



# **Chairman Ander Crenshaw**

*Subcommittee on Financial Services and General Government  
House Committee on Appropriations*

**Fiscal Year 2016 Financial Services and General Government Appropriations Bill  
Subcommittee Markup  
June 11, 2015  
Opening Statement As Prepared**

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Today, we are considering the fiscal year 2016 Financial Services and General Government bill. As you know, this Subcommittee has jurisdiction over a wide and diverse group of agencies and activities including financial regulators, tax collection, the White House, the Federal courts, DC, GSA and the Small Business Administration. The priorities and funding levels for this bill is the product of this Subcommittee's work on 10 hearings that we held and more than 1,500 requests from Members on both sides of the aisle that we received.

The bill 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. Nonetheless, the allocation is sufficient to fund programs that are critical and essential to the federal government.

Law enforcement and the administration of justice are among the bill's priorities, so we are increasing funding over the fiscal year 2015 level for these 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. In addition, a nice healthy amount of funding is provided for the both the Federal and DC judicial branches of government, as well as for the supervision of offenders and defendants living within our communities.

Another priority for the bill is supporting small businesses to foster job creation and economic growth. The bill provides \$156 million for SBA's business loan programs to support \$23.5 billion in 7(a) lending and \$7.5 billion in 504 lending. The bill also provides funding equal to or greater than the current fiscal year for Small Business Development Centers, SBA Microloan assistance, SBA veterans' and women's programs, the Alcohol and Tobacco Tax and Trade Bureau, and Treasury's Community Development Financial Institutions Fund program.

In order to increase or maintain funding in these programs, we had to reduce funding for other programs. We reduce funding for more than two dozen agencies and programs that can operate with a little less, such as the Office of Management and Budget and the Federal Communications Commission. The brunt of the reduction, however, is borne by GSA and IRS since they are the two largest agencies in the bill and both have a recent history of inappropriate behavior.

The bill also eliminates all GSA funding for new construction, but provides a sufficient 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 Federal property and by designate funding specifically for property consolidation to reduce 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, but requires the IRS to make customer service a priority. In total, the IRS is funded below their fiscal year 2004 level, but the Taxpayer Services account is funded above fiscal year 2015 by more than \$75 million to force the IRS to answer American taxpayer's phone calls and mail.

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:

- Require the IRS to consider the conduct and tax compliance when it gives out bonuses or re-hires former employees,
- Prohibit funds for targeting groups for regulatory scrutiny based on their ideological beliefs or for exercising their First Amendment rights,
- Prohibit funds to revise regulations used to determine the tax exempt status of organizations under section 501(c)(4) of the Internal Revenue Code,
- Prohibit funds to implement the individual mandate,
- Prohibit funds for inappropriate conferences and videos,
- Require a report on the amount of official time used by IRS employees for union activities,
- Prohibit the White House from ordering the IRS to determine the tax-exempt status of an organization, and
- Require extensive reporting on IRS spending.

Finally, in order to increase the transparency of agencies, the bill makes the Consumer Financial Protection Bureau and the Office of Financial Research subject to the appropriations process; replaces indemnification agreements with confidentiality agreements for swap data repositories; requires investigative agencies to obtain emails consistent with the Fourth Amendment; requires the Federal Communications Commission to make orders publically available for 21 days before the Commission votes on them; and requires certain court challenges to be resolved before the FCC implements the net neutrality order.

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

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 Subcommittee as our bill moves forward.

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