



Staff Contact: Russ Vought (x68581)

April 28, 2005

***DRAFT***

## Policy Brief

### H.Con.Res. 95 – Concurrent Resolution on the Budget for Fiscal Year 2006

---

**Order of Business:** The closed rule provides for one-hour of debate on the Conference Report.

**Major Provisions of Note:**

Entitlement Savings: Provides \$35 billion over five years in reconciliation instructions (see below) to the various authorizing committees to slow the rate of growth in mandatory spending. The House had passed \$68.6 billion over five years in savings, and the Senate had passed \$17 billion over five years in savings.

Tax Relief – Assumes \$105.7 billion in tax relief over five years, of this amount \$70 billion can be enacted under reconciliation.

Debt Limit Increase – Provides reconciliation protection in both the House and Senate for legislation to increase the statutory debt limit by \$781 billion. In addition, a bill increasing the debt limit by the same amount will be automatically deemed as passed by the House (pursuant to the Gephardt Rule) if the House and Senate agree to the Conference Report. Thus, there are two avenues available for moving a debt limit increase through Congress.

War Reserve Fund – Includes a \$50 billion reserve fund for ongoing military operations.

**COMPARISON OF HOUSE-PASSED BUDGET AND CONFERENCE REPORT:**

**Decrease in Federal Taxes:**

*In Billions of Dollars*

<b>PROPOSAL</b>	<b>2006</b>
House Budget	-105.7
Conference Report	-105.7

**Total On-Budget (Excludes Social Security) Spending:**

*In Billions of Dollars*

<b>PROPOSAL</b>	<b>2005</b>
House Budget	2,135.290
Conference Report	2,144.384

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

*In Billions of Dollars*

<b>PROPOSAL</b>	<b>2005</b>
House Budget	-564.5
Conference Report	-571.5

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

*In Billions of Dollars*

<b>PROPOSAL</b>	<b>2005</b>
House Budget	-375.8
Conference Report	-382.7

**Total Discretionary Spending (Includes \$50 Billion War Reserve Fund):**

*In Billions of Dollars*

<b>PROPOSAL</b>	<b>2005</b>
House Budget	893.020
Conference Report	893.020

**Defense Discretionary Spending (Excluding \$50 Billion War Reserve Fund):**

*In Billions of Dollars*

<b>PROPOSAL</b>	<b>2005</b>
House Budget	438.973
Conference Report	438.973

**Non-Defense Discretionary Spending:**

*In Billions of Dollars*

<b>PROPOSAL</b>	<b>2005</b>
House Budget	454.047
Conference Report	454.047

**RECONCILIATION INSTRUCTIONS FOR MANDATORY SPENDING:**

Background: Under the reconciliation process, the conference report on the Budget Resolution will instruct certain committees to find savings to reduce the growth in mandatory spending. The committees will be given a deadline to meet their reconciliation savings targets, and then the Budget Committees will package the various bills into a spending reconciliation package. It is this reconciliation package that will contain the actual changes to current law not the conference report on the Budget Resolution. **Thus, Members will have a separate opportunity to vote on any policy changes and voting for the Budget Resolution, and any reconciliation**

**instructions it contains, does NOT mean that Members are endorsing any particular policy change.**

The Conference Report includes the following reconciliation instructions to the various authorizing committees:

*House - In Millions of Dollars*

<b>Committee</b>	<b>First Year</b>	<b>Five Years</b>
Agriculture	1, 730	3,000,000
Education & the Workforce	9, 920	12,651,000
Energy & Commerce	2 ,000	14,734,000
Financial Services	30,000	470,000
Judiciary	60,000	300,000
Resources		2,400,000
Transportation	12,000	103,000
Ways and Means	250,000	1,000,000
<b>Total</b>	<b>1,519,000</b>	<b>34,658,000</b>

*Senate – In Millions of Dollars*

<b>Committee</b>	<b>First Year</b>	<b>Five Years</b>
Agriculture	173,000	3,000,000
Banking, Housing, Urban Affairs	30,000	470,000
Commerce, Science, Transportation	10,000	4,810,000
Environment and Public Works	4,000	27,000
Finance		10,000,000
Health, Ed, Labor, Pension	1,242,000	13,651,000
Energy and Resources		2,400,000
Judiciary	60,000	300,000
<b>Total</b>	<b>1,519,000</b>	<b>34,658,000</b>

**RESERVE FUNDS AND ADJUSTMENTS:**

Conference Report:

- Deficit-neutral reserve fund for health insurance for the uninsured
- Deficit-neutral reserve fund for the Family Opportunity Act
- Contingency procedure for Surface Transportation
- Deficit-neutral reserve fund for the Federal Pell Grant Program (not to exceed \$4.3 billion in FY06)
- Reserve fund for the disposal of under-utilized federal real property “that generates discretionary savings” (not to exceed \$50 million)
- Deficit-neutral reserve fund in the Senate to provide incentives for modern information technology and performance-based payments in healthcare

- Deficit-neutral reserve fund in the Senate to set up an Asbestos Injury Trust Fund (to claimants who were actually exposed to asbestos and it was a “substantial contributing factor” in causing their health care detriment)
- Reserve fund for energy legislation (not to exceed \$2 billion)
- Deficit-neutral reserve fund for the safe importation of prescription drugs
- Deficit-neutral reserve fund for the restoration of unspent funds under the State Children’s Health Insurance Program (SCHIP)

**ENFORCEMENT PROVISIONS:**

There are various budget enforcement measures contained in pages 44 through 65, including a limit on advance appropriations, a limitation on spending bills that increase long-term direct spending in excess of \$5 billion (enforced by a point of order in the Senate), a score-keeping adjustment to the Pell Grant program, and discretionary spending limits in the Senate (enforced by a point of order).

**SENSES OF THE HOUSE, CONGRESS, SENATE:**

- Sense of the Senate on preventing any measure providing an appropriation for programs not specifically authorized by law or Treaty stipulation
- Sense of the Senate establishing a commission to review Federal agencies and provide congress with recommendation to realign or eliminate wasteful government agencies
- Sense of the Senate that Congress should provide sufficient funding to DOD in order to offer TRICARE to members of the Reserve Component, regardless of activation status
- Sense of the Senate recognizing funding challenges faced by tribal colleges and universities, and assumes they will receive equitable funding consideration
- Sense of the Senate that the President, Congress, and all Americans should work together to reform the Social Security system.
- Sense of the Senate increasing funding for the Aeronautics Mission Directorate within NASA should be increased by \$1.5 billion between FY06 and FY10.
- Sense of the Senate that the DOD should not pursue a winner-take-all strategy for the acquisition of destroyers under the DDX program.

This document was created with Win2PDF available at <http://www.daneprairie.com>.  
The unregistered version of Win2PDF is for evaluation or non-commercial use only.