

Legislative Branch

\$1.4
SAVINGS IN MILLIONS¹

DISCRETIONARY

Eliminate Funding for the Stennis Center for Public Service Leadership

The Stennis Center is a legislative program intended as a living tribute to the career of Senator John Stennis (D–MS). It aims to attract young people to careers in public service, promote leadership skills, and provide training and development opportunities to Members of Congress, congressional staff, and others in public service.

Numerous private entities provide services similar to those provided by the Stennis Center and can fulfill the Center’s goals. The Young Leaders Program at The Heritage Foundation is just one example. Past budgets and appropriations bills have called for elimination of the Stennis Center, and Congress should act on this modest recommendation now.

ADDITIONAL READING

- Justin Bogie, Frederico Bartels, Nicolas D. Loris, and Katie Tubb, “Appropriations ‘Mini-bus’ Makes Progress in Some Areas, Misses the Mark in Others,” Heritage Foundation *Issue Brief* No. 4740, July 25, 2017.

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PROPOSAL	STATUS	EXPLANATION
President’s Budget (FY2020)	REJECTED	Maintains funding at FY 2019 levels.

\$94.3
SAVINGS IN MILLIONS²

DISCRETIONARY

Eliminate Funding for Congressional Subsidies for the Affordable Care Act’s Health Insurance Exchange

Under Section 1312 (d)(3)(D) of the Affordable Care Act (ACA), Congress voted in 2010 to end its participation in the Federal Employees Health Benefits Program (FEHBP) and instead required Members and staff to obtain their health coverage through the ACA’s health insurance exchange.³ This change meant that Members and staff not only would no longer benefit from their employer coverage, but also would no longer receive the employer contribution toward the cost of their health insurance. On August 7, 2013, the Office of Personnel Management (OPM) reversed this change, ruling that Members of Congress and staff—even though they are no

longer enrolled in the FEHBP—could continue to receive the employer contribution for coverage in the exchange. The Obama Administration took this regulatory action without statutory authority under either the ACA or Title 5 of the U.S. Code, the law that governs the FEHBP.⁴

Because the 2013 OPM ruling was an administrative action, President Donald Trump could reverse the OPM decision administratively. If President Trump does not act, Congress should restore the original intent of the statute and end this special taxpayer subsidy.

ADDITIONAL READING

- Robert E. Moffit, “How Congress Mysteriously Became a ‘Small Business’ for Obamacare Subsidies,” *The Daily Signal*, May 11, 2016.
- Robert E. Moffit, “Congress and Obamacare: A Big Double Standard,” *The Daily Signal*, November 17, 2013.
- Robert E. Moffit, Edmund F. Haislmaier, and Joseph A. Morris, “Congress in the Obamacare Trap: No Easy Escape,” Heritage Foundation *Backgrounder* No. 2831, August 2, 2013.

PROPOSAL	STATUS	EXPLANATION
President’s Budget (FY2020)	NOT ADDRESSED	

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ENDNOTES

1. Estimated savings of \$1.4 million for FY 2020 are based on the FY 2019 appropriated level as specified in H.R. 6157, Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019, Public Law 115-245, 115th Cong., September 28, 2018, <https://www.congress.gov/bill/115th-congress/house-bill/6157?q=%7B%22search%22%3A%5B%22pl+115-245%22%5D%7D&r=1> (accessed March 13, 2019), and H.R. 5895, Energy and Water, Legislative Branch, and Military Construction and Veterans Affairs Appropriations Act, 2019, Public Law 115-244, 115th Cong., September 21, 2018, <https://www.congress.gov/bill/115th-congress/house-bill/5895/text> (accessed March 13, 2019). Heritage experts assume that FY 2019 spending remains constant in FY 2020. Savings include \$430,000 in direct spending and up to \$1 million in transfers from Navy operations and maintenance.
2. Savings of \$94.3 million for FY 2020 include the following data, assumptions, and calculations. The D.C. Health Insurance Exchange reports that as of early 2017, “about 11,000” congressional members and staff were using the exchange for coverage. Louise Norris, “DC Health Insurance Marketplace: History and News of the State’s Exchange,” [healthinsurance.org](https://www.healthinsurance.org/dc-state-health-insurance-exchange/), February 15, 2019, <https://www.healthinsurance.org/dc-state-health-insurance-exchange/> (accessed March 13, 2019). LegiStorm reports that the average age of congressional staff is 31 in the House and 32 in the Senate. LegiStorm, “Congress by the Numbers: 116th Congress (2019–2021),” https://www.legistorm.com/congress_by_numbers/index/by/senate.html (accessed March 12, 2019). The D.C. Health Insurance Exchange provides average premium costs for 2019. D.C. Government, Department of Insurance, Securities and Banking, “Sample 2019 Approved Premiums Compared to 2018,” September 17, 2018, <https://disb.dc.gov/publication/sample-2019-approved-premiums-compared-2018> (accessed March 13, 2019). For individuals, Heritage experts use the reported premium cost of \$3,938 for a gold plan for a 27-year-old purchased in the small-business exchange. This cost likely understates the actual premium cost for congressional staffers because they have an average age between 31 and 32, and premium costs increase with age. No average family premiums are reported for the small-business exchange, so Heritage experts use the average gold family premium of \$18,920 from the individual market exchange. Heritage experts assume that 50 percent of the 11,000 employees who receive the subsidy have self-only coverage, 50 percent have family coverage, and the FEHBP subsidy covers 75 percent of employees’ premiums. Although exchange health insurance costs have risen significantly each year, Heritage experts conservatively assume that costs hold steady in FY 2020.
3. Edmund Haislmaier, “Administration Disregards the Law and Gives Special Obamacare Deal to Congress,” *The Daily Signal*, August 7, 2013, <http://dailysignal.com/2013/08/07/administration-disregards-the-law-and-gives-special-obamacare-deal-to-congress/>, and Robert Moffit, “Congress and Obamacare: A Big Double Standard,” *The Daily Signal*, November 17, 2013, <https://www.dailysignal.com/2013/11/17/congress-and-obamacare-a-big-double-standard/>.
4. Robert E. Moffit, Edmund F. Haislmaier, and Joseph A. Morris, “Congress in the Obamacare Trap: No Easy Escape,” Heritage Foundation *Background* No. 2831, August 2, 2013, <http://www.heritage.org/research/reports/2013/08/congress-in-the-obamacare-trap-no-easy-escape>.