Union Calendar No. 294

104TH CONGRESS, 2d Session | HOUSE OF REPRESENTATIVES | REPORT 104–594

REPORT

ON THE

SUBDIVISION OF BUDGET TOTALS FOR FISCAL YEAR 1997

together with

DISSENTING VIEWS

SUBMITTED BY MR. LIVINGSTON, CHAIRMAN, COMMITTEE ON APPROPRIATIONS

MAY 23, 1996.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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LETTER OF SUBMITTAL

HOUSE OF REPRESENTATIVES,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, May 23, 1996.

Hon. NEWT GINGRICH,
The Speaker, U.S. House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: By direction of the Committee on Appropriations, I submit herewith the Committee's report on the subdivision of budget authority and outlays. This report is consistent with the "Allocation of Spending Responsibility to House Committees Pursuant to Section 602(a) of the Congressional Budget Act—Fiscal Year 1997" beginning on page 158 of House Report 104–575 to accompany H. Con. Res. 178, setting forth the Congressional Budget for the United States Government for the fiscal years 1997, 1998, 1999, 2000, 2001, and 2002 as adopted by the House on May 16, 1996. The authority for this allocation, which is based on the House passed budget resolution, is section 3 of H. Res. 435. This section makes the subdivision of this allocation effective for all purposes of the Congressional Budget Act of 1974.

The Committee on Appropriations has been allocated $494.995 billion in discretionary budget authority and $535.139 billion in outlays. The Committee, in distributing this among the 13 regular appropriations bills, has remained within the allocation.

Sincerely,

BOB LIVINGSTON, *Chairman.*

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REPORT ON THE SUBDIVISION OF BUDGET TOTALS FOR FISCAL YEAR 1997

MAY 23, 1996.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. LIVINGSTON, from the Committee on Appropriations, submitted the following

REPORT

SUBDIVISION OF BUDGET TOTALS FOR FISCAL YEAR 1997

The Committee on Appropriations submits the following report on the subdivision of budget totals for fiscal year 1997 pursuant to section 602(b)(1) of the Congressional Budget Act of 1974.

24–702

SUBDIVISIONS TO SUBCOMMITTEES, FISCAL YEAR 1997 BUDGET AUTHORITY AND OUTLAYS
[In millions of dollars]

Subcommittee	General Purpose Discretionary	Crime Trust Fund	Mandatory	Total
Agriculture, Rural Development, Food and Drug Administration:				
Budget authority	12,329	.....	42,300	54,629
Outlays	12,878	.....	40,813	53,691
Commerce-Justice-State-Judiciary:				
Budget authority	23,360	4,525	540	28,425
Outlays	23,929	2,951	529	27,409
District of Columbia:				
Budget authority	718	.....	.....	718
Outlays	718	.....	.....	718
Energy and Water Development:				
Budget authority	18,289	.....	.....	18,289
Outlays	18,935	.....	.....	18,935
Foreign Operations:				
Budget authority	11,950	.....	44	11,994
Outlays	13,311	.....	44	13,355
Interior:				
Budget authority	11,400	.....	59	11,459
Outlays	12,397	.....	62	12,459
Labor, Health and Human Services, and Education:				
Budget authority	64,832	61	222,427	287,320
Outlays	69,442	38	222,440	291,920
Legislative:				
All except Senate:				
Budget authority	1,703	.....	75	1,778
Outlays	1,719	.....	75	1,794
Senate items:				
Budget authority	485	.....	17	502
Outlays	460	.....	17	477
Total Legislative:				
Budget authority	2,188	.....	92	2,280
Outlays	2,179	.....	92	2,271
Military Construction:				
Budget authority	10,033	.....	.....	10,033
Outlays	10,430	.....	.....	10,430
National Security:				
Budget authority	246,340	.....	196	246,536
Outlays	243,816	.....	196	244,012
Transportation:				
Budget authority	11,800	.....	605	12,405
Outlays	35,128	.....	602	35,730

SUBDIVISIONS TO SUBCOMMITTEES, FISCAL YEAR 1997 BUDGET AUTHORITY AND OUTLAYS
Continued
[In millions of dollars]

Subcommittee	General Purpose Discretionary	Crime Trust Fund	Mandatory	Total
Treasury-Postal Service:				
Budget authority	10,803	97	12,511	23,411
Outlays	10,808	84	12,509	23,401
VA-HUD-Independent Agencies:				
Budget authority	64,154	.....	19,854	84,008
Outlays	78,095	.....	19,547	97,642
Unallocated:				
Reserve:				
Budget authority	2,116	.....	.....	2,116
Outlays	.....	.....	.....	.....
Grand total:				
Budget authority	490,312	4,683	298,628	793,623
Outlays	532,066	3,073	296,834	831,973

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 2(l)(2)(b) of rule XI of the House of Representatives, the results of each rollcall vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 1

Date: May 23, 1996.
Measure: FY 1997 Sec. 602(b) Subdivision.
Motion by: Mr. Obey.
Description of motion: Reduce budget authority and outlays in the National Defense function and increase the discretionary domestic allocations by the same amount.
Results: Rejected 19 to 29.

Members Voting Yea	*Members Voting Nay*
Mr. Bevill	Mr. Bonilla
Mr. Coleman	Mr. Bunn
Mr. Dixon	Mr. Callahan
Mr. Durbin	Mr. Dickey
Mr. Foglietta	Mr. Forbes
Mr. Hefner	Mr. Frelinghuysen
Mr. Hoyer	Mr. Hobson
Ms. Kaptur	Mr. Kingston
Mrs. Lowey	Mr. Knollenberg
Mr. Obey	Mr. Lewis
Mr. Pelosi	Mr. Lightfoot
Mr. Sabo	Mr. Livingston
Mr. Serrano	Mr. McDade
Mr. Skaggs	Mr. Miller
Mr. Stokes	Mr. Murtha
Mr. Thornton	Mr. Nethercutt
Mr. Torres	Mr. Neumann
Mr. Visclosky	Mr. Packard
Mr. Yates	Mr. Parker
	Mr. Porter
	Mr. Regula
	Mr. Rogers
	Mr. Skeen
	Mrs. Vucanovich
	Mr. Walsh
	Mr. Wicker
	Mr. Wilson
	Mr. Wolf
	Mr. Young

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 2(l)(2)(b) of rule XI of the House of Representatives, the results of each rollcall vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 2

Date: May 23, 1996.
Measure: FY 1997 Sec. 602(b) Subdivision.
Motion by: Mr. Livingston.
Description of motion: Approve Sec. 602(b) Subdivision.
Results: Adopted 28 to 20.

Members Voting Yea	*Members Voting Nay*
Mr. Bonilla	Mr. Bevill
Mr. Bunn	Mr. Coleman
Mr. Callahan	Mr. Dixon
Mr. Dickey	Mr. Durbin
Mr. Forbes	Mr. Foglietta
Mr. Frelinghuysen	Mr. Hefner
Mr. Hobson	Mr. Hoyer
Mr. Kingston	Ms. Kaptur
Mr. Knollenberg	Mrs. Lowey
Mr. Lewis	Mr. Murtha
Mr. Lightfoot	Mr. Obey
Mr. Livingston	Ms. Pelosi
Mr. McDade	Mr. Sabo
Mr. Miller	Mr. Serrano
Mr. Nethercutt	Mr. Skaggs
Mr. Neumann	Mr. Stokes
Mr. Packard	Mr. Thornton
Mr. Parker	Mr. Torres
Mr. Porter	Mr. Visclosky
Mr. Regula	Mr. Yates
Mr. Rogers	
Mr. Skeen	
Mrs. Vucanovich	
Mr. Walsh	
Mr. Wicker	
Mr. Wilson	
Mr. Wolf	
Mr. Young	

DISSENTING VIEWS OF HON. DAVE OBEY

The allocation presented for the Committee's approval today is "a day late and more than a dollar short." Unless it is substantially modified, it will get us right back into the highly divisive and contentious process of vetoes and threatened government shutdowns that I hoped was put behind us when we finally passed the FY 1996 Omnibus Appropriations Act just last month.

We are already well behind our schedule for this year. Under the law, the Appropriations Committee should have had a budget allocation based on the FY 1997 Budget Resolution Conference Agreement by April 15th. But, for the second year in a row, the Budget Resolution is far behind schedule. As of this morning, it is still pending in the Senate with the clear prospect that further significant changes to the level of discretionary spending will be adopted.

The time of this Committee might be better used today by passing a resolution imploring the House leadership to take steps to ensure that the Budget Committee meet its obligations under the schedule specified by law.

Concerning the substance of the Chairman's 602(b) proposal, I sincerely regret that our Committee is not continuing the spirit of bipartisan cooperation that we enjoyed with the passage of the FY 1996 Omnibus Appropriations Act just last month. Unfortunately, because this allocation so closely tracks the unrealistic and ideological stance recommended by the House Budget Committee, we are once again faced with a wholly unrealistic level of discretionary funding for the priorities we face here at home.

There has been a great deal of confusion in the press about what the 1997 House Budget Resolution did and further confusion about what the Chairman's proposed 1997 602(d) allocation would or would not do. This deserves greater clarity.

We had a very difficult time last year. Most of the domestic budget was not agreed to until most of the fiscal year was over. Getting agreement between the House, the Senate, and the White House was an enormously difficult task—one which the chairman deserves great credit for.

That hard-won agreement could provide us with a very useful benchmark to build on and could help prevent this year from becoming the quagmire that we fell into last. The question that I think we should ask when we look at this allocation is "Will it permit that bipartisan compromise to go forward past the last 5 months of fiscal 1996, or are we back in the middle of the same old argument for fiscal year 1997?"

Although the Republican allocation is advertised in some circles as a freeze of 1996 levels, the bottom line is that $6 billion in one-time offsets that made the Fiscal 1996 agreement possible have been left out of the FY 1997 House Republican plan. The Budget Committee has prohibited the Appropriations Committee from re-

peating these offsets in FY 1997, but has not made up the difference in higher allocation to the Appropriations Committee.

Several billions more in other normal accounting adjustments also have been left out.

The bottom line is that we are working with an allocation that is about $8 to $9 billion short of what is needed for a hard freeze of domestic programs, and is about $14 or $15 billion short of funding the same level of services agreed to in the FY 1996 compromise.

Make no mistake about it, the levels in the plan adopted today are still far below 1996 levels. If these key domestic subcommittees are ultimately forced to produce bills with these levels, these bills will have great difficulty passing the House, will be unacceptable in the Senate, and will never be signed into law.

Here are some specifics.

Unless the allocation is amended, the Labor-HHS-Education allocation will be $2.9 billion below the hard freeze level. And a hard freeze would mean decreased enrollment in Headstart, very serious disruptions in the research program at NIH, and laying off more than a thousand employees in the Social Security Administration.

Unless the allocation is amended, the Agriculture Subcommittee will be about $1.5 billion short of a hard freeze under the Livingston allocation. We are going to see very deep cuts in the WIC program. We are going to see programs like rural water and sewer absolutely clobbered.

Unless the allocation is amended, the Commerce-Justice-State-Judiciary bill is not going to have the money to staff the new prisons that are being completed.

Unless the allocation is amended, the domestic programs in Energy and Water Subcommittee will be about $1.3 billion below a hard freeze. That will mean serious cutbacks in flood protection programs among other priorities.

Unless the allocation is amended, the Interior Subcommittee will be more than a billion dollars below a hard freeze. That means that some of my friends on the other side of the aisle will finally get their shot at energy research, but it will probably also mean significant cuts in the Park Service and in the National Forests.

Unless the allocation is amended, the VA–HUD Subcommittee will be in a similar position. We will see some unpleasant choices involving veterans hospitals, the Space program and environmental protection.

Unless the allocation is amended, the Transportation bill is going to pose a choice between eliminating Air Traffic Control and Air Safety positions at the FAA or cutting the spending authority for highway construction below last year's level. I would submit that both of these activities are vital to the safety of our citizens and the health of our economy and are worth the investment.

Unless the allocation is amended, the Treasury-Postal Service Subcommittee allocation will simply not permit the new measures planned for federal buildings to go forward without making very deep cuts in other areas. We will probably see layoffs in IRS staffing and that will mean lower rates of collection on delinquent taxes and a net increase in the deficit. That is a stupid choice, but one this allocation almost ensures.

The alternative offered by Committee Democrats was based on the discretionary spending alternative to the House Budget Resolution proposed by the Conservative Coalition Democrats. It fully conformed to the discretionary spending levels called for in the FY 1997 House Budget Resolution and doesn't spend one dime more than the plan which the Committee adopted.

It would reallocate the resources available in a much more equitable and sensible manner. For the same amount of money, this Democratic proposal:

—is better for education;
—is better for the environment;
—is better for veterans;
—is better for rural America;
—is better for our National Parks;
—is better for highway construction and air safety;

and is better for a host of other important priorities of the American People.

To pay for these priorities, our plan would scale back the $12.8 billion increase in military spending over the Pentagon's request by $8.8 billion, leaving a military spending level still will above the Pentagon's request. This $8.8 billion in budget authority (and $3.2 billion in outlays) would be redistributed to the domestic subcommittees to help fill shortfalls in critical, common-sense, national priorities that Americans expect us to take care of.

Even after this redistribution, we would still have big gaps. This will not get us all the way back to a hard freeze and there still would be about $4 billion less in Domestic Spending than the Conservative Coalition called for. We will be short, particularly on the outlay side with virtually every subcommittee.

While not perfect, our proposed reallocation reflects the common sense priorities of American families who support education, the environment, roads and bridges, health research, National Parks, clean water, and a host of other domestic programs. Our plan would continue the compromise we thought we reached last month to call off the assault on these programs. We believe our plan is far preferable to the wildly unrealistic proposal being offered by the chairman.

DAVE OBEY,
Ranking Democratic Member.

ALTERNATE 602(b) ALLOCATION TOTALS

[In millions of dollars]

	BA	Outlay
Agriculture	$13,800	$13,702
Commerce, Justice State	28,210	27,074
District of Columbia	718	718
Energy & Water Development	19,326	19,091
Foreign Operations	11,950	13,311
Interior	12,500	12,953
Labor, HHS, Education	67,833	69,751
Legislative:		
All except Senate	1,703	1,719
Senate items	485	460
Total Legislative	2,188	2,179
Military Construction	10,033	10,430
National Security	237,783	240,977

ALTERNATE 602(b) ALLOCATION TOTALS—Continued

[In millions of dollars]

	BA	Outlay
Transportation	12,121	35,425
Treasury, Postal Service	11,463	11,177
VA, HUD, Independent Agencies	64,954	78,351
Reserve	2,116	.....
Total	494,995	535,139
House FY 1997 Budget Resolution	494,995	535,139
Crime Trust Fund (Included above are the following amounts from the Crime Trust Fund):		
Commerce, Justice, State Judiciary	4,525	2,951
Labor, HHS and Education	61	38
Treasury-Postal Service	97	84

ALTERNATIVE ALLOCATION OFFERED BY COMMITTEE DEMOCRATS, COMPARED TO ALLOCATION ADOPTED BY COMMITTEE

[In millions of dollars]

	Defense		Non-defense	
	BA	Outlays	BA	Outlays
Agriculture	.....	.....	+1,471	+834
Commerce, Justice, State	0	0	+325	+194
District of Columbia	.....	.....	0	0
Energy & Water Development	−243	−361	+1,280	+517
Foreign Operations	.....	.....	0	0
Interior	.....	.....	+1,100	+556
Labor, HHS, Education	.....	.....	+2,940	+271
Legislative	.....	.....	0	0
Military Construction	0	0	0	0
National Security	−8,557	−2,839	0	0
Transportation	0	0	+321	+297
Treasury, Postal Service	0	0	+563	+285
VA, HUD, Independent Agencies	0	0	+800	+256
Reserve	.....	.....	0	0
Total	−8,800	−3,200	+8,800	+3,200

A letter sent to the Committee by the Office of Management and Budget made the following assessment of how the allocations which were adopted could be expected to affect programs within the jurisdiction of each of the following subcommittees:

Labor-HHS-Education: The allocation is about $6.7 billion below the President's request, and $2.5 billion below the levels needed to sustain the 1996 program level. It could mean major cuts below 1996 in such priorities as Title I—Education for the Disadvantaged, Pell Grants college scholarships, and the Summer Youth Employment program.

VA-HUD-Independent Agencies: The allocation would jeopardize our efforts to protect public health and the environment by maintaining environmental enforcement by the EPA; meeting our international commitments to cut greenhouse gas emissions; and spurring new technologies to protect public health, reduce costs, and create new jobs. It also would not provide increases for new Drinking Water State Revolving Funds, fully fund the Clear Water Act State Revolving Funds, or fund the President's initiative to stimu-

late the development of "Brownfield" sites in distressed communities.

Commerce-Justice-State: The allocation would force two harsh options—(1) drastically cut the President's anti-crime requests, or (2) cut deeply into critical technology and assessed contributions to international organizations. In jeopardy are the crime programs to put 100,000 more police on the street and beef up FBI criminal investigations and law enforcement technology improvements, DEA drug enforcement, U.S. Attorneys' prosecutorial efforts, prisoner incarceration, and border control. To protect those, the Subcommittee would have to slash high technology, such as the Advanced Technology Program and Manufacturing Extension Partnerships, planning for the decennial census, and Weather Service modernization. Finally, the allocation threatens the nation's assessed contributions to international organizations, especially the United Nations.

Interior: The allocation jeopardizes the President's requests for the Pacific Northwest Forest Plan, the Everglades Restoration initiative, and other key programs in regions with important needs. It threatens to underfund our parks and public lands. And it also could devastate such Presidential initiatives that promote energy conservation as the Partnership for a New Generation of Vehicles and the Climate Change Action Plan. For Native Americans, the allocation threatens key programs in elementary and secondary education for Indian children, law enforcement and public safety, road maintenance, foster care and other child welfare programs, general assistance to needy families, and higher education scholarships.

Foreign Operations: The allocation, $1 billion below the President's request and $350 million below the 1996 level, would threaten America's international leadership in critical bilateral and multilateral activities. In particular, it likely would mean deep cuts in U.S. contributions to multilateral banks, severely undermining the achievement of important U.S. security and economic objectives through those institutions and diminishing other nations' willingness to cooperate internationally with us.

Agriculture: The allocation would mean an 11 percent cut from the constrained levels of 1996, leading to severe and imprudent cuts in high-priority programs, such as the Women, Infants, and Children (WIC) program; any cut from the President's request would preclude achieving full participation in WIC. In addition, an 11 percent cut in water and wastewater grants would translate into just $325 million in assistance to the lowest-income rural communities—45 percent below the President's request.

Energy and Water: The allocation would mean a $1.5 billion cut in non-defense programs in the Energy Department, Army Corps of Engineers, and other agencies. The likely result: deep cuts in solar and renewables research, and undesirable cuts in university, biological, and basic physics research. A major cut in fusion research will force the shutdown of major research facilities and U.S. withdrawal from international fusion research projects, thereby threatening other U.S.-led international science projects.

Treasury-Postal: At $1.9 billion below the President's request, the allocation likely would mean significant cuts for the Internal Revenue Service and, in particular, the Tax Systems Modernization

program—a crucial effort to bring the IRS' paperbound processes into the electronic age and greatly improve the productivity of its workforce.

Transportation: The allocation would jeopardize the President's requests for transportation safety programs. In particular, the requests for FAA operations and FAA capital acquisition programs are designed to enhance aviation safety.

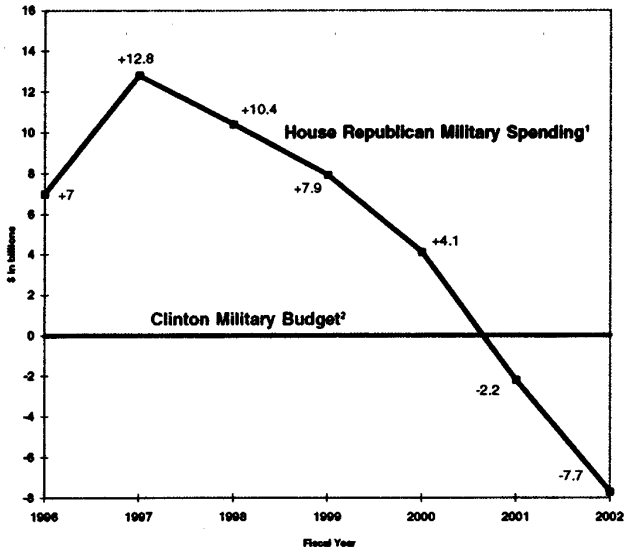
District of Columbia: The allocation does not accommodate the President's request for a modest $52 million increase in the Federal payment to the District of Columbia pension system—a necessary step to fulfill the Federal Government's responsibility for part of its pension liability and help the District get its financial house in order.

Defense: While the President's budget fully funds our nation's defense needs, the nearly $12 billion that this allocation alone would add is unnecessary and will not contribute materially to the currently high levels of military readiness. Rather than spend money on programs that we do not need now, the President's budget provides more funds for modernization at the turn of the century—when the most advanced next generation of defense technologies is ready for production.

Military Construction: The allocation, $900 million above the President's request, supports many projects that are not needed and are not in the Defense Department's out-year plan.

Military Spending Roller Coaster

House Republican Military Spending Over/Under Clinton Military Budget



[1] As specified in 1997 House Budget Resolution

[2] FY 1997 President's Budget

Six-Year Perspective

	Total Military Spending
House Republicans (1997-2002)	$1.64 TRILLION
President Clinton (1997-2002)	$1.62 TRILLION
Republicans over Clinton	$0.02 TRILLION
Republicans over Clinton	**+1.2%**