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Fiscal Year (FY) 2020 Appropriations Update

The House was in recess last week. Last Thursday, the Senate wrapped up work and also began its August recess. No votes are expected in either chamber until September 9, 2019.

Before leaving town, the Senate passed a two-year budget agreement by a vote of 67-28. This agreement averted billions of dollars in looming sequestration cuts, while also preventing the nation from defaulting on its debt for the next two years. The chamber passed the measure after both Senate leaders and President Trump reached out to on-the-fence Republican lawmakers. This was done in an attempt to ensure a better showing of Republican support than was offered the week before when the agreement was passed by the House. The President signed the measure on Friday.

Now that the new budget caps have been established as part of the agreement, Senate Appropriations Committee staff will spend the remainder of August drafting their FY 2020 bills and appropriators in both chambers will then spend September trying to conference and pass bipartisan spending bills before the end of the fiscal year. Given that both the House and Senate are now in recess, and upon their return they will have just 13 workdays before the start of FY 2020, leaders in both parties doubt Congress will clear all 12 of the annual funding measures by September 30. It is almost a given that a short-term continuing resolution may be necessary for at least some of the FY 2020 spending measures.

Senate Appropriations Committee Chairman Richard Shelby (R-AL) said that he intends to give his subcommittees their 302(b) spending allocations soon and favors moving spending bills in batches. It has been suggested that the Senate may combine the FY 2020 Defense, Labor-HHS, and Energy & Water bills for consideration during the first Full Committee markup, which is currently scheduled for September 12.

Senate leaders will then have to decide whether it makes sense for the Senate to pass its FY 2020 bills on the floor or instead go straight to negotiations with House appropriators on deals that can make it through both chambers. While the House has already marked up all of their FY 2020 spending bills and passed 10 on the floor, the levels used to write those bills now differ from the levels agreed to in the recent budget deal. In negotiations with the Senate, House appropriators will need to account for about \$5 billion more in military spending and about \$15 billion less for non-defense programs.

The House version of the FY 2020 Labor-HHS bill includes a \$300 million increase over the FY 2019 enacted level for SSA's Limitation on Administrative Expenses (LAE) account. With the reduction in spending for non-defense programs, accounts under the jurisdiction of the Labor-HHS subcommittee will most certainly be the subject of negotiations. We will continue to communicate with the Hill regarding SSA's administrative funding needs and provide updates.

NCSSMA Twitter Account

Reminder: NCSSMA has a Twitter account and we encourage you to join in and follow us! You can view and follow our page on your **home computer** at <http://twitter.com/NCSSMAORG> or your **personal mobile device** at <https://mobile.twitter.com/NCSSMAORG>.

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