

117TH CONGRESS }
1st Session }

COMMITTEE PRINT

{ S. PRT.
117-16 }

**CONCURRENT RESOLUTION
ON THE BUDGET
FISCAL YEAR 2022**

COMMITTEE PRINT

TO ACCOMPANY

S. CON. RES. 14

COMMITTEE ON THE BUDGET
UNITED STATES SENATE

BERNARD SANDERS, *Chairman*



AUGUST 2021

Prepared for the use of the Committee on the Budget. This document has not been officially approved by the Committee and may not reflect the views of its members.

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OVERVIEW

OVERVIEW OF THE FISCAL YEAR 2022 BUDGET RESOLUTION

On July 13th, 2021, the Senate Budget Committee, with the support of Leader Schumer and President Biden, announced a framework agreement of \$3.5 trillion in FY2022 Budget Reconciliation instructions to enact the Build Back Better agenda. The agreement calls for the \$3.5 trillion in long-term investments to be fully offset by a combination of new tax revenues, health care savings, and long-term economic growth. In addition, the agreement would prohibit new taxes on families making less than \$400,000 per year, and on small businesses and family farms.

The Budget Committee's objective was to provide instructions that allow every major program proposed by President Biden to receive robust funding. The recommendations below should allow the proper flexibility for the Committees to make policy decisions based on Congressional Budget Office (CBO) and Joint Committee on Taxation (JCT) scores and other inputs from Committee members.

The Budget Resolution will allow the Senate to make the most significant investment in tackling the climate crisis in US history, and put America on a path to meet President Biden's climate change goals of 80 percent clean electricity and 50 percent economy-wide carbon emissions reductions by 2030.

The Chairs of the Committees are actively working to develop the specific policy proposals that would be enacted in the Reconciliation bill. If Senators or their staffs would like additional details on the programs, they can receive a briefing from the Committee Chairs and their staffs.

Please note: the list of items below is not final and not exclusive. This document is meant to provide a detailed understanding to Senators of what the resolution is designed to fund and it may be modified over the course of the bill drafting process and scoring process.

I. RECONCILIATION INSTRUCTIONS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

The Agriculture Committee receives an instruction of \$135 billion.

- Agriculture conservation, drought, and forestry programs to help reduce carbon emissions and prevent wildfires
- Rural development and rural co-op clean energy investments
- Agricultural climate research and research infrastructure

- Civilian Climate Corps funding
- Child nutrition
- Debt relief

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

The Banking Committee receives an instruction of \$332 billion.

- Creation and preservation of affordable housing by making historic investments in programs like the Housing Trust Fund, HOME, the Capital Magnet Fund, and rural housing
- Improve housing affordability and equity by providing down payment assistance, rental assistance, and other homeownership initiatives
- Community investment, development and revitalization through initiatives like Community Land Trusts, investments in CDBG, zoning, land use, and transit improvements and creating healthy and sustainable housing
- Public Housing Capital Investments and Sustainability

COMMITTEE ON COMMERCE, SCIENCE, AND TECHNOLOGY

The Commerce Committee receives an instruction of \$83 billion.

- Investments in technology, transportation, and more
- Research, manufacturing, and economic development
- Coastal resiliency, healthy oceans investments, including the National Oceans and Coastal Security Fund
- National Science Foundation research and technology directorate

COMMITTEE ON ENERGY AND NATURAL RESOURCES

The Energy Committee receives an instruction of \$198 billion.

- Clean Electricity Payment Program
- Consumer rebates to weatherize and electrify homes
- Financing for domestic manufacturing of clean energy and auto supply chain technologies
- Federal procurement of energy efficient materials
- Climate research
- Research infrastructure for DOE National Labs
- Hard Rock mining
- Department of Interior programs

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

The Environment and Public Works Committee receives an instruction of \$67 billion.

- Clean Energy Technology Accelerator that would fund low-income solar and other climate-friendly technologies
- Environmental justice investments in clean water affordability and access, healthy ports and climate equity
- EPA climate and research programs
- Federal investments in energy efficient buildings and green materials
- Appalachian Regional Commission and Economic Development Administration economic development and transition programs

- Investments in clean vehicles
- Methane polluter fee to reduce carbon emissions

COMMITTEE ON FINANCE

The Finance Committee will receive an instruction that requires at least \$1 billion in deficit reduction. This will provide the Committee with flexibility to make investment, revenue and offset decisions consistent with the policy recommendations. Please see Section II of this memo for more information about this instruction.

Investments

- Paid Family and Medical Leave
- ACA expansion extension and filling the Medicaid Coverage Gap
- Expanding Medicare to include dental, vision, hearing benefits and lowering the eligibility age
- Addressing health care provider shortages (Graduate Medical Education)
- Child Tax Credit/EITC/CDCTC extension
- Long-term care for seniors and persons with disabilities (HCBS)
- Clean energy, manufacturing, and transportation tax incentives
- Pro-worker incentives and worker support
- Health equity (maternal, behavioral, and racial justice health investments)
- Housing incentives
- SALT cap relief
- Other investments within the jurisdiction of the Finance Committee

Offsets

- Corporate and international tax reform
- Tax fairness for high-income individuals
- IRS tax enforcement
- Health care savings
- Carbon Polluter Import Fee

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

The HELP Committee receives an instruction of \$726 billion.

- Universal Pre-K for 3 and 4-year olds
- Child care for working families
- Tuition-free community college
- Investments in HBCUs, MSIs, HSIs, TCUs, and ANNHIs
- Increase the maximum Pell grant award
- School infrastructure, student success grants, and educator investments
- Investments in primary care, including Community Health Centers, the National Health Service Corps, the Nurse Corps, and Teaching Health Center Graduate Medical Education
- Health equity (maternal, behavioral, and racial equity health investments)
- Pandemic preparedness

- Workforce development and job training
- Labor enforcement and penalties
- Civilian Climate Corps funding
- Research infrastructure, including for HBCUs, MSIs, HSIs, TCUs, and ANNHIs

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

The HSGAC Committee receives an instruction of \$37 billion.

- Electrifying the federal vehicle fleet (USPS and Non-USPS)
- Electrifying and rehabilitating federal buildings
- Improving our cybersecurity infrastructure
- Border management investments
- Federal investments in green materials procurement
- Resilience

COMMITTEE ON THE JUDICIARY

The Judiciary Committee receives an instruction of \$107 billion.

- Lawful permanent status for qualified immigrants
- Investments in smart and effective border security measures
- Community Violence Intervention Initiative

COMMITTEE ON INDIAN AFFAIRS

The Indian Affairs Committee receives an instruction of \$20.5 billion.

- Native health programs and facilities
- Native education programs and facilities
- Native American housing programs
- Native energy programs
- Native resilience and climate programs
- BIA programs and facilities
- Native language programs
- Native Civilian Climate Corps

COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP

The Small Business Committee receives an instruction of \$25 billion.

- Small business access to credit, investment, and markets

COMMITTEE ON VETERANS AFFAIRS

The Veterans Affairs Committee receives an instruction of \$18 billion.

- Upgrades to VA facilities

**II. BACKGROUND – FINANCE COMMITTEE
INSTRUCTION**

The FY 2022 budget resolution will provide the Finance Committee with an instruction that allows for:

- \$1.8 trillion in investments for working families, the elderly and the environment;

- A historic tax cut for Americans making less than \$400,000 a year;
- Ensuring that the wealthy and large corporations pay their fair share of taxes; and
- Hundreds of billions in additional savings by lowering the price of prescription drugs.

In order to give the Senate Finance Committee the flexibility it needs to accomplish these goals, the text of the Budget Resolution will provide the Finance Committee with an instruction to reduce the deficit by a nominal amount of \$1 billion over ten years.

There is ample precedent over the past fifteen years for using a nominal reconciliation instruction as a mechanism to allow a committee to bring forth legislation with larger budgetary implications than such an instruction suggests. Republicans used a nominal instruction amount to both the Finance and the Health, Education, Labor, and Pension (HELP) Committees to move forward with their efforts to repeal the Affordable Care Act in 2015 and 2017. The instruction to each committee in each case was to reduce the deficit by \$1 billion. Yet, those efforts had much larger implications. According to CBO, the 2015 bill, H.R. 3762, would have reduced outlays by \$1.4 trillion and revenues by \$1.1 trillion over ten years.

In addition, Democrats used nominal reconciliation instructions in 2010 and 2007 to achieve important changes to health care and education programs. The 2010 example, the Health Care and Education Reconciliation Act (HCERA) included a nominal instruction of \$1 billion in deficit reduction to both the Senate Finance and HELP Committees. According to CBO, That bill impacted hundreds of billions of dollars in meeting those targets. Finally, in 2007, Democrats used reconciliation to pass the College Cost Reduction Act. According to CBO, the HELP Committee met its instruction by investing approximately \$20 billion in education investments with offsets over the reconciled time period.

The framework includes a mix of policies within the jurisdiction of the Finance Committee that both increase and decrease outlays and increase and decrease revenues. In other words, the Finance Committee's reconciliation product will both provide substantial portions of the investments contemplated by the \$3.5 trillion package but also nearly all of the stated offsets.

It is not possible to draft and score all of the expected policies prior to consideration of the budget resolution. Given that we will not have budgetary certainty for all of the expected policies prior to locking in the reconciliation instruction to the Finance Committee, the Budget Resolution will not require a specific level of revenue, outlay, or deficit amount in its reconciliation instruction.

It should be noted that the \$3.5 trillion framework agreement total represents the level of new investments, but does not represent the net budgetary impact of the expected reconciliation bill because the reconciliation bill will also include substantial offsets.

III. SECTION BY SECTION SUMMARY OF THE RESOLUTION

Section 1. Concurrent Resolution on the Budget for Fiscal Year 2022. This section declares that this resolution is the concurrent resolution for fiscal year 2022 and sets forth budgetary levels for the fiscal years 2023 through 2031. This section also displays the table of contents of the resolution.

Section 1101. Recommended Levels and Amounts. This section sets the budgetary levels for fiscal years 2022 through 2031. These budgetary levels include total federal revenues, new budget authority, budget outlays, deficits, public debt (debt that is subject to a statutory limit), and debt held by the public. The budget resolution assumes discretionary levels as proposed in President Biden's budget request and passage of policies in the envisioned reconciliation bill.

Section 1102. Major Functional Categories. This section breaks down the levels of new budget authority and outlays for fiscal years 2022 through 2031 by each of the 20 major functional categories, based on allocations of the total levels set in section 1101.

Section 1201. Social Security in the Senate. This section provides the amounts of Social Security revenues and outlays. The Congressional Budget Act of 1974 requires this. Further, there is a separate display of discretionary administrative expenses for the Social Security Administration, enabling these amounts to count towards the Appropriations Committee's 302(a) allocation.

Section 1202. Postal Service Discretionary Administrative Expenses in the Senate. This section provides a display of discretionary administrative expenses for the United States Postal Service, enabling these amounts to count towards the Appropriations Committee's 302(a) allocation.

Section 2001. Reconciliation in the Senate. This section provides reconciliation instructions to 11 committees to submit changes in laws within their jurisdictions that will increase the deficit over the period of fiscal years 2022 through 2031 by no more than the specified amounts for each committee. In addition, the Committee on Finance is instructed to submit changes in laws within its jurisdiction to reduce the deficit by at least \$1 billion over that same time period. These instructions are designed to give committees flexibility while still meeting the agreed-upon top-line level of \$3.5 trillion in investments over 10 years. The section also requires committees given reconciliation instructions to submit legislation to the Committee on the Budget by September 15 to carry out this section, though this date is not binding.

Section 2002. Reconciliation in the House of Representatives. This section provides reconciliation instructions to 12 committees to submit changes in laws within their jurisdictions that will increase the deficit over the period of fiscal years 2022 through 2031 by no more than the specified amounts for each committee. In addition, the Committee on Ways and Means is instructed to submit changes in laws within its jurisdiction to reduce the deficit by at least \$1 billion over that same time period. These instruc-

tions are designed to give committees flexibility while still meeting the agreed-upon top-line level of \$3.5 trillion in investments over 10 years. The section also requires committees given reconciliation instructions to submit legislation to the Committee on the Budget by September 15 to carry out this section, though this date is not binding.

Section 3001. Reserve Fund for Legislation that Won't Raise Taxes on People Making Less than \$400,000 in the Senate.

This section enables the Chairman of the Senate Budget Committee to revise committee allocations and other budgetary levels to accommodate tax legislation that does not raise taxes on people making less than \$400,000 per year.

Section 3002. Reserve Fund for Reconciliation Legislation.

This section provides a reserve fund for reconciliation legislation enabling the Chairs of the House and Senate Budget Committees to revise committee allocations and other budgetary levels to accommodate that legislation, provided that it complies with reconciliation instructions under this concurrent resolution. This section also exempts reconciliation legislation from certain points of order.

Section 3003. Reserve Fund. This section enables the Chairs of the House and Senate Budget Committees to revise committee allocations and other budgetary levels to accommodate legislation, provided that such legislation would not increase the deficit over the stated period of years.

Section 4001. Emergency Legislation. This section updates the provision on emergency provisions last adopted in the fiscal year 2018 budget resolution. The section permits the Chairs of the House and Senate Budget Committees to adjust allocations, aggregates, and levels included in this resolution for emergency legislation. In addition, this section defines what constitutes an emergency. This section discontinues a 60-vote point of order against emergency designations in the Senate.

Section 4002. Point of Order against Advance Appropriations in the Senate. This section reinstates a longstanding 60-vote point of order against advance appropriations, with exemptions for certain accounts. Newly added to the list of exempt accounts is the Indian Health Service.

Section 4003. Point of Order against Advance Appropriations in the House of Representatives. This section reinstates a longstanding rule against advance appropriations, with exemptions for certain accounts.

Section 4004. Program Integrity Initiatives and Other Adjustments in the Senate. This section permits the Chairman of the Senate Budget Committee to adjust committee allocations, budgetary aggregates, and allocations for specified purposes. Further, if such adjustments are made, the Senate Appropriations Committee may report appropriately revised suballocations. As such, discretionary funding for these purposes may be made over and above the allocation to the Appropriations Committee, if it meets the requirements of this section. Those purposes are: 1) con-

tinuing disability reviews and redeterminations, 2) Internal Revenue Service enforcement, 3) health care fraud and abuse control, 4) reemployment services and eligibility assessments, 5) wildfire suppression, 6) disaster relief, and 7) veterans' medical care.

Section 4005. Program Integrity Initiatives and Other Adjustments in the House of Representatives. This section permits the Chair of the House Budget Committee to adjust committee allocations, budgetary aggregates, and allocations for specified purposes. As such, discretionary funding for these purposes may be made over and above the allocation to the Appropriations Committee, if it meets the requirements of this section. Those purposes are: 1) continuing disability reviews and redeterminations, 2) Internal Revenue Service enforcement, 3) health care fraud and abuse control, 4) reemployment services and eligibility assessments, 5) wildfire suppression, 6) disaster relief, and 7) veterans' medical care.

Section 4006. Enforcement Filing. This section provides for the procedures for filing committee allocations in the House and the Senate in the event a concurrent resolution is adopted without the appointment of a conference committee and the filing of a joint explanatory statement accompanying a conference report. In such a circumstance, the Chairs of both the House and Senate Budget Committees shall submit a statement for publication in the Congressional Record establishing committee allocations.

Section 4007. Application and Effect of Changes in Allocations, Aggregates, and Other Budgetary Levels. This section establishes the timing of when any adjustments of allocations, aggregates, and other budgetary levels made pursuant to this resolution take effect and stipulates that any adjustment shall be published in the Congressional Record as soon as practicable. It also clarifies that for the purposes of the resolution budgetary levels are determined on the basis of estimates made by the Chair of the Committee on the Budget of the applicable House of Congress.

Section 4008. Adjustments to Reflect Changes in Concepts and Definitions. This section gives the Chairs of the House and Senate Budget Committees the authority to adjust budgetary levels in the concurrent resolution for any changes in budgetary concepts and definitions consistent with the Balanced Budget and Emergency Deficit Control Act of 1985.

Section 4009. Adjustment for Bipartisan Infrastructure Legislation in the Senate. This section gives the Chairman of the Senate Budget Committee the authority to adjust budgetary levels in the concurrent resolution upon enactment of an infrastructure package, such as the Infrastructure Investment and Jobs Act. This section also states that for such legislation the cost estimate shall be determined on the basis of estimates made by the Chairman of the Senate Budget Committee.

Section 4010. Adjustment for Infrastructure Legislation in the House of Representatives. This section gives the Chair of the House Budget Committee the authority to adjust budgetary levels in the concurrent resolution upon enactment of infrastruc-

ture legislation, such as legislation implementing the INVEST in America Act or a bipartisan infrastructure agreement.

Section 4011. Applicability of Adjustments to Discretionary Spending Limits. This section clarifies that, unless expressly provided in the budget resolution, the Balanced Budget and Emergency Deficit Control Act shall not effectuate adjustments to the budgetary levels described in Sec. 1101.

Section 4012. Budgetary Treatment of Administrative Expenses. This section states that the House and Senate Appropriations Committees will continue to appropriate discretionary administrative expenses of the Social Security Administration and the United States Postal Service. These amounts will count towards the Appropriations Committees' 302(a) allocation.

Section 4013. Appropriate Budgetary Adjustments in the House of Representatives. This section gives the Chair of the House Budget Committee the authority to adjust budgetary levels in accordance with the provisions of this budget resolution.

Section 4014. Adjustment for Changes in the Baseline in the House of Representatives. This section gives the Chair of the House Budget Committee the authority to adjust budgetary levels to reflect changes resulting from the Congressional Budget Office's updates to its baseline for fiscal years 2022 through 2031.

Section 4015. Scoring Rule in the Senate for Child Care and Pre-Kindergarten Legislation. This section states that for the purposes of estimating the costs of the direct spending of any child care or pre-kindergarten legislation, the Congressional Budget Office shall assume funding for programs under the Head Start Act will continue at baseline levels.

Sec. 4016. Exercise of Rulemaking Powers. This section instructs that in each of the House and Senate the provisions in this title shall be considered as part of the rules of each House or of that House to which they specifically apply.

117TH CONGRESS
1ST SESSION

S. CON. RES. _____

Setting forth the congressional budget for the United States Government for fiscal year 2022 and setting forth the appropriate budgetary levels for fiscal years 2023 through 2031.

IN THE SENATE OF THE UNITED STATES

Mr. SANDERS (for himself, _____) submitted the following concurrent resolution; which was referred to the Committee on _____

CONCURRENT RESOLUTION

Setting forth the congressional budget for the United States Government for fiscal year 2022 and setting forth the appropriate budgetary levels for fiscal years 2023 through 2031.

1 *Resolved by the Senate (the House of Representatives*
2 *concurring),*

1 **SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET**
2 **FOR FISCAL YEAR 2022.**

3 (a) **DECLARATION.**—Congress declares that this reso-
4 lution is the concurrent resolution on the budget for fiscal
5 year 2022 and that this resolution sets forth the appro-
6 priate budgetary levels for fiscal years 2023 through 2031.

7 (b) **TABLE OF CONTENTS.**—The table of contents for
8 this concurrent resolution is as follows:

Sec. 1. Concurrent resolution on the budget for fiscal year 2022.

TITLE I—RECOMMENDED LEVELS AND AMOUNTS

Subtitle A—Budgetary Levels in Both Houses

Sec. 1101. Recommended levels and amounts.

Sec. 1102. Major functional categories.

Subtitle B—Levels and Amounts in the Senate

Sec. 1201. Social Security in the Senate.

Sec. 1202. Postal Service discretionary administrative expenses in the Senate.

TITLE II—RECONCILIATION

Sec. 2001. Reconciliation in the Senate.

Sec. 2002. Reconciliation in the House of Representatives.

TITLE III—RESERVE FUNDS

Sec. 3001. Reserve fund for legislation that won't raise taxes on people making
less than \$400,000 in the Senate.

Sec. 3002. Reserve fund for reconciliation legislation.

Sec. 3003. Reserve fund.

TITLE IV—OTHER MATTERS

Sec. 4001. Emergency legislation.

Sec. 4002. Point of order against advance appropriations in the Senate.

Sec. 4003. Point of order against advance appropriations in the House of Rep-
resentatives.

Sec. 4004. Program integrity initiatives and other adjustments in the Senate.

Sec. 4005. Program integrity initiatives and other adjustments in the House of
Representatives.

Sec. 4006. Enforcement filing.

Sec. 4007. Application and effect of changes in allocations, aggregates, and
other budgetary levels.

Sec. 4008. Adjustments to reflect changes in concepts and definitions.

Sec. 4009. Adjustment for bipartisan infrastructure legislation in the Senate.

- Sec. 4010. Adjustment for infrastructure legislation in the House of Representatives.
- Sec. 4011. Applicability of adjustments to discretionary spending limits.
- Sec. 4012. Budgetary treatment of administrative expenses.
- Sec. 4013. Appropriate budgetary adjustments in the House of Representatives.
- Sec. 4014. Adjustment for changes in the baseline in the House of Representatives.
- Sec. 4015. Scoring rule in the Senate for child care and pre-kindergarten legislation.
- Sec. 4016. Exercise of rulemaking powers.

1 **TITLE I—RECOMMENDED**
2 **LEVELS AND AMOUNTS**
3 **Subtitle A—Budgetary Levels in**
4 **Both Houses**

5 **SEC. 1101. RECOMMENDED LEVELS AND AMOUNTS.**

6 The following budgetary levels are appropriate for
7 each of fiscal years 2022 through 2031:

8 (1) FEDERAL REVENUES.—For purposes of the
9 enforcement of this resolution:

10 (A) The recommended levels of Federal
11 revenues are as follows:

- 12 Fiscal year 2022: \$3,401,380,000,000.
- 13 Fiscal year 2023: \$3,512,947,000,000.
- 14 Fiscal year 2024: \$3,542,298,000,000.
- 15 Fiscal year 2025: \$3,565,871,000,000.
- 16 Fiscal year 2026: \$3,773,174,000,000.
- 17 Fiscal year 2027: \$3,995,160,000,000.
- 18 Fiscal year 2028: \$4,090,582,000,000.
- 19 Fiscal year 2029: \$4,218,130,000,000.
- 20 Fiscal year 2030: \$4,352,218,000,000.

1 Fiscal year 2031: \$4,505,614,000,000.

2 (B) The amounts by which the aggregate
3 levels of Federal revenues should be changed
4 are as follows:

5 Fiscal year 2022: \$0.

6 Fiscal year 2023: \$0.

7 Fiscal year 2024: \$0.

8 Fiscal year 2025: \$0.

9 Fiscal year 2026: \$0.

10 Fiscal year 2027: \$0.

11 Fiscal year 2028: \$0.

12 Fiscal year 2029: \$0.

13 Fiscal year 2030: \$0.

14 Fiscal year 2031: \$0.

15 (2) NEW BUDGET AUTHORITY.—For purposes
16 of the enforcement of this resolution, the appropriate
17 levels of total new budget authority are as follows:

18 Fiscal year 2022: \$4,417,362,000,000.

19 Fiscal year 2023: \$4,579,359,000,000.

20 Fiscal year 2024: \$4,699,353,000,000.

21 Fiscal year 2025: \$4,940,084,000,000.

22 Fiscal year 2026: \$5,107,577,000,000.

23 Fiscal year 2027: \$5,311,640,000,000.

24 Fiscal year 2028: \$5,633,086,000,000.

25 Fiscal year 2029: \$5,722,075,000,000.

1 Fiscal year 2030: \$6,064,522,000,000.

2 Fiscal year 2031: \$6,365,907,000,000.

3 (3) BUDGET OUTLAYS.—For purposes of the
4 enforcement of this resolution, the appropriate levels
5 of total budget outlays are as follows:

6 Fiscal year 2022: \$4,698,391,000,000.

7 Fiscal year 2023: \$4,671,457,000,000.

8 Fiscal year 2024: \$4,714,709,000,000.

9 Fiscal year 2025: \$4,936,110,000,000.

10 Fiscal year 2026: \$5,087,789,000,000.

11 Fiscal year 2027: \$5,288,850,000,000.

12 Fiscal year 2028: \$5,635,713,000,000.

13 Fiscal year 2029: \$5,667,301,000,000.

14 Fiscal year 2030: \$6,024,068,000,000.

15 Fiscal year 2031: \$6,322,190,000,000.

16 (4) DEFICITS.—For purposes of the enforce-
17 ment of this resolution, the amounts of the deficits
18 are as follows:

19 Fiscal year 2022: \$1,297,011,000,000.

20 Fiscal year 2023: \$1,158,510,000,000.

21 Fiscal year 2024: \$1,172,411,000,000.

22 Fiscal year 2025: \$1,370,239,000,000.

23 Fiscal year 2026: \$1,314,615,000,000.

24 Fiscal year 2027: \$1,293,690,000,000.

25 Fiscal year 2028: \$1,545,131,000,000.

1 Fiscal year 2029: \$1,449,171,000,000.

2 Fiscal year 2030: \$1,671,850,000,000.

3 Fiscal year 2031: \$1,816,576,000,000.

4 (5) PUBLIC DEBT.—Pursuant to section
5 301(a)(5) of the Congressional Budget Act of 1974
6 (2 U.S.C. 632(a)(5)), the appropriate levels of the
7 public debt are as follows:

8 Fiscal year 2022: \$30,789,000,000,000.

9 Fiscal year 2023: \$32,141,000,000,000.

10 Fiscal year 2024: \$33,526,000,000,000.

11 Fiscal year 2025: \$35,059,000,000,000.

12 Fiscal year 2026: \$36,570,000,000,000.

13 Fiscal year 2027: \$37,952,000,000,000.

14 Fiscal year 2028: \$39,733,000,000,000.

15 Fiscal year 2029: \$41,296,000,000,000.

16 Fiscal year 2030: \$43,188,000,000,000.

17 Fiscal year 2031: \$45,150,000,000,000.

18 (6) DEBT HELD BY THE PUBLIC.—The appro-
19 priate levels of debt held by the public are as follows:

20 Fiscal year 2022: \$24,622,000,000,000.

21 Fiscal year 2023: \$25,826,000,000,000.

22 Fiscal year 2024: \$27,153,000,000,000.

23 Fiscal year 2025: \$28,678,000,000,000.

24 Fiscal year 2026: \$30,219,000,000,000.

25 Fiscal year 2027: \$31,776,000,000,000.

1 Fiscal year 2028: \$33,737,000,000,000.

2 Fiscal year 2029: \$35,521,000,000,000.

3 Fiscal year 2030: \$37,692,000,000,000.

4 Fiscal year 2031: \$39,987,000,000,000.

5 **SEC. 1102. MAJOR FUNCTIONAL CATEGORIES.**

6 Congress determines and declares that the appro-
7 priate levels of new budget authority and outlays for fiscal
8 years 2022 through 2031 for each major functional cat-
9 egory are:

10 (1) National Defense (050):

11 Fiscal year 2022:

12 (A) New budget authority,
13 \$765,704,000,000.

14 (B) Outlays, \$763,985,000,000.

15 Fiscal year 2023:

16 (A) New budget authority,
17 \$782,245,000,000.

18 (B) Outlays, \$770,192,000,000.

19 Fiscal year 2024:

20 (A) New budget authority,
21 \$799,520,000,000.

22 (B) Outlays, \$776,297,000,000.

23 Fiscal year 2025:

24 (A) New budget authority,
25 \$817,214,000,000.

1 (B) Outlays, \$794,946,000,000.
2 Fiscal year 2026:
3 (A) New budget authority,
4 \$835,351,000,000.
5 (B) Outlays, \$810,367,000,000.
6 Fiscal year 2027:
7 (A) New budget authority,
8 \$843,873,000,000.
9 (B) Outlays, \$821,610,000,000.
10 Fiscal year 2028:
11 (A) New budget authority,
12 \$852,499,000,000.
13 (B) Outlays, \$836,561,000,000.
14 Fiscal year 2029:
15 (A) New budget authority,
16 \$861,191,000,000.
17 (B) Outlays, \$834,592,000,000.
18 Fiscal year 2030:
19 (A) New budget authority,
20 \$870,003,000,000.
21 (B) Outlays, \$848,928,000,000.
22 Fiscal year 2031:
23 (A) New budget authority,
24 \$880,156,000,000.
25 (B) Outlays, \$858,990,000,000.

1 (2) International Affairs (150):
2 Fiscal year 2022:
3 (A) New budget authority,
4 \$68,740,000,000.
5 (B) Outlays, \$68,368,000,000.
6 Fiscal year 2023:
7 (A) New budget authority,
8 \$66,170,000,000.
9 (B) Outlays, \$64,121,000,000.
10 Fiscal year 2024:
11 (A) New budget authority,
12 \$67,128,000,000.
13 (B) Outlays, \$65,429,000,000.
14 Fiscal year 2025:
15 (A) New budget authority,
16 \$68,621,000,000.
17 (B) Outlays, \$66,231,000,000.
18 Fiscal year 2026:
19 (A) New budget authority,
20 \$70,182,000,000.
21 (B) Outlays, \$67,113,000,000.
22 Fiscal year 2027:
23 (A) New budget authority,
24 \$71,840,000,000.
25 (B) Outlays, \$68,304,000,000.

19

10

1 Fiscal year 2028:
2 (A) New budget authority,
3 \$73,526,000,000.
4 (B) Outlays, \$69,474,000,000.
5 Fiscal year 2029:
6 (A) New budget authority,
7 \$75,221,000,000.
8 (B) Outlays, \$71,071,000,000.
9 Fiscal year 2030:
10 (A) New budget authority,
11 \$76,918,000,000.
12 (B) Outlays, \$72,602,000,000.
13 Fiscal year 2031:
14 (A) New budget authority,
15 \$78,648,000,000.
16 (B) Outlays, \$74,169,000,000.
17 (3) General Science, Space, and Technology
18 (250):
19 Fiscal year 2022:
20 (A) New budget authority,
21 \$43,582,000,000.
22 (B) Outlays, \$39,492,000,000.
23 Fiscal year 2023:
24 (A) New budget authority,
25 \$46,345,000,000.

1 (B) Outlays, \$43,900,000,000.
2 Fiscal year 2024:
3 (A) New budget authority,
4 \$48,435,000,000.
5 (B) Outlays, \$46,597,000,000.
6 Fiscal year 2025:
7 (A) New budget authority,
8 \$50,286,000,000.
9 (B) Outlays, \$48,830,000,000.
10 Fiscal year 2026:
11 (A) New budget authority,
12 \$51,492,000,000.
13 (B) Outlays, \$50,050,000,000.
14 Fiscal year 2027:
15 (A) New budget authority,
16 \$51,839,000,000.
17 (B) Outlays, \$50,449,000,000.
18 Fiscal year 2028:
19 (A) New budget authority,
20 \$51,169,000,000.
21 (B) Outlays, \$49,783,000,000.
22 Fiscal year 2029:
23 (A) New budget authority,
24 \$50,735,000,000.
25 (B) Outlays, \$49,415,000,000.

21

12

1 Fiscal year 2030:
2 (A) New budget authority,
3 \$50,898,000,000.
4 (B) Outlays, \$49,548,000,000.
5 Fiscal year 2031:
6 (A) New budget authority,
7 \$51,324,000,000.
8 (B) Outlays, \$49,936,000,000.
9 (4) Energy (270):
10 Fiscal year 2022:
11 (A) New budget authority,
12 \$14,240,000,000.
13 (B) Outlays, \$10,032,000,000.
14 Fiscal year 2023:
15 (A) New budget authority,
16 \$59,665,000,000.
17 (B) Outlays, \$57,248,000,000.
18 Fiscal year 2024:
19 (A) New budget authority,
20 \$55,348,000,000.
21 (B) Outlays, \$53,858,000,000.
22 Fiscal year 2025:
23 (A) New budget authority,
24 \$67,729,000,000.
25 (B) Outlays, \$66,867,000,000.

22

13

1 Fiscal year 2026:
2 (A) New budget authority,
3 \$78,038,000,000.
4 (B) Outlays, \$77,647,000,000.
5 Fiscal year 2027:
6 (A) New budget authority,
7 \$79,617,000,000.
8 (B) Outlays, \$79,511,000,000.
9 Fiscal year 2028:
10 (A) New budget authority,
11 \$74,543,000,000.
12 (B) Outlays, \$74,164,000,000.
13 Fiscal year 2029:
14 (A) New budget authority,
15 \$68,781,000,000.
16 (B) Outlays, \$68,174,000,000.
17 Fiscal year 2030:
18 (A) New budget authority,
19 \$63,620,000,000.
20 (B) Outlays, \$62,932,000,000.
21 Fiscal year 2031:
22 (A) New budget authority,
23 \$55,974,000,000.
24 (B) Outlays, \$55,198,000,000.
25 (5) Natural Resources and Environment (300):

1 Fiscal year 2022:
2 (A) New budget authority,
3 \$60,969,000,000.
4 (B) Outlays, \$54,889,000,000.
5 Fiscal year 2023:
6 (A) New budget authority,
7 \$70,319,000,000.
8 (B) Outlays, \$67,072,000,000.
9 Fiscal year 2024:
10 (A) New budget authority,
11 \$78,314,000,000.
12 (B) Outlays, \$75,927,000,000.
13 Fiscal year 2025:
14 (A) New budget authority,
15 \$85,585,000,000.
16 (B) Outlays, \$84,140,000,000.
17 Fiscal year 2026:
18 (A) New budget authority,
19 \$88,203,000,000.
20 (B) Outlays, \$89,292,000,000.
21 Fiscal year 2027:
22 (A) New budget authority,
23 \$85,995,000,000.
24 (B) Outlays, \$88,010,000,000.
25 Fiscal year 2028:

24

15

1 (A) New budget authority,
2 \$79,575,000,000.
3 (B) Outlays, \$81,370,000,000.
4 Fiscal year 2029:
5 (A) New budget authority,
6 \$72,930,000,000.
7 (B) Outlays, \$74,272,000,000.
8 Fiscal year 2030:
9 (A) New budget authority,
10 \$68,352,000,000.
11 (B) Outlays, \$69,251,000,000.
12 Fiscal year 2031:
13 (A) New budget authority,
14 \$68,666,000,000.
15 (B) Outlays, \$68,676,000,000.
16 (6) Agriculture (350):
17 Fiscal year 2022:
18 (A) New budget authority,
19 \$23,063,000,000.
20 (B) Outlays, \$25,334,000,000.
21 Fiscal year 2023:
22 (A) New budget authority,
23 \$21,368,000,000.
24 (B) Outlays, \$22,442,000,000.
25 Fiscal year 2024:

25

16

1 (A) New budget authority,
2 \$19,240,000,000.
3 (B) Outlays, \$23,187,000,000.
4 Fiscal year 2025:
5 (A) New budget authority,
6 \$21,860,000,000.
7 (B) Outlays, \$24,614,000,000.
8 Fiscal year 2026:
9 (A) New budget authority,
10 \$23,761,000,000.
11 (B) Outlays, \$25,151,000,000.
12 Fiscal year 2027:
13 (A) New budget authority,
14 \$25,501,000,000.
15 (B) Outlays, \$26,471,000,000.
16 Fiscal year 2028:
17 (A) New budget authority,
18 \$26,186,000,000.
19 (B) Outlays, \$26,499,000,000.
20 Fiscal year 2029:
21 (A) New budget authority,
22 \$25,629,000,000.
23 (B) Outlays, \$25,874,000,000.
24 Fiscal year 2030:

26

17

1 (A) New budget authority,
2 \$25,159,000,000.
3 (B) Outlays, \$25,989,000,000.
4 Fiscal year 2031:
5 (A) New budget authority,
6 \$28,515,000,000.
7 (B) Outlays, \$26,284,000,000.
8 (7) Commerce and Housing Credit (370):
9 Fiscal year 2022:
10 (A) New budget authority,
11 \$18,105,000,000.
12 (B) Outlays, \$42,495,000,000.
13 Fiscal year 2023:
14 (A) New budget authority,
15 \$19,284,000,000.
16 (B) Outlays, \$29,411,000,000.
17 Fiscal year 2024:
18 (A) New budget authority,
19 \$25,017,000,000.
20 (B) Outlays, \$22,592,000,000.
21 Fiscal year 2025:
22 (A) New budget authority,
23 \$24,785,000,000.
24 (B) Outlays, \$19,146,000,000.
25 Fiscal year 2026:

27

18

1 (A) New budget authority,
2 \$23,609,000,000.
3 (B) Outlays, \$15,045,000,000.
4 Fiscal year 2027:
5 (A) New budget authority,
6 \$21,752,000,000.
7 (B) Outlays, \$12,248,000,000.
8 Fiscal year 2028:
9 (A) New budget authority,
10 \$21,992,000,000.
11 (B) Outlays, \$12,894,000,000.
12 Fiscal year 2029:
13 (A) New budget authority,
14 \$23,789,000,000.
15 (B) Outlays, \$13,250,000,000.
16 Fiscal year 2030:
17 (A) New budget authority,
18 \$22,410,000,000.
19 (B) Outlays, \$10,462,000,000.
20 Fiscal year 2031:
21 (A) New budget authority,
22 \$17,548,000,000.
23 (B) Outlays, \$6,105,000,000.
24 (8) Transportation (400):
25 Fiscal year 2022:

28

19

1 (A) New budget authority,
2 \$112,406,000,000.
3 (B) Outlays, \$133,738,000,000.
4 Fiscal year 2023:
5 (A) New budget authority,
6 \$113,887,000,000.
7 (B) Outlays, \$118,957,000,000.
8 Fiscal year 2024:
9 (A) New budget authority,
10 \$115,061,000,000.
11 (B) Outlays, \$112,082,000,000.
12 Fiscal year 2025:
13 (A) New budget authority,
14 \$115,757,000,000.
15 (B) Outlays, \$114,226,000,000.
16 Fiscal year 2026:
17 (A) New budget authority,
18 \$116,887,000,000.
19 (B) Outlays, \$116,667,000,000.
20 Fiscal year 2027:
21 (A) New budget authority,
22 \$109,698,000,000.
23 (B) Outlays, \$119,447,000,000.
24 Fiscal year 2028:

29

20

1 (A) New budget authority,
2 \$110,385,000,000.

3 (B) Outlays, \$121,240,000,000.

4 Fiscal year 2029:

5 (A) New budget authority,
6 \$110,874,000,000.

7 (B) Outlays, \$122,515,000,000.

8 Fiscal year 2030:

9 (A) New budget authority,
10 \$106,173,000,000.

11 (B) Outlays, \$117,702,000,000.

12 Fiscal year 2031:

13 (A) New budget authority,
14 \$107,256,000,000.

15 (B) Outlays, \$118,633,000,000.

16 (9) Community and Regional Development
17 (450):

18 Fiscal year 2022:

19 (A) New budget authority,
20 \$43,543,000,000.

21 (B) Outlays, \$47,318,000,000.

22 Fiscal year 2023:

23 (A) New budget authority,
24 \$27,007,000,000.

25 (B) Outlays, \$33,380,000,000.

30

21

1 Fiscal year 2024:
2 (A) New budget authority,
3 \$28,430,000,000.
4 (B) Outlays, \$34,603,000,000.
5 Fiscal year 2025:
6 (A) New budget authority,
7 \$27,461,000,000.
8 (B) Outlays, \$34,658,000,000.
9 Fiscal year 2026:
10 (A) New budget authority,
11 \$27,839,000,000.
12 (B) Outlays, \$35,338,000,000.
13 Fiscal year 2027:
14 (A) New budget authority,
15 \$27,744,000,000.
16 (B) Outlays, \$35,238,000,000.
17 Fiscal year 2028:
18 (A) New budget authority,
19 \$28,136,000,000.
20 (B) Outlays, \$35,738,000,000.
21 Fiscal year 2029:
22 (A) New budget authority,
23 \$28,524,000,000.
24 (B) Outlays, \$36,097,000,000.
25 Fiscal year 2030:

31

22

1 (A) New budget authority,
2 \$28,943,000,000.

3 (B) Outlays, \$36,452,000,000.

4 Fiscal year 2031:

5 (A) New budget authority,
6 \$33,429,000,000.

7 (B) Outlays, \$38,014,000,000.

8 (10) Education, Training, Employment, and
9 Social Services (500):

10 Fiscal year 2022:

11 (A) New budget authority,
12 \$159,805,000,000.

13 (B) Outlays, \$208,172,000,000.

14 Fiscal year 2023:

15 (A) New budget authority,
16 \$180,462,000,000.

17 (B) Outlays, \$225,204,000,000.

18 Fiscal year 2024:

19 (A) New budget authority,
20 \$200,600,000,000.

21 (B) Outlays, \$249,029,000,000.

22 Fiscal year 2025:

23 (A) New budget authority,
24 \$211,940,000,000.

25 (B) Outlays, \$243,908,000,000.

32

23

1 Fiscal year 2026:
2 (A) New budget authority,
3 \$212,123,000,000.
4 (B) Outlays, \$226,623,000,000.
5 Fiscal year 2027:
6 (A) New budget authority,
7 \$214,568,000,000.
8 (B) Outlays, \$218,916,000,000.
9 Fiscal year 2028:
10 (A) New budget authority,
11 \$217,422,000,000.
12 (B) Outlays, \$218,221,000,000.
13 Fiscal year 2029:
14 (A) New budget authority,
15 \$220,255,000,000.
16 (B) Outlays, \$219,079,000,000.
17 Fiscal year 2030:
18 (A) New budget authority,
19 \$229,691,000,000.
20 (B) Outlays, \$228,404,000,000.
21 Fiscal year 2031:
22 (A) New budget authority,
23 \$244,488,000,000.
24 (B) Outlays, \$242,537,000,000.
25 (11) Health (550):

33

24

1 Fiscal year 2022:
2 (A) New budget authority,
3 \$853,696,000,000.
4 (B) Outlays, \$952,919,000,000.
5 Fiscal year 2023:
6 (A) New budget authority,
7 \$804,345,000,000.
8 (B) Outlays, \$827,269,000,000.
9 Fiscal year 2024:
10 (A) New budget authority,
11 \$800,361,000,000.
12 (B) Outlays, \$809,731,000,000.
13 Fiscal year 2025:
14 (A) New budget authority,
15 \$830,330,000,000.
16 (B) Outlays, \$830,449,000,000.
17 Fiscal year 2026:
18 (A) New budget authority,
19 \$855,834,000,000.
20 (B) Outlays, \$849,147,000,000.
21 Fiscal year 2027:
22 (A) New budget authority,
23 \$876,704,000,000.
24 (B) Outlays, \$869,791,000,000.
25 Fiscal year 2028:

34

25

1 (A) New budget authority,
2 \$908,063,000,000.
3 (B) Outlays, \$906,081,000,000.
4 Fiscal year 2029:
5 (A) New budget authority,
6 \$940,898,000,000.
7 (B) Outlays, \$939,318,000,000.
8 Fiscal year 2030:
9 (A) New budget authority,
10 \$982,028,000,000.
11 (B) Outlays, \$970,863,000,000.
12 Fiscal year 2031:
13 (A) New budget authority,
14 \$1,018,845,000,000.
15 (B) Outlays, \$1,017,586,000,000.
16 (12) Medicare (570):
17 Fiscal year 2022:
18 (A) New budget authority,
19 \$772,277,000,000.
20 (B) Outlays, \$771,930,000,000.
21 Fiscal year 2023:
22 (A) New budget authority,
23 \$882,348,000,000.
24 (B) Outlays, \$882,065,000,000.
25 Fiscal year 2024:

35

26

1 (A) New budget authority,
2 \$902,102,000,000.
3 (B) Outlays, \$901,899,000,000.
4 Fiscal year 2025:
5 (A) New budget authority,
6 \$1,018,540,000,000.
7 (B) Outlays, \$1,018,302,000,000.
8 Fiscal year 2026:
9 (A) New budget authority,
10 \$1,091,095,000,000.
11 (B) Outlays, \$1,090,814,000,000.
12 Fiscal year 2027:
13 (A) New budget authority,
14 \$1,168,909,000,000.
15 (B) Outlays, \$1,168,581,000,000.
16 Fiscal year 2028:
17 (A) New budget authority,
18 \$1,326,565,000,000.
19 (B) Outlays, \$1,326,191,000,000.
20 Fiscal year 2029:
21 (A) New budget authority,
22 \$1,262,774,000,000.
23 (B) Outlays, \$1,262,367,000,000.
24 Fiscal year 2030:

36

27

1 (A) New budget authority,
2 \$1,425,734,000,000.

3 (B) Outlays, \$1,425,284,000,000.

4 Fiscal year 2031:

5 (A) New budget authority,
6 \$1,509,905,000,000.

7 (B) Outlays, \$1,509,433,000,000.

8 (13) Income Security (600):

9 Fiscal year 2022:

10 (A) New budget authority,
11 \$830,063,000,000.

12 (B) Outlays, \$867,038,000,000.

13 Fiscal year 2023:

14 (A) New budget authority,
15 \$820,620,000,000.

16 (B) Outlays, \$836,905,000,000.

17 Fiscal year 2024:

18 (A) New budget authority,
19 \$821,754,000,000.

20 (B) Outlays, \$811,159,000,000.

21 Fiscal year 2025:

22 (A) New budget authority,
23 \$792,146,000,000.

24 (B) Outlays, \$780,347,000,000.

25 Fiscal year 2026:

37

28

1 (A) New budget authority,
2 \$730,424,000,000.

3 (B) Outlays, \$725,612,000,000.

4 Fiscal year 2027:

5 (A) New budget authority,
6 \$733,601,000,000.

7 (B) Outlays, \$724,726,000,000.

8 Fiscal year 2028:

9 (A) New budget authority,
10 \$752,515,000,000.

11 (B) Outlays, \$749,719,000,000.

12 Fiscal year 2029:

13 (A) New budget authority,
14 \$764,277,000,000.

15 (B) Outlays, \$749,137,000,000.

16 Fiscal year 2030:

17 (A) New budget authority,
18 \$781,991,000,000.

19 (B) Outlays, \$772,369,000,000.

20 Fiscal year 2031:

21 (A) New budget authority,
22 \$802,900,000,000.

23 (B) Outlays, \$792,858,000,000.

24 (14) Social Security (650):

25 Fiscal year 2022:

38

29

1 (A) New budget authority,
2 \$47,020,000,000.
3 (B) Outlays, \$47,020,000,000.
4 Fiscal year 2023:
5 (A) New budget authority,
6 \$50,129,000,000.
7 (B) Outlays, \$50,129,000,000.
8 Fiscal year 2024:
9 (A) New budget authority,
10 \$53,591,000,000.
11 (B) Outlays, \$53,591,000,000.
12 Fiscal year 2025:
13 (A) New budget authority,
14 \$57,355,000,000.
15 (B) Outlays, \$57,355,000,000.
16 Fiscal year 2026:
17 (A) New budget authority,
18 \$67,932,000,000.
19 (B) Outlays, \$67,932,000,000.
20 Fiscal year 2027:
21 (A) New budget authority,
22 \$74,299,000,000.
23 (B) Outlays, \$74,299,000,000.
24 Fiscal year 2028:

39

30

1 (A) New budget authority,
2 \$79,053,000,000.

3 (B) Outlays, \$79,053,000,000.

4 Fiscal year 2029:

5 (A) New budget authority,
6 \$84,197,000,000.

7 (B) Outlays, \$84,197,000,000.

8 Fiscal year 2030:

9 (A) New budget authority,
10 \$89,406,000,000.

11 (B) Outlays, \$89,406,000,000.

12 Fiscal year 2031:

13 (A) New budget authority,
14 \$93,932,000,000.

15 (B) Outlays, \$93,932,000,000.

16 (15) Veterans Benefits and Services (700):

17 Fiscal year 2022:

18 (A) New budget authority,
19 \$274,340,000,000.

20 (B) Outlays, \$282,071,000,000.

21 Fiscal year 2023:

22 (A) New budget authority,
23 \$279,810,000,000.

24 (B) Outlays, \$279,868,000,000.

25 Fiscal year 2024:

40

31

1 (A) New budget authority,
2 \$288,676,000,000.
3 (B) Outlays, \$276,026,000,000.
4 Fiscal year 2025:
5 (A) New budget authority,
6 \$297,105,000,000.
7 (B) Outlays, \$299,907,000,000.
8 Fiscal year 2026:
9 (A) New budget authority,
10 \$305,075,000,000.
11 (B) Outlays, \$307,739,000,000.
12 Fiscal year 2027:
13 (A) New budget authority,
14 \$313,512,000,000.
15 (B) Outlays, \$316,417,000,000.
16 Fiscal year 2028:
17 (A) New budget authority,
18 \$322,020,000,000.
19 (B) Outlays, \$336,852,000,000.
20 Fiscal year 2029:
21 (A) New budget authority,
22 \$331,220,000,000.
23 (B) Outlays, \$315,456,000,000.
24 Fiscal year 2030:

41

32

1 (A) New budget authority,
2 \$340,439,000,000.

3 (B) Outlays, \$338,867,000,000.

4 Fiscal year 2031:

5 (A) New budget authority,
6 \$350,829,000,000.

7 (B) Outlays, \$349,032,000,000.

8 (16) Administration of Justice (750):

9 Fiscal year 2022:

10 (A) New budget authority,
11 \$80,614,000,000.

12 (B) Outlays, \$78,094,000,000.

13 Fiscal year 2023:

14 (A) New budget authority,
15 \$77,444,000,000.

16 (B) Outlays, \$77,431,000,000.

17 Fiscal year 2024:

18 (A) New budget authority,
19 \$78,904,000,000.

20 (B) Outlays, \$78,533,000,000.

21 Fiscal year 2025:

22 (A) New budget authority,
23 \$79,626,000,000.

24 (B) Outlays, \$78,861,000,000.

25 Fiscal year 2026:

42

33

1 (A) New budget authority,
2 \$81,223,000,000.
3 (B) Outlays, \$80,382,000,000.
4 Fiscal year 2027:
5 (A) New budget authority,
6 \$82,849,000,000.
7 (B) Outlays, \$81,809,000,000.
8 Fiscal year 2028:
9 (A) New budget authority,
10 \$84,495,000,000.
11 (B) Outlays, \$83,423,000,000.
12 Fiscal year 2029:
13 (A) New budget authority,
14 \$86,184,000,000.
15 (B) Outlays, \$85,004,000,000.
16 Fiscal year 2030:
17 (A) New budget authority,
18 \$87,881,000,000.
19 (B) Outlays, \$86,642,000,000.
20 Fiscal year 2031:
21 (A) New budget authority,
22 \$96,549,000,000.
23 (B) Outlays, \$94,529,000,000.
24 (17) General Government (800):
25 Fiscal year 2022:

43

34

1 (A) New budget authority,
2 \$48,565,000,000.

3 (B) Outlays, \$111,629,000,000.

4 Fiscal year 2023:

5 (A) New budget authority,
6 \$29,912,000,000.

7 (B) Outlays, \$33,642,000,000.

8 Fiscal year 2024:

9 (A) New budget authority,
10 \$30,382,000,000.

11 (B) Outlays, \$32,557,000,000.

12 Fiscal year 2025:

13 (A) New budget authority,
14 \$30,935,000,000.

15 (B) Outlays, \$33,585,000,000.

16 Fiscal year 2026:

17 (A) New budget authority,
18 \$31,538,000,000.

19 (B) Outlays, \$33,016,000,000.

20 Fiscal year 2027:

21 (A) New budget authority,
22 \$32,168,000,000.

23 (B) Outlays, \$33,540,000,000.

24 Fiscal year 2028:

1 (A) New budget authority,
2 \$32,798,000,000.
3 (B) Outlays, \$33,807,000,000.
4 Fiscal year 2029:
5 (A) New budget authority,
6 \$33,432,000,000.
7 (B) Outlays, \$33,024,000,000.
8 Fiscal year 2030:
9 (A) New budget authority,
10 \$34,103,000,000.
11 (B) Outlays, \$33,539,000,000.
12 Fiscal year 2031:
13 (A) New budget authority,
14 \$35,123,000,000.
15 (B) Outlays, \$34,544,000,000.
16 (18) Net Interest (900):
17 Fiscal year 2022:
18 (A) New budget authority,
19 \$373,011,000,000.
20 (B) Outlays, \$373,011,000,000.
21 Fiscal year 2023:
22 (A) New budget authority,
23 \$378,542,000,000.
24 (B) Outlays, \$378,542,000,000.
25 Fiscal year 2024:

45

36

1 (A) New budget authority,
2 \$407,539,000,000.
3 (B) Outlays, \$407,539,000,000.
4 Fiscal year 2025:
5 (A) New budget authority,
6 \$464,069,000,000.
7 (B) Outlays, \$464,069,000,000.
8 Fiscal year 2026:
9 (A) New budget authority,
10 \$541,134,000,000.
11 (B) Outlays, \$541,134,000,000.
12 Fiscal year 2027:
13 (A) New budget authority,
14 \$623,392,000,000.
15 (B) Outlays, \$623,392,000,000.
16 Fiscal year 2028:
17 (A) New budget authority,
18 \$719,805,000,000.
19 (B) Outlays, \$719,805,000,000.
20 Fiscal year 2029:
21 (A) New budget authority,
22 \$813,280,000,000.
23 (B) Outlays, \$813,280,000,000.
24 Fiscal year 2030:

46

37

1 (A) New budget authority,
2 \$918,333,000,000.

3 (B) Outlays, \$918,333,000,000.

4 Fiscal year 2031:

5 (A) New budget authority,
6 \$1,025,810,000,000.

7 (B) Outlays, \$1,025,810,000,000.

8 (19) Allowances (920):

9 Fiscal year 2022:

10 (A) New budget authority,
11 \$11,507,000,000.

12 (B) Outlays, \$17,129,000,000.

13 Fiscal year 2023:

14 (A) New budget authority,
15 -\$14,188,000,000.

16 (B) Outlays, -\$2,706,000,000.

17 Fiscal year 2024:

18 (A) New budget authority,
19 -\$11,538,000,000.

20 (B) Outlays, -\$6,811,000,000.

21 Fiscal year 2025:

22 (A) New budget authority,
23 -\$9,499,000,000.

24 (B) Outlays, -\$7,389,000,000.

25 Fiscal year 2026:

47

38

1 (A) New budget authority,
2 – \$8,979,000,000.

3 (B) Outlays, – \$7,646,000,000.

4 Fiscal year 2027:

5 (A) New budget authority,
6 – \$7,240,000,000.

7 (B) Outlays, – \$6,478,000,000.

8 Fiscal year 2028:

9 (A) New budget authority,
10 – \$5,238,000,000.

11 (B) Outlays, – \$4,559,000,000.

12 Fiscal year 2029:

13 (A) New budget authority,
14 – \$5,126,000,000.

15 (B) Outlays, – \$3,651,000,000.

16 Fiscal year 2030:

17 (A) New budget authority,
18 – \$5,898,000,000.

19 (B) Outlays, – \$3,393,000,000.

20 Fiscal year 2031:

21 (A) New budget authority,
22 \$2,530,000,000.

23 (B) Outlays, \$1,034,000,000.

24 (20) Undistributed Offsetting Receipts (950):

25 Fiscal year 2022:

48

39

1 (A) New budget authority,
2 -\$183,888,000,000.
3 (B) Outlays, -\$191,273,000,000.
4 Fiscal year 2023:
5 (A) New budget authority,
6 -\$116,355,000,000.
7 (B) Outlays, -\$123,615,000,000.
8 Fiscal year 2024:
9 (A) New budget authority,
10 -\$109,511,000,000.
11 (B) Outlays, -\$109,116,000,000.
12 Fiscal year 2025:
13 (A) New budget authority,
14 -\$111,761,000,000.
15 (B) Outlays, -\$116,941,000,000.
16 Fiscal year 2026:
17 (A) New budget authority,
18 -\$115,184,000,000.
19 (B) Outlays, -\$113,634,000,000.
20 Fiscal year 2027:
21 (A) New budget authority,
22 -\$118,981,000,000.
23 (B) Outlays, -\$117,431,000,000.
24 Fiscal year 2028:

49

40

1 (A) New budget authority,

2 –\$122,423,000,000.

3 (B) Outlays, –\$120,603,000,000.

4 Fiscal year 2029:

5 (A) New budget authority,

6 –\$126,990,000,000.

7 (B) Outlays, –\$125,170,000,000.

8 Fiscal year 2030:

9 (A) New budget authority,

10 –\$131,662,000,000.

11 (B) Outlays, –\$130,112,000,000.

12 Fiscal year 2031:

13 (A) New budget authority,

14 –\$136,520,000,000.

15 (B) Outlays, –\$135,110,000,000.

16 **Subtitle B—Levels and Amounts in**
17 **the Senate**

18 **SEC. 1201. SOCIAL SECURITY IN THE SENATE.**

19 (a) SOCIAL SECURITY REVENUES.—For purposes of
20 Senate enforcement under sections 302 and 311 of the
21 Congressional Budget Act of 1974 (2 U.S.C. 633 and
22 642), the amounts of revenues of the Federal Old-Age and
23 Survivors Insurance Trust Fund and the Federal Dis-
24 ability Insurance Trust Fund are as follows:

25 Fiscal year 2022: \$989,019,000,000.

1 Fiscal year 2023: \$1,084,547,000,000.

2 Fiscal year 2024: \$1,128,287,000,000.

3 Fiscal year 2025: \$1,167,700,000,000.

4 Fiscal year 2026: \$1,211,081,000,000.

5 Fiscal year 2027: \$1,257,670,000,000.

6 Fiscal year 2028: \$1,305,822,000,000.

7 Fiscal year 2029: \$1,354,109,000,000.

8 Fiscal year 2030: \$1,401,701,000,000.

9 Fiscal year 2031: \$1,451,146,000,000.

10 (b) SOCIAL SECURITY OUTLAYS.—For purposes of
11 Senate enforcement under sections 302 and 311 of the
12 Congressional Budget Act of 1974 (2 U.S.C. 633 and
13 642), the amounts of outlays of the Federal Old-Age and
14 Survivors Insurance Trust Fund and the Federal Dis-
15 ability Insurance Trust Fund are as follows:

16 Fiscal year 2022: \$1,073,387,000,000.

17 Fiscal year 2023: \$1,153,424,000,000.

18 Fiscal year 2024: \$1,231,164,000,000.

19 Fiscal year 2025: \$1,311,894,000,000.

20 Fiscal year 2026: \$1,389,018,000,000.

21 Fiscal year 2027: \$1,472,602,000,000.

22 Fiscal year 2028: \$1,566,258,000,000.

23 Fiscal year 2029: \$1,662,981,000,000.

24 Fiscal year 2030: \$1,764,408,000,000.

25 Fiscal year 2031: \$1,868,859,000,000.

1 (c) SOCIAL SECURITY ADMINISTRATIVE EX-
2 PENSES.—In the Senate, the amounts of new budget au-
3 thority and budget outlays of the Federal Old-Age and
4 Survivors Insurance Trust Fund and the Federal Dis-
5 ability Insurance Trust Fund for administrative expenses
6 are as follows:

7 Fiscal year 2022:

8 (A) New budget authority,
9 \$6,339,000,000.

10 (B) Outlays, \$6,311,000,000.

11 Fiscal year 2023:

12 (A) New budget authority,
13 \$6,541,000,000.

14 (B) Outlays, \$6,490,000,000.

15 Fiscal year 2024:

16 (A) New budget authority,
17 \$6,757,000,000.

18 (B) Outlays, \$6,700,000,000.

19 Fiscal year 2025:

20 (A) New budget authority,
21 \$6,969,000,000.

22 (B) Outlays, \$6,912,000,000.

23 Fiscal year 2026:

24 (A) New budget authority,
25 \$7,185,000,000.

52

43

1 (B) Outlays, \$7,128,000,000.
2 Fiscal year 2027:
3 (A) New budget authority,
4 \$7,405,000,000.
5 (B) Outlays, \$7,347,000,000.
6 Fiscal year 2028:
7 (A) New budget authority,
8 \$7,631,000,000.
9 (B) Outlays, \$7,571,000,000.
10 Fiscal year 2029:
11 (A) New budget authority,
12 \$7,862,000,000.
13 (B) Outlays, \$7,800,000,000.
14 Fiscal year 2030:
15 (A) New budget authority,
16 \$8,098,000,000.
17 (B) Outlays, \$8,035,000,000.
18 Fiscal year 2031:
19 (A) New budget authority,
20 \$8,343,000,000.
21 (B) Outlays, \$8,278,000,000.

1 **SEC. 1202. POSTAL SERVICE DISCRETIONARY ADMINISTRA-**
2 **TIVE EXPENSES IN THE SENATE.**

3 In the Senate, the amounts of new budget authority
4 and budget outlays of the Postal Service for discretionary
5 administrative expenses are as follows:

6 Fiscal year 2022:

7 (A) New budget authority, \$278,000,000.

8 (B) Outlays, \$278,000,000.

9 Fiscal year 2023:

10 (A) New budget authority, \$287,000,000.

11 (B) Outlays, \$287,000,000.

12 Fiscal year 2024:

13 (A) New budget authority, \$299,000,000.

14 (B) Outlays, \$298,000,000.

15 Fiscal year 2025:

16 (A) New budget authority, \$310,000,000.

17 (B) Outlays, \$310,000,000.

18 Fiscal year 2026:

19 (A) New budget authority, \$321,000,000.

20 (B) Outlays, \$320,000,000.

21 Fiscal year 2027:

22 (A) New budget authority, \$332,000,000.

23 (B) Outlays, \$332,000,000.

24 Fiscal year 2028:

25 (A) New budget authority, \$344,000,000.

26 (B) Outlays, \$343,000,000.

- 1 Fiscal year 2029:
- 2 (A) New budget authority, \$356,000,000.
- 3 (B) Outlays, \$355,000,000.
- 4 Fiscal year 2030:
- 5 (A) New budget authority, \$368,000,000.
- 6 (B) Outlays, \$367,000,000.
- 7 Fiscal year 2031:
- 8 (A) New budget authority, \$381,000,000.
- 9 (B) Outlays, \$380,000,000.

10 **TITLE II—RECONCILIATION**

11 **SEC. 2001. RECONCILIATION IN THE SENATE.**

12 (a) COMMITTEE ON AGRICULTURE, NUTRITION, AND
13 FORESTRY.—The Committee on Agriculture, Nutrition,
14 and Forestry of the Senate shall report changes in laws
15 within its jurisdiction that increase the deficit by not more
16 than \$135,000,000,000 for the period of fiscal years 2022
17 through 2031.

18 (b) COMMITTEE ON BANKING, HOUSING, AND URBAN
19 AFFAIRS.—The Committee on Banking, Housing, and
20 Urban Affairs of the Senate shall report changes in laws
21 within its jurisdiction that increase the deficit by not more
22 than \$332,000,000,000 for the period of fiscal years 2022
23 through 2031.

24 (c) COMMITTEE ON COMMERCE, SCIENCE, AND
25 TRANSPORTATION.—The Committee on Commerce,

1 Science, and Transportation of the Senate shall report
2 changes in laws within its jurisdiction that increase the
3 deficit by not more than \$83,076,000,000 for the period
4 of fiscal years 2022 through 2031.

5 (d) COMMITTEE ON ENERGY AND NATURAL RE-
6 SOURCES.—The Committee on Energy and Natural Re-
7 sources of the Senate shall report changes in laws within
8 its jurisdiction that increase the deficit by not more than
9 \$198,000,000,000 for the period of fiscal years 2022
10 through 2031.

11 (e) COMMITTEE ON ENVIRONMENT AND PUBLIC
12 WORKS.—The Committee on Environment and Public
13 Works of the Senate shall report changes in laws within
14 its jurisdiction that increase the deficit by not more than
15 \$67,264,000,000 for the period of fiscal years 2022
16 through 2031.

17 (f) COMMITTEE ON FINANCE.—The Committee on
18 Finance of the Senate shall report changes in laws within
19 its jurisdiction that reduce the deficit by not less than
20 \$1,000,000,000 for the period of fiscal years 2022
21 through 2031.

22 (g) COMMITTEE ON HEALTH, EDUCATION, LABOR,
23 AND PENSIONS.—The Committee on Health, Education,
24 Labor, and Pensions of the Senate shall report changes
25 in laws within its jurisdiction that increase the deficit by

1 not more than \$726,380,000,000 for the period of fiscal
2 years 2022 through 2031.

3 (h) COMMITTEE ON HOMELAND SECURITY AND GOV-
4 ERNMENTAL AFFAIRS.—The Committee on Homeland Se-
5 curity and Governmental Affairs of the Senate shall report
6 changes in laws within its jurisdiction that increase the
7 deficit by not more than \$37,000,000,000 for the period
8 of fiscal years 2022 through 2031.

9 (i) COMMITTEE ON INDIAN AFFAIRS.—The Com-
10 mittee on Indian Affairs of the Senate shall report
11 changes in laws within its jurisdiction that increase the
12 deficit by not more than \$20,500,000,000 for the period
13 of fiscal years 2022 through 2031.

14 (j) COMMITTEE ON THE JUDICIARY.—The Com-
15 mittee on the Judiciary of the Senate shall report changes
16 in laws within its jurisdiction that increase the deficit by
17 not more than \$107,500,000,000 for the period of fiscal
18 years 2022 through 2031.

19 (k) COMMITTEE ON SMALL BUSINESS AND ENTRE-
20 PRENEURSHIP.—The Committee on Small Business and
21 Entrepreneurship of the Senate shall report changes in
22 laws within its jurisdiction that increase the deficit by not
23 more than \$25,000,000,000 for the period of fiscal years
24 2022 through 2031.

1 (l) COMMITTEE ON VETERANS' AFFAIRS.—The Com-
2 mittee on Veterans' Affairs of the Senate shall report
3 changes in laws within its jurisdiction that increase the
4 deficit by not more than \$18,000,000,000 for the period
5 of fiscal years 2022 through 2031.

6 (m) SUBMISSIONS.—In the Senate, not later than
7 September 15, 2021, the Committees named in the sub-
8 sections of this section shall submit their recommenda-
9 tions to the Committee on the Budget of the Senate. Upon
10 receiving all such recommendations, the Committee on the
11 Budget of the Senate shall report to the Senate a rec-
12 onciliation bill carrying out all such recommendations
13 without any substantive revision.

14 **SEC. 2002. RECONCILIATION IN THE HOUSE OF REP-**
15 **RESENTATIVES.**

16 (a) COMMITTEE ON AGRICULTURE.—The Committee
17 on Agriculture of the House of Representatives shall re-
18 port changes in laws within its jurisdiction that increase
19 the deficit by not more than \$89,100,000,000 for the pe-
20 riod of fiscal years 2022 through 2031.

21 (b) COMMITTEE ON EDUCATION AND LABOR.—The
22 Committee on Education and Labor of the House of Rep-
23 resentatives shall report changes in laws within its juris-
24 diction that increase the deficit by not more than

1 \$779,500,000,000 for the period of fiscal years 2022
2 through 2031.

3 (c) COMMITTEE ON ENERGY AND COMMERCE.—The
4 Committee on Energy and Commerce of the House of
5 Representatives shall report changes in laws within its ju-
6 risdiction that increase the deficit by not more than
7 \$486,500,000,000 for the period of fiscal years 2022
8 through 2031.

9 (d) COMMITTEE ON FINANCIAL SERVICES.—The
10 Committee on Financial Services of the House of Rep-
11 resentatives shall report changes in laws within its jurisdic-
12 tion that increase the deficit by not more than
13 \$339,000,000,000 for the period of fiscal years 2022
14 through 2031.

15 (e) COMMITTEE ON HOMELAND SECURITY.—The
16 Committee on Homeland Security of the House of Rep-
17 resentatives shall report changes in laws within its jurisdic-
18 tion that increase the deficit by not more than
19 \$500,000,000 for the period of fiscal years 2022 through
20 2031.

21 (f) COMMITTEE ON THE JUDICIARY.—The Com-
22 mittee on the Judiciary of the House of Representatives
23 shall report changes in laws within its jurisdiction that
24 increase the deficit by not more than \$107,500,000,000
25 for the period of fiscal years 2022 through 2031.

1 (g) COMMITTEE ON NATURAL RESOURCES.—The
2 Committee on Natural Resources of the House of Rep-
3 resentatives shall report changes in laws within its juris-
4 diction that increase the deficit by not more than
5 \$25,600,000,000 for the period of fiscal years 2022
6 through 2031.

7 (h) COMMITTEE ON OVERSIGHT AND REFORM.—The
8 Committee on Oversight and Reform of the House of Rep-
9 resentatives shall report changes in laws within its juris-
10 diction that increase the deficit by not more than
11 \$7,500,000,000 for the period of fiscal years 2022
12 through 2031.

13 (i) COMMITTEE ON SCIENCE, SPACE, AND TECH-
14 NOLOGY.—The Committee on Science, Space, and Tech-
15 nology of the House of Representatives shall report
16 changes in laws within its jurisdiction that increase the
17 deficit by not more than \$45,510,000,000 for the period
18 of fiscal years 2022 through 2031.

19 (j) COMMITTEE ON SMALL BUSINESS.—The Com-
20 mittee on Small Business of the House of Representatives
21 shall report changes in laws within its jurisdiction that
22 increase the deficit by not more than \$17,500,000,000 for
23 the period of fiscal years 2022 through 2031.

24 (k) COMMITTEE ON TRANSPORTATION AND INFRA-
25 STRUCTURE.—The Committee on Transportation and In-

1 frastructure of the House of Representatives shall report
2 changes in laws within its jurisdiction that increase the
3 deficit by not more than \$60,000,000,000 for the period
4 of fiscal years 2022 through 2031.

5 (l) COMMITTEE ON VETERANS' AFFAIRS.—The Com-
6 mittee on Veterans' Affairs of the House of Representa-
7 tives shall report changes in laws within its jurisdiction
8 that increase the deficit by not more than
9 \$18,000,000,000 for the period of fiscal years 2022
10 through 2031.

11 (m) COMMITTEE ON WAYS AND MEANS.—The Com-
12 mittee on Ways and Means of the House of Representa-
13 tives shall report changes in laws within its jurisdiction
14 that reduce the deficit by not less than \$1,000,000,000
15 for the period of fiscal years 2022 through 2031.

16 (n) SUBMISSIONS.—In the House of Representatives,
17 not later than September 15, 2021, the committees named
18 in the subsections of this section shall submit their rec-
19 ommendations to the Committee on the Budget of the
20 House of Representatives to carry out this section.

1 **TITLE III—RESERVE FUNDS**

2 **SEC. 3001. RESERVE FUND FOR LEGISLATION THAT WON'T**
3 **RAISE TAXES ON PEOPLE MAKING LESS THAN**
4 **\$400,000 IN THE SENATE.**

5 The Chairman of the Committee on the Budget of
6 the Senate may revise the allocations of a committee or
7 committees, aggregates, and other appropriate levels in
8 this resolution, and make adjustments to the pay-as-you-
9 go ledger, for one or more bills, joint resolutions, amend-
10 ments, amendments between the Houses, motions, or con-
11 ference reports relating to changes in revenues, without
12 raising taxes on people making less than \$400,000, by the
13 amounts in such legislation for those purposes, provided
14 that such legislation would not increase the deficit for the
15 time period of fiscal year 2022 to fiscal year 2031.

16 **SEC. 3002. RESERVE FUND FOR RECONCILIATION LEGISLA-**
17 **TION.**

18 (a) SENATE.—

19 (1) IN GENERAL.—The Chairman of the Com-
20 mittee on the Budget of the Senate may revise the
21 allocations of a committee or committees, aggre-
22 gates, and other appropriate levels in this resolution,
23 and make adjustments to the pay-as-you-go ledger,
24 for any bill or joint resolution considered pursuant
25 to section 2001 containing the recommendations of

1 one or more committees, or for one or more amend-
2 ments to, a conference report on, or an amendment
3 between the Houses in relation to such a bill or joint
4 resolution, by the amounts necessary to accommo-
5 date the budgetary effects of the legislation, if the
6 budgetary effects of the legislation comply with the
7 reconciliation instructions under this concurrent res-
8 olution.

9 (2) DETERMINATION OF COMPLIANCE.—For
10 purposes of this subsection, compliance with the rec-
11 onciliation instructions under this concurrent resolu-
12 tion shall be determined by the Chairman of the
13 Committee on the Budget of the Senate.

14 (3) EXCEPTIONS FOR LEGISLATION.—

15 (A) SHORT-TERM.—Section 404 of S. Con.
16 Res. 13 (111th Congress), the concurrent reso-
17 lution on the budget for fiscal year 2010, as
18 amended by section 3201(b)(2) of S. Con. Res.
19 11 (114th Congress), the concurrent resolution
20 on the budget for fiscal year 2016, shall not
21 apply to legislation for which the Chairman of
22 the Committee on the Budget of the Senate has
23 exercised the authority under paragraph (1).

24 (B) LONG-TERM.—Section 3101 of S. Con.
25 Res. 11 (114th Congress), the concurrent reso-

1 lution on the budget for fiscal year 2016, shall
2 not apply to legislation for which the Chairman
3 of the Committee on the Budget of the Senate
4 has exercised the authority under paragraph
5 (1).

6 (b) HOUSE OF REPRESENTATIVES.—

7 (1) IN GENERAL.—In the House of the Rep-
8 resentatives, the chair of the Committee on the
9 Budget may revise the allocations of a committee or
10 committees, aggregates, and other appropriate levels
11 in this concurrent resolution for any bill or joint res-
12 olution considered pursuant to this concurrent reso-
13 lution containing the recommendations of one or
14 more committees, or for one or more amendments
15 to, a conference report on, or an amendment be-
16 tween the Houses in relation to such a bill or joint
17 resolution, by the amounts necessary to accommo-
18 date the budgetary effects of the legislation.

19 (2) EXCEPTION FOR LEGISLATION.—The point
20 of order set forth in clause 10 of rule XXI of the
21 House of Representatives shall not apply to rec-
22 onciliation legislation reported by the Committee on
23 the Budget pursuant to submissions under this con-
24 current resolution.

1 SEC. 3003. RESERVE FUND.

2 (a) SENATE.—The Chairman of the Committee on
3 the Budget of the Senate may revise the allocations of a
4 committee or committees, aggregates, and other appro-
5 priate levels in this resolution, and make adjustments to
6 the pay-as-you-go ledger, for one or more bills, joint reso-
7 lutions, amendments, amendments between the Houses,
8 motions, or conference reports by the amounts provided
9 in such legislation, provided that such legislation would
10 not increase the deficit for the time period of fiscal year
11 2022 to fiscal year 2031.

12 (b) HOUSE OF REPRESENTATIVES.—The chair of the
13 Committee on the Budget of the House of Representatives
14 may revise the allocations of a committee or committees,
15 aggregates, and other appropriate levels in this concurrent
16 resolution for one or more bills, joint resolutions, amend-
17 ments, or conference reports by the amounts provided in
18 such legislation, provided that such legislation would not
19 increase the deficit for the following time periods: fiscal
20 year 2022 to fiscal year 2026 and fiscal year 2022 to fiscal
21 year 2031.

22 TITLE IV—OTHER MATTERS**23 SEC. 4001. EMERGENCY LEGISLATION.**

24 (a) SENATE.—

25 (1) AUTHORITY TO DESIGNATE.—In the Sen-
26 ate, with respect to a provision of direct spending or

1 receipts legislation or appropriations for discre-
2 tionary accounts that Congress designates as an
3 emergency requirement in such measure, the
4 amounts of new budget authority, outlays, and re-
5 ceipts in all fiscal years resulting from that provision
6 shall be treated as an emergency requirement for the
7 purpose of this subsection.

8 (2) EXEMPTION OF EMERGENCY PROVISIONS.—

9 Any new budget authority, outlays, and receipts re-
10 sulting from any provision designated as an emer-
11 gency requirement, pursuant to this subsection, in
12 any bill, joint resolution, amendment, amendment
13 between the Houses, or conference report shall not
14 count for purposes of sections 302 and 311 of the
15 Congressional Budget Act of 1974 (2 U.S.C. 633,
16 642), section 404(a) of S. Con. Res. 13 (111th Con-
17 gress), the concurrent resolution on the budget for
18 fiscal year 2010, section 3101 of S. Con. Res. 11
19 (114th Congress), the concurrent resolution on the
20 budget for fiscal year 2016, and section 4106 of H.
21 Con. Res. 71 (115th Congress), the concurrent reso-
22 lution on the budget for fiscal year 2018.

23 (3) DESIGNATIONS.—If a provision of legisla-
24 tion is designated as an emergency requirement
25 under this subsection, the committee report and any

1 statement of managers accompanying that legisla-
2 tion shall include an explanation of the manner in
3 which the provision meets the criteria in paragraph
4 (5).

5 (4) DEFINITIONS.—In this subsection, the
6 terms “direct spending”, “receipts”, and “appropria-
7 tions for discretionary accounts” mean any provision
8 of a bill, joint resolution, amendment, motion,
9 amendment between the Houses, or conference re-
10 port that affects direct spending, receipts, or appro-
11 priations as those terms have been defined and in-
12 terpreted for purposes of the Balanced Budget and
13 Emergency Deficit Control Act of 1985 (2 U.S.C.
14 900 et seq.).

15 (5) CRITERIA.—

16 (A) IN GENERAL.—For purposes of this
17 subsection, any provision is an emergency re-
18 quirement if the situation addressed by such
19 provision is—

20 (i) necessary, essential, or vital (not
21 merely useful or beneficial);

22 (ii) sudden, quickly coming into being,
23 and not building up over time;

24 (iii) an urgent, pressing, and compel-
25 ling need requiring immediate action;

1 (iv) subject to subparagraph (B), un-
2 foreseen, unpredictable, and unanticipated;
3 and

4 (v) not permanent, temporary in na-
5 ture.

6 (B) UNFORESEEN.—An emergency that is
7 part of an aggregate level of anticipated emer-
8 gencies, particularly when normally estimated in
9 advance, is not unforeseen.

10 (6) REPEAL.—In the Senate, section 4112 of
11 II. Con. Res. 71 (115th Congress), the concurrent
12 resolution on the budget for fiscal year 2018, shall
13 no longer apply.

14 (b) HOUSE OF REPRESENTATIVES.—

15 (1) IN GENERAL.—In the House of Representa-
16 tives, if a bill, joint resolution, amendment, or con-
17 ference report contains a provision providing new
18 budget authority and outlays or reducing revenue,
19 and a designation of such provision as emergency re-
20 quirement, the chair of the Committee on the Budg-
21 et of the House of Representatives shall not count
22 the budgetary effects of such provision for any pur-
23 pose in the House of Representatives.

24 (2) PROPOSAL TO STRIKE.—A proposal to
25 strike a designation under paragraph (1) shall be ex-

1 cluded from an evaluation of budgetary effects for
2 any purpose in the House of Representatives.

3 (3) AMENDMENT TO REDUCE AMOUNTS.—An
4 amendment offered under paragraph (2) that also
5 proposes to reduce each amount appropriated or oth-
6 erwise made available by the pending measure that
7 is not required to be appropriated or otherwise made
8 available shall be in order at any point in the read-
9 ing of the pending measure.

10 (4) REFERENCES.—

11 (A) IN GENERAL.—All references to sec-
12 tion 1(f) of H. Res. 467 (117th Congress) in
13 any bill or joint resolution, or an amendment
14 thereto or conference report thereon, shall be
15 treated for all purposes in the House of Rep-
16 resentatives as references to this subsection of
17 this concurrent resolution.

18 (B) BBEDCA.—All references to a des-
19 ignation by the Congress for an emergency re-
20 quirement pursuant to section 251(b) of the
21 Balanced Budget and Emergency Deficit Con-
22 trol Act of 1985 (2 U.S.C. 901(b)) for amounts
23 for fiscal year 2022 or succeeding fiscal years
24 in any legislation implementing a bipartisan in-
25 frastructure agreement shall be treated for all

1 purposes in the House of Representatives as
2 references to this subsection of this concurrent
3 resolution.

4 **SEC. 4002. POINT OF ORDER AGAINST ADVANCE APPRO-**
5 **PRIATIONS IN THE SENATE.**

6 (a) IN GENERAL.—

7 (1) POINT OF ORDER.—Except as provided in
8 subsection (b), it shall not be in order in the Senate
9 to consider any bill, joint resolution, motion, amend-
10 ment, amendment between the Houses, or con-
11 ference report that would provide an advance appro-
12 priation for a discretionary account.

13 (2) DEFINITION.—In this section, the term
14 “advance appropriation” means any new budget au-
15 thority provided in a bill or joint resolution making
16 appropriations for fiscal year 2022 that first be-
17 comes available for any fiscal year after 2022, or
18 any new budget authority provided in a bill or joint
19 resolution making appropriations for fiscal year
20 2023, that first becomes available for any fiscal year
21 after 2023.

22 (b) EXCEPTIONS.—Advance appropriations may be
23 provided—

24 (1) for fiscal years 2023 and 2024 for pro-
25 grams, projects, activities, or accounts identified in

1 the joint explanatory statement of managers accom-
2 panying this resolution under the heading “Accounts
3 Identified for Advance Appropriations” in an aggre-
4 gate amount not to exceed \$28,852,000,000 in new
5 budget authority in each fiscal year;

6 (2) for the Corporation for Public Broad-
7 casting;

8 (3) for the Department of Veterans Affairs for
9 the Medical Services, Medical Community Care,
10 Medical Support and Compliance, and Medical Fa-
11 cilities accounts of the Veterans Health Administra-
12 tion;

13 (4) for legislation implementing a bipartisan in-
14 frastructure agreement, as determined by the Chair-
15 man of the Committee on the Budget of the Senate;
16 and

17 (5) for the Department of Health and Human
18 Services for the Indian Health Services and Indian
19 Health Facilities accounts—

20 (A) in an amount that is not more than
21 the amount provided for fiscal year 2022 in a
22 bill or joint resolution making appropriations
23 for fiscal year 2022; and

24 (B) in an amount that is not more than
25 the amount provided for fiscal year 2023 in a

1 bill or joint resolution making appropriations
2 for fiscal year 2023.

3 (e) SUPERMAJORITY WAIVER AND APPEAL.—

4 (1) WAIVER.—In the Senate, subsection (a)
5 may be waived or suspended only by an affirmative
6 vote of three-fifths of the Members, duly chosen and
7 sworn.

8 (2) APPEAL.—An affirmative vote of three-
9 fifths of the Members of the Senate, duly chosen and
10 sworn, shall be required to sustain an appeal of the
11 ruling of the Chair on a point of order raised under
12 subsection (a).

13 (d) FORM OF POINT OF ORDER.—A point of order
14 under subsection (a) may be raised by a Senator as pro-
15 vided in section 313(e) of the Congressional Budget Act
16 of 1974 (2 U.S.C. 644(e)).

17 (e) CONFERENCE REPORTS.—When the Senate is
18 considering a conference report on, or an amendment be-
19 tween the Houses in relation to, a bill or joint resolution,
20 upon a point of order being made by any Senator pursuant
21 to this section, and such point of order being sustained,
22 such material contained in such conference report or
23 House amendment shall be stricken, and the Senate shall
24 proceed to consider the question of whether the Senate
25 shall recede from its amendment and concur with a fur-

1 ther amendment, or concur in the House amendment with
2 a further amendment, as the case may be, which further
3 amendment shall consist of only that portion of the con-
4 ference report or House amendment, as the case may be,
5 not so stricken. Any such motion in the Senate shall be
6 debatable. In any case in which such point of order is sus-
7 tained against a conference report (or Senate amendment
8 derived from such conference report by operation of this
9 subsection), no further amendment shall be in order.

10 **SEC. 4003. POINT OF ORDER AGAINST ADVANCE APPRO-**
11 **PRIATIONS IN THE HOUSE OF REPRESENTA-**
12 **TIVES.**

13 (a) IN GENERAL.—In the House of Representatives,
14 except as provided in subsection (b), any general appro-
15 priation bill or bill or joint resolution continuing appro-
16 priations, or an amendment thereto or conference report
17 thereon, may not provide an advance appropriation.

18 (b) EXCEPTIONS.—An advance appropriation may be
19 provided for programs, activities, or accounts identified in
20 lists submitted for printing in the Congressional Record
21 by the chair of the Committee on the Budget—

22 (1) for fiscal year 2023, under the heading “Ac-
23 counts Identified for Advance Appropriations” in an
24 aggregate amount not to exceed \$28,852,000,000 in
25 new budget authority, and for fiscal year 2024, ac-

1 counts separately identified under the same heading;
2 and

3 (2) for fiscal year 2023, under the heading
4 “Veterans Accounts Identified for Advance Approp-
5 riations”.

6 (e) DEFINITION.—In this section, the term “advance
7 appropriation” means any new discretionary budget au-
8 thority provided in a general appropriation bill or bill or
9 joint resolution continuing appropriations for fiscal year
10 2022, or an amendment thereto or conference report
11 thereon, that first becomes available following fiscal year
12 2022.

13 **SEC. 4004. PROGRAM INTEGRITY INITIATIVES AND OTHER**
14 **ADJUSTMENTS IN THE SENATE.**

15 (a) IN GENERAL.—In the Senate, after the reporting
16 of a bill or joint resolution relating to any matter described
17 in subsection (b) or the adoption of a motion to proceed
18 to, the offering of an amendment to, the laying before the
19 Senate of an amendment between the Houses to, or the
20 submission of a conference report on such a bill or joint
21 resolution—

22 (1) the Chairman of the Committee on the
23 Budget of the Senate may adjust the budgetary ag-
24 gregates and allocations pursuant to section 302(a)
25 of the Congressional Budget Act of 1974 (2 U.S.C.

1 633(a)) by the amount of new budget authority in
2 that measure for that purpose and the outlays flow-
3 ing therefrom; and

4 (2) following any adjustment under paragraph
5 (1), the Committee on Appropriations of the Senate
6 may report appropriately revised suballocations pur-
7 suant to section 302(b) of the Congressional Budget
8 Act of 1974 (2 U.S.C. 633(b)) to carry out this sec-
9 tion.

10 (b) MATTERS DESCRIBED.—Matters referred to in
11 subsection (a) are as follows:

12 (1) CONTINUING DISABILITY REVIEWS AND RE-
13 DETERMINATIONS.—

14 (A) IN GENERAL.—If a bill, joint resolu-
15 tion, amendment, amendment between the
16 Houses, or conference report making discre-
17 tionary appropriations for fiscal year 2022
18 specifies an amount for continuing disability re-
19 views under titles II and XVI of the Social Se-
20 curity Act (42 U.S.C. 401 et seq., 1381 et
21 seq.), for the cost associated with conducting
22 redeterminations of eligibility under title XVI of
23 the Social Security Act, for the cost of co-oper-
24 ative disability investigation units, and for the
25 cost associated with the prosecution of fraud in

1 the programs and operations of the Social Secu-
2 rity Administration by Special Assistant United
3 States Attorneys, then the adjustment shall be
4 the additional new budget authority specified in
5 such measure for such costs for fiscal year
6 2022, but shall not exceed \$1,435,000,000.

7 (B) DEFINITIONS.—As used in this para-
8 graph—

9 (i) the term “additional new budget
10 authority” means the amount provided for
11 fiscal year 2022, in excess of
12 \$273,000,000, in a bill, joint resolution,
13 amendment, amendment between the
14 Houses, or conference report making dis-
15 cretionary appropriations and specified to
16 pay for the costs of continuing disability
17 reviews, redeterminations, cooperative dis-
18 ability investigation units, and the prosecu-
19 tion of fraud in the programs and oper-
20 ations of the Social Security Administra-
21 tion by Special Assistant United States At-
22 torneys under the heading “Limitation on
23 Administrative Expenses” for the Social
24 Security Administration;

1 (ii) the term “continuing disability re-
2 views” means continuing disability reviews
3 under sections 221(i) and 1614(a)(4) of
4 the Social Security Act (42 U.S.C. 421(i),
5 1382c(a)(4)), including work-related con-
6 tinuing disability reviews to determine
7 whether earnings derived from services
8 demonstrate an individual’s ability to en-
9 gage in substantial gainful activity; and

10 (iii) the term “redetermination”
11 means redetermination of eligibility under
12 sections 1611(c)(1) and 1614(a)(3)(II) of
13 the Social Security Act (42 U.S.C.
14 1382(c)(1), 1382c(a)(3)(II)).

15 (2) INTERNAL REVENUE SERVICE ENFORCE-
16 MENT.—

17 (A) IN GENERAL.—If a bill, joint resolu-
18 tion, amendment, amendment between the
19 Houses, or conference report making discre-
20 tionary appropriations for fiscal year 2022
21 specifies an amount for tax enforcement activi-
22 ties, including tax compliance to address the
23 Federal tax gap (including an amount for Inter-
24 nal Revenue Service Enforcement (account
25 020–0913), for Internal Revenue Service Oper-

1 ations Support (account 020–0919), for Inter-
2 nal Revenue Service Business Systems Mod-
3 ernization (account 020–0921), or for Internal
4 Revenue Service Taxpayer Services (account
5 020–0912)), then the adjustment shall be the
6 additional new budget authority specified in
7 such measure for fiscal year 2022, but shall not
8 exceed \$417,000,000.

9 (B) DEFINITION.—In this paragraph, the
10 term “additional new budget authority” means
11 the amount provided for fiscal year 2022, in ex-
12 cess of \$11,919,000,000, in a bill, joint resolu-
13 tion, amendment, amendment between the
14 Houses, or conference report making discre-
15 tionary appropriations and specified to pay for
16 tax enforcement activities, including tax compli-
17 ance to address the Federal tax gap, for Inter-
18 nal Revenue Service Enforcement (account
19 020–0913), Internal Revenue Service Oper-
20 ations Support (account 020–0919), Internal
21 Revenue Service Business Systems Moderniza-
22 tion (account 020–0921), or Internal Revenue
23 Service Taxpayer Services (account 020–0912).

24 (3) HEALTH CARE FRAUD AND ABUSE CON-
25 TROL.—

1 (A) IN GENERAL.—If a bill, joint resolu-
2 tion, amendment, amendment between the
3 Houses, or conference report making discre-
4 tionary appropriations for fiscal year 2022
5 specifies an amount for the health care fraud
6 abuse control program at the Department of
7 Health and Human Services (75–8393–0–7–
8 571), then the adjustment shall be the addi-
9 tional new budget authority specified in such
10 measure for such program for fiscal year 2022,
11 but shall not exceed \$556,000,000.

12 (B) DEFINITION.—As used in this para-
13 graph, the term “additional new budget author-
14 ity” means the amount provided for fiscal year
15 2022, in excess of \$317,000,000, in a bill, joint
16 resolution, amendment, amendment between the
17 Houses, or conference report making discre-
18 tionary appropriations and specified to pay for
19 the health care fraud abuse control program at
20 the Department of Health and Human Services
21 (75–8393–0–7–571).

22 (4) REEMPLOYMENT SERVICES AND ELIGI-
23 BILITY ASSESSMENTS.—

24 (A) IN GENERAL.—If a bill, joint resolu-
25 tion, amendment, amendment between the

1 Houses, or conference report making discre-
2 tionary appropriations for fiscal year 2022
3 specifies an amount for grants to States under
4 section 306 of the Social Security Act (42
5 U.S.C. 506) for claimants of regular compensa-
6 tion, as defined in such section, including those
7 who are profiled as most likely to exhaust their
8 benefits, then the adjustment shall be the addi-
9 tional new budget authority specified in such
10 measure for such grants for fiscal year 2022,
11 but shall not exceed \$133,000,000.

12 (B) DEFINITION.—As used in this para-
13 graph, the term “additional new budget author-
14 ity” means the amount provided for fiscal year
15 2022, in excess of \$117,000,000, in a bill, joint
16 resolution, amendment, amendment between the
17 Houses, or conference report making discre-
18 tionary appropriations and specified to pay for
19 grants to States under section 306 of the Social
20 Security Act (42 U.S.C. 506) for claimants of
21 regular compensation, as defined in such sec-
22 tion, including those who are profiled as most
23 likely to exhaust their benefits.

24 (5) WILDFIRE SUPPRESSION.—

1 (A) ADDITIONAL NEW BUDGET AUTHORITY.—If, for any of fiscal years 2022 through
2 ITY.—If, for any of fiscal years 2022 through
3 2027, a bill, joint resolution, amendment,
4 amendment between the Houses, or conference
5 report making discretionary appropriations for
6 such a fiscal year provides an amount for wild-
7 fire suppression operations in the Wildland Fire
8 Management accounts at the Department of
9 Agriculture or the Department of the Interior,
10 then the adjustments for that fiscal year shall
11 be the amount of additional new budget author-
12 ity provided in that measure for wildfire sup-
13 pression operations for that fiscal year, but
14 shall not exceed the amount for that fiscal year
15 specified in section 251(b)(2)(F)(i) of the Bal-
16 anced Budget and Emergency Deficit Control
17 Act of 1985 (2 U.S.C. 901(b)(2)(F)(i)).

18 (B) DEFINITIONS.—As used in this para-
19 graph, the terms “additional new budget au-
20 thority” and “wildfire suppression operations”
21 have the meanings given those terms in section
22 251(b)(2)(F)(ii) of the Balanced Budget and
23 Emergency Deficit Control Act of 1985 (2
24 U.S.C. 901(b)(2)(F)(ii)).

25 (6) DISASTER RELIEF.—

1 (Λ) ADDITIONAL NEW BUDGET AUTHORITY.—If a bill, joint resolution, amendment,
2 amendment between the Houses, or conference
3 report making discretionary appropriations for
4 fiscal year 2022 provides an amount for disaster relief, the adjustment for fiscal year 2022
5 shall be the total of such appropriations for fiscal year 2022 designated as being for disaster
6 relief, but not to exceed the amount equal to
7 the total amount calculated for fiscal year 2022
8 in accordance with the formula in section
9 251(b)(2)(D)(i) of the Balanced Budget and
10 Emergency Deficit Control Act of 1985 (2
11 U.S.C. 901(b)(2)(D)(i)), except that such formula shall be applied by substituting “fiscal
12 years 2012 through 2022” for “fiscal years
13 2012 through 2021”.

14 (B) DEFINITION.—As used in this paragraph, the term “disaster relief” means activities
15 carried out pursuant to a determination
16 under section 102(2) of the Robert T. Stafford
17 Disaster Relief and Emergency Assistance Act
18 (42 U.S.C. 5122(2)).

19 (7) VETERANS MEDICAL CARE.—

1 (A) IN GENERAL.—If a bill, joint resolu-
2 tion, amendment, amendment between the
3 Houses, or conference report making discre-
4 tionary appropriations for fiscal year 2022
5 specifies an amount for veterans medical care
6 (in the Medical Services, Medical Community
7 Care, Medical Support and Compliance, and
8 Medical Facilities accounts of the Veterans
9 Health Administration), then the adjustment
10 shall be the additional new budget authority
11 specified in such measure for such medical care
12 for fiscal year 2022, but shall not exceed
13 \$7,602,000,000.

14 (B) DEFINITION.—As used in this para-
15 graph, the term “additional new budget author-
16 ity” means the amount provided for fiscal year
17 2022, in excess of \$89,849,000,000, in a bill,
18 joint resolution, amendment, amendment be-
19 tween the Houses, or conference report making
20 discretionary appropriations and specified to
21 pay for veterans medical care.

22 (c) APPLICATION OF ADJUSTMENTS.—The adjust-
23 ments made pursuant to subsection (a) for legislation
24 shall—

1 (1) apply while that legislation is under consid-
2 eration;

3 (2) take effect upon the enactment of that leg-
4 islation; and

5 (3) be published in the Congressional Record as
6 soon as practicable.

7 **SEC. 4005. PROGRAM INTEGRITY INITIATIVES AND OTHER**
8 **ADJUSTMENTS IN THE HOUSE OF REP-**
9 **RESENTATIVES.**

10 (a) ADJUSTMENT FOR CONTINUING DISABILITY RE-
11 VIEWS AND REDETERMINATIONS.—In the House of Rep-
12 resentatives, the chair of the Committee on the Budget
13 may adjust the allocations, aggregates, and other budg-
14 etary levels included in this concurrent resolution to reflect
15 changes as follows:

16 (1) IN GENERAL.—If a bill, joint resolution,
17 amendment, or conference report making discre-
18 tionary appropriations for fiscal year 2022 specifies
19 an amount for continuing disability reviews under ti-
20 tles II and XVI of the Social Security Act (42
21 U.S.C. 401 et seq., 1381 et seq.), for the cost associ-
22 ated with conducting redeterminations of eligibility
23 under title XVI of the Social Security Act, for the
24 cost of co-operative disability investigation units, and
25 for the cost associated with the prosecution of fraud

1 in the programs and operations of the Social Secu-
2 rity Administration by Special Assistant United
3 States Attorneys, then the adjustment shall be the
4 additional new budget authority specified in such
5 measure for such purpose, but shall not exceed
6 \$1,435,000,000.

7 (2) DEFINITIONS.—As used in this sub-
8 section—

9 (A) the term “additional new budget au-
10 thority” means the amount provided for fiscal
11 year 2022, in excess of \$273,000,000, in a bill,
12 joint resolution, amendment, or conference re-
13 port and specified to pay for the costs of con-
14 tinuing disability reviews, redeterminations, co-
15 operative disability investigation units, and
16 fraud prosecutions under the heading “Limita-
17 tion on Administrative Expenses” for the Social
18 Security Administration;

19 (B) the term “continuing disability re-
20 views” means continuing disability reviews
21 under sections 221(i) and 1614(a)(4) of the So-
22 cial Security Act (42 U.S.C. 421(i),
23 1382c(a)(4)), including work related continuing
24 disability reviews to determine whether earnings
25 derived from services demonstrate an individ-

1 ual’s ability to engage in substantial gainful ac-
2 tivity; and

3 (C) the term “redetermination” means re-
4 determination of eligibility under sections
5 1611(c)(1) and 1614(a)(3)(II) of the Social Se-
6 curity Act (42 U.S.C. 1382(c)(1),
7 1382e(a)(3)(II)).

8 (3) REFERENCES.—All references to section
9 1(k) of H. Res. 467 (117th Congress) in any bill or
10 joint resolution, or amendment thereto or conference
11 report thereon shall be treated for all purposes in
12 the House of Representatives as references to this
13 subsection of this concurrent resolution.

14 (b) ADJUSTMENT FOR INTERNAL REVENUE SERVICE
15 TAX ENFORCEMENT.—In the House of Representatives,
16 the chair of the Committee on the Budget may adjust the
17 allocations, aggregates, and other budgetary levels in-
18 cluded in this concurrent resolution to reflect changes as
19 follows:

20 (1) IN GENERAL.—If a bill, joint resolution,
21 amendment, or conference report making discre-
22 tionary appropriations for fiscal year 2022 specifies
23 an amount for tax enforcement activities, including
24 tax compliance to address the Federal tax gap, in
25 the Enforcement account and the Operations Sup-

1 port account of the Internal Revenue Service of the
2 Department of the Treasury, then the adjustment
3 shall be the additional new budget authority pro-
4 vided in such measure for such purpose, but shall
5 not exceed \$417,000,000.

6 (2) DEFINITION.—As used in this subsection,
7 the term “additional new budget authority” means
8 the amount provided for fiscal year 2022, in excess
9 of \$9,141,000,000, in a bill, joint resolution, amend-
10 ment, or conference report and specified for tax en-
11 forcement activities, including tax compliance to ad-
12 dress the Federal tax gap, of the Internal Revenue
13 Service.

14 (3) REFERENCES.—All references to section
15 1(i) of H. Res. 467 (117th Congress) in any bill or
16 joint resolution, or amendment thereto or conference
17 report thereon shall be treated for all purposes in
18 the House of Representatives as references to this
19 subsection of this concurrent resolution.

20 (c) ADJUSTMENT FOR HEALTH CARE FRAUD AND
21 ABUSE CONTROL.—In the House of Representatives, the
22 chair of the Committee on the Budget may adjust the allo-
23 cations, aggregates, and other budgetary levels included
24 in this concurrent resolution to reflect changes as follows:

1 (1) IN GENERAL.—If a bill, joint resolution,
2 amendment, or conference report making discre-
3 tionary appropriations for fiscal year 2022 specifies
4 an amount for the health care fraud abuse control
5 program at the Department of Health and Human
6 Services (75–8393–0–7–571), then the adjustment
7 shall be the additional new budget authority speci-
8 fied in such measure for such purpose for fiscal year
9 2022, but shall not exceed \$556,000,000.

10 (2) DEFINITION.—As used in this subsection
11 the term “additional new budget authority” means
12 the amount provided fiscal year 2022, in excess of
13 \$317,000,000, in a bill, joint resolution, amendment,
14 or conference report and specified to pay for the
15 costs of the health care fraud and abuse control pro-
16 gram.

17 (3) REFERENCES.—All references to section
18 1(j) of H. Res. 467 (117th Congress) in any bill or
19 joint resolution, or amendment thereto or conference
20 report thereon shall be treated for all purposes in
21 the House of Representatives as references to this
22 subsection of this concurrent resolution.

23 (d) REEMPLOYMENT SERVICES AND ELIGIBILITY AS-
24 SESSMENTS.—In the House of Representatives, the chair
25 of the Committee on the Budget may adjust the alloca-

1 tions, aggregates, and other budgetary levels included in
2 this concurrent resolution to reflect changes as follows:

3 (1) IN GENERAL.—If a bill, joint resolution,
4 amendment, or conference report making discre-
5 tionary appropriations for fiscal year 2022 specifies
6 an amount for grants to States under section 306 of
7 the Social Security Act (42 U.S.C. 506) for claim-
8 ants of regular compensation, as defined in such sec-
9 tion, including those who are profiled as most likely
10 to exhaust their benefits, then the adjustment shall
11 be the additional new budget authority specified in
12 such measure for such grants for fiscal year 2022,
13 but shall not exceed \$133,000,000.

14 (2) DEFINITION.—As used in this subsection,
15 the term “additional new budget authority” means
16 the amount provided for fiscal year 2022, in excess
17 of \$117,000,000, in a bill, joint resolution, amend-
18 ment, or conference report making discretionary ap-
19 propriations and specified to pay for grants to
20 States under section 306 of the Social Security Act
21 (42 U.S.C. 506) for claimants of regular compensa-
22 tion, as defined in such section, including those who
23 are profiled as most likely to exhaust their benefits.

24 (c) ADJUSTMENT FOR WILDFIRE SUPPRESSION.—In
25 the House of Representatives, the chair of the Committee

1 on the Budget may adjust the allocations, aggregates, and
2 other budgetary levels in this concurrent resolution to re-
3 flect changes as follows:

4 (1) IN GENERAL.—If a bill, joint resolution,
5 amendment, or conference report making discre-
6 tionary appropriations for fiscal year 2022 specifies
7 an amount for wildfire suppression operations in the
8 Wildland Fire Management accounts at the Depart-
9 ment of Agriculture or the Department of the Inte-
10 rior, then the adjustment shall be the amount of ad-
11 ditional new budget authority specified in such
12 measure as being for wildfire suppression operations
13 for fiscal year 2022, but shall not exceed
14 \$2,450,000,000.

15 (2) DEFINITIONS.—As used in this sub-
16 section—

17 (A) the term “additional new budget au-
18 thority” means the amount provided for a fiscal
19 year in an appropriation Act that is in excess
20 of the average costs for wildfire suppression op-
21 erations as reported in the budget of the Presi-
22 dent submitted under section 1105(a) of title
23 31, United States Code, for fiscal year 2015
24 and are specified to pay for the costs of wildfire
25 suppression operations; and

1 (B) the term “wildfire suppression oper-
2 ations” means the emergency and unpredictable
3 aspects of wildland firefighting, including—

4 (i) support, response, and emergency
5 stabilization activities;

6 (ii) other emergency management ac-
7 tivities; and

8 (iii) the funds necessary to repay any
9 transfers needed for the costs of wildfire
10 suppression operations.

11 (3) REFERENCES.—All references to section
12 1(h) of II. Res. 467 (117th Congress) in any bill or
13 joint resolution, or amendment thereto or conference
14 report thereon shall be treated for all purposes in
15 the House of Representatives as references to this
16 subsection of this concurrent resolution.

17 (f) ADJUSTMENT FOR DISASTER RELIEF.—In the
18 House of Representatives, the chair of the Committee on
19 the Budget may adjust the allocations, aggregates, and
20 other budgetary levels included in this concurrent resolu-
21 tion to reflect changes as follows:

22 (1) IN GENERAL.—If a bill, joint resolution,
23 amendment, or conference report making discre-
24 tionary appropriations specifies an amount that Con-
25 gress designates as being for disaster relief, the ad-

1 justment for fiscal year 2022 shall be the total of
2 such appropriations for fiscal year 2022 designated
3 as being for disaster relief, but not to exceed the
4 total of—

5 (A) the average over the previous 10 fiscal
6 years (excluding the highest and lowest fiscal
7 years) of the sum of the funding provided for
8 disaster relief (as that term is defined on the
9 date immediately before March 23, 2018);

10 (B) 5 percent of the total appropriations
11 provided in the previous 10 fiscal years, net of
12 any rescissions of budget authority enacted in
13 the same period, with respect to amounts pro-
14 vided for major disasters declared pursuant to
15 the Robert T. Stafford Disaster Relief and
16 Emergency Assistance Act (42 U.S.C. 5121 et
17 seq.) and designated by the Congress as an
18 emergency; and

19 (C) the cumulative net total of the unused
20 carryover for fiscal year 2018 and all subse-
21 quent fiscal years, where the unused carryover
22 for each fiscal year is calculated as the sum of
23 the amounts in subparagraphs (A) and (B) less
24 the enacted appropriations for that fiscal year

1 that have been designated as being for disaster
2 relief.

3 (2) DEFINITION.—As used in this subsection,
4 the term “disaster relief” means activities carried
5 out pursuant to a determination under section
6 102(2) of the Robert T. Stafford Disaster Relief and
7 Emergency Assistance Act (42 U.S.C. 5122(2)).

8 (3) REFERENCES.—All references to section
9 1(g) of H. Res. 467 (117th Congress) in any bill or
10 joint resolution, or amendment thereto or conference
11 report thereon shall be treated for all purposes in
12 the House of Representatives as references to this
13 subsection of this concurrent resolution.

14 (g) VETERANS MEDICAL CARE.—In the House of
15 Representatives, the chair of the Committee on the Budget
16 may adjust the allocations, aggregates, and other budg-
17 etary levels included in this concurrent resolution to reflect
18 changes as follows:

19 (1) IN GENERAL.—If a bill, joint resolution,
20 amendment, or conference report making discre-
21 tionary appropriations for fiscal year 2022 specifies
22 an amount for veterans medical care (in the Medical
23 Services, Medical Community Care, Medical Support
24 and Compliance, and Medical Facilities accounts of
25 the Veterans Health Administration), then the ad-

1 justment shall be the additional new budget author-
2 ity specified in such measure for such medical care
3 for fiscal year 2022, but shall not exceed
4 \$7,602,000,000.

5 (2) DEFINITION.—As used in this subsection,
6 the term “additional new budget authority” means
7 the amount provided for fiscal year 2022, in excess
8 of \$89,849,000,000, in a bill, joint resolution,
9 amendment, or conference report making discre-
10 tionary appropriations and specified to pay for vet-
11 erans medical care.

12 **SEC. 4006. ENFORCEMENT FILING.**

13 (a) SENATE.—In the Senate, if this concurrent reso-
14 lution on the budget is agreed to by the Senate and House
15 of Representatives without the appointment of a com-
16 mittee of conference on the disagreeing votes of the two
17 Houses, the Chairman of the Committee on the Budget
18 of the Senate may submit a statement for publication in
19 the Congressional Record containing—

20 (1) for the Committee on Appropriations, com-
21 mittee allocations for fiscal year 2022 consistent
22 with the levels in title I for the purpose of enforcing
23 section 302 of the Congressional Budget Act of
24 1974 (2 U.S.C. 633); and

1 (2) for all committees other than the Com-
2 mittee on Appropriations, committee allocations for
3 fiscal years 2022, 2022 through 2026, and 2022
4 through 2031 consistent with the levels in title I for
5 the purpose of enforcing section 302 of the Congres-
6 sional Budget Act of 1974 (2 U.S.C. 633).

7 (b) HOUSE OF REPRESENTATIVES.—In the House of
8 Representatives, if a concurrent resolution on the budget
9 for fiscal year 2022 is adopted without the appointment
10 of a committee of conference on the disagreeing votes of
11 the two Houses with respect to this concurrent resolution
12 on the budget, for the purpose of enforcing the Congres-
13 sional Budget Act of 1974 (2 U.S.C. 621 et seq.) and ap-
14 plicable rules and requirements set forth in the concurrent
15 resolution on the budget, the allocations provided for in
16 this subsection shall apply in the House of Representatives
17 in the same manner as if such allocations were in a joint
18 explanatory statement accompanying a conference report
19 on the budget for fiscal year 2022. The chair of the Com-
20 mittee on the Budget of the House of Representatives
21 shall submit a statement for publication in the Congres-
22 sional Record containing—

23 (1) for the Committee on Appropriations, com-
24 mittee allocations for fiscal year 2022 consistent
25 with title I for the purpose of enforcing section 302

1 of the Congressional Budget Act of 1974 (2 U.S.C.
2 633); and

3 (2) for all committees other than the Com-
4 mittee on Appropriations, committee allocations con-
5 sistent with title I for fiscal year 2022 and for the
6 period of fiscal years 2022 through 2031 for the
7 purpose of enforcing 302 of the Congressional Budg-
8 et Act of 1974 (2 U.S.C. 633).

9 **SEC. 4007. APPLICATION AND EFFECT OF CHANGES IN AL-**
10 **LOCATIONS, AGGREGATES, AND OTHER**
11 **BUDGETARY LEVELS.**

12 (a) APPLICATION.—Any adjustments of allocations,
13 aggregates, and other budgetary levels made pursuant to
14 this concurrent resolution shall—

15 (1) apply while that measure is under consider-
16 ation;

17 (2) take effect upon the enactment of that
18 measure; and

19 (3) be published in the Congressional Record as
20 soon as practicable.

21 (b) EFFECT OF CHANGED ALLOCATIONS, AGGRE-
22 GATES, AND OTHER BUDGETARY LEVELS.—Revised allo-
23 cations, aggregates, and other budgetary levels resulting
24 from these adjustments shall be considered for the pur-
25 poses of the Congressional Budget Act of 1974 (2 U.S.C.

1 621 et seq.) as the allocations, aggregates, and other
2 budgetary levels contained in this concurrent resolution.

3 (c) BUDGET COMMITTEE DETERMINATIONS.—For
4 purposes of this concurrent resolution, the levels of new
5 budget authority, outlays, direct spending, new entitle-
6 ment authority, revenues, deficits, and surpluses for a fis-
7 cal year or period of fiscal years shall be determined on
8 the basis of estimates made by the chair of the Committee
9 on the Budget of the applicable House of Congress.

10 **SEC. 4008. ADJUSTMENTS TO REFLECT CHANGES IN CON-**
11 **CEPTS AND DEFINITIONS.**

12 (a) SENATE.—In the Senate, upon the enactment of
13 a bill or joint resolution providing for a change in concepts
14 or definitions, the Chairman of the Committee on the
15 Budget of the Senate may make adjustments to the levels
16 and allocations in this resolution in accordance with sec-
17 tion 251(b) of the Balanced Budget and Emergency Def-
18 icit Control Act of 1985 (2 U.S.C. 901(b)).

19 (b) HOUSE OF REPRESENTATIVES.—In the House of
20 Representatives, upon the enactment of a bill or joint reso-
21 lution providing for a change in concepts or definitions,
22 the chair of the Committee on the Budget of the House
23 of Representatives may adjust the allocations, aggregates,
24 and other budgetary levels in this concurrent resolution
25 accordingly.

1 **SEC. 4009. ADJUSTMENT FOR BIPARTISAN INFRASTRUC-**
2 **TURE LEGISLATION IN THE SENATE.**

3 (a) **ADJUSTMENTS.**—In the Senate, upon the enact-
4 ment of an infrastructure bill or joint resolution, including
5 legislation implementing a bipartisan infrastructure agree-
6 ment, the Chairman of the Committee on the Budget of
7 the Senate may make adjustments to the levels and alloca-
8 tions in this resolution to reflect changes resulting from
9 the enactment of such bill or joint resolution.

10 (b) **DETERMINATIONS.**—For purposes of this section,
11 the levels of budget authority and outlays shall be deter-
12 mined on the basis of estimates submitted by the Chair-
13 man of the Committee on the Budget of the Senate.

14 **SEC. 4010. ADJUSTMENT FOR INFRASTRUCTURE LEGISLA-**
15 **TION IN THE HOUSE OF REPRESENTATIVES.**

16 In the House of Representatives, the chair of the
17 Committee on the Budget may adjust the allocations, ag-
18 gregates, and other budgetary levels included in this con-
19 current resolution to reflect changes resulting from the en-
20 actment of an infrastructure bill or joint resolution, in-
21 cluding legislation implementing the INVEST in America
22 Act or a bipartisan infrastructure agreement.

23 **SEC. 4011. APPLICABILITY OF ADJUSTMENTS TO DISCRE-**
24 **TIONARY SPENDING LIMITS.**

25 Except as expressly provided otherwise, the adjust-
26 ments provided by section 251(b) of the Balanced Budget

1 and Emergency Deficit Control Act of 1985 (2 U.S.C.
2 901(b)) shall not apply to allocations, aggregates, or other
3 budgetary levels established pursuant to this concurrent
4 resolution.

5 **SEC. 4012. BUDGETARY TREATMENT OF ADMINISTRATIVE**
6 **EXPENSES.**

7 (a) SENATE.—

8 (1) IN GENERAL.—In the Senate, notwith-
9 standing section 302(a)(1) of the Congressional
10 Budget Act of 1974 (2 U.S.C. 633(a)(1)), section
11 13301 of the Budget Enforcement Act of 1990 (2
12 U.S.C. 632 note), and section 2009a of title 39,
13 United States Code, the report or the joint explana-
14 tory statement accompanying this concurrent resolu-
15 tion on the budget or the statement filed pursuant
16 to section 4006(a), as applicable, shall include in an
17 allocation under section 302(a) of the Congressional
18 Budget Act of 1974 (2 U.S.C. 633(a)) to the Com-
19 mittee on Appropriations of the Senate of amounts
20 for the discretionary administrative expenses of the
21 Social Security Administration and the United
22 States Postal Service.

23 (2) SPECIAL RULE.—In the Senate, for pur-
24 poses of enforcing section 302(f) of the Congres-
25 sional Budget Act of 1974 (2 U.S.C. 633(f)), esti-

1 mates of the level of total new budget authority and
2 total outlays provided by a measure shall include any
3 discretionary amounts described in paragraph (1).

4 (b) HOUSE OF REPRESENTATIVES.—

5 (1) IN GENERAL.—In the House of Representa-
6 tives, notwithstanding section 302(a)(1) of the Con-
7 gressional Budget Act of 1974 (2 U.S.C. 633(a)(1)),
8 section 13301 of the Budget Enforcement Act of
9 1990 (2 U.S.C. 632 note), and section 2009a of title
10 39, United States Code, the report or the joint ex-
11 planatory statement accompanying this concurrent
12 resolution on the budget or the statement filed pur-
13 suant to section 4006(b), as applicable, shall include
14 in an allocation under section 302(a) of the Congres-
15 sional Budget Act of 1974 (2 U.S.C. 633(a)) to the
16 Committee on Appropriations of the House of Rep-
17 resentatives of amounts for the discretionary admin-
18 istrative expenses of the Social Security Administra-
19 tion and the United States Postal Service.

20 (2) SPECIAL RULE.—In the House of Rep-
21 representatives, for purposes of enforcing section 302(f)
22 of the Congressional Budget Act of 1974 (2 U.S.C.
23 633(f)), estimates of the level of total new budget
24 authority and total outlays provided by a measure

1 shall include any discretionary amounts described in
2 paragraph (1).

3 **SEC. 4013. APPROPRIATE BUDGETARY ADJUSTMENTS IN**
4 **THE HOUSE OF REPRESENTATIVES.**

5 In the House of Representatives, the chair of the
6 Committee on the Budget of the House of Representatives
7 may make appropriate budgetary adjustments of new
8 budget authority and the outlays flowing therefrom pursu-
9 ant to the adjustment authorities provided by this concur-
10 rent resolution.

11 **SEC. 4014. ADJUSTMENT FOR CHANGES IN THE BASELINE**
12 **IN THE HOUSE OF REPRESENTATIVES.**

13 In the House of Representatives, the chair of the
14 Committee on the Budget of the House of Representatives
15 may adjust the allocations, aggregates, and other appro-
16 priate budgetary levels in this concurrent resolution to re-
17 flect changes resulting from the Congressional Budget Of-
18 fice's updates to its baseline for fiscal years 2022 through
19 2031.

20 **SEC. 4015. SCORING RULE IN THE SENATE FOR CHILD**
21 **CARE AND PRE-KINDERGARTEN LEGISLA-**
22 **TION.**

23 (a) IN GENERAL.—In the Senate, for the purposes
24 of estimates with respect to any child care or pre-kinder-
25 garten legislation during the 117th Congress, the Congres-

1 sional Budget Office shall consider funding for programs
2 under the Head Start Act (42 U.S.C. 9831 et seq.) to
3 continue at baseline levels.

4 (b) EXCEPTION.—This section shall not apply to any
5 bill or joint resolution making appropriations for discre-
6 tionary accounts.

7 **SEC. 4016. EXERCISE OF RULEMAKING POWERS.**

8 Congress adopts the provisions of this title—

9 (1) as an exercise of the rulemaking power of
10 the Senate and the House of Representatives, and as
11 such they shall be considered as part of the rules of
12 each House or of that House to which they specifi-
13 cally apply, and such rules shall supersede other
14 rules only to the extent that they are inconsistent
15 with such other rules; and

16 (2) with full recognition of the constitutional
17 right of either the Senate or the House of Rep-
18 resentatives to change those rules (insofar as they
19 relate to that House) at any time, in the same man-
20 ner, and to the same extent as is the case of any
21 other rule of the Senate or House of Representa-
22 tives.

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\$ in billions	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2022-2026	2022-2031
650 Social Security												
Total Budget Authority	1,215.516	1,293.282	1,370.781	1,452.511	1,537.112	1,624.470	1,720.775	1,818.735	1,919.351	2,021.168	6,869.202	15,973.701
Outlays	1,208.996	1,286.774	1,364.065	1,445.470	1,529.876	1,616.437	1,712.637	1,810.290	1,910.810	2,012.627	6,835.181	15,897.982
On Budget Authority	47.020	50.129	53.591	57.355	67.932	74.299	79.053	84.197	89.406	93.932	276.027	696.914
Outlays	47.020	50.129	53.591	57.355	67.932	74.299	79.053	84.197	89.406	93.932	276.027	696.914
Off Budget Authority	1,168.496	1,243.153	1,317.190	1,395.156	1,469.180	1,550.171	1,641.722	1,734.538	1,829.945	1,927.236	6,593.175	15,276.787
Outlays	1,161.976	1,236.645	1,310.474	1,388.115	1,461.944	1,542.138	1,633.584	1,726.093	1,821.404	1,918.695	6,558.154	15,201.068
700 Veterans Benefits and Services												
Budget Authority	274.340	279.810	288.676	297.105	305.075	313.512	322.020	331.220	340.439	350.829	1,445.006	3,103.026
Outlays	282.071	279.868	276.026	299.907	307.739	316.417	326.852	335.456	338.867	349.032	1,445.611	3,102.235
750 Administration of Justice												
Budget Authority	80.614	77.444	78.904	79.626	81.223	82.849	84.495	86.184	87.881	96.549	397.811	835.769
Outlays	78.094	77.431	78.533	78.863	80.382	81.809	83.423	85.004	86.642	94.529	393.301	824.708
800 General Government												
Budget Authority	48.565	29.912	30.382	30.935	31.538	32.168	32.798	33.432	34.103	35.123	171.332	338.956
Outlays	111.629	33.642	32.557	33.585	33.016	33.540	33.807	33.024	33.539	34.544	244.429	412.883
900 Net Interest												
Total Budget Authority	306.268	317.897	351.541	412.020	493.224	579.831	679.433	778.122	890.254	1,005.910	1,880.949	5,814.500
Outlays	306.268	317.897	351.541	412.020	493.224	579.831	679.433	778.122	890.254	1,005.910	1,880.949	5,814.500
On Budget Authority	373.011	378.542	407.539	464.069	541.134	623.392	719.805	813.280	918.333	1,025.810	2,164.294	6,264.915
Outlays	373.011	378.542	407.539	464.069	541.134	623.392	719.805	813.280	918.333	1,025.810	2,164.294	6,264.915
Off Budget Authority	-66.743	-60.645	-55.998	-52.049	-47.910	-43.561	-40.372	-35.158	-28.079	-19.900	-283.345	-450.415
Outlays	-66.743	-60.645	-55.998	-52.049	-47.910	-43.561	-40.372	-35.158	-28.079	-19.900	-283.345	-450.415
920 Allowances												
Budget Authority	11.507	-14.188	-11.538	-9.499	-8.979	-7.240	-5.238	-5.126	-5.898	-2.530	-32.697	-53.669
Outlays	17.129	-2.706	-6.811	-7.389	-7.646	-6.478	-4.559	-3.651	-3.393	1.034	-7.423	-24.470
950 Undistributed Offsetting Receipts												
Total Budget Authority	-205.778	-139.179	-133.185	-136.330	-140.711	-145.549	-150.048	-155.670	-161.395	-167.354	-755.183	-1,535.199
Outlays	-213.163	-146.439	-132.790	-141.510	-139.161	-143.999	-148.228	-153.850	-159.845	-165.944	-773.063	-1,544.929
On Budget Authority	-183.898	-116.355	-109.511	-111.761	-115.184	-118.981	-122.423	-126.990	-131.562	-136.520	-636.699	-1,273.275
Outlays	-191.373	-123.615	-109.116	-116.941	-113.634	-117.431	-120.603	-125.170	-130.112	-135.110	-654.579	-1,283.005
Off Budget Authority	-21.890	-22.824	-23.674	-24.569	-25.527	-26.568	-27.625	-28.680	-29.733	-30.834	-118.484	-261.924
Outlays	-21.890	-22.824	-23.674	-24.569	-25.527	-26.568	-27.625	-28.680	-29.733	-30.834	-118.484	-261.924

Fiscal Year 2022 Budget Resolution
Build Back Better Budget
Discretionary Spending

\$ in billions	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2022-2026	2022-2031
Summary												
Discretionary Spending												
Budget Authority	1,532.663	1,572.767	1,606.605	1,642.309	1,677.975	1,704.357	1,729.620	1,756.740	1,784.303	1,812.498	8,032.319	16,819.837
Outlays	1,686.020	1,644.912	1,654.085	1,680.990	1,706.329	1,734.042	1,766.411	1,784.632	1,819.001	1,850.917	8,372.336	17,327.339
Non-Defense												
Budget Authority	779.536	803.214	820.010	838.263	856.079	874.243	891.204	909.939	929.034	948.676	4,097.102	8,650.198
Outlays	935.050	887.861	891.075	899.528	909.620	926.342	944.039	964.512	984.880	1,008.291	4,523.134	9,351.198
Function Totals												
050 National Defense												
Budget Authority	753.127	769.553	786.595	804.046	821.896	830.114	838.416	846.801	855.269	863.822	3,935.217	8,169.639
Outlays	750.970	757.051	763.010	781.462	796.709	807.700	822.372	820.120	834.121	842.626	3,849.202	7,976.141
150 International Affairs												
Budget Authority	64.027	66.358	67.289	68.770	70.280	71.929	73.608	75.282	76.972	78.690	336.724	713.205
Outlays	60.540	61.439	63.985	65.975	67.188	68.756	70.197	71.930	73.576	75.217	319.127	678.803
250 General Science, Space, and Technology												
Budget Authority	41.617	42.487	43.419	44.375	45.360	46.364	47.385	48.433	49.500	50.591	217.258	459.531
Outlays	37.360	39.886	41.520	42.883	43.896	44.962	46.001	47.115	48.152	49.214	205.545	440.989
270 Energy												
Budget Authority	11.355	11.129	11.378	11.628	11.916	12.178	12.444	12.724	13.001	13.291	57.406	121.044
Outlays	7.668	9.190	10.376	11.044	11.294	11.591	11.864	12.077	12.318	12.556	49.572	109.978
300 Natural Resources and Environment												
Budget Authority	48.670	49.171	50.214	51.277	52.362	53.462	54.582	55.731	56.909	58.118	251.694	530.496
Outlays	45.714	48.739	49.905	51.301	52.493	53.406	54.432	55.513	56.653	57.832	248.152	525.988
350 Agriculture												
Budget Authority	8.240	8.359	8.543	8.730	8.925	9.123	9.322	9.526	9.738	9.955	42.797	90.461
Outlays	8.134	8.337	8.435	8.642	8.809	8.998	9.189	9.382	9.578	9.790	42.357	89.294
370 Commerce and Housing Credit												
Total Budget Authority	-5.831	-4.690	-4.044	-2.991	-3.091	-3.054	-2.757	-0.827	2.305	-3.897	-20.647	-28.877
Total Outlays	-5.096	-4.431	-4.082	-3.163	-3.286	-3.219	-2.959	-1.409	1.343	-3.048	-20.058	-29.350
On Budget Authority	-6.114	-4.978	-4.339	-3.292	-3.400	-3.369	-3.079	-1.156	1.968	-4.241	-22.123	-32.000
Outlays	-5.379	-4.719	-4.377	-3.464	-3.595	-3.534	-3.281	-1.738	1.006	-3.392	-21.534	-32.473
Off Budget Authority	0.283	0.288	0.295	0.301	0.309	0.315	0.322	0.329	0.337	0.344	1.476	3.123
Outlays	0.283	0.288	0.295	0.301	0.309	0.315	0.322	0.329	0.337	0.344	1.476	3.123
400 Transportation												
Budget Authority	42.920	43.588	44.292	45.181	46.084	46.989	46.185	46.833	47.737	48.656	222.065	458.465
Outlays	112.960	106.199	106.229	108.584	110.238	112.317	112.617	114.747	116.946	119.234	544.210	1,120.071
450 Community and Regional Development												
Budget Authority	34.845	25.808	26.231	26.634	27.003	27.379	27.766	28.151	28.561	28.969	140.521	281.347
Outlays	34.328	26.123	25.530	26.191	27.346	28.449	29.588	30.321	30.888	36.983	139.518	295.747
500 Education, Training, Employment, and Social Services												
Budget Authority	136.117	138.580	141.079	143.639	146.278	148.960	151.692	154.486	157.339	160.269	705.693	1,478.439
Outlays	137.211	143.108	156.725	151.961	149.603	148.976	150.696	153.276	155.898	158.548	738.608	1,506.002
550 Health												
Budget Authority	70.599	98.417	99.872	101.793	104.090	106.161	108.504	110.901	113.343	115.855	474.771	1,029.535
Outlays	159.034	118.817	102.877	101.607	100.394	102.260	104.163	106.350	108.539	110.762	582.729	1,114.803
570 Medicare												
Budget Authority	8.468	8.648	8.840	9.040	9.244	9.448	9.660	9.877	10.097	10.324	44.240	93.646
Outlays	8.373	8.644	8.884	9.072	9.252	9.435	9.624	9.818	10.022	10.263	44.225	93.387
600 Income Security												
Budget Authority	95.973	98.414	100.701	102.666	104.946	107.223	109.446	111.740	114.107	116.516	502.700	1,061.732
Outlays	97.091	100.101	98.428	100.232	102.377	105.419	108.014	110.340	112.596	114.746	498.229	1,049.344
650 Social Security												
Total Budget Authority	6.287	6.250	6.354	6.556	6.653	6.787	6.938	7.119	7.260	7.421	32.100	67.625
Total Outlays	6.267	6.242	6.338	6.515	6.617	6.754	6.900	7.074	7.219	7.380	31.979	67.306
On Budget Authority	--	--	--	--	--	--	--	--	--	--	--	--
Outlays	--	--	--	--	--	--	--	--	--	--	--	--
Off Budget Authority	6.287	6.250	6.354	6.556	6.653	6.787	6.938	7.119	7.260	7.421	32.100	67.625
Outlays	6.267	6.242	6.338	6.515	6.617	6.754	6.900	7.074	7.219	7.380	31.979	67.306

\$ in billions	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2022-2026	2022-2031
700 Veterans Benefits and Services												
Budget Authority	113.611	131.128	133.982	136.844	139.868	142.951	146.074	149.289	152.575	155.945	655.433	1,402.267
Outlays	116.212	127.624	131.911	134.876	138.050	141.117	144.240	147.418	150.660	153.987	648.673	1,386.095
750 Administration of Justice												
Budget Authority	67.462	73.247	74.957	76.663	78.419	80.189	81.966	83.805	85.679	87.599	370.748	789.986
Outlays	69.712	70.891	73.015	74.772	76.736	78.674	80.889	82.716	84.582	86.470	365.126	778.457
800 General Government												
Budget Authority	24.615	23.933	24.441	24.984	25.538	26.111	26.688	27.280	27.881	28.497	123.511	259.968
Outlays	23.359	23.083	23.810	24.452	25.076	25.642	26.204	26.780	27.375	27.976	119.780	253.757
900 Net Interest												
Budget Authority	--	--	--	--	--	--	--	--	--	--	--	--
Outlays	--	--	--	--	--	--	--	--	--	--	--	--
920 Allowances												
Budget Authority	10.564	-17.613	-17.538	-17.526	-17.796	-17.957	-18.299	-20.411	-23.970	-18.123	-59.909	-158.669
Outlays	16.386	-6.131	-12.811	-15.416	-16.463	-17.195	-17.620	-18.936	-21.465	-19.619	-34.635	-129.470
950 Undistributed Offsetting Receipts												
Budget Authority	-0.003	--	--	--	--	--	--	--	--	--	--	-0.003
Outlays	-0.003	--	--	--	--	--	--	--	--	--	-0.003	-0.003

\$ in billions	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2022-2026	2022-2031
700 Veterans Benefits and Services												
Budget Authority	160.729	148.682	154.694	160.261	165.207	170.561	175.946	181.931	187.864	194.884	785.573	1,700.759
Outlays	165.859	152.244	144.115	165.031	169.689	175.300	192.612	168.038	188.207	195.045	796.938	1,716.140
750 Administration of Justice												
Budget Authority	13.152	4.197	3.947	2.963	2.804	2.660	2.529	2.379	2.202	8.950	27.063	45.783
Outlays	8.382	6.540	5.518	4.089	3.646	3.135	2.534	2.288	2.060	8.059	28.175	46.251
800 General Government												
Budget Authority	23.950	5.979	5.941	5.951	6.000	6.057	6.110	6.152	6.222	6.676	47.821	78.988
Outlays	88.270	10.559	8.747	9.133	7.940	7.898	7.603	6.244	6.164	6.568	124.649	159.126
900 Net Interest												
Total Budget Authority	306.268	317.897	351.541	412.020	493.224	579.831	679.433	778.122	890.254	1,005.910	1,880.949	5,814.500
Total Outlays	306.268	317.897	351.541	412.020	493.224	579.831	679.433	778.122	890.254	1,005.910	1,880.949	5,814.500
On Budget Authority	373.011	378.542	407.539	464.069	541.134	623.392	719.805	813.280	918.333	1,025.810	2,164.294	6,264.915
On Outlays	373.011	378.542	407.539	464.069	541.134	623.392	719.805	813.280	918.333	1,025.810	2,164.294	6,264.915
Off Budget Authority	-66.743	-60.645	-55.998	-52.049	-47.910	-43.561	-40.372	-35.158	-28.079	-19.900	-283.345	-450.415
Off Outlays	-66.743	-60.645	-55.998	-52.049	-47.910	-43.561	-40.372	-35.158	-28.079	-19.900	-283.345	-450.415
920 Allowances												
Budget Authority	0.943	3.425	6.000	8.027	8.817	10.717	13.061	15.285	18.072	20.653	27.212	105.000
Outlays	0.943	3.425	6.000	8.027	8.817	10.717	13.061	15.285	18.072	20.653	27.212	105.000
950 Undistributed Offsetting Receipts												
Total Budget Authority	-205.775	-139.179	-133.185	-136.330	-140.711	-145.549	-150.048	-155.670	-161.395	-167.354	-755.180	-1,535.196
Total Outlays	-213.160	-146.439	-132.790	-141.510	-139.161	-143.999	-148.228	-153.850	-159.845	-165.944	-773.060	-1,544.926
On Budget Authority	-183.885	-116.355	-109.511	-111.761	-115.184	-118.981	-122.423	-126.990	-131.662	-136.520	-636.696	-1,273.272
On Outlays	-191.270	-123.615	-109.116	-118.941	-113.634	-117.431	-120.603	-125.170	-130.112	-135.110	-654.576	-1,283.002
Off Budget Authority	-21.890	-22.824	-23.674	-24.569	-25.527	-26.568	-27.625	-28.680	-29.733	-30.834	-118.484	-261.924
Off Outlays	-21.890	-22.824	-23.674	-24.569	-25.527	-26.568	-27.625	-28.680	-29.733	-30.834	-118.484	-261.924

ALLOCATION OF SPENDING AUTHORITY TO SENATE COMMITTEE ON APPROPRIATIONS FOR FISCAL YEAR 2022
(Pursuant to Section 302 of the Congressional Budget Act of 1974 and S.Con.Res. 14)
(\$ in billions)

	Budget Authority	Outlays ¹
Appropriations:		
General Purpose Discretionary	1,498.483	1,676.447
Memo:		
On-budget	1,492.319	1,670.256
Off-budget	6.164	6.191
Mandatory	1,369.430	1,366.287

¹The outlay figures included in this table reflect enactment of the Emergency Security Supplemental Appropriations Act, 2021 (P.L. 117-31), which generated \$1,139 million in outlays from appropriations that were designated as emergencies pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

ALLOCATION OF SPENDING AUTHORITY TO SENATE COMMITTEE OTHER THAN APPROPRIATIONS
(Pursuant to Section 302 of the Congressional Budget Act of 1974 and S.Con.Res. 14)
(\$ in billions)

	2022	2022-2026	2026-2031
Agriculture, Nutrition, and Forestry:			
Budget Authority	169.301	739.376	1,502.313
Outlays	156.545	681.230	1,370.549
Armed Services:			
Budget Authority	204.681	1,081.825	1,709.208
Outlays	209.330	1,080.912	1,707.478
Banking, Housing, and Urban Affairs:			
Budget Authority	22.106	123.886	245.422
Outlays	16.131	59.645	65.228
Commerce, Science, and Transportation:			
Budget Authority	18.161	91.223	183.890
Outlays	32.945	95.536	165.865
Energy and Natural Resources:			
Budget Authority	7.410	36.704	65.681
Outlays	7.124	35.751	69.719
Environment and Public Works:			
Budget Authority	48.743	243.930	492.473
Outlays	14.326	39.006	63.219
Finance:			
Budget Authority	2,929.972	15,675.717	37,803.344
Outlays	3,025.410	15,761.012	37,875.037
Foreign Relations:			
Budget Authority	46.608	221.288	440.253
Outlays	44.533	224.346	443.323
Health, Education, Labor, and Pensions:			
Budget Authority	57.526	165.934	308.763
Outlays	128.790	359.168	496.052
Homeland Security and Governmental Affairs:			
Budget Authority	163.094	858.603	1,822.637
Outlays	162.131	867.724	1,839.039
Indian Affairs:			
Budget Authority	0.563	2.438	4.498
Outlays	4.362	7.681	9.805
Judiciary:			
Budget Authority	19.328	90.505	183.123
Outlays	18.600	92.444	184.055
Rules and Administration:			
Budget Authority	0.045	0.237	0.490
Outlays	0.022	0.127	0.290
Intelligence:			
Budget Authority	0.514	2.570	5.140
Outlays	0.514	2.570	5.140
Veterans' Affairs:			
Budget Authority	142.864	772.411	1,684.628
Outlays	165.360	787.407	1,700.009
Small Business:			
Budget Authority	0.000	0.000	0.000
Outlays	18.047	27.976	27.976
Unassigned to Committee:			
Budget Authority	-1,185.418	-6,265.460	-13,859.921
Outlays	-1,177.322	-6,215.819	-13,733.049

Memorandum: includes entitlements funded in annual appropriations acts. Budgetary changes related to allowable adjustments including for reconciliation legislation pursuant to section 3002 of S. Con. Res. 14 will be held in reserve until consideration of such legislation.

BUDGET AGGREGATES
(Pursuant to Section 311 of the Congressional Budget Act of 1974 and S.Con.Res. 14)
(\$ in billions)

	2022	2022-2026	2026-2031
Spending:			
Budget Authority	4,137.817	N.A.	N.A.
Outlays	4,497.104	N.A.	N.A.
Revenue	3,401.380	17,795.670	38,957.374
Social Security:			
Outlays	1,073.387	6,158.887	14,493.995
Revenue	989.019	5,580.634	12,351.082

N.A. = Not Applicable

Memorandum: Aggregate figures include budgetary effects of legislation that has cleared the Congress between the publication of the Congressional Budget Office's July 2021 baseline and introduction of the budget resolution. Budgetary changes related to allowable adjustments including for reconciliation legislation pursuant to section 3002 of S. Con. Res. 14 will be held in reserve until consideration of such legislation.

PAY-AS-YOU-GO SCORECARD FOR THE SENATE
(\$ in billions)

	Balances
Fiscal Year 2022	0
Fiscal Years 2022-2026	0
Fiscal Years 2022-2031	0

Accounts Identified for Advanced Appropriations in the Senate

Financial Services and General Government:
Payments to the Postal Service

Labor, Health and Human Services, and Education:
Employment and Training Administration
Education for the Disadvantaged
School Improvement
Career, Technical, and Adult Education
Special Education

Transportation, Housing, and Urban Development:
Tenant-based Rental Assistance
Project-based Rental Assistance

VIEWS AND ESTIMATES

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United States Senate
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 AGRICULTURE, NUTRITION, AND FORESTRY
 WASHINGTON, DC 20510-6000
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June 11, 2021

The Honorable Bernie Sanders
 Chairman
 Committee on the Budget
 United States Senate
 Washington, DC 20510

The Honorable Lindsey Graham
 Ranking Member
 Committee on the Budget
 United States Senate
 Washington, DC 20510

Dear Chairman Sanders and Ranking Member Graham:

In response to your May 21, 2021, letter and pursuant to Section 301(d) of the Congressional Budget Act and Section 4201 of the fiscal year (FY) 2018 budget resolution, we write to provide views and estimates of the U.S. Senate Committee on Agriculture, Nutrition, and Forestry (Agriculture Committee) regarding the fiscal year 2022 budget resolution. We appreciate the opportunity to share these recommendations, views and estimates for programs within the Agriculture Committee's jurisdiction.

The Agriculture Committee has jurisdiction over significant mandatory and discretionary programs covering farm support, risk management, voluntary conservation, nutrition assistance, child nutrition, local food systems, organics, agricultural research, energy, rural development, and forestry. The Agriculture Committee has a long-standing history of bipartisan legislative action and program oversight to ensure federal programs are implemented effectively and transparently, and that federal resources reach farmers, families, and rural communities.

According to the Congressional Budget Office (CBO), the Agriculture Committee's mandatory spending outlays in 2022 are projected to account for roughly 4.6% of the \$3.15 trillion in total government spending. Due to the unforeseen and national emergency of the COVID-19 pandemic, the mandatory spending outlays under the Agriculture Committee's jurisdiction is expected to total \$146.62 billion in 2022, which is higher than CBO projections prior to the pandemic.

The CBO projects additional mandatory spending outlays will taper off to approximately \$127.88 billion in 2024 and then increase annually over time to \$133.17 billion in 2031, which roughly accounts for 0.5% in annual growth over the last 8 years of the ten-year budget window. Projected total federal mandatory spending outlays over the same period of time is roughly 4.9% in annual growth. Similarly, CBO projects discretionary spending outlays in fiscal year 2021 to be \$12.23 billion before dropping to \$7.53 billion in fiscal year 2022 and then slowly increasing to \$9.2 billion in fiscal year 2031.

Programs like Pandemic–Electronic Benefit Transfer (P-EBT), child nutrition assistance, and support authorized to be carried out through the Commodity Credit Corporation (CCC), have been effective safety net programs and utilized as designed to assist families and farmers struggling with ongoing economic impacts of COVID-19. Many of these programs were tested by the COVID-19 global pandemic. Risk management tools were unable to capture the volatility that was rapidly injected into the marketplace, and our programs that provide nutrition assistance to needy Americans were stretched thin. As a result, in a bipartisan manner, Congress imparted additional funding and flexibility to provide much-needed financial and technical assistance to the food, agricultural and nutrition sectors, as well as grants to support infrastructure needs like high-speed internet, rural water and electric infrastructure, and rural business development.

Aside from the increased spending due to COVID-19, the Agriculture Committee has had a long history of saving taxpayer dollars, budget neutral spending and eliminating duplicative programs. For example, prior to the 2014 farm bill the Agriculture Committee was provided instructions from the Committee on Budget to reduce spending by 20 percent and the 2018 farm bill was a deficit neutral bill. The Administration’s FY22 budget request recognizes this fact and proposes no cuts to the commodity, crop insurance, conservation, nutrition, and other mandatory spending programs under the 2018 farm bill.

Recent disruptions to the agriculture economy, and the attempts to stabilize it, prompted both the Government Accountability Office (GAO) and Office of the Inspector General (OIG) to ensure taxpayer accountability, and review for waste, fraud, and abuse in farm support programs. For example, in December, the OIG released an audit of the CCC ending on September 20th, signaling that all net costs, changes in net position, and budgetary resources met the federal government budget requirements. The CCC provides a significant portion of mandatory spending to important farm bill accounts and farm direct assistance under the Agriculture Committee’s jurisdiction.

The COVID-19 national emergency also contributed to unstable prices and market disruptions across numerous agriculture sectors, including those that have not traditionally received federal disaster assistance. The GAO will be reviewing how taxpayer dollars administered by USDA were distributed and conducting a much broader analysis of gaps in the supply chain and food supply to ensure future availability of food products, protect workers, and minimize shortages on grocery store shelves. The Agriculture Committee will also continue to conduct oversight of USDA’s distribution of pandemic relief funding to ensure transparency and that the entire agriculture system is supported to build a strong and resilient food supply chain.

Thus far in the 117th Congress, the Agriculture Committee has prioritized oversight and legislation relating to agriculture, forestry, nutrition and climate issues. With respect to climate, the Agriculture Committee is working to gain additional perspectives on the opportunity for farmers, ranchers and forestland owners to reduce greenhouse gas emissions and sequester carbon in the soil. We know that U.S. agriculture represents approximately 10% of U.S. greenhouse gas emissions and that the livestock sector represents less than 4% of U.S. emissions. Importantly, efforts are underway to find the right incentives for agriculture to reduce and mitigate greenhouse gas emissions, and enhance the quality of our soil, water and air. That’s why

we are working to bolster USDA's role in helping producers access private markets in order to facilitate the development, monitoring, reporting, verification and trading of carbon, water or air quality credits at scale. Importantly, our view is that for these ecosystem credit markets to be durable, they must provide meaningful financial benefits for farmers, ranchers and foresters.

The Agriculture Committee has held several hearings on opportunities that farmers, ranchers and foresters have in mitigating climate risks and combatting climate change. These hearings set the stage for the 2023 farm bill, where the Agriculture Committee will have an opportunity to find bipartisan consensus around new policies and evaluate how our conservation and forestry programs might promote voluntary farmer, rancher, and forester participation in combatting climate change.

During the 117th Congress, the Agriculture Committee also plans to update the outdated authorizations in the child nutrition programs under the Richard B. Russell National School Lunch Act and Child Nutrition Act of 1966, as well as reauthorizing the Commodity Futures Trading Commission programs in the Commodity Exchange Act, and the Livestock Mandatory Reporting Act. For the FY22 budget, the Agriculture Committee respectfully requests use of a deficit-neutral reserve fund or budget flexibility for each of these reauthorizations in the event there is a budgetary impact. The Agriculture Committee also requests that the Committee on Budget support our efforts in obtaining scores from the CBO and assist with any other budgetary support required during the legislative process.

In addition, we respectfully request that the Committee on Budget recognize the longstanding bipartisanship of the Agriculture Committee and our commitment to efficient spending. We also ask that you recognize our dedication and the unique challenges we face to providing food and federal support to families, farmers, and rural communities in the wake of the COVID-19 pandemic and the future uncertainty related to climate and natural disaster risks. As the Committee on Budget considers federal spending for FY22, we ask that you help us maintain certainty for agriculture producers, families, and rural communities, and propose no cuts to mandatory spending for any programs within the Agriculture Committee's jurisdiction.

Thank you for this opportunity to provide views, estimates, and recommendations to the FY22 budget resolution process.

Sincerely,



Debbie Stabenow
Chairwoman



John Boozman
Ranking Member

PATRICK LEAHY, VERMONT, CHAIRMAN

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United States Senate
 COMMITTEE ON APPROPRIATIONS
 WASHINGTON, DC 20510-6025
<https://appropriations.senate.gov>

June 16, 2021

The Honorable Bernie Sanders
 Chairman
 Committee on Budget
 United States Senate
 Washington D.C. 20510

The Honorable Lindsey Graham
 Ranking Member
 Committee on Budget
 United States Senate
 Washington D.C. 20510

Dear Chairman Sanders and Ranking Member Graham,

Thank you for the opportunity to provide views and estimates on the Fiscal Year 2022 Budget Resolution related to those matters within the jurisdiction of the Appropriations Committee.

For weeks, I have been calling on the leadership and the White House to commence bipartisan and bicameral negotiations on spending topline for the fiscal year that begins on October 1, 2021. Running the government by continuing resolutions is a disservice to the public and is wasteful. Regrettably, no such negotiations are underway.

In the absence of such negotiations and in an effort to jumpstart the process, I urge you to include in the budget resolution a 302(a) allocation at the level included in the President's fiscal year 2022 request for discretionary funding of \$1,522,485 million. This includes a base discretionary assumption of \$752,868 million for defense (budget function 050) funding and a base discretionary assumption of \$769,617 million for non-defense (other than in budget function 050) funding. The President proposes to shift funds that had been designated as Overseas Contingency Operations (OCO)/Global War on Terrorism to the base, which is a change in concept that I support. This level does not assume any savings from changes in mandatory programs that result in a net decrease in budget authority in the budget year, but do not result in a net decrease in outlays. Depending on what level of changes in mandatory programs is assumed, the base discretionary allocation for non-defense will have to be adjusted accordingly.

The base discretionary allocation for the budget resolution may need to be reevaluated upon release of the CBO analysis of the President's request later this month.

We also urge you to support the President's fiscal year 2022 request for non-base discretionary funding. With the expiration of the discretionary spending limits in the Balanced Budget and Emergency Deficit Control Act (BBEDCA), this non-base discretionary funding will no longer be structured as specified cap adjustments, but rather is requested in the fiscal year 2022 President's Budget as allocation adjustments in a Congressional budget resolution pursuant to the Congressional Budget Act. As in BBEDCA, these allocation adjustments are limited to fixed

amounts and continue funding above-base activities for certain accounts for program integrity, disaster relief, and wildfire suppression. The President's Budget also assumes that emergency requirements will be exempt from base funding allocations, as is already currently the case under section 4112 of H. Con. Res. 71, the concurrent resolution on the budget for fiscal year 2018.

Specifically, program integrity allocation adjustments are retained for continuing disability reviews and redeterminations by the Social Security Administration at \$1,435 million, the healthcare fraud and abuse control program at the Department of Health and Human Services at \$556 million, and appropriations for reemployment services and eligibility assessments at the Department of Labor at \$133 million. I also support the fiscal year 2022 President's Budget proposal to create one new program integrity allocation adjustment for the Internal Revenue Service at \$417 million for investments in expanding and improving the effectiveness and efficiency of the IRS's tax enforcement program. The proposed disaster relief allocation adjustment of \$18,942 million continues to use the current funding ceiling formula, and the proposed wildfire suppression allocation adjustment of \$2,450 million is the level authorized in the Stephen Sepp Wildfire Suppression Funding and Forest Management Activities Act.

In addition, I propose that the resolution include an allocation adjustment for the increased base discretionary costs of VA Medical Care from FY 2021 to FY 2022. The President is proposing a \$7.6 billion increase in base discretionary funding for VA Medical Care programs. This increase is driven by enactment of the MISSION Act of 2018 and by expansion of eligibility for the Medical Care program. MISSION Act costs have increased from \$12.6 billion in FY 2020 to an estimated \$21.6 billion in FY 2022. Overall VA Medical Care base discretionary costs have increased from \$79.2 billion in FY 2020, to \$89.9 billion in FY 2021, and the President has requested \$97.5 billion for FY 2022.

In recent years, the funding constraints contained in the Budget Control Act of 2011 have had a disproportionate impact on programs that invest in America. We have lost ground in education, child care, environmental protections, infrastructure, public health, and affordable housing.

- That is why our roads are in disrepair, forcing Americans to spend nearly \$130 billion each year on vehicle repairs and operating costs. Highways and bridges have a \$786 billion backlog, with over 45,000 structurally deficient bridges in the United States;
- That is why we are behind in science. In 1960, the U.S. had 69 percent of global research and development expenditures. In 2019, the U.S. share of global research and development (R&D) was only 29.9 percent of the world total. According to an analysis by the American Association for the Advancement of Science, the Budget Control Act may have cost more than \$200 billion in Federal R&D investment;
- Additionally on a global scale, the U.S. ranks 24th out of 36 developed nations for government funding of university R&D as a share of GDP. Nine nations invested more than double this rate. Federal funding for university R&D is also falling at a larger rate on average than other countries. China is targeting annual increases of seven percent or more on R&D spending in each of the next five years, and will quickly reach U.S. R&D

spending levels. If these trends continue, China will outpace the U.S. in R&D spending this decade;

- One-in-five children lack the high-speed internet connections they need to learn and participate in school;
- Pell Grants now cover only 29 percent of tuition, fees, room and board at a public 4-year university (compared to approximately 80 percent of such costs in 1975);
- The percentage of federally eligible households that the Low Income Home Energy Assistance Program (LIHEAP) serves has dropped to 16 percent;
- Over 40 years ago, Congress promised to provide 40 percent of the average expenditure per student in support of state and local schools' efforts to educate students with disabilities (Special Education Part B grants). Today that investment stands at a mere 13 percent;
- Only one in four eligible households receive HUD housing assistance;
- For the Corps of Engineers, the U.S. has \$44 billion in construction work that has received some federal funds but not sufficient amounts to complete the projects, and there is an additional \$32 billion of work that has been authorized but never funded;
- Transit has a \$105 billion backlog in deferred maintenance;
- Last year, the IRS was only able to answer 22 percent of customer service calls. According to the CBO, the number of tax examinations since FY 2010 dropped by about 40 percent even as the number of returns filed grew by 5 percent; and
- America has an enormous backlog of water infrastructure needs. According to EPA's latest estimates, \$472.6 billion is needed to maintain and improve the nation's drinking water infrastructure over the next 20 years and \$271 billion is needed for wastewater infrastructure. Since 2010, there have been an estimated 6,784 fewer water infrastructure projects and 331,706 fewer jobs.

Over the last decade, defense has not been similarly hit. Congress has had the Overseas Contingency Operation authority as a safety valve to meet our defense needs and it was used to fund base requirements. Contrary to some public reporting, President Biden does not propose to cut defense spending. He proposes a 1.7 percent increase. In addition, as a result of leaving Afghanistan, DOD will have \$12 billion more to spend on evolving requirements.

Recently the Senate passed the China competition bill on a bipartisan basis. The bill includes \$195 billion of authorizations to promote our economy. Such authorizations could not be funded without a significant increase in the non-defense topline.

The Committee on Appropriations takes seriously its duty to craft responsible appropriations bills to fund the operations of the federal government. Each year the Committee thoroughly reviews government programs and sets funding priorities after significant input from our constituents and fellow Senators.

Section 4201 of the FY 2018 budget resolution directed all committees to review programs and tax expenditures within their jurisdiction to identify waste, fraud, abuse, or duplication within the federal budget. In the FY 2021 appropriations laws, we enacted discretionary rescissions totaling \$11.8 billion. The Appropriations Committee will continue its long record of scrutinizing funding for programs under its jurisdiction and we are committed to continuing to identify excess spending as we write the FY 2022 bills.

We strongly encourage the Budget Committee to refrain from including limitations in the FY 2022 budget resolution that would further inhibit the ability of the Appropriations Committee to do its job. We specifically request that your Committee ensure sufficient outlays are provided in the resolution to preserve the historical spending pattern of Appropriations bills.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Patrick Leahy". The signature is written in a cursive, flowing style.

Patrick Leahy

Chairman

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United States Senate
 COMMITTEE ON APPROPRIATIONS
 WASHINGTON, DC 20510-6025
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June 11, 2021

The Honorable Bernie Sanders
 Chairman
 Committee on Budget
 United States Senate
 Washington, D.C. 20510

The Honorable Lindsey Graham
 Ranking Member
 Committee on Budget
 United States Senate
 Washington, D.C. 20510

Dear Chairman Sanders and Ranking Member Graham,

Pursuant to section 301(d) of the Congressional Budget Act, I write to provide views and estimates on the Fiscal Year 2022 (FY22) budget resolution related to matters under the jurisdiction of the Appropriations Committee.

For the last month, the U.S. Innovation and Competition Act of 2021 dominated the Senate's legislative business. The bill purports to counter Chinese ambition and aggression by spending billions to accelerate American research and investment in critical technologies, without which, according to Leader Schumer, "[w]e risk ceding the mantle of global economic leadership to our adversaries."

Unfortunately, the legislation provides not a single dollar to counter the military threat posed by China, which is significant and growing. That deficiency cannot be compounded by a fiscal year 2022 budget that underfunds our defense capabilities. No amount of non-defense spending will compensate for shortchanging the military, and if our investment on the defense side of the budget is not robust, the risk of "ceding the mantle of global [] leadership to our adversaries" will be more acute.

That is why it is essential that the FY22 budget resolution at least provides parity between increases in defense and non-defense spending. Such an investment would keep us on the course charted by the 2018 National Defense Strategy. The President's request falls far short of this mark, however. While he seeks an increase in non-defense spending of 15.9 percent, his budget requests a mere 1.7 percent increase in defense spending. Compare this budget blueprint with the recent actions of the Chinese Communist Party, which increased its defense spending by 6.8% last year, capping an increase of 83% over the last decade.

We need to face the threat posed by China and others, both economically and militarily, not shy away from it. The Senate has demonstrated its resolve on the economic front with the

U.S. Innovation and Competition Act of 2021, and it is our duty to do the same on the defense front. Any other approach will be an impediment to the bipartisan support necessary to pass annual appropriations bills in the Senate and a break from our long standing practice of resourcing the Department of Defense such that the United States can maintain the best trained, best equipped fighting force in the world.

In crafting the FY22 budget resolution, I urge you to provide parity between increases in defense and non-defense spending. This would send the right message to America's adversaries and enable us to work together to pass FY22 annual appropriations bills that ensure each government agency has what it needs to operate efficiently and effectively.

Thank you,

A handwritten signature in blue ink that reads "Richard Shelby". The signature is written in a cursive, flowing style.

Richard Shelby
Vice Chairman
Senate Appropriations Committee

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United States Senate
 COMMITTEE ON ARMED SERVICES
 WASHINGTON, DC 20510-6050

June 15, 2021

The Honorable Bernard Sanders
 Chairman, Committee on the Budget
 United States Senate
 624 Dirksen Senate Office Building
 Washington, D.C. 20510

The Honorable Lindsey Graham
 Ranking Member, Committee on the Budget
 United States Senate
 624 Dirksen Senate Office Building
 Washington, D.C. 20510

Dear Chairman Sanders and Ranking Member Graham:

In accordance with your request, I write to you with my recommendations for national defense spending for the Fiscal Year (FY) 2022 budget resolution. For the first time in 10 years, we find ourselves no longer constrained by the Budget Control Act of 2011 (BCA) discretionary spending caps. I hope that we can now return to providing stable, predictable, and comprehensive budgets and on-time appropriations for the federal government.

The President's FY 2022 budget submission requests \$752.9 billion in discretionary budget authority for national defense activities, which includes \$715 billion for the Department of Defense (DOD) base budget; \$27.9 billion for defense programs in the Department of Energy; and \$9.9 billion for other defense-related activities. Notably, the budget request no longer includes separate funding for the Overseas Contingency Operations (OCO) account; instead, it includes \$42.1 billion of Direct War and Enduring Costs in the DOD base budget request. I anticipate that meeting our national security requirements and providing for our men and women in uniform will require these totals, along with \$15.4 billion in mandatory programs, as requested. I recommend that you include these amounts and the associated outlays, subject to any technical revisions by the Congressional Budget Office, in the budget resolution for fiscal year 2022.

Our nation has endured significant challenges throughout the COVID-19 pandemic and significantly heightened security around the Capitol after January 6, 2021. I ask that your committee consider providing additional budget authority for emergency funds to address these exigencies, particularly for the National Guard.

In light of the direction in section 4201 of the FY 2018 budget resolution to review programs for duplication, waste, fraud, or abuse, I would highlight the Armed Services Committee's work to insist that DOD make every effort to achieve a clean audit. These audits continue to reinforce accountability to taxpayers, and generate detailed findings and recommendations to guide corrective actions, which improve the Department's internal controls, IT systems, and financial practices. The Department's audit remediation strategy continues to progress through lessons learned and improved data, which enhances oversight and monitoring and reduce waste, duplication, and fraud in defense spending.

Additionally, DOD's FY 2022 budget request proposes to divest or retire \$2.8 billion worth of platforms as an important first step to reorient our military toward today's threats and the advanced, effective new technologies and capabilities they require. I will work with my colleagues on the committee to evaluate these proposals, and others, to make hard but necessary choices.

DOD does require significant resources in order to successfully execute President Biden's Interim National Security Strategic Guidance. China and Russia continue to make significant military gains directed specifically at U.S. military capabilities, and this great power competition is the primary threat to our security. In order to respond to this threat, we must ensure that we have a sufficiently sized total force, including our civilian workforce, and that our men and women in uniform are properly trained and equipped to accomplish their missions. We must continue to allocate sufficient resources to restore full spectrum readiness across the force, so that our service members are able to respond to these threats. Meanwhile, we cannot be shortsighted and neglect important investment and modernization efforts that will enable our armed forces to respond and prevail in a potential high-end war against strategic competitors.

Achieving these priorities to revitalize our forces and maintain our competitive advantage will depend upon stable spending and a regular budget process. I appreciate the opportunity to share my views with your committee and I look forward to working with you to create a budget that supports our national security. As the Armed Services Committee continues its annual review of the details of DOD's budget request, I remain committed to working with Ranking Member Inhofe to craft a bipartisan defense authorization bill that ensures our service members have the resources necessary to perform the missions we ask of them.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jack Reed".

Jack Reed
United States Senator

JACK REED, RHODE ISLAND, CHAIRMAN
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United States Senate
 COMMITTEE ON ARMED SERVICES
 WASHINGTON, DC 20510-6050

June 11, 2021

The Honorable Bernie Sanders
 Chairman, Committee on the Budget
 United States Senate
 624 Dirksen Senate Office Building
 Washington, D.C. 20510

The Honorable Lindsey Graham
 Ranking Member, Committee on the Budget
 United States Senate
 624 Dirksen Senate Office Building
 Washington, D.C. 20510

Dear Chairman Sanders and Ranking Member Graham:

In accordance with your request, I am submitting my views and estimates regarding defense spending for your consideration as you prepare the Fiscal Year (FY) 2022 Senate Budget Resolution.

In short, my view is that the fiscal year 2022 request for function 051 Department of Defense funding is wholly inadequate to the challenges and threats this nation faces. The 2018 National Defense Strategy marked an overdue strategic shift for our nation by recognizing the long-term challenge of competition and conflict with China and Russia amid an increasingly complex security environment. By any measure, the threats have only worsened since then. Our commanders and civilian defense leaders on the frontlines testify to that truth week in and week out.

There are many reasons why our strategic position continues to worsen, but chief among them is our failure to match resources to strategy. As Chairman of the Joint Chiefs of Staff General Mark Milley told the Senate Armed Services Committee yesterday, "Combined, the Russian and Chinese budgets exceed our budget, if all the cards are put on the table. Both governments do not put all their cards on the table when it comes to their budget." General Milley also noted that, in particular, "the Chinese military is on a significant increasing rise in capability over the last 20 or 30 years, and they continue to invest heavily in that."

Earlier in the year, former National Security Adviser H.R. McMaster testified that Beijing is engaged in "the largest peacetime military buildup in history." The People's Liberation Army budget has grown by 450% since 2000. Over the last decade, they added \$200 billion in new defense spending, while we cut our own defense spending by \$400 billion. The disparity in our defense levels of effort has manifested in large and growing capability gaps in the Western Pacific that we have documented extensively at the Senate Armed Services Committee in both open and classified sessions. These capability gaps also exist in Europe and in the space and cyber domains, among others.

Beijing's historic military buildup is not the result of provocations from the United States or our allies and partners. In addition to our relative lack of defense spending over the past decade, defense spending by our allies and partners has remained roughly flat since the turn of the century. U.S. military force posture in the Western Pacific has not changed appreciably in the past ten years, either. If anything, our lack of investment and attention given to the region has emboldened China to begin pushing around and threatening our friends and allies.

The military balance of power in the Western Pacific worsens by the day, even as we struggle to manage the threats of Russia, North Korea, Iran, and metastasizing terrorist networks. The PLA Navy already eclipsed 355 ships and will easily expand to 460 ships by 2030. Meanwhile, our Navy remains just shy of 300 ships and will likely shrink absent additional funding. The PLA Air Force will have more stealth fighters than us in the Western Pacific by 2025. The expansion of the PLA Rocket Force ranks as a military marvel, while our missile defense and defeat efforts tread water. Across every area of technology, we continue to tell ourselves that we possess the best weapons, even as we continue to fall behind in further areas.

We need to experiment with new operational concepts, retire prohibitively expensive platforms, and continue prioritizing our investments (such as by using the Pacific Deterrence Initiative), but we won't do that under a decreasing budget. Just look at the BCA years. We achieve more in efficiency when we aren't fighting over resources—audit, cloud migration, cancelled appropriations, defense-wide review, deep dives, and more. All these key reforms have improved since we reset defense spending in 2018. Instead, we have seen more military interservice fighting this year, which will only get worse.

We need several years of significant growth in the defense budget to resource our strategy at an acceptable level of risk and pay deferred bills we've accumulated over many years. Our military men and women have been doing too much with too little for too long. They are stretched to the limit to compete day after day with this increasingly complex and dangerous security environment. I worry that at some point, the shifting military balance of power will result in the failure of deterrence. I urge the Budget Committee to bring a fiscal year 2022 budget resolution to the floor that contains sustained, significant real growth in the defense budget to help us ensure that deterrence never fails.

Sincerely,



James M. Inhofe
Ranking Member
Senate Armed Services Committee

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United States Senate
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June 11, 2021

The Honorable Bernard Sanders
Chairman
Senate Committee on the Budget
624 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Lindsey O. Graham
Ranking Member
Senate Committee on the Budget
624 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Sanders and Ranking Member Graham:

Through this letter, I am transmitting the views and estimates of the Committee on Banking, Housing and Urban Affairs Majority regarding the funding of programs in our jurisdiction, as required by Section 301 of the Congressional Budget Act of 1974. As requested, this letter comments on funding levels relative to CBO's FY 2022 baseline. We support a Budget that provides for robust investments in our people, communities, and a healthy economy.

We offer the following information on the needs and issues in our jurisdiction to inform your Committee in its work. A stable, well-regulated financial services industry is critical during these uncertain and volatile times. Federal assistance plays a critical role in meeting the housing and economic development needs of families and communities. Federal housing credit programs support the economy and the middle class by ensuring broad access for creditworthy borrowers and countercyclical support for the housing market. Public transportation plays a vital role for millions of Americans who need affordable and accessible options to travel to work, or to access healthcare and other services. It is with these goals in mind that we put forward the following recommendations.

In addition, we ask that the FY 2022 budget build in significant additional resources over the specific amounts recommended here to address the long-term unaddressed housing, community development, resilience, and transit infrastructure needs across the country, including the historic investments outlined in Build Back Better, the American Jobs Plan and the American Families Plan. Decades of underinvestment in our housing, community infrastructure, resilience, and public transit systems have left millions of households overburdened by housing and utility payments, living in housing with lead paint and other health hazards, struggling to access homeownership opportunities, and without sufficient access to reliable transit. Too many neighborhoods, often those that were formerly redlined, have seen decades of disinvestment, and the quality of one's life and access to opportunity is too often limited by the zip code where we live. Underinvestment has also left our communities and households vulnerable to the threats of a changing climate. Increased investments in affordable housing, community development,

Chairman Sanders and Ranking Member Graham
June 11, 2022
Page 2

resilience, and transit will help address climate change, increase the energy-efficiency and safety of our homes, and increase the resilience of our homes and communities, while creating good jobs in the future economy. This will create thriving, equitable, and resilient communities for the 21st Century.

Strengthening Financial Oversight and Protections for Consumers and Investors

The COVID-19 pandemic highlighted several areas of concern for the U.S. and global financial markets, requiring increased analysis and oversight to maintain financial stability, protect consumers, enhance market confidence, and ensure investor protections. With respect to the congressional budget and appropriations in fiscal year FY 2022, funding for the Securities and Exchange Commission (SEC) would help the agency to meet the challenges of today's global, interconnected, and technologically-sophisticated markets. Primarily, the request would enable the SEC to add staff to strengthen transparency and accountability, address emerging cryptocurrency related developments, enable capital formation for large and small companies, improve cybersecurity, and protect working families. With the continued growth and complexity of the securities markets, please support a budget of at least \$1.993 billion consistent with the FY 2022 Administration request. Finally, funding the SEC at that level will allow the agency to vigorously enforce the securities laws, deter misconduct and punish bad actors, including by adding new positions in the Division of Enforcement and retaining experienced staff.

The FY 2022 Administration funding level for the Commodity Futures Trading Commission (CFTC) would help the agency continue to address the size, breadth, and increasing complexity of the markets it oversees. The over \$500 trillion U.S. derivatives market regulated by the CFTC touches every aspect of the economy and has created many new responsibilities for the agency. In recent years, the CFTC has also expanded its regulatory and enforcement efforts over the multi-trillion dollar market in cryptocurrencies. Funding the CFTC with at least \$394 million would help provide the resources necessary to address the breadth of the CFTC's regulatory responsibilities across the futures, options, swaps markets, and continue to address developments in cryptocurrencies and increasing market volatility. In particular, the Administration's request would support increased focus on retail investor participation in the derivatives and related cash markets. Accordingly, we strongly urge you to provide full funding for the SEC and CFTC.

Housing and Community Development Programs

The financial stress caused by the COVID-19 pandemic made it even more difficult for families and communities to meet their housing needs and particularly threatens the most vulnerable. Lack of investment in aging – or nonexistent - infrastructure presents real challenges to urban, rural, and tribal communities. The threat of foreclosure or eviction is confronting millions of American families who lost or experienced reduced hours and paychecks or suddenly had unexpected increase expenses or care responsibilities over the past 14 months. While Congress provided emergency resources to help those who have struggled during the COVID-19 pandemic, these resources will not address the long-term needs of families and communities.

Chairman Sanders and Ranking Member Graham
June 11, 2022
Page 3

Even before the pandemic, the need for affordable housing had grown dramatically in recent years. The market alone does not provide sufficient affordable housing to working families and those on fixed incomes. A person with a full-time job would need to earn an hourly wage of \$23.96 in order to afford a modest, two-bedroom rental at HUD's national average fair market rent. This is an amount far above the federal minimum wage or income available to persons with disabilities who rely upon Supplemental Security Income. While housing costs vary across the country, in no state can a full-time worker earning the federal minimum wage afford a modest one-bedroom rental home.

As a result of these trends, housing cost burdens are growing, particularly for the lowest-income families. Nearly half of all renters paid more than 30 percent of their incomes towards housing in 2019, and nearly a quarter – nearly 11 million households - paid more than half their incomes for rent. Among extremely low income (ELI) renter households (those with incomes at or below 30 percent of area median income (AMI), approximately 70 percent pay more than half their incomes on rent. The National Low Income Housing Coalition documents a shortage of nearly 7 million affordable and available rental units for the nation's ELI renter households. Twelve of the 20 largest occupations do not pay enough to afford rent on a modest one-bedroom apartment, let alone save for a down payment.

Families burdened by housing costs have fewer resources available to meet other essential needs like transportation to work, food, and medicine, and may even face homelessness. Department of Education data on homelessness, which includes doubled-up households, indicate that 1.38 million school-age children and their families were homeless at some point during the 2018-2019 school year.

Despite this need, only one in four eligible renter households receives federal rental assistance. The nation's limited stock of federally-assisted housing is under threat due to physical obsolescence and expiring affordability contracts. By 2030, 935,000 units of HUD-assisted and Low Income Housing Tax Credit-supported housing will reach the end of their affordability periods and public housing faces an estimates \$70 billion backlog of critical repairs. Given the need for affordable housing, it is vital that we both preserve the affordable housing resources we currently have and make significant investments in expanding access to affordable housing.

Please provide the necessary increases to sustain and improve our housing and community development assistance to families and communities within the appropriated programs of HUD, the USDA's Rural Housing Service, and related agencies in the FY 2022 Budget Resolution. These should be at least the amounts provided in the President's FY 2022 budget request, with targeted increases as discussed below. These funds are necessary to maintain our current programs, but they will not be sufficient to address the unmet housing and community development infrastructure needs that have developed over decades. The FY 2022 Budget Resolution should also provide for significant investments above these annual program funding levels in order to meet our current challenges and address long-term housing needs, as described above.

Chairman Sanders and Ranking Member Graham
June 11, 2022
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Strengthening the Housing Market and Helping Responsible Homeowners

The nation's housing finance system, following its worst shocks since the Great Depression, was gaining strength but is being tested by the COVID-19 pandemic. A large number of borrowers, lost income and struggled to make timely payments. Policies enacted by Congress and put in place at the Federal agencies and state and local governments prevented widespread defaults and foreclosures at the height of the pandemic. But millions of homeowners will need help to return to making timely payments as these programs and policies come to an end.

Many of those communities hit hardest by the economic effects of the pandemic are still suffering the economic consequences of the last financial crisis. Black and Latino borrowers lost their homes at almost twice the rate of white borrowers at the height of the 2008 recession, and these same communities lost an additional 20 percent of their wealth beyond white households. As a result, the racial wealth gap widened following the recession, and Black and Latino homeownership rates have fell to nearly 29 percent and 25 percent below the white homeownership rate, respectively. Homeowners of color were once again more likely to face an economic hardship during the pandemic, which threatens to exacerbate these disparities in wealth and homeownership.

We have significant work to do to ensure equitable recovery in all markets. The burdens of high rent and student loan debt coupled with sudden hardship from the pandemic have kept many households from saving for a down payment, and rapidly rising home prices and competition from investors are putting homeownership further and further out of reach. While Congress provided funding for emergency housing counseling needs during the pandemic, these funds will not address the long-term needs of renters and homeowners. In order to help responsible homeowners secure sustainable mortgage products and plan for sustainable homeownership, including seniors seeking reverse mortgages, Congress has funded housing counseling through HUD. This funding will be critical as low- and moderate-income households and seniors try to access housing and keep their homes. Please include strong funding of at least \$100 million for housing counseling in the FY 2022 Budget Resolution.

Please also provide administrative funding necessary to support the Federal Housing Administration's (FHA) role in the housing market and the development of appropriate technologies to strengthen the FHA's oversight and processing of its lending programs. FHA has played an important countercyclical role in the American mortgage market, and it must have the tools to continue to do so responsibly. According to witness testimony, absent FHA lending, home values would have fallen by an additional 25 percent during the 2008 housing downturn, resulting in 3 million more job losses. FHA also provides access to homeownership for creditworthy borrowers who go underserved by the mortgage market. FHA requires significant, sustained investments to be able to continue this role in a rapidly evolving housing system. Please also provide adequate funding to allow HUD and its Inspector General to conduct proper oversight reviews and audits of all HUD programs and to address remaining deficiencies in program administration.

Chairman Sanders and Ranking Member Graham
June 11, 2022
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Project-Based Rental Assistance

HUD's Section 8 Project-Based Rental Assistance (PBRA) program provides critical affordable housing to over 1.2 million households through contracts with private building owners. While PBRA is a powerful tool to help finance the production of new housing that is affordable to families, seniors, and people with disabilities, Congress has not appropriated funds to expand PBRA for new production in years. Failure to fully fund contracts with private owners in FY 2022 may discourage private sector participation and investment, which could lead to less assistance for families, disinvestment, and higher costs in the future. For FY 2022, please provide at least \$14.1 billion to fully renew PBRA contracts and provide additional resources to preserve and expand this valuable housing resource. In addition, please provide sufficient funding for HUD staff for program oversight to ensure the safety and quality of assisted housing.

Tenant Based Rental Assistance

The Section 8 Tenant Based Rental Assistance (TBRA), or "voucher" program is a public-private partnership that has successfully allowed millions of families to live in stable, safe, and affordable housing on the private market. Nearly half of the over 2.3 million households receiving voucher assistance are families with children. Given the demand for affordable rental housing, the housing voucher program is so oversubscribed that waiting lists in most communities are months or years long, or closed completely.

Please provide at least \$30.4 billion as requested by the President's Budget to renew existing assistance for families, including HUD-Veterans Affairs Supportive Housing vouchers for homeless veterans, and to expand voucher assistance to at least an additional 200,000 low-income households. These additional vouchers requested in the budget would be targeted to households experiencing or at-risk of homelessness, including survivors of domestic violence, dating violence, sexual assault, or stalking. This should include full funding of local agency administrative fees to enable local agencies to ensure housing quality, program integrity, and housing search counseling for families searching for opportunities. These funds are critical to the effective, efficient use of voucher funds. The budget should also provide additional allocations to increase the number of available vouchers for veterans, and families and youth involved with or aging out of the child welfare system. Please support this request to fully renew, expand, and administer assistance to struggling families and individuals in FY 2022.

Public Housing

Federal investment is essential to operating and preserving public housing, which provides affordable homes to 960,000 low-income American families, more than half of which are headed by an elderly person or person with disabilities, and 40 percent of which include children. The Public Housing Operating Fund supports the daily public housing operational activities - including maintenance, security, and utilities - necessary to provide safe, decent housing to these families. Please provide full funding of at least \$4.9 billion for housing agency operations in the FY 2022 Budget Resolution.

Despite the large historic federal investment in public housing, the federal government has not provided adequate funding to maintain this valuable affordable housing, threatening its long-term

Chairman Sanders and Ranking Member Graham
June 11, 2022
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viability. The public housing inventory faces an estimated \$70 billion backlog of capital repair needs. HUD estimates that we are losing 10,000 units of public housing every year due to physical obsolescence. Additional investments will help preserve these affordable units, improve safety, energy-efficiency, and resilience of these homes, and create good-paying jobs that cannot be exported. Please continue to improve public housing and create jobs by providing adequate funding of at least \$5 billion for the Public Housing Capital Fund in the FY 2022 Budget Resolution.

Homeless Assistance

In 2010, *Opening Doors, the first federal strategic plan to prevent and end homelessness*, set out goals to end homelessness for veterans, the chronically homeless, and families, children, and youth. In the years since, a combination of dedicated federal investments in appropriate housing solutions and improved services has helped the nation make progress toward these goals, including a nearly 50 percent reduction in veterans' homelessness.

Yet, far more remains to be done. According to HUD's 2020 Annual Homeless Assessment Report to Congress, more than 580,000 people were homeless on a given night in January 2020. Even before the pandemic, overall homelessness has increased in recent years in the face of rising rents and shortages of affordable housing. Much of this rise has been in the number of people who are unsheltered. While we know how to prevent and end homelessness through affordable housing and access to services, the resources available have fallen short of what is necessary. Homelessness has both direct, negative effects on the adults and children affected and broader costs to taxpayers when the disruptions of homelessness emerge as increased service demand and costs in other public systems such as child welfare, schools, hospitals, and justice systems. To end this cycle, we must continue our investments in evidence-based strategies to end homelessness. Please continue to support robust investments in ending homelessness for FY 2022 with at least \$3.5 billion for Homeless Assistance Grants to renew and expand services and housing interventions for people experiencing homelessness.

Housing for Special Populations

Please provide full funding for housing programs serving our nation's seniors, persons with disabilities, and persons with AIDS in the FY 2022 Budget Resolution. Much of this housing comes with accessibility features or access to services that are difficult to find on the private market and help people with disabilities or the elderly live in integrated community settings rather than in more expensive institutions.

Section 202 is the only federal program dedicated to addressing the need for affordable housing for the elderly. The program currently serves nearly 124,000 low-income households. An estimated 38 percent of all residents currently living in Section 202 properties could be considered "frail" or "near-frail." However, often with the assistance of service coordinators, most of these residents are able to access community-based services that are designed to help them stay longer in their housing, and avoid more expensive institutional settings. According to HUD's most recent *Worst Case Housing Needs* report, 1.93 million very-low income households headed by seniors are facing worst-case housing needs, meaning that they pay more than 50

Chairman Sanders and Ranking Member Graham
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percent of their incomes for housing or had inadequate housing. HUD is only able to provide assisted housing to one in three seniors who need it. Based on a report from Harvard's Joint Center for Housing Studies that ratio will only get worse over time – particularly as baby boomers continue to age into retirement. Please provide full funding to maintain and an additional \$600 million to expand these important resources for FY 2022.

The Section 811 program creates critical affordable housing for persons with disabilities. Low income people with disabilities have great difficulty in finding and paying for suitable affordable housing with access to appropriate features and services. The national average rent is higher than the average SSI payment, so a person receiving SSI benefits is unable to afford housing without substantial additional income. Over 1 million very low-income, non-elderly persons with disabilities pay over half of their incomes for housing, and approximately 2 million more are living in more restrictive, institutional environments than they would choose or are living with an aging caregiver. Please provide sufficient funding to renew and expand maintain current housing services for people with disabilities and expand this important resource.

The Housing Assistance for Persons with AIDS (HOPWA) program provides critical housing support for over 53,000 households with citizens living with HIV/AIDS, but the need for this assistance is significantly higher. Approximately 400,000 people living with HIV/AIDS qualify for housing assistance through HOPWA, and 100,000 people with HIV/AIDS are experiencing homelessness. A growing body of research suggests that stable housing provides affected persons with both better health outcomes and reductions in risky behaviors. Please continue our national commitment to HOPWA by providing \$600 million for FY 2022.

Rural Housing Programs

The housing programs of USDA's Rural Housing Service support homeownership, rental housing development, and affordable housing efforts in rural communities across the nation. The Section 502 and Section 538 loan programs provide access to affordable mortgage credit for creditworthy homeowners and rental housing in rural communities. RHS programs, including Section 515 rural rental loans, the Multi-Family Housing Revitalization Demonstration Program, and Section 521 Rental Assistance program are also critical to preserving affordable rental housing and protecting low-income tenants in rural areas. Failing to keep pace with renewal needs and growing housing needs in FY 2022 will result in loss of assistance for these families and further housing burdens for rural families. Please provide robust funding for RHS activities in the FY 2022 Budget Resolution, including at least \$2 billion for Section 502 Single Family Direct Home Loans, \$100 million for the Section 504 Home Repair program, \$75 million for the Section 523 Mutual Self-Help Housing program, at least \$1 billion for new construction and preservation of affordable rental housing through the Section 515 and Multifamily Preservation and Revitalization programs, and at least \$1.76 billion to provide rental assistance for all eligible residents of USDA properties under the Section 521 Rental Assistance program.

Community Development

The FY 2022 budget must continue to assist our state, local and tribal government partners to make critical housing, community, and economic development investments in the coming year.

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Please provide robust funding for NeighborWorks and HUD community development programs in your FY 2022 Budget Resolution. The Neighborhood Reinvestment Corporation (NeighborWorks America) provides financial and programmatic support for a network of nearly 250 NeighborWorks organizations across the country to further their work in housing rehabilitation, housing counseling, and broader community-based development efforts. Please provide at least \$185 million for NeighborWorks core programs to enable the organization and its network to support a range of housing and community development activities, including: supporting and maintaining over 52,000 jobs, operating 192,000 units of affordable rental housing, providing financial and housing counseling to 170,000 people, supporting home repairs that help seniors age in place, and providing training for community development organizations across the country.

The Community Development Block Grant (CDBG) program helps States, localities, and tribes to meet their urgent housing and community development needs through investments in housing and community infrastructure, job creation, blight elimination, and addressing poverty. Every \$1 invested in CDBG generates \$4.09 in additional public and private funding. Please provide at least \$4.2 billion in the Budget Resolution to support housing and community development activities through the CDBG program.

HOME Investment Partnerships Program

Since its inception, the HOME program has provided over 1.3 million units of affordable housing for low-income Americans. HOME leverages \$4.50 for every dollar appropriated, often providing critical gap funds that enable Low Income Housing Tax Credit and other affordable housing development developments to move forward, as well as direct assistance to low-income homeowners. Given the importance of these funds to affordable housing production and maintenance and their successful use in so many communities, please continue to support the HOME program in the FY 2022 Budget Resolution with at least \$1.85 billion in new funding.

Assistance to Native American, Alaska Native, and Native Hawaiian Communities

Native American communities face ongoing challenges stemming from high unemployment and poverty, unique difficulties in financing housing and community improvements, and economic development needs. Many of these communities suffer from a severe shortage of decent quality, affordable housing and homeownership opportunities. Compared with the national average, American Indian and Alaska Native households in large tribal areas were eight times as likely to live in housing that was overcrowded and four times more likely to live in housing that did not have adequate plumbing facilities.

To address these challenges, and to meet the federal government's treaty and trust responsibilities to federally-recognized tribes, HUD offers both grants and loan guarantee programs to provide necessary capital and liquidity to create and improve housing in Indian Country. Funding for the Indian Housing Block Grant helps alleviate the lack of adequate housing in these communities and maintains existing housing resources, while the Section 184 mortgage loan guarantee program facilitates homeownership in Indian Country. HUD also provides housing block grant funds and loan guarantees targeted to Native Hawaiians.

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Please provide sufficient funding to fulfill our treaty and trust responsibilities to these communities, including at least \$3.5 million for the Section 184 home loan guarantee program, \$100 million for the Indian Community Development Block Grant (ICDBG) program, \$966 million for the Indian Housing Block Grant Program, and \$20 million for the Native Hawaiian Block Grant program in the FY 2022 Budget Resolution.

Lead Hazard Control and Healthy Homes

Please provide strong support for HUD's Office of Lead Hazard Control and Healthy Homes programs, which combat lead poisoning and other unhealthy housing conditions. Although the nation has made great progress in reducing childhood lead poisoning, lead exposure remains a threat to American children. The water crises in Flint, MI and Sebring, OH, demonstrate the need to protect our water supply. Yet lead hazards stretch far beyond our water systems. Lead-based paint remains the most common source of lead exposure. Too many children are exposed to hazards from homes built before 1978, when the Federal government banned use of lead in paint. Deteriorating paint in these homes turns into paint chips and dust that are easily ingested or inhaled by children under six, whose developing brains are most vulnerable to its effects. According to the Centers for Disease Control and Prevention, 4 million homes are exposing children to high lead hazards. Approximately 535,000 children under the age of six have blood lead levels high enough to cause irreversible neurological damage and learning disabilities.

A 2011 study estimated that childhood lead poisoning cost the country over \$55 billion due to health care and lost economic productivity resulting from lasting cognitive and behavioral effects. In addition to reducing the human costs of lead exposure, expenditures to prevent lead poisoning are cost-effective. For every \$1 spent to reduce home lead hazards, there is a benefit of at least \$17 and up to \$221. Investments in other healthy housing interventions, such as removing conditions that trigger allergies and asthma, also result in high rates of return – up to \$16.50 per dollar invested.

HUD's lead hazard control and healthy homes program has addressed lead hazards in hundreds of thousands of homes since its inception. Yet rates of lead poisoning in some communities are shockingly high. In Cleveland, for example, 25 percent of kindergarteners have had elevated blood lead levels at least once by the age of six. Please ensure that the FY 2022 Budget Resolution provides at least \$600 million to protect children from lead and other health hazards in their homes.

Choice Neighborhoods Initiative

The Choice Neighborhoods Initiative (CNI) transforms neighborhoods of concentrated poverty through improvements in blighted public and HUD-assisted housing. CNI grantees develop comprehensive neighborhood plans addressing schools, economic development, public safety and other needs in addition to revitalization of federally-supported housing. These efforts will improve neighborhoods and provide greater opportunities to residents while creating jobs. For every \$1 in Choice Neighborhoods implementation grants, an additional \$7 is leveraged in the community. Please provide at least \$250 million in Choice Neighborhoods funding in the FY 2022 Budget Resolution.

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Fair Housing

The National Fair Housing Alliance estimates that 4 million people are victims of discrimination on the basis of race, national origin, religion, familial status, or disability each year. It is critical that state, local, and private fair housing organizations around the country have the resources they need to adequately educate and assist people and to enforce the Fair Housing Act, particularly given the increased stresses and threat of displacement resulting from the COVID-19 crisis. To that end, please provide at least \$85 million and adequate funding for staffing to support robust services for fair housing activities for FY 2022.

Community Development Financial Institutions (CDFI) Fund

Please support strong funding for CDFI Fund programs in the FY 2022 Budget Resolution. The CDFI Fund was established to serve the nation's most economically distressed communities by providing capital, credit, and other financial services that are typically unavailable from mainstream financial institutions. Within the CDFI program, the Native American CDFI Assistance program has been instrumental in helping fund effective organizations that address the economic development needs of these underserved and distressed communities. The loans and investments made by CDFIs have leveraged billions of dollars from the private sector in development activities in financially underserved and low-wealth communities. Demand for CDFI funding has grown and far surpasses amounts available. Please continue to support this important program with at least \$330 million for FY 2022. Now more than ever, CDFIs are critical to serve our most underserved communities.

Providing Access to Financial Services and Combatting Crime and Terrorism

Terrorism, Financial Intelligence, and National Security

We urge you to fully fund the Treasury Department's Office of Terrorism & Financial Intelligence (TFI) and the Financial Crimes Enforcement Network (FinCEN). TFI is responsible for leading the policy, enforcement, regulatory, and intelligence functions of Treasury aimed at identifying and disrupting financial support to international terrorist organizations, proliferators of weapons of mass destruction, narcotics traffickers, and other illicit actors. FinCEN's mission is to safeguard the financial system from illicit use, combat money laundering and promote national security through the collection, analysis, and dissemination of financial intelligence and strategic use of its financial authorities.

The President's FY 2022 budget requested \$185.2 million for TFI and \$190.5 million for FinCEN. While TFI funding has increased slowly in recent years, demands on TFI's staff and resources have grown substantially, including from its efforts to cut off ISIL from the international financial system and enforce Congressionally-mandated sanctions on Russia, Syria, North Korea, Iran, Hong Kong and independent terrorist organizations like Hezbollah and Hamas. Thus, we urge you to support not less than the Administration's FY 2022 request for TFI of \$185.2 million. TFI has requested slightly more than \$10 million in additional resources over last year to continue to invest in its people as well as its infrastructure, systems, and automated tools; to modernize critical equipment and software that supports fundamental information

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technology needs; and to replace servers that have now reached the end of their useful life. Full funding would ensure that TFI remains agile, innovative, and strategic in responding to the most pressing U.S. national security concerns.

With respect to FinCEN, on January 1, 2021, Congress overrode a Presidential veto to pass the most far-reaching and significant changes to our nation's anti-money laundering legal regime since enactment of the USA PATRIOT Act, the Anti-Money Laundering Act of 2020 (AMLA). Most significantly, the AMLA requires FinCEN to establish and maintain a database to which companies must submit their beneficial ownership information. The law authorized but did not appropriate funding for FinCEN to build the database and to otherwise implement a broad range of additional reforms required by the new law. Congress is currently working on a supplemental appropriations measure that we hope will provide funds to establish the database. However, if this supplemental funding is not provided in this measure, we believe the Committee should at least support the Department's additional appropriation request of \$74.3 million, which would enable FinCEN to implement the numerous requirements in the new law. Although the President's budget requests a significant increase in appropriations from last year, to \$190.5 million, we urge you to provide \$201.2 million, which would enable FinCEN to fully implement urgently needed national security measures in AMLA required by Congress.

We also urge you to fully fund the President's FY 2022 \$20 million budget request to continue to develop enhanced capability for the interagency Committee on Foreign Investment in the United States (CFIUS), which Treasury chairs, to receive, track, and analyze data, including CFIUS case data, third party industry and merger and acquisitions data, and other data relevant to CFIUS national security reviews. The bulk of these funds would be offset by CFIUS filing fees. U.S. markets are more open than most other markets to foreign investment, and this can benefit U.S. companies and workers. Even so, such foreign investment also requires careful scrutiny to protect national security. In light of: 1) major reforms to CFIUS laws enacted in 2018 still being implemented by CFIUS; 2) the record number of cases CFIUS has reviewed in recent years; and 3) the increasing number of acquisitions and other investments by companies and investors with ties to governments that are strategic competitors to the United States, we urge you to support funding sufficient to ensure continuing implementation of the CFIUS reform law and to ensure thorough, rigorous, and comprehensive reviews by CFIUS to protect our national security. In addition, we request that the CFIUS Fund receive additional funding as available to be directed toward helping manage the growing number of cases subject to CFIUS review, expected this year to reach 1000 cases per year, up from 172 cases five years ago.

Flood Insurance

Please support robust funding for the activities of the National Flood Insurance Program in the FY 2022 Budget Resolution. Robust funding is vital to fulfill Congressional mandates including improved floodplain mapping, mitigation, community engagement, and supporting the Office of the Flood Insurance Advocate and to provide appropriate administrative support and oversight for the National Flood Insurance Program.

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FEMA reports that flooding is our country's most costly natural disaster. Catastrophic flooding threatens the safety and finances of millions of Americans and presents a challenge to all taxpayers, as the nation seeks to help victims recover and repair critical infrastructure. Adequately updated flood maps are critical to the ability of families and communities to accurately assess their flood risks and take steps to mitigate them to avoid future damages. In 2012, Congress directed the Federal Emergency Management Agency to undertake a comprehensive effort to improve the quality and accuracy of its flood maps and established an expert Technical Mapping Advisory Council (TMAC) to advise FEMA's efforts. Congress also authorized up to \$400 million per year to make such improvements. Yet, as TMAC reports, flood mapping funding has remained inconsistent and inadequate. As a result, FEMA and its partners have been unable to keep up with the need for new and updated maps and TMAC projects that the percentage of stream miles with valid maps will continue to decrease. The American Society of Floodplain Managers estimates that FEMA will need \$3.2 billion to \$11.8 billion to finish mapping the nation, in addition to funds to keep existing maps up to date. This increase in the quality and funding of flood maps is critical to the National Flood Insurance Program, local community planning and emergency management efforts, and millions of Americans who need to know if they are in harm's way. Please support at least \$400 million in annual appropriations for flood mapping in the FY 2022 Budget Resolution.

Additional investments are also necessary to improve our home, community, and national resilience efforts. These include investments in technical assistance and capacity building for floodplain management, mitigation assistance to help NFIP policyholders in harms' way reduce their risk, particularly those that have suffered losses, addressing affordability concerns, and addressing the program's debt to the Treasury from previous catastrophic disasters. The NFIP spends approximately \$400 million annually on interest payments to the U.S. Treasury, funds that would otherwise be used to pay claims or contribute to our national resilience efforts.

Please include a deficit neutral reserve fund to accommodate the reauthorization of the National Flood Insurance Program in the FY 2022 Budget Resolution.

Public Transportation

Robust federal support for public transportation is an essential component of efforts to improve the nation's transportation system and its underlying infrastructure. Transit enhances individual mobility for work and personal travel, reduces traffic congestion and reduces transportation-related emissions, including greenhouse gas emissions. Public transportation is particularly valuable to low-income Americans because it offers affordable and reliable transportation. Between 1995 and 2015 public transit ridership increased by 37 percent, almost double the population growth, but our nation's public transportation providers face significant challenges.

The U.S. Department of Transportation reports there is a \$105 billion backlog of unfunded repair and maintenance projects facing the nation's public transportation systems. Deteriorated infrastructure and aging vehicles contribute to significant delays and service outages for transit riders, and delayed repairs increase the risk of riders and workers being exposed to unsafe

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conditions. Transit systems are also falling behind in expanding capacity: the pace of construction to build new transit lines and expand capacity on existing routes is insufficient to meet future ridership demands and reduce crowding on the busiest segments.

Addressing these challenges is necessary to deliver the mobility that our economy and society requires. Prior to the pandemic, 60 percent of the trips taken on public transportation are for work commutes, and transit provides affordable access to jobs for low-income workers, and access to transit to reach jobs will continue to be vital as the pandemic recedes further. The average American household spends 13 percent of their income on transportation – but low-income workers spend between 20 and 30 percent of their wages on commuting. Demand for public transportation will also increase as the nation’s senior population grows and more seniors utilize transit services for their daily travels and access to medical care, particularly in rural areas.

At present, public transportation agencies are in the process of returning to full service as workplaces, schools, and other establishments re-open. Congress provided supplemental relief to transit agencies in FY 2020 and FY 2021: in the CARES Act in March 2020, the Coronavirus Relief and Response Supplemental Appropriations Act (CRRSAA) in December 2020, and most recently in the American Rescue Plan Act in March 2021. These resources have ensured the continuity of essential transit services, prevented unprecedented layoffs at transit agencies, and prepared the industry for the quick resumption of full transit services after the crisis, but substantial short- and long-term needs remain to bring frequent, high-quality transit service that is in a state of good repair to communities throughout America. Congress must still act to provide investment in repairing and expanding public transportation infrastructure and services.

The “Fixing America’s Surface Transportation Act” or “FAST Act” authorized federal surface transportation programs, including public transportation programs, for FY 2016 through FY 2020, and has been extended for one year, through Sept. 30, 2021. The FAST Act authorizes \$10.150 billion in FY 2021 for formula assistance programs supported by contract authority from the Mass Transit Account of the Highway Trust Fund.

The “FAST Act” has provided important but modest growth in federal transportation spending, but the law expires at the end of FY 2021. The 117th Congress must act to reauthorize federal surface transportation programs in order to deliver the much-needed investment our public transportation infrastructure requires. Reauthorization legislation should also ensure the long-term solvency of the Highway Trust Funding, including the Mass Transit Account. According to CBO, the Mass Transit Account will face a shortfall in FY 2022 at present expenditure levels.

The Banking and Housing Committee has begun drafting legislation to reauthorize Federal Transit Administration (FTA) programs, and we recommend that the FY 2022 Budget Resolution create a reserve fund to accommodate potential increases in public transportation investment in a reauthorization bill through a solvent Mass Transit Account.

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We also recommend that the FY 2022 Budget Resolution support continuation of the supplemental discretionary funding for transit programs that was included in the FY 2018, FY 2019, FY 2020, and FY 2021 appropriations laws. The FY 2021 appropriations law provided \$516 million of supplemental funding for FTA formula grants and competitive bus grants that addressed much-needed projects to repair transit infrastructure and replace outdated buses and railcars.

The FY 2022 budget resolution should also support increases in funding for FTA programs that receive annually appropriated discretionary funds. The Sec. 5309 “Fixed Guideway Capital Investment Grants” program supports multi-year grant agreements for transit expansion projects and received \$2.014 billion in FY 2021, but additional funds are needed in FY 2022 to ensure that meritorious, well-rated projects are not delayed in the coming fiscal year after applicants meet the statutory requirements to advance through the program’s project pipeline. We also support an increase in funding under the budget resolution for the FTA’s Administrative Expenses. Congress has designated FTA as the leader of the federal-state oversight framework for public transportation safety, and a properly funded administrative budget is essential to ensuring FTA is able to undertake necessary safety oversight and enforcement activities.

The President’s FY 2022 budget proposal also includes \$110 billion in additional funding for public transportation through the American Jobs Plan: \$55 billion for state of good repair projects, \$25 billion for fixed-guideway transit expansion projects, \$5 billion for accessibility improvements, and \$25 billion for zero-emission buses. In light of the climate crisis and the need for urgent action to reduce carbon emissions, the Committee urges even stronger investment in zero-emission transit vehicles: \$65 billion, similar to the Clean Transit for America plan introduced by Chairman Brown and Leader Schumer. This figure would, when combined with state and local matching resources, be enough to transition the entire American transit fleet to zero-emission sources—the bold step required to provide clean, high-quality transit nationwide.

We understand you will face difficult choices, but now more than ever it is critical that your FY 2022 Budget Resolution permits ongoing investments that will promote economic recovery and growth and the well-being of our citizens. Robust funding for financial system protection, housing and community development programs, and public transportation will help our economy recover and build a stronger, more prosperous future. Thank you for your consideration of these views.

Sincerely,



Chairman
Sherrod Brown

SHERROD BROWN, OHIO, CHAIRMAN

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United States Senate
COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS
WASHINGTON, DC 20510-6075

June 11, 2021

The Honorable Bernard Sanders
Chairman
Senate Committee on the Budget
Dirksen Senate Office Bldg.
Washington, DC 20510

The Honorable Lindsey Graham
Ranking Member
Senate Committee on the Budget
Dirksen Senate Office Bldg.
Washington, DC 20510

Dear Chairman Sanders and Ranking Member Graham:

This letter sets forth the views and estimates of the Committee on Banking, Housing, and Urban Affairs Minority (the "Banking Committee") on budgetary matters within our jurisdiction, as required by Section 301(d) of the Congressional Budget and Impoundment Control Act of 1974.

With the pandemic now coming to an end in the United States, and the economic recovery well underway, it is time for Congress to step back and reassess the state of the nation's finances. Federal spending has grown faster than our economy over the last fifteen years. That spending growth has been paired with massive deficits. During this period, the national debt has more than doubled as a share of gross domestic product ("GDP"), climbing from \$8.5 trillion at the end of 2006 (62% of GDP) to more than \$28 trillion today (128% of GDP). Just in the last 18 months, the national debt has increased \$5.6 trillion. National debt as a share of GDP now surpasses records set in World War II. The consequences of this fiscal mismanagement will be devastating to generations saddled with debt and a government they can no longer afford. The state of our national finances after the pandemic affirms what was true even before the pandemic: Congress must slow the growth of Federal spending in order to return to a sustainable fiscal trajectory.

The President's fiscal year 2022 budget request fails to put the nation on a path to fiscal sustainability. The President proposes to increase Federal spending by 33% above pre-pandemic levels. Deficits would exceed more than \$1 trillion each year. Notably, these dire projections exclude trillions of dollars in additional spending the administration has identified as policy goals. These projections also assume that defense spending would fail to keep pace with inflation.

With the nation's finances on an unsustainable path, the Budget Committee generally should take a skeptical view of proposed spending increases in the jurisdiction of the Banking Committee. As described below, the Minority continues to prioritize housing finance reform, which could have budgetary implications by reducing the risk of future taxpayer bailouts and potentially even realizing cost savings. I remain concerned that the Federal Credit Reform Act's requirements do not accurately measure the actual cost to the taxpayer of Federal credit programs, and I urge the Budget Committee to also consider fair value accounting in assessing these programs. Finally, significant amounts of housing, transit, and other funding made available in the pandemic response remain unspent. The Budget Committee might consider repurposing funds toward deficit reduction or targeted infrastructure investment.

BANKING COMMITTEE JURISDICTION

The Banking Committee's jurisdiction covers banking, monetary policy, financial markets, securities, insurance, housing, mass transit, urban development, international trade and finance, export controls, and virtual currencies, as well as other matters related to economic policy. Notably, the Banking Committee's jurisdiction also extends to economic stabilization and financial aid to commerce and industry, which includes any Federal support targeted toward airlines, automobiles, or other specific industries.

SPECIFIC BUDGETARY MATTERS

Housing Finance Reform

Housing finance reform remains an urgent priority. More than 12 years after the financial crisis, Congress has still not addressed the fundamental flaws in the housing finance system that led to the crisis. The system is still dominated by the Fannie Mae and Freddie Mac duopoly (each a government-sponsored enterprise, or "GSE"). The \$6 trillion GSEs remain "too big to fail" and actually have an even larger market share today than they had before the financial crisis. The GSEs also remain gravely undercapitalized. Just as before the crisis, these flaws encourage excessive risk-taking, risk future taxpayer bailouts, and threaten financial stability. And just as before the crisis, these flaws also undermine the availability and affordability of housing in America.

In March 2021, I released principles for reforming the housing finance system. These principles build off the bipartisan efforts of current members of the Banking Committee from both sides of the aisle. These principles also share some overlap with the principles Chairman Brown laid out in September 2019.

Several aspects of these reform efforts merit the Budget Committee's consideration. *First*, depending on the specifics, housing finance reform legislation could result in cost savings. In 2014, CBO scored a bipartisan proposal (S.1217) as saving \$58 billion over 10 years. *Second*, reform should respect the rule of law and the rights of the GSE shareholders that were infringed by the August 2012 amendments to the Preferred Stock Purchase Agreement between Treasury and each GSE (the so-called "Third Amendments"). Remedying the Third Amendments could have budgetary implications. *Third*, in the past, members of the Banking Committee have supported budget resolutions that established a scorekeeping rule providing that increases in the GSE guarantee fees may not be used to offset unrelated spending. As in the past, the Chairman and the Ranking Member of the Banking Committee should be consulted if a similar budget resolution is again contemplated.

Housing Programs

The President's American Jobs Plan calls for an additional \$313 billion in new spending and tax credits for the construction and preservation of affordable housing. Notably, little of that new spending is in the President's budget proposal, underscoring the extent to which the nation's fiscal trajectory could actually be even worse than contemplated by the proposal.

Much of the \$80 billion provided for housing programs in the pandemic response was not actually about pandemic relief. Tellingly, the \$46.5 billion in new rental assistance may be disbursed over seven years. CBO has estimated that none of the \$5 billion for HUD homelessness assistance will be spent in 2021. *With the pandemic coming to an end in the United States, the Budget Committee should consider opportunities to repurpose any unobligated housing funds toward deficit reduction or targeted infrastructure investment.*

In addition, the Budget Committee should consider:

- Tenant-based Rental Assistance. The President proposes to increase spending on the Housing Choice Voucher Program by \$4.6 billion over the fiscal year 2021 level to provide 200,000 additional vouchers. Congress should first consider reforms to ensure rental assistance encourages self-sufficiency, in particular, that it does not create disincentives to employment. Notably, HUD scrapped a study to test work requirements. HUD should continue exploring ways to ensure its programs lift people out of poverty.
- Public housing. HUD should provide an estimate of capital needs for public housing stock before Congress considers the President's proposal to allocate \$3.2 billion to the public housing capital funds. HUD last conducted an assessment in 2010.
- Housing counseling. Instead of appropriating funding directly to NeighborWorks, any housing counseling funding should be appropriated to HUD to award grants competitively to allow housing counseling agencies unaffiliated with NeighborWorks an opportunity to assist families.
- HOME/CDBG. The President's budget proposes notable increases above the fiscal year 2021 levels in funding for the HOME Investment Partnership Program and the Community Development Block Grant program (increases of \$500 million and \$295 million, respectively). These programs must be scrutinized as to their effectiveness before receiving continued or additional funding.
- FHA loan limits. Congress should better align the methodology for adjusting the Federal Housing Administration's ("FHA") loan limits to its underlying mission. These reforms could affect CBO's estimates of FHA's subsidy cost.
- Subsidy costs. I remain concerned that the Federal Credit Reform Act's requirements for determining the subsidy cost of FHA and Ginnie Mae activities do not accurately reflect the actual cost to the taxpayer. The Budget Committee should consider fair value accounting in assessing these programs.

National Flood Insurance Program ("NFIP")

The NFIP will need to be reauthorized by the end of this fiscal year. NFIP has borrowed from Treasury in 11 out of 21 years in order to pay claims. In five separate years during that period, NFIP borrowed in excess of \$1 billion. Excluding \$16 billion in debt forgiveness provided by Congress, NFIP's cumulative debt (amount borrowed less amount repaid) since 2000 is \$35.9 billion. While NFIP is moving towards more actuarially sound premiums, the progress is slow.

In the meantime, we should expect further losses at NFIP. The budget resolution should be drafted to accommodate NFIP reforms. The Budget Committee also should consider accounting for expected future losses at NFIP when developing the annual budget. Furthermore, the Budget Committee should consider how history has shown that Congress will not allow NFIP to default on claims when making assumptions about the efficacy of the program's statutory borrowing limit.

Bureau of Consumer Financial Protection (“CFPB”)

Following the Supreme Court’s recent decision in *Seila Law v. CFPB*, the CFPB’s Director may be removed by the President at will. Notwithstanding this improvement, there is more work to be done to establish traditional checks and balances on the CFPB. Unlike typical Executive agencies, the CFPB remains unaccountable to Congress because it is still funded by the Federal Reserve rather than through the annual appropriations process. Any budget resolution should recommend enhancing the CFPB’s accountability by subjecting it to appropriations.

Securities and Exchange Commission (“SEC”)

The President’s proposed budget contemplates a 4.4% increase (\$92 million) in funding for the SEC over the fiscal year 2021 appropriation of \$1.936 billion. The Acting Chair named by the President also approved a 5.3% increase in salary for SEC employees. This spending is not necessary to achieve the SEC’s mission. The SEC had sufficient resources to advance a substantial rulemaking agenda in 2020 and has maintained, despite the pandemic, an aggressive enforcement posture that has achieved record financial remedies.¹ The Budget Committee should therefore consider no increase in SEC funding.

Terrorism Risk Insurance Act (“TRIA”)

Although originally conceived as a temporary program to stabilize the insurance market after the September 11, 2001 terrorist attacks, TRIA appears to have become a permanent feature of the insurance markets. TRIA is designed to maintain the availability of terrorism insurance by providing private insurers a government backstop in the event of a covered terrorist attack. Since its inception, TRIA has had no direct costs for taxpayers because, thankfully, there have been no terrorist attacks of sufficient magnitude to trigger the program.

In the event of a covered event, TRIA includes complex recoupment mechanisms designed on average to make the taxpayer whole. However, the recoupment mechanism includes serious timing flaws that could impose extraordinary costs on the insurance industry and its customers. As a result, taxpayers are unlikely to be made whole in the event that they are called on to share

¹ In 2018, the SEC timely advanced 23 of the 26 rules on the near-term agenda, or 88%, and in 2019, the SEC advanced 35 of the 39 rulemakings on the near-term agenda, or nearly 90% of the items. Through November 2020, the SEC advanced 40 of the 48 rules on its near-term agenda, or 83% of the items, while also prioritizing emergency pandemic relief and initiatives. In fiscal year 2020, the SEC brought over 700 enforcement actions, a significant percentage of which occurred after transitioning to mandatory telework. The SEC obtained judgments and orders for more than \$4.5 billion in financial remedies—the highest amount on record—and returned more than \$600 million to harmed investors.

insured losses after a terrorist attack. Any budget baseline should not assume that TRIA's flawed recoupment mechanism will be able to make taxpayers whole following a covered event.

Export-Import Bank ("Ex-Im Bank")

Congress has reauthorized Ex-Im Bank through 2026. I continue to believe that taxpayers should not be in the business of providing credit to select exporters. I also remain concerned that the Federal Credit Reform Act's requirements for determining the cost of Ex-Im Bank's activities do not accurately reflect the actual cost to the taxpayer. The Budget Committee should consider fair value accounting in assessing Ex-Im Bank's activities.

Mass Transit

Even though pandemic relief legislation provided \$40 billion in additional funding for transit agencies in 2020, the American Rescue Plan ("ARP") provided another \$30.5 billion in supplemental funding, and the President's American Jobs Plan contemplates yet an additional \$85 billion over the baseline. This is an extraordinary departure from the approximately \$12-13 billion the Federal government spends on transit annually. In fact, the Federal transit funding provided from March 2020 to March 2021 exceeded U.S. transit agencies' total capital and operating costs in 2019. Transit ridership, however, has been steadily declining since 2014. Moody's projects that transit ridership will remain muted until 2023 and may never reach pre-pandemic levels. Generous recent funding and declining transit demand should prompt scrutiny of new transit funding.

Financial Aid to the Airline Industry for Economic Stabilization

The Banking Committee has jurisdiction over economic stabilization and financial aid to commerce and industry, which includes any Federal support targeted toward airlines, automobiles, or other specific industries. From March 2020 through March 2021, Congress enacted three pandemic relief bills—the CARES Act, the Consolidated Appropriations Act, 2021, and the ARP—that provided more than \$92 billion in financial aid to the airline industry for the purpose of economic stabilization. This aid included \$63 billion for airline carriers and contractors to pay their employees' wages, salaries, and benefits. The airline industry was provided this financial aid despite the fact that there were—and still are—substantial amounts of private sector capital and credit available to the industry. Given this fact, there is no rational justification for taxpayers to continue to cover the payrolls of airline carriers and contractors. The airline industry should not be given additional financial aid.

National Security and Related Matters

The Banking Committee has jurisdiction over several agencies critical to national security, including the Committee on Foreign Investment in the United States ("CFIUS"), the Office of Terrorism and Financial Intelligence ("TFI"), and the Bureau of Industry & Security ("BIS"). Each of these agencies has seen a recent expansion in its role or statutory authorities. CFIUS's caseload has increased dramatically in recent years, and the Foreign Investment Risk Review Modernization Act of 2018 significantly expanded CFIUS's authorities to review transactions that otherwise might go unscreened or allow for transfers of critical technology. TFI's role has recently grown to implement sanctions and other measures imposed on Russia, North Korea,

China, and Iran, with Treasury establishing four new and six modified sanctions programs. Similarly, the Export Control Reform Act of 2018 granted BIS new authorities, including to control the export of emerging and foundational technologies.

I hope the Banking Committee will oversee CFIUS, TFI, and BIS, and consider reform proposals, to ensure each agency's rule makings and other activities are narrowly tailored to its mission and strike an appropriate balance between national security and other policies.

Defense Production Act ("DPA")

The DPA aims to ensure the availability of U.S. industrial resources to meet national security requirements through the President's "priorities and allocations" authorities under Title I and the President's "expansion of domestic production/capacity" authorities under Title III. *The Banking Committee must continue to monitor the exercise of the DPA's expansive set of authorities.*

On a related note, ARP appropriated \$10 billion in mandatory spending under the DPA. *That \$10 billion was unjustified and remains largely unspent. The Budget Committee should consider repurposing any unobligated funds toward deficit reduction or targeted infrastructure investment.*

Financial Crimes Enforcement Network ("FinCEN")

The Corporate Transparency Act significantly expanded FinCEN's authorities. FinCEN's implementation of the new beneficial ownership reporting requirements potentially could pose undue burdens on reporting companies. *I hope the Banking Committee will continue to oversee FinCEN, and consider reform proposals, to ensure FinCEN's rule makings and other activities are narrowly tailored to its mission. Potential reforms to reduce FinCEN's workload reporting requirements on private institutions could include increasing the thresholds for suspicious activity reporting and currency transaction reporting.*

Community Development Financial Institutions ("CDFI")

The President has proposed appropriating \$330 million for fiscal year 2022 to Treasury's CDFI program, an increase of 22% over the fiscal year 2021 annual appropriations. The CDFI Fund already received an additional \$12 billion in fiscal year 2021 in the form of "emergency" pandemic-related stimulus funding for the newly-created Emergency Capital Investment Fund and CDFI Emergency Support Program, only 10% of which expires at the end of the fiscal year. Rather than giving more taxpayer money to CDFI, Treasury should focus on administering the recent massive funding influx, especially with the economic recovery now underway. *Funds from the "emergency" CDFI funding programs should be redirected to this fiscal year's annual CDFI funding, which should not exceed its fiscal year 2021 annual appropriation.*

Financial Technology ("Fintech")

The Banking Committee continues to monitor virtual currencies and other fintech, as well as the Federal Reserve's research regarding digital payments. The SEC alone has pursued at least 75 enforcement actions related to virtual currency providers, resulting in more than \$1.7 billion in penalties. FinCEN has proposed a disconcerting rule expanding reporting and recordkeeping of

virtual currency transactions, creating significant uncertainty for the private sector. More generally, financial regulators should explore tailored regulatory frameworks adapted to the novel issues that fintech companies pose.

Thank you for the opportunity to provide input. If your staff has any questions related to these or other budgetary issues within the Banking Committee's jurisdiction, please contact John Crews at (202) 224-4416.

Sincerely,

A handwritten signature in blue ink that reads "Pat Toomey". The signature is written in a cursive style with a large, looping initial "P".

Pat Toomey
Ranking Member



The Honorable Bernie Sanders, Chairman
The Honorable Lindsey Graham, Ranking Member
U.S. Senate Committee on the Budget
624 Dirksen Senate Office Building
Washington, DC 20510

Chairman Sanders and Ranking Member Enzi:

This letter provides my views and estimates to the Senate Committee on the Budget on matters within the jurisdiction of the Senate Committee on Commerce, Science, and Transportation ("Commerce Committee") regarding the fiscal year ("FY") 2022 budget resolution.

I look forward to working with you and others in Congress to ensure that the spending levels ultimately enacted for programs under the Commerce Committee's jurisdiction are as effective and efficient as possible. The Commerce Committee may act this year on a number of legislative proposals that may have budgetary implications.

Department of Commerce

Minority Business Development Agency ("MBDA")

The MBDA fosters the growth, development, and competitiveness of minority-owned businesses in the United States. Through a network of over 30 business development centers in over 20 states and Puerto Rico, the MBDA provides technical and management assistance to minority-owned business businesses throughout the country. In FY 2020, for instance, the MBDA's network helped minority-owned businesses attain \$6.9 billion in contracts and nearly \$1 billion in financing, creating and retaining over 27,317 jobs. The MBDA's work is critically important, as minority-owned business remain underrepresented in the U.S. economy and continue to encounter systemic challenges, including a disparity in access to capital.

The administration has requested a budget of \$70 million for the MBDA for FY 2022—a laudable increase of \$22 million from the 2021 enacted level. I support this budget request and additional funding for the MBDA, which will allow the agency to help minority-owned businesses address the economic challenges driven by the COVID-19 pandemic. Congress must continue to provide the resources necessary to ensure the MBDA can fulfill its vital mission.

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International Trade Administration (“ITA”)

The ITA’s mission is to drive economic growth by strengthening the international competitiveness of U.S. industry, promoting trade and investment, and ensuring fair trade and compliance with trade laws and agreements. In FY 2020, ITA facilitated \$17.7 billion in foreign direct investment into the U.S., supporting more than 14,063 American jobs.

I support of the President’s budget request of \$559.315 million. This funding level represents a welcome increase of \$29.315 million from the FY 2021 budget.

National Institute of Standards and Technology (“NIST”)

As the nation’s premier standards and measurement laboratory, NIST drives U.S. commerce and innovation by advancing measurement science, standards, and technology. NIST’s work touches areas as diverse as cybersecurity and privacy, forensic science, building codes, advanced manufacturing, climate and environmental science, and quantum information science. The American Jobs Plan proposed a dramatic increase in NIST’s budget, particularly for NIST’s programs related to improving the nation’s manufacturing competitiveness. While this is encouraging, the agency needs additional resources for other Congressionally-directed priorities, such as cybersecurity and privacy and forensic science. NIST is a lean agency that historically has not received the resources it needs to most effectively carry out its mission.

I recommend funding NIST at \$1.812 billion for FY 2022, an approximately 75 percent increase over FY 2021 funding levels. This increase would support NIST manufacturing programs, reflecting authorizations in the United States Innovation and Competition Act, which recently passed the Senate with strong bipartisan support. The funding request also reflects the need to devote additional resources to developing cybersecurity protocols and to training the cybersecurity workforce, critical issues recognized by Congress in the FY 2021 National Defense Authorization Act and further highlighted by the SolarWinds attack.

National Oceanic and Atmospheric Administration (“NOAA”)

The Commerce Committee has broad jurisdiction over federal issues related to the oceans and the atmosphere and specifically, those within NOAA. The environmental observation and prediction missions at NOAA provide critical public services that save lives and property. In addition, the marine resource management missions support our robust and sustainable domestic seafood and outdoor recreation industries. As such, the Commerce Committee anticipates actively working towards enactment of legislation authorizing or improving several programs at NOAA.

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The President's budget requests \$7 billion—an increase of \$1.5 billion from 2021 enacted levels—to ensure the continuation of NOAA's critical work. I strongly support further investment for climate science, weather observation and forecasting, natural disaster preparedness and response, community resilience and adaptation, habitat restoration, protection and restoration efforts for endangered and threatened species, and the sustainable management of fisheries and other resources that drive our support rural coastal economies and the national blue economy as a whole. Furthermore, I support increasing investments in efforts at NOAA to recover endangered and threatened Pacific salmon, which are economic, cultural and ceremonial drivers in our region. Further, the United States has a treaty obligation to a number of Tribes, and NOAA must meet its obligations to Tribes by working to recover salmon and enhance government to government consultation.

The committee will continue to work on authorizing NOAA via an organic act, maintaining and upgrading our national weather and climate infrastructure, improving services for extreme weather events and natural disasters including wildfires, addressing infrastructure needs such as the NOAA facility in Montlake, Washington, expanding the fishery stock assessment and survey program, protection and restoration of fish habitat, recovery and rebuilding Pacific salmon populations, restoring Puget Sound, oil spill prevention and response, ocean acidification, developing and diversifying the scientific workforce.

In 2021, members of the committee may also consider reauthorizations of the Coastal Zone Management Act to further coastal community preparations and responses to changing ocean levels and conditions and the National Marine Sanctuary Act to secure modern management that will preserve ecological and economic values that the sanctuaries provide. The Commerce Committee may also consider reauthorization of the Federal Ocean Acidification Research and Monitoring Act as well as reauthorization of the Prescott Marine Mammal Grant Program. Both these would align with the President's initiatives on climate preparedness and America the Beautiful.

National Telecommunications and Information Administration ("NTIA")

NTIA is principally responsible for advising the president on telecommunications and information policy issues. NTIA is also responsible for managing the federal government's spectrum use, including evaluating whether that spectrum can be made available for commercial use (by sharing that spectrum or through other means). Additionally, NTIA has been tasked with various responsibilities with respect to securing the supply chain for the nation's communications networks (including 5G wireless networks), and conducting key research into communications technologies through its Institute for Telecommunications Sciences. Finally, as part of the December COVID relief package, Congress tasked NTIA with administering three new grant programs related to increasing broadband accessibility and use.

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In light of this important work performed by NTIA, I support the President's request to increase NTIA's funding for FY 2022, including investments in a new advanced communications research test site. Additionally, as part of the FY 2022 National Defense Authorization Act, Congress directed NTIA to develop a plan and cost estimate for the modernization of its spectrum management information technology. As an original sponsor of this measure with Senators Wicker, Reed, and Inhofe, I fully support this effort to upgrade essential spectrum management IT infrastructure and would recommend full funding for this initiative.

Office of Space Commerce

The nation's space traffic management needs to be overhauled and improved upon. Last year's appropriations legislation directed the Department of Commerce Office of Space Commerce to initiate a space traffic management pilot program and an open architecture data repository. Their progress has been slower than anticipated, but the mission is essential to enabling further growth safely in Earth orbit. In FY 2022, the Office of Space Commerce must start making commercial data purchases and dramatically ramping up its activities related to collision notification responsibilities. As highlighted in the National Academy of Public Administration report on space traffic management, the Office of Space Commerce will need an average of \$45 million annually after it stands up this capability. I recommend funding the Office of Space Commerce at \$39 million for FY 2022, a roughly four hundred percent increase over FY 2021 funding levels, as it ramps up to its full capability.

Department of Transportation

Infrastructure Funding

Congress must increase funding for infrastructure investment in the United States. The American Society of Civil Engineers rates our nation's infrastructure as a C-. For the United States to remain economically competitive in the 21st century, we must ensure that our transportation infrastructure is safe and efficient. With freight movement expected to rise 40 percent in the next decade—up to \$26 trillion worth of goods—all elements of our transportation infrastructure are vitally important for our country's economic success. Whether they be rural or urban; roads and highways, railroads, or ports—we have to significantly increase investment in our nation's infrastructure if we want to remain economically competitive. The American Jobs Plan also highlights the need to make a once in a generation investment in our transportation infrastructure to support our economy and good paying jobs. The Committee has already considered and is likely to consider additional legislation to boost the nation's infrastructure for these purposes.

The Surface Transportation Investment Act of 2021 recently passed out of the Commerce Committee with overwhelming bipartisan support. The Act provided a significant funding increase for the Infrastructure for Rebuilding America ("INFRA") grant programs, above the levels provided by the Highway Trust Fund.

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The Act also authorized for the first time key programs to provide federal funding for surface transportation projects that will have significant national, regional, and local impacts. The bill provided \$2 billion a year for the National Investment Project Assistance Program, \$1.5 billion per year for the Local and Regional Project Assistance Program (the RAISE/BUILD program), and \$800 million per year for the National Culvert Removal, Replacement, and Restoration Grant Program. These programs are vital for enhancing our nation's infrastructure, keeping our economy competitive, creating good paying jobs, and are consistent with programs in the American Jobs Plan. I support continuing to take aggressive action to increase our infrastructure investment and call for robust funding for these programs at or above the authorized levels from the bipartisan Surface Transportation Act of 2021.

Rail Safety

We must continue to invest in rail safety, and specifically address highway-rail grade crossings. These crossings are dangerous intersections for pedestrians, drivers, and rail operators, resulting in over 260 fatalities in 2018. Highway-rail grade crossings also often serve as an economic bottleneck for our country's freight movement. In my home state of Washington, the worst 50 grade crossings are blocked by trains for an average of two hours every day. As trains get longer and move more freight, they will block crossings for longer periods of time, increasing risk and congestion. Yet, cities and counties do not have the resources to undertake costly grade separations alone. The Commerce Committee's bipartisan Surface Transportation Investment Act of 2021 authorizes historic funding for rail safety programs, including \$1 billion for the Consolidated Rail Infrastructure and Safety Improvement ("CRISI") program, and \$500 million for a new grade crossing elimination grant program for fiscal year 2022. I support robust funding for these programs at or above the authorized levels in this bipartisan legislation. The budget should also provide robust funding for the Federal Railroad Administration ("FRA") to ensure they have the resources needed to hire additional rail safety inspectors.

Intercity Passenger Rail

Expanding passenger rail in the United States is essential to address the congestion and climate challenges faced by our nation. According to Amtrak, rail travel is 46 percent more energy efficient than traveling by car and 34 percent more energy efficient than domestic air travel. In FY 2022, the bipartisan Passenger Rail Expansion and Rail Safety Act of 2021, which passed the Committee as part of the Surface Transportation Investment Act of 2021, provides a significant increase in authorization for passenger rail, including \$3.8 billion for Amtrak grants, \$1.5 billion for the Federal-State Partnership Grants authorized in Section 24911 of Title 49, and \$50 million a year for the Restoration and Enhancement grant program. I support robust funding for these programs at or above the authorized levels in this bipartisan legislation.

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Federal Aviation Administration (“FAA”)

The Department of Transportation and FAA should fully implement the Aircraft Certification, Safety, and Accountability Act (“ASCAA”), adopted in the Consolidated Appropriations Act, 2021. Addressing shortfalls revealed by the Boeing 737 MAX, the legislation strengthens FAA oversight, reforms the certification process for manufacturers, and provides new resources to enhance Congress’ capacity to oversee the emerging technologies and safety issues. FAA will exercise direct oversight of aircraft certification, implement new integrated systems analyses of new and derivative aircraft, require aircraft manufacturers to disclose technological changes to their aircraft, and implement new safety reporting requirements and whistleblower protections. ACSAA authorizes \$268.5 million in new and strengthened aviation safety programs and Congress must ensure these mandates are fully funded.

Additionally, the FAA should continue its focus on modernizing air traffic control through its “NextGen” initiative. The Department of Transportation’s Office of Inspector General recently found that NextGen’s actual and projected benefits have not kept pace with initial projections. Further advancing NextGen and incorporating new entrants into the National Airspace System requires resolving complex implementation challenges, including effectively prioritizing programs, integrating interdependent capabilities, and utilizing advanced technology to achieve benefits. Congress must ensure that the FAA has sufficient resources to continuously improve aviation safety and advance its modernization efforts through the NextGen program. FAA must be positioned to keep pace with innovation. Additionally, appropriate funding is necessary to fully implement the provisions included in the FAA Reauthorization Act of 2018, and to support infrastructure programs included in the American Jobs Plan.

National Highway Traffic Safety Administration (“NHTSA”)

Despite fewer vehicle miles travelled, motor vehicle deaths in 2020 are estimated to have reached a 13-year peak—the National Safety Council estimates a 24 percent spike in roadway deaths last year. To combat this unacceptable trend, NHTSA and states must have the resources and expertise needed to improve safety. I strongly urge Congress to provide robust funding for NHTSA’s vehicle safety programs to advance the equitable development and implementation of safe vehicle technologies. Additionally, it is clear that NHTSA needs additional expertise and resources to ensure that new and emerging vehicle technologies are developed and deployed safely. I support additional funds for NHTSA personnel and research programs dedicated to the development, deployment, and regulation of automated driving systems and advanced driver assist systems, and to ensure the safety of alternative-fuel vehicles.

I also support funding for the Safe Streets and Roads for All grant program and the State Electronic Data Collection grant program established by the Surface Transportation Investment Act of 2021, which received overwhelming bipartisan support in Committee.

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The Safe Streets and Roads For All program will provide necessary resources to fund State and local “vision zero” plans designed to reduce crashes and fatalities. The State Electronic Data Collection grant program will provide funding to States to upgrade and standardize their crash data systems to enable electronic data collection, intrastate data sharing, and help ensure more effective crash data reporting at the federal, state, and local levels. I support funding at or above the levels authorized by the Surface Transportation Investment Act of 2021.

Pipeline and Hazardous Materials Safety Administration (“PHMSA”)

The safety of our nation’s pipeline systems is a top priority for the Committee. The number of pipeline incidents has increased by 13 percent in the last decade. States are on the frontlines of pipeline enforcement and must have the resources they need to address this increase of incidents. Through grants from PHMSA, state enforcement agencies inspect pipeline systems and conduct essential oversight. The PIPES Act of 2020—which passed the Senate by unanimous consent and was signed into law as part of the 2020 Omnibus bill—included a 40 percent increase in funding for state pipeline inspection agencies as well as a requirement to hire additional safety inspectors. The bipartisan Surface Transportation Investment Act of 2021 also authorized the Assistance for Local Emergency Response Training (“ALERT”) grant program to promote hazardous material response training for volunteer or remote emergency responders. I support funding for PHMSA—including state grants—at or above the levels included in the bipartisan PIPES Act of 2020 and the bipartisan Surface Transportation Investment Act of 2021.

Maritime Administration (“MARAD”)

MARAD supports America’s maritime infrastructure and promotes waterborne transportation to ensure the maritime transport easily integrates with intermodal transport. For FY 2022, the Commerce Committee recommends at least \$2.35 billion for MARAD Maritime Infrastructure. This funding would be divided into three areas. For the Port Infrastructure Development Grant Program—which supports port development, resilience, environmental remediation and the transition towards decarbonization of the maritime sector—\$2 billion is needed. This program could also to help retrofit and improve resiliency of ports as well as other projects needed to meet the demand of expanding offshore wind farms.

The second critical program is a \$100 million investment the MARAD Small Shipyard Grant program, which supports competitive grant programs for small shipyards. A \$50 million investment in the MARAD Maritime Environmental and Technical Assistance Program (“META”) will promote the research, demonstration, and development of emerging technologies, practices, and processes that improve maritime industrial environmental sustainability such as reduction in carbon emissions. As the Commerce Committee moves forward with the MARAD reauthorization bill, these programs will be highlighted in the Committee’s work. In addition, investments should be made to improve diversity, equity and inclusion activities at the U.S. Merchant Marine Academy.

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Department of Homeland Security

United States Coast Guard (“USCG”)

The USCG, which is statutorily designated to conduct ice operations, maintains the nation’s only polar icebreaking capability. However, its capabilities are currently limited to a single 44-year old cutter, and one medium icebreaker which is primarily a research platform. The medium icebreaker recently suffered a fire on one of its main drive motors, requiring nearly 10 months of repairs, leaving the nation with only one polar capable icebreaker despite the Coast Guard’s stated need of at least six polar icebreakers. The first two Polar Security Cutters (“PSC”) have been funded with the first ship expected to be delivered in 2024. The President’s \$170 million budget request for long lead time materials for the third ship is inadequate to meet the desperate need to put these ships into operation. We urge full funding of the third PSCs at \$788 million. We also urge a \$350 million investment in the Coast Guard’s Great Lakes icebreaker program to help meet critical winter shipping and safety needs in the Great Lakes.

The Coast Guard’s aviation fleet is in critical need of modernization. The MH-65 short range helicopter fleet suffers from airframe parts shortages requiring a significant fleet wide reduction in flight hours at the cost of aircrew training and puts the Coast Guard at risk of not meeting mission demands. The Coast Guard has started transitioning some of its MH-65 units to the more capable and sustainable MH-60T and more funding is needed to sustain this necessary project.

The Coast Guard must receive additional funding to begin addressing its substantial shore infrastructure backlog. A 2019 Government Accountability Office (“GAO”) study noted that approximately 45 percent of the Coast Guard’s shore infrastructure is beyond its service life. Funding should be provided for the recapitalization of USCG shore infrastructure at a level to make it more resilient, as well as to construct necessary new infrastructure to support homeporting of the Service’s newest PSCs and offshore patrol cutters (“OPCs”).

Lastly, it is essential that the Congress provide the Coast Guard with resources needed to invest in its most valuable resource: its people. The Commerce Committee supports the President’s budget request to increase operations and support funding to \$9.02 billion, a six percent increase over last year’s budget. We urge this funding request be matched or exceeded to keep pace with emerging operational demands, including increased operational tempo due to extreme weather and other impacts as a result of climate change. These funds are crucial for investments in family support services, such as child care access which is a significant need. Funding is also required for sufficient investments in Coast Guard medical operations. These burdens are particularly challenging for Coast Guard families stationed in remote locations where access to care is limited.

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This funding will also enable the service to implement programs and recommendations from recruitment and retention studies to become a more inclusive and diverse workforce. These activities should also include meaningful investments in the United States Coast Guard Academy, to include attention to improving the recruitment and retention of a diverse cadet corps.

Transportation Security Administration (“TSA”)

Before the COVID-19 pandemic, on an annual basis, U.S. transportation systems accommodated approximately 965 million domestic and international aviation passengers, over 600 million passengers traveling on over-the-road buses, and more than 10.1 billion passenger trips on mass transit. With a return to air travel domestically, and a broader reopening of the U.S. economy, TSA must have the resources to protect the nation’s transportation systems from emerging and dynamic threats while ensuring the freedom of movement for people and commerce that supports America’s economy. This includes adequate resources to support deploying new technology at the checkpoint, such as Credential Authentication Technology (“CAT”) and Computed Tomography (“CT”) used for identity verification and the screening of accessible property, respectively. Funding these detection capabilities at the checkpoint will reduce touch points during the screening process. I also support full funding for TSA’s Visible Intermodal Prevention and Response (“VIPR”) program, which provides a visible deterrent and response capability at transportation hubs that face the greatest threat of attack.

Over the past year, Transportation Security Officers (“TSOs”) were on the frontlines of our transportation system, keeping the economy moving in a time of unprecedented crisis. Yet, TSOs do not receive the same workplace rights and protections afforded to most other federal employees. The TSA Modernization Act, enacted in October 2018, included bipartisan provisions to address this fact. I support Secretary Mayorkas’ commitment to improving pay and labor rights for the TSA screening workforce, including expanding collective bargaining at the national level and ensuring that TSA’s standards and processes adhere to the principles applied by the Merit Systems Protection Board. Congress must fund a compensation structure that recognizes and rewards TSOs for their contributions to our safety and security.

The COVID-19 pandemic also laid bare the United States’ lack of preparedness to screen international and domestic passengers to limit the spread of disease and infection, unlike other countries who have more recently had to contend with epidemics, such as severe acute respiratory syndrome (SARS), Middle East respiratory syndrome (MERS), and the Ebola virus. The Committee considered bipartisan legislation to conduct a pilot program to develop domestic capabilities to screen for passengers with fevers, often a key indication of potential illness. The Committee recommends providing \$60 million to fund this pilot program.

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The recent Colonial Pipeline ransomware attack also highlighted key vulnerabilities in our cybersecurity protections in our transportation system. The consequences of disruptions to our transportation system from cybersecurity attacks could cripple the U.S. economy and cause severe safety issues. Additional funding is needed to support TSA's effort to protect and defend against such attacks, and to enforce cybersecurity requirements with private transportation providers.

Independent Agencies

Federal Communications Commission ("FCC")

The FCC is an independent regulatory agency charged by Congress with regulating television, radio, telephone, broadband, cable, satellite, and wireless services. This authority ranges far and wide: from licensing spectrum for wireless and broadcast services to developing consumer protection policies; from ensuring public safety through network resiliency to developing policies to foster the availability of broadband and an open internet. As specified in section one of the Communications Act, it is the FCC's mission to "make available so far as possible, to all the people of the United States, without discrimination on the basis of race, color, religion, national origin, or sex, rapid, efficient, Nation-wide, and world-wide wire and radio communication services with adequate facilities at reasonable charges." The Communications Act furthermore provides that the FCC was created "for the purpose of the national defense" and "for the purpose of promoting safety of life and property through the use of wire and radio communications." Given this important mission, I fully support the President's budget request to increase baseline funding for the FCC, which will be offset by the agency through its regulatory fee collections.

Federal Trade Commission ("FTC")

I support a funding level for the FTC in FY 2021 that is far greater than its budget request of \$389.8 million, though I applaud the increase of \$38.8 million compared to the FTC's FY 2021 enacted appropriation. Despite the agency's broad mandate to protect consumers and promote competition in most sectors of the economy, the FTC's headcount has remained relatively flat over the past decade. As companies, both large and small, collect, use, and transfer vast amounts of our citizens' data, the FTC has become the cop on the beat in protecting the privacy and security of personal data. In addition, the FTC is charged with protecting U.S. consumers from dangerous and deceptive advertising, including scams relating to coronavirus cures, and other fraudulent health claims. In this role, the Commission has served on the front lines ensuring that economic upheaval due to COVID-19 was not compounded by the unconscionable fraud that ballooned during the pandemic. The FTC enforces dozens of laws related to consumer protection and competition and plays an increasingly important role in protecting consumers in our rapidly changing economy.

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The FTC cannot adequately enforce these laws to their potential without an increase in funds. Increased funding will provide the FTC with the personnel and resources necessary to help combat corporate unfairness and deceptive practices. The FTC will also be able to better enforce against a slew of anti-competitive and anti-consumer practices, such as collusion, deception, fraud targeting vulnerable populations and false advertising and marketing campaigns.

National Science Foundation (“NSF”)

Investments in basic science research and education are essential to our nation’s long-term economic competitiveness. As much as half of the economic growth in the United States over the last 50 years is attributable to advances and innovations in science and technology. Today, U.S. technological and economic leadership faces significant pressure as other nations increase their research and science, technology, engineering, and mathematics (“STEM”) education investments. Depressed federal funding for research and development (“R&D”) over the last decade and a shortage in STEM workers are hurting American competitiveness.

NSF is the only agency dedicated to funding basic, curiosity-driven research and education in all fields of science and engineering, and the agency plays a critical role in developing the nation’s STEM workforce. NSF supports competitive research grants, STEM education programs, scholarships, seed funds for small businesses, and the operation of major multi-user research facilities. Maintaining the breadth of NSF STEM education and broadening participation programs is critical to ensuring that all elements of the STEM education ecosystem—from teachers, to unique learning opportunities, to curricula and more—are effectively preparing today’s students to be active participants in the innovation economy. NSF also performs critical work in climate change research and ocean mapping. For instance, NSF/NOAA research in Antarctica has been critical to our long term data record to understand our changing climate. NSF and NOAA also collaborate on the National Strategy for Mapping, Exploring and Characterizing the U.S. Exclusive Economic Zones (“EEZ”), which is critical to the maritime sector and growing offshore wind sector.

Additionally, the Senate and the administration have outlined an ambitious vision for the NSF that would dramatically expand the agency’s role in funding use-inspired basic research and commercialization activities. The agency needs additional resources to carry out this enhanced mission to improve the nation’s competitiveness.

I recommend at least \$10.8 billion for NSF in FY 2022, in line with the funding level authorized in the Senate-passed United States Innovation and Competition Act. This should include robust investments for NSF’s work on emerging technologies like artificial intelligence, quantum, renewable energies, and more.

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National Aeronautics and Space Administration (“NASA”)

In June 2021, the Senate, for the second time, passed NASA authorization legislation that the Commerce Committee has worked on for three Congresses. This legislation authorizes an ambitious human exploration program, a robust and balanced space science program, aeronautics research for the 21st century, and STEM education and training programs. The President’s FY 2022 budget articulates an ambitious vision for the future of American space exploration, largely consistent with the Senate legislation. It rightly seeks to seed the foundations for human exploration and habitation of the Moon, and eventually Mars, by utilizing a mix of government programs, commercial procurements, and public private partnerships. Unfortunately, the administration does not adequately fund NASA’s Human Landing Systems program or its work on nuclear power sources.

I recommend a funding level of \$26.2 billion for NASA for FY 2022, a 12 percent increase over FY 2021, which should include sufficient resources for maintaining resiliency and redundancy within the Human Landing Systems program, developing surface fission power technology, and developing nuclear propulsion systems.

Consumer Product Safety Commission (“CPSC”)

For FY 2022, I support the President’s budget request of \$170 million, which represents a welcome increase from its current \$135 million annual budget. The CPSC is a small but critically important agency, charged with ensuring the safety of over 15,000 different kinds of consumer products, including many used primarily or exclusively by children. The agency garnered significant attention this year when it issued a warning against a popular treadmill, the Peloton Tread+, that caused multiple injuries to pets and children.

The CPSC also works proactively in identifying and addressing new and emerging product safety risks. Recently, the CPSC began work on a pilot initiative to test and evaluate artificial intelligence (“AI”) and machine learning (“ML”) methods and technologies to identify dangerous products. The CPSC’s key role in removing defective and dangerous products from the stream of commerce is extremely important for protecting the public’s health and safety. I strongly recommend increasing the funding available to the CPSC as it moves into FY 2021.

Corporation for Public Broadcasting (“CPB”)

CPB is a private, non-profit, non-governmental organization charged with supporting the development of, and ensuring nationwide access to, quality educational and cultural programming. Congress annually appropriates funding to CPB in recognition of the vital public service provided by local public broadcast stations to communities across the country. For the purposes of planning and providing local stations with operational certainty, the CPB receives a two-year advanced appropriation each year.

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I support maintaining robust advance funding for CPB in the FY 2022 appropriations bill consistent with the President's budget request. I also support CPB's request to further increase its yearly appropriations to account for inflation and to help stations fund future investments to increase the education, public safety, and civic leadership services they provide local communities. This additional federal support is particularly important now as the public broadcasting system continues to deal with funding losses from states, non-profits, and individual donors due to the pandemic. Finally, I continue to support CPB's request for \$20 million each year to cover the costs for its interconnection system, which CPB uses to distribute its programming to public broadcasting stations throughout the country.

Federal Maritime Commission ("FMC")

FMC is an independent agency that regulates the international ocean transportation supply system. The primary goals of the Commission are to maintain a competitive and reliable international ocean transportation supply system and to protect the public from unlawful, unfair, and deceptive practices.

The Commerce Committee supports the FMC's request for \$30,873,000 or greater funding to ensure that the current hiring backlog is addressed and that hiring may resume to reach 128 full-time positions. This staffing level will enable the FMC to have the ability to meet its mission in FY 2022, including expansion of their enforcement program to take action against those who employ market-distorting, fraudulent, or anticompetitive practices harmful to the maritime industry, American exporters, and the public.

The COVID-19 pandemic has highlighted the economic urgency of responsive port and terminal operations and the need for the FMC's investigative and enforcement authority. Increased demand in e-commerce purchases coupled with disruption to port activities caused by the pandemic resulted in significant disruptions and delays to shipping. Several ports throughout the country had ships waiting at anchorage for days or weeks awaiting berths, such delays caused disruption and substantial price increases to American exporters as ships sought to return to Asia as quickly as possible to load more goods to facilitate increasing e-commerce demand. The FMC initiated an investigation to determine whether alliances are employing practices or regulations in violation of U.S. law including, but not limited to, practices and regulations related to demurrage and detention, empty container return, and practices related to the carriage of U.S. exports. The Commerce Committee urges robust funding for the FMC to be fully staffed to continue their vital oversight and regulatory duties to protect American trade interests.

The Honorable Bernie Sanders, Chairman
The Honorable Lindsay Graham, Ranking Member
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Marine Mammal Commission ("MMC")

MMC provides oversight of domestic and international marine mammal policy across the executive agencies. Through review of laws, policies and regulations, as well as the reviewing the status of marine mammal stocks, MMC works with the agencies charged with recovery of marine mammals. The MMC's work is critical to ensure that the agencies working on marine mammals are well coordinated and meeting the objectives of the Marine Mammal Protection Act, among other authorities. The Committee supports the FY22 Presidential Budget request of \$4.2 million to enable the MMC to meet those ongoing activities and to ensure the MMC is able to engage in emerging needs, such as Northern right whale conservation, the impact of sound on marine mammals such as Southern resident orcas, and necessary increased oversight of offshore wind permitting and construction activities.

Sincerely,

A handwritten signature in blue ink that reads "Maria Cantwell". The signature is fluid and cursive, with the first name "Maria" being larger and more prominent than the last name "Cantwell".

MARIA CANTWELL
Chair

MARIA CANWELL, WASHINGTON, CHAIR

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United States Senate

COMMITTEE ON COMMERCE, SCIENCE,
AND TRANSPORTATION

WASHINGTON, DC 20510-6125

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June 11, 2021

The Honorable Bernard Sanders, Chairman
The Honorable Lindsey Graham, Ranking Member
U.S. Senate Budget Committee
624 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Sanders and Ranking Member Graham:

This letter provides the views of the Committee on Commerce, Science, and Transportation minority regarding the fiscal year (FY) 2022 Budget Resolution. These views are provided in response to your May 21, 2021, letter. Thank you for the opportunity to provide these views and recommendations regarding the FY 2022 budget resolution process.

As you know, the Commerce Committee has a broad jurisdiction covering several departments and agencies. Given the Commerce Committee's reach, many, but not all, agencies within the Committee's jurisdiction are reflected in this letter.

Department of Transportation (DOT)

The President's FY 2022 budget request for DOT proposes \$88 billion dollars. The President also released The American Jobs Plan (AJP), which proposes an additional \$2.6 trillion in spending over the next eight years. Much of the AJP proposed spending is not on infrastructure. The Committee strongly believes that infrastructure should be funded through existing, proven programs. Further, any such funding levels should be guided by the relevant authorizing legislation.

For FY 2022, the Committee expects DOT to continue to focus its budgetary resources on carrying out the goals of the Fixing America's Surface Transportation (FAST) Act (P.L. 114-94) and any follow-on legislation. The Committee hopes DOT will continue to implement and advance the National Surface Transportation and Innovative Finance Bureau, now known as the Build America Bureau, to serve as a "one stop shop" to streamline credit opportunities, provide technical assistance and encourage innovative best practices in project planning, financing, delivery, and monitoring for both rural and urban projects. As part of the President's FY 2022 budget request, the Administration provides \$3.8 billion for the Build America Bureau, which is over \$1 billion less than FY 2021 enacted levels. The Committee supports funding at the FY 2021 enacted levels.

Further, the Committee expects DOT to appropriately allocate funds under the freight discretionary grant program, now known as Infrastructure for Rebuilding America (INFRA). It is important that DOT maintain a transparent process when implementing the freight provisions

under the FAST Act and ensure planning and funding address both rural and urban freight needs on a multimodal basis. DOT should focus on funding multimodal projects meant to enhance national and regional economic vitality while reducing congestion and modernizing the nation's infrastructure. As part of the President's FY 2022 budget request, the Administration provides \$1 billion for the INFRA grant program, which the Committee supports.

The Committee supports the authorization of and funding for the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grants, formerly known as BUILD and TIGER, and originally created under the American Recovery and Reinvestment Act of 2009. RAISE is an innovative grant program that supports critical road, rail, and port infrastructure projects across the country on a multi-modal basis. Demand for RAISE grants has far exceeded available funds, and the RAISE program provides much-needed investment in rural communities. As part of the President's FY 2022 budget request, the Administration provides \$1 billion for the RAISE program, which the Committee supports. The Committee does express concern with how the Administration intends to award grants based on equity. It is the Committee's hope that the nation's low income residents and minority population actually benefit from the Administration's interpretation of equity.

Additionally, the Committee expects port infrastructure investment to be a part of future infrastructure-related legislation. The Committee supports the authorization of and funding for a grant program focused on transportation infrastructure within the boundary of a port, or outside the boundary of a port, and directly related to port operations or to an intermodal connection to a port that will improve the safety, efficiency, or reliability of the movement of goods into, out of, around or within a port facility. The Committee's views are discussed in more detail under the Maritime Administration section.

The Committee would like to work with the administration and key stakeholders to advance proposals that support the advancement of technology in transportation to address safety and mobility challenges across modes. The Committee is encouraged by the focus on emerging transportation technologies at DOT. As part of the surface transportation reauthorization, the Committee will pursue provisions to increase innovative research, incentivize and support deployment of technology, update regulatory priorities, and increase the expertise across modes.

The DOT Inspector General has identified cybersecurity as a top management challenge for the department in meeting its mission. The Committee is encouraged by the focus on cybersecurity improvements and information technology modernization at the department.

Office of the Secretary of Transportation

Although the Federal Aviation Administration (FAA) administers many aviation programs, the Office of the Secretary of Transportation (OST) is responsible for carrying out a number of programs that are vital to small and rural communities. The FAA Reauthorization Act of 2018 (P.L. 115-254; the 2018 Reauthorization) authorized \$168 million in funding for the Essential Air Service (EAS) program for fiscal year 2022. EAS was established after airline deregulation to ensure that small communities still receive air service. The President's Budget Request for FY 2022 proposes a total of \$364 million for EAS, with \$248 million from a discretionary appropriation and \$116 million derived from air traffic control (ATC) fees imposed on aircraft

that overfly the U.S. The 2018 Reauthorization also authorized \$10 million in FY 2022 funding for the Small Community Air Service Development Program (SCASDP), a valuable program that provides grants to help small communities address air service issues. Over the last decade, small communities have faced challenges in attracting and retaining commercial air service. The Committee hopes the Senate's FY 2022 budget resolution will take into consideration the important roles that EAS and SCASDP play in maintaining and attracting air service for small communities.

In response to the devastating impact that the COVID-19 pandemic has had on the commercial aviation sector, Congress enacted numerous laws to assist the industry. As passenger airlines experienced a severe downturn in traffic, the impact filtered throughout the aviation industry. To assist the aviation industry, Congress passed several bills that provided funding for airlines and their workers, airports, and manufacturers through grants, loans, and other means. However, the recent roll out of COVID-19 vaccines and increased confidence in the safety of air travel has resulted in a rebound of passenger traffic. Therefore, the Committee does not foresee a need for the same level of assistance required to stave off economic disaster for the aviation industry.

Federal Aviation Administration (FAA)

The 2018 Reauthorization extended the authorities of the FAA and the Airport and Airway Trust Fund (Trust Fund) through fiscal year 2023. The Committee believes that the FAA should prioritize the following areas: (1) ensuring the safety of the aviation system; (2) delivery of air traffic control (ATC) modernization and improvements in aviation system capacity; (3) safe and efficient integration of unmanned aircraft systems into the national airspace; and (4) the health of the Trust Fund.

The FAA budget is broken into four accounts: Operations; Facilities & Equipment; Research, Engineering, and Development; and money for grants for the Airport Improvement Program (AIP). The 2018 Reauthorization authorized \$18.462 billion in overall funding for the FAA in FY2022, including \$11.269 billion for Operations; \$3.624 billion for Facilities & Equipment; \$209 million for Research, Engineering and Development; and \$3.35 billion for the AIP. Recognizing the importance of the airport system in the United States, The 2018 Reauthorization authorized an additional \$1.087 billion in supplemental discretionary AIP funds for FY 2022, following the \$1 billion that had been appropriated in the Consolidated Appropriations Act, 2018 (P.L. 115-141). The Committee recommends the Senate budget resolution for FY 2022 at least match the funding levels present in P.L. 115-254 for these FAA accounts. The Committee recognizes that the President's Budget Request for FY 2022 is an increase of nearly \$500 million over fiscal year 2021 enacted levels. However, the total level for the FAA in the President's Budget Request is close to the authorized levels in the FAA Reauthorization Act of 2018. Therefore, the Committee believes the congressionally authorized levels would provide the FAA adequate funding. The Committee notes that AIP funding levels below \$3.2 billion would threaten formula funding for small and general aviation airports.

The 2018 Reauthorization builds upon past legislative and regulatory action regarding Unmanned Aircraft Systems (UAS) operations in the National Airspace System (NAS). The law addressed a number of UAS safety issues, criminalized reckless UAS behavior around manned

aircraft, runways and wildfires, and boosted enforcement, while creating new opportunities for testing and promoting innovative uses. Additionally, recognizing the continuing efforts to integrate UAS safely and efficiently into the NAS, the 2018 Reauthorization promoted advancement of low-altitude UAS traffic management services and directed the FAA to establish a process to accept consensus safety standards for small UAS. The Committee recommends that the FAA continue to be allocated the resources needed to efficiently create the framework necessary to allow for safe, integrated UAS operations in the NAS.

The FAA is responsible for certifying that all aircraft and aircraft components that are manufactured and operated within the United States meet specific operational and safety requirements. The efficacy of the FAA's certification processes and oversight of manufacturers was recently questioned in the wake of two fatal crashes involving Boeing 737 MAX aircraft. As a result, Congress passed the Aircraft Certification, Safety, and Accountability Act (P.L. 116-260), which reformed and strengthened the FAA's aircraft certification process. The Committee recommends that the FAA receive the resources necessary to carry out the safety reforms contained in this Act.

NextGen is a multibillion-dollar transportation infrastructure project aimed at modernizing our nation's aging ATC system by improving safety and expanding national airspace system capacity to meet future demand. As part of the 2018 Reauthorization, the Committee included provisions designed to improve delivery of NextGen benefits, including requirements for the FAA to assess how each NextGen program contributes to a safer and more efficient air traffic control system and each program's current implementation status. While many aspects of NextGen have been over budget, behind schedule, and falling short of promised benefits, the Committee supports continued funding of NextGen to ensure that past investments are not squandered and more benefits can be realized going forward.

Federal Motor Carrier Safety Administration (FMCSA)

The President's FY 2022 budget request provides \$675.8 million for FMCSA, which is a decrease of \$72.2 million from FY 2021 enacted levels. This amount includes \$288 million for the Motor Carrier Safety and Operations Programs and \$387.8 million for the Motor Carrier Safety Grants. The Committee expects FMCSA to continue to improve safety through the reduction of crashes, injuries, and fatalities involving large trucks and buses. The Committee supports FMCSA's efforts to strengthen stakeholder outreach through public interactions and partnering with commercial motor vehicle industry leaders to help foster the adoption of advanced driver assistance technologies that will help further their mission. The Committee also supports FMCSA's efforts to identify bad actors and prevent commercial drivers from operating under the influence of drugs and alcohol in order to improve highway safety, save lives, and reduce crashes involving large trucks and buses. The Committee expects FMCSA to consider appropriate regulatory relief, so regulations are better adapted to commercial driver's unique situations.

Federal Railroad Administration (FRA)

The Committee supports robust funding for the rail infrastructure grant programs authorized by the FAST Act, particularly those that improve railroad infrastructure in rural areas, provide for improvements to and restoration of intercity passenger rail service, and improve safe freight movement. The Committee strongly supports funding for the Consolidated Rail Infrastructure and Safety Improvements (CRISI) program, an innovative freight and passenger rail grant program that is based on benefit-cost principles. The CRISI program has the greatest potential to make needed rail infrastructure improvements in geographically-diverse areas of the country. The Committee also supports funding for the Restoration and Enhancement Grants Program, an important passenger rail grant program that provides operating assistance for the safe initiation or restoration of intercity passenger rail service. Additionally, the Committee supports funding for Amtrak and intercity passenger rail service, however the FY 2022 budget request would shift the historical balance between North East Corridor (NEC) grants and National Network grants by nearly doubling the FY 2021 enacted levels for NEC.

The Committee continues to monitor the impact of the COVID-19 pandemic on the freight and passenger rail industry, including Amtrak's use of the funding provided by the CARES Act.

Maritime Administration (MARAD)

On January 1, 2021, the National Defense Authorization Act for Fiscal Year 2021 (P.L.116- 283) was passed in a veto override vote in the Senate, after previously passing in the House, and became law. This Act includes a reauthorization of the Maritime Administration for FY 2021. Over the next few months, the Commerce Committee will conduct oversight on implementation of P.L. 116- 283 by the Maritime Administration. The Committee believes it is vital to national security that the United States maintain its maritime capacity, including adequate mariner numbers to crew vessels for military sealift mobilizations and shipbuilding facilities to build U.S. vessels. Recognizing the importance of U.S. shipbuilding to maintain a U.S. flag fleet, the Committee recommends the Senate budget resolution for FY 2022 at least match funding levels for MARAD's small shipyard grants program and the Title XI guaranteed loan program present in P.L.116-283. The Committee notes that the President's Budget proposal for FY 2022 would provide \$60 million for the tanker security program authorized by P.L. 116-283.

The Consolidated Appropriations Act, 2021 (P.L. 116-260) provided approximately \$230 million for ports infrastructure development, which is a vital economic need. The FY 2022 budget request includes \$230 million for the port infrastructure development program. The Committee recommends that the Senate budget resolution include \$750 million for FY 2022, which is consistent with the FY 2021 authorized funding levels for the port infrastructure development program included in the National Defense Authorization Act for Fiscal Year 2021 (P.L.116-283). This would help meet the need for reliable and modern ports.

Recognizing the importance of maintaining a strong U.S. Flag fleet with adequate mariner numbers to meet national security needs, the Committee recommends the Senate budget resolution for FY 2022 at least match funding levels for MARAD present in P.L 116-283, including funding for mariner education and MARAD Operations such as port development and surge sealift needs. The Committee also recommends robust funding for the U.S. Merchant

Marine Academy Capitol Asset Management Program to improve educational facilities and support national security needs. The President's budget includes \$5.5 million for facilities and repair needs at the U.S. Merchant Marine Academy, which is inadequate to address a more than \$40 million backlog in repairs or the need to modernize the 1940s era facilities. The Committee recommends at least \$23 million be allocated for the planning of campus modernization.

National Highway Traffic Safety Administration (NHTSA)

The President's FY 2022 budget request for NHTSA is \$1,023.9 million, representing an increase of \$34.4 million from FY 2021 enacted levels.

The President's proposal includes \$245.6 million for vehicle safety operations and research from the General Fund under Title 49, United States Code, an increase of \$51.6 million over FY 2021 enacted levels. With over 42,000 lives lost on our nation's roads in 2020, the Committee encourages DOT to treat highway safety as a high priority.

The Committee supports the increased focus on activities to support the safe development and deployment of automated vehicle technologies, including advance driver assistance systems and automated driving systems. NHTSA should work in partnership with industry, states and localities, transportation users, and other stakeholders on these issues so as not to impair innovation and competitiveness.

The President's budget includes \$623 million for highway traffic safety grants and \$155.3 million for highway traffic safety research. The Committee encourages DOT to use the highway safety programs to better target existing and emerging safety challenges. The Committee would support greater attention and dedicated funding to increase awareness to prevent vehicular heatstroke deaths of unattended child passengers in hot cars, such as the "Where's Baby: Look Before you Lock" campaign. In addition, the Committee would support attention and dedicated funding for highway safety research to identify and combat drug-impaired driving. The Committee would also support providing greater flexibility to the states to target specific safety challenges, as well as alleviating state administrative burdens where appropriate.

Pipeline and Hazardous Materials Safety Administration (PHMSA)

The President's FY 2022 budget request for the Pipeline and Hazardous Materials Safety Administration (PHMSA) is \$310.1 million, representing a decrease of \$22.1 million from FY 2021 enacted levels. The President's budget includes \$29.1 million for operational expenses, \$155 million for pipeline safety from the General Fund, and \$69.0 million for hazardous materials safety from the General Fund.

In December 2020, the PIPES Act became law as part of the Consolidated Appropriations Act, 2021 (P.L. 116-260). The PIPES Act reauthorized PHMSA's pipeline safety program, which had expired at the end of FY 2019. The reauthorization provides PHMSA with additional resources for effective oversight of pipelines, natural gas storage, and liquefied natural gas (LNG) facilities. The Committee also supports continued collaboration with stakeholders to facilitate innovation, and thereby provide for, safer pipelines and LNG facilities. As the industry

moves toward exporting significantly greater volumes of LNG, the Committee is interested in ensuring that PHMSA has sufficient resources to train staff on regulatory oversight of LNG facilities and changes in the industry.

The Committee also supports PHMSA's hazardous materials safety program, which was authorized in the Fixing America's Surface Transportation (FAST) Act (P.L. No. 114-94), and the Committee would support reauthorization of the hazardous materials safety program in surface transportation reauthorization.

Department of Homeland Security (DHS)

Coast Guard

The Fiscal Year (FY) 2022 President's Budget requests \$13.11 billion to fund the Coast Guard, including \$10.91 billion in discretionary funding. As a branch of the U.S. Armed Forces, a law enforcement organization, a regulatory agency, a member of the U.S. Intelligence Community, and a first responder, the Coast Guard is uniquely poised to meet the National Security needs of a changing global strategic environment. The FY 2022 request focuses on critical investments in people, assets, infrastructure, and technology to address the Coast Guard's readiness challenges. The budget also supports the service's highest priority acquisitions – the Polar Security Cutter (PSC) and the Offshore Patrol Cutter (OPC) – and continues recapitalization efforts for capital assets and infrastructure. The Committee fully supports providing the men and women serving in the Coast Guard with operational assets, secure infrastructure, and the support tools they need to do their jobs and care for their families. The Committee recommends an increase in the FY 2022 Coast Guard budget to provide a minimum of \$2 billion in acquisition funding and no less than a five percent annual growth in its operations and support budget.

The Committee supports fully funding the Coast Guard to enable its critical role in addressing emerging national priorities in the homeland and across the globe. While the Coast Guard must continue to recapitalize its aging fleet of cutters and aircraft, it must also improve critical infrastructure, and make significant investments in its workforce to continue to carry out its statutory missions for the American people. The Committee recommends robust funding levels for the Coast Guard's Operations & Support (O&S) and Procurement, Construction, & Improvements (PC&I) accounts, consistent with FY 2021 appropriated levels. The Committee also recommends that the Senate budget resolution include military pay and allowances consistent with the FY 2021 National Defense Authorization Act, as well as civilian benefits and retirement contributions.

The Coast Guard's Offshore Patrol Cutter (OPC) acquisition remains a priority for the Committee. FY 2022 funding would support construction of the fourth OPC and long lead-time material for a fifth OPC. The first OPC is expected to be delivered to the Coast Guard in the third quarter of FY 2022. In 2019, the Department of Homeland Security awarded extraordinary contract relief to defray ship construction and labor costs associated with Hurricane Michael damage. Concurrently, the Coast Guard is re-competing the contract for the remaining OPC program of records (hulls 5-25) in order to facilitate timely delivery of the ships. Completion of

the OPC acquisition is critical to the Coast Guard's continued ability to address complex maritime challenges and build capacity to counter maritime threats. Ultimately, the OPC will represent nearly seventy percent of the Coast Guard's offshore fleet and bridge the gap between the highly successful National Security Cutter (NSC) and Fast Response Cutter (FRC) acquisition programs. Working together, these three classes of vessels (OPC, NSC, and FRC) will ensure the nation's ability to control the maritime environment well into the future.

The Committee is pleased to note that in the last year, the Coast Guard deployed its flagship NSCs to the Indo-Pacific Theater and the Mediterranean and Black Seas to support Department of Defense objectives and to build partner-nation capacity in the region. Other operations included illegal, unreported, and unregulated fisheries enforcement off the coast of South America and freedom of navigation operations in the Straits of Taiwan. The Committee recommends sufficient funding to complete procurement of the 12th NSC, ensuring that the now-retired Hamilton-class cutters are replaced on a one-for-one basis.

United States security demands in the Polar Regions are both pressing and enduring, accelerating the need for the next generation heavy polar icebreaking fleet. The Committee sees this as a top priority and is pleased that the FY 2022 request continues funding for the Polar Security Cutters, including Long Lead Time Materials (LLTM) for the third PSC. In the Committee's view, a robust PSC fleet of six polar icebreakers is critical to ensuring American power projection at a time when global interest in the Polar Regions is on the rise. Additionally, the Committee supports fully funding the service life extension program (SLEP) to maintain the 45-year old Coast Guard Cutter POLAR STAR, the nation's sole heavy polar icebreaker.

In addition to ship recapitalization, the Committee supports funding to enable sustainment and fleet expansion for MH-60T helicopters, service life extension and modernization upgrades to H-65 helicopters, and support for the missionization of the fixed-wing HC-27J aircraft.

Additionally, the Committee supports increasing funding to the PC&I account to provide for shore-side infrastructure improvements, including those required to support new acquisitions of boats, cutters, and air assets. Commandant Admiral Karl Schultz has testified that due to years of flat-line budgets forcing tradeoffs, the facilities that men and women deploy from and return to are crumbling around them. The Committee acknowledges that every mission begins and ends at a Coast Guard facility and would like to draw attention to a 2019 GAO study highlighting that approximately 45 percent of the Coast Guard's shore infrastructure is beyond its service life, to include many buildings over fifty years old. The Committee believes that the Fiscal Year 2022 appropriations legislation is an opportunity to begin adequately addressing the \$2.6 billion shore-side infrastructure backlog that plagues the Coast Guard.

The Committee feels it is important to address the ongoing COVID-19-related impacts to recruitment, retention, and training, including providing funds for the necessary recruiting and retention incentives. Further, the Committee supports the full funding of the Coast Guard's Diversity and Inclusion programs. Additionally, the Committee supports the Coast Guard engaging in strategic partnerships to increase the diversity of the enlisted ranks, including by establishing partnerships with JROTCs and Minority Servicing Institutions.

Finally, the Committee urges increasing funding for critical Command and Control, Communications, Computers, Cyber and Intelligence (C5I) recapitalization. Repeated investment tradeoffs have brought Coast Guard information technology (IT) to the brink of catastrophic failure. In the summer of 2019, over 95 vital systems went offline for several days due to a single server malfunction, affecting the service's ability to save U.S. citizens, thwart criminals, and defend the nation. The service has a plan to increase its internet speed, replace all of its IT equipment on a standard cycle, and catch up with deferred maintenance; however, the FY 2022 President's Budget does not adequately address a \$300 million-per-year IT budget shortfall.

Transportation Security Administration (TSA)

The Fiscal Year (FY) 2022 Presidential Budget Request includes an \$8.9 billion request for the Transportation Security Administration (TSA). The requested funding level represents an increase of \$427.7 million over FY 2021 enacted levels. The FY 2022 request focuses on implementing TSA's strategy to improve security and safeguard the transportation system. The FY 2022 request builds upon previously funded priorities by requesting funds for rent, screening equipment maintenance, and Transportation Security Officer (TSO) recruitment and hiring. The FY 2022 request includes funding for 55,169 Full Time Equivalent (FTE) positions. The Committee is concerned the requested increase in funding is based on pre-pandemic assumptions of transportation activity/costs and does not accurately capture the current and post-pandemic financial needs of the agency.

The TSA Modernization Act of 2018, the agency's first comprehensive reauthorization since inception, was enacted in October 2018. The TSA Modernization Act authorized funding for FYs 2019, 2020, and 2021; enhanced organizational structures, operations, and processes; and established a five-year term for the Administrator – a critically important factor for ensuring organizational stability and setting and achieving longer-term agency goals. The Committee has been monitoring TSA's implementation of TSA Modernization Act provisions and is encouraged that TSA has completed more than 80 percent of the Act's requirements with deadlines.

The Committee is pleased that the FY 2022 budget request allocates \$ 104.5 million for the procurement and deployment of Checkpoint Property Screening Systems, particularly computed tomography (CT) technology. CT represents a significant property screening technology. However, the Committee is concerned about potential increased passenger wait times and staffing needs at checkpoints due to CT deployment. The Committee recommends that TSA should consider options to optimize checkpoint flow and nationwide CT deployment without a net increase in checkpoint staffing.

Health, safety, and trust are paramount in the post-pandemic era of transportation. Reducing the number of physical touchpoints throughout the travel experience both reduces the spread of infectious diseases and enables a more efficient travel experience. Enhanced and expanded use of available technology is essential to reducing touchpoints and preventing future communicable disease spread. Much of the technology necessary to achieve a contactless travel process is

available and could be put to greater use today, including Credential Authentication Technology (CAT).

The Committee is encouraged by TSA's continued deployment of CAT units, which represent significant technological enhancements from the equipment currently used for identity verification. Additionally, the Committee is encouraged the request includes \$4 million for the 100 CAT-2 units. CAT-2 units utilize a matching algorithm that scans the traveler's photo on their identity document and takes a real time photo of the traveler to verify the traveler's identity, providing significantly better resolution than the manual method. Unfortunately, the Committee is concerned this request differs from previous responses to oversight activities. On April 20, 2021, TSA told the Committee the agency did not intend to request an increase in Full Operational Capability for CAT above 2,121 units.¹ However, the FY 2022 request plans for the acquisition of 2,521 CATs. The FY 2022 request does not explain this change.

Additionally, TSA told the Committee, the CAT program will begin "re-baselining" in the Fourth Quarter of FY 2021 to include CAT-2 requirements which TSA intends to compete in FY 2022.² The FY 2022 request suggests funding will be used to acquire equipment instead of beginning the competition process for solutions that provide enhanced passenger identification capabilities comparable to those of the CAT-2. The Committee encourages TSA to use a full and open acquisition process that provides opportunities for the entirety of the security industrial base to compete for enhanced passenger identification awards. Such an approach guarantees TSA will receive the most innovative and cost effective technological solutions moving forward.

The Committee is concerned by TSA's lack of comprehensive planning to integrate the Registered Traveler (RT) program with CAT implementation. The RT program is a public-private partnership authorized in the Aviation and Transportation Security Act (ATSA) to drive security innovations and improve air traveler experience. TSA launched the first pilot RT program in 2005 and has overseen various iterations of this program for the last 15 years. The Committee supported the continued development of the RT program in 2007 with the authorization for RT participants to present biometrically secure cards in lieu of government-issued photo IDs at airport security checkpoints (Public Law 110-161), and in 2015 with the creation of heightened standards for safeguarding personal information (Public Law 114-4). The Committee believes the continued rollout of CAT units to checkpoints will improve TSA's ability to detect fraudulent documents and screen passengers based on assessed risk. However, the Committee encourages TSA to avoid any disruptions to the RT program that may be caused by the deployment of CAT.

The Committee is pleased that the FY 2022 budget request funds the Visible Intermodal Prevention and Response (VIPR) teams. The Committee stresses the importance of the added security that VIPR teams, especially when using explosive detection canines, provide to all modes of transportation. The Committee also emphasizes the significance of procuring and using explosive detection canine teams. However, a limited supply of canines, a lengthy training

¹ TSA responses to U.S. Senate Committee on Commerce, Science, and Transportation Minority Staff question. April 20, 2021.

² Ibid

process, and a limited number of training locations inhibit TSA's ability to procure and deploy canines. The TSA Modernization Act requires TSA to develop standards that allow for the use of third party explosives detection canines for the screening of passengers, property, and air cargo in order to increase the supply and deployment of canines at airports.

The Committee supports the FY 2022 request funding for TSA's Law Enforcement Officer (LEO) reimbursement program. Congress has repeatedly rejected previous attempts to terminate funding for this program and, last year, provided \$46.3 million for LEO reimbursements. Airport operators are required by statute to have a law enforcement presence at or near security checkpoints to respond to threats that may be discovered during the TSA screening process because TSA's frontline personnel do not have the authority to detain individuals or make arrests. Currently, 300 airports have agreements with TSA that partially reimburse airports for LEOs who respond to possible threats discovered during the TSA screening process.

To mitigate the damage caused by the COVID-19 crisis, President Trump signed into law the CARES Act on March 27, 2020. Under the Act, the Department of Homeland Security (DHS) extended the REAL ID enforcement deadline to October 1, 2021. This delays the deadline by one year from the previous deadline. On April 27, 2021, Secretary of Homeland Security Alejandro Mayorkas announced that DHS would be extending the REAL ID full enforcement date by 19 months, from October 1, 2021, to May 3, 2023, due to circumstances resulting from the ongoing COVID-19 pandemic. The pandemic has significantly impacted states' ability to issue REAL ID-compliant driver's licenses and identification cards, with many driver's licensing agencies still operating at limited capacity.

The FY 2021 omnibus appropriations bill included the REAL ID Modernization Act. The Act modernizes REAL ID requirements originally set more than 15 years ago. The law requires the DHS to issue implementing regulations, as necessary, and authorizes states to do the following:

- accept the identity and lawful status information from individuals using electronic transmission methods; and
- reuse existing photographs, under certain conditions, taken by states and used to issue an applicant's current driver's license or identification card and stored as part of their official state record.

The Committee encourages TSA to engage with the stakeholder community to help facilitate widespread adoption of REAL ID compliance. Additionally, the Committee encourages DHS to quickly issue REAL ID Modernization Act implementing regulations so states may take advantage of the law's new flexibilities.

In addition to the aviation mode, surface security remains a priority for TSA and the Committee. The open venue and public spaces that characterize our surface transportation hubs will continue to be targets for terrorist organizations. Funding for canine teams, automated explosive detectors, and other emerging technologies are essential to combatting those with ill intent and to protect the travelling public.

Department of Commerce***National Institute of Standards and Technology (NIST)***

The President's Budget Request for FY 2022 includes top-line funding for NIST at \$1.5 billion, an increase of \$462 million (or 45% increase) above the FY 2021 enacted level.

The request for NIST's Scientific and Technical Research Services account is \$915.6 million, an increase of \$127 million (or 16%) over the FY 2021 enacted level. The Committee strongly supports the agency's work on cybersecurity, artificial intelligence, and quantum science consistent with congressional direction. In the 2021 National Defense Authorization Act, Congress directed a number of cybersecurity workforce and grant challenges and artificial intelligence initiatives at NIST (P.L. 16-283, Subtitle A of Title XCIX and Division E). The request does not provide funding to implement any of the congressional requirements on cybersecurity. The Committee is deeply disappointed that the request does not provide funding to implement these congressional priorities, especially considering the request includes substantial increases across the board at the agency. The Committee expects that the agency will fully and swiftly implement all congressional direction, including those included in NDAA.

A substantial portion of the increase in the top line for NIST stems from the Industrial Technology Services. The Industrial Technology Services request is \$441.6 million, an increase of \$275 million above the FY 2021 enacted level. The Committee supports funding for the NIST Manufacturing Extension Partnership Program and Manufacturing USA at levels authorized in the Senate-passed S. 1260, the United States Innovation and Competition Act. According to NIST, for every dollar of federal investment, the MEP network generates \$33.80 in new sales growth for manufacturers.

The Committee also supports robust funding for grants to establish and operate centers of excellence for graphene research, innovation, and entrepreneurship. A center of excellence would bridge the gap between university-based science and commercial-based innovations and applications.

National Oceanic and Atmospheric Administration (NOAA)

The Committee expects NOAA to continue to focus on their core missions. The Committee expects NOAA to focus budgetary resources on implementation of recently enacted legislation, including Modernizing Recreational Fisheries Management Act of 2018 (P.L. 115-264), the CENOTE Act of 2018 (P.L. 115-394), and National Integrated Drought Information System Reauthorization Act of 2018 (P.L. 115-423), National Sea Grant College Program Amendments Act of 2020 (P.L. 116-221), and Coordinated Ocean Observations and Research Act of 2020 (P.L. 116-271). The Committee supports funding at levels no lower than the authorizations of appropriations in those bills.

With respect to CENOTE, the Committee supports robust funding for the acquisition of advanced deepwater Unmanned Maritime Systems (UMS) at the agency. These systems represent a cost-effective way for the agency to dramatically increase its number of oceans

observations. By partnering with research academic institutions and other federal agencies, especially the Department of Defense, NOAA could effectively develop deepwater UMS capacity for vital ocean exploration and discovery missions. The Committee notes that the President's budget includes an increase of \$4 million for uncrewed systems.

The Committee expects that NOAA will continue to implement the Consumer Option for an Alternative System to Allocate Losses (COASTAL) Act and supports funding at no less than FY 2021 enacted levels. The COASTAL Act, as updated by the Coordinated Ocean Observations and Research Act of 2020, requires NOAA to produce detailed post-storm assessments in the aftermath of a damaging hurricane. The Federal Emergency Management Agency (FEMA) will use those assessments to evaluate structural damage. This will improve the accuracy of post-storm assessments which are key to providing fair compensation to homeowners. The President's budget includes a decrease of \$3.7 million, which would delay COASTAL Act implementation and make it more difficult for storm-damaged areas to assess hurricane loss.

Fisheries

The Committee supports funding recreational fisheries data collection, surveys, and assessments at levels no less than FY 2021 levels. NOAA cannot fairly manage recreationally important species if the agency is not allocating resources to assess these stocks. Further, the Committee supports funding for the Fishery Management Councils at levels no less than FY 2021. Congress also expects NOAA to improve its management of our recreational fisheries by fully implementing the Modern Fish Act, including by funding National Academy of Science studies required by the Act. Further the Committee expects NOAA to use the best available science in managing its fisheries, such as Mississippi's Scales n' Tales survey and the results from the Great Red Snapper Count.

The Committee also supports robust funding for the implementation of the Seafood Import Monitoring Program (SIMP). With the inclusion of shrimp and abalone in the SIMP program, NOAA can now use this as a tool to ensure such imports are safe for consumption. As shrimp represent 65 percent of U.S. seafood imports, there may be an increase in resources required to monitor our imports. The Committee encourages funding to be appropriated for outstanding and future needs for fishery resource disasters.

Advancing the domestic aquaculture industry would create jobs, improve food security and safety, and benefit coastal communities. The National Marine Fisheries Service must continue its work to promote offshore aquaculture. Additionally, the Committee supports adequate funding for aquaculture research, including on oyster genetics.

National Ocean Service (NOS)

NOS is responsible for the mapping, protection, and restoration of our nation's oceans. The Committee supports the work NOS does to support the Blue Economy and further supports funding at no less than FY 2021 appropriated values for the following programs within NOS: the National Estuarine Research Reserve System (NERRS), the Integrated Oceans Observing

System (IOOS), the Geospatial Modeling Grants Program, and the Joint Ocean and Coastal Mapping Centers. NERRS is a network of 29 estuaries managed as reserves to encourage long-term research, education, and coastal stewardship. For example, Grand Bay NERR in Mississippi protects 18,000 acres of coastal marshlands and supports recreation, fish nurseries, wildlife observing, and science education.

Both the Joint Ocean and Coastal Mapping Centers and the Geospatial Modeling Grants Program improve our understanding of the U.S. domain. Ensuring safe and efficient maritime operations while advancing our understanding of the marine environment represents a wise investment in America's future.

IOOS provides the Gulf Coast region with continuous and uninterrupted coastal data which is essential for monitoring environmental conditions, predicting severe weather occurrences, and ensuring that coastal communities remain prepared and protected. The Committee also supports robust funding to allow IOOS to acquire autonomous buoyancy gliders. The return on investment from gliders is high due to the ability to conduct long missions at a reduced cost-per-day for operational and maintenance costs compared to large ocean research vessels.

Office of Atmospheric and Oceanic Research (OAR)

OAR provides the research necessary for the continual improvement of NOAA's products and services. The Committee supports robust funding for OAR's Office of Weather and Air Quality (OWAQ) as it is conducting research essential to improving weather forecast information and products. Additionally, the Committee supports funding at no less than FY 2021 enacted levels for the National Sea Grant Program and the National Sea Grant Program Law Center. Sea Grants are the last-mile for NOAA. They connect NOAA's scientists and resources to stakeholders in all coastal states and support industry, education, and the environment. The Committee is also fully supportive of the program's Sea Grant fellowship. Additionally, the Committee supports the Marine Aquaculture Program that grants funding through the National Sea Grant College Program for research and industry support.

The Committee also supports NOAA's participation in and funding of the National Oceanographic Partnership Program (NOPP) and the implementation of the elevation of the NOPP enacted in the National Defense Authorization Act for Fiscal Year 2021 (P.L. 116- 283). The NOPP provides a nimble mechanism for intragovernmental coordination and governmental collaboration with external stakeholders.

National Telecommunications and Information Administration (NTIA)

NTIA is the Executive Branch agency that is principally responsible for advising the President on telecommunications and information policy issues. Congress appropriated \$45.5 million to NTIA for FY 2021. The Department of Commerce's FY 2022 budget request for NTIA totals \$89.5 million. The agency requests additional money for a Federal Advanced Communications Test Site to help facilitate spectrum-sharing arrangements, for broadband programs, and to help implement domestic and international policies. During this Congress, the Committee may

examine reauthorizing NTIA and will consider funding as part of its continuing oversight of the agency.

NTIA's management of federal spectrum is of particular interest to the Committee as the United States competes to win the race to 5G. A 2012 GAO report (GAO-12-342SP) on duplicative government activities concluded that spectrum management is fragmented between NTIA and the FCC in a way "that could impact the nation's ability to meet the growing demand for spectrum." Indeed, slow progress in repurposing spectrum inefficiently used by the Federal government, as well as the increasing number of interference disputes arising between Federal and non-Federal, commercial users, may be due, in part, to the division between the NTIA's management of Federal spectrum use and the FCC's management of commercial, State, and local spectrum use. GAO pointed in particular "to a lack of transparency in their joint planning efforts"; a dearth of coordination in some circumstances; the NTIA's reliance "heavily on Federal agencies to self-evaluate and determine their current and future spectrum needs, with limited oversight or emphasis on holistic spectrum management to ensure that spectrum is being used efficiently across the federal government"; and the fact that agencies do not pay for the spectrum they receive and do not have sufficient incentives to use spectrum more efficiently.

Additionally, last year, Congress enacted the Spectrum IT Modernization Act as part of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021. This law requires NTIA to outline a plan for modernizing the information technology infrastructure used for the management of federal spectrum, in order to produce more efficient and effective spectrum management. Additionally, NTIA is tasked with coordinating a similar effort within each of the Federal agencies that use spectrum. The Committee will continue to examine NTIA's role in spectrum management, with a focus on encouraging Federal entities to become more efficient in their use of spectrum, and improving the agency's coordination with the FCC.

NTIA's role in closing the digital divide is also of interest to the Committee. The Consolidated Appropriations Act, 2021, provided NTIA with significant one-time funding for broadband deployment. First, it created a \$1 billion grant program to support broadband connectivity on Tribal lands throughout the country. The grants are directed to Tribal governments, to be used not only for broadband deployment on Tribal lands, but also telehealth, distance learning, broadband affordability, and digital inclusion. Next, the Act created a \$300 million broadband deployment grant program to support broadband infrastructure deployment to areas lacking broadband, especially rural areas. The grants would go to qualifying partnerships between state and local governments and fixed broadband providers. The law directs NTIA to prioritize networks that would reach the most unserved consumers. The Committee will closely monitor these new programs to ensure that NTIA implements them in accordance with Congressional intent and does not duplicate or overbuild existing broadband investments.

The Consolidated Appropriations Act, 2021, also included the Connecting Minority Communities Act. This law created the Office of Minority Broadband Initiatives at NTIA, codifying the already-existing Minority Broadband Initiative. It also created a \$285 million grant program to improve broadband access at historically Black colleges and universities, Tribal colleges and universities, and minority-serving education institutions, and their surrounding

communities. The Committee will closely monitor this Office's activities and the grant program to ensure their effectiveness.

Broadband mapping is a key tool in bridging the digital divide. The Consolidated Appropriations Act, 2018, appropriated NTIA \$7.5 million to update the national broadband availability map in coordination with the Federal Communications Commission and by using partnerships previously developed with the States. NTIA released a pilot version of this map for policymakers in October 2019 and continues to work with states to develop new partnerships. Although the Broadband DATA Act (P.L. 116-130) places primary responsibility for broadband mapping at the Federal Communications Commission, it preserves a role for NTIA to assist in that process and requires the FCC to share data it collects with NTIA. The Committee will review NTIA's initiatives with respect to broadband mapping to limit inefficiencies and redundancies between NTIA and the FCC.

Finally, FirstNet, established in the Middle Class Tax Relief and Job Creation Act of 2012 (P.L. 112-96) as an independent authority within NTIA, is a key priority for the Committee. Congress established FirstNet to create a reliable, secure, and interoperable nationwide public safety broadband network (NPSBN). On March 30, 2017, AT&T was awarded the contract to build, operate, and maintain the FirstNet network. A June 2017 GAO report (GAO-17-569) found that FirstNet had conducted meaningful efforts to establish the network and had consulted with state and local, federal, and tribal stakeholders regarding network planning and future deployment. Although state officials generally expressed satisfaction with FirstNet's outreach efforts, GAO found that stakeholders remain concerned FirstNet will face challenges with respect to: providing coverage to rural areas, in buildings, or underground; ensuring the network's overall resiliency and cybersecurity; and managing frameworks for user identity, credentialing users, access management, and user prioritization on the network. GAO issued another report in January 2020 (GAO-20-346) finding that FirstNet has shared little to no information about its contract oversight with state officials and other stakeholders. The Committee continues to monitor and track the progress of the NPSBN to ensure it is deployed in an efficient manner.

International Trade Administration (ITA)

National Travel and Tourism Office (NTTO)

For Fiscal Year (FY) 2022, the International Trade Administration (ITA) proposes a budget of \$559.3 million to support its mission. The FY 2022 Presidential Budget Request includes a \$68.9 million request for the Industry and Analysis (I&A) mission, which includes the National Travel and Tourism Office (NTTO). I&A's National Travel and Tourism Office works closely with the Travel and Tourism Advisory Board to establish guidelines and recommendations to aid the industry recover from the COVID-19 crisis. I&A is requesting an additional \$3.1 million to an existing program, the Survey of International Air Travelers Program. This would add to the program's \$4.8 million for a total of \$7.9 million and 2 positions.

Survey of International Air Travelers Program (SIAT) has been conducted monthly since 1983. The SIAT provides statistical data on visitation patterns and traveler characteristics of international air passenger markets (overseas, Mexico air, and Canada air), which is used to facilitate and guide planning (market selection and justification, marketing and promotion, media

outreach, partner developments, policy developments and related items) in both the public and private sectors. An expansion in the SIAT survey data will provide more in-depth and robust data due to the increased frequencies of responses to visitation and traveler characteristic questions.

In addition, ITA expects to see recovery first in non-traditional, non-urban markets not usually covered by the SIAT. Without the additional funds, ITA will not be able to measure recovery from COVID-19 in those markets as a bell-weather to overall recovery and would not be able to assist smaller states and destinations with market intelligence. SIAT will provide the data necessary to design economic programs to help the Travel and Tourism industry recover from the COVID-19 pandemic.

The Committee is satisfied that the FY 2022 budget request allocates the additional \$3.1 million and adds two supplementary positions for the SIAT Program. Additionally, the Committee is encouraged the request includes mention of the Travel and Tourism Advisory Board efforts to ease the impact of the COVID-19 pandemic.

U.S. Commercial Service/Global Markets (GM)

Global Markets (GM), also known as the U.S. Commercial Service, creates jobs in the United States and strengthens U.S. economic and national security by promoting U.S. exports, attracting inward investment, and ensuring market access and a level playing field in international trade for U.S. companies and industries. For Fiscal Year (FY) 2022, U.S. Commercial Service/Global Markets proposes a budget of \$351.2 million to support its mission.

The Committee is encouraged that in FY2020-FY2023, ITA will continue a phased rollout of its new web presence to build on ITA's successful implementation of a world-class customer relationship management system. This effort will enable GM to reach and support more U.S. exporters into the future. The Committee is pleased to note that over the past three years (FY 2018-FY2020), GM's global network of trade and investment experts facilitated \$350 billion in U.S. exports and inward investment and supported over 1.6 million American jobs. Under Global Markets, ITA is expected to facilitate \$118 billion in U.S. exports and inward investment supporting over 500,000 American jobs between FY2022-FY2026.

Independent Agencies

Consumer Product Safety Commission (CPSC or Commission)

The CPSC is now operating with two Republicans and two Democrats following the Republican Acting Chairman's resignation in October 2019. Currently, a Democrat is serving as the Acting Chairman of the Commission. The Committee expects the CPSC to focus resources on its core mission of consumer safety, while looking for opportunities to enhance compliance by the stakeholder community and minimize duplication of efforts with other agencies, particularly as new and emerging consumer products and technologies enter the marketplace.

The President's FY 2022 budget request for the CPSC is \$139 million, an increase of \$4 million from FY 2021 enacted levels. The increase in funding would go towards personnel salary and benefits, and non-pay inflation items such as recurring contracts and agreements with hospitals for emergency department data and IT audits. The Committee supports efforts to maintain access to data resources that can help track the safety of consumer products in the marketplace.

For example, as noted in past budget views, the Committee does not interpret the language of Section 2 of Public Law 112-28, directing the Commission to assess “opportunities to reduce the cost of third party testing requirements *consistent with assuring compliance*” as requiring a zero risk tolerance factor. The Committee therefore believes additional burden reduction opportunities may be possible and deserve exploration.

The Committee continues to monitor the CPSC’s restoration of its port surveillance capabilities after the Commission withdrew in-person port inspectors for several months of 2020 in response to the COVID-19 pandemic. The Committee expects the Commission to focus resources on restoring and bolstering its port surveillance activities as well as on analyzing available data to detect noncompliant products that entered the United States market during the period surveillance was curtailed. The Committee also continues to monitor the CPSC’s compliance with Section 6(b) of the Consumer Product Safety Act. The Committee believes that Section 6(b) ensures the disclosure of accurate and fair information relating to the safety of consumer products.

Federal Communications Commission

In 2018, Congress reauthorized the FCC for the first time since 1990. This two-year reauthorization authorized appropriations of \$333,118,000 for FY 2019 and \$339,610,000 for FY 2020. The FCC received appropriations of \$339 million for FY 2020, and \$374 million for FY 2021. The President's FY 2022 budget request for the FCC is \$388,000,000, a 3.7 percent increase from the FY 2021 appropriated level.

Universal Service Fund (USF) and Other Subsidy Programs

USF is a user fee-based support program that subsidizes broadband and telephone services in high-cost areas (typically rural areas), for low-income households, in schools and libraries, at rural health care facilities, and for telehealth services. Carriers pay into the fund to cover its costs and may pass those amounts on to their subscribers. The USF costs and fee assessments are adjusted quarterly. For the second quarter of 2021, the fee, known as the “USF contribution factor,” is set at 33.4 percent of the interstate and international portions of subscribers’ telephone bills.

In 2019, USF disbursed approximately \$8.3 billion, \$5.1 billion of which went to the USF’s High-Cost Program. The schools and libraries program, also known as E-Rate, disbursed approximately \$2.1 billion. The Lifeline or low-income program, designed to subsidize poorer households, costs approximately \$853 million, while the rural healthcare program, which subsidizes tele-health programs and costs, disbursed approximately \$297 million. The High-Cost program is subject to a budget. The E-Rate and rural healthcare programs are subject to

funding caps. For FY 2021, the funding cap for E-Rate is \$4,276,833,965, and the funding cap for rural healthcare is \$612,016,418. The Lifeline program is not capped. The Connected Care Pilot program, established last year, will distribute \$100 million over three years to cover the broadband associated costs of telehealth initiatives to lower health care costs and improve patient outcomes. The Committee will continue its oversight of all USF programs and their funding levels.

The CARES Act provided \$200 million in emergency telehealth funding, which the FCC disbursed to health care providers, in the spring and summer of 2020. The Consolidated Appropriations Act, 2021, provided an additional \$249.95 million, which the FCC will be disbursing through 2021.

The Consolidated Appropriations Act of 2021 established the Emergency Broadband Benefit program. The program is intended to assist those who have experienced financial hardship due to the COVID-19 pandemic afford broadband services, by providing Internet service providers that choose to participate in the program with a \$50 per month (\$75 on Tribal lands) subsidy to offset the cost of service. The program also allows for households to receive \$100 to purchase computers. The Act appropriated \$3.2 billion for the program, and the FCC began taking applications in May 2021.

The American Rescue Plan, 2021 provided an additional \$7.171 billion for the E-Rate program, to allow participating schools to cover the cost of broadband to students' homes for distance learning. Eligible expenses are laptops and tablets, Wi-Fi hotspots, modems and routers, and the construction of new networks to provide service to students' homes. The Commission adopted the Report & Order establishing the new rules and policies on May 10, 2021, and the Committee will continue its oversight of the program.

Additionally, other programs overlap with the USF. The Rural Utilities Service (RUS) at the Department of Agriculture also supports broadband in rural America. Funded through annual appropriations, RUS provides grants, loans and loan guarantees to provide broadband in rural areas. Both the Broadband DATA Act and the Agriculture Improvement Act of 2018 included provisions requiring the FCC and Department of Agriculture to consult with each other before awarding money to a project from USF or RUS. The Consolidated Appropriations Act, 2021, included the Broadband Interagency Coordination Act, which requires the FCC, NTIA, and the USDA to enter into an interagency agreement to coordinate the distribution of federal funds and prevent duplication of federal funds. The Committee will look at additional ways to encourage coordination between these programs, and ensure that funding is carefully managed to protect against overbuilding.

Last year, the Commission held the Phase I auction for the Rural Digital Opportunity Fund, providing over \$9 billion in support over ten years to unserved areas. The Committee will actively monitor this proceeding to ensure that the FCC efficiently disburses funds to those areas lacking broadband service at certain speeds and validates that all winning bidders are able to provide the level of service committed to in the auction.

Broadband Mapping

The Broadband DATA Act requires the FCC to develop new broadband availability maps that will assist the Commission in identifying unserved areas. The law prohibits the Commission from using funds from the universal service programs to cover the costs of developing the new maps. The Consolidated Appropriations Act, 2021 provided \$65 million to the FCC to complete the broadband mapping required by the Broadband DATA Act, and the Committee will continue its oversight of the mapping initiative.

Spectrum

The Committee continues to push the FCC to make spectrum available for commercial use. In the past year, the FCC auctioned 70 MHz in the 3.5 GHz band (3550-3650 MHz), which generated \$4.5 billion in proceeds, and 280 MHz in the C-Band (3.7–3.98 GHz), which had \$81 billion in winning bids. Later this year, pursuant to the Beat CHINA for 5G Act of 2021, enacted as part of the Consolidated Appropriations Act, 2021, the Commission has announced the intention to auction the licenses between 3450-3550 MHz, currently used by the Department of Defense. In addition, the FCC adopted rules to make 1,200 MHz of spectrum in the 6 GHz band available for unlicensed use. The Committee will continue to examine ways to accurately and consistently value spectrum and ensure that the public realizes the benefit of its value.

Network Security

Protecting communications networks from foreign threats remains a priority for the Committee. The Secure and Trusted Communications Networks Act of 2019 created a program within the FCC to assist small and mid-sized communications providers in removing potentially compromised communications equipment from their networks and replacing it with equipment from trusted suppliers. That program requires funding to reimburse providers for the “rip” and “replacement” of suspect components. The Consolidated Appropriations Act, 2021 provided \$1.9 billion to the FCC to carry out the program. The Committee will continue its oversight of this critical program that is of significant importance to the national security of the U.S. and the nation’s global leadership in 5G.

Federal Maritime Commission (FMC)

The Committee supports efforts at the FMC to address the ongoing port congestion issues. The Committee encourage the FMC to facilitate the ongoing conversations between shippers and carriers. Further the Committee has been pleased by the FMC’s ongoing work on addressing unfair detention and demurrage practices.

Federal Trade Commission (FTC)

The President's FY 2022 budget request for the FTC is \$389,800,000 and 1,250 FTEs, which is an overall increase of \$38,800,000 and 110 FTEs compared to the FTC’s FY 2021 enacted appropriation. The budget increase reflects staff expansion and an adjusted hiring strategy. The

Committee will monitor how potential funding and staff increases will impact the FTC's ability to adequately oversee unfair or deceptive acts or practices and other consumer harms in an expanding digital economy.

The Committee recognizes that a central challenge facing the FTC is the task of fulfilling its broad dual mission to promote competition and protect consumers with limited resources. Under new leadership, the Committee expects that the FTC will continue its important work in these core areas. The Committee recognizes that the Commission has expended considerable resources under its previous leadership to investigate and respond to issues arising from the COVID-19 pandemic while also pursuing enforcement activity based on novel, untested theories of harm to competition and consumers.

While it is important that the Commission keep pace with new technologies and an evolving marketplace, the Committee believes that potential cost savings exist in the FTC's re-prioritization of enforcement activity focused on the most egregious threats to competition and consumer welfare. Nonetheless, the Committee is exploring the development of consumer data privacy legislation that may provide additional resources for the Commission to police and enforce against organizations engaging in unfair or deceptive acts or practices regarding data privacy collection and processing.

The Committee also questions whether an increase in Hart-Scott-Rodino (HSR) fees for each merger size and the creation of a new merger fee category for mergers valued over \$1 billion are warranted. Previously proposed budgets have not explained the higher fees or proposed metrics to the Committee's satisfaction. Absent additional justification, it remains the Committee's view that these HSR fee increases could discourage economic growth and job creation without offsetting benefits.

National Aeronautics and Space Administration (NASA)

The Committee recognizes NASA's progress on key missions and programs, particularly in light of the COVID-19 pandemic, but notes significant challenges and gaps in mission planning, procurement strategy, and funding.

The President's Budget Request for FY 2022 includes \$24.8 billion for NASA, a 6.6% percent increase from the \$23.27 billion enacted FY 2021 level. Since last year, NASA has made significant progress on the Artemis Moon-to-Mars exploration effort and constituent programs, including the Space Launch System super-heavy-lift rocket and Orion crew vehicle. The Committee notes that \$6.88 billion in funding is requested in the FY 2022 budget proposal for exploration, a 5% increase above the FY 2021 enacted level. Despite challenges presented by the COVID-19 pandemic and severe weather incidents, the uncrewed Artemis-1 mission remains on track for launch in early FY 2022. The Committee encourages NASA to continue efforts to improve schedule estimation in recognition of the now four-year delay past the original launch target of 2017. The Committee notes that \$1.1 billion in funding is requested for the Artemis Human Landing System (HLS) but is concerned that this amount may not prove sufficient to carry two commercial partnerships for HLS. The Committee is very worried by NASA's recent

failure to maintain competition and dissimilar redundancy within the HLS program, and strongly encourages the agency to re-evaluate its procurement strategy in this regard. Furthermore, the Committee notes an alarming erosion of diversity in the procurement of major mission systems and launch services and encourages NASA to consider the potential for future program and mission risk created by over-reliance on a single commercial partner.

The Committee notes that the FY 2022 budget request contemplates continuing U.S. government funding of the International Space Station (ISS) beyond 2025 and appreciates NASA's commitment to this critical platform. The International Space Station Transition Report, mandated by the NASA Transition Authorization Act of 2017 (P.L. 115-10), stated that the structural integrity of the ISS is expected to last beyond 2028.

The Committee believes that maintaining U.S. human presence and research capabilities in low-Earth orbit (LEO) are important, particularly in recognition of efforts by the People's Republic of China to attract partners for its recently-launched space station. It is critical that the ISS remain operable and fully-funded until alternatives are operational. The Committee notes that \$101.1 million is requested in FY 2022 for commercial LEO development. The NASA Authorization Act of 2021, passed by the Senate on June 8, 2021, as part of the United States Innovation and Competition Act (S. 1260, 117th Congress), would extend authorization of ISS to 2030.

The Committee is pleased that the \$1.77 billion in funding for space transportation in the FY 2022 Budget Request allows NASA to continue work toward certification of both U.S. commercial crew transportation systems. As with other commercial partnerships, maintaining both providers for this program will assure access to ISS and LEO for American and international partner astronauts. The Committee likewise encourages NASA to work to increase future international partner utilization of both crew vehicles. The Committee also commends the initiation of Suborbital Crew activity under the Commercial Crew Program and believes that expanded opportunities for human spaceflight on commercial suborbital vehicles will prove valuable for research, training, and systems development.

The Committee is pleased that the FY 2022 budget request includes \$7.93 billion for science and supports a wide array of missions, including the Nancy Grace Roman Space Telescope (formerly WFIRST). The 2010 U.S. National Research Council Decadal Survey placed a top priority on the development of this telescope, which is currently estimated to be developed on schedule and within budget.

The Committee expects to see a continued growth of innovative new systems and technologies operating within the National Airspace System (NAS). It is critical that NASA's Aeronautics Research Mission Directorate receive the support it needs to research and promote the safe and efficient integration of these new systems operating in the NAS. The Committee is pleased with the proposed \$86 million increase for Aeronautics above the FY 2021 enacted level. The Committee also notes continued focus on research to enable advancements in subsonic transport aircraft technologies.

Overall, the Committee is pleased to see a request that reflects the United States' continued focus on space exploration and the funding required for that effort. The Committee recommends that the Senate budget resolution allocate funding for NASA at a level similar to the requested figure of \$24.8 billion with a priority on fully funding deep space exploration and aeronautics.

National Science Foundation (NSF)

The President's Budget Request for FY 2022 provides \$10.34 billion for NSF, an increase of approximately \$2 billion or 24% above the FY 2021 enacted level. This includes \$8.14 billion for the research and related activities account (an increase of \$1.23 billion), \$1.29 billion for the education and human resources account (an increase of \$319 million), and \$249 million for the major research equipment and facilities construction account (an increase of \$8 million).

The Senate recently passed S. 1260, the United States Innovation and Competition Act on June 8, 2021. The legislation would reauthorize NSF from FY 2022 through 2026, including creating a new Technology and Innovation Directorate to advance technology development to ensure global competition in innovation. The Committee expects that NSF will prioritize its efforts consistent with the priorities directed in that legislation, if enacted.

The Committee supports funding NSF levels at amounts no higher than the amounts authorized in the Senate-passed S. 1260. The legislation would authorize \$10.8 billion for NSF for FY 2022, including \$1.8 billion for the new Technology Directorate.

The request proposes the creation of a Directorate for Technology, Innovation, and Partnerships, with a request of \$864.9 million for FY 2022 which includes \$500 million in new funding. The Committee is concerned that this new Directorate may see a substantial increase in funding. According to NSF staff, the American Jobs Plan - which provides \$50 billion for a new Technology Directorate over 8 years - would be in addition to the increases provided in the President's budget. The Committee supports the levels authorized in the Senate-passed S. 1260, the United States Innovation and Competition Act, for this new Technology Directorate.

The Committee also has significant concerns about the proportion of NSF award dollars that go to a relatively small number of states. The Committee would support substantial increases in the Established Program to Stimulate Competitive Research (EPSCoR) above existing levels. The United States Innovation and Competition Act directs NSF to set aside 20% of amounts toward EPSCoR.

Research security is also of interest and received significant attention during consideration of S. 1260. Thus, the Committee is pleased to see \$5 million dedicated toward research security initiatives at NSF. This level is consistent with the Senate-passed S. 1260.

The Committee would support levels higher than requested for the Advanced Technological Education program, to \$150 million, consistent with Senate Commerce Committee-approved S. 735, the Advanced Technological Manufacturing Act.

The Committee also support NSF's work on emerging technologies such as cybersecurity and artificial intelligence. The Committee expects that the NSF will fully fund work to implement the cybersecurity and artificial intelligence provisions included in the 2021 National Defense Authorization Act (P.L. 16-283, Subtitle A of Title XCIX and Division E).

Finally, the Committee is closely monitoring the effects of the COVID-19 pandemic on research and development, including the impact at NSF major facilities. The Committee encourages NSF to continue to plan for major facilities given the multi-year effort and significant funding associated with projects.

National Transportation Safety Board (NTSB)

The NTSB Reauthorization Act of 2018, passed as part of the FAA Reauthorization Act, reauthorized the NTSB for the first time since 2006. The NTSB is responsible for investigating civil aviation accidents in the United States and significant accidents in other modes of transportation. The Committee supports funding for the NTSB to continue its core mission of making transportation safer and conducting accident investigations, while continuing to modernize and increase transparency of its investigations, recommendations, and Board Member discussions.

Surface Transportation Board (STB)

The STB Reauthorization Act (P.L. 114-110), which expired at the end of FY 2020, was the first reauthorization of the agency since its creation in 1996. The Committee supports strong and robust funding for the STB in FY 2022 to continue overseeing economic regulation of the nation's freight rail system. The Committee supports the STB's work enabling passenger rail service, particularly the restoration of passenger lines such as Gulf Coast Rail service. The Committee supports providing the agency with the resources necessary to thoroughly review and complete pending matters. Additionally, the Board requires funding to continue to evaluate, modernize, and maintain its information technology (IT) infrastructure, including its updated website. The Committee supports funding to provide the Board additional resources related to data management, processing, and analysis.

In closing, I appreciate the work you are doing to prepare the FY 2022 Budget Resolution, and I stand ready to assist in your efforts.

Sincerely,


Roger F. Wicker
Ranking Member

JOE MANCHIN II, West Virginia, Chairman

RON WYDEN, Oregon	JOHN BARRASSO, Wyoming
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United States Senate

COMMITTEE ON
ENERGY AND NATURAL RESOURCES

WASHINGTON, DC 20510-6150

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June 11, 2021

The Honorable Bernard Sanders, Chairman
The Honorable Lindsey O. Graham, Ranking Member
Committee on the Budget
United States Senate
Washington, D.C. 20510-6100

Dear Chairman Sanders and Ranking Member Graham:

This letter responds to your request for the views and estimates of the Committee on Energy and Natural Resources on budget matters within the Committee's jurisdiction.

Generally speaking, the Committee has jurisdiction over the programs of the Department of the Interior (other than the U.S. Fish and Wildlife Service and the Bureau of Indian Affairs), the Department of Energy (other than the National Nuclear Security Administration), and the Federal Energy Regulatory Commission. The Committee also has jurisdiction over forests established on the public domain and over the insular areas. The programs under the Committee's jurisdiction promote our national energy security and ensure the wide use and protection of the nation's lands, water, and mineral resources. Given the importance of these programs to the nation's economy and the multiple-use benefits that our federal lands provide to the American people, it is appropriate that the budget address those needs. The Committee may act this year on a number of legislative proposals that may have budgetary implications.

Reserve Fund

The Committee requests a reserve fund to enable enactment of and to otherwise address any budgetary impacts from Committee legislative initiatives relating to the Abandoned Mine Reclamation Fee; the Bureau of Reclamation; federal forests; the Secure Rural Schools and Community Self Determination Act of 2000; and National Heritage areas.

In addition, the Committee requests a reserve fund to enable enactment of and to otherwise address any budgetary impacts from other Committee legislative initiatives – including authorizations of federal programs to address any number of other natural resource and energy issues under the Committee's jurisdiction. These include land and water policy, potentially including water infrastructure and drought resilience, mineral security, natural hazards, and outdoor recreation. These also include energy policy, potentially including electricity transmission, cybersecurity, advanced nuclear technologies and associated supply chains, nuclear waste, and carbon capture, utilization, and sequestration technologies.

Legislative Initiatives

The Committee expects to consider legislation to reauthorize and potentially reform the Abandoned Mine Reclamation Fee. The fee was established by section 402 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232) to fund the reclamation and restoration of land and water resources adversely affected by past coal mining. Interest on the fees is also used to provide health benefits for retired coal miners. Unless reauthorized, the authority to collect the fee will expire on September 30, 2021.

The Committee may consider legislation to ensure that the Bureau of Reclamation (BOR) is able to continue to manage western water resources efficiently and improve western water infrastructure. Unless reauthorized, some BOR program authorizations will expire, such as those in the Water Infrastructure Improvements for the Nation (WIIN) Act (Public Law 114-322). The Committee also supports authorizing funding to address BOR's major repair and rehabilitation needs to ensure that the agency focuses on its aging infrastructure. Addressing aging infrastructure is important for western economies and the safety of western communities. BOR reservoirs and dams are critical infrastructure, but they are aging and in need of repair.

The Committee may consider legislation that would require management of our federal forests to improve forest health, increase economic opportunities and revenue for our forested communities, and reduce the risk of catastrophic wildfire. This may include measures to help curb carbon emissions by transforming our forests from carbon sources to carbon sinks; to mitigate wildfires by focusing on active forest management tools, including thinning and planting, prescribed fire, timber harvesting, and other activities to reduce hazardous fuels and create healthier forests; and to otherwise reduce carbon emissions through wildfire mitigation and carbon sequestration, and help our economy by expanding utilization of forest and timber products.

The Committee may consider legislation to reauthorize numerous expiring National Heritage Areas.

The Committee may consider legislation to support the domestic uranium mining industry and ensure a domestic supply of fuel for civilian nuclear reactors.

The Committee may explore ways to revitalize the nation's nuclear waste program. The United States remains liable to the nation's nuclear utilities for breach of its contracts to dispose of the utilities' nuclear waste.

The Committee may explore ways to reform the Secure Rural Schools and Community Self Determination Act of 2000 (Public Law 106-393).

The Committee may consider legislation that addresses a number of other natural resource and energy issues under its jurisdiction. These include land and water policy, potentially including water infrastructure and drought resilience, mineral security, natural

hazards, and outdoor recreation. These also include energy policy, potentially including electricity transmission, cybersecurity, advanced nuclear technologies, and carbon capture, utilization, and sequestration technologies.

Additional Focus Areas

The Committee supports the Payment in Lieu of Taxes (PILT) program, which provides payments to county governments to offset the impacts of federal land ownership within their boundaries. These counties are called upon to provide services to visitors to our federal lands (e.g., search and rescue, fire, law enforcement, and other health and safety services) and must also maintain local roads through and to federal lands, including national parks, national forests, wilderness, and recreation areas. The Committee urges the Budget Committee to sustain the fully authorized level of funding for PILT in Fiscal Year 2022.

The Committee supports implementation of the Great American Outdoors Act, which was enacted into law on August 4, 2020 (Public Law 116-39). The Committee's Minority supports the Land and Water Conservation Fund (LWCF) stateside program, but is concerned about certain elements of the LWCF federal program, especially as it pertains to federal land acquisitions. The Committee's Minority is concerned about potential impacts on federal and state budgets and revenues, and is supportive of more state and local involvement in federal land acquisitions.

The Committee supports implementation of the Energy Act of 2020, which was enacted on December 27, 2020 (Public Law 116-260). The Committee supports full funding of coal, natural gas, and industrial carbon capture, utilization, and sequestration programs.

The Committee will also continue to focus significant attention on the energy innovation needs and opportunities of the nation, particularly technologies that can reduce domestic and global greenhouse gas emissions. The Committee requests that the budget recognize the need to maintain a diverse portfolio of early-, mid-, and late-stage research, development, and market transformation activities to meet the nation's changing energy needs.

The Committee requests that the budget recognize the opportunities and challenges that come with the United States' role as an Arctic nation. Other nations are challenging U.S. interests in the Arctic. The budget should include adequate resources for necessary infrastructure to meet the opportunities and challenges in the Arctic.

The Committee requests that the budget recognize the fiscal challenges facing our territories. We request that the budget resolution ensure that the territories are treated fairly.

The Committee requests that the budget support the use of all of the nation's energy resources – whether solar, wind, hydro, geothermal, uranium, oil, gas, coal, or another resource – in ever more environmentally responsible, economically efficient, and domestically secure ways.

As directed by Section 4201 of the fiscal year 2018 budget resolution, and as requested by the Budget Committee's letter soliciting budget views and estimates, the Committee will review programs and tax expenditures within its jurisdiction to identify duplication, waste, fraud, or abuse, giving particular scrutiny to issues raised by Office of Inspector General and Government Accountability reports.

We respectfully request that the Committee on the Budget provide for the foregoing legislative initiatives in the allocations, aggregates, and other appropriate levels in the budget resolution or provide appropriate reserve funds for these purposes.

We appreciate the opportunity to provide our views and estimates to the Budget Committee. We look forward to working with you and others in Congress to ensure that the spending levels ultimately enacted for programs under the Committee's jurisdiction are as effective and efficient as possible.

Sincerely,



Joe Manchin III
Chairman



John Barrasso, M.D.
Ranking Member

THOMAS R. CARPER, DELAWARE, CHAIRMAN
SHELLEY MOORE CAPITO, WEST VIRGINIA, RANKING MEMBER

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MARY FRANCES REPKO, DEMOCRATIC STAFF DIRECTOR
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United States Senate
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
WASHINGTON, DC 20510-6175

June 11, 2021

The Honorable Bernard Sanders, Chair
The Honorable Lindsey Graham, Ranking Member
Committee on the Budget
United States Senate
Washington, DC 20510

Dear Chairman Sanders and Ranking Member Graham:

In response to your letter of May 21, 2021, we write to share the following views and estimates for certain programs under the jurisdiction of the Committee on Environment and Public Works.

Reserve Fund

The Committee requests a reserve fund to enable enactment of and to otherwise address any budgetary impacts from Committee legislative initiatives relating to surface transportation infrastructure development, the Highway Trust Fund (HTF), and the programs of the Federal Highway Administration (FHWA).

In addition, the Committee requests a reserve fund to enable enactment of and to otherwise address any budgetary impacts from other Committee legislative initiatives – including authorizations of federal programs to protect and manage wildlife, address clean water and drinking water needs, address greenhouse gas emissions, including through innovation and the development of carbon capture sequestration and utilization technologies and advanced innovative nuclear technologies, build and maintain water resources projects, including supporting expenditures from the Harbor Maintenance Trust Fund (HMTF) consistent with language in the Water Resources Development Act (WRDA) 2020 (Public Law 116-260), and address any other needs within the jurisdiction of the Committee.

Current Legislative Initiatives

Surface Transportation Reauthorization Act of 2021

The Committee supports enactment of S. 1931, the Surface Transportation Reauthorization Act of 2021 (STRA). STRA authorizes \$303.5 billion from the HTF over five years in investments to maintain, repair, and build America's roads and bridges, and to keep America's economy moving. Ninety percent of authorized funding in STRA would be distributed to state departments of transportation by formula. STRA includes an \$18 billion climate title to address emissions from the transportation sector. STRA also codifies key elements of the "One Federal Decision"

policy and other environmental review reforms. The legislation includes provisions to improve road safety, protect the environment, improve resiliency to disasters, streamline agency decision making, reduce highway emissions, and grow the economy. The legislation also authorizes an additional \$8.9 billion in programs subject to appropriations, which includes programs to repair bridges, mitigate urban heat islands, research resiliency, and build connected active transportation networks, among other activities. The Committee favorably reported STRA by a unanimous roll call vote of 20 to 0 on May 26, 2021.

Drinking Water and Wastewater Infrastructure Act of 2021

The Committee supports enactment of S. 914, the Drinking Water and Wastewater Infrastructure Act of 2021 (DWWIA). DWWIA authorizes more than \$35 billion for drinking water and wastewater resource development projects across the country with a focus on upgrading aging infrastructure, addressing climate change, investing in new technologies, and providing assistance to marginalized communities. DWWIA also makes significant investments in the U.S. Environmental Protection Agency's (EPA) grant and loan programs, including the Drinking Water and Clean Water State Revolving Loan Funds (SRFs) and the *Water Infrastructure Finance and Innovation Act* (WIFIA), which are vital to support our nation's water infrastructure. The Committee favorably reported DWWIA by a unanimous roll call vote of 20 to 0 on April 14, 2021. The legislation passed the Senate by a vote of 89-2 on April 29, 2021.

Water Resources Development Act

The Committee intends to advance comprehensive legislation to authorize and implement important water infrastructure programs and projects. This may include program reforms, and provisions addressing flood prevention and mitigation, water storage, navigation, coastal ports and inland waterways, river basins, and the extension of important previously authorized programs. This legislation would build on WRDA 2020.

Nuclear Energy Legislation

The Committee is exploring additional legislation to enhance the regulation and deployment of advanced nuclear energy technologies. It would reduce regulatory uncertainty and increase financial predictability to help preserve and expand the use of nuclear energy. It would also stimulate domestic nuclear supply chains, help decarbonize industrial sectors, and reassert America's international leadership in civilian nuclear energy. It would build on the Nuclear Energy Innovation and Modernization Act (NEIMA) (Public Law 115-439).

Climate Innovation

The Committee is exploring options to advance additional legislation that address the challenges of climate change. This includes efforts that reduce our nation's carbon dioxide emissions while growing our economy.

Wood Heater Emissions Reduction Act

In prior Congresses, the Wood Heater Emissions Reduction Act (WHERA) has been referred to the Committee. The Majority would like the Committee to move this bipartisan legislation that establishes a five-year \$75 million grant program within EPA to facilitate the replacement of older, higher-emitting residential wood heaters. Old wood heaters are a significant driver of particulate matter pollution and black carbon pollution in the United States, especially in rural areas. The legislation is supported by industry, states, and health groups. The Minority supports legislation that provides greater regulatory certainty for wood heater manufacturers and distributors, many of which are small businesses.

Cost Savings

The Minority supports implementation of federal environmental laws through the cooperative federalism structure of these statutes and intends to conduct oversight to identify efficiencies and cost savings that will result from such an approach. The Minority also intends to look for legislative opportunities to reduce or eliminate programs under the jurisdiction of the Committee that are redundant, ineffective, or inefficient.

Agency Programs

U.S. Environmental Protection Agency

The Committee supports EPA's efforts to protect public health and the environment, increase job opportunities, and promote community revitalization. The Committee supports adequate funding for EPA and state implementation of federal environmental laws.

Toxic Substances Control

The Committee supports implementation of the Frank R. Lautenberg Chemical Safety for the 21st Century Act (Public Law 114-182), which was enacted on June 22, 2016. While the legislation imposes additional administrative costs on EPA, it authorizes EPA to collect fees from chemical manufacturers and processors to offset these costs. We support funding to implement the legislation and appropriation of all fees that are collected. In addition, in Fiscal Year (FY) 2022, the Majority supports the Administration's request for an additional \$15 million and 87.6 FTE, a 35 percent increase from the FY 2021 enacted FTE level, to meet significant increased responsibilities imposed by the 2016 amendments to TSCA. The Committee will work to ensure the agency adheres to statutory intent and timelines applicable to pre-market review of new chemicals, chemical risk evaluation and management, data development and information collection, and review of Confidential Business Information (CBI) claims. In the Majority's view, increased resources are essential for EPA to effectively build capacity and manage the workload associated with new requirements for chemical risk evaluations and risk management.

Cleaning up Superfund Toxic Waste Sites

The Administration's FY 2022 budget requests \$1.108 billion to support remediation of contaminated sites. This funding supports EPA personnel who oversee private party cleanups, as

well as removal and remedial actions that EPA itself carries out. The Committee is interested in the provision of these funds to increase the annual pace of cleanups.

Cleaning up Brownfields

In 2018, Congress reauthorized the nation's brownfields cleanup and redevelopment program through 2023, as part of the BUILD Act contained in the FY 2018 Omnibus Appropriations legislation (Public Law 115-141). Congress authorized \$250 million annually for grants for site assessment and cleanup projects. Brownfields are areas where contamination issues inhibit redevelopment efforts. The federal brownfields program is one of EPA's most popular and successful programs. The Committee strongly supports the brownfields program.

The FY 2021 Congressional Budget Office (CBO) baseline level of funding for the state and tribal assistance grants that fund brownfields projects is \$91 million and the Administration's FY 2022 budget proposes \$131 million for this program.

Preventing and Cleaning Up Leaking Underground Storage Tanks

Leaking underground storage tanks are a threat to our nation's groundwater quality. This program is funded by the Leaking Underground Storage Tank fee of \$0.001 per gallon that is part of the federal gas tax. These receipts are placed into the Leaking Underground Storage Tank Trust Fund.

The Committee supports the underground storage tank program and notes the importance of its state and tribal technical assistance and grants to protect underground sources of drinking water.

Air and Climate Programs

The Committee supports EPA fulfilling its statutorily mandated obligations and assistance to states and tribes in air quality implementation. The Majority supports Administration's request for \$100 million in additional EPA funding for air quality grants to states and tribes to support air pollution control programs and efforts to reduce greenhouse gases. This also includes the Majority's support of the Administration's request for \$100 million for EPA to develop a community air quality monitoring and notification system to provide real-time data to enforcement officials and overburdened communities. The Minority supports robust funding for grants to states and tribes for air quality implementation, but does not support the use of grant funding to implement new, overreaching regulations by the EPA Office of Air and Radiation.

The Committee also supports funding for EPA efforts that target reducing air pollution in areas that do not attain current national ambient air quality standards and in areas with low income populations and minority populations disproportionately affected by pollution. The Minority expresses concern with the Administration's prioritization of climate activities over criteria pollutant activities. The Minority believes EPA should prioritize the review of State Implementation Plans (SIP) to address criteria pollutant emissions and prevent the buildup of SIP backlogs that has occurred in the past.

The Committee supports EPA funding that allows the agency to carry out regulatory decision-making based on the best available science and input from all stakeholders, including states and tribes.

The Committee supports a strong federal commitment to state and local air quality grant programs as a mechanism to assist state and local governments in implementing and complying with federal environmental requirements. This includes robust funding for the Diesel Emissions Reduction Act (DERA) program.

The Committee supports actions to address the important issue of climate change. The Majority believes climate change poses a significant risk to public health, the nation's economy and quality of life, and feels that significantly reducing carbon pollution is imperative. Accordingly, the Majority supports adequate funding for programs that cut carbon and other greenhouse gas pollution from stationary and mobile sources. This includes robust funding for voluntary programs at EPA, programs through the agency's international office, and state assistance programs and robust funding for climate research. The Majority also supports the Administration's request for an additional \$17.3 million and 80 full time employees to restore staff expertise and build back capacity to implement climate change programs through the Clean Air Act.

The Minority supports policies that enable the United States to continue to be a world leader in reducing greenhouse gas emissions. The Minority has supported legislation in the Committee to accelerate further reductions by modernizing decades-old permitting and environmental review regimes. The Minority supports funding to modernize and streamline programs and regulatory requirements to fully unleash American productivity rather than push operations overseas to countries with fewer, less stringent environmental and climate protections. The Committee also supports EPA's program areas related to stratospheric ozone, in particular implementation of the American Innovation and Manufacturing Act (AIM), which was enacted into law on December 27, 2020 as part of the Consolidated Appropriations Act, 2021 (Public Law 116-260).

The Committee also supports funding of activities by EPA, as well as the Council on Environmental Quality and other government agencies, to implement the Utilizing Significant Emissions with Innovative Technologies (USE IT) Act to support the research, development, deployment, and permitting of carbon capture, utilization, and sequestration. The USE IT Act was enacted into law as part of the Consolidated Appropriations Act, 2021.

Water Infrastructure

The Committee supports programs for maintaining and enhancing drinking water and wastewater infrastructure and urges that the budget resolution support robust funding for these important and successful programs. The national need for investment in water and wastewater infrastructure through existing financing programs is critical. The Drinking Water State Revolving Funds (42 USC §300j-12), or "DWSRFs," and Clean Water State Revolving Funds (33 U.S.C. §1383), or "CWSRFs," which are managed by EPA, continue to far outpace the amount of funding that is available from all levels of government. The Committee strongly encourages robust funding of

the DWSRFs and CWSRFs. Without increased funding for these programs, many systems will be unable to supply their communities with safe, reliable water.

The Water Infrastructure Finance and Innovation Act (33 USC §3912), or “WIFIA,” is a powerful tool for addressing water infrastructure needs through long term, low interest loans. Without significant funding of WIFIA many water infrastructure projects would not be possible. We encourage robust funding of WIFIA.

Other EPA Water Program Funding

The Committee strongly emphasizes the importance of funding the technical assistance for treatment works for both the Safe Drinking Water Act and the Clean Water Act.

The Committee strongly supports funding for small and disadvantaged public water systems under 42 U.S.C. §300j-19a. This funding assists eligible communities in complying with federal regulations, water infrastructure and testing, treatment, and monitoring of contaminants.

The Committee emphasizes the need for funding investments in water infrastructure on federally recognized Indian reservations, which often lack basic drinking water and wastewater infrastructure and rely on federal programs for assistance. Specifically, the Committee encourages funding of the Indian Reservation Drinking Water Program (Public Law 115-270, Section 2001). This program authorizes the EPA Administrator to carry out projects to connect, expand or repair existing drinking water systems that are insufficient to meet community needs.

Passed by the Senate earlier this year, DWWIA includes robust funding for several additional programs that serve rural and low income communities. The Committee highlights these programs as critical for addressing issues of environmental justice, and strongly emphasizes the need to fund these programs at the fully authorized amount.

Science and Technology

The Committee supports EPA’s science and technology programs. The programs and the associated laboratories should continue to be regularly reviewed and evaluated. The Committee believes that the federal government has a central role to play in research and development efforts for a new generation of cost effective energy and environmental technologies that solve our nation’s greatest environmental challenges and help protect public health. These efforts should be based on sound science that is objective and transparent.

Recycling Infrastructure

The Committee strongly emphasizes the need to address and improve recycling systems throughout the country. With a national recycling rate of only 32 percent in 2018, the Committee supports robust funding for EPA programs that will reduce contamination, improve system efficiency, invest in infrastructure upgrades, and strengthen end markets for recycled materials. The Majority also supports funding for recycling education and outreach. Finally, we support the funding of several programs created in the Save our Seas 2.0 Act, which provides EPA with the

authority to further act on plastics and recycling by conducting new studies and reports, as well as to provide grants that help address materials management infrastructure needs.

U.S. Department of Transportation, Federal Highway Administration

The transportation needs of the United States demand a funding level sufficient to sustain and strengthen the nation's surface transportation network, which is a backbone of the economy. The continuation of contract authority to fund highway programs is essential to provide predictable long-term funding and to give states the ability to carry out important improvements to roads and bridges.

A strong federal investment in surface transportation infrastructure will improve Americans' quality of life and will help meet the needs of the nation's economy. Americans and businesses benefit every day from high-quality transportation infrastructure through shortened travel times, increased productivity, and improved safety.

Failing to provide a safe, reliable, efficient surface transportation network creates disruptions that waste money, time, and fuel, increasing greenhouse gas emissions, and undermining the global competitiveness of America's businesses.

The transportation sector is also the largest source of greenhouse gas emissions in the United States, and therefore action is needed to provide states with tools and funding to enable reductions in transportation emissions.

On December 4, 2015, the Fixing America's Surface Transportation Act (FAST Act) was signed into law. For the first time since 2005, Congress enacted long-term, five-year legislation to improve the nation's surface transportation infrastructure, including roads, bridges, transit systems, and rail transportation networks. The FAST Act reformed and strengthened transportation programs, refocused national priorities, ensured long-term certainty, provided more flexibility for state and local governments, streamlined project approval processes, and maintained a strong commitment to safety.

The FAST Act is set to expire on September 30, 2021 following a one-year extension passed last Congress. Therefore, the Committee advanced the STRA last month and will need the budget resolution to provide for the legislation's authorization levels. According to CBO, outlays from the HTF outstripped revenues by approximately \$15 billion in FY 2021. Based on data from the U.S. Department of Transportation, the HTF will be unable to meet daily cash demands by fall 2021. In conjunction with the STRA, the Committee supports a solution to the HTF solvency problem that provides funding at the levels authorized by the bill that is fiscally responsible, fair to all system users, and follows the user-pays principle.

U.S. Army Corps of Engineers, Civil Works

The Committee supports robust funding for the U.S. Army Corps of Engineers (Corps) at a level consistent with the Corps' capability.

Investment in the civil works program of the Corps offers many benefits. On average, the Corps' civil works program provides approximately \$89 billion in net economic benefit to the nation and \$31 billion in revenues to the U.S. Treasury.

Congress recognized these benefits when it authorized construction of many important water resources projects in the Water Resources Reform and Development Act (WRRDA) of 2014 (Public Law 113-121), the Water Infrastructure Improvements for the Nation Act (WIIN) of 2016 (Public Law 114-322), the America's Water Infrastructure Act (AWIA) of 2018 (Public Law 115-270), and WRDA 2020 (Public Law 116-260). The nation's network of coastal ports and inland navigation systems is essential for the movement of raw and finished goods throughout the United States and overseas, as well as our nation's security. Investing in these systems is necessary to ensure U.S. economic competitiveness in the global economy. The value of flood, hurricane, and storm damage reduction measures, and the cost of inadequately investing in this infrastructure, has been demonstrated repeatedly by multiple natural disasters in recent years. Benefits also accrue from undertaking environmental restoration projects around the country, including in the Everglades, Upper Mississippi River, Missouri River, Coastal Louisiana, San Francisco Bay, and countless other rivers and coasts.

The fiscal year 2022 estimated level of appropriations out of the Harbor Maintenance Trust Fund (HMTF) is \$1.63 billion, even though the anticipated receipts from user fees and interest during fiscal year 2022 are estimated at \$1.83 billion. The Committee recommends that the budget resolution include, at a minimum, expenditures from the HMTF consistent with those specified in WRDA 2020.

Budget authority based on receipts for the Inland Waterways Trust Fund in fiscal year 2021 are estimated at \$112 million. These receipts are collected from a tax on diesel fuel used on 12,000 miles of inland waterways, which Congress increased in December 2014 to address the backlog of inland waterway projects. The Committee continues to support full use of Inland Waterways Trust Fund receipts for the purposes for which the tax is collected (i.e., construction and major rehabilitation of locks and dams on the inland waterways).

In addition, AWIA increased the authorized levels of funding for several authorities under the Corps' Continuing Authorities Program (CAP). The Committee supports robust funding for all CAP authorities.

U.S. Department of the Interior, Fish and Wildlife Service

The Committee continues to support the mission of the U.S. Fish and Wildlife Service (FWS) to work with others to conserve, protect and enhance fish, wildlife, plants and their habitats for the continuing benefit of the American people. We support FWS functions such as the management of the National Wildlife Refuge System, fisheries programs, and endangered species programs. The Committee supports a healthy level of funding in the FY 2022 budget for these important activities.

The Majority believes that the Endangered Species Act works well when adequately resourced, but that implementation of the Act is severely underfunded. The Minority believes reforms to the

Endangered Species Act could lead to more effective use of funding. The Committee requests robust funding for Endangered Species Act implementation and for programs that otherwise help conserve species.

U.S. Nuclear Regulatory Commission

The Committee supports funding for the U.S. Nuclear Regulatory Commission (NRC) to meet its core functions, including responsibilities under the Nuclear Energy Innovation and Modernization Act (NEIMA) (Public Law 115-439).

The NRC's FY 2022 budget request did not include funding for the Integrated University Program, which supports nuclear engineering education. The Committee believes this program is integral to building the workforce to develop, deploy, and operate new nuclear technologies. Congress supports this program and provided \$16 million in FY 2021.

General Services Administration, Public Building Services

The Committee is concerned by the General Services Administration's (GSA) reliance on long-term leases and lack of a comprehensive process to track leasing. Nonetheless, we recognize the GSA's efforts to be proactive in its leasing agenda by taking measures such as negotiating for more desirable terms from property owners, consolidating space to reduce rentable square feet, increasing housing efficiencies, and in some cases relocating into government-owned properties.

The Committee intends to conduct oversight to identify opportunities for efficiencies and cost reductions at GSA, including making certain that federally-owned civilian real property is used as efficiently as possible.

U.S. Department of Commerce, Economic Development Administration

Funding at the US Department of Commerce's Economic Development Administration (EDA) supports a broad range of programs that assist economically distressed communities with revitalization efforts, including infrastructure development. EDA also supports planning on the part of economic development districts and provides technical assistance, which enable locally-based economic development in partnership with the private sector.

The Committee continues to support funding EDA at an appropriate level to bolster job creation and to increase economic vitality in local communities. This includes funding for EDA's Assistance to Coal Communities program. The Committee plans to develop legislation to reauthorize EDA, which has not been reauthorized since 2008.

Appalachian Regional Commission (ARC)

Funding and activities by the Appalachian Regional Commission support economic development in the Appalachian region. The Committee supports continued robust funding of the Commission.

June 11, 2021
Carper and Capito, pg. 10

We appreciate the opportunity to comment on the programs within the jurisdiction of the Committee. We look forward to working with you as you prepare the Concurrent Resolution on the Budget for FY 2022.

Sincerely,


Tom Carper
Chairman


Shelley Moore Capito
Ranking Member

RON WYDEN, OREGON, CHAIRMAN

DEBBIE STABENOW, MICHIGAN	MIKE CRAPO, IDAHO
MARIA CANTWELL, WASHINGTON	CHUCK GRASSLEY, IOWA
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	JOHN BARRASSO, WYOMING

JOSHUA SHEINKMAN, STAFF DIRECTOR
GREGG RICHARD, REPUBLICAN STAFF DIRECTOR



June 22, 2021

The Honorable Bernard Sanders
Chairman
Senate Committee on the Budget
United States Senate
Washington, D.C. 20510

The Honorable Lindsey Graham
Ranking Member
Senate Committee on the Budget
United States Senate
Washington, D.C. 20510

Dear Bernie and Lindsey:

Pursuant to section 301(d) of the *Congressional Budget and Impoundment Control Act of 1974* (P.L. No. 93-344), we are submitting our views and estimates with respect to federal spending and revenues within the jurisdiction of the Senate Committee on Finance for the Fiscal Year 2022 Senate Concurrent Resolution on the Budget.

REVENUES

Response to the Coronavirus Pandemic

Congress has passed six bills signed into law as part of the response to the pandemic. Four of those have included significant tax relief to help Americans during the pandemic response and assist businesses to continue operations and keep employees on payroll to the greatest extent possible. The *Families First Coronavirus Response Act* (P.L. No. 116-127) provided new tax credits to offset the cost of mandatory sick leave and family leave for workers affected by the Coronavirus. The *Coronavirus Aid, Relief, and Economic Security (CARES) Act* (P.L. No. 116-136) provided a range of individual and business tax provisions, including a first round of economic impact payments (EIPs), an employee retention tax credit, and fiscal relief for states,

territories, tribes, and localities, to complement extension of unemployment insurance benefits and loan programs to assist small, medium and large employers. The *Consolidated Appropriations Act, 2021* (P.L. No. 116-260) provided a second round of EIPs, and extended the employee retention tax credit, as well as unemployment benefits. Finally, the *American Rescue Plan* (P.L. No. 117-2) included a third round of EIPs, a temporary expansion of several refundable income tax credits, extensions of the paid sick leave credit and the employee retention tax credit, additional fiscal relief for states, territories, tribes, and localities, and an extension of unemployment benefits. Relief for states, territories, tribes and localities were adopted in the form of a resurrection of a general revenue sharing program. General revenue sharing was last used in a 15-year period of 1972 through 1986.

As the numbers of vaccinated rise and the country gradually returns to business as usual the Finance Committee will continue to work to help individuals, families, and the general economy recover from the lingering effects of the pandemic. Those efforts may include tax relief to help families, and to help employers rehire workers and resume operations, as well as other responses to address our national economic conditions as warranted.

Tax Reform, Simplification, and Permanence

The Finance Committee will continue consulting with the Treasury Department on implementation of legislation enacted in 2020 and 2021 responding to the deleterious health and economic effects of the Coronavirus pandemic, and continue to conduct oversight of recent tax laws, including through hearings.

Expiring Tax Provisions

The *Consolidated Appropriations Act, 2021* (P.L. No. 116-260) extended numerous provisions, known as “extenders,” through the end of 2021. The Finance Committee will continue to consider extension or improvement of these provisions, with an eye toward providing permanent tax policy wherever possible.

Retirement Security

Congress enacted legislation in the *CARES Act* (P.L. No. 116-136) and the *American Rescue Plan Act* (P.L. No. 117-2) that together provided relief for defined contribution plans and IRAs, as well as defined benefit pension plans. The Finance Committee continues to examine retirement security for American workers and retirees. In particular, the Committee is focused on current tax-preferred savings vehicles to determine whether the existing programs are meeting their intended objectives or are in need of improvement. Areas of possible improvement include additional incentives for employers to adopt retirement plans, especially among small and medium-size businesses, additional ways for American workers to save more, expanding portability of retirement benefits, and options for life-long retirement income security, such as annuity contracts and other lifetime income products.

Incentives for Energy Production and Conservation

The Finance Committee is committed to continuing to explore the tax code's role in addressing climate challenges, creating American jobs, achieving energy independence, and providing consumers with affordable, clean energy. In pursuit of that goal, the Committee considered the *Clean Energy for America Act*, which proposes significant reforms to energy tax incentives. The Committee will continue to examine incentives for clean energy production and efficiency, including the use of conventional and alternative energy sources, and energy conservation.

Infrastructure

The Finance Committee is committed to finding cost-effective tools to improve our existing transportation infrastructure and address future needs. The Committee recognizes that current mechanisms for funding and financing transportation infrastructure are inadequate to address the nation's infrastructure needs and will pursue legislation that achieves long-term, fiscally sustainable infrastructure-finance policy.

OECD and Other Global Tax Changes

The Finance Committee will continue to engage with the Treasury Department and other stakeholders regarding the ongoing discussions of the Organisation for Economic Cooperation and Development's Inclusive Framework on Base Erosion and Profit Shifting. The Committee will continue to monitor international actions regarding digital services taxes and other unilateral measures. The Committee remains strongly opposed to unilateral actions by other countries that discriminate against U.S. taxpayers and threaten the U.S. tax base.

Integrity of the Tax System and Reduction of the Tax Gap

The tax gap is the difference between the taxes legally owed under the federal tax laws and the taxes that are paid. In 2019, the Internal Revenue Service (IRS) estimated the net tax gap to be \$381 billion annually (based on tax years 2011-13 data). The Treasury Inspector General for Tax Administration has reported that this figure does not include, and the IRS does not have a reliable estimate of, the international tax gap. According to a statement by IRS Commissioner Rettig at an April 13, 2021, Finance Committee hearing on the tax filing season, the annual tax gap could be a good deal higher, owing to undercounted pass-through business income and increasing transactions in untaxed cryptocurrency. Nonetheless, there continues to be debate around the actual amount of the annual tax gap. The Government Accountability Office, the National Taxpayer Advocate, and the IRS Oversight Board have all identified the tax gap as a serious problem. The Finance Committee will continue to examine the underlying causes of the tax gap and explore options, including the development of legislation, to improve tax compliance and administration to reduce the tax gap, with respect to both the domestic and international activities of individual and business taxpayers.

The Committee continues to work with the Treasury Department and the IRS to implement the *Taxpayer First Act* (P.L. No. 116-25) to improve tax administration by the IRS and strengthen taxpayer rights and protections. The implementation of the Act was delayed as the IRS turned to responding to the pandemic and implementing provisions from emergency legislation, such as the EIPs. The Committee will examine additional proposals to enhance tax compliance. The

Committee also will pursue its oversight responsibilities to hold the IRS accountable for top-quality taxpayer service, respect for taxpayer rights, and protection of taxpayer information.

IRS Budget

The President's Budget requested \$13.16 billion for the IRS FY 2022 budget. This represents a 10.4-percent (\$1.24 billion) increase from the FY 2021 enacted appropriations under the *Consolidated Appropriations Act, 2021* (P.L. No. 116-260). In addition, the FY 2022 request includes significant expansions of IRS funding and program integrity cap adjustments. Specifically, the budget calls for \$72.5 billion in new mandatory funding over the budget window. The budget also calls for a \$6.7 billion cap adjustment of the *Budget Control Act's* (P.L. No. 112-25) spending caps intended for program integrity over the budget window, including a \$417 million cap adjustment for 2022. The IRS has and will continue to encounter significant implementation work following recent major tax legislation, pending administrative reforms, and legislation relating to the Coronavirus pandemic. Last year's *CARES Act* appropriated \$500.7 million for IRS for implementation while the *Consolidated Appropriations Act, 2021* appropriated \$509 million, and the *American Rescue Plan* appropriated \$1.464 billion.

We support a balanced approach to tax administration and a strong and sufficient enforcement budget, dedicated to that task, together with sufficient funding for taxpayer services and modernizing IRS information technology in an efficient and responsible manner. Helping taxpayers understand their tax responsibilities is central to the IRS' mission and doing so upfront promotes higher rates of voluntary tax compliance and reduces the need for subsequent enforcement action. Critical IRS computer software systems were developed in the 1960s and must be upgraded to keep pace with an increasingly complex and global tax regime, and to facilitate more efficient analysis of tax return data and detection of tax schemes. Additionally, modern IRS technology systems are essential to the protection of taxpayer information and the prevention of identity theft and other forms of tax fraud.

We recommend that the Budget Resolution allow for sufficient funds to support a balance of service, enforcement and technology that will maximize compliance by helping taxpayers understand their tax responsibilities, pursuing taxpayers who choose not to comply, and using technology to work efficiently and effectively.

Department of the Treasury Budget

For FY 2022, the Department of Treasury requested \$15.0 billion in annual discretionary appropriations for its operating accounts, an increase of \$1.5 billion or 11.3 percent from the FY 2021 enacted level. The Treasury Department oversees a wide range of activities, some of which overlap with activities of other departments and agencies of the federal government. Oversight of and accountability for the Treasury Department's activities are needed. Responsiveness and transparency from the Treasury department is also needed. Absent such accountability, responsiveness, and transparency, it is difficult to gauge the efficiency with which taxpayer resources are being utilized. The Committee will continue to work together to urge the Treasury Department to be responsive to inquiries, and continue to find avenues for greater efficiencies in the uses of taxpayer resources by the Treasury Department.

HEALTH**Medicare**

Last March, the Congressional Budget Office (CBO) issued updated federal budget and economic outlook data. CBO projected that net Medicare program spending for 2020 would total \$696 billion (\$828 billion in gross outlays minus \$140 billion in offsetting receipts), a figure that is expected to grow each year over the next decade. Assuming current laws remain in place, over the 2021 to 2030 period, CBO estimates net Medicare spending will exceed \$10.4 trillion (\$12.6 trillion in gross outlays minus \$2.2 trillion in offsetting receipts). More recent figures are not available as of the writing of this letter because CBO is currently updating baseline Medicare spending projections for the 2022-2031 time period.

Part A

CBO estimates that Medicare will spend \$365 billion on Part A services in 2021, an amount that includes spending on Part A services under Part C through payments to Medicare Advantage plans. Part A provides acute care services (inpatient hospital stays) and post-acute care services (recuperation and rehabilitation needed after an inpatient hospital stay). The Committee will review all Part A payment systems to ensure not only responsible financial stewardship of the Medicare Hospital Insurance (HI) Trust Fund, but also that providers are compensated accurately and appropriately for treating Medicare patients as the pandemic recedes.

The Committee will also examine the effects of ongoing efforts to improve Medicare's health care delivery system, pursue additional opportunities to better align Medicare payments with the delivery of high quality care, improve care transitions, produce stronger patient outcomes, increase Medicare program efficiency, and develop policies that reduce overall growth in Medicare spending. The COVID-19 public health emergency has had a substantial impact on Part A providers and beneficiaries. Consequently, the Committee will monitor the financial status of institutional providers, resources allocated in response to the pandemic, as well as utilization and outcomes of the regulatory and statutory flexibilities enacted during the public health emergency (PHE). The Committee held a hearing regarding pandemic flexibilities in May. In addition, the Committee will continue to monitor the quality of care provided to beneficiaries who reside in skilled nursing facilities, following on a hearing that the Committee held in March regarding COVID-19 in nursing homes.

Part B

CBO estimates that Medicare will spend \$394 billion on Part B services in 2020, an amount that includes spending on Part B services under Part C through payments to Medicare Advantage plans. Medicare Part B provides physician services, as well as hospital outpatient care, durable medical equipment, physician-administered drugs, and other services.

The Committee will seek to decide whether to extend flexibilities for telehealth granted under the PHE. Prior to the PHE, Medicare paid for a limited number of telehealth services. In last year's

CARES Act, Congress provided the Secretary of Health and Human Services (HHS) with authority to waive Medicare statutory requirements for telehealth payment during the PHE. It also required the Centers for Medicare and Medicaid Services (CMS) to pay Federally Qualified Health Centers (FQHCs), including Community Health Centers, and Rural Health Clinics for telehealth services furnished to Medicare beneficiaries for the duration of the PHE.

The Committee will continue to monitor the CMS implementation of the *Medicare Access and CHIP Reauthorization Act of 2015 (MACRA)* (P.L. No. 114-10), which reformed the payment system to reward physicians for providing high-quality, efficient care, including how the agency uses the additional flexibility Congress granted through the *Bipartisan Budget Act of 2018* (P.L. No. 115-23). The Committee will also continue to assess the extent to which the physician incentives in the reformed payment system are generating the intended results of the best care at the lowest program cost. In addition, it will examine the new value pathways proposed by CMS in the Merit-based Incentive Payment System (MIPS) and monitor the latest developments related to alternative payment models.

The Committee will also continue to monitor the implementation of other significant Medicare policies. It will continue to assess the payment system for clinical laboratory services that is based on rates paid in the private market. The Committee will also examine the implementation of the new permanent benefit that covers services related to infusion of certain drugs in a patient's home. The Committee will also continue its efforts to identify Part B payment system changes that promote the provision of high quality, high value services to Medicare beneficiaries.

The Committee will monitor quality of and access to care for Medicare patients with End-Stage Renal Disease (ESRD) in light of recent changes to the payment formula to include certain drugs in the bundled payment. The Committee will engage with the Administration to achieve the best possible outcomes for ESRD Medicare beneficiaries.

Finally, the Committee will monitor the impact of newly approved therapeutics and other medical products on Medicare Part B program and provider resource use, as well as premiums, access to care, and out-of-pocket spending for beneficiaries. Particularly for conditions like cancers, and Alzheimer's and other dementias, which affect a disproportionate share of Medicare beneficiaries, biomedical innovations have the potential to enhance quality of life and reduce health care system costs, but also to create or exacerbate financial challenges. Especially in the case of products with substantial purchasing costs and with related diagnostic requirements or other associated ancillary equipment needs, the Committee will track trends and assess impacts on health outcomes, program and provider spending, access to care, and costs incurred by beneficiaries, among other key data points. We will also monitor payment models adopted by diverse public- and private-sector payers with respect to these types of products, both independently and in relation to other programs.

Part C (Medicare Advantage)

CBO estimates that Medicare will spend \$304 billion on Part C, known as Medicare Advantage (MA), in 2020, an amount that represents payments for Part A and Part B services. MA offers

health and drug benefits through contracts with private insurance plans. The Committee aims to ensure that high quality private plans continue to participate in MA, and that these plans should continue to offer a diverse set of options for beneficiaries across the country. The Medicare Payment Advisory Commission (MedPAC) estimates that Medicare payments to MA plans, on average, equal 101 percent of fee-for-service expenditures, with that percentage slightly higher when coding differences are reflected.

The Committee will monitor agency annual changes to the Medicare Advantage program, including improvements made through the *Bipartisan Budget Act of 2018* and the *21st Century Cures Act*. We will continue to monitor appropriate implementation of recently enacted reforms, such as the expansion of non-health related supplemental benefits offered to enrollees who are living with chronic conditions and the expansion of the ability of Medicare Advantage plans to give all patients with End-Stage Renal Disease (ESRD) the option to enroll in a Medicare Advantage plan. The Committee will also examine trends in enrollment in Medicare Advantage.

Part D

CBO estimates that Medicare will spend \$96 billion on the Part D prescription drug benefit in 2020. MedPAC's March 2021 report states that Medicare's Part D program covered 47 million Americans' outpatient, prescription drug costs. While the Part D program has increased patient's access to prescription drug coverage, changes to Part D benefit design and increases in certain types of drug spending, among other factors, have arguably dulled incentives for sufficient or appropriate cost control measures, resulting in a growing transfer of risk to the federal taxpayer through reinsurance payments.¹ Under some plan designs, beneficiary out-of-pocket spending has also increased substantially. In 2020, MedPAC recommended significant changes to Part D's benefit design and Medicare's subsidies in order to re-affirm the role of risk-based, capitated payments. The Committee will continue to develop Part D redesign proposals to help lower the cost of prescription drugs.

Medicare-wide Activities

The President's Budget outlines implementation of Medicare provisions of *The American Rescue Plan Act of 2021 (ARP)*, including \$500 million (\$250 million for Medicare skilled nursing facilities and \$250 million for Medicaid nursing facilities) for strike teams meant to assist nursing homes with clinical care, infection control, and staffing needs. CMS will allocate \$200 million provided in the ARP for Quality Improvement Organizations (QIOs) in order to provide one-on-one technical assistance to low performing nursing homes with infection control deficiencies and COVID-19 outbreaks. The Committee will monitor the continued implementation of all legislation enacted into law, both in 2020 and 2021, responding to the COVID-19 pandemic.

The Committee will also examine the effects of ongoing efforts to improve Medicare's health care delivery system. To date, the Center for Medicare and Medicaid Innovation (CMMI) has implemented four models on a national scale, and will continue to pilot new models of care delivery aimed at paying for quality outcomes that reduce overall costs. As the Administration

¹ http://www.medpac.gov/docs/default-source/reports/mar21_medpac_report_ch13_sec.pdf?sfvrsn=0

moves forward with these various initiatives, the Committee will monitor their implementation and examine the results. Finally, the Committee will explore changes to the program that ensure beneficiaries are able to access needed mental health services.

Medicaid and Children's Health Insurance Program

Medicaid and the Children's Health Insurance Program (CHIP) play a significant role in the U.S. health care system, providing coverage to low-income children, pregnant women, adults in families with dependent children, elderly individuals, those with disabilities, and adults who meet certain income eligibility and other criteria. According to the HHS budget, over 77 million people on average in any given month are expected to receive health care coverage through Medicaid in Fiscal Year 2022. Furthermore, CHIP covers approximately 7.1 million children and pregnant mothers in a given month and 9.7 million children and pregnant mothers over a year.

According to CBO as of February 2021, federal spending on Medicaid will be \$507 billion in Fiscal Year 2021. Outlays for CHIP are estimated at about \$15 billion for FY 2021. In February, CBO projected that the federal government would spend approximately \$6.12 trillion on Medicaid and CHIP over the 2022-2031 budget window. As of the writing of this letter, CBO is in the process of updating baseline spending projections for Medicaid and CHIP for the 2022-2031 time period.

The Committee plans to address issues regarding access to coverage and services under Medicaid programs; appropriate federal funding levels for those services; timeliness and quality of data on Medicaid spending, payments, access, quality, and utilization; and general program integrity. To that end, the Committee hopes that there will be sufficient flexibility in the budget to accommodate Medicaid policies that protect the health care safety net for our most vulnerable populations. Finally, the Committee will consider changes to the program that ensure beneficiaries are able to obtain behavioral health services when they need it.

Indian Health

American Indians and Alaska Natives (AIs/ANs) have access to care through the Indian Health Service (IHS) and some AIs/ANs also have coverage through programs administered by CMS including Medicare, Medicaid, and CHIP. The Committee will also monitor the funding allocated in the ARP to enhance health information technology and the telehealth infrastructure across the Indian Health System. The Committee believes that Congress should continue to improve the coordination of services and payment between IHS and CMS in order to provide appropriate access to health care for all AIs/ANs.

Medicare, Medicaid and CHIP Program Integrity

Providing the Administration sufficient tools and funding for effective program integrity operations is a long-standing bipartisan goal. Funding the Health Care Fraud and Abuse Control (HCFAC) program has historically shown a well-established record of success in fighting fraud, waste, and abuse in Medicare and Medicaid, as well as a high return on investment (ROI). The Committee supports an increase in program integrity funding so that current program integrity

activities can expand, as included in the President's FY 2022 Budget. It will also look for additional opportunities to prevent fraud, waste, and abuse.

Elder Justice

Reports from the Government Accountability Office (GAO) and the Department of Health and Human Services Office of the Inspector General (HHS-OIG) indicate that Congress has reason to be concerned about rates of abuse and neglect of older Americans, including in nursing homes. In 2019, the Committee held two hearings to consider this issue and examine potential solutions, as 75 percent of nursing home care is covered by Medicare and Medicaid. The ongoing COVID-19 outbreak only heightens these concerns about the care older Americans receive. The Committee will continue to examine and pursue policies, such as those authorized under the Elder Justice Act, which make resources available for entities such as long-term care ombudsmen and adult protective services agencies to better safeguard this vulnerable population.

Health Insurance Marketplaces

Over 11 million Americans obtain health insurance coverage through state-based health insurance marketplaces. According to CBO as of February 2021, federal spending on premium tax credits and related spending will be \$56 billion in Fiscal Year 2021, and \$587 billion over the 2022-2031 budget window. As of the writing of this letter, CBO is in the process of updating baseline spending projections for Health Insurance Marketplaces for the 2022-2031 time period.

In the American Rescue Plan Act of 2021, Congress expanded the premium tax credits for marketplace health plans, provided premium tax credits for individuals receiving unemployment compensation, and provided premium assistance for individuals eligible for COBRA coverage. The Committee will monitor the implementation of these policy changes. The Committee will also track trends in marketplace enrollment and the affordability of marketplace plans.

Coronavirus Response

Congress has passed six bills that have been signed into law as part of the response to the unprecedented COVID-19 pandemic. The Committee has played a significant role in the development of the health provisions included in these laws, which increase access to COVID-19 testing and treatment, enable patients to receive care remotely to minimize risk of contracting the virus, and provide financial resources to providers. The Committee will engage on the implementation of these policies to maximize the intended impact. It will examine the interaction of programs outside of the Committee's jurisdiction to understand the cumulative impact of the four response bills—promoting efficiency and guiding any potential COVID-19 response efforts.

HUMAN SERVICES

Child Welfare

On February 9, 2018, the President signed into law the *Family First Prevention Services Act* as part of the *Bipartisan Budget Act of 2018*. This new law will help states keep more children safely with their families instead of placing them in foster care, encourage states to place children with foster families instead of in group homes, and reduce the bureaucracy faced by relatives who seek to take in children who cannot remain safely with their parents. States had the opportunity to begin implementing this law on October 1, 2019, and all states must implement the law by October 1, 2021. Given the impact of the opioid crisis and the increasing number of children entering foster care as a result, the Committee has been closely monitoring implementation of this law to make sure states can begin providing services to children at risk of entering foster care as quickly as possible. By ensuring the law is implemented well and that states have many evidence-based programs to choose from when providing prevention services, federal funds can be better focused on programs that deliver results for families.

On December 27, 2020, the President signed into law the *Supporting Foster Youth and Families through the Pandemic Act* as part of the *Further Consolidated Appropriations Act, 2021*. The bill included policies that supported implementation of the *Family First Prevention Services Act*, as well as additional emergency support to children and families in the foster care system impacted by the COVID-19 pandemic. The Committee will consider additional action to help foster youth and transition-age youth, who may have been impacted by COVID-19 and ensure all jurisdictions can successfully implement the *Family First Prevention Services Act* on October 1, 2021.

Temporary Assistance for Needy Families (TANF)

TANF and related programs (such as funding for child care and healthy marriage and responsible fatherhood programs) will expire on September 30, 2021. A timely extension of these programs is critical to supporting low-income families, and the Committee will work to continue these important programs this year. The Committee will contemplate reforms to better help recipients receive the services and supports (including job training and child care) they need to escape poverty including through entering or reentering the workforce and remaining employed, and will continue to oversee the implementation of changes enacted in 2017 focused on building evidence around what works to help recipients find employment. The Committee will also work to better understand the barriers to promoting states' use of TANF dollars on the program's core purposes and services, as well as work toward better measuring outcomes of the program to focus spending on efforts that successfully increase employment, family well-being and reduce poverty.

The Committee will also consider whether emergency action is necessary through the TANF and child support enforcement program to help respond to increased need during the COVID-19 public health emergency and related economic needs resulting from this pandemic.

Unemployment Insurance (UI)

There are several issues related to the unemployment insurance (UI) system that warrant Congressional attention, including: benefit policies set by states; reemployment services and opportunities provided by states; state trust fund solvency; benefit timeliness; state administration and technology; and improving UI financial integrity by reducing improper payments, including recent outsized fraud, and employer tax evasion. The Committee will continue to explore options and to contemplate ways to further develop these policy matters and to support states in administering their UI program effectively.

The Committee will also continue to monitor the implementation of the UI provisions originally enacted as part of the *Families First Coronavirus Response Act* and the *CARES Act*. The Committee will consider whether further action is necessary to respond to the coronavirus public health emergency and the resulting economic challenges in order to move toward economic recovery. Finally, the committee will consider what reforms may be necessary to prepare the UI system for a future economic downturn.

TRADE

The United States Innovation and Competition Act, which passed the Senate on June 8, 2021, contains a division—the Trade Act of 2021—which falls within the Committee on Finance’s (Finance Committee) jurisdiction. The major provisions in the division include:

- (1) a miscellaneous tariff bill (MTB), which reduces or suspends duties on a number of manufacturing inputs and other goods with no significant domestic production;
- (2) reauthorization of the American Manufacturing Competitiveness Act of 2016, which would allow the U.S. International Trade Commission (ITC) to consider and evaluate petitions for duty relief for the next two MTB processes;
- (3) reauthorization and revisions to the eligibility criteria of the Generalized System of Preferences (GSP) program, as well as new reporting and evaluation requirements by the U.S. Trade Representative (USTR) and ITC concerning the program;
- (4) measures to strengthen the enforcement of the prohibition of goods made with forced labor, including seafood harvested or produced with forced labor;
- (5) measures to address coerced censorship by trading partners that disadvantages U.S. persons;
- (6) measures to prevent importation of counterfeit goods, including addressing legal limitations preventing government agencies from sharing relevant information with rights holders;
- (7) establishment of a new interagency mechanism to facilitate trade in essential supplies to address crisis preparedness;
- (8) reporting on China’s industrial overcapacity, and its attempts to circumvent U.S. laws using Hong Kong’s distinct trading status;

- (9) establishment of a new mechanism to evaluate tariff exclusion requests for tariffs imposed pursuant to Section 301 of the Trade Act of 1974, as well as reauthorization of tariff exclusions for the tariffs imposed pursuant to the Section 301 investigation into China’s technology transfer and intellectual property practices; and
- (10) enhanced oversight over the USTR, including with respect to Section 301 tariffs, and the Department of Commerce, concerning antidumping and countervailing duties.

The Committee will remain closely engaged as this bill, and the component in the Finance Committee’s jurisdiction, moves forward.

Certain legislation within the Finance Committee’s jurisdiction will expire this Congress absent congressional action. This includes legislation concerning trade promotion authority—authorized through the *Bipartisan Congressional Trade Priorities and Accountability Act of 2015* (P.L. No. 114-26)—which expires on July 1, 2021. It also includes Trade Adjustment Assistance (TAA) for Workers and TAA for Firms—authorized through the *Trade Adjustment Assistance Reauthorization Act of 2015* (P.L. No. 114-27)—which revert to more limited versions of those programs on July 1, 2021, and will expire on June 30, 2022.

Additionally, the Finance Committee may consider legislation to:

- (1) enhance compliance with and enforcement of U.S. trade agreements and U.S. trade laws;
- (2) implement trade agreements, which may include bilateral free trade agreements (such as with the United Kingdom or Kenya), or multilateral trade agreements negotiated under the auspices of the World Trade Organization (WTO);
- (3) modernize Customs and Border Protection’s import procedures;
- (4) modernize and reform the Administration’s trade authorities and enforcement tools;
- (5) reauthorize the Customs-Trade Partnership Against Terrorism program;
- (6) improve U.S. trade capacity building programs; and
- (7) address any U.S. laws that might be inconsistent with our trading obligations.

The Finance Committee will also conduct oversight over a number of key trade and supply chain issues, including trade-related aspects of the COVID-19 pandemic response; any actions the Administration takes pursuant to Section 232 of the *Trade Expansion Act of 1962* (P.L. No. 87-794) and any corresponding product exclusion processes; investigations conducted pursuant to Section 301 of the *Trade Act of 1974* (P.L. No. 93-618) and any corresponding product exclusion processes; activities of the United States at the World Trade Organization (WTO); the U.S.-China trade and economic relationship, as well as the U.S. relationship with Russia, India, and

Brazil; enforcement of U.S. rights under trade agreements; the application of U.S. trade remedy laws; protection and enforcement of U.S. intellectual property rights abroad; and the *African Growth and Opportunity Act* (P.L. No. 106-200).

The Committee also will conduct oversight of any ongoing international trade and investment negotiations, including any negotiations or dialogues:

- (1) between the United States and China, including with respect to any potential Phase 2 Agreement;
- (2) conducted under the auspices of the WTO, including with respect to electronic commerce, fisheries subsidies, or concerning trade in goods in light of the COVID-19 pandemic;
- (3) between the United States and Japan, or among other countries in the Asia-Pacific, including under the auspices of the Asia-Pacific Economic Cooperation Forum;
- (4) between the United States and the European Union;
- (5) between the United States and the United Kingdom;
- (6) between the United States and Kenya;
- (7) to address market access barriers for U.S. farmers and businesses in India;
- (8) to expand trade between the United States and Brazil; and
- (9) established under mechanisms in our existing free trade agreements.

Of particular note, the Finance Committee will be closely monitoring implementation and enforcement of the United States-Mexico-Canada Agreement (USMCA) and other trade agreements, utilization of laws restricting imports, and other international trade commitments, and it will conduct oversight of international trade matters related to international institutions of which the United States is a member, such as efforts to reform the WTO.

The Finance Committee will also continue its ongoing and extensive oversight over U.S. Customs and Border Protection (CBP), as well the Department of Homeland Security, the Department of Commerce, and the Department of Treasury, which have key roles relating to CBP's functions. Since 2002, many laws have reorganized and refocused the agency, including:

- (1) the *Homeland Security Act of 2002* (P.L. No. 107-296), which transferred certain customs functions from the Department of the Treasury to the Department of Homeland Security (DHS);
- (2) the *Security and Accountability For Every (SAFE) Port Act of 2006* (P.L. No. 109-347), which authorized the restoration of trade resources and unification of trade personnel under a new Office of Trade; and

- (3) the *Trade Facilitation and Trade Enforcement Act of 2015* (P.L. No. 114-125), which provided comprehensive authorization of CBP; streamlined legitimate trade and provided benefits to trusted traders to increase U.S. competitiveness; and strengthened enforcement related to intellectual property rights, antidumping and countervailing duties (AD/CVD) laws, currency manipulation, forced labor, and other aspects of trade enforcement.

Oversight is necessary to ensure an appropriate balance is maintained between the need for strong border security and economic security. In addition, the Committee will continue its oversight of other agencies with international trade functions.

SOCIAL SECURITY

The Committee on Finance considers all proposed legislation and executive appointments requiring Senate confirmation related to Social Security and Supplemental Security Income (SSI).

Long-term Financing

Social Security's finances face long-run sustainability challenges. We believe that addressing these challenges must ultimately involve bipartisan legislation reported out by the Finance Committee.

Service Delivery

The administrative budget of the Social Security Administration (SSA) is the Limitation on Administrative Expenses (LAE). The LAE funds salaries and benefits for agency employees and State employees at disability determination services (DDS) offices, as well as other expenses such as rent, supplies, and information technology. The FY2021 appropriation for administrative expenses provided SSA with \$12.931 billion, which was \$60 million more than the amount appropriated for FY2020.

The FY2022 President's Budget request provides SSA with \$14.189 billion for its LAE account, a nearly \$1.3 billion increase from the FY2021 appropriation. The Commissioner's unrevised budget for FY2022 is \$14.484 billion, which is \$295 million larger than the President's request. SSA's built-in costs grew by \$482 million in FY2021 and are projected to grow by \$548 million in FY2022. The \$60 million increase to SSA's LAE last year accounted for approximately 12% of the \$482 million built-in costs increases. The President's FY2022 budget request should help address the built-in costs growth for last year and this year, as well as provide additional funding for other workloads. We recommend the FY2022 budget resolution include the President's request of \$14.189 billion for SSA's administrative budget.

Program Integrity

Funding for program integrity can reduce improper payments and provide net budget savings. Taxpayer funds dedicated to Continuing Disability Reviews (CDRs) and Supplemental Security

Income (SSI) redeterminations generate net projected savings to the federal budget. Current estimates are that medical CDRs conducted in FY2022 will yield net Federal program savings over the next 10 years of roughly \$9 on average per \$1 budgeted for dedicated program integrity funding, including Old-Age, Survivors, and Disability Insurance, Supplemental Security Income, Medicare, and Medicaid effects. SSI non-medical redeterminations conducted in FY2022 will yield net Federal program savings over the next 10 years of roughly \$3 on average per \$1 budgeted for dedicated program integrity funding, including SSI and Medicaid program effects.

The *Budget Control Act of 2011 (BCA)* allowed increases above the Federal Government's annual spending caps for program integrity purposes. The *Bipartisan Budget Act of 2015 (BBA)* (P.L. No. 114-74) increased the cap adjustments allowed in the BCA by a net \$484 million between FY2017 and FY2021. The BBA also expanded eligible expenditures to include Cooperative Disability Investigation (CDI) units, Special Assistant U.S. Attorneys who prosecute Social Security fraud, and clearly defines the use of funds for work-related CDRs. The spending caps established by the BCA as modified by the BBA expire at the end of FY2021. Because of the expiration of the spending caps, the President's FY2022 budget includes an allocation adjustment for each year of the ten-year budget window to maintain funding for program integrity activities.

For FY2022, the Budget requests program integrity spending of \$1.708 billion, composed of a \$1.435 billion allocation adjustment and a \$273 million base. We recommend that the FY2022 Budget Resolution fully fund the Budget's request for program integrity.

Last year we noted that SSA achieved full Continuing Disability Reviews (CDRs) currency in FY2018, and maintained currency in FY2019. As expected, service disruptions due to the public health emergency associated with COVID-19 caused the CDR backlog to return. However, SSA projects to be current in FY2023 if the President's Budget request is appropriated.

Processing of Disability Applications and Appeals

The COVID-19 Pandemic and associated disruptions had a significant impact on the disability programs at SSA. Applications and awards have been declining for several years, but the declines in 2020 were significant. January 2021 had the lowest number of SSI awards since January 2000. The declines in applications and awards may be related to the closure of field offices or to the economic support provided by federal COVID-related programs. Even with the substantial decline in applications, many disability workloads experienced backlog growth because of pandemic-related service delivery obstacles, such as the inability to schedule medical exams, process mail, and conduct hearings.

For initial disability claims, the backlog grew by approximately 115,000 cases between September 2019 and April 2021. SSA received nearly 190,000 fewer applications in FY2020 than projected and expects many of those applications will be received once the pandemic subsides. The President's Budget request will allow SSA to complete over 400,000 more initial claims in FY2021 and over 700,000 more claims in FY2022 to address this service delivery challenge.

For disability hearings, the goal of eliminating the hearings backlog in FY2021 is not expected to be achieved. However, if provided the President's Budget request, SSA expects to eliminate the disability hearings backlog in FY2022. Although the pandemic presented many challenges for both the agency and applicants, the reduction in average wait time for a hearing continued to fall from 386 days in FY2020 to an estimate of 310 days for FY2021. SSA expects to reduce the average annual wait time to 270 days by the end of FY 2022. The Finance Committee recommends that the Budget Resolution include the President's request to support SSA's priority goals of processing significantly more initial disability applications and continuing to further reduce, and ultimately eliminate, the hearings backlog by reducing the wait-time for a hearing decision.

Sincerely,



Ron Wyden
Chairman
U.S. Senate Committee on Finance



Mike Crapo
Ranking Member
U.S. Senate Committee on Finance

ROBERT MENENDEZ, NEW JERSEY, CHAIRMAN

BENJAMIN L. CARDIN, MARYLAND	JAMES E. RISCH, IDAHO
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United States Senate

COMMITTEE ON FOREIGN RELATIONS

WASHINGTON, DC 20510-6225

June 25, 2021

Senator Bernie Sanders
Chairman
Senate Budget Committee
624 Dirksen Senate Office Building
Washington, DC 20510

Senator Lindsey Graham
Ranking Member
Senate Budget Committee
624 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Sanders and Ranking Member Graham:

I am writing to share my views on the FY2021 International Affairs budget and programs under the jurisdiction of the Committee on Foreign Relations, as required by Section 301 (d) of the Congressional Budget Act of 1974.

I was pleased see that, after four years in which Congress, on a bipartisan basis rejected irresponsible proposed budget cuts, this year we have a serious budget proposal that, if enacted, would represent the largest increase to the regular international affairs budget in more than a decade. The Biden Administration's proposal to significantly increase the budget for State and USAID and other international programs reflects the investments we need to be successful in furthering our nation's interests and values.

I want to stress that our foreign affairs and foreign assistance budgets are every bit as essential to ensuring America's national security as funding for the Department of Defense, the Intelligence Community, and law enforcement. An approach to national security budgeting that focuses on just one element of our national security strategy and fails to embrace critical diplomatic, economic, and political tools the United States must utilize to promote our interests and security is shortsighted and doomed to fail. The United States continues to face increasingly complex crises worldwide that come from political instability, resource scarcity, economic turmoil and ideological challenges. Now more than ever we need robust, holistic, U.S. leadership for own security and for global stability and prosperity. Failing to provide robust resources for U.S. efforts to promote good governance, support economic development, climate change resilience, combat human trafficking, eradicate disease and building partner capacity, will ultimately increase risks to the United States. We have always stood on the side of these values – enabling citizens around the world to actively and freely participate in the political process, supporting the rule of law, protecting human rights, and ultimately helping build and maintain vital allies and partners for the United States.

Our foreign policy and our foreign policy budget should reflect the core American values that have shaped our own security and prosperity and contributed to international stability, cooperation, and achievements around the world. Our success requires proper funds to support our diplomats and partners worldwide as they work to support our values and our interests.

Over the last few years, I have been proud as Congress exercised our Constitutional prerogatives and pushed back on the previous administration's plans to gut our foreign affairs budget. As a united body, we have worked to protect this infinitesimal portion of the overall United States budget, recognizing the incredible impact it has in promoting American interests and supporting and protecting American citizens. This year I urge you to continue this trend and fully fund the Function 150 budget to adequately meet the needs of the State Department and USAID.

Specifically:

- The overall FY20 Function 150 budget allocation should match or exceed the President's FY22 request;
- Economic and Development Assistance (ESF, DA, and IO&P) should match or exceed the President's FY22 request;
- The Assistance for Europe, Eurasia and Central Asia Account, including for programs to counter Kremlin aggression, should match or exceed the President's FY22 request;
- Funding for the Indo-Pacific region should match the total amount as authorized in the Senate-passed Strategic Competition Act in order to fully fund our diplomatic programs as well to advance US interests in the region by supporting good governance, open markets, partner capacity building, freedom of navigation, strong alliances, and private sector-led economic growth.
- In the Middle East, the budget should reflect greater investments into strategic economic development and diplomacy alongside foreign military financing and large Department of Defense budgets, and anti-ISIS Funding for State Department and USAID counter-ISIS activities should match or exceed the President's FY22 request;
- Ensure full funding for the FY2022 International Narcotics and Law Enforcement (INCLE) request of \$1.525 billion in order to ensure that the State Department has essential funding to combat narcotics trafficking, including fentanyl trafficking, counter transnational criminal organizations, address Russian influence and aggression, and prevent and address trafficking in persons;
- Funding for U.S. engagement in Central America should be supported at the full FY2022 request of \$860 million in order to ensure that the United States can respond comprehensively to the security challenges, weak rule of law, low levels of democratic governance, and lack of inclusive economic development that drive irregular migration from the region; As the Venezuelan crisis and its impact on neighboring countries grows, \$400 million in U.S. assistance for Venezuela should be provided so that we can continue to lead international efforts to provide humanitarian assistance, address challenges to democracy and human rights, and respond to the regional migration and refugee challenges;
- Funding for democracy and human rights in Cuba should be maintained at the traditional level of \$20 million in Economic Support Funds;

- FMF should match or exceed the President's FY22 request. Moreover, it is critical to U.S. national security to maintain FMF as grants, not as loans;
- The President's budget request related to support to international organizations should be fully funded at the requested amount of \$3,591,542,000, including \$1,662,928,000 in contributions to international organizations and \$1,928,614,000 for international peacekeeping activities. This funding provides support for international programs and organizations whose missions substantially advance U.S. foreign policy interests. Importantly, it will begin the process of paying down recently accumulated arrears, including cap-related UN peacekeeping arrears accumulated in the past four years.
- The President's budget request for Migration and Refugee Assistance should be fully funded at the requested amount of \$3,845,000,000. This funding will support continued U.S. leadership on refugee and humanitarian issues, including by providing the resources necessary to rebuild the refugee admissions program.
- The total contribution to International Organizations should match or exceed the President's FY22 request;
- The Global Engagement Center's (GEC) FY22 funding should match or exceed the President's FY22 request to be able to fully execute the GEC's mandate.
- Funding for the United Nations related accounts, including CIPA, CIO, PKO and IO&P should match or exceed the President's FY22 request;
- Restore support for the Green Climate Fund and international programs that invest in renewable energy, sustainable landscapes, and climate change adaptation, and other bilateral climate change programs by matching or exceeding the President's FY22 request;
- Support or exceed the President's FY22 request for international renewable energy and adaptation programs;
- Global Health Programming should match or exceed the President's FY22 request;
- Humanitarian Assistance accounts, including Title II Food for Peace, should match or exceed the President's FY22 request;
- USAID's operating expenses should match or exceed the President's FY22 request.

I urge the committee to build on our investments to advance global peace and stability by embracing human rights, empowering individuals and organizations striving for freedom, and sustaining institutions in fragile democracies, including: not less than \$2.9 billion to be made available for democracy programs through the DRL bureau at State; \$325 million for the National Endowment for Democracy (NED); as well as \$2.75 billion for democracy and governance programs through Development Assistance and Economic Support Funds. Support for democracy assistance is a cost-effective way to promote U.S. foreign policy. We know from experience that when countries fail politically they risk becoming terrorist havens or generating devastating humanitarian and refugee crises. These potential costs to U.S. security are much greater than the investments we make in supporting emerging democracies or economic growth and stability. Additionally, building strong institutions to create a business climate conducive to U.S. exports helps provide economic security and a good "return on investment" of our foreign assistance dollars.

The world is currently facing proliferating conflicts with record-breaking levels of displacement and unprecedented levels of food insecurity. Continued violence and displacement has caused food insecurity in northeastern Nigeria, South Sudan and parts of Ethiopia, Yemen, Venezuela, and famine conditions in Somalia. The United States is the world's largest donor of humanitarian assistance and it remains a national security imperative that the United States continue to robustly fund life-saving assistance through the humanitarian accounts including International Disaster Assistance, Emergency Refugee and Migration Assistance, Food for Peace, and Migration and Refugee Assistance.

Further, the climate crisis presents substantial risk to US economic and national security, but the solutions also holds tremendous growth opportunity for the United States that will only be realized by restoring U.S. climate leadership.

I also urge the committee to continue to strongly support development programs like Feed The Future that build resilience, spur economic growth, and reduce hunger and poverty. Feed the Future is a model for achieving cross-sectoral international development goals and is a critical part of our development agenda.

Lastly, I commend the Biden Administration for seeking to rebalance the budget away from Overseas Contingency Operations and restore "base" funding.

I appreciate your consideration of these views, and I look forward to working with you on the Budget Resolution.

Sincerely,

A handwritten signature in blue ink that reads "Robert Menendez". The signature is fluid and cursive, with a prominent initial "R" and a long, sweeping underline.

Robert Menendez
Chairman

ROBERT MENENDEZ, NEW JERSEY, CHAIRMAN

BENJAMIN L. CARDIN, MARYLAND	JAMES E. RISH, IDAHO
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	BILL HAGERTY, TENNESSEE

United States Senate
 COMMITTEE ON FOREIGN RELATIONS
 WASHINGTON, DC 20510-6225

June 11, 2021

The Honorable Bernard Sanders
 Chairman
 Committee on the Budget
 United States Senate
 624 Dirksen Senate Office Building
 Washington, DC 20510

The Honorable Lindsey O. Graham
 Ranking Member
 Committee on the Budget
 United States Senate
 624 Dirksen Senate Office Building
 Washington, DC 20510

Dear Mr. Chairman and Mr. Ranking Member:

In accordance with section 301(d) of the Congressional Budget Act, I write to share the views and estimates of the Committee on Foreign Relations minority relating to the Fiscal Year 2022 (FY22) International Affairs Budget. It is recommended that the Concurrent Resolution on the Budget provide for an amount equal to the Fiscal Year 2021 base enacted level, excluding emergency COVID-19 and American Response Plan funds, for the discretionary Function 150 International Affairs, Function 300 International Commissions, and Function 800 General Government programs and activities within the committee's jurisdiction. We estimate this amount to be \$58.6 billion, which is roughly 19.6 % below the FY2021 total enacted level, 8.1 percent below the President's FY 2022 request, and 2.1 percent above the FY 2020 total enacted level. It is further recommended that the resolution maintain authority for non-discretionary spending under the Foreign Service Retirement and Disability Fund at \$158.9 billion, while excluding the proposed \$80 million in non-discretionary spending for United States Agency for International Development (USAID) climate projects requested through the President's American Jobs Plan.

The resilience of the American people over the past eighteen months has been astounding. We have endured the closure of schools, the shuttering of businesses, and the loss of jobs and economic security. We have lost more than 33,000,000 loved ones and mourned in isolation. There is not a single American whose life has not been turned upside down by this foreign-born pandemic.

Rather than retreat, we have risen to the challenge. We have adapted to new ways of learning, communicating, and doing business. We have unleashed American innovation to develop, manufacture, and distribute COVID-19 vaccines and therapeutics that will restore personal freedom here at home and across the globe. With thanks to the fierce ingenuity and determination of the American people, a return to normalcy is within our grasp. Yet, a return to normalcy at home already has come at great cost, and is now inextricably linked to the health security of U.S. partners and allies overseas. The unchecked spread of COVID-19 anywhere remains a threat everywhere.

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Against this backdrop, it is critically important that Congress calibrate its approach toward the Fiscal Year 2022 budget in a manner that protects our interests at home *and* abroad without mortgaging the future of generations to come. We need to ensure our diplomatic and development professionals are back at work, in the field, and advancing American values and interests. We also must ensure that all U.S. foreign assistance is efficient, effective, and clearly aligned with the most pressing national security, economic, and humanitarian interests of the American people. No amount of duplication or waste can be tolerated. It is unfortunate that the President's FY2022 International Affairs Budget Request lacks such discipline.

International Pandemic Preparedness. Never before has it been so clear: infectious diseases respect no borders. A seemingly innocuous outbreak of a novel virus abroad can rapidly accelerate and spread, threatening the lives and livelihoods of the American people, our allies, and our interests. Worse yet, the international community is woefully underprepared to handle such an event. The Committee minority's Function 150 discretionary budget recommendation thus provides for increased, targeted foreign assistance resources for international pandemic preparedness, to be coordinated by the Department of State and aligned with a clearly articulated global health security and diplomacy strategy. The Committee intends to advance legislation this year to provide a framework for prioritizing and overseeing these resources in an efficient and effective manner, including through the establishment of an international incentive fund.

Expanding International Access to COVID-19 Vaccines. The Committee minority also will press the administration to provide – and subsequently oversee – a comprehensive strategy and framework for expanding access to COVID-19 vaccines overseas, utilizing foreign assistance funds previously appropriated as part of the FY2021 Omnibus Appropriations Act and the American Rescue Plan. Such strategy must provide clear targets, timelines, and selection criteria for the sharing of excess U.S. vaccines through in-kind contributions to COVAX and bilateral donations to key allies and partners. It should also describe the accountability mechanisms the Administration will put in place to ensure that U.S. financial contributions to COVAX are not used to underwrite the purchase and distribution of substandard vaccines produced by the People's Republic of China (PRC).

Countering the PRC's Malign Activities and Influence. Advancing an effective strategy to compete with and counter the malign influence of the PRC must be the top foreign policy priority of the United States. My resolve has only been strengthened by the PRC's actions over the past 18 months, first to cover-up the origins of the COVID-19 pandemic, and then to weaponize the international response. While the world was grappling with the novel virus first detected in Wuhan, China in late 2019, the PRC government sharpened its diplomatic, intelligence, military, and economic capabilities, including by spreading disinformation; sowing discord; bullying its neighbors; manipulating international institutions; repressing human rights, democracy, and the rule of law; commandeering supply chains; and stealing intellectual property. It is in the national security and economic interest of the United States and our allies to respond.

The Committee minority's Function 150 discretionary budget recommendation thus provides for increased, targeted foreign assistance resources for diplomatic engagement, economic support, development finance, and security assistance to fortify U.S. engagement in the Indo-Pacific region

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and to counter China's malign activities and influence globally. The Strategic Competition Act, recently passed by the Senate, provides an effective framework for how those resources may be put to effective use.

Supporting Allies. The Committee minority's Function 150 discretionary budget recommendation continues to prioritize assistance that supports U.S. strategic partners, including Israel, NATO allies, and Indo-Pacific treaty allies and other partners. This includes \$3.3 billion in Foreign Military Financing (FMF) without conditions to maintain Israel's qualitative military edge in an increasingly hostile region. The recommendation does *not* support the President's request to increase resources for the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) absent reform, or to reengage with international organizations that welcome the Palestine Liberation Organization as a member state. Moreover, it does *not* support the President's request for increased economic support funds in the West Bank and Gaza that would ultimately aid a designated terrorist organization, Hamas, and underwrite the Palestinian Authority's heinous "pay-for-slay" policy.

Supporting Democracy, Human Rights, and Good Governance. Around the globe, authoritarianism is on the rise, human rights defenders and democratic voices are under attack, and corruption is eroding public confidence in governing institutions. The combination of these toxic forces threatens U.S. national security interests, contributes to state fragility, and undermines the long-term impact of U.S. foreign assistance. The Committee minority's Function 150 discretionary budget recommendation thus prioritizes resources for the promotion of human rights, good governance and the rule of law, to support democratic voices, and to combat public corruption.

Misplaced Priorities and Recommended Reductions. While the Committee minority welcomes the President's reported intent to prioritize U.S. foreign assistance resources to enhance the global health security of the United States, to counter China's malign influence, and to promote democracy and the rule of law, the request also includes numerous misplaced priorities that will ultimately undermine U.S. national security, diplomatic, and economic interests.

This includes the proposal to quadruple U.S. spending on poorly defined, **misguided climate initiatives**. Ironically, many of these initiatives will undermine another stated priority of the President – to counter China's malign influence – by imposing carbon caps and green energy directives on the bipartisan, Congressionally-authorized U.S. International Development Finance Corporation (DFC), Millennium Challenge Corporation (MCC), and Power Africa initiative. These steps fail to consider the energy needs of developing countries and ultimately leave them no option other than to turn to investment from China. The Committee minority's recommendation does *not* support these self-imposed mandates. Moreover, it does *not* support the President's request for a \$1.25 billion contribution to the Green Climate Fund, nor does it support the proposal for \$80 million in non-discretionary spending by USAID on climate projects through the American Jobs Plan.

Similarly, the Committee minority's recommendation does *not* provide support for reengagement with or increased contributions to **unaccountable, unreformed international organizations and**

The Honorable Bernard Sanders and the Honorable Lindsey O. Graham
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Page 4

programs, including the World Health Organization, UNRWA, and the UN Population Fund (UNFPA), or to pay down so-called “arrears” for UN peacekeeping.

Finally, the Committee minority’s recommendation does *not* support proposed legislative changes and foreign assistance resources for organizations and programs that promote **abortion and forced sterilization** overseas. The minority will thus strenuously oppose the President’s proposed 72% increase for UNFPA, which continues to support the management of China’s program of coercive abortion and involuntary sterilization, publically celebrates China’s handling of the COVID-19 crisis (which has been characterized by the suppression of human rights), and remains silent on China’s genocidal campaign against Uyghurs and other Turkic Muslims in Xinjiang.

The views expressed in this letter provide just a brief glimpse into the Committee’s plans to maximize the return on investment in the International Affairs Budget by setting clear priorities that align resources with the most pressing security, economic, and humanitarian interests of the United States. We hope you find them helpful to your own deliberations on the Concurrent Resolution on the Budget. Please do not hesitate to contact the Committee’s Staff Director, Chris Socha, at (202) 224-4651 or Socha@foreign.senate.gov should you require any additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. Risch".

JAMES E. RISCH
Ranking Member
Senate Foreign Relations Committee

PATTY MURRAY, WASHINGTON, CHAIR
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United States Senate
 COMMITTEE ON HEALTH, EDUCATION,
 LABOR, AND PENSIONS
 WASHINGTON, DC 20510-6300

June 15, 2021

The Honorable Bernard Sanders
 Chairman
 Senate Budget Committee
 624 Dirksen Senate Building
 Washington, D.C. 20510

The Honorable Lindsey Graham
 Ranking Member
 Senate Budget Committee
 624 Dirksen Senate Building
 Washington, D.C. 20510

Dear Bernie and Lindsey:

I am writing in response to your letter dated May 21, 2021, requesting a views and estimates letter for programs and activities that fall under the jurisdiction of the Senate Committee on Health, Education, Labor and Pensions (HELP) pursuant to Section 301(d) of the Congressional Budget Act.

As Ranking Member of the HELP Committee, I will work to conduct oversight on the \$4 trillion that has been authorized by Congress to address the COVID-19 pandemic. This country is over \$28 trillion in debt, and we cannot continue to practice this out-of-control, irresponsible spending that will be passed on to future generations. I will work to make sure the money is being spent in responsible ways, is accounted for, and does not fall subject to fraud and waste.

There are many important issues facing our country, and Congress should work to address them in a bipartisan manner instead of forcing through massive policy changes through the partisan reconciliation process that could come down to a 50-50 tie vote with a majority provided by the Vice President's vote. The work we do in the HELP Committee deserves thorough evaluation and bipartisan results—former Chairman Ted Kennedy once said that the committee had 30 percent of the legislative jurisdiction of the Senate.

Health

Improving Public Health Infrastructure

The COVID-19 pandemic isn't over yet, but now is the time to take stock of the lessons learned over the last year and to begin preparing for the next potential threat. I will be working with Chairman Murray on bipartisan strategies for strengthening and modernizing federal public health and medical preparedness and response systems and programs. We need to conduct

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appropriate oversight to gather an honest accounting of the successes and shortcomings in our response to COVID-19, so we can accurately fill the gaps in our public health architecture. We will look to strengthen readiness within the medical countermeasure enterprise to ensure that countermeasures can be rapidly identified and advanced through clinical development and manufacturing and appropriately deployed and distributed when a new public health threat is identified. Also, we will work to modernize the development of medical countermeasures to address public health threats and improve and secure the supply chain for the U.S.'s critical medical supplies needed to swiftly address future public health threats.

Centers for Disease Control (CDC)

The COVID-19 pandemic highlighted short-comings with the CDC. One of the most obvious lessons we've learned is Americans need to be able to trust the guidance issued by public health officials will be clear, consistent, and follow the best available science. Throughout the pandemic, the CDC failed to meet the mark. Its guidance and public statements have been contradictory, confused, and often lagged behind the latest science. The public's trust in the CDC's ability to fulfill its core mission has been threatened by a series of missteps.

As part of the bipartisan efforts to improve public health infrastructure, I'll review health agencies and make recommendations to address weaknesses. Already this Congress, as Ranking Member I issued a policy brief recommending the following: CDC needs strong, effective leadership and a strengthened relationship with Congress to enhance accountability; CDC needs a strategic plan to guide and prioritize the agency's work to align with strategically set goals and include accompanying performance measures; and CDC must keep pace with scientific advancement and better fulfill its mission to protect the public health during future responses by developing more frequent and effective partnerships with private industry and academic institutions.

Billions of dollars flow to our health agencies each year and strong oversight is needed to make sure taxpayer dollars are being spent efficiently, effectively, and with clear performance measures. We cannot afford to simply shift state and local responsibilities to federal taxpayers as some would propose.

Food and Drug Administration (FDA)

We need to make sure that FDA is stretching every dollar as far as it can go, including ensuring existing authorities are supporting the response to the nationwide opioid crisis. The COVID-19 pandemic has made the nation's drug overdose epidemic worse.

In regards to FDA's medical products authorities, the agency should continue focusing on how to help the many patients that exist with no cure or treatment. Dr. Francis Collins of the National Institutes of Health (NIH) wrote in 2013, "Drugs exist for only about 250 of the more than 4,400 conditions with defined molecular causes. And it takes far too long and far too much money to

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get a new drug into our medicine cabinets. This is an old problem that cries out for new and creative solutions.” Since then, the number of conditions with defined molecular causes continues to increase, yet the number of new drugs approved is nowhere close to keeping pace with these discoveries.

Additionally, the Food Safety Modernization Act (FSMA) was signed into law a decade ago in 2011. It established a comprehensive food safety regulatory framework and expanded FDA’s existing authorities to better prevent and reduce foodborne illness and foodborne outbreaks. FDA’s Center for Food Safety and Nutrition is tasked with implementing FSMA, which was designed to be risk-based, flexible, and based in sound science to ensure our nation’s diverse food industry is not faced with overly burdensome and costly regulations. Congress will continue to review and conduct oversight of FDA’s implementation of this law, the costs associated with increased regulations, and the agency’s risk-based approach with respect to prioritizing resources and focusing efforts on high-risk foods with a history of foodborne illness. Every year, roughly 48 million Americans are sickened by a foodborne illness. It is critical that FDA focus its food related activities on food safety and prioritize FSMA’s goal of decreasing the number of foodborne illnesses and foodborne illness outbreaks. FDA should ensure FSMA is implemented in the least burdensome, risk-based manner that works with a diverse and growing food industry to protect our nation’s food supply.

In addition to product review and safety, the FDA needs to be ready and able to respond to public health challenges, including COVID-19, the opioid crisis, and be better prepared to respond to future public health emergencies, such as outbreaks of infectious diseases. As threats to public health change over time, the FDA needs to build flexible capacity to better anticipate and respond to emerging challenges.

Lastly, I will continue to encourage the FDA to issue official guidance for reduced harm tobacco products. After more than 10 years and \$5 billion dollars, the FDA still has not released official guidance for these products. Instead, FDA is taking steps to impose new bans such as those on menthol cigarettes without sufficient scientific data.

National Institutes of Health (NIH)

As the agency that funds and enables much of the research that leads to medical breakthroughs, we need to ensure that NIH is operating efficiently, coordinating appropriately, and that it has the tools it needs to invest in research that could become the next treatment, cure, or device for the many diseases and conditions without one. The policy changes enacted as part of the 21st Century Cures Act will help ensure NIH is able to accomplish its mission in the most efficient and effective manner possible.

The NIH received almost \$43 billion in federal funding in fiscal year 2021, and I support keeping NIH appropriately funded to ensure that we do not lose the worthwhile investments we have made, and to keep the United States competitive. However, I am committed to working

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with Chairman Murray in conducting oversight of the funding and working to ensure the integrity of the research conducted. The NIH has come a long way since 2018, when Director Francis Collins sent a letter to more than 10,000 research institutions, urging them to ensure NIH grantees were reporting their links with foreign governments. But there is a concerted effort from those in China, backed by their government, to bring back anything they can learn, store or steal from the United States.

Health Information Technology

The use of technology in health is an important area of growth, particularly during COVID-19. The 21st Century Cures Act passed in 2016, sought to increase the adoption and use of electronic health records among providers and patients. The goal was to reduce provider documentation burden, achieve interoperability of electronic health records, put an end to information blocking, and empower patients to engage in their health data. Given the amazing advances in technology that allow patients to better monitor their own health, integration of digital health technologies and electronic medical records is key to the future of health care delivery. These promising advances will not be possible if Congress does not remember both the importance of patient privacy in their own health information and that sometimes, it is better for the federal government to get out of the way than try to lead.

However, recent large-scale cyberattacks in the United States magnify the importance of protecting health information, including electronic health records. Technology is a wonderful tool but the fact is it makes us vulnerable to anyone who wants to exploit the portals that exist in that communications network. I will continue to work with the Committee to make sure our health infrastructure is protected.

Mental Health and Substance Use Disorders

In 2016, Congress recognized the importance of mental health and substance use disorder prevention and treatment by passing the Helping Families in Mental Health Crisis Act as part of the 21st Century Cures Act. The law reformed many of our nation's mental health programs for the first time in over a decade to help the one out of five adult Americans suffering from mental illness. I will continue to oversee implementation of the Helping Families in Mental Health Crisis Act, in order to ensure accountability for federal mental health programs, increase access for mental health care and substance use disorder treatment services, and increase flexibility for state and local criminal justice agencies to prevent and respond to mental health crisis, particularly in the midst of this COVID-19 pandemic.

The Opioid Crisis

Congress has taken a number of steps in recent years to support states fighting the opioid crisis, including by passing the Protecting Our Infants Act in 2015, the Comprehensive Addiction and Recovery Act in 2016, the 21st Century Cures Act in 2016, and the SUPPORT for Patients and

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Communities Act in 2018. In spite of our efforts, nationwide, opioid overdoses continue and nation's COVID-19 pandemic has made the nation's drug overdose epidemic worse. The SUPPORT Act included over 70 provisions to address the crisis, including provisions to stop illegal drugs, such as fentanyl, from coming across the border through the mail, new authorities for research on non-addictive painkillers, and increased access to medication assisted treatment. I support appropriate funding levels within the Department of Health and Human Services for programs relevant to response efforts and will work to combat opioid abuse.

Reducing Duplication and Waste

The HELP Committee is reviewing the programs administered by the U.S. Department of Health and Human Services in HELP jurisdiction for authorizations that have expired or are no longer funded. Such authorizations complicate future appropriations efforts by unnecessarily adding to the number of programs that vie for funding. The committee will examine programs with expired authorizations or that are no longer funded and attempt to eliminate outdated and duplicative programs. The committee must also be mindful of the almost unending desire to create new programs that will never get funded.

Education and Workforce

Every Student Succeeds Act

On December 10, 2015, President Obama signed the Every Student Succeeds Act (ESSA) into law, a bill that fixed No Child Left Behind (NCLB) and reauthorized the Elementary and Secondary Education Act of 1965. This bipartisan, bicameral bill represented a compromise between the House-passed Student Success Act and the Senate-passed Every Child Achieves Act. The compromise bill was drafted by a House-Senate conference committee and approved by both chambers with overwhelming bipartisan support.

ESSA represents a bipartisan consensus on how to fix NCLB. It continues the law's important measurements of academic progress of students, but restores to states, school districts, classroom teachers, and parents the responsibility for deciding what to do about improving student achievement. It ends the waivers through which the U.S. Department of Education had become, in effect, a national school board for more than 80,000 schools in 42 states. It ends the federal Common Core mandate. It restores back to states and local school boards decisions about whether schools and teachers are succeeding because the real way to higher standards, better teaching and real accountability is through states, communities, and classrooms—not through Washington, D.C. ESSA will make it easier for states and local school districts to expand and strengthen charter schools and school choice. Finally, it cuts through the bureaucratic thicket of federal education assistance by consolidating programs and making it easier for states to use limited federal resources to meet their unique identified needs.

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The Congress appropriates over \$23 billion for programs authorized in the Every Student Succeeds Act. The COVID-19 pandemic led to Congress providing over \$200 billion in additional funding to K-12 education. And yet too many students are still not physically in school.

As of April, less than half of all 4th grade Black, Hispanic, Asian, Economically Disadvantaged, and English Learning students were in fully in-person learning. As of April, less than half of all 8th grade students nationwide were enrolled for fully in-person learning and less than a third of all Black, Hispanic, and Asian 8th grade students were in fully in-person learning. Emergency department suspected suicide visits were up 22% in Summer 2020 and 39% in winter 2021 for children aged 12-17. Since there was really no good scientific reason for schools to close, it's on the adults: the unions, the school boards, the superintendents that let it happen. Most of our country's private schools stayed open. They made plans, they followed the science, they served their children far better. Continuing to send federal funds to k-12 schools without the expectation that they fully reopen for all students is a disservice to our nation's youth. We can do better, we must do better.

I will continue to aggressively oversee the implementation of ESSA and demand accountability for the additional billions of dollars that have gone out the door since March 2020.

Child Care and Early Education

The Child Care and Development Block Grant (CCDBG) is the federal government's primary child care and early education program, providing grants to states to help low-income working families pay for child care, mainly through vouchers that allow parents to choose from a wide array of providers. This law puts certificates in the hands of working families so they can make their own decisions about what child care best suits their needs. It is a tremendous success.

As far greater attention has been given to child care during the pandemic and the need to improve access and affordability for America's working families, it is essential that Congress build upon the already existing parent-choice based CCDBG program for children ages 0-5 and school age children rather than creating new K-12 based preschool and prekindergarten programs that will serve only to destabilize the child care market, drive up parent costs for infant and toddler care, and diminish parent choice. Proposals that would fundamentally destroy this vibrant system of providers and family decision making should be prevented from seeing the light of day. Partisan exercises that tear at the fabric of longstanding bipartisan successes would do deep and lasting harm around the country.

Individuals with Disabilities Education Act

The Individuals with Disabilities Education Act requires schools to provide special education services to meet the needs of all students. We need to stop diverting our limited resources to new or untested programs and instead fund the needs of students with disabilities under the law. Congress appropriates \$13 billion for programs authorized under this law which is, at best, half

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the commitment Congress made to fund 40% of the costs of providing a free, appropriate public education. Instead of profligate spending on new programs Congress should focus first on this priority for the most disadvantaged students.

Higher Education Act

The Higher Education Act expired at the end of 2015. The current administration has indicated that it will pursue wide-ranging rulemakings in areas of substantive policy with an agenda of punishing for-profit institutions and forgiving loans. Further, congressional Democrats have indicated that the reauthorization of this legislation is not on the agenda for this Congress and that they intend to pursue changes through a partisan reconciliation process or allow the Department of Education to simply attempt to gain policy victories through rulemaking. So much for the spirit of bipartisan cooperation the President called for in his inaugural address.

The future greatness of higher education is threatened by tuition rates increasing each year at a rate higher than inflation, too many students dropping out, and a growing number of graduates being left with debt they shouldn't have taken on and they cannot repay. As the committee seeks to address the problems of college access, affordability, and outcomes, it should seek to minimize the costs imposed both directly and indirectly on higher education and ensure that these savings are passed along to students.

The federal government must proceed carefully as institutions of higher education received \$76 billion dollars relief funding in the past year. States and universities must step up to play their part in looking for ways to save money and cut costs by focusing more on efficiency and results, rather than how they can squeeze more money out of their students and U.S. taxpayers.

Student Loans

In 2019, the FUTURE Act was passed, which provided the legal authority for a new connection between the Internal Revenue Service data and Federal Student Aid to ease enrollment and verification for income driven repayment programs. When implemented, this law should increase the predictability of credit estimates in student loans. Implementation of this law should be a top priority.

Student loans are currently in an administrative payment and interest accrual pause due to the COVID-19 national emergency. The loan pause, which extends through September 2021 through executive action has cost taxpayers \$40 billion in fiscal year (FY) 2020. These costs do not include the costs that have accrued for FY 2021, or the \$63 billion in loan re-estimates added to the program costs in FY 2020 due to previously unanticipated levels of forgiveness.

The recently released FY 2022 budget documents from the Department estimate that the loan pause currently set to expire at the end of FY 2021 will cost an additional \$36 billion to taxpayers. Further, for FY 2021 the Department's budget documents indicate that there will be

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another re-estimate in costs due to unanticipated levels of forgiveness in the future, currently estimated to cost \$53 billion.

Any executive action or Congressional attempt to extend the payment pause or cancel student loans is regressive policy. Job openings are at an all-time high as measured by the Labor Department, COVID-19 cases continue to fall, and over 60% of Americans have at least one COVID vaccine shot. Borrowers who benefit most from the pause and cancellation are high balance graduate students who are less likely to be unemployed and are more likely to make money.

No budget would be serious if it furthers the reckless scheme of student loan debt cancellation. The promise of cancelling mass amounts of student loan debt creates a significant moral hazard moving forward. When the government removes the expectation of repayment for borrowers it creates the new expectation that future borrowers will receive the same treatment. Institutions will not stop charging tuition, nor students stop needing room and board. This policy would encourage institutions and students to make riskier choices with taxpayer backed funds because they will expect students will never have to repay loans. All of this is set against a backdrop where only 60% of students exit the doors of a postsecondary institution with a certificate or degree 6 years after entry. Higher education and the federal student loan system need more accountability not a blank check to encourage more risky behavior with taxpayer backed funds.

Pell Grants

The Pell grant formula was rewritten in December 2020 by the FAFSA Simplification Act. Based on the January 2021 CBO baseline projections, the Pell Grant program is on an unsustainable path and at risk of being unable to fulfill its commitment to help low-income students gain access to college by 2025. The January baseline projected that the Pell Program would cost \$23.7 billion in FY 21.

Democrats are interested in investing new money for higher education in free community college programs, despite the fact that the average Pell grant is larger than the average community college tuition. Many states, like North Carolina and California, have made the hard budget choices to make community college affordable. Less enlightened states like Vermont and Massachusetts have not made good decisions about making community college affordable in their states. The federal taxpayers should not be viewed as a piggy bank to reward poorly managed state budgets and disadvantaged states that have made difficult decisions. Instead of a reckless scheme to promise “free” college to anyone, Congress should direct its attention to Pell grants, which are a far better investment than in the creation of a new entitlement program.

Job Training

A March 2019 Government Accountability Office Report found that 38 of the 43 job training programs administered by the federal government overlap by providing similar services. Many

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of these programs operate under separate administrative structures, resulting in unnecessary overhead costs and inefficiencies and limited data exists to demonstrate that these training programs are actually effective in improving the chance that a worker will find and keep a job.

In 2014, the Workforce Innovation and Opportunity Act was passed and signed into law, which reduced the number of duplicative job training programs and provided needed flexibility to states and local training programs. The law consolidated programs, improved accountability and transparency through common performance measures across all programs, required independent evaluations of programs on a regular basis, and provided greater flexibility to states and governors to allocate resources and structure their workforce systems in ways that best meet their economic needs. The committee will continue to conduct oversight of these programs and consider updates to the law as the authorization period ended in 2020.

Congress should consider how to improve and expand on-the-job training and apprenticeship programs that provide participants with a paid work and related instruction. Rather than limiting attention to solely the traditional registered apprenticeship system, Congress should take an “all of the above” approach to encourage the expansion of this training model to new industries and participants. Last year, Congress appropriated \$185 million to the Department of Labor for registered apprenticeship programs, but many employers do not participate in this system due to rigid requirements that do not match the needs of their industry. The committee will explore ways to improve apprenticeship and job training programs to meet the needs of employers and jobseekers.

Career and Technical Education

In 2018, President Trump signed the Strengthening Career and Technical Education for the 21st Century Act, a bill to reauthorize the Carl D. Perkins Career and Technical Education Act. This law provides \$1.3 billion annually to support the development of academic and career and technical skills among the approximately 11 million secondary education students and postsecondary education students who elect to enroll in career and technical education programs each year.

The law supports the development of and access to high-quality career and technical education programs by strengthening State led accountability, eliminates programs that do not work, and improves alignment with the Workforce Innovation and Opportunity Act (WIOA) and the Every Student Succeeds Act. The law also ensures that state and local programs collaborate with the business community and workforce development boards, so that education programs are meeting the needs of the local economy. The committee will continue to conduct oversight of these programs.

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Fair Value Accounting

The HELP Committee is requesting the Budget Committee consider the option of using Fair Value Accounting when evaluating the cost and savings of various higher education reform proposals. To enable a robust debate about overhauling the structure of the current federal loan program, including discussion regarding the proper role and interplay with the private lending market, it is vital that fair value accounting methodology be available. CBO has indicated on numerous occasions its support and preference for the application of fair value accounting as it pertains to scoring federal student loan programs. This approach would better account for the risk and exposure to the taxpayer inherit in the current federal student loan structure. Further, it would allow the committee to conduct a more meaningful debate about the proper role the federal government should take in supporting access to higher education, including graduate education.

Labor and Pensions

Encouraging Job Growth

The previous Administration enacted a pro-jobs agenda in Washington, with fewer Washington mandates, fewer job-killing regulations, and pro-growth tax policies that led to increased wages for working families. The COVID-19 pandemic impacted the entire country, decreasing job opportunities as we fought the spread of the pandemic. However, now it is time to get back to work and that means implementing policies that encourage job growth, not pay people to stay home. As Ranking Member, I will continue to prioritize policies to get Americans back to work and will oppose attempts to undo the progress of the last four years.

Empowering Employers, Entrepreneurs, and Taxpayers

Washington, D.C. can do the most for American workers by reducing, not increasing, regulatory burdens and incentivizing growth and innovation. Instead of more big government mandates, this Congress should follow the tax-cutting, regulation-reducing agenda of the 116th Congress to create a thriving economy. That's why the committee should oppose irresponsible proposals to raise the federal minimum wage to \$15 per hour, which could cost millions of jobs. The federal government fixing wages is not the way to give the largest number of Americans a good wage. The pathway to higher paying jobs with good benefits is Congress assisting job-creators by facilitating pro-growth economic policies.

Similarly, the committee should continue to oppose initiatives such as the ill-conceived Obama-era overtime rule that would have more than doubled the salary threshold and made it harder for employers and institutions to grow. The non-partisan Congressional Budget Office found in 2016 that the Obama-era overtime rule would have cost workers billions of dollars. However, I supported the previous administration's decision to issue a proposed rule to responsibly update

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the salary threshold for overtime pay. This reasonable update would ensure that workers and employers will have the opportunity to offer input on future changes.

The Davis-Bacon Act is another federal mandate that is expensive for taxpayers and buries job creators in weekly paperwork requirements rather than focusing on building their businesses. This law requires federal contractors and subcontractors to pay employees a prevailing wage determined by the Department of Labor using a statistically unrepresentative local area wage survey. This counterproductive law has been extended to more than 60 federal programs that provide construction funding, despite frequent errors in wage survey data that inflate costs, wastes taxpayer dollars, and results in lower employment. I will oppose further expansion of Davis-Bacon mandates which drive up costs for Americans.

The committee should strive to continue to reduce bureaucracy and improve conditions for job creation by opposing policies and proposals that discourage businesses from hiring. The committee should oppose proposals to eliminate recognized workplace dispute resolution procedures or impose onerous and ineffective reporting requirements. Discrimination in the workplace is illegal, and the committee on a bipartisan and historic basis supports robust enforcement of federal civil rights laws. However, I will oppose proposals that could increase meritless litigation or prevent employers acting in good faith from defending themselves.

Today's workplace relationships and arrangements are changing rapidly. In 2015, GAO reported that millions of American workers have embraced "gig economy" opportunities, which provide workers with freedom, flexibility, and empowerment. The committee should ensure the legal and regulatory environment does not impede this dynamic sector of the economy. For example, the gig economy harnesses the talents of Americans who choose to offer their services as independent contractors. The committee should be skeptical of efforts to impose burdens on independent contractors that would reduce flexibility and stifle opportunity.

Likewise, I supported the 2020 National Labor Relations Board's (NLRB) "joint employer" rule. This commonsense rule would ensure that entrepreneurs can maintain autonomy over their own small businesses. The Obama-era NLRB expanded joint liability in a way that would have reduced opportunities for small businesspeople, like franchisees, to own and operate their own businesses. Also, I supported the 2020 decision by the Department of Labor to similarly clarify the "joint employer" standard under the *Fair Labor Standards Act*, which will bring certainty to that confusing area of the law. Reversing these rules would have a detrimental effect on a sector of our economy that has been a proven pathway for women, minorities, and recent immigrants to enter the business-owning ranks.

Keeping Workers Safe

Americans should not have to worry about their safety when they are at work. One of the best ways to fulfill the committee's goal of safe workplaces is to expand programs such as the Occupational Safety and Health Administration's (OSHA) Voluntary Protection Program (VPP).

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This compliance assistance program helps empower employers and employees to keep their workplaces and each other safe. By engaging employees in workplace safety, VPP participants have injury and illness rates at half of industry averages. Compliance assistance programs like VPP save both the government and private companies money, all while keeping workplaces safer and allowing OSHA to focus its resources on higher-risk worksites. The committee should continue to advocate for adequate funding for the VPP program.

In addition to VPP, the committee should work to ensure OSHA's worker training and education programs are reaching workers in high hazard occupations. The agency set records for training workers during the pandemic so they can be ready to reengage safely in the workplace as businesses reopen.

With the new Administration recklessly risking substantial negative effects with an Emergency Temporary Standard (ETS), it will be important for the committee to exercise strong oversight over OSHA. An ETS is an extraordinary remedy, designed for situations where existing OSHA regulations do not address the hazard and the need for a standard is so overwhelming that the agency can bypass the public's right to notice and comment. As our country continues to turn the corner on this pandemic, promulgating harmful and ineffective new compliance standards is unwarranted and will only hamper our economy's ability to rebound.

Preserving Democracy in the Workplace

Workers have long had the right to choose whether they want to be represented by a labor union through a government-supervised secret ballot election. Equally important, the 28 states with "Right-to-Work" laws guarantee that a person cannot be compelled to pay dues to a labor union as a condition of employment. Unfortunately, there is legislation that would tip the scales in favor of labor unions, whatever the implications for workers. The Committee should support efforts to ensure that workers have access to the information they need when deciding whether to unionize and oppose anti-worker/pro-union activist legislation like the PRO Act which would deny workplace freedoms to workers who do not wish to join a union

Expanding Opportunities in the Workforce

In good economic times and bad, our nation consistently experiences a shortage of skilled workers, and it is a problem that could only get worse. Apprenticeship opportunities can help train Americans for careers in high growth, high-paying fields. While Congress has appropriated record funding for a particular type of apprenticeship that is registered through the Department of Labor, we should not close the door to direct apprenticeship partnerships with employers who wish to offer job-site and industry specific training themselves.

While this was a good start, these Labor Department-registered apprenticeships are subject to rigid and burdensome requirements that do not adapt easily to a fluid job market. These bureaucratic rules have served as a barrier to important workforce development opportunities.

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The Department of Labor under the previous Administration sought to create a way for businesses to cut through the red tape associated with registration. I believe the committee should explore options to get more types of job training and apprenticeships to Americans.

Enforcing the Law

Rather than imposing expensive new mandates and hindering the broad economic prosperity of the last several years, the committee believes that federal agencies should focus on enforcing the important worker protections that are already on the books. The committee should conduct oversight to ensure the federal agencies enforcing the law are sticking to the law, not reinterpreting law and becoming activists as opposed to enforcers.

Finally, the Department of Labor's Occupational Safety and Health Administration (OSHA) enforces federal laws on workplace safety and health, and also offers training, outreach, and compliance assistance to businesses across the country. OSHA conducted 21,674 inspections in response to worker complaints, injuries and fatalities, and referrals impacted by the coronavirus and investigated every complaint. Even during the pandemic, OSHA enforcement has been robust, the previous Administration issued citations from 300 inspections for violations relating to COVID-19, resulting in almost \$4 million in penalties.

Enhancing Retirement Security

The committee should continue to safeguard the retirement income security of workers and retirees. Americans must have access to high-quality retirement savings advice and education, and policymakers should support the voluntary, private retirement system. The Congress has advanced new "Open MEP" or Open Multiple-Employer Plan retirement options so that small employers can band together to form one retirement plan. The provision removes the existing commonality requirement for participation in a MEP; unaffiliated businesses would be allowed to aggregate purchasing power, and limit the fiduciary liability and administrative costs that have been barriers to small business adoption of retirement plans. This effort built off of work by the Department of Labor's 2019 regulation that enabled small businesses to band together to offer high-quality retirement options. These "association retirement plans" reduce barriers that small businesses face in offering retirement plans and could help more small business employees save for their futures. By contrast, the committee should be concerned about counterproductive proposals putting costly new mandates on businesses. Instead, the committee should encourage flexible private sector solutions that reduce costs for workers.

The federal agency insuring private sector defined benefit pension plans faces severe challenges. That agency, the Pension Benefit Guaranty Corporation (PBGC), has been tasked with administering an \$82 billion bailout of failing multi-employer plans that was put in a party-line reconciliation bill. Committee Republicans will be conducting strong oversight of the funds and will continue to work to reform the system so that these failures do not happen again.

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COVID-19 Recovery

The Senate HELP Committee has oversight of nearly all the most important aspects of our pandemic response – from health care, to the federal government’s role in reopening schools, to safe workplaces. It will be my goal to conduct strong oversight of our recovery to ensure the federal government is pursuing a strengthened America and not taking advantage of the pandemic to implement counter-productive, costly, and outdated policies that increase government control and hamper economic growth.

Thank you for your consideration of these issues. If you have questions and are unable to reach me, please have your staff contact David P. Cleary, Minority Staff Director, at 202-224-9021.

Sincerely,



Richard Burr
Ranking Member
Committee on Health, Education, Labor and Pensions

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JENNIFER ROMERO, MAJORITY STAFF DIRECTOR
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June 24, 2021

The Honorable Bernard Sanders
 Chairman
 Committee on the Budget
 United States Senate
 Washington, DC 20510

The Honorable Lindsey Graham
 Ranking Member
 Committee on the Budget
 United States Senate
 Washington, DC 20510

Dear Chairman Sanders and Ranking Member Graham:

This letter is in response to the Budget Committee's request for the Committee on Indian Affairs (Committee) to submit a views and estimates letter. The Committee has prepared a views and estimates letter for the Budget Committee to consider during the Fiscal Year (FY) 2022 Budget Resolution process. We appreciate the opportunity for the Committee to express its views.

INTRODUCTION AND BACKGROUND

The fulfillment of the Federal trust and treaty responsibilities to Native communities are enduring commitments Congress must honor. The Committee continues to exercise its oversight and legislative duties to ensure that the Federal government achieves the greatest possible efficiencies, investments, and outcomes when utilizing Federal resources to fulfill the United States' trust and treaty responsibilities and to work to address the unique problems of American Indian, Native Hawaiian and Alaska Native peoples.

As such, while the Budget Committee moves forward with its consideration of the FY 2022 Budget Resolution, it is important that the Committee highlight the significance of the United States' trust, treaty, and other mandated responsibilities to Native communities. Federal agencies carry out these responsibilities through the administration of programs and services that uphold a fiduciary duty between a trustee (the United States) and a beneficiary (the Indian Tribe or Native community), which is a relationship based on the U.S. Constitution, treaties, U.S. Supreme Court decisions, and federal laws.

Indeed, the entire Title 25 of the United States Code — including, the *Snyder Act of 1921*, the *Indian Reorganization Act of 1934*, the *Indian Self-Determination and Education Assistance Act of 1975*, the *Indian Health Care Improvement Act*, the *Native American Housing and Self-Determination Act of 1996*, and the *Tribal Law and Order Act of 2010*, is dedicated to upholding the trust responsibility. Additional federal laws, including the *Native American Languages Act of 1990* and the *Native American Graves Protection Act of 1996*, further define the obligations of the United States to provide various programs and services to American Indians, Alaska Natives, and Native Hawaiians.

Through these federal laws, Tribal governments and Native communities have prospered and regained control over their own economic, social, and cultural self-determination. Yet, too many Native communities continue to face numerous obstacles and unique socio-economic barriers, leading to disproportionate negative effects on health, education, income, housing, and public safety. Thousands of Native families, living in diverse regions across the United States, lack access to basic infrastructure services – such as water and wastewater systems, road systems, housing, and broadband – compounding challenges for the economies, school systems, and health care systems of these communities.

In years past, the Committee has detailed its funding priorities based on an annual fiscal year budget and appropriations process. The COVID-19 pandemic has not only upended that process, but it has exposed the consequences of existing funding and programmatic shortfalls.¹ We urge you to strengthen existing programs, support any new programs and increased funding authorized by the Indian Affairs Committee that will respond to and spur recovery from the pandemic.

SELF-DETERMINATION

For more than forty years, the federal government has empowered Indian Tribes through self-determination and self-governance policies. The *Indian Self Determination and Education Assistance Act of 1975* (ISDEAA) authorized Indian Tribes, through contracts or self-governance compacts, to assume the administration and operation of critical federal programs intended to benefit Indians, placing control at the local level.

More than 350 of the 574 federally recognized Indian Tribes are a party to at least one ISDEAA contract or self-governance compact with the U.S. Department of the Interior (DOI), the Indian Health Service (IHS) in the U.S. Department of Health and Human Services (HHS), and the U.S. Department of Agriculture (USDA).² Through these contracts and self-governance compacts, Tribes are able to operate programs involving health care, social welfare, education, public safety, infrastructure, forestry, and food programs. Experience shows that Tribal communities are able to manage and operate these programs more effectively than the federal government because, like local governments, they know their communities and can tailor the programs to respond to their distinct needs. The number of Tribes entering into contracts is likely to grow in the coming years as Congress continues to expand ISDEAA authorities.

Contract Support Costs. A critical component of the ISDEAA and self-determination policy is the federal government's obligation to provide participating Tribes with ISDEAA funding equal to the costs that the United States would have incurred if it were to continue operating the programs. Known as Contract Support Costs, these expenses are the administrative costs

¹ As with past public health threats, the impacts of the COVID-19 pandemic on Native communities have been particularly acute. See U.S. Ctrs for Disease Control & Prevention, et al., *Morbidity & Mortality Weekly Report: Deaths Related to 2009 Pandemic Influenza A (H1N1) Among American Indian/AK Natives 12 States* (Dec. 11 2009), <https://www.cdc.gov/mmwr/preview/mmwrhtml/mm5848a1.htm>.

² Sections 4003(b)(2) and 8703(a) of the *Agriculture Improvement Act of 2018*, Pub. L. 115-334 (2018), expanded tribal self-determination via demonstration projects at the USDA food distribution program for Indian reservations and forestry programming, respectively. The Committee recommends continued appropriations to support development and implementation of these demonstration projects.

associated with Indian Tribes operating a federal program. Three U.S. Supreme Court decisions have upheld the federal government's obligation to fully fund Contract Support Costs.³ The Committee supports continued full funding of these obligations in the FY 2022 Budget. The Committee welcomes the opportunity to explore reclassifying contract support costs as mandatory funding as proposed in the President's budget.

105(l) Leases. Section 105(l) of the ISDEAA requires the IHS, the Bureau of Indian Affairs (BIA), and the Bureau of Indian Education (BIE) to enter into a cost agreement (or "lease") with an Indian Tribe or Tribal organization that furnishes a facility used in support of its ISDEAA contract or compact.⁴ Since 2016, 105(l) lease costs have quadrupled. To cover the additional costs associated with these increased demands, the IHS, BIE and BIA have had to submit reprogramming requests to Congress. These reprogramming requests are necessary to fulfill the United States obligations under the ISDEAA, and in the past these agencies pulled resources from other activities to cover funding shortages. To prevent diversion of programmatic resources, the Committee recommends the FY 2022 budget include sufficient resources and flexibility to allow for full funding of 105(l) lease costs. The Committee welcomes the opportunity to explore reclassifying 105(l) lease costs as mandatory funding as proposed in the President's budget.

ECONOMIC DEVELOPMENT

Recent economic successes by some Native communities have led to an increase in economic self-determination. Some Native communities, however, remain among the poorest in the United States. Economic development opportunities can provide a foundation upon which to build a resilient and growing economy in Indian country and in Native communities across the United States.

Like many state and local governments seeking to promote economic growth for their citizens, Indian Tribes often start businesses (e.g., financial services firms, construction companies, tourism and outdoor recreation companies, and other enterprises) that help create jobs and develop a strong workforce. However, unlike state and local governments that may choose to operate businesses to supplement revenue from taxes to support operations of essential government functions, Indian Tribes typically do not rely on such tax revenue. Therefore, Tribal governments will form Tribally-owned business to generate revenue streams to fund their governmental operations.

Several Indian Tribes have invested their own resources, when available, to increase economic development and tackle poverty within their communities. Economic development takes different forms across Indian country and Alaska. For example, the Alaska Native Claims Settlement Act (ANCSA) mandated creation of Alaska Native corporations through which Alaska Native people have built successful businesses rooted in their values. The Committee intends to consider the history and possible improvements to ANCSA and notes that this year marks the 50th anniversary of passage of the law. Although there has been much progress in

³ *Cherokee Nation of Okla. v. Leavitt*, 543 U.S. 631 (2005); *Salazar v. Ramah Navajo Chapter*, 567 U.S. 182 (2012); and *Arctic Slope Native Ass'n v. Sebelius*, 567 U.S. 930 (2012).

⁴ See 25 U.S.C. § 5323(l).

increasing economic development in Indian country, many challenges remain – including the remoteness of many Tribal communities, the lack of critical infrastructure, and inadequate access to capital markets. The COVID-19 pandemic has only exacerbated these challenges.⁵

Unfortunately, access to capital and credit is one of Native communities' ongoing and future needs.⁶ A report produced by the University of Arizona Native Nations Institute and funded by the U.S. Department of Treasury's Community Development Financial Institutions (CDFI) Fund, titled "Access to Credit and Capital in Native Communities," underscores the importance of increasing access to capital in Indian country, well before the pandemic hit.⁷ Now, as Native communities continue to emerge from the pandemic's economic impacts, it is more important than ever to focus on supporting Tribal governments and Native communities' economies with the resources they need to strengthen their foundations and build resiliency, including increasing capital access.

U.S. Department of the Interior. The BIA within the DOI administers several programs through the Office of Indian Energy and Economic Development (IEED) that supports economic development and job creation in Indian country. One of its most successful programs is the Indian Loan Guarantee Program, which has been successful in assisting Indian businesses and entrepreneurs engage in economic development by offering a remarkable repayment rate and a lower "default" rate than other federal loan guarantee programs. The demand for the Indian Loan Guarantee Program is more than double what is currently available.

One of IEED's newest programs, the Native American Business Incubators Program,⁸ provides competitive grants to eligible applicants to establish and operate business incubators that serve Tribal reservation communities. The Committee favors increased funding levels to meet Tribal demand for the Indian Loan Guarantee Program and to support implementation of the new Native American Business Incubators Program.

U.S. Department of Energy. Tribal lands have significant potential for energy development. The Department of Energy (DOE) estimates that 6.5 percent of the nation's renewable energy resources are situated on Tribal lands. In addition, conventional energy revenue from Tribes have contributed to over \$1.9 billion in revenue for their communities.⁹ Developing energy resources

⁵ For example, the National Congress of American Indians and other Tribal organizations estimate that closures of Tribal businesses as part of the COVID-19 prevention effort have cost Tribal economies more than \$40 billion in revenue losses. Letter from NCAI, et al, to Senate Leadership (Apr. 8, 2020). On file with SCIA. See Article, "One year into COVID-19, pandemic's negative effects persist in Indian Country," Center for Indian Country Development, available at <https://www.minneapolisfed.org/article/2021/one-year-into-covid-19-pandemics-negative-effects-persist-in-indian-country>.

⁶ As part of its oversight functions, the Committee held hearings on topics highlighting this need in June 2015, June 2016, November 2017, January 2018, and April 2019.

⁷ Native Nations Institute, *Access to Capital and Credit in Native Communities* (2016), available at http://nni.arizona.edu/application/files/6514/8642/4513/Accessing_Capital_and_Credit_in_Native_Communities_A_Data_Review.pdf

⁸ Established with the enactment of *Native American Business Incubators Program Act*, Pub. L. 116-174 (2020).

⁹ *The GAO Report on Indian Energy Development: Poor Management by BIA has Hindered Development on Indian Lands Oversight Hearing Before the S. Comm. on Indian Affairs*, 113th Cong. (2015) (statement of Lawrence Roberts, Acting Assistant Secretary for Indian Affairs).

would bring power to the most remote parts of Indian country and improve Tribal access to reliable and resilient energy. Accordingly, investment in Tribal energy programs will advance COVID-19 recovery in Indian country and beyond by jumpstarting economic development; creating jobs; increasing Tribal capacity to build, own, and operate energy infrastructure; remedying disparities in energy infrastructure and development; mitigating environmental impacts; and supporting Tribal energy self-sufficiency, self-determination, and reliability. In the *Energy Policy Act of 2005*,¹⁰ Congress built the framework for supporting Tribal energy projects by establishing the Department of Energy's Office of Indian Energy Policy and Programs and creating the Tribal Energy Loan Guarantee Program (TELGP).¹¹ Through TELGP, DOE may provide up to two billion dollars, in aggregate, in partial loan guarantees in support of debt financing for tribal energy development projects. The Committee strongly supports continuation of and increased funding for TELGP and the associated grant programs.

U.S. Department of the Treasury. Prior to the pandemic, the U.S. Department of the Treasury's main program for Native communities was the Native American Community Development Financial Institutions Assistance (NACA) Program within the CDFI Fund. The NACA Program assists Native communities build institutions that can access and bring credit to rural and underserved areas via competitive awards made in the form of loans, grants, equity investments, deposits, and credit union shared.¹²

Native CDFIs continue to grow, demonstrating the need for these financial services in Native communities. As Tribes continue to combat the impacts of the coronavirus on their economies, Native CDFIs are well positioned to fill the need for underserved and underbanked Native communities access loans and other important financing to allow their businesses to grow and thrive. However, according to the Minneapolis Federal Reserve Bank's Center for Indian Country Development, Native CDFIs reported over \$48 million in unmet funding needs from public and private sources in 2017 alone.¹³ And according to Committee hearing testimony from 2019, many Native CDFIs remain undercapitalized and engagement with traditional lending sources remains low.¹⁴ The Committee urges robust funding of the NACA program within the CDFI Fund.

¹⁰ Energy Policy Act of 2005, Pub. L. 109-58 (2005).

¹¹ TELGP authorizes the Department of Energy to guarantee up to 90% of the principal and interest of a loan issued for tribal energy development. In conjunction with grant funding and technical assistance, TELGP reduces financial barriers to tribal energy development by leveraging federal resources and encouraging Tribal borrowers to partner with the private sector to develop energy programs.

¹² Since its inception, the CDFI Fund has awarded more than \$3.3 billion to community development organizations and financial institutions; guaranteed \$1.5 billion in bonds through the Bond Guarantee Program; and allocated \$54 billion in New Markets Tax Credits. The awards enabled CDFIs and other community-based development organizations to expand their capacity to deliver the credit, capital, and financial services needed to generate economic opportunity in underserved communities. See *Building Out Indian Country: Tools for Community Development Oversight Hearing Before the S. Comm. on Indian Affairs*, 116th Cong., p.1 (2019) (statement of Jodie Harris, Director, Community Development Financial Institutions Fund).

¹³ Michou Kokodo, "Findings from the 2017 Native CDFI Survey: Industry Opportunities and Limitations," Federal Reserve Bank of Minneapolis, Working Paper No. 2017-04, November 2017.

¹⁴ *Building Out Indian Country: Tools for Community Development Oversight Hearing Before the S. Comm. on Indian Affairs*, 116th Cong., p. 4 (2019) (statement of Jodie Harris, Director, Community Development Financial Institutions Fund).

Native communities can also benefit from two tax incentives that attract private development with minimal cost and significant return on investment. The New Market Tax Credit Program and Low Income Housing Tax Credit Program provide incentives to promote private development in Indian country. Granting Tribal access to specific amounts within these programs will help bring investment into Indian country with minimal cost.

Finally, one significant policy recommendation that can fundamentally change the manner in which Tribal governments access public debt financing is through a repeal of the “essential government function test” required in Sec. 7871(c) of the Internal Revenue Code. Repealing this regulatory burden will help fund nearly \$1 billion in public works projects on and near Tribal communities.

U.S. Department of Agriculture. The USDA Rural Development (USDA-RD) programs in which Tribes participate include the Rural Business – Cooperative Service (RBS), the Rural Utility Service (RUS),¹⁵ and the Rural Housing Service (RHS). According to USDA testimony received by the Committee, the USDA-RD invested nearly \$3 billion into Indian country from FY 2009 to FY 2015.¹⁶ However, when viewed against the total \$214 billion in funding distributed for these programs in the same fiscal period (FY 2009 to FY 2014), the Committee determined that USDA made only 1% of Rural Development funds available for Tribal communities and that Tribes did not receive a proportional allocation of USDA funds. Accordingly, the Committee recommends the FY 2022 Budget continues to support additional funding for these programs to ensure USDA-RD can better serve Native communities.

The USDA is also home to several important loan programs that support Native community economic development, including the Highly Fractionated Indian Land Loan program, the Indian Land Acquisition Loans program,¹⁷ and the 502 Direct Loan Tribal CDFI relending demonstration project.¹⁸ As such, the Committee recommends continuing to fund the Highly Fractionated Indian Land Loan program and the Indian Land Acquisition Loans program and

¹⁵ In particular, USDA-RD began implementing changes in 2012 designed to improve access to RUS funding for individuals living in Substantially Underserved Trust Areas (SUTA) – including tribal lands, Hawaiian homelands, and lands owned by Alaska Native Regional Corporations and Village Corporations – to improve basic services, such as water and waste disposal, rural electrification and high-cost energy, telecommunications and broadband infrastructure, and distance learning and telemedicine. The SUTA changes, originally authorized by the 2008 Farm Bill, still require additional funding for administration as well as for programs and loan authority within RUS. It is important that more funding is made available to provide the infrastructure development and needed upgrades.

¹⁶ *Accessing USDA Rural Development Programs in Native Communities: Oversight Hearing Before the S. Comm. on Indian Affairs*, 114th Cong., p.1 (2016) (statement of Lillian Salerno, Deputy Under Sec’y for Rural Development).

¹⁷ Consolidating lands in Tribal communities is an important factor in driving economic development and self-determination.

¹⁸ The USDA’s 502 Direct Loan program has proven to be an important program for helping individuals in rural parts of the country find affordable housing. Congress authorized the USDA, through this loan fund, to exercise nearly \$1 billion in annual home loan authority. Recently, the USDA, through the Single Family Housing Direct Loan Program, developed a Tribal CDFI relending demonstration project where it loaned two Native CDFIs \$800,000. The Native CDFIs matched a percentage of these loans (\$400,000) and are using these combined moneys to provide financing to homebuyers on Tribal lands. The Native CDFI partners will also be responsible for servicing the loans after they are made to eligible homebuyers. Initial results have shown that the participating Native CDFIs have deployed more home loans in the targeted trust lands under the demonstration project than by the USDA in the previous nine years.

continued appropriations for the 502 Direct Loan program to ensure that, of those funds, USDA will utilize \$2 million for the Tribal Demonstration Project.

Finally, the USDA Office of Tribal Relations (OTR) is the primary source for inter-departmental coordination of Tribal programs and policy within USDA. The OTR will play a growing role in helping the USDA implement the historic number of Tribal provisions from the 2018 Farm Bill. Continuing to fund the OTR and providing adequate resources will be key to ensuring that USDA programs better serve Tribal communities and do not become duplicative. As the Secretary of Agriculture continues the Department's work to implement the 2018 Farm Bill, the Committee recommends an increase to the OTR operating budget to help ensure Tribal programs remain effective.

U.S. Small Business Administration. The Office of Native American Affairs (ONAA) within the U.S. Small Business Administration (SBA) serves an important role as the single point of contact for Native American small business issues. ONAA's mission is to ensure that Native entrepreneurs have full access to the necessary business creation, development, and expansion tools available through SBA's programs. ONAA conducts outreach activities, develops promotional materials, hosts Tribal consultations, and provides technical assistance to promote and support Native small businesses. The Office is especially important after the recent passage of the *Coronavirus Aid, Relief, and Economic Security Act* (Public Law 116-136) and the *America Rescue Plan of 2021* (Public Law 117-2), in which Congress authorized new programs to help Native communities recover from the devastating impacts of the COVID-19 pandemic. For example, ONAA will provide technical assistance to Tribes on applying for grants under the Community Navigator Pilot Program, a competitive grant program to strengthen outreach to businesses in underserved communities. The Committee requests that the FY 2022 Budget increase to align with the scope of COVID-19 recovery efforts and to implement new programs, as needed.

INFRASTRUCTURE

Telecommunications Infrastructure. Native communities continue to lag behind other parts of the country with respect to broadband and telecommunications services.¹⁹ The barriers to broadband deployment in Native communities include a lack of infrastructure, remote rural areas with rough terrain, insufficient data, deployment barriers, and a lack of financial investing from

¹⁹ As of 2016, 35.4 percent of individuals living within Tribal lands lack access to fixed broadband compared to 7.7 percent of all Americans. See U.S. GOV'T ACCOUNTABILITY OFFICE, GAO-18-630, BROADBAND INTERNET: FCC'S DATA OVERSTATE ACCESS ON TRIBAL LANDS (2018).

major service carriers. The Federal Communications Commission (FCC),²⁰ USDA,²¹ and the Department of Commerce's National Telecommunications and Information Administration²² administer programs that serve as the primary funding source for deploying broadband infrastructure on Tribal lands and Native communities. The Committee strongly supports robust funding of all programs that promote broadband access and infrastructure buildout for Native communities.

Transportation Infrastructure. The inventory of proposed and existing roads in the National Tribal Transportation Facility Inventory (NTTFI) is approximately 157,000 miles, of which about 31,400 miles are BIA system roads, 26,000 miles are Tribal system roads, and 101,000 miles are under State and local ownership. These roads are often in poor condition with similarly poor safety performance, which severely limits access to health care, schools, and businesses.

The Tribal Transportation Program (TTP), which is jointly administered by the Federal Highway Administration's (FHWA) Federal Lands Highway Office and the BIA's Division of Transportation, is the primary program for reconstruction of NTTFI roads. Indian Tribes also receive funding from the National Highway Traffic Safety Administration's (NHTSA) State Highway Safety Program, commonly referred to as "Section 402 safety grants." The Committee supports robust funding for the TTP and the NHTSA State Highway Safety Program in FY 2022 to provide essential accessibility in and around Indian country.

Additionally, the BIA receives annual appropriations funding to support maintenance of its inventory of roads within the NTTFI. For the past decade, budget requests for BIA's Road

²⁰ FCC's Universal Service Fund (USF) provides financial support to ensure that telecommunications services are available to all Americans. The USF currently administers four programs: the High Cost/Connect America Fund (CAF) Program, the Schools and Libraries Program (E-Rate), the Rural Health Care Program/Health Connect Fund, and the Low Income Program (Lifeline and Link-up). These programs provide subsidies to telecommunications providers that offer broadband in rural areas (CAF Program), discounts to providers offering telecommunications services, internet access, and internal connections to schools and libraries (E-Rate), subsidies to low-income households, reducing or eliminating the monthly cost for telecommunications services (Lifeline program), and discounts to rural care providers for broadband connectivity (Rural Health Care Program/Health Connect Fund). Yet, despite these programs, a significant gap in broadband access exists for Americans living on Tribal lands.

²¹ The USDA Broadband ReConnect Program provides loans and grants for the costs of construction, improvement, or the acquisition of the necessary facilities and equipment to provide broadband service in eligible rural areas. Tribes are eligible to participate in the ReConnect Program. Additionally, the RUS maintains a portfolio of telecommunications programs to finance broadband deployment and infrastructure to rural areas, including the Community Connect Grant Program, the Distance Learning and Telemedicine Grant Program, the Rural Broadband Access Loan and Loan Guarantee Program (i.e., Farm Bill Broadband Loans), and the Telecommunications Infrastructure Loan and Loan Guarantee Program. Between 2010 and 2017, the RUS provided a total of \$6.1 billion in loans and grants to build out broadband in rural areas, of which the RUS invested approximately \$512 million in projects that serve Tribal lands, Tribal organizations, American Indians and Alaska Natives.

²² The *Consolidated Appropriations Act of 2021* authorized the NTIA to implement the Tribal Broadband Connectivity Program and the Connecting Minority Communities Pilot Program. The Tribal Broadband Connectivity Program contains \$1 billion to be directed to Tribal governments to be used for broadband deployment, telehealth, distance learning, broadband affordability, and digital inclusion on Tribal lands. The Connecting Minority Communities Pilot Program, for which Tribal colleges and universities are eligible, contains \$285 million in grants for the purchase of broadband service or any eligible equipment, or to hire and train information technology personnel.

Maintenance Program have fluctuated between \$24 and \$28 million. Currently, the BIA has a deferred maintenance backlog of at least \$300 million. The Committee supports increasing the funding for the BIA Road Maintenance Program in FY 2022 to address the current backlog and enhance the current state of roads and highways within Indian lands.

Water Infrastructure. The Department of Housing and Urban Development (HUD) has found that 5.6 percent of Tribal homes have a plumbing inadequacy compared to 1.3 percent of homes in the United States.^{23,24} Native American households are 19 times more likely to lack access to indoor plumbing than households in other communities.²⁵ The IHS has determined that over 130,000 American Indian and Alaska Native homes need some form of sanitation facility improvement, over 68,000 are without access to adequate sanitation facilities, and over 7,000 are without access to a safe water supply systems and/or sewage disposal systems.^{26,27} An estimated 20 percent of rural Alaska Native homes lack in-home piped water and 32 of the 190 rural Alaska Native villages are still unserved, lacking access to in-home water and sewer.²⁸

Moreover, the COVID-19 pandemic demonstrated that safe water, reliable sanitation, and hygienic conditions are essential to protecting public health. Due to lack of basic water and sanitation infrastructure, many Native communities, particularly those in remote locations, have been unable to adhere to the Centers for Disease Control and Prevention's recommended sanitation and hygiene practices, compounding the pandemic's impact.²⁹

In addition to the immediate needs for potable water use, water is a key economic driver in many Native communities; it supports agriculture, energy production, fisheries, grazing, and recreation. Water also holds a special religious and cultural importance to Native communities, providing habitat for the fish, wildlife, and native plant species that serve as important sources of food, medicines, and rituals. Coupled with population growth, increased competition for finite water supplies, and climate-related impacts such as accelerated snow pack melt, increased

²³ Here, "plumbing inadequacy" is defined as lacking piped hot water or a flush toilet, or lacking both bathtub and shower, for the exclusive use of the unit.

²⁴ NANCY PINDUS ET AL., DEP'T OF HOUSING AND URBAN DEVELOPMENT, HOUSING NEEDS OF AMERICAN INDIANS AND ALASKA NATIVES IN TRIBAL AREAS: A REPORT FROM THE ASSESSMENT OF AMERICAN INDIAN, ALASKA NATIVE, AND NATIVE HAWAIIAN HOUSING NEEDS (Jan. 2017).

²⁵ DIG DEEP & U.S. WATER ALLIANCE, CLOSING THE WATER ACCESS GAP IN THE UNITED STATES: A NATIONAL ACTION PLAN (2019).

²⁶ In some cases, such as in the community of Oljato on the Arizona-Utah border, a single spigot on a desolate road, miles from any residence, serves 900 people.

²⁷ U.S. DEP'T OF HEALTH & HUMAN SERVICES – INDIAN HEALTH SERVICE, ANNUAL REPORT TO THE CONGRESS OF THE U.S. ON SANITATION DEFICIENCY LEVELS FOR INDIAN HOMES & COMMUNITIES: FISCAL YEAR 2018 (2017).

²⁸ *Build Back Better: Water Infrastructure Needs for Native Communities Oversight Hearing Before the S. Comm. on Indian Affairs*, 117th Cong. (2021) (statement of Valerie Nurr'Araaluk Davidson, Interim President, Alaska Native Tribal Health Consortium).

²⁹ For example, more than 30 percent of the population on the Navajo Reservation, which spans three states, lacks running water, exposing residents to greater risk of COVID-19 infection due to the inability to take basic preventative measures, such as hand-washing. More than 40 percent of Navajo households in Utah lack running water or adequate sanitation in their homes. (Kenzi Abou-Sabe, Cynthia McFadden & Didi Martinez, *'Hit us at our core': Vulnerable Navajo Nation fears a second COVID-19 wave*, NBC NEWS (Aug. 3, 2020), <https://www.nbcnews.com/specials/navajo-nation-fears-second-covid-19-wave/index.html>; and, *The Navajo Utah Water Rights Settlement Act of 2019: Hearing on H.R. 644 Before the Subcomm. on Water, Oceans & Wildlife of the H. Nat. Resources Comm.*, 116th Cong. (2019) (testimony of Jonathan Nez, President Navajo Nation).)

flooding, and accelerated evapotranspiration, Native communities' water challenges will continue well into the future absent robust investment in long-term, sustainable infrastructure.

The IHS, USDA, and the Environmental Protection Agency (EPA) provide the primary funding for water, sewage, and solid waste disposal systems for Native communities. However, the IHS sanitation construction program would need at least \$3.09 billion in estimated funding for infrastructure projects to address existing drinking water and wastewater infrastructure needs as of FY 2020,³⁰ and the EPA estimated the costs of future Tribal drinking water infrastructure needs at an additional \$2.4 billion over the next 20 years.³¹ The Committee supports robust funding to address Tribal water and sanitation, access, and infrastructure needs.

In addition, the federal government supports water infrastructure in Native communities through robust funding for Indian water rights settlements. For more than a century, the U.S. Supreme Court has made clear, through application of the *Winters* Doctrine, that the United States set aside the amount of water necessary to fulfill the purpose of establishing a reservation. The nature and extent of each Tribe's water rights is the source of ongoing litigation in many instances. One of the more widely recognized challenges for water settlements is appropriating funding for those settlements once they are Congressional authorized. Current estimates indicate approximately \$3.8 billion will be required to complete the eight authorized Indian water rights settlements. This estimate does not include inflation, cost overruns, or the anticipated \$252 million needed to cover other ongoing water rights settlements funded by the Bureau of Reclamation. The estimate also excludes fixed operations, maintenance, and replacement costs; funding for actions that are authorized but not yet planned; and funding to firm water rights against shortages. The Committee supports necessary funding increases to align with demand for FY 2022.

In addition to the high cost of funding Indian water rights settlements, the Congressional Budget Office changed their policy determinations on scoring settlements. CBO has now determined that any settlements seeking Congressional authorization through new budget authority will be deemed direct spending due to the activation of the Reclamation Water Settlement Fund. This policy will make funding for water settlements even more challenging going forward. The Committee welcomes the opportunity to explore reclassifying Tribal water settlements as mandatory funding as proposed in the President's budget.

Health Infrastructure. IHS facilities provide needed community services to Native communities in some of the most isolated corners of the country. Yet, investments in health system infrastructure have not kept pace with growing community demands and population growth. In its 2016 Facilities' Needs Assessment Report to Congress, the IHS reported that the average IHS hospital is four times older than the average U.S. hospital, leading to increased operations and maintenance costs, and overcrowding.³² Additionally, as the age of these facilities

³⁰ U.S. DEP'T OF HEALTH & HUMAN SERVICES, FISCAL YEAR 2021 INDIAN HEALTH SERVICE: JUSTIFICATION OF ESTIMATES FOR APPROPRIATIONS COMMITTEES CJ-224 (2021).

³¹ ENV'T. PROTECTION AGENCY, DRINKING WATER INFRASTRUCTURE NEEDS SURVEY AND ASSESSMENT: FIFTH REPORT TO CONGRESS, EPA 816-R-13-006 (Apr. 2013).

³² U.S. DEP'T OF HEALTH AND HUMAN SERVICES—INDIAN HEALTH SERVICE, THE 2016 INDIAN HEALTH SERVICE & TRIBAL HEALTH CARE FACILITIES' NEEDS ASSESSEMENT REPORT TO CONGRESS (2017), *available at*

averages 36 years, many Indian Tribes have hospitals and clinics built to serve much smaller patient populations, including minimal staffing levels. The IHS estimates that it does not have the required facility space needed to serve all 2.6 million Indian patients. The Committee supports increased funding to adequately address the IHS' Facilities Construction and the Backlog of Essential Maintenance, Alteration and Repair, which IHS estimates to be approximately \$944.9 million for all IHS and reporting Tribal health care facilities. The Committee also supports increased funding to address medical equipment backlog.

The IHS utilizes an electronic health record (EHR) system designed around the Department of Veterans Affairs' retired EHR system known as the Resource and Patient Management System (RPMS). As such, the IHS is working to modernize its Health Information Technology (HIT) and EHR infrastructure. Such a modernization should help streamline IHS's transition away from the soon-to-be unsupported RPMS and increase the agency's ability to monitor patient wait times, clinical provider credentialing, public health surveillance data, and health outcomes. The Committee supports the Administration's efforts to modernize their HIT and EHR and recommends the FY 2022 Budget provide sufficient resources to continue these efforts.

Education Infrastructure. Several Government Accountability Office and DOI Office of Inspector General reports confirm that Bureau of Indian Education (BIE) schools and facilities are in dire shape, leading to dangerous classroom conditions for students (e.g. exposed wiring, broken boilers, buildings with little to no insulation, and asbestos dust).³³ According to recent testimony from BIE, the Bureau's estimated facilities' construction needs backlog for K-12 schools is currently over \$4 billion.³⁴ The Committee supports increased funding to begin expeditiously addressing the backlog.

Additionally, the Committee has heard about the growing education infrastructure needs at other schools that serve Native students – including Native Hawaiian education programs, Alaska Native education programs, and Native serving institutions of higher education.³⁵ Federal programs to address these infrastructure needs span across multiple agencies, including with the Departments of Education and Agriculture. The Committee encourages the Budget Committee make considerations for the needs of these Native-serving schools and programs as it plans for education infrastructure investments across the federal government.

https://www.ihs.gov/sites/newsroom/themes/responsive2017/display_objects/documents/RepCong_2016/IHSRTC_on_FacilitiesNeedsAssessmentReport.pdf.

³³ For example, see U.S. GOV'T ACCOUNTABILITY OFFICE, GAO-17-421, INDIAN AFFAIRS: FURTHER ACTIONS NEEDED TO IMPROVE OVERSIGHT & ACCOUNTABILITY FOR SCHOOL SAFETY INSPECTIONS (2017); and, U.S. DEP'T OF THE INTERIOR – OFFICE OF THE INSPECTOR GENERAL, C-EV-BIE-0023-2014, CONDITION OF INDIAN SCHOOL FACILITIES (2016), available at https://www.doi.gov/sites/doi.gov/files/FinalEval_BIESchoolFacilitiesB_093016.pdf.

³⁴ *Examining the COVID-19 Response in Native Communities: Native Education Systems One Year Later Oversight Hearing Before the S. Comm. on Indian Affairs*, 117th Cong. (2021) (statement of Tony Dearman, Director, Bureau of Indian Education U.S. Dep't of the Interior).

³⁵ *Id.* (statements of Dr. Kauano'e Kamana, Principal, Ke Kula 'O Nāwahitokalani 'ōpu'u, Demonstration Laboratory School; Dr. Michelle Thomas, Superintendent, Belcourt School District; and, Mr. Lance West, Principal, Schurz Elementary School); and, *Preparing to Head Back to Class: Addressing How to Safely Reopen Bureau of Indian Education Schools Oversight Hearing Before the S. Comm. on Indian Affairs*, 116th Cong. (2020) (statements of Marita Hinds, President, Nat'l Indian Education Association, and Dr. David Yarlott, Jr., Chair, American Indian Higher Education Consortium).

Climate Infrastructure. Tribes are disproportionately affected by climate change and resulting weather events such as sea level rise, coastal erosion, ocean acidification, increased wildfires, extended drought, and altered seasonal duration. These events directly impact Tribal infrastructure, economies, subsistence practices, and health. In some regions of Alaska, the Southeast, the Pacific Islands, and the Pacific Northwest, these impacts are so severe that Tribes must retreat or relocate away from their ancestral lands for their own safety and survival.

To support Tribal climate resilience efforts, the Office of Trust Services' Tribal Climate Resilience Program provides grant funding for adaptation, ocean and coastal management, capacity building, and relocation/managed retreat/protecting-in-place. In 2020, this program provided \$14.4 million of critical funding to 159 Tribal entities addressing climate change in their communities. Annual appropriations have not kept pace with the the need and there are no assurances that the program will be funded in subsequent years, which limits Tribes to smaller-scale projects that can be completed within two years.

Given that climate resilience and preparedness are pressing Tribal needs requiring a long-term community response, the Committee strongly supports increased and more consistent funding for the Tribal Climate Resilience Program. Reliable funding in larger amounts will open the option of longer multi-year grants that better align with the objectives of the program and help Tribes respond more effectively to the climate challenges they are facing.

Housing Infrastructure. The need for housing and renovations throughout Indian country is clear and well documented. For example, HUD estimates that, in order to address their unmet housing needs, Native communities would need to build 68,000 new housing units.³⁶ According to data collected in the American Community Survey (ACS) physical deficiencies of housing in Tribal communities (defined as problems with plumbing, kitchen, and overcrowding) is three times greater than similar situated households in the United States.³⁷

The Committee recognizes a great and immediate need for safe and affordable housing throughout Native communities and recommends continued funding of the Indian Housing Block Grant (IHBG), the Competitive IHBG, the Native Hawaiian Housing Block Grant (NHHBG), the 184 and 184(a) Guaranteed Home Loan, the Indian Community Development Block Grant (ICDBG), the Tribal HUD-VASH, and the Title VI Loan Guarantee Programs. Congress has consistently funded each of these programs, and the Committee recommends continued funding for each.

PUBLIC SAFETY AND JUSTICE PROGRAMS

Both the U.S. Department of Justice (DOJ) and the DOI provide public safety services and programs for Indian communities.³⁸ The DOJ also provides prosecution and investigations of

³⁶Nancy Pindus et al., *Housing Needs of American Indians and Alaska Natives in Tribal Areas: A Report From the Assessment of American Indian, Alaska Native, and Native Hawaiian Housing Needs* (Jan. 2017).

³⁷ *Id.* at 6.

³⁸ Within the DOI, the BIA provides programs that cover a range of Federal, state, and local government services including, law enforcement, detention services, and administration of Tribal courts for Indian Tribes. In addition to other BIA Agency Offices that support public safety programs, the BIA allocates its appropriations to 190 Law Enforcement Programs; 96 Detention/Corrections Programs serving 55 Indian Tribes; 15 Districts, Headquarters,

major crime in Indian communities – the rates of which can rival those of major metropolitan cities. The Committee strongly supports sufficient funding in both the DOJ and the DOI that will meaningfully reduce and prevent the high crime rates and enhance public safety programs in Indian country to address child protection, violent crime, illegal trafficking of Native American artifacts, human trafficking, domestic violence, drug trafficking, recidivism, juvenile justice, and other recurring public safety threats in Indian country.

Law Enforcement Staffing. While funding is an important issue for public safety in Indian country, low staffing levels are a significant contributing factor to the high rates of crime. The DOJ's Federal Bureau of Investigation (FBI) has a federal law enforcement responsibility on nearly 200 Indian reservations; however, the FBI may only have one or two agents available to serve all reservations within each of the Bureau's regions and does not station agents on each reservation to provide investigative law enforcement services to each Indian Tribe. Moreover, there may only be one or two BIA or Tribal law enforcement officers patrolling vast land areas similar in size to the state of Connecticut, if not larger. The Committee supports increased funding to assist with the training, recruitment, and retention of additional law enforcement personnel for Native communities.

Indian Arts and Crafts Act Enforcement. The *Indian Arts and Crafts Act*, a truth in advertising law intended to protect Native artisans and consumers of Indian-produced arts and crafts by prohibiting misrepresentation in marketing of Indian arts and crafts, imposes criminal and civil penalties for those who knowingly market counterfeit arts and crafts. However, counterfeit arts and crafts made overseas are flooding the market and devaluing legitimate Indian-produced arts and crafts in the United States while simultaneously inflating prices for counterfeits. Many Native artisans are consequently forced to quit their craft. The U.S. Fish and Wildlife Service (FWS) law enforcement, in partnership with the Indian Arts and Crafts Board at DOI, has made significant progress in disrupting major smuggling rings, but the problem is significant and requires multi-year support. Therefore, the Committee strongly supports continued funding for both the Indian Arts and Crafts Board and FWS for the enforcement of the *Indian Arts and Crafts Act*.

Victims Services. Through its oversight and legislative efforts, the Committee determined that less than one percent of Crime Victims Fund (CVF) allocations went directly to Indian Tribes prior to FY 2018. However, since FY 2018, Congress set aside three to five percent of the CVF annual allocations for Indian Tribes to assist victims of crime. Understanding that Native communities across the country face some of the highest victimization rates in the country,

and Support Offices; and 185 Tribal Courts. This distribution only covers a portion of Indian country. Most Indian Tribes are located in states (such as Alaska, Minnesota, and California) with "P.L. 280" jurisdiction, where states have joint criminal jurisdiction over Indian lands and Indian Tribes do not receive funding from the BIA. According to the most recent BIA unmet law enforcement needs annual report issued in May 2018, the total annual estimated need in Indian country is \$1 billion for Law Enforcement Programs, \$241.8 million for existing Detention Centers, and \$1 billion for Tribal Courts. (U.S. DEP'T OF THE INTERIOR – BUREAU OF INDIAN AFFAIRS – OFFICE OF JUSTICE SERVICES, REPORT TO CONGRESS ON SPENDING, STAFFING, & ESTIMATED FUNDING COSTS FOR PUBLIC SAFETY & JUSTICE PROGRAMS IN INDIAN COUNTRY, 2018 (2020), available at https://www.bia.gov/sites/bia.gov/files/assets/bia/ojs/ojs/pdf/2018_TLOA_Report_Final.pdf.)

continuation of this Tribal set-aside is necessary to ensure resources reach Native victims of crime. To address the unacceptably high rates of victimization and prevent recidivism, the Committee recommends a continuation of the five percent Tribal set-aside in the CVF for FY 2022 be included in any budgetary considerations.

HEALTHCARE

Native communities continue to face overwhelming health disparities, which are repeatedly reflected in statistics. The population that the IHS serves has long experienced poor health outcomes when compared to other Americans, such as a life expectancy that is 5.5 years less than the national average. American Indians and Alaskan Natives face higher rates of heart disease, cancer, chronic liver disease, diabetes, influenza, stroke, and chronic lower respiratory disease than other Americans in numerous categories. Communities in Indian country also continue to experience disproportionately high rates of alcohol and substance abuse. These disparate health levels indicate the great importance of IHS's work to provide vital and, at times, the only available health care to Native communities.

IHS. The IHS is responsible for providing health care services to approximately 2.6 million American Indian and Alaskan Natives. The IHS supports an extensive network of more than 850 Federal, Tribal, and Urban Indian hospitals, clinics, and health stations in 37 states. These facilities are predominantly located in rural areas. Congress should continue to make positive strides to increase funding for the IHS to curb funding and budgetary uncertainty that negatively impact IHS programs and limit Native communities' access to quality health care.^{39,40} As such, the Committee supports increased IHS funding. Moreover, the Committee welcomes the opportunity to explore moving IHS programs to an advance appropriations cycle as proposed by the President's budget.

Additionally, over the course of the last several years, the Committee has received a number of reports that suggest certain federally-operated IHS facilities have endangered the health and safety of their patients.⁴¹ The Committee supports accountability in IHS programs to ensure the most effective delivery of services. As such, the Committee calls for an increase in funding to the HHS's Office of the Inspector General to assist in properly reviewing and investigating the efficacy, waste, fraud, abuse, death, death investigations, and misconduct within the IHS. By increasing accountability efforts and providing sufficient programmatic resources, the IHS can continue its work in addressing the Government Accountability Office's High Risk List placement. Finally, the Committee continues to support the Administration's request to address medical inflation, service population growth, and barriers to recruitment and retention of high quality medical personnel.

³⁹ U.S. COMM'N ON CIV. RIGHTS, *BROKEN PROMISES: CONTINUING FEDERAL FUNDING SHORTFALL FOR NATIVE AMERICANS* 66-73 (2018).

⁴⁰ U.S. GOV'T ACCOUNTABILITY OFFICE, *GAO-18-652, INDIAN HEALTH SERVICE: CONSIDERATIONS RELATED TO PROVIDING ADVANCE APPROPRIATION AUTHORITY* (2018).

⁴¹ For example, in February 2020, the Committee reviewed an independent report commissioned by the IHS—known as the *Integrity Report*—describing decades long mismanagement of employee misconduct that allowed a child predator to retain his position within the IHS. During his employment with the agency, he continued to abuse young patients.

Native Hawaiian Health Care Systems. To fulfill its trust obligation to provide comprehensive quality health care services to Native Hawaiians, the federal government supports operation of Papa Ola Lokahi and five Native Hawaiian Health Care Systems (NHHCSs) through funding that flows through the HHS's Health Resources and Services Administration (HRSA). Papa Ola Lokahi, a community-based non-governmental entity that acts as the Native Hawaiian Health Board, coordinates Native Hawaiian health promotion activities (e.g., conducting trainings and developing a master Native Hawaiian health care plan); conducts research to improve the health status of Native Hawaiians; and certifies NHHCSs to receive federal funding under the *Native Hawaiian Health Care Improvement Act*. Federally-funded NHHCSs provide a variety of health services – including primary care, ambulatory care, mental health care, dental care, and traditional healing – to over 20,000 patients each year. As such, the Committee supports increased funding for NHHCSs.

Public Health. In June 2019, the Committee held a roundtable to discuss Tribal public health. Tribal leaders and public health experts indicated that siloing of federal public health resources and a lack of dedicated public health emergency preparedness resources for Native communities resulted in underdevelopment of critical public health systems and infrastructure. The recent COVID-19 pandemic has highlighted these challenges and emphasized the need to ensure agencies within HHS work together to meet the public health needs of Native communities. The Committee recommends robust funding to support expansion of the IHS's tribal epidemiology center program and disease surveillance efforts by IHS, Tribes, Urban Indian Health Programs, and Papa Ola Lokahi.

Behavioral Health and Substance Abuse. The Committee recognizes addressing the lack of behavioral health resources in Native communities and the opioid and substance abuse crisis in Indian country is a top funding priority for both tribal leaders and Congress. On October 24, 2018, the *Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment (SUPPORT) for Patients and Communities Act* became law.⁴² This legislation authorized roughly \$4 billion in funding for prevention, interdiction and law enforcement, and new research into abuse-deterrent and non-addictive pain management modalities. The *SUPPORT for Patients and Communities Act* also included many provisions to assist Indian Tribes in better responding to the substance abuse crises in their communities.

Among other important Tribal provisions, the *SUPPORT for Patients and Communities Act* authorized a five percent set-aside for Indian Tribes within the State Targeted Opioid Response Grants, and a three percent tribal set-aside for grants and delivery of technical assistance to address the needs of infants born with substance dependence or withdrawal symptoms resulting from prenatal substance use. The law also authorized \$10 million in competitive grants for Tribes and states to hire recovery coaches to provide substance use and overdose prevention education, follow-up services for patients who have overdosed, and to establish policies and procedures for administering naloxone and medication-assisted treatment. The Committee supports programmatic funding of the opportunities made available to Tribes and tribal organizations under the *SUPPORT for Patients and Communities Act*.

⁴² See *Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act*, Pub. L. No. 115-271 (2018).

Additionally, the IHS and the Substance Abuse and Mental Health Services Administration (SAMHSA) support a number of mental health services through Indian country and in Native communities, such as tele-behavioral health provider access. The Committee supports continued efforts to address behavioral and mental health; alcohol and substance use disorders; screening and disease prevention; and the many other factors that can impact Native Americans' health, particularly access to quality health care services delivered by qualified medical professionals in safe, reliable facilities.

EDUCATION

Nationally, the Department of Education estimates that 95% of the approximately 477,000 American Indian and Alaska Native elementary and secondary students in the United States attend public schools operated by a Tribe, local/state education agency, charter organization, or the federal government.^{43,44} And, while the Office of Hawaiian Affairs estimates that 43,609 Native Hawaiian students are enrolled in the Hawaii public school system,⁴⁵ it does not appear that the Department publishes national data or information on Native Hawaiian students. However, given the diversity of educational institutions that serve Native students, the Committee remains actively interested in a variety of federal education programs.

Bureau of Indian Education. The BIE is comprised of 183 federally- and Tribally-operated primary and secondary schools and dormitories, two federally-operated post-secondary schools, and 37 tribally and congressionally chartered TCUs.⁴⁶ At an oversight hearing during the 115th Congress and a legislative hearing during the 116th Congress,^{47,48} the BIE and Tribal school administrators indicated to the Committee that many BIE schools must divert funding from ISEP to address school security, staff salary and benefits, and nutrition issues. As such, the Committee requests the FY 2022 Budget include allowances for increases in BIE ISEP resources.

Additionally, Indian Tribes may exercise self-governance through operation of a BIE school that serves their community or reservation through either ISDEAA or the *Tribally Controlled Grant Schools Act* (TCGSA). Similar to Contract Support Costs for ISDEAA contracts, Tribal grant support costs assist Indian Tribes in operating 126 BIE schools under the authority of the

⁴³ U.S. DEP'T OF EDUCATION, THE CONDITION OF EDUCATION: PRIVATE SCHOOL ENROLLMENT (2020), https://nces.ed.gov/programs/coe/indicator_cgc.asp.

⁴⁴ U.S. DEP'T OF EDUCATION, DIGEST OF EDUCATION STATISTICS 203.60 (2019), https://nces.ed.gov/programs/digest/d19/tables/dt19_203.60.asp.

⁴⁵ Native Hawaiian Data Book, Office of Native Hawaiian Affairs (March 16, 2021), http://www.ohadatabook.com/go_chap06.19.html.

⁴⁶ The BIE uses the Indian Student Equalization Program (ISEP) formula to allocate funding for basic and supplementary instructional resources on a per pupil basis to all BIE funded K-12 schools. ISEP funds serve as the primary funding stream for determining each BIE school's annual budget and ensure BIE schools can secure adequate classroom resources and teachers.

⁴⁷ *Protecting the Next Generation: Safety and Security at Bureau of Indian Education Schools: Hearing Before the S. Comm. on Indian Affairs*, 115th Cong. (2018) (statements of Cecilia Firethunder, President, Oglala Lakota Nation Education Coalition and Gary Lujan, Director, Trust Land and Security, Santa Fe Indian School).

⁴⁸ *S. 279, S. 790, S. 832: Hearing Before the S. Comm. on Indian Affairs*, 116th Cong. (2019) (statements of Tony Dearman, Director, Bureau of Indian Education, & Cecilia Firethunder, President, Oglala Lakota Nation Education Coalition).

TCGSA.⁴⁹ A shortfall in funding for Tribal grant support costs would result in schools having to divert ISEP funds to pay for administrative costs. The Committee supports continued full funding of these obligations in the FY 2022 Budget.

U.S. Department of Education. The *Elementary and Secondary Education Act* (ESEA), as amended in 2015 by the *Every Student Succeeds Act*, and the *Higher Education Act* (HEA) authorized a variety of programs to support the educational opportunities of American Indian, Alaskan Native, and Native Hawaiian students.^{50,51} The Committee supports funding for these activities at the Department of Education and recommends support for programs that promote the development of culturally-informed educational opportunities for Native youth.

TCUs. In the 40 plus years since Congress enacted the *Tribally Controlled Colleges and Universities Assistance Act*, the number of TCUs has increased fivefold and full-time American Indian and Alaska Native student enrollment at these schools have increased by more than 300 percent — including students from more than 230 Federally recognized Indian Tribes at more than 75 locations in 16 states.⁵² Despite this impressive growth, TCUs remain underfunded, causing persistent issues maintaining accreditation and recruiting and retaining qualified faculty and staff.

The Committee requests full funding for institutional operations and technical assistance under the *Tribally Controlled Colleges and Universities Assistance Act* for the 37 TCUs funded under Titles I, II, III, and V of the Act. Strong funding would allow the institutions to continue offering culturally grounded, high quality post-secondary education opportunities to American Indians and Alaskan Natives in some of the poorest and most geographically-isolated regions of the country.

CONCLUSION

We appreciate the Budget Committee's consideration of the Committee's views on these important matters and your efforts to ensure the federal government is fulfilling its trust and treaty responsibilities to Indian Tribes and Native communities across the nation.

⁴⁹ These BIE grant schools expend these funds on administrative overhead costs for schools, including business operations, payroll, personnel, annual audits, information technology, and reporting.

⁵⁰ The Indian Education Title of ESEA authorizes grants to local education agencies with large populations of Native students, State-Tribal Educational Partnership Grants, demonstration programs, Native American language immersion competitive grants, Native Hawaiian education program grants, Alaska Native education program grants, and funding for the Department of Education to undertake Tribal consultation. Additionally, many schools located on Indian land but operated by local education agencies receive funding through the Impact Aid Title of the ESEA.

⁵¹ The HEA provides tuition supports for Native students and targeted institutional aide for Tribal Colleges Universities (TCUs) and non-Tribal institutions of higher education that serve significant numbers of Native students, including Alaska Native and Native Hawaiian serving institutions. These targeted aide programs support TCUs operations and the development of culturally-informed Native student support services at non-Tribal colleges.

⁵² TCUs not only provide post-secondary education and workforce training opportunities, but they serve as public cultural and community centers and as primary employers for their communities. Students of TCUs are often older than the traditional college student, including single heads of households that are seeking to provide a better future for their families. TCUs offer their students a chance to develop the skills they need to succeed in the workforce while continuing to attend to their family and community responsibilities.

Sincerely,


Senator Brian Schatz
Chairman


Senator Lisa Murkowski
Vice Chairman

MARK R. WARNER, VIRGINIA, CHAIRMAN
 MARCO RUBIO, FLORIDA, VICE CHAIRMAN

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United States Senate
 SELECT COMMITTEE ON INTELLIGENCE
 WASHINGTON, DC 20510-6475

June 2, 2021

The Honorable Bernard Sanders
 Chairman
 The Honorable Lindsey O. Graham
 Ranking Member
 Committee on the Budget
 United States Senate
 Washington, D.C. 20510

Dear Chairman Sanders and Ranking Member Graham:

We write in response to your letter dated May 21, 2021, requesting a "views and estimates" report on proposed fiscal year 2022 spending on programs and activities that fall within the jurisdiction of the Senate Select Committee on Intelligence.

As required by Section 364 of the Intelligence Authorization Act for Fiscal Year 2010, the Director of National Intelligence (DNI) annually discloses to the public the aggregate amount of appropriations requested for the National Intelligence Program (NIP). On May 28, 2021, the DNI announced that the request for the NIP for FY 2022 was \$62.3 billion.

The budget requests for individual intelligence agencies and programs remain classified and are contained within other specified accounts, including those for the Departments of Defense, State, Treasury, Energy, Justice, and Homeland Security. Submitting a "views and estimates" report that comments on component agencies and programs could potentially lead to violations of laws and regulations concerning the handling and disclosure of national security information. Therefore, consistent with past practice, we respectfully decline to submit a separate "views and estimates" report for intelligence spending for fiscal year 2022.

Should you or your staff have any questions, please contact Ryan Kaldahl or William Wu at (202) 224-1700.

Sincerely,

Mark R. Warner
 Chairman

Marco Rubio
 Vice Chairman

RICHARD J. DURBIN, ILLINOIS, CHAIR

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	MARSHA BLACKBURN, TENNESSEE

United States Senate
 COMMITTEE ON THE JUDICIARY
 WASHINGTON, DC 20510-6275

June 14, 2021

The Honorable Bernard Sanders
 Chair
 Committee on the Budget
 United States Senate
 Washington, DC 20510

The Honorable Lindsey Graham
 Ranking Member
 Committee on the Budget
 United States Senate
 Washington, DC 20510

Dear Chair Sanders and Ranking Member Graham:

Thank you for the opportunity to provide views and estimates regarding funding for programs within the Senate Judiciary Committee's authorizing jurisdiction, pursuant to section 301(d) of the Congressional Budget Act. I appreciate the chance to highlight important priorities in the Judiciary Committee's jurisdiction as our nation works to build back better from the COVID-19 pandemic, address long-term challenges facing our nation, and make investments that provide opportunity and a foundation for success for all Americans. As you work to prepare the FY 2022 Budget Resolution. I ask that you give due consideration to the following priorities.

Addressing Domestic Terrorism

As FBI Director Christopher Wray said in March, "[t]he problem of domestic terrorism has been metastasizing across the country for a long time and it's not going away anytime soon." The most significant domestic terrorism threat facing the United States today comes from white supremacists and other far-right extremists. The growing nature of this threat has been made manifest by the violent insurrection at the U.S. Capitol on January 6, 2021 and by the continued rise of horrific incidents of domestic terror and hate crimes targeting religious and ethnic minorities and communities of color. This domestic terror threat must be confronted with the full force of the federal government, and I ask that the Budget Resolution provide the budget authority necessary to enable the Department of Justice (DOJ) and the Federal Bureau of Investigation (FBI) to research, monitor, analyze, investigate and prosecute domestic terrorism.

Combating Gun Violence.

Our nation suffers from an epidemic of gun violence, with more than 100 Americans dying each day from gunfire. Reducing these unacceptably high levels of shootings will require an all-hands-on-deck approach employing public health, law enforcement, and community-based approaches aimed at saving lives and making communities safer. I request that the Budget Resolution provide the budget authority to meet the President's call for robust funding of evidence-based community violence intervention programs to reduce gun violence. I further request that the Resolution provide the budget authority to fund the personnel, training, and

technology needed to enforce the gun laws on the books, including meeting the Bureau of Alcohol, Tobacco, Firearms, and Explosives' needs for agents, inspectors, and tools such as the eTrace and NIBIN systems, as well as the FBI's needs for enabling the National Instant Criminal Background Check System to keep up with a surge in gun sales.

The Budget Resolution should also prioritize budget authority for efforts to break the cycle of violence through programs that support and provide trauma-informed care, including funding for the Children Exposed to Violence Initiative within the DOJ Office of Justice Programs.

First Step Act Implementation

As the President's Budget Request for FY 2022 recognizes, there is an "urgent need to reduce prison populations and reform the Nation's criminal justice system." Full implementation of the First Step Act of 2018 (P.L. 115-391), the most significant criminal justice reform legislation in a generation, is critical to achieving these goals. However, important provisions of the law have yet to be implemented. I request that the Budget Resolution provide the budget authority necessary for full implementation of the First Step Act, including enabling DOJ and the Federal Bureau of Prisons (BOP) to provide and maintain robust evidence-based recidivism reduction programming and productive activities.

Civil Rights Enforcement and Protection

The DOJ Civil Rights Division enforces the Civil Rights Act of 1964, the Voting Rights Act, the Americans with Disabilities Act, the Fair Housing Act, and other important anti-discrimination laws. The Division also conducts investigations to ensure that policing practices respect civil rights and adhere to constitutional guidelines. The Civil Rights Division's investigations and enforcement activity decreased significantly under the previous administration and must be revitalized. I request that the Budget Resolution provide the budget authority necessary for the Civil Rights Division to proactively fulfill its traditional role of ensuring that the constitutional and civil rights of all Americans are protected.

Protection of Voting Rights

As the late Congressman John Lewis said, "The vote is precious. It is almost sacred." However, Americans' right to vote is threatened by a wave of state efforts to impose restrictive voting provisions that would impede access to the ballot box. The Budget Resolution should provide sufficient budget authority for the DOJ Civil Rights Division to provide robust enforcement of Section 2 of the Voting Rights Act, which prohibits racially discriminatory voting practices or procedures, and to proactively ensure all eligible voters can exercise their right to vote.

Federal Bureau of Prisons (BOP)

The federal prison population grew by more than 700 percent between 1980 and 2013, creating a host of challenges for BOP to safely manage and maintain its prisons. Adequate steps must be taken to address overcrowding, staffing shortages, overuse of restrictive housing, insufficient programming for incarcerated persons, and the continued risk of COVID-19 spread at BOP

facilities. I ask that the Budget Resolution provide sufficient budget authority to enable the BOP to address these challenges.

Immigration Courts

The backlog of Immigration Court cases has grown from 460,000 pending cases in 2015 to more than 1.2 million pending cases this year. The Budget Resolution should provide sufficient budget authority for the DOJ Executive Office for Immigration Review to help clear the backlog. The Resolution should also support increased funding for the Legal Orientation Program which provides basic legal information for individuals in immigration detention, thereby increasing efficiency in immigration courts and reducing taxpayer costs related to immigration detention.

Addressing Hate Crimes

Hate crimes have surged in recent years, particularly against the Asian American and Jewish communities. The federal government must step up to address these threats and ensure that Americans are not violently attacked because of what they believe or who they are. I request that the Budget Resolution provide sufficient budgetary authority for robust investigation and prosecution of hate crimes, including full implementation of the COVID-19 Hate Crimes Act (P.L. 117-13).

Support for State and Local Law Enforcement and Criminal Justice System Improvements.

The federal government works in partnership with state and local agencies and organizations that protect public safety and administer the criminal justice system. Numerous federal grant programs administered by the DOJ Office of Justice Programs and other DOJ components support state, tribal, and local law enforcement and criminal justice system improvements, and I request that the Budget Resolution provide sufficient budgetary authority for vital programs such as:

- The Edward Byrne Memorial Justice Assistance Grant Program, which provides states, tribes, and local governments with critical funding that supports a range of functions including law enforcement, justice system operations, corrections and recidivism reduction, crime prevention and education, drug treatment and pretrial diversion to treatment, technology improvements, crime victim support, and mental health and crisis intervention programs.
- The John R. Justice Prosecutor and Public Defender Student Loan Repayment Program, which provides student loan repayment assistance to state and local prosecutors and public defenders to help recruit and retain talented attorneys in the criminal justice system.
- Community Oriented Policing Services (COPS) grant programs, which support community policing efforts that help promote public safety while building trust and confidence between law enforcement agencies and the communities they serve.

- Juvenile Justice and Delinquency Prevention Act programs, which support state juvenile justice efforts to protect youth, prevent delinquency, promote services for court-involved youth, and develop prevention programming. These programs include the Youth Mentoring grant program, which supports the delivery of evidence-based mentoring services to at-risk and underserved youth.
- Second Chance Act programs, which support efforts to improve public safety and reduce recidivism among formerly incarcerated persons by coordinating re-entry support services including job training, substance abuse and mental health treatment, and housing support.
- The Bulletproof Vest Partnership (BVP) program, which has helped supply more than 1.4 million life-saving vests to law enforcement agencies.
- The Debbie Smith DNA Backlog Grant Program, which provides critical resources for states to carry out DNA analysis of backlogged evidence, particularly rape kits.
- Mentally Ill Offender Treatment and Crime Reduction Act (MIOTCRA) programs, which provide state and local governments with resources for planning and implementing initiatives to address situations where people with mental illnesses interact with the criminal justice system.

Support for Survivors of Violence

A range of federal grant programs provide essential support for survivors of domestic violence, child abuse, human trafficking, and other crimes. I ask that the Budget Resolution provide sufficient budgetary authority for important programs such as:

- Violence Against Women Act (VAWA) programs, which provide access for survivors of sexual and domestic violence to shelters, legal aid, and counseling services and which support enhancements to the criminal justice system's response to these crimes.
- The Victims of Child Abuse Act program, which provides funding to national, regional and local Children's Advocacy Centers that coordinate the efforts of law enforcement, mental health services, child protective services, medical services, and victim advocacy agencies in child abuse investigations.
- The Crime Victims Fund, which takes fines and restitution paid by criminals convicted of federal crimes and applies them to providing services for crime survivors including medical care, temporary housing, mental healthcare, and legal assistance.
- Programs to investigate and prosecute human trafficking cases and support survivors, including support for the DOJ Civil Rights Division's Human Trafficking Prosecution Unit.

Combating Opioid Abuse

Opioid diversion and abuse continue to plague the country, requiring a coordinated response that includes substance abuse prevention and treatment as well as investigation and prosecution of illicit opioid diversion and trafficking. The Budget Resolution should provide sufficient budgetary authority for efforts by DOJ components to address the opioid epidemic.

Drug and Veterans Treatment Courts

Evidence has shown that drug courts and veterans treatment courts provide alternatives to incarceration that are effective in reducing recidivism, addressing addiction and mental illness, and saving taxpayer dollars. The Budget Resolution should provide budget authority to further promote programs that support drug courts and veterans treatment courts.

Legal Services

The Legal Services Corporation (LSC) funds critical organizations that provide civil legal aid assistance to millions of Americans across the country on matters including family, employment, housing, consumer and veterans matters. The need for this assistance has been exacerbated by the COVID-19 pandemic and economic disruption. The Budget Resolution should provide budget authority to fully fund LSC and help it meet the need for this vital assistance.

Thank you for your consideration of my views on programs that lie within the jurisdiction of the Judiciary Committee. I look forward to working with you to advance these important priorities in the upcoming Budget Resolution.

Sincerely,



Richard J. Durbin
Chair, Senate Judiciary Committee

cc: The Honorable Chuck Grassley
Ranking Member, Senate Judiciary Committee

RICHARD J. DURBIN, ILLINOIS, CHAIR

PATRICK J. LEAHY, VERMONT	CHARLES E. GRASSLEY, IOWA
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	MARSHA BLACKBURN, TENNESSEE

United States Senate
COMMITTEE ON THE JUDICIARY
WASHINGTON, DC 20510-6275

June 11, 2021

The Honorable Bernie Sanders
Chairman
Committee on the Budget
United States Senate
Washington, D.C. 20510

The Honorable Lindsey Graham
Ranking Member
Committee on the Budget
United States Senate
Washington, D.C. 20510

Dear Chairman Sanders and Ranking Member Graham:

Thank you for the opportunity to provide views, pursuant to section 301(d) of the Congressional Budget Act, relating to fiscal year 2022 funding for programs within the Judiciary Committee's authorizing jurisdiction. The priorities outlined below reflect my commitment to ensuring adequate resources for essential programs, while recognizing the challenges facing the federal government. While understanding the need to make difficult spending cuts to reduce the budget deficit, I ask that you give careful consideration to sustaining funding for selected federal programs and activities upon which millions of Americans rely.

Federal Law Enforcement Programs and Initiatives

Fraud Prevention and Enforcement—Consumer fraud is becoming increasingly more sophisticated and difficult to prevent, and America's seniors are at particular risk of being victimized. One in 10 older Americans falls victim to financial exploitation (which is the most common form of elder abuse), according to the U.S. Department of Justice (DOJ).¹ Also according to DOJ:

¹ Website of OFFICE OF JUSTICE PROGRAMS, U.S. DEPT. OF JUSTICE last visited Jun. 10, 2021) [hereinafter DOJ], available at <https://www.ojp.gov/files/archives/blogs/2020/national-hotline-helps-victims-elder-financial-fraud>.

- Each and every year, seniors in the United States lose at least \$3 billion through a variety of mass mailing, romance, and vendor or contractor scams;²
- Seniors also may fall prey to imposters who claim to represent the IRS, Medicare or Medicaid, or Social Security.³

The Federal Communications Commission reported a decade ago: “[i]ncreasingly, bad actors are altering or manipulating caller ID information—known as caller ID spoofing—to further a wide variety of malicious schemes, from identity theft to placing false emergency calls to SWAT teams.”⁴ And as further noted by DOJ, scams are especially heartless when older Americans become the victims, because they may lose their entire life savings and they typically lack the time, ability, or means to recover from financial loss.⁵

In the past, we worked together to pass the Elder Abuse Prevention and Prosecution Act as well as the Fraud Enforcement and Recovery Act. These and other key provisions have equipped law enforcement officials and prosecutors with additional tools to identify, prosecute, and prevent financial fraud, mail fraud, securities fraud, mortgage fraud, health care fraud, elder exploitation, immigration fraud, and many other forms of fraud involving deception and misappropriated benefits.

But as our country’s older population continues to grow, and with the continued emergence of new forms of technology--used to perpetrate increasingly sophisticated consumer scams—the problem likely only will increase over time. Federal law enforcement collaboration with state and local partners is necessary to ensure just and effective punishment for those who perpetuate civil and criminal acts that defraud American taxpayers and the federal government.

In addition, certain types of fraud can potentially cause irreparable damage to the federal government. GAO began reporting on the various forms of government fraud four decades ago, e.g., reporting in 1981 that thefts accounted for almost half of government fraud and false statements accounted for about another 25 percent.⁶

Fraud prevention is most effective when state and federal law enforcement agencies have the resources they need to detect and prevent fraud. With this in mind, investments in anti-fraud controls and effective fraud enforcement in local communities across the nation will help ensure that investigators and prosecutors have the necessary tools to effectively minimize the occurrence of fraud and recover losses faster. I ask that adequate funds be allocated to the

² *Id.*

³ *Id.*

⁴ News Release: “Consumers Gain New Protections against Fraudulent Call ID ‘Spoofing.’” FEDERAL COMMUNICATIONS COMMISSION (Jun. 23, 2011), available at <https://www.fcc.gov/document/consumers-gain-new-protections-against-fraudulent-caller-id-spoofing>.

⁵ Website of DOJ’s OFFICE OF JUSTICE PROGRAMS, *supra* note 1.

⁶ U.S. GOVERNMENT ACCOUNTABILITY OFFICE [hereinafter GAO], FRAUD IN GOVERNMENT PROGRAMS: HOW EXTENSIVE IS IT AND CAN IT BE CONTROLLED (Sep. 1981), available at <https://www.gao.gov/assets/afmd-81-73.pdf>

Federal Bureau of Investigation (FBI), Secret Service, U.S. Postal Inspection Service, Immigration and Customs Enforcement (ICE), U.S. Citizenship and Immigration Services (USCIS) Fraud Detection and National Security directorate, and relevant Offices of Inspectors General (OIG) for investigation of fraud, waste and abuse, as well as the Department of Justice (DOJ) Criminal and Civil Divisions, and the United States Attorneys' Office for fraud enforcement.

Combating Opioid Abuse—Opioid diversion and abuse continue to plague the country, requiring a coordinated response that includes substance abuse prevention and treatment as well as investigation and prosecution of illicit opioid diversion and trafficking. We should continue to support the multifaceted approach to tackling drug addiction that is authorized by the Comprehensive Addiction and Recovery Act of 2016 (CARA). In addition, the Budget Resolution should provide sufficient budgetary authority for efforts by DOJ components to address the opioid epidemic, consistent with other budgetary constraints.

Juvenile Justice and Delinquency Prevention Programs—These programs, authorized by the bipartisan Juvenile Justice Reform Act of 2018, support state juvenile justice efforts to protect youth, prevent delinquency, promote services for court-involved youth, and develop prevention programming. Such programs include the Youth Mentoring grant program, which supports the delivery of evidence-based mentoring services to at-risk and underserved youth, and the Formula Grants Program, to support state and local delinquency prevention and intervention efforts and juvenile justice system improvements. Without these federal funds, local communities will not have the resources to address the needs of adjudicated youth, reduce recidivism, and improve public safety—all necessary investments that are worth the cost. I ask that the Formula Grant Program as well as other juvenile justice programs receive adequate support. I also ask that funding be provided for oversight of the DOJ Office of Juvenile Justice and Delinquency Prevention (OJJDP), housed within the Office of Justice Programs. In past years, the Committee identified deficiencies in the implementation of the Formula Grant Program and grants issued under the Victims of Child Abuse Act.

Ending Acts of Mass Violence—The response to this problem requires a multi-faceted strategy, involving public health, law enforcement, and community-based approaches aimed at saving lives and making communities safer. The Committee should provide the budget authority to support evidence-based programs, such as the Secret Service's National Threat Assessment Center, which are designed to reduce acts of mass violence and promote the implementation of existing laws that reduce gun violence. The Budget Resolution should also prioritize budget authority for efforts to break the cycle of violence through the Children Exposed to Violence Initiative within the DOJ Office of Justice Programs.

First Step Act Implementation—Full implementation of the bipartisan First Step Act of 2018 (P.L. 115-391), the most significant criminal justice reform legislation in a generation, is critical. However, important provisions of the law have yet to be implemented. I ask that you consider providing the budget authority necessary to promote full implementation of the First Step Act,

including enabling DOJ and the Federal Bureau of Prisons (BOP) to provide and maintain robust evidence-based recidivism reduction programing and productive activities.

Federal Bureau of Prisons (BOP)—The federal prison population grew by more than 700 percent between 1980 and 2013, creating many challenges for BOP in the management of federal prisons. I ask that the Budget Resolution provide sufficient budget authority to enable the BOP to address such challenges, which include overcrowding, staffing shortages, insufficient programming for incarcerated persons, and the continued risk of COVID-19 spread at BOP facilities.

Immigration/Border Patrol Enforcement—The backlog of Immigration Court cases has grown from 460,000 pending cases in 2015 to more than 1.2 million pending cases this year. The Committee should provide sufficient budget authority for DOJ to promote efficiency in immigration courts. It also should provide sufficient resources for the Border Patrol.

Addressing Hate Crimes—Hate crimes have emerged as a troubling issue in recent years, and the federal government must step up to address these threats and ensure that Americans are not violently attacked because of what they believe or who they are, by providing the budget authority necessary to ensure robust investigation and prosecution of hate crimes.

Support for State and Local Law Enforcement and Criminal Justice System Improvements—The federal government works in partnership with state and local agencies and organizations that protect public safety and administer the criminal justice system. Numerous federal grant programs administered by DOJ's Office of Justice Programs and other DOJ components support state, tribal, and local law enforcement and criminal justice system improvements. I encourage the Committee to provide sufficient budgetary authority for programs such as:

- **The Edward Byrne Memorial Justice Assistance Grant (JAG) Program**, which provides states, tribes, and local governments with funding to support a range of functions—including law enforcement, justice system operations, corrections and recidivism reduction, crime prevention and education, drug treatment and pretrial diversion to treatment, technology improvements, crime victim support, and mental health and crisis intervention programs. I ask that the JAG program be adequately funded to enhance the level of service and law enforcement assistance provided to our citizens.
- **The John R. Justice Prosecutor and Public Defender Student Loan Repayment Program**, which is a loan repayment program for state and local prosecutors and public defenders to help recruit and retain talented attorneys in the criminal justice system. This assistance offers an incentive for qualified attorneys to serve in and maintain public service roles.

- The Bulletproof Vest Partnership (BVP) program, which has helped supply life-saving vests to law enforcement agencies across the country. This program offers grants on a competitive basis to state and local law enforcement agencies to assist in their purchase of ballistic-resistant and stab-resistant body armor that complies with DOJ's body armor standards. Several years ago, the General Accountability Office (GAO) examined the program and identified areas needing financial reform. The Judiciary Committee then worked on legislation to promote the adoption of these reforms. Recognizing the importance of the program, which typically has funded, on a reimbursable basis, up to half the cost of the body armor that a jurisdiction procures with its available BVP funds, I support its adequate funding.
- Regional Information Sharing System (RISS), which serves as an invaluable tool to federal, state, and local law enforcement agencies by providing much-needed criminal intelligence and investigative support services. RISS serves as an invaluable tool to federal, state, and local law enforcement agencies by providing much-needed criminal intelligence and investigative support services. It offers an effective and efficient means to combat multi-jurisdictional criminal activity, such as narcotics trafficking and gang activity. Without RISS, most law enforcement officers would not have access to newly developed crime-fighting technologies and would be hindered in their intelligence-gathering efforts. Congress should ensure that RISS can continue current services, meet increased membership support needs for terrorism investigations and prosecutions, increase intelligence analysis capabilities, and add staff to support the increasing number of RISS members.
- Justice for All Act programs, which provide critical resources for states to carry out DNA analysis of backlogged evidence, particularly rape kits. The Justice for All Act (JFAA) (P.L. 108-405) has helped improve the quality of justice for all Americans by harnessing the power of DNA evidence. The Act, which was reauthorized during my tenure as chairman of the Judiciary Committee, addresses the rights of victims, improves forensic testing, reduces the risk of error in capital cases, and strengthens our nation's criminal justice system. I support adequate funding of programs originally authorized by the JFAA, which include the Debbie Smith DNA Backlog Grant Program (authorized by JFAA section 202 and reauthorized several times under other statutes) as well as the Kirk Bloodsworth Post-Conviction DNA Testing Grant Program, authorized by JFAA section 412, and the Paul Coverdell Forensic Sciences Improvement Grant Program. I support sufficient funding for the victims' programs authorized in JFAA section 103, the other DNA programs authorized in JFAA sections 303-308, and the Capital Representation and Capital Prosecution Improvement Grants Program. The statute represents a strong bipartisan achievement and was an important step forward to improve our criminal justice system. I also recommend funding for needed basic research in the forensic sciences, an important priority for the Judiciary Committee.
- Mentally Ill Offender Treatment and Crime Reduction Act (MIOTCRA) programs, which provide state and local governments with resources for planning and implementing initiatives to address situations where people with mental illnesses interact with the criminal justice system. MIOTCRA was enacted in 2004, with unanimous bipartisan

support, to address the significant problem of people with mental illness in the criminal justice system. The law has been instrumental in helping State and local governments to develop initiatives, such as mental health courts, to reduce costs, improve public safety, and allow the alarmingly high number of mentally ill offenders to receive the treatment they need to return to productive lives. The MIOTCRA program is also important to our country's efforts to decrease recidivism among mentally ill offenders and provide them with access to mental health courts and services. Although Congress last reauthorized MIOTCRA as part of the 20th Century Cures Act in 2016, the program has never been fully funded.

- Drug and Veterans' Treatment Courts, which provide alternatives to incarceration that are effective in reducing recidivism, addressing addiction and mental illness, and saving taxpayer dollars. Drug courts, for example, allow judges and prosecutors flexibility in handling low-level criminal drug cases, while simultaneously using the threat of criminal penalties as a potential deterrent to non-participation and non-compliance with drug treatment programs. Drug and veterans' treatment courts also reduce the caseload of the misdemeanor and felony courts, so that they have more resources to focus on more serious offenses. The Committee should provide budget authority to promote programs that support these specialized courts.

Support for Survivors of Violence—A range of federal grant programs provide essential support for survivors of domestic violence, child abuse, human trafficking, and other crimes. I ask that the Budget Resolution provide sufficient budgetary authority for important programs such as:

- Violence Against Women Act (VAWA) programs, which provide access for survivors of sexual and domestic violence to shelters, legal aid, and counseling services and which support enhancements to the criminal justice system's response to these crimes.
- The Victims of Child Abuse Act program, which DOJ administers through its Office of Juvenile Justice and Delinquency Prevention (OJJDP). This program makes grants available to help improve the investigation and prosecution of child abuse cases, generally by offering funding, training, and technical assistance to Children's Advocacy Centers (CAC) throughout the nation. CACs are facilities in which law enforcement, child protection, prosecution, mental health, medical, and victim advocacy professionals work together to investigate and help children heal from abuse.
- The Crime Victims Fund, which takes fines and restitution paid by criminals convicted of federal crimes and applies them to providing essential services for crime victims. Under the Victims of Crime Act, fines, forfeitures, and assessments paid by Federal criminal offenders—not taxpayers—generate the revenues for the Fund, which support grants to state crime victim compensation programs, direct victim assistance services, and services to victims of federal crimes. Congress intended that these funds be held in trust to carry out these important purposes.

In fiscal year 2000, congressional appropriators began limiting the amount of Crime Victims Fund deposits that could be obligated each year. (They maintained that this was necessary in response to fluctuations in the Fund deposits and to ensure that a stable level of funding would remain available for these programs in future years.) That same year, Congress amended the law to ensure that all receipts remain in the Fund for obligation in future fiscal years. These steps created a balance in the Fund for use in years when the deposits fell below the annual cap. I request that the Committee oppose temporary rescissions to the Crime Victims Fund. I also oppose efforts to use the Crime Victims Fund to cover expenses other than those authorized for the Fund.

- Trafficking Victims Protection Act and related programs to support survivors. The Trafficking Victims Protection Act (TVPA), adopted in 2000 and reauthorized multiple times since then with widespread bipartisan support, authorizes assistance to victims of labor trafficking and commercial sexual exploitation. The Judiciary Committee worked on a TVPA reauthorization, which was enacted in 2018, as well as the Justice for Victims of Trafficking Act, which was enacted in 2015. Thanks to the funding provided under these and related statutes, state and local law enforcement have become more effective in combating human trafficking; and many victims have access to protective services and resources to rebuild their lives. Because of the important benefits that the TVPA and the JVT Act provide to law enforcement and local communities, I request that the programs authorized under these laws be adequately funded.
- Missing and Exploited Children Program, which supports the Internet Crimes Against Children Task Force (ICAC) program, the National Center for Missing and Exploited Children (NCMEC), and the Amber Alert Program as well as related programs that help identify and rescue vulnerable runaways and missing children. I support their adequate funding.

Department of Justice—The work of the Department of Justice (DOJ) is vital to enforce our laws and protect our citizens. Specific agencies within and programs carried out by DOJ are noted throughout this letter, but I want to emphasize here the need to ensure that sufficient resources are provided to effectively run the Department. The DOJ budget covers salaries for the various entities at DOJ, including funding for attorneys, policy staff, and support staff. In addition, DOJ has vast responsibility for addressing criminal activity and detecting emerging threats in order to preserve public safety, including:

- **Human Trafficking Enforcement.** DOJ's Civil Rights Division enforces not only anti-discrimination statutes, such as the Civil Rights Act of 1964, the Voting Rights Act, the Americans with Disabilities Act, and the Fair Housing Act, but also enforces laws against human trafficking, through its Human Trafficking Prosecution Unit. I request that the Committee provide the budget authority necessary for the Civil Rights Division to proactively fulfill its mission of combating human trafficking and promoting the constitutional and civil rights of all Americans.
- **Combating Terrorism and Foreign Intelligence Activities.** The FBI's mission is to protect and defend the U.S. against terrorism and foreign intelligence threats, and

enforce the criminal laws of the U.S. Adequate funding is needed to ensure that the FBI, which performs the majority of the investigative and intelligence work for our nation, has the resources it needs to address high-priority overseas extremists' threats, unsuspected attacks, and other crimes that impact public safety and American privacy rights. I request that the FBI be funded with an emphasis on their important efforts to investigate terrorism, fraud, cyber-attacks, federal crimes, and many other crimes of national security, while working to meet mission requirements at the lowest possible cost to the U.S. taxpayer.

- **Combating Cybercrime.** American companies are targeted by criminals, terrorists and other adversaries seeking to harm private citizens, businesses, and the U.S. government. American companies are targeted for their intellectual property, trade secrets, and other sensitive data, while citizens are targeted by fraudsters and identity thieves.

Cybersecurity and cybercrime investigations conducted by the Secret Service, the FBI, and other federal agencies are essential to protecting our Nation's financial and telecommunications infrastructure and merit the Committee's support. The FBI Cyber Division is the lead federal agency for investigated cyberattacks, while the Secret Service's Electronic Crimes Task Force (ECTF) initiative has attracted broad, bipartisan support from Congress since passage of the USA Patriot Act of 2001.

Financial fraud and identity crimes, committed both at home and abroad, continue to plague our Nation's critical financial infrastructure. One of the most effective means of combating organized criminal elements and the criminal abusers of technology, both in the United States and abroad, is through use of the Secret Service's ECTFs. The ECTFs are a proven, resounding success, creating groundbreaking partnerships between federal law enforcement, their local police and prosecutorial partners, and the private sector and academia. I recommend funding for this initiative to continue an effective law enforcement program and training of special agents.

Funding should also be directed toward electronic investigative operations. Technological advances offer domestic and transnational criminals new avenues to exploit our financial infrastructure vulnerabilities. Identity crime, credit card fraud, and bank fraud are now routinely committed on the Internet. Through its investigations, federal law enforcement identifies systemic weaknesses in the financial, telecommunications, and other critical infrastructures. The information gathered will provide private industry and the public with the ability to identify vulnerabilities and prevent or minimize future attacks. Funding and staffing resources should also be directed toward electronic investigative operations involving data breaches and the theft of sensitive personal data contained on government and private sector computers.

Enforcement Activities by Other Law Enforcement Agencies—

- **Compliance with Freedom of Information Act.** A key reform in the Open Government Act of 2007 (P.L. 110-175) is the creation of the Office of Government Information Services (OGIS) in the National Archives and Records Administration.

Among other activities, OGIS mediates disputes between government agencies and Freedom of Information Act (FOIA) requestors, and reviews agency compliance with FOIA. OGIS is also helping federal agencies to better utilize technology, such as the online FOIA portals, to improve the FOIA process and their access to government information. Congress provided initial funding in the 2009 Omnibus Appropriations Act to establish this critical office. I request funding to ensure OGIS meets its obligations under the OPEN Government Act.

- **Inspectors General Activities.** The community of inspectors general (IGs) work to oversee the Federal bureaucracy and make recommendations for improvements across government—improvements that could save the American taxpayers billions of dollars. The IGs are watchdogs, continuously guarding against waste, fraud, and mismanagement in government. Many IG recommendations remain open and unimplemented for years, despite appearing straightforward and uncomplicated to implement. The Executive Branch would likely improve the effectiveness of its operations—and save taxpayer money—by implementing recommendations made by the IG community.
- **Reductions in Federal Paid Administrative Leave.** Federal agencies have the discretion to authorize administrative leave, which is an excused absence without loss of pay or charge to leave, for personnel matters, such as when investigating employees for misconduct allegations. The 2017 National Defense Authorization Act includes the Administrative Leave Reform Act, which caps the use of administrative leave for cases of misconduct or performance each calendar year.⁷ The Act also tightened timelines to finish personal investigations—a process that would often take 6 to 18 months or longer—but allows agencies to extend the use of leave in “extraordinary circumstances” in 30-day increments. The measure’s purpose is to limit the extended use of administrative leave, encourage federal agencies to help employees on regular duty or take other actions, such as temporary reassignment, when an employee should be out of the workplace, and require better accounting for all types of excused absences.

The Office of Personnel Management as well as each agency, are required to revise their own internal procedures to reflect the new changes to administrative leave. Adequate funding is needed to oversee its full implementation at OPM and across the federal government in order to realize cost savings and reduce administrative leave. Reports by the U.S. Government Accountability Office (GAO) underscore the importance of continued oversight in this area:

- **DHS’s Use of Administrative Leave**—GAO found that between fiscal years 2011 and 2015, 116 DHS employees were on administrative leave for personal matters for 1 year or more, with a total estimated salary cost of \$19.8 million for this period.⁸

⁷ S. 2943 — 114th Congress: National Defense Authorization Act for Fiscal Year 2017,” available at www.GovTrack.us. 2016 (last visited Feb. 27, 2017).

⁸ GAO, ADMINISTRATIVE LEAVE: EVALUATION OF DHS’S NEW POLICY CAN HELP IDENTIFY PROGRESS TOWARD REDUCING LEAVE USE, GAO-16-342 (2016).

- **DHS's Administratively Uncontrollable Overtime**—In 2014, GAO analyzed Administratively Uncontrollable Overtime (AUO) payments from components that have regularly used AUO, which included U.S. Customs and Border Protection, U.S. Citizenship and Immigration Services, and Office of the Chief Security Officer.⁹ GAO found that DHS components spent \$512 million on AUO payments in fiscal year 2013 and \$255 million through March 2014, mostly on Border Patrol agents.

Intellectual Property—

- **U.S. Patent and Trademark Office.** I support full allocation of fee-based funding for the United States Patent and Trademark Office (PTO). The Leahy-Smith America Invents Act, P.L. 112-29, created a Patent and Trademark Fee Reserve Fund, into which any fees collected in excess of the appropriated amount are deposited. Full funding for the PTO, including access to those fees, are essential to the PTO's effective implementation of P.L. 112-29 and continuing to work through the backlog of patent applications. I urge full access to the PTO of the fees it collects, including those deposited in the Reserve Fund.
- **Copyright Royalty Board (CRB) and the Copyright Royalty Judges.** The Copyright Royalty Board (CRB) adjudicates the royalty rates for compulsory licenses under the Copyright Act, conducting proceedings that, for example, set rates to be paid by entities ranging from cable companies to webcasters for their use of copyrighted content as they deliver video and music programming. The CRB is also involved in adjudicating disputes about how these payments are distributed to copyright holders. Because the benefits of compulsory licensing flow almost exclusively to the licensees and the public, the cost of administering the licenses should not be paid exclusively by the copyright holders. The law creating the CRB made clear that funding was to be made out of public funds and not out of the Copyright Office account (17 U.S.C. 803(e)(1)(B)). Thus, to implement that provision, I recommend that the CRB receive adequate funding.
- **Intellectual Property Enforcement Funding.** Industries based on intellectual property (IP) account for several trillion dollars of the U.S. gross domestic product, drive more than half of U.S. exports, and employ millions of Americans. I support strong funding for initiatives aimed at fighting IP theft, particularly those undertaken by the Department of Justice for IP rights enforcement. P.L. 110-403 authorized additional funding for state and local law enforcement grants, and staffing and training for IP and high-tech crimes. P.L. 110-403 also elevated the intergovernmental coordination of intellectual property enforcement efforts within the administration from the Department of Commerce to the White House with the creation of the Intellectual Property

⁹ GAO, "DEPARTMENT OF HOMELAND SECURITY: CONTINUED ACTION NEEDED TO STRENGTHEN MANAGEMENT OF ADMINISTRATIVELY UNCONTROLLABLE OVERTIME," GAO-15-95 (2014).

Enforcement Coordinator. I recommend the Committee take into account the authorizations for these programs that will benefit our economy.

The Federal Judiciary--I emphasize the essential role of the Federal Judiciary in our federal system. The federal courts exercise no control over the number of cases filed, and must meet changing law enforcement and economic demands, such as increased bankruptcy filings and enhanced immigration enforcement. I would request that the Committee keep in mind the evolving and increasing demands on the federal courts when considering the Federal Judiciary's requested appropriation.

- **Court Security Improvement Act**—In addition to general funding for the operation of the Federal Judiciary, we also emphasize the need for strong security for our courthouses, judges, and court personnel. In 2008, the Court Security Improvement Act (P.L. 110-177) was enacted into law. This law demonstrates Congress's strong support for the safety and security of the Nation's court personnel. I support funding for Court Security Improvements consistent with past appropriations.

Ending Waste, Fraud and Abuse— In the past, the Budget Committee has sought Judiciary Committee recommendations relating to review of programs within the jurisdiction of the Judiciary Committee to eliminate waste, fraud, and abuse in program spending, giving particular scrutiny to issues raised by Government Accountability Office (GAO) reports, and to include recommendations for improved governmental performance in these views and estimates. I intend to submit recommendations on this topic at a later date.

Thank you again for consulting me on programs that fall under the jurisdiction of the Senate Committee on the Judiciary. I look forward to continuing to work together on these and other important issues of concern to our committees.

Sincerely,



Charles E. Grassley
Ranking Member

cc: The Honorable Richard Durbin,
Chairman, Senate Committee on the Judiciary

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United States Senate

COMMITTEE ON
 RULES AND ADMINISTRATION
 WASHINGTON, DC 20510-6325

June 11, 2021

Bernard Sanders
 Chairman
 U.S. Senate Committee on the Budget
 624 Dirksen Senate Office Building
 Washington, DC 20510

Lindsey Graham
 Ranking Member
 U.S. Senate Committee on the Budget
 624 Dirksen Senate Office Building
 Washington, DC 20510

Dear Chairman Sanders and Ranking Member Graham:

I am responding to your May letter requesting the views and estimates report for Fiscal Year (FY) 2022 of programs under the jurisdiction of the Committee on Rules and Administration.

Consistent with Section 4201 of the FY 2018 budget resolution, the Committee reviewed its jurisdictional programs and determined that, to its knowledge, there are no expenditures which appear to rise to the level of “waste, fraud, and abuse.”

As Chairwoman, I welcome the opportunity to comment on the President’s FY 2022 Budget Proposal for programs under the Rules Committee’s jurisdiction. The vital functions of the Election Assistance Commission (EAC) and the Federal Election Commission (FEC) fall under the Rules Committee’s jurisdiction and are increasingly important as our elections have become a target for foreign adversaries. Both of these agencies are crucial to an open and fair election process, and as such, I recommend an increase to funding for the EAC and full funding for the FEC.

Election Assistance Commission

I am concerned that the President’s budget does not provide the funding necessary to enable the EAC to expand as needed to help address the challenges facing state and local election administrators. The President’s FY 2022 budget proposes \$22.8 million in funding for the agency, an increase from last year’s enacted level, but not a sufficient amount to allow the agency to effectively fulfill its mission in light of the increased demand for its services.

Established by the Help America Vote Act (HAVA), the EAC is an independent, bipartisan commission charged with ensuring accessible, secure, and accurate elections. Since its creation, the EAC has provided essential assistance to state and local election officials by sharing best practices and election materials, which many state and local jurisdictions would not otherwise have access to. Additionally, the EAC sets voting standards, certifies voting equipment, and every two years administers the country’s most comprehensive election survey, the Election Administration and Voting Survey (EAVS). The EAVS tracks voter registration, military voting, provisional ballots, and absentee voting, which provides a basis for election officials to change election administration policy to better suit the needs of voters.

Increasingly, the EAC has proven to be an important resource for our government agencies and state and local election officials as they face the increased challenges of protecting the integrity of elections. Over the last three years, the agency has disbursed over \$1.2 billion in election administration and security grants. Last year, the agency also provided critical support to help states administer safe and successful elections during the pandemic and increased the assistance it provided to election officials to improve cybersecurity and counter disinformation. Increased funding would ensure that the agency can hire additional staff to increase its capabilities and improve and expand the support it can provide to state and local officials.

Federal Election Commission

The FEC is the independent regulatory agency charged with administering federal campaign finance laws. Its mission is “to protect the integrity of the federal campaign finance process by providing transparency and fairly enforcing and administering federal campaign finance laws.” The President’s FY 2022 budget proposes \$76.5 million in funding for the FEC. This represents a nearly 7 percent increase compared to the FY 2021 enacted amount of \$71.497 million. An increase in funding will allow the agency to work towards increasing enforcement and transparency in our elections. Understanding what entities and persons contribute to federal candidates, political party committees, and other political committees is critical to our democracy.

Now that a quorum has been restored at the agency, the level of funding proposed in the President’s budget will allow the FEC to hire additional staff to modernize agency infrastructure and to fulfil its mission by performing critical oversight functions. Political campaigns have changed the way they raise and spend money, which is leading to a significant increase in campaign finance reports that are being reported to the agency. The proposed level of funding would allow the FEC to backfill open positions that would help address the increased workload that the agency has seen in recent years. It will also allow the agency to continue to provide adequate oversight over the federal campaign finance system process and continue to increase the customer service that is provided to the public, including investing in training and educational outreach.

The roles of the EAC and the FEC are essential to the administration of elections and protecting our democratic process. Increased funding for the EAC and full funding for the FEC would ensure that both agencies have the resources necessary to address serious threats to our democracy and can continue to provide services critical to the oversight of federal elections.

Thank you for the opportunity to provide these views.

Sincerely,



Amy Klobuchar
U.S. Senator

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RAND PAUL, KENTUCKY, RANKING MEMBER

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June 14, 2021

The Honorable Bernard Sanders
Chairman
Committee on the Budget
United States Senate
Washington, DC 20510

The Honorable Lindsey Graham
Ranking Member
Committee on the Budget
United States Senate
Washington, DC 20510

Dear Chairman Sanders and Ranking Member Graham:

As the Chairman of the Senate Committee on Small Business and Entrepreneurship, I respectfully submit the following views and estimates for the Fiscal Year 2022 (FY2022) Budget Resolution as it pertains to the Small Business Administration (“SBA” or “the Agency”) and other matters under the jurisdiction of the Senate Committee on Small Business and Entrepreneurship, in compliance with section 301(d) of the Congressional Budget Act of 1974. I appreciate your past support for the SBA and its network of resource partners that help facilitate the creation, sustainability and growth of small businesses.

FY2022 Budget Overview

America’s 30 million small businesses are the backbone of our economy, creating two out of three new private-sector jobs and employing nearly half of America’s workforce. The federal investment in small businesses builds wealth in our communities, allowing entrepreneurs to reinvest in their neighborhoods and to expand local hiring opportunities.

This letter comes during a critical time for our nation’s small businesses, which are slowly beginning to recover after the massive economic shock caused by the novel coronavirus (COVID-19) outbreak. The SBA has played a central role helping businesses through this crisis and has met the moment by offering a level of support unprecedented in the agency’s history. SBA will continue to provide essential resources and services as the recovery builds momentum and will need sufficient funding to ensure that it cannot only effectively carry out new programs, but also meet heightened demand for existing programs. During normal times, the agency, along with its resource partners, fosters the creation, sustainability, and growth of small businesses. Now, for the millions of businesses that have turned to SBA for help, it has become their lifeline.

SBA’s mission is more important than ever. It facilitates access to federal contracts, ensuring that small businesses, including those owned by minorities, women and veterans, were given an opportunity for success. SBA and its entrepreneurial resource partners foster a supportive

ecosystem that offers low and no-cost training and counseling to help aspiring entrepreneurs start, scale and expand their small businesses. SBA also provides timely disaster loan assistance to help small business owners, renters, homeowners and nonprofits recover from natural disasters.

I am encouraged to see that this year's President's Budget proposes much needed investments that will strengthen SBA and enhance its ability to reach more businesses, particularly those owned by minorities, women and veterans.

The Fiscal Year 2021 (FY2021) appropriations bill provided \$922 million for the agency. This amount includes funding for Entrepreneurial Development programs, SBA's lending programs (including \$15 million in subsidy to support the 7(a) program), support for SBA salaries and expenses, and funding to provide loans to individuals and small businesses recovering from hurricanes, floods, fires and other natural disasters.

For FY2022, the Administration requests \$995 million in new budget authority, which is \$175 million more than the amount proposed by the previous administration in last year's budget proposal. When the total amount of proposed non-disaster funding is compared with the amount available in FY2021, the FY2022 budget would increase SBA's budget by 9 percent.

Access to Capital

With small businesses fighting desperately to reestablish themselves as the nation recovers from the pandemic, access to capital remains one of the major challenges facing America's entrepreneurs. SBA's loan and investment programs play an essential role in filling the gap left by private lenders. In a normal year, the need for SBA capital is clear: an analysis by Florida Atlantic University indicates that bank lending to small businesses decreased seven percent from 2008 to 2019, while lending to large firms increased 76 percent during the same period. Today, the need for capital is greater than ever.

In FY2020, the SBA's core loan programs – 7(a) Loan Guaranty Program, the 504 Loan Guaranty Program, and the Microloan Program – facilitated more than 55,200 loans and provided more than \$28.3 billion in lending to small businesses. SBA's investment program – the Small Business Investment Company Program – invested in over one thousand high-growth small businesses.

I am very happy to note that this administration has moved away from the proposals we have seen in the last few years to finance SBA's lending programs on the backs of small businesses with higher fees on SBA's loan guarantee and investment programs. Additionally, I am pleased to see that no new funding is requested to subsidize SBA lending programs. I urge the Budget Committee to support the administration's initiatives that would increase access to capital and make SBA loans and investment capital more affordable.

Entrepreneurial Development Programs

The President's Budget proposes increased funding for SBA's Entrepreneurial Development (ED) programs, which provide valuable counseling services and training to help small business owners and entrepreneurs succeed. It specifically targets programs that help minority, women and veteran-owned businesses grow and succeed, which I fully support.

In FY2020, over three quarters of a million entrepreneurs utilized SBA's resource partner network of SBDCs, WBCs, SCORE and VBOCs. Research has shown that small businesses that receive three hours of counseling have higher one-year survival rates than firms that receive less counseling. Providing robust levels of funding for counseling and training programs to support small businesses is clearly an effective use of taxpayer dollars and is fiscally responsible. I urge the Budget Committee to embrace the administration's proposed increases.

FY2022 Budget Analysis

A more detailed analysis of my views on the President's FY2022 budget proposal for the specific programs under the jurisdiction of the Small Business and Entrepreneurship Committee is below:

Access to Capital*7(a) Loan Guaranty Program Level*

SBA's 7(a) Loan Guaranty Program is the agency's largest capital access program. It provides government-backed loans to small businesses that have repayment ability but are unable to obtain conventional bank loans. In FY2020, over 42,000 small business owners were approved for 7(a) loans, pumping \$22.6 billion in long-term capital into local communities across the country, supporting more than 454,000 jobs.

I agree with the Administration that the current program authority of \$30 billion for the 7(a) Loan Guaranty Program is sufficient.

7(a) Loan Guarantee Program Fee Waivers

I urge the Budget Committee to support women and minority business owners by continuing to provide budget authority for FY2022 that would allow it to continue waiving fees for small-dollar 7(a) loans, regardless of location, and for 7(a) Express Loans for veterans. Funding for these purposes was provided in December's *Economic Aid Act* and is vital for the smallest borrowers in SBA's loan portfolio.

504 Loan Guaranty Program & the 504 Refinance Program

The SBA 504/CDC Loan Guaranty Program backs long-term, fixed-rate loans of up to \$5.5 million to support investment in major assets, such as real estate and heavy equipment. The program mandates that 504 lenders fund projects that foster local economic development and create or retain local jobs. The SBA also operates the 504 Loan Guaranty Refinance Program

(504 Refi) to help small businesses refinance existing commercial real estate and equipment debt using the SBA's 504 loan program. The fixed interest rates make this SBA product more essential as interest rates rise.

For FY2022, the Administration requested a program level of \$7.5 billion for regular 504 loans and \$7.5 billion for 504 Refi loans, which I support.

Secondary Market Guarantee Fund

The Secondary Market Guarantee Fund allows 7(a) lenders to sell the guaranteed portion of their loans to investors, enabling them to recapitalize and help more borrowers. The secondary market is especially important to small community banks. The Administration's budget proposes maintaining the FY2021 level of \$13 billion, which I support.

Microloan Program

SBA's Microloan program partners with nonprofit intermediary lenders that offer loans of up to \$50,000 to very small businesses to start up and expand. It serves more women and minorities and businesses in rural areas on a proportional basis than any other SBA finance program. In FY2020, intermediaries made 5,888 loans, totaling nearly \$85.0 million to businesses, supporting 16,748 existing jobs and creating 7,848 new jobs. Despite intermediaries serving "at risk" small businesses, SBA's Microloan program has an exceptionally low historic loss rate of less than 2 percent.

In FY20, women-owned firms received nearly 47 percent of the number of microloans issued and minority entrepreneurs received some 60 percent of microloans issued. Intermediaries also help microloan borrowers succeed by providing training and technical assistance.

The Administration's budget proposal for FY2022 would support a microloan program level of \$110 million, an increase of \$55 million compared to the FY2021 enacted level. The budget requests \$41 million for technical assistance, \$6 million more than the FY2021 enacted level. Given the program's track-record of successfully reaching more underserved borrowers and the growing demand for small loans, I urge the Budget Committee to support the president's proposal by providing at least \$6 million in budget authority to leverage \$110 million in microloans. I also recommend \$41 million for microloan technical assistance.

Disaster Assistance Loans

SBA's Office of Disaster Assistance provides low-interest loans to help small businesses, homeowners and renters recover from natural disasters, and in the past year also helped extend credit to millions of businesses affected by the COVID-19 pandemic. The importance of providing timely and affordable loans to help revitalize communities affected by disasters cannot be understated. The Administration's FY2022 request includes \$178 million for administrative expenses to operate the disaster loan program. I support sufficient funding for this program to address and respond quickly to future disasters, as well as to administer loans to businesses recovering from the pandemic.

Small Business Innovation Research and Technology Transfer Programs

The Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs help innovative small businesses meet the research and development needs of the federal government, while spurring commercialization of those innovations in the marketplace. The SBA coordinates the SBIR and STTR programs for the federal government, setting performance standards for the 11 participating agencies, tracking metrics and helping small businesses interested in the opportunities. In 2016, Congress reauthorized these programs through 2022. Since 1983, the SBIR program has awarded more than \$50 billion in grants to more than 170,000 small businesses.

In the course of our Committee's work to reauthorize the programs, we found staffing at the SBA has not kept pace with program growth and that the Office of Innovation should be independent from the Office of Investment. SBA's ability to manage the SBIR and STTR programs has been constrained. This is why I was encouraged to see the administration's proposal to provide an additional \$2 million for these programs specifically for training and support. This modest increase in SBA's resources for additional staff and administrative costs dedicated to the Office of Investment would enhance the agency's ability to work with relevant federal agencies to spur innovation among America's small businesses and create jobs.

Federal and State Technology Program (FAST)

The Federal and State Technology Program is a competitive grant program that provides outreach and technical assistance to science and technology driven small businesses to boost participation in SBIR and STTR programs. This program is designed to strengthen the technological competitiveness of small businesses in all 50 states and to improve the geographic distribution of SBIR and STTR awards. I support the administration's proposal to increase funding to \$10 million in FY2022.

Entrepreneurial Development (ED)

SBA's entrepreneurial ecosystem is comprised of 62 Small Business Development Centers (SBDCs), over 135 Women's Business Centers (WBCs), more than 11,000 SCORE volunteers and 22 regional Veterans Business Outreach Centers (VBOCs). They provide free and low-cost counseling services and training to entrepreneurs. Research has shown a direct correlation between counseling and the profitability, longevity, and growth of small businesses. In order to ensure the continued success of these programs, it is critical that SBA's partners have sufficient resources.

Small Business Development Centers

The Small Business Development Center (SBDC) is our federal government's largest and most successful management and technical assistance program for small businesses and has broad bipartisan support. SBDCs provide targeted counseling and technical training in all areas of business management to small businesses and entrepreneurs across the country. In FY2020, SBDCs counseled and trained nearly 500,000 entrepreneurs, created nearly 17,000 small

businesses, supported more than 1.8 million jobs, and helped access \$8.4 billion in capital. This time-tested program has proven to be successful in helping aspiring entrepreneurs achieve their dreams. I support \$175 million in funding for the SBDCs in FY2022, which is \$39 million above the FY2021 enacted level.

SCORE

SCORE is our nation's largest network of volunteer, expert business mentors. SCORE's volunteers provide free one-on-one counseling, technical assistance, and mentoring services to small businesses and entrepreneurs throughout the country. The program is an effective, efficient, and powerful engine of economic growth. In FY2020, SCORE mentored more than 142,000 unique clients.

In an effort to reach more aspiring entrepreneurs, SCORE has developed and implemented its Futures 2025 initiative to ensure SCORE's relevance and client success into the future. I support \$12.2 million for SCORE in FY2022, which is equal to the amount appropriated in FY2021.

Women's Business Centers

Women's Business Centers (WBCs) form a nationwide network that provides business training, mentoring, programming, and advocacy to help women start and grow successful businesses. In FY2020, WBCs served more than 82,000 clients, who went on to create more than 2,200 new small businesses.

Before the pandemic, women-owned firms were growing at more than twice the rate of all U.S. businesses, surging by 21 percent between 2014 and 2019. However, reports show that women business owners are struggling in the pandemic, especially those with school-aged children at home. Moreover, the WBC program is the only small business resource that that Congress created to provide this type of assistance to women. I strongly support \$30 million in funding for WBCs in FY2022, reflecting the outsize toll the pandemic has taken on women-owned businesses and the need for increased expansion of this program from its \$23 million FY2021 funding level.

Growth Accelerators

The Growth Accelerators program was created in 2014 to support small business job creation by giving early-stage entrepreneurs an opportunity to immerse themselves in intense learning. The program has provided invaluable support to startups and helped fill a void by making awards in underserved regions. I support \$10 million in funding for this program, \$7 million more than what was provided in FY2021.

Veterans Business Development

Veteran entrepreneurs bring their leadership skills and commitment to excellence to the civilian world, and I am committed to providing support for the veteran's small business community. According to a 2017 SBA report, "Veteran-Owned Businesses and Their Owners," small

business firms that are owned by veterans employed more than 5 million people, had an annual payroll of \$195 billion and receipts of \$1.14 trillion in 2012. The SBA's Office of Veterans Business Development (OVBD) supports veterans through programs such as the Veterans Business Outreach Centers (VBOCs), which counseled or trained over 46,000 veterans in FY2020, and the Boots to Business program, which provided entrepreneurship education at military installations to nearly 22,000 service members and their military spouses transitioning out of service. I strongly support the administration's proposed funding level of \$19 million for veterans outreach FY2022, which is \$5 million more than the amount provided in FY2021.

Trade

State Trade and Export Promotion Program (STEP)

The State Trade and Export Promotion was originally created by the Small Business Jobs Act of 2010 to help small businesses sell their products overseas. The STEP program awards competitive grants to states and territories to use for trade missions, international marketing efforts, business counseling, export trade show exhibits and other promotional activities. Congress provided \$19.5 million in FY2021 for this program.

According to SBA, STEP achieved a return on federal taxpayer investment of over 42:1 in FY2020. Recognizing the success of the program and the importance of ensuring that small businesses have access to foreign markets, Congress reauthorized STEP for five years at \$30 million per year as part of the Trade Facilitation and Enforcement Act of 2016 (P.L. 114-125). I recommend full funding in the amount of \$30 million for the STEP program in FY2022.

Contracting

The federal government is the world's largest single purchaser of goods and services, awarding more than \$500 billion in prime contracts. By statute, the federal government has a goal that 23 percent of all contract dollars go to small businesses. In FY2019, this amounted to a total of \$133 billion in small business eligible contracts. SBA has several programs to help small businesses gain preferential access to federal contracting opportunities. These programs are particularly beneficial to women, minority, and veteran-owned small businesses, who have difficulty accessing the resources necessary to compete for federal contracts. These contracting programs include:

The 8(a) Business Development Program

The 8(a) Business Development Program is both a business development and contracting program, assisting business owned by persons who are socially and economically disadvantaged compete for sole-source and set-aside contracts. The federal government has a goal of awarding five percent of contracting dollars to 8(a) businesses. I support a sufficient level of funding for this valuable program.

The HUBZone program

The HUBZone program helps small businesses in economically distressed communities compete for federal contracts. The federal government has a goal of awarding three percent of contracting dollars to HUBZone businesses. I support \$5 million in funding for this program, which is \$2 million more than the amount provided in FY2021, and support the administration's proposal to increase operational funding for this program.

Women-Owned Small Business (WOSB) Federal Contracting Program

The WOSB program allows women-owned small businesses to compete for set-aside or sole-source awards in industries where women-owned small businesses are underrepresented. The federal government has a goal of awarding five percent of contracting dollars to WOSBs. I support the administration's proposal to increase operational funding for this program.

Service-Disabled Veteran Owned Businesses Program

The Service-Disabled Veterans Owned Businesses Program expands federal contracting opportunities for veteran entrepreneurs by allowing procurement agencies to set aside contracts for exclusive competition among service-disabled veteran-owned small businesses and make sole source awards. I support the administration's proposal to increase operational funding for this program.

I support the administration's proposal for a \$5 million funding increase for small disadvantaged business contracting, HUBZone and WOSB program changes implementation, and in preparation for the Service-Disabled Veterans Owned Small Business contracting programs.

The 7(j) Management and Technical Assistance Program

This 7(j) program provides invaluable technical training to disadvantaged small businesses, helping to level the playing field and enabling small business owners to more successfully compete for federal contracting opportunities. I strongly support \$9.8 million in funding for FY2022, which is \$7 million more than the amount provided in FY2021.

Procurement Center Representatives (PCR) and Commercial Marketing Representatives (CMRs)

In addition to helping small businesses compete for federal contracts through technical assistance and set-aside programs, it is important to ensure that small businesses are actually being awarded federal contracts. The SBA is the primary agency responsible for reviewing federal contracts awarded to small businesses, which is an enormous undertaking. One way the SBA addresses this challenge is through the efforts of a small number of procurement center representatives (PCRs) and commercial marketing representatives (CMRs) assigned to procurement centers throughout the country. PCRs and CMRs are responsible for ensuring that small businesses are aware of both federal prime contracting and sub-contracting opportunities, as well as reviewing and flagging potentially bundled contracts. Unfortunately, the programs are under-staffed and

under-resourced, which has limited the ability of PCRs and CMRs to effectively advocate on behalf of small businesses and ensure that they are winning their fair share of federal prime and sub-contracting awards. I support \$20 million in funding to hire 180 PCRs and 18 CMRs to increase the number of small business advocates.

Information Technology and Cybersecurity

Although making substantial progress in its efforts to improve its information technology and cybersecurity, SBA continues to face challenges with its IT Leadership. It must address operational risks from cyberattacks to ensure the agency's ability to provide first-rate customer service to America's small businesses. SBA also handles a large amount of sensitive data about the small businesses it assists. I support ongoing efforts and funding to modernize SBA's technology infrastructure and data security systems, to help it assess its information technology and cybersecurity risks, to implement its cybersecurity strategy, and to account for cyberattacks. I also support ongoing efforts and funding to establish a cyber-counseling certification program for SBDC employees and to improve the customer experience with SBA.

Office of the National Ombudsman

The Office of the National Ombudsman works directly with federal agencies to review complaints made by small businesses, reduce or waive penalties and reverse unfair agency decisions. In FY2020, the Office of the National Ombudsman conducted 41 regional outreach events and helped 485 small businesses submit complaints. I request sufficient funding for the Office of the National Ombudsman.

Office of the Inspector General

The Office of the Inspector General (OIG) plays an important role at the SBA, ensuring that taxpayer's dollars are well-spent. Particularly today, with widespread reports of abuse in SBA's pandemic relief programs, their work helps save money, uncover wrongdoing and promote the integrity of the office. OIG realized over \$142 million in monetary recoveries and savings in Fiscal Year 2020. The Office of Inspector General requires a funding level that will allow for effective oversight of the agency, permit it to retain staff, and support compliance with the additional requirements included in the Digital Accountability and Transparency Act of 2014 (DATA Act). To absorb salary increases and the rising costs of audit contracts, as well as for additional work investigating fraud in COVID-19 response programs, I support an additional \$2.9 million for OIG for a total of \$24.9 million for FY2022.

I appreciate your consideration of my views and recommendations for the Small Business Administration. The SBA and its resource partners are working to help small businesses, start, grow and thrive, and sufficient levels of funding are critical in FY2022. Thank you for your continued support of America's small businesses and entrepreneurs.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ben Cardin".

Ben Cardin
Chairman

BENJAMIN L. CARDIN, MARYLAND, CHAIRMAN
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June 11, 2021

The Honorable Bernard Sanders
 Chairman
 Committee on the Budget
 United States Senate
 624 Dirksen Senate Office Building
 Washington, DC 20510

The Honorable Lindsey Graham
 Ranking Member
 Committee on the Budget
 United States Senate
 624 Dirksen Senate Office Building
 Washington, DC 20510

Dear Chairman Sanders and Ranking Member Graham:

As Ranking Member of the Senate Committee on Small Business and Entrepreneurship, I submit the following views and estimates on funding allowances for the U.S. Small Business Administration (SBA), and other matters under the Committee's jurisdiction, as directed by § 301(d) of the Congressional Budget Act of 1974.

Over this past year, the federal government's deficit grew at an astonishing pace. In one year, gross federal debt grew by more than it had in the last five years combined. Of this increase in spending, the Small Business Administration accounted for \$1.1 trillion over the course of FY2020 and FY2021. This was a massive increase from the typical SBA appropriations of under \$1 billion making it the second largest COVID-19 spender in FY2020, just behind the Department of Treasury. Unfortunately, small businesses are now experiencing the detrimental cost of the rampant government spending over the last year. According to a recent survey by the National Federation of Independent Businesses, a record-high 48 percent of small business owners reported being unable to fill job openings. Additionally, 40 percent of businesses reported that they have increased their prices due to inflationary pressures on materials and labor.

Despite the consequences from the federal government's restrictive lockdowns and excessive spending, President Biden's budget request for Fiscal Year 2022 proposes adding an estimated \$7.6 trillion over the 10-year budget window, raising our total debt to 130.2 percent of GDP. A number of different estimates have already been released showing the drastic effects this would have to the American economy, an economy that is still trying to weather the negative externalities from government spending and regulation from this previous year.

One way to marginally reduce the negative impacts that President Biden's budget request is likely to have on small businesses is to reduce the size of the agency tasked with directly interfering with small businesses. Each dollar spent on programs that are inefficient, rife with fraud, and redundant in nature is likely to cause more harm than benefit. For example, SBA's Office of the Inspector General (SBA OIG) found at least \$2.5 billion in potentially fraudulent loans in the COVID-19 Economic Injury Disaster Loan program. This report found that SBA did not have a system of checks in place to guard against identity theft, or to cease billing fraudulent

loans to the victims. As another example, a separate SBA OIG report found that there were \$7 billion potentially fraudulent loans in the Paycheck Protection Program and that SBA had no specific system in place to guard against fraud in this program. It is of the utmost importance that Congress look at the unintended consequences of imprudent and unsustainable government spending and, with a careful eye, evaluates the programs that are hurting more than they are helping.

SBA has requested an eight percent increase in their budgetary authority right after a 100,000 percent increase in authority over the COVID-19 pandemic. At the rate our government is spending money, it has become clear that we have fallen into an unsustainable trajectory. Considering the problematic nature of SBA's programs in this last year, and their inability to adequately oversee the programs that have been placed in their purview already, I believe that SBA is an ample use case for the Three-Penny Plan that I have proposed over the last several years. I have reviewed the President's budget request for FY2022 and recommend reducing SBA's budget authorization to \$894,081,000, which would save three cents for every dollar SBA was authorized in FY2021. Since I propose taking these funds off the top, this would allow SBA to make necessary cuts where they see inefficiency, and hopefully prioritize funds in addressing the concerns raised by the SBA's Office of the Inspector General. If the entire federal government followed this example, we would be able to balance our budget within five years. It is time we return to a trajectory of fiscal responsibility.

Sincerely,



Rand Paul, M.D.
Ranking Member

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 CHAIRMAN
 PATTY MURRAY, WASHINGTON
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 SHERROD BROWN, OHIO
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United States Senate

COMMITTEE ON VETERANS' AFFAIRS
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June 10, 2021

The Honorable Bernard Sanders, Chairman
 The Honorable Lindsey Graham, Ranking Member
 Committee on the Budget
 624 Dirksen Senate Office Building
 United States Senate
 Washington, DC 20510

Dear Chairman Sanders and Ranking Member Graham:

Pursuant to Section 301(d) of the Congressional Budget Act of 1974, we write to provide our views and estimates to the Committee on the Budget regarding matters within the jurisdiction of the Committee on Veterans' Affairs (the Committee). As the nation begins to recover from the COVID-19 pandemic, the Department of Veterans Affairs (VA) must be adequately prepared to mitigate the after-effects of this global health crisis and ensure that no veteran faces any unnecessary delay in receiving their earned care and benefits.

As Chairman and Ranking Member of the Committee, we have enjoyed a productive relationship and expect this to continue for as long as we have the privilege of leading this Committee. We are pleased to submit these shared priorities in tandem and we are committed to working with VA and the Administration to ensure that we meet the promises made to those who serve our great nation.

On March 3, 2021, the Committee began a series of hearings during which Veterans Service Organizations (VSO) provided their legislative priorities as well as their perspectives on challenges facing VA and veterans across our nation. During our time on the Committee, these hearings have been invaluable in helping us better understand the legislative and budgeting priorities on which Congress should be focusing. As Chairman and Ranking Member, we have restated our belief that we need to take our cues from our nation's service members, veterans, and family members on how best we can honor their service and ensure they receive the benefits and services they have earned.

Accordingly, to assist in preparing these views and estimates, we have given careful consideration to the "Independent Budget: Veterans Agenda for the 117th Congress" (Independent Budget or IB) prepared by three VSOs – the Disabled American Veterans, the Paralyzed Veterans of America, and the Veterans of Foreign Wars. This comprehensive budget and policy document created by veterans and for veterans is also supported by many other organizations that care deeply about veterans and their families.

According to the President's Budget, demand for VA's services and programs is expected to continue to rise. While we note the increased funding requested in the President's Budget for FY22, we will draw your attention to specific programs and operations that must receive focused support in the budget resolution for VA to succeed. We must demand excellence and accountability from VA, but it is our role to ensure it has the resources to provide our veterans and other beneficiaries with the world-class services and benefits they have been promised.

VA Health Care

VA Medical Care

The COVID-19 pandemic placed stress on VA's health care system, and we were pleased to see the VA respond appropriately. For example, we were pleased with VA's ability to reduce the health care provider hiring timeline from months to as little as 3 days in certain instances. VA must incorporate lessons learned from these hiring changes to reduce onboarding times while maintaining the high quality of its workforce. As of FY21Q1, the Veterans Health Administration (VHA) had almost 9,000 vacancies among positions funded through regular appropriations, and as of March 31, 2021, VA reported nearly 8,000 employees onboard under temporary, emergency funding through the CARES Act. The President's FY22 budget funds the hiring of 17,403 new VHA Full-Time Equivalents (FTEs) beyond what was funded in FY21. Given VHA's goal to increase staffing funded by regular appropriations, while simultaneously funding temporary positions via supplemental funding, it is critical VA clearly distinguishes between temporary needs driven by the pandemic and permanent needs driven by long-term drivers of health care usage. We are committed to providing the Department with the hiring authorities and resources it needs to meet veteran demand for care in the short-term surge and over the long-term return to typical demand for care.

Community Care

The COVID-19 pandemic has also significantly impacted health care across the nation. VA must work with its network administrators to ensure there is an adequate network to meet the demand for non-VA care. And when veterans opt for care in the community, the Department must ensure there is an appropriate process in place for veterans to receive high-quality and timely care in the private sector.

Mental Health

The President's budget for FY22 includes an increase for mental health care, which we expect will assist the Department in addressing the effects of the COVID-19 pandemic and the ongoing veteran suicide crisis. Fully funding the implementation of our bipartisan Commander John Scott Hannon Veterans Mental Health Care Improvement Act (Hannon Act) is also crucial for meeting Congress' intent and expanding VA's tools for suicide prevention and access to mental health care. Further, an increase for the Veterans Crisis Line is a strategic need given that bolstered staffing and resources will be needed for the anticipated increase in demand due to the move to 988 as the National Suicide Hotline in July 2022.

One concern for us is VA's estimated workload for mental health in FY22 and FY23. Given the impact of the pandemic on mental health, we would expect to see a projected increase in veterans utilizing VA mental health care services. Instead, VA projects treating nearly 6,000 fewer veterans through inpatient mental health care in FY22 than in FY21. This raises questions about VA's ability to provide veterans with timely access to mental health care, especially for acute cases that may require inpatient care and we intend to raise this issue with the Department.

It is also important that VA make a prudent, ongoing effort to expand mental health access for veterans in hard-to-reach, rural parts of the country, and provide veterans with innovative treatments to address veteran mental health and suicide.

Telehealth

Improving access to care, especially for rural and homebound veterans, continues to be a top priority for us, and telehealth is one of the most useful tools in accomplishing this. The requested increase in the FY22 Budget is intended to expand and enhance VA's telehealth capabilities, which continue to be in high demand due to the pandemic, as well as to implement the Hannon Act's telehealth grant program. This legislation authorizes VA to establish a grant program to develop telehealth access points at non-VA sites, such as the ATLAS hubs. We are pleased to see VA focusing on serving veterans that may not be close to a VA site and will continue to hold the Department accountable to its promise of serving all veterans.

Women Veterans

Women veterans are the fastest-growing cohort of the veteran community. Unfortunately, due to this rapid growth, women veterans often have a longer wait for primary care and some specialty care appointments than male veterans, and women's trust in VA is lower than male veterans. We are pleased to see the increase in funding for gender-specific services to help provide women veterans with equitable access to care. The VA is required to offer all women veterans a women's health primary care provider (WH-PCP), yet only 82% of women veterans are assigned to a WH-PCP and approximately 10% of CBOCs do not have even one WH-PCP on staff. Increased funding will be valuable for implementing the Deborah Sampson Act requirements, including growing the women's health workforce at VA. The Department must continue to improve the availability, accessibility, and quality of services offered to women veterans, and we look forward to working with VA to ensure this occurs.

Veterans Experiencing Homelessness

With a nearly 4.4% increase in funding over the last fiscal year and the emergency funds provided by COVID-related legislation last year, we are heartened that veterans experiencing homelessness remain a priority, but want to ensure that funding is spent effectively and without unnecessary delays. In addition to addressing the still unknown economic fallout of the pandemic and impact on veterans experiencing homelessness with this increased funding, we expect VA to continue to tackle pre-pandemic barriers to support including insufficient access to safer private transitional housing and unstaffed HUD-VASH case management positions. We also hope VA will embark on a renewed effort to address the unique challenges faced by increasing numbers

and needs of unhoused elderly veterans, including greater susceptibility to illness and the need for more attentive and long-term care not typically available through transitional facilities nor standard permanent housing. For the existing programs, policies, and funding for this vulnerable population, we encourage VA to utilize those resources as quickly and efficiently as possible so that we can more clearly see what gaps are left to be filled.

Veterans with Toxic Exposures

VA has the unique mission of delivering health care and benefits that focus on the toxic exposure-related illnesses and injuries incurred by veterans during military service. VA must ensure adequate funding across VHA, the Veterans Benefits Agency (VBA), and the VA Office of Research and Development (ORD) to address the needs of those suffering from military toxic exposures. In order to deliver the cutting-edge health care that veterans deserve, VHA and ORD must have adequate funding to be proactive in their research efforts and flexible in their delivery of care to best serve the veterans suffering from the effects of toxic exposures. This includes funding to adapt the delivery of health care to the particular needs of the incoming generation of toxic exposure veterans, and research funding to ensure VA is at the forefront of medical science when it comes to understanding toxic exposures and their effects on veterans. Additionally, VA must provide robust funding for disability claims rating staff and the requisite training to ensure they can make accurate decisions in a timely manner. Adequate staffing and training at VBA are essential to providing veterans with timely access to health care and benefits.

Veteran Benefits

VBA Claims Processing

Similar to other VA services and programs, VBA operations were severely impacted by the COVID-19 pandemic. We are concerned about the increase in the backlog of disability compensation claims, with more than 200,000 claims pending for more than 125 days. The President's FY22 Budget Request calls for 429 new FTE for VBA, with 334 FTE to support the processing of Agent Orange claims, and 95 FTE to support general disability claims processing. While these new personnel will be helpful in fighting the claims backlog, new employees take time to train, and we encourage VA to continue working within VHA, VBA, and with their contract vendors who provide medical disability exams (MDE), to do everything it can to ensure that veterans do not face lengthy wait times to receive an MDE and do not face an extensive backlog before they receive their earned benefits and compensation. Lastly, VBA must ensure it is fully utilizing its quality assurance programs. These programs, which evaluate the accuracy with which VBA staff process compensation claims, identify trends in errors committed by claims processors, provide training, and review the performance of individual employees are crucial in ensuring whether VBA's claims review process is operating at the highest possible level.

Last year, in lieu of the 48-hour pre-decisional review period for VSOs to examine a claim, the Department implemented the Claim Accuracy Request (CAR) pilot program. The CAR program allows for a post-decisional expedited review using the high level review practices

created by the Veterans Appeals Improvement and Modernization Act (AMA). Since this is a pilot program, the Committee will continue to review whether or not CAR provides sufficient checks and balances in lieu of the 48-hour review period, so that the program can become permanent if it is beneficial to the veteran and their claim.

Board of Veterans Appeals

The Board of Veterans' Appeals' (BVA) inventory has been growing in recent years as VBA has worked to address its own claims backlog. Congress passed the Veterans Appeals Improvement and Modernization Act to streamline and shorten the appeals process for veterans. While VA has now implemented the changes, continued training and build-out of Information Technology (IT) functionality will be essential for success. BVA must take the necessary steps to address its pending inventory, as well as the growth of incoming appeals through the new system, and this requires consistent funding for a sufficient number of appropriately trained staff, attorneys, and veteran law judges to meet current demand. We are pleased to see that the majority of the funding increase for BVA in the FY22 request will go to hiring additional FTE, which will help with the appeals backlog. Again, VA must do everything it can to address the appeals backlog and ensure veterans do not have unnecessarily long wait times for their decisions.

Education Benefits

Last year, Congress passed two GI Bill COVID relief packages to ensure student veterans and their dependents were able to continue their education and were not negatively impacted by schools' changing their teaching structure or closing due to COVID. Even prior to the pandemic, the Committee has been concerned about the proper allocation of IT resources provided to the Education Service, as they implement the various changes in laws Congress has made in recent years to education benefits. Earlier this year, VA awarded a \$450 million contract to Accenture to modernize and improve GI Bill claims processing through a new Digital GI Bill. The Committee will continue to monitor VA's ability to implement the ongoing changes to GI Bill benefits; the need for additional funding to VA's high technology VET TEC and VRRAP pilot programs; IT modernization for Veterans Readiness and Employment; and the overall seamless transition to an IT system for education benefits that will serve veterans in an efficient and productive manner.

National Cemetery Administration

Operations and Maintenance

The National Cemetery Administration (NCA) is nearing its goal to provide 95 percent of veterans with access to a burial option in a national, state or tribal veterans cemetery within 75 miles of their homes. We strongly believe that VA national cemeteries must always honor veterans, even after cemeteries have reached capacity, which is why we support NCA's National Shrine Commitment. Additionally, NCA must continue to provide greater choice for veterans including in rural and tribal areas.

State Veterans Cemeteries

The State Cemetery Grant Program allows states to expand veteran burial options by raising half the funds needed to build and begin the operation of veterans' cemeteries. NCA provides the remaining funding for construction and operational funds, as well as cemetery design assistance. Funding additional projects in FY 2022 in tribal, rural, and urban areas will provide burial options for more veterans and complement VA's system of national cemeteries. To fund these projects, we support investments in this program to help cover the increasing costs of operating and maintaining these cemeteries, which serve as a final resting place for those who bravely fought to protect this country.

VA Infrastructure*Construction*

Although funding for both the Major Construction and Minor Construction accounts has been increased, it is important to view them in context; both of these accounts have experienced negative growth over the last six years. VA has nearly \$71 billion in unmet infrastructure needs, including an estimated \$7 billion in outstanding seismic corrections on VA's priority lists. These are incredibly important safety issues that cannot be overlooked, and they must be at the top of VA's Strategic Capital Investment Plan. VA should consider adopting proven planning and funding models used for capital infrastructure. These models should integrate with the VA's new strategic plan detailing where and how VA health care facilities should be aligned to meet veterans' future care needs as identified by the Asset and Infrastructure Review process mandated by the VA MISSION Act and other relevant planning, staffing, and budgeting activities of the Department. To further position VA to manage its current and future capital portfolio, we recommended increased funding and focus on the workforce at the facility, regional, and VA Central Office level. This will assist VA in properly planning, managing, and delivering facility projects.

Electronic Health Record

The President's FY22 request for VA's Electronic Health Record Modernization (EHRM) represents the projected need for the next phase of deployment of the new system across the country. However, a Secretary-directed strategic review is currently underway with a conclusion expected in June, so needs for this account may change. Additionally, VA's Office of Inspector General (OIG) recently found that the EHRM program inaccurately and inappropriately hid certain infrastructure funding needs, which will likely increase the ten-year cost of this program. Until the Secretary presents a plan to correct this program, we view this FY22 request as tentative.

Information Technology

The increased IT funding proposed in the FY22 request will be used to continue to replace old equipment in VA facilities and help modernize several IT systems including for GI Bill programs, Human Resources, and the VA-wide financial management system. While this

increase is positive and significant, it still may under-invest on VA's identified needs to improve various IT systems that its employees and veterans need. VA's IT accounts, particularly the development accounts, are chronically under-invested in. IT underpins the success or failure of hundreds of VA operations, including IT equipment in medical facilities. These IT systems are needed for employees to deliver benefits and services to veterans or to make VA operations more effective.

VA Oversight and Transparency

Office of Inspector General

The CARES Act and American Rescue Plan provided more than \$30 billion in support of VA's COVID-19 response. It is imperative there be continuous, prudent oversight over this appropriation, and VA's Office of Inspector General is an important component in accomplishing this work. We have introduced S. 1446, the VA Transparency & Trust Act of 2021, which requires VA to submit a spend plan for its COVID-19 relief appropriations and we will continue to ensure that VA operates in a transparent, accountable manner.

Closing

We thank the Committee on the Budget for its attention to our views and estimates on the FY 2022 budget and FY 2023 advance appropriations requests for VA and matters within the jurisdiction of the Committee on Veterans' Affairs. We look forward to working with you to continue to meet the needs of those who have served our country.

Sincerely,



Jon Tester
Chairman



Jerry Moran
Ranking Member

