## **Congressional Budget Office**



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## **Congressional Proposals Related to a Lapse** of Appropriations

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### **Enacted Authorities That Address a** Lapse in Appropriations

#### **Paying Federal Employees for a Previous Lapse in Appropriations**

In the past, appropriation acts that were enacted after a lapse have authorized the payment of federal employees' salaries for the period of the lapse.

Those acts have also directed that the corresponding obligations and outlays be executed as if regular appropriations had been available during the lapse.

For example: "Employees furloughed as a result of any lapse in appropriations which begins on or about February 9, 2018, shall be compensated at their standard rate of compensation, for the period of such lapse in appropriations, as soon as practicable after such lapse in appropriations ends ...."<sup>1</sup>

The Congressional Budget Office has estimated that such provisions have negligible budgetary effects; the budget authority provided in the subsequent appropriation act provides the resources to liquidate all obligations incurred for the lapse.

#### **Government Employee Fair Treatment Act of 2019, P.L. 116-1**

The law permanently amended the United States Code so that each employee furloughed as a result of a lapse in appropriations will be paid for the period of the lapse at the earliest possible date after the lapse ends.

That authority only covers lapses in appropriations that started after December 22, 2018.

The bill was not reported out of committee before it was enacted, so CBO did not produce a formal cost estimate for it.

CBO

### CBO's Cost Estimates for Proposed Legislation Providing Spending Authority During a Lapse in Appropriations

# Aviation Funding Stability Act of 2019, H.R. 1108, 116th Cong. (2019–2020)

The bill would provide permanent continuing annual appropriations for the Federal Aviation Administration (FAA) in the event of a lapse in appropriations. The amount of the appropriation would be equal to the appropriation in the prior year, and obligations would take place no more quickly than they did during the prior year.

The FAA has one account in which the annual appropriation act provides an obligation limitation on contract authority. That obligation limitation would be continued as a term and condition of the automatic annual appropriations resulting from the bill.

The provision for automatic continuing appropriations could provide obligation authority in each fiscal year starting in 2020. CBO estimates that it could increase direct spending by up to \$129 billion over the 2020–2029 period.<sup>1</sup>

# Pay Our Coast Guard Parity Act of 2019, H.R. 367, 116th Cong. (2019–2020)

The bill would provide a continuing appropriation for the Coast Guard in fiscal year 2020 and subsequent fiscal years if appropriations for the Department of Defense are in place.

Because the bill would make budget authority automatically available to the Coast Guard, CBO considers the outlays to be direct spending.

The bill has been ordered reported. CBO will publish a formal cost estimate for that version of the bill in the coming weeks.

Other Examples of Proposals Introduced in the 116th Congress to Provide Spending Authority When There Is a Lapse in Appropriations

# Other Proposals for Automatic Appropriations Introduced in the 116th Congress

Generally, these proposals would automatically provide appropriations at the same level and obligated at the same rate as in the previous year if there was a lapse in appropriations.

Some of the proposals would apply to all discretionary programs; others would apply only to specific programs or activities.

In some cases, the proposals would decrease appropriations over time to give the Congress an incentive to enact appropriations for that year.

Some examples of these bills include:

- End Government Shutdowns Act, H.R. 791
- The Shutdown to End All Shutdowns Act, H.R. 834
- Government Shutdown Prevention Act of 2019, S. 104
- End Shutdowns Act, S. 281

# **Proposals for Government Contractors' Back Pay Introduced in the 116th Congress**

Generally, these bills would allow federal agencies to make an upward adjustment to the cost of contracts. That adjustment would pay for the salaries of certain sets of government contractors' employees who were not paid because the government issued stop-work orders when appropriations lapsed.

Some examples of these bills include:

- Low-Wage Federal Contractor Employee Back Pay Act of 2019, H.R. 339
- Fairness for Federal Contractors Act of 2019, H.R. 824
- Fair Compensation for Low-Wage Contractor Employees Act of 2019, S. 162

#### **Proposals for Other Authorities Introduced in the 116th Congress**

All of these bills have been introduced and referred to committees of jurisdiction, but they have not been reported out of committee.

- H.R. 672, a bill to require the Secretary of Education to provide a deferment for certain student loans of federal employees subject to a lapse in discretionary appropriations, and for other purposes.
- S. 72, Federal Employees Civil Relief Act, a bill that would temporarily suspend administrative and judicial actions against federal employees during a lapse in appropriations. For example, its provisions would halt eviction proceedings, foreclosures, enforcement of liens, payments of student loans, and payments of income taxes.
- H.R. 720, a bill to deem federal employees excepted from furlough during a government shutdown in fiscal year 2019 to be eligible for unemployment compensation, and for other purposes.

### **Fiscal Year 2020 Appropriations**

#### **Status of Appropriations**

Current appropriations for most federal agencies run through September 30, 2019, which is the end of fiscal year 2019. No annual appropriation acts have been enacted for fiscal year 2020.

The House and Senate are in the process of marking up and reporting out of committee the 12 annual appropriation acts for fiscal year 2020.

- In the House:
  - Number of acts marked up by Appropriations subcommittee: 3
  - Number reported out of the Appropriations Committee:<sup>1</sup> 4
  - Number passed in the House: 0
- In the Senate:
  - Number of acts marked up by Appropriations subcommittee: 0
  - Number reported out of the Appropriations Committee: 0
  - Number passed in the Senate: 0

### **Questions?**