



Facts About President Trump's Historic Rescissions Package

"I wouldn't irrationally oppose a rescission which said we've had money laying in an account that has not been spent for 1, 2, 3 years, we shouldn't just have it sitting in that account." – Democratic Whip Steny Hoyer

On May 8, the President exercised his authority under the Congressional Budget and Impoundment Control Act of 1974 (ICA) and transmitted a special message to the Congress requesting they rescind more than \$15 billion in previously appropriated funding.

Since taking office, President Trump has proposed billions in cuts through multiple budget requests to Congress. Given the long-term fiscal constraints facing our Nation, the President is committed to using all available tools to put our fiscal house back in order. As the first of several proposed rescissions packages, this Administration is fully committed to protecting taxpayers, and urges Congress to do the same.

Rescissions are reductions of funding previously provided in law. Since the President cannot rescind funding on his own, Congress needs to pass new legislation to eliminate this funding. The ICA provides special procedures for the President to propose rescissions and for Congress to quickly act on them.

Under the ICA, Congress has 45 days to act on the President's request. During this period, this funding may be formally withheld from obligation so agencies cannot spend it, and any member of Congress may introduce a bill with the President's rescission proposals. This legislation receives special treatment under House and Senate rules, and cannot be filibustered by the Senate.

Since 1974, both Democratic and Republican Presidents have used the ICA to propose nearly \$76 billion in cuts to Federal spending. Today's package is the largest in the history of the ICA, and includes rescissions of unobligated balances from prior years and reductions to budget authority for mandatory programs. In some cases, this funding has been sitting in agency coffers for years with no plans to spend it.

Highlights of the funding proposed for rescission include:

- **Advanced Technology Vehicles Manufacturing Loan Program (Energy):** A \$4.3 billion rescission of funds that have been untouched since 2011. Since ATVM's inception in 2007, only five loans have been closed under this authority.
- **Title 17 Innovative Technology Loan Guarantee Program (Energy):** A rescission of \$523 million in unobligated balances dating back to the stimulus that were provided for energy loan guarantees. The authority to make new guarantees lapsed in 2011.
- **Center for Medicare and Medicaid Innovation (HHS):** A rescission of \$800 million that the Innovation Center has no plans to spend in FYs 2018 and 2019. In 2020, CMMI will receive a new mandatory appropriation of \$10 billion.
- **Ebola Response (USAID):** A rescission of \$252 million in excess funds remaining from the initial Ebola outbreak in 2015; the World Health Organization declared the end of the Ebola epidemic in 2016.
- **Railroad Unemployment Insurance Extended Benefits (RRB):** A rescission of \$133 million in unobligated balances for a program that expired in 2012.
- **Animal and Plant Health Inspection Service (Department of Agriculture):** A rescission of \$148 million, including funds for responding to disease outbreaks that are now resolved (e.g., the highly pathogenic avian influenza outbreak in 2015).