



The Daily Whip

democraticwhip.house.gov • (202) 225-3130

THURSDAY, JUNE 24, 2004

House Meets At...	Last Vote Predicted At...
10:00 a.m.: Legislative Business Ten "One Minutes" Per Side	??? 10 p.m. – 12:00 a.m. ???

FLOOR SCHEDULE AND BILL SUMMARY

H.Res. ____ - Rule providing for consideration of H.R. 4663 - Spending Control Act of 2004 – GOP "Pay-as-you-Go Scheme" (Hastings (WA) – Rules) The Rules Committee has recommended a structured rule that provides for one hour of general debate and provides one motion to recommit with or without instructions. The Rule does not make in order an important amendment by Rep. Stenholm that would restore the original Pay-As-You-Go (PAYGO) rules (for mandatory spending and revenue) as they were established under the 1990 Budget Enforcement Act and extended in 1997 and would set discretionary spending limits at the levels proposed in the President's FY05 budget for two years. Therefore, **Democrats are urged to VOTE NO on the Previous Question in order to allow consideration of this important amendment.**

The Rule does make in order 19 amendments including the following important amendments:

- **Hensarling Amendment - #4 in the Rule (10 minutes).** This amendment imposes an entitlement cap that limits the total amount of direct spending (other than Social Security) to inflation and the growth in a given program's beneficiary population. This would include entitlement programs such as Medicaid, Medicare, veterans benefits, military retirement, farm programs, student loans, child nutrition, EITC, and basic assistance programs for the poor.
- **Ryan (WI)/Stenholm/Castle #9 in the Rule (10 minutes).** This amendment initiates enhanced rescission for the President to propose the elimination of wasteful spending identified in the appropriations bill.
- **Spratt Substitute #15 in the Rule (30 minutes).** Spratt Substitute. Restores the original Pay-As-You-Go (PAYGO) rules (for mandatory spending and revenue) as they were originally established under the 1990 Budget Enforcement Act and extended in 1997. Requires that the net cost of all mandatory spending increases and all tax cuts enacted within a session be fully offset. Renews discretionary spending limits at levels consistent with the Spratt FY 2005 Budget alternative for two / five years. **Democrats are urged to VOTE YES.**
- **Hensarling (CATS) Substitute #16 in the Rule (30 minutes).** This substitute imposes severe entitlement caps and does not contain PAYGO for tax cuts. Also includes provisions that will be brought up as individual amendments such as joint budget resolution signed by the President with the force of law; replaces 20 functions with one-page budget; biennial budgeting; Non-military emergencies must be handled with "rainy day" fund; Automatic continuing resolution; 2/3rds supermajority vote in both houses for over-budget spending; and eliminates "automatic" tax increases.
- **Kirk Substitute #17 in the Rule (30 minutes).** This substitute imposes entitlement caps, discretionary caps and does not contain PAYGO for tax cuts, only mandatory spending. Also includes enhanced rescission authority for President to strike "wasteful" spending, but not targeted tax cuts; replaces emergency appropriations with "rainy day fund" reserve account; revises budget "baseline" comparison to spending for the previous year, not inflation-adjusted "current-services," lowering the baseline for domestic discretionary programs by nearly \$ 1 trillion over the next decade. While Social Security and Medicare are exempted from the sequester provisions of the entitlement cap, estimates are that the Kirk amendment could result in nearly \$450 billion in cuts to Medicaid, veterans benefits, welfare, children's health, EITC and other entitlement programs over the next decade. **Democrats are urged to VOTE NO.**

H.Res. 685 – Revising the concurrent resolution on the budget for fiscal year 2005, as it applies to the House of Representatives (Rep. Obey / Budget Committee) (Unanimous Consent Agreement With 90 minutes of General Debate). This concurrent resolution would revise the budget for FY05 as it applies to the House of Representatives. H.Res. 685 would limit tax cuts for millionaires in order to provide critical investments for Homeland Security, Veterans, Education, Healthcare, and Infrastructure. This would allow for a clear up or down vote on our nation's priorities.

- **The Obey resolution provides an increase of \$14.2 billion in budget authority above the FY05 GOP budget.** This funding level is consistent with the level of discretionary spending in the Spratt FY05 budget alternative that Democrats overwhelmingly supported.
- **The Obey resolution provides \$4.7 billion in deficit reduction.** Approximately 25% of the Obey package is devoted to reducing the deficit.
- **The new funds are spread among critical priority areas** such as: homeland security, first responders, veterans health care, military living conditions, rural development, NCLB, water infrastructure, and employment and training services for the unemployed.



The Daily Whip

democraticwhip.house.gov • (202) 225-3130

- **The Obey resolution offsets the cost of the increased investments by taking back part of the tax cuts for those with incomes over \$1 million.** This is entirely consistent with the Spratt budget alternative and multiple Democratic substitutes offered during consideration of the four weeks of single-issue middle-class tax relief bills considered by the House this spring.

Postponed Suspension Votes (1 bill):

- 1) **H.Res. 676** - Recognizing and honoring the 40th anniversary of congressional passage of the Civil Rights Act of 1964 (*Rep. Norton / Judiciary*)

S. 2507 - Child Nutrition and WIC Reauthorization Act of 2004 (*Sen. Cochran / Education and the Workforce*) (Subject to a Unanimous Consent Agreement). This bill amends the Richard B. Russell National School Lunch Act (NSLA) and the Child Nutrition Act of 1966 (CNA) to reauthorize various programs, including the national school lunch and breakfast, child and adult care food, after-school snack, summer food service, and special supplemental nutrition program for women, infants, and children (WIC).

H.Res.691 - Congratulating the interim government of Iraq on its assumption of full responsibility and authority as a sovereign government (*Rep. Hyde/International Relations*) (Subject to a Rule). Among other provisions, the resolution states that the House of Representatives: congratulates the Interim Government of Iraq on its forthcoming assumption of sovereign authority in Iraq; expresses its gratitude to the U.S. Armed Forces for their ongoing valiant service to their country and commitment to the highest ideals and traditions of the American people; and reaffirms that the U.S. Armed Forces operating in Iraq after June 30, 2004 will remain under the full authority, direction and control of their American commanders.

H.R. 4663 - Spending Control Act of 2004 – GOP "Pay-as-you-Go Scheme." (*Rep. Nussle - Budget*) (Subject to a Rule). This bill would reinstate Paygo budget rules only to mandatory spending and would not apply it to tax cuts and impose tight discretionary caps at levels consistent with the GOP budget for 2 years. **Democrats have consistently supported applying Paygo to both mandatory spending and tax cuts.**

- **GOP has not passed the FY05 Budget.** The House GOP Leadership's aggressive opposition to reinstating the full pay-as-you-go rules (which they let expire in 2002) has left them without a budget resolution for FY05.
- **Record Deficits are Not Due to Discretionary Spending.** Even though non-defense discretionary spending accounts for only 17% of the total budget submitted by the President for FY 2005, Budget Chairman Nussle and the House GOP Conservatives continue to argue that domestic spending is to blame for the deficit, not the irresponsible fiscal policies employed by the Administration and majority.
- **Half a Paygo Worse than No Paygo.** Limiting paygo to mandatory spending is an incomplete solution that will only: (1) direct more federal policy through the increasingly complex and targeted tax code; and (2) further erode the revenue stream that will force cuts to Social Security, Medicare, Medicaid and other programs that serve American families.
- **GOP Masks Agenda to Dismantle Entitlement programs.** This budget process and enforcement effort is just the latest attempt to set up a fiscal and procedural crisis and create a greater sense of urgency to "reform" Social Security and Medicare. The GOP proposal sets an arbitrary cap on entitlement programs and limits their growth to overall inflation levels, not accounting for the higher inflationary pressure on health care spending and demographic realities.

Democrats are urged to VOTE NO.

The Rules Committee reported a "same-day-consideration" rule for the Energy and Water Appropriations bill, however, the House is not expected to consider this bill today.

TOMORROW'S OUTLOOK

The GOP Leadership has announced the following schedule: On Friday, the House will meet at 9:00 a.m. for legislative business. The House is expected to consider **H.R. 4614 – Energy and Water Development Appropriations Act for FY05 (*Rep. Hobson – Appropriations*) (Subject to a Rule)**

Daily Quote...

"[The 108th Congress is] a do-nothing Congress, contemptuously arrogant and disdainful of long-established political and parliamentary procedures. The only priority is staying in power; the legislative process is a travesty. 'I've never seen it more partisan,' says Sen. John McCain (R., Ariz.). 'We're basically gridlocked on every issue.' . . . Substantively, the record of the 108th is scandalous. The budget hasn't been passed (three months past the deadline), an energy bill languishes and the House repasses bills to score political points. On those rare occasions when a bipartisan consensus emerges, the political right -- or the White House -- usually quashes it."

-Al Hunt in *The Wall Street Journal* today