



**Legislative Bulletin ..... April 7, 2011**

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**H.R. 1363** - Department of Defense and Further Continuing Appropriations Act, 2011

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**H.R. 1363 - Department of Defense and Further Continuing Appropriations Act, 2011 (Rogers, R-KY)**

**Order of Business:** H.R. 1363 is expected to be considered on Thursday, April 07, 2011, under a closed rule (H.Res. 206) that provides for one hour of debate, equally divided between the chair and ranking minority member of the Committee on Appropriations, and waives all points of order against provisions in the bill.

**Background:** The previous Congress failed to enact a final spending plan for FY 2011 (in fact, it failed to enact into law any of the twelve FY 2011 appropriations bills).

On February 19, 2011, the House passed H.R. 1, the FY 2011 Full Year Continuing Resolution Appropriations Act. This legislation would have enacted a final FY 2011 spending level (through the remainder of the fiscal year) \$61 billion below last year's spending and \$100 billion below the President's request (approximately \$81 billion of this spending reduction was for "non-security spending"). The Senate has yet to pass any legislation wrapping up the FY 2011 process.

**Summary:** H.R. 1363 provides appropriations for the Department of Defense for the fiscal year, ending September 30, 2011. The legislation also provides for a one week (through April 15, 2011) extension of the existing CR for the remaining portions of the government, with \$12 billion in cuts from current levels.

**Division A—Department of Defense Appropriations**

The legislation provides \$515.8 billion for the FY 2011 Defense bill. This is \$7.6 billion (1.5%) above FY 2010. Provisions of note:

**Rescissions:** The legislation makes the following rescissions:

- Procurement of Weapons and Tracked Combat Vehicles, Army: \$86,300,000
- Other Procurement, Army: \$147,600,000
- Aircraft Procurement, Navy: \$26,100,000
- Aircraft Procurement, Air Force: \$116,900,000

- Aircraft Procurement, Army: \$14,000,000
- Procurement of Weapons and Tracked Combat Vehicles, Army: \$36,000,000
- Missile Procurement, Army: \$9,171,000
- Aircraft Procurement, Navy: \$284,847,000
- Procurement of Ammunition, Navy and Marine Corps: \$11,576,000
- Shipbuilding and Conversion, Navy: DDG-51 Destroyer: \$22,000,000
- Other Procurement, Navy: \$9,042,000
- Aircraft Procurement, Air Force: \$151,300,000
- Other Procurement, Air Force: \$36,600,000
- Research, Development, Test and Evaluation, Army: \$53,500,000
- Research, Development, Test and Evaluation, Air Force: \$198,600,000
- Research, Development, Test and Evaluation, Defense-Wide: \$10,000,000

**Public-Private Competition:** The legislation allows functions to be performed by contractors, instead of Department of Defense civilian employees, if certain circumstances are met, including:

- a public-private competition plan is developed;
- the competitive sourcing official determines that the cost to the taxpayer of the contractor performing the work would be less costly by an amount of the lesser of either: **a)** \$10 million **b)** 10 percent; and
- the private-contractor does not meet its price target by not making an employer-sponsored health insurance plan available to worker, or offering such a plan but not contributing as much to the plan as the Department of Defense does.

**Small Arms:** The legislation prevents funds from being available to the Department of Defense to “demilitarize or dispose of M–1 Carbines, M–1 Garand rifles, M–14 rifles, .22 caliber rifles, .30 caliber rifles, or M–1911 pistols, or to demilitarize or destroy small arms ammunition or ammunition components that are not otherwise prohibited from commercial sale under Federal law, unless the small arms ammunition or ammunition components are certified by the Secretary of the Army or designee as unserviceable or unsafe for further use.”

**\$157 Billion of “Contingency Operations” Funding:** The legislation appropriates \$157.7 billion of “emergency” spending for war funding as follows:

## **Contingency Operations Funding**

*In Millions*

### **Military Personnel**

<i>Army</i>	11,468
<i>Navy</i>	1,309
<i>Marine Corps</i>	733
<i>Air Force</i>	2,060

<i>Army Reserve</i>	268
<i>Navy Reserve</i>	49
<i>Marine Reserve</i>	45
<i>Air Force Reserve</i>	27
<i>National Guard</i>	870
<b>Subtotal</b>	<b>16,829</b>

**Operations and Maintenance**

<i>Army</i>	59,213
<i>Navy</i>	8,971
<i>Marine Corps</i>	4,008
<i>Air Force</i>	12,990
<i>Defense-Wide</i>	9,277
<i>Army Reserve</i>	207
<i>Navy Reserve</i>	94
<i>Marine Reserve</i>	30
<i>Air Force Reserve</i>	204
<i>Army National Guard</i>	498
<i>Air National Guard</i>	418
<b>Subtotal</b>	<b>95,910</b>

**Other**

<i>Afghanistan Infrastructure Fund</i>	400
<i>Afghanistan Security Fund</i>	11,619
<i>Iraq Security Forces</i>	1,500
<b>Subtotal</b>	<b>13,519</b>

**Procurement**

<i>Army Aircraft</i>	2,720
<i>Missile</i>	344
<i>Weapons and Tracked Combat Vehicles</i>	897
<i>Procurement of Ammunition</i>	370
<i>Other Procurement</i>	6,424
<i>Navy Aircraft</i>	1,270
<i>Weapons Procurement, Navy</i>	91
<i>Ammunition, Navy and Marine Corps</i>	558
<i>Other, Navy</i>	317
<i>Marine Corps</i>	1,589
<i>Aircraft, Air Force</i>	1,992
<i>Missile, Air Force</i>	57
<i>Ammunition, Air Force</i>	293
<i>Other, Air Force</i>	2,869
<i>Procurement, Defense-Wide</i>	1,262
<i>National Guard and Reserve Equipment</i>	850

<i>MRAP</i>	3,415
<b>Subtotal</b>	<b>25,318</b>
<b>Research, Test, and Evaluation</b>	
<i>Army</i>	143
<i>Navy</i>	105
<i>Air Force</i>	484
<i>Defense-Wide</i>	223
<b>Subtotal</b>	<b>955</b>
<b>Revolving and Management Funds</b>	
<i>Defense Working Capital Funds</i>	<b>485</b>
<b>Health Programs</b>	
<i>Defense Health Program</i>	1,422
<i>Drug Interdiction</i>	441
<i>Joint Improvised Explosive Device Fund</i>	2,794
<i>Office of the Inspector General</i>	11
<b>Subtotal</b>	<b>4,668</b>
<b>TOTAL</b>	<b>157,684</b>

## **Division B—Further Continuing Appropriations**

**One Week Extension of Existing CR:** The legislation extends the existing CR for one week, through April 15, 2011. The CR also includes \$12 billion of spending cuts.

**DC Abortion provision:** The CR will restore the “Dornan amendment,” which prevents the use of any congressionally appropriated funds, whether locally, or federally, from being used to pay for abortions. The current law had contained language that only bans *federal* dollars and that did not address local funding. The Dornan Amendment was previously included in legislation passed by Democrat-controlled Congresses in the FY09 omnibus, FY08 appropriations, and FY07 short-term and long-term CR.

**Highlights of Program Cuts by Subcommittee:** The following is a partial list of highlights of cuts. See [this](#) summary provided by the House Appropriations Committee for more information.

- **Agriculture:** \$1.4 billion spending reduction. This includes a \$43 million cut to the department’s administrative costs, \$350 million from dairy programs, a \$137 million reduction to development and conservation accounts, and a cut of \$39 million to broadband loans.
- **Commerce/Justice/Science:** \$430 million spending reduction. This includes a \$149 million reduction to construction accounts for law enforcement activities, \$22 million

from the Census Bureau, \$139 million from NASA, and a \$29 million reduction from National Institutes of Standards and Technology (NIST).

- **Energy and Water:** \$632 million spending cut. This includes \$192 million of cuts from the Department of Energy for environmental cleanup.
- **Military Construction/Veterans:** \$630 million spending cut. This includes a \$43 million cut to VA construction programs (which puts that account at the President's request), and \$160 million reduction to the FLITE program.
- **Financial Services:** \$590 million spending reduction. This includes a \$53 million cut to the Executive Office of the President, a \$17 million cut from federal judiciary spending, \$42 million from District of Columbia programs, and a total of approximately and a \$310 million cut to the Treasury Forfeiture Fund.
- **Homeland Security:** \$1.4 billion spending cut. This includes a \$112 million spending reduction to IT programs, and a \$495 million reduction to first responders.
- **Interior:** \$1.27 billion spending cuts. This includes a \$150 million spending reduction to FY 2010 wildland fire suppression funds, a \$71.5 million cut to the Land and Water Conservation Fund, a \$80 million reduction to the Fish and Wildlife Service, and a \$700 million reduction to the Clean Water and Drinking Water Revolving Funds.
- **Labor-Health and Human Services:** Total cut of \$2.5 billion. This includes a \$156 million for the Centers for Disease Control and Prevention (CDC), a \$185 million reduction to hospital preparedness grants, \$119 million from the Teaching American History program, and \$300 million of cuts to information technology at the Social Security Administration. The bill also cuts \$390 million from LIHEAP.
- **State-Foreign Operations:** \$832 million spending reduction. This includes \$237 million from United Nations peacekeeping activities.
- **Transportation-Housing and Urban Development:** \$2 billion spending reduction. This includes \$1.5 billion from high speed rail. The bill also eliminates the University Community Fund (\$25 million savings) and the Public Housing Operating Fund (\$149 million savings).

**Committee Action:** H.R 1363 was introduced on April 4, 2011, and was referred to the House Budget Committee, and the House Appropriations Committee. Neither committee took public action.

**Administration Position:** The Administration's Statement of Administration Policy has come out against the bill.

**Cost to Taxpayers:** The legislation provides a \$674 billion defense spending total (including war funding), a one-week extension of the CR, and \$12 billion of cuts to FY 2011 spending.

**Does the Bill Expand the Size and Scope of the Federal Government?:** No.

**Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?:** No CBO score containing this information is available.

**Constitutional Authority:** Rep. Rogers statement of Constitutional Authority, found in the Congressional Record, states: “The principal constitutional authority for this legislation is clause 7 of section 9 of article I of the Constitution of the United States (the appropriation power), which states: ‘No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law’ ..... In addition, clause 1 of section 8 of article I of the Constitution (the spending power) provides: ‘The Congress shall have the Power ..... to pay the Debts and provide for the common Defense and general Welfare of the United States .....’ Together, these specific constitutional provisions establish the congressional power of the purse, granting Congress the authority to appropriate funds, to determine their purpose, amount, and period of availability, and to set forth terms and conditions governing their use.”

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