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[Conference Report to S. Con. Res. 11, Establishing the budget for the United States Government for Fiscal Year 2016 and Setting forth Appropriate Budgetary Levels for Fiscal Years 2017 through 2025](#)

FLOOR SITUATION

On Thursday, April 30, 2015, the House will consider the [Conference Report to S. Con. Res. 11, establishing the budget for the United States Government for Fiscal Year 2016 and Setting forth Appropriate Budgetary Levels for Fiscal Years 2017 through 2025](#), pursuant to a [rule](#). S. Con. Res. 11 was introduced on March 20, 2015, by Senator Mike Enzi (R-WY) and was agreed to in the Senate on March 27 by a vote of [52 to 46](#). The House budget resolution (H. Con. Res. 27) was approved on March 25 by a vote of [228 to 199](#). The Conference Report was filed on April 29, 2015.

SUMMARY

The Conference Report to S. Con. Res. 11 establishes the budget for Fiscal Year 2016 and budget levels for Fiscal Years 2017 through 2025. The Conference Report:

- Balances the budget within 10 years solely by limiting government spending, not by raising taxes;¹
- Results in a \$32 billion surplus in 2024 and a \$24 billion surplus in 2025 while staying in balance in the out years;
- Calls on the committees of jurisdiction to repeal the Affordable Care Act, with its burdensome mandates and restrictions, through reconciliation;
- Ensures that total defense resources are above the President's request in the five and ten year budget window;
- Achieves more than \$5 trillion in savings over ten years;
- Reduces debt as a percent of GDP to 56 percent in 2025 and ultimately to about 20 percent in 2040, according to the Congressional Budget Office (CBO). Currently, publicly held debt to GDP ratio stands at 74 percent, its highest level since 1951.²
- Grows the economy by more than \$400 billion over the next ten years according to CBO.³

¹ Conference Report 114-96 at 3.

² Id. at 4.

³ Id.

- Provides \$1.017 trillion in discretionary budget authority in Fiscal Year 2016, which is consistent with the Budget Control Act.

Major provisions of the Conference Report include:

Reconciliation: The Conference Report affirms the use of reconciliation for the sole purpose of repealing the Affordable Care Act by instructing only those committees with jurisdiction over the law to report changes in laws within their jurisdiction to reduce the deficit by no less than \$1 billion over the 10-year period. Reconciled Committees (House Education and the Workforce, Energy and Commerce, and Ways and Means; Senate Finance and Health Education, Labor and Pensions) are instructed to submit their recommendations to their respective Budget Committees no later than July 24, 2015.⁴ The Conference Report retains the House policy statement on repealing the President's health care law and promoting real health care reform (Section 6205), which highlights the many reasons why the Affordable Care Act should be repealed, and lays out principles that should guide patient-centered health reform moving forward. Click [here](#) for a Congressional Research Service report detailing the budget reconciliation process.

Defense: The House-passed budget resolution established base discretionary defense spending at \$523.1 billion in Fiscal Year 2016. The Conference Report provides the same amount for discretionary defense spending in Fiscal Year 2016.⁵

Overseas Contingency Operations/Global War on Terror: The House-passed budget resolution provided \$96 billion in budget authority in Fiscal Year 2016 for the execution of the Global War on Terrorism (GWOT) and related activities, also known as Overseas Contingency Operations (OCO). The Conference Report provides for \$96.3 billion in budget authority in Fiscal Year 2016 for this function.⁶

Medicare and Medicaid: The House-passed budget resolution included a policy statement (Section 808) that Medicare should be preserved for those in or near retirement and strengthened for future beneficiaries, while reforming the program to provide a premium support payment and a selection of guaranteed health coverage options from which recipients can choose a plan that best suits their needs. The Conference Report includes a policy statement (Section 6206) that maintains this policy in the House.

The Conference Agreement, like the House and Senate-passed budgets, empowers states with flexibility to run their Medicaid programs in ways that meet the needs of their unique populations.

Changes in Mandatory Programs: The House-passed budget resolution did not include any provisions relating to the use of changes in mandatory programs (commonly-referred to CHIMPs) that reduce budget authority but do not result in any net outlay savings. The Conference Report gradually reduces the amount of certain changes in mandatory programs permitted in appropriations bills from a total of \$19.1 billion in Fiscal Year 2016 to \$15 billion in Fiscal Year 2019.⁷

⁴ Conference Report 114-96 at 57 and 58.

⁵ Id. at 33 and 34.

⁶ Id. at 53.

⁷ Id. at 60.

Budget Enforcement: The House-passed budget resolution included a provision to prohibit the consideration of any measure reported by an authorizing committee that increases direct spending by more than \$5 billion over the long-term. The Conference Report prohibits the consideration of legislation that would increase the on-budget deficit by more than \$5 billion in any of the four consecutive 10-year periods beginning after the last year covered in the most recently agreed to budget resolution, with certain exceptions for reserve funds related to repeal of the Affordable Care Act.⁸

BACKGROUND

The concurrent resolution on the budget for Fiscal Year 2016 establishes an overall budgetary framework. As required under the Congressional Budget Act of 1974, the framework includes aggregate levels of new budget authority, outlays, revenues, the amount by which revenues should be changed, the surplus or deficit; new budget authority and outlays for each major functional category, debt held by the public, and debt subject to the statutory limit. This resolution also sets forth appropriate budgetary levels for Fiscal Years 2017 through 2025.⁹ House Republicans have consistently fulfilled the obligation to pass a budget resolution in recent years, most recently by passing [H. Con. Res. 27](#) by a vote of [228 to 199](#) on March 25, 2015. Click [here](#) for the House Report on H. Con. Res. 27 as passed by the House and [here](#) for the previous Legislative Digest on the resolution.

On April 14, 2015, the House agreed by voice vote to Budget Committee Chairman Tom Price's motion to replace the text of S. Con. Res. 11 with the text of the House-passed budget resolution and request a conference with the Senate. The House then failed by a vote of [187 to 239](#) to instruct conferees to require the managers on the part of the House to (1) recede from disagreement with the Senate with respect to Section 363 of S. Con. Res. 11 (relating to the requirement for earned paid sick time); and (2) to recede from subsection (e)(3) of Section 808 of the House Amendment (relating to changing the current Medicare program). The Conference Report to S. Con. Res. 11 reflects the agreement between House and Senate conferees to reconcile the House and Senate-passed versions of the budget resolution.

COST

There is no score associated with the budget resolution.

ADDITIONAL INFORMATION

For additional information on the Conference Report, see the following materials provided by the House Committee on the Budget:

- [Legislative Text](#)
- [Conference Report](#)
- [Summary Tables](#)
- [Fact Sheet](#)

STAFF CONTACT

For questions or further information please contact [Jerry White](#) with the House Republican Policy Committee by email or at 6-5539.

⁸ Id. at 59.

⁹ [House Report 114-47](#) at 139.