



# BUDGET WEEK

Committee on the Budget • Majority Caucus  
U.S. House of Representatives  
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Summarizing budgetary issues in legislation  
scheduled for the House floor

21 June 2004

Week of 21 June 2004

## SUSPENSION CALENDAR

1) ***Expressing the Gratitude of the House of Representatives for the Contributions Made by America's Community Banks to the Nation's Economic Well-Being and Prosperity and the Sense of the House of Representatives That a Month Should Be Designated as "Community Banking Month"*** (H.Res. 591). 

This resolution has no budget implications.

2) ***Homeownership Opportunities for Native Americans Act of 2004*** (H.R. 4471). 

This bill requires Federal guarantees for tribal housing activities to assure repayment of 95 percent of the unpaid principal and interest due on the notes or other obligations. This increases the cost of loan guarantees made to Indian tribes and designated housing entities under the Native American Housing Assistance and Self-Determination Act of 1996 – by less than \$500,000 a year – subject to appropriations. This is a discretionary Federal credit program that requires annual appropriations bills to establish dollar limitations on the value of loans that may be guaranteed, and to provide a credit subsidy appropriation for the cost of such guarantees. The bill neither increases direct spending – spending not subject to appropriations – nor reduces revenue.

3) ***Helping Hands for Homeownership Act of 2004*** (H.R. 4363). 

This bill allows Self-Help Homeownership Opportunity grant recipients to contribute "sweat equity" – the value of an individual's direct labor on a property – to multiple dwellings rather than just their own. The bill also renames a Rural Housing Service loan guarantee program after Congressman Doug Bereuter. The bill neither increases direct spending nor reduces revenue.

4) ***Flood Insurance Reform Act of 2004*** (S. 2238). 

The bill extends the National Flood Insurance Program [NFIP] within the Department of Homeland Security [DHS] until 2008. The program expires on 30 June 2004. The bill also establishes a pilot program to give States and local communities financial assistance for mitigating potential future damages experienced by "severe repetitive loss properties" (properties that have made multiple sizable claims under the NFIP). The bill also makes federally owned coastal and river properties that are leased to nonfederal entities subject to actuarially sound insurance premiums. This causes offsetting receipts – which are treated as a credit to spending – to increase by \$1 million per year.

5) ***To Require That the Office of Personnel Management Study and Present Options Under Which Dental and Vision Benefits Could Be Made Available to Federal Employees and Retirees and Other Appropriate Classes of Individuals*** (H.R. 3751). 

The bill would neither increase direct spending nor reduce revenue.

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**PLEASE NOTE:** This document addresses budgetary issues only. It should not be taken to address support or opposition on any other grounds. A green flag indicates no serious budgetary or budget compliance concerns. A yellow flag indicates moderate or potential problems. A red flag indicates serious problems. **Also note:** Floor schedules and legislative details are subject to change after publication.

This document was prepared by the majority staff of the Committee on the Budget, U.S. House of Representatives. It has not been approved by the full committee and therefore may not reflect the views of all the committee's members.

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6) **2004 District of Columbia Omnibus Authorization Act** (H.R. 3797). 

This bill amends various Federal laws that apply to the operation of the District of Columbia government. Included are provisions that would increase monitoring of city and school budgets; establish the academic year as the fiscal year for D.C. schools; offer alternative work schedules for D.C. government employees; and modify the regulation of banks chartered in the District. The bill would neither increase direct spending nor reduce revenue.

7) **To Designate the Facility of the United States Postal Service Located at 550 Nebraska Avenue in Kansas City, Kansas, as the "Newell George Post Office Building"** (H.R. 4222). 

The bill neither increases direct spending nor reduces revenue.

8) **Recognizing the 40th Anniversary of the Day Civil Rights Organizers Andrew Goodman, James Chaney, and Michael Schwerner Gave Their Lives in the Struggle to Guarantee the Right to Vote for Every Citizen of the United States and Encouraging All Americans to Observe the Anniversary of the Deaths of the 3 Men by Committing Themselves to Ensuring Equal Rights, Equal Opportunities, and Equal Justice for All People** (H.Con.Res. 450). 

This resolution has no budget implications.

9) **Congratulating the Detroit Pistons on Winning the 2004 National Basketball Association Championship** (H.Res. 679). 

This resolution has no budget implications.

10) **Congratulating Randy Johnson of the Arizona Diamondbacks on Pitching a Perfect Game on May 18, 2004** (H.Res. 660). 

This resolution has no budget implications.

11) **Western Shoshone Claims Distribution Act** (H.R. 884). 

This bill establishes procedures for the distribution of about \$143 million in judgment awards held in trust funds on behalf of the members of the Western Shoshone tribes. The funds cannot be spent or distributed by the tribes until Congress approves a plan to allocate the funds. The tribes were awarded more than \$26 million in 1979 as compensation for the Federal Government's taking of tribal land in California and Nevada, and the removal of minerals from that land. The bill does not effect direct spending, because those funds were recognized in the Federal budget at the time of the award.

12) **Tribal Forest Protection Act of 2004** (H.R. 3846). 

This bill creates a process for the Secretaries of Agriculture and the Interior to enter into contracts or agreements with Indian tribes to carry out land management activities on Federal lands adjacent to tribal forests or rangelands. The purpose of such projects would be to restore lands that pose risks of fire, disease, or other threat to tribal lands. The bill neither increases direct spending nor reduces revenue.

13) **To Direct the Secretary of Agriculture to Sell the Bend Pine Nursery Administration Site in the State of Oregon** (S. 1848). 

This bill requires the Secretary of Agriculture to sell certain public lands to the Bend Metro Park and Recreation District for a specified price of \$3.5 million. Under the measure, as under current law, the Secretary could spend proceeds from the sale to construct or improve facilities within the forest. The bill could effect direct spending, but by a negligible amount.

14) **John Muir National Historic Site Boundary Adjustment Act** (H.R. 3706). 

This bill adjusts the boundary of the John Muir National Historic Site and authorizes the National Park Service to acquire the added 0.2-acre parcel of land by purchase, donation, or

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exchange. The cost of acquiring the property would be less than \$50,000, if appropriated funds are made available. The bill neither increases direct spending nor reduces revenue.

15) **Recognizing the Importance of blues music** (H.Con.Res. 13).   
This resolution has no budget implications.

16) **Honoring the Life and Accomplishments of Ray Charles, Recognizing His Contributions to the Nation, and Extending Condolences to His Family on His Death** (H.Con.Res. 449).   
This resolution has no budget implications.

17) **Congratulating the Kenyon College Ladies Swimming and Diving Team for Winning the 2004 National Collegiate Athletic Association Division III Women's Swimming and Diving National Championship** (H.Res. 634).   
This resolution has no budget implications.

18) **Congratulating the Kenyon College Lords Swimming and Diving Team for Winning the 2004 National Collegiate Athletic Association Division III Men's Swimming and Diving National Championship** (H.Res. 635).   
This resolution has no budget implications.

19) **Commending the University of Minnesota Golden Gophers for Winning the 2003-2004 National Collegiate Athletic Association Division I National Collegiate Women's Ice Hockey Championship** (H.Res. 630).   
This resolution has no budget implications.

20) **Expressing the Sense of the Congress That States Should Require Candidates for Driver's Licenses to Demonstrate an Ability to Exercise Greatly Increased Caution When Driving in the Proximity of a Potentially Visually Impaired Individual** (H.Con.Res. 56).   
This resolution has no budget implications.

21) **To Designate the United States Courthouse and Post Office Building Located at 93 Atocha Street in Ponce, Puerto Rico, as the "Luis A. Ferre United States Courthouse and Post Office Building"** (S. 2017).   
The bill neither increases direct spending nor reduces revenue.

22) **Cape Town Treaty Implementation Act of 2004** (H.R. 4226).   
The Cape Town Treaty is expected to come into force during fiscal year 2005. It extends asset-based financing laws to international transactions involving the sale, financing, or leasing of aircraft and aircraft engines. Under that treaty, an international organization will establish a registry to record security interests in aircraft and aircraft engines. This measure expands the Federal Aviation Administration's authority to operate that registry and authorize the agency to provide access to the new international registry. The bill neither increases direct spending nor decreases revenue.

23) **Working Families Assistance Act of 2004** (H.R. 4372).  
This bill provides for carrying forward \$500 of unused benefits in cafeteria plans and flexible spending arrangements for dependent care assistance. No estimate has been prepared for this measure, but it is not expected to have an impact on direct spending.

24) **To Reauthorize the Temporary Assistance for Needy Families Block Grant Program Through September 30, 2004** (H.R. 4589).   
This measure extends the Temporary Assistance for Needy Families block grant program through 30

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September 2004. The program is scheduled to expire on 30 June 2004. This measure extends the program at current levels and will therefore not increase direct spending.

25) ***United States International Leadership Act of 2004*** (H.R. 4053). 

The bill requires the Secretary to establish a democracy caucus at the United Nations [UN], the UN Human Rights Commission, the UN Conference on Disarmament, and at other broad-based international organizations. The Secretary will also establish training courses for Foreign Service officers on the conduct of diplomacy at international organizations and other multilateral institutions and at broad-based multilateral negotiations of international instruments and establish an Office on Multilateral Negotiations. Enacting this bill will cost \$21 million over the 2005-09 period, assuming appropriations of necessary funds. The bill will neither increase direct spending nor reduce revenue.

26) ***Recognizing and Honoring the 40th Anniversary of Congressional Passage of the Civil Rights Act of 1964*** (H.Res. 676). 

This resolution has no budget implications.

27) ***Identity Theft Penalty Enhancement Act*** (H.R. 1731). 

This bill establishes penalties for aggravated identity theft.

It provides for sentencing and imprisonment for knowingly transferring, possessing, or using, without lawful authority, a means of identification of another person during and in relation to specified felony violations. It also establishes additional imprisonment when such actions pertain to terrorist acts. Enacting the bill would cost \$10 million over the 2005-09, assuming appropriation of necessary amounts. Because the bill creates new criminal penalties, enacting the bill could potentially increase revenue (collection of criminal penalties) and direct spending (penalties are subsequently spent from the Crime Victims Fund). Since these penalties are highly speculative in nature, they are generally not considered for budget enforcement purposes.

28) ***Law Enforcement Officers Safety Act of 2003*** (H.R. 218). 

This bill authorizes qualified law enforcement officers with photo identification issued by their governmental agencies to carry concealed firearms. At the time of publication, a cost estimate was not available. Nevertheless, enacting this bill is not expected to increase direct spending or reduce revenue.

29) ***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. 4345). 

This bill increases the maximum loan guarantee amount on Veteran's Administration [VA] home loans by indexing this amount to the Freddie Mac conforming loan limit for single-family homes, which is adjusted annually to reflect home prices. Under current law, the maximum loan guaranty is \$60,000, which effectively creates a maximum loan amount of \$240,000. For large loan amounts, VA can guarantee no more than 25 percent of the loan amount. The bill raises the maximum loan guarantee amount to 25 percent of the Freddie Mac conforming loan limit (\$333,700 in 2004). Because the VA would enter into more loans under the measure, and charge fees for the loan guarantees, this bill would generate \$288 million in receipts over 5 years. These receipts are categorized as offsetting budget authority.

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## LEGISLATION CONSIDERED UNDER A RULE

**Bill:** *Intelligence Authorization Act for Fiscal Year 2005* (H.R. 4548).

**Committee:** Intelligence

**Summary:** The bill authorizes for fiscal year 2005 the intelligence and intelligence-related activities of the U.S. Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System [CIARDS], subject to appropriations. The bill authorizes appropriations for CIARDS to cover retirement costs attributable to military service and various unfunded liabilities. The amount is expected to be the same as assumed for reauthorization under current law. The bill does not expand entitlements or the beneficiary population.

**Cost:** An estimate for the measure was not finalized at the time of the preparation of this *Budget Week*, but the cost is largely classified and unavailable for analysis. Funding for intelligence activities is all discretionary and therefore subject to appropriations. CIARDS affects direct spending, but because the bill neither increases entitlements nor expands the beneficiary population, no new mandatory budget authority is included in the bill.

**Budget Act:** The measure is not expected to violate any provision of the Congressional Budget Act.

**Bill:** *Department of Defense Appropriations Act of 2005* (H.R. 4613). 

**Committee:** Appropriations

**Summary:** The annual defense appropriations bill provides funds for military activities of the Department of Defense [DOD], including pay and benefits of military personnel, operation and maintenance of weapons and facilities, weapons procurement, and research and development, as well as for other purposes. Most of the funding in the bill is for programs administered by the Department of Defense; but the bill also provides unclassified amounts for the Central Intelligence Agency retirement fund and intelligence community management, and classified amounts for national foreign intelligence activities administered by the CIA and by other agencies as well as by DOD.

The bill includes \$25 billion in emergency-designated appropriations to cover part of the cost of operations in Iraq and Afghanistan. These funds could be used to cover costs in fiscal year 2004 as well as fiscal year 2005. It also repeals \$1.8 billion in rescission authority provided to the President in last year's omnibus appropriations bill. The measure does not, however, provide the funds in a flexible account that would allow the Secretary of Defense to transfer money to activities without prior congressional approval. Instead, the committee provided all but \$2.978 billion of the money in regular appropriations accounts subject to normal procedures that limit transfers of funds to other uses. Also included are funds for Army and Marine Corps end-strength increases as approved in the House Defense Authorization bill.

The bill also provides funding for a military pay raise of 3.5 percent, and for housing allowances and other benefits as approved in the House authorization.

Other major items included in the bill: \$9.7 billion for missile defense programs, an increase of over \$632 million from fiscal year 2004 levels; \$1.7 billion for procurement and development of chemical and biological defenses; \$2.9 billion for the Army's development of a new generation of networked combat vehicles, an increase over fiscal year 2004 of \$1.2 billion; \$10.2 billion for shipbuilding procurement.

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**Cost:** According to the Congressional Budget Office, the overall bill totals \$390.9 billion, which is equal to the allocation of discretionary budget authority provided to the Defense Appropriations Subcommittee in its 302(b) suballocation. (These subcommittee allocations were reported by the Appropriations Committee on 15 June 2004.) This amount does not include the \$27.6 billion appropriated for use in Iraq and Afghanistan, which would be accounted against 2004 levels. Because it has been designated as an emergency, it is exempt from budget controls.

**Budget Act:** The bill is within the 302(b) allocation for the Appropriations Subcommittee on Defense, and therefore does not violate any provision of the Congressional Budget Act. The emergency-designated appropriations do not count against the subcommittee's 302(b) allocation. Because the authority to spend that budget authority first becomes effective in fiscal year 2004, that budget authority is accounted to that fiscal year, though the outlays flowing therefrom will largely fall in 2005.

**Bill:** *Spending Control Act of 2004* (H.R. 3973). 

**Committee:** Budget

**Summary:** This measure amends section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 to establish a limit on general purpose discretionary appropriations for fiscal years 2005-06. It also establishes a limit on advance appropriations. The bill reestablishes a pay-as-you-go [PAYGO] requirement for laws increasing direct spending through fiscal year 2009. It also codifies the definition of an "emergency" as a situation that poses an imminent loss of life, property, or national security; or to respond to such loss and is "unanticipated". It further defines unanticipated as sudden, urgent, unforeseen and temporary. It exempts from budget controls supplemental spending relating to the global war on terrorism, makes technical conforming changes to the Deficit Control Act and removes spending designated as an emergency from the baseline.

**Cost:** This bill neither increases direct spending nor reduces revenue.

**Budget Act:** This bill does not include either direct or discretionary spending, nor does it violate any provisions of the Congressional Budget Act.

**Bill:** *Energy & Water Development Appropriations Act for Fiscal Year 2005* (H.R. 4614).

**Committee:** Appropriations

**Summary:** The Energy and Water Development appropriations bill includes funding for civil works projects of the Army Corps of Engineers, the Department of the Interior's Bureau of Reclamation, most of the Department of Energy [DOE], and a number of independent agencies. Included in the measure is funding for Corps projects for major water/ecosystem restoration initiatives such as Florida Everglades and California "Bay-Delta". It also includes budget authority for the proposed national nuclear waste repository at Yucca Mountain, Nevada. It includes DOE's proposal to reclassify radioactive waste at Hanford, WA, and Savannah River, SC, as low-level waste to allow it to remain where it is instead of being sent to a high-level waste repository. The measure provides budget authority for developing a new nuclear warhead, the Robust Nuclear Earth Penetrator and for a "Modern Pit Facility" to build nuclear weapons components, and plans to increase readiness to resume underground nuclear testing. It also provides plans to reduce the time necessary to prepare the Nevada Test Site to resume nuclear weapons testing.

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**Cost:** Though the estimate prepared by the Congressional Budget Office has yet to be released, it is expected that this measure will appropriate \$27.988 billion in new discretionary spending authority for these programs.

**Budget Act:** The measure complies with the most recently issued suballocations reported and published by the Committee on Appropriations. The suballocation provided \$27.988 billion in budget authority and the committee-reported bill does not breach that level, and hence is not subject to a point of order under the Congressional Budget Act.