Key Provisions of H.R. 3547, the Consolidated Appropriations Act of 2014

The below sections were selected for highlighting from the $1.1 trillion Fiscal Year 2014 omnibus spending bill based on their potential interest to IEC members. Summaries are based on official House Committee on Appropriations summaries.

The full text of the bill can be viewed on the committee website.

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**Defense**

The omnibus bill includes a total of $486.9 billion for Defense, virtually the same as the current operating level. This total meets the spending caps set in December’s two-year budget agreement (the Bipartisan Budget Act of 2013) and prevents cuts that were scheduled to take place under the next round of sequestration.

**Medically Retired Military Personnel Pension COLA Cuts** – The legislation repeals a portion of a temporary three-year phased in one percent cut to the annual cost of living adjustments (COLAs) for military retiree pension plans that was included in the budget agreement. Medically retired personnel (Chapter 61 retirees) and survivor benefit plan annuitants will now be exempt from the cuts. Unfortunately, the cuts stay in place for all other retirees under age 62.

**Energy & Water**

The legislation includes approximately $34 billion for Energy and Water, an increase of $777 million above the enacted FY 2013 level.

**Army Corps of Engineers** – The Army Corps of Engineers is funded at $5.5 billion, an increase of $487 million (10%) above the fiscal year 2013 enacted level. Funding is focused on “navigation and flood control to advance public safety, boost U.S. export ability, create jobs, and help ensure our waterways stay open for business.”

Key provisions of this section include:
- $642 million above the Administration’s request for essential flood control and navigation projects;
- $2.3 billion for navigation projects and studies;
- More than $1 billion in funding from the Harbor Maintenance Trust Fund; and
- $1.6 billion for public health and flood and storm damage reduction activities – including $247 million for critical dam safety improvements.

**Energy Programs** – The omnibus includes $10.2 billion for Department of Energy programs – a $620 million increase above the enacted FY 2013 level.

Key provisions of this section include:
• $562 million for research and development to advance coal, natural gas, oil, and other fossil energy technologies, an increase of $28 million (5.3%) above the FY 2013 level;
• $889 million for nuclear energy research and development, an increase of $36 million (5%) above the FY 2013 level;
• $1.9 billion for energy efficiency and renewable energy programs, “placing priority on advanced manufacturing and weatherization assistance.” Appropriators are directing funding toward “responsible investments in effective and proven programs;” and
• A policy “rider” prohibiting funding for the Administration’s burdensome “light bulb” standard, which prevents incandescent bulbs from being manufactured or sold.

Labor, Health & Human Services, and Education

The legislation includes approximately $156.8 billion in discretionary funding for Labor, Health, Human Services, and Education programs which is $100 million below the FY 2013 enacted level and approximately $9 billion below the President’s request.

Department of Labor (DOL) – The bill provides $12 billion for DOL, a reduction of $449 million from the enacted FY 2013 level.

Key provisions of this section include:
• $552.2 million for OSHA, $16 million less than the FY 2013 level and $18.3 million less than requested by the Administration;
• $10.4 billion for the Employment and Training Administration (which includes $3.15 billion for workforce investment programs and $10.7 million for Susan Harwood training grants), unfortunately $562 million less than in FY 2013 although reductions are an attempt to streamline funds;
• $1.7 billion for Job Corps, $14 million less than FY 2013 enacted level but $75 million above the sequester level (as you may recall, recent studies showed a number of Job Corps centers were drastically underperforming and the program has been under congressional scrutiny in 2013);
• $269.5 million for the Veterans Employment and Training Service (VETS), including $14 million for the Transition Assistance Program to help new veterans receive training for civilian employment and job search assistance; and
• Missing from the bill is language barring funds from being used by OSHA towards the development and implementation of a rule to establish a column on the 300 reporting log for musculoskeletal disorders, essentially greenlighting OSHA to resume its efforts in 2014.

National Labor Relations Board (NLRB) – The bill includes $274.2 million for the NLRB, a decrease of $4 million from FY 2013 levels and $10.8 million below the President’s budget request.

Key provisions of this section include:
• A policy rider prohibiting harmful anti-business regulations related to the implementation of “e-Card Check,” which could promote coercion in union elections.

ObamaCare – “The bill provides no new funding for ObamaCare, and holds the line on ObamaCare funding in the Centers for Medicare and Medicaid Services – the prime agency responsible for its implementation. In addition, the bill slices into existing ObamaCare funding.”

Key provisions of this section include:
• A $1 billion reduction in the Prevention and Public Health “slush” Fund by to prevent HHS from using these funds for ObamaCare exchanges; A $10 million reduction in the Independent Payment Advisory Board (IPAB) created by ObamaCare that tries to find savings through restricting certain covered services (you may have heard it referred to as a “death panel”); and
• Continuing restrictions on using federal grant money to lobby, specifically aimed at preventing HHS from using federal dollars to promote and advertise ObamaCare.
**Department of Education** – The bill funds the Department of Education at $70.6 billion, which is $739 million below the enacted FY 2013 level.

Key provisions of this section include:

**Interior & Environment**

The legislation includes **$30.1 billion** for Interior and Environment programs, $231 million over the fiscal year 2013 enacted level.

**Environmental Protection Agency (EPA)** – The bill includes $8.2 billion for the EPA, which is $143 million below the FY 2013 level. The Appropriations Committee summary notes that EPA funding has been reduced by $2.1 billion – or 20.4% – since Republicans gained control of the House in 2010. However, this request is actually higher than the $8.15 billion the Administration originally requested and a $299 million boost from sequester levels.

**Financial Services**

The bill includes **$21.8 billion** for Financial Services, $603 million above the enacted FY 2013 level.

**Small Business Administration (SBA)** – The bill includes $929 million for the SBA, a reduction of $116 million from the fiscal year 2013 enacted level. The bill focuses on entrepreneurial development programs and fully funds business loans at $263 million. The committee notes: “Due to a reduction in loan subsidy rates, this level is $222 million below the fiscal year 2013 enacted level, but is sufficient to support expected loan demand.” The bill also fully funds disaster loan implementation costs at $192 million.

**Internal Revenue Service (IRS)** – The bill includes a total of $11.3 billion for the IRS, which is $526 million below the FY 2013 level, and maintains the majority of sequester funding cuts which actually brings the funding level below FY 2009 levels.

Key provisions in this section include:
- $92 million in funding to improve taxpayer services and address refund fraud, identity theft, and overseas compliance;
- A pay freeze for the Vice President and senior political appointees and a prohibition on funding to require that entities bidding for federal contracts disclose campaign contributions;
- No additional funding for ObamaCare; and
- Missing from the bill are any provisions to revive 55 recently-expired popular "tax extenders" like 179D expensing for energy efficient technologies in commercial buildings, which is hugely important to contractors including many IEC members. However, congressional leaders speculate that actions will be taken to renew these soon – **either en masse via a "clean" extension or individually/by group**.

**Transportation, Housing & Urban Development**

The legislation includes **$50.8 billion** for Transportation and Housing programs, a decrease of $961 million from the enacted FY 2013 level.
**Transportation** – The bill includes $17.8 billion in discretionary appropriations and grants $53.5 billion in non-discretionary “obligation limitation” funding to the Department of Transportation. This total is $164 million below the enacted FY 2013 level.

**Housing and Urban Development (HUD)** – The bill includes $32.8 billion for the Department of Housing and Urban Development, a decrease of $687 million below the fiscal year 2013 enacted level.

Key provisions include:
- The bill does not contain funding for any new, unauthorized “sustainable,” “livable,” or “green” community development programs.
- The bill does not include funding for any new programs proposed by the Senate or the Administration.