

Hicks-Ray Associates



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TO: WESTCAS Membership

FROM: Fred B. Hicks and Tom Ray

SUBJECT: Understanding the New Terminology in Washington DC

The FY13 Continuing Resolution [CR] that has been keeping the Federal government open since October 1 expires on March 27th. If nothing is done, pretty much the entire Federal government will shut down on March 28th. But don't worry. There is a consensus among Congressional Republicans, Democrats and the White House that some accommodation on FY13 spending must be reached to keep the government open.

An additional challenge is that the two week Congressional Spring vacation begins five days earlier, on Friday, March 22. So the Congress has just over 14 days to cobble together a solution and also to try and figure out how to accommodate sequesters in the final package.

There are two broad options here. The first is an "omnibus" combining the 12 different appropriations bills into a single legislative vehicle. The second is to extend the CR for the remainder of FY13. But there really isn't enough time over the next two weeks to cobble together an "omnibus" of 12 different appropriations bills. And a one year CR that includes indiscriminate sequester cuts could severely damage key Federal programs.

The Congressional response, at least the one that will be passed by the House tomorrow, combines a CR and an omnibus into a "CRomnibus." The Defense Appropriations bill and the Military Construction Appropriation FY13 spending bills make up the omnibus part of the vehicle. All remaining Federal spending is made subject to a half year continuing resolution which continues programs not included in the omnibus portion of the bill.

But wait. There's more. In order to protect certain essential programs funded under the CR portion of the CRomnibus from the sequester [ie: border security, protection of foreign embassies, staffing of Federal prisons etc.] the House has also added what are called "anomalies" to the CRomnibus which provide guidance on how the agencies of jurisdiction should fund specific programs that cannot sustain the full brunt of sequester cuts. Think of this like ordering an entrée at an exclusive restaurant. You tell the waiter, "I'd like the CRomnibus with anomalies please."

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You might be thinking to yourself, “this is all ridiculous, but at least things should be better for the FY14 Appropriations cycle.”

Nobody can be sure of that, but one thing we do know is that the President should have submitted his FY14 budget to the Congress on February 4. He has announced that this will be delayed until March 25. But the Congress will be on its two week spring vacation from March 22 to April 8, so Members won’t be around to actually start work on the budget until their return to Washington.

That means that the FY14 process starts off more than two months late with the start of the new fiscal year less than six months away. Not a good start to a process that never seems to be able to get its work done on time.