Chairman Ander Crenshaw

Subcommittee on Financial Services and General Government
House Committee on Appropriations

Full Committee Markup – FY 2016 Financial Services and General Government Appropriations Bill
June 17, 2015
Opening Statement As Prepared

Mr. Chairman, I rise today to present the Subcommittee's recommendation for the fiscal year 2016 Financial Services and General Government appropriations bill. As you know, the Subcommittee has jurisdiction over a wide and diverse group of agencies and activities, including the Treasury Department, Internal Revenue Service, Securities and Exchange Commission, White House, District of Columbia, General Services Administration, Federal Communications Commission, and Small Business Administration.

The bill before us today provides $20.2 billion in discretionary funding, which is $1.3 billion, or 6 percent, less than fiscal year 2015 and $4.8 billion, or 19 percent below the request. The Subcommittee's allocation is a significant reduction compared to 2015, but sufficient to fund programs that are essential to Americans.

This Subcommittee has the honor and Constitutional responsibility of funding our Federal Judiciary. The bill increases their funding by $214 million above fiscal year 2015. This will fund all federal court activities, the supervision of offenders and defendants living within our communities, and the timely and efficient processing of federal cases. In addition, this Subcommittee prioritizes funding for law enforcement activities. The High Intensity Drug Trafficking Areas program receives a $5 million increase and Treasury's Office of Terrorism and Financial Intelligence, which enforces sanctions programs, receives a $3.5 million increase.

Another priority for the bill is to support small businesses in order to foster job creation and economic development. The bill provides $156 million for the Small Business Administration to extend up to $23.5 billion in 7(a) loans and $7.5 billion in 504 loans. The bill also provides funds to some of our nation's strongest entrepreneurial development programs such as the Small Business Development Centers, Women's Business Centers, SCORE, microloans, and Veterans Outreach Programs. The bill further promotes investment and growth in communities across the nation by providing Treasury's Community Development Financial Institutions Fund with $233.5 million, which is a $3 million increase above fiscal year 2015.

In order to live within our allocation level, we had to make tough decisions on where to reduce funding. The bill today reduces funds for more than two dozen agencies and programs that can operate with less, such as the Office of Management and Budget and the FCC. The brunt of the reduction, however, is borne by the GSA and IRS since they are the two largest agencies in the bill that both have a recent history of inappropriate behavior.

The bill eliminates all GSA funding for new construction, but provides an ample amount for repair and alterations. Before adding new space to the Federal inventory, the Executive Branch should take care of and make better use of what it already has. We also continue to push GSA to develop an accurate inventory of all Federal property and designate funding specifically for reducing surplus space.

The bill provides the IRS with $10.1 billion, which is $838 million below the current level and $2.8 billion below the request. At this funding level, the IRS is funded below their fiscal year 2004 level. But the bill requires the IRS to make customer service a priority and funds the Taxpayer Service account by more than $75 million above fiscal year 2015. With this funding increase, the Committee expects the IRS to stop making excuses and to start answering the phone and mail from American taxpayers.

It's been two years and three Commissioners since we learned about the IRS' inappropriate scrutiny of certain groups, and the IRS continues to make embarrassing management mistakes at the expense of customer service. To remedy this, the Committee includes extensive language to prohibit the IRS from inappropriately singling out certain tax-exempt groups based on their ideological beliefs or for exercising their First Amendment rights, wasting taxpayer dollars on inappropriate conferences and videos, and providing bonuses to staff without evaluating their conduct or tax compliance. In addition, the bill prohibits funds to revise regulations used to determine the tax exempt status of organizations under section 501(c)(4) of the Internal Revenue Code, or to implement the individual mandate.

In order to increase transparency and accountability of agencies created by Dodd-Frank, the bill makes the Consumer Financial Protection Bureau and the Office of Financial Research subject to the appropriations process and requires extensive reports on their activities. Since its inception, the Bureau has been a very active regulator. However, I believe the Bureau has become overzealous and is need of greater Congressional oversight. In addition, this bill replaces indemnification agreements with confidentiality agreements for swap data repositories and requires the SEC to submit a thorough report about this Committee's concerns about Dodd-Frank and other financial regulations and a concerning lack of liquidity in U.S. markets.

Finally, I would like to speak to the inaccurate claims that the bill before us is trying to hide provisions related to net neutrality. I made my displeasure with the rule known at our FCC budget hearing in March, so it should come as no surprise that the bill, which was released in full and as early as possible under Committee rules, would address this important matter. The bill merely puts in place a legislative stay until the legality of the net neutrality rule can be determined by the courts. Given the magnitude and controversy of this issue, removing the legal ambiguity around it is needed to create a clear path forward. This bill also seeks to increase transparency at the Federal Communications Commission by requiring rules be made available to the public for 21 days before the Commission votes on them; this is the same number of day that rules are circulated to Commissioners prior to a vote.

I would like to thank Chairman Rogers for his leadership and support of advancing the bill. I would also like to thank all of the Subcommittee Members for their input into the bill and their participation at our hearings this year.

To conclude, I would like to thank Ranking Member Jose Serrano. While I know that he believes there should be additional funds in the bill, I appreciate Mr. Serrano's approach to the Committee's work and value his advice. His input made the bill better. I look forward to working closely with him and all Members of the Committee as our bill moves forward.

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