for three weeks, through April 8, 2011.

Spending Cuts: The legislation makes \$6.1 billion of spending reductions, which can be divided into two categories: 1) program terminations/reductions 2) cuts to earmark accounts.

Program Cuts:

- **Preserve America:** \$4.6 million savings.
- ➤ Save America's Treasures: \$14.8 million savings. *This program elimination was included in the RSC Spending Reduction Act.* The Save America's Treasures program was created by

an Executive Order from President Clinton in 1998. The program was designed as a public-private effort to protect threatened cultural and historical treasures in America. In spite of its stated intent to protect only legitimate American historical treasures, the program now funds a wide array of pet projects with no broad historical significance. By 2006, Save America's Treasures was conducting 1,500 distinct projects. The projects ranged from remodeling local theaters, to renovating courthouses, to converting firehouses into art galleries. The program's loss of focus comes in part from Congress dedicating up to half of the program's total funding to politically directed earmarks instead of a merit-based selection process. The program is duplicative of numerous other federal, state, and non-profit efforts.

- **Climate Effects Network:** \$10.5 million savings.
- **Greenhouse Gas Cap and Trade Funding:** \$5 million savings.
- **Local Government Climate Change Grants:** \$10 million savings.
- > Targeted Airshed Grants: \$10 million savings.
- ➤ National Park Service, Construction: \$25 million savings.
- **➤ Wildland Fire Suppression Rescission:** \$200 million savings.
- ➤ **Single Family Housing:** \$144 million savings.
- **Customs and Border Protection, Construction:** \$107 million savings.
- **Emergency Steel Loans:** \$48 million savings.
- **Public Telecommunications Facilities and Construction:** \$19 million savings.
- ➤ **Decennial Census:** \$1.74 billion savings. This funding would be to conduct the 2010 census, which has already been completed.
- **Career Pathways Innovation Fund:** \$125 million savings.
- **Community Service Employment for Older Americans:** \$225 million savings.
- > State Health Access Grants: \$75 million savings.
- > Flu Funding: \$276 million savings.
- **Parklawn Building Lease:** \$35 million savings.
- **Corporation for Public Broadcasting:** \$50 million savings.
- ➤ Internet Technology Funds: \$200 million savings.
- **Brownfields Redevelopment:** \$17.5 million savings.
- **Railroad Safety Technology Program:** \$50 million savings.
- **Chief Administrative Officer—Salaries and Expenses:** \$1.5 million savings.
- ➤ **Abraham Lincoln Bicentennial:** \$750,000 savings. The bicentennial celebration occurred more than two years ago.
- ➤ International Fund for Ireland: \$17 million savings. This program elimination was included in the RSC Spending Reduction Act. The International Fund for Ireland was established by the Irish and British governments in 1986 to promote peace in Northern Ireland. Although U.S. taxpayers have already contributed \$280 million and sectarian violence in Northern Ireland has dramatically decreased, the federal government continues to contribute millions in taxpayer funds annually. Representative Jason Chaffetz (R-UT) has authored legislation to eliminate this funding (H.R. 2915 from the 111th Congress).

Earmark Account Terminations: The legislation terminates money for earmarks that were previously made available in the 2010 appropriations process by reducing \$2.6 billion of funding to Agriculture, Commerce-State-Justice, Financial Services, and Interior accounts.

Legislative "Riders": The legislation extends all riders in current law. It does not, however, include any additional riders. This means that provisions from H.R. 1—such as the defunding of Obamacare and the prohibition of funds for Planned Parenthood—are not included in this three-week continuing resolution.

Potential Conservative Concerns (and Conservative Supporting Arguments): Many conservatives support the legislation; many oppose it. There is a general consensus that H.R. 1, the FY 2011 full year continuing resolution, is a better solution than a series of short-term continuing resolutions. However, the Senate has failed to adopt *any* legislation wrapping up FY 2011. Senator Reid's proposed solution received 42 votes—9 votes short of a simple majority, 18 short of a filibuster-proof 60 votes. Consequently, conservatives have different views about what the appropriate House strategy should be.

Conservative Arguments in Favor of H.J.Res. 48

Saves Taxpayers \$6.1 Billion: The legislation reduces spending by \$6.1 billion. This is equivalent, on a pro-rated basis, to the spending reduction level in H.R. 1.

Eliminates Programs Targeted by Conservatives: The legislation reduces or eliminates 25 federal programs. Two program eliminations were also included in the <u>RSC Spending Reduction Act</u>: Save America's Treasures (\$15 million savings) and the International Fund for Ireland (\$17 million savings).

Conservative Concerns with H.J.Res. 48

No Defunding of Obamacare: Some conservatives have raised concerns that the legislation does not include any language blocking funding for Obamacare during the period covered by the continuing resolution extension.

No New Pro-Life Riders: The legislation does not include any of the pro-life riders from H.R. 1, such as the prohibition on federal funding to Planned Parenthood, as well as prohibitions on DC abortion funding. However, pro-life riders in current law would be extended.

Harms Conservative Leverage Over Other Spending Fights: The strategy of liberals is to combine the debt limit fight and the FY 2011 CR into one larger effort, so that they can continue the current spending trajectory with as few concessions to conservatives as possible. H.J.Res. 48, by not wrapping up the FY 2011 CR, may make that scenario more likely.

Does Not Wrap Up FY 2011: Some conservatives argue that funding the government in small chunks is harmful. This may be especially true in terms of the Department of Defense's ability to plan.

<u>Cost to Taxpayers</u>: The legislation provides an extension of the current continuing resolution for three weeks, with a \$6.1 billion net spending reduction in FY 2011.

Outside Organizations:

Key Voting Against: Club for Growth, Heritage Action for America, and Family Research Council Action. In addition, the <u>National Taxpayer Union (NTU)</u> opposes continuous stopgap measures—though it has <u>not</u> said it is key voting against (as of press time).

Supportive: Americans for Tax Reform (ATR)

<u>Committee Action</u>: The legislation was introduced on March 11, 2011, and has not been formally considered by any committee.

<u>Does the Bill Expand the Size and Scope of the Federal Government?</u>: No. The legislation reduces spending by \$6.1 billion.

<u>Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?</u>: No.

Constitutional Authority: According to the sponsor:

"The principal constitutional authority for this legislation is Clause 7 of Section 9 of Article I of the Constitution of the United States (the appropriation power), which states: 'No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law.' In addition, Clause 1 of Section 8 of Article I of the Constitution (the spending power) provides: 'The Congress shall have the Power to pay the Debts and provide for the common Defence and general Welfare of the United States.'
Together, these specific constitutional provisions establish the congressional power of the purse, granting Congress the authority to appropriate funds, to determine their purpose, amount, and period of availability, and to set forth terms and conditions governing their use."

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