Legislative Bulletin.....September 16, 2014

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## H. J. Res. 124 — Continuing Appropriations Resolution, 2015 (Rogers, R-KY)

<u>Order of Business</u>: H. J. Res. 124 (the CR) is expected to be considered on September 16, 2014, under a <u>structured rule</u>. The Rule provides one hour of debate on the CR and incorporates a manager's amendment into the base text of the CR (the manager's amendment is reflected in the summary below).

The Rule makes in order one amendment regarding Syria offered by House Armed Services Committee Chairman McKeon. The Rule provides for six hours of debate on the McKeon amendment.

**<u>Duration</u>**: The CR provides funding for federal agencies from October 1, 2014, until December 11, 2014 (72 days).

<u>Continuation of Current Policies</u>: The CR continues the current policies contained in the <u>FY</u> 2014 Consolidated Appropriations Act (Omnibus) that was signed into law in January. The CR prohibits the use of funds to initiate or resume any project for which funds were not available in FY 2014.

**Spending**: The CR continues at the current FY 2014 spending level at an annual rate of \$1.012 trillion (\$1,012,236,000,000). Annualized Defense spending would be \$517.689 billion and annualized Non-Defense spending would be \$494.547 billion. The CBO report can be found here.

The CR provides an across-the-board reduction of .0554 percent to all regular appropriations accounts. This is necessary to reach the \$1.012 trillion level due to one-time rescissions included in the FY 2014 Omnibus and due to CBO adjustments to the baseline.

Spending Comparison (Budget Authority on Annualized Basis in Billions of Dollars)				
	Defense	Non-Defense	Total	
Ryan Murray FY 2014	520.464	491.773	1,012.237	
Ryan-Murray FY 2015	521.272	492.356	1,013.628	

H. J. Res 124	517.689	494.547	1,012.236
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Under the Ryan-Murray <u>Bipartisan Budget Act</u>, the total cap on discretionary spending for FY 2015 is \$1.014 trillion (\$1,013,628,000,000). The appropriations bills considered by the House were marked up to the \$1.014 trillion level.

### **Anomalies and Other Items**:

**Export Import Bank**: The Export-Import Bank (Ex-Im) authorization (<u>12 U.S.C. 635 et seq.</u>) is extended through June 30, 2015. (Sec. 147)

The Export-Import Bank was established in 1934 as a New Deal program under President Franklin D. Roosevelt. The current authorization for Ex-Im expires on September 30, 2014. The last reauthorization, H.R. 2072, passed the House by a vote of 330-93 on May 9, 2012. H.R. 2072, P.L. 112-122, increased Ex-Im's lending cap by forty-percent to \$140 billion. Section 11 of the bill also required the Secretary of the Treasury to initiate and pursue negotiations with other countries to end export credit financing and specifically to reduce aircraft export financing. According to a recent Congressional Research Service report, "Export-Import Bank" Overview and Reauthorization Issues," "these efforts reportedly have run into difficulty."

Supporters of the Bank argue that it is "indispensable" and "levels the global playing field for U.S. manufacturers." Critics of the Bank describe it as an example of "crony capitalism" that heavily concentrates the benefits. On June 25, 2014, the House Committee on Financial Services conducted a hearing entitled "Examining Reauthorization of the Export-Import Bank: Corporate Necessity or Corporate Welfare?"

The Congressional Budget Office <u>estimated</u> that Ex-Im's six largest programs, under current law, would "cost \$2 billion on a fair-value basis" from FY 2015 – FY 2024.

Coalition <u>Letter</u> in opposition to the Ex-Im Bank Signed By 30 Groups (including Americans for Prosperity, Americans for Tax Reform, R Street, FreedomWorks, National Taxpayers Union)

The National Association of Manufacturers supports reauthorizing the Ex-Im Bank.

The <u>U.S. Chamber of Commerce</u> supports reauthorizing the Ex-Im Bank.

**Internet Tax Freedom Act**: The Internet Tax Freedom Act is extended to December 11, 2014. The House passed H.R. 3086, the Permanent Internet Tax Freedom Act, on July 15, 2014, but the Senate has yet to act on this measure. (Sec. 126)

<u>Americans for Tax Reform</u> urges Congress "to pass a clean permanent extension of the Internet tax moratorium before November 1st."

<u>Heritage Action</u> writes that the short-term extension of the Internet Tax Freedom Act "places the expiration of ITFA right in the middle of a lame duck session."

**Border**: The CR provides U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement obligation rate flexibility to sustain staffing levels on the border, border security and enforcement operations, and air and marine operations. (Sec. 129)

The Department of Health and Human Services is given obligation rate flexibility to maintain current operations for refugee and entrant assistance to provide assistance to unaccompanied children. (Sec. 135)

**Ebola**: The CR provides a total of \$88 million available through FY 2015 to address the <u>Ebola outbreak</u> in Africa. \$58 million is provided for advanced research and development under the Public Health and Social Services Emergency Fund and \$30 million is provided for Centers for Disease Control and Prevention. The <u>Administration requested</u> these funds for vaccine "safety testing in the United States and efficacy testing in Africa." (Sec. 136 and 137)

**Ukraine**: Several international assistance programs are given obligation rate flexibility to sustain assistance to Ukraine and other Eastern European countries. These programs include the Broadcasting Board of Governors, the Economic Support Fund, International Narcotics Control and Law Enforcement, Nonproliferation, Anti-terrorism, Demining and Related Programs, and the Foreign Military Financing Program. (Sec. 145)

**Department of Defense**: The CR continues current Department of Defense (DOD) operations, including counter drug activities, the Office of Security Cooperation in Iraq, assistance in combating terrorism rewards, and educational benefits to dependents. The CR provides up to \$50 million to clean up unexploded ordinance at closed training ranges in Afghanistan using OCO funds. (Secs. 120, 119)

**Military Construction**: Funding for military construction is reduced by \$3.2 billion, a level that is consistent with the House-passed <u>FY 2015 Military Construction and Veterans Affairs</u> <u>Appropriations bill</u>, as well as the DOD's budget request. (Sec. 141)

**Veterans Programs**: The Veterans Benefits Administration is provided an additional \$59 million and the VA Inspector general is provided an additional \$5 million. The Office of Special Counsel is provided an additional \$2.3 million to handle VA whistleblowing cases. (Secs. 142, 143, 124)

**Commodity Supplemental Food Program**: The CR provides an additional \$6 million for the Commodity Supplemental Food Program. (Sec. 116)

**FDA** User Fees: The CR authorizes collection and spending of user fees for the FDA pursuant to the Drug Quality and Security Act that was signed into law last November. The <a href="Administration requested">Administration requested</a> this authority. (Sec. 117)

**NOAA Satellites**: National Oceanic and Atmospheric Administration (NOAA) is given obligation rate flexibility to maintain launch schedules for several weather satellites. The <u>Administration requested</u> this authority. (Sec. 118)

**Uranium Decontamination and Decommissioning**: The CR allows the DOE flexibility to continue activities under this account. The Administration requested similar language. (Sec. 121)

**Waste Isolation Pilot Plant**: The DOE is given flexibility to restore and upgrade the repository at the Waste Isolation Pilot Plant in New Mexico after an accident in February. The Administration requested similar language. (Sec. 122)

**District of Columbia Funds**: Washington, D.C. is allowed to expend its local funds. (Sec. 123)

**SBA 7(a) Program**: The CR raises the cap on loans for the Small Business Administration's 7(a) Program by \$1 billion and provides obligation rate flexibility. (Sec. 125)

**Chemical Facilities Regulations**: Extends through December 11, 2014, the ability of Department of Homeland Security (DHS) to regulate high-risk chemical facilities, under the 2007 Department of Homeland Security Appropriations Act. The <u>Administration requested</u> this authority. (Sec. 127)

**DHS Research and Development**: Extends through December 11, 2014, the authority of the DHS to carry out research and development pilot projects. The <u>Administration requested</u> this authority. (Sec. 128)

Federal Lands Recreation Enhancement Act: Extends the <u>Federal Lands Recreation</u> <u>Enhancement Act</u>, which permits agencies to charge user fees at campgrounds, cabins, and day use sites on federal lands. The <u>Administration requested</u> this authority. (Sec. 130)

**Dwight D. Eisenhower Memorial Commission**: The Eisenhower Memorial Commission is extended through December 11, 2014. (Sec. 131)

**Temporary Assistance for Needy Families (TANF)**: The CR authorizes the TANF program through December 11, 2014. (Sec. 132)

**Head Start**: The CR excludes funds appropriated in FY 2014 for Early Head Start Expansion and Early Head Start-Child Care Partnerships from the FY 2015 base grant calculations. The <u>Administration requested</u> this language. (Sec. 133)

**LIHEAP**: The CR continues a provision from the Omnibus that requires most Low Income Home Energy Assistance Program (LIHEAP) funds to be allocated to the "old formula", while \$491 million will be allocated according to the "new" statutory formula. <u>CRS</u> has more information on this issue. (Sec. 134)

**Workforce Innovation and Opportunity Act**: The CR permits funding to be transferred between the Department of Education and the Department of Health and Human Services to carry out the Workforce Innovation and Opportunity Act that was enacted in July. The Administration requested this authority. (Sec. 138)

**SCHIP Rescission**: The CR rescinds \$4.5 billion in unobligated funds from the <u>Children's Health Insurance Program (SCHIP) Reauthorization Act of 2009</u>. This legislation provided a one-time appropriation of \$11.7 billion. (Sec. 139)

**Seafood Industry Visas**: The CR continues a provision included in the Omnibus that provides flexibility with respect to the crossing of H–2B nonimmigrants working in the seafood industry through December 11, 2014. (Sec. 140)

**International Religious Freedom Act**: The CR extends the United States Commission on International Religious Freedom through December 11, 2014. (Sec. 144)

**Export Subsidies for Coal**: The CR continues a provision from the Omnibus to allow support by the Export-Import Bank of the United States and the Overseas Private Investment Corporation for coal-fired and other power generation projects in eligible foreign countries. (Sec. 146)

**Aviation War Risk Insurance**: The CR extends the <u>FAA Aviation Insurance Program</u> to December 11, 2014. <u>CRS</u> has further background on this program. (Sec. 148)

<u>Additional Background</u>: Without enactment of appropriations prior to the beginning of Fiscal Year 2015 on October 1, many parts of the federal government would be forced to cease operation.

Once again, the Senate has failed to complete its basic task of funding the government. The Senate did not pass a budget resolution, as required by law – for the fourth time in the last five years. The Senate did not pass a single appropriations bill – for the third year in a row.

FY 2015 Appropriations Bills Passed			
House	Senate		
7	0		

In contrast, the House passed a responsible budget that balances. The House passed seven of the twelve regular appropriations bills under an open process that allowed for almost 400 amendments to be offered.

<u>Committee Action</u>: H. J. Res. 124 was introduced by Appropriations Committee Chairman Hal Rogers on September 9, 2014. The CR was not considered by the Appropriations Committee.

#### **Outside Groups**: Key Votes:

Club for Growth is **key voting** opposition.

Heritage Action is **key voting** opposition.

<u>Potential Conservative Concerns/Support:</u> Some conservatives oppose the short-term reauthorization of the Export Import Bank. Others view the short term reauthorization as progress because it decouples the Export Import Bank from government funding (and thus

extracts Democrat shutdown scare tactics from the conversation about the Bank), allows the Bank to be considered on its merits, and gives House committees of jurisdiction more time to conduct oversight.

Some conservatives may be concerned that by extending government funding through December 11, 2014, lame-duck Senate Democrats will attempt to wield undue influence over the subsequent Omnibus and legislation that could be attached to the Omnibus. Other conservatives argue that the agreed-upon spending caps (provided in the Ryan-Murray budget deal) limit the amount of mischief that can be done by lame-duck Senate Democrats.

Constitutional Authority: "Congress has the power to enact this legislation pursuant to the following: Pursuant to clause 7(c) of rule XII of the Rules of the House of Representatives, the following statement is submitted regarding the specific powers granted to Congress in the Constitution to enact the accompanying bill or joint resolution. 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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# Amendment to H. J. Res. 124 – Authorizing Assisting, Training, and Supplying Syrian Opposition (Rep. McKeon, R-CA)

<u>Summary: This amendment</u> would authorize the Secretary of Defense, in coordination with the Secretary of State, to provide assistance, including training, equipment, supplies, and sustainment, to appropriately vetted elements of the Syrian opposition and other appropriately vetted Syrian groups and individuals for the following purposes:

- ➤ Defending the Syrian people from attacks by the Islamic State of Iraq and the Levant (ISIL), and securing territory controlled by the Syrian opposition;
- ➤ Protecting the United States, its friends and allies, and the Syrian people from the threats posed by terrorists in Syria;

> Promoting the conditions for a negotiated settlement to end the conflict in Syria.

The amendment defines the term "appropriately vetted" Syrian opposition elements as assessments of such elements, groups, and individuals for associations with terrorist groups, Shia militias aligned with or supporting the Government of Syria, and groups associated with the Government of Iran. Such groups include, but are not limited to, the Islamic State of Iraq and the Levant (ISIL), Jabhat al Nusrah, Ahrar al Sham, other al-Qaeda related groups, and Hezbollah.

The Secretary of Defense, in coordination with the Secretary of State, shall submit to Congress not later than 15 days prior to providing assistance to vetted recipients for the first time a report, in unclassified form, with a classified annex as appropriate, which contains a description of:

- The plan for providing such assistance;
- The requirements and process used to determine appropriately vetted recipients; and
- ➤ The mechanisms and procedures that will be used to monitor and report to the appropriate congressional committees and leadership of the House of Representatives and Senate on unauthorized end-use of provided training and equipment and other violations of relevant law by recipients.

This plan would include a description of the goals and objectives of authorized assistance; the concept of operations, timelines, and types of training, equipment, and supplies to be provided; the roles and contributions of partner nations; the number of United States Armed Forces personnel involved; any additional military support and sustainment activities; and any other relevant details.

The Secretary of Defense, in coordination with the Secretary of State, is required to provide to Congress, not later than 90 days after the Secretary of Defense submits the previously required report, a progress report including a description of:

- Any updates to or changes in the plan, strategy, vetting requirements and process, and end-use monitoring mechanisms and procedures;
- > Statistics on green-on-blue attacks and how such attacks are being mitigated;
- The groups receiving assistance authorized by the amendment;
- > The recruitment, throughput, and retention rates of recipients and equipment;
- Any misuse or loss of provided training and equipment and how such misuse or loss is being mitigated; and
- An assessment of the effectiveness of the authorized assistance.

**Funding:** The amendment allows the Department of Defense to submit a reprogramming or transfer request to the congressional defense committees for funds made available by H. J. Res. 124. The Secretary of Defense may accept and retain contributions, including assistance in-kind, from foreign governments to carry out activities as authorized in the amendment, which shall be credited to appropriations made available by the bill for the appropriate operation and maintenance accounts. Any funds accepted by the Secretary of Defense shall not be available for obligation until a reprogramming action is submitted to Congress.

**Limits on Engagement:** Nothing in the amendment shall be construed to constitute a specific statutory authorization for the introduction of United States Armed Forces into hostilities or into situations wherein hostilities are clearly indicated by the circumstances.

Nothing in this section supersedes or alters the continuing obligations of the President to report to Congress pursuant to Section 4 of the War Powers Resolution (50 U.S.C. 1543) regarding the use of United States Armed Forces abroad.

Additional Information: In light of Islamic State of Iraq and the Levant's recent territorial gains in Northern Iraq, the United States and additional coalition allies have launched a counter-offensive to defend American assets in the area and to assist the Iraqi government forces in retaking their territory. This effort has consisted of over 150 aerial sorties over Iraqi territory since August 2014 and has helped push ISIL back from the Erbil area, one of Northern Iraq's largest cities. President Obama has also announced an increase in the number advisors and diplomatic security personnel in Iraq by 475 troops, bringing the total number of personnel thus far in Iraq to around 1,600. In Syria, where ISIL has declared the northern town of Raqqah as their headquarters, a program to train and equip more moderate elements of the Syrian opposition to the Assad regime has been proposed in an effort to degrade ISIL.

Despite this effort, ISIL remains a major threat to U.S. interests in the region. The militant organization has also attracted thousands of foreign fighters and volunteers of Western origin to its ranks. ISIL has also established itself as a well funded and self-financing terrorist organization.

An ISIL territory map provided by the Institute for the Study of War (ISW) can be found <a href="here">here</a>. ISW's strategy paper on defeating the ISIL threat can also be found <a href=here</a>. More information on the link between the Assad regime and the creation of ISIL can be found <a href=here</a>. The Washington Institute for Near East Policy's analysis of a train and equip program for vetted moderate Syrian opposition elements can be found <a href=here</a>. The Rules Committee summary of the amendment can be found <a href=here</a>. On September 10, 2014, the House Armed Services Committee presented 5 elements for a successful strategy to counter and destroy the Islamic State of Iraq and the Levant which can be found <a href=here</a>. The White House's fact sheet on the strategy to counter ISIL can be found <a href=here</a>. The White House's fact sheet on the strategy to counter ISIL can be found <a href=here</a>.

<u>Conservative Concerns and Support</u>: There have been some concerns over the best way to properly vet each <u>Syrian opposition faction</u>. Other concerns exist regarding how to prevent U.S. supplied weapons from <u>falling into the hands</u> of more radical elements associated with al-Qaeda or even ISIL. Other conservatives argue that this question should be taken up on its own, <u>separate from the CR</u> (Heritage Foundation).

On the other hand, some conservatives argue that while the United States has launched a military counter-offensive to aid the Iraqi government in defeating ISIL in Iraqi territory, no such action of that scale has taken place in Syrian territory, due in part to the risk that such an action would be construed as aiding the oppressive Assad regime which has been hostile to U.S. interests in the region. These conservatives argue that a train-and-equip program for the moderate and vetted Syrian opposition to be a key component of U.S. strategy to defeat ISIL in Syrian territory without aiding the Assad regime.

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