

**Policy Brief.....H.Con.Res. 393 – Concurrent Resolution  
on the Budget for Fiscal Year 2005**

**Review and Comparison of the Committee Reported Budget and the  
Four Substitutes Made in Order Under the Rule**

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**Comparison of Budget Proposals**

**Increase or Decrease in Federal Taxes:**

Compared to the CBO Baseline Adjusted to Include Extension of Current Tax Rates  
Negative Number Signifies Tax Relief, Positive Numbers Are Tax Increases

*In Billions of Dollars*

<b>PROPOSAL</b>	<b>2005</b>	<b>2005-2009</b>
Committee Budget	-6.919	-26.799
RSC	-8.000	-61.580
Democratic Leadership	4.466	119.391
Blue Dogs	2.640	164.900
Black Caucus	28.581	165.201

**Total On-Budget (Excludes Social Security) Spending, Excluding Interest Payments:**

Interest payments are excluded so as to show the levels of programmatic spending.

*In Billions of Dollars*

<b>PROPOSAL</b>	<b>2005</b>	<b>2005-2009</b>
Committee Budget	1,739.640	9,238.363
RSC	1,725.120	9,132.052
Democratic Leadership	1,761.100	9,376.200
Blue Dogs	1,742.149	9,232.277
Black Caucus	1,769.790	9,385.889

NOTE: This analysis does not look at the funding suggested for the separate functional categories. For discretionary spending, the Appropriations Committee is not bound by the functional suggestions in the Budget Resolution. For mandatory spending, only reconciliation proposals to change existing law or the relevant Committee Allocation (302(a) allocation) made in accompanying Committee Report are of real relevance. Many budget reform proposals have

suggested eliminating most of the functions. The RSC Budget only includes the following function categories: Defense, Homeland Security, Interest, Offsetting Receipts and Allowances (which includes all other spending). Because of this change, even if functional totals were relevant, it would be impossible to compare functional categories for all five proposals.

**On-Budget Deficit (Excludes Social Security):**

*In Billions of Dollars*

<b>PROPOSAL</b>	<b>2005</b>	<b>2005-2009</b>
Committee Budget	550.711	2,392.989
RSC	539.494	2,329.999
Democratic Leadership	547.300	2,351.400
Blue Dogs*	539.000	2,162.408
Black Caucus	529.554	2,322.671

\*Approximate cost of Iraq Supplemental Included

**Unified Deficit (Includes Social Security):**

*In Billions of Dollars*

<b>PROPOSAL</b>	<b>2005</b>	<b>2005-2009</b>
Committee Budget	376.827	1,356.825
RSC	365.610	1,293.835
Democratic Leadership	373.416	1,315.236
Blue Dogs*	365.116	1,126.244
Black Caucus	355.670	1,286.507

\*Approximate cost of Iraq Supplemental Included

**Include \$50 Billion Defense Reserve Fund for On-going Military Operations:**

<b>PROPOSAL</b>	
Committee Budget	YES
RSC	YES
Democratic Leadership	YES
Blue Dogs	YES
Black Caucus	YES

**Mandatory Spending Reconciliation, Reserve Funds:**

Committee Budget:

- Deficit-neutral reserve fund for health insurance for the uninsured
- Deficit-neutral reserve fund for the Family Opportunity Act
- Deficit-neutral reserve fund for Military Survivors' Benefit Plan
- Reserve Fund for pending legislation
- Contingency procedure for Surface Transportation

- Reconciliation instruction to reduce waste, fraud, and abuse

*Savings  
Dollars in Millions*

<b>Committee</b>	<b>First Year</b>	<b>Five Years</b>
Agriculture	110	371
Education & the Workforce	5	43
Energy & Commerce	410	2,185
Government Reform	170	2,365
Ways and Means	1,126	8,269

RSC:

- Deficit-neutral reserve fund for health insurance for the uninsured
- Deficit-neutral reserve fund for the Family Opportunity Act
- Deficit-neutral reserve fund for Military Survivors' Benefit Plan
- Reserve Fund for pending legislation
- Contingency procedure for Surface Transportation
- Reconciliation instruction to reduce waste, fraud, and abuse (flexibility to protect earned benefit programs from reductions):

*Savings  
Dollars in Millions*

<b>Committee</b>	<b>First Year</b>	<b>Five Years</b>
Agriculture	220	3,100
Armed Services	50	250
Education & the Workforce	90	750
Energy & Commerce	1,530	12,750
Financial Services	50	190
Government Reform	200	2,000
House Administration	0.5	3
International Relations	150	1,125
Judiciary	80	550
Resources	50	350
Science	1	6
Transportation	100	1,150
Veterans Affairs	10	125
Ways and Means	4,784	38,947

Democrat Leadership:

- Reconciliation instructions to reduce Medicare payments to providers under the Medicare Advantage Program and increase the value of the Medicare drug benefit
- Instructions to the Armed Services Committee to find \$2 billion in annual discretionary savings. The savings are to be used to eliminate the Social Security offset to the Military Survivor Benefit Plan
- Reserve fund of \$7.6 billion over ten years for the Family Opportunity Act
- Reserve fund of \$1.115 billion over ten years for S-CHIP

- Reserve fund of \$3.5 billion over ten years for Transitional Medicaid Assistance
- Deficit-neutral reserve fund for Health Insurance for the Uninsured
- Contingency procedure for Surface Transportation

Blue Dogs:

- Deficit-neutral Reserve Fund for Health Insurance for the Uninsured
- Contingency procedure for Surface Transportation
- Deficit-neutral reserve fund for permanent extension of tax cuts
- Deficit-neutral reserve fund for local law enforcement to be funded by spectrum auctions
- Deficit-neutral reserve fund for Military Survivors' Benefit Plan

Black Caucus:

- None

**Enforcement Provisions:**

Committee Budget:

- Restriction on advanced appropriations
- Requires spending designated as an emergency to meet the criteria for emergency spending

Democratic Leadership:

- Establishes a “paygo” rule for new mandatory spending or tax legislation.

RSC:

- Restriction on advanced appropriations
- Requires spending designated as an emergency to meet the criteria for emergency spending. This provision is enforced via a point of order, and if the point of order is waived, a point of order lies against the rule waiving the point of order.
- Firewall preventing the consideration of Appropriations bills unless at least \$402 billion is provided for Defense and Military Construction
- Point of order against exceeding the spending limits established by the Budget Resolution (via 302(a) allocations). If the point of order is waived in a rule, then a point of order lies against the rule. This provision essentially requires a separate vote of the House to violate the Budget totals.
- Requires that prior to consideration of any Appropriations bill, the House and Senate Appropriations Committees agree on an initial set of 302(b) subcommittee allocations. While the House and Senate may change their allocations at any time, this provision ensures that both chambers start at the same place.
- Prohibition on using general tax increases to offset new spending in an effort to comply with the Budget Resolution.

Blue Dogs:

- Restriction on advanced appropriations
- Point of order against legislation increasing the deficit after fiscal year 2009

- Creates discretionary spending caps for fiscal years 2005 through 2007 enforceable via a point of order. If a rule waives the point of order, then a point of order lies against the rule.
- Includes a definition of emergency spending, requires a justification for emergency spending, and permits votes in the House to remove emergency designations.
- Establishes a “paygo” rule for new mandatory spending or tax legislation. Any rule waiving the “paygo” rule would be subject to a point of order.

Black Caucus:

- None

**Budget Reforms Other Than Enforcement & Other Provisions:**

Committee Budget:

- None

RSC:

- Allows for tax cut levels to be increased to take into account the economic feedback from lower taxes based on realistic (dynamic) scoring
- Family Budget Protection Accounts permit Members to credit the savings from amendments to both discretionary and mandatory spending bills to deficit reduction

Democratic Leadership:

- None

Blue Dogs:

- Requires Committee Reports to include disclosure information about the impact of the bill on the public debt
- Requires that Committee Reports accompanying spending and tax bills include an estimate of the interest costs of the legislation
- Requires that if dynamic scoring is used for tax cuts, a study also be conducted on the economic effects of any increase in the deficit caused by the tax proposal.
- Permits a \$150 billion increase in the statutory debt, after which time increases are limited to \$100 billion (enforced via a point of order), unless there is a certification that the budget will be balanced by 2012
- Includes a review of the budget outlook to determine if we are expected to achieve a balanced budget

Black Caucus:

- None

**Senses of the House / Congress:**

Committee Budget:

- Spending accountability
- Entitlement reform

RSC:

- Spending accountability
- Entitlement reform
- Abolishment of obsolete agencies and Federal sunset proposals
- Goals of this Concurrent Resolution and the elimination of certain programs

Democratic Leadership:

- Policies affecting jobless workers and job creation
- Funding for the Manufacturing Extension Partnership
- Extension of PAYGO
- Defense priorities
- Eliminating the shortfall in the Pell Grant program
- Homeland Security
- Pay parity
- Conservation Spending Category
- ANWR
- Hetch Hetchy Reservoir in Yosemite National Park
- Ouachita-Black Navigation Project
- Amtrak
- Tax simplification and fairness
- Accelerating increased refundability of the child tax credit
- Trigger mechanism for prescription drug price negotiation

Blue Dog:

- Budget enforcement
- Tax reform
- Spending accountability
- Previously enacted tax legislation
- Trigger mechanism for costs of prescription drug legislation
- Responsible funding for additional military end strength
- Funding for the Manufacturing Extension Partnership
- Conservation Spending Category
- Ouachita-Black Navigation Project
- Tax simplification and fairness
- LIHEAP

Black Caucus:

- None
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