



# COMMITTEE *on* APPROPRIATIONS

## CHAIRMAN PATRICK LEAHY

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### SUMMARY

#### FINANCIAL SERVICES AND GENERAL GOVERNMENT FISCAL YEAR 2023 APPROPRIATIONS BILL

*Chairman's Mark: July 28, 2022*

**Washington, D.C.** – The fiscal year 2023 Senate Financial Services and General Government bill provides \$29.450 billion, which is \$3.43 billion (15 percent) more than the comparable fiscal year 2022 enacted level.

**U.S. Senator Chris Van Hollen (D-Md.)**, Chair of the Financial Services and General Government Subcommittee, said:

*“Ensuring government works for all Americans – including bringing prosperity and economic opportunity to our communities – should drive everything we do. That’s why this legislation invests critical federal dollars in areas that will bring direct benefits to the American people – from funds to support underserved communities and small businesses through the Community Development Financial Institutions Fund to providing the necessary resources to improve taxpayer services at the IRS. It also includes important investments in our federal workforce, striking down any future Administration’s ability to fire civil service employees based on policy disagreements and providing \$50 million in funding for a new, consolidated FBI headquarters. To bolster our national security, our bill provides funding for continued sanctions to inflict maximum economic pain on Putin for instigating his unprovoked war on Ukraine. Additionally, this bill will increase transparency in political fundraising, strengthen our election security, remove harmful legacy riders that unfairly restrict the District of Columbia’s ability to fund reproductive services and regulate cannabis, and much more. I’m proud to put forward this legislation to invest in the success of everyday Americans, our economy, and our national priorities.”*

**U.S. Senator Patrick Leahy (D-Vt.)**, Chair of the Senate Appropriations Committee, said:

*“This bill supports our federal judiciary, helps keep drugs out of our communities and schools, supports sanction efforts on Russia, provides loans to small businesses, and ensures that the products on store shelves and in our work places are safe to use. I am particularly glad that we were able to include new funding to secure our elections, and safeguard our democracy from those who would seek to disrupt it. We must sustain our investments in election security to ensure that the will of the people is heard.”*

**Key Points & Highlights** – The bill provides funding for the Department of the Treasury, the Executive Office of the President, the Judiciary, the District of Columbia, and more than two dozen independent federal agencies.

**Treasury Community Development Financial Institutions (CDFI) Fund:** The bill provides \$324 million for the CDFI Fund to promote economic and community development in low-income communities, which is \$29 million (10 percent) more than the fiscal year 2022 enacted level. These funds support a variety of projects in low-income communities from proposals that bring grocery stores to communities with no healthy food alternatives to investments in low-income housing. A portion of the funds are targeted to Native Americans and programs that address issues faced by persons with disabilities.

**Small Business Administration (SBA):** The bill provides \$1.124 billion for the SBA, which is \$94 million more than the fiscal year 2022 enacted level. The bill includes \$179 million for SBA disaster loans, which provide assistance to business owners, homeowners, and nonprofits that are rebuilding local communities in the wake of devastating natural disasters. The bill provides \$311 million for Entrepreneurial Development grants, which is \$21 million above the fiscal year 2022 enacted level, including \$138 million for Small Business Development Centers, \$26 million for Women’s Business Centers, \$41 million for Microloan technical assistance, and \$3 million for a cybersecurity grant program that will provide small businesses with access to cybersecurity tools. The bill also provides \$20 million to support the transition of the Center for Verification and Evaluation (CVE) from the VA to SBA in order to verify veteran eligibility of firms owned by veteran-owned small businesses and service-disabled veteran-owned small businesses.

**Internal Revenue Service (IRS):** The bill includes \$13.595 billion for the IRS, which is \$1 billion more, a nearly 8 percent increase, than the fiscal year 2022. This increase will allow the IRS to address the annual tax gap – the amount of taxes owed but not paid – estimated to be between \$500 billion and \$1 trillion annually. CBO has estimated that IRS enforcement activities return \$5-\$9 for each dollar invested. Funds will also allow the IRS to improve its customer services activities, and address the agency’s aging IT infrastructure. The IRS budget has shrunk by 20 percent since 2010, while the number of individual tax filers has grown by 19 percent leading to the large tax gap, poor customer service, and delays in processing tax refunds posing a hardship for millions of Americans.

**Federal Judiciary:** The bill includes \$8.476 billion for the Judiciary, an increase of \$489 million (6 percent) more than the fiscal year 2022 enacted level. For the Supreme Court, the bill provides \$109 million, \$12 million (10 percent) more than the fiscal year 2022 enacted bill. Funding will allow SCOTUS to fund its highest priority security needs, particularly hiring more police as well as recruitment/retention incentives. Defender Services is funded at \$1.410 billion, \$67 million above the fiscal year 2022 enacted level. More than 90 percent of individuals charged with a federal crime are unable to afford private defense counsel and receive court-appointed representation through the judiciary’s Defender Services program. In recent years, the Defender Services program has provided representation to approximately 90,000 individuals annually, and as many as 160,000 individuals pre-pandemic (2019). Court Security is funded at

\$771 million, \$66 million more than the fiscal year 2022 enacted level. Requested funding for fiscal year 2023 for cybersecurity and IT modernization is included in the bill.

**Office of National Drug Control Policy (ONDCP):** The bill includes a total of \$466 million, an increase of \$17 million (4 percent) more than the fiscal year 2022 enacted level. This funding includes resources to stop drug traffickers and help prevent drug addiction among the nation's youth. The High-Intensity Drug Trafficking Areas (HIDTA) program is funded at \$300 million, an increase of \$3.4 million more than the fiscal year 2022 enacted level. The Drug-Free Communities (DFC) program is funded at \$107 million, an increase of \$1 million more than the fiscal year 2022 enacted level. DFC coalitions exist in 733 communities across the nation and provide support to 2.4 million middle school students and 3.4 million high school students.

**Commodity Futures Trading Commission (CFTC):** The bill provides \$336 million for the CFTC operating expenses, which is \$16 million more than the fiscal year 2022 enacted level. This funding will help the CFTC fulfill their responsibility to oversee futures, options, and swaps markets.

**Securities and Exchange Commission (SEC):** The bill includes \$2.209 billion for the SEC, which is \$210 million more than the fiscal year 2022 enacted level. This includes \$57 million for costs associated with a replacement lease for the Commission's District of Columbia headquarters office and \$3 million for costs associated with a replacement lease for the Commission's San Francisco Regional Office. Funds appropriated for the SEC are fully offset with transaction fee receipts. This funding will help the SEC administer and enforce federal securities laws in order to protect investors, maintain fair, orderly, and efficient markets, and promote capital formation.

**Consumer Product Safety Commission (CPSC):** The bill provides \$153 million for CPSC, which is \$14 million (10 percent) more than the fiscal year 2022 enacted level. The CPSC is the independent regulatory agency responsible for protecting the public against unreasonable risks of injury from consumer products. The CPSC worked to conduct 223 voluntary recalls, involving approximately 43 million dangerous or defective products being removed from both the marketplace and the hands of consumers.

**Election Assistance Commission (EAC):** The bill provides \$22 million for EAC, which is \$2 million (8 percent) more than the fiscal year 2022 enacted level. The EAC ensures that voting systems are tested to federal standards, provides information to support the voting process, and assists in effective and efficient election administration.

**Election Security Grants:** The bill includes \$400 million for election security grants. Last year, \$75 million was included for election grants. Intelligence officials continue to warn that our elections remain a target for foreign adversaries, and state and localities have made clear that additional resources are needed to ensure that elections are run smoothly and fairly. Investments in technology require continual updates in order to provide a high level of cybersecurity and confidence in systems. Funding is needed to modernize election infrastructure, modernize voter registration systems, provide cybersecurity training, and invest in other cyclical technological upgrades and initiatives to strengthening the security and integrity of elections systems and

infrastructure to establish public trust and instill confidence in the federal elections process. The EAC distributes and audits the use of election grant funding to state election offices to improve and strengthen security of federal elections, in accordance with the requirements of the Help America Vote Act of 2002.

**Federal Communications Commission (FCC):** The bill provides \$390.2 million for the FCC, which is \$8.2 million more than the fiscal year 2022 enacted level. The FCC addresses the opportunities and challenges associated with rapidly evolving communications technology and promotes broadband services in underserved areas, in particular, rural communities.

**Federal Trade Commission (FTC):** The bill provides \$430 million for the FTC, which is \$53.5 million (14 percent) more than the fiscal year 2022 enacted level. The FTC has a dual mission – protecting consumers from deceptive and fraudulent practices and to promote competition in the marketplace by enforcing antitrust laws. This mission includes protecting consumers’ online privacy and security.

**General Services Administration (GSA):** The bill provides \$10.318 billion for the GSA, which is \$976 million (10 percent) more than the fiscal year 2022 enacted bill. GSA provides workplaces by constructing, managing, and preserving government buildings and by leasing and managing commercial real estate. GSA's acquisition solutions offer private sector professional services, equipment, supplies, and IT to government organizations and the military. GSA also promotes management best practices and efficient government operations through the development of government-wide policies. For Construction and Acquisition, \$946 million is provided including funding for the DHS headquarters and the FBI headquarters. For Repairs and Alterations, \$734 million is provided. The Federal Buildings Fund provides for construction of outdated facilities, repair of federal facilities, lease payments, and building services.

**Treasury Department:** The bill provides \$1.829 billion for the Treasury Department, excluding the Internal Revenue Service. This is \$132.7 million (8 percent) more than the fiscal year 2022 enacted level. Within that total, the bill includes \$212 million to support sanctions efforts and other investments that will strengthen U.S. national security, including sanctions related to Putin’s unprovoked and violent assault on Ukraine and \$189 million for the Financial Crimes Enforcement Network to continue work on a data system that tracks the ownership and control of certain companies and organizations and helps combat the use of complex corporate structures to shield illegal activity. The bill also includes increased funding for Departmental offices. The Treasury Department has been given responsibility to implement a number of new programs under the CARES Act and the American Rescue Plan including housing and rental assistance to help Americans impacted by COVID, making additional resources necessary.

**Office of Personnel Management (OPM):** The bill includes \$392 million for OPM’s total resources, which is \$19 million (5 percent) more than the fiscal year 2022 enacted level. Of that amount, \$357 million is for OPM Salaries & Expenses and \$35 million is for the OPM OIG. OPM manages federal human resources policy and oversees the merit civil service system.

**District of Columbia (DC):** The bill recommends \$791 million in special federal payments for over a dozen distinct purposes relating to the District of Columbia, which is \$15.8 million more than fiscal year 2022 enacted level.

### **Legislative Provisions**

The bill drops a number of policy riders that were included in the fiscal year 2022 enacted bill, including riders which:

- Blocked the SEC from finalizing a rule that would require publicly traded companies to disclose their political spending to shareholders.
- Prohibited the IRS from issuing a rule that would clarify the definition of political activity for 501(c)(4) social welfare groups.
- Prohibited the District of Columbia from using federal or local funds to pay for abortion services.

The bill makes DACA recipients eligible for federal employment, and it drops a longstanding provision prohibiting the FTC from conducting a mandated study on food marketing to children.

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