

Financial Services and General Government (FSGG) FY2019 Appropriations: Overview

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Financial Services and General Government (FSGG) FY2019 Appropriations: Overview

The Financial Services and General Government (FSGG) appropriations bill includes funding for the Department of the Treasury, the Executive Office of the President (EOP), the judiciary, the District of Columbia, and more than two dozen independent agencies. The House and Senate FSGG bills fund the same agencies, with one exception. The Commodity Futures Trading Commission (CFTC) is funded through the Agriculture appropriations bill in the House and the FSGG bill in the Senate.

President Trump submitted his FY2019 budget request on February 12, 2018. The request included a total of \$49.1 billion for agencies funded through the FSGG appropriations bill, including \$282 million for the CFTC.

The House Committee on Appropriations reported a Financial Services and General Government Appropriations Act, 2019 (H.R. 6258, H.Rept. 115-792) on June 28, 2018. Total FY2018 funding in the reported bill would be \$45.7 billion, with another \$255 million for the CFTC included in the Agriculture appropriations bill (H.R. 5961, H.Rept. 115-706). The combined total of \$45.9 billion would be about \$3.2 billion below the President's FY2019 request, with the largest difference in the funding for the General Services Administration (GSA) and in government-wide transfers (Section 737).

H.R. 6258 was included as Division B of H.R. 6147, the interior appropriations bill, when it was considered by the House of Representatives beginning on July 17, 2018. The bill was amended numerous times, shifting funding among FSGG agencies but not changing the FSGG totals. H.R. 6147 passed the House on July 19, 2018.

The Senate Committee on Appropriations reported a Financial Services and General Government Appropriations Act, 2019 (S. 3107, S.Rept. 115-281) on June 28, 2018. Funding in S. 3107 totaled \$45.9 billion, about \$3.2 billion below the President's FY2018 request, with the largest difference in the funding for the GSA and in government-wide transfers (Section 737).

The Senate began floor consideration of H.R. 6147 on July 24, 2018, including the text of S. 3107 as Division B of the amendment in the nature of a substitute (S.Amdt. 3399). The Senate passed its version of H.R. 6147 on August 1, 2018.

No full-year FY2019 FSGG bill was enacted prior to the end of FY2018. The FSGG agencies were provided continuing appropriations until December 7, 2018, in Division C of P.L. 115-245.

Although financial services are a major focus of the FSGG appropriations bills, these bills do not include funding for many financial regulatory agencies, which are funded outside of the appropriations process. The FSGG bills do, however, often contain additional legislative provisions relating to such agencies, as is the case with H.R. 6258/H.R. 6147, which contains language from a number of different bills relating to financial regulation that had previously passed the House.

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The Financial Services and General Government (FSGG) appropriations bill includes funding for the Department of the Treasury (Title I), the Executive Office of the President (EOP; Title II), the judiciary (Title III), the District of Columbia (Title IV), and more than two dozen independent agencies (Title V). The bill typically funds mandatory retirement accounts in Title VI, which also contains additional general provisions applying to the funding provided to agencies through the FSGG bill. Title VII typically contains general provisions applying government-wide. The FSGG bill has often contained provisions relating to the U.S. policy toward Cuba.¹

The House and Senate FSGG bills fund the same agencies, with one exception. The Commodity Futures Trading Commission (CFTC) is funded through the Agriculture appropriations bill in the House and the FSGG bill in the Senate. This structure has existed in its current form since the 2007 reorganization of the House and Senate Committees on Appropriations. Although financial services are a major focus of the bill, the FSGG appropriations bill does not include funding for many financial regulatory agencies, which are instead funded outside of the appropriations process. It is not uncommon for legislative provisions addressing various financial regulatory issues to be included in titles at the end of the bill.

Administration and Congressional Action

President Trump submitted his FY2019 budget request on February 12, 2018. The request included a total of \$49.1 billion for agencies funded through the FSGG appropriations bill, including \$282 million for the CFTC.² This total also included a \$3 billion savings within the FSGG bill due proposed transfer authority in Section 737.³

The House Committee on Appropriations reported a Financial Services and General Government Appropriations Act, 2019 (H.R. 6258, H.Rept. 115-792) on June 15, 2018.⁴ Total FY2019 funding in the reported bill would be \$45.7 billion, with another \$255 million for the CFTC included in the Agriculture appropriations bill (H.R. 5961, H.Rept. 115-706).⁵ The combined total of \$45.9 billion would be about \$3.2 billion below the President's FY2019 request, with the largest difference in the funding for the General Services Administration (GSA) and in language relating to government-wide transfers that was requested by the President but not included in the legislation (Section 737).

H.R. 6258 was included as Division B of H.R. 6147, the Interior appropriations bill, when it was considered by the House of Representatives beginning on July 17, 2018. The bill was amended

¹ These provisions typically appear in Title I due to the Department of the Treasury's role in sanctions enforcement. See CRS Report R44822, *Cuba: U.S. Policy in the 115th Congress*, by (name redacted) .

² The President's budget does not total the requested amounts according to the congressional appropriations structure. This total amount is as reported in H.Rept. 115-792 and S.Rept. 115-281.

³ U.S. Office of Management and Budget, *Budget of the United States Government, Fiscal Year 2019, Appendix* (Washington, DC: U.S. Government Publishing Office, 2016), p. 10. Savings estimate from H.Rept. 115-792 and S.Rept. 115-281.

⁴ U.S. Congress, House Committee on Appropriations, *Financial Services and General Government Appropriations Bill, 2019*, report to accompany H.R. 6258, 115th Cong., 2nd sess., June 28, 2018, H.Rept. 115-792 (Washington: GPO, 2018).

⁵ U.S. Congress, House Committee on Appropriations, *Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2019*, report to accompany H.R. 5961, 115th Cong., 2nd sess., May 24, 2018, H.Rept. 115-706 (Washington: GPO, 2018).

numerous times, shifting funding among FSGG agencies but not changing the FSGG totals.⁶ H.R. 6147 passed the House on July 19, 2018.

The Senate Committee on Appropriations reported a Financial Services and General Government Appropriations Act, 2019 (S. 3107, S.Rept. 115-281) on June 28, 2018.⁷ Funding in S. 3107 totaled \$45.9 billion, about \$3.2 billion below the President’s FY2018 request, with the largest difference in the funding for the GSA and in the government-wide transfers requested language (Section 737).

The Senate began floor consideration of H.R. 6147 on July 24, 2018, including the text of S. 3107 as Division B of the amendment in the nature of a substitute (S.Amdt. 3399). The amendment also included three other appropriations bills. The amended version of H.R. 6147 was passed by the Senate on August 1, 2018.

The conference committee on H.R. 6147 convened on September 13, 2018. No conference report was reported, however, prior to the end of the fiscal year. Instead, Division C of P.L. 115-245, enacted on September 28, 2018, generally provides for continuing appropriations at FY2018 levels for the FSGG agencies until a full FY2019 FSGG bill is passed or until December 7, 2018.⁸

Table 1 reflects the status of FSGG appropriations measures at key points in the appropriations process. **Table 2** lists the broad amounts requested by the President and included in the various FSGG bills, largely by title, and **Table 3** details the amounts for the independent agencies. Specific columns in **Table 2** and **Table 3** are FSGG agencies’ enacted amounts for FY2018, the President’s FY2019 request, the FY2019 amounts from H.R. 6147 as passed by the House, and H.R. 6147 as passed by the Senate.

Table 1. Status of FY2018 Financial Services and General Government Appropriations

Subcommittee Markup							Final Adoption		Enactment
House	Senate	House Report	House Passage	Senate Report	Senate Passage	Conference Report	House	Senate	
5/24/18	6/19/18	6/28/18	7/19/18	6/21/18	8/1/18	—	—	—	—

Source: Prepared by the Congressional Research Service (CRS).

⁶ House-passed amendments to the FSGG portion of H.R. 6147 included H.Amdt. 948, H.Amdt. 947, H.Amdt. 946, H.Amdt. 945, H.Amdt. 943, H.Amdt. 942, H.Amdt. 941, H.Amdt. 939, H.Amdt. 938, H.Amdt. 937, H.Amdt. 936, H.Amdt. 935, H.Amdt. 934, and H.Amdt. 933.

⁷ U.S. Congress, Senate Committee on Appropriations, *Financial Services and General Government Appropriations Bill, 2019*, report to accompany S. 3107, 115th Cong., 2nd sess., June 21, 2018, S.Rept. 115-281 (Washington: GPO, 2018).

⁸ Exceptions to this are the Department of the Treasury’s “Departmental Offices—Salaries and Expenses” account, which is funded at a rate approximately 6% higher than FY2018 (Section 121); the District of Columbia which may expend local funds at the rate provided for in the District’s own budget (Section 122) and the Small Business Administration, which may apportion funding for the “Business Loans Program Account” up to the rate necessary to accommodate increased demand for Section 7(a) loans (Section 123).

Table 2. Financial Services and General Government Appropriations, FY2018-FY2019

(millions of dollars)

Agency	FY2018 Enacted	FY2019 Request	FY2019 House-Passed	FY2019 Senate-Passed	FY2019 Enacted
Department of the Treasury	\$12,156	\$12,678	\$13,643	\$12,701	—
Executive Office of the President	726	350	731	729	—
The Judiciary	7,553	7,662	7,704	7,689	—
District of Columbia	721	658	737	703	—
Independent Agencies	4,744	2,959	1,427	2,305	—
Mandatory Retirement Accounts	21,800	21,818	21,818	21,818	—
Total	48,150	49,125	45,934	45,944	—

Sources: H.R. 6147, H.Rept. 115-792, H.Rept. 115-706, and S.Rept. 115-281.

Notes: Totals for each column include funding for the Commodity Futures Trading Commission (CFTC). The CFTC is funded in the House through the Agriculture appropriations bill and in the Senate through the FSGG bill. Figures are net reflecting rescissions and offsetting collections. The mandatory spending for the President's salary is contained in Title VI, Section 619, whereas the rest of presidential spending is in Title II. The Mandatory Retirement Accounts amount stems from Title VI, Section 619. Title VI, Section 620 of the Senate bill, but not the House bill, includes \$1 million for Public Company and Accounting Oversight Board scholarships, which is reflected under "Independent Agencies." The House bill's Title IX's legislative provisions result in a \$126 million savings, which is included in the House-passed total. The President requested a legislative provision (Section 737) that reduced the total FSGG amount by \$3 billion. This is included in the total, but not in the individual figures for the FY2019 request. Totals may not sum due to rounding.

Table 3. FSGG Independent Agencies Appropriations, FY2018-FY2019

(millions of dollars)

Agency	FY2018 Enacted	FY2019 Request	FY2019 House-Passed	FY2019 Senate-Passed	FY2019 Enacted
Administrative Conference of the United States	\$3.1	\$3.1	\$3.1	\$3.1	—
Commodity Futures Trading Commission ^a	249.0	281.5	255.0	281.5	—
Consumer Product Safety Commission	126.0	123.5	127.0	126.0	—
Election Assistance Commission	390.1	9.2	10.1	9.2	—
Federal Communications Commission ^b	600.0	(333.1)	(355.1)	(333.1)	—
Federal Deposit Insurance Corporation: Office of Inspector General ^c	(39.1)	(43.0)	(43.0)	(43.0)	—
Federal Election Commission	71.3	71.3	71.3	71.3	—
Federal Labor Relations Authority	26.2	26.2	26.2	26.2	—
Federal Trade Commission	164.3	156.7	158.7	156.7	—
General Services Administration ^d	-416.0	551.8	-1,076.5	-232.6	—
Harry S Truman Scholarship Foundation	1.0	—	1.0	1.0	—

Agency	FY2018 Enacted	FY2019 Request	FY2019 House- Passed	FY2019 Senate- Passed	FY2019 Enacted
Merit Systems Protection Board	46.8	44.5	46.8	46.8	—
Morris K. Udall Foundation	5.3	5.1	—	5.1	—
National Archives and Records Administration ^a	378.2	349.6	363.5	366.2	—
National Credit Union Administration	2.0	—	2.0	2.0	—
Office of Government Ethics	16.4	16.3	17.0	16.4	—
Office of Personnel Management (discretionary)	290.8	295.9	295.9	295.9	—
Office of Special Counsel	26.5	26.3	26.3	26.5	—
Postal Regulatory Commission	15.2	15.1	15.2	15.2	—
Privacy and Civil Liberties Oversight Board	8.0	5.0	5.0	5.0	—
Public Building Reform Board	5.0	2.0	2.0	—	—
Public Company Accounting Oversight Board Scholarships	1	—	—	1	—
Securities and Exchange Commission ^b	(1,896.5)	(1,699.1)	(1,695.5)	(1,695.5)	—
SEC Reserve Fund Rescission	—	-25.0	—	—	—
Selective Service System	22.9	26.4	26.0	26.0	—
Small Business Administration	2,359.8	678.9	741.9	699.3	—
SBA Prior Year Rescission	-2.6	-50.0	-50.0	—	—
United States Postal Service (USPS)	58.1	55.2	58.1	55.2	—
USPS Office of Inspector General	245.0	234.7	250.0	250.0	—
United States Tax Court	50.7	55.6	51.5	51.5	—
Total: Independent Agencies (net discretionary)	4,744	3,108	1,427	2,305	—

Sources: H.R. 6147, H.Rept. 115-792, H.Rept. 115-706, and S.Rept. 115-281.

Notes: All figures are rounded. Columns may not sum due to rounding. Figures in parentheses reflect offsetting collections and are not totaled.

- The CFTC is funded in the House through the Agriculture appropriations bill and in the Senate through the FSGG bill.
- The Federal Communications Commission (FCC) and the Securities and Exchange Commission (SEC) are funded by collecting regulatory fees, often resulting in no direct appropriations. Therefore, the amounts shown for the FCC and SEC represent budgetary resources, but those amounts are not included in the table totals. The SEC reserve fund reduction is contained in the general provisions in Title VI rather than with the agency funding in Title V and is reflected in the totals.
- Budget authority transferred to the Federal Deposit Insurance Corporation's (FDIC's) Office of Inspector General (OIG) is not included in total FSGG appropriations; it is counted as part of the budget authority in the appropriation account from which it came.
- The General Services Administration's (GSA's) real property activities are funded through the Federal Buildings Fund (FBF), a multibillion-dollar revolving fund into which federal agencies deposit rental payments for leased GSA space. Congress makes the FBF revenue available each year to pay for GSA's real property

- activities. A negative total for the FBF occurs when the amount of funds made available for expenditure in a fiscal year is less than the amount of new revenue expected to be deposited.
- e. Amount as shown in the committee reports; figures do not include appropriations for repayments of principal on the construction of the Archives II facility. The amount included in the President's budget request and the specific appropriations bills includes this principal repayment.

Financial Regulatory Agencies and FSGG Appropriations

Although financial services are a focus of the FSGG bill, the bill does not actually include funding for the regulation of much of the financial services industry.⁹ Financial services as an industry is often subdivided into banking, insurance, and securities. Federal regulation of the banking industry is divided among the Federal Reserve, the Federal Deposit Insurance Corporation (FDIC), the Office of Comptroller of the Currency (OCC), and the Bureau of Consumer Financial Protection (generally known as the Consumer Financial Protection Bureau, or CFPB).¹⁰ In addition, credit unions, which operate similarly to many banks, are regulated by the National Credit Union Administration (NCUA). None of these agencies receives its primary funding through the appropriations process, with only the FDIC inspector general and a small NCUA-operated program currently funded in the FSGG bill.

Insurance is generally regulated at the state level, with some Federal Reserve oversight at the holding company level. There is a relatively small Federal Insurance Office (FIO) inside the Treasury, which is funded through the Departmental Offices account, but FIO has no regulatory authority.¹¹

Federal securities regulation is divided between the SEC and the CFTC, both of which are funded through appropriations.¹² The CFTC funding is a relatively straightforward appropriation from the general fund, whereas the SEC funding is provided by the FSGG bill, but then offset through fees collected by the SEC.

Although funding for many financial regulatory agencies may not be provided by the FSGG bill, legislative provisions affecting financial regulation in general and some of these agencies specifically have often been included in FSGG bills. H.R. 6258 and H.R. 6147 as passed by the House include many provisions, particularly in Title IX, that would amend the 2010 Dodd-Frank Act¹³ and other statutes relating to the regulation of financial institutions and the authority and funding of financial regulators. Many of these provisions were included in other legislation, notably H.R. 10,¹⁴ which passed the House on June 8, 2017, and S. 488 as amended by the House,

⁹ For a more complete discussion regarding the funding of financial regulators, see CRS Report R43391, *Independence of Federal Financial Regulators: Structure, Funding, and Other Issues*, by (name redacted), (name redacted), and (name redacted)

¹⁰ For more information on banking regulation, see CRS In Focus IF10035, *Introduction to Financial Services: Banking*, by (name redacted)

¹¹ For more information, see CRS Report R44958, *Insurance Regulation: Legislation in the 115th Congress*, by (name redacted)

¹² For more information, see CRS In Focus IF10032, *Introduction to Financial Services: The Securities and Exchange Commission (SEC)*, by (name redacted) and CRS In Focus IF10117, *Introduction to Financial Services: Derivatives*, by (name redacted)

¹³ P.L. 111-203. For more information, see CRS Report R41350, *The Dodd-Frank Wall Street Reform and Consumer Protection Act: Background and Summary*, coordinated by (name redacted)

¹⁴ For more information on H.R. 10, see CRS Insight IN10769, *Financial Regulation: FY2018 Appropriations and the*

which passed the House on July 17, 2018. Of particular interest from the appropriations perspective, H.R. 6258 and H.R. 6147 as passed by the House would bring the CFPB under the FSGG bill instead of receiving funding from outside of the appropriations process, as is currently the case.¹⁵ S. 3107 and H.R. 6147 as passed by the Senate do not include similar provisions affecting the CFPB or other aspects of financial regulation as in the House bills.

Committee Structure and Scope

The House and Senate Committees on Appropriations reorganized their subcommittee structures in early 2007. Each chamber created a new Financial Services and General Government Subcommittee. In the House, the jurisdiction of the FSGG Subcommittee is primarily composed of agencies that had been under the jurisdiction of the Subcommittee on Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies, commonly referred to as TTHUD.¹⁶ In addition, the House FSGG Subcommittee was assigned four independent agencies that had been under the jurisdiction of the Science, State, Justice, Commerce, and Related Agencies Subcommittee: the Federal Communications Commission (FCC), the Federal Trade Commission (FTC), the Securities and Exchange Commission (SEC), and the Small Business Administration (SBA).

In the Senate, the jurisdiction of the new FSGG Subcommittee is a combination of agencies from the jurisdiction of three previously existing subcommittees. Most of the agencies that had been under the jurisdiction of the Transportation, Treasury, the Judiciary, and Housing and Urban Development, and Related Agencies Subcommittee were assigned to the FSGG subcommittee.¹⁷ In addition, the District of Columbia, which had its own subcommittee in the 109th Congress, was placed under the purview of the FSGG Subcommittee, as were four independent agencies that had been under the jurisdiction of the Commerce, Justice, Science, and Related Agencies Subcommittee: the FCC, FTC, SEC, and SBA. As a result of this reorganization, the House and Senate FSGG Subcommittees have nearly identical jurisdictions, except that the CFTC is under the jurisdiction of the FSGG Subcommittee in the Senate and the Agriculture Subcommittee in the House.

CRS FSGG Appropriations Experts

Table 4 below lists various departments and agencies funded through FSGG appropriations and the CRS experts' names pertaining to these departments and agencies.

Financial CHOICE Act (H.R. 10), by (name redacted) and (name redacted) CRS Report R44839, *The Financial CHOICE Act in the 115th Congress: Selected Policy Issues*, by (name redacted) et al.

¹⁵ For more information on financial regulator funding, see CRS Report R43391, *Independence of Federal Financial Regulators: Structure, Funding, and Other Issues*, by (name redacted), (name redacted), and (name redacted)

¹⁶ The agencies previously under the jurisdiction of the House Appropriations Subcommittee on Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies (TTHUD) that did not become part of the FSGG Subcommittee were the Department of Transportation (DOT), the Department of Housing and Urban Development (HUD), the Architectural and Transportation Barriers Compliance Board, the Federal Maritime Commission, the National Transportation Safety Board, the Neighborhood Reinvestment Corporation, and the United States Interagency Council on Homelessness.

¹⁷ The agencies that did not transfer from the Senate Appropriations Subcommittee on Transportation, Treasury, the Judiciary, and Housing and Urban Development, and Related Agencies to FSGG were DOT, HUD, the Architectural and Transportation Barriers Compliance Board, the Federal Maritime Commission, the National Transportation Safety Board, the Neighborhood Reinvestment Corporation, and the United States Interagency Council on Homelessness.

Table 4. CRS FSGG Appropriations Experts

Area of Expertise	Name
Coordinator	(name redacted)
Department of the Treasury	(name redacted)
Executive Office of the President	(name redacted)
Judiciary	Barry McMillion
District of Columbia	(name redacted)
Commodity Futures Trading Commission	(name redacted)
Consumer Product Safety Commission	(name redacted)
Cuba	Mark Sullivan
Election Assistance Commission	(name redacted)
Federal Communications Commission	Patty Figliola
Federal Deposit Insurance Corporation: OIG	(name redacted)
Federal Election Commission	(name redacted)
Federal Labor Relations Authority	David Bradley
Federal Trade Commission	(name redacted)
General Services Administration	(name redacted)
Government-wide General Provisions	Barbara Schwemle
Internal Revenue Service	(name redacted)
Merit Systems Protection Board	Barbara Schwemle
National Archives and Records Administration	Meghan Stuessy
National Credit Union Administration	Darryl Getter
Office of Personnel Management	Barbara Schwemle
Office of Special Counsel	Barbara Schwemle
Office of Government Ethics	Jacob Straus
Privacy and Civil Liberties Oversight Board	(name redacted)
Public Company Accounting Oversight Board	(name redacted)
Securities and Exchange Commission	(name redacted)
Selective Service System	Kristy Kamarck
Small Business Administration	Robert Dilger
	(name redacted)
U.S. Postal Service	Michelle Christensen
United States Tax Court	(name redacted)

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