

# *House Appropriations Committee*

*Chairman Rodney Frelinghuysen*

Website address: <http://appropriations.house.gov/>

## **Fiscal Year 2018 Financial Services Bill**

***Legislation will support tax reform implementation needs, fund U.S. courts, boost programs to promote economic opportunity, and help fight the nation's opioid epidemic***

The fiscal year 2018 Financial Services and General Government Appropriations bill provides annual funding for the Treasury Department, the Judiciary, the Small Business Administration, the Securities and Exchange Commission, and other related agencies.

The bill totals \$23.4 billion – \$2 billion above the fiscal year 2017 enacted level. The legislation targets resources to programs that will help boost economic growth and opportunity, protect consumers and investors, promote an efficient federal court system, and reduce financial crime. The bill also provides funding to implement the recently enacted tax reform legislation. Several policy provisions aimed at reducing regulatory red tape and scaling back harmful financial requirements are also included.

**Internal Revenue Service (IRS)** – The bill provides \$11.43 billion for the IRS – an increase of \$195.6 million above the fiscal year 2017 enacted level. Of the funds, \$320 million are targeted to help the IRS upgrade schedules, forms, and systems to reflect the new tax code adopted in the Tax Cuts and Jobs Act of 2017.

The bill provides an additional \$350 million to support IRS's customer service – such as phone call and correspondence response times – and funding for fraud prevention, and cybersecurity. The legislation includes provisions to preserve the safeguards, funding prohibitions, and oversight of taxpayer dollars at the IRS that have been carried in prior years.

**Fighting the Opioid Epidemic** – The legislation contains \$415.5 million for the Office of National Drug Control Policy (ONDCP) – which is \$27.3 million above the fiscal year 2017 enacted level. Within this amount, the bill provides \$280 million for High-Intensity Drug Trafficking Areas (HIDTA) and \$117.1 million for other federal drug control programs.

In addition to these funds, the bill provides an extra \$10.4 million over the budget request to the US Postal Service Office of Inspector General to continue drug interdiction efforts and investigations.

**Federal Communications Commission (FCC)** – The bill contains \$322 million for the FCC salaries and expenses – a decrease of \$34.7 million from the fiscal year 2017 enacted level. The legislation also provides \$600 million in fiscal year 2018 and \$400 million in fiscal year 2019 for payments to television and radio broadcasters for loss of spectrum related to the Middle Class Tax Relief and Job Creation Act of 2012. Funding is included to support the programs created in the new FCC reauthorization, the RAY BAUM Act of 2018 that is contained under a different division of the omnibus.

**Election Assistance Grants: Preventing Election Interference** – The legislation provides \$380 million to the Election Assistance Commission for state grants to improve election equipment and combat outside

interference in U.S. elections. Grants are distributed in accordance with the provisions of the Help America Vote Act of 2002.

**Small Business Administration (SBA)** – The bill contains \$700.8 million for the SBA to help promote opportunities for American small businesses to begin, grow, and prosper. This includes full funding to support \$29 billion in 7(a) and \$7.5 billion in 503 small business loans. Also included is \$12.3 million for veterans programs.

**General Services Administration (GSA)** – The bill allows the GSA to spend \$9.1 billion out of the Federal Buildings Fund, \$228.8 million above the fiscal year 2017 enacted level. This level of funding will cover the rent and other costs of buildings and properties owned or occupied by federal government agencies across the nation. In addition, the bill provides funds for construction of new courthouses in Harrisburg, PA, Huntsville, AL, and Ft. Lauderdale, FL; plus land ports of entry in Alexander Bay, NY, and Otay Mesa, CA, all of which were requested in the budget.

The bill includes \$100 million for a newly established Technology Modernization Fund as authorized in the National Defense Authorization Act for upgrades and improvements to IT systems across the government to prevent cybercrimes, terrorism, and intrusion.

Further, the bill includes \$5 million for the new Public Buildings Reform Board and another \$5 million for the newly established Asset Proceeds and Space Management Fund. The Board will use the Fund to reduce the inventory of excess federal property to save taxpayer dollars.

**Securities and Exchange Commission (SEC)** – Included in the bill is \$1.65 billion for the Securities and Exchange Commission (SEC) salaries and expenses, which is \$47 million above the fiscal year 2017 enacted level. The legislation targets funding to the Commission’s economics division, and provides \$45 million for IT and cybersecurity investments at the Commission to prevent cyber-crime and intrusion.

In addition, the legislation contains policy provisions and reporting requirements to improve transparency, accountability, and fairness and to stop overly burdensome regulation. For example, the bill:

- Requires the OMB to report to Congress on the cost and regulatory burdens of the Dodd-Frank Act; and
- Prohibits the agency from requiring the disclosure of political contributions in SEC filings.

**Judiciary** – Included in the bill is \$7.1 billion for the federal courts – an increase of \$183.8 million above the fiscal year 2017 enacted level. This will provide sufficient funding for all federal court activities, the supervision of offenders and defendants living in our communities, court security, and the timely and efficient processing of federal cases.

**District of Columbia** – The bill contains a \$721 million federal payment to the District of Columbia – which is \$34.9 million below the fiscal year 2017 enacted level. Federal payments to the District are primarily to support the courts and other public safety functions. It also includes \$45 million for the Scholarships for Opportunity and Results Act (SOAR), which provides scholarships to low-income students in DC to attend private schools.

In addition, the legislation:

- Maintains provisions prohibiting federal and local funds from being used for abortion;
- Maintains provisions to prohibit further marijuana legalization; and

- Maintains a prohibition on federal funds from being used for needle exchanges in the District of Columbia.

**Other Legislative Provisions –**

- A prohibition against the use of funds for abortion in the Federal Employee Health Benefits program;
- A prohibition on funding to require that entities applying for or conducting work under federal contracts disclose campaign contributions; and
- A provision maintaining the six-day mail delivery requirement for the Postal Service.

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