



# **FY2020 LHHS Appropriations: Status**

Jessica Tollestrup
Specialist in Social Policy

**Karen E. Lynch**Specialist in Social Policy

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Congress recently began consideration of the FY2020 appropriations bill for the Departments of Labor, Health and Human Services, and Education, and Related Agencies (LHHS). The LHHS bill is the largest (\$1.06 trillion in FY2019) of the 12 annual appropriations bills, when accounting for both mandatory and discretionary funding. On May 8, 2019, the House Appropriations Committee marked up the FY2020 LHHS bill at their first full committee markup of the year. (See the draft bill and draft committee report considered at the markup. The draft report includes a detailed table summarizing proposed funding for agencies, accounts, and programs across the bill.) At the markup, the committee ordered the bill reported by a vote of 30-23. The full committee markup followed subcommittee approval of the bill, by voice vote, on April 30. Senate Appropriations Committee action for FY2020 has yet to occur.

## Scope of the Bill

The LHHS bill provides annually appropriated budget authority for the Department of Labor, the majority of the Department of Health and Human Services (except for the Food and Drug Administration, the Indian Health Service, and the Agency for Toxic Substances and Disease Registry, which are funded in other appropriations bills), the Department of Education, and more than a dozen related agencies, including the Social Security Administration and the Corporation for National and Community Service.

In general, mandatory funding represents just over 80% of the total LHHS bill, supporting annually appropriated entitlements, such as Medicaid and Supplemental Security Income. Discretionary funds account for less than 20% of total funds in the bill, but tend to receive the most attention throughout the LHHS appropriations process. This is because the appropriations process generally has little control over the amounts provided for appropriated entitlements; rather, the authorizing statute controls the program parameters (e.g., eligibility rules, benefit levels) that entitle certain recipients to payments.

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7-.... www.crs.gov IN11114 While discretionary appropriations represent a relatively small share of the entire LHHS bill, the bill itself is typically the largest single source of nondefense discretionary funding for the federal government. (The Department of Defense bill is the largest single source of discretionary funding overall.)

#### **Context for FY2020 Appropriations**

Under the congressional budget process, the start of annual appropriations decision-making traditionally is preceded by the submission of the President's budget request and the adoption of the congressional budget resolution. Both of those steps were delayed or have not yet occurred for FY2020.

The President's budget submission for FY2020 was submitted on March 11, 2019, about five weeks after the statutory deadline. The delay was, in part, attributable to protracted negotiations over a number of the FY2019 annual appropriations bills (not including LHHS), during which there was a five-week government shutdown. Ultimately, appropriations for these annual bills were enacted on February 15, 2019 (almost five months after the start of the fiscal year).

The annual adoption of a congressional budget resolution by its target date of April 15 is meant to provide an opportunity for Congress to consider and subsequently execute an overall budget framework. For FY2020, the House and Senate have not yet agreed to a budget resolution.

In the absence of agreement on a budget resolution, on April 9, 2019, the House passed a deeming resolution for FY2020 (H.Res. 293) which gave the House Appropriations Committees a spending allocation of approximately \$1.295 trillion for FY2020. This is about \$177 billion (+16%) more than the combined FY2020 statutory discretionary spending limits for defense and nondefense spending under the Budget Control Act (BCA), as amended. The BCA limits come to \$1.118 trillion, with \$576 billion allocated to defense spending and \$542 billion allocated to nondefense spending. Because the House allocation of \$1.295 trillion exceeds amounts available under the statutory discretionary spending limits and because the Senate has not agreed to the same allocation, complications may arise as the House and Senate seek to resolve their differences on appropriations legislation.

## FY2020 LHHS Discretionary Funding

On May 8, the same day as the full committee LHHS markup, the House Appropriations Committee adopted FY2020 discretionary suballocations for each of the 12 appropriations bills by a vote of 30-22. (These are sometimes also referred to as "302(b) suballocations.") The Senate Appropriations Committee has not released any guidance as to how it intends to allocate discretionary funding among the 12 bills.

**Table 1** displays the FY2020 House discretionary suballocation for LHHS, along with the comparable FY2019 LHHS funding level. Relative to FY2019, the House committee allocation would increase FY2020 discretionary funding for LHHS by about \$11.8 billion (+7%).

Table 1. FY2020 LHHS Discretionary Suballocations with FY2019 Comparable
Budget Authority in Billions of Dollars

FY2019 Comparable	FY2020 House Suballocation	FY2020 Senate Suballocation
\$178.076	\$189.876	TBD

**Source:** Table prepared by the Congressional Research Service (CRS). The FY2019 comparable amount is the discretionary appropriations for LHHS, as scored by the Congressional Budget Office. The FY2020 House suballocation is as posted on the committee website in advance of the LHHS markup on May, 8, 2019.

**Notes:** TBD = To Be Determined. Amounts in this table reflect current-year discretionary budget authority subject to spending limits. These amounts exclude discretionary funds for which special rules apply with regard to the spending limits,

including certain funds for program integrity activities. In addition, this table does not reflect funds provided under certain authorities in the 21st Century Cures Act (P.L. 114-255) that are effectively exempt from the spending limits.

#### **Additional Resources**

For more information on the status of FY2020 appropriations as a whole, see the CRS Appropriations Status Table. CRS reports addressing key funding questions for the programs and agencies funded by the LHHS appropriations bill are available on the CRS website. For assistance with the LHHS bill, please reach out to the relevant CRS expert.

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