

MEMORANDUM

FR: Eric Cantor

TO: Members of the House Republican Conference

DT: Tuesday, June 14, 2011

RE: The 2012 House Appropriations Consideration Process

On Wednesday, June 1st, the House began its process of considering the twelve annual spending bills that make up the discretionary budget of the federal government. This time-honored tradition of the Congress was sorely missed last year. The power of the purse is one of Congress's most basic and important Constitutional responsibilities, deriving from Clause 7, Section 9 of Article I which states, "No money shall be drawn from the Treasury, but in consequence of Appropriations made by Law." I am proud that we have returned to this duty under an "open" consideration process this year, allowing each Member to fully represent his or her constituents on the House floor.

Now that we've begun this process, I think it's important to give you a sense of where we've been and where we're going. I hope you find the following information helpful.

Background: Implementing the Path to Prosperity

As you know, the House Republican budget included discretionary spending levels for the coming years. Specifically, the Budget Committee set the fiscal year 2012 discretionary budget level, referred to as the "302(a)," at a number not to exceed \$1.019 trillion, which may be further adjusted for the Global War on Terrorism (GWOT). 235 members of our Conference then reaffirmed that number by passing the budget resolution, H.Con.Res. 34, on April 15. Since the Senate has failed to act on a budget of its own, the two chambers have not reached a final agreement on the topline level of spending for the 2012 fiscal year.

Therefore, on June 1, we proactively implemented the 302(a) topline budget level (by rule) so that we could move forward with consideration of the 2012 appropriations bills. The Appropriations Committee has now allocated \$1.019 trillion across twelve spending bills referred to as the "302(b)s."

Again, it is up to the Appropriations Committee to set the twelve individual spending levels, so long as the numbers stay within the budget's topline. Chairman Hal Rogers and his committee have done exactly that—making the tough choices necessary to get our fiscal house in order. As anticipated in the budget resolution, national security spending is prioritized, so while some of the twelve bills involving national security may come in above or near a level in the past, others will come in well below, all adding up to exactly what the Budget Committee recommended and the House approved.

Unique to the appropriations process this year is the inclusion of "Spending Reduction Accounts." When the 112th Congress convened in January, we put in place a new mechanism for reducing each individual appropriations bill even further during both committee and House floor consideration. For the first time, a majority of the House may now decide to lower the level of each of the twelve appropriations bills by amendment on the floor, if they so choose.

Even if not one additional cut is made to the twelve bills in committee or on the floor, the House will still not exceed the level set in the Path to Prosperity.

By the Numbers: How the 2012 Bills Stack Up

Again, 235 House Republicans agreed to a topline discretionary spending level of \$1.019 trillion back in April. The twelve appropriations bills, drafted by the Appropriations Committee, add up to exactly \$1.019 trillion. What follows is how they stack up—individually and cumulatively—to the fiscal year 2011CR agreed to with the President in April, as well as the “pre-stimulus, pre-bailout” levels enacted in 2008.

Take particular note of the differences in the 2012 and 2008 numbers. Remember, the Pledge to America stated that House Republicans would “roll back government spending to pre-stimulus, pre-bailout levels,” with exceptions for “seniors, veterans, and our troops.” Once increases for Defense, Homeland Security, and Military Construction/Veterans Affairs are taken into account, **the 2012 bills come in \$2.12 billion below their 2008 counterparts.** Meaning, the Appropriations Committee has not just met our Pledge, they’ve *exceeded* it. Their bills deserve our full support.

Appropriations Bills	2012	2011	2012 vs. 2011	2008	2012 vs. 2008
Agriculture	\$17.250	\$19.922	-\$2.672	\$18.093	-\$0.843
Commerce, Justice, Science	\$50.237	\$53.327	-\$3.090	\$51.803	-\$1.566
Defense	\$530.025	\$513.025	+\$17.000	\$459.332	+\$70.693
Energy and Water	\$30.639	\$31.682	-\$1.043	\$30.888	-\$0.249
Financial Services	\$19.895	\$21.950	-\$2.055	\$20.599	-\$0.703
Homeland Security	\$40.592	\$41.661	-\$1.069	\$34.852	+\$5.740
Interior, Environment	\$27.473	\$29.559	-\$2.086	\$26.555	+0.918
Labor, HHS, Education	\$139.218	\$157.436	-\$18.218	\$144.841	-\$5.623
Legislative Branch	\$4.314	\$4.541	-\$0.227	\$3.970	+0.344
Military Construction, Veterans Affairs	\$72.535	\$73.150	-\$0.615	\$60.213	+12.322
State, Foreign Operations	\$39.569	\$48.162	-\$8.593	\$32.800	+\$6.769
Transportation, Housing	\$47.655	\$55.367	-\$7.712	\$48.821	-\$1.166
TOTALS:	\$1.019 Trillion	\$1.05 Trillion	-\$30.38 Billion	\$932.767 Billion	+86.233 Billion

*Information contained in this chart is courtesy of the House Appropriations Committee. Spending levels, with the exception of the TOTALS line, are reflected in billions of dollars.

The Schedule Ahead: Implementing the Path to Prosperity

It is important to remember that without passage of each fiscal year 2012 appropriations bill, the discretionary spending levels of the Path to Prosperity cannot move forward. It is vitally important, therefore, that the House complete its work on each appropriations bill. Not one cut below the current 2011 level will go into effect if we don't first complete our appropriations bills and make the House-passed levels the reference point for 2012 spending.

Therefore, in order to help each Member prepare for the coming debates, please reference the following timeline. Remember, this is a projection only. As a result of the "open" consideration process, and many other factors, the House may move faster or slower than anticipated, and bills may shift in their order.

Appropriations Bills	Subcommittee Markup Date	Full Committee Markup Date	Floor Consideration Date
Homeland Security	May 13	May 23	Week of May 30
Military Construction, VA	May 13	May 23	Week of May 30 / Week of June 13
Agriculture	May 24	May 31	Week of June 13
Defense	June 1	June 14	Week of June 20
Energy and Water	June 2	June 15	Week of July 4
Financial Services	June 16	June 23	Week of July 11
Interior, Environment	July 6	July 11	Week of July 25
Commerce, Justice, Science	July 7	July 13	Week of August 1
Legislative Branch	July 7	July 13	Week of August 1
Transportation, Housing	July 14	July 26	Week of September 5
Labor, HHS, Education	July 26	August 2	Week of September 19
State, Foreign Operations	July 27	August 3	Week of September 20

**Markup dates are based on the Appropriations Committee's public schedule, released on May 11, 2011.*

I look forward to continuing this important work with you over the coming months by implementing the Path to Prosperity and restoring the country's fiscal house.

Sincerely,
Eric Cantor