



Don Nickles, Chairman
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FY 2005 Budget Resolution Mark-Up Amendment Information

Information pertaining to accounts within the Chairman's Mark subject to pending amendments...

Iraq Reserve Fund, (Feingold Amendment to Increase)

The Mark provides for a \$30 billion reserve fund for continued war operations. This is consistent with the level of funding requested by Armed Services Ranking Member Levin in his Views and Estimates letter submitted to the Senate Budget Committee.

Tax Cut Reconciliation Instructions, (Byrd Amendment to Strike)

The Mark includes reconciled tax cuts in the amount of \$80.6 billion to extend tax provisions expiring at the end of 2004. If these tax cuts are not extended, the \$1,000-per-child tax credit would fall to \$700; married couples' taxes would increase due to elimination of marriage penalty relief; low-income taxpayers' rate would jump from 10 to 15 percent due to expiration of the 10-percent bracket. See attached worksheet to see how these tax increases would impact a middle class family of four.

Pell Grants, (Bunning Amendment to Increase)

The Mark assumes a \$0.8 billion increase (roughly 7 percent), which matches the President's request of \$12.8 billion in order to fully fund a \$4,050 maximum award for more than 5.3 million students during the 2005-2006 school year.

Port Security, (Murray Amendment to Increase)

Overall Homeland Security funding (excluding Project Bioshield) is increased 10 percent in the Mark, representing full funding of the President's request. Post 9-11, the federal government has appropriated \$493 million in port security grants. The Mark accommodates \$46 million for port security specifically. Port security also is enhanced from increases in border security, and optionally through grants to municipalities. Further, it is the position of Homeland Security Secretary Ridge that the private sector shares a responsibility in funding security activities at our nation's ports given the overwhelming amount of private sector business that takes place in those ports.

Veterans Medical Care, (*Nelson Amendment to Increase*)

The Mark assumes \$29.1 billion in total funding for VA medical programs. This is an increase of 5 percent, or \$1.4 billion over the 2004 enacted level. This account has grown by 42 percent since 2001.

No Child Left Behind, (*Murray Amendment to Increase*)

The Mark includes \$13.3 billion in 2005 for Title 1 grants to Local Education Agencies - the largest component of No Child Left Behind. That represents a \$1.0 billion (8.1 percent) increase over 2004. At this level, funding for Title 1 grants would be \$4.6 billion (52 percent) greater than in 2001.

Consistent with the President's proposals, the increases assumed in the Mark would bring our nation's overall investment in elementary and secondary education to nearly \$500 billion, surpassing spending on our national defense and exceeding per-pupil education spending of every other nation except Switzerland.