Legislative Bulletin.....September 20, 2013

## H.J. Res. 59 — Making Continuing Appropriations for Fiscal Year 2014, and for Other Purposes (Rep. Rogers, R-KY)

<u>Order of Business</u>: The bill is scheduled to be considered on Friday, September 20, subject to a closed rule (<u>H. Res. 352</u>). The rule makes in order one amendment (offered by Rep. Scalise, R-LA) which shall be considered adopted upon approval of the rule.

<u>Summary</u>: This 75-day continuing resolution provides funding through December 15, 2013, at an annualized rate of \$986.3 billion. This is the current post-sequester spending level required (for FY2013) by the Budget Control Act (BCA). The BCA cap for base discretionary spending in FY2014 is \$967.5 billion (to read OMB's August sequestration report for FY2014, <u>click here</u>). As mandated by law, the base discretionary spending rate will be brought in line with the FY2014 BCA cap through sequestration in mid-January, 2014. This continuing resolution spends at a rate slightly higher than the BCA cap, but does not "turn off" the BCA sequester.

The underlying bill continues all policy riders that are currently in effect (the current continuing resolution is H.R. 933, <u>P.L. 113-6</u>). In effect, all funding streams provided in FY2013 will continue under this continuing resolution, with the exception of the items covered in the Scalise Amendment below.

<u>Scalise (R-LA) Amendment:</u> This amendment (text <u>here</u>) self-executes – i.e. becomes part of the base text of the continuing resolution – upon approval of the rule. The amendment consists of two primary parts:

- (1) Full and permanent delay of the Affordable Care Act (commonly known as Obamacare, P.L. 111-148 and P.L. 111-152) with language based on the Defund Obamacare Act of 2013 offered by Rep. Graves (R-GA). This permanently delays and defunds the ACA (i.e. the moratorium on the ACA is in effect until lifted by Congress and does not expire with the 75-day continuing resolution). The amendment prohibits the use of discretionary dollars, unobligated balances, or mandatory spending to carry out any portion of the ACA.
- (2) Implementation of the House-passed Full Faith and Credit Act (H.R. 807) offered by Rep. McClintock (R-CA) with a December 15, 2014, sunset. This language ensures that the United States government will honor its debts (more than half of which are held by Americans) in the event the debt ceiling is reached. This has the effect of preventing

sovereign default on US Treasuries and prioritizing Social Security payments. To read a more in-depth RSC analysis of this bill provided when the bill was first considered in the House, <u>click here</u>.

Anomalies: The bill contains a number of anomalies to provide continuing authorization for expiring programs and to allow higher spending rates for a variety of priorities, including: the Judiciary (Section 121), US Customs and Border Protection (Section 125), wildfire management (Sections 126, 127), the Mine Safety and Health Administration (Section 130), Low Income Home Energy Assistance (Section 131), Refugee Entrant Assistance (Section 132), and Veterans Affairs (Section 135), among others. A death gratuity is also provided to Mrs. Bonnie Lautenberg, widow of the late Sen. Frank Lautenberg (Section 134).

<u>CHIMPS (Changes in Mandatory Spending)</u>: The annualized rate of CHIMPS in this bill is \$18.15 billion in budget authority for FY2014. The CHIMPS contained in this continuing resolution are rolled over from FY2013. By pushing spending out of the current year – but often into future years – CHIMPS lower the overall first-year score of appropriations bills and thereby allow higher first-year discretionary spending.

**Administration Position**: The White House has issued a veto threat.

**Does the Bill Expand the Size and Scope of the Federal Government?**: No.

<u>Mandates?</u>: No. In fact, with the addition of the Scalise Amendment, this bill would dramatically reduce the ACA mandates placed on state and local governments, on the private sector, and on American families.

<u>Does the Bill Contain Any Federal Encroachment into State or Local Authority in Potential Violation of the 10<sup>th</sup> Amendment?</u>: No.

Does the Bill Delegate Any Legislative Authority to the Executive Branch?: No.

Does the Bill Contain Any Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: No.

<u>Outside Organizations</u>: A number of outside organizations have weighed in on various portions of the bill:

Defunding the ACA: Among other organizations this step is supported by <u>Americans for Limited</u> Government, Citizens United, Family Research Council, FreedomWorks, and Heritage Action.

Full Faith and Credit Act: <u>Americans for Prosperity</u>, <u>Heritage Action</u>, and <u>Club for Growth</u> issued letters of support and key vote alerts when this bill was first considered in the House.

Spending Levels: Some outside organizations, including the <u>National Taxpayers Union</u>, have expressed support for holding funding levels to the BCA FY2014 level of \$967.5 billion.

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