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COMMITTEE ON WAYS AND MEANS
U.S. HOUSE OF REPRESENTATIVES

PROPOSED ALLOCATION REPORT
OF THE
COMMITTEE ON WAYS AND MEANS
PURSUANT TO SECTION 302(b)
OF THE
CONGRESSIONAL BUDGET ACT



(11)
MARCH 10, 1977

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I. SECTION 302 OF THE CONGRESSIONAL BUDGET ACT OF 1974

MATTERS TO BE INCLUDED IN JOINT STATEMENT OF MANAGERS; REPORTS BY COMMITTEES

SEC. 302. (a) ALLOCATION OF TOTALS.—The joint explanatory statement accompanying a conference report on a concurrent resolution on the budget shall include an estimated allocation, based upon such concurrent resolution as recommended in such conference report, of the appropriate levels of total budget outlays and total new budget authority among each committee of the House of Representatives and the Senate which has jurisdiction over bills and resolutions providing such new budget authority.

(b) REPORTS BY COMMITTEES.—As soon as practicable after a concurrent resolution on the budget is agreed to—

(1) the Committee on Appropriations of each House shall, after consulting with the Committee on Appropriations of the other House, (A) subdivide among its subcommittees the allocation of budget outlays and new budget authority allocated to it in the joint explanatory statement accompanying the conference report on such concurrent resolution, and (B) further subdivide the amount with respect to each such subcommittee between controllable amounts and all other amounts; and

(2) every other committee of the House and Senate to which an allocation was made in such joint explanatory statement shall, after consulting with the committee or committees of the other House to which all or part of its allocation was made, (A) subdivide such allocation among its subcommittees or among programs over which it has jurisdiction, and (B) further subdivide the amount with respect to each subcommittee or program between controllable amounts and all other amounts.

Each such committee shall promptly report to its House the subdivisions made by it pursuant to this subsection.

(c) SUBSEQUENT CONCURRENT RESOLUTIONS.—In the case of a concurrent resolution on the budget referred to in section 304 or 310, the allocation under subsection (a) and the subdivisions under subsection (b) shall be required only to the extent necessary to take into account revisions made in the most recently agreed to concurrent resolution on the budget.

II. SECTION 302(a) ALLOCATION TO THE COMMITTEE ON WAYS AND MEANS FROM THE CONFERENCE REPORT (95-30) ON THE THIRD CONCURRENT BUDGET RESOLUTION FOR FISCAL YEAR 1977

[In thousands of dollars]

	Budget authority	Outlays	Entitlement authority
500 Education, training, employment, and social services-----	546, 149	546, 149	-----
550 Health-----	23, 128, 364	21, 933, 000	-----
600 Income security-----	96, 814, 101	96, 074, 420	3, 708, 000
800 General government-----	4, 018	4, 018	-----
850 Revenue sharing and general purpose fiscal assistance-----	330, 000	329, 725	-----
900 Interest-----	42, 293, 000	42, 293, 000	-----
Committee total-----	163, 115, 632	161, 180, 312	3, 708, 000

(2)

(1)

III. ALLOCATION OF BUDGET AUTHORITY, OUTLAYS, AND ENTITLEMENT AUTHORITY BY SUB-COMMITTEE OR MAJOR PROGRAM, PURSUANT TO SECTION 302(b) OF THE CONGRESSIONAL BUDGET ACT

[In thousands of dollars]

Function	Allocation by subcommittee				Allocation by program				Total
	Health	Social Security	Trade	Public Assistance/ Unemployment Compensation	Special payments and refunds in excess of tax liability	Collections for Puerto Rico	Interest		
500 Education, training, employment, and social services:									
Budget authority				546,149				546,149	
Outlays				546,149				546,149	
550 Health:									
Budget authority	23,128,364							23,128,364	
Outlays	21,933,000							21,933,000	
600 Income security:									
Budget authority		81,526,096		15,288,005				96,814,101	
Outlays		82,199,115		13,875,305				96,074,420	
New entitlement authority					3,200,000			3,708,000	
800 General government:									
Budget authority			4,018					4,018	
Outlays			4,018					4,018	
850 Revenue sharing and general purpose fiscal assistance:									
Budget authority			210,000			120,000		330,000	
Outlays			210,000			119,725		329,725	
900 Interest:									
Budget authority							42,293,000	42,293,000	
Outlays							42,293,000	42,293,000	
Total:									
Budget authority	23,128,364	81,526,096	214,018	15,834,154		120,000	42,293,000	163,115,632	
Outlays	21,933,000	82,199,115	214,018	14,421,454		119,725	42,293,000	161,180,312	
New entitlement authority				508,000	3,200,000			3,708,000	

Note: Details may not add due to rounding.

IV. CONSOLIDATED SECTION 302(b) ALLOCATION REPORT OF THE COMMITTEE ON WAYS AND MEANS

[In thousands of dollars]

	Budget authority	Outlays	Entitlement authority
Sec. 302(a) allocation from conference report (95-30) on 3d concurrent budget resolution for fiscal year 1977	163,115,632	161,180,312	3,708,000
A. Allocation by subcommittee:			
1. Subcommittee on Health:			
550 Health:			
Mandatory under existing law	23,128,364	21,933,000	
Other			
Subcommittee total	23,128,364	21,933,000	
2. Subcommittee on Social Security:			
600 Income security:			
Mandatory under existing law	81,526,096	82,199,115	
Other			
Subcommittee total	81,526,096	82,199,115	
3. Subcommittee on Trade:			
800 General government:			
Mandatory under existing law	4,018	4,018	
Other			
850 Revenue sharing and general purpose fiscal assistance:			
Mandatory under existing law	210,000	210,000	
Other			
Subcommittee total	214,018	214,018	
4. Subcommittee on Public Assistance and Unemployment Compensation:			
500 Education, training, employment, and social services:			
Mandatory under existing law	546,149	546,149	
Other			
600 Income security:			
Mandatory under existing law	15,288,005	13,875,305	
Other			
New entitlement authority			508,000
Subcommittee total	15,834,154	14,421,454	508,000
B. Allocation by program:			
1. Special payments and refunds in excess of tax liability:			
600 Income security:			
Mandatory under existing law			
Other			
New entitlement authority			3,200,000
Program total			3,200,000
2. Internal revenue collections for Puerto Rico:			
850 Revenue sharing and general purpose fiscal assistance:			
Mandatory under existing law	120,000	119,725	
Other			
Program total	120,000	119,725	
3. Interest:			
900 Interest:			
Mandatory under existing law	42,293,000	42,293,000	
Other			
Program total	42,293,000	42,293,000	

V. ALLOCATION BY SUBCOMMITTEE

SUBCOMMITTEE ON HEALTH

In the health function (550), the third concurrent budget resolution allocated budget authority of \$23,128,364 thousand and outlays of \$21,933,000 thousand to the Committee on Ways and Means. All the health function moneys allocated to the Committee on Ways and Means are for the medicare program, which provides hospital and medical insurance for the aged, disabled, and certain individuals with chronic kidney disease. The Committee on Ways and Means allocates the budget authority of \$23,128,364 thousand and outlays of \$21,933,000 thousand to the Subcommittee on Health.

The health function allocation of moneys to the Committee on Ways and Means in the third budget resolution is at the currently projected income and outlay level of the medicare program under existing law. This allocation represents an increase of \$250 million in budget outlays over the first budget resolution. It is, however, still \$200 million below the outlay level that was recommended by the Committee on Ways and Means in its March 15 report. In effect, the third resolution restores the proposed reduction in program expenditures targeted by the first resolution, but fails to allow for the slight (\$200 million) program expansion originally recommended by the Committee on Ways and Means in its March 15 report. In comparing budget authority and outlay figures for the medicare program contained in the Committee's March 15 report with any of the subsequent budget resolutions, the changes in policy outlined above cannot be mathematically reconciled with the committee's original recommendations since during the development of each resolution, adjustments to both budget authority and outlays for medicare were made to reflect the latest available estimates of current program income and costs.

ALLOCATION TO SUBCOMMITTEE ON HEALTH

[In thousands of dollars]

	Budget authority	Outlays	Entitlement authority
550 Health:			
Mandatory under existing law	23,128,364	21,933,000	-----
Other	-----	-----	-----
Subcommittee total	23,128,364	21,933,000	-----

SUBCOMMITTEE ON SOCIAL SECURITY

In the income security function (600) relating to the social security trust funds, the third concurrent budget resolution allocated budget authority of \$81,526,096 thousand and outlays of \$82,199,115 thousand to the Committee on Ways and Means. This represents a decrease

in budget authority of approximately \$598 million and an increase in outlays of approximately \$141 million over the second concurrent resolution allocations. The decrease in budget authority is the result of modifications of the economic assumptions used in the conference agreement. The increase in outlays is due to a higher benefit increase which results from a higher increase in the CPI than originally estimated. The Committee on Ways and Means allocates budget authority of \$81,526,096 thousand and outlays of \$82,199,155 thousand to the Subcommittee on Social Security.

ALLOCATION TO SUBCOMMITTEE ON SOCIAL SECURITY

[In thousands of dollars]

	Budget authority	Outlays	Entitlement authority
600 Income security:			
Mandatory under existing law	81,526,096	82,199,115	
Other			
Subcommittee total	81,526,096	82,199,115	

SUBCOMMITTEE ON TRADE

In the general government function (800), the third concurrent budget resolution allocated budget authority and outlays of \$4,018 thousand to the Committee on Ways and Means for refunds, transfers, and expenses in connection with unclaimed, abandoned, and seized merchandise under custody of the U.S. Customs Service. The Committee on Ways and Means allocates the budget authority and outlays of \$4,018 thousand for such purposes to the Subcommittee on Trade.

In the revenue sharing and general purpose fiscal assistance function (850), the third concurrent budget resolution allocated budget authority and outlays of \$210,000 thousand to the Committee on Ways and Means for customs duties, taxes, and fees collected in Puerto Rico and the Virgin Islands. Under 48 U.S.C. 740, 795, 1396, 1406(h) customs duties, taxes, and fees collected in Puerto Rico and the Virgin Islands on foreign imports are paid to the treasury of Puerto Rico and the treasury of the municipalities of the Virgin Islands. The Committee on Ways and Means allocates the customs revenue collections of \$210,000 thousand to the Subcommittee on Trade.

ALLOCATION TO SUBCOMMITTEE ON TRADE

[In thousands of dollars]

	Budget authority	Outlays	Entitlement authority
800 General government:			
Mandatory under existing law	4,018	4,018	
Other			
850 Revenue sharing and general purpose fiscal assistance:			
Mandatory under existing law	210,000	210,000	
Other			
Subcommittee total	214,018	214,018	

SUBCOMMITTEE ON PUBLIC ASSISTANCE AND UNEMPLOYMENT COMPENSATION

In the education, training, employment, and social services function (500), the third concurrent budget resolution allocated budget authority and outlays of \$546,149 thousand to the Committee on Ways and Means for the FUTA fund portion of the employment service program. The Committee on Ways and Means allocates budget authority and outlays of \$546,149 thousand to the Subcommittee on Public Assistance and Unemployment Compensation.

In the income security function (600), the third concurrent budget resolution allocated budget authority of \$15,288,005 thousand and outlays of \$13,875,305 thousand to the Committee on Ways and Means for unemployment compensation benefits. Also, in the income security function (600), the third concurrent budget resolution allocated entitlement authority of \$508,000 thousand to the Committee on Ways and Means for an extension of the Federal supplemental benefits program. The Committee on Ways and Means allocates budget authority of \$15,288,005 thousand, outlays of \$13,875,305 thousand and entitlement authority of \$508,000 thousand to the Subcommittee on Public Assistance and Unemployment Compensation.

ALLOCATION TO SUBCOMMITTEE ON PUBLIC ASSISTANCE AND UNEMPLOYMENT COMPENSATION

[In thousands of dollars]

	Budget authority	Outlays	Entitlement authority
500 Education, training, employment, and social services:			
Mandatory under existing law	546, 149	546, 149	
Other			
600 Income security:			
Mandatory under existing law	15, 288, 005	13, 875, 305	
Other			
New entitlement authority			508, 000
Subcommittee total	15, 834, 154	14, 421, 454	508, 000

VI. ALLOCATION BY PROGRAM

PROGRAM ALLOCATION TO SPECIAL PAYMENTS AND REFUNDS IN EXCESS OF TAX LIABILITY

In the income security function (600), the third concurrent budget resolution allocated \$3,200,000 thousand for refunds in excess of tax liability and special payments. Both payments developed as parts of the economic stimulus plan proposed by President Carter and were reported in H.R. 3477, the Tax Reduction and Simplification Act of 1977, by the Committee on Ways and Means. The special payments are \$50 per person payments to beneficiaries under the social security, supplemental security income (SSI), railroad retirement, aid to families with dependent children (AFDC), VA pensions and disability, and black lung programs. The refunds in excess of tax liability go to taxpayers whose 1976 tax liability was less than their total personal and dependent exemptions multiplied by \$50. The Committee on Ways and Means allocates the \$3,200,000 thousand of entitlement authority as a program to refunds in excess of tax liability and special payments.

ALLOCATION TO SPECIAL PAYMENTS AND REFUNDS IN EXCESS OF TAX LIABILITY

[In thousands of dollars]

	Budget authority	Outlays	Entitlement authority
600 Income security:			
Mandatory under existing law			
Other			
New entitlement authority			3, 200, 000
Program total			3, 200, 000

PROGRAM ALLOCATION TO INTERNAL REVENUE COLLECTIONS FOR PUERTO RICO

In the revenue sharing and general purpose fiscal assistance function (850), the third concurrent budget resolution allocated budget authority of \$120,000 thousand and outlays of \$119,725 thousand to the Committee on Ways and Means for internal revenue collections for Puerto Rico. Under 26 U.S.C. 7652, taxes collected under the internal revenue laws of the United States on articles produced in Puerto Rico and either transported to the United States or consumed on the island are paid to Puerto Rico. The Committee on Ways and Means allocates budget authority of \$120,000 thousand and outlays of \$119,725 thousand as a program to internal revenue collections for Puerto Rico.

ALLOCATION TO INTERNAL REVENUE COLLECTIONS FOR PUERTO RICO
[In thousands of dollars]

	Budget authority	Outlays	Entitlement authority
850 Revenue sharing and general purpose fiscal assistance:			
Mandatory under existing law	120,000	119,725	
Other			
Program total	120,000	119,725	

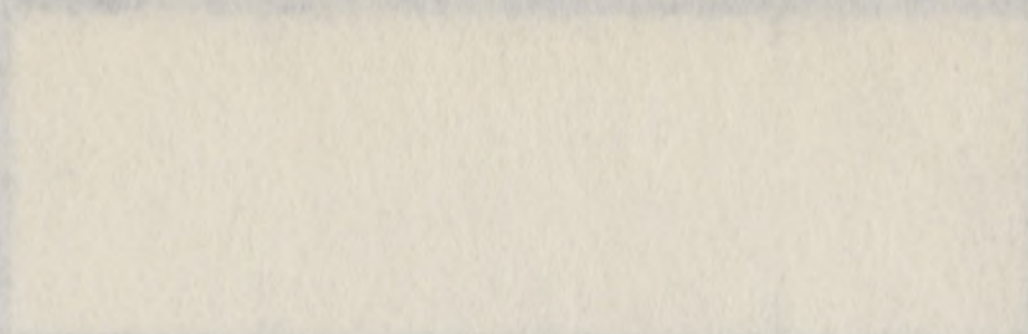
PROGRAM ALLOCATION TO INTEREST

In the interest function (900), the third concurrent budget resolution allocated budget authority and outlays of \$42,293,000 thousand to the Committee on Ways and Means. The interest function includes interest on the public debt and interest—currently 7 percent per annum—paid on internal revenue collections which must be refunded. The Committee on Ways and Means allocates budget authority and outlays of \$42,293,000 thousand as a program to interest.

ALLOCATION TO INTEREST
[In thousands of dollars]

	Budget authority	Outlays	Entitlement authority
900 Interest:			
Mandatory under existing law	42,293,000	42,293,000	
Other			
Program total	42,293,000	42,293,000	







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