



Legislative Bulletin.....December 22, 2005

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S.Con.Res. 74—A concurrent resolution correcting the enrollment of H.R. 2863

S.Con.Res. 74—A concurrent resolution correcting the enrollment of H.R. 2863 (Cantwell, D-WA)

Order of Business: The concurrent resolution is expected to be considered on Thursday, December 22, 2005, under unanimous consent. It passed the Senate on Wednesday, December 21st by a vote of 48 to 45.

Summary: S.Con.Res. 74 would instruct the Clerk of the House of Representatives when enrolling the FY06 Defense appropriations conference report (H.R. 2863) ***to strike Divisions C and D.***

Division C allows for oil and gas leasing in Alaska’s Arctic National Wildlife Refuge (ANWR) that would result in an “environmentally sound program for the exploration, development, and production” of the oil and gas in ANWR, saving \$2.5 billion over five years (in new receipts to the federal government).

Division D allows for additional federal spending for non-defense programs and hurricane relief *beyond* the \$29 billion provided elsewhere in the conference report. In particular, Division D provides for the following *additional* spending items:

- \$2 billion for low-income heating energy assistance (LIHEAP);
- \$1 billion for agriculture and conservation programs;
- \$2 billion for homeland security (\$1 billion for interoperability communications equipment and \$1 billion for local preparedness grants); and
- \$1.1 billion for border security.

In addition, Division D creates a Gulf Coast Recovery and Disaster Prevention and Assistance Fund, funded from a portion of the future receipts from drilling in ANWR and any additional receipts that CBO does not currently anticipate from selling spectrum (a provision in the Deficit Reduction Act). Money in the fund would have to be distributed to Louisiana (50%), Mississippi (25%), Texas (10%), Alabama (10%), and Florida (5%) for hurricane disaster relief and recovery. The Secretary of Treasury is permitted to borrow from the Treasury to spend now and reimburse taxpayers later when these additional receipts are hoped to flow in later years—*there is no limit to the amount the Secretary could borrow now.*

However, CBO anticipates that Treasury would distribute \$5 billion over the next few years to the states for hurricane recovery.

Additional Background: The House of Representatives passed the FY06 Defense appropriations conference report (H.R. 2863) on December 19th by a vote of 308 to 106, but the legislation failed to clear the 60-vote threshold (to invoke cloture and overcome a filibuster) in the Senate on December 21st by a vote of 56 to 44. Opponents of the conference report objected to the inclusion of language opening up ANWR to oil exploration and drilling.

Cost to Taxpayer: A CBO cost estimate is not available, but striking Divisions C and D would likely save billions of dollars.

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.

Constitutional Authority: A committee report citing constitutional authority is unavailable.

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