

Highlights of the FY 2009 Omnibus Appropriations Act

Background

More than four months into the current fiscal year, just three of the twelve FY 2009 spending bills have been enacted: Homeland Security, Defense, and Military Construction/Veterans. Currently, all domestic functions of the federal government are being funded through a continuing resolution (CR) that expires next Friday, March 6th. It is important to view the omnibus in light of the previous three spending bills passed for FY 2009 in order to grasp the entire picture of all federal spending for the year.

Total Spending in the Omnibus

According to CBO, the omnibus will cost \$410 billion, \$32 billion (8.4%) more than FY 2008 spending. The legislation is 1,128 pages long. Each page is equal to \$363 million in spending.

Excluding emergency appropriations, the bill is:

- \$19 billion (4.9%) more than President Bush's request
- \$19 billion (4.9% more than the cost of extending the continuing resolution
- \$32 billion (8.4%) more than last year

This is the largest increase in annual discretionary spending since the Carter Administration (exempting funding related to 9/11). In addition, this is the first time in U.S. history that the regular appropriations process will break the \$1 trillion mark.

The omnibus provides an increase of between 4% and 13% for each of the nine bills that make up the bill. Even the Legislative Branch, which funds Congress, receives an 11% increase in funding.

Meanwhile, the family income has increased on average 2.7% annually over the last seven years. In other words, funding for Congress under this bill grows at a pace four times faster than the average family budget.

Combined FY 2009 Spending

The three already-enacted appropriations bills included discretionary spending of \$600 billion. When combined with the omnibus, the FY 2009 appropriations bills will spend \$1.01 trillion—an increase of \$72 billion (7.7%) compared to last year.

In addition, the omnibus contains funding for many of the same agencies and programs that received funds in the “stimulus” bill. The combined FY 2009 funding for agencies included in both bills (stimulus and omni) is \$680 billion – \$301 billion more than these programs received in 2008, for an 80% increase in spending this year for these “doubled-dipped” programs.

Earmarks

Total omnibus earmarks: 8,570

Total cost: \$7.7 billion

The three previously enacted FY 2009 spending bills included a total of 2,321 earmarks, costing \$6.6 billion.

Total FY 2009 earmarks: 10,891

Total FY 2009 earmark spending: \$14.3 billion

The president has previously committed to returning the number of earmarks to “1994 levels.” In 1994, there were 4,126 appropriations earmarks. Given that the three already-enacted approps bills this year included 2,321 earmarks, the omni could only have 1,805 earmarks in order to meet this promise.

Just a few of the silly spending earmarks in the omnibus:

- \$254,000 for the Montana Sheep Institute
- \$1.79 million for Swine Odor and Manure Management
- \$150,000 for lobster research in Maine
- \$950,000 for the Myrtle Beach Convention Center
- \$380,000 for restoration and preservation of Maine’s historic lighthouses
- \$95,000 for construction of the Kure Beach Oceanfront Park, North Carolina

The Nation’s Current Debt Burden

In January, CBO projected the FY 2009 deficit would be \$1.186 trillion. This would be the largest nominal deficit in U.S. history. Since January 2007, the national debt has increased from \$8.67 trillion to \$10.73 trillion, an increase of \$2.06 trillion or 23.8% in just two years.

To put this in perspective, the increase to the national debt over just the past two years is larger than the total amount of debt accumulated by the federal government from 1789 to 1985. In order to accommodate this additional debt burden, the Congress has passed legislation to increase the national debt *four times in the last 17 months.*

Major Policy Concerns

- *End to DC School Choice.* Eliminates the DC opportunity scholarship program, which sends over 1,900 DC children to DC public schools.
- *Fairness Doctrine.* Does not maintain the appropriations rider prohibiting the use of funds for implementation of the Fairness Doctrine.
- *UNFPA Funding Reinstated.* Reinstates funding for the United National Population Fund, which has a controversial past involvement with China’s one-child policy, and exempts the fund from the Kemp-Kasten rider, which denies federal funding to organizations involved with coercive abortions or forced sterilization.
- *Increase in Family Planning Funding.* Increases to \$545 million (up \$88 million), for international family planning. Of note: the president also recently repealed the Mexico City Policy.
- *Nominal Drug Pricing.* Allows non-federally funded family planning clinics to purchase drugs at a “nominal” price.
- *Domestic Partnership.* While the bill maintains a funding ban on domestic partnership benefits, report language urges the Office of Personnel Management to “consider” federal health benefits for same-sex domestic partners of federal employees.