No Shutdown, No Problem

The good news from Congress this week is that it looks like the U.S. government isn’t going to have to shut down again due to partisan political bickering. Last week, literally at the last minute, on the day that current funding provisions would have expired, the U.S. House of Representatives created a new government funding bill that will keep the lights on until September of 2015. The narrow 219-206 vote also gave the Senate a grace period until Monday to approve the legislation dubbed “CRomnibus” before everybody goes home for the holidays. The Senate followed suit and sent the bill to the President for signature on Monday.

In all, the spending legislation comes to 1,603 pages, and both Democrats and Republicans seem to be unhappy about it—for, of course, very different reasons. But when you get past the immigration and health care reform debate on the right, and the rollback of Dodd-Frank provisions that would have barred Wall Street firms from using taxpayer-backed funds to engage in risky derivative trading that angered politicians on the left, the bill really doesn’t have much of an effect on most of us. It keeps domestic spending essentially flat at $1.013 trillion, while providing additional funds to fight Islamic state militants in the Middle East and the Ebola outbreak in West Africa. There are no new taxes, and enforcement of the current taxes is likely to be less stringent after the Internal Revenue Service’s budget was cut by $345.6 million—roughly what it costs to hire 5,000 auditors. Also defunded: the Environmental Protection Agency, whose budget has been rolled back to 1989 levels. And a specific provision will prevent the Fish and Wildlife Service from adding a Western bird called the sage grouse to the protected species list.

Perhaps the most interesting provision in the House-passed bill, which is not mentioned in the press anywhere, can be found in Section 979, where our lawmakers set salaries and expenses of the House of Representatives at a highly budget-conscious $1.18 billion, with a “b”.

Now the House and Senate will spend a few days debating whether to pass extensions of 55 different tax credits, including tax deductions for research and development expenses by U.S. corporations, tax credits for renewable energy production plants, and a provision that would exempt forgiven mortgage debt from taxable income.

Sources: <http://www.vox.com/2014/12/11/7376585/cromnibus-2015-appropriations-details>

<http://news.yahoo.com/real-reason-obama-pushed-house-144001131.html>

<http://www.cnn.com/2014/12/10/politics/policy-riders-spending-bill/index.html>

<http://news.yahoo.com/u-senate-appears-set-pass-spending-bill-timing-153042041--sector.html>

<http://www.csmonitor.com/USA/DC-Decoder/2014/1210/From-marijuana-to-Islamic-State-five-things-addressed-in-new-budget-deal-video>

<http://www.scribd.com/doc/249716409/Congressional-spending-compromise>

<http://www.msn.com/en-us/news/politics/us-house-narrowly-passes-spending-bill-averts-government-shutdown/ar-BBgEXlY?ocid=ansnewsreu11>

<http://news.yahoo.com/tax-extenders-expected-win-u-senate-approval-within-152109690--business.html>