

Committee on Appropriations



ON TIME AND UNDER BUDGET

**United States
House of Representatives**

Committee on Appropriations

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*No Money shall be drawn from the Treasury, but in
Consequence of Appropriations made by Law..."*

Article 1, Section 9, Clause 7, U.S. Constitution

On Time and Under Budget

Congress completed work on this year's budget in a timely and fiscally responsible manner. The following provides an account of the highlights of this year's budget process.

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Congress Reforms Budget Process and Reduces Wasteful Spending

Reforming the Budget Process

Earlier this year, the Appropriations Committee streamlined the budget process in order to expedite the consideration of spending bills. The goal: to avoid an end-of-session, catchall omnibus spending bill.

Last year's omnibus spending bill was more than 3,500 pages long and wrapped nine appropriations bills into one massive spending package. This year, Congress completed each of the bills individually while holding non-security spending *below* last year's level.* In addition, Congress temporarily funded government operations at the lowest possible rate until Congress completed work on the overall budget.

Reducing Wasteful Spending and Demanding Accountability

For the first time since the Reagan Administration, Congress reduced non-security spending below the previous year's level. Overall funding for four of the eleven spending bills is below last year. Our focus: providing funding to proven programs.

The only way to establish accountability in the budget process is to stop spending on programs that have outlived their usefulness or could be delivered more effectively at the state or local level. **This year, 53 programs were eliminated saving taxpayers over \$3.5 billion.** (A list of terminations can be found on the next page).

Setting Priorities and Spending Smarter

Not only is Congress reducing spending, it is also prioritizing spending. *Congress is making tough choices.*

Congress increased funding for Pell Grants, Special Education, low income heating assistance and bioterrorism preparedness. It increased resources for border security, veteran's medical care and fighting methamphetamines. These increases aren't big enough for some but they reflect our effort to spend limited resources wisely.

* Pending completion of Labor-HHS and Defense Appropriations Conference Reports

Final List of Programs Terminated in Fiscal Year 2006

Agriculture: 4 terminations for a savings of \$258 million

Regional, State, and Local Grants -\$75 million
Higher Education Agrosecurity Program -\$5 million
National Disaster Emergency Loan Subsidy -\$3 million
Rural Telephone Bank Loan Authorizations -\$175 million

Energy and Water: 3 terminations for a savings of \$76 million

Flood Control and Coastal Emergencies -\$70 million
Nuclear Energy Plant Optimization -\$2 million
Robust Nuclear Earth Penetrator -\$4 million

Foreign Operations: 1 terminations for a savings of \$100 million

Conflict Response Fund -\$100 million

Interior: 2 terminations for a savings of \$17 million

Jobs in the Woods program -\$6 million;
National Park Service Statutory Aid -\$11 million

Labor, HHS: 29 terminations for a saving of \$3 billion

HRSA-State planning grants -\$11 million
HRSA-Trauma Care -\$3 million
HRSA-Rural EMS -\$1 million
HRSA-Health Community Access -\$83 million
HRSA- Health Administration -\$1 million
HRSA-Health Education Training Centers -\$4 million
HRSA-Geriatric education -\$32 million
HRSA-Burdick rural training -\$6 million
HRSA-Health professional workforce analysis -\$1 million
Health Admin. \$1.1 million
National Youth Sports -\$18 million
Community Food and Nutrition -\$7 million
Early Learning Fund -\$36 million
I.T. Security Innovation Fund -\$14.7 million
CDC- Youth Media Campaign (VERB) -\$58.8 million

***Final List of Programs Terminated in Fiscal Year 2006
(continued)***

Community Technology Centers -\$5 million
 Literacy Program for Prisoners -\$5 million
 Occupational and Employment Information -\$9.3 million
 Tech-Prep Demonstration -\$4.9 million
 Interest Subsidy Grants -\$1.5 million
 Enhanced Pell Grants for State scholars -\$33 million
 Loans for Short Term Training -\$11 million
 Volunteers in Homeland Security -\$5 million
 High School Intervention -\$1.24 billion
 High School Assessments -\$125 million
 Community College Access -\$125 million
 Health Care Fraud and Abuse Control -\$80 million
 Maternity Group Homes -\$10 million
 Special Education-Vocational Rehabilitation Transition Initiative
 -\$5 million

Legislative Branch: 1 termination for a savings of \$.2 million

Capitol Hill Police Mounted Unit -\$.2 million

Science-State-Justice: 8 terminations for a savings of \$143 million

COPS Hiring Grants -\$10 million
 Radiation Exposure Compensation Discretionary program -\$27 million
 COPS Safe School Initiative -\$4 million
 COPS Police Integrity Grants -\$7 million
 Police Corps -\$15 million
 Telemarketing scams -\$1 million
 Motor Vehicle Theft Prevention - \$100,000
 SBA 7(a) loan subsidy - \$79 million

Transportation-Treasury-HUD: 5 terminations for \$63 million

Empowerment Zones/Enterprise Communities -\$10 million
 Prisoner Re-entry program -\$25 million
 High Speed Rail -\$19 million
 Community Outreach Partnership Centers -\$6 million
 Work Study Program -\$3 million

Detailed Analysis of Selected Program Terminations

Jobs in the Woods Program

The Congress successfully terminated the Jobs in the Woods program for a savings of \$6 million. Jobs in the Woods was the name of an Administration initiative to aid displaced timber workers affected by changes in the late '80s and early '90s in federal old-growth forest management spurred by the endangered northern spotted owls. Most communities affected by the forest management changes have transitioned to other livelihoods.

National Youth Sports

The House terminated the federal contribution to the National Youth Sports Program (NYSP) for a savings of \$18 million. The National Youth Sports Program is affiliated with the National Collegiate Athletic Association (NCAA) and provides grants to colleges and universities to host sport camps and other activities for high school students. While the program attempts to address some laudable objectives, the costs of administering these activities could easily be absorbed by the NCAA. Licensing agreements and television contracts generate hundreds of millions of dollars in revenue for NCAA members. Last year, the Rose Bowl alone generated \$30 million in revenues for the participating conferences.

U.S. Capitol Police Mounted Unit

This year, the Congress successfully terminated the U.S. Capitol Police Mounted Unit. While police officials claimed the five horse unit was very popular with tourists and provided good public relations for the department, the security value was questionable. The \$200,000 expenditure was particularly absurd given that the horses were transported over 60 miles each day round trip to patrol the 95 acre Capitol campus. In addition, the National Park Service operates a comprehensive mounted unit which has been in operation for several decades and whose jurisdiction is literally across the street from the Capitol. To put it in perspective, the savings from eliminating this program could purchase 1,000 sets of body armor for soldiers fighting terrorism overseas.

Democrats Try to Bust FY06 Discretionary Budget by \$21 Billion

Earlier this year, House Republicans passed the leanest budget resolution in a generation without a single Democratic vote. Subsequently, during the Fiscal Year 2006 budget process, Appropriations Committee Democrats attempted to bust the discretionary budget by almost \$21 billion. Republican Committee Members on several occasions defeated multiple amendments to increase spending for a variety of politically popular programs.

A tally of this spending is as follows:

- ◆ Jackson amendment to increase foreign aid by \$393 million defeated on May 25, 2005.
- ◆ Obey amendment to increase homeland security funding by \$100 million defeated May 10, 2005.
- ◆ Obey amendment to increase funding for social programs by \$11.8 billion defeated June 16, 2005.
- ◆ Obey amendment to increase funding for veteran's programs by \$2.6 billion defeated May 18, 2005.
- ◆ Sabo amendment to increase homeland security funding by \$1.7 billion defeated September 29, 2005.
- ◆ Obey amendment to increase LIHEAP funding by \$2 billion defeated November 14, 2005.
- ◆ Obey amendment to increase LIHEAP funding by \$2 billion defeated December 12, 2005.

Supporting Agriculture and Rural America

Supporting Farmers, Ranchers

Congress restored proposed cuts in important agriculture programs that assist farmers and ranchers in communities across the country.

Congress restored a more than \$100 million reduction to the Farm Service Agency and increased funding \$30 million above last year to continue delivery of farm programs. Congress also restored a proposed \$200 million reduction in critical agricultural research funding through the Agricultural Research Service.

Fighting the Scourge of Meth

This year's budget increased the resources available to federal, state and local law enforcement to fight the scourge of methamphetamines ravaging rural communities. Congress restored funding for the Justice Assistance Grants, providing \$416 million for this important crime-fighting initiative. Congress required the Drug Enforcement Agency to establish a Methamphetamine Task Force and set aside \$64 million to target drug hot spots and help clean up former meth lab sites.

Community Health Centers

Rural areas benefit greatly from the services provided by Community Health Centers. This year, Community Health Centers received a generous \$66 million increase in a very lean budget climate. In addition, over the last five years, Congress has increased Community Health Centers by 48 percent, or \$565 million. Almost 50 percent of the patients served in the \$1.8 billion community health center program live in rural areas.

Facts on Education Funding

The Republican Record on Education Funding — Funding for the Department of Education has more than doubled since Republicans became the majority party in Congress. Over the last five years, total education spending has increased by nearly 50 percent. Earlier this year, states collectively returned \$66 million in unspent education funds back to the Federal Treasury. Currently there is nearly \$6 billion in un-obligated education funds in the federal pipeline available for states to spend.

Prioritizing Education Spending — This year's education budget declined modestly compared to last year. In these lean budgetary times, Congress funded high priority programs and eliminated less effective ones. This year's budget includes \$12.8 billion for Title I and \$10.7 billion for Special Education grants to states, increasing each by \$100 million over FY05. It also provides \$13.2 billion for the Pell Grant program, an increase of \$812 million, the full amount needed to hold the maximum grant at the current level of \$4,050. Additionally, it includes \$100 million for the Teacher Incentive Fund proposed by the House, a pilot program to develop and implement innovative ways to provide financial incentives for teachers and principals who raise student achievement and close the achievement gap in some of our Nation's highest-need schools.

Results Matter More than Money — Across the country, students are benefiting from the high standards and increased parental involvement The No Child Left Behind Act has brought to our schools. The following are just a few of the examples of the progress being made in educating our young people:

Rhode Island — Last year, for the first time in seven years, Rhode Island students in big cities and small towns showed substantial increases in math and English test scores. Of particular note is East Providence Elementary School which jumped from the bottom of the rankings to the top in one year in both math and English. An editorial in the *Providence Journal* on 11/23/04 noted, "More than half of Rhode Island's public schools have jumped into the high-performing category, and school leaders across the state say that's in no small part due to the strict goals set by the federal No Child Left Behind law..."

Facts on Education Funding (continued)

Chicago, Illinois — Recently, the Chicago Public Schools issued a press statement declaring that “the Chicago Public Schools have reached an all-time high in reading scores on the Iowa Test of Basic Skills... In addition, eighth-graders beat national norms in both reading and math for the second year in a row, with 54.1 percent testing at or above national norms in reading and 54.3 percent in math.”

The Democratic Record on Education Funding — The Democratic leadership budget substitute defeated on the floor last year fell \$5.1 billion short of the levels technically authorized for the Title I program in the No Child Left Behind law. When the Democrats had control of the Presidency, the House and the Senate in fiscal years 1994 and 1995 they cut education spending below the President’s request by almost \$3 billion.

Immigration Enforcement and Border Security

Facts

The September 11th attacks on the United States provided a significant wake-up call regarding the vulnerabilities of our immigration system. We learned that the “business as usual” attitude doesn’t work anymore. Our nation needs a clear immigration enforcement strategy that reduces the threat posed by immigration violators.

Illustrating the Challenge

America’s current immigration strategy is based on an old, outdated INS plan from 1999.

- ◆ It is estimated that 11 million illegal aliens now reside in the United States. Approximately 1 million aliens are in the removal process – roughly 10 percent of the total.
- ◆ Since 1995, Congress has quadrupled spending on immigration related border security and enforcement, from \$1.2 billion to \$4.7 billion. We’ve also more than doubled the number of Border Patrol Agents from 5,000 to 11,200.

Working Toward a Solution

The FY06 spending bills provide \$19.5 billion for border protection, immigration enforcement, and related activities. This is an increase of \$1.3 billion from FY05 enacted levels and is \$895 million above the President’s request. This funding includes:

- ◆ \$1.8 billion for the Border Patrol provides an additional 1,000 Border Patrol Agents. When combined with the pending FY05 Supplemental Appropriations bill, Congress is providing for an additional 1,500 Border Patrol Agents.
- ◆ \$3.4 billion for immigration enforcement components of ICE provides for an additional 350 new ICE agents and 1,920 detention beds. When combined with the pending FY05 Supplemental Appropriations bill, Congress is providing for an additional 568 ICE agents and 3,870 detention beds.
- ◆ \$405 million to assist states with the costs of incarcerating illegal aliens convicted of crimes.
- ◆ \$41 million for border security technology, including surveillance and unmanned aerial vehicles.

Supporting Law Enforcement/First Responders

State and Local Law Enforcement — Congress has a long track record of providing law enforcement with ample resources to protect communities and fight crime. Since September 11th, 2001, \$15 billion has been provided to assist state and local law enforcement. The Science State Justice spending bill builds on this record by restoring more than \$1.1 billion in proposed cuts to state and local law enforcement assistance programs. In total, \$2.7 billion is provided for crime fighting initiatives. The bill restores numerous programs that have been perennially targets for elimination or reduction. These include: \$405 million to reimburse States for criminal alien detention costs; \$334 million for juvenile delinquency prevention and accountability programs; and \$387 million for violence against women prevention and prosecution programs.

First Responders Funding — This year, Congress provided \$3.3 billion for first responders, including grants to high threat areas, firefighters, and emergency management. Since September 11th, 2001, \$32.4 billion has been provided to first responders including terrorism prevention and preparedness, general law enforcement, and firefighter assistance. These funds have been used to train more than 811,275 police, fire, and emergency medical personnel to respond to acts of terrorism and facilitate over 796 training exercises for first responders.

Oversight of Dollars — A recent report by the Appropriations Committee's Survey's and Investigations staff found that while billions of dollars are being provided to first responders much of it remains unspent. Specifically, only 29 percent of total first responder funds since FY02 have been spent. Currently, there is nearly \$7 billion in unspent funds in the federal pipeline for first responders.

Fighting Meth — This year's budget increased the resources available to federal, state and local law enforcement to fight the scourge of methamphetamines in communities, large and small. We restored funding for the Justice Assistance Grants, providing \$416 million for this important crime-fighting initiative. We required the Drug Enforcement Agency to establish a Methamphetamine Task Force and we set aside \$64 million to target drug hot spots and help clean up former meth lab sites.

Oversight of Taxpayer Dollars

Disaster Assistance Oversight

The House Appropriations Committee's Survey's and Investigations staff is conducting a wide-ranging assessment and analysis of disaster spending. This is the largest investigation of its kind ever undertaken by the Committee. The Surveys and Investigations staff are made up of former FBI, CIA, GAO and other federal law enforcement and auditing officials and are unique to the House Appropriations Committee.

Established in 1943, during World War II, the investigators routinely conduct comprehensive investigations primarily in the areas of defense and intelligence spending but also examine a broad range of domestic programs under the jurisdiction of the Committee. Investigations are initiated on a bipartisan basis and rely on extensive on-site examinations of field operations. In addition, Congress beefed up the resources of the Inspector General (IG) of the Department of Homeland Security (DHS) to monitor disaster expenditures by FEMA and other relevant agencies.

The Army Corp of Engineers Oversight

A recent audit by the Government Accountability Office conducted at the request of the House Appropriations Committee discovered widespread financial irregularities at the Army Corps of Engineers. The agency was transferring as little as six cents between projects, shifting funds to projects that have been defunded by Congress and generally ignoring congressional direction provided in their annual budget bill.

To rectify this mismanagement, the Energy and Water Conference Report includes a number of provisions that require the Corps to carefully account for their expenditures of taxpayer funds. These include: the development of a five-year comprehensive budget plan; limiting the use of continuing contracts; development of performance-based guidelines for project funding and increased transparency in financial accounting.

Oversight of Taxpayer Dollars (continued)

Amtrak Reform and Oversight

For years, Amtrak officials would periodically threaten immediate shut downs of service because of supposed inadequate funding. Further analysis reveals that Amtrak alone is to blame for the bulk of its problems, most notably taking on nearly \$4 billion in debt, much of which occurred in the mid- to late-1990s, yet failing to make the infrastructure investments along the Northeast Corridor so critically needed to maintain efficient operations. Instead, important maintenance was deferred to pursue money-losing ventures, which in turn increased operational costs.

This year, Congress made some significant financial and management reforms of Amtrak. These reforms mandate that Amtrak reduce its operating subsidy which includes finding savings in food and beverage service, first class service, and commuter rail fees. Amtrak also would be barred from marketing ticket discounts of more than 50 percent in peak hours. For the first time, Amtrak's funding includes a new discretionary account, the Efficiency Incentive Fund, which the Secretary of Transportation can parse out as grants to fund priority capital improvements that are directly tied to short-term operating savings. In addition, the DOT Inspector General is required to report back regularly to Congress on Amtrak's progress on financial reforms.

Supporting Science/Research and Development

The National Aeronautics and Space Administration — Congress funded NASA at the budget request level of \$16.5 billion, \$260 million above FY05. The budget funds the President's vision for space exploration at \$3.1 billion; restores the aeronautics research program to \$912 million; provides full funding for the Space Shuttle program; and directs the President to develop a national aeronautics policy.

National Science Foundation — Congress increased funds for the National Science Foundation by \$181 million, with total funding at \$5.65 billion for fiscal year FY06. Increased funding for NSF will support more fundamental science and engineering research, the fuel that drives the knowledge economy. It also preserves the Math and Science Partnership program at NSF, which has a proven track record of success in bringing the intellectual resources of higher education institutions to bear on improving the performance of local school systems in math and science education.

Math and Science Partnerships — Congress increased funds to promote strong math and science teaching skills for elementary and secondary teachers. A total of \$184 million, \$7 million above last year's level, is provided to provide grants to states to provide professional development opportunities, recruit math and science majors to the teaching field, and to develop rigorous math and science curricula.

Honoring Our Veterans and Supporting Our Troops

Veterans Medical Care and Benefits — Providing the funds to ensure Veterans have first class medical care continues to be one of Congress' highest priorities. Veterans Medical Services are funded at \$22.5 billion, \$575 million above the President's budget request and \$1.7 billion above FY05. Over the last two years, funding for veterans medical care has increased by 18 percent. Congress rejected additional proposed fees for veterans receiving needed care. Veteran's benefits increased \$1.9 billion over last year.

Troop Support — Congress fully funded a 3.1 percent military pay raise and provided additional resources to the military's Family Advocacy Program to fight domestic violence.

Death Benefits and Gratuity — Congress increased the maximum life insurance benefits for service members from \$250,000 to \$400,000. The onetime death gratuity for combat related fatalities is increased from \$12,000 to \$100,000 and is made retroactive to the start of the conflict in Afghanistan. These additional benefits are a small but appropriate response for our soldiers and their families.

Traumatic Injury Protection Insurance — The war supplemental included a new insurance benefit of up to \$100,000 for soldiers who have suffered traumatic injuries such as loss of limb, sight or other debilitating injuries. Soldiers who have been severely injured face a difficult transition back to regular civilian or military life. This new benefit is an attempt to ease any financial strain on the family of an injured soldier.

Veterans Mental Health — For the first time ever, the President proposed and Congress provided a dedicated pool of resources, \$2.2 billion, to provide specialty mental health care to veterans, particularly those who are returning from combat areas.

War on Terrorism

Intelligence Funding — A robust intelligence program is our first line of defense in the War on Terror. Since September 11, 2001 Congress has provided a double digit increase for intelligence programs. Congress has provided substantial resources to increase our technological and human intelligence capacity.

Force Protection — The war funding measure dramatically increases funding for body armor and hardening vehicles and facilities to protect our troops in the field. This latest installment builds on Congress' record of providing substantial resources for force protection and troop survivability measures. Funding is included for the following:

Body Armor — \$75 million is provided to purchase 47,000 additional sets of body armor. Over the last two years, more than \$875 million has been provided to purchase over 548,000 sets of body armor for our troops.

Armored Vehicles — \$767 million is provided to armor a total of 5,559 Humvees, and \$900 million is provided for add-on armor packages. In addition to funds in this bill, over the last two years we have provided \$1.66 billion for approximately 7400 Up-Armored Humvees.