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APPROPRIATIONS ALERT

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THREE FINAL APPROPRIATIONS MEASURES (H.R. 2055, H.R. 3672 & H. CON. RES. 94)

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There are three separate final appropriations measures that are expected to be considered by the House: 1) the Conference Report on the Military Construction and Veterans Affairs appropriations bill (H.R. 2055) that includes full-year funding for agencies regularly funded through 9 appropriations bills; 2) the Disaster Relief Appropriations Act, 2012 (HR 3672); and 3) a concurrent resolution (H. Con. Res. 94) “correcting” the enrollment of the Conference Report to include an across-the-board cut to offset the cost of the Disaster Relief Appropriations. Together with the so-called minibus (H.R. 2112) passed earlier this year, these bills would bring total scored base discretionary spending to \$1,043 billion in line with the caps passed in the Budget Control Act. The Budget Control Act also included authority to exceed its caps for spending for disaster relief, for certain program integrity initiatives, and for the global war on terrorism. The table below summarizes the total costs.

Discretionary Spending (Billions of \$BA)

	2010	2011	2012
Base Discretionary (H.R. 2112, H.R. 2055)	1,091	1,050	1,043
Disaster Relief (H.R. 2112, H.R. 3672)	0	0	11
Program Integrity (H.R. 3672)	0	0	*
Subtotal: H.R. 2112, H.R. 2055, H.R. 3672	1,091	1,050	1,054
Enrollment Bill Offset (H. Con. Res. 94)	0	0	-9
Subtotal: H.R. 2112, H.R. 2055, H.R. 3672, H. Con. Res. 94	1,091	1,050	1,045
Global War on Terrorism (H.R. 2055)	163	159	127
Total	1,254	1,209	1,172

* Less than \$500 million.

The Conference Report provides full-year appropriations for the agencies funded by the nine appropriations bills that have yet to be enacted. The bill includes two categories of spending: base funding and spending for the Global War on Terrorism. It provides a gross amount of new discretionary budget authority for the base budget of \$914.9 billion, which is a decrease of 0.7 percent from FY 2011.

The bill also includes \$8.1 billion in savings through Changes in Mandatory Program Spending (CHIMPS), about \$670 million more than these bills carried in FY 2011. CHIMPS are typically limitations on the discretionary funding used to implement mandatory programs. Through these limitations, the Appropriations Committee reduces mandatory budget authority in the budget year and those reductions are credited towards the appropriations bill for the purposes of determining the official score for the bill. Some CHIMPS are problematic in that they result in no net savings over the budget window, while some of those in this bill limit funding for the implementation of Obamacare and others produce savings in the Pell Grant program.

The Conference Report also provides \$126.5 billion of spending designated for the global war on terrorism (alternately referred to as Overseas Contingency Operations or "OCO.") This is \$32.8 billion below the level from FY 2011 and in line with the total amount requested by the President. Notably, the bill provides \$2.5 billion less for military operations than requested by the President and reallocates those funds to military construction accounts and operations of the Department of State and related agencies.

The Disaster Relief bill provides \$8.6 billion of funding on top of the discretionary spending caps enacted in the Budget Control Act of 2011. This bill includes \$483 million for additional continuing disability reviews and redeterminations in the Disability Insurance and Supplemental Security Income programs, which CBO estimates would save money over time by lowering spending on those not eligible for benefits.

The disaster relief bill also includes \$8.1 billion of disaster relief funding in the bill bringing total disaster relief funding provided in FY 2012 to \$10.5 billion, which is a 70% increase for the funded accounts over the amounts provided in 2011. This funding has been provided for a variety of budget accounts in addition to FEMA's Disaster Relief Fund.

The third piece of legislation (H. Con. Res. 94) offsets the \$8.6 billion in additional disaster relief and program integrity spending by reducing spending across-the-board by 1.83 percent for discretionary programs other than those funded in the Department of Defense and Military Construction and Veterans bills.

If all three pieces of legislation are enacted, total non-war funding for FY 12 would be \$1,045 billion compared to 1,050 billion in 2011.

This document was prepared by the Republican staff of the Committee on the Budget, U.S. House of Representatives. It has not been approved by the full committee and may not reflect the views of individual committee members.