

H.R. 2029: Consolidated Appropriations Act, 2016 (Rep. Rogers, R-KY)

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FLOOR SCHEDULE:

H.R. 2029 is expected to be considered on December 17, and 18, 2015, under a rule.

The rule makes in order two House amendments to the Senate amendment to H.R. 2029.

The first House amendment consists of 12 appropriations bills, an intelligence reauthorization, a cyber security bill, a provision lifting the crude export ban, a reauthorization of 9/11 benefits, a small number of tax provisions, and other legislation. This amendment includes Divisions A through P. The rule self-executes a manager's amendment that makes technical changes to the proposed amendment.

The second House amendment includes several tax provisions, including making some tax extenders permanent. This amendment includes Division Q.

The rule provides for separate one-hour periods of debate and separate votes on each of the two House amendments. Assuming both amendments are agreed to, the Senate would consider both together as House amendments to the Senate amendments to the House passed bill.

The rule allows for same-day rule authority and suspension authority through December 18, 2015.

The rule also provides for operations of the House during the period between December 18, 2015, and January 5, 2016.

TOPLINE SUMMARY:

The House amendment to the Senate amendment to H.R. 2029 would provide funding for appropriated programs for the remainder of Fiscal Year 2016.

The bill also includes several pieces of authorizing legislation and the extension of several expiring or expired provisions of the tax code, which were not included in the second House amendment that addressed expiring tax provisions. The RSC Bulletin for the second House amendment is available here.

The bill text can be found here and the explanatory statements can be found here.

COST:

According to the <u>Congressional Budget Office</u> (CBO), the bill would appropriate a total of \$1.067 trillion in base discretionary appropriations subject to spending caps in FY 2016. The bill would also appropriate \$83.057 billion not subject to spending caps for Overseas Contingency Operations (OCO), Emergency, Program Integrity, and Disaster spending.

Implementing the non-appropriations aspects of the bill would increase the deficit by \$57.6 billion over the FY 2016 – 2025 period. The bill would increase direct spending by \$2.974 billion and would reduce revenues by \$55.383 billion over the FY 2016 – 2025 period.

The following table outlines the discretionary budget authority authorized under the Omnibus compared to current levels:

	Base Defense	Defense OCO	Total Defense	Base Non- Defense	Non- Defense OCO	Total Non- Defense	Total Base	Total OCO	Total
Current FY2016 CR	520.385	65.501	585.886	496.197	9.257	505.454	1,016.58 2	74.75 8	1,091.340
FY2016 Omni	548.091	58.798	606.889	518.491	14.895	533.386	1,066.58	73.69 3	1,140.28
Omni vs. Current	+ 27.706	- 6.703	+ 21.003	+ 22.294	+ 5.638	+ 27.932	+ 49.998	- 1.065	+ 48.940

^{1.} The Current FY 2016 OCO levels reflect the currently appropriated levels in the Fiscal Year 2016 Continuing Appropriations Act. The President's Budget requested \$51 billion for Defense OCO and \$7 billion for Non-Defense OCO in FY 2016.

CONSERVATIVE VIEWPOINTS:

Funding National Defense: Some conservatives may be pleased the bill includes higher levels of base spending for Defense discretionary programs, while using less OCO spending to cover base needs. This allows for better strategic planning within the DoD and provides the resources needed to address existing and evolving threats, which many believe to be especially important in light of recent global developments.

Crude Oil Exports: Some conservatives may be pleased that the bill includes lifting the ban on exporting domestic crude oil. This is <u>expected</u> to expand economic growth, lower consumer energy costs, move the U.S. closer to energy security, improve national security, and reduce the trade deficit.

Read the Bill: Some conservatives may be concerned that the bill's 2242 pages of legislative text and over 1000 pages of explanatory material were only made publicly available at 1:34 AM or later on December 16, 2015, giving Members, staff, and the public only limited time to review the legislation prior to an anticipated vote on December 18. However this timetable complies with the letter of the 3-day rule.

Spending Levels: Some conservatives may be concerned that the bill would spend above the levels agreed to in the Budget Control Act of 2011, the Fiscal Year 2016 Budget Resolution passed by the House and Senate earlier this year, and the appropriations bills passed by the House and Senate Appropriations Committees and on the House floor.

Some conservatives may be concerned that \$9 billion of the \$25 billion in additional Non-Defense funding is allocated to the appropriations bill for the departments of Labor, Health and Human Services, and Education.

OCO/Base Budget Shifting: Some conservatives may be concerned that the bill uses the increased funding for non-defense OCO to shift activities of the State Department that would normally be funded by base appropriations (subject to the caps) into OCO (exempt from the caps), which frees additional non-defense funds to spend on non-defense programs.

Syria Refugees: Some conservatives may be concerned that the bill does not include a provision to restrict the resettlement of refugees from Syria into American neighborhoods until thorough background checks can be conducted as called for in the House-passed SAFE Act, but does include a substantial increase in appropriations for refugee programs.

Visa Waiver Program: Some conservatives may be pleased the bill includes reforms to the Visa Waiver Program.

Guantanamo Detainees: Some conservatives may be pleased that the bill continues current law riders prohibiting the transfer of Guantanamo detainees to the United States.

Values Issues: Some conservatives may be pleased that the bill does continue numerous important current law riders regarding protection of life. The bill also increases spending on Sexual Risk Avoidance education (abstinence education).

Some conservatives may be concerned this bill would provide millions of dollars in discretionary Title X family planning funding and does not include *authorizing language* to prohibit Medicaid dollars for Planned Parenthood. The bill does not include a provision that would allow states to opt out of funding Planned Parenthood.

Amnesty Funding: Some conservatives may be concerned that this bill fails to include provisions to limit or reverse President Obama's illegal executive amnesty actions, as the House has <u>voted to do</u>.

Iran: Some conservatives may be concerned that this bill would fail to prevent President Obama lifting sanctions on Iran, as the House has <u>voted to do</u>.

Obamacare: Some conservatives may be concerned that this bill would continue to allow funding for Obamacare, as the House has <u>voted to repeal and defund</u>.

CHIMPS: Some conservatives may be concerned that the bill relies on \$19 billion of "changes in mandatory programs" (CHIMPS) to meet the spending caps. Because of the CBO scoring conventions, an appropriations bill can offset increases in discretionary spending if it reduces mandatory spending in the first year of the budget window. These CHIMPS are often just gimmicks that shift the timing of mandatory spending, and allow increases in discretionary spending year after year using the same "offset" over and over.

Wind PTC and Solar ITC: Some conservatives may be concerned that the bill extends the Production Tax Credit and expands the solar Investment Tax Credit. These tax credits would phase out in 2020 and 2020.

Cyber Security Legislation: Some conservatives may be concerned that the bill includes significant legislation regarding cyber security that promotes information sharing between government and the private sector. Some conservatives have expressed privacy concerns regarding this provision.

H-2B Visa: Some conservatives may be concerned that the bill includes a provision that would provide an exemption to the H-2B visa cap for certain individuals who previously held a visa.

International Climate Change Funding: The bill does not include an appropriation for the Green Climate Fund. However, the bill provides funding for several international climate change programs, from which the administration has indicated that it will use its authority to "deliver its first payment" of \$500 million to the United Nations Green Climate Fund".

- Expand the Size and Scope of the Federal Government? This bill would increase funding for appropriations above current levels to the caps enacted in the Bipartisan Budget Act of 2015. It also includes numerous authorizing provisions that expand or create new discretionary or mandatory programs.
- **Encroach into State or Local Authority?** Some conservatives may believe that many of the programs funded by the bill encroach into state and local authority.
- Delegate Any Legislative Authority to the Executive Branch? No.
- Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits? No.

DETAILED SUMMARY AND ANALYSIS:

Funding Changes Between House Appropriations Bills and Omnibus

Dollar figures are in billions and represent base 302(b) levels

Totals may not add due to rounding

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	House FY 2016	Omnibus FY 2016	Change from Original House Level	
Agriculture	20.650	21.75	+ 1.100	
Commerce- Justice-Science	51.374	55.722	+ 4.348	
Defense	490.226	514.136	+ 23.910	
Energy-Water	35.402	37.185	+ 1.783	
Financial Services and General Government	20.250	23.235	+ 2.985	
Homeland Security	39.333	40.955	+ 1.622	
Interior- Environment	30.170	32.159	+ 1.989	
Labor-HHS- Education	153.052	162.127	+ 9.075	
Legislative Branch (including Senate)	4.300	4.363	+ 0.063	
Military Construction- Veterans Affairs	76.056	79.869	+ 3.813	
State-Foreign Operations	40.500	37.78	- 2.7201	
Transportation- HUD	55.269	57.301	+ 2.032	
Total	1,016.582	1,066.582	+ 50.000	

^{1 -} The non-defense OCO budget was significantly increased in the Bipartisan Budget Act of 2015, allowing up to \$14.9 billion in capexempt funding to be allocated to the State Department. The lower base discretionary funding level indicated here is the result of base spending being shifted into this new OCO authority, rather than a net reduction in spending.

Agriculture Appropriations

H.R. 3049, the Agriculture appropriations bill, passed out of the House Appropriations Committee on June 18, 2015. The full House did not act on the measure.

The explanatory statement can be found here.

Funding:

	Enacted FY 2015	House FY 2016	FY 2016 Omnibus	Change from Original House Level
Agriculture	20.800	20.650	21.750	+1.100

Status of Important Conservative Riders:

Allow schools demonstrating a financial hardship to seek an exemption from the whole grain nutrition standards (*Current law provision*).

• The bill **includes** this provision.

Prohibit funds for the FDA to allow the genetic modification of viable human embryos.

• The bill **includes** this provision.

Delay menu labeling regulations.

• The bill **includes** this provision.

Prevent the implementation of further sodium reduction standards until the latest scientific research establishes the reduction is beneficial for children (*Current law provision*).

• The bill **includes** this provision.

Prohibit funds for FDA regulation of certain tobacco products.

• The bill *does not* include this provision.

Other Notable Provisions: The bill would repeal mandatory country of origin labeling (COOL) requirements.

Commerce, Justice, Science Appropriations

H.R. 2578, the Commerce, Justice, Science bill, passed the House on June 3, 2015 by a 242-183 vote.

The explanatory statement can be found <u>here</u>.

Funding:

	Enacted FY 2015	House FY 2016	FY 2016 Omnibus	Change from Original House Level
CJS	50.103	51.374	55.722	+ 4.348

Status of Important Conservative Riders:

King Amendment to prohibit funds for the defense in *Texas v U.S.* (amnesty case).

• The bill *does not* include this provision.

Prohibit funds for the National Telecommunications and Information Administration to relinquish its responsibility over the Internet's domain name system functions (*Current law provision*).

• The bill **includes** this provision.

King Amendment to prohibit funding for sanctuary cities.

• The bill *does not* include this provision.

Flores Amendment to prohibit funds for the National Ocean Policy.

• The bill *does not* include this provision.

Buck Amendment to eliminate a provision (Schumer Amendment) which prohibits persons from petitioning the Bureau of Alcohol, Tobacco & Firearms (BATFE) for the restoration of their Second Amendment rights.

• The bill *does not* include this provision.

Prohibit funding for an unauthorized reporting and registration requirement regarding the sale of multiple rifles to the same person in border states.

• The bill *does not* include this provision.

Prohibit funds to construct, acquire, or modify a facility in the U.S. to house detainees held at Guantanamo Bay (*Current law provision*).

• The bill **includes** this provision.

Luetkemeyer Amendment to prohibit funding for Operation Chokepoint.

• The bill *does not* include this provision.

Conscience protection clause that would prohibit funds to require any person to perform or facilitate in any way the performance of any abortion (*Current law provision*).

• The bill **includes** this provision.

Prohibit federal funds to pay for an abortion, except in the case of rape or to preserve the life of the mother (*Current law provision*).

• The bill **includes** this provision.

Defense Appropriations

H.R. 2685, the <u>Defense</u> bill passed the House on June 9, 2015, by a $\frac{278 - 149}{1}$ vote.

The explanatory statement can be found here.

Funding:

	Enacted FY 2015	House FY 2016	FY 2016 Omnibus	Change from Original House Level
DOD- Base	490.194	490.226	514.136	+ 23.910
DOD - OCO	63.935	88.421	58.638	- 29.783
DOD - Total	554.129	578.647	572.774	- 5.873

Status of Important Conservative Riders:

Prohibit funds to transfer or release any detainee held at Guantanamo Bay into the U.S, modify any facility in the U.S. to house any Guantanamo detainee, and prohibit funds to be used in contravention

Section 1035 of the National Defense Authorization Act for Fiscal Year 2014, which requires the Administration to notify Congress 30 days in advance of a detainee transfer to a foreign country (*Current law provision*).

The bill includes these provisions.

Prohibit funds to enforce Section 526 of the Energy Independence and Security Act (EISA) of 2007, which would prohibit federal agencies from purchasing fuel from non-conventional sources such as coal-to-liquids, oil shale, and oil sands.

• The bill *does not* include this provision.

McClintock Amendment to prohibit funding to comply with green energy executive orders and laws.

• The bill *does not* include this provision.

Energy and Water Appropriations

H.R. 2028, the Energy and Water bill, passed the House on May 1, 2015 by a 240-177 vote.

The explanatory statement can be found here.

Funding:

	Enacted FY 2015	House FY 2016	FY 2016 Omnibus	Change from Original House Level
E&W	34.202	35.402	37.185	+ 2.95

Permanently prohibit the Army Corps of Engineers from changing the definition of "navigable waters" under the Clean Water Act (*current law restricts an interpretive rule regarding agricultural exceptions*).

• The bill *does not* include this provision.

Prohibit any funds to be used to implement the National Ocean Policy.

• The bill *does not* include this provision.

Permanently prohibit the Army Corps of Engineers from implementing regulations to change the definition of fill material under the Clean Water Act.

• The bill **includes** this provision.

Prohibit the use of funds to close the Yucca Mountain licensing process.

• The bill *does not* include this provision.

Babin Amendment to prohibit funds to enter into a contract or funding agreement with Iran that don't require Iran to end its nuclear program.

The bill does not include this provision.

Rothfus Amendment to prohibit funds to apply the report entitled "Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas from the United States" to determine whether a LNG export application is in the public interest.

• The bill *does not* include this provision.

Permanently prohibits the Army Corps from adopting regulations that ban individuals not otherwise prohibited from possessing a firearm (*Current law provision*).

• The bill *does not* include this provision.

McClintock Amendment to prohibit any funds made available to the Bureau of Reclamation to purchase water to release in California that are mandated under certain environmental laws.

• The bill *does not* include this provision.

Financial Services and General Government Appropriations

H.R. 2995, the Financial Services bill, passed out of the House Appropriations Committee on July 9, 2015. The full House did not act on the measure.

The explanatory statement can be found <u>here</u>.

Funding:

	Enacted FY 2015	House FY 2016	FY 2016 Omnibus	Change from Original House Level
FSGG	21.820	20.250	23.235	+ 2.985

Status of Important Conservative Riders:

Prohibit the proposed regulation related to political activities and the tax-exempt status of 501(c)(4) organizations.

• The bill **includes** this provision.

Provisions to stop the IRS from further implementing Obamacare, including a prohibition on any transfers of funding from the Department of Health and Human Services to the IRS for Obamacare uses, and a prohibition on funding for the IRS to implement an individual insurance mandate.

• The bill *does not* include this provision.

Prohibit funds for the IRS to target groups for regulatory scrutiny based on their ideological beliefs or to target individuals for exercising their First Amendment rights (*Current law provision*).

• The bill **includes** these provisions.

Prohibit the District of Columbia from using federal or local funds to implement or enforce the Reproductive Health Non-Discrimination Amendment Act.

• The bill *does not* include this provision.

Prohibit the use of funds for abortion in the Federal Employee Health Benefits program (*Current law provision*).

• The bill **includes** this provision.

Prohibit funding for abortions through OPM-negotiated "multi-state qualified health plans" offered under Obamacare.

• The bill *does not* include this provision.

Prohibit the SEC from spending any money out of its "reserve fund" – a slush fund without any congressional oversight.

• The bill **rescinds** \$25 million from the reserve fund.

Bring funding for the CFPB under the annual congressional appropriations process.

• The bill *does not* include this provision.

Prohibit funding for the Financial Stability Oversight Council to designate non-banks as "systemically important financial institutions," thereby imposing new regulations on their activities, without allowing non-banks to change their business practices prior to final designation.

• The bill *does not* include this provision.

Prohibit funds for the FCC to implement net neutrality until court challenges are resolved.

• The bill *does not* include this provision.

Homeland Security Appropriations

H.R. 3128, the Homeland Security bill, passed out of the House Appropriations Committee on June 21, 2015. The full House did not act on the measure.

The explanatory statement can be found <u>here</u>.

Funding:

	Enacted FY 2015	House FY 2016	FY 2016 Omnibus	Change from Original House Level
Homeland	39.670	39.333	40.955	+ 1.622

Status of Important Conservative Riders:

Prohibit the use of funds for President's executive action on immigration for the duration of ongoing legal proceedings on the issue.

• The bill *does not* include this provision.

Prohibit certain state and local grants from going to "Sanctuary Cities".

• The bill *does not* include this provision.

Prohibit funds to transfer or release detainees from Guantanamo Bay (Current law provision).

• The bill **includes** this provision.

Prohibit federal funding for Immigration and Customs Enforcement (ICE) to provide for abortions, except in certain life-threatening cases, rape, and incest.

• The bill *does not* include this provision.

Other Notable Provisions:

H-2B Visa Cap: The bill contains a provision known as the "returning worker" exemption, which would exempt H-2B visa workers that have been counted against the cap in one of three previous years, from being counted against this year's cap. In 2015, the demand for H-2B workers exceeded the annual 66,000 yearly cap, reportedly leaving some employers who rely on these temporary non-agriculture workers short-handed. Demand is projected to hit and exceed the cap again in 2016. Employers seeking to use the H-2B program do so to fill temporary and seasonal positions, often competing in a market against competitors hiring undocumented workers at lower rates as well as American citizens. Some conservatives have expressed concern that this could significantly increase the number of H-2B visas, to as much as quadruple the current rate.

Interior and Environment Appropriations

H.R. 2822, the <u>Interior and Environment</u> bill was considered in the House, but a vote on passage was not held.

The explanatory statement can be found here.

Funding:

	Enacted FY 2015	House FY 2016	FY 2016 Omnibus	Change from Original House Level
Interior	30.416	30.170	32.159	+ 1.989

Status of Important Conservative Riders:

Prohibit the EPA from implementing new ozone standards until at least 85 percent of counties in nonattainment achieve compliance with existing standards.

• The bill *does not* include this provision.

Prohibit the EPA from implementing greenhouse gas regulations for new and existing power plants.

• The bill *does not* include this provision.

Prohibit the EPA from changing the definition of navigable waters under the Clean Water Act.

The bill does not include this provision.

Prohibit funds to carry out the National Ocean Policy.

• The bill *does not* include this provision. The bill does not include appropriations for this purpose.

Prohibit the EPA from implementing a regulation that would require permitting under the Clean Air Act for carbon dioxide, nitrous oxide, water vapor, or methane emissions.

• The bill **includes** this provision.

Prohibit the EPA from changing the definition of fill material or discharge fill material under the Clean Water Act.

• The bill *does not* include this provision.

Prohibit the social cost of carbon to be incorporated into any rulemaking or guidance until an interagency working group revises the estimates.

• The bill *does not* include this provision.

Prohibit the issuance of a proposed rule for the Sage Grouse under the Endangered Species Act.

• The bill **includes** this provision.

Prohibit the EPA from implementing the Hydraulic Fracturing on Federal and Indian Lands regulation.

• The bill *does not* include this provision.

Prohibit the BLM from closing areas that were open to recreational hunting and shooting as of January 1, 2013.

• The bill *does not* include this provision.

Labor, Health and Human Services, Education Appropriations

H.R. 3020, the Labor, Health, and Human Services, and Education bill, passed out of the House Appropriations Committee on July 10, 2015. The full House did not act on the measure.

The explanatory statement can be found <u>here</u>.

Funding:

	Enacted FY 2015	House FY 2016	FY 2016 Omnibus	Change from Original House Level
L-HHS-Ed	156.763	153.052	162.127	+ 9.075

Status of Important Conservative Riders:

The text of the "Health Care Conscience Rights Act" which includes the Abortion Non-Discrimination Act (ANDA).

The bill *does not* include this provision.

Prohibit the use of any new discretionary funding to implement Obamacare.

The bill **includes** no new funding for Obamacare.

Prohibit funds to make Obamacare Risk Corridor payments (Current law provision).

The bill **includes** this provision.

Continuations of all longstanding restrictions on abortion funding that have been included in the legislation in prior years (*Current law provision*).

The bill **includes** these provisions.

Provide parity in funding Sexual Risk Avoidance (SRA) abstinence education, including critical language from the Healthy Relationship Act of 2015 that prevents misuse of SRA funds.

The bill increases funding for SRA, but does not provide parity.

Prohibit regulatory changes to the definition of the term "Fiduciary".

The bill *does not* include this provision.

Prohibit funding to implement or enforce a National Labor Relations Board ruling that allows certain groups of employees within a larger company to form separate union.

The bill *does not* include this provision.

Prohibit issuing new NLRB joint-employer standards.

• The bill *does not* include this provision.

Prohibit the Department of Education from moving forward with regulations to establish a college ratings system, place new requirements on teacher preparation, define "gainful employment" and "credit hour," and dictate how states must license institutions of higher education.

• The bill *does not* include this provision.

Prohibit the use of funds for Title X Family Planning activities.

• The bill *does not* include this provision.

Other Notable Provisions:

National Institutes of Health (NIH): The bill would fund the NIH at \$32 billion, an increase of \$2 billion over the FY 2015 level and \$1 billion over the House bill level.

Independent Payment Advisory Board (IPAB): The bill would not fund Obamacare's IPAB.

Community Health Centers: The bill would provide \$1.49 billion for community health centers, equal to current levels. Community health centers provide a range of health services in medically underserved areas, including primary care family planning services, cancer screenings, and women's health exams. According to the <u>Alliance Defending Freedom and the Charlotte Lozier Institute</u>, "there are currently 13,540 clinics providing comprehensive health care for women, versus 665 Planned Parenthood locations."

Restriction on Politically Motivated Anti-Second Amendment Research: The bill maintains a long-standing rider that prohibits politically motivated, one-sided "research" to promote gun control. Prior to this restriction being enacted in the 1990's, the <u>CDC had a history of politically motivated</u> studies. Contrary to media reports, the rider does not prohibit research related to firearms; it only prohibits taxpayer funding for politically motivated "research." The rider simply reads: "None of the funds made available in this title may be used, in whole or in part, to advocate or promote gun control." According to reports, <u>the number of studies</u> regarding firearms has remained fairly constant since the rider was first enacted.

Legislative Branch Appropriations

H.R. 2250, the Legislative Branch bill passed the House on May 19, 2015, by a 357 – 67 vote.

The explanatory statement can be found here.

Funding:

	Enacted FY	House FY 2016	FY 2016	Change from
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	2015		Omnibus	Original House Level
Leg. Branch	4.300	4.300	4.363	+ 0.063

Status of Important Conservative Riders:

Prohibit a cost of living increase for members during FY 2016 (*Current law provision*).

• The bill **includes** this provision.

Provide that unspent MRA funds be used for deficit reduction (*Current law provision*).

• The bill **includes** this provision.

Flores Amendment to prohibit any funds for delivering printed copies of the Congressional Pictorial Directory in the House.

• The bill **includes** this provision.

Eliminate funding for the Open World Leadership Center.

• The bill provides \$5.6 million for the Open World Center.

Prohibit the payment of bonuses to contractors that are behind schedule or over budget (*Current law provision*).

• The bill **includes** this provision.

Military Construction, Veterans Affairs Appropriations

H.R. 2029, the <u>Military Construction and Veterans Affairs</u> bill passed the House on April 30, 2015, by a <u>255 – 163</u> vote.

The explanatory statement can be found here.

Funding:

Enacted FY 2015	House FY 2016	FY 2016 Omnibus	Change from Original House Level
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MilCon-VA - Base	71.808	76.056	79.869	+ 3.813
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Status of Important Conservative Riders:

Rothfus Amendment to prohibit bonuses for senior VA employees.

The bill *does not* include this provision.

Rescind funds from FY 2016 VA discretionary appropriations to implement the limit on bonuses for VA employees.

The bill *does not* include this provision.

Prohibit the use of funds for the renovation, expansion, or construction of any facility in the continental United States for the purpose of housing any individual who has been detained at Guantanamo Bay (Current law provision).

The bill **includes** this provision.

Jolly Amendment to prohibit the use of funds to close Guantanamo Bay.

The bill **includes** this provision.

Roe Amendment to prohibit funding for performance bonuses to the VA's Office of Construction and Facility Management.

The bill *does not* include this provision.

Gosar Amendment to prohibit the VA from falsifying records by blocking any funding to maintain a record keeping system not approved by headquarters and the implementation of the "Fast Letter 13-10 memo".

The bill *does not* include this provision.

Babin Amendment to prohibit the Department of Veterans Affairs from carrying out the Appraised Value Offer program to incentivize relocation of senior VA employees.

The bill *does not* include this provision.

State and Foreign Operations Appropriations

H.R. 2772, the State and Foreign Operations bill, passed out of the House Appropriations Committee on June 11, 2015. The full House did not act on the bill.

The explanatory statement can be found <u>here</u>.

Funding:

	Enacted FY 2015	House FY 2016	FY 2016 Omnibus	Change from Original House Level
State - Base	40.007	40.500	37.78	- 2.720
State - OCO	9.258	7.334	14.895	+ 7.561
Stat - Total	49.265	47.834	52.675	+ 4.841

Status of Important Conservative Riders:

Reinstate the Mexico City Policy, a policy prohibiting U.S. assistance to foreign nongovernmental organizations that promote or perform abortions.

• The bill *does not* include this provision.

Eliminate funding for the Green Climate Fund, Strategic Climate Fund, and the Clean Technology Fund.

The bill would allow funding for President Obama's international climate change programs. The bill specifically includes \$10 million for the UN Framework Convention on Climate Change, \$49.9 million for the Contribution to the Strategic Climate Fund (plus an addition \$9.72 million in transfer authority from other accounts), and \$170.68 million for the Clean Technology Fund. The bill does not specifically include appropriations for the Green Climate Fund, but the administration has indicated that it will use its authority to "deliver its first payment of \$500 million to the United Nations Green Climate Fund".

No funding or authority for the International Monetary Fund (IMF).

• The bill *does not* include this provision.

Prohibit funds for UN organizations headed by countries that support terrorism (*Current law provision*).

• The bill **includes** this provision.

Maintain a requirement that the State Department must notify Congress if it commits to providing assistance to foreign governments who accept Guantanamo detainees (*Current law provision*). Add a new requirement for regular reporting to Congress on any negotiations related to detainee transfers.

• The bill requires the Secretary of State to report to Congress if he commits to providing assistance pursuant to an agreement to receive a detainee from Guantanamo. The bill does not require reporting regarding detainee negotiations.

Tighten restrictions in current law prohibiting funding to the Palestinian Authority if its government is formed through an agreement with Hamas and enhance conditions on the Palestinians having representation in the U.S.

• The bill would restrict aid to the Palestinian Authority if it pursues action against Israel in the International Criminal Court, prohibit funds for Hamas, and would restrict funds if action is not taken to reduce the incitement of violence.

Prohibit funding to implement the UN Arms Trade Treaty (*Current law provision*).

• The bill **includes** this provision.

Prohibit funding for U.N. Population Fund (UNFPA), and caps family planning and reproductive health programs at \$461 million, the fiscal year 2008 funding level.

• The bill *does not* include this provision, but does cut the UNFPA by \$2.5 million.

Include the "Helms Amendment," which bans foreign aid from being spent on abortions (*Current law provision*).

• The bill **includes** this provision.

Include the "Tiahrt Amendment," which ensures family planning programs are voluntary (*Current law provision*).

• The bill **includes** this provision.

Transportation, Housing and Urban Development Appropriations

H.R. 2577, the <u>Transportation</u>, <u>Housing</u>, <u>and Urban Development</u> bill passed the House on June 9, 2015, by a <u>216 – 210</u> vote.

The explanatory statement can be found here.

Funding:



	Enacted FY 2015	House FY 2016	FY 2016 Omnibus	Change from Original House Level
THUD	53.770	55.269	57.301	+ 2.032

Status of Important Conservative Riders:

Garett Amendment to prohibit implementation of the HUD Disparate Impact rule.

• The bill *does not* include this provision.

Denham Amendment to prohibit funding for high speed rail in California.

• The bill *does not* include this provision.

Brooks Amendment to prohibit funds from being used in violation of current law that restrict housing assistance for non-citizens.

• The bill **includes** this provision.

Gosar Amendment to prohibit HUD from implementing its proposed Affirmatively Furthering Fair Housing Rule that would condition CDBG funds to new zoning rules based upon citizens' demographics such as race, religion, and sex.

• The bill *does not* include this provision.

Yoho Amendment to prohibit funds from being used in violation of current HUD regulations that restrict housing assistance for non-citizens.

• The bill **includes** this provision.

Issa Amendment to prohibit funds for a camera to collect or store license plate numbers.

• The bill *does not* include this provision.

Delay the implementation of the "hours of service" regulation pending the completion of an ongoing study regarding the results of that regulation (*Current law provision*).

• The bill **includes** this provision.

Prohibit funds to mandate global positioning system (GPS) tracking in passenger vehicles without the

appropriate consideration of privacy (Current law provision).

• The bill **includes** this provision.

Prohibit funds to facilitate new air transportation from the U.S. that would land on or pass through property that has been confiscated by the Cuban Government.

• The bill *does not* include this provision.

Mullin Amendment to prohibit funds to enforce regulations against religious and community organization roadside signs.

• The bill *does not* include this provision.

Authorizing Legislation:

Intel Reauthorization: Division M reflects language contained in H.R. 4127, the Intelligence Authorization Act for Fiscal Year 2016, which would authorize funding for the U.S. intelligence community for FY 2016, including for the intelligence activities of the Central Intelligence Agency (CIA), the Office of the Director of National Intelligence (ODNI), the National Security Agency (NSA), the National Geospatial Intelligence Agency (NGA), and the National Reconnaissance Office (NRO) among others. The RSC's legislative bulletin for H.R. 4127 can be found here. H.R. 4127 passed the House on December 1, 2015 by a recorded vote of 364 – 58.

Cybersecurity Act of 2015: Division N reflects language contained in <u>S. 754</u>, <u>H.R. 1560</u>, and <u>H.R. 1731</u>, relating to cybersecurity. Title I, III, and IV of Division N reflect an informal pre-conference agreement between both S. 754 and H.R. 1560. The RSC's legislative bulletin for H.R. 1560, which passed the House on April 22, 2015 by <u>307 – 116</u>, can be found <u>here</u>.

Title I would allow the Director of National Intelligence (DNI) to develop procedures for the federal government to promote and share cybersecurity threat information with private entities and non-federal government agencies, including state, tribal, or local governments. Title I would further authorize a private entity to monitor its own information contained in its internal system, and an information system of a non-federal entity or of a federal entity, upon the entity's written authorization. The provision would also extend civil and criminal liability protection to cybersecurity providers and other entities that monitor, share, or use cyber threat information.

Title II of the division would clarify the role of the Department of Homeland Security's <u>National Cybersecurity and Communications Integration Center</u> in sharing cyber threat information with other federal and non-federal entities. The RSC legislative bulletin for H.R. 1731, which passed the House on April 23, 2015 by <u>355 – 63</u>, can be found <u>here</u>.

Title III and IV of Division N reflect language contained in S. 754. Title III would require federal agencies to identify all personnel positions that require the performance of cybersecurity or other cyber-related functions, and assign a corresponding employment code. Title IV would require the Department of Homeland Security to report to Congress on threats relating to the security of federal government-owned mobile devices. The title would additionally require the Department of State to produce a comprehensive

strategy relating to U.S. international cyberspace policy. The Department of State would also be required to consult with countries in which international cyber criminals have sought refuge, and from which extradition is unlikely, to determine what actions those governments have taken to prosecute and prevent cybercrimes against the United States.

Some conservative <u>have expressed</u> concerns regarding this legislation, due in part to concerns over the cost of these cybersecurity efforts, governmental duplication, and the erosion of privacy rights. Division N's liability protection provisions have also been an issue of concern. Other conservatives believe that the threat posed by cyberattacks on the U.S. economy, infrastructure, and overall national security remains an ever-increasing danger and must be addressed through increased information sharing and liability protection.

Crude Oil Exports: The bill would remove restrictions on exporting domestically produced crude oil by repealing section 103 of the Energy Policy and Conservation Act of 1975, which allows the President to restrict the export of coal, petroleum products, natural gas, or petrochemical feedstocks. The House passed H.R. 702, which consisted of this provision, by a 261 - 159 vote on October 9, 2015.

Visa Waiver Program Reform: The bill includes the text of <u>H.R. 158</u>, the Visa Waiver Program Improvement Act of 2015, which would reform the Visa Waiver program. H.R. 158 passed the House by a 407 – 19 vote on December 8, 2015.

9/11 First Responders Program: The bill would reauthorize and modify the <u>James Zadroga 9/11 Health</u> and <u>Compensation Act</u>, which provides funding for health benefits for first responders, residents, and survivors of the terrorist attacks on 9/11. The World Trade Center Health Program Fund would be reauthorized and indexed for inflation through 2090. From 2001 through 2011, this program was funded out of the discretionary budget. It was converted to a five-year mandatory program in 2011.

Medicare and Medicaid Provisions: The bill includes several provisions relating to Medicare and Medicaid which are intended to serve as pay-fors for the 9/11 provisions. These provisions deal with the Medicare Improvements Fund, reimbursements for imaging, Durable Medical Equipment (DME) rates, and disposable devices.

Assistance for Puerto Rico: The bill would increase Medicare inpatient hospital rates for Puerto Rico hospitals and would make other changes to the Medicare program in Puerto Rico. The bill would allow the Treasury to provide technical budgeting assistance to the government of Puerto Rico. The bill does not include access to Chapter 9 municipal bankruptcy for Puerto Rico.

Financial Services: The bill includes several provisions related to financial services.

Limitation on GSE Preferred Stock Sales: The bill would limit the sale of Fannie Mae and Freddie Mac preferred stock by the Secretary of the Treasury until 2018.

Disclosure of Political Activities: The bill would prohibit the SEC from requiring companies to disclose political contributions, contributions to tax exempt organizations, or dues to trade associations.

Housing Programs: The bill would extend the Hardest Hit Fund through 2017 and would terminate the Making Home Affordable initiative beginning in 2017.

The bill also includes provisions related to confidentiality of information shared between state and local regulators, FACA, affiliate transactions, insurance policyholders, and a reporting requirement.



Reauthorization of Land Water Conservation Fund: The bill includes a three year reauthorization of the LWCF without meaningful reforms for the program. Many conservatives – especially from western states – are concerned about this provision.

National Oceans and Coastal Security: The bill includes a National Oceans and Coastal Security Act that would establish a new National Oceans and Coastal Security Fund to "better understand and utilize ocean and coastal resources." The provisions authorizes funding, but no funds were appropriated for this program.

Budgetary Provisions: The bill would provide that the budgetary effects of Divisions O and P of the bill shall not be entered on the PAYGO scorecards under the Statutory Pay As You Go Act.

The bill would allow the Chairman of the Budget Committee to adjust the allocations, aggregates, and levels of the Budget Resolution to be consistent with the Bipartisan budget Act of 2015.

Iraq Loan Authority: The bill would provide \$2.7 billion in direct loan authority for Iraq under the Arms Export Control Act.

Tax Provisions:

Delay in Cadillac Tax: Beginning in 2018, Obamacare imposes an excise tax on certain high-cost, employment-based health insurance plans. The bill would delay Obamacare's so-called Cadillac Tax for 2 years (until 2020). Repealing the Cadillac Tax is a <u>priority for Democrats</u>.

Tax on Health Insurers: Obamacare imposed a <u>tax</u> on health insurers that is projected to raise \$142 billion over the next decade. The bill would place a moratorium on the tax in 2017.

Extension of the Wind Production Tax Credit (PTC): The bill would extend the Wind PTC through 2019 and would reduce the value of the credit over that five year extension. Many conservatives are concerned about any extension of this credit, even as a phase-out. Near-term elimination of this program is an official RSC Initiative.

Extension and Expansion of the Solar Energy Credit: The bill would extend and expand the Solar Investment Tax Credit (ITC) for projects that "commence construction" (rather than the current placed in service standard) through 2021. The value of the credit would be reduced over the five year extension. Many conservatives are concerned about any extension of this credit, even as a phase-out.

Transportation Costs for Refiners: The bill would provide an increased domestic production deduction for independent oil refiners. This provision is designed to offset potential feedstock cost increases related to the repeal of the crude oil export ban.

OUTSIDE GROUPS:

Club for Growth: Key Vote No

FreedomWorks: Kev Vote No

Heritage Action: Key Vote No

National Association of Manufacturers: Key Vote Yes

Numbers USA: Score Against the Omnibus

Coalition Opposed to Cyber Security Act: FreedomWorks, R Street, Niskanen Center, TechFreedom

Heritage Foundation:

• Important Policy Riders for the FY 2016 Appropriations Bills

National Taxpayers Union: End-of-Year Spending Bill Presents Opportunities for Taxpayers

Americans for Tax Reform

- ATR Statement in Support of Risk Corridor Provision
- ATR Statement in Support of Crude Oil Export Ban Lifting

Competitive Enterprise Institute

- Missed Opportunity for Regulatory Reform
- Omnibus: No Financial Reg Relief, Dangerous GSE Provision, But a Little CFPB Sunshine

Family Research Council:

- <u>Letter Urging Inclusion of Pro-Life Riders</u> (these did not make it into the bill)
- Statement on all FRC Rider Priorities

U.S. Council of Catholic Bishops: <u>Letter Urging Inclusion of the Abortion Non-Discrimination Act</u> (which was *not* included in the bill)

Americans for Prosperity:

• AFP to Congress: Don't Include Green Climate Fund in Spending Bill

COMMITTEE ACTION:

The House Appropriations Committee marked up H.R. 2029 as the <u>Fiscal Year 2016 Military Construction</u> and <u>Veterans Affairs Appropriations</u> on <u>April 22, 2015</u>, and approved the bill by a voice vote. The House passed H.R. 2029 on April 30, 2015, by a <u>255 - 163</u> vote. The Senate amended and passed H.R. 2029, the Military Construction and Veterans Affairs bill on November 11, 2015, by a <u>93 - 0</u> vote.

Previous Action on Appropriations Measures:

The House passed six of the 12 appropriations bills for FY 2016:

- H.R. 2578, the <u>Commerce, Justice, and Science</u> bill passed the House on June 3, 2015, by a <u>242 183</u> vote.
- H.R. 2685, the Defense bill passed the House on June 9, 2015, by a 278 149 vote.
- H.R. 2028, the Energy and Water bill passed the House on May 1, 2015, by a 240 177 vote.
- H.R. 2250, the Legislative Branch bill passed the House on May 19, 2015, by a 357 67 vote.
- H.R. 2029, the Military Construction and Veterans Affairs bill passed the House on April 30, 2015, by a 255 163 vote.



 H.R. 2577, the <u>Transportation</u>, <u>Housing</u>, <u>and Urban Development</u> bill passed the House on June 9, 2015, by a <u>216 – 210</u> vote.

H.R. 2822, the <u>Interior and Environment</u> bill was also considered in the House, but a vote on passage was not held.

In contrast, the Senate did not pass a single appropriations bill before the start of the fiscal year. In July, <u>Senate Democrats vowed to filibuster all appropriations</u> measures in order to push for increased spending levels, a strategy that was ultimately successful.

Appropriations were extended through December 11, 2015, by <u>H.R. 719</u>, the <u>Continuing Appropriations</u> <u>Act, 2016</u>, which passed the House on September 30, 2015, by a <u>277 – 151</u> vote.

The discretionary spending caps agreed to in 2011 under the Budget Control Act were increased by <u>H.R.</u> 1314, the <u>Bipartisan Budget Act of 2015</u>, which passed the House on October 28, 2015, by a $\frac{266 - 167}{2015}$ vote.

The Senate was able to pass H.R. 2029, the Military Construction and Veterans Affairs bill on November 11, 2015, by a 93 - 0 vote. This was the first appropriations bill passed by the Senate in 5 years.

Appropriations were extended through December 16, 2015, by H.R. 2250, which passed the House on December 11, 2015, by a voice vote.

Appropriations were further extended through December 22, 2015, by H. J. Res 78, which passed the House on December 16, 2015, by a voice vote.

ADMINISTRATION POSITION:

"The Administration supports House passage of the House Amendments to the Senate Amendment to H.R. 2029, making appropriations for Fiscal Year (FY) 2016, and making permanent vital improvements to tax credits that benefit more than 24 million working- and middle class families each year.

"The Administration appreciates the bipartisan effort to provide full-year appropriations legislation consistent with the Bipartisan Budget Act of 2015, which provided significant relief from sequestration for both defense and non-defense priorities. The legislation would help to grow the economy and build middle-class economic security by investing in education, job training, advanced manufacturing, infrastructure, and research while keeping America safe. Additionally, the legislation is largely free of new unrelated ideological riders.

"In addition to making permanent vital improvements to tax credits for working- and middle class families, this legislation also would bring certainty to small businesses, companies investing in U.S. innovation, and charities, while extending important incentives for hiring and investing in low-income communities. The agreement would extend tax incentives for investments in wind and solar energy, driving significant reductions in carbon pollution and other dangerous air pollutants and providing certainty for investments in clean energy. The agreement also would phase out bonus depreciation, which was intended to be a temporary incentive, saving over \$200 billion over the next decade relative to its indefinite continuation. The Administration appreciates the bipartisan effort to provide full-year appropriations legislation for FY 2016 largely free of new unrelated ideological riders, and take a critical step toward a simpler, fairer tax code and a stronger economy, and urges the Congress to pass this legislation."

CONSTITUTIONAL AUTHORITY:

"Congress has the power to enact this legislation pursuant to the following: 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."

NOTE: RSC Legislative Bulletins are for informational purposes only and should not be taken as statements of support or opposition from the Republican Study Committee.

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