

House Appropriations Committee

Chairman Hal Rogers

Website address: <http://appropriations.house.gov/>

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Contact: Jennifer Hing, (202) 226-7007

Summary: Fiscal Year 2011 Continuing Resolution

The fiscal year 2011 Continuing Resolution (CR) crafted by the House Appropriations Committee represents the largest reduction in non-security discretionary spending in the history of the nation. This legislation – the first CR in history to contain spending reductions – is a massive down payment on the new Republican majority’s commitment to drastically decrease discretionary funding in order to help our economy thrive and spur job creation. This will be the first of many Appropriations bills that will significantly reduce spending this year – beginning a pattern of cuts that will help put our nation’s budgets back into balance and stop the dangerous spiral of unsustainable deficits and debt. This bold legislation reverses the trend of Democrat spending over that last two years that increased overall discretionary funding by 24%.

In total, the legislation will save American taxpayers more than \$100 billion compared to the President’s fiscal year 2011 request. Of this amount, \$81 billion has been cut from non-security programs, and security-related programs have been reduced by \$19 billion. These cuts are not ambiguous, across-the-board reductions but are thoughtful, line-by-line reductions in specific programs. These cuts were determined through careful and fair analysis of all discretionary agencies and programs – without regard to political “sacred cows” – and affect nearly every facet of the federal government.

In addition, this CR provides critical funding for our national defense, giving our troops and commanders the resources they need to maintain the security of our nation and advance our missions abroad. In total, the legislation will increase funding for the Department of Defense by 2 percent over last year’s level, giving military leaders the budgetary certainty they need to continue successful operations for the remainder of the fiscal year.

Summary:

Earmarks

The CR includes no earmark funding and eliminates all previous earmark funding from fiscal year 2010, saving the taxpayers approximately \$8.5 billion. In addition, the bill includes language specifically negating any and all earmarks as defined by House Rules.

“Stimulus” Funding

The CR includes a provision to eliminate any unobligated “stimulus” funding approved in the American Recovery and Reinvestment Act (ARRA), saving the taxpayers as much as \$2 billion. The bill also includes a prohibition on using funds for “signage” promoting ARRA programs and projects.

Agriculture

The Agriculture portion of the CR includes a total of \$18.1 billion in funding, which is \$5 billion, or 22 percent, below the President’s fiscal year 2011 request and \$5.2 billion below last year’s level.

These totals reflect spending cuts below fiscal year 2010 in every single Agriculture account, including conservation, rural development, domestic and foreign food assistance programs, and the Food and Drug Administration. These broad cuts reflect the commitment by Republicans on the Appropriations Committee to hold no program sacred in the effort to reduce spending.

A list of Agriculture appropriations program reductions is attached.

Commerce, Justice, Science (CJS)

Within the CR, \$52.7 billion is provided for Commerce, Justice and Science Appropriations. This is a reduction of \$11.6 billion, or 18 percent, below last year’s level, and \$7.8 billion, or 13 percent, below the President’s request for fiscal year 2011.

The bill includes necessary funding increases in two areas: to prevent some work stoppage on NOAA’s weather satellite program that will help protect Americans from weather-related natural disasters, and to prevent deficiencies in federal detention and incarceration programs. The CR also provides budget flexibility within overall reduced funding levels to allow the Department of Justice to meet high-priority requirements and NASA to carry out its authorized activities.

The CJS section of the CR includes several cuts to reduce unnecessary or excess spending, including a cut of \$48 million from an unused steel loan guarantee program, the elimination of the \$298 million COPS hiring program and a cut of \$89 million from the National Institute of Standards and Technology construction account, including the termination of a construction grant program that has expended only 13 percent of its stimulus funds.

A list of CJS appropriations program reductions is attached.

Defense

The CR contains the Department of Defense Appropriations bill for fiscal year 2011. The legislation includes \$516.2 billion in base funding for the Department of Defense, a 2.8 percent reduction from the President’s fiscal year 2011 request, and an \$8.1 billion, or 1.6 percent, increase over last year’s level. This common-sense funding level strikes a balance between the need for valid reductions and the requirements of our military without jeopardizing our national defense or the protection of our troops.

The CR provides a total of \$157.8 billion for overseas contingency operations to advance our missions abroad. Also included is \$126.4 billion for military personnel, providing for 1,432,400 active duty and 846,200 reserve troops. The bill contains a total of \$165.6 billion for operations and maintenance, \$102.1 billion for procurement, \$75.4 billion for research and development, and \$31.4 billion for Defense health programs.

A list of Defense appropriations program reductions is attached.

Energy and Water

The CR provides \$29.9 billion for Energy and Water programs, which is \$3.6 billion, or 11 percent, below last year's level and a \$5.4 billion, or 15 percent, cut below the President's fiscal year 2011 request. This funding includes a \$312 million increase above fiscal year 2010 for nuclear weapons infrastructure to maintain the readiness of the nation's nuclear stockpile – a critical national security activity.

Funding for non-core research and loan guarantees for lower-demand programs have been reduced in the bill, and most agencies are prohibited from starting new programs without Committee approval. The Committee also sought to reduce excess and unnecessary spending by cutting Energy Efficiency and Renewable Energy (EERE) and Science accounts – both of which received huge funding levels in the stimulus bill. To date, EERE has more than \$10 billion and Science has more than \$800 million in unspent stimulus funding.

Additionally, the CR includes language to stop the Nuclear Regulatory Commission from terminating the Yucca Mountain license review without due cause and prevents agencies from using CR funding to pay termination costs for federal workers hired with stimulus funds.

A list of Energy and Water appropriations program reductions is attached.

Financial Services

The Financial Services and General Government section of the CR contains a total of \$20.4 billion, a \$3.8 billion, or 16%, reduction from fiscal year 2010 levels, and a reduction of \$4.9 billion, or 19%, from the President's fiscal year 2011 request.

The CR reduces most Treasury and Executive Office of the President accounts and eliminates funding to construct new Federal buildings. The bill also provides a \$13 million increase over last year for the Inspector General of Troubled Asset Relief Program (TARP) to provide strong oversight of the billions of dollars remaining in TARP assets and continues current funding for drug task forces.

Additionally, the bill contains a bi-partisan provision to prevent funding to implement the onerous 1099 health care reform provision. It also prohibits funding for the so-called "Health Care Czar" and the "Climate Change Czar."

Also included in this section of the CR is a restoration of a long-standing provision against the use of federal and local funds for abortion and needle exchange programs and a \$2.3 million increase in the DC Opportunity Scholarships to stop the effective termination of the program and allow new students to participate.

A list of Financial Services appropriations program reductions is attached.

Homeland Security

A total of \$41.5 billion is included in the CR for Homeland Security programs, which is \$1.1 billion below the 2010 level and \$2.2 billion – or 4.9% percent – below the President’s fiscal year 2011 request. This funding level will sustain essential security operations and intelligence programs while making common-sense reductions to trim excess and wasteful spending.

Within this total is \$3.2 billion in regular discretionary funding for the Federal Emergency Management Agency’s Disaster Relief Fund to cover the costs of existing and projected disasters for the rest of the 2011 fiscal year. The CR also provides for no less than 20,500 deployed Border Patrol agents, 33,400 detention beds at Immigration and Customs Enforcement, and full funding for E-Verify at \$103.4 million.

A list of Homeland Security appropriations program reductions is attached.

Interior

The CR includes \$27.8 billion in discretionary funding – 14%, or \$4.4 billion, below last year’s level and 14%, or \$4.5 billion, below the President’s fiscal year 2011 request. This reduction in spending follows several years of increases; since 2008, an additional \$5.7 billion in spending has been tacked on to this section of the appropriations bill, as well as a further \$10.9 billion in stimulus funds.

Specifically, the CR cuts the Environmental Protection Agency (EPA) by \$3 billion, which is 29% below fiscal year 2010. The cuts to the EPA alone represent 69% of the bill’s reduction compared to last year’s level. In addition, the bill cuts climate change funding bill-wide by \$107 million, or 29%, from the fiscal year 2010 enacted level.

Funding for operation accounts was largely sustained to prevent layoffs and the closure of national parks and forests, wildlife refuges, Smithsonian museums and other sites.

The bill includes a funding limitation for the duration of the CR on EPA’s ability to prohibit or restrict the emission of carbon dioxide or methane from any stationary source. The bill also includes a limitation on the use of funds to implement the Bureau of Land Management’s “Wild Lands” policy established under a December 2010 Secretarial Order.

A list of Interior appropriations program reductions is attached.

Labor, Health and Human Services

The Labor, Health and Human Services (LHHS) section of the CR contains a total of \$146 billion in funding. This is \$17.5 billion, or nearly 11%, less than last year's level and more than \$36 billion, or 22%, less than the President's fiscal year 2011 request. These reductions include the termination of more than 70 programs in this section of the bill.

The LHHS section of the CR cuts excess spending in Labor Department job training programs. These programs have significant carryover balances from prior year appropriations and have already received \$1.5 billion in advance funding available for the current fiscal year. In addition, the CR reduces funds for certain programs that have received duplicative mandatory funding over the past four years, including funding for certain institutions of higher education.

The CR also reduces discretionary spending in several accounts that have received funding under the new Health Care law, such as Community Health Centers, the National Health Service Corps, and the Maternal and Child Health Block Grant.

The CR also eliminates funding for programs such as the Corporation for Public Broadcasting (CPB) and Americorps.

A full list of program cuts in the Labor, Health and Human Services section of the CR is attached.

Legislative Branch

Funding for the Legislative Branch in the CR totals \$4.4 billion, a \$672 million, or 13 percent, cut below the President's fiscal year 2011 request and a \$194 million cut below last year's level. Earlier this year, the House passed unprecedented cuts to its own budget, which is reflected in this CR. This funding level provides a necessary \$12.5 million increase for the Capitol Police to fill an unexpected budget shortfall as well as an increase in agents as a result of the tragic shooting in Tucson.

Due to a longstanding budgetary practice, the House cannot affect a large portion of the Legislative Branch budget that the Senate controls. It is anticipated that the Senate will consider additional cuts as the CR continues in the legislative process.

A list of Legislative Branch appropriations program reductions is attached.

Military Construction/Veterans Affairs

The CR provides \$74.2 billion for Military Construction and Veterans Affairs. This is a decrease of \$1.8 billion – or 2% – from the President's fiscal year 2011 request and \$2.6 billion – or 3% – from last year's level. This funding reflects the reductions in the military construction authorization bill for fiscal year 2011 that Congress approved last year. This includes a \$321 million reduction to lower priority projects in Guam, a decrease of \$351 million to reflect construction bid savings, and a \$160 million cut to information technology (IT) programs at the Department of Veterans Affairs, reflecting cancelled projects.

The CR increases funding for veterans disability claims processing by \$460 million to help speed the bureaucratic process to resolve claims for veterans faster and more efficiently and help relieve the backlog of existing claims.

A list of Military Construction/Veterans Affairs appropriations program reductions is attached.

State and Foreign Operations

The State and Foreign Operations section of the CR contains a total of \$44.9 billion in funding, which is \$3.8 billion, or 8 percent, below last year's level and \$11.7 billion, or 21 percent, below the President's fiscal year 2011 request.

In order to provide necessary and critical funding increases of \$2.5 billion for national security priorities, including a total of \$3 billion of military assistance to Israel and a total of \$1 billion for the Pakistan Counterinsurgency Capability Fund, the legislation actually cuts a total of \$6.3 billion in other programs bill-wide. The bill reduces almost all State and Foreign Operations Accounts, except for specific security assistance accounts. The bill reduces programs that have grown substantially since fiscal year 2008, scales back contributions to the United Nations and other international organizations and banks, and eliminates wasteful, duplicative and ineffective programs. Additional operational cuts are taken, which will force agencies to take substantial cost-cutting measures.

The CR supports civilian operations in frontline countries such as Iraq, Afghanistan and Pakistan and continues the fiscal year 2010 level of economic assistance to Egypt with the understanding that Egypt will undertake significant economic and democratic reforms. The bill also maintains long-standing pro-life provisions and includes new prohibitions on international family planning.

A list of State and Foreign Operations appropriations program reductions is attached.

Transportation, Housing and Urban Development (THUD)

The CR contains a total of \$52.4 billion in the Transportation, Housing and Urban Development (THUD) section of the bill. This is a \$15.5 billion, or 23 percent, cut from last year's level and a \$16.3 billion, or 24 percent, cut from the President's fiscal year 2011 request.

Over the last several years, programs within THUD experienced tremendous growth – an approximate 38 percent increase since 2008 – primarily in grant programs and new Obama Administration initiatives such as high-speed rail and the National Infrastructure Investments Program. These programs receive significant reductions in this CR.

The CR includes reductions in transportation programs and activities but maintains essential funding for highways, transit and airport improvements. In addition, the CR cuts spending by prioritizing programs and trimming administrative costs in Housing and Urban Development programs, ensuring that no individuals or families in public housing, homeless shelters or other housing programs will be displaced.

A list of Transportation, Housing and Urban Development appropriations program reductions is attached.

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