Legislative Bulletin.....September 28, 2013

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

Order of Business: The bill is scheduled to be considered on Saturday, September 28, subject to a structured rule (H.Res. 366). The rule makes in order two amendments: the Blackburn Amendment and the Paulsen Amendment. Because the rule brings the amendments up under a motion, the bill as amended will be privileged in the Senate and consideration will be expedited. Although there will be one motion, there will be a vote on each amendment in the Senate.

<u>Summary</u>: The amendments made in order would make a number of changes to the Senate-passed continuing resolution. The House-passed continuing resolution that was amended by the Senate was passed on September 20, 2013 and included language that funded the government through December 15, 2013, at current operating levels (discretionary spending of \$986.3 billion), permanently defunded the Affordable Care Act, and incorporated a modified version of the Full Faith and Credit Act (H.R. 807). Click <a href="here">here</a> for RSC analysis of the House-passed bill, and click <a href="here">here</a> for the House roll call vote on the bill.

Senate Amendments: The Senate-passed amendment in the nature of a substitute (offered by Sen. Reid, D-NV) to the House-passed bill made three major changes: (1) it shortened by one month the duration of the continuing resolution by changing the end date from December 15, 2013, to November 15, 2013, (2) it eliminated a provision to permanently defund and delay the Affordable Care Act, which was included in House bill by the Scalise Amendment, and (3) it eliminated modified language from the Full Faith and Credit Act (H.R. 807), which was also included in the House bill by the Scalise Amendment. The Senate amendment also made a number of technical changes and corrections to the anomalies included in the House bill. The Senate amendment did not change the funding level contained in the House bill (Senate vote on cloture here, and Senate vote on final passage here).

House Amendments:

<u>Blackburn Amendment:</u> Among other changes (see *common changes* below), this amendment provides for a one-year delay of "Obamacare" or the Affordable Care Act (P.L. 111-148 and P.L. 111-152).

- The amendment would delay the obligation and collection of all Obamacare taxes for one year.
- The amendment exempts from the one-year delay provisions that are collectively known as the "Patients' Bill of Rights," which includes the mandate that children at or under the age of 26 be allowed to remain on their parents' health insurance, prohibitions on annual and lifetime benefit caps, and medical loss-ratio requirements, among other provisions (click <a href="here">here</a> to read section 9815 of the Internal Revenue Code of 1986).
- The amendment also freezes funding going to or from the Patient Centered Outcomes Research Fund.
- From a pro-life perspective, this amendment would delay for one year taxpayer subsidies for insurance plans that include elective abortion and would delay for one year the Health and Human Services preventatives services mandate with regard to employers and individuals who have a moral or religious objection to such coverage (for more information on these provisions, contact <a href="Scott Herndon">Scott Herndon</a> with the RSC or Autumn Christensen with the Congressional Pro-Life Caucus).

<u>Paulsen Amendment:</u> Among other changes (see *common changes* below), this amendment eliminates the 2.3 percent excise tax levied on the sale of medical devices by manufacturers or importers (with exclusions for eyeglasses, contact lenses, hearing aids and other devices generally sold in retail establishments). The Joint Tax Committee estimates this excise tax will, if left in place, raise \$29.1 billion in revenue. To read a full explanation of this excise tax from the Joint Tax Committee, click here (see page 41).

Common Changes: Both amendments extend the length of the CR back to the original House-passed date of December 15, 2013, make a number of technical corrections and changes to the anomalies in the Senate-passed CR, and provide discretionary spending at a \$986.3 billion annualized rate. 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, click here). 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. The amendments provide spending at a rate slightly higher than the BCA cap, but do not "turn off" the BCA sequester.

<u>Full Faith and Credit Act:</u> No language reinserting the Full Faith and Credit Act (H.R. 807) was included in any of the amendments made in order.

Other Provisions: 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.

<u>Administration Position</u>: The Administration has issued a veto threat for the bill with the amendments made in order.

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

<u>Mandates?</u>: No. In fact, with the addition of the Blackburn and Paulsen Amendments, 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>: The Family Research Council is scoring in favor of the Blackburn Amendment.

## H.R. 3210 – Pay Our Military Act

<u>Order of Business</u>: The bill is scheduled to be considered on Saturday, September 28, subject to a closed rule.

Summary: The Pay Our Military Act ensures that, in the event short-term or full-year appropriations are not in effect (i.e. a government shutdown), appropriated funds are available to: (1) provide pay and allowances to members of the Armed Forces, including reserve components, who are performing active service, (2) provide pay and allowances to civilian personnel at the Department of Defense (and the Coast Guard under the Department of Homeland Security) whom the Secretary of Defense determines are providing support to the Armed Forces, as defined in the bill, and (3) provide pay and allowances to DOD contractors whom the Secretary concerned (either the Secretary of Defense or the Secretary of Homeland Security) determines are providing support to members of the Armed Forces, as defined in the bill.

These special appropriations are made available until either a regular appropriation for the same purposes outlined above is passed or January 1, 2015, whichever comes first.

**Administration Position**: No Statement of Administration Position was available at press time.

<u>Cost to Taxpayers</u>: While no CBO score is available, the text provides continuing appropriations for certain military activities at the current operating level, which is consistent with the Budget Control Act's post-sequester level for Fiscal Year 2013.

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