

Amendment Section 4005 – Saves \$45 billion by returning unspent federal funds that have not been obligated or committed for any purpose.

This section would save \$45 billion by rescinding \$80 billion in unobligated federal discretionary funds that have not been obligated or committed for any purpose.

The amendment would not rescind any unobligated funds held by the Department of Defense or the Department of Veterans Affairs.

The section allows the President's Office of Management and Budget (OMB) to identify the accounts and amounts rescinded to pay for the supplemental.

Under Washington budget scoring rules, a rescission of \$80 billion in unobligated discretionary funding will yield a savings of roughly \$45 billion.

The Federal Government Ended 2009 With Nearly \$1 Trillion Of Unobligated Funds

Nearly every federal department ends each year with billions of dollars in unobligated funding. Unlike obligated funding that has not yet been spent, unobligated funds are not set aside for a specific purpose to be funded in the near future.

Federal agencies ended Fiscal Year 2009 with nearly \$1 trillion of unobligated funds, according to the OMB. In FY 2009, the federal government held \$921.8 billion in unspent funds and OMB estimates that this amount will exceed \$600 billion in FY 2010 and 2011.¹

While it is applaudable that government bureaucrats are not spending every dollar that they are entrusted, this staggering amount of unspent money exposes the mismanagement of our national finances by Congress.

Every year, Congress borrows hundreds of billions of dollars to pay for increases for programs that end each year with billions of dollars in unobligated money.

Simply put, Congress is approving increases in government funding faster than bureaucrats can spend it!

While all of the money is not being spent, taxpayers still must pay for the funding increases as well as the cost to finance the interest on the billions of dollars being borrowed and added to our \$13 trillion national debt.

¹

1 <http://www.whitehouse.gov/omb/budget/fy2011/assets/balances.pdf>

This section would rescind \$80 billion of the \$596,837 billion the federal government is projected to end the fiscal year holding in non-DOD and non-VA unobligated funds, which will produce savings of \$45 billion.

There Is No Reason For Congress To Borrow More Money When The Government Is Not Spending Hundreds of Billions Of Dollars It Has Already Borrowed And Has No Plans To Spend

America can no longer afford Congress' reliance on borrowing money. The federal government has been spending more than it collected for a record 18 consecutive months.³

There is no reason to borrow more money when the government isn't even spending hundreds of billions of dollars it has already borrowed.

If Congress is unable or unwilling to make the tough choices to offset new spending by cutting spending elsewhere in the federal budget, it should at the very least be willing to pay for the costs by rescinding some of the funds that are going unspent and have no intended use.

³ http://www.washingtonpost.com/wp-dyn/content/article/2010/04/12/AR2010041204364_2.html?hpid=topnews

FEDERAL FUND UNOBLIGATED BALANCES BY AGENCY
(in millions of dollars)

Department or other unit	2009 Actual	2010 Estimate	2011 Estimate
Legislative Branch	1,876	1,450	1,481
Judicial Branch	429	317	306
Department of Agriculture	20,311	9,197	12,174
Department of Commerce	16,517	523	456
Department of Defense--Military	111,113	75,679	71,423
Department of Education	35,827	7,995	7,586
Department of Energy	25,687	4,838	1,538
Department of Health and Human Services	38,224	31,682	16,721
Department of Homeland Security	14,070	5,567	4,796
Department of Housing and Urban Development	34,662	20,069	25,213
Department of the Interior	9,159	7,959	6,681
Department of Justice	3,193	2,054	1,736
Department of Labor	16,237	15,343	16,429
Department of State	9,926	9,490	11,281
Department of Transportation	24,267	8,725	4,331
Department of the Treasury	417,666	330,967	309,184
Department of Veterans Affairs	8,759	4,437	3,854
Corps of Engineers--Civil Works	16,677	11,845	5,365
Other Defense Civil Programs	41	41	38
Environmental Protection Agency	1,741	1,589	1,523
Executive Office of the President	33	52	41
General Services Administration	10,760	5,435	3,610
International Assistance Programs	47,109	46,739	50,774
National Aeronautics and Space Administration	1,120	390	1,201
National Science Foundation	753	---	---
Office of Personnel Management	918	839	707
Small Business Administration	1,488	860	733
Social Security Administration	936	573	419
Other Independent Agencies	52,300	72,298	55,249
Allowances	---	---	---
TOTAL	921,799	676,953	614,850

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- The section allows the President's Office of Management and Budget (OMB) to identify the accounts and amounts rescinded to pay for the supplemental.
- The federal government ended 2009 with nearly \$1 trillion of unobligated funds
- There is no reason for Congress to borrow more money when the government is not spending hundreds of billions of dollars it has already borrowed and has no plans to spend
- This section would save \$45 billion by rescinding \$80 billion in unobligated federal discretionary funds that have not been obligated or committed for any purpose. Under Washington budget scoring rules, a rescission of \$80 billion in unobligated discretionary funding will yield a savings of roughly \$45 billion.