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House of Representatives

□ 0608

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SHAYS) at 6 o'clock and 8 minutes a.m.

CONFERENCE REPORT ON S. CON. RES. 95, CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2005

Mr. NUSSLE submitted the following conference report and statement on the Senate concurrent resolution (S. Con. Res. 95) setting forth the congressional budget for the United States Government for fiscal year 2005 and including the appropriate budgetary levels for fiscal years 2006 through 2009:

CONFERENCE REPORT (H. REPT. 108–498)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 95), setting forth the congressional budget for the United States Government for fiscal year 2005 and including the appropriate budgetary levels for fiscal years 2006 through 2009, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2005.

(a) DECLARATION.—Congress declares that this resolution is the concurrent resolution on the budget for fiscal year 2005 as authorized by section 301 of the Congressional Budget Act of 1974 (2 U.S.C. 632).

(b) TABLE OF CONTENTS.—The table of contents for this concurrent resolution is as follows:

Sec. 1. Concurrent resolution on the budget for fiscal year 2005.

TITLE I—LEVELS AND AMOUNTS

Sec. 101. Recommended levels and amounts for the budget year.
Sec. 102. Social security.
Sec. 103. Major functional categories.

TITLE II—RECONCILIATION

Subtitle A—Senate

Sec. 201. Reconciliation in the Senate.

Subtitle B—House of Representatives

Sec. 211. Reconciliation in the House of Representatives.

TITLE III—RESERVE FUNDS AND ADJUSTMENTS

Subtitle A—Reserve Funds

Sec. 301. Deficit neutral reserve fund for health insurance for the uninsured.
Sec. 302. Deficit neutral reserve fund for higher education.
Sec. 303. Deficit neutral reserve fund for Montgomery GI Bill benefits.
Sec. 304. Deficit neutral reserve fund for Postal Service reform.
Sec. 305. Deficit neutral reserve fund for the Family Opportunity Act.
Sec. 306. Deficit neutral reserve fund for eliminating survivor benefit plan-social security offset.
Sec. 307. Reserve fund for pending legislation.

Subtitle B—Adjustments With Respect to Discretionary Spending

Sec. 311. Adjustment for surface transportation.
Sec. 312. Adjustment for wildland fire suppression.
Sec. 313. Mechanism for adjusting appropriate discretionary levels.

TITLE IV—BUDGET ENFORCEMENT

Subtitle A—Enforcement

Sec. 401. Restrictions on advance appropriations.
Sec. 402. Emergency legislation.
Sec. 403. Exemption of overseas contingency operations.
Sec. 404. Discretionary spending limits in the Senate.
Sec. 405. Adjustments to reflect changes in concepts and definitions.
Sec. 406. Application and effect of changes in allocations and aggregates.
Sec. 407. Pay-as-you-go point of order in the Senate.
Sec. 408. Compliance with section 13301 of the Budget Enforcement Act of 1990.

Subtitle B—Report Submissions

Sec. 411. Submission of report on defense savings.
Sec. 412. Submission of report on homeland security.

Subtitle C—Exercise of Rulemaking Powers

Sec. 421. Exercise of rulemaking powers.

TITLE V—REQUIRED LEVELS AND AMOUNTS FOR OUTYEARS.

Sec. 501. Recommended levels and amounts.
Sec. 502. Social security.
Sec. 503. Major functional categories.

TITLE VI—SENSE OF THE SENATE AND SENSE OF THE HOUSE

Subtitle A—Sense of the Senate

Sec. 601. Sense of the Senate on budget process reform.
Sec. 602. Sense of the Senate on budget process reform with regard to the creation of bipartisan commissions to combat waste, fraud, and abuse and to promote spending efficiency.
Sec. 603. Sense of the Senate on the relationship between annual deficit spending and increases in debt service costs.
Sec. 604. Sense of the senate regarding the costs of the medicare prescription drug program.
Sec. 605. Sense of the Senate on returning stability to payments under medicare physician fee schedule.
Sec. 606. Sense of the Senate supporting funding restoration for agriculture research and extension.
Sec. 607. Sense of the Senate concerning a national animal identification program.
Sec. 608. Sense of the Senate regarding contributions to the global fund to fight aids, tuberculosis, and malaria.
Sec. 609. Sense of the Senate concerning child nutrition funding.
Sec. 610. Sense of the Senate regarding compensation for exposure to toxic substances at the Department of Energy.
Sec. 611. Sense of the Senate regarding tax incentives for certain rural communities.
Sec. 612. Sense of the Senate concerning summer food pilot projects.
Sec. 613. Sense of the Senate regarding closing the ''tax gap''.

Subtitle B—Sense of the House

Sec. 621. Sense of the House on entitlement reform.

Subtitle C—Sense of Congress

Sec. 631. Sense of Congress on spending accountability.

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TITLE I—LEVELS AND AMOUNTS

SEC. 101. RECOMMENDED LEVELS AND AMOUNTS FOR THE BUDGET YEAR.

The following budgetary levels are appropriate for fiscal year 2005:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution—

(A) The recommended level of Federal revenue for fiscal year 2005 is $1,454,637,000,000.

(B) The amount by which the aggregate level of Federal revenues should be changed for fiscal year 2005 is −$28,194,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate level of total new budget authority for fiscal year 2005 is $2,005,068,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate level of total budget outlays for fiscal year 2005 is $1,996,028,000,000.

(4) DEFICIT.—For purposes of the enforcement of this resolution, the amount of the deficit for fiscal year 2005 is $541,391,000,000.

(5) DEBT SUBJECT TO LIMIT.—Pursuant to section 301(a)(5) of the Congressional Budget Act of 1974, the appropriate level of the public debt for fiscal year 2005 is $8,073,946,000,000.

(6) DEBT HELD BY THE PUBLIC.—The appropriate level of the debt held by the public for fiscal year 2005 is $4,762,355,000,000.

SEC. 102. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amount of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for fiscal year 2005 is $572,309,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amount of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for fiscal year 2005 is $396,157,000,000.

(c) SOCIAL SECURITY ADMINISTRATIVE EXPENSES.—In the Senate, the amounts of new budget authority and budget outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for administrative expenses for fiscal year 2005 are $4,249,000,000 in new budget authority and $4,264,000,000 in outlays.

SEC. 103. MAJOR FUNCTIONAL CATEGORIES.

Congress determines and declares that the appropriate levels of new budget authority and budget outlays for fiscal year 2005 for each major functional category are:

(1) National Defense (050): $472,157,000,000 in new budget authority and $474,298,000,000 in outlays.

(2) International Affairs (150): $28,920,000,000 in new budget authority and $32,795,000,000 in outlays.

(3) General Science, Space, and Technology (250): $23,928,000,000 in new budget authority and $23,278,000,000 in outlays.

(4) Energy (270): $3,027,000,000 in new budget authority and $1,380,000,000 in outlays.

(5) Natural Resources and Environment (300): $32,128,000,000 in new budget authority and $31,418,000,000 in outlays.

(6) Agriculture (350): $21,797,000,000 in new budget authority and $21,035,000,000 in outlays.

(7) Commerce and Housing Credit (370): $9,284,000,000 in new budget authority and $3,258,000,000 in outlays.

(8) Transportation (400): $71,789,000,000 in new budget authority and $68,560,000,000 in outlays.

(9) Community and Regional Development (450): $13,612,000,000 in new budget authority and $17,386,000,000 in outlays.

(10) Education, Training, Employment, and Social Services (500): $92,818,000,000 in new budget authority and $90,716,000,000 in outlays.

(11) Health (550): $252,426,000,000 in new budget authority and $250,025,000,000 in outlays.

(12) Medicare (570): $287,878,000,000 in new budget authority and $288,987,000,000 in outlays.

(13) Income Security (600): $339,157,000,000 in new budget authority and $345,660,000,000 in outlays.

(14) Social Security (650): $15,214,000,000 in new budget authority and $15,214,000,000 in outlays.

(15) Veterans Benefits and Services (700): $70,832,000,000 in new budget authority and $68,855,000,000 in outlays.

(16) Administration of Justice (750): $41,945,000,000 in new budget authority and $41,773,000,000 in outlays.

(17) General Government (800): $17,383,000,000 in new budget authority and $17,975,000,000 in outlays.

(18) Net Interest (900): $270,436,000,000 in new budget authority and $270,436,000,000 in outlays.

(19) Allowances (920): −$7,158,000,000 in new budget authority and −$14,516,000,000 in outlays.

(20) Undistributed Offsetting Receipts (950): −$52,505,000,000 in new budget authority and −$52,505,000,000 in outlays.

TITLE II—RECONCILIATION

Subtitle A—Senate

SEC. 201. RECONCILIATION IN THE SENATE.

(a) TAX RELIEF.—The Committee on Finance of the Senate shall report a reconciliation bill not later than September 30, 2004, that consists of changes in laws within its jurisdiction sufficient to reduce revenues by not more than $22,900,000,000 and to increase outlays by not more than $4,600,000,000 for the period of fiscal years 2005 through 2009.

(b) INCREASE IN STATUTORY DEBT LIMIT.—The Committee on Finance of the Senate shall report a reconciliation bill not later than September 10, 2004, that consists solely of changes in laws within its jurisdiction to increase the statutory debt limit by $689,946,000,000.

Subtitle B—House of Representatives

SEC. 211. RECONCILIATION IN THE HOUSE OF REPRESENTATIVES.

(a) TAX RELIEF.—The Committee on Ways and Means of the House shall report a reconciliation bill not later than September 30, 2004, that consists of changes in laws within its jurisdiction sufficient to reduce revenues by not more than $22,900,000,000 and to increase outlays by not more than $4,600,000,000 for the period of fiscal years 2005 through 2009.

(b) CONFORMING ADJUSTMENT.—Upon the reporting of a recommendation pursuant to section 211(a), or an amendment thereto, that shall be deemed to have complied with the directions under section 211 of this resolution by virtue of section 310(c) of the Congressional Budget Act of 1974, the chairman of the Committee on the Budget of the House may file with the House appropriately revised allocations, functional levels, and aggregates to carry out this subsection.

TITLE III—RESERVE FUNDS AND ADJUSTMENTS

Subtitle A—Reserve Funds

SEC. 301. DEFICIT NEUTRAL RESERVE FUND FOR HEALTH INSURANCE FOR THE UNINSURED.

(a) SENATE.—If the Committee on Finance or the Committee on Health, Education, Labor, and Pensions of the Senate reports a bill or joint resolution, or an amendment thereto is offered or a conference report thereon is submitted, that provides health insurance or expands access to care for the uninsured (including a measure providing for tax deductions for the purchase of health insurance or other measures and including legislation to reallocate and maintain expiring SCHIP funds rather than allowing such funds to revert to the Treasury), increases access to health insurance through lowering costs, and does not increase the costs of current health insurance coverage, the chairman of the Committee on the Budget of the Senate may revise allocations of new budget authority and outlays, the revenue aggregates, and other appropriate aggregates to reflect such legislation, to the extent that such legislation would not increase the deficit for fiscal year 2005 and for the period of fiscal years 2005 through 2009.

(b) HOUSE.—In the House, if legislation is reported, or if an amendment thereto is offered or a conference report thereon is submitted, that provides health insurance for the uninsured, the chairman of the Committee on the Budget may revise the allocations for that committee and appropriate aggregates to take into account the budgetary effects of such measure for that purpose, to the extent the measure would not increase the deficit for fiscal year 2005 and for the period of fiscal years 2005 through 2009.

SEC. 302. DEFICIT NEUTRAL RESERVE FUND FOR HIGHER EDUCATION.

(a) IN GENERAL.—If the Committee on Health, Education, Labor, and Pensions of the Senate or the Committee on Education and Workforce in the House reports a bill or joint resolution, or if an amendment thereto is offered or a conference report thereon is submitted, that reauthorizes the Higher Education Act of 1965, the appropriate chairman of the Committee on the Budget may revise the allocations for that committee and appropriate aggregates to take into account the budgetary effects of such measure for that purpose, to the extent the measure would not increase the deficit for fiscal year 2005 and for the period of fiscal years 2005 through 2009.

(b) SENSE OF SENATE.—It is the sense of the Senate that this resolution contemplates that—

(1) the provisions necessary to achieve the deficit neutrality in subsection (a) may be offered as amendments on the Senate floor;

(2) the Committee on Health, Education, Labor, and Pensions will not be limited to spending reductions within its committee's jurisdiction to satisfy the requirements in subsection (a) in such an amendment; and

(3) the committee may report a bill with up to $5,000,000,000 in new spending for higher education programs provided that provisions necessary to achieve deficit neutrality may be offered as amendments on the Senate floor.

SEC. 303. DEFICIT NEUTRAL RESERVE FUND FOR MONTGOMERY GI BILL BENEFITS.

If the Committee on Armed Services of the Senate or the appropriate committee of the House reports a bill or joint resolution, or an amendment thereto is offered or a conference report thereon is submitted, that increases benefit levels under the Montgomery GI Bill for members of the Selected Reserves, the appropriate chairman of the Committee on the Budget may revise the allocations for that committee and appropriate aggregates to take into account the budgetary effects of such measure for that purpose, to the extent the measure would not increase the deficit for fiscal year 2005 and for the period of fiscal years 2005 through 2009.

SEC. 304. DEFICIT NEUTRAL RESERVE FUND FOR POSTAL SERVICE REFORM.

If the Committee on Governmental Affairs of the Senate or the Committee on Government Reform of the House reports a bill or joint resolution, or an amendment thereto is offered or a conference report thereon is submitted, that reforms the United States Postal Service to improve its long-term economic viability and provides for increased financial transparency, the appropriate chairman of the Committee on the Budget may revise the allocations for that committee and appropriate aggregates to take into account the budgetary effects of such measure for that purpose, to the extent the measure would not increase the deficit for fiscal year 2005 and for the period of fiscal years 2005 through 2009.

SEC. 305. DEFICIT NEUTRAL RESERVE FUND FOR THE FAMILY OPPORTUNITY ACT.

If the Committee on Energy and Commerce of the House or the Committee on Finance of the Senate reports legislation, or if an amendment thereto is offered or a conference report thereon is submitted, that provides medicaid coverage for children with special needs (the Family Opportunity Act), the appropriate chairman of the Committee on the Budget may revise the allocations for that committee and appropriate aggregates to take into account the budgetary effects of such measure for that purpose, to the extent the measure would not increase the deficit for fiscal year 2005 and for the period of fiscal years 2005 through 2009.

SEC. 306. DEFICIT NEUTRAL RESERVE FUND FOR ELIMINATING SURVIVOR BENEFIT PLAN-SOCIAL SECURITY OFFSET.

If the Committee on Armed Services of the House or Senate reports a bill or joint resolution, or an amendment thereto is offered or a conference report thereon is submitted, that increases the minimum Survivor Benefit Plan basic annuity for surviving spouses age 62 and older, the appropriate chairman of the Committee on the Budget may revise the allocations for that committee and appropriate aggregates to take into account the budgetary effects of such measure for that purpose, to the extent the measure would not increase the deficit for fiscal year 2005 and for the period of fiscal years 2005 through 2009.

SEC. 307. RESERVE FUND FOR PENDING LEGISLATION.

In the House, for any bill that provides for the safe importation of FDA-approved prescription drugs or places limits on medical malpractice litigation, that has passed the House in the first session of the 108th Congress and, after the date of adoption of this concurrent resolution, is enacted into law, the chairman of the Committee on the Budget may make the appropriate adjustments in the allocations and aggregates to reflect any resulting savings from any such measure.

Subtitle B—Adjustments With Respect to Discretionary Spending

SEC. 311. ADJUSTMENT FOR SURFACE TRANSPORTATION.

(a) IN GENERAL.—If the Committee on Transportation and Infrastructure of the House or the Committee on Environment and Public Works, the Committee on Banking, Housing, and Urban Affairs, or the Committee on Commerce, Science, and Transportation of the Senate reports a bill or joint resolution, or if an amendment thereto is offered or a conference report thereon is submitted, that provides new budget authority for the budget accounts or portions thereof in the highway and transit categories as defined in subparagraphs (B) and (C) of section 250(c)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 in excess of—

(1) for fiscal year 2005: $42,657,000,000;
(2) for fiscal year 2006: $43,635,000,000;
(3) for fiscal year 2007: $45,709,000,000;
(4) for fiscal year 2008: $46,945,000,000; or
(5) for fiscal year 2009: $47,732,000,000;

the appropriate chairman of the Committee on the Budget may revise the appropriate budget aggregates and increase the allocation of new budget authority to such committee for fiscal year 2005 and for the period of fiscal years 2005 through 2009 to the extent such excess is offset by a reduction in mandatory outlays from the Highway Trust Fund or an increase in receipts appropriated to such fund (for the applicable fiscal year) caused by such legislation or any previously enacted legislation. In the Senate, any increase in receipts shall be reported from the Committee on Finance.

(b) ADJUSTMENT FOR OUTLAYS.—For fiscal year 2005, in the House and the Senate, if a bill or joint resolution is reported, or if an amendment thereto is offered or a conference report thereon is submitted, that changes obligation limitations such that the total limitations are in excess of $41,204,000,000 for fiscal year 2005 for programs, projects, and activities within the highway and transit categories as defined in subparagraphs (B) and (C) of sections 250(c)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985, and if legislation has been enacted that satisfies the conditions set forth in subsection (a) for such fiscal year, the appropriate chairman of the Committee on the Budget may increase the allocation of outlays and appropriate aggregates for such fiscal year for the committee reporting such measure by the amount of outlays that corresponds to such excess obligation limitations, but not to exceed the amount of such excess that was offset pursuant to subsection (a).

SEC. 312. ADJUSTMENT FOR WILDLAND FIRE SUPPRESSION.

(a) FINDINGS.—Congress makes the following findings:

(1) Due to the expansion of the wildland urban interface, severe drought conditions in many regions of the country, and the poor health of the Nation's forests and rangelands, the Forest Service and the Department of the Interior regularly spend more than the amount appropriated for fire suppression, and then borrow from other accounts to pay for fire suppression.

(2) This borrowing has a negative effect on many Forest Service and Department of the Interior programs.

(3) This resolution provides an amount equal to the 10-year average for fire suppression in fiscal year 2005.

(4) The Forest Service and the Department of the Interior should address cost containment within the fire suppression account, and report to Congress regarding how funds appropriated pursuant to this section are used.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the adjustment authorized by this section shall only be made if—

(1) the wildland fire suppression accounts in the Interior Appropriations bill are funded at the 10-year average;

(2) there are insufficient funds in such accounts; and

(3) the current fire season is of sufficient severity to require appropriations in excess of the base amount.

(c) CAP ADJUSTMENT.—

(1) DEFINITION.—For this subsection, the term ''base amount'' refers to the average of the obligations of the 10 fiscal years preceding the current year for wildfire suppression in the Forest Service and in the Department of the Interior, calculated by the Director of the Congressional Budget Office in consultation with the chairmen of the Committees on the Budget and Appropriations. The Director of the Congressional Budget Office shall provide such information for fiscal year 2005 in a letter to the chairmen of such committees.

(2) ADJUSTMENTS FOR FISCAL YEAR 2005.—If any bill, joint resolution, amendment, or conference report provides new budget authority for wildland fire suppression in fiscal year 2005 that would cause the level of total new budget authority for wildland fire suppression to exceed the base amount for such fiscal year, then the chairman of the Committee on the Budget may adjust the appropriate allocations and other budgetary levels by the amount of excess new budget authority provided by that measure for that purpose (and the outlays flowing therefrom), but the adjustment for new budget authority may not exceed—

(A) for the Forest Service for fiscal year 2005, $400,000,000; and

(B) for the Department of the Interior for fiscal year 2005, $100,000,000.

(3) FISCAL YEAR 2004.—

(A) SENATE.—In the Senate, if any bill, joint resolution, amendment, or conference report provides new budget authority for wildland fire suppression in fiscal year 2004, then the chairman of the Committee on the Budget may determine that such amount of new budget authority (and outlays flowing therefrom) shall not be counted for the purposes of the Congressional Budget Act of 1974 and this resolution, if such amounts for that fiscal year do not exceed the following levels of new budget authority—

(i) for the Forest Service, $400,000,000; and

(ii) for the Department of the Interior, $100,000,000.

(B) HOUSE.—In the House, if any bill, joint resolution, amendment, or conference report provides new budget authority for wildland fire suppression in fiscal year 2004, then the chairman of the Committee on the Budget may adjust the appropriate allocations and other budgetary levels by the amount of new budget authority provided by that measure for that purpose (and the outlays flowing therefrom), but the adjustment for new budget authority may not exceed—

(i) for the Forest Service, $400,000,000; and

(ii) for the Department of the Interior, $100,000,000.

SEC. 313. MECHANISM FOR ADJUSTING APPROPRIATE DISCRETIONARY LEVELS.

(a) SECTION 504 COMPLIANCE.—In the House and the Senate, whenever the Committee on Appropriations reports the first bill or joint resolution making regular appropriations for fiscal year 2005, the appropriate chairman of the Committee on the Budget may revise the committee's allocation in this resolution by $4,630,000,000 in new budget authority and $14,240,000,000 in outlays and make conforming adjustments to other levels in this resolution.

(b) FUNDING FOR PROJECT BIOSHIELD.—In the House and the Senate, on the same day that the Committee on Appropriations reports as provided in subsection (a), the appropriate chairman of the Committee on the Budget may also revise the allocations to the Committee on Appropriations, discretionary spending limits, and other appropriate levels and limits in this resolution by $2,528,000,000 in new budget authority and $276,000,000 in outlays for Project Bioshield for fiscal year 2005.

TITLE IV—BUDGET ENFORCEMENT

Subtitle A—Enforcement

SEC. 401. RESTRICTIONS ON ADVANCE APPROPRIATIONS.

(a) SENATE.—

(1) POINT OF ORDER.—Except as provided in paragraph (2), it shall not be in order in the Senate to consider any bill, joint resolution, motion, amendment, or conference report that would provide an advance appropriation.

(2) EXCEPTION.—An advance appropriation may be provided for fiscal year 2006 for programs, projects, activities, or accounts identified in the joint explanatory statement of managers accompanying this resolution under the heading ''Accounts Identified for Advance Appropriations'' in an aggregate amount not to exceed $23,158,000,000 in new budget authority.

(3) WAIVER AND APPEALS.—

(A) WAIVER.—In the Senate, paragraph (1) may be waived or suspended only by an affirmative vote of three-fifths of the Members, duly chosen and sworn. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under paragraph (1).

(B) PROCEDURE.—A point of order under paragraph (1) may be raised by a Senator as provided in section 313(e) of the Congressional Budget Act of 1974.

(C) CONFERENCE REPORT.—If a point of order is sustained under paragraph (1) against a conference report in the Senate, the report shall be disposed of as provided in section 313(d) of the Congressional Budget Act of 1974.

(4) ADVANCE APPROPRIATION.—In this subsection, the term ''advance appropriation'' means any discretionary new budget authority in a bill or joint resolution making general appropriations or continuing appropriations for

fiscal year 2005 that first becomes available for any fiscal year after 2005.

(5) REPEAL.—Section 501 of H. Con. Res. 95 (108th Congress) is repealed.

(b) HOUSE.—

(1) IN GENERAL.—(A) In the House, except as provided in paragraph (2), an advance appropriation may not be reported in a bill or joint resolution making a general appropriation or continuing appropriation, and may not be in order as an amendment thereto.

(B) Managers on the part of the House may not agree to a Senate amendment that would violate subparagraph (A) unless specific authority to agree to the amendment first is given by the House by a separate vote with respect thereto.

(2) LIMITATION.—In the House, an advance appropriation may be provided for fiscal year 2006 for programs, projects, activities or accounts identified in the joint explanatory statement of managers accompanying this resolution under the heading ''Accounts Identified for Advance Appropriations, Part A'' in an aggregate amount not to exceed $23,158,000,000 in new budget authority, and an advance appropriation may be provided for fiscal year 2007 for any program identified in such statement under the heading ''Accounts Identified for Advance Appropriations, Part B''.

(3) DEFINITION.—In this subsection, the term ''advance appropriation'' means any discretionary new budget authority in a bill or joint resolution making general appropriations or continuing appropriations for fiscal year 2005 that first becomes available for any fiscal year after 2005.

SEC. 402. EMERGENCY LEGISLATION.

(a) EXEMPTION OF EMERGENCY PROVISIONS.—

(1) IN GENERAL.—In the House and Senate, if a bill, joint resolution, amendment, or conference report designates a provision as an emergency requirement pursuant to this section, then the new budget authority, new entitlement authority, outlays, and receipts resulting therefrom shall not count for purposes of sections 302, 303, 311, and 401 of the Congressional Budget Act of 1974 or any concurrent resolution on the budget and, in the Senate only, shall not count for the purpose of sections 404 (relating to discretionary spending limits in the Senate) and 407 (relating to the pay-go requirement) of this resolution.

(2) DESIGNATIONS.—

(A) GUIDANCE.—If a provision of legislation is designated as an emergency requirement under paragraph (1), the committee report and any joint explanatory statement of managers accompanying that legislation shall include an explanation of the manner in which the provision meets the criteria in subparagraph (B). If such legislation is to be considered by the House without being reported, then the committee shall cause the explanation to be published in the Congressional Record in advance of floor consideration.

(B) CRITERIA.—

(i) IN GENERAL.—Any such provision is an emergency requirement if the underlying situation poses a threat to life, property, or national security and is—

(I) sudden, quickly coming into being, and not building up over time;

(II) an urgent, pressing, and compelling need requiring immediate action;

(III) subject to clause (ii), unforeseen, unpredictable, and unanticipated; and

(IV) not permanent, temporary in nature.

(ii) UNFORESEEN.—An emergency that is part of an aggregate level of anticipated emergencies, particularly when normally estimated in advance, is not unforeseen.

(b) POINT OF ORDER IN THE SENATE.—

(1) DEFINITIONS.—In this subsection, the terms ''direct spending'', ''receipts'', and ''appropriations for discretionary accounts'' means any provision of a bill, joint resolution, amendment, motion, or conference report that affects direct spending, receipts, or appropriations as those terms have been defined and interpreted for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) POINT OF ORDER.—When the Senate is considering a bill, resolution, amendment, motion, or conference report, if a point of order is made by a Senator against an emergency designation in that measure, that provision making such a designation shall be stricken from the measure and may not be offered as an amendment from the floor.

(3) WAIVER AND APPEAL.—Paragraph (2) may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(4) DEFINITION OF AN EMERGENCY DESIGNATION.—For purposes of paragraph (2), a provision shall be considered an emergency designation if it designates any item as an emergency requirement pursuant to this section.

(5) FORM OF THE POINT OF ORDER.—A point of order under paragraph (2) may be raised by a Senator as provided in section 313(e) of the Congressional Budget Act of 1974.

(6) CONFERENCE REPORTS.—If a point of order is sustained under paragraph (2) against a conference report, the report shall be disposed of as provided in section 313(d) of the Congressional Budget Act of 1974.

(7) EXCEPTION FOR DEFENSE SPENDING.—Paragraph (2) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category.

(c) REPEAL.—Section 502 of H. Con. Res. 95 (108th Congress) is repealed.

SEC. 403. EXEMPTION OF OVERSEAS CONTINGENCY OPERATIONS.

In the House and Senate, if a bill, joint resolution, amendment, or a conference report makes supplemental appropriations for fiscal year 2005 for overseas contingency operations related to the global war on terrorism, then the new budget authority, new entitlement authority, and outlays resulting from the provisions of such measure that are designated pursuant to this section as making appropriations for such contingency operations shall not count for purposes of sections 302, 303, and 401 of the Congressional Budget Act of 1974 and, in the Senate only, shall not count for the purpose of section 404 (relating to discretionary spending limits in the Senate and 407 (relating to the pay-go requirement) of this resolution, except that the amounts that are not counted for purposes of this section shall not exceed $50,000,000,000 in new budget authority.

SEC. 404. DISCRETIONARY SPENDING LIMITS IN THE SENATE.

(a) DISCRETIONARY SPENDING LIMITS.—In the Senate and as used in this section, the term ''discretionary spending limit'' means for fiscal year 2005—

(1) $812,773,000,000 in new budget authority and $818,285,000,000 in outlays for the discretionary category;

(2) for the highway category, $33,393,000,000 in outlays; and

(3) for the mass transit category, $1,488,000,000 in new budget authority, and $6,726,000,000 in outlays.

(b) DISCRETIONARY SPENDING POINT OF ORDER IN THE SENATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, it shall not be in order in the Senate to consider any bill or joint resolution or amendment, motion, or conference report thereon that would exceed any of the discretionary spending limits in this section.

(2) WAIVER.—This subsection may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(3) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this subsection shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this subsection.

(c) ADJUSTMENTS.—

(1) IN GENERAL.—

(A) CHAIRMAN.—After the reporting of a bill or joint resolution, or the offering of an amendment thereto or the submission of a conference report thereon, the chairman of the Committee on the Budget may make the adjustments set forth in subparagraph (B) for the amount of new budget authority in that measure (if that measure meets the requirements set forth in paragraph (2)) and the outlays flowing from that budget authority.

(B) MATTERS TO BE ADJUSTED.—The adjustments referred to in subparagraph (A) are to be made to—

(i) the discretionary spending limits, if any, set forth in the appropriate concurrent resolution on the budget;

(ii) the allocations made pursuant to the appropriate concurrent resolution on the budget pursuant to section 302(a) of the Congressional Budget Act of 1974; and

(iii) the budgetary aggregates as set forth in the appropriate concurrent resolution on the budget.

(2) AMOUNTS OF ADJUSTMENTS.—The adjustment referred to in paragraph (1) shall be—

(A) an amount provided for transportation under section 311;

(B) an amount provided for fire suppression pursuant to section 312; and

(C) the amounts provided in section 313.

(3) REPORTING REVISED SUBALLOCATIONS.—Following any adjustment made under paragraph (1), the Committee on Appropriations of the Senate shall report appropriately revised suballocations under section 302(b) to carry out this subsection.

(d) REPEAL.—Section 504 of H. Con. Res. 95 (108th Congress) is repealed.

SEC. 405. ADJUSTMENTS TO REFLECT CHANGES IN CONCEPTS AND DEFINITIONS.

(a) CHANGES IN CONCEPTS AND DEFINITIONS.—In the House and Senate, upon the enactment of a bill or joint resolution providing for a change in concepts or definitions, the chairman of the Committee on the Budget shall make adjustments to the levels and allocations in this resolution in accordance with section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as in effect prior to September 30, 2002).

(b) MISCELLANEOUS ADJUSTMENTS.—

(1) SENATE.—In the Senate, for fiscal year 2005, if a bill is reported, or an amendment thereto is offered or a conference report thereon is submitted, that changes offsetting receipts collected from the Power Marketing Administration into offsetting collections credited against the allocation of the Committee on Appropriations, the chairman of the Committee on the Budget may adjust the appropriate allocations and levels by the amount of new budget authority provided by that measure (and outlays flowing therefrom) for the Army Corps of Engineers and the Pick-Sloan Missouri Basin Project within the Bureau of Reclamation, but not to exceed the amount of forgone offsetting receipts.

(2) HOUSE.—In the House, the chairman of the Committee on the Budget may reduce the revenue aggregates and increase the allocations to the Committee on Ways and Means and other appropriate spending aggregates for legislation that extends the child tax credit, other than measures considered pursuant to section 211, to the extent such adjustments are deficit neutral for fiscal year 2005 and for the period covered by this resolution.

SEC. 406. APPLICATION AND EFFECT OF CHANGES IN ALLOCATIONS AND AGGREGATES.

(a) APPLICATION.—Any adjustments of allocations and aggregates made pursuant to this resolution shall—

(1) apply while that measure is under consideration;

(2) take effect upon the enactment of that measure; and

(3) be published in the Congressional Record as soon as practicable.

(b) EFFECT OF CHANGED ALLOCATIONS AND AGGREGATES.—Revised allocations and aggregates resulting from these adjustments shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

(c) BUDGET COMMITTEE DETERMINATIONS.—For purposes of this resolution—

(1) the levels of new budget authority, outlays, direct spending, new entitlement authority, revenues, deficits, and surpluses for a fiscal year or period of fiscal years shall be determined on the basis of estimates made by the appropriate Committee on the Budget; and

(2) such chairman may make any other necessary adjustments to such levels to carry out this resolution.

(d) AMENDMENT IN THE HOUSE.—In the House, for purposes of titles II and III, the term ''amendment'' or ''amendment thereto'' means an amendment offered or an amendment made in order as original text, or considered as adopted by special order of the House.

(e) ALLOCATIONS.—The allocations set forth in the joint explanatory statement accompanying this resolution made under section 302(a)(1) of the Congressional Budget Act of 1974 shall be for fiscal year 2005 and (except in the case of the Committee on Appropriations) for the period of fiscal years covered by this resolution.

SEC. 407. PAY-AS-YOU-GO POINT OF ORDER IN THE SENATE.

(a) POINT OF ORDER.—

(1) IN GENERAL.—It shall not be in order in the Senate to consider any direct spending or revenue legislation that would increase the on-budget deficit or cause an on-budget deficit for any one of the three applicable time periods as measured in paragraphs (5) and (6).

(2) APPLICABLE TIME PERIODS.—For purposes of this subsection, the term ''applicable time period'' means any 1 of the 3 following periods:

(A) The first year covered by the most recently adopted concurrent resolution on the budget.

(B) The period of the first 5 fiscal years covered by the most recently adopted concurrent resolution on the budget.

(C) The period of the 5 fiscal years following the first 5 fiscal years covered in the most recently adopted concurrent resolution on the budget.

(3) DIRECT-SPENDING LEGISLATION.—For purposes of this subsection and except as provided in paragraph (4), the term ''direct-spending legislation'' means any bill, joint resolution, amendment, motion, or conference report that affects direct spending as that term is defined by, and interpreted for purposes of, the Balanced Budget and Emergency Deficit Control Act of 1985.

(4) EXCLUSION.—For purposes of this subsection, the terms ''direct-spending legislation'' and ''revenue legislation'' do not include—

(A) any concurrent resolution on the budget;

(B) any provision of legislation that affects the full funding of, and continuation of, the deposit insurance guarantee commitment in effect on the date of enactment of the Budget Enforcement Act of 1990; or

(C) any legislation considered pursuant to title II of this resolution.

(5) BASELINE.—Estimates prepared pursuant to this section shall—

(A) use the baseline surplus or deficit used for the most recently adopted concurrent resolution on the budget; and

(B) be calculated under the requirements of subsections (b) through (d) of section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 for fiscal years beyond those covered by that concurrent resolution on the budget.

(6) PRIOR SURPLUS.—If direct spending or revenue legislation increases the on-budget deficit or causes an on-budget deficit when taken individually, it must also increase the on-budget deficit or cause an on-budget deficit when taken together with all direct spending and revenue legislation enacted since the beginning of the calendar year not accounted for in the baseline under paragraph (5)(A), except that direct spending or revenue effects resulting in net deficit reduction enacted pursuant to reconciliation instructions since the beginning of that same calendar year shall not be available.

(b) WAIVER.—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(c) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(d) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, outlays, and revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

(e) REPEAL.—Section 505 of H. Con. Res. 95 (108th Congress) is repealed.

(f) SUNSET.—This section shall expire on April 15, 2005.

SEC. 408. COMPLIANCE WITH SECTION 13301 OF THE BUDGET ENFORCEMENT ACT OF 1990.

(a) IN GENERAL.—In the House, notwithstanding section 302(a)(1) of the Congressional Budget Act of 1974 and section 13301 of the Budget Enforcement Act of 1990, the joint explanatory statement accompanying the conference report on any concurrent resolution on the budget shall include in its allocation under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Appropriations amounts for the discretionary administrative expenses of the Social Security Administration.

(b) SPECIAL RULE.—In the House, for purposes of applying section 302(f) of the Congressional Budget Act of 1974, estimates of the level of total new budget authority and total outlays provided by a measure shall include any discretionary amounts provided for the Social Security Administration.

Subtitle B—Report Submissions

SEC. 411. SUBMISSION OF REPORT ON DEFENSE SAVINGS.

Not later than June 25, 2004, the Committees on Armed Services of the House and the Senate shall submit to the relevant Committee on the Budget (and publish in the Congressional Record) its findings that identify $2,000,000,000 in savings from (1) activities that are determined to be of a low priority to the successful execution of current military operations; and (2) activities that are determined to be wasteful or unnecessary to national defense. Funds identified should be reallocated to programs and activities that directly contribute to enhancing the combat capabilities of the U.S. military forces with an emphasis on force protection, munitions and surveillance capabilities.

SEC. 412. SUBMISSION OF REPORT ON HOMELAND SECURITY.

In the House and Senate, not later than June 25, 2004, the Select Committee on Homeland Security and the Committee on Governmental Affairs respectively, shall submit to the corresponding Committees on the Budget (and publish in the Congressional Record) a report identifying no less than $150,000,000 in savings from—

(1) activities that are determined to be of low priority to the successful execution of current domestic homeland security operations; and

(2) activities that are determined to be wasteful or unnecessary to homeland security.

Funds identified should be accompanied by recommendations on reallocation to programs and activities that are considered top priority activities or directly contribute to enhancing the defense of our homeland.

Subtitle C—Exercise of Rulemaking Powers

SEC. 421. EXERCISE OF RULEMAKING POWERS.

Congress adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the Senate and the House, respectively, and as such they shall be considered as part of the rules of each House, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change those rules (so far as they relate to that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

TITLE V—REQUIRED LEVELS AND AMOUNTS FOR OUTYEARS.

SEC. 501. RECOMMENDED LEVELS AND AMOUNTS.

In accordance with section 301(a) of the Congressional Budget Act of 1974 (requiring levels for at least 4 years following the budget year), the following budgetary levels are appropriate for the fiscal years 2006 through 2009:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution—

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 2006: $1,634,152,000,000.
Fiscal year 2007: $1,753,744,000,000.
Fiscal year 2008: $1,844,828,000,000.
Fiscal year 2009: $1,950,926,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 2006: −$21,416,000,000.
Fiscal year 2007: $0.
Fiscal year 2008: $0.
Fiscal year 2009: $0.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2006: $2,068,452,000,000.
Fiscal year 2007: $2,178,188,000,000.
Fiscal year 2008: $2,287,795,000,000.
Fiscal year 2009: $2,398,895,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2006: $2,082,187,000,000.
Fiscal year 2007: $2,155,801,000,000.
Fiscal year 2008: $2,254,981,000,000.
Fiscal year 2009: $2,363,019,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 2006: $448,035,000,000.
Fiscal year 2007: $402,057,000,000.
Fiscal year 2008: $410,153,000,000.
Fiscal year 2009: $412,093,000,000.

(5) DEBT SUBJECT TO LIMIT.—Pursuant to section 301(a)(5) of the Congressional Budget Act of 1974, the appropriate levels of the public debt are as follows:

Fiscal year 2006: $8,645,824,000,000.
Fiscal year 2007: $9,168,812,000,000.
Fiscal year 2008: $9,699,909,000,000.
Fiscal year 2009: $10,235,831,000,000.

(6) DEBT HELD BY THE PUBLIC.—The appropriate levels of the debt held by the public are as follows:

Fiscal year 2006: $5,030,718,000,000.
Fiscal year 2007: $5,237,335,000,000.

Fiscal year 2008: $5,436,448,000,000.
Fiscal year 2009: $5,623,726,000,000.

SEC. 502. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:
Fiscal year 2006: $600,872,000,000.
Fiscal year 2007: $629,263,000,000.
Fiscal year 2008: $658,631,000,000.
Fiscal year 2009: $689,510,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:
Fiscal year 2006: $406,380,000,000.
Fiscal year 2007: $419,538,000,000.
Fiscal year 2008: $433,728,000,000.
Fiscal year 2009: $450,526,000,000.

(c) SOCIAL SECURITY ADMINISTRATIVE EXPENSES.—In the Senate, the amounts of new budget authority and budget outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for administrative expenses are as follows:
Fiscal year 2006:
(A) New budget authority, $4,334,000,000.
(B) Outlays, $4,273,000,000.
Fiscal year 2007:
(A) New budget authority, $4,429,000,000.
(B) Outlays, $4,361,000,000.
Fiscal year 2008:
(A) New budget authority, $4,526,000,000.
(B) Outlays, $4,455,000,000.
Fiscal year 2009:
(A) New budget authority, $4,626,000,000.
(B) Outlays, $4,552,000,000.

SEC. 503. MAJOR FUNCTIONAL CATEGORIES.

Congress determines and declares that the appropriate levels of new budget authority and budget outlays for fiscal years 2006 through 2009 for each major functional category are:
(1) National Defense (050):
Fiscal year 2006:
(A) New budget authority, $432,366,000,000.
(B) Outlays, $452,218,00,000.
Fiscal year 2007:
(A) New budget authority, $442,103,000,000.
(B) Outlays, $434,750,000,000.
Fiscal year 2008:
(A) New budget authority, $452,073,000,000.
(B) Outlays, $438,532,000,000.
Fiscal year 2009:
(A) New budget authority, $462,069,000,000.
(B) Outlays, $447,384,000,000.
(2) International Affairs (150):
Fiscal year 2006:
(A) New budget authority, $30,619,000,000.
(B) Outlays, $32,248,000,000.
Fiscal year 2007:
(A) New budget authority, $31,291,000,000.
(B) Outlays, $29,599,000,000.
Fiscal year 2008:
(A) New budget authority, $31,977,000,000.
(B) Outlays, $28,793,000,000.
Fiscal year 2009:
(A) New budget authority, $32,677,000,000.
(B) Outlays, $29,123,000,000.
(3) General Science, Space, and Technology (250):
Fiscal year 2006:
(A) New budget authority, $24,406,000,000.
(B) Outlays, $23,864,000,000.
Fiscal year 2007:
(A) New budget authority, $24,943,000,000.
(B) Outlays, $24,316,000,000.
Fiscal year 2008:
(A) New budget authority, $25,491,000,000.
(B) Outlays, $24,755,000,000.
Fiscal year 2009:
(A) New budget authority, $26,052,000,000.
(B) Outlays, $25,287,000,000.
(4) Energy (270):
Fiscal year 2006:
(A) New budget authority, $3,122,000,000.
(B) Outlays, $1,866,000,000.
Fiscal year 2007:
(A) New budget authority, $3,253,000,000.
(B) Outlays, $1,619,000,000.
Fiscal year 2008:
(A) New budget authority, $3,090,000,000.
(B) Outlays, $1,113,000,000.
Fiscal year 2009:
(A) New budget authority, $2,730,000,000.
(B) Outlays, $1,318,000,000.
(5) Natural Resources and Environment (300):
Fiscal year 2006:
(A) New budget authority, $32,942,000,000.
(B) Outlays, $32,931,000,000.
Fiscal year 2007:
(A) New budget authority, $33,755,000,000.
(B) Outlays, $33,655,000,000.
Fiscal year 2008:
(A) New budget authority, $34,443,000,000.
(B) Outlays, $34,118,000,000.
Fiscal year 2009:
(A) New budget authority, $35,923,000,000.
(B) Outlays, $35,413,000,000.
(6) Agriculture (350):
Fiscal year 2006:
(A) New budget authority, $23,914,000,000.
(B) Outlays, $22,748,000,000.
Fiscal year 2007:
(A) New budget authority, $24,920,000,000.
(B) Outlays, $23,758,000,000.
Fiscal year 2008:
(A) New budget authority, $24,865,000,000.
(B) Outlays, $23,735,000,000.
Fiscal year 2009:
(A) New budget authority, $25,928,000,000.
(B) Outlays, $24,917,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 2006:
(A) New budget authority, $8,720,000,000.
(B) Outlays, $4,292,000,000.
Fiscal year 2007:
(A) New budget authority, $8,191,000,000.
(B) Outlays, $2,744,000,000.
Fiscal year 2008:
(A) New budget authority, $8,154,000,000.
(B) Outlays, $1,485,000,000.
Fiscal year 2009:
(A) New budget authority, $8,014,000,000.
(B) Outlays, $1,202,000,000.
(8) Transportation (400):
Fiscal year 2006:
(A) New budget authority, $73,253,000,000.
(B) Outlays, $71,302,000,000.
Fiscal year 2007:
(A) New budget authority, $75,911,000,000.
(B) Outlays, $73,633,000,000.
Fiscal year 2008:
(A) New budget authority, $77,709,000,000.
(B) Outlays, $75,611,000,000.
Fiscal year 2009:
(A) New budget authority, $79,072,000,000.
(B) Outlays, $77,027,000,000.
(9) Community and Regional Development (450):
Fiscal year 2006:
(A) New budget authority, $13,607,000,000.
(B) Outlays, $14,457,000,000.
Fiscal year 2007:
(A) New budget authority, $13,905,000,000.
(B) Outlays, $14,231,000,000.
Fiscal year 2008:
(A) New budget authority, $14,127,000,000.
(B) Outlays, $14,032,000,000.
Fiscal year 2009:
(A) New budget authority, $14,439,000,000.
(B) Outlays, $14,318,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 2006:
(A) New budget authority, $95,108,000,000.
(B) Outlays, $93,772,000,000.
Fiscal year 2007:
(A) New budget authority, $97,167,000,000.
(B) Outlays, $95,389,000,000.
Fiscal year 2008:
(A) New budget authority, $99,113,000,000.
(B) Outlays, $97,331,000,000.
Fiscal year 2009:
(A) New budget authority, $101,229,000,000.
(B) Outlays, $99,469,000,000.
(11) Health (550):
Fiscal year 2006:
(A) New budget authority, $257,888,000,000.
(B) Outlays, $257,875,000,000.
Fiscal year 2007:
(A) New budget authority, $272,290,000,000.
(B) Outlays, $271,481,000,000.
Fiscal year 2008:
(A) New budget authority, $292,081,000,000.
(B) Outlays, $291,298,000,000.
Fiscal year 2009:
(A) New budget authority, $314,270,000,000.
(B) Outlays, $311,345,000,000.
(12) Medicare (570):
Fiscal year 2006:
(A) New budget authority, $322,742,000,000.
(B) Outlays, $322,339,000,000.
Fiscal year 2007:
(A) New budget authority, $362,593,000,000.
(B) Outlays, $362,827,000,000.
Fiscal year 2008:
(A) New budget authority, $387,739,000,000.
(B) Outlays, $387,718,000,000.
Fiscal year 2009:
(A) New budget authority, $414,248,000,000.
(B) Outlays, $413,776,000,000.
(13) Income Security (600):
Fiscal year 2006:
(A) New budget authority, $342,290,000,000.
(B) Outlays, $345,570,000,000.
Fiscal year 2007:
(A) New budget authority, $343,329,000,000.
(B) Outlays, $345,588,000,000.
Fiscal year 2008:
(A) New budget authority, $356,872,000,000.
(B) Outlays, $358,513,000,000.
Fiscal year 2009:
(A) New budget authority, $366,779,000,000.
(B) Outlays, $367,788,000,000.
(14) Social Security (650):
Fiscal year 2006:
(A) New budget authority, $16,779,000,000.
(B) Outlays, $16,779,000,000.
Fiscal year 2007:
(A) New budget authority, $18,269,000,000.
(B) Outlays, $18,269,000,000.
Fiscal year 2008:
(A) New budget authority, $20,218,000,000.
(B) Outlays, $20,218,000,000.
Fiscal year 2009:
(A) New budget authority, $22,229,000,000.
(B) Outlays, $22,229,000,000.
(15) Veterans Benefits and Services (700):
Fiscal year 2006:
(A) New budget authority, $69,263,000,000.
(B) Outlays, $68,135,000,000.
Fiscal year 2007:
(A) New budget authority, $67,925,000,000.
(B) Outlays, $66,976,000,000.
Fiscal year 2008:
(A) New budget authority, $71,702,000,000.
(B) Outlays, $70,938,000,000.
Fiscal year 2009:
(A) New budget authority, $72,937,000,000.
(B) Outlays, $72,132,000,000.
(16) Administration of Justice (750):
Fiscal year 2006:
(A) New budget authority, $40,338,000,000.
(B) Outlays, $40,851,000,000.
Fiscal year 2007:
(A) New budget authority, $41,111,000,000.
(B) Outlays, $41,209,000,000.
Fiscal year 2008:
(A) New budget authority, $41,990,000,000.
(B) Outlays, $41,682,000,000.
Fiscal year 2009:
(A) New budget authority, $42,889,000,000.
(B) Outlays, $42,492,000,000.
(17) General Government (800):
Fiscal year 2006:
(A) New budget authority, $17,840,000,000.

(B) Outlays, $17,685,000,000.
Fiscal year 2007:
(A) New budget authority, $18,267,000,000.
(B) Outlays, $17,917,000,000.
Fiscal year 2008:
(A) New budget authority, $18,204,000,000.
(B) Outlays, $17,849,000,000.
Fiscal year 2009:
(A) New budget authority, $18,645,000,000.
(B) Outlays, $18,096,000,000.
(18) Net Interest (900):
Fiscal year 2006:
(A) New budget authority, $318,053,000,000.
(B) Outlays, $318,053,000,000.
Fiscal year 2007:
(A) New budget authority, $362,002,000,000.
(B) Outlays, $362,002,000,000.
Fiscal year 2008:
(A) New budget authority, $393,729,000,000.
(B) Outlays, $393,729,000,000.
Fiscal year 2009:
(A) New budget authority, $419,915,000,000.
(B) Outlays, $419,915,000,000.
(19) Allowances (920):
Fiscal year 2006:
(A) New budget authority, $0.
(B) Outlays, $0.
Fiscal year 2007:
(A) New budget authority, $0.
(B) Outlays, $0.
Fiscal year 2008:
(A) New budget authority, $0.
(B) Outlays, $0.
Fiscal year 2009:
(A) New budget authority, $0.
(B) Outlays, $0.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 2006:
(A) New budget authority, −$54,798,000,000.
(B) Outlays, −$54,798,000,000.
Fiscal year 2007:
(A) New budget authority, −$63,037,000,000.
(B) Outlays, −$64,162,000,000.
Fiscal year 2008:
(A) New budget authority, −$65,782,000,000.
(B) Outlays, −$66,469,000,000.
Fiscal year 2009:
(A) New budget authority, −$61,150,000,000.
(B) Outlays, −$60,212,000,000.

TITLE VI—SENSE OF THE SENATE AND SENSE OF THE HOUSE

Subtitle A—Sense of the Senate

SEC. 601. SENSE OF THE SENATE ON BUDGET PROCESS REFORM.

It is the sense of the Senate that Congress and the President should work together to enact budget process reform legislation that would include mechanisms to restrain Government spending. Such legislation may include—

(1) deficit targets that, when exceeded, would result in across-the-board reductions in Federal spending except Social Security, Medicare, and Veterans' benefits;

(2) revision of the content of budget resolutions to increase their focus on aggregate levels, and to include easily understood enforcement tools such as—

(A) discretionary spending limits;

(B) pay-as-you-go; and

(C) explicit committee allocations;

(3) emergency spending procedures which budget for emergency needs;

(4) pay-as-you-go limitations which apply to non-budget expenditures;

(5) limitations on unauthorized appropriations; and

(6) enhanced rescission or constitutional line-item veto authority for the President.

SEC. 602. SENSE OF THE SENATE ON BUDGET PROCESS REFORM WITH REGARD TO THE CREATION OF BIPARTISAN COMMISSIONS TO COMBAT WASTE, FRAUD, AND ABUSE AND TO PROMOTE SPENDING EFFICIENCY.

(a) WASTE, FRAUD, AND ABUSE.—It is the sense of the Senate that legislation should be enacted that would create a bipartisan commission for the purpose of—

(1) submitting recommendations on ways to eliminate waste, fraud, and abuse; and

(2) to provide recommendations on ways in which to achieve cost savings through enhancing program efficiencies in all discretionary and entitlement programs.

The findings of the commission should be made on an annual basis, and should be presented in conjunction with the submission of the President's budget request to Congress.

(b) EFFICIENCY.—It is the sense of the Senate that a bipartisan commission should be established to—

(1) audit Federal domestic agencies, and programs within such agencies, with the express purpose of providing Congress with recommendations, and legislation;

(2) implement those recommendations; and

(3) realign or eliminate government agencies and programs that are duplicative, inefficient, outdated, irrelevant, or have failed to accomplish their intended purpose.

The findings of the commission should be made on an annual basis, and should be presented in conjunction with the submission of the President's budget request to Congress.

SEC. 603. SENSE OF THE SENATE ON THE RELATIONSHIP BETWEEN ANNUAL DEFICIT SPENDING AND INCREASES IN DEBT SERVICE COSTS.

It is the sense of the Senate that the Congressional Budget Office shall consult with the Committee on the Budget of the Senate in order to prepare a report containing a discussion of—

(1) the relationship between annual deficit spending and increases in debt service costs;

(2) the relationship between incremental increases in discretionary spending and debt service costs; and

(3) the feasibility of providing estimates of debt service costs in the cost estimates prepared pursuant to section 308 of the Congressional Budget Act of 1974.

SEC. 604. SENSE OF THE SENATE REGARDING THE COSTS OF THE MEDICARE PRESCRIPTION DRUG PROGRAM.

It is the sense of the Senate that the Committee on Finance of the Senate should report a bill that consists of changes in laws within its jurisdiction sufficient to ensure that spending within part D of the Medicare Prescription Drug Benefit program in fiscal years 2005 through 2013 does not exceed the total of $409,000,000,000 as estimated by the Congressional Budget Office.

SEC. 605. SENSE OF THE SENATE ON RETURNING STABILITY TO PAYMENTS UNDER MEDICARE PHYSICIAN FEE SCHEDULE.

It is the sense of the Senate that, while recent actions by Congress have helped address the immediate reductions in reimbursement, further action by Congress is urgently needed to put in place a new formula or mechanism for updating Medicare physician fees in 2006 and thereafter, in order to ensure—

(1) the long-term stability of the Medicare payment system for physicians and other health care professionals, such that payment rates keep pace with practice cost increases; and

(2) future access to physicians' services for Medicare beneficiaries.

SEC. 606. SENSE OF THE SENATE SUPPORTING FUNDING RESTORATION FOR AGRICULTURE RESEARCH AND EXTENSION.

It is the sense of the Senate that in making appropriations and revenue decisions, the Senate supports—

(1) the restoration of the 33 accounts of the Cooperative State Research, Education, and Extension Service;

(2) the fiscal year 2005 funding of the National Research Initiative; and

(3) the fiscal year 2005 funding of competitive research programs of the Cooperative State Research, Education, and Extension Service in an amount that is adequate to—

(A) fight obesity and stave off chronic diseases;

(B) combat insects and animal and plant diseases;

(C) establish new crops, improved livestock, and economic opportunities for producers; and

(D) keep pathogens and other dangers out of the air, water, soil, plants, and animals.

SEC. 607. SENSE OF THE SENATE CONCERNING A NATIONAL ANIMAL IDENTIFICATION PROGRAM.

It is the sense of the Senate that in making appropriations and revenue decisions, the Senate supports—

(1) the development and implementation of a national animal identification program recognizing the need for resources to carry out the implementation of the plan;

(2) the provision by the Secretary of Agriculture of a time-line for the development and implementation of the program as soon as practicable after the date of approval of this concurrent resolution;

(3) the provision by the Secretary of Agriculture to ensure the Animal and Plant Health Inspection Service, State animal health agencies, and agricultural producers are provided funds necessary to implement a national animal identification program; and

(4) the establishment of a program that is not overly burdensome to agricultural producers and ensures the privacy of information of agricultural producers.

SEC. 608. SENSE OF THE SENATE REGARDING CONTRIBUTIONS TO THE GLOBAL FUND TO FIGHT AIDS, TUBERCULOSIS, AND MALARIA.

It is the sense of the Senate that appropriations Acts should provide sufficient funds to continue matching contributions from other sources to The Global Fund to Fight AIDS, Tuberculosis, and Malaria on a 1 to 2 basis.

SEC. 609. SENSE OF THE SENATE CONCERNING CHILD NUTRITION FUNDING.

It is the sense of the Senate that the levels in this concurrent resolution assume additional funds for the reauthorization of Federal child nutrition programs.

SEC. 610. SENSE OF THE SENATE REGARDING COMPENSATION FOR EXPOSURE TO TOXIC SUBSTANCES AT THE DEPARTMENT OF ENERGY.

It is the sense of the Senate that—

(1) claims for occupational illness, which are determined to be caused by exposure to toxic substances at Department of Energy facilities under subtitle D of the EEOICPA, should be promptly, equitably, and efficiently compensated;

(2) administrative and technical changes should be made to the EEOICPA to—

(A) improve claims processing and review by physicians panels to ensure cost-effective and efficient consideration and determination of workers' claims;

(B) provide for membership in additional special exposure cohorts; and

(C) address eligibility issues at facilities with residual radiation; and

(3) the President and Congress should work together at the earliest opportunity to develop a plan that effectively resolves the issue of a lack of a willing payor for many claims that are determined under subtitle D of the EEOICPA to be related to exposure to a toxic substance at Department of Energy facilities.

SEC. 611. SENSE OF THE SENATE REGARDING TAX INCENTIVES FOR CERTAIN RURAL COMMUNITIES.

It is the sense of the Senate that if tax relief measures are enacted in accordance with the assumptions in the budget resolution in this session of Congress, such legislation should include incentives to help rural communities attract individuals to live and work and start and grow a business in those communities.

SEC. 612. SENSE OF THE SENATE CONCERNING SUMMER FOOD PILOT PROJECTS.

It is the sense of the Senate that sufficient funds should be provided to the Food and Nutrition Service and other appropriate agencies within the Department of Agriculture to enable those agencies to expand the summer food pilot projects established under section 18(f) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)) to all States of the United States and to all service institutions (including service institutions described in section 13(a)(7) of that Act).

SEC. 613. SENSE OF THE SENATE REGARDING CLOSING THE "TAX GAP".

It is the sense of the Senate that the Internal Revenue Service should be provided the resources necessary to increase enforcement activities that would be concentrated on efforts to reduce the tax gap substantially by the end of fiscal year 2009.

Subtitle B—Sense of the House

SEC. 621. SENSE OF THE HOUSE ON ENTITLEMENT REFORM.

(a) FINDINGS.—The House finds that welfare was successfully reformed through the application of work requirements, education and training opportunity, and time limits on eligibility.

(b) SENSE OF THE HOUSE.—It is the sense of the House that authorizing committees should—

(1) systematically review all means-tested entitlement programs and track beneficiary participation across programs and time;

(2) enact legislation to develop common eligibility requirements for means-tested entitlement programs;

(3) enact legislation to accurately rename means-tested entitlement programs;

(4) enact legislation to coordinate program benefits in order to limit to a reasonable period of time the Government dependency of means-tested entitlement program participants;

(5) evaluate the costs of, and justifications for, nonmeans-tested, nonretirement-related entitlement programs; and

(6) identify and utilize resources that have conducted cost-benefit analyses of participants in multiple means- and nonmeans-tested entitlement programs to understand their cumulative costs and collective benefits.

Subtitle C—Sense of Congress

SEC. 631. SENSE OF CONGRESS ON SPENDING ACCOUNTABILITY.

It is the sense of Congress that—

(1) authorizing committees should actively engage in oversight utilizing—

(A) the plans and goals submitted by executive agencies pursuant to the Government Performance and Results Act of 1993; and

(B) the performance evaluations submitted by such agencies (that are based upon the Program Assessment Rating Tool which is designed to improve agency performance);

in order to enact legislation to eliminate waste, fraud, and abuse to ensure the efficient use of taxpayer dollars;

(2) all Federal programs should be periodically reauthorized and funding for unauthorized programs should be level-funded in fiscal year 2005 unless there is a compelling justification;

(3) committees should submit written justifications for earmarks and should consider not funding those most egregiously inconsistent with national policy;

(4) the fiscal year 2005 budget resolution should be vigorously enforced and legislation should be enacted establishing statutory limits on appropriations and a pay-as-you-go rule for new and expanded entitlement programs; and

(5) Congress should make every effort to offset nonwar-related supplemental appropriations.

And the House agree to the same.

JIM NUSSLE,
ROB PORTMAN,
Managers on the Part of the House.

DON NICKLES,
PETE DOMENICI,
CHUCK GRASSLEY,
JUDD GREGG,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 95) setting forth the congressional budget for the United States Government for fiscal year 2005 and setting forth appropriate budgetary levels for fiscal years 2006 through 2009, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck all out of the Senate resolution after the resolving clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment that is a substitute for the Senate resolution and the House amendment. The differences between the Senate resolution, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

DISPLAYS AND AMOUNTS

The contents of concurrent budget resolutions are set forth in section 301(a) of the Congressional Budget Act of 1974. The years in this document are fiscal years unless otherwise noted.

Senate Resolution

The Senate resolution includes all of the items required as part of a concurrent budget resolution under section 301(a) of the Congressional Budget Act. The Senate resolution included the traditional function categories and set out levels for fiscal year 2005.

House Amendment

The House amendment includes all of the items required as part of a concurrent budget resolution under section 301(a) of the Congressional Budget Act. It also included a new separate functional category, function 100, for Homeland Security. As permitted under section 301(b) of the Congressional Budget Act, Section 101(6) of the House amendment includes advisory levels on debt held by the public. The House Amendment revised the levels for the current year, fiscal year 2004.

Conference Agreement

The conference agreement includes all of the items required as part of a concurrent budget resolution under section 301(a) of the Congressional Budget Act. As permitted under section 301(b) of the Congressional Budget Act, Section 101(6) of the conference agreement includes advisory levels on debt held by the public. The conference agreement does not include a function 100.

AGGREGATE AND FUNCTION LEVELS

The following tables are included in this section:

Conference Report on the Fiscal Year 2005 Budget Resolution: Aggregate and Function Levels
Senate-Passed Fiscal Year 2005 Budget Resolution: Aggregate and Function Levels
House-Passed Fiscal Year 2005 Amendment: Total Spending and Revenues
House-Passed Fiscal Year 2005 Amendment: Discretionary Spending
House-Passed Fiscal Year 2005 Amendment: Mandatory Spending

CONFERENCE RESOLUTION FOR FY 2005: AGGREGATE AND FUNCTION LEVELS
($ billions)

Function		2004	2005	2006	2007	2008	2009	2005-09
050 - National Defense	BA	463.617	472.157	432.366	442.103	452.073	462.069	2260.768
	OT	452.953	474.298	452.218	434.750	438.532	447.384	2247.182
Discretionary total	BA	459.098	470.794	429.210	438.653	448.303	458.166	2245.126
	OT	451.844	471.917	448.933	431.193	434.885	443.492	2230.420
Discretionary regular	BA	459.098	420.794	429.210	438.653	448.303	458.166	2195.126
	OT	451.844	447.067	430.333	426.093	433.885	443.242	2180.620
Discretionary overseas contingency operations	BA	0.000	50.000	0.000	0.000	0.000	0.000	50.000
	OT	0.000	24.850	18.600	5.100	1.000	0.250	49.800
Mandatory	BA	4.519	1.363	3.156	3.450	3.770	3.903	15.642
	OT	1.109	2.381	3.285	3.557	3.647	3.892	16.762
150 - International Affairs	BA	43.657	28.920	30.619	31.291	31.977	32.677	155.484
	OT	29.317	32.795	32.248	29.599	28.793	29.123	152.558
Discretionary	BA	48.653	29.277	29.863	30.520	31.191	31.877	152.728
	OT	34.122	35.791	34.691	32.169	31.278	31.593	165.522
Mandatory	BA	-4.996	-0.357	0.756	0.771	0.786	0.800	2.756
	OT	-4.805	-2.996	-2.443	-2.570	-2.485	-2.470	-12.964
250 - General Science, Space and Technology	BA	23.377	23.928	24.406	24.943	25.491	26.052	124.820
	OT	22.310	23.278	23.864	24.316	24.755	25.287	121.500
Discretionary	BA	23.338	23.898	24.376	24.912	25.460	26.020	124.666
	OT	22.221	23.167	23.756	24.276	24.724	25.256	121.179
Mandatory	BA	0.039	0.030	0.030	0.031	0.031	0.032	0.154
	OT	0.089	0.111	0.108	0.040	0.031	0.031	0.321
270 - Energy	BA	2.353	3.027	3.122	3.253	3.090	2.730	15.222
	OT	0.084	1.380	1.866	1.619	1.113	1.318	7.296
Discretionary	BA	3.597	3.626	3.699	3.780	3.863	3.948	18.916
	OT	3.345	3.761	3.787	3.780	3.843	3.889	19.060
Mandatory	BA	-1.244	-0.599	-0.577	-0.527	-0.773	-1.218	-3.694
	OT	-3.261	-2.381	-1.921	-2.161	-2.730	-2.571	-11.764
300 - Natural Resources and Environment	BA	32.340	32.128	32.942	33.755	34.443	35.923	169.191
	OT	30.462	31.418	32.931	33.655	34.118	35.413	167.535
Discretionary	BA	30.276	29.346	29.933	30.592	31.265	31.953	153.089
	OT	29.624	29.653	29.899	30.323	30.814	31.385	152.074
Mandatory	BA	2.064	2.782	3.009	3.163	3.178	3.970	16.102
	OT	0.838	1.765	3.032	3.332	3.304	4.028	15.461
350 - Agriculture	BA	20.221	21.797	23.914	24.920	24.865	25.928	121.424
	OT	18.772	21.035	22.748	23.758	23.735	24.917	116.193
Discretionary	BA	5.595	5.321	5.427	5.546	5.668	5.793	27.755
	OT	5.460	5.516	5.385	5.466	5.546	5.663	27.576
Mandatory	BA	14.626	16.476	18.487	19.374	19.197	20.135	93.669
	OT	13.312	15.519	17.363	18.292	18.189	19.254	88.617
370 - Commerce and Housing Credit	BA	14.673	7.184	5.920	5.291	4.854	4.514	27.763
	OT	10.340	1.158	1.492	-0.156	-1.815	-2.298	-1.619
Discretionary	BA	-0.773	-0.391	-0.399	-0.408	-0.417	-0.426	-2.041
	OT	-0.676	-0.193	-0.108	-0.112	-0.409	-0.486	-1.308
Mandatory	BA	15.446	7.575	6.319	5.699	5.271	4.940	29.804
	OT	11.016	1.351	1.600	-0.044	-1.406	-1.812	-0.311
370 on-budget	**BA**	**17.173**	**9.284**	**8.720**	**8.191**	**8.154**	**8.014**	**42.363**
	OT	**12.840**	**3.258**	**4.292**	**2.744**	**1.485**	**1.202**	**12.981**
Discretionary	**BA**	**-0.773**	**-0.391**	**-0.399**	**-0.408**	**-0.417**	**-0.426**	**-2.041**
	OT	**-0.676**	**-0.193**	**-0.108**	**-0.112**	**-0.409**	**-0.486**	**-1.308**
Mandatory	**BA**	**17.946**	**9.675**	**9.119**	**8.599**	**8.571**	**8.440**	**44.404**
	OT	**13.516**	**3.451**	**4.400**	**2.856**	**1.894**	**1.688**	**14.289**
400 - Transportation	BA	69.197	71.789	73.253	75.911	77.709	79.072	377.734
	OT	65.741	68.560	71.302	73.633	75.611	77.027	366.133
Discretionary	BA	23.713	24.126	24.609	25.150	25.703	26.268	125.856
	OT	63.888	66.378	69.049	71.457	73.327	74.957	355.168
Mandatory	BA	45.484	47.663	48.644	50.761	52.006	52.804	251.878
	OT	1.853	2.182	2.253	2.176	2.284	2.070	10.965
450 - Community and Regional Development	BA	16.732	13.612	13.607	13.905	14.127	14.439	69.690
	OT	16.673	17.386	14.457	14.231	14.032	14.318	74.424
Discretionary	BA	15.622	13.210	13.474	13.770	14.073	14.383	68.910
	OT	16.183	17.569	14.661	14.421	14.191	14.506	75.348
Mandatory	BA	1.110	0.402	0.133	0.135	0.054	0.056	0.780

Function		2004	2005	2006	2007	2008	2009	2005-09
	OT	0.490	-0.183	-0.204	-0.190	-0.159	-0.188	-0.924
500 - Education, Training, Employment and Social Services	BA	89.519	92.818	95.108	97.167	99.113	101.229	485.435
	OT	86.478	90.716	93.772	95.389	97.331	99.469	476.677
Discretionary	BA	78.008	80.999	82.619	84.437	86.295	88.193	422.543
	OT	77.048	80.700	82.739	84.156	85.916	87.774	421.285
Mandatory	BA	11.511	11.819	12.489	12.730	12.818	13.036	62.892
	OT	9.430	10.016	11.033	11.233	11.415	11.695	55.392
550 - Health	BA	241.824	252.426	257.888	272.290	292.081	314.270	1388.955
	OT	239.620	250.025	257.875	271.481	291.298	311.345	1382.024
Discretionary	BA	51.847	53.286	51.773	52.912	54.076	57.441	269.488
	OT	49.216	50.798	51.127	52.181	53.224	54.259	261.589
Mandatory	BA	189.977	199.140	206.115	219.378	238.005	256.829	1119.467
	OT	190.404	199.227	206.748	219.300	238.074	257.086	1120.435
570 - Medicare	BA	269.580	287.878	322.742	362.593	387.739	414.248	1775.200
	OT	268.771	288.987	322.339	362.827	387.718	413.776	1775.647
Discretionary	BA	3.849	3.850	3.927	4.013	4.101	4.191	20.082
	OT	3.826	3.874	3.899	3.958	4.039	4.126	19.896
Mandatory	BA	265.731	284.028	318.815	358.580	383.638	410.057	1755.118
	OT	264.945	285.113	318.440	358.869	383.679	409.650	1755.751
600 - Income Security	BA	329.307	339.157	342.290	343.329	356.872	366.779	1748.427
	OT	336.062	345.660	345.570	345.588	358.513	367.788	1763.119
Discretionary	BA	44.594	46.381	47.309	48.350	49.414	50.501	241.955
	OT	53.008	54.103	51.111	51.247	52.075	52.616	261.152
Mandatory	BA	284.713	292.776	294.981	294.979	307.458	316.278	1506.472
	OT	283.054	291.557	294.459	294.341	306.438	315.172	1501.967
650 - Social Security	BA	498.229	518.927	539.950	565.348	593.597	625.457	2843.279
	OT	496.549	517.162	537.719	562.930	590.896	622.463	2831.170
Discretionary	BA	4.134	4.249	4.334	4.429	4.526	4.626	22.164
	OT	4.154	4.264	4.273	4.361	4.455	4.552	21.905
Mandatory	BA	494.095	514.678	535.616	560.919	589.071	620.831	2821.115
	OT	492.395	512.898	533.446	558.569	586.441	617.911	2809.265
650 on-budget	**BA**	**13.396**	**15.214**	**16.779**	**18.269**	**20.218**	**22.229**	**92.709**
	OT	**13.396**	**15.214**	**16.779**	**18.269**	**20.218**	**22.229**	**92.709**
Discretionary	**BA**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	OT	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Mandatory	**BA**	**13.396**	**15.214**	**16.779**	**18.269**	**20.218**	**22.229**	**92.709**
	OT	**13.396**	**15.214**	**16.779**	**18.269**	**20.218**	**22.229**	**92.709**
700 - Veterans Benefits and Services	BA	61.450	70.832	69.263	67.925	71.702	72.937	352.659
	OT	60.113	68.855	68.135	66.976	70.938	72.132	347.036
Discretionary	BA	29.252	31.007	31.627	32.323	33.034	33.761	161.752
	OT	28.049	29.362	30.554	31.428	32.330	32.997	156.671
Mandatory	BA	32.198	39.825	37.636	35.602	38.668	39.176	190.907
	OT	32.064	39.493	37.581	35.548	38.608	39.135	190.365
750 - Administration of Justice	BA	41.191	41.945	40.338	41.111	41.990	42.889	208.273
	OT	39.612	41.773	40.851	41.209	41.682	42.492	208.007
Discretionary	BA	37.071	36.814	37.550	38.376	39.220	40.083	192.043
	OT	35.537	37.270	37.679	38.247	38.972	39.740	191.908
Mandatory	BA	4.120	5.131	2.788	2.735	2.770	2.806	16.230
	OT	4.075	4.503	3.172	2.962	2.710	2.752	16.099
800 - General Government	BA	23.938	17.383	17.840	18.267	18.204	18.645	90.339
	OT	24.651	17.975	17.685	17.917	17.849	18.096	89.522
Discretionary	BA	17.613	15.626	15.939	16.290	16.648	17.014	81.517
	OT	18.198	16.248	15.835	15.954	16.146	16.477	80.660
Mandatory	BA	6.325	1.757	1.901	1.977	1.556	1.631	8.822
	OT	6.453	1.727	1.850	1.963	1.703	1.619	8.862
900 - Net Interest	BA	154.836	180.277	219.857	254.047	274.973	289.398	1218.552
	OT	154.836	180.277	219.857	254.047	274.973	289.398	1218.552
Discretionary	BA	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	OT	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mandatory	BA	154.836	180.277	219.857	254.047	274.973	289.398	1218.552
	OT	154.836	180.277	219.857	254.047	274.973	289.398	1218.552
900 on-budget	**BA**	**240.449**	**270.436**	**318.053**	**362.002**	**393.729**	**419.915**	**1764.135**
	OT	**240.449**	**270.436**	**318.053**	**362.002**	**393.729**	**419.915**	**1764.135**
Discretionary	**BA**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	OT	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

Function		2004	2005	2006	2007	2008	2009	2005-09
Mandatory	**BA**	**240.449**	**270.436**	**318.053**	**362.002**	**393.729**	**419.915**	**1764.135**
	OT	**240.449**	**270.436**	**318.053**	**362.002**	**393.729**	**419.915**	**1764.135**
920 - Allowances	BA	0.000	-7.158	0.000	0.000	0.000	0.000	-7.158
	OT	0.000	-14.516	0.000	0.000	0.000	0.000	-14.516
Discretionary	BA	0.000	-7.158	0.000	0.000	0.000	0.000	-7.158
	OT	0.000	-14.516	0.000	0.000	0.000	0.000	-14.516
Mandatory	BA	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	OT	0.000	0.000	0.000	0.000	0.000	0.000	0.000
950 - Undistributed Offsetting Receipts	BA	-58.497	-63.873	-66.888	-75.844	-79.522	-75.789	-361.916
	OT	-58.497	-63.873	-66.888	-76.969	-80.209	-74.851	-362.790
Discretionary	BA	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	OT	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mandatory	BA	-58.497	-63.873	-66.888	-75.844	-79.522	-75.789	-361.916
	OT	-58.497	-63.873	-66.888	-76.969	-80.209	-74.851	-362.790
950 on-budget	**BA**	**-47.233**	**-52.505**	**-54.798**	**-63.037**	**-65.782**	**-61.150**	**-297.272**
	OT	**-47.233**	**-52.505**	**-54.798**	**-64.162**	**-66.469**	**-60.212**	**-298.146**
Discretionary	**BA**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	OT	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Mandatory	**BA**	**-47.233**	**-52.505**	**-54.798**	**-63.037**	**-65.782**	**-61.150**	**-297.272**
	OT	**-47.233**	**-52.505**	**-54.798**	**-64.162**	**-66.469**	**-60.212**	**-298.146**
Total	BA	2337.544	2405.154	2478.537	2601.605	2725.378	2853.467	13064.141
	OT	2294.847	2394.349	2490.041	2576.800	2689.863	2814.597	12965.650
Discretionary	BA	875.487	864.261	835.270	853.645	872.423	893.792	4319.391
	OT	895.047	915.662	907.270	894.505	905.356	922.796	4545.589
Mandatory	BA	1462.057	1540.893	1643.267	1747.960	1852.955	1959.675	8744.750
	OT	1399.800	1478.687	1582.771	1682.295	1784.507	1891.801	8420.061
Total on-budget	**BA**	**1952.088**	**2005.068**	**2068.452**	**2178.188**	**2287.795**	**2398.895**	**10938.398**
	OT	**1911.071**	**1996.028**	**2082.187**	**2155.801**	**2254.981**	**2363.019**	**10852.017**
Discretionary	**BA**	**871.353**	**860.012**	**830.936**	**849.216**	**867.897**	**889.166**	**4297.227**
	OT	**890.893**	**911.398**	**902.997**	**890.144**	**900.901**	**918.244**	**4523.684**
Mandatory	**BA**	**1080.735**	**1145.056**	**1237.516**	**1328.972**	**1419.898**	**1509.729**	**6641.171**
	OT	**1020.178**	**1084.630**	**1179.190**	**1265.657**	**1354.080**	**1444.775**	**6328.332**
Revenues		1820.722	2026.946	2235.024	2383.007	2503.459	2640.436	11788.872
Revenues on-budget		**1276.150**	**1454.637**	**1634.152**	**1753.744**	**1844.828**	**1950.926**	**8638.287**
Surplus/Deficit (-)		-474.125	-367.403	-255.017	-193.793	-186.404	-174.161	-1176.778
On-budget		*-634.921*	*-541.391*	*-448.035*	*-402.057*	*-410.153*	*-412.093*	*-2213.730*
Off-budget		*160.796*	*173.988*	*193.019*	*208.264*	*223.748*	*237.932*	*1036.952*
Debt Held by the Public		4,382.007	4,762.355	5,030.718	5,237.335	5,436.448	5,623.726	
Debt Subject to Limit		7,432.349	8,073.946	8,645.824	9,168.812	9,699.909	10,235.831	

SENATE PASSED RESOLUTION FOR FY 2005: AGGREGATE AND FUNCTION LEVELS
($ billions)

Function		2004	2005	2006	2007	2008	2009	2005-09
050 - National Defense	BA	463.604	422.157	445.708	456.148	467.482	479.494	2270.989
	OT	452.946	449.442	442.157	441.732	451.564	463.106	2248.001
Discretionary	BA	459.098	420.794	442.552	452.698	463.712	475.591	2255.347
	OT	451.844	447.067	438.872	438.175	447.917	459.214	2231.245
Mandatory	BA	4.506	1.363	3.156	3.450	3.770	3.903	15.642
	OT	1.102	2.375	3.285	3.557	3.647	3.892	16.756
150 - International Affairs	BA	43.657	31.970	34.855	35.499	35.856	35.912	174.092
	OT	29.317	34.032	33.192	31.746	31.640	32.059	162.669
Discretionary	BA	48.653	32.327	34.099	34.728	35.070	35.112	171.336
	OT	34.122	37.028	35.635	34.316	34.125	34.529	175.633
Mandatory	BA	-4.996	-0.357	0.756	0.771	0.786	0.800	2.756
	OT	-4.805	-2.996	-2.443	-2.570	-2.485	-2.470	-12.964
250 - General Science, Space and Technology	BA	23.377	24.278	25.412	26.269	26.499	26.547	129.005
	OT	22.310	23.752	24.863	25.613	25.914	26.095	126.238
Discretionary	BA	23.338	24.248	25.382	26.238	26.468	26.515	128.851
	OT	22.221	23.641	24.755	25.573	25.883	26.064	125.917
Mandatory	BA	0.039	0.030	0.030	0.031	0.031	0.032	0.154
	OT	0.089	0.111	0.108	0.040	0.031	0.031	0.321
270 - Energy	BA	2.353	1.093	2.762	2.781	2.501	2.082	11.219
	OT	0.084	-0.546	1.653	1.214	0.601	0.718	3.640
Discretionary	BA	3.597	2.007	3.736	3.698	3.640	3.607	16.688
	OT	3.345	2.097	3.905	3.761	3.694	3.627	17.084
Mandatory	BA	-1.244	-0.914	-0.974	-0.917	-1.139	-1.525	-5.469
	OT	-3.261	-2.643	-2.252	-2.547	-3.093	-2.909	-13.444
300 - Natural Resources and Environment	BA	32.340	36.160	32.909	32.895	32.825	33.523	168.311
	OT	30.462	31.191	33.529	34.099	33.879	33.974	166.671
Discretionary	BA	30.276	33.342	29.760	29.581	29.519	29.489	151.690
	OT	29.624	29.391	30.358	30.616	30.447	29.882	150.693
Mandatory	BA	2.064	2.818	3.149	3.314	3.306	4.034	16.621
	OT	0.838	1.800	3.171	3.483	3.432	4.092	15.978
350 - Agriculture	BA	20.221	21.746	23.806	24.698	24.604	25.563	120.417
	OT	18.772	20.976	22.574	23.509	23.483	24.623	115.165
Discretionary	BA	5.595	5.371	5.603	5.629	5.667	5.699	27.969
	OT	5.460	5.558	5.495	5.522	5.554	5.640	27.769
Mandatory	BA	14.626	16.375	18.203	19.069	18.937	19.864	92.448
	OT	13.312	15.418	17.079	17.987	17.929	18.983	87.396
370 - Commerce and Housing Credit	BA	14.673	5.764	5.241	6.241	6.036	6.326	29.608
	OT	10.340	0.835	-0.207	0.506	-0.750	-0.734	-0.350
Discretionary	BA	-0.773	-1.810	-1.077	0.549	0.772	1.387	-0.179
	OT	-0.676	-0.515	-1.806	0.557	0.663	1.079	-0.022
Mandatory	BA	15.446	7.574	6.318	5.692	5.264	4.939	29.787
	OT	11.016	1.350	1.599	-0.051	-1.413	-1.813	-0.328
370 on-budget	**BA**	**17.173**	**7.864**	**8.041**	**9.141**	**9.336**	**9.826**	**44.208**
	OT	**12.840**	**2.935**	**2.593**	**3.406**	**2.550**	**2.766**	**14.250**
Discretionary	**BA**	**-0.773**	**-1.810**	**-1.077**	**0.549**	**0.772**	**1.387**	**-0.179**
	OT	**-0.676**	**-0.515**	**-1.806**	**0.557**	**0.663**	**1.079**	**-0.022**
Mandatory	**BA**	**17.946**	**9.674**	**9.118**	**8.592**	**8.564**	**8.439**	**44.387**
	OT	**13.516**	**3.450**	**4.399**	**2.849**	**1.887**	**1.687**	**14.272**
400 - Transportation	BA	69.197	69.985	70.923	71.428	71.760	72.241	356.337
	OT	65.741	68.390	70.998	72.207	72.571	72.597	356.763
Discretionary	BA	23.713	23.826	24.740	25.178	25.476	25.919	125.139
	OT	63.888	66.208	68.745	70.031	70.287	70.527	345.798
Mandatory	BA	45.484	46.159	46.183	46.250	46.284	46.322	231.198
	OT	1.853	2.182	2.253	2.176	2.284	2.070	10.965
450 - Community and Regional Development	BA	16.732	13.897	13.682	13.851	13.979	14.150	69.559
	OT	16.673	14.986	15.220	14.321	13.818	13.913	72.258
Discretionary	BA	15.622	13.470	13.549	13.716	13.925	14.094	68.754
	OT	16.183	15.237	15.603	14.725	14.207	14.348	74.120
Mandatory	BA	1.110	0.427	0.133	0.135	0.054	0.056	0.805
	OT	0.490	-0.251	-0.383	-0.404	-0.389	-0.435	-1.862
500 - Education, Training, Employment	BA	89.519	100.414	95.314	95.628	95.858	96.168	483.381
and Social Services	OT	86.478	89.304	94.577	93.799	94.262	94.684	466.627
Discretionary	BA	78.008	83.895	81.825	81.898	82.040	82.132	411.789
	OT	77.048	78.288	82.544	81.566	81.847	81.989	406.235
Mandatory	BA	11.511	16.519	13.489	13.730	13.818	14.036	71.592
	OT	9.430	11.016	12.033	12.233	12.415	12.695	60.392

Function		2004	2005	2006	2007	2008	2009	2005-09
550 - Health	BA	241.824	252.299	254.677	267.998	286.815	307.860	1369.649
	OT	239.620	247.712	255.618	267.754	286.525	305.533	1363.142
Discretionary	BA	51.847	55.082	50.534	50.833	51.283	53.774	261.506
	OT	49.216	50.350	50.822	50.661	50.922	51.192	253.947
Mandatory	BA	189.977	197.217	204.143	217.165	235.532	254.086	1108.143
	OT	190.404	197.362	204.796	217.093	235.603	254.341	1109.195
570 - Medicare	BA	269.580	287.513	322.517	361.999	386.753	412.922	1771.704
	OT	268.771	288.654	322.035	362.277	386.795	412.515	1772.276
Discretionary	BA	3.849	3.690	4.245	4.185	4.211	4.231	20.562
	OT	3.826	3.746	4.138	4.174	4.212	4.231	20.501
Mandatory	BA	265.731	283.823	318.272	357.814	382.542	408.691	1751.142
	OT	264.945	284.908	317.897	358.103	382.583	408.284	1751.775
600 - Income Security	BA	329.194	337.868	343.354	348.271	361.670	371.602	1762.765
	OT	335.998	342.111	346.782	350.920	363.674	373.123	1776.610
Discretionary	BA	44.594	46.381	49.047	49.733	50.551	51.415	247.127
	OT	53.008	51.353	53.033	53.246	53.721	54.019	265.372
Mandatory	BA	284.600	291.487	294.307	298.538	311.119	320.187	1515.638
	OT	282.990	290.758	293.749	297.674	309.953	319.104	1511.238
650 - Social Security	BA	498.229	518.927	539.968	565.261	593.413	625.303	2842.872
	OT	496.549	517.162	537.781	562.891	590.760	622.359	2830.953
Discretionary	BA	4.134	4.249	4.352	4.477	4.617	4.762	22.457
	OT	4.154	4.264	4.335	4.457	4.594	4.738	22.388
Mandatory	BA	494.095	514.678	535.616	560.784	588.796	620.541	2820.415
	OT	492.395	512.898	533.446	558.434	586.166	617.621	2808.565
650 on-budget	**BA**	**13.396**	**15.214**	**16.779**	**18.269**	**20.218**	**22.229**	**92.709**
	OT	**13.396**	**15.214**	**16.779**	**18.269**	**20.218**	**22.229**	**92.709**
Discretionary	**BA**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	OT	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Mandatory	**BA**	**13.396**	**15.214**	**16.779**	**18.269**	**20.218**	**22.229**	**92.709**
	OT	**13.396**	**15.214**	**16.779**	**18.269**	**20.218**	**22.229**	**92.709**
700 - Veterans Benefits and Services	BA	61.450	71.546	68.196	66.209	69.326	69.888	345.166
	OT	60.113	70.159	67.731	65.834	69.132	69.660	342.516
Discretionary	BA	29.252	31.729	30.573	30.625	30.681	30.740	154.349
	OT	28.049	30.674	30.163	30.304	30.547	30.553	152.241
Mandatory	BA	32.198	39.817	37.623	35.584	38.645	39.148	190.817
	OT	32.064	39.485	37.568	35.530	38.585	39.107	190.275
750 - Administration of Justice	BA	41.191	41.841	39.490	40.099	40.870	41.206	203.506
	OT	39.612	40.727	40.336	40.462	40.873	41.228	203.626
Discretionary	BA	37.071	37.509	38.272	39.025	39.856	40.258	194.920
	OT	35.537	37.023	38.734	39.161	39.919	40.334	195.171
Mandatory	BA	4.120	4.332	1.218	1.074	1.014	0.948	8.586
	OT	4.075	3.704	1.602	1.301	0.954	0.894	8.455
800 - General Government	BA	23.938	16.182	17.503	17.611	17.190	17.256	85.742
	OT	24.651	16.742	17.110	17.245	16.878	16.763	84.738
Discretionary	BA	17.613	14.426	15.582	15.585	15.589	15.585	76.767
	OT	18.198	15.016	15.240	15.233	15.130	15.104	75.723
Mandatory	BA	6.325	1.756	1.921	2.026	1.601	1.671	8.975
	OT	6.453	1.726	1.870	2.012	1.748	1.659	9.015
900 - Net Interest	BA	154.858	179.911	218.877	253.600	275.954	291.792	1220.135
	OT	154.858	179.911	218.877	253.600	275.954	291.792	1220.135
Discretionary	BA	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	OT	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mandatory	BA	154.858	179.911	218.877	253.600	275.954	291.792	1220.135
	OT	154.858	179.911	218.877	253.600	275.954	291.792	1220.135
900 on-budget	**BA**	**240.471**	**270.068**	**317.064**	**361.534**	**394.676**	**422.257**	**1765.599**
	OT	**240.471**	**270.068**	**317.064**	**361.534**	**394.676**	**422.257**	**1765.599**
Discretionary	**BA**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	OT	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Mandatory	**BA**	**240.471**	**270.068**	**317.064**	**361.534**	**394.676**	**422.257**	**1765.599**
	OT	**240.471**	**270.068**	**317.064**	**361.534**	**394.676**	**422.257**	**1765.599**
920 - Allowances	BA	0.000	-11.486	-0.779	-0.987	-0.993	-0.998	-15.243
	OT	0.000	-4.584	-3.627	-2.329	-2.091	-1.542	-14.173
Discretionary	BA	0.000	-11.230	-0.517	-0.518	-0.518	-0.518	-13.301
	OT	0.000	-4.349	-3.367	-1.859	-1.616	-1.062	-12.253
Mandatory	BA	0.000	-0.256	-0.262	-0.469	-0.475	-0.480	-1.942
	OT	0.000	-0.235	-0.260	-0.470	-0.475	-0.480	-1.920

Function		2004	2005	2006	2007	2008	2009	2005-09
950 - Undistributed Offsetting Receipts	BA	-58.497	-63.873	-71.938	-75.244	-77.222	-77.364	-365.641
	OT	-58.497	-63.873	-71.938	-75.244	-77.222	-77.364	-365.641
Discretionary	BA	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	OT	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mandatory	BA	-58.497	-63.873	-71.938	-75.244	-77.222	-77.364	-365.641
	OT	-58.497	-63.873	-71.938	-75.244	-77.222	-77.364	-365.641
950 on-budget	**BA**	**-47.233**	**-52.505**	**-59.848**	**-62.437**	**-63.482**	**-62.725**	**-300.997**
	OT	**-47.233**	**-52.505**	**-59.848**	**-62.437**	**-63.482**	**-62.725**	**-300.997**
Discretionary	**BA**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
	OT	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**
Mandatory	**BA**	**-47.233**	**-52.505**	**-59.848**	**-62.437**	**-63.482**	**-62.725**	**-300.997**
	OT	**-47.233**	**-52.505**	**-59.848**	**-62.437**	**-63.482**	**-62.725**	**-300.997**
Total	BA	2337.440	2358.192	2482.477	2610.256	2731.175	2851.473	13033.573
	OT	2294.798	2367.083	2469.261	2582.157	2698.260	2815.103	12931.864
Discretionary	BA	875.487	819.306	852.257	867.859	882.558	899.792	4321.771
	OT	895.047	892.077	897.204	900.220	912.053	926.009	4527.562
Mandatory	BA	1461.953	1538.886	1630.220	1742.397	1848.617	1951.681	8711.802
	OT	1399.751	1475.006	1572.057	1681.937	1786.207	1889.094	8404.302
Total on-budget	**BA**	**1951.984**	**1958.104**	**2072.365**	**2186.904**	**2293.742**	**2397.003**	**10908.118**
	OT	**1911.022**	**1968.760**	**2061.336**	**2161.175**	**2263.480**	**2363.577**	**10818.329**
Discretionary	**BA**	**871.353**	**815.057**	**847.905**	**863.382**	**877.941**	**895.030**	**4299.314**
	OT	**890.893**	**887.813**	**892.869**	**895.763**	**907.459**	**921.271**	**4505.174**
Mandatory	**BA**	**1080.631**	**1143.047**	**1224.460**	**1323.523**	**1415.801**	**1501.973**	**6608.804**
	OT	**1020.129**	**1080.947**	**1168.467**	**1265.413**	**1356.021**	**1442.306**	**6313.154**
Revenues		1817.359	2026.028	2216.557	2359.452	2481.247	2614.774	11698.058
Revenues on-budget		**1272.787**	**1453.714**	**1615.655**	**1730.119**	**1822.516**	**1925.154**	**8547.158**
Surplus/Deficit (-)		-477.439	-341.055	-252.704	-222.705	-217.013	-200.329	-1233.806
On-budget		*-638.235*	*-515.046*	*-445.681*	*-431.056*	*-440.964*	*-438.423*	*-2271.171*
Off-budget		*160.796*	*173.991*	*192.977*	*208.352*	*223.950*	*238.094*	*1037.364*
2005 Iraq/Afghanistan Reserve	BA		30.000					30.000
	OT		14.904	11.169	3.048	0.585	0.135	29.841
Unified Surplus/Deficit (-) incl. Reserve		-477.439	-355.959	-263.873	-225.753	-217.598	-200.464	-1263.647

Fiscal Year 2005 Budget Resolution
As Passed by the House
Total Spending and Revenues
(In billions of dollars)

Fiscal year			2004	2005	2006	2007	2008	2009	2005-2009
				Summary					
Spending	Total	BA	2,338.156	2,410.838	2,481.700	2,617.210	2,749.696	2,886.638	13,146.082
		OT	2,295.011	2,406.471	2,492.176	2,590.871	2,712.342	2,845.861	13,047.721
	On-Budget	BA	1,952.700	2,010.338	2,071.186	2,193.395	2,311.770	2,431.782	11,018.471
		OT	1,911.235	2,007.926	2,083.910	2,169.446	2,277.071	2,393.946	10,932.299
	Off-Budget	BA	385.456	400.500	410.514	423.815	437.926	454.856	2,127.611
		OT	383.776	398.545	408.266	421.425	435.271	451.915	2,115.422
Revenues	Total		1,817.538	2,029.644	2,220.897	2,351.051	2,477.420	2,611.883	11,690.895
	On-budget		1,272.966	1,457.215	1,619.835	1,721.568	1,818.559	1,922.133	8,539.310
	Off-budget		544.572	572.429	601.062	629.483	658.861	689.750	3,151.585
Deficit (-)	Total		-477.473	-376.827	-271.279	-239.820	-234.922	-233.978	-1,356.826
	On-budget		-638.269	-550.711	-464.075	-447.878	-458.512	-471.813	-2,392.989
	Off-budget		160.796	173.884	192.796	208.058	223.590	237.835	1,036.163
Debt Held by the Public (end of year)			4,385	4,775	5,060	5,312	5,560	5,807	na
Debt Subject to Limit (end of year)			7,436	8,087	8,675	9,244	9,823	10,419	na
				By Function					
National Defense (050)		BA	461.544	419.634	442.400	464.000	486.149	508.369	2,320.552
		OT	451.125	447.114	439.098	445.927	465.542	487.186	2,284.867
Homeland Security (100)		BA	29.559	34.102	33.548	35.160	36.520	40.420	179.750
		OT	24.834	29.997	33.298	35.635	36.979	38.401	174.310
International Affairs (150)		BA	43.604	26.529	27.776	27.927	28.077	28.228	138.537
		OT	29.281	32.848	30.017	26.714	25.323	25.099	140.001
General Science, Space,		BA	22.822	22.813	22.927	23.042	23.157	23.274	115.213
and Technology (250)		OT	21.897	22.453	22.683	22.743	22.763	22.863	113.505
Energy (270)		BA	2.323	2.863	2.604	2.583	2.629	2.285	12.964
		OT	0.059	1.201	1.397	1.040	0.662	0.891	5.191
Natural Resources and		BA	32.021	31.212	31.568	31.897	32.101	32.777	159.555
Environment (300)		OT	30.210	30.868	31.911	32.153	32.128	32.804	159.864
Agriculture (350)		BA	19.908	21.087	23.374	24.278	24.042	24.903	117.684
		OT	18.434	20.501	22.310	23.199	22.957	23.956	112.923
Commerce and Housing	Total	BA	14.577	8.692	7.442	6.827	6.405	6.080	35.446
Credit (370)		OT	10.248	3.682	4.042	1.869	-0.110	-0.760	8.723
	On-budget	BA	17.077	10.792	10.242	9.727	9.705	9.580	50.046
		OT	12.748	5.782	6.842	4.769	3.190	2.740	23.323
	Off-budget	BA	-2.500	-2.100	-2.800	-2.900	-3.300	-3.500	-14.600
		OT	-2.500	-2.100	-2.800	-2.900	-3.300	-3.500	-14.600

Fiscal Year 2005 Budget Resolution
As Passed by the House
Total Spending and Revenues
(In billions of dollars)

Fiscal year			2004	2005	2006	2007	2008	2009	2005-2009
Transportation (400)		BA	62.937	65.021	66.075	68.263	69.578	70.445	339.382
		OT	59.280	61.988	64.204	66.131	67.545	68.452	328.320
Community and Regional		BA	13.758	11.867	11.655	11.715	11.692	11.752	58.681
Development (450)		OT	15.443	14.233	12.484	11.616	11.392	11.510	61.235
Education, Training, Employment		BA	89.463	92.523	93.596	94.243	94.738	95.366	470.466
and Social Services (500)		OT	86.405	90.492	92.878	93.365	93.975	94.685	465.395
Health (550)		BA	236.822	245.095	252.639	266.117	284.970	304.034	1,352.855
		OT	235.551	244.936	252.495	265.196	284.222	303.460	1,350.309
Medicare (570)		BA	269.567	288.166	322.974	362.759	387.838	414.278	1,776.015
		OT	268.759	289.126	322.549	363.016	387.858	413.853	1,776.402
Income Security (600)		BA	329.744	337.318	335.387	340.140	352.809	361.830	1,727.484
		OT	336.074	341.716	339.098	342.945	355.046	363.465	1,742.270
Social Security (650)	Total	BA	498.229	519.219	540.180	565.506	593.680	625.464	2,844.049
		OT	496.549	517.264	537.932	563.116	591.025	622.523	2,831.860
	On-budget	BA	13.396	15.094	16.589	18.049	19.988	21.989	91.709
		OT	13.396	15.094	16.589	18.049	19.988	21.989	91.709
	Off-budget	BA	484.833	504.125	523.591	547.457	573.692	603.475	2,752.340
		OT	483.153	502.170	521.343	545.067	571.037	600.534	2,740.151
Veterans Benefits and		BA	61.179	70.536	68.501	66.621	69.842	70.506	346.006
Services (700)		OT	59.858	68.563	67.597	66.007	69.459	70.106	341.732
Administration of Justice (750)		BA	29.932	30.139	27.430	27.480	27.616	27.755	140.420
		OT	30.103	30.025	28.036	27.744	27.540	27.621	140.966
General Government (800)		BA	23.806	17.198	17.419	17.573	17.230	17.383	86.803
		OT	24.540	17.916	17.392	17.401	17.075	17.044	86.828
Net Interest (900)	Total	BA	154.858	180.541	220.722	256.528	279.848	296.984	1,234.623
		OT	154.858	180.541	220.722	256.528	279.848	296.984	1,234.623
	On-budget	BA	240.471	270.698	318.909	364.463	398.574	427.464	1,780.108
		OT	240.471	270.698	318.909	364.463	398.574	427.464	1,780.108
	Off-budget	BA	-85.613	-90.157	-98.187	-107.935	-118.726	-130.480	-545.485
		OT	-85.613	-90.157	-98.187	-107.935	-118.726	-130.480	-545.485
Allowances (920)		BA	--	50.000	--	--	--	--	50.000
		OT	--	24.850	18.600	5.100	1.000	0.250	49.800
Undistributed Offsetting	Total	BA	-58.497	-63.717	-66.517	-75.449	-79.225	-75.495	-360.403
Receipts (950)		OT	-58.497	-63.843	-66.567	-76.574	-79.887	-74.532	-361.403
	On-budget	BA	-47.233	-52.349	-54.427	-62.642	-65.485	-60.856	-295.759
		OT	-47.233	-52.475	-54.477	-63.767	-66.147	-59.893	-296.759
	Off-budget	BA	-11.264	-11.368	-12.090	-12.807	-13.740	-14.639	-64.644
		OT	-11.264	-11.368	-12.090	-12.807	-13.740	-14.639	-64.644

Fiscal Year 2005 Budget Resolution
As Passed by the House
Discretionary Spending
(In billions of dollars)

Fiscal year			2004	2005	2006	2007	2008	2009	2005-2009
				Summary					
Total Spending		BA	875.487	871.264	843.020	867.691	892.746	920.612	4,395.333
		OT	895.047	927.262	912.721	906.430	923.705	947.555	4,617.673
Defense		BA	457.025	418.261	439.204	460.450	482.329	504.466	2,304.710
		OT	450.010	444.736	435.794	442.319	461.835	483.256	2,267.940
Homeland Security		BA	29.234	33.368	32.333	33.901	35.211	39.063	173.876
		OT	24.581	29.463	32.183	34.425	35.487	36.953	168.511
Other Functions of		BA	389.228	419.635	371.483	373.340	375.206	377.083	1,916.747
Government		OT	420.456	453.063	444.744	429.686	426.383	427.346	2,181.222
				By Function					
National Defense (050)		BA	457.025	418.261	439.204	460.450	482.329	504.466	2,304.710
		OT	450.010	444.736	435.794	442.319	461.835	483.256	2,267.940
Homeland Security (100)		BA	29.234	33.368	32.333	33.901	35.211	39.063	173.876
		OT	24.581	29.463	32.183	34.425	35.487	36.953	168.511
International Affairs (150)		BA	48.600	26.886	27.020	27.156	27.291	27.428	135.781
		OT	34.086	35.844	32.460	29.284	27.808	27.569	152.965
General Science, Space,		BA	22.783	22.783	22.897	23.011	23.126	23.242	115.059
and Technology (250)		OT	21.808	22.342	22.575	22.703	22.732	22.832	113.184
Energy (270)		BA	3.567	3.489	3.506	3.524	3.542	3.559	17.620
		OT	3.331	3.541	3.639	3.571	3.570	3.550	17.871
Natural Resources and		BA	29.957	28.489	28.631	28.775	28.918	29.063	143.876
Environment (300)		OT	29.372	29.077	28.904	28.863	28.849	28.895	144.588
Agriculture (350)		BA	5.415	4.804	4.828	4.852	4.876	4.901	24.261
		OT	5.254	5.114	4.898	4.861	4.830	4.848	24.551
Commerce and Housing	Total	BA	-0.869	1.117	1.123	1.128	1.134	1.140	5.642
Credit (370)		OT	-0.768	1.031	1.142	1.313	1.096	1.052	5.634
	On-budget	BA	-0.869	1.117	1.123	1.128	1.134	1.140	5.642
		OT	-0.768	1.031	1.142	1.313	1.096	1.052	5.634
	Off-budget	BA	--	--	--	--	--	--	--
		OT	--	--	--	--	--	--	--
Transportation (400)		BA	17.944	17.775	17.864	17.953	18.043	18.133	89.768
		OT	57.836	60.013	62.280	64.357	65.915	66.965	319.530
Community and Regional		BA	12.648	11.465	11.522	11.580	11.638	11.696	57.901
Development (450)		OT	14.953	14.416	12.688	11.806	11.551	11.698	62.159

Fiscal Year 2005 Budget Resolution
As Passed by the House
Discretionary Spending
(In billions of dollars)

Fiscal year			2004	2005	2006	2007	2008	2009	2005-2009
Education, Training, Employment		BA	77.872	80.679	81.082	81.488	81.895	82.305	407.449
and Social Services (500)		OT	76.905	80.451	81.820	82.107	82.535	82.965	409.878
Health (550)		BA	46.780	46.317	46.549	46.781	47.015	47.250	233.912
		OT	45.101	46.052	45.772	45.938	46.198	46.419	230.379
Medicare (570)		BA	3.836	4.138	4.159	4.179	4.200	4.221	20.897
		OT	3.814	4.013	4.109	4.147	4.179	4.203	20.651
Income Security (600)		BA	44.591	45.826	46.055	46.285	46.517	46.749	231.432
		OT	53.005	51.006	50.291	49.729	49.775	49.491	250.292
Social Security (650)	Total	BA	4.134	4.541	4.564	4.587	4.609	4.633	22.934
		OT	4.154	4.366	4.486	4.547	4.584	4.612	22.595
	On-budget	BA	--	--	--	--	--	--	--
		OT	--	--	--	--	--	--	--
	Off-budget	BA	4.134	4.541	4.564	4.587	4.609	4.633	22.934
		OT	4.154	4.366	4.486	4.547	4.584	4.612	22.595
Veterans Benefits and		BA	28.981	30.711	30.865	31.019	31.174	31.330	155.099
Services (700)		OT	27.794	29.070	30.016	30.459	30.851	30.971	151.367
Administration of Justice (750)		BA	25.513	25.185	25.311	25.437	25.565	25.692	127.190
		OT	25.729	25.699	25.533	25.474	25.549	25.612	127.867
General Government (800)		BA	17.476	15.430	15.507	15.585	15.663	15.741	77.926
		OT	18.082	16.178	15.531	15.427	15.361	15.414	77.911
Allowances (920)		BA	--	50.000	--	--	--	--	50.000
		OT	--	24.850	18.600	5.100	1.000	0.250	49.800

Fiscal Year 2005 Budget Resolution
As Passed by the House
Mandatory Spending
(In billions of dollars)

Fiscal year			2004	2005	2006	2007	2008	2009	2005-2009
				Summary					
Spending	Total	BA	1,462.669	1,539.574	1,638.680	1,749.519	1,856.950	1,966.026	8,750.749
		OT	1,399.964	1,479.209	1,579.455	1,684.441	1,788.637	1,898.306	8,430.048
	On-budget	BA	1,081.347	1,143.615	1,232.730	1,330.291	1,423.633	1,515.803	6,646.072
		OT	1,020.342	1,085.030	1,175.675	1,267.563	1,357.950	1,451.003	6,337.221
	Off-budget	BA	381.322	395.959	405.950	419.228	433.317	450.223	2,104.677
		OT	379.622	394.179	403.780	416.878	430.687	447.303	2,092.827
				By Function					
National Defense (050)		BA	4.519	1.373	3.196	3.550	3.820	3.903	15.842
		OT	1.115	2.378	3.304	3.608	3.707	3.930	16.927
Homeland Security (100)		BA	0.325	0.734	1.215	1.259	1.309	1.357	5.874
		OT	0.253	0.534	1.115	1.210	1.492	1.448	5.799
International Affairs (150)		BA	-4.996	-0.357	0.756	0.771	0.786	0.800	2.756
		OT	-4.805	-2.996	-2.443	-2.570	-2.485	-2.470	-12.964
General Science, Space,		BA	0.039	0.030	0.030	0.031	0.031	0.032	0.154
and Technology (250)		OT	0.089	0.111	0.108	0.040	0.031	0.031	0.321
Energy (270)		BA	-1.244	-0.626	-0.902	-0.941	-0.913	-1.274	-4.656
		OT	-3.272	-2.340	-2.242	-2.531	-2.908	-2.659	-12.680
Natural Resources and		BA	2.064	2.723	2.937	3.122	3.183	3.714	15.679
Environment (300)		OT	0.838	1.791	3.007	3.290	3.279	3.909	15.276
Agriculture (350)		BA	14.493	16.283	18.546	19.426	19.166	20.002	93.423
		OT	13.180	15.387	17.412	18.338	18.127	19.108	88.372
Commerce and Housing	Total	BA	15.446	7.575	6.319	5.699	5.271	4.940	29.804
Credit (370)		OT	11.016	2.651	2.900	0.556	-1.206	-1.812	3.089
	On-budget	BA	17.946	9.675	9.119	8.599	8.571	8.440	44.404
		OT	13.516	4.751	5.700	3.456	2.094	1.688	17.689
	Off-budget	BA	-2.500	-2.100	-2.800	-2.900	-3.300	-3.500	-14.600
		OT	-2.500	-2.100	-2.800	-2.900	-3.300	-3.500	-14.600
Transportation (400)		BA	44.993	47.246	48.211	50.310	51.535	52.312	249.614
		OT	1.444	1.975	1.924	1.774	1.630	1.487	8.790
Community and Regional		BA	1.110	0.402	0.133	0.135	0.054	0.056	0.780
Development (450)		OT	0.490	-0.183	-0.204	-0.190	-0.159	-0.188	-0.924
Education, Training, Employment		BA	11.591	11.844	12.514	12.755	12.843	13.061	63.017
and Social Services (500)		OT	9.500	10.041	11.058	11.258	11.440	11.720	55.517
Health (550)		BA	190.042	198.778	206.090	219.336	237.955	256.784	1,118.943
		OT	190.450	198.884	206.723	219.258	238.024	257.041	1,119.930

Fiscal Year 2005 Budget Resolution
As Passed by the House
Mandatory Spending
(In billions of dollars)

Fiscal year			2004	2005	2006	2007	2008	2009	2005-2009
Medicare (570)		BA	265.731	284.028	318.815	358.580	383.638	410.057	1,755.118
		OT	264.945	285.113	318.440	358.869	383.679	409.650	1,755.751
Income Security (600)		BA	285.153	291.492	289.332	293.855	306.292	315.081	1,496.052
		OT	283.069	290.710	288.807	293.216	305.271	313.974	1,491.978
Social Security (650)	Total	BA	494.095	514.678	535.616	560.919	589.071	620.831	2,821.115
		OT	492.395	512.898	533.446	558.569	586.441	617.911	2,809.265
	On-budget	BA	13.396	15.094	16.589	18.049	19.988	21.989	91.709
		OT	13.396	15.094	16.589	18.049	19.988	21.989	91.709
	Off-budget	BA	480.699	499.584	519.027	542.870	569.083	598.842	2,729.406
		OT	478.999	497.804	516.857	540.520	566.453	595.922	2,717.556
Veterans Benefits and		BA	32.198	39.825	37.636	35.602	38.668	39.176	190.907
Services (700)		OT	32.064	39.493	37.581	35.548	38.608	39.135	190.365
Administration of Justice (750)		BA	4.419	4.954	2.119	2.043	2.051	2.063	13.230
		OT	4.374	4.326	2.503	2.270	1.991	2.009	13.099
General Government (800)		BA	6.330	1.768	1.912	1.988	1.567	1.642	8.877
		OT	6.458	1.738	1.861	1.974	1.714	1.630	8.917
Net Interest (900)	Total	BA	154.858	180.541	220.722	256.528	279.848	296.984	1,234.623
		OT	154.858	180.541	220.722	256.528	279.848	296.984	1,234.623
	On-budget	BA	240.471	270.698	318.909	364.463	398.574	427.464	1,780.108
		OT	240.471	270.698	318.909	364.463	398.574	427.464	1,780.108
	Off-budget	BA	-85.613	-90.157	-98.187	-107.935	-118.726	-130.480	-545.485
		OT	-85.613	-90.157	-98.187	-107.935	-118.726	-130.480	-545.485
Allowances (920)		BA	--	--	--	--	--	--	--
		OT	--	--	--	--	--	--	--
Undistributed Offsetting	Total	BA	-58.497	-63.717	-66.517	-75.449	-79.225	-75.495	-360.403
Receipts (950)		OT	-58.497	-63.843	-66.567	-76.574	-79.887	-74.532	-361.403
	On-budget	BA	-47.233	-52.349	-54.427	-62.642	-65.485	-60.856	-295.759
		OT	-47.233	-52.475	-54.477	-63.767	-66.147	-59.893	-296.759
	Off-budget	BA	-11.264	-11.368	-12.090	-12.807	-13.740	-14.639	-64.644
		OT	-11.264	-11.368	-12.090	-12.807	-13.740	-14.639	-64.644

FUNCTIONS AND REVENUES

Pursuant to section 301(a)(4) of the Budget Act, the budget resolution must set appropriate levels for each major functional category based on the 302(a) allocations and the budgetary totals.

The respective levels of the Senate resolution, the House amendment, and the conference agreement for each major budget function and revenue totals are discussed in the following section.

Note: In the House amendment as passed, funding amounts for certain homeland security activities were moved out of their customary functions and into a separate category, Function 100—Homeland Security. Therefore, the House-passed totals in these functions do not precisely correspond with those in the Senate-passed resolution. The functions affected are Function 050 (nonmilitary activities only), Function 150, Function 250, Function 270, Function 300, Function 350, Function 370, Function 400, Function 450, Function 500, Function 550, Function 570, Function 600, Function 700, Function 750, and Function 800. The customary correspondence was restored in the process of developing the conference agreement.

The conference agreement provides aggregate discretionary spending in 2005 of $814.261 billion in budget authority and $890.812 billion in outlays including outlays flowing from prior-year emergencies. These two aggregate numbers are allocated to the Appropriations Committees to be suballocated to their 13 individual appropriations subcommittees as required by section 302 of the Budget Act.

REVENUES

Federal revenues are taxes and other collections from the public that result from the government's sovereign or governmental powers. Revenues contained in the budget resolution reflect all of the Federal government's various tax receipts that are classified as ''on budget.'' This includes individual income taxes, corporate income taxes, excise taxes, estate and gift taxes, customs duties and miscellaneous receipts (which include deposits of earnings by the Federal Reserve System, fines, penalties, fees for regulatory services, and others). The component of social insurance taxes that is collected for the Social Security system—the Old Age and Survivors and Disability Insurance [OASDI] payroll tax—is ''off budget.'' The remaining social insurance taxes (the Hospital Insurance [HI] payroll tax portion of Medicare, the Federal Unemployment Tax Act [FUTA] payroll tax, railroad retirement and other retirement systems) are all on budget. Pursuant to the Congressional Budget Act of 1974 and the Budget Enforcement Act of 1990, Social Security payroll taxes, which constitute slightly more than a quarter of all Federal receipts, are not included in the budget resolution.

Under current law, federal tax collections are projected to total $11.8 trillion over the next five years. For 2004, total revenues are projected to be 15.9 percent of gross domestic product [GDP], far below the post-World War II average of 17.9 percent. Over the period covered by the budget resolution, 2005–2009, total baseline revenues are projected to average 17.8 percent of GDP (nearly back to the long-term historical average). Even though this conference agreement assumes policies producing a net reduction in tax revenues, total federal taxes are still projected to rise from 16.8 percent of GDP in 2005 to 18.2 percent of GDP in 2009—above the historical average. The increase in Federal taxes relative to GDP occurs because of provisions in the tax code that are not indexed fully for inflation and real, inflation-adjusted, income growth. The tendency for taxes to increase relative to the size of the economy due to inflation and a growing economy highlights the need to regularly adjust tax policies to avoid an ever-increasing tax burden on our economy.

Senate Resolution

The Senate resolution assumes total revenues of $11.7 trillion over the next five years, $0.1 trillion less than baseline, climbing from 15.9 percent of GDP this year to 18.0 percent of GDP by 2009.

The Senate resolution assumes that the accelerated tax relief provisions in the 2003 Jobs and Growth Tax Relief Reconciliation Act [JGTRRA] that expire at the end of 2004 ($1,000 child credit, marriage penalty relief and a one-year extension of the 10-percent income tax bracket expansion) are permanently extended. The resolution assumes that the repeal of the death tax is accelerated by one year to 2009. The resolution reconciles the Finance Committee for a reduction in revenues consistent with these changes through 2009 (the scope of the budget resolution). The Finance Committee is instructed to report legislation to reduce revenues by $80.6 billion over the 2005–2009 period.

The Senate resolution assumes, but does not reconcile, another $22.7 billion in tax relief over five years; this reflects making permanent: the JGTRRA dividends and capital gains tax rate structures, the 2001 Economic Growth and Tax Relief Reconciliation Act marginal rate reductions, estate tax repeal, education incentives, modifications of pension plans, and other incentives for families and children (adoption tax credit, employer-provided child care tax credit, and dependent care tax credit).

The Senate resolution assumes $23.1 billion in tax relief for the President's proposal for a one-year extension of the alternative minimum tax exemption amount and the treatment of personal credits under the AMT. The resolution assumes $15 billion in tax relief related to energy policy legislation. The resolution also assumes the revenue impact of medical malpractice reform.

The Senate resolution assumes that Congress will act to close tax loopholes identified by the President and by the tax-writing committees. For example, the Senate resolution assumes revenue from the President's proposal to increase disclosure of tax shelters and increase penalties for failure to disclose those shelter arrangements, from the President's proposal to shut down abusive leasing transactions between U.S. corporations and tax-exempt entities (so-called ''SILO'' transactions), and from the Finance Committee's proposal to shut down Enron-related tax shelters. The Senate resolution assumes that the revenue raised by closing loopholes and reducing fraud (such as in the Earned Income Credit, see function 600) is available to offset tax relief provisions that have been recommended by the President and supported by the Committee, such as the proposal to allow individuals to deduct the cost of high-deductible health plans, as well as many proposals that are being considered by Congress.

During Senate consideration of the 2005 budget resolution, the Senate adopted by voice vote a Landrieu amendment (S.A. 2775) that increased revenues by $876 million in 2005 and by $5.5 billion over the 2005–2009 period.

House Amendment

The House amendment calls for $1.457 trillion in on-budget revenue for fiscal year 2005, and $8.539 trillion over 2005–2009. Total revenue in the House amendment is $2.030 trillion for fiscal year 2005 and $11.691 trillion over 2005–2009. The House amendment assumes policies with a revenue impact of $19.919 billion for fiscal year 2005 and $145.799 billion over 2005–2009. These effects are principally the result of preventing automatic tax increases that would otherwise occur.

Although the House amendment does not explicitly define specific changes in tax policy, the revenue levels of the amendment are consistent with a general policy of not increasing taxes compared to policies currently in place. In particular, the amendment includes adjustments to revenue of sufficient size to accommodate continuation of specific provisions that are set to expire, including:

No tax increase for those claiming the child tax credit. The amendment provides for retaining the current credit level of $1,000 per child. It assumes Congress will act to prevent a reduction in the credit, to $700 per child, scheduled to occur in 2005. In other words, the House amendment accommodates changes to prevent a potential tax increase of $600 on a family with two children—from that provision alone—that would otherwise occur.

No increase in the marriage penalty. The amendment accommodates changes to prevent a scheduled reduction in the upper bound of the 15–percent bracket and standard deduction for a married couple.

No increase in taxes resulting from a reduction in the upper threshold for the 10-percent income tax bracket (e.g., scheduled to decline from $14,000 adjusted for inflation in 2004 for joint filers to $12,000 in 2005 if not extended).

The House amendment accommodates extending the small business expensing limits (the expensing of business equipment and computer software spending is scheduled to fall back to a limit of $25,000 in 2005, from the inflation-indexed level of $100,000 for 2003). Extension of bonus depreciation for corporate investment spending is not accommodated, reflecting the original intent of it serving as a temporary, short-run stimulus at the time of its adoption in 2002 and its extension in 2003.

The House amendment sets the on-budget revenue level of the Federal government for 2004 and the next five years, but it is the responsibility of the Committee on Ways and Means to make the specific adjustments in law to implement these levels.

The House amendment directs the Committee on Ways and Means to report legislation to the House floor by October 1, 2004, making adjustments in current law to prevent tax increases of $13.182 billion in fiscal year 2005 and $137.580 billion for fiscal year 2005–2009. These reconciled tax adjustments provide the full amount necessary to prevent tax increases from the provisions of law enacted in 2001 and 2003. The President's budget proposals assumed these amounts as a baseline adjustment.

Conference Agreement

The conference agreement for revenues assumes a level sufficient to accommodate the extension of the $1,000 child credit, marriage penalty relief, and the expansion of the 10-percent individual income tax bracket, all of which are scheduled to expire at the end of 2004. The conference agreement includes a reconciliation instruction to the House Ways and Means Committee and the Senate Finance Committee to report legislation by September 30, 2004, that reduces revenues by $22.9 billion and that increases related outlays by $4.6 billion, which is sufficient to accommodate a one-year extension of certain expiring tax cuts. The reconciled amounts provide an amount sufficient to prevent the tax increases that would occur if these provisions were allowed to expire.

The conference agreement also can accommodate, but does not reconcile, $27.7 billion (over five years) of tax relief.

FUNCTION 050: NATIONAL DEFENSE

Function Summary

Function 050 includes funds to develop, maintain, and equip the military forces of the United States. More than 95 percent of the funding in this function goes to Function 051—Department of Defense [DOD] military activities; the remaining funding in the function applies to atomic energy defense activities of the Department of Energy (Function 053), and other defense-related activities (Function 054).

Function 050 budget authority rose from $292.3 billion in fiscal year 1999 to $463.6 billion in fiscal year 2004, a 9.7–percent average annual growth rate. During the same time period, outlays rose from $274.9 billion to $453.0 billion, a 10.5 percent average annual growth rate (these figures include the effects of supplemental spending). The largest component of this was the budget of the Department of Defense, whose budget authority grew from $278.5 billion in fiscal year 1999 to $443.8 billion in 2004, a 9.8 percent average annual increase.

Senate Resolution

Discretionary

The Senate resolution assumes discretionary spending in this function would total $420.8 billion in budget authority and $447.1 billion in outlays for 2005. This represents a decrease of $38.3 billion in budget authority (−8.3 percent) and $4.8 billion in outlays (−1.1 percent) from the 2004 level, factoring in $65.1 billion in budget authority provided in the 2004 Emergency Supplemental for military operations in Iraq and Afghanistan. When the Emergency funding is excluded the Senate resolution for 2005 represents an increase of $26.8 billion in budget authority (6.8 percent) above the 2004 level.

To address the ongoing costs of military operations in Iraq and Afghanistan, the Senate resolution includes a $30 billion reserve for supplemental appropriations. This ''war reserve'' is described in the enforcement title. When the war reserve is included, the Senate resolution for function 050 represents an increase of $56.8 billion in budget authority (14.4 percent) above the 2004 level.

The Senate resolution reflects the President's request for defense. Ultimately, the conference report on the 2005 budget resolution will allocate one discretionary level to the Appropriations Committee (302(a) allocation), and it is in the jurisdiction of the Appropriations Committee, not the Budget Committee, to set appropriation levels for 2005 for all discretionary programs. In light of that reality, the Senate resolution encourages the Appropriations Committee to give careful consideration to the President's $72 million requested increase for the Radiation Exposure Compensation Act to ensure adequate resources will be available to pay all claimants through 2005.

House Amendment

Note: In the House amendment as passed, funding amounts for certain homeland security activities were moved out of this function into a separate category, Function 100—Homeland Security. The effect applied only to non-military, non-Department of Defense activities. Accordingly, the House-passed totals in these functions do not precisely correspond with those in the Senate-passed resolution. The customary correspondence was restored in the process of developing the conference agreement.

The amendment calls for $419.6 billion in budget authority and $447.1 billion in outlays in fiscal year 2005. The function totals are $2.321 trillion in budget authority and $2.285 trillion in outlays over 5 years. Mandatory spending is $1.4 billion in budget authority and $2.4 billion in outlays in fiscal year 2005, and totals $15.8 billion in budget authority and $16.9 billion in outlays over 5 years. Discretionary spending is $418.3 billion in budget authority and $444.7 billion in outlays in fiscal year 2005; and over 5 years, it is $2.305 trillion in budget authority and $2.268 trillion in outlays.

Mandatory

Function 050 contains numerous small mandatory accounts such as stock funds, trust funds, and gift funds whose receipts vary from year to year. The resolution assumes 2005 mandatory spending that matches the President's request. For 2004, the amendment accommodates $13 million to retroactively compensate service members for purchase of domestic airline tickets used for travel from the Iraqi theater of war to their final destination. The Supplemental Appropriations Act for Fiscal Year 2004 (Public Law 108–106) specified that funds be used to reimburse service members, but DOD did not authorize disbursement until 19 December 2003. Under current government compensation rules, no decision can be implemented retroactively; hence there is a need to allocate direct spending to fund a provision that would specifically reimburse service members not compensated under the supplemental appropriation.

Discretionary

Figures show a recommended increase of 7 percent (excluding the 2004 supplemental), fully accommodating the President's request. Department of Defense discretionary funding, at $401.8 billion, matches the President's request. The national defense budget presented here is part of a multiyear plan enabling the military to fight the war against terrorism now, and to transform to counter unconventional threats in the future. Elsewhere (in Function 920) the resolution includes $50 billion to anticipate additional needs in the Afghanistan and Iraq theaters. This is a mid-range estimate for anticipated annual costs. It is not an attempt to predetermine the scope of operations or which weapons and supplies DOD will need, but rather an effort to make the budget reflect a likely future outlay.

A special procedure provided for in the budget resolution would exempt appropriations related to the global war on terrorism, and hence a supplemental appropriation toward this end will not trigger a point of order.

A saving of $199 million from the request in Functions 053 and 054 is assumed for efficiencies; it should be noted, however, that the 2005 resolution total (including Homeland Security accounts) for these functions is $543 million more than the previous year's appropriations. This modest adjustment does not affect Department of Defense funding or ongoing contingency operations.

Conference Agreement

The conference agreement assumes the President's requested levels for national defense plus $50 billion for supplemental appropriations for operations in the Afghan and Iraqi theaters. The conference agreement for this function reflects total spending of $472.2 billion in budget authority and $474.3 billion in outlays for fiscal year 2005. Mandatory spending for this function is $1.4 billion in budget authority and $2.4 billion in outlays in fiscal year 2005. Discretionary spending for this function is $470.8 billion in budget authority and $471.9 billion in outlays in fiscal year 2005.

During the conference on the budget resolution, conferees received information that the Department of Defense is likely to reach the current statutory limit on the number of military housing projects allowed under the Military Housing Privatization Initiative [MHPI] sometime during fiscal year 2005. The administration and the General Accounting Office are reviewing the program. The conferees understand the importance of improved military housing for the quality of life of service personnel and their families and are committed to working with the committees of jurisdiction to address procedural issues that could apply to legislation allowing a temporary extension of military family housing improvements.

FUNCTION 150: INTERNATIONAL AFFAIRS

Function Summary

Function 150 includes international development and humanitarian assistance; international security assistance; the conduct of foreign affairs; foreign information and exchange activities; and international financial programs. Function 150 supports the Department of State and related international affairs organizations including the U.S. Agency for International Development [USAID].

Function 150 budget authority rose from $37.9 billion in fiscal year 1999 to $43.7 billion in fiscal year 2004, a 2.9 percent average annual growth rate. During the same time period, outlays rose from $15.2 billion to $29.3 billion, a 14.0 percent average annual growth rate. The largest component of this was the budget of the Department of State, whose budget authority grew from $8.8 billion in 1999 to $10.6 billion in fiscal year 2004, a 3.7 percent average annual increase.

Senate Resolution

Discretionary

The Senate resolution assumes discretionary spending in this function of $32.3 billion in budget authority and $37.0 billion in outlays for 2005. This represents a decrease of $16.3 billion in budget authority (−33.6 percent) and an increase of $2.9 billion in outlays (8.5 percent) from the 2004 level, factoring in $21.8 billion in budget authority provided in the 2004 Emergency Supplemental for international affairs activities (including $19.4 billion for international relief and reconstruction activities in Iraq). When this funding is excluded the resolution for 2005 represents an increase of $5.5 billion in budget authority (20.3 percent).

The Senate resolution reflects the President's request for international affairs (Lugar Amendment 2845) plus $730 million in additional funding. The Senate resolution assumes $330 million would be added to the requested level for the Child Survival and Health program (DeWine Amendment 2697), $300 million would be added to the requested level for fighting global HIV/AIDS (Lugar Amendment 2845), and $100 million would be added for Haiti reconstruction (DeWine Amendment 2715). The amendments adopted by the Senate included corresponding negative entries for function 920 to result in no net effect on the overall budget.

The Senate resolution supports the use of United States contributions to the Global Fund to Fight AIDS, Tuberculosis and Malaria as leverage for increasing the amount of international financial support in this battle. However, the Senate is concerned by recent reports that suggest the Fund has been making grants to finance the purchase of ineffective malaria drugs, contrary to preferred World Health Organization policy on malaria treatment. The reports have called into question whether the nascent Fund has the necessary mechanisms in place to guarantee the effective use of United States and international contributions to the Fund. Because continued support for the Fund depends upon transparency and accountability in the Fund's grant-making process, the Senate believes the United States should work with foreign governments and international

organizations to ensure that the Fund has the necessary capabilities to use its contributions most effectively.

Mandatory

The resolution assumes no mandatory increases or decreases in this function.

House Amendment

The amendment calls for $26.5 billion in budget authority and $32.8 billion in outlays in fiscal year 2005. The function totals are $138.5 billion in budget authority and $140.0 billion in outlays over 5 years. Mandatory spending is −$0.4 billion in budget authority and −$3.0 billion in outlays in fiscal year 2005, and totals $2.8 billion in budget authority and −$13.0 billion in outlays over 5 years. Discretionary spending is $26.9 billion in budget authority and $35.8 billion in outlays in fiscal year 2005; and over 5 years, it is $135.8 billion in budget authority and $153.0 billion in outlays.

The negative budget authority and outlay levels in mandatory spending reflect receipts of the Foreign Military Sales Trust Fund, interest income earned on U.S. Government securities held by the Exchange Stabilization Fund, and the liquidation of economic assistance loans, foreign military financing loans, Export-Import Bank loans, loans to the United Kingdom, and loan guarantees to Israel.

Mandatory

There are no specific mandatory assumptions in this function. In fiscal year 2005, the mandatory budget authority and outlay levels are negative, reflecting receipts of the Foreign Military Sales Trust Fund, and the liquidation of economic assistance loans, foreign military financing loans, Export-Import Bank loans, loans to the United Kingdom, and loan guarantees to Israel.

Discretionary

Specific programs will be increased or decreased when the Appropriations subcommittees write their respective bills. Outyear levels result from applying a simple computation of modest growth, consistent with the President's budget. Outyear levels are not binding and will be revisited in subsequent years.

Conference Agreement

The conference agreement for this function reflects total spending of $28.9 billion in budget authority and $32.8 billion in outlays for fiscal year 2005. Mandatory spending for this function is −$357 million in budget authority and −$3.0 billion in outlays in fiscal year 2005. Discretionary spending for this function is $29.3 billion in budget authority and $35.8 billion in outlays in fiscal year 2005. The conference agreement for International Affairs is sufficient to support an historic level of funding for HIV/AIDS.

FUNCTION 250: GENERAL SCIENCE, SPACE, AND TECHNOLOGY

Function Summary

Function 250 consists of General Science, Space and Technology programs. The largest component of this function—about two-thirds of total spending—is for the space flight, research, and supporting activities of the National Aeronautics and Space Administration [NASA]. The function also contains general science funding, including the budgets for the National Science Foundation [NSF], and the fundamental science programs of the Department of Energy [DOE].

Function 250 budget authority rose from $18.9 billion in fiscal year 1999 to $23.4 billion in fiscal year 2004, a 4.4 percent average annual growth rate. During the same period, outlays rose from $18.1 billion to $22.3 billion, a 4.2 percent average annual growth rate.

Senate Resolution

Discretionary

The Senate resolution assumes discretionary spending in this function of $24.2 billion in budget authority and $23.6 billion in outlays for 2005. This represents an increase of $0.9 billion in budget authority and $1.4 billion in outlays from the 2004 level. The resolution includes the following specific assumptions:

For NASA (including function 250 and 400 accounts), $16.2 billion is assumed, a 5.6 percent increase over 2004. The Senate resolution assumes fully funding the President's request for NASA in 2005 and the outyears. The Committee-reported resolution did not assume fully funding the President's request in 2005, but an amendment (SA 2733) offered by Senator Sessions and adopted by the Senate increased NASA by $600 million in 2005 and reduced function 800 by a like amount, resulting in no net effect on the overall budget.

For the Department of Energy Office of Science, the resolution rejects the President's requested cut, and instead assumes an additional $38 million (1.1 percent) above the 2004 level.

Mandatory

The Senate resolution assumes no mandatory increases or decreases for this function.

House Amendment

The amendment calls for $22.8 billion in budget authority and $22.5 billion in outlays in fiscal year 2005. The function totals are $115.2 billion in budget authority and $113.5 billion in outlays over five years. Mandatory spending is $30 million in budget authority and $111 million in outlays in fiscal year 2005, and totals $154 million in budget authority and $321 million in outlays over five years. Discretionary spending is $22.8 billion in budget authority and $22.3 billion in outlays in fiscal year 2005; and over five years, it is $115.1 billion in budget authority and $113.2 billion in outlays.

Mandatory

There are no specific mandatory assumptions in this function.

Discretionary

Specific programs will be increased or decreased when the Appropriations subcommittees write their respective bills. Outyear levels result from applying a simple computation of modest growth, consistent with the President's budget. Outyear levels are not binding and will be revisited in subsequent years.

Conference Agreement

The conference agreement for this function reflects total spending of $23.9 billion in budget authority and $23.3 billion in outlays for fiscal year 2005. Mandatory spending for this function is $30 million in budget authority and $111 million in outlays in fiscal year 2005. Discretionary spending for this function is $23.9 billion in budget authority and $23.2 billion in outlays in fiscal year 2005.

The conferees support the President's Vision for Exploration and believe the fiscal year 2005 funding for Function 250 should provide sufficient funding to initiate the process. Additionally, the bulk of the requested increase for fiscal year 2005 is for return to flight of the Space Shuttle and continued assembly and operations for the International Space Station. The Conferees hope that these two must-fund requirements will be taken into account during their consideration of the NASA appropriation. The conferees also recognize the importance of the research and education initiatives of the Department of Energy's Office of Science and the National Science Foundation.

FUNCTION 270: ENERGY

Function Summary

Function 270 includes civilian energy and environmental programs of the Department of Energy [DOE] (it does not include DOE's national security activities—the National Nuclear Security Administration—which are in Function 050, or its basic research and science activities, which are in Function 250). Function 270 also includes the Rural Utilities Service of the Department of Agriculture, the Tennessee Valley Authority [TVA], the U.S. Enrichment Corporation, the Federal Energy Regulatory Commission, and the Nuclear Regulatory Commission.

Function 270 budget authority rose from $979 million in fiscal year 1999 to $2.4 billion in fiscal year 2004, a 19.2 percent average annual growth rate. During the same time period, outlays dropped from $911 million to $84 million, a 37.9 percent average annual reduction rate. Receipts, repayments, and electricity sales (negative spending) result in negative budget authority and are the primary causes for the drop in outlays.

Senate Resolution

Discretionary

The Senate resolution assumes discretionary spending in this function of $2.0 billion in budget authority and $2.1 billion in outlays for 2005. The Senate resolution includes the following specific assumptions:

The Senate resolution includes $1 billion for non-defense Environmental Management, which is $86 million more than last year. There is also $7.0 billion for Defense Environmental Management, which is the same as the President's request and $365 million more than last year in function 050. This resolution does not assume that any of this funding will be delayed until legal uncertainties regarding high level nuclear waste are resolved.

The resolution does not assume the President's cuts to Fossil Energy Research and Development, and instead funds the program at $673 million which is the same as last year.

The resolution assumes $834 million for Energy supply which is the same level as the President's request and $81 million more than last year's level. The resolution assumes that $55 million of this increase will be for Nuclear Energy, Science, and Technology, and will support the Generation IV Nuclear Energy Systems Initiative, Nuclear Hydrogen Initiative, and Advanced Fuel Cycle Initiative.

During floor debate on the Senate resolution, the Levin amendment (SA 2817) was accepted on a roll call vote. This amendment reduced spending in this function by $1.7 billion by canceling the royalty in kind program for the Strategic Petroleum Reserve, $1.5 billion of this amount was then redirected towards Homeland Security activities in a reserve fund.

Mandatory

The Senate resolution includes a reserve fund for an energy bill totaling $261 million in fiscal year 2005 and $1.5 billion over five years. This includes provisions dealing with renewable energy, oil and gas, coal, electricity, energy tax incentives, and ethanol.

House Amendment

The amendment calls for $2.9 billion in budget authority and $1.2 billion in outlays in fiscal year 2005. The function totals are $13.0 billion in budget authority and $5.2 billion in outlays over five years. Mandatory spending is −$0.6 billion in budget authority and −$2.3 billion in outlays in fiscal year 2005. Over the 2005–2009 period, mandatory spending is −$4.7 billion in budget authority and −$12.7 billion in outlays due to increasing offsetting receipts from various loan repayments and liquidations, electricity sales,

and fees. Discretionary spending is $3.5 billion in budget authority and $3.5 billion in outlays in fiscal year 2005; and over five years, it is $17.6 billion in budget authority and $17.9 billion in outlays.

Mandatory

As noted, the negative figures in mandatory spending result from increasing offsetting receipts from various loan repayments and liquidations, electricity sales, and fees.

The amendment accommodates the conference version of the H.R. 6, the Energy Policy Act of 2003, which passed the House on 18 November 2003, but has not been passed by the Senate. The assumption is reflected in the allocation to the Committee on Energy and Commerce. The authorizing committee is free to determine its own policies within the allocation limits.

Discretionary

Specific programs will be increased or decreased when the Appropriations subcommittees write their respective bills. Outyear levels are not binding and will be revisited in subsequent years.

Conference Agreement

The conference agreement for this function reflects total spending of $3.0 billion in budget authority and $1.4 billion in outlays for fiscal year 2005. Mandatory spending for this function is −$0.6 billion in budget authority and −$2.4 billion in outlays in fiscal year 2005. Discretionary spending for this function is $3.6 billion in budget authority and $3.8 billion in outlays in fiscal year 2005.

FUNCTION 300: NATURAL RESOURCES AND ENVIRONMENT

Function Summary

Function 300 consists of water resources, conservation, land management, pollution control and abatement, and recreational resources. Major departments and agencies in this function are the Department of Interior, including the National Park Service [NPS], the Bureau of Land Management [BLM], the Bureau of Reclamation, and the Fish and Wildlife Service [FWS]; conservation-oriented and land management agencies within the Department of Agriculture [USDA] including the Forest Service; the National Oceanic and Atmospheric Administration [NOAA] in the Department of Commerce; the Army Corps of Engineers; and the Environmental Protection Agency [EPA].

Function 300 budget authority rose from $24.4 billion in 1999 to $32.3 billion in 2004, a 5.8 percent average annual growth rate. During the same period, outlays increased from $24.0 billion to $30.5 billion, a 4.9 percent average annual increase.

Senate Resolution

Discretionary

The Senate resolution assumes discretionary spending in this function of $33.3 billion in budget authority and $29.4 billion in outlays for 2005. The Senate passed resolution includes the following specific assumptions:

The resolution does not accept the Administration's cuts to the Corps of Engineers and instead assumes $4.4 billion, which is the same level of funding as last year. This includes $1.4 billion for operation and maintenance and $1.6 billion for construction.

The resolution assumes $11.6 billion for the Environmental Protection Agency. This includes $7.0 billion for State and Tribal Assistance Grants plus an additional $65 million for the new clean school bus program. This level also includes the President's request of $1.4 billion for Superfund, which is an increase of $138 million or 11 percent from last year. This level also assumes $3 million within the EPA budget to fund the establishment of an independent Office of Ombudsman, pending enactment of authorizing legislation.

The Senate resolution assumes $907 million for fire suppression within the Forest Service and Department of the Interior. This is the same as the President's request and $117 million more than was spent last year after adjusting emergency funding out of the 2004 level. In addition, the resolution includes language that will allow up to $500 million in additional funds for wildfire suppression to be appropriated without penalty if the 10–year average is appropriated in the Interior Appropriations bill. In addition the Senate resolution supports the establishment of cost containment measures for fire suppression.

The resolution does not accept the Administration's cuts to State and Private Forestry, and instead assumes $429 million, the same level of funding as last year. The Committee recognizes the important role that these programs play in order to implement cooperative forestry across federal, state and private lands.

The resolution assumes $5 million will be spent within the Bureau of Land Management on wilderness proposals resulting from the collaborative process.

The resolution supports payments of $53 million in 2005 and $265 million over 5 years from the Abandoned Mine Reclamation Fund to the certified public lands states.

The resolution supports continued funding of programs within the expired Conservation Spending Caps.

The resolution assumes $100 million for Pacific Coastal Salmon Recovery. This is an $11 million increase over last year's level and the same as the President's request.

The resolution assumes that $410 million from mandatory Farm Bill conservation programs will be used as discretionary offsets in 2005.

During floor debate on the Senate resolution, the Senate accepted a Wyden amendment (SA 2717) by voice vote which added $343 million in 2005 to this function for hazardous fuels reduction and reduced function 920 by the same amount. In addition, the Senate accepted a Crapo amendment (SA 2784) by voice vote that added $3 billion in 2005 to this function for the EPA clean and safe drinking water revolving funds and was offset in function 920.

Mandatory

The Senate passed resolution assumes the President's proposal allowing the Park Service to change rental payments to the city of San Francisco for the Hetch Hetchy Dam in Yosemite National Park.

The resolution assumes a technical correction to the baseline that will allow technical assistance for the Conservation Reserve Program and the Wetlands Reserve Program to come out of mandatory Agriculture funds as was intended in 2002 Farm Bill.

The Committee adopted an amendment by Senator Grassley during the Committee markup that added $531 million over five years to this function to support farm conservation programs.

House Amendment

The amendment calls for $31.2 billion in budget authority and $30.9 billion in outlays in fiscal year 2005. The function totals are $159.6 billion in budget authority and $159.9 billion in outlays over five years. Mandatory spending is $2.7 billion in budget authority and $1.8 billion in outlays in fiscal year 2005. Over the 2005–2009 period, mandatory spending increases by $15.7 billion in budget authority and $15.3 billion in outlays. Discretionary spending is $28.5 billion in budget authority and $29.1 billion in outlays in fiscal year 2005; and over five years, it is $143.9 billion in budget authority and $144.6 billion in outlays.

Mandatory

The assumptions accommodate legislation, H.R. 313, to assist the United Mine Workers of America Combined Benefit Fund in averting financial crisis by transferring to it any additional interest from the Abandoned Mine Land Reclamation Fund. The measure was reported by the Committee on Resources on 1 October 2003. The resolution also accommodates legislation that passed the House last year and is awaiting Senate action to increase the waiver requirement for certain local matching requirements for grants provided to American Samoa, Guam, the Virgin Islands, or the Commonwealth of the Northern Mariana Islands. These assumptions are reflected in the allocation to the Committee on Resources, which is free to determine its own policies within the allocation limits. The accommodation is necessary to allow for a potential conference agreement.

Discretionary

The amendment can accommodate full funding for the Healthy Forests Initiative legislation (H.R. 1904) signed into law last year. The Healthy Forests Initiative is a critical tool for reducing the threat of severe wildfire and insect infestation in heavily forested communities.

The amendment also can accommodate full funding for numerous other Federal agencies and programs, including the Army Corps of Engineers, the Superfund program, and reducing the Operations and Maintenance backlog within the National Park Service.

Outyear levels are not binding and will be revisited in subsequent years.

Conference Agreement

The conference agreement for this function reflects total spending of $32.1 billion in budget authority and $31.4 billion in outlays for fiscal year 2005. Mandatory spending for this function is $2.8 billion in budget authority and $1.8 billion in outlays in fiscal year 2005. Discretionary spending for this function is $29.3 billion in budget authority and $29.7 billion in outlays in fiscal year 2005.

The agreement assumes a technical correction to the baseline that will allow technical assistance for the Conservation Reserve Program and the Wetlands Reserve Program to come out of mandatory agriculture spending.

The funding levels in this agreement assume funding levels equal to the 10 year average for wildland fire suppression within the Forest Service and Department of Interior.

The agreement can accommodate level funding for the Army Corps of Engineers.

The conferees support restoring funding for beach renourishment projects for local communities with contractual agreements with the Army Corps of Engineers. These projects are critical for combating erosion caused by the federal government's coastal navigation construction projects.

FUNCTION 350: AGRICULTURE

Function Summary

Function 350 includes funds for direct assistance and loans to food and fiber producers, export assistance, market information, inspection services, and agricultural research. Farm policy is driven by the Farm Security and Rural Investment Act of 2002, which provides producers with continued planting flexibility while protecting them against unique uncertainties such as poor weather conditions and unfavorable market conditions.

Function 350 budget authority fell from $23.9 billion in 1999 to $20.2 billion in 2004, a 3.3 percent average annual reduction rate. During the same time period, outlays dropped from $22.9 billion to $18.8 billion, a 3.9 percent average annual reduction rate. The primary reason for this reduction is

more favorable overall commodity prices. Commodity prices often fluctuate from year to year. This has a significant impact on mandatory programs, which account for the vast majority of spending within Function 350.

Senate Resolution

Discretionary

The resolution assumes discretionary spending in this function of $5.4 billion in budget authority and $5.6 billion in outlays for 2005. This represents a decrease of $0.2 billion in budget authority and an increase of $0.1 billion in outlays from the 2004 level. The Committee-reported resolution includes the following specific assumptions:

The resolution assumes an increase of $294 million in budget authority from last year's level for activities related to homeland security, a 94 percent increase over last year. This includes a $115 million increase for the Agriculture Research Service to provide for the acceleration of the completion of the animal research lab in Ames, Iowa.

The resolution assumes an increase of $85 million over last year for activities to respond to the discovery of Bovine Spongiform Encephalopathy [BSE] in the United States and Canada. Of this increase, $50 million is in this function for the Animal and Plant Health Inspection Service. The remaining $35 million increase is for the Food Safety Inspection Service and appears in function 550.

The resolution assumes $105 million for PL 480 Title I funding. This is the same as last year, but $15 million over the President's request.

The resolution did not accept any of the Administration's proposed user fees for this function.

The resolution assumes $260 million in discretionary savings by blocking funding for the Initiative for Future Agriculture and Food Systems. This proposal was enacted in the 2004 Agriculture Appropriations Bill.

Mandatory

The resolution includes an amendment (by Senator Grassley) adopted during mark-up to reduce farm program payments in this function and provide additional funds for agriculture conservation programs, food nutrition programs and rural development programs in functions 300, 450 and 600.

House Amendment

The amendment calls for $21.1 billion in budget authority and $20.5 billion in outlays in fiscal year 2005. The function totals are $117.7 billion in budget authority and $112.9 billion in outlays over five years. Mandatory spending is $16.3 billion in budget authority and $15.4 billion in outlays in fiscal year 2005. Over the 2005–2009 period, mandatory spending increases by $93.4 billion in budget authority and $88.4 billion in outlays. Discretionary spending is $4.8 billion in budget authority and $5.1 billion in outlays in fiscal year 2005; and over five years, it is $24.3 billion in budget authority and $24.6 billion in outlays.

Mandatory

The amendment assumes no new mandatory spending proposals.

Discretionary

The amendment can accommodate full funding for enhanced efforts to protect the food supply from Bovine Spongiform Encephalopathy [BSE], or Mad Cow Disease, as well as other important food safety and agricultural research programs within function 350. Outyear levels are not binding and will be revisited in subsequent years.

Conference Agreement

The conference agreement for this function reflects total spending of $21.8 billion in budget authority and $21.0 billion in outlays for fiscal year 2005. Mandatory spending for this function is $16.5 billion in budget authority and $15.5 billion in outlays in fiscal year 2005. Discretionary spending for this function is $5.3 billion in budget authority and $5.5 billion in outlays in fiscal year 2005.

The conference agreement assumes funding for agriculture related homeland security activities that could accommodate a substantial increase in Agriculture Research Service.

FUNCTION 370: COMMERCE AND HOUSING CREDIT

Function Summary

Function 370 includes four components: mortgage credit (usually negative budget authority because receipts tend to exceed the losses from defaulted mortgages); the Postal Service (mostly off budget); deposit insurance (negative outlays resulting from payment of deposit insurance premiums currently more than outweigh low outlays for losses); and other advancement of commerce (the majority of the discretionary and mandatory spending in this function). This last component includes most of the Commerce Department, including the International Trade Administration, Bureau of Economic Analysis, Patent and Trademark Office, National Institute of Standards and Technology, National Telecommunications and Information Administration, and the Bureau of the Census; as well as independent agencies such as the Securities and Exchange Commission, the Commodity Futures Trading Commission, the Federal Trade Commission, the Federal Communications Commission, and all the activities of the Small Business Administration that are not related to disaster assistance.

About $7 billion of the spending in function 370 is out of the FCC's Universal Service Fund, which subsidizes service to rural and low-income users, high-cost areas, and public institutions such as schools and libraries. This spending has no net impact on the deficit because it is offset on the revenue side of the budget by fees collected by providers of telecommunications services from their customers.

Senate Resolution

Discretionary

The Senate resolution assumes discretionary spending in this function of $1.8 billion in budget authority and −$0.5 billion in outlays for 2005 (several activities in this function are funded by offsetting collections that exceed the level of spending). The Senate resolution includes the following specific assumptions:

The President's requested increases in 2005 (compared to 2004) for conducting the decennial census (45 percent), for strengthening the Securities and Exchange Commission (12.4 percent), and for making homeland security investments in the Department of Commerce (4.6 percent).

The President's budget proposes to eliminate the Advanced Technology Program [ATP] in the Department of Commerce because private investors are better able than the federal government to decide which research efforts should be funded. The U.S. venture-capital markets are the best developed in the world, do an effective job of funding new ideas, and focus on many of the same research areas as the ATP. Venture-capital funds have grown enormously since the ATP was conceived. Therefore, this proposal is reflected in the Senate resolution.

The President's budget proposes to terminate payments of tariffs (collected under antidumping or countervailing duty orders) over to affected industries. Before 2001, these tariffs were deposited in and retained by the Treasury. Since then, the tariffs have become mandatory payments. The World Trade Organization has ruled that such payments violate international trade agreements. On March 2, 2004, CBO released an analysis of these payments that said the following:

The Continued Dumping and Subsidy Offset Act [CDSOA] of 2000 can be expected to result in more antidumping and countervailing-duty petitions and more support for those petitions by import-competing industries. That, in turn, would lead to the initiation of more AD/CVD cases, the imposition of more duties, and greater consequent harm to the economy as a whole . . . Under CDSOA, the firm sees a lower cost than the true cost to the economy of its output. As a result, the firm increases its output beyond the point where the unsubsidized cost to the firm—and thus to the economy—is balanced by the price. Since the price or value is less than the cost to the economy of that additional output, the economic welfare of the country is reduced . . . Consequently, U.S. gross domestic product and gross national product decline.

This proposal is assumed in the Senate resolution, saving $1.45 billion in budget authority in 2005.

The Senate resolution reflects the Snowe amendment (SA 2839) adopted by a voice vote in the Senate to increase the level in this function by $121 million in budget authority in 2005 for programs of the Small Business Administration. The amendment included a corresponding negative entry for function 920 to result in no net effect on the overall budget.

Mandatory

The Senate resolution assumes no mandatory increases or decreases in this function.

House Amendment

For on-budget amounts, the House amendment calls for $10.8 billion in budget authority and $5.8 billion in outlays in fiscal year 2005. The function totals are $50.0 billion in budget authority and $23.3 billion in outlays over five years. Mandatory spending is $9.7 billion in budget authority and $4.8 billion in outlays in fiscal year 2005, and totals $44.4 billion in budget authority and $17.7 billion in outlays over five years. Discretionary spending is $1.1 billion in budget authority and $1.0 billion in outlays in fiscal year 2005; and over five years, it is $5.6 billion in budget authority and $5.6 billion in outlays.

Discretionary

The Committee on Appropriations will determine how funds will be apportioned among the various discretionary programs. Specific programs will be increased or decreased when the Appropriations subcommittees write their respective bills. Outyear levels result from applying a simple computation of modest growth, consistent with the President's budget. Outyear levels are not binding and will be revisited in subsequent years.

Mandatory

The House amendment accommodates the following measures: H.R. 758, the Business Checking Freedom Act, which passed the House on 1 April 2003; H.R. 522, the Federal Deposit Insurance Reform Act of 2003, which passed the House on 2 April 2003; and H.R. 1375, the Financial Services Regulatory Relief Act of 2003, which passed the House on 18 March 2004. All three bills are awaiting action in the Senate. The assumptions are reflected in the allocation to the Committee on Financial Services.

Conference Agreement

For on-budget spending, the conference agreement for this function reflects $9.3 billion in budget authority and $3.3 billion in

outlays for fiscal year 2005. Discretionary spending for this function is −$0.4 billion in budget authority and −$0.2 billion in outlays in fiscal year 2005. On-budget mandatory spending for this function is $9.7 billion in budget authority and $3.5 billion in outlays in fiscal year 2005.

Including on- and off-budget spending, the conference agreement for this function reflects total spending of $7.2 billion in budget authority and $1.2 billion in outlays for fiscal year 2005. Discretionary spending for this function is −$0.4 billion in budget authority and −$0.2 billion in outlays in fiscal year 2005. Mandatory spending for this function is $7.6 billion in budget authority and $1.4 billion in outlays in fiscal year 2005.

FUNCTION 400: TRANSPORTATION

Function Summary

Function 400 includes the Federal Highway Administration; the Federal Transit Administration; the National Rail Passenger Corporation [Amtrak]; highway, motor carrier and rail safety programs; the Federal Aviation Administration; the aeronautical activities of the National Aeronautics and Space Administration; the Coast Guard; and the Maritime Administration.

Function 400 budget authority rose from $51.6 billion in 1999 to $69.2 billion in fiscal year 2004, a 6.1 percent average annual growth rate. During the same time period, outlays rose from $42.5 billion to $65.7 billion, a 9.1 percent average annual growth rate.

Senate Resolution

Discretionary

The Senate resolution assumes discretionary spending in this function of $23.8 billion in budget authority and $66.2 billion in outlays for 2005. This represents an increase of $0.1 billion in budget authority and $2.3 billion in outlays from the 2004 level.

The Senate resolution reflects the President's full request for the homeland security activities in this function (a 13.2 percent increase over 2004).

Discretionary and Mandatory

The budgetary presentation of federal transportation programs is complicated by the fact that most of the budget authority for the programs is (because of committee jurisdictions) classified as mandatory while the related outlays are considered discretionary. The Senate-passed surface transportation bill for highways and transit (S. 1072—SAFETEA) exceeded the level allowed by the fiscal year 2004 budget resolution by $41 billion in contract authority over 2004–2009. In addition, the bill would increase the deficit by spending a net of $30 billion (over the next six years) more than the highway trust fund revenues that would be collected under current law (estimated to be $228 billion over 2004–2009, only a 14.6 percent increase over the $199 billion in highway trust fund receipts that were collected over 1998–2003 during TEA–21.)

The Administration has informed Congress that the President's senior advisors would recommend that he veto S. 1072 as passed by the Senate. In light of this veto threat, the Senate resolution reflects the President's request for surface transportation mandatory contract authority (with related outlays on the discretionary side of the budget) for the next five years. As in the 2004 budget resolution, the Senate resolution for 2005 includes a mechanism by which these initial levels could be increased if legislation is considered by the Senate that would levy and deposit net new transportation user fee revenues (which are not already being collected by the federal government under current law) into the Highway Trust Fund.

The President's proposal for the transportation reauthorization bill is $256 billion (in terms of the figures usually discussed, this includes both contract authority as well as an authorization of $8 billion in discretionary budget authority for transit programs for 2004–2009). This is a 17 percent increase over the total level enacted in the previous authorization bill [TEA–21], which was $218 billion for 1998–2003. In contrast, according to the CBO estimate of the bill as passed by the Senate, S. 1072 totals $322 billion (including discretionary budget authority for transit), which is a 48 percent increase over TEA–21 and is 26 percent more than the President's request.

House Amendment

The House amendment calls for $65.0 billion in budget authority and $62.0 billion in outlays in fiscal year 2005. The function totals are $339.4 billion in budget authority and $328.3 billion in outlays over five years. Mandatory spending is $47.2 billion in budget authority and $2.0 billion in outlays in fiscal year 2005, and totals $249.6 billion in budget authority and $8.8 billion in outlays over five years. Discretionary spending is $17.8 billion in budget authority and $60.0 billion in outlays in fiscal year 2005; and over five years, it is $89.8 billion in budget authority and $319.5 billion in outlays. Homeland security components formerly found in Function 400—including the Transportation Security Administration, the United States Coast Guard, and the Federal Air Marshals—are recorded in Function 100: Homeland Security, and are consistent with the President's request.

Discretionary

Specific programs will be increased or decreased when the Appropriations subcommittees write their respective bills. Outyear levels are not binding and will be revisited in subsequent years.

Mandatory

The House amendment creates a reserve fund that allows the chairman of the House Budget Committee to adjust the allocation of budget authority to the Committee on Transportation and Infrastructure for any measure that reauthorizes surface transportation programs and provides new budget authority for highway and transit spending. The adjustment may only be made if it is offset by changes in law, either included in the same measure or by previously enacted legislation. The language in the House amendment regarding this contingency measure is identical to that included in the budget resolution for fiscal year 2004.

The House amendment assumes a stream of mandatory budget authority for a reauthorization of surface transportation programs. It also creates a reserve fund to provide additional budget authority for such a bill to the extent that it is offset in the same or other legislation.

Conference Agreement

The conference agreement for this function reflects total spending of $71.8 billion in budget authority and $68.6 billion in outlays for fiscal year 2005. Discretionary spending for this function is $24.1 billion in budget authority and $66.4 billion in outlays in fiscal year 2005. Mandatory spending for this function is $47.7 billion in budget authority and $2.2 billion in outlays in fiscal year 2005.

Regarding the levels for the reauthorization of the highway bill, the Senate recedes to the House. The conference agreement includes an adjustment mechanism (section 311) to accommodate higher spending than the levels assumed in the conference agreement to the extent the additional spending is offset through reduced outlays from, or additional receipts to, the Highway Trust Fund.

FUNCTION 450: COMMUNITY AND REGIONAL DEVELOPMENT

Function Summary

Function 450 includes programs that provide Federal funding for economic and community development in both urban and rural areas, including: Community Development Block Grants [CDBGs]; the non-power activities of the Tennessee Valley Authority; the non-roads activities of the Appalachian Regional Commission; the Economic Development Administration [EDA]; and partial funding for the Bureau of Indian Affairs. Funding for disaster relief and insurance—including the Federal Emergency Management Agency [FEMA], now part of the Department of Homeland Security [DHS]—also appear here.

Function 450 budget authority rose from $11.3 billion in fiscal year 1999 to $16.7 billion in fiscal year 2004, an 8.2 percent average annual growth rate. During the same time period, outlays rose from $11.9 billion to $16.7 billion, a 7 percent average annual growth rate.

A factor in this growth was the presence of Federal Emergency Management Agency [FEMA] funding for first responders and one-time New York City recovery funds in the wake of the events of 9–11.

Senate Resolution

Discretionary

The Senate resolution assumes discretionary spending in this function of $13.5 billion in budget authority and $15.2 billion in outlays for 2005, a decrease of $2.2 billion in budget authority and $0.9 billion in outlays from the 2004 level. The Senate resolution includes the following specific assumptions:

For the Office of Domestic Preparedness, the Senate resolution fully supports the President's proposal for first responders and assumes $3.6 billion to ensure that they are properly trained and equipped. This includes $500 million for assistance to firefighters and $500 million for state and local law enforcement antiterrorism activities. Since 2001, Congress has appropriated close to $15 billion (or $20 billion if programs outside the Department of Homeland Security are included) for state and local first responders. The Senate notes with concern reports about misuse of money provided to states and localities under this program and supports policies to ensure these funds are being properly spent.

The Senate resolution assumes $3.0 billion in 2005 for disaster relief activities. This level is consistent with the average annual cost of (non-terrorist) disaster events over the past five years. This includes $2.2 billion in new budget authority, as well as money left over from prior years. This $2.2 billion in new money represents an increase of $384 million, or 21.7 percent, over the 2004 level.

The Senate resolution supports the pre-disaster mitigation grant program that helps communities prevent, rather than react to, disasters. The Senate resolution assumes $169 million for the program, an amount equal to last year's level.

The Senate resolution assumes continuation of the Community Development Block Grant Program, but proposes to target CDBG entitlement grants to lower income communities.

The Senate resolution reflects a Dorgan amendment, (SA 2850) adding $260 million in budget authority in 2005 (and in each year thereafter through 2009) for a new Homestead Venture Capital Fund.

Mandatory

The Senate resolution assumes a savings proposal that would deny federal flood insurance for certain repeatedly flooded properties. The National Flood Insurance Program [NFIP] currently insures roughly 45,000

repeatedly flooded properties, representing about 1 percent of all policies in force but accounting for a much larger share of annual flood losses.

House Amendment

The House amendment calls for $11.9 billion in budget authority and $14.2 billion in outlays in fiscal year 2005. The function totals are $58.7 billion in budget authority and $61.2 billion in outlays over five years. Mandatory spending is $402 million in budget authority and −$183 million in outlays in fiscal year 2005, and totals $780 million in budget authority and −$924 million in outlays over five years. The negative figures appear because of receipts to revolving loan funds. Discretionary spending is $11.5 billion in budget authority and $14.4 billion in outlays in fiscal year 2005; and over five years, it is $57.9 billion in budget authority and $62.2 billion in outlays.

Mandatory

The House amendment assumes no new mandatory spending proposals.

Discretionary

The House amendment does not assume specific levels for individual discretionary programs within Function 450. Instead, $11.5 billion in budget authority and $14.4 billion in outlays in fiscal year 2005 is assumed for overall discretionary spending within the function. The Committee on Appropriations will determine how these funds will be apportioned among the various discretionary Community and Regional Development programs. Outyear levels are not binding and will be revisited in subsequent years.

Conference Agreement

The conference agreement for this function reflects total spending of $13.6 billion in budget authority and $17.4 billion in outlays. Mandatory spending for this function is $0.4 billion in budget authority and −$0.2 billion in outlays in fiscal year 2005. Discretionary spending for this function is $13.2 billion in budget authority and $17.6 billion in outlays in fiscal year 2005.

FUNCTION 500: EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES

Function Summary

Function 500 primarily covers federal spending within the Departments of Education, Labor, and Health and Human Services for programs that directly provide—or assist states and localities in providing—services to young people and adults. Its activities provide developmental services to low-income children; help fund programs for disadvantaged and other elementary and secondary school students, make grants and loans to post secondary students, and fund job-training and employment services for people of all ages.

Function 500 budget authority rose from $55.5 billion in 1999 to $89.5 billion in 2004, a 10 percent average annual growth rate. During the same period, outlays rose from $50.6 billion to $86.5 billion, an 11.3 percent average annual growth rate.

Senate Resolution

Discretionary

The Senate resolution assumes discretionary spending in this function of $83.9 billion in budget authority and $78.3 billion in outlays for 2005. This represents an increase of $5.9 billion (7.5 percent) in budget authority and $1.2 billion in outlays from the 2004 level. The resolution includes the following specific assumptions:

Consistent with the President's proposals, the increases assumed in the Senate resolution would bring our Nation's overall investment in elementary and secondary education to nearly $500 billion, surpassing spending on our national defense and exceeding per-pupil education spending of every other nation except Switzerland.

The Senate resolution includes $13.3 billion in 2005 for Title I grants to Local Education Agencies [LEAs]—the largest component of the No Child Left Behind Act. The $1.0 billion (8.1 percent) increase over 2004 would fund services to disadvantaged students and improvements for low-performing schools. At this level, funding for Title I grants would be $4.6 billion (52 percent) greater than in 2001.

The Senate resolution would increase funding for Part B Grants to States for individuals with disabilities by $1.0 billion in each of the next two years. This is the fourth in a series of consecutive $1.0 billion annual increases, which cumulatively have raised the Federal share of average per pupil expenditures to nearly 20 percent, the highest level of Federal support ever provided to disabled children. With 2005 funding at $11.1 billion, funding for Part B Grants would reflect an increase of $4.7 billion (75 percent) since 2001.

The Senate resolution does not incorporate any of the President's program terminations. However, the resolution supports the President's effort to eliminate duplicative and unproductive programs and encourage the Appropriations Committees to carefully examine these proposals to maximize efficient use of taxpayer dollars during this challenging budget cycle.

For Pell Grants, the Senate resolution assumes a $2.7 billion increase over 2004, which provides a total of $14.7 billion to fully fund a $4,500 maximum award. This level reflects the Senate's adoption of the Coleman amendment (SA 2821), which increased the level assumed for Pell Grants by $1.9 billion. The amendment included a corresponding negative entry for function 920 to result in no net effect on the overall budget. In recent years, the shortfall in the Pell Grant program has grown dramatically due to insufficient appropriations. The program may not continue to be financially viable unless this shortfall is addressed.

The resolution also incorporates the $0.9 billion cost of Senators Dorgan and Brownback's American Heartland amendment (SA 2850), which provides 50% loan forgiveness to recent graduates who live and work in out migration counties. In addition, the resolution incorporates the cost of the Enzi-Cantwell amendment (SA 2832), which added $250 million in 2005 for job training funding under the Workforce Investment Act.

Currently, the administrative expenses of the Federal Direct Student Loan Program receive a permanent mandatory appropriation. No other federal credit program has such a mandatory appropriation for administrative expenses. Instead, they are subject to annual review by the Appropriations committee. The Senate resolution, consistent with the President's proposal, assumes shifting the $795 million in mandatory spending for these administrative expenses (Sec. 458) to an annual discretionary appropriation.

The resolution recognizes how important the Impact Aid Program is for school districts serving the needs of federally connected children throughout the country especially the emotional and family needs of military dependent children during this time of conflict in Iraq. The resolution urges that sufficient resources be provided allowing school districts to maintain the same level of service as what they were able to provide in fiscal year 2004.

Mandatory

The Senate resolution provides a reserve fund to facilitate consideration of the Higher Education Reauthorization. This fund provides a total of $5 billion to the Health, Education, Labor and Pensions [HELP] Committee for the 2005–2009 period. These funds may be used to increase student loan limits, reduce borrower origination fees or maintain the existing variable rate interest structure for Stafford loans after 2006.

House Amendment

The amendment calls for $92.5 billion in budget authority and $90.5 billion in outlays in fiscal year 2005. The function totals are $470.5 billion in budget authority and $465.4 billion in outlays over 5 years. Mandatory spending is $11.8 billion in budget authority and $10.0 billion in outlays in fiscal year 2005, and totals $63.0 billion in budget authority and $55.5 billion in outlays over 5 years. Discretionary spending is $80.7 billion in budget authority and $80.5 billion in outlays in fiscal year 2005, and totals $407.4 billion in budget authority and $409.9 billion in outlays over 5 years.

Mandatory

The assumptions accommodate H.R. 438, the Teacher Recruitment and Retention Act of 2003, which passed the House on 9 July 2003 and is awaiting action in the Senate. The assumption is reflected in the allocation to the Committee on Education and the Workforce, which is free to determine its own policies within the allocation limits.

Discretionary

The amendment gives Function 500 priority status within the overall framework of level funding for fiscal year 2005 in non-defense, non-homeland-security spending. The resolution calls for an increase from level funding of $2.8 billion in budget authority and $3.6 billion in outlays. This increase is intended to accommodate increases in the funding levels for priority programs, such as special education state grants, Title I grants to local education agencies, and Pell Grants for low-income college students. Outyear levels are not binding and will be revisited in subsequent years.

Conference Agreement

The conference agreement for this function reflects total spending of $92.8 billion in budget authority and $90.7 billion in outlays for fiscal year 2005. Mandatory spending for this function is $11.8 billion in budget authority and $10.0 billion in outlays in fiscal year 2005. Discretionary spending for this function is $81.0 billion in budget authority and $80.7 billion in outlays in fiscal year 2005.

The conference agreement provides sufficient funding to accommodate increases consistent with the President's budget for Title I grants to local education agencies and state grants for special education. In addition, the conference agreement recognizes the importance of Pell Grants for low-income undergraduates and will continue to work with the Appropriations Committee and other interested parties to ensure it is a financially sound and robust program.

While the conferees support the Federal student loan programs, the conference is concerned that the Ford Direct Loan Program's subsidy estimates do not reflect the program's true cost to the Federal Government. Therefore the conferees support the Department of Education's continuing efforts to refine and improve its cost estimating techniques.

The conference agreement assumes additional funding for the Workforce Investment Act (this could accommodate additional funding for WIA consistent with the Enzi amendment # 2832.)

FUNCTION 550: HEALTH

Function Summary

Function 550 consists of health care services, including Medicaid, the Nation's major

program covering medical and long-term care costs for low-income persons; the State Children's Health Insurance Program [SCHIP], health research and training, including the National Institutes of Health [NIH] and substance abuse prevention and treatment; and consumer and occupational health and safety, including the Occupational Safety and Health Administration. Medicaid represents about 72 percent of the spending in this function.

Function 550 budget authority rose from $142.2 billion in 1999 to $241.8 billion in 2004, an 11.2 percent average annual growth rate. During the same time period, outlays rose from $141.1 billion to $239.6 billion, an 11.2 percent average annual growth rate. The largest component of this was the budget of the Medicaid, for which federal payments grew from $108.0 billion in 1999 to $173.9 billion in fiscal year 2004, a 10 percent average annual increase.

Senate Resolution

Discretionary

The Senate resolution assumes discretionary spending in this function of 55.1 billion in budget authority and $50.4 billion in outlays for 2005. The resolution includes the following specific assumptions:

The Omnibus Appropriations Bill of 2003 completed the planned five-year doubling of the NIH budget from $13.7 billion in 1998 to $27.2 billion in 2003. The Senate resolution includes an additional increase in 2005, bringing the total NIH funding to $28.7 billion. As part of this, the resolution assumes $1.7 billion for NIH biodefense efforts, an increase of 7.5 percent over 2004.

The resolution also assumes a $35 million increase in food safety and inspections at USDA. These funds will help USDA detect and prevent BSE (mad cow disease) as well as help detect bioterrrorism.

The resolution also includes two one-year changes in Medicaid to offset 2005 discretionary spending. The first is a reduction in the federal medical assistance percentage [FMAP] for information systems from a 90 percent to 75 percent federal share. The second is a reduction in federal reimbursement for the administrative costs of Medicaid to reflect the share assumed in the Temporary Assistance for Needy Families [TANF] block grant and prohibit states from using TANF funds to pay those costs in 2005.

The Senate adopted an amendment (SA 2780) by Senator Clinton creating a deficit-neutral reserve fund for appropriations addressing minority health disparities.

The Senate adopted an amendment (SA 2741) by Senator Specter to increase the level in this function by $1.3 billion in budget authority in 2005 for the National Institutes of Health. The amendment included a corresponding negative entry for function 920 to result in no net effect on the overall budget.

The Senate adopted an amendment (SA 2822) by Senator Murkowski to increase the level in this function by $282 million in budget authority in 2005 for Indian Health Services. The amendment included a corresponding negative entry for function 920 to result in no net effect on the overall budget.

The Senate adopted an amendment (SA 2794) by Senator Thomas to increase the level in this function by $100 million in budget authority in 2005 for rural health programs. The amendment included a corresponding negative entry for function 920 to result in no net effect on the overall budget.

Mandatory

The Senate-passed resolution provides for a one-year extension of the QI–1 program, under which Medicaid pays the Medicare Part B premium for low-income beneficiaries.

The Senate recognizes that the Temporary Assistance for Needy Families [TANF] reauthorization is likely this year, and that the reauthorization will be paid for with spending reductions and not increase the deficit.

The Senate also notes that there is great potential for savings in the Medicaid program due to waste and abuse in the system. The Senate points out that many states are using Medicaid funds to provide health care to low-income individuals and understands the need to balance all issues when addressing this issue.

The resolution also includes a deficit-neutral reserve fund for legislation that addresses access to health-care services and health insurance for the uninsured. This reserve fund allows the chairman of the Budget Committee to adjust applicable allocations and aggregates to accommodate this legislation if the Committee on Finance or the Committee on Health, Education, Labor, and Pensions reports a bill that provides health insurance for the uninsured or that increases access to health insurance through lowering costs—provided that any such measure does not increase the costs of current health coverage.

The Senate understands that protecting patients' access to quality and affordable health care by reducing the effects of excessive liability costs is important to improve access to health-care providers and reduce health-care costs. The Senate encourages the committees of jurisdiction to examine such concepts as sensible limits on non-economic damages and reserving punitive damages for case that justify them.

Public and private health plans and employers pay the medical expenses of insured individuals when they are injured by a third party, but in these circumstances public and private health plans and employers are entitled under federal law to be repaid if the individual later recovers damages from the third party causing the injury. The right of recovery is an important means to restore federal revenue, to contain private health plan and employer costs and to reduce health care premiums for individuals. The Senate understands the recovery rights of federal health programs (Medicare, FEHPB and M+C) and private health plans have been eroded by recent court decisions. The result is higher federal and private health plan costs. Last year, Congress acted to shore up the Medicare program's recovery right. The Senate encourages the committees of jurisdiction to examine proposals that will strengthen the right of recovery for federal programs and private health plans and employers.

The Senate adopted an amendment (SA 2699) by Senator Kennedy that allows legislation that maintained expiring SCHIP funds to be included in the reserve fund for the uninsured.

The Senate adopted an amendment (SA 2833) by Senator Bingaman that establishes a deficit-neutral reserve fund for legislation reforming the vaccines for children program.

House Amendment

The House amendment calls for $245.1 billion in budget authority and $244.9 billion in outlays in fiscal year 2005. The function totals are $1.353 trillion in budget authority and $1.350 trillion in outlays over 5 years. Mandatory spending is $198.8 billion in budget authority and $198.9 billion in outlays in fiscal year 2005, and totals $1.119 trillion in budget authority and $1.120 trillion in outlays over 5 years. Discretionary spending is $46.3 billion in budget authority and $46.1 billion in outlays in fiscal year 2005; and over 5 years, it is $233.9 billion in budget authority and $230.4 billion in outlays.

Mandatory

The assumptions accommodate H.R. 4, the Personal Responsibility, Work, and Family Promotion Act of 2003, which passed the House on 13 February 2003, and is awaiting action in the Senate. The assumption is necessary to allow for a potential conference agreement. The assumption is reflected in the allocation to the Committee on Energy and Commerce.

Discretionary

The Committee on Appropriations will determine how funds will be apportioned among the various discretionary programs. Specific programs will be increased or decreased when the Appropriations subcommittees write their respective bills. Outyear levels are not binding and will be revisited in subsequent years.

Reserve Fund

The House amendment provides a reserve fund to reflect the savings from legislation that has passed the House of Representatives and is pending in the Senate ''that provides for the safe importation of FDA-approved prescription drugs or places limits on medical malpractice litigation.'' This reserve fund affects Function 570 as well as Function 550.

The adjustment will be made by the chairman of the Committee on the Budget to the allocations and aggregates to reflect any resulting savings from any such measure. The effect of any adjustment would be to lock in the savings for deficit reduction. The chairman of the Budget Committee will consult with the committees of jurisdiction before making any adjustments pursuant to this section.

The House amendment also provides a deficit-neutral reserve fund for the period of fiscal years 2005–2009 for legislation that addresses access to health care services and health insurance for the uninsured. The reserve fund is needed to allow an initiative for the uninsured to come to the floor as long as it is deficit neutral in the first year and over the 5-year period.

The House amendment also provides a reserve fund for the Family Opportunity Act. If legislation is reported by the Energy and Commerce Committee that provides Medicaid coverage for children with special needs (the Family Opportunity Act), the chairman of the Budget Committee may adjust the levels in the allocations and aggregates to the extent such legislation is deficit neutral in fiscal year 2005, and the period of fiscal years 2005–2009. The reserve fund would allow these initiatives to come to the floor with offsets, as long as that initiative is deficit neutral in the first year and over the 5-year period.

Conference Agreement

The conference agreement for this function reflects total spending of $252.4 billion in budget authority and $250.0 billion in outlays for fiscal year 2005. Mandatory spending for this function is $199.1 billion in budget authority and $199.2 billion in outlays in fiscal year 2005. Discretionary spending for this function is $53.3 billion in budget authority and $50.8 billion in outlays in fiscal year 2005.

The conference agreement can accommodate a 1-year extension of the QI–1 program. It also includes a deficit-neutral reserve fund for the enactment of the Family Opportunity Act for both the House and the Senate. Finally, the agreement recognizes the importance of addressing the problem of the uninsured and includes two separate reserve funds, one for the House and one for the Senate.

FUNCTION 570: MEDICARE

Function Summary

Function 570 reflects the Medicare Part A Hospital Insurance [HI] Program, Part B Supplementary Medical Insurance [SMI]

Program, and premiums paid by qualified aged and disabled beneficiaries. In addition, with the enactment of H.R. 1 last year, the Medicare Advantage Program replaced Medicare+Choice under Part C and a new Voluntary Prescription Drug Benefit Program was established under Part D of Medicare. Prior to implementation of the new drug benefit in 2006, certain low-income seniors will be eligible for transitional low-income drug assistance of up to $600 in conjunction with their prescription drug discount card.

Function 570 budget authority rose from $190.6 billion in 1999 to $269.6 billion in 2004, a 7.2 percent average annual growth rate. During the same time period, outlays rose from $190.4 billion to $268.8 billion, a 7.1 percent average annual growth rate. This function consists entirely of the Medicare program.

Senate Resolution

Discretionary

The Senate resolution assumes discretionary spending in this function of $3.7 billion in budget authority and $3.7 billion in outlays for 2005. This represents a decrease of $0.2 billion in budget authority and $0.1 billion in outlays from the 2004 level. The resolution includes the following specific assumptions:

The resolution assumes three relatively minor changes proposed by the President to offset discretionary spending. These are user fees relating to claims, a change to the Medicare secondary payer [MSP], and a change in durable medical equipment. These proposals would save approximately $1 billion over the next five years.

The Senate resolution recognizes the importance of the proper and timely implementation of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, P.L. 108–173 and assumes increased funding for administering this new program in 2005 and beyond.

The Senate resolution also recognizes the importance of the administrative funding for the Social Security Administration included in this function, and assumes the increased funding proposed by the President.

House Amendment

The House amendment calls for $288.2 billion in budget authority and $289.1 billion in outlays in fiscal year 2005. The function totals are $1.776 trillion in budget authority and $1.776 trillion in outlays over 5 years. Mandatory spending is $284.0 billion in budget authority and $285.1 billion in outlays in fiscal year 2005, and totals $1.755 trillion in budget authority and $1.756 trillion in outlays over 5 years. Discretionary spending is $4.1 billion in budget authority and $4.0 billion in outlays in fiscal year 2005; and over 5 years, it is $20.9 billion in budget authority and $20.7 billion in outlays.

Mandatory

The House amendment assumes growth in mandatory spending to accommodate projected caseloads, inflation, and other normal factors. It also provides for the continuation of the new modernization of Medicare with prescription drug coverage that was enacted by the President and Congress last year. The assumptions appear in the allocations of the respective committees of jurisdiction, which limit the amount that programs can be increased. The authorizing committees are free to determine their own policies, so long as they stay within the allocation limits.

Discretionary

The House amendment gives Function 570 priority status within the overall framework of level funding for fiscal year 2005 in non-defense, non-homeland-security spending. Consequently, the amendment calls for an increase from level funding of $302 million in budget authority and $199 million in outlays. This amount accommodates the President's request for Function 570 discretionary—including the President's $100-million request for additional funds for prescription drug administrative costs—without including any of the President's offsets. Outyear levels are not binding and will be revisited in subsequent years.

Reserve Fund

The House amendment provides a reserve fund to reflect the savings from legislation that has passed the House of Representatives and is pending in the Senate ''that provides for the safe importation of FDA-approved prescription drugs or places limits on medical malpractice litigation.'' This reserve fund affects Function 550 as well as Function 570.

The adjustment will be made by the chairman of the Committee on the Budget to the allocations and aggregates to reflect any resulting savings from any such measure. The effect of any adjustment would be to lock in the savings for deficit reduction. The chairman of the Budget Committee will consult with the committees of jurisdiction before making any adjustments pursuant to this section.

Conference Agreement

The conference agreement for this function reflects total spending of $287.9 billion in budget authority and $289.0 billion in outlays for fiscal year 2005. Mandatory spending for this function is $284.0 billion in budget authority and $285.1 billion in outlays in fiscal year 2005. Discretionary spending for this function is $3.9 billion in budget authority and $3.9 billion in outlays in fiscal year 2005. The conference agreement assumes the QI–1 program will be extended for one year.

FUNCTION 600: INCOME SECURITY

Function Summary

Function 600 includes most of the Federal Government's income support programs. These include: general retirement and disability insurance (excluding Social Security)—mainly through the Pension Benefit Guaranty Corporation—and benefits to railroad retirees. Other components are Federal employee retirement and disability benefits (including military retirees); unemployment compensation; low-income housing assistance, including section 8 housing; food and nutrition assistance, including food stamps and school lunch subsidies; and other income security programs.

This last category includes: Temporary Assistance for Needy Families [TANF]; Supplemental Security Income [SSI]; spending for the refundable portion of the Earned Income Credit [EIC]; and the Low Income Home Energy Assistance Program [LIHEAP]. Agencies involved in these programs include the Departments of Agriculture, Health and Human Services, Housing and Urban Development, the Social Security Administration (for SSI), and the Office of Personnel Management (for Federal retirement benefits).

Function 600 budget authority rose from $243.5 billion in 1999 to $329.3 billion in 2004, a 6.2 percent average annual growth rate. During the same period, outlays rose from $242.4 billion to $336.1 billion, a 6.8 percent average annual growth rate.

Senate Resolution

Discretionary

The Senate resolution assumes discretionary spending in this function of $46.4 billion in budget authority and $51.4 billion in outlays for 2005. This represents an increase of $1.8 billion in budget authority and a decrease of $1.7 billion in outlays from the 2004 level. The Senate resolution includes the following specific assumptions:

The Senate resolution incorporates the President's funding proposal for the Special Supplemental Nutrition Program for Women, Infants and Children [WIC]. The resolution provides $4.8 billion in 2005, an increase of $175 million from 2004, or 3.8 percent.

The Senate resolution assumes the President's funding level for the Low Income Home Energy Assistance Program. The resolution assumes $2 billion in 2005, a $112 million (6 percent) increase.

The Senate resolution assumes the President's proposed funding level of $2.1 billion for discretionary payments to the States for the Child Care Development and Block Grant Program. This represents a $13 million increase from 2004.

Under the Senate resolution, sufficient budget authority and outlays are provided to renew all utilized section 8 housing contracts. The resolution does not reflect the Administration's block grant proposal (consistent with Congressional action in 2004 appropriations on a similar proposal in 2004 budget request). The Senate resolution assumes the President's proposal to complete the phase-out of funding for revitalization of severely distressed public housing [HOPE VI] because the program has achieved its goal of demolishing 100,000 severely distressed public housing units by 2003.

Mandatory

The Senate resolution assumes $18 billion in additional outlays (over five years) that are related to the President's proposal to extend the $1,000 child credit and marriage penalty relief.

The Senate resolution recognizes that TANF reauthorization is likely this year and assumes that the reauthorization will be paid for with spending cuts and will not increase the deficit. The Senate is supportive of efforts to recognize and develop the role of self-sustainable social services, such as Goodwill, which are critical in the success of moving welfare recipients to work.

The Senate resolution also assumes aspects of the President's proposal to enhance Child Support Enforcement collections. These efforts will increase collections and direct more of the support collected to children and families.

The Senate resolution recognizes that the Child Nutrition program is likely to be reauthorized this year, and assumes $11.7 billion for these programs in 2005. The Senate resolution also assumes $232 million for fiscal years 2005–2009 for the continued cost of excluding certain military housing allowances from income when determining eligibility for free and reduced-price school meals, and allowing for-profit child care centers to participate in the Child and Adult Care Food Program [CACFP]. By voice vote, the Senate adopted an amendment (SA 2844, offered by Senator Dole) to increase the level in this function by $842 million in budget authority from 2005–2009 for Child Nutrition Programs. The amendment included a corresponding reduction for function 920 to result in no net effect on the overall budget.

The Senate resolution assumes the President's proposal for an administrative fee for non-TANF child support collections of at least $500, saving $199 million over 5 years.

The Senate resolution assumes the President's funding level of $28.3 billion for the Food Stamp program in 2005.

The Senate resolution incorporates the Administration's plan to change the Federal Employee Compensation [FECA] benefit structure and reform proposal.

The Senate resolution assumes savings from reform of the Earned Income Credit.

The cost of the EIC has skyrocketed in recent years due to program expansions, fraud, and errors, with total program costs growing from $6.6 billion in 1990 to nearly $36 billion in 2003. IRS and GAO estimate that overclaim rates on 1999 tax returns were about 30 percent.

The Senate resolution assumes $665 million over five years in new mandatory spending for Food and Nutrition Programs.

House Amendment

The House amendment calls for $337.3 billion in budget authority and $341.7 billion in outlays in fiscal year 2005. The function totals are $1.728 trillion in budget authority and $1.742 trillion in outlays over 5 years. Mandatory spending is $291.5 billion in budget authority and $290.7 billion in outlays in fiscal year 2005, and totals $1.496 trillion in budget authority and $1.492 trillion in outlays over 5 years. Discretionary spending is $45.8 billion in budget authority and $51.0 billion in outlays in fiscal year 2005; and over 5 years, it is $231.4 billion in budget authority and $250.3 billion in outlays.

Discretionary

The Committee on Appropriations will determine how these funds will be apportioned among the various discretionary income security programs. Outyear levels are not binding and will be revisited in subsequent years.

Mandatory

The assumptions accommodate H.R. 4, the Personal Responsibility, Work, and Family Promotion Act of 2003, which passed the House on 13 February 2003; H.R. 7, the Charitable Giving Act of 2003, which passed the House on 17 September 2003; and H.R. 1000, the Pension Security Act of 2003, which passed the House on 14 May 2003. All three measures are awaiting action in the Senate. The assumptions also accommodate H.R. 3108, the Pension Funding Equity Act of 2003, which passed the House on 8 October 2003 and was in conference with the Senate at the time the House considered the budget resolution. These accommodations are necessary to allow for potential conference agreements.

The assumptions are reflected in the allocations to the respective committees of jurisdiction, which limit the amount that programs can be increased.

Conference Agreement

The conference agreement for this function reflects total spending of $339.2 billion in budget authority and $345.7 billion in outlays for fiscal year 2005. Mandatory spending for this function is $292.8 billion in budget authority and $291.6 billion in outlays in fiscal year 2005. Discretionary spending for this function is $46.4 billion in budget authority and $54.1 billion in outlays in fiscal year 2005.

Discretionary

The level of discretionary spending in the conference agreement could allow for the President's funding proposal for the Special Supplemental Nutrition Program for Women, Infants, and Children [WIC] and for the Low Income Home Energy Assistance Program. The conference agreement also provides a level that could allow for the President's proposal for discretionary payments to the states for the Child Care and Development Grant Program.

Mandatory

The conference agreement assumptions accommodate H.R. 4, the Personal Responsibility, Work, and Family Promotion Act of 2003, which passed the House in February 2003. The conference agreement also accommodates assumptions in H.R. 3873, which continues the cost of excluding certain military housing allowances from income when determining eligibility for free and reduced-price school meals, and allowing for-profit child care centers to participate in the Child and Adult Care Food Program, but could also be used to fund other Child Nutrition programs, such as funding additional school lunches.

FUNCTION 650: SOCIAL SECURITY

Function Summary

Function 650 consists of the Social Security program, or Old-Age, Survivors, and Disability Insurance, the Government's largest entitlement program. Social Security consists of two parts, each tied to a trust fund. The Old-Age and Survivors Insurance program provides monthly benefits to eligible retired workers and their families and survivors. The Disability Insurance program provides monthly benefits to eligible disabled workers and their families.

Under provisions of the Budget Enforcement Act, Social Security trust funds are off budget.

Senate Resolution

Discretionary

The Senate resolution assumes discretionary spending in this function of $4.2 billion in budget authority and $4.3 billion in outlays for 2005. This represents an increase of 2.8 percent, or $0.1 billion, in budget authority compared to 2004.

Mandatory

The Senate resolution assumes the President's proposal to close an existing loophole that allows former state and local employees to receive their public pension and Social Security benefits even though they did not pay Social Security taxes. The resolution assumes the President's proposal to improve the reporting of non-covered pension income through pension administrators for state and local pensions sharing information with the Social Security Administration.

House Amendment

The amendment calls for $15.1 billion in budget authority and $15.1 billion in outlays in fiscal year 2005. The function totals are $91.7 billion in budget authority and $91.7 billion in outlays over five years. All of this spending is mandatory; all discretionary spending in function 650 is off budget, but is included in the section 302(a) allocation to the Committee on Appropriations.

Mandatory

There are no specific mandatory assumptions in this function.

Discretionary

The Committee on Appropriations will determine how funds in this function are apportioned. Outyear levels are not binding and will be revisited in subsequent years.

Conference Agreement

For on-budget spending, the conference agreement for this function reflects $15.2 billion in budget authority and outlays for fiscal year 2005. Mandatory spending for this function is $15.2 billion in budget authority and outlays in fiscal year 2005. There is no on-budget discretionary spending for this function.

Including on- and off-budget spending, the conference agreement reflects a total of $518.9 billion in budget authority and $517.2 billion in outlays for fiscal year 2005. Mandatory spending for this function is $514.7 billion in budget authority and $512.9 billion in outlays in fiscal year 2005. Discretionary spending for this function is $4.2 billion in budget authority and $4.3 billion in outlays in fiscal year 2005.

FUNCTION 700: VETERANS BENEFITS AND SERVICES

Function Summary

Function 700 includes funding for the Department of Veterans Affairs [VA], which provides benefits to veterans who meet various eligibility rules. Benefits range from income security for veterans, principal disability compensation and pensions; veterans education, training, and rehabilitation services; hospital and medical care for veterans; and other veterans benefits and services, such as home loan guarantees. There are about 25 million veterans.

Function 700 budget authority rose from $44.2 billion in 1999 to $61.5 billion in 2004, a 6.8 percent average annual growth rate. During the same time period, outlays rose from $43.2 billion to $60.1 billion, a 6.8 percent average annual growth rate. The two largest components of this growth were veterans medical care, whose budget authority grew from $17.8 billion in 1999 to $28.0 billion in 2004, a 9.4 percent average annual increase, and disability compensation, whose budget authority grew from $18.7 billion in 1999 to $30.7 billion in 2004, a 10.4 percent average annual increase.

Senate Resolution

Discretionary

The Senate resolution assumes discretionary spending in this function of $31.7 billion in budget authority and $30.7 billion in outlays for 2005.

The Senate resolution assumes $30.3 billion in total funding for VA medical programs. This reflects a Murkowski amendment (SA 2846) to increase Veterans medical care by $1.2 billion. The Murkowski amendment included a corresponding reduction to function 920 to result in no net effect on the overall budget. This includes $28.3 billion in budget authority and $2 billion in offsetting collections from the Medical Care Collections Fund [MCCF]. This is an increase of 9.4 percent, or $2.6 billion, over the 2004 enacted level. VA Medical Care spending has grown by 100 percent since 1993 and 42 percent since 2001.

The Senate resolution does not assume the President's proposal to establish a new $250 enrollment fee for priority level 7 and 8 veterans or to increase the insurance and prescription drug co-payments for Priority 7 and 8 veterans from $7 to $15.

Mandatory

The Senate resolution assumes a 1.3 percent cost of living adjustment for compensation benefits that is due in 2005 under current law. After the adjustment, total mandatory spending in this function is projected to be $39.8 billion in 2005, an increase of 23.6 percent or $7.6 billion over the 2004 enacted level. Mandatory spending includes funding for veterans compensation, pensions, insurance funds and readjustment programs.

The Senate resolution assumes the President's proposal to restore the original interpretation of section 1110 of title 38 of the U.S. Code. This section prohibits veterans from receiving disability compensation for alcohol or drug abuse which arises secondarily from a service connected disability. In February 2001, the U.S. Court of Appeals decided that section 1110 did not preclude compensation for alcohol or drug abuse arising secondarily from a service-connected disability. If this legislation were enacted it would save $9 million in fiscal year 2005 and $95 million for fiscal years 2005—2009 period.

House Amendment

Note: In the House amendment as passed, funding amounts for certain homeland security activities were moved out of this function into a separate category, Function 100—Homeland Security. Accordingly, the House-passed totals in these functions do not precisely correspond with those in the Senate-passed resolution, and the figures in the House-passed and Senate-passed measures cannot be compared at face value. The customary correspondence was restored in the

process of developing the conference agreement.

The House amendment calls for $70.5 billion in budget authority and $68.6 billion in outlays in fiscal year 2005. The function totals are $346.0 billion in budget authority and $341.7 billion in outlays over five years. Mandatory spending is $39.8 billion in budget authority and $39.5 billion in outlays in fiscal year 2005, and totals $190.9 billion in budget authority and $190.4 billion in outlays over five years. Discretionary spending is $30.7 billion in budget authority and $29.1 billion in outlays in fiscal year 2005; and over five years, it is $155.1 billion in budget authority and $151.4 billion in outlays.

Mandatory

There are no specific mandatory assumptions in this function.

Discretionary

During markup, the Budget Committee adopted an amendment offered by Representative Brown-Waite adding $200 million to the Chairman's Mark in veterans benefits and services. As a result, the amendment includes an increase in total veterans budget authority of $1.2 billion in fiscal year 2005 over the President's request with none of the fees in the President's budget. Outyear levels are not binding and will be revisited in subsequent years.

Conference Agreement

The conference agreement for this function reflects total spending of $70.8 billion in budget authority and $68.9 billion in outlays for fiscal year 2005. Mandatory spending for this function is $39.8 billion in budget authority and $39.5 billion in outlays in fiscal year 2005. Discretionary spending for this function is $31.0 billion in budget authority and $29.4 billion in outlays in fiscal year 2005. The conference agreement includes $1.2 billion more than the President's request, consistent with the funding need identified by Secretary of Veterans Affairs Anthony J. Principi.

FUNCTION 750: ADMINISTRATION OF JUSTICE

Function Summary

Function 750 supports the majority of Federal justice and law enforcement programs and activities. This includes funding for the Department of Justice, a large portion of the Department of Homeland Security [DHS], as well as the financial law enforcement activities of the Department of the Treasury, Federal courts and prisons, and criminal justice assistance to State and local governments.

Function 750 budget authority rose from $28.1 billion in 1999 to $41.2 billion in 2004, an 8.0 percent average annual growth rate. During the same time period, outlays rose from $26.5 billion to $39.6 billion, an 8.3 percent average annual growth rate. The largest component of this growth was for Federal law enforcement activities, with budget authority growing from $11.9 billion in 1999 to $19.0 billion in 2004, a 9.9 percent average annual increase.

Senate Resolution

Discretionary

The Senate resolution assumes discretionary spending in this function of $37.5 billion in budget authority and $37.0 billion in outlays for 2005, an increase of $0.4 billion in budget authority and an increase of $1.5 billion in outlays from the 2004 level. The Senate resolution includes the following specific assumptions:

The Senate resolution assumes a total of $4.6 billion for the Federal Bureau of Investigation [FBI], an increase of $0.5 billion or 12.8 percent over the 2004 level. Another $0.5 billion is assumed for the FBI in the defense function of the federal budget. Overall, the budget for the FBI is $5.1 billion. The Senate resolution concurs with the President's proposal to dramatically increase the agency's funding in order to fulfill the FBI's primary mission of preventing further terrorist attacks in America. A large portion of the funding increases will go to improve the FBI's intelligence capabilities, counterterrorism investigations, and combating cybercrime.

The Senate resolution includes $1.7 billion for a restructured account entitled Justice Assistance. The Senate resolution concurs with the President's proposal to consolidate many duplicative grant programs within the Department of Justice in order to achieve better effectiveness. Programs from the State and Local Law Enforcement Assistance account, the Juvenile Justice account, and the Community Oriented Policing Services [COPS] account are combined under Justice Assistance in the Committee-reported resolution. Some highlights of this new Justice Assistance account include a $509 million Justice Assistance Grant Program, the $176 million DNA Initiative, the Southwest Border Prosecution Initiative, and funding for bulletproof vests.

For the Bureau of Alcohol, Tobacco, Firearms and Explosives, the Senate resolution assumes a level of $868 million, which represents an increase of $41 million or 5 percent above the 2004 level.

The Senate resolution assumes $4.6 billion for the salaries and expenses of the Bureau of Customs and Border Protection, an increase of $207 million or 4.7 percent above the 2004 level. The increase in funding will enhance border patrol surveillance and technology, continue the Container Security Initiative, and support the purchase of radiation detection equipment.

The Senate resolution assumes $4.0 billion for the salaries and expenses of the Federal Courts of Appeals, District Courts, and other judicial services. This matches the President's request for 2005 and represents an increase of $357 million or 9.7 percent above the 2004 level.

The Senate is concerned about efficiency and cost-effectiveness of first responder spending and training. Therefore, the Senate resolution encourages the use of homeland security funds to examine and possibly expand upon the Federal Law Enforcement Training Center's Distributed Learning Program for the purpose of secure, encrypted, geographically dispersed first responder e-learning.

The Senate resolution reflects a Hatch amendment (SA 2843) adding $600 million in 2005 for various law enforcement grant programs.

Mandatory

The Senate resolution assumes the extension of two types of Customs User Fees, yielding $784 million in 2005, $7.6 billion over 5 years, and $18.6 billion over 10 years.

The Senate resolution does not assume any funding for the creation of a government-administered trust fund intended to resolve the claims of victims for bodily injury caused by asbestos exposure. Although the Senate recognizes the urgent need for litigation reform designed to expedite justice for legitimate victims of asbestos exposure and to halt the corrosive effect that litigation abuse has on the economy, it is concerned that the creation of a new uncapped government entitlement, during a period requiring austere budget discipline, would be imprudent and inconsistent with fiscal responsibility. The proposed use of mandatory contributions from defendant companies and insurers does not alleviate those concerns if the private contributions are capped at a finite level and the fund is not expected to meet the total liability of anticipated asbestos claims. The Senate does not believe it would be prudent to rely upon ''sunset'' provisions that would be triggered upon fund insolvency, thus returning potentially large numbers of unpaid claimants to the federal tort system. Past experience with government administered trust funds designed to mandate a ''no-fault'' solution for liability claimants demonstrate that, even with specific legislative language to the contrary, there is a low probability of an actual return to the tort system. Political resistance to implementing such a reversion will likely be insurmountable. In essence, the Senate is concerned that under such a scenario there is a possibility that a massive taxpayer bail-out could occur if Congress is forced to step in and sustain the fund.

House Amendment

The amendment calls for $30.1 billion in budget authority and $30.0 billion in outlays in fiscal year 2005. The function totals are $140.4 billion in budget authority and $141.0 billion in outlays over five years. Mandatory spending is $5.0 billion in budget authority and $4.3 billion in outlays in fiscal year 2005, and totals $13.2 billion in budget authority and $13.1 billion in outlays over five years. Discretionary spending is $25.2 billion in budget authority and $25.7 billion in outlays in fiscal year 2005; and over five years, it is $127.2 billion in budget authority and $127.9 billion in outlays. Homeland security components formerly found in Function 750 are recorded in Function 100: Homeland Security.

Mandatory

The assumptions accommodate H.R. 975, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2003, which passed the House on 19 March 2003 and is awaiting action in the Senate. The accommodation is needed to allow for a potential conference agreement. The assumption is reflected in the allocation to the Committee on the Judiciary, which is free to determine its own policies within the allocation limits.

Discretionary

The Committee on Appropriations will determine how these funds will be apportioned among the various discretionary programs. Outyear levels are not binding and will be revisited in subsequent years.

Conference Agreement

The conference agreement for this function reflects total spending of $41.9 billion in budget authority and $41.8 billion in outlays for fiscal year 2005. Mandatory spending for this function is $5.1 billion in budget authority and $4.5 billion in outlays in fiscal year 2005. Discretionary spending for this function is $36.8 billion in budget authority and $37.3 billion in outlays in fiscal year 2005.

FUNCTION 800: GENERAL GOVERNMENT

Function Summary

Function 800 consists of the activities of the Legislative Branch; the Executive Office of the President; general tax collection and fiscal operations of the Department of Treasury (including the Internal Revenue Service); the Office of Personnel Management; the property and personnel costs of the General Services Administration; general purpose fiscal assistance to States, localities, the District of Columbia, and U.S. territories; and other general Government activities.

Function 800 budget authority rose from $16.7 billion in 1999 to $23.9 billion in 2004, a 7.5 percent average annual growth rate. During the same time period, outlays rose from $15.3 billion to $24.7 billion, a 10.0 percent average annual growth rate.

Senate Resolution

Discretionary

The Senate resolution assumes discretionary spending in this function of $14.4 billion in budget authority and $15.0 billion in outlays for 2005. The Senate resolution includes the following specific assumptions:

The Senate resolution assumes that $1.4 billion provided for election reform programs in 2004 is not continued in the budget. To date, appropriations for election reform have been essentially at the level recommended by the authorizing bill, totaling just over $3.0 billion. The disbursement of these funds has been significantly delayed while awaiting the formation of the Election Assistance Commission [EAC], which is responsible for the oversight and disbursement of the federal grants to the states. The EAC was formed earlier this year and it is attempting to distribute these funds before the fall elections. The Senate resolution does assume $40 million for the Election Assistance Commission.

The Senate resolution reflects two amendments, a Dorgan amendment (SA 2850) and a Hatch amendment (SA 2843), that reduced the general government function by $1.2 billion in 2005 to pay for other discretionary spending.

Mandatory

Under current law, there is a significant drop in mandatory spending from 2004 to 2005. This decrease is due to $5.0 billion in state assistance provided as one-time funds for 2004 by the Jobs and Growth Tax Relief and Reconciliation Act of 2003.

The Senate resolution assumes an adjustment to the current fee structure for the National Indian Gaming Commission, which regulates and monitors gaming operations on Indian lands. Since 1998, the Commission has been prevented from collecting additional annual fees from gaming operations to cover the costs of its oversight responsibilities. The assumed restructuring of fees would allow the Commission to adjust its activities to the growth in the Indian gaming industry.

House Amendment

The amendment calls for $17.2 billion in budget authority and $17.9 billion in outlays in fiscal year 2005. The function totals are $86.8 billion in budget authority and $86.8 billion in outlays over five years. Mandatory spending is $1.8 billion in budget authority and $1.7 billion in outlays in fiscal year 2005, and totals $8.9 billion in budget authority and $8.9 billion in outlays over five years. Discretionary spending is $15.4 billion in budget authority and $16.2 billion in outlays in fiscal year 2005; and over five years, it is $77.9 billion in budget authority and $77.9 billion in outlays. Homeland security components formerly found in Function 800—including the Federal Protective Service—are recorded in Function 100: Homeland Security, and are consistent with the President's request.

Mandatory

Mandatory totals allow for inclusion of H.R. 2751, the GAO Human Capital Reform Act of 2003, as passed by the House last year. The accommodation is needed to allow for a potential conference agreement. The amendment assumes growth in mandatory spending to accommodate projected inflation, and other normal factors. The assumptions appear in the allocations of the respective committees of jurisdiction, which are free to determine their own policies within the allocation limits.

Discretionary

The amendment can accommodate funding for the Payment in Lieu of Taxes [PILT] program at the fully authorized level. Specific programmatic decisions will be made by the Committee on Appropriations. Outyear levels are not binding and will be revisited in subsequent years.

Conference Agreement

The conference agreement for this function reflects total spending of $17.4 billion in budget authority and $18.0 billion in outlays for fiscal year 2005. Mandatory spending for this function is $1.8 billion in budget authority and $1.7 billion in outlays in fiscal year 2005. Discretionary spending for this function is $15.6 billion in budget authority and $16.2 billion in outlays in fiscal year 2005.

FUNCTION 900: NET INTEREST

Function Summary

Function 900 includes net interest, which is the interest paid for the Federal Government's borrowing less the interest received by the Federal Government from trust fund investments and loans to the public. It is a mandatory payment, with no discretionary components.

Net interest spending declined from $229.8 billion in 1999 to $154.8 billion in 2004, an average annual reduction of 7.6 percent. This decline was caused by lower interest paid to finance the debt, as well as higher interest received by the continued build-up of off-budget trust funds.

Senate Resolution

The Senate resolution sets forth $179.9 billion in budget authority and outlays for fiscal year 2005 and $1.220 trillion in budget authority and outlays over 5 years. On-budget net interest is $270.1 billion in budget authority and outlays in 2005 and $1,766 trillion in budget authority and outlays over 5 years. Off-budget interest collections are $90.2 billion in budget authority and outlays in 2005 and $545.5 billion in budget authority and outlays over 5 years.

House Amendment

The House amendment calls for $180.5 billion in budget authority and outlays in fiscal year 2005. The function totals are $1.235 trillion in budget authority and outlays over 5 years. On-budget spending is $270.7 billion in budget authority and outlays in fiscal year 2005, and totals $1.780 trillion in budget authority and outlays over 5 years. Off-budget interest collections are $90.2 billion in budget authority and outlays in fiscal year 2005; and over 5 years, $545.5 billion in budget authority and outlays. There are no specific mandatory assumptions in this function.

Conference Agreement

For on-budget spending, the conference agreement for this function reflects $270.4 billion in budget authority and outlays for fiscal year 2005. Total on- and off-budget spending is $180.3 billion in budget authority and outlays for fiscal year 2005.

FUNCTION 920: ALLOWANCES

Function Summary

Function 920, Allowances, is used for planning purposes to address the budgetary effects of proposals or assumptions that cross various other budget functions. Once such changes are enacted, the budgetary effects are distributed to the appropriate budget functions.

Senate Resolution

Discretionary

This function includes −$11.2 billion in discretionary budget authority and −$4.3 billion in outlays for 2005. This is the result of amendments adopted during consideration of the resolution on the Senate floor that were ''offset'' in function 920.

Mandatory

This function includes −$256 million in mandatory budget authority and −$235 million in outlays for 2005. This reflects the Dole child nutrition amendment that was adopted during Senate consideration of the committee-reported resolution and the total combined impact of the Committee-adopted amendment by Senator STABENOW to allow drug reimportation, rather than reflecting the effects across the various federal health programs (e.g. Medicaid, Medicare, FEHBP, military health) as they would occur in their respective functions.

House Amendment

The amendment calls for $50.0 billion in budget authority and $24.9 billion in outlays in fiscal year 2005. This provides for an expected supplemental spending bill to address operations in Afghanistan and Iraq. The function totals are $50.0 billion in budget authority and $49.8 billion in outlays over 5 years. Discretionary spending is $50.0 billion in budget authority and $24.9 billion in outlays in fiscal year 2005; and over 5 years, it is $50.0 billion in budget authority and $49.8 billion in outlays.

Mandatory

There is no mandatory spending in this function.

Conference Agreement

The conference agreement for this function reflects total spending of −$7.2 billion in budget authority and −$14.5 billion in outlays for fiscal year 2005. There is no mandatory spending in this function. These amounts will be restored via cap adjustments when certain conditions are met.

FUNCTION 950: UNDISTRIBUTED OFFSETTING RECEIPTS

Function Summary

Function 950 consists of receipts to the Treasury. Receipts recorded in this function are either intrabudgetary (a payment from one Federal agency to another, such as agency payments to the retirement trust funds) or proprietary (a payment from the public for some kind of business transaction with the Government). The main types of receipts recorded in this function are: the payments Federal employees and agencies make to employee retirement trust funds; and payments by those who bid for the right to buy or use public property or resources, such as licenses to use the electromagnetic spectrum or the right to explore and produce oil and gas on the Outer Continental Shelf. By convention, these receipts are treated as negative spending, with budget authority and outlays matching exactly for each account. There is no discretionary spending in this function.

Senate Resolution

Mandatory

The Senate resolution assumes the President's proposal to extend the authority of the Federal Communications Commission to auction spectrum, which would otherwise expire at the end of 2007.

House Amendment

The House amendment calls for −$63.7 billion in budget authority and −$63.8 billion in outlays in fiscal year 2005. (The minus signs indicate receipts into the Treasury.) The function totals are −$360.4 billion in budget authority and −$361.4 billion in outlays over 5 years.

Mandatory

The assumptions accommodate H.R. 1320, which passed the House on 11 June 2003, and is awaiting action in the Senate. Although H.R. 1320 has budgetary effect in Function 950 (Undistributed Offsetting Receipts) because it is a receipt against spending, it is within the scope of the Federal Communications Commission. The accommodation is needed to allow for a potential conference agreement.

Conference Agreement

For on-budget offsetting receipts, the conference agreement for this function reflects −$52.5 billion in budget authority and outlays for fiscal year 2005.

The combined on- and off-budget offsetting receipts, the conference agreement for this function reflects −$63.9 billion in budget authority and outlays for fiscal year 2005.

RECONCILIATION INSTRUCTIONS

Under section 310(a) of the Congressional Budget Act, the budget resolution may include directives to the committees of jurisdiction to make revisions in law necessary to accomplish a specified change in spending or revenues. If the resolution includes a reconciliation directive to only one committee of the House or Senate, then that committee is required to directly report to its House the legislative language that would implement the spending or revenue changes provided for in the resolution. If the resolution includes an instruction with directives to more than one committee, the reporting committees submit their recommendations to the Budget Committee, which then packages them together and votes to report one bill, without substantive change, to its respective House. Under either scenario, the committees have discretion as to how they meet the targets, as long as the targets are met within the respective committees' jurisdictions. Any bill considered pursuant to a reconciliation instruction is subject to special procedures set forth in section 310 and, in the Senate, section 313 of the Budget Act.

TITLE II: RECONCILIATION

Senate Resolution

Section 201: Reconciliation in the Senate

Section 201 includes two reconciliation directives to the Finance Committee (with a reporting date not later than September 30, 2004). The Finance Committee is instructed to report legislation to reduce revenues by not more than $12.3 billion in 2005 and $80.6 billion for the period 2005–2009 and to increase outlays by not more than $2 billion for the period 2005–2009. The Finance Committee is free to satisfy this instruction with legislation of its choosing, but the Senate resolution assumes the 2005–2009 revenue effects of extending the $1,000 child tax credit, extending marriage penalty relief, extending the expanded 10 percent individual income tax bracket, and accelerating the repeal of the death tax to 2009. The outlay increase instruction was added with the adoption of an amendment (SA 2837) which the Senate accepted by voice vote.

The second instruction directs the Finance Committee to report legislation to increase the statutory debt limit by $664.028 billion. The current statutory debt ceiling is $7.384 trillion; under the Senate resolution, the debt subject to limit is projected to be $8.051 trillion at the end of fiscal year 2005.

By a vote of 53–43, the Senate agreed to the Baucus amendment (SA 2751), which struck the reconciliation instruction to the Finance Committee to reduce outlays by $2.9 billion in 2005 and by $3.4 billion over the period 2005–2009.

House Amendment

Section 201: Reconciliation in the House

The House amendment provides instructions for two reconciliation bills. The first instructs five authorizing committees to report changes in current law to achieve specified level of deficit reduction on the assumption that the savings will come from the elimination of waste, fraud and abuse in specific programs in their jurisdictions. The committees may make whatever changes in the law they deem appropriate to achieve the specified amount of savings for fiscal year 2005 and for the period of fiscal years 2005 through 2009. The Agriculture Committee is instructed to save $110 million in 2005 and $371 million for fiscal years 2005–2009; the Education and Workforce Committee is instructed to save $5 million in fiscal year 2005 and $43 million for fiscal years 2005–2009, under the assumption such savings will be achieved through changes in the Federal Employees Compensation Act; the Energy and Commerce Committee is instructed to save $410 million in fiscal year 2005 and $2.185 billion for fiscal years 2005–2009; the Government Reform Committee is instructed to save $170 million in fiscal year 2005 and $2.365 billion for fiscal years 2005–2009; and, the Committee on Ways and Means is instructed to reduce the deficit by $1.126 billion in fiscal year 2005 and by $8.269 billion for fiscal years 2005–2009. The first reconciliation bill has a reporting deadline of July 15, 2004.

The second reconciliation bill directs the Committee on Ways and Means to report a measure that would reduce taxes by $13.182 billion in 2005 and by $137.580 billion for fiscal years 2005–2009. These amounts are sufficient to accommodate an extension of certain expiring tax provisions from the 2001 Economic Growth and Tax Relief Reconciliation and the 2003 Jobs and Growth Tax Relief Reconciliation Acts.

While the resolution only reconciles changes in revenue for the second reconciliation bill, it includes authority for the Budget Committee chairman to adjust the reconciliation instructions, the Committee on Ways and Means' allocations and other appropriate levels to accommodate outlays (largely related to certain refundable tax provisions). The authority may only be exercised for a reconciliation bill that does not cost more in total outlay increases and revenue reductions than the underlying reconciliation instruction. The second reconciliation bill has a reporting deadline of October 1, 2004.

Section 202: Submission of report on defense savings

This section requires the House Armed Services Committee to submit to the Budget Committee a set of findings that identify $2 billion dollars in savings from activities that are determined to be of low priority or wasteful or unnecessary to national defense. These savings then can be used to accommodate other priorities such as force protection, munitions and surveillance capabilities. The report must be submitted by May 15, 2004. Its submission would not be considered under reconciliation procedures and it is assumed the savings would be discretionary. The Budget Committee chairman is then required to submit the report for inclusion in the Congressional Record by no later than May 21, 2004.

Conference Agreement

Section 201: Reconciliation in the Senate

The conference agreement contains two instructions for reconciliation in the Senate. Section 201(a) instructs the Finance Committee to report a reconciliation bill (not later than September 30, 2004) that reduces revenues by not more than $22.9 billion and that increases outlays by not more than $4.6 billion. This is an amount sufficient to accommodate a permanent extension of the $1,000 child credit, the marriage penalty relief, and the 10 percent marginal tax rate bracket. The outlay instruction is included to allow for a fungibility adjustment between outlays and revenues, so that the Finance Committee may include legislation affecting refundable credits in the legislation they report.

Section 201(b) instructs the Finance Committee to report a reconciliation bill (not later than September 10, 2004) that increases the statutory debt limit by $689.946 billion.

Section 211: Reconciliation in the House

The conference agreement contains one instruction for reconciliation in the House. Section 211(a) instructs the House Committee on Ways and Means to report a measure by September 30, 2004 that will reduce taxes by $22.9 billion and increase outlays by $4.6 billion.

Section 211(b) also authorizes the chairman of the House Committee on the Budget to make deficit-neutral adjustments in the allocations and aggregates for a reconciliation bill that complies with the so-called 20 percent fungibility rule under section 310 of the Congressional Budget Act. This authority is consistent with section 310(c)(2) of the Budget Act, which allows the chairman of the Senate Committee on the Budget to conform the budget resolution to a reconciliation bill that satisfies the 20 percent rule under section 310(c) in the Senate.

RESERVE FUNDS AND ADJUSTMENTS

A budget resolution does not become law and cannot amend law. However, pursuant to section 301(b)(4) of the Congressional Budget Act, some provisions in the resolution may affect the consideration of legislation in order to implement and enforce the policy assumptions underlying such resolution. The conference agreement contains a number of provisions which may affect the consideration of legislation implementing the policies assumed in this resolution.

TITLE III: RESERVE FUNDS AND ADJUSTMENTS

In general, a reserve fund (or discretionary adjustment) permits the chairman of the Committee on the Budget to increase the section 302 allocation and other appropriate levels set out in this resolution (including, in the Senate, the discretionary spending limits) once certain conditions have been met. The authority to make these adjustments is solely within the discretion of the chairman and may be made when the committee of jurisdiction reports a measure that satisfies all the conditions set in the reserve funds.

Senate Resolution

During Senate consideration of the Committee-reported resolution, six additional deficit-neutral reserve funds were adopted in the Senate by voice vote. All envision the committee of jurisdiction reporting a specific measure (or in the case of three of the reserve funds, the Committee on Appropriations reporting an appropriations measure) for which the chairman of the Committee on the Budget may then make appropriate budgetary adjustments. These six are discussed below:

Subtitle A: Reserve Funds

Section 301: Reserve fund for health insurance for the uninsured

The Senate resolution provides a deficit-neutral reserve fund for the period of fiscal years 2005 through 2009 for legislation that addresses access to health care services and health insurance for the uninsured. The chairman of the Committee on the Budget may adjust the applicable allocations and aggregates to accommodate this legislation so long as the total cost of the legislation does not increase the deficit for fiscal year 2005 or for the sum of fiscal year 2005 through 2009. The adjustment may be made only if the Committee on Finance or the Committee on Health, Education, Labor and Pensions reports a bill that provides health insurance for the uninsured (including a measure providing for tax deductions for the purchase of health insurance or other measures) or that increases access to health insurance through lowering costs; provided that any such measure does not increase the costs of current health insurance coverage.

An amendment (SA 2699) offered by Senator Kennedy was adopted by voice vote that expands the purposes of the reserve fund to include ''legislation to reallocate and maintain expiring SCHIP funds rather than allowing such funds to revert to the Treasury.''

Section 302: Reserve fund for higher education

The Senate resolution provides additional resources to the Committee on Health, Education, Labor and Pensions for reauthorization of the Higher Education Act. The mechanism will make available an additional $1 billion for fiscal year 2005 and $5 billion for fiscal years 2005 through 2009 for reauthorization of the Higher Education Act of 1965. This section also makes available an additional $3.7 billion for fiscal year 2005 in budget authority only in order to permit the authorizing committee to rectify an accumulated short fall in the federal Pell Grant account.

Section 303: Reserve fund for energy legislation

The Senate resolution provides a mechanism to make additional resources available for a measure setting out a national energy policy (including a bill, joint resolution, amendment, motion, or conference report), that is predominately within the jurisdiction of the Committee on Energy and Natural Resources. Such measure may also include revenue reductions. Unlike most reserve funds, this one is not dependent upon the committee of jurisdiction reporting new legislation. Section 303 is intended to facilitate the consideration of S. 2095, the Energy Policy Act, or a similar measure in any number of different procedural situations.

Regardless of the procedural posture in which such a measure comes before the Senate, the chairman of the Committee on the Budget may make adjustments to committee allocations and relevant budgetary aggregates provided that the cost of the measure does not exceed $261 million in new budget authority and $221 million in outlays for fiscal year 2005 and $1.5 billion in new budget authority and $1.5 billion in outlays for fiscal year 2005 through 2009 and the revenue reductions do not exceed $1.8 billion for fiscal year 2005 and $15.1 billion for fiscal year 2005 through 2009. Note that these revenue reductions are assumed in the Senate resolution and thus section 303 does not provide any authority for changing the revenue aggregate. Rather, it makes not exceeding the maximum revenue reduction a condition of making the spending-related adjustments.

Section 304: Reserve fund for Guard and Reserve health care

An amendment (SA 2731) offered by Senators GRAHAM (of South Carolina) and BUNNING was adopted by voice vote that would make additional resources (not to exceed $5.6 billion for the period fiscal year 2005 through 2009) available to either the Committee on Armed Services or the Committee on Appropriations to expand access to health care for members of the reserve component.

Section 305: Reserve fund for Montgomery GI bill benefits

An amendment (SA 2731) offered by Senators GRAHAM (of South Carolina) and BUNNING was adopted by voice vote that would make additional resources (not to exceed $1.2 billion for the period fiscal year 2005 through 2009) available to either the Committee on Armed Services or the Committee on Appropriations to increase benefit levels under the Montgomery GI bill for members of the Selected Reserves.

Section 306: Reserve for funding of Hope Credit

An amendment (SA 2820) offered by Senator MIKULSKI was adopted by voice vote that would make additional resources available to the Committee on Finance to increase the Hope Credit to $4,000, makes the Credit available for 4 years, and make the Credit refundable.

Section 307: Reserve fund for expansion of pediatric vaccine distribution program

An amendment (SA 2833) offered by Senator BINGAMAN was adopted by voice vote that would make additional resources available to the Committee on Finance to expand the pediatric vaccine distribution program established under section 1928 of the Social Security Act to include coverage for children administered a vaccine at a public health clinic or Indian clinic and repels the price cap for pre–1993 vaccines.

Section 308: Reserve fund for addressing minority health disparities

An amendment (SA 2780) offered by Senator CLINTON was adopted by voice vote that would make additional resources (not to exceed $400 million for fiscal year 2005) available to the Committee on Appropriations for legislation that addresses minority health disparities through activities including those at the HHS Office of Minority Health, the Office of Civil Rights, the National Center on Minority Health and Health Disparities, the Minority HIV/AIDS initiative, health professions training, and through the Racial and Ethnic Approaches to Community Health at the Centers for Disease Control. This amendment would more properly be classified as an adjustment to the discretionary spending limits rather than a reserve fund for additional mandatory spending.

Section 309: Reserve for Postal Service reform

An amendment (SA 2852) offered by Senator COLLINS was adopted by voice vote that would make additional resources available to the Committee on Governmental Affairs for legislation that reforms the United States Postal Service to improve its economic viability.

Subtitle B: Adjustments With Respect to Discretionary Spending

Section 311: Adjustment for surface transportation

The Senate resolution provides a mechanism (reinforcing the intent of a comparable mechanism in the 2004 budget resolution) to make additional contract authority and outlay allocations available to the relevant committees for highway and transit programs for the reauthorization of and appropriation for surface transportation programs, provided that the reauthorization (by virtue of a title reported by the Committee on Finance) makes available new net resources for the highway trust fund that offset the resulting outlays—without increasing the deficit.

Section 312: Adjustment for supplemental appropriations for activities in Afghanistan and Iraq

The Senate resolution provides a mechanism to make available to the Committee on Appropriations additional resources for supplemental appropriations for military activities in Iraq and Afghanistan. This mechanism requires that the President transmit a budget request for such funds and limits the adjustment to $30 billion in new budget authority for fiscal year 2005 or the President's request—whichever is lower. This mechanism is intended to accommodate incremental expenditures associated with ongoing military operations in Iraq and Afghanistan.

Section 313: Adjustment for emergency fire suppression activities

The Senate resolution provides a mechanism to make available up to $500 million per year in additional resources to the Committee on Appropriations for supplemental appropriations for fire suppression activities for fiscal years 2004 through 2006. Such additional resources will only be made available if the regular appropriation for that year has been enacted and is not less than the 10-year average for those accounts and the severity of the fire season necessitates providing additional funding in a timely manner.

The resolution permits the chairman of the Committee on the Budget to adjust the discretionary spending limits, the committee allocation and other appropriate budgetary aggregates by not more than $400 million each year for fiscal years 2005 and 2006 for the Forest Service and not more than $100 million each year for fiscal years 2005 and 2006 for the Department of the Interior. With respect to fiscal year 2004, the 10-year average has already been appropriated in the regular 2004 appropriations bills. If additional resources are required for fire suppression in fiscal year 2004, rather than making an adjustment to the fiscal year 2004 levels, the chairman has the authority to hold harmless a measure that provides up to $400 million for the Forest Service and up to $100 million for the Department of the Interior for fire suppression activities.

These funds can be made available on any appropriations bill, amendment, joint resolution or conference report, and are only available for fire suppression. The Senate resolution anticipates that the Forest Service and Department of Interior will work with Congress to develop cost containment measures for fire suppression operation and encourages the Forest Service and Department of the Interior to report to Congress how the funds above the 10-year average were used.

Section 314: Reserve fund for eliminating survivor benefit plan-Social Security offset

During Senate consideration of the Committee-reported resolution, an amendment (SA 2775) offered by Senator LANDRIEU was adopted by voice vote that would make additional resources (not to exceed $2.757 billion for the period of fiscal years 2005 through 2009) available to either the Committee on Armed Service or the Committee on Appropriations to provide an increase to the minimum Survivor Benefit Plan basic annuity for surviving spouses age 62 or older. The amendment does not require that the increased spending be deficit-neutral.

Section 514: Reserve fund for homeland security grant program, assistance to firefighter grants and port security grants

During Senate consideration of the Committee-reported resolution, an amendment (SA 2817) offered by Senators LEVIN and COLLINS was adopted by a vote of 52 to 43 that would make additional resources (not to exceed $1.545 billion for fiscal year 2005) for programs at the Department of Homeland Security. A sense of the Senate provision that was also part of this amendment stated that this increase in funding is to come from the cancellation of planned future deliveries of oil to the Strategic Petroleum Reserve.

House Amendment

Subtitle A: Reserve Funds for Legislation Assumed in the Budget Aggregates

Section 301: Deficit-neutral reserve fund for health insurance for the uninsured

This section of the House Amendment allows adjustments to be made in the allocations and aggregates for certain deficit-neutral legislation. If a committee reports legislation that provides health insurance for the uninsured, the chairman of the Budget Committee may adjust the levels in the allocations and aggregates to the extent such legislation is deficit-neutral in fiscal year 2005, and the period of fiscal years 2005 through 2009.

Section 302: Deficit-neutral reserve fund for the Family Opportunity Act

This section of the House Amendment allows adjustments to be made in the allocations and aggregates for certain deficit-neutral legislation. If the Energy and Commerce Committee reports legislation that provides Medicaid coverage for children with special needs (the Family Opportunity Act), the chairman of the Budget Committee may adjust the levels in the allocations and aggregates to the extent such legislation is deficit-neutral in fiscal year 2005, and the period of fiscal years 2005 through 2009. This section allows these initiatives to come to the floor with offsets, as long as that initiative is deficit-neutral in the first year and over the 5-year period.

Section 303: Deficit-neutral reserve fund for the Military Survivors Benefit Plan

This section of the House Amendment establishes a deficit-neutral reserve fund should legislation be reported, an amendment offered, or conference report submitted which increases military survivor's benefits. The purpose of this section is to encourage an examination of existing mandatory spending accounts so that appropriate reductions may be used to offset a potential survivor benefit expansion.

Section 304: Reserve fund for pending legislation

This section of the House Amendment allows an adjustment to be made for any bill, including a bill that provides for the safe importation of FDA-approved prescription drugs or places limits on medical malpractice litigation, that has been adopted by the House in the first session of the 108th Congress and enacted into law. The adjustment may be made by the chairman of the Committee on the Budget to the allocations and aggregates to reflect any resulting savings from any such measure. The effect of any adjustment would be to lock in the savings for deficit reduction. The chairman of the Budget Committee would consult with the committees of jurisdiction before making any adjustments pursuant to this section.

Subtitle B: Contingency Procedure

Section 311: Contingency procedure for surface transportation

This section of the House Amendment permits the chairman of the Committee on the Budget to adjust the appropriate levels in the budget resolution to accommodate legislation increasing spending for highway and transit programs above the levels in the budget resolution to the extent there are offsets for the additional spending. This contingency is essentially identical to that included in the conference report on the budget resolution for fiscal year 2004.

Subsection (a) permits the chairman of the Committee on the Budget to increase the Committee on Transportation and Infrastructure's allocation for legislation that increases mandatory contract authority for highway and transit programs financed out of the Highway Trust Fund. In order to make the adjustment, the additional spending must be offset by a reduction in mandatory outlays out of the Fund or receipts appropriated to the Fund.

Since any additional contract authority provided pursuant to subsection (b) would be made available for obligation through a change in obligation limitations, subsection (c) permits the chairman of the Committee on the Budget to increase the appropriate committee's allocation of discretionary outlays to the extent legislation increases the obligation limits for the highway and transit programs above the levels assumed in the budget resolution. In order to make the adjustment, legislation must first be enacted in compliance with subsection (a).

Conference Agreement

Subtitle A: Reserve Funds

In general, the reserve funds set out in subtitle A of title III of the Conference Report permit the appropriate chairman of the Committee on the Budget to adjust committee allocations for the named authorizing committees, the spending and revenue aggregates and functional levels in the budget resolution if legislation is considered that satisfies the conditions set out in each particular reserve fund. Adjustments may only be made for reported bills, amendments thereto (including motions to recommit with amendment) and conference reports thereon.

Note that, in the Senate, this language is not intended to permit revisions or adjustments to the pay-as-you-go scorecard. In both the House and Senate, to the extent a reserve fund for an authorizing committee is required to be deficit-neutral and it is offset through a reduction in spending, such reduction within the committee's jurisdiction to achieve deficit neutrality must be in mandatory outlays. These ''reserve funds'' are not intended to accommodate floor amendments offered to unrelated measures. All (except for section 307) are required to be deficit-neutral in order for any adjustments to be made.

Section 301: Deficit-neutral reserve fund for health insurance for the uninsured

The conference agreement retains both the Senate (section 301(a)) and House (section 301(b)) reserve funds for legislation relating to health insurance for the uninsured. There are modest differences between the House and Senate with respect to the policies required for any adjustments. Both reserve funds are deficit-neutral.

Section 302: Deficit-neutral reserve fund for higher education

The conference agreement includes a reserve fund for both the Committee on Health, Education, Labor and Pensions in the Senate and the Committee on Education and the Workforce in the House for legislation reauthorizing the Higher Education Act. Similar language was contained in section 302 of the Senate resolution.

Section 303: Deficit-neutral reserve fund for Montgomery GI benefits

The conference agreement includes a deficit-neutral reserve fund for the committees of jurisdiction for legislation that increases benefits under the Montgomery GI bill for members of the Selected Reserves. Substantially similar language was contained in section 305 of the Senate resolution.

Section 304: Deficit-neutral reserve fund for Postal Service reform

The conference agreement includes a deficit-neutral reserve fund for the Senate Governmental Affairs Committee and the House Committee on Government Reform for legislation that reforms the U.S. Postal Service. Substantially similar language was contained in section 309 of the Senate resolution.

Section 305: Deficit-neutral reserve fund for the Family Opportunity Act

The conference agreement includes a deficit-neutral reserve fund for the Senate Finance Committee and the House Energy and Commerce Committee for legislation that provides Medicaid coverage for children with special needs. Substantially similar language was contained in section 302 of the House amendment.

Section 306: Deficit-neutral reserve fund for eliminating survivor benefit plan—Social Security offset

The conference agreement includes a deficit-neutral reserve fund for both the Senate and the House Armed Services Committees for legislation that increases the minimum Survivor Benefit Plan basis annuity for surviving spouses age 62 and older. Substantially similar language was contained in section 314 of the Senate resolution.

Section 307: Reserve fund for pending legislation

The conference agreement includes a reserve fund for certain House-passed legislation, with modifications. It permits the House Budget Committee chairman to ensure that the savings resulting from the enactment of certain measures would go to deficit reduction. The reserve fund allows the chairman to make adjustments in the budget resolution aggregates and allocations upon the enactment of legislation providing for the safe importation of FDA-approved prescription drugs and legislation imposing limits on medical malpractice litigation.

Subtitle B: Adjustments With Respect to Discretionary Spending

In general, the adjustments set out in subtitle B of title III of the Conference Report permit the appropriate chairman of the Committee on the Budget to adjust committee allocations for the Committees on Appropriations and the spending aggregates and functional levels in the budget resolution if the particular requirements of each section are satisfied. In the Senate, this includes the discretionary spending limits set out in section 404. Note that no adjustment made under this subtitle is intended to permit resources or adjustments to the pay-go-you-go scorecard for the Senate's paygo point of order.

Section 311: Adjustment for surface transportation

Section 311 of the conference agreement is similar to section 311 of the House amendment and section 311 of the Senate resolution. However, the chairmen of the Budget Committees will not make any adjustment for fiscal year 2004, which is not revised in this conference agreement.

Section 312: Adjustment for wildland fire suppression

The conference agreement retains the language from section 313 of the Senate resolution, extends it to the House, and makes a number of minor modifications. Subsection (a) states that the intent of this section is to accommodate additional appropriations for wildland fire suppression if such activities are funded at the 10-year average, there are insufficient funds available in the wildland fire suppression account, and the fire season is of sufficient severity to merit additional appropriations.

Subsection (b)(1) clarifies that CBO will calculate the ten-year average of obligations for wildland fire suppression, defined as the ''base amount'', in consultation with the Committees on the Budget and on Appropriations.

Under subsection (b)(2) the chairmen of the Committees on the Budget of the House and the Senate would accommodate additional spending by the Committees on Appropriations for any appropriation for wildland fire suppression above the base amount by increasing the Committees' allocation and other appropriate aggregates for fiscal year 2005.

Under subsection (b)(3) there is a special rule for fiscal year 2004 that allows the chairman of the Committee on the Budget of the House to accommodate additional spending by the Committee on Appropriations for additional appropriations for wildland fire suppression by increasing the Committee's allocation and other appropriate aggregates, but not to exceed $500 million. In the Senate, for

fiscal year 2004, the chairman of the Committee on the Budget may hold the Committee on Appropriations harmless (by not scoring) for any additional appropriations for wildland fire suppression, only to the extent such amounts do not to exceed $500 million.

Section 313: Mechanism for adjusting appropriate discretionary levels

Subsection (a) establishes a mechanism to increase the discretionary levels from the discretionary limits that are binding in the Senate (by virtue of section 504 of the fiscal year 2004 budget resolution) to the levels envisioned by this conference agreement. It is similar to the mechanism set out in section 203 of the fiscal year 2002 budget resolution (H. Con. Res. 83, 107th Cong.).

Subsection (a) provides the chairmen of the Committees on the Budget the authority to increase the section 302(a) allocation to the Committees on Appropriations (as well as the discretionary spending limits set out in section 404 and other levels in this conference agreement) when the first regular appropriations bill for fiscal year 2005 is reported in its respective House. The conference agreement will provide an additional $4.630 billion in new budget authority and $14.240 billion in outlays to the Committee on Appropriations. The functional levels in this conference agreement, including a necessary adjustment in function 920 envision an ultimate level of discretionary spending of $821.419 billion in new budget authority and $905.328 billion in outlays for fiscal year 2005.

Subsection (b) establishes a procedure to adjust the allocation to the Committees on Appropriations by the amount of the advance appropriation for fiscal year 2005 for Project Bioshield (already enacted in the fiscal year 2004 bill making appropriations for the Department of Homeland Security). It would provide $2.528 billion in budget authority and $0.276 billion in outlays. This adjustment is necessary to achieve comparability between the President's budget request and this conference agreement with respect to the budgetary treatment of Project Bioshield. This adjustment will be made at the same time as the adjustment made pursuant to subsection (a).

ITEMS DROPPED FROM THE SENATE RESOLUTION

The following provisions from the Senate resolution were not retained in any form in the conference agreement:

Section 303—Reserve Fund for Energy Legislation
Section 304—Reserve Fund for Guard and Reserve Health Care
Section 306—Reserve Fund for Funding of Hope Credit
Section 307—Reserve Fund for Expansion of Pediatric Vaccine Distribution Program
Section 308—Reserve Fund for Addressing Minority Health Disparities
Section 514—Reserve Fund for Homeland Security Grants

BUDGET ENFORCEMENT

Under section 301 of the Budget Act, the budget resolution may include special procedures to enforce the spending and revenue levels contained in the resolution and the allocations found in the accompanying joint statement of managers.

TITLE IV: BUDGET ENFORCEMENT

Senate Resolution

Section 401: Restriction on advance appropriations in the Senate

The Senate resolution includes language limiting the use of advance appropriations. This restriction was first included in the fiscal year 2001 budget resolution and was included and revised in the fiscal year 2002 and fiscal year 2004 resolutions as well. The Senate resolution continues to restrict advance appropriations to an annual limit of $23.158 billion with respect to both the fiscal years 2005 and 2006 appropriations bills and to those programs that are listed in the statement of managers accompanying the conference report on the budget resolution. The resolution also continues the exception for advances with respect to the Corporation for Public Broadcasting.

The list of permissible advances in the respective appropriations bill is as follows:

Accounts Identified for Advance Appropriations

Interior: Elk Hills

Labor, HHS:
Corporation for Public Broadcasting
Employment and Training Administration
Education for the Disadvantaged
School Improvement
Children and Family Services (Head Start)
Special Education
Vocational and Adult Education

Transportation, Treasury: Payment to Postal Service

Veterans, HUD: Section 8 Renewals

Section 402: Emergency legislation

In general, the Senate's emergency rule addresses two issues with respect to emergency spending: the ability to designate spending as an emergency and the restatement of the Senate point of order with respect to the use of that designation.

Section 402 of the Senate resolution is virtually identical to section 502(c) of the 2004 resolution, which sets out the Senate's rule with respect to emergency legislation. Subsection (a) states the general purpose for the rule, and subsection (b) sets out the rule as it is applied in the House of Representatives and thus is appropriately not addressed in the Senate-passed 2005 resolution. The only change to the current Senate rule (set out in section 502(c) of the 2004 resolution) is of a technical nature and makes clear that the adjustment authority provided in section 402 of the 2005 resolution is applicable to all future budget resolutions as well. The following is a review of the history of this provision.

The authority to designate spending as an ''emergency'' existed as a part of the statutory discretionary spending limits and the pay-as-you-go rules set out in sections 251 and 252 of the Balanced Budget and Emergency Deficit Control Act of 1985. The purpose of the designation was to create a ''safety valve'' for unexpected, emergency expenditures that would be exempt from sequestration, which served as the enforcement mechanism for the caps and PAYGO. With the expiration of section 251 on September 30, 2002 and the de facto expiration of section 252 (by virtue of setting the scorecard to zero for all fiscal years), section 502 of the 2004 resolution reestablished the authority of the Senate to designate spending and revenue changes as an emergency. In doing so, section 502 codified the criteria used in the definition of an emergency and required committee reports and statements of managers to justify the use of emergency designations with these criteria. The criteria are as set out in subsection (c)(3)(B).

If an item of discretionary spending is accompanied by an emergency designation, the discretionary spending limit and the allocation to the Committee on Appropriations (as well as all other levels in the most recently adopted budget resolution) is held harmless for the costs associated with that spending. If a revenue reduction or mandatory spending increase is accompanied by an emergency designation, then the committee allocation and the Senate's pay-go scorecard is also be held harmless accordingly (again, as well as all other appropriate levels in the resolution).

Section 402 of the 2005 Senate resolution restates (with a technical correction) the Senate's emergency designation point of order. This point of order was first included in the fiscal year 2000 budget resolution. This point of order allows any member to question the use of an emergency designation while the bill, amendment or conference report containing the designation is before the Senate (except for defense appropriations). Once the point of order is made, it requires 60 votes to waive the point of order and retain the designation. If the motion to waive is not successful, the designation would be removed from the measure, and the spending item would remain, in all likelihood making the bill (or amendment) subject to a Budget Act point of order, which would also require 60 votes to overcome. The removal of the designation is accomplished by the same method as provided for in the Byrd Rule (section 313 of the Congressional Budget Act of 1974).

Section 403: Discretionary spending limits in the Senate

Section 504 of the 2004 budget resolution set out discretionary spending limits for fiscal years 2003, 2004, and 2005. These limits are enforced in the Senate with a 60–vote point of order. The limits set out with respect to fiscal year 2005 are applicable during consideration of the budget resolution in the Senate. Therefore, any amendment that would increase the level of discretionary spending over the level set out in the 2004 resolution would also be subject to a 60–vote point of order.

Section 402 of the Senate resolution sets out congressional discretionary spending limits for the first two years covered by the 2005 budget resolution (fiscal years 2005 and 2006) with respect to both budget authority and outlays. Since the advent of statutory discretionary spending limits in 1990, a majority of budget resolution conference reports have included language dealing with ''congressional caps.''[1]

During debate of the Committee-reported resolution, an amendment (SA 2742, offered by Senator Warner) to increase discretionary spending for fiscal year 2005 through 2009 in order to provide full funding of the President's request for national defense was adopted by a vote of 95 to 4. The amendment also called for an explicit increase to the discretionary limits set out in the Committee-reported resolution of $6.900 billion in budget authority and $5.409 billion in outlays for 2005 and $1.594 billion in outlays for 2006. No point of order was raised during consideration of this amendment. As passed, the Senate resolution sets the following amounts as the discretionary spending limits:

For fiscal year 2005: $819.673 billion in new budget authority and $823.694 billion in outlays for the discretionary category; $33.393

[1] See: section 12(b) of H. Con. Res. 64 (103rd Cong.) the fiscal year 1994 Concurrent Resolution on the Budget; section 24 of H. Con. Res. 218 (103rd Cong.) the fiscal year 1995 Concurrent Resolution on the Budget; Section 201 of H. Con. Res. 67 (104th Cong.) the fiscal year 1996 Concurrent Resolution on the Budget; Section 301 of H. Con. Res. 178 (104th Cong.) the fiscal year 1997 Concurrent Resolution on the Budget; Section 201 of H. Con. Res. 84 (105th Cong.) the fiscal year 1998 Concurrent Resolution on the Budget (all establishing multiyear caps); Section 206 of H. Con. Res. 290 (106th Cong.) the fiscal year 2001 Concurrent Resolution on the Budget; Section 203 of H. Con. Res. 83 (107th Cong.) the fiscal year 2002 Concurrent Resolution on the Budget (both providing a mechanism to accommodate an increase to the current year's statutory cap); section 504 of H. Con. Res. 95 (108th Cong.) the fiscal year 2004 Concurrent Resolution on the Budget.

billion in outlays for the highway category, and $1.488 billion in new budget authority and $6.726 billion in outlays for the transit category, for a total of $821.161 billion in new budget authority and $863.813 billion in outlays.

For fiscal year 2006: $852.257 billion in new budget authority and $885.860 billion in outlays for the discretionary category. The Senate resolution sets out only one unified category for 2006.

The Senate resolution also provides for a number of so-called cap adjustments. The cap adjustments permit the chairman of the Committee on the Budget to increase the discretionary spending limit, the section 302(a) allocation to the Committee on Appropriations, and any other appropriate levels in the resolution if an appropriations bill provides additional resources for the programs specified in the adjustment. These are set out in title III of the resolution.

These discretionary spending limits would continue to be enforced by a 60–vote point of order on two fronts: (1) there would be a point of order against the fiscal year 2006 budget resolution if it exceeds the limits for that year set in the 2005 resolution (or against any revision to the fiscal year 2005 resolution that does so) and (2) there would be a point of order against any appropriations bill that causes any of the discretionary limits to be exceeded.

Section 404: Scoring rules

Section 404 of the Senate resolution includes a number of ''scorekeeping rules.'' Pursuant to section 312(a) of the Congressional Budget Act, the chairmen of the Committees on the Budget of the House and Senate are responsible for determining the costs of legislative proposals in their respective chambers. From time to time, new scoring issues arise as Congress responds to various fiscal needs. The rules set forth in this section will serve as guidance to the chairman of the Committee on the Budget, and the Senate as a whole, in evaluating the cost of legislative proposals and applying the budgetary discipline set out in budget resolutions and the Congressional Budget Act of 1974.

As originally reported from the Committee on the Budget, section 404(a) had set out a scoring rule (similar to the President's proposal) intended to equalize the scoring treatment of budget authority and outlays for the Pell Grant program. Amendment 2851 was adopted by voice vote that eliminated this provision in its entirety.

Subsection (a)—Bioshield. As reported from the Committee on the Budget, section 404(b) had set out a scoring rule with respect to possible changes in the availability of funding already provided for Project Bioshield. The Bioshield program was proposed in the President's fiscal year 2004 budget as a new mandatory program. The fiscal year 2004 budget resolution contained a ''reserve fund'' in the Senate in order to accommodate the spending for this new proposal. In the absence of authorization language, the Bioshield program was funded, in its entirety, in the fiscal year 2004 appropriations act for the Department of Homeland Security. Full funding (for the period requested by the President) was accomplished by means of an advance appropriation. This provision provided budget authority as follows: $0.890 billion in new budget authority for fiscal year 2004, $2.528 billion in new budget authority for fiscal year 2005 and $2.175 billion in new budget authority for fiscal year 2009. The amounts for 2005 and 2009 are advance appropriations and, when combined with all the usual advance appropriations, exceeded the cap on advance appropriations set by section 501 of the 2004 budget resolution. Section 501 contains both a dollar limit for fiscal year 2005 and an exclusive list of programs for which permissible advances may be made. The Bioshield advance also violated the program list. This new scoring rule, proposed under section 404(b) of the Committee reported-resolution, provided that any legislative change in the availability of these funds (such as a recission) would not be scored for the purposes of budgetary enforcement. Consequently, recissions of budget authority would not be available as an offset for spending on other programs.

The Senate adopted an amendment (SA 2848 offered by Senator Byrd, adopted by voice vote), that deleted the Committee-reported Bioshield rule and replaced it with an entirely new rule. The new rule, (now found in subsection (a)) requires the chairman of the Committee on the Budget to revise the allocations and other budgetary aggregates by $2.528 billion (the amount of the advance appropriation already enacted for Project Bioshield for fiscal year 2005) when the 2005 Homeland Security appropriations bill is reported. This would hold the Committee on Appropriations harmless with respect to the discretionary caps and the Committee's section 302(a) allocation for the cost of the 2005 advance appropriation for Bioshield that was made in the 2004 appropriations bill.

Subsection (b)—Energy Savings Performance Contracts. The Senate also adopted an amendment (SA 2823 offered by Senator Inhofe, adopted by voice vote) that provides a directed-scoring rule with respect to energy savings performance contracts [ESPCs]. This new rule is now found in subsection (b) of section 404. The rule would permit ESPCs to be reauthorized without recognizing (scoring) the costs. Current authority of federal agencies to enter into obligations for ESPCs has expired (their cost has recently been about $250 million per year). The conference report on the Energy bill (H.R. 6) included a provision to reauthorize ESPCs, which CBO estimated would cost $267 million in 2005 and $1.4 billion over 10 years.

Section 405: Adjustments to reflect changes in concepts and definitions

Section 405(a) of the Senate resolution is virtually identical to section 508 of the 2004 budget resolution. It provides that upon enactment of legislation that changes funding of an existing program from discretionary to mandatory (or vice versa) the chairman of the Committee on the Budget will adjust the levels in this budget resolution (including the discretionary spending limits) to reflect such a change.

Section 405(b) of the Senate resolution provides a similar rule for reported legislation that addresses changes in the nature of offsetting receipts from the Power Marketing Administration.

Section 406: Application and effect of changes in allocations and aggregates

The Senate resolution retains language from previous resolutions clarifying the process for implementing any adjustment made pursuant to the reserve funds and discretionary adjustments and the status of these adjusted levels. It also clarifies that the Budget Committee determines scoring for purposes of points of order.

Section 407: Rulemaking authority

The Senate resolution includes language identical to section 222 of the fiscal year 2002 budget resolution, which simply states Congress' authority to legislate rules of procedure for either chamber.

Section 408: Pay as you go point of order in the Senate

The Committee-reported resolution did not contain any language with respect to the pay-as-you-go rule because the current rule (set out in section 505 of H. Con. Res. 95, the fiscal year 2004 budget resolution) would not have expired until September 30, 2008. The original Senate pay-as-you-go point of order first appeared in the fiscal year 1994 budget resolution. The previous version expired in its entirety on September 30, 2002. The point of order was revised and extended through April 15, 2003 when the Senate adopted S. Res. 304 (107th Congress) on October 16, 2002. S. Res. 304 included a new provision of the pay-as-you-go rule making the rule applicable to mandatory spending in appropriations bills in order to prevent the exploitation of the fact that there were no limits on discretionary spending for fiscal year 2003 due to the expiration of the discretionary spending limits and the lack of a fiscal year 2003 budget resolution.

The section 505 pay-as-you-go rule did not retain the expanded application temporarily applied to appropriation bills in S. Res. 304. Rather it resembles the previous versions of the rule with one change: it applies on a post-budget resolution policy basis. To accomplish this, a scorecard is maintained by the chairman of the Committee on the Budget that sets out the total level of change to the deficit assumed by the most recently adopted budget resolution. Subsequent legislation is to be measured against these balances.

But the current section 505 paygo rule was replaced by an amendment to the 2005 budget resolution (SA 2748 offered by Senator Feingold; adopted by a vote of 51 to 48). The amendment reinstates the Senate's pay-as-you-go rule as it was in effect prior to its expiration on September 30, 2002: any increases in mandatory spending or reductions in revenues must be fully offset (i.e. deficit-neutral) for the 1st year, the sum of years 1 through 5, and the sum of years 6 through 10 with respect to the most recently agreed to concurrent resolution on the budget. The Feingold rule would remain in effect through September 30, 2009.

House Amendment

Section 401: Restrictions on advance appropriations

Section 401 imposes a limitation on advance appropriations similar to a provision included in the last several budget resolutions. It effectively limits which programs may receive an advance appropriation and establishes an overall amount of advanced appropriations. The section includes a general restriction that limits the programs that may receive an advance appropriation and the total level of such appropriations. Advance appropriations may be provided for the accounts in appropriation bills identified under the section ''Accounts Identified for Advanced Appropriations'' in the Joint Statement of Managers on the Conference Report on the Budget Resolution. The list is expected to be the same as that which appears in this report in the section ''Additional Report Language'' and with the same heading. Total advance appropriations for these accounts may not exceed $23.568 billion in budget authority. The amount is essentially the same as provided in previous budget resolutions, but it was adjusted to reflect total advance appropriations provided for fiscal years 2006 and 2007 (and any subsequent fiscal years, if applicable). The section defines an ''advance appropriation'' as any new discretionary budget authority making general appropriations or continuing appropriations for fiscal year 2005 that first becomes available for any fiscal year after 2005.

The limitation may be enforced by any member making a point of order at the appropriate time against any advance appropriations not falling within an exception or exceeding the overall limit. The effect of a point of order under this section, if sustained

by the Chair, is to cause the appropriation(s) to be stricken from the bill or joint resolution. The bill itself, however, would still be considered in the House.

Section 402: Emergency legislation

Section 402 provides the House with the authority to designate spending provisions as ''emergencies.'' It adopts criteria for evaluating emergency spending. It also exempts from Congressional budgetary controls supplemental appropriations for the Department of Defense for contingency operations related to the global war on terrorism.

Subsection (a) provides a special exemption from budget controls for a supplemental spending measure for the Department of Defense for ''contingency operations related to the global war on terrorism.'' Though $50 billion has been budgeted for fiscal year 2005 in the budget resolution for this purpose, the exact final amount has yet to be determined. The final level of the supplemental will depend on the President's request and the response of the Appropriations Committees of the House and the Senate.

In order to trigger the exemption, the House must specifically designate the appropriations as ''contingency operations'' under section 402(a) of H. Con. Res. 393. As in an emergency designation, such designated amounts will not be counted in the determination of the cost of measures and hence will not trigger a point of order under sections 302, 303, and 401 of the Congressional Budget Act.

Subsection (b) exempts spending designated as an emergency under this section from the budget resolution and, as such, spending would not trigger a point of order. This is largely the same procedure as was included in the budget resolution from fiscal year 2004, H. Con. Res. 95. Instead of adjusting the allocations and budget aggregates by the amount designated as an emergency, as was the case prior to the expiration of the emergency designation at the end of fiscal year 2002, subsection (b) provides that the spending (or receipts) resulting from such a provision will not be counted for purposes of determining whether a measure complies with the budget resolution. This is consistent with the congressional scoring conventions prior to the Balanced Budget Act of 1997. Assuming a measure that includes this emergency designation is otherwise in compliance with the budget resolution, it would not be subject to a point of order under sections 302(f), 303(a), 311(a) or 401 of the Congressional Budget Act of 1974.

Committees reporting a measure that designates spending as an emergency should include in the accompanying report, or the conference committee in the joint statement of managers, a statement justifying the emergency designation on the basis of certain criteria. The criteria for designating a legitimate emergency is that the underlying situation to which the provision applies must pose a threat to life, property, or national security and is also: sudden, quickly coming into being, and not building up over time; an urgent, pressing, and compelling need requiring immediate action; unforeseen, unpredictable, unanticipated, and not permanent.

This definition was adapted from criteria developed by previous administrations as part of an OMB Circular (A–11) on the preparation and submission of budget estimates. The subsection continues the practice of allowing the provisions designated as emergencies to be exempt from the budget controls and points of orders of the Congressional Budget Act.

Section 403: Compliance with section 13301 of the Budget Enforcement Act of 1990

This section provides authority to include the administrative expenses related to Social Security in the allocation to the Appropriations Committee. This language is necessary to ensure that the Appropriations Committee retains control of administrative expenses through the Congressional budget process. In the 106th Congress, the joint Leadership of the House and Senate Budget Committees decided to discontinue the practice of including administrative expenses in the budget resolution. This change was intended to make the budget resolution consistent with the Congressional Budget Office's baseline which does not include administrative expenses for Social Security. At the same time, the House Budget Committee believed that these expenses should continue to be reflected in the 302(a) allocations to the Appropriations Committee. Absent a waiver of section 302(a) of the Budget Act, the inclusion of these expenses in the allocation is construed as violating 302(a) of the Budget Act which states that the allocations must reflect the discretionary amounts in the budget resolution (and arguably, section 13301 of the Budget Enforcement Act, which states that Social Security benefits and revenues are off-budget).

Section 404: Application and effects of changes in allocations and aggregates

This section sets forth the procedures for making adjustments for the reserve funds included in this resolution. Subsection (a)(1) and (2) provide that the adjustments may only be made during the interval that the legislation is under consideration and do not take effect until the legislation is actually enacted. This is consistent with the procedures for making adjustments for various initiatives under section 314 of the Congressional Budget Act.

Subsection (a)(3) directs the chairman of the House Budget Committee to insert the adjustments authorized by the various reserve funds in the Congressional Record.

Subsection (b) clarifies that any adjustments made under any of the reserve funds in the resolution have the same effect as if they were part of the original levels set forth in section 101. Therefore the adjusted levels are used to enforce points of order against legislation inconsistent with the allocations and aggregates included in the concurrent resolution on the budget. Spending and tax measures are compared to these adjusted levels to determine if they are consistent with the budget resolution.

Subsection (c) clarifies that the House Budget Committee determines the levels and estimates used to enforce points of order, as is the case for enforcing budget-related points of order. This section of the Budget Act provides the chairman of the Budget Committee with the authority to advise the chairman of the Committee of the Whole House on the appropriate levels and estimates related to legislation being considered on the floor.

Conference Agreement

Section 401: Restriction on advance appropriations

Section 401 reflects the Senate resolution's overall limit on advance appropriations of $23.158 billion in fiscal year 2006 as opposed to the House amendment, which limited total advance appropriations to $23.568 billion over a two-year (fiscal years 2006 and 2007) period. For the House, the language is identical to section 501 in the Fiscal Year 2004 budget resolution, H. Con. Res. 95.

The list of permissible advances is as follows:

Accounts Identified for Advance Appropriations in the Senate

Interior: Elk Hills.

Labor, HHS:
Corporation for Public Broadcasting
Employment and Training Administration
Education for the Disadvantaged
School Improvement
Children and Family Services (Head Start)
Special Education
Vocational and Adult Education

Transportation, Treasury: Payment to Postal Service

Veterans, HUD: Section 8 Renewals

Accounts Identified for Advance Appropriations in the House

PART A: ADVANCE APPROPRIATIONS FOR FISCAL YEAR 2006

Interior Appropriations: Elk Hills

Labor, Health and Human Services, Education Appropriations:
Employment and Training Administration
Education for the Disadvantaged
School Improvement
Child and Family Services [Head Start]
Special Education
Vocational and Adult Education

Treasury, General Government Appropriations: Payment to Postal Service

Veterans, Housing and Urban Development Appropriations: Section 8 Renewals

PART B: ADVANCE APPROPRIATIONS FOR FISCAL YEAR 2007

Labor, Health and Human Services, Education Appropriations: Corporation for Public Broadcasting

Section 402: Emergency legislation

The conference agreement adopts section 402 of the House amendment with respect to the rule on emergency spending. The major difference between the House and Senate language was the Senate requirement that the President explicitly agree to a ''contingent'' designation by the Congress (i.e., a spending item with an emergency designation that originated in the Congress and that was not originally requested by the President). There were also minor differences in the criteria used to evaluate the appropriate use of the emergency designation. In addition, the conference agreement retains, for the Senate only, the current Senate point of order regarding the use of the emergency designation. The conference agreement also adopts the House approach regarding the treatment of supplemental appropriations for Iraq, but includes a level of $50 billion for this purpose. The conference agreement sets out this language in section 403—Exemption of Overseas Contingency Operations.

Section 403: Exemption of overseas contingency operations

Section 403 of the conference agreement adopts language from section 402(a) of the House amendment with a modification reflecting the $50 billion assumed for overseas contingency operations in the global war on terrorism to be provided in a supplemental appropriations bill. In order to trigger the exemption, funds must be ''designated by the Congress to be contingency operations pursuant to section 403 of S. Con. Res. 95.'' As in an emergency designation, such designated amounts will not be counted in the determination of the cost of measures and hence will not trigger a point of order under sections 302, 303, and 401 of the Congressional Budget Act or sections 404 and 407 of the conference agreement. Provisions exempted under this section may be included in any number of measures provided the cumulative total does not exceed $50 billion.

Section 404: Discretionary spending limits in the Senate

Section 404 of the conference agreement retains the language from section 403 (except

the conference agreement contains no 2006 limit) of the Senate resolution. Virtually identical language was included in section 504 of last year's budget resolution (H. Con. Res. 95, 108th Cong.). Section 403 sets out congressional discretionary spending limits for fiscal year 2005 with respect to both budget authority and outlays. Since the advent of statutory discretionary spending limits in 1990, a majority of budget resolution conference reports have included language dealing with ''congressional caps'' (see detailed discussion accompanying description of the Senate resolution). These limits are enforced in the Senate with a 60–vote point of order.

The limits set out in the conference agreement are as follows:

With respect to fiscal year 2005: Because the language in section 504 of the fiscal year 2004 resolution still governs the consideration of this conference agreement, the limits for fiscal year 2005 are the same as those set out in that section (as subsequently modified by permissible adjustments). Although an amendment was adopted during consideration in the Senate that increased this level, a waiver was not sought or obtained.

Section 404 provides the chairman of the Committee on the Budget with the authority to make adjustments to these discretionary limits and the committee allocations for: (A) transportation, (B) wildland fire suppression, and (C) compliance with section 504 of H. Con. Res. 95 and the advance appropriation provided in fiscal year 2004 for Project Bioshield.

Section 405: Adjustments to reflect changes in concepts and definitions

The House recedes to the Senate on section 405 of the Senate resolution with an amendment. Subsection (a) authorizes the chairmen of the Committees on the Budget of the House and the Senate to adjust the resolution to take into account changes in budgetary concepts and definitions upon enactment of such legislation.

Subsection (b)(1) reflects the language from section 405(b) of the Senate resolution permitting the chairman of the Committee on the Budget in the Senate to adjust the budget resolution to accommodate legislation converting Power Marketing Administration customer receipts, which are currently treated as mandatory offsetting receipts, to offsetting collections, which would then be credited against spending in an appropriations measure. The language specifies the intent of the Conferees that the proceeds from these customer receipts would be available only to the Corps of Engineers and the Pick-Sloan Missouri Basin project within the Bureau of Reclamation.

Subsection (b)(2) permits the House Budget Committee chairman to make deficit neutral adjustments in the appropriate spending and revenue levels in the budget resolution to permit the consideration of legislation (other than reconciliation) that extends the child tax credit.

Section 406: Application of changes in allocations and aggregates

Section 406 of the conference agreement retains the language of section 406 of the Senate Resolution (which is similar to section 404 of the House amendment) clarifying both the process for making adjustments under the reserve funds and the status of the adjusted levels. It also determines scoring for purposes of enforcing budget related points of order.

Section 407: Pay-as-you-go point of order in the Senate

The conference agreement retains the Senate's pay-as-you-go provision, with an exemption for legislation considered pursuant to Title II of this resolution. The Senate point of order expires on April 15, 2005.

Section 408: Compliance with section 13301 of the Budget Enforcement Act of 1990

Section 408 of the conference agreement retains the language of section 402 of the House amendment regarding the budgetary treatment in the House of discretionary spending for the Social Security Administration.

Subtitle B: Report Submissions

Section 411: Submission of report on defense savings

Section 411 of the conference agreement retains the language of section 202 of the House amendment, which requires the House Armed Services Committee to submit a set of findings to the House Budget Committee. Section 411 adds a comparable requirement for the Senate Armed Services Committee to submit findings to the Senate Budget Committee. The findings must identify $2 billion dollars in savings from activities that are determined to be of low priority or wasteful or unnecessary to national defense. These savings can be used to accommodate other priorities such as force protection, munitions and surveillance capabilities. The report must be submitted to the respective Budget Committees by June 25, 2004, and included in the Congressional Record.

Section 412: Submission of report on homeland security

Section 412 of the conference agreement includes a requirement that, the Senate Governmental Affairs Committee and the House Select Homeland Security Committee submit to the relevant Budget Committees findings that identify $150 million dollars in savings from activities that are determined to be of low priority, wasteful or unnecessary to homeland security. The findings must also include recommendations on how to reallocate the savings to programs and activities considered top priority or which directly contribute to enhancing homeland defense. The report must be submitted to the respective Budget Committees by June 25, 2004 and included in the Congressional Record.

Subtitle C: Exercise of Rulemaking Powers

Section 421: Exercise of rulemaking powers

The House recedes to section 425 of the Senate resolution, which affirms that the budget resolution is an act of congressional rulemaking and subject to revisions by either House. Section 421 of the conference agreement states the authority by which Congress adopts the various budgetary enforcement rules and procedures for the consideration of certain legislation set out in the budget resolution.

Other Provisions
Senate Resolution

With respect to section 404 of the Senate resolution (''Scoring Rules''), the conference agreement retains language with respect to Project Bioshield which was set out in 404(a) with some modifications which are discussed in section 313 of the conference agreement. The language of section 404(b) with respect to energy savings performance contracts has not been retained in any form.

TITLE V: REQUIRED LEVELS AND AMOUNTS FOR OUTYEARS

This title reflects budgetary aggregates and function totals for fiscal years 2006–2009, to comply with section 301 of the Congressional Budget Act.

TITLE VI: SENSE OF THE SENATE AND SENSE OF THE HOUSE

Senate Resolution

The Senate resolution contains twenty-two sections dealing with ''Sense of the Senate'' provisions that were adopted either during the markup or during consideration on the Senate floor.

House Amendment

The House amendment contains two sections dealing with ''Sense of the House'' provisions.

Conference Agreement

The conference agreement contains the following provisions:

Subtitle A: Sense of the Senate

Section 601: Sense of the Senate on budget process reform.

Section 602: Sense of the Senate on budget process reform with regard to the creation of bipartisan commissions to combat waste, fraud, and abuse and to promote spending efficiency.

Section 603: Sense of the Senate on the relationship between annual deficit spending and increases in debt service costs.

Section 604: Sense of the Senate regarding the costs of the medicare prescription drug program.

Section 605: Sense of the Senate on returning stability to payments under medicare physician fee schedule.

Section 606: Sense of the Senate supporting funding restoration for agriculture re-search and extension.

Section 607: Sense of the Senate concerning a national animal identification program.

Section 608: Sense of the Senate regarding contributions to The Global Fund to Fight AIDS, Tuberculosis, and Malaria.

Section 609: Sense of the Senate concerning child nutrition funding.

Section 610: Sense of the Senate regarding compensation for exposure to toxic substances at the Department of Energy.

Section 611: Sense of the Senate regarding tax incentives for certain rural communities.

Section 612: Sense of the Senate concerning summer food pilot projects.

Section 613: Sense of the Senate regarding closing the ''tax gap''.

Subtitle B: Sense of the House

Section 621: Sense of the House on entitlement reform.

Subtitle C: Sense of Congress

Section 631: Sense of Congress on spending accountability.

ADDITIONAL BUDGET PROCESS AND ENFORCEMENT ITEMS IN THE SENATE

The Senate resolution was considered with the acknowledgement that a number of provisions from previous budget resolutions remain in effect. For the convenience of the Senate, they are set out below.

I. Sense of the Senate amendments not germane on floor

One provision (section 204) of the fiscal year 2001 resolution (H. Con. Res. 290 106th Cong., 2nd Sess.) remains in effect. It is discussed and set out below:

Section 204: Mechanisms for Strengthening Budgetary Integrity (see subsection (g) regarding precatory amendments)

The intent of subsection (g) was discussed on page 74 of the conference report—explaining the Senate amendment—for the fiscal year 2001 resolution. The conference adopted the Senate language with a minor modification. Page 74 provides in pertinent part:

Section 210(g) of the Senate amendment provides guidance for interpreting the germaneness requirement found in section 305(b)(2) of the Budget Act. Section 305 requires that all amendments offered on the floor to a budget resolution or a reconciliation bill must be germane to the underlying

legislation and is enforced by a 60-vote point of order in the Senate. The Senate amendment states that an amendment will be considered not germane if it contains only precatory (non-binding) language. This is designed to place a 60-vote hurdle with respect to what is commonly referred to as a ''sense of the Senate'' amendment. Note that it is not meant to preclude the inclusion of ''purpose'' or ''findings'' language that is part of an otherwise substantive amendment.

The minor modification adopted by the conferees was the addition of the word ''predominately'' before ''precatory'' to make clear that otherwise substantive provisions would not be subject to 60-vote discipline. The text of subsection (g) is set out below:

SEC. 204 MECHANISMS FOR STRENGTHENING BUDGETARY INTEGRITY.

* * * * *

(g) PRECATORY AMENDMENTS.—For purposes of interpreting section 305(b)(2) of the Congressional Budget Act of 1974, an amendment is not germane if it contains predominately precatory language.

Two provisions (sections 503 and 505) from the fiscal year 2004 resolution (H. Con. Res. 95, 108th Cong. 1st Sess.) remain in effect in the Senate. They are set out or described below.

II. 60-vote points of order through the end of fiscal year 2008

Section 503: Extension of supermajority enforcement

This section of the 2004 resolution extended for 5 years (until September 30, 2008) the 60-vote requirement for waivers and appeals with respect to those Budget Act points of order. This requirement expired on September 30, 2002 (and was temporarily extended through April 15, 2003 in S. Res. 304, 106th Congress).

ALLOCATIONS

As required in section 302 of the Congressional Budget Act, the joint statement of managers includes an allocation, based on the conference agreement, of total budget authority and total budget outlays to each of the appropriate committees. The allocations are as follows:

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT, BUDGET YEAR TOTAL 2005

[In millions of dollars]

Committee	Direct spending jurisdiction		Entitlements funded in annual appropriations acts	
	Budget authority	Outlays	Budget authority	Outlays
Appropriations:				
General Purpose Discretionary	812,773	850,693	0	0
On-budget, regular	808,524	814,021	0	0
Off-budget, regular	4,249	4,264	0	0
Subtotal, regular	812,773	818,285	0	0
On-budget, emergency	0	32,408	0	0
Highways	0	33,393	0	0
Mass Transit	1,488	6,726	0	0
Mandatory	460,008	445,525	0	0
Total	1,274,269	1,336,337	0	0
Agriculture, Nutrition, and Forestry	4,148	17,218	58,312	44,305
Armed Services	85,814	86,744	41	61
Banking, Housing and Urban Affairs	14,425	2,646	175	107
Commerce, Science, and Transportation	11,487	6,618	864	860
Energy and Natural Resources	4,633	3,541	54	59
Environment and Public Works	35,818	2,279	0	0
Finance	810,529	811,603	339,533	339,450
Foreign Relations	11,352	11,619	176	176
Governmental Affairs	70,453	68,764	18,048	18,048
Judiciary	9,232	8,665	574	575
Health, Education, Labor, and Pensions	11,028	10,192	2,966	2,928
Rules and Administration	77	35	113	112
Intelligence	0	0	239	239
Veterans' Affairs	1,247	1,266	38,913	38,605
Indian Affairs	674	668	0	0
Small Business	0	0	0	0
Unassigned to Committee	−385,673	−392,557	0	0
Total	1,959,513	1,975,638	460,008	445,525

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT, 5-YEAR TOTAL: 2005–2009

[In millions of dollars]

Committee	Direct spending jurisdiction		Entitlements funded in annual appropriations acts	
	Budget authority	Outlays	Budget authority	Outlays
Agriculture, Nutrition, and Forestry	29,045	101,509	297,690	224,223
Armed Services	470,311	470,952	201	278
Banking, Housing and Urban Affairs	77,878	12,531	875	476
Commerce, Science, and Transportation	47,046	20,708	4,692	4,671
Energy and Natural Resources	19,198	17,286	270	281
Environment and Public Works	187,471	10,026	0	0
Finance	4,700,524	4,708,257	2,179,994	2,179,013
Foreign Relations	62,368	59,526	870	870
Governmental Affairs	378,764	370,008	97,537	97,537
Judiciary	33,945	33,977	2,856	2,856
Health, Education, Labor, and Pensions	59,206	55,352	15,521	15,315
Rules and Administration	374	359	605	604
Intelligence	0	0	1,275	1,275
Veterans' Affairs	6,225	6,500	186,134	185,440
Indian Affairs	3,290	3,381	0	0
Small Business	0	0	0	0

ALLOCATION OF SPENDING AUTHORITY TO HOUSE COMMITTEES FOR BUDGET YEAR 2005—COMMITTEE ON APPROPRIATIONS

[Millions of dollars]

	2005
Discretionary Action:	
General Purpose:	
BA	814,261
OT	890,812
Section 313 Adjustments *:	
BA	7,158
OT	14,516
Total Discretionary Action: BA	821,419
After Section 313 Adjustments: OT	905,328
Current Law Mandatory:	
BA	459,142
OT	444,662

*To be released by the Chairman of the Committee on the Budget upon reporting by the Committee on Appropriations of the first bill or joint resolution making regular appropriations for fiscal year 2005.

ALLOCATIONS OF SPENDING AUTHORITY TO HOUSE COMMITTEES FOR BUDGET YEAR 2005 AND FUTURE FISCAL YEARS—COMMITTEES OTHER THAN APPROPRIATIONS

[Millions of dollars]

	2005	Total 2005–2009
Agriculture Committee:		
Current Law:		
BA	18,219	86,778
OT	17,297	86,272
Reauthorizations:		
BA	.....	71,905
OT	.....	70,494
Total:		
BA	18,219	158,683
OT	17,297	156,766
Armed Services Committee		
Current Law:		
BA	85,817	470,326
OT	86,748	470,968
Committee on Education and the Workforce		
Current Law:		
BA	7,097	39,185
OT	6,105	34,962
Discretionary Action:		
BA	68	236
OT	56	230
Reauthorizations:		
BA	399	10,479
OT	397	8,201
Total:		
BA	7,564	49,900
OT	6,558	43,393
Energy and Commerce Committee		
Current Law:		
BA	154,932	1,129,671
OT	155,872	1,134,400
Discretionary Action:		
BA	576	4,350
OT	483	3,381
Reauthorizations:		
BA	.....	10,080
OT	.....	4,814
Total:		
BA	155,508	1,144,101

ALLOCATIONS OF SPENDING AUTHORITY TO HOUSE COMMITTEES FOR BUDGET YEAR 2005 AND FUTURE FISCAL YEARS—COMMITTEES OTHER THAN APPROPRIATIONS—Continued

[Millions of dollars]

	2005	Total 2005–2009
OT	156,355	1,142,595
Financial Services Committee		
Current Law:		
BA	3,855	17,997
OT	−361	−4,931
Discretionary Action:		
BA	1	17
OT	1	17
Total:		
BA	3,856	18,014
OT	−360	−4,914
Government Reform Committee		
Current Law:		
BA	69,443	374,624
OT	67,754	365,868
Discretionary Action:		
BA	1	19
OT	1	19
Total:		
BA	69,444	374,643
OT	67,755	365,887
Committee on House Administration		
Current Law:		
BA	77	374
OT	35	359
International Relations committee		
Current Law:		
BA	11,425	62,733
OT	11,712	59,925
Resources Committee		
Current Law:		
BA	4,788	20,522
OT	3,792	18,794
Discretionary Action:		
BA	2	10
OT	2	10
Total:		
BA	4,790	20,532
OT	3,794	18,804
Judiciary Committee		
Current Law:		
BA	9,357	34,610
OT	8,790	34,642
Discretionary Action:		
BA	15	35
OT	15	35
Total:		
BA	9,372	34,645
OT	8,805	34,677
Transportation and Infrastructure Committee		
Current Law:		
BA	16,755	77,995
OT	13,788	68,720
Discretionary Action:		
BA	1,737	22,070
OT	4	12
Reauthorizations:		
BA	41,010	212,450
OT	330	2,630
Total:		
BA	59,502	312,515

ALLOCATIONS OF SPENDING AUTHORITY TO HOUSE COMMITTEES FOR BUDGET YEAR 2005 AND FUTURE FISCAL YEARS—COMMITTEES OTHER THAN APPROPRIATIONS—Continued

[Millions of dollars]

	2005	Total 2005–2009
OT	14,122	71,362
Science Committee		
Current Law:		
BA	31	159
OT	112	326
Small Business Committee		
Current Law:		
BA	.....	.....
OT	.....	.....
Veterans' Affairs Committee		
Current Law:		
BA	1,247	6,225
OT	1,266	6,500
Reauthorizations:		
BA	467	7,530
OT	466	7,388
Total:		
BA	1,714	13,755
OT	1,732	13,888
Ways and Means Committee		
Current Law:		
BA	641,589	3,782,374
OT	643,106	3,788,443
Discretionary Action:		
BA	1,368	3,470
OT	804	3,244
Reconciliation:		
BA	.....	4,600
OT	.....	4,600
Reauthorizations:		
BA	19,606	100,666
OT	18,606	100,069
Total:		
BA	662,563	3,891,110
OT	662,516	3,896,356

ECONOMIC ASSUMPTIONS

Section 301(g)(2) of the Congressional Budget Act requires that the joint explanatory statement accompanying a conference report on a budget resolution set forth the common economic assumptions upon which the joint statement and conference report are based. The conference agreement is built upon the economic forecasts developed by the Congressional Budget Office [CBO] and presented in CBO's ''The Budget and Economic Outlook: Fiscal Years 2005–2014'' (January 2004).

Senate Resolution.—CBO's economic assumptions were used.

House Amendment.—CBO's economic assumptions were used.

Conference Agreement.—CBO's economic assumptions were used.

ECONOMIC ASSUMPTIONS OF BUDGET RESOLUTION

[Calendar Years 2004–2009]

	2004	2005	2006	2007	2008	2009
Percent Change (Year to Year):						
Real GDP	4.8	4.2	3.2	2.7	2.8	2.8
GDP Price Index	1.1	1.1	1.5	1.8	1.9	1.9
Consumer Price Index	1.6	1.7	2.0	2.2	2.2	2.2
Annual Rate:.						
Unemployment	5.8	5.3	5.0	5.1	5.2	5.2
Three-Month T-Bill	1.3	3.0	4.0	4.6	4.6	4.6
Ten-Year T-Note	4.6	5.4	5.5	5.5	5.5	5.5

Source: CBO.

PUBLIC DEBT: AMENDING THE STATUTORY LIMIT PURSUANT TO HOUSE RULE XXVII

The adoption of this conference agreement by the two Houses would result in the engrossment of a House Joint Resolution adjusting the level of the statutory limit on the public debt pursuant to House Rule XXVII. In consonance with clause 3 of that rule, the conferees contemplate a joint resolution of the following form:

Resolved, by the Senate and the House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 3101 of title 31, United States Code, is amended by striking out the dollar limitation contained in such subsection and inserting in lieu thereof $8,074,000,000,000.

If the joint resolution is enacted to raise the debt limit to the level contemplated by this conference agreement, the limit will be increased from $7.384 trillion to $8.074 trillion.

Legislative jurisdiction over the public debt remains with the Finance Committee in the Senate and the Committee on Ways and Means in the House.

General Considerations

Rule XXVII in the House, related to amending the statutory public debt level, does not preclude the committees of jurisdiction from originating public debt limit bills whenever necessary. The Senate resolution includes a reconciliation instruction to the Finance Committee to report a bill increasing the statutory limit on the public debt; the House amendment contains no debt limit reconciliation language. The conference agreement contains instructions to the Finance Committee in the Senate to report a bill to increase the statutory debt limit by $690 billion.

JIM NUSSLE,
ROB PORTMAN,
Managers on the Part of the House.

DON NICKLES,
PETE DOMENICI,
CHUCK GRASSLEY,
JUDD GREGG,
Managers on the Part of the Senate.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 6 o'clock and 9 minutes a.m.), the House stood in recess subject to the call of the Chair.

□ 0954

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. DREIER) at 9 o'clock and 54 minutes a.m.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4200, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005

Mr. HASTINGS of Washington, from the Committee on Rules, submitted a privileged report (Rept. No. 108–499) on the resolution (H. Res. 648) providing for consideration of the bill (H.R. 4200) to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2005, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF CONFERENCE REPORT ON S. CON. RES. 95, CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2005

Mr. HASTINGS of Washington, from the Committee on Rules, submitted a privileged report (Rept. No. 108–500) on the resolution (H. Res. 649) providing for consideration of the conference report to accompany the Senate concurrent resolution (S. Con. Res. 95) setting forth the congressional budget for the United States Government for fiscal year 2005 and including the appropriate budgetary levels for fiscal years 2006 through 2009, which was referred to the House Calendar and ordered to be printed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HAYWORTH (at the request of Mr. DELAY) for today after 5:00 p.m. and May 19 on account of family reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCDERMOTT) to revise and extend their remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

Mr. EMANUEL, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. MCDERMOTT, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mr. HINCHEY, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

(The following Members (at the request of Mr. NUSSLE) to revise and extend their remarks and include extraneous material:)

Mr. FEENEY, for 5 minutes, May 19.

Mr. BILIRAKIS, for 5 minutes, May 20.

Mr. HUNTER, for 5 minutes, today.

SENATE CONCURRENT RESOLUTION

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 103. Concurrent resolution honoring the contributions of the women, symbolized by ''Rosie the Riveter'', who served on the homefront during World War II, and for other purposes; to the Committee on Education and the Workforce.

ADJOURNMENT

Mr. HASTINGS of Washington. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 55 minutes a.m.), legislative day of Tuesday, May 18, 2004, the House adjourned until today, Wednesday, May 19, 2004, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8178. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Phosphomannose Isomerase and the Genetic Material Necessary for Its Production in All Plants; Exemption from the Requirement of a Tolerance [OPP-2004-0135; FRL-7358-9] received May 13, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8179. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's ''Major'' final rule — Control of Emissions of Air Pollution from Nonroad Diesel Engines and Fuel [OAR-2003-0012; FRL-7662-4] (RIN: 2060-AK27) received May 13, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8180. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Revisions to the California State Implementation Plan; San Joaquin Valley Unified Air Pollution Control District [CA 280-0444; FRL-7657-3] received May 13, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8181. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Approval and Promulgation of Implementation Plans; State of Missouri [R07-OAR-2004-MO-0001 FRL-7661-4] received May 13, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8182. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Revisions to the California State Implementation Plan, San Joaquin Valley Unified Air Pollution Control District [CA269-0452; FRL-7659-8] received May 13, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8183. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Approval and Promulgation of Air Quality Implementation Plans; Maryland; Revisions to the 2005 ROP Plan for the Cecil County Portion of the Philadelphia-Wilmington-Trenton 1-Hour Ozone Nonattainment Area to Reflect the Use of MOBILE6 [MD161-3110a; FRL-7648-3] received April 19, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8184. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Approval of Section 112(l) Authority for Hazardous Air Pollutants; Equivalency by Permit Provisions; National Emission Standards for Hazardous Air Pollutants from the Pulp and Paper Industry; Commonwealth of Virginia [VA001-1001a; FRL-7648-4] received April 19, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8185. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Clean Air Act Reclassification, San Joaquin Valley Nonattainment Area; California; Ozone [CA 112-RECLAS, FRL-7648-8] received April 19, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8186. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Conditional Approval and Promulgation of Implementation Plans: Michigan: Oxides of Nitrogen Rules [MI84-02; FRL-7647-6] received April 19, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8187. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Interim Final Determination that State Has Corrected a Deficiency in the Arizona State Implementation Plan, Arizona Department of Environmental Quality [AZ 126-0074b; FRL-7650-3] received April 19, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8188. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — National Environmental Performance Track Program [OA-2004-0001; FRL-7650-6] (RIN: 2090-AA13) received April 19, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Filed on May 19, (legislative day of May 18), 2004]

Mr. NUSSLE: Committee of Conference. Conference report on S. Con. Res. 95. A resolution setting forth the congressional budget for the United States Government for fiscal year 2005 and including the appropriate budgetary levels for fiscal years 2006 through 2009 (Rept. 108–498). Ordered to be printed.

Mrs. MYRICK: Committee on Rules. House Resolution 648. Resolution providing for consideration of the bill (H.R. 4200) to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2005, and for other purposes (Rept. 108–499). Referred to the House Calendar.

Mr. HASTINGS of Washington: Committee on Rules. House Resolution 649. Resolution providing for the consideration of the conference report to accompany the concurrent resolution (S. Con. Res. 95) setting forth the congressional budget for the United States Government for fiscal year 2005 and including the appropriate budgetary levels for fiscal years 2006 through 2009, and for other purposes (Rept. 108–500). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mrs. MALONEY (for herself, Mr. KING of New York, Mr. HINCHEY, Mr. TOWNS, Mr. WALSH, Mr. NADLER, Mr. SERRANO, Mr. WEINER, Mrs. MCCARTHY of New York, and Mr. ISRAEL):

H.R. 4378. A bill to amend title 10, United States Code, to provide that members of the National Guards who served in the counties declared disasters in response to the September 11, 2001, terrorist attacks, and who served under State duty so that they could immediately assist in the response to the terrorist attacks should have that service counted as Federal active duty for purposes of military retirement credit; to the Committee on Armed Services.

By Ms. BALDWIN:

H.R. 4379. A bill to amend the Internal Revenue Code of 1986 to increase the amount which may be excluded from the gross income of an employee for dependent care assistance with respect to dependent care services provided during a taxable year, to adjust such amount each year by the rate of inflation for such year, and for other purposes; to the Committee on Ways and Means.

By Mr. BILIRAKIS:

H.R. 4380. A bill to designate the facility of the United States Postal Service located at 4737 Mile Stretch Drive in Holiday, Florida, as the ''Sergeant First Class Paul Ray Smith Post Office Building''; to the Committee on Government Reform.

By Mr. BOOZMAN (for himself, Mr. SNYDER, Mr. BERRY, and Mr. ROSS):

H.R. 4381. A bill to designate the facility of the United States Postal Service located at 2811 Springdale Avenue in Springdale, Arkansas, as the ''Harvey and Bernice Jones Post Office Building''; to the Committee on Government Reform.

By Ms. CORRINE BROWN of Florida (for herself and Mr. CRENSHAW):

H.R. 4382. A bill to designate the United States courthouse at 300 North Hogan Street, Jacksonville, Florida, as the ''Judge Bryan Simpson United States Courthouse''; to the Committee on Transportation and Infrastructure.

By Mr. DEAL of Georgia (for himself and Mr. NORWOOD):

H.R. 4383. A bill to ensure the continuation of successful fish mitigation programs; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ENGLISH (for himself and Mr. GREENWOOD):

H.R. 4384. A bill to amend the Internal Revenue Code of 1986 to provide parity in reporting requirements for national party committees and unregulated political organizations, and for other purposes; to the Committee on Ways and Means.

By Mr. LYNCH:

H.R. 4385. A bill to provide for the suspension from Federal procurement and nonprocurement activities of persons that have not paid a fine resulting from a violation of the Occupational Safety and Health Act of 1970 that causes the death of an employee; to the Committee on Education and the Workforce, and in addition to the Committee on Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MALONEY (for herself, Mr. SHAYS, Mr. RANGEL, Mr. NADLER, and Mr. MCNULTY):

H.R. 4386. A bill to direct the Secretary of Homeland Security to procure the development and provision of improved and up-to-date communications equipment for the New York City Fire Department, including radios; to the Committee on Energy and Commerce.

By Mr. MEEHAN:

H.R. 4387. A bill to extend military extraterritorial jurisdiction to cover not only personnel and contractor personnel of the Department of Defense, but also personnel and contractor personnel of any Federal agency or provisional authority supporting the mission of the Department of Defense overseas, and for other purposes; to the Committee on the Judiciary.

By Mr. UDALL of New Mexico:

H.R. 4388. A bill to amend the Energy Employees Occupational Illness Compensation Program Act of 2000 to include certain nuclear weapons program workers in the Special Exposure Cohort under the compensation program established by that Act; to the Committee on the Judiciary, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LATOURETTE (for himself, Mr. CASE, Mr. HOEKSTRA, Mr. BROWN of South Carolina, and Mr. PICKERING):

H. Con. Res. 429. Concurrent resolution recognizing the sacrifices of individuals working in Iraq under United States Government contracts, expressing sympathy to those individuals injured or taken captive in Iraq, and expressing condolences to the families of those individuals killed in Iraq; to the Committee on Government Reform.

By Mr. YOUNG of Florida:

H. Con. Res. 430. Concurrent resolution recognizing the importance of early diagnosis, proper treatment, and enhanced public awareness of Tourette Syndrome and supporting the goals and ideals of National Tourette Syndrome Awareness Month; to the Committee on Energy and Commerce.

By Mr. DAVIS of Illinois (for himself, Mr. BILIRAKIS, Mr. CAPUANO, Mr. BONILLA, Mr. ROSS, Mr. OWENS, Ms. CORRINE BROWN of Florida, Mr. MATSUI, Mr. THOMPSON of California, Mr. BALLANCE, Mr. LYNCH, Mr. ABERCROMBIE, Mr. CASE, Ms. BORDALLO, Mr. JOHN, Mr. MEEHAN, Mr. SERRANO, Mr. MCNULTY, Mr. TOWNS, Mr. STENHOLM, Mr. WAXMAN, Mr. BISHOP of Georgia, Mr. RODRIGUEZ, Mr. MCINTYRE, Mr. MCGOVERN, Mr. BELL, Mr. CONYERS, Ms. SLAUGHTER, Mr. CARDOZA, Mr. SANDERS, Mr. SCOTT of Virginia, Ms. LOFGREN, Mr. BEREUTER, and Mr. THOMPSON of Mississippi):

H. Res. 646. A resolution expressing the sense of the House of Representatives that there should be established a National Community Health Center Week to raise awareness of health services provided by community, migrant, public housing, and homeless health centers; to the Committee on Government Reform.

By Mr. DEAL of Georgia:

H. Res. 647. A resolution supporting the goals of National Marina Day and urging marinas to continue providing environmentally friendly gateways to boating; to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 141: Mr. LEWIS of Kentucky.

H.R. 218: Mr. GRIJALVA.

H.R. 290: Mr. RUSH.

H.R. 296: Mr. BOUCHER.

H.R. 371: Mr. BRADY of Pennsylvania, Mr. KUCINICH, and Mr. BERMAN.

H.R. 491: Mr. MARSHALL.

H.R. 571: Mr. BURR.

H.R. 687: Mr. SWEENEY.

H.R. 713: Mr. GERLACH and Mr. THOMPSON of California.

H.R. 857: Mr. GRAVES, Ms. GINNY BROWN-WAITE of Florida, and Mr. GONZALEZ.

H.R. 974: Mr. MARSHALL.

H.R. 1043: Mr. BILIRAKIS.

H.R. 1097: Ms. MILLENDER-MCDONALD.

H.R. 1117: Mr. OWENS.

H.R. 1155: Mr. DAVIS of Alabama and Mr. SCHIFF.

H.R. 1222: Mr. BAIRD.

H.R. 1310: Mr. MARSHALL.
H.R. 1534: Ms. WATSON.
H.R. 1567: Mr. GARRETT of New Jersey.
H.R. 1700: Ms. DELAURO and Mr. MENENDEZ.
H.R. 1735: Mr. RYAN of Ohio.
H.R. 1811: Mr. SIMMONS.
H.R. 1838: Ms. LINDA T. SANCHEZ of California.
H.R. 1906: Mr. RODRIGUEZ.
H.R. 2118: Mr. SCHIFF.
H.R. 2203: Ms. ROS-LEHTINEN.
H.R. 2296: Mrs. JOHNSON of Connecticut.
H.R. 2387: Mr. KILDEE, Mr. LAMPSON, and Ms. MAJETTE.
H.R. 2494: Mr. OSBORNE.
H.R. 2527: Ms. NORTON, Ms. LORETTA SANCHEZ of California, Mr. WYNN, Mr. DEFAZIO, and Ms. MAJETTE.
H.R. 2536: Mr. SIMMONS.
H.R. 2709: Mrs. LOWEY.
H.R. 2807: Mr. HINOJOSA.
H.R. 2824: Ms. DELAURO and Mr. TERRY.
H.R. 3000: Mr. RANGEL.
H.R. 3014: Mr. PRICE of North Carolina.
H.R. 3015: Mr. HOEKSTRA.
H.R. 3058: Mr. BERRY.
H.R. 3099: Mr. RANGEL.
H.R. 3184: Mr. OBERSTAR.
H.R. 3292: Mr. DOOLEY of California and Mr. BERMAN.
H.R. 3307: Mr. PETERSON of Minnesota.
H.R. 3323: Mr. MCNULTY.
H.R. 3386: Mr. STARK.
H.R. 3420: Mr. NADLER, Mr. SHERMAN, Mr. HOLT, and Mr. PAYNE.
H.R. 3470: Mr. KING of New York.
H.R. 3474: Ms. ROYBAL-ALLARD, Mr. LOBIONDO, Ms. LOFGREN, and Mr. BURTON of Indiana.
H.R. 3480: Mr. CONYERS and Mr. FRANK of Massachusetts.
H.R. 3842: Mr. OBERSTAR.
H.R. 3558: Mrs. BONO and Mr. STARK.
H.R. 3579: Mr. RODRIGUEZ.
H.R. 3716: Mr. NEAL of Massachusetts.
H.R. 3779: Mr. ENGLISH and Mr. BAIRD.
H.R. 3799: Mr. STEARNS and Mr. COLLINS.
H.R. 3803: Mr. ISRAEL.
H.R. 3924: Mrs. WILSON of New Mexico.
H.R. 3927: Mr. VAN HOLLEN.
H.R. 3951: Mr. BAIRD and Mr. CAMP.
H.R. 3965: Mr. MCDERMOTT.
H.R. 3974: Mr. RUSH and Mr. SANDERS.
H.R. 4063: Mr. ALLEN.
H.R. 4065: Mr. BURGESS.
H.R. 4113: Mr. ENGLISH.
H.R. 4125: Mr. PAYNE.
H.R. 4126: Mr. BARRETT of South Carolina, Mr. BOUCHER, Mr. CALVERT, Mr. CHANDLER, and Mr. NEUGEBAUER.
H.R. 4155: Mr. MCHUGH and Mr. OWENS.
H.R. 4203: Mr. GILLMOR.
H.R. 4217: Mr. COSTELLO and Mr. CALVERT.
H.R. 4235: Mr. BERMAN.
H.R. 4260: Mr. OWENS.
H.R. 4270: Mr. GEORGE MILLER of California, Ms. DELAURO, Mr. ANDREWS, Mr. PAYNE, Ms. WOOLSEY, and Mr. KUCINICH.
H.R. 4290: Ms. LEE.
H.R. 4307: Mrs. MILLER of Michigan, Mr. MANZULLO, Mr. FROST, Mr. NEUGEBAUER, Mr. SULLIVAN, and Mr. SESSIONS.
H.R. 4334: Mr. KIRK and Mr. MCNULTY.
H.R. 4341: Mr. WELDON of Pennsylvania, Mrs. EMERSON, and Mr. LANTOS.
H.R. 4346: Mr. STENHOLM, Mr. JOHN, Mr. NADLER, Mr. RYAN of Ohio, Mr. SCOTT of Virginia, Mr. SCOTT of Georgia, Mr. MEEK of Florida, Mrs. CHRISTENSEN, Mr. GREEN of Texas, Ms. BALDWIN, Mr. VAN HOLLEN, Ms. BORDALLO, Mr. BROWN of Ohio, Mr. DAVIS of Illinois, Mr. DEFAZIO, Mrs. DAVIS of California, Mr. FARR, Ms. BERKLEY, Mr. HONDA, Mr. HOLDEN, Mr. KILDEE, Mr. FATTAH, Ms. KAPTUR, Mr. KUCINICH, Ms. MCCARTHY of Missouri, Ms. KILPATRICK, Mr. MCINTYRE, Ms. MILLENDER-MCDONALD, and Mr. MORAN of Kansas.
H.R. 4347: Mr. PAYNE, Mr. CRAMER, Mr. ACKERMAN, Mrs. JOHNSON of Connecticut, and Mr. ENGLISH.
H.R. 4349: Mrs. MCCARTHY of New York.
H.R. 4363: Mr. GRIJALVA and Mr. ETHERIDGE.
H.R. 4370: Ms. MAJETTE and Mr. CROWLEY.
H.J. Res. 56: Mr. BILIRAKIS.
H.J. Res. 93: Mrs. MILLER of Michigan and Mr. PICKERING.
H. Con. Res. 163: Mr. OWENS.
H. Con. Res. 257: Ms. LOFGREN, Mr. GRIJALVA, and Mr. BILIRAKIS.
H. Con. Res. 330: Mr. MOORE.
H. Con. Res. 371: Mr. BONNER, Mr. UDALL of Colorado, Mr. BOYD, and Mr. CAMP.
H. Con. Res. 384: Mr. GRIJALVA, Mr. MORAN of Virginia, Mr. PALLONE, Ms. WOOLSEY, and Ms. KAPTUR.
H. Con. Res. 391: Ms. SCHAKOWSKY.
H. Con. Res. 400: Mr. BISHOP of New York, Mr. COOPER, Mr. STENHOLM, Mr. HILL, Mr. ROSS, Mr. BISHOP of Georgia, Mr. CARDOZA, Mr. WOLF, Mr. WAMP, Mr. JENKINS, Mr. GRIJALVA, Mr. FROST, Mrs. BLACKBURN, Mr. MICHAUD, Mr. TURNER of Texas, Mr. BERRY, Mr. CASE, Mr. MCINTYRE, Mr. ALEXANDER, Mr. CRAMER, Mr. MOORE, Mr. ISRAEL, Mr. THOMPSON of California, Mr. POMEROY, Mr. BOSWELL, Mr. LUCAS of Kentucky, Mr. TANNER, Mr. SCHIFF, Mr. BACHUS, Mr. VITTER, Mr. ACEVEDO-VILA, Mr. PASTOR, Mr. MATHESON, Mr. GORDON, Mr. UDALL of Colorado, Mr. SCOTT of Virginia, Ms. HARRIS, and Mr. CHOCOLA.
H. Con. Res. 405: Mr. PETERSON of Minnesota and Mr. DUNCAN.
H. Con. Res. 406: Mr. GRIJALVA, Mr. HONDA, and Mr. SANDERS.
H. Con. Res. 427: Mr. MEEKS of New York.
H. Res. 60: Mr. MILLER of North Carolina.
H. Res. 514: Mr. CASE.
H. Res. 570: Mr. KUCINICH.
H. Res. 611: Mr. PETERSON of Minnesota, Mr. BOYD, Mr. RYAN of Ohio, Mr. ETHERIDGE, Mr. KILDEE, Mr. LANGEVIN, Ms. KILPATRICK, Mr. HOLDEN, Mr. ENGEL, and Mr. MICHAUD.
H. Res. 621: Mr. MCHUGH, Mr. MCNULTY, and Mr. MCDERMOTT.
H. Res. 640: Mr. RANGEL.
H. Res. 642: Mr. LANTOS.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 4200,

OFFERED BY: MR. EMANUEL

AMENDMENT NO. 1: At the end of title V (page 200, after line 24), insert the following new section:

SEC. ___. PERSONNEL POLICIES.

(a) The Secretary of Defense may not assign a member of the Armed Forces, and a private sector organization may not solicit the assignment of a member of the Armed Forces, currently deployed as part of Operation Iraqi Freedom or Operation Enduring Freedom to a private sector contractor unless the commanding officer of the unit from which the military member is designated authorizes such assignment and certifies that the assignment is necessary to save American lives or to accommodate the short-term dictates of the combat zone.

(b) In the case of National Guard units currently mobilized for deployment in support of either of those operations, those units are deployed and mobilized to perform the mission specified on their Table of Organization and Equipment for which they were federally recognized to support the Combatant Commander and are to be used in a manner in which they have been organized and trained, not to supply labor for a civilian contractor or any activity that violates the traditional employment of military personnel in a manner that disregards the risks to their lives.

Daily Digest

HIGHLIGHTS

Senate passed H.R. 3104, Afghanistan/Iraq Campaign Medals.

Senate

Chamber Action

Routine Proceedings, pages S5559–S5728

Measures Introduced: Eight bills and one resolution were introduced, as follows: S. 2430–2437, and S. Res. 364. **Page S5706**

Measures Passed:

Afghanistan/Iraq Campaign Medals: By a unanimous vote of 98 yeas (Vote No. 96), Senate passed H.R. 3104, to provide for the establishment of separate campaign medals to be awarded to members of the uniformed services who participate in Operation Enduring Freedom and to members of the uniformed services who participate in Operation Iraqi Freedom, clearing the measure for the President.

Pages S5566–69

Premier Certified Lenders Program Improvement Act: Committee on Small Business and Entrepreneurship was discharged from further consideration of H.R. 923, to amend the Small Business Investment Act of 1958 to allow certain premier certified lenders to elect to maintain an alternative loss reserve, and the bill was then passed, clearing the measure for the President. **Pages S5726–27**

Department of Defense Authorization Act: Senate continued consideration of S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, taking action on the following amendments proposed thereto:

Pages S5569–73, S5582–93

Rejected:

By 47 yeas to 49 nays (Vote No. 98), Lott Amendment No. 3158, to provide that the 2005 base closure round shall apply solely to military installations located outside the United States and to provide for expedited consideration by Congress of a proposal for a base closure round in 2007 on military installations located inside the United States.

Pages S5569–73, S5583–5593

Withdrawn:

Domenici Amendment No. 3162, to accelerate the removal or security of fissile materials, radiological materials, and related equipment at vulnerable sites worldwide. **Pages S5582, S5594**

Pending:

Lautenberg Amendment No. 3151, to clarify the application of Presidential action under the International Emergency Economic Powers Act.

Page S5569

A unanimous-consent agreement was reached providing for the further consideration of the bill at approximately, 11 a.m., on Wednesday, May 19, 2004.

Project Bioshield Act—Agreement: A unanimous-consent agreement was reached providing that on Wednesday, May 19, 2004, at a time to be determined by the Majority Leader in consultation with the Democratic Leader, Senate proceed to the consideration of S. 15, to amend the Public Health Service Act to provide for the payment of compensation for certain individuals with injuries resulting from the administration of smallpox countermeasures, to provide protections and countermeasures against chemical, radiological, or nuclear agents that may be used in a terrorist attack against the United States, and to improve immunization rates by increasing the distribution of vaccines and improving and clarifying the vaccine injury compensation program, that the only amendment in order be a Gregg/Kennedy amendment in the nature of a substitute; that there be two hours of debate equally divided; that upon the use or yielding back of time, the substitute amendment be agreed to, the committee amendment, as amended, be agreed to; and the Senate then proceed to a vote on final passage of the bill.

Page S5726

Nominations Confirmed: Senate confirmed the following nomination:

By unanimous vote of 96 yeas (Vote No. Ex. 97), Marcia G. Cooke, of Florida, to be United States District Judge for the Southern District of Florida. **Pages S5574–75, S5728**

(Prior to the vote on confirmation of the nomination (listed above), Senate vitiated the vote on the motion to invoke cloture thereon.) **Page S5574**

Nominations Received: Senate received the following nominations:

Alan Greenspan, of New York, to be Chairman of the Board of Governors of the Federal Reserve System for a term of four years. (Reappointment)

Captain Samuel P. DeBow, Jr., NOAA for appointment to the grade of Rear Admiral (O–8), while serving in a position of importance and responsibility as Director, NOAA Corps and Director, Office of Marine and Aviation Operations, National Oceanic and Atmospheric Administration, under the provisions of Title 33, United States Code, Section 3028(d)(1).

Captain Richard R. Behn, NOAA for appointment to the grade of Rear Admiral (O–7), while serving in a position of importance and responsibility as Director, Marine and Aviation Operations Centers, National Oceanic and Atmospheric Administration, under the provisions of Title 33, United States Code, Section 3028(d)(1).

Routine lists in the Foreign Service, and National Oceanic and Atmospheric Administration. **Pages S5727–28**

Messages From the House: **Page S5605**

Measures Referred: **Page S5605**

Measures Placed on Calendar: **Page S5605**

Petitions and Memorials: **Pages S5605–7**

Additional Cosponsors: **Pages S5607–9**

Statements on Introduced Bills/Resolutions: **Pages S5609–13**

Additional Statements: **Pages S5603–4**

Amendments Submitted: **Pages S5613–21**

Notices of Hearings/Meetings: **Page S5622**

Authority for Committees to Meet: **Page S5622**

Privilege of the Floor: **Page S5622**

Text of S. 1637 as Previously Passed: **Pages S5622–S5726**

Record Votes: Three record votes were taken today. (Total—98) **Pages S5569, S5575, S5593**

Adjournment: Senate convened at 9:45 a.m., and adjourned at 6:44 p.m., until 9:30 a.m., on Wednesday, May 19, 2004. (For Senate's program, see the remarks of the Majority Leader in today's Record on page S5727.)

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS: HIV/AIDS FUNDING

Committee on Appropriations: Subcommittee on Foreign Operations concluded a hearing to examine proposed budget estimates for fiscal year 2005 for foreign assistance, focusing on HIV/AIDS, after receiving testimony from Randall L. Tobias, Global HIV/AIDS Coordinator, Department of State; and Bono, DATA, Washington, D.C.

TERRORISM RISK INSURANCE PROGRAM

Committee on Banking, Housing, and Urban Affairs: Committee concluded an oversight hearing to examine the Terrorism Risk Insurance Program, which established a temporary Federal program of shared public and private compensation for insured commercial property and casualty losses resulting from acts of terrorism covered by the Terrorism Risk Insurance Act, after receiving testimony from Brian C. Roseboro, Under Secretary of the Treasury for Domestic Finance; Richard J. Hillman, Director, Financial Markets and Community Investment, General Accounting Office; Donna Lee Williams, Delaware Department of Insurance, Dover, on behalf of the National Association of Insurance Commissioners; J. Robert Hunter, Consumer Federation of America, Washington, D.C.; John J. Degnan, Chubb Corporation, Warren, New Jersey, on behalf of sundry organizations; Christopher Nassetta, Host Marriott Corporation, Bethesda, Maryland, on behalf of the Coalition to Insure Against Terrorism; and Jacques E. Dubois, Swiss Re America Holding Corporation, Armonk, New York.

FAA OVERSIGHT

Committee on Commerce, Science, and Transportation: Committee concluded an oversight hearing to examine the Federal Aviation Administration, focusing on airline flight operations, congestion caused by regional jets, low-cost carrier expansion, and new airport security screening procedures, the aviation trust fund, and establishing a new air traffic organization, after receiving testimony from Kenneth M. Mead, Inspector General, and Marion Blakey, Administrator, Federal Aviation Administration, both of the Department of Transportation; and JayEtta Z. Hecker, Director, Physical Infrastructure Issues, General Accounting Office.

DOE CONTRACTING

Committee on Energy and Natural Resources: Committee concluded a hearing to examine implications of a 1999 change in reporting of small business contracts by the Department of Energy (DOE), focusing on

the potential benefits and risks of the change, and the efforts of the Office of Small Disadvantaged Utilization to reach out to small businesses and encourage them to do business with DOE, after receiving testimony from Kyle E. McSlarrow, Deputy Secretary of Energy; Robin M. Nazzaro, Director, Natural Resources and Environment, General Accounting Office; Ann Sullivan, Women Impacting Public Policy, Oklahoma City, Oklahoma; Joan B. Woodard, Sandia National Laboratories, Albuquerque, New Mexico; Robert Thompson, Energy Communities Alliance, Richland, Washington.

IRAQ'S TRANSITION

Committee on Foreign Relations: Committee held a hearing to examine the way ahead in Iraq, focusing on the transition to sovereignty and democracy and securing a stable, peaceful, and economically vital region, receiving testimony from Paul Wolfowitz, Deputy Secretary of Defense, and Lieutenant General Walter L. Sharp, Director, Strategic Plans and Policy, Joint Chiefs of Staff, both of the Department of Defense; and Richard L. Armitage, Deputy Secretary of State.

Hearings continue tomorrow.

NOMINATIONS

Committee on Foreign Relations: Committee concluded a hearing to examine the nominations of William R. Brownfield, of Texas, to be Ambassador to Venezuela, and John D. Rood, of Florida, to be Ambassador to the Bahamas, after each nominee testified and answered questions in their own behalf.

ANIMAL RIGHTS TERRORISM

Committee on the Judiciary: Committee concluded a hearing to examine the threat of animal rights extremism and eco-terrorism, focusing on law enforcement needs to pursue and prosecute those who commit violent acts against institutions that conduct animal research, after receiving testimony from McGregor W. Scott, U.S. Attorney, Eastern District of California; John E. Lewis, Deputy Assistant Director, Counterterrorism Division, Federal Bureau of Investigation, Department of Justice; William Green, Chiron Corporation, Emeryville, California; Jonathan Blum, Yum! Brands Inc., Louisville, Kentucky and Stuart M. Zola, Emory University Yerkes National Primate Research Laboratory, Atlanta, Georgia, on behalf of the National Association for Biomedical Research.

SOCIAL SECURITY REFORM

Special Committee on Aging: Committee concluded a hearing to examine social security reform issues, and comparing the U.S. social security system with other nations', focusing on pension systems in Japan, Germany, the United Kingdom, and Chile, demographic factors, taxes, scheduled benefits, and investment returns, after receiving testimony from James B. Lockhart III, Deputy Commissioner, Social Security Administration; Yoshinori Ohno, Member, Japan's House of Representatives, Tokyo; Vincent J. Truglia, Moody's Investors Service, New York, New York; Axel Boersch-Supan, University of Mannheim Research Institute for the Economics of Aging, Mannheim, Germany; David O. Harris, Watson Wyatt Worldwide, London, England; and L. Jacobo Rodriguez, CATO Institute, Washington, D.C.

House of Representatives

Chamber Action

Measures Introduced: 11 public bills, H.R. 4378–4388; and 4 resolutions, H. Con. Res. 429–430, and H. Res. 646–647 were introduced.

Page H3229

Additional Cosponsors: **Pages H3229–30**

Reports Filed: Reports were filed today as follows:

Conference report on S. Con. Res. 95, setting forth the congressional budget for the United States Government for fiscal year 2005 and including the appropriate budgetary levels for fiscal years 2006 through 2009 (H. Rept. 108–498);

H. Res. 648, providing for consideration of H.R. 4200, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2005 (H. Rept. 108-499); and

H. Res. 649, providing for consideration of the conference report to accompany S. Con. Res. 95, original concurrent resolution setting forth the congressional budget for the United States Government for fiscal year 2005 and including the appropriate budgetary levels for fiscal years 2006 through 2009 (H. Rept. 108-500). **Pages H3187–H3227, H3229**

Speaker: Read a letter from the Speaker wherein he appointed Representative Bishop of Utah to act as Speaker pro tempore for today. **Page H3095**

Chaplain: The prayer was offered today by Rev. Maury Davis, Pastor, Cornerstone Church in Madison, Tennessee. **Page H3095**

Recess: The House recessed at 9:01 a.m. and reconvened at 10 a.m. **Page H3095**

Occupational Safety and Health Small Business Day in Court Act of 2004: The House passed H.R. 2728, amended, to amend the Occupational Safety and Health Act of 1970 to provide for adjudicative flexibility with regard to an employer filing of a notice of contest following the issuance of a citation by the Occupational Safety and Health Administration, by a yea-and-nay vote of 251 yeas to 177 nays, Roll No. 183. **Pages H3107–15, S3160–61,**

Pursuant to the rule, the amendment in the nature of a substitute recommended by the Committee on Education and the Workforce that is printed in the bill was considered as adopted. **Page H3108**

Pursuant to section 6 of H. Res. 645, the text of H.R. 2729, H.R. 2730, H.R. 2731, and H.R. 2432 will be appended to the engrossment of H.R. 2728; and H.R. 2729, H.R. 2730, H.R. 2731, and H.R. 2432 are laid on the table. **Page H3161**

Also pursuant to section 6 of H. Res. 645, the title of H.R. 2728 is conformed to reflect the additions of the text of all the bills. Conformed so as to read: to amend the Occupational Safety and Health Act of 1970 to provide for adjudicative flexibility with regard to an employer filing of a notice of contest following the issuance of a citation by the Occupational Safety and Health Administration; to provide for greater efficiency at the Occupational Safety and Health Review Commission; to provide for an independent review of citations issued by the Occupational Safety and Health Administration; to provide for the award of attorney's fees and costs to very small employers when they prevail in litigation prompted by the issuance of citations by the Occupational Safety and Health Administration; and to amend the Paperwork Reduction Act and titles 5 and 31, United States Code, to reform Federal paperwork and regulatory processes.

H. Res. 645, the rule providing for consideration of the bill was agreed to by a yea-and-nay vote of 219 yeas to 195 nays, Roll No. 180.

Pages H3099–H3105

Occupational Safety and Health Review Commission Efficiency Act of 2004: The House passed H.R. 2729, amended, to amend the Occupational Safety and Health Act of 1970 to provide for greater efficiency at the Occupational Safety and Health Review Commission, by a yea-and-nay vote of 228 yeas to 199 nays, Roll No. 184. **Pages H3115–23, H3130–31**

Pursuant to the rule, the amendment in the nature of a substitute recommended by the Committee on Education and the Workforce that is printed in the bill, modified by the amendment printed in part A of H. Rept. 108–497 was considered as adopted. **Page H3115**

H. Res. 645, the rule providing for consideration of the bill was agreed to by a yea-and-nay vote of 219 yeas to 195 nays, Roll No. 180.

Pages H3099–H3105

Occupational Safety and Health Independent Review of OHSA Citiations Act of 2004: The House passed H.R. 2730, amended, to amend the Occupational Safety and Health Act of 1970 to provide for an independent review of citations issued by the Occupational Safety and Health Administration, by a yea-and-nay vote of 224 yeas to 204 nays, Roll No. 185. **Pages H3124–30, H3131–32**

Pursuant to the rule, the amendment recommended by the Committee on Education and the Workforce that is printed in the bill, as modified by the amendment printed in part B of H. Rept. 108–497 was considered as adopted. **Page H3124**

H. Res. 645, the rule providing for consideration of the bill was agreed to by a yea-and-nay vote of 219 yeas to 195 nays, Roll No. 180.

Pages H3099–H3105

Occupational Safety and Health Small Employer Access to Justice Act of 2004: The House passed H.R. 2731, amended, to amend the Occupational Safety and Health Act of 1970 to provide for the award of attorney's fees and costs to very small employers when they prevail in litigation prompted by the issuance of citations by the Occupational Safety and Health Administration, by a yea-and-nay vote of 233 yeas to 194 nays, Roll No. 189.

Pages H3132–40, H3160–61

Pursuant to the rule, the amendment in the nature of a substitute recommended by the Committee on Education and the Workforce that is printed in the bill, as modified by the amendment printed in part C of H. Rept. 108–497 was considered as adopted. **Page H3133**

H. Res. 645, the rule providing for consideration of the bill was agreed to by a yea-and-nay vote of 219 yeas to 195 nays, Roll No. 180.

Pages H3099–H3105

Paperwork and Regulatory Improvements Act of 2003: The House passed H.R. 2432, to amend the Paperwork Reduction Act and titles 5 and 31, United States Code, to reform Federal paperwork and regulatory processes, by a yea-and-nay vote of 373 yeas to 54 nays, Roll No. 188. **Pages H3141–3160**

The amendment in the nature of a substitute recommended by the Committee on Government Reform that is printed in the bill was considered as an original bill for the purpose of amendment.

Pages H3152–53

Agreed to the Ose amendment (No. 1 printed in part D of H. Rept. 108–497) that authorizes annual funding for the General Accounting Office's regulatory analysis function and removes the requirement for the Office of Management and Budget to integrate its annual regulatory accounting statement and associated report into the President's fiscal budget documents. **Pages H3153–55**

Rejected the Waxman amendment (No. 2 printed in part D of H. Rept. 108–497) that sought to create an expert commission to study the politicization of science and make recommendations for how to protect science in the regulatory process from political and ideological manipulation and interference, by a recorded vote of 201 ayes to 226 noes, Roll No. 187. **Pages H3155–60**

H. Res. 645, the rule providing for consideration of the bill was agreed to by a yea-and-nay vote of 219 yeas to 195 nays, Roll No. 180.

Page H3099–H3105

Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2004—Motion to Instruct Conferees: The House agreed to table the George Miller of California motion to instruct conferees on H.R. 2660, making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2004, by a recorded vote of 216 ayes to 199 noes, Roll No. 181. **Pages H3106–3107**

Suspension Failed—Undocumented Alien Emergency Medical Assistance Amendments of 2004: The House failed to suspend the rules and pass H.R. 3722, to amend section 1011 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 to impose conditions on Federal reimbursement of emergency health services furnished to undocumented aliens, which was debated on Monday, May 17, by a ⅔ yea-and-nay vote of 88 yeas to 331 nays, Roll No. 182. **Page H3107**

Suspensions: The House agreed to suspend the rules and pass the following measures which were debated on Monday, May 17:

Oscar Scott Woody Post Office Building Designation Act: H.R. 3740, to designate the facility of the United States Postal Service located at 223 South Main Street in Roxboro, North Carolina, as the "Oscar Scott Woody Post Office Building", by a ⅔ yea-and-nay vote of 422 yeas with none voting "nay", Roll No. 186; and **Page H3132**

Bobby Marshall Gentry Post Office Building Designation Act: H.R. 4176, to designate the facility of the United States Postal Service located at 122 West Elwood Avenue in Raeford, North Carolina, as the "Bobby Marshall Gentry Post Office Building", by a ⅔ yea-and-nay vote of 421 yeas with none voting "nay", Roll No. 190. **Pages H3161–62**

Budget Resolution for FY 2005—Motion to Instruct Conferees: The House debated the Stenholm motion to instruct conferees on S. Con. Res. 95, original concurrent resolution setting forth the congressional budget for the United States Government for fiscal year 2005 and including the appropriate budgetary levels for fiscal years 2006 through 2009. Further proceedings were postponed until Wednesday, May 19. **Pages H3162–68**

Representative Price of North Carolina announced his intention to offer a motion to instruct on the measure. **Page H3162**

Senate Message: Message received from the Senate today appears on page H3095.

Senate Referral: S. Con. Res. 103 was referred to the Committee on Education and the Workforce.

Amendments: Amendment ordered printed pursuant to the rule appears on page H3230.

Quorum Calls—Votes: Nine yea-and-nay votes and two recorded votes developed during the proceedings of today and appear on pages H3105, H3106–3107, H3107, H3130, H3130–31, H3131–32, H3132, H3159–60, H3160, H3160–61, and H3161–62. There were no quorum calls.

Recess: The House recessed at 11:36 p.m. and reconvened at 6:08 a.m. on Wednesday, May 19.

Pages H3185, H3187

Recess: The House recessed at 6:09 a.m. on Wednesday, May 19 and reconvened at 9:54 a.m.

Pages H3228

Adjournment: The House met at 9 a.m. and adjourned at 9:55 a.m. on Wednesday, May 19.

Committee Meetings

SUPPORTING OUR INTERCOLLEGIATE STUDENT-ATHLETES: PROPOSED NCAA REFORMS

Committee on Energy and Commerce: Subcommittee on Commerce, Trade and Consumer Protection held a hearing entitled "Supporting Our Intercollegiate Student-Athletes: Proposed NCAA Reforms." Testimony was heard from public witnesses.

NIH ETHICS CONCERNS

Committee on Energy and Commerce: Subcommittee on Oversight and Investigations held a hearing entitled

''NIH Ethics Concerns: Consulting Arrangements and Outside Awards.'' Testimony was heard from Marilyn L. Glynn, Acting Director, Office of Government Ethics; the following officials of the Department of Health and Human Services; Edgar M. Swindell, Associate General Counsel, Ethics Division; Raynard S. Kington, M.D., Deputy Director, NIH; Lance A. Liotta, M.D., Chief, Laboratory of Pathology, J. Carl Barrett, Director, Center for Cancer Research, and Anna D. Barker, Deputy Director, Advanced Technologies and Strategic Partnerships, all with the National Cancer Institute; and Emanuel Petricoin, Lead Microbiologist, Center for Biologics Evaluation and Research, FDA; Jack Maskell, American Law Division, Congressional Research Service, Library of Congress; and a public witness.

MARKET STRUCTURE—SEC PROPOSAL

Committee on Financial Services: Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing entitled ''SEC Proposal on Market Structure: How will Investors Fare?'' Testimony was heard from public witnesses.

IMPROVING FINANCIAL OVERSIGHT

Committee on Financial Services: Subcommittee on Oversight and Investigations held a hearing entitled ''Improving Financial Oversight: A Private Sector View of Anti-Money Laundering Efforts.'' Testimony was heard from public witnesses.

FEDERAL WORKFORCE FLEXIBILITY ACT; ''FIRST YEAR ON THE JOB: CHIEF HUMANCAPITAL OFFICERS''

Committee on Government Reform: Subcommittee on Civil Service and Agency Organization approved for full Committee action, as amended, S. 129, Federal Workforce Flexibility Act of 2003.

The Subcommittee also held a hearing entitled ''First year on the job: Chief Human Capital Officers.'' Testimony was heard from Kay Coles Jones, Director, OPM; Chris Mihm, Managing Director, Strategic Issues, GAO; Reginald Wells, Chief Human Capital Officer, SSA; and a public witness.

ENSURING ACCURACY AND ACCOUNTABILITY IN LAB TESTING

Committee on Government Reform: Subcommittee on Criminal Justice, Drug Policy and Human Resources held a hearing entitled ''Ensuring Accuracy and Accountability in Lab Testing: Does the Experience of Maryland General Hospital Expose Cracks in the System?'' Testimony was heard from the following officials of the Department of Health and Human Services: Steven I. Gutman, M.D., Director, Office of In Vitro Diagnostics Device Evaluation and Safety, FDA; and Sean Tunis, M.D., Chief Clinical Officer, Centers for Medicare and Medicaid Services and Deputy Director, Office of Clinical Standards and Quality, CMS; Nelson J. Sabatini, Secretary, Department of Health and Mental Hygiene, State of Maryland; and public witnesses.

''HOW CAN WE MAXIMIZE PRIVATE SECTOR PARTICIPATION IN TRANSPORTATION?''

Committee on Government Reform: Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs held a hearing entitled ''How Can We Maximize Private Sector Participation in Transportation?'' Testimony was heard from Emil Frankel, Assistant Secretary, Transportation Policy, Department of Transportation; and public witnesses.

SHOULD CHINA JOIN THE NUCLEAR SUPPLIERS GROUP?

Committee on International Relations: Held a hearing on Should China Join the Nuclear Suppliers Group? Testimony was heard from John Wolf, Assistant Secretary, Bureau of Nonproliferation, Department of State.

ANTI-TERRORISM INTELLIGENCE TOOLS IMPROVEMENT ACT

Committee on the Judiciary: Subcommittee on Crime, Terrorism, and Homeland Security held a hearing on H.R. 3179, Anti-Terrorism Intelligence Tools Improvement Act of 2003. Testimony was heard from the following officials of the Department of Justice; Daniel J. Bryant, Assistant Attorney General; and Thomas J. Harrington, Deputy Assistant Director, FBI; and a public witness.

OVERSIGHT—ALIEN SMUGGLING

Committee on the Judiciary: Subcommittee on Immigration, Border Security, and Claims held an oversight hearing entitled ''Pushing the Border Out on Alien Smuggling: New Tools and Intelligence Initiatives,'' Testimony was heard from Joe D. Morton, Principal Deputy Assistant Secretary and Director, Diplomatic Security Service, Department of State; the following officials of the Department of Homeland Security: Robert Harris, Deputy Chief, Border Patrol, Bureau of Customs and Border Protection; and John P. Torres, Deputy Assistant Director, Smuggling and Public Safety, U.S. Immigration and Customs Enforcement; and a public witness.

OVERSIGHT—CHESAPEAKE BAY IN YOUR COMMUNITY: A RESTORATION PLAN

Committee on Resources: Subcommittee on Fisheries Conservation, Wildlife and Oceans held an oversight

hearing on The Chesapeake Bay in Your Community: A Restoration Plan. Testimony was heard from public witnesses.

MISCELLANEOUS MEASURES

Committee on Resources: Subcommittee on Water and Power held a hearing on the following bills: H.R. 4045, To authorize the Secretary of the Interior to prepare a feasibility study with respect to the Mokelumne River; H.R. 3597, To authorize the Secretary of the Interior, through the Bureau of Reclamation, to conduct a feasibility study on the Alder Creek water storage and conservation project in El Dorado County, California; and H.R. 2257, Lower Yellowstone Reclamation Projects Conveyance Act. Testimony was heard from John Keys III, Commissioner, Bureau of Reclamation, Department of the Interior; and public witnesses.

CONFERENCE REPORT—CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2005

Committee on Rules: Committee granted, by a vote of 7 to 4, a rule waiving all points of order against the conference report to accompany S. Con.Res. 95, Setting forth the congressional budget for the United States Government for fiscal year 2005 and including the appropriate budgetary levels for fiscal year 2006 through 2009, and against its consideration. The rule provides that the conference report shall be considered as read. The rule provides one hour of debate in the House equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget. Section 2 provides that upon adoption in the House of the conference report, and until a concurrent resolution on the budget for fiscal year 2005 has been adopted by the Congress, the provisions of the conference report and its joint explanatory statement shall have force and effect in the House and that for the purposes of title III of the Congressional Budget Act of 1974 the conference report shall be considered for the purposes of the House to have been adopted by the Congress. The rule provides that nothing in section 2 may be construed to engage rule XXVII. Section 3 provides that the conferees of the House on H.R. 2660 shall be, and they are hereby discharged and that H.R. 2660 and its accompanying papers, be, and they are hereby, laid on the table.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005

Committee on Rules: Committee granted, by voice vote, a structured rule providing 2 hours of general debate on H.R. 4200, National Defense Authorization Act of Fiscal Year 2005, equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services. The rule waives all points of order against consideration of the bill. The rule provides that the amendment in the nature of a substitute recommended by the Committee on Armed Services now printed in the bill shall be considered as an original bill for the purpose of amendment and shall be considered as read. The rule waives all points of order against the amendment in the nature of a substitute recommended by the Committee on Armed Services. The rule makes in order only those amendments printed in the Rules Committee report accompanying the resolution, and amendments en bloc described in section 3 of the resolution.

The rule provides that amendments shall be considered only in the order specified in the report (except as specified in section 4 of the resolution), may be offered only by a Member designated in the report, shall be debatable for 10 minutes (unless otherwise specified in the report) equally divided and controlled by the proponent and an opponent, shall not be subject to amendment (except that the chairman and ranking minority member of the Committee on Armed Services each may offer one pro forma amendment for the purpose of further debate on any pending amendment), shall be considered as read, and shall be not be subject to a demand for division of the question in the House or in the Committee of the Whole. The rule waives all points of order against the amendments printed in the Rules Committee report and those amendments en bloc as described in section 3 of the resolution. The rule authorizes the Chairman of the Committee on Armed Services, or his designee, to offer amendments en bloc consisting of amendments printed in the Rules Committee report not earlier disposed of, which shall be considered as read, shall be debatable for 20 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services or their designees, and shall not be subject to amendment or demand for a division of the question in the House or in the Committee of the Whole.

The rule provides that the original proponent of an amendment included in such amendments en bloc may insert a statement in the Congressional Record immediately before the disposition of the amendments en bloc. The rule allows the Chairman of the Committee of the Whole to recognize for consideration of any amendment printed in the Rules Committee report out of the order printed, but not sooner than one hour after the chairman of the Committee on Armed Services or a designee announces from the floor a request to that effect. Finally, the

rule provides one motion to recommit with or without instructions. Testimony was heard from Chairman Hunter and Representatives Cunningham, Ehlers, Manzullo, English, Wamp, Whitfield, Goode, Shimkus, Flake, Capito, Johnson of Illinois, Kennedy of Minnesota, Beauprez, Skelton, Spratt, Meehan, Loretta Sanchez, Tauscher, Davis of California, Langevin, Cooper, Meek of Florida, Markey, Dicks, Lantos, Cardin, Slaughter, Price of North Carolina, Waters, Bishop of Georgia, Hastings of Florida, Maloney, Woolsey, Blumenauer, Harman, Strickland, Inslee, Lee, Tierney, Schakowsky, Udall of Colorado, Matheson and Schiff.

OVERSIGHT—VETERANS HOMELESS ASSISTANCE PROGRAMS

Committee on Veterans' Affairs: Held an oversight hearing on homeless assistance programs for veterans. Testimony was heard from the following officials of the Department of Veterans Affairs: Gordon H. Mansfield, Deputy Secretary; and John Kuhn, Homeless Program Coordinator, New Jersey Health Care System; Patricia Carlile, Deputy Assistant Secretary, Special Needs Programs, Department of Housing and Urban Development; Don Winstead, Deputy Assistant Secretary, Planning and Evaluation, Office of Human Services Policy, Department of Health and Human Services; and public witnesses.

REVIEW CIA'S COMPENSATION REFORM INITIATIVE

Permanent Select Committee on Intelligence: Subcommittee on Human Intelligence, Analysis and Counterintelligence met in executive session to hold a hearing to Review CIA's Compensation Reform Initiative, Testimony was heard from departmental witnesses.

COMMITTEE MEETINGS FOR WEDNESDAY, MAY 19, 2004

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Agriculture, Nutrition, and Forestry: business meeting to mark up an original bill to reauthorize child nutrition programs, 10:30 a.m., SH–216.

Committee on Appropriations: Subcommittee on District of Columbia, to hold hearings to examine proposed budget estimates for fiscal year 2005 for the District of Columbia, 10 a.m., SD–138.

Committee on Armed Services: to resume hearings to examine allegations of mistreatment of Iraqi prisoners, 8:30 a.m., SH–216.

Committee on Banking, Housing, and Urban Affairs: to hold an oversight hearing to examine the International Monetary Fund and World Bank, 10 a.m., SD–538.

Committee on Energy and Natural Resources: Subcommittee on Water and Power, to hold hearings to examine S. 900, to convey the Lower Yellowstone Irrigation Project, the Savage Unit of the Pick-Sloan Missouri Basin Program, and the Intake Irrigation Project to the pertinent irrigation districts, S. 1876, to authorize the Secretary of the Interior to convey certain lands and facilities of the Provo River Project, S. 1957, to authorize the Secretary of the Interior to cooperate with the States on the border with Mexico and other appropriate entities in conducting a hydrogecologic characterization, mapping, and modeling program for priority transboundary aquifers, S. 2304 and H.R. 3209, bills to amend the Reclamation Project Authorization Act of 1972 to clarify the acreage for which the North Loup division is authorized to provide irrigation water under the Missouri River Basin project, S. 2243, to extend the deadline for commencement of construction of a hydroelectric project in the State of Alaska, H.R. 1648, to authorize the Secretary of the Interior to convey certain water distribution systems of the Cachuma Project, California, to the Carpinteria Valley Water District and the Montecito Water District, and H.R. 1732, to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Williamson County, Texas, Water Recycling and Reuse Project, 2:30 p.m., SD–366.

Committee on Finance: to hold oversight hearings to examine the Treasury Department and terrorism financing; to be followed by a hearing to examine the nominations of Juan Carlos Zarate, of California, to be Assistant Secretary for Terrorism Finance, and Stuart Levey, of Maryland, to be Under Secretary for Enforcement, both of the Department of the Treasury, and John O. Colvin, of Virginia, to be a Judge of the United States Tax Court, 10 a.m., SD–215.

Committee on Foreign Relations: to continue hearings to examine the way ahead in Iraq, 9:30 a.m., SD–419.

Committee on Indian Affairs: business meeting to consider S.J. Res. 37, to acknowledge a long history of official depredations and ill-conceived policies by the United States Government regarding Indian Tribes and offer an apology to all Native Peoples on behalf of the United States, and S. 2277, to amend the Act of November 2, 1966 (80 Stat. 1112), to allow binding arbitration clauses to be included in all contracts affecting the land within the Salt River Pima-Maricopa Indian Reservation, 10 a.m., SR–485.

Special Committee on Aging: to hold hearings to examine Health Savings Accounts and the New Medicare Law, focusing on the future of health care, 2:30 p.m., SD–628.

House

Committee on Agriculture, hearing to review Agricultural Trade Negotiations, 10 a.m., 1300 Longworth.

Committee on Education and the Workforce, to mark up H.R. 4278, Improving Access to Assistive Technology for Individuals with Disabilities Act of 2004, 10:30 a.m., 2175 Rayburn.

Committee on Energy and Commerce, Subcommittee on Energy and Air Quality, hearing entitled "Regional Energy

Reliability and Security: DOE Authority to Energize the Cross Sound Cable,'' 10 a.m., 2322 Rayburn.

Subcommittee on Telecommunications and the Internet, hearing entitled ''Competition in the Communications Marketplace: How Convergence Is Blurring the Lines Between Voice, Video, and Data Services,'' 11 a.m., 2123 Rayburn.

Committee on Government Reform, Subcommittee on Government Efficiency and Financial Management, to mark up H.R. 3826, Program Assessment and Results Act; followed by an oversight hearing entitled ''Mission Impossible? Fixing NASA's Financial Management,'' 2 p.m., 2247 Rayburn.

Subcommittee on Technology, Information Policy, Intergovernmental Relations and the Census, oversight hearing entitled ''Federal Enterprise Architecture: A Blueprint for Improved Federal IT Investment and Cross-Agency Collaboration and Information Sharing,'' 2 p.m., 2154 Rayburn.

Committee on International Relations, hearing on Implementation of the Millennium Challenge Act, 10:30 a.m., 2172 Rayburn.

Subcommittee on Europe, to mark up H. Res. 642, Providing for the establishment of a commission in the House of Representatives to assist parliaments in emerging democracies, 3 p.m., 2172 Rayburn.

Committee on Resources, to mark up the following bills: H.R. 646, To Expand the boundaries of the Fort Donelson National Battlefield to authorize the acquisition and interpretation of lands associated with the campaign that resulted in the capture of the fort in 1862; H.R. 1156, To amend the Reclamation Wastewater and Groundwater Study and Facilities Act to increase the ceiling on the Federal share of the costs of phase I of the Orange County, California, Regional Water Reclamation Project; H.R. 2619, Kilauea Point National Wildlife Refuge Expansion Act of 2003; H.R. 2831, Newlands Project Headquarters and Maintenance Yard Facility Transfer Act; H.R. 2909, Utah Test and Training Range Protection Act; H.R. 3785, To authorize the exchange of certain land in Everglades Park; H.R. 4115, To amend the Act of November 2, 1966 (80 Stat. 1112), to allow binding arbitration clauses to be included in all contracts affecting the land within the Salt River Pima-Maricopa Indian Reservation; H.R. 4158, To provide for the conveyance to the Government of Mexico of a decommissioned National Oceanic and Atmospheric Administration ship; H.R. 4362, To authorize the Secretary of the Interior to accept a parcel of Federal land in the State of Washington in trust for the Nisqually Tribe, to ensure that the acceptance of such land does not adversely affect the Bonneville Power Administration; S. 144, Noxious Weed Control Act of 2003; and S. 1146, Three Affiliated Tribes Health Facility Compensation Act, 10 a.m., 1324 Longworth.

Committee on Science, Subcommittee on Energy, hearing entitled ''The Impact of Federal Energy Efficiency and Renewable Energy R&D Programs,'' 10 a.m., 2318 Rayburn.

Subcommittee on Environment, Technology, and Standards, hearing entitled ''Homeland Security Research and Development at the EPA: Taking Stock and Looking Ahead,'' 2 p.m., 2318 Rayburn.

Committee on Small Business, hearing entitled ''Red Tape Reduction: Improving the Competitiveness of America's Small Manufacturers,'' 2 p.m., 2360 Rayburn.

Committee on Transportation and Infrastructure, Subcommittee on Aviation, oversight hearing on The Use of Biometrics to Improve Aviation Security, 10 a.m., 2167 Rayburn.

Committee on Veterans' Affairs, to mark up the following bills: H.R. 4231, amended, Department of Veterans Affairs Nurse Recruitment and Retention Act of 2004; H.R. 3936, To amend title 38, United States Code, to authorize the principal office of the United States Court of Appeals for Veterans Claims to be at any location in the Washington, D.C., metropolitan area, rather than only in the District of Columbia, and expressing the sense of Congress that a dedicated Veterans Courthouse and Justice Center should be provided for that Court and those it serves and should be located, if feasible, at a site owned by the United States that is part of or proximate to the Pentagon Reservation; H.R. 4345, To amend title 38, United States Code, to increase the maximum amount of home loan guaranty available under the home loan guaranty program of the Department of Veterans Affairs; H.R. 1716, amended, Veterans Earn and Learn Act of 2004; and H.R. 4175, amended, Veterans' Compensation Cost-of-Living Adjustment Act of 2004, 2 p.m., 334 Cannon.

Subcommittee on Oversight and Investigations, hearing on the Department of Veterans' role in the development of interoperable electronic-medical records systems in the Federal Government, 10 a.m., 334 Cannon.

Permanent Select Committee on Intelligence, executive, to consider pending meeting, 1:45 p.m., executive, Briefing on Department of Defense Intelligence Reform Initiative (DoD HUMINT Reform), 2 p.m., H–405 Capitol.

Next Meeting of the SENATE

9:30 a.m., Wednesday, May 19

Senate Chamber

Program for Wednesday: After the transaction of any morning business (not to extend beyond a period of 90 minutes), Senate will continue consideration of S. 2400, Department of Defense Reauthorization Act. Also, Senate will begin consideration of S. 15, Project Bioshield Act, at a time to be determined.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Wednesday, May 19

House Chamber

Program for Wednesday: Consideration of H.R. 4200, National Defense Authorization Act for Fiscal Year 2005 (subject to a rule).

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