

April 23, 2010

## Senate Panel Clears Budget but Nips Climate Reconciliation

By ALEX KAPLUN of [Greenwire](#)

The Senate Budget Committee yesterday hamstrung the chamber's ability to move climate change legislation through the filibuster-proof reconciliation process on its way to passing a budget resolution that also freezes spending for most domestic programs.

The panel yesterday approved the fiscal 2011 budget blueprint by a 12-10 vote, with only Sen. Russ Feingold (D-Wis.) breaking from his party to vote against the measure. There is no definitive timing for the bill might head to the Senate floor and committee Chairman Kent Conrad (D-N.D.) said he has not yet spoken to enough lawmakers to know whether there are enough votes to pass the resolution.

Even if the budget resolution does clear the chamber, it continues to appear highly unlikely that its reconciliation portion will be used as a vehicle to pass sweeping climate and energy legislation.

The committee easily approved, 16-6, an amendment from ranking member Judd Gregg (R-N.H.) that would establish a point of order against using reconciliation for any new program whose spending exceeds 20 percent of the amount of the reconciliation instruction to the committee. In essence, that would mean that any far-reaching legislative program -- including climate legislation -- would likely violate the provision.

"One would hope that you're not going to put energy in reconciliation, but if you are it would definitely trip this point of order," Gregg said.

The point of order could be waved but that would require the support of 60 senators, negating the procedural advantage of moving a bill through the filibuster-proof reconciliation process.

A number of Democrats, including Conrad, had said even before yesterday's action that there appeared to be little interest in the Senate in moving climate legislation through reconciliation. Indeed, Conrad and five other committee Democrats voted with the Republicans on Gregg's amendment.

Conrad said he expects to file the resolution with the full Senate on Monday but there is no word on when it might be taken up. House Majority Leader Steny Hoyer (D-Md.) said Democrats on his side of the Capitol have not yet decided whether they would take up a resolution.

During the George W. Bush administration, the Republican-controlled Congress regularly failed to pass a resolution through Congress during election years due to the potential political fallout from adopting the often-controversial -- yet nonbinding -- budget plans. Democrats are faced with a similar dilemma this time around as it could open its members to attacks from both the right on budget deficit issues and the left for the potential short-changing of some government programs.

## Reserve fund provisions dominate markup

Members of both parties spent much of the past few days sparring over the budget plan's impact on the deficit and the country's economic wellbeing. Much of the action during yesterday's markup was dedicated to amendments that will likely have little impact on the blueprint's bottom line.

Most of the amendments approved by the panel involved the creation of so-called reserve funds, which allow the Budget panel's chairman to revise the committee allocations if certain legislative conditions are met.

Among them: a reserve fund for improvements in forests and watersheds, a reserve fund for dam modernization and to aide flood ravaged areas, a reserve fund to repeal deductions from mineral revenue payments to states, and another to provide additional enforcement dollars to campaign regulators.

The resolution also already contained a reserve fund for legislation that expands electricity transmission, smart grid programs, renewable energy, green jobs or conservation efforts along with a separate reserve fund for investments in infrastructure.

The committee did approve amendments that would freeze congressional pay and another to return a portion of the unused funds from the Troubled Asset Relief Program (TARP). But it also defeated a handful of Republican proposals aimed at bringing down the deficit, including one from Sen. Jeff Sessions (R-Ala.) to further trim discretionary spending and one from Sen. John Cornyn (R-Texas) to rescind \$42 billion in unspent stimulus funds.

Democrats have made a point over the past two days that their budget resolution already takes a number of steps to trim federal spending, in some cases going even further than the plan put forth by the White House.

All told, the budget authorizes \$1.124 trillion in discretionary spending in fiscal 2011, followed by \$1.15 trillion in 2012 and \$1.171 trillion in 2013. According to the document, those upticks in overall spending will come from the defense side of the ledger, and non-defense spending will remain flat.

The budget document breaks down federal spending by "function" rather than by the appropriations bills or federal agencies. A committee breakdown shows that all energy- and environment-related functions will stay flat or even dip over the next three years.

The budget would provide \$6.9 billion in discretionary spending for the energy function in fiscal 2011 -- up from \$5.3 billion this year -- but dips to \$6.3 billion in 2012 and \$6.2 billion in 2013.

The natural resources function would receive \$36.8 billion in discretionary spending in 2011 -- up \$300 million from this year -- and \$36.7 billion in 2012 and \$35.4 billion in 2013. Agriculture will receive \$6.6 billion in fiscal 2011 -- a \$1.4 billion drop from this year -- followed by \$6.4 billion in 2012 and \$6.2 billion in 2013.

Transportation would also drop to \$33.8 billion in 2011 -- down \$2 billion from this year -- but will see slight upticks in the following years.

Despite the freezes, the budget also carries with it increases in several target energy development programs.

The resolution would add \$500 million to the White House's Energy Department 2011 spending request of \$28.4 billion to support additional funding for the Energy Efficiency and Renewable Energy program, state energy efficiency grant programs and development of low carbon coal technologies.

The resolution supports President Obama's budget requests for nuclear power, which will likely be met with mixed reviews from nuclear supporters and critics. It maintains the administration's boost for federal nuclear reactor loan guarantees to \$54 billion, with which the administration wants to support seven to 10 new nuclear reactor projects. But it also follows the administration's lead by zeroing out funding for the nuclear waste repository at Yucca Mountain, Nev., which would effectively cancel the project.

In other areas, the bill seeks to fully fund at \$475 million U.S. EPA's Great Lakes Restoration Initiative, matches the White House request for funding increases for the National Oceanic and Atmospheric Administration to purchase additional climate satellites and provides \$3.5 billion for U.S. EPA's Clean Water and Drinking Water State Revolving Funds.

*Reporter Kate Ling contributed.*

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