

# CAP-FACTS

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## FY2011 Spending: Showdown Postponed

With the CR set to expire at midnight last night, the House passed the Senate's continuing resolution last evening. The new CR will fund the first five months of the fiscal year at the FY2010 level- \$700 million for CSBG, and \$7.2 billion for Head Start. Since WAP does not begin until April, no funds for WAP will be released under this CR. For LIHEAP, language was inserted in the CR that will allow the program to receive roughly 80% of its funds for the year- which is explained in further detail below.

After an effort to pass a year-long CR made it through the House, but was rejected by the Senate, the Senate introduced an Omnibus Resolution, or a bill that includes all 12 spending bills that Congress needs to pass. This bill included nearly a \$100 million increase for CSBG, and for a period of time last week, Senate leadership felt they had the votes to pass the Omnibus bill. However, as we noted in our last CAPFACTS was to be expected, the measure was ultimately blocked by Senate Republicans, who favored a short term CR that stripped many of the earmark requests Republicans pledged to eliminate during the campaign season. **The short term CR will allow the new Congress to revisit spending this March.**

The continuing resolution increases government spending annually by \$1.16 billion in fiscal 2011 compared with FY2010, although the government will spend less than that because the stopgap extends only to March 4th. The increases in the CR cover a \$5.7 billion shortfall in Pell Grants to low-income college students so that the maximum tuition grant would remain at the fiscal 2010 level of \$5,550, as well some increases to the Veterans Administration.

Like other programs, LIHEAP is appropriated at last year's level, or \$5.1 billion for the year. Consistent with the many assurances given us by key appropriators in both Houses, the

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threat of a potential cut was averted. Most importantly, **LIHEAP funding will continue to be available at last year's rate during the winter months, a higher rate than most other programs.** OMB estimates \$4 billion will be spent by the end of the CR. As CAAs know all too well, in most states, the program goes fast and is largely obligated by the end of March. **There's still some uncertainty:** HHS has not decided whether each state gets what it spent during the same period last year or whether the total program spending will equal last year's program outlays in the period, but the distribution will be decided by the allocation formula. The difference wouldn't be enormous, as states' spending requests from their plan still matter, but we do not have the certainty that every local and state program leader needs and deserves as of tonight.

The breakdown of the three bills is below- **note the third column is the passed bill.**

	House passed 1 year CR	Senate Omnibus	Senate Short Term CR
<b>CSBG</b>	\$700 million	\$785 million	\$700 million
<b>LIHEAP</b>	\$5.1 billion	\$5.1 billion	\$5.1 billion
<b>HEAD START</b>	\$7,548,783,000	\$8.1 billion	\$7.2 billion

Though the new Appropriations Committee rosters have yet to be released in their entirety, it is important to note that Democrats will lose six seats in the House Appropriations Committee, and that Republicans have appointed three Tea Party backed Freshman Republican members to the Committee, an enormous victory for the Tea Party Agenda. Incoming Republican Appropriations Chairman Hal Rogers is rumored to be giving subcommittees funding decrease targets to meet. All of this means we are headed into rocky terrain in the 112th Congress.



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