



www.house.gov/burton/RSC

Rep. Sue Myrick (R-NC), Chairman  
Neil Bradley, Executive Director

230 Cannon House Office Building  
Washington, D.C. 20515



ph (202) 226-9717 • fax (202) 226-1633

Staff Contact: Neil Bradley; x6-9717

December 5, 2003

**DRAFT**

**POLICY BRIEF:..... FY 2004 Omnibus**

**NOTE: The RSC has not taken a position on the Omnibus, the classification of some items as “victories” or “losses” may not reflect the views of all RSC Members.**

**OVERALL DISCRETIONARY SPENDING**

All figures based on Appropriations Committee information, CBO, and RSC calculations.

*In Millions of Dollars*

FISCAL YEAR 2004:

Previously Enacted Bills: \$457,443  
Omnibus: \$328,122  
**TOTAL: \$785,565** (See below for more information)

**Budget Resolution Target: \$785,565** (See below for more information)

COMPARISON WITH FISCAL YEAR 2003:

(Excluding Supplementals)

	<b>2003</b>	<b>2004</b>	<b>Change</b>	<b>%</b>
<b>Non-Def Bills</b>	391,007	408,066	17,059	4.36%
<b>Def &amp; Mil Con</b>	374,789	377,499	2,710	0.72%
<b>TOTAL</b>	765,796	785,565	19,769	2.58%

DISCUSSION OF COMPLIANCE WITH THE BUDGET RESOLUTION:

The Omnibus includes an across-the-board cut of 0.59% that applies to discretionary spending other than that included in the Defense and Military Construction bills. This cut simply reduces each account in the Omnibus and for the other four non-defense bills previously enacted. This reduction is reflected in the numbers above.

In order to comply with the spending limits in the Budget Resolution, Congress has employed three rescissions and one accounting shift. Specifically, the Omnibus includes a \$1.8 billion

rescission of emergency spending appropriated immediately after the September 11<sup>th</sup> terrorist attacks and /or from past Defense Appropriations. OMB is left to determine how much will come from post 9-11 emergency accounts and how much will come from Defense Appropriations. Should OMB rescind funds from the post 9-11 emergency spending, this could be of concern to some Conservatives, since Conservatives have generally objected to offsetting reoccurring spending (i.e. the spending in the Omnibus) with emergency one-time spending. Emergency spending is by definition supposed to be for a one-time event. Rescinding that money to pay for spending in regular appropriations bills that will reoccur each year means that we would have to cut spending by \$1.8 billion next year if we just wanted to freeze overall spending (since the offset would no longer exist). In addition, the fact that it has been over two years and this \$1.8 billion has not been spent calls into question whether it would have ever been spent or whether it would have reverted to the Treasury. If OMB rescinds funds from Defense Appropriations that were actually expected to be spent, this may also raise concerns about reducing Defense spending to increase non-defense.

Earlier this year, Congress and the President enacted a rescission of \$3.5 billion in funds appropriated in the Iraq War Supplemental. These funds were used to offset Fiscal Year 2004 spending. While this offset has the same problems associated with the other offset, there was an agreement to permit this particular usage provided that no other gimmicks (other than the IDEA funding shift described next) would be employed this year. Legislation has also been enacted shifting \$2.2 billion in advance funded IDEA spending back into Fiscal Year 2003; this effectively allows an additional \$2.2 billion to be spent in Fiscal Year 2004.

In total, Congress has employed approximately \$7.5 billion in rescissions / timing shifts in order to comply with the Budget Resolution. Discounting these “offsets” increases the percent growth in spending by approximately 1% for both total spending and non-defense spending.

### INDIVIDUAL BILL FUNDING LEVELS

*In Millions of Dollars*

	<b>FY 03 Excluding Supplementals</b>	<b>FY 04 House- Passed</b>	<b>Omnibus Before 0.59% Rescission</b>	<b>Omnibus After 0.59% Rescission</b>
Agriculture	18,096	17,004	16,943	16,843
C/J/S	39,201	37,914	37,800	37,577
D.C.	509	466	509	506
For Ops	16,227	17,139	17,200	17,099
Labor / HHS / ED	134,313	138,036	139,760	138,935
Transpo / Treasury	28,259	27,748	27,500	27,338
VA / HUD	86,717	90,033	91,300	90,761

### POLICY VICTORIES FOR CONSERVATIVES

D.C. School Choice Authorization – This provision was also included in the House-passed D.C. Appropriations bill.

Human Patenting Amendment – The amendment to prohibit the issuing of patents for human organisms authored by Rep. Dave Weldon was also included in the House-passed Commerce-Justice- State Appropriations bill.

### **PARTIAL POLICY VICTORIES FOR CONSERVATIVES**

Reform of the ATF – Rep. Tiahrt authored an eight-part provision included in the House-passed bill regarding ATF and the instant check system. Six of those provisions are retained in the Omnibus, including:

- Prevent release of confidential law enforcement data-such as multiple handgun sales reports and unredacted firearm trace data. This information had never been released until a court decision last year after lawyers took BATFE to court on a fishing expedition to gather evidence for lawsuits against the firearms industry.
- Require destruction within 24 hours of instant check records-as required by the Brady Act when it was passed in 1993.
- Restore a longstanding compromise on the “relief from disabilities” program. Individuals (such as convicted felons) who are prohibited from gun ownership would still be blocked from even asking for restoration of rights. The language would continue to allow corporations to apply for relief-so that the Attorney General would have full discretion to let a business stay open under new management when doing so would not jeopardize public safety.
- Inventory. The language would prevent BATFE from finalizing a Clinton administration proposed rule that would require an intrusive and expensive complete physical inventory each year, which is not a normal business practice and is very burdensome for small businesses.
- Disclaimer on BATFE Statistics. The amendment would put a disclaimer on BATFE trace studies, noting that firearms traces are performed to solve crimes, not as an academic exercise.

Two provisions were dropped, including:

- Prevent BATFE from building a gun registration database through demands for records that have always been retained only by dealers. Dealers would still have to comply with all trace requests sent to them by BATFE in the course of a legitimate criminal investigation, and any refusal could still be punished either as a criminal offense or by revocation of a dealer’s license.
- Clarify firearms licensing requirements. The language ensures that BATFE looks only at legitimate criteria in issuing dealers’ licenses and not whether a dealer has been inactive.

Stopping Gov't Credit Card Abuse – The bill includes a requirement that Executive agencies determine the credit worthiness of employees before issuing them a government credit card. A card can be issued in certain circumstances even to individuals with a bad credit history. This provision does not go as far as proposals by Senator Grassley and Rep. Wilson to end credit card abuse.

## **RETENTION OF EXISTING CONSERVATIVE POLICIES**

Global AIDS – Provisions in the Foreign Operations bill that would have overridden conservative provisions included in the Global AIDS bill have been removed.

Overtime Regulations – A provision to overturn the Department of Labor's reform of the overtime regulation system is not included.

Mexico City – A provision in the Senate bill overturning the President's Mexico City policy is not included.

Outsourcing (A-76) – Several provisions were included to limit the President's ability to conduct outsourcing activities under existing authorities. While the bill does include some reporting requirements and minor restrictions, major impediments have been removed.

## **POLICY LOSSES FOR CONSERVATIVES**

D.C. Gun Lawsuits – The provision authored by Rep. Doolittle and included in the House-passed D.C. bill to prevent D.C. from appealing its dismissal of its lawsuit against gun manufacturers is not included.

AmeriCorps Reforms – Conservatives argued for an expansion of the AmeriCorps reforms included in the Senate-passed VA/HUD bill. The reforms included in the Senate bill were actually weakened. AmeriCorps receives a \$100 million increase above the House-passed level.

Pledge of Allegiance – Rep. Hostteler successfully included in the House an amendment prohibiting the use of funds to enforce the 9<sup>th</sup> Circuit decision declaring the phrase “under God” in the Pledge of Allegiance unconstitutional. This provision is not included in the Omnibus.

Ten Commandments – Rep. Hostteler successfully included in the House an amendment prohibiting the use of funds to enforce the decision stating the Alabama Chief Justice Roy Moore's display of the Ten Commandments was unconstitutional. This provision is not included in the Omnibus.

## **OTHER POLICY ISSUES**

Media Ownership Caps – The bill overturns the FCC decision lifting the 35% ownership cap and instead imposes a new statutory 39% cap.

Cuba Travel – The bill does not include provisions permitting travel to Cuba.

Drug Reimportation – The bill does not contain reimportation provisions.

## **OTHER INFORMATION**

Creation of New Programs – The Omnibus also creates several new government programs, including: a new International Center for Middle Eastern-Western Dialogue, the Helping to Enhance the Livelihood of People Around the Globe Commission (HELP), and quota systems for crab processors and Gulf of Alaska Rockfish.

Earmarks – The Omnibus includes thousands of earmarks. These include the following:

Fairbanks North Star Borough for relocation of the district's kitchen facilities: \$500,000  
Great Projects Film Company, Inc. to produce "Educating America," a documentary about the challenges facing our public schools: \$50,000  
National Distance Running Hall of Fame, Utica, NY: \$16,000  
Rock and Roll Hall of Fame, Cleveland, OH: \$200,000  
2003 Women's World Cup Tournament: \$1,800,000  
Hawaii Statehood Celebration: \$225,000  
Town of Mercado for construction and renovation to the Mercado shopping center: \$200,000  
ONEgeneration in the San Fernando Valley, California for construction of an intergenerational daycare center: \$100,000  
City of Adelanto, California for construction of a retail shopping center: \$225,000  
City of Salinas, California for construction of a swimming pool: \$325,000  
Southeast Chicago Development Commission in Chicago, IL for building construction for a shopping center: \$100,000  
London-Laurel County Tourism Committee, Kentucky, for construction of the Blue-Gray Civil War Theme Park: \$225,000  
Town of Thomaston, Maine for construction of sidewalk: \$210,000  
City of Cape Girardeau, Missouri, for the painting of a mural on the Cape Girardeau flood wall: \$175,000  
City of Dallas, Texas for Farmers Market renovation: \$150,000  
City of Tremonton, Utah for construction of a Historic Wagon Museum: \$225,000  
Briarcliff Manor Union Free School District traffic light: \$150,000  
History competition during National History Day, Iowa: \$100,000  
Houston Greater Partnership Quality of Life Initiative: \$500,000  
Olive Fruitfly Research, Montpellier, France: \$90,000  
City of Woodland, California for parking construction: \$100,000

Additional information may be found at the following from Citizens Against Government Waste and the Heritage Foundation:

<http://www.heritage.org/Research/Budget/loader.cfm?url=/commonspot/security/getfile.cfm&PageID=53126>

[http://www.cagw.org/site/PageServer?pagename=news\\_NewsRelease\\_12032003](http://www.cagw.org/site/PageServer?pagename=news_NewsRelease_12032003)

---