



Legislative Bulletin.....October 4, 2011

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H.R. 2608—Continuing Appropriations Act, 2012

**H.R. 2608—Continuing Appropriations, 2012
(Graves, R-MO)**

Order of Business: The legislation is scheduled to be considered under a UC that provides for one hour of general debate and a roll call vote.

Summary:

Spending Discussion

The legislation enacts a continuing resolution (CR) at a total non-emergency spending level equivalent to \$1.043 trillion (on an annualized basis) through **November 18, 2011**. Fiscal Year 2012 began on October 1, 2011. A four day CR (at the same funding level), which expires at the end of October 4, 2011, is currently in effect (see [here](#) for details of that law). The legislation generally provides funding at FY 2011 levels minus 1.503%.

The \$1.043 trillion spending level would be:

- **\$7 billion** *below* FY 2011;
- the **same** level as the spending cap for FY 2012 in the [Budget Control Act](#);
- **\$24 billion** *above* the House-passed [FY 2012 budget resolution](#); and
- **\$65 billion** *above* the [FY 2012 RSC budget resolution](#).

Other Provisions of Note

War Funding: The legislation provides emergency-designated war funding at an annualized rate of \$119 billion. This amount does not count toward the \$1.043 trillion spending level.

Disaster Funding: The legislation includes an operating rate of \$2.65 billion for Federal Emergency Management Agency (FEMA) disaster relief, which is counted within the \$1.043 trillion figure.

Burma: The legislation provides for the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003.

Postal Service: The legislation delays from the end of September to November 18, 2011 the otherwise required Postal Service payments to its retirement and pension fund. The Postal Service has reported that it will exhaust its borrowing authority in FY2011 and be unable to make a mandatory \$5.5 billion Retiree Health Benefits Fund payment on September 30, 2011. Some conservatives may believe that any extension of this deadline should be contingent on at least some reforms to the Postal Service to make its budget more sustainable.

Federal Flood Insurance Program: The legislation extends the flood insurance program through November 18, 2011. This extension does not include any of the reforms from [H.R. 1309](#), the Flood Insurance Reform Act.

Export-Import Bank: The legislation extends this program which provides financing to U.S. companies who export through November 18, 2011. Many conservatives have argued for the elimination of this program. For one example, see [this](#) analysis from Citizens Against Government Waste.

Values Issues of Note: The legislation extends all riders in current law, including the newly restored D.C. Hyde amendment (restored in FY11). The legislation also continues funding for many programs that social conservatives may believe should be reduced or eliminated such as the United Nations Populations Fund (UNFPA) and the Title X family planning program. *However*, final year funding for all of these programs will be determined by subsequent legislation.

International Religious Freedom Act: The legislation extends the Commission on International Freedom through November 18, 2011.

Possible Conservative Concerns (and Conservative Supporting Arguments): Many conservatives have previously argued against some of the components of the legislation per the details below. But given the position of Senate Democrats and the President, conservatives may have different views about what the appropriate House strategy should be.

Potential Conservative Arguments in Favor of H.R. 2608

At Budget Control Act Levels: The Budget Control Act caps non-emergency spending at \$1.043 trillion in FY 2012. This CR does not exceed this cap.

\$7 Billion Cut Compared to FY 2011: The \$1.043 trillion spending level is \$7 billion below last year's \$1.050 trillion level. Both spending levels are below FY 2010, which means that this is the second year in a row non-emergency discretionary spending will have declined compared to the previous year.

No Unpaid-for Disaster Funding: The legislation, contrary to Democrat demands, does not provide for non-offset disaster funding beyond the \$1.043 trillion level.

Maintains Funding for Troops: The legislation provides funding for troops in Iraq and Afghanistan within the continuing resolution. This is a notable contrast to how House Democrats treated troop funding in previous CRs. For example, see [H.J.Res. 69](#) from 2007.

Potential Conservative Concerns with H.R. 2608

Funding Above House-Passed Budget: Some conservatives may be concerned that the legislation provides an annualized spending level that is \$24 billion above the [House-passed budget resolution](#), and \$65 billion above the RSC budget resolution.

Does Not Defund Obamacare: Some conservatives may be concerned that the legislation does not block funding for Obamacare during the period covered by the legislation.

Does Not Include Other Policies Many Conservatives Have Advocated: The legislation does not include many other “riders” that conservatives have advocated during the appropriations process. This includes a ban on funding for abortion providers, prohibiting funds for various costly environmental regulations, and prohibiting funds for Net Neutrality regulations. The legislation provides the same funding formula for most programs, with final funding levels left to a longer-term CR or omnibus covering all of FY 2012. This means that the CR continues to provide funding for many programs that conservatives would object to, such as NPR, the Palestinian Authority, and the Legal Services Corporation. On the other hand, this has been standard procedure for a short-term CR.

Committee Action: The legislation passed the Senate in its current form on September 26, 2011 by a vote of [79-12](#).

Administration Position: No Statement of Administration Policy is available.

Cost to Taxpayers: The legislation provides a non-emergency spending rate equivalent to \$1.043 trillion. This is \$7 billion below the FY 2011 spending level, \$24 billion above the House-passed budget resolution, and \$65 billion above the RSC budget resolution.

Does the Bill Expand the Size and Scope of the Federal Government?: No. The legislation reduces annualized non-emergency discretionary spending by \$7 billion compared to last year.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No CBO report with this information is available.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: The legislation does not appear to contain any earmarks.

Constitutional Authority: The sponsor states constitutional authority is derived from:

“Congress has the power to enact this legislation pursuant to the following: Art. 1, Sec. 8, c1.3
“To regulate commerce among foreign nations and the several states.””

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