Chairman Ander Crenshaw
Subcommittee on Financial Services and General Government
House Committee on Appropriations
Fiscal Year 2014 Financial Services and General Government Appropriations Bill
Subcommittee Markup
July 10, 2013
Opening Statement As Prepared

Welcome to the mark up of the fiscal year 2014 Financial Services and General Government bill. As you know, this Subcommittee has jurisdiction over a diverse group of agencies and activities including financial regulators, tax collection, the White House, the Federal courts, DC, GSA and the Small Business Administration.

Our work has taken us through 11 hearings, the most recent on June 3 with the Internal Revenue Service. Through each, we have asked tough and important questions, with the effective use of hard-earned taxpayer dollars as a focal point.

We have arrived at a bill that provides $16.97 billion in discretionary funding which is $4.3 billion, or 20 percent, less than the fiscal year 2013 CR level and $7 billion below the request. The reduction is large, but necessary to comply with the House Budget Resolution and to address the Federal government's spending problems. It has been a challenge putting this bill together, but we have done our best to provide adequate funding to essential and priority programs while reducing funding for activities that are not essential to the operations of the Federal government or that have a history of wasting taxpayer resources.

One of the main priorities of the bill is law enforcement activities, including the operations of Federal and DC courts, supervision of offenders and defendants living in our communities, drug task forces, and Treasury's antiterrorism and financial intelligence activities.

Another priority for the bill is supporting small businesses and assisting in private sector job creation. The bill provides $263 million for SBA business loan programs to support $17.5 billion in 7(a) lending and $7.5 billion in 504 lending. The bill also provides $112.5 million for Small Business Development Centers and $221 million for Treasury's Community Development Financial Institutions Fund program. In addition, the bill requires certain regulatory agencies report to the Committee on their efforts to eliminate duplicative, outdated and burdensome regulations.

Regarding the IRS, I think we would all agree that the Inspector General's report on wasteful conference spending and subjecting some Americans to additional scrutiny because of their political beliefs is outrageous and unacceptable. In order to help the IRS regain American's trust, we need to be sure that they are more accountable for their spending and have safeguards in place to ensure that targeting of groups based on political philosophy never happens again. All Americans must be treated equally regardless of their political association, and the hard-earned taxpayer dollars they send to Washington must be spent wisely, effectively and legally.

Therefore, within this bill we:

- Reduce IRS funding by approximately 24 percent below the FY 2013 CR. This is only a small percentage higher than the overall percentage reduction to the bill;
- Condition 10 percent of Enforcement funding on full implementation of all nine of the IG's recommendations regarding the review to tax-exempt applications;
- Prohibit spending on conferences until all of the IG's recommendations have been implemented;
- Prohibit funds for employee bonuses and awards until the IRS and the Office of Personnel Management review the effectiveness of these programs;
- Prohibit funds for the production of videos that have not been reviewed for cost, topic, tone and purpose;
- Require extensive reporting on all spending; and
- Provide the IG with an increase of $5.5 million above the request.

The expansion of the IRS' authorities into healthcare at a time when they have lost the American people's trust is very troubling. Therefore, the bill prohibits funds provided in this bill from implementing the individual mandate and prevents HHS from transferring funds to the IRS for Affordable Care Act implementation.

Regarding GSA, another agency with a history of wasteful spending, the bill reduces spending in the Federal Buildings Fund by $2.4 billion below the request and makes GSA more transparent by requiring additional reporting, separating administrative funds from programmatic funds, and encouraging the better utilization of their space inventory.

The bill doesn't only cut the IRS and GSA. It also eliminates 10 programs, reduces all of the salaries and expenses accounts in the Executive Office of the President, reduces some Federal payments to the District of Columbia, and makes regulators such as the FCC and FTC do more with less.

In order to increase transparency and accountability of agencies created by Dodd-Frank, the bill makes the Consumer Financial Protection Bureau and the Office of Financial Research subject to the appropriations process and requires reports on their activities. Dodd-Frank created these agencies and purposefully put their funding outside of an annual review by the Congress. This bill corrects that flaw.

I want to thank all of the Subcommittee Members for their input into the bill and their participation in our 11 hearings this year – two which involved the IRS. I also want to thank Chairman Rogers for his assistance in moving the bill.

Finally, I would like to thank Jose Serrano. When Mr. Serrano was Chairman of this Subcommittee, he was very fair and respectful of all Members' views and did an outstanding job. Now as Ranking Member, his input has improved the bill. I know that he believes there should be additional funds in the bill, and I look forward to working closely with him and all Members of the Subcommittee as the bill moves forward.

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