



# Appropriations Update

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Volume 3, No. 22

29 October 2003

## FURTHER CONTINUING APPROPRIATIONS FOR FISCAL YEAR 2004 (H.J.RES. 75)

### SUMMARY

As introduced, H.J.Res. 75, making further continuing appropriations for fiscal year 2004, is within the overall spending limits established by the budget resolution for the Committee on Appropriations – the 302(a) allocation. Nevertheless, individual subcommittees funded under this continuing resolution do exceed the section 302(b) suballocations filed by the Committee on Appropriations, so the measure still would violate the Congressional Budget Act. The point of order, however, does not apply to measures not reported by their respective committees, as in this case.

This continuing resolution [CR] provides for the ongoing operations of the government through 7 November 2003. It is necessary because appropriations have been enacted for only three of the regular appropriations bills for fiscal year 2004 – Defense, Homeland Security, and the Legislative Branch – and the current CR expires on 31 October 2003. For the programs and activities funded in 2003 through the remaining 10 appropriations bills, the CR would fund each at the same rate of operations until either: 1) the enactment of an appropriations act covering the project or activity; or 2) the expiration of the CR.

In determining the current rate of operations, the continuing resolution requires that supplemental appropriations for fiscal year 2003 be excluded from the computation unless they are included on a list of recurring supplemental projects and activities established by the Office of Management and Budget. Those projects and activities are as follows: Department of Justice, Office of the Inspector General (\$2.5 million); Department of Commerce Procurement, Acquisition, and Construction (\$65 million); Operation of the National Park System (\$9 million); and the Equal Employment Opportunity Commission (\$15 million). Including the \$92 million provided for those projects, the full-year cost of this continuing resolution is \$5.881 billion below the amount provided in the 302(b) suballocations for the 10 fiscal year 2004 appropriations bills not yet enacted.

Finally, this CR also provides for the following: 1) a 1-week continuation of current-law child nutrition programs (which are mandatory spending programs), with the cost charged to the Committee on Education and the Workforce; and 2) the cost of not implementing certain pesticide fees, with the cost charged against the revenue floor provided in the fiscal year 2004 budget resolution (H.Con.Res. 95).

### COST OF THE LEGISLATION

Under congressional procedures, the cost of a short-term continuing resolution is determined on an annualized basis; that is, the estimate assumes the measure would extend for the entire fiscal year. On that assumption, the Congressional Budget Office [CBO] estimates that the CR would provide \$378.099 billion in discretionary budget authority [BA] for fiscal year 2004. That is \$1.156 billion above the fiscal year 2003 amount – not including the extraordinary costs of fiscal year 2003 supplementals, and the shift of \$2.244 billion in previously appropriated fiscal year 2004 BA into

fiscal year 2003. Including the costs of the fiscal year 2003 supplementals, 2003 spending is estimated to be \$389.363 billion, or \$11.264 billion above the cost of the CR (see Table 1 on the next page).

As noted above, the CR provides for the continuation of child nutrition programs through 7 November 2003. By agreement with the Committee on the Budget, the \$1 million mandatory cost is counted against the allocation of the Education and the Workforce Committee, its authorizing

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committee. The CR also continues to prohibit the collection of Environmental Protection Agency [EPA] pesticide fees, which are considered revenue, at a full-year cost of \$25

million. Revenue provisions are counted not against the House committee's allocation, but rather against the revenue floor established in the budget resolution.

**Table 1: Continuing Resolution for Fiscal Year 2004**  
Excluding Defense, Homeland Security, and Legislative Branch Appropriations Bills  
(fiscal years; millions of dollars)

	2003 excl. Supp. <sup>a</sup>	2003 incl. Supp.	302 (b)s for 2004	CR
Budget Authority	376,943	389,363	383,980	378,099
Outlays	417,963	421,976	437,953	430,959

<sup>a</sup> Does not include \$10.176 billion in BA and \$4.013 billion in outlays included in fiscal year 2003 supplementals; in addition it does not include shifting \$2.244 billion of previously appropriated fiscal year 2004 education BA into fiscal year 2003 as passed in the fiscal year 2004 continuing resolution in PL 108-84.

**Table 2: Discretionary Spending Provided in the Continuing Resolution**  
**By Appropriations Subcommittee**  
(in millions of dollars)

	2004 302(b) Budget Authority <sup>a</sup>	2004 302(b) Outlays <sup>a</sup>	2004 CR Budget Authority	2004 CR Outlays	Difference BA	Difference Outlays
Agriculture	17,005	17,686	17,990	18,045	985	359
Commerce, Justice, State	37,914	41,009	37,490	40,070	-424	-939
District of Columbia	466	464	509	514	43	50
Energy and Water Development	27,080	27,211	25,846	26,086	-1,234	-1,125
Foreign Operations	17,120	20,185	16,227	19,980	-893	-205
Interior	19,627	19,400	19,785	19,022	158	-378
Labor, Health and Human Services	138,036	134,766	134,313	133,893	-3,723	-873
Military Construction	9,196	10,282	10,546	10,510	1,350	228
Transportation-Treasury	27,502	71,360	28,230	70,337	728	-1,023
Veterans Affairs-Housing and Urban Development	90,034	95,590	87,163	92,502	-2,871	-3,088
Total	383,980	437,953	378,099	430,959	-5,881	-6,994

<sup>a</sup> From House Report 108-228. Does not include outlays from emergency-designated spending enacted after adoption of the 2004 budget resolution (H.Con.Res 95).

### COMPLIANCE WITH THE BUDGET RESOLUTION

For appropriations measures, the Congressional Budget Act provides for points of order for exceeding the 302(a) allocation provided by the budget resolution, and for exceeding the 302(b) suballocations provided by the Appropriations Committee. In contrast to the previous continuing resolution – which exceeded the 302(a) allocation – H.J.Res. 75, in combination with previously

enacted legislation, would be \$6.324 billion below the 302(a) allocation.

Still, the budget authority provided by the CR would exceed the 302(b) suballocation for five appropriations subcommittees (see Table 2). As a result, a point of order under section 302(f) of the Congressional Budget Act would

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apply if the measure had been reported. That point of order prohibits consideration of a measure that would cause either the 302(a) allocation or the 302(b) suballocations to be exceeded.

Costs of the mandatory spending provisions charged against the authorizing committee allocations, and costs of revenue provisions, are within the appropriate allocations. Hence no Budget Act points of order applied to those provisions.

### AUTHORIZATION ISSUES

This CR continues to extend previously enacted programs for child nutrition so that they can continue despite the expiration of their authorizations. Because the CR was a vehicle for enactment, the Budget Committee (at the request of the Appropriations Committee) has scored the cost of these provisions against the allocation to the Committee on Education and the Workforce, which would normally handle the reauthorization.

As noted, the CR also continues to prohibit the collection of certain pesticide fees that are counted as revenue. This

provision is expected to result in a revenue loss of \$25 million if continued for all of fiscal year 2004. The provision is usually included in the appropriations bill funding the EPA, which is authorized to collect the fees.

Finally, the resolution amends language in the current CR that provides for a temporary reauthorization of programs funded by the Airport and Airway trust fund. The added language makes clear that the grants-in-aid for airports program is continued as in effect for fiscal year 2003. There is no cost attached to this legislative change.

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