



Committee on Appropriations – Democrats

NO MONEY SHALL BE DRAWN FROM THE TREASURY BUT IN CONSEQUENCE OF APPROPRIATIONS MADE BY LAW, U.S. CONSTITUTION ARTICLE I, SECTION 9, CLAUSE 7



Congresswoman Hilda Lowey,
Ranking Democratic Member

FY2017 Continuing Resolution

December 2016

Highlights and Key Points

The Continuing Resolution will maintain government funding at its current spend rate through April 28, 2017.

FUNDING LEVEL

The Congressional Budget Office (CBO) scores a Continuing Resolution slightly above the Budget Control Act sequester cap for FY2017. The CR addresses the matter with an across-the-board cut of 0.19% for all accounts, defense and non-defense.

GENERAL PROVISIONS

The CR carries forward standard language:

- Ensuring funding for appropriated entitlements continue at a rate maintaining program levels under current law;
- Allowing the State Department, USAID, BBG, and related agencies to expend funds in the absence of an authorization, and authorizing continuation of certain intelligence activities; and
- Directing agencies to spend conservatively, prohibiting new starts, and prohibiting the Department of Defense from entering into multi-year contracts or increasing production rates.

EMERGENCY RELIEF FOR NATURAL DISASTERS

The Continuing Resolution provides \$4 billion in emergency funding to rebuild and repair damages caused by Hurricane Matthew in North Carolina, South Carolina, and Florida; and severe flooding that occurred in Texas, Louisiana, West Virginia, and elsewhere.

Funding includes:

- \$1.8 billion for the Community Development Block Grant – Disaster Recovery program to help communities recover and rebuild after natural disasters in 2016.

- The CR **does not include** funding requested by the Administration for resilience projects, intended to prepare at-risk communities from future severe weather events.
- \$1 billion for the Federal Highway Administration’s Emergency Relief program to rebuild infrastructure after natural disasters;
- \$1 billion for the Army Corps of Engineers to repair damages to federal projects resulting from recent severe storms;
- \$200 million for the U.S. Department of Agriculture to help with costs from damages caused by natural disasters to farms and ranches, non-industrial private forests, and watershed areas; and
- \$75 million for NASA to repair facilities at Kennedy Space Center that were damaged by Hurricane Matthew.

OVERSEAS CONTINGENCY OPERATIONS

The Continuing Resolution includes \$5.8 billion in Overseas Contingency Operations (OCO) funding for **defense priorities** from the budget amendment submitted in November. Of the \$5.8 billion provided for defense, \$5.1 billion is to support counterterrorism operations, including salaries and mission support for additional troops in Afghanistan and efforts to defeat ISIL, and \$652 million is to support the European Reassurance Initiative.

The Continuing Resolution includes \$4.3 billion in Overseas Contingency Operations (OCO) funding for **non-defense priorities**, including:

- \$1.6 billion for Embassy Security, including security of personnel and equipment; housing and compound security at high threat posts; dedicated air assets for immediate access and medical evacuation capacity as well as rotary wing support for rapid movement.
- \$1.2 billion for Economic and Stabilization Assistance, including countering Russian influence; community-based programs to confront threats from ISIL and other terrorist groups; stabilization efforts for ISIL-affected countries; expanded assistance for strategic allies; and support for Iraq Sovereign Loan guarantee;
- \$916 million for Humanitarian Assistance to respond to 65 million displaced persons;
- \$160 million for State Department and USAID operations; and
- \$404 million in Security Assistance for civilian police training and judicial aid, anti-terrorism training and explosive ordnance removal, peacekeeping and stabilization programs in Africa and the Middle East; and helping allies fight ISIL and other terrorist organizations.

WATER INFRASTRUCTURE AND HEALTH MONITORING

The Continuing Resolution provides:

- \$100 million for making capitalization grants to Flint, Michigan under the Drinking Water State Revolving Funds. These funds will address lead or other contaminants in drinking water, including repair and replacement of lead service lines and public water system infrastructure;
- \$20 million for Water Infrastructure Finance and Innovation (WIFIA) Grants to finance water infrastructure efforts, including those to address lead and other contaminants in drinking water systems;
- \$20 million for a Lead Exposure Registry to collect data on lead exposure and an Advisory Committee to review programs, services, and research related to lead poisoning prevention;
- \$15 million in additional funding for CDC's Childhood Lead Poisoning Prevention Program to conduct screenings and referrals for children with elevated blood lead levels;
- \$15 million in additional funding for HRSA's Healthy Start Program to reduce infant mortality and improve perinatal outcomes.

21ST CENTURY CURES

The Continuing Resolution appropriates \$872 million from accounts funded by the 21st Century Cures Act, including:

- \$500 million to support grants to States to respond to the opioid abuse crisis
- \$352 million to support biomedical research at the National Institutes of Health
- \$20 million to modernize FDA regulation

ANOMALIES BY SUBCOMMITTEE

The CR includes many anomalies, or changes to current funding rates or policy. Many of these changes were requested by the White House Office of Management and Budget (OMB). Some of OMB's requests were not included.

Agriculture

- Avoiding disruption of the Summer Electronic Benefit Transfer, a food program for low-income children (Requested by OMB).
- Avoiding a February halt in operations of the Child Nutrition Information Clearinghouse, which provides information about food resources to low-income families (Requested by OMB).
- Allowing flexible apportionment to the Agricultural Credit Insurance Fund to meet increased loan demand by farmers planning for spring planting season (Requested by OMB).
- Allowing transfer authority for the Telecommunications Direct Loan program, which serves rural areas (Requested by OMB).

- Allowing flexible apportionment authority for Rural Housing Service to avoid delays in construction of rural rental housing.
- The CR **does not include** an anomaly requested by OMB for additional funding for the Commodity Futures Trading Commission.

Commerce, Justice, Science

- Allowing flexible apportionment authority for the National Oceanic and Atmospheric Administration (NOAA) to maintain weather forecasting capabilities of the Joint Polar Satellite System (JPSS) (requested by OMB).
- Allowing flexible apportionment authority to help avoid future cost increases and schedule delays for preparation of the 2020 Census (requested by OMB).
- Allowing flexible apportionment authority for NASA to help avoid future cost increases and delays of the Space Launch System, Orion crew vehicle, and Ground Systems Development and Operations (requested by OMB).
- Provides \$7 million toward reimbursement for State and local law enforcement costs incurred for protection of the President-elect.

Defense

- Multiyear procurement authority for AH-64E Apache and UH-60M Blackhawk helicopters. Reverting to annual contracts would cost the two programs up to \$880 million over five years. (requested by OMB)
- Advanced procurement authority at a rate of operations of \$773 million to begin detailed design work for the Ohio replacement submarine. (requested by OMB)
- Increased production rates for the KC-46A tanker to avoid penalties of \$331 million. (requested by OMB)

Energy & Water

- Allowing reallocation of funds within Department of Energy Weapons Activities to ensure critical national security projects are not delayed (requested by OMB).
- Directs the sale of \$375 million in Strategic Petroleum Reserve (SPR) inventories to be used for infrastructure improvements to support future SPR oil sales.
- Providing an increase for the Uranium Enrichment Decontamination and Decommissioning Fund to avoid layoffs (requested by OMB).

Financial Services & General Government

- Providing funding for pension benefits for former presidents (requested by OMB).
- Making available unobligated funds from previous years for the District of Columbia's Scholarships for Opportunity and Results (SOAR) Act grants.

Homeland Security

- Providing flexible apportionment authority to OMB for the operations of U.S. Customs and Border Protection, U.S. Immigration and Customs Enforcement, the Transportation Security Administration, and the Secret Service (requested by OMB).

Interior

- Providing funding for security and operations related to the reopening of National Gallery of Art East Building (requested by OMB).
- Providing funding for maintenance, operations, and security at the National Museum of African American History and Culture (requested by OMB).
- Providing funding for the Indian Health Service to meet federal obligations to fund staffing and operations of newly constructed replacement facilities (requested by OMB).

Labor, HHS, Education

- Providing funding to implement the Department of Labor's plan to curb fraud and abuse in the Federal Employees' Compensation Act program with respect to prescription of compounded drugs (requested by OMB).
- Allowing continuation of payments for account maintenance fees in the Federal Family Education Loan program, required to ensure the next payment to State and nonprofit loan guaranty agencies can take place by the end of January 2017 (requested by OMB).
- Providing funding on a contingency basis to address the flows of unaccompanied children across the border if those flows continue to substantially exceed last year's levels.
- Directing funding from Prevention and Public Health Fund to be allocated in the same manner as Congress approved in the FY2016 Omnibus Appropriations Act.
- Clarifying that the Social Security Administration building in Maryland was fully funded in FY2016 and redirecting current year funding to address the disability hearing review backlog (requested by OMB).
- Extending the Temporary Assistance for Needy Families (TANF) program through the period of the CR (OMB requested a full-year extension).

Legislative Branch

- Preventing a cost of living adjustment for salaries of Members of Congress, which would otherwise go into effect January 2017.
- Transferring the Thomas P. O'Neill Federal Office Building from control by the General Services Administration (GSA) to the Architect of the Capitol (AOC).
- Makes technical changes to funding and authorities for certain positions in the Democratic leadership of the Senate.

Military Construction and VA

- NONE

State & Foreign Operations

- NONE

Transportation HUD

- Changes a rider carried in the FY2016 Omnibus in order to block the Department of Transportation's overnight rest break requirement of the Hours of Service rule, which was promulgated to prevent commercial vehicle accidents caused by driver fatigue.
- Allowing flexible apportionment authority to ensure the Federal Aviation Administration (FAA) will continue to perform air travel operations and safety activities.
- Providing funding for the U.S. Merchant Marine Academy for training requirements and enable cadets to graduate and obtain a seafaring license (requested by OMB).
- Authorizing a higher rate for operations to allow tribal grantees of Veterans Affairs Supportive Housing (VASH) to continue to provide assistance under a new program for Native American veterans (requested by OMB).

ADDITIONAL MATERIAL

The Continuing Resolution also includes the following provisions:

- Providing for expedited consideration in the Senate of legislation that overrides current law in the appointment of the next Secretary of Defense. The legislation would allow the next Secretary of Defense to have been retired from active duty for more than three years but less than the current requirement of seven years.
- Extending the miners' health program for the duration of the Continuing Resolution;
- Delaying the release of the FY 2017 Final Sequestration Report until 15 days after the expiration of this Continuing Resolution.