

House Appropriations Committee

Chairman Hal Rogers

Website address: <http://appropriations.house.gov/>

FY 2014 Omnibus – Financial Services Appropriations

Bill limits funding and increases oversight of the IRS, invests in programs to help small businesses

The Financial Services portion of the Omnibus funds the Treasury Department, the Federal Judiciary, the District of Columbia, and various independent agencies. The bill limits funding for the IRS and regulatory agencies while targeting funds to programs that will help small businesses and our economy thrive. The bill totals \$21.8 billion in discretionary funding – \$603 million above the fiscal year 2013 enacted level.

Internal Revenue Service (IRS) – The bill maintains the majority of the sequestration funding cuts for the IRS, providing a total of \$11.3 billion – \$526 million below the fiscal year 2013 enacted level. This brings the bill down to below fiscal year 2009 appropriation levels. Within this amount, \$92 million in IRS funding is set aside to improve taxpayer services and address refund fraud, identity theft, and overseas compliance. The bill includes no additional funding for ObamaCare.

To help curb potential illegal and unethical activities at the IRS, the bill prohibits funds to target groups for regulatory scrutiny based on their ideological beliefs or to target citizens for exercising their First Amendment rights. The legislation also requires extensive reporting on IRS spending, training, and bonuses, and prohibits funding for inappropriate videos.

General Services Administration (GSA) – The bill allows the GSA to spend \$9.4 billion out of the Federal Buildings Fund – \$1.3 billion over the fiscal year 2013 level and a \$581 million reduction compared to the President's request. The legislation includes strong oversight measures for the GSA, including: requiring extensive new reporting on the GSA property inventory, spending, training, and bonuses; and increasing transparency by restructuring GSA accounts to separate administrative costs from program funds.

Small Business Administration (SBA) – The bill contains \$929 million for the SBA, a reduction of \$116 million from the fiscal year 2013 enacted level. Small businesses are the drivers of the American economy, and SBA loans and entrepreneurial development programs play an important part in helping small businesses start and grow. To this end, the bill fully funds business loans at \$263 million. Due to a reduction in loan subsidy rates, this level is \$222 million below the fiscal year 2013 enacted level, but is sufficient to support expected loan demand. The bill fully funds disaster loan implementation costs at \$192 million to allow for a quick and

efficient emergency loan process when unexpected natural disasters strike individuals and small businesses.

Judiciary – The bill includes \$6.5 billion for the Federal Courts, which is equal to the fiscal year 2013 enacted level and consistent with their latest estimate of needs. This will provide funding for all federal court activities, the supervision of offenders and defendants living in our communities, the maintenance of court security, and the timely processing of federal cases.

District of Columbia – The bill contains a \$673 million federal payment to the District of Columbia – \$2.2 million below the fiscal year 2013 enacted level. Within this amount, the bill targets resources on public safety and security costs – including \$232.8 million for DC Courts and \$226.5 million for criminal offender supervision.

The legislation also includes \$48 million for school improvement. This includes \$16 million, which is \$13.8 million above the request and the Senate level, for scholarships to low-income students in DC to attend private schools. In addition, the legislation maintains a longstanding provision prohibiting federal and local funds from being used for abortion in the District of Columbia. The legislation does not include Senate language to allow DC budget autonomy.

Securities and Exchange Commission (SEC) – The bill includes \$1.35 billion for the SEC, which is \$29 million above the fiscal year 2013 enacted level and \$324 million below the budget request and the Senate bill. The legislation also rescinds \$25 million from the SEC “reserve fund” – a slush fund for SEC programs that have congressional oversight. In addition, \$44 million of the total is designated for the Division of Economic and Risk Analysis to improve the use of economic analysis in the Commission’s rule-making process.

Treasury Terrorism and Financial Intelligence – The bill provides \$102 million for terrorism and financial intelligence activities, including sanctions enforcement. This is \$2 million above the fiscal year 2013 enacted level and \$4.2 million above the budget request.

Other Legislative Provisions – The legislation contains several policy provisions, including:

- A prohibition on the use of funds for abortion under the federal employees health benefits program;
- A pay freeze for the Vice President and senior political appointees;
- A prohibition on funding to require that entities bidding for federal contracts disclose campaign contributions;
- A prohibition on the use of funds for painting portraits; and
- Additional reporting requirements to increase transparency of the activities of agencies whose funding jurisdiction fall outside annual congressional review, including the Office of Financial Stability and the Office of Financial Research.

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