



COALITION ON HUMAN NEEDS

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Showdown on Immigration and Homeland Security Funding Comes to a Head in Congress

The fight over funding for the Department of Homeland Security (DHS) and the President's executive action on immigration came to a head in Congress last week. A partial government shutdown was averted at the last minute with a temporary stop-gap spending measure that will keep DHS funded through March 6 while the House and Senate try to work out their differences.

Department of Homeland Security Appropriations:

When the previous Congress passed the [CRomnibus](#) back in December funding all other government agencies through the end of FY2015, Republicans insisted on including only stop-gap funding for DHS (the department that houses all of the agencies in charge of immigration and border policies) in response to President Obama's [executive action on immigration](#) issued last November. That short-term

funding was to expire at midnight on Friday, Feb. 27, threatening the shutdown of a vital government agency.

In January, the House passed ([236-191](#)) a bill that would fund DHS through the end of the current fiscal year, but that would block funding for the implementation of Obama's immigration executive order. In the Senate, however, 60 votes were needed to pass a procedural hurdle and bring the bill (H.R. 240) to the floor for a vote, and Democrats repeatedly stopped Republicans from reaching this threshold. The White House had threatened to [veto](#) the House bill, which would have led to a shutdown of the department even if it had passed both chambers of Congress.

Last week, Senate Majority Leader Mitch McConnell (R-KY) made a deal with Democrats to pass a "clean" spending bill, stripping from the House bill the language defunding the executive action, and vote on a separate bill containing the anti-immigration language. The clean \$39.7 billion spending bill to fund DHS through the end of FY15 passed ([68-31](#)) the Senate last Friday. Later in the day, Senate Republicans also tried to bring up S. 534, a bill that includes the House's language to defund the President's executive action. Democrats blocked the bill ([57-42](#)) from clearing a procedural hurdle to move forward.

Many members of the House GOP, however, refused to pass a spending bill without the immigration riders. Instead, the House voted ([228-191](#)) on Friday to appoint a committee, known as a conference committee, of Representatives and Senators to resolve disagreements between the House and Senate versions of the bill. To avoid a shutdown of DHS, the House tried to pass another stop-gap spending measure, known as a continuing resolution or CR, to keep the department funded through March 19. This measure failed ([203-224](#)), however. With only hours left before the deadline, a deal was worked out among House and Senate leaders to extend funding for a week. The Senate reluctantly passed (by voice vote) a CR (H.R. 33) funding DHS through March 6. The House followed suit ([357-60](#)), and the President signed the bill late Friday evening. The Senate is expected to vote on whether to move forward with a conference committee for a longer-term resolution Monday evening, but Senate Democrats are expected to block that proposal, leaving the funding of DHS past this week uncertain. There has been speculation that a way out might be found through the use of a little-known House rule. Under House rule XXII, if an impasse exists as will occur if as expected the Senate rejects going to conference over the DHS appropriation, any House member can move to take up the Senate version of the bill and it must be brought to the House floor. Under this scenario, a House Democrat could offer the Senate's DHS funding through the end of the fiscal year, with no restrictions on the President's immigrant executive actions. That could pass with mostly Democratic and some Republican votes. Such an outcome might be welcome for Speaker Boehner, who is not anxious to see DHS shut down. He could say it was beyond his control to get around this rule. The only clarity in this situation is that House Republicans are divided on how far they should go in tying DHS funding to the President's executive actions.

DHS Secretary Jeh Johnson has repeatedly [said](#) a continuing resolution or shutdown would have serious consequences. A continuing resolution holds up many of the grants the department gives to state and local agencies for critical security and safety work and prevents agencies from starting new projects or hiring additional needed personal. According to an analysis of DHS data by the Center for American Progress, more than half of agency employees – 130,000 people – would have to work without pay in

the event of a shutdown, and another 30,000 would be furloughed without pay. Grants to state and local public safety and security agencies would be put further on hold, delaying and disrupting critical funding for equipment, safety gear, emergency vehicles, safety upgrades, and staffing. Among those are \$680 million in grants that help fire departments around the country and more than \$1 billion in grants that help cities prevent and prepare for terrorist threats and attacks.

IMMIGRATION:

According to *CQ*, the three-week timing of the original continuing resolution sought by the House was related to an anticipated federal court action regarding the executive action. In mid-February, a federal district court judge in Texas temporarily blocked the Obama Administration from moving forward with two of the biggest initiatives under the President's executive action, the expanded Deferred Action for Children Arrivals (DACA+) and Deferred Action for Parents of Americans and Lawful Permanent Residents (DAPA), while a lawsuit challenging the action made its way through the courts. In response, the Department of Justice filed a notice of appeal and made an emergency request to stay the district court's ruling pending a full appeal. The emergency request could be decided much more quickly, potentially in a matter of weeks instead of months, according to the [National Immigration Law Center](#). The DACA+ and DAPA initiatives, if allowed to go forward, would mean nearly 4 million undocumented immigrants would no longer have to worry about being deported, including nearly 3.7 million parents of U.S. citizens or legal residents, and nearly 300,000 people brought here as children who have grown up here. They would be able to come out of the shadows, work legally, get better jobs, pay taxes and stop living in fear.

Advocates have been working hard to remind immigrants that the ruling does not impact the "Dreamer" children who were granted relief from deportation under the 2012 DACA program. The Texas court's ruling also doesn't impact the executive action's direction to immigration agents to focus deportation efforts on felons, not families. Advocates are also hoping both the expanded DACA and the DAPA initiatives are allowed to go forward as quickly as possible. In fact, advocates held more than 50 events around the country as part of a National "Ready for DACA/Ready for DAPA" Day of Action in February.

While the DHS spending bill fight is one of the first battles in the new Congress over immigration, it definitely won't be the last. Stay tuned to the *Human Needs Report* and CHN's blog, [Voices for Human Needs](#), for updated information.

Subcommittees Hearings Begin on FY2016 Budget

The House and Senate will be developing budgets for FY 2016 this month. To prepare for this, many House and Senate Appropriations subcommittee held hearings in February to begin discussing budget needs, restraints, and priorities. According to *CQ*, Republican appropriators in both the House and Senate are vowing to cut back on the spending increases included in [President Obama's proposed FY 2016 budget](#) released in February and stick to sequester caps in place for the coming fiscal year, despite the fact that many agency leaders say they need additional funding. Rep. Mario Diaz-Balart (R-FL), who chairs the House Appropriations Subcommittee on Transportation-Housing and Urban Development,

told Transportation Secretary Anthony Foxx that the Administration's above-sequester budget request was "[fantasy](#)." The one exception being talked about is for the Department of Defense, which could see an increase in funding.

The President's budget ends sequestration, the imposition of deep cuts, primarily to appropriations, required by the Budget Control Act if Congress does not agree to other means of reducing the deficit. The President complies with the Budget Control Act by proposing other means: a combination of increased revenues and reduced spending. By ending sequestration, the President's FY 2016 budget could begin to reverse some of the cuts of the past five years, notably in housing, education and training, and public health. For more information, on the President's FY 2016 budget request, see CHN's Feb. 9 [Human Needs Report](#). The Center on Budget and Policy Priorities estimates that another year of sequestration would leave domestic and international appropriations 17 percent below their FY 2010 levels, taking inflation into account.

Investments in critical human needs programs will not be possible if the deep cuts required by sequestration are allowed to continue. In addition, some key Congressional leaders have been calling for more tax breaks for corporations and the rich and more funding for the Pentagon, paid for with additional cuts to necessary anti-poverty programs. There is talk that Republicans in the House and Senate will include a process in the budget resolution known as [reconciliation](#) to cut and make changes to mandatory spending programs (those programs not subjected to the annual appropriations process, like Medicaid, Medicare, and SNAP/food stamps) and to enact tax cuts. Advocates have been rallying around a [sign-on](#) letter for organizations and a [petition](#) for individuals circulated by CHN telling Congress to deliver a federal budget that invests in the jobs, health, education, housing, roads, and child care that build prosperity for all and prevent poverty by closing tax loopholes that now shift trillions to the wealthy and corporations and by stopping Pentagon waste.

Congressional budget leaders have a goal for the House and Senate [budget resolutions](#) to be ready for Budget Committee debate and votes in mid-March, with full House and Senate adoption by the end of March. CHN will have continuing coverage of the House and Senate FY 2016 budget proposals when they are released later this month. Stay tuned to the *Human Needs Report* and CHN's blog, [Voices for Human Needs](#), for updates.

House Passes Billions in Business Tax Breaks; Leaves out Low-Income Tax Credits

In mid-February, the full House passed ([272-142](#) and [279-137](#)) a series of tax breaks for businesses at a cost of more than \$93 billion over 10 years. The bills, [H.R. 636](#) and [H.R. 644](#), would make these breaks permanent parts of the tax code. Also in February, the House Ways and Means Committee, headed by Chairman Paul Ryan (R-WI), passed two additional permanent tax breaks ([H.R. 880](#) and [H.R. 622](#)) costing \$224 billion over 10 years. None of these tax breaks would be paid for by closing other tax loopholes, raising revenue in some other way, or cutting spending, meaning the cost of all of these bills would add over \$317 billion to our nation's deficit.

Advocates cried foul, noting that not only did the House vote for business tax breaks while [investments in human needs programs continue to shrink](#), they failed to make permanent improvements made in 2009 to the Earned Income Tax Credit (EITC) and Child Tax Credit (CTC). If the improvements are allowed to expire in 2017, 16 million children and adults will fall into poverty or become more deeply poor.

While some of the breaks passed by the House have merit for the anti-poverty community, like one that provides incentives for businesses to donate their food inventory to charities, the charitable incentives make up only 5 percent of the total tax breaks passed by the Ways and Means Committee in February. Advocates believe that passing these breaks that do good opens the door for – but doesn't justify – hundreds of billions of dollars of breaks that add to the deficit and leave low-income folks behind, and that charitable breaks could easily be paid for by reducing tax breaks that do nothing to promote shared prosperity.

The Center on Budget and Policy Priorities also [noted](#) that Chairman Ryan has said he supports expanding the EITC for workers without dependent children and paying for it by making changes supposed to reduce errors and overpayment within the EITC. In fact, these changes would make it more difficult for eligible people to claim the EITC. In addition, Rep. Ryan voted for permanent business tax breaks with a much higher error rate without paying for them.

Where these tax breaks will go from here is unclear. For now, the Senate has refrained from taking up any of these breaks in the hopes of moving larger tax reform legislation. For its part, the White House said that it would [veto](#) the bills the House passed, both because they not paid for and because they leave out the EITC and CTC.