

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL  
YEAR 2002

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MAY 8, 2001.—Ordered to be printed

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Mr. NUSSLE, from the Committee on Conference,  
submitted the following

CONFERENCE REPORT

[To accompany H. Con. Res. 83]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (H. Con. Res. 83), establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

**SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2002.**

(a) *DECLARATION.*—Congress determines and declares that the concurrent resolution on the budget for fiscal year 2001 is revised and replaced and that this resolution is the concurrent resolution on the budget for fiscal year 2002 including the appropriate budgetary levels for fiscal years 2003 through 2011 as authorized by section 301 of the Congressional Budget Act of 1974 (2 U.S.C. 632).

(b) *TABLE OF CONTENTS.*—The table of contents for this concurrent resolution is as follows:

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- Sec. 201. Restrictions on advance appropriations in the House.*  
*Sec. 202. Restrictions on advance appropriations in the Senate.*  
*Sec. 203. Mechanism for implementing increase of fiscal year 2002 discretionary spending limits.*  
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*Sec. 213. Reserve fund for agriculture.*  
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*Sec. 216. Reserve fund for health insurance for the uninsured.*  
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- Sec. 221. Application and effect of changes in allocations and aggregates.*  
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*Sec. 302. Sense of the Senate on aids and other infectious diseases.*  
*Sec. 303. Sense of the Senate on consolidated health centers.*  
*Sec. 304. Funding for Department of Justice programs for State and local law enforcement assistance.*  
*Sec. 305. Sense of the Senate regarding United States Coast Guard fiscal year 2002 funding.*  
*Sec. 306. Strengthening our national food safety infrastructure.*  
*Sec. 307. Sense of the Senate with respect to increasing funds for renewable energy research and development.*  
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- Sec. 311. Asset building for the working poor.*  
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*Sec. 315. Federal employee pay.*  
*Sec. 316. Sales tax deduction.*

**TITLE I—RECOMMENDED LEVELS AND AMOUNTS**

**SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.**

*The following budgetary levels are appropriate for the fiscal years 2001 through 2011:*

*(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution—*

*(A) The recommended levels of Federal revenues are as follows:*

*Fiscal year 2001: \$1,630,462,000,000.*  
*Fiscal year 2002: \$1,638,202,000,000.*  
*Fiscal year 2003: \$1,706,044,000,000.*  
*Fiscal year 2004: \$1,780,310,000,000.*

*Fiscal year 2005: \$1,852,646,000,000.*  
*Fiscal year 2006: \$1,901,304,000,000.*  
*Fiscal year 2007: \$1,994,674,000,000.*  
*Fiscal year 2008: \$2,089,726,000,000.*  
*Fiscal year 2009: \$2,193,954,000,000.*  
*Fiscal year 2010: \$2,318,055,000,000.*  
*Fiscal year 2011: \$2,436,550,000,000.*

(B) *The amounts by which the aggregate levels of Federal revenues should be changed are as follows:*

*Fiscal year 2001: \$0.*  
*Fiscal year 2002: –\$65,286,000,000.*  
*Fiscal year 2003: –\$76,067,000,000.*  
*Fiscal year 2004: –\$84,025,000,000.*  
*Fiscal year 2005: –\$97,124,000,000.*  
*Fiscal year 2006: –\$138,279,000,000.*  
*Fiscal year 2007: –\$141,081,000,000.*  
*Fiscal year 2008: –\$153,084,000,000.*  
*Fiscal year 2009: –\$166,162,000,000.*  
*Fiscal year 2010: –\$171,247,000,000.*  
*Fiscal year 2011: –\$191,343,000,000.*

(2) *NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:*

*Fiscal year 2001: \$1,653,681,000,000.*  
*Fiscal year 2002: \$1,510,948,000,000.*  
*Fiscal year 2003: \$1,668,530,000,000.*  
*Fiscal year 2004: \$1,733,617,000,000.*  
*Fiscal year 2005: \$1,814,079,000,000.*  
*Fiscal year 2006: \$1,866,139,000,000.*  
*Fiscal year 2007: \$1,945,112,000,000.*  
*Fiscal year 2008: \$2,025,075,000,000.*  
*Fiscal year 2009: \$2,102,398,000,000.*  
*Fiscal year 2010: \$2,186,341,000,000.*  
*Fiscal year 2011: \$2,277,143,000,000.*

(3) *BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:*

*Fiscal year 2001: \$1,600,529,000,000.*  
*Fiscal year 2002: \$1,476,841,000,000.*  
*Fiscal year 2003: \$1,641,515,000,000.*  
*Fiscal year 2004: \$1,709,251,000,000.*  
*Fiscal year 2005: \$1,790,389,000,000.*  
*Fiscal year 2006: \$1,837,846,000,000.*  
*Fiscal year 2007: \$1,912,602,000,000.*  
*Fiscal year 2008: \$1,994,838,000,000.*  
*Fiscal year 2009: \$2,071,497,000,000.*  
*Fiscal year 2010: \$2,154,203,000,000.*  
*Fiscal year 2011: \$2,243,394,000,000.*

(4) *SURPLUSES.—For purposes of the enforcement of this resolution, the amounts of the surpluses are as follows:*

*Fiscal year 2001: \$29,933,000,000.*  
*Fiscal year 2002: \$161,361,000,000.*  
*Fiscal year 2003: \$64,529,000,000.*  
*Fiscal year 2004: \$71,059,000,000.*  
*Fiscal year 2005: \$62,257,000,000.*

*Fiscal year 2006: \$63,458,000,000.*  
*Fiscal year 2007: \$82,072,000,000.*  
*Fiscal year 2008: \$94,888,000,000.*  
*Fiscal year 2009: \$122,457,000,000.*  
*Fiscal year 2010: \$163,852,000,000.*  
*Fiscal year 2011: \$193,156,000,000.*

(5) *PUBLIC DEBT.*—*The appropriate levels of the public debt are as follows:*

*Fiscal year 2001: \$5,660,699,000,000.*  
*Fiscal year 2002: \$5,603,812,000,000.*  
*Fiscal year 2003: \$5,654,952,000,000.*  
*Fiscal year 2004: \$5,700,089,000,000.*  
*Fiscal year 2005: \$5,751,561,000,000.*  
*Fiscal year 2006: \$5,803,295,000,000.*  
*Fiscal year 2007: \$5,832,676,000,000.*  
*Fiscal year 2008: \$5,847,714,000,000.*  
*Fiscal year 2009: \$5,988,315,000,000.*  
*Fiscal year 2010: \$6,343,661,000,000.*  
*Fiscal year 2011: \$6,720,963,000,000.*

(6) *DEBT HELD BY THE PUBLIC.*—*The appropriate levels of the debt held by the public are as follows:*

*Fiscal year 2001: \$3,243,211,000,000.*  
*Fiscal year 2002: \$2,924,234,000,000.*  
*Fiscal year 2003: \$2,691,176,000,000.*  
*Fiscal year 2004: \$2,437,771,000,000.*  
*Fiscal year 2005: \$2,170,550,000,000.*  
*Fiscal year 2006: \$1,882,764,000,000.*  
*Fiscal year 2007: \$1,555,637,000,000.*  
*Fiscal year 2008: \$1,194,633,000,000.*  
*Fiscal year 2009: \$939,000,000,000.*  
*Fiscal year 2010: \$878,000,000,000.*  
*Fiscal year 2011: \$818,000,000,000.*

(7) *SOCIAL SECURITY.*—

(A) *SOCIAL SECURITY REVENUES.*—*For purposes of Senate enforcement under section 311 of the Congressional Budget Act of 1974 (2 U.S.C. 642), the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:*

*Fiscal year 2001: \$504,109,000,000.*  
*Fiscal year 2002: \$532,308,000,000.*  
*Fiscal year 2003: \$560,938,000,000.*  
*Fiscal year 2004: \$588,674,000,000.*  
*Fiscal year 2005: \$620,060,000,000.*  
*Fiscal year 2006: \$649,221,000,000.*  
*Fiscal year 2007: \$679,935,000,000.*  
*Fiscal year 2008: \$712,454,000,000.*  
*Fiscal year 2009: \$746,439,000,000.*  
*Fiscal year 2010: \$782,029,000,000.*  
*Fiscal year 2011: \$819,185,000,000.*

(B) *SOCIAL SECURITY OUTLAYS.*—*For purposes of Senate enforcement under section 311 of the Congressional Budget Act of 1974 (2 U.S.C. 642), the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:*

*Fiscal year 2001: \$343,562,000,000.*

*Fiscal year 2002: \$356,646,000,000.*  
*Fiscal year 2003: \$369,521,000,000.*  
*Fiscal year 2004: \$382,488,000,000.*  
*Fiscal year 2005: \$394,844,000,000.*  
*Fiscal year 2006: \$407,020,000,000.*  
*Fiscal year 2007: \$419,285,000,000.*  
*Fiscal year 2008: \$432,293,000,000.*  
*Fiscal year 2009: \$448,317,000,000.*  
*Fiscal year 2010: \$465,780,000,000.*  
*Fiscal year 2011: \$483,963,000,000.*

(C) *SOCIAL SECURITY ADMINISTRATIVE EXPENSES.—In the Senate, the amounts of new budget authority and budget outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for administrative expenses are as follows:*

*Fiscal year 2001:*  
     (A) *New budget authority, \$3,431,000,000.*  
     (B) *Outlays, \$3,371,000,000.*  
*Fiscal year 2002:*  
     (A) *New budget authority, \$3,579,000,000.*  
     (B) *Outlays, \$3,525,000,000.*  
*Fiscal year 2003:*  
     (A) *New budget authority, \$3,695,000,000.*  
     (B) *Outlays, \$3,655,000,000.*  
*Fiscal year 2004:*  
     (A) *New budget authority, \$3,819,000,000.*  
     (B) *Outlays, \$3,763,000,000.*  
*Fiscal year 2005:*  
     (A) *New budget authority, \$3,939,000,000.*  
     (B) *Outlays, \$3,881,000,000.*  
*Fiscal year 2006:*  
     (A) *New budget authority, \$4,064,000,000.*  
     (B) *Outlays, \$4,004,000,000.*  
*Fiscal year 2007:*  
     (A) *New budget authority, \$4,194,000,000.*  
     (B) *Outlays, \$4,132,000,000.*  
*Fiscal year 2008:*  
     (A) *New budget authority, \$4,331,000,000.*  
     (B) *Outlays, \$4,267,000,000.*  
*Fiscal year 2009:*  
     (A) *New budget authority, \$4,471,000,000.*  
     (B) *Outlays, \$4,405,000,000.*  
*Fiscal year 2010:*  
     (A) *New budget authority, \$4,619,000,000.*  
     (B) *Outlays, \$4,551,000,000.*  
*Fiscal year 2011:*  
     (A) *New budget authority, \$4,773,000,000.*  
     (B) *Outlays, \$4,702,000,000.*

**SEC. 102. MAJOR FUNCTIONAL CATEGORIES.**

*Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 2002 through 2011 for each major functional category are:*

(1) *National Defense (050):*

*Fiscal year 2001:*

- (A) *New budget authority*, \$316,873,000,000.
- (B) *Outlays*, \$302,371,000,000.
- Fiscal year 2002:*
  - (A) *New budget authority*, \$324,832,000,000.
  - (B) *Outlays*, \$319,137,000,000.
- Fiscal year 2003:*
  - (A) *New budget authority*, \$333,646,000,000.
  - (B) *Outlays*, \$326,643,000,000.
- Fiscal year 2004:*
  - (A) *New budget authority*, \$342,294,000,000.
  - (B) *Outlays*, \$335,184,000,000.
- Fiscal year 2005:*
  - (A) *New budget authority*, \$350,876,000,000.
  - (B) *Outlays*, \$347,073,000,000.
- Fiscal year 2006:*
  - (A) *New budget authority*, \$359,807,000,000.
  - (B) *Outlays*, \$353,482,000,000.
- Fiscal year 2007:*
  - (A) *New budget authority*, \$369,023,000,000.
  - (B) *Outlays*, \$359,774,000,000.
- Fiscal year 2008:*
  - (A) *New budget authority*, \$378,505,000,000.
  - (B) *Outlays*, \$372,416,000,000.
- Fiscal year 2009:*
  - (A) *New budget authority*, \$388,323,000,000.
  - (B) *Outlays*, \$382,242,000,000.
- Fiscal year 2010:*
  - (A) *New budget authority*, \$398,338,000,000.
  - (B) *Outlays*, \$392,227,000,000.
- Fiscal year 2011:*
  - (A) *New budget authority*, \$408,821,000,000.
  - (B) *Outlays*, \$402,579,000,000.
- (2) *International Affairs (150):*
  - Fiscal year 2001:*
    - (A) *New budget authority*, \$22,424,000,000.
    - (B) *Outlays*, \$19,670,000,000.
  - Fiscal year 2002:*
    - (A) *New budget authority*, \$23,214,000,000.
    - (B) *Outlays*, \$19,082,000,000.
  - Fiscal year 2003:*
    - (A) *New budget authority*, \$23,750,000,000.
    - (B) *Outlays*, \$19,554,000,000.
  - Fiscal year 2004:*
    - (A) *New budget authority*, \$24,214,000,000.
    - (B) *Outlays*, \$20,164,000,000.
  - Fiscal year 2005:*
    - (A) *New budget authority*, \$24,911,000,000.
    - (B) *Outlays*, \$20,431,000,000.
  - Fiscal year 2006:*
    - (A) *New budget authority*, \$25,504,000,000.
    - (B) *Outlays*, \$20,900,000,000.
  - Fiscal year 2007:*
    - (A) *New budget authority*, \$26,107,000,000.
    - (B) *Outlays*, \$21,494,000,000.
  - Fiscal year 2008:*

- (A) *New budget authority*, \$26,482,000,000.
- (B) *Outlays*, \$22,031,000,000.
- Fiscal year 2009:*
  - (A) *New budget authority*, \$26,937,000,000.
  - (B) *Outlays*, \$22,650,000,000.
- Fiscal year 2010:*
  - (A) *New budget authority*, \$27,458,000,000.
  - (B) *Outlays*, \$23,235,000,000.
- Fiscal year 2011:*
  - (A) *New budget authority*, \$28,065,000,000.
  - (B) *Outlays*, \$23,766,000,000.
- (3) *General Science, Space, and Technology (250):*
  - Fiscal year 2001:*
    - (A) *New budget authority*, \$21,043,000,000.
    - (B) *Outlays*, \$19,612,000,000.
  - Fiscal year 2002:*
    - (A) *New budget authority*, \$21,583,000,000.
    - (B) *Outlays*, \$20,725,000,000.
  - Fiscal year 2003:*
    - (A) *New budget authority*, \$22,055,000,000.
    - (B) *Outlays*, \$21,361,000,000.
  - Fiscal year 2004:*
    - (A) *New budget authority*, \$22,379,000,000.
    - (B) *Outlays*, \$21,945,000,000.
  - Fiscal year 2005:*
    - (A) *New budget authority*, \$22,839,000,000.
    - (B) *Outlays*, \$22,429,000,000.
  - Fiscal year 2006:*
    - (A) *New budget authority*, \$23,323,000,000.
    - (B) *Outlays*, \$22,847,000,000.
  - Fiscal year 2007:*
    - (A) *New budget authority*, \$23,812,000,000.
    - (B) *Outlays*, \$23,280,000,000.
  - Fiscal year 2008:*
    - (A) *New budget authority*, \$24,303,000,000.
    - (B) *Outlays*, \$23,743,000,000.
  - Fiscal year 2009:*
    - (A) *New budget authority*, \$24,816,000,000.
    - (B) *Outlays*, \$24,239,000,000.
  - Fiscal year 2010:*
    - (A) *New budget authority*, \$25,335,000,000.
    - (B) *Outlays*, \$24,749,000,000.
  - Fiscal year 2011:*
    - (A) *New budget authority*, \$25,879,000,000.
    - (B) *Outlays*, \$25,274,000,000.
- (4) *Energy (270):*
  - Fiscal year 2001:*
    - (A) *New budget authority*, \$1,225,000,000.
    - (B) *Outlays*, −\$115,000,000.
  - Fiscal year 2002:*
    - (A) *New budget authority*, \$1,360,000,000.
    - (B) *Outlays*, −\$19,000,000.
  - Fiscal year 2003:*
    - (A) *New budget authority*, \$1,328,000,000.
    - (B) *Outlays*, −\$72,000,000.

- Fiscal year 2004:*  
 (A) New budget authority, \$1,309,000,000.  
 (B) Outlays, -\$120,000,000.
- Fiscal year 2005:*  
 (A) New budget authority, \$1,254,000,000.  
 (B) Outlays, -\$91,000,000.
- Fiscal year 2006:*  
 (A) New budget authority, \$1,336,000,000.  
 (B) Outlays, -\$3,000,000.
- Fiscal year 2007:*  
 (A) New budget authority, \$1,411,000,000.  
 (B) Outlays, \$71,000,000.
- Fiscal year 2008:*  
 (A) New budget authority, \$1,882,000,000.  
 (B) Outlays, \$440,000,000.
- Fiscal year 2009:*  
 (A) New budget authority, \$1,998,000,000.  
 (B) Outlays, \$579,000,000.
- Fiscal year 2010:*  
 (A) New budget authority, \$2,021,000,000.  
 (B) Outlays, \$703,000,000.
- Fiscal year 2011:*  
 (A) New budget authority, \$1,990,000,000.  
 (B) Outlays, \$691,000,000.
- (5) *Natural Resources and Environment (300):*  
*Fiscal year 2001:*  
 (A) New budget authority, \$28,833,000,000.  
 (B) Outlays, \$26,361,000,000.
- Fiscal year 2002:*  
 (A) New budget authority, \$30,381,000,000.  
 (B) Outlays, \$28,652,000,000.
- Fiscal year 2003:*  
 (A) New budget authority, \$31,263,000,000.  
 (B) Outlays, \$30,368,000,000.
- Fiscal year 2004:*  
 (A) New budget authority, \$32,249,000,000.  
 (B) Outlays, \$31,506,000,000.
- Fiscal year 2005:*  
 (A) New budget authority, \$33,091,000,000.  
 (B) Outlays, \$32,365,000,000.
- Fiscal year 2006:*  
 (A) New budget authority, \$33,965,000,000.  
 (B) Outlays, \$33,281,000,000.
- Fiscal year 2007:*  
 (A) New budget authority, \$34,767,000,000.  
 (B) Outlays, \$34,126,000,000.
- Fiscal year 2008:*  
 (A) New budget authority, \$35,691,000,000.  
 (B) Outlays, \$34,903,000,000.
- Fiscal year 2009:*  
 (A) New budget authority, \$37,064,000,000.  
 (B) Outlays, \$36,194,000,000.
- Fiscal year 2010:*  
 (A) New budget authority, \$38,111,000,000.  
 (B) Outlays, \$37,190,000,000.



- Fiscal year 2011:*  
 (A) *New budget authority*, \$39,137,000,000.  
 (B) *Outlays*, \$38,190,000,000.
- (6) *Agriculture (350):*  
*Fiscal year 2001:*  
 (A) *New budget authority*, \$31,790,000,000.  
 (B) *Outlays*, \$29,154,000,000.  
*Fiscal year 2002:*  
 (A) *New budget authority*, \$26,265,000,000.  
 (B) *Outlays*, \$24,593,000,000.  
*Fiscal year 2003:*  
 (A) *New budget authority*, \$26,507,000,000.  
 (B) *Outlays*, \$24,924,000,000.  
*Fiscal year 2004:*  
 (A) *New budget authority*, \$26,562,000,000.  
 (B) *Outlays*, \$25,120,000,000.  
*Fiscal year 2005:*  
 (A) *New budget authority*, \$26,406,000,000.  
 (B) *Outlays*, \$24,915,000,000.  
*Fiscal year 2006:*  
 (A) *New budget authority*, \$25,452,000,000.  
 (B) *Outlays*, \$23,853,000,000.  
*Fiscal year 2007:*  
 (A) *New budget authority*, \$24,083,000,000.  
 (B) *Outlays*, \$22,509,000,000.  
*Fiscal year 2008:*  
 (A) *New budget authority*, \$22,723,000,000.  
 (B) *Outlays*, \$21,134,000,000.  
*Fiscal year 2009:*  
 (A) *New budget authority*, \$21,921,000,000.  
 (B) *Outlays*, \$20,441,000,000.  
*Fiscal year 2010:*  
 (A) *New budget authority*, \$21,553,000,000.  
 (B) *Outlays*, \$20,174,000,000.  
*Fiscal year 2011:*  
 (A) *New budget authority*, \$21,703,000,000.  
 (B) *Outlays*, \$20,319,000,000.
- (7) *Commerce and Housing Credit (370):*  
*Fiscal year 2001:*  
 (A) *New budget authority*, \$2,516,000,000.  
 (B) *Outlays*, -\$771,000,000.  
*Fiscal year 2002:*  
 (A) *New budget authority*, \$10,174,000,000.  
 (B) *Outlays*, \$6,587,000,000.  
*Fiscal year 2003:*  
 (A) *New budget authority*, \$11,394,000,000.  
 (B) *Outlays*, \$5,952,000,000.  
*Fiscal year 2004:*  
 (A) *New budget authority*, \$16,042,000,000.  
 (B) *Outlays*, \$11,733,000,000.  
*Fiscal year 2005:*  
 (A) *New budget authority*, \$16,163,000,000.  
 (B) *Outlays*, \$12,387,000,000.  
*Fiscal year 2006:*  
 (A) *New budget authority*, \$16,138,000,000.

- (B) Outlays, \$11,790,000,000.
- Fiscal year 2007:
  - (A) New budget authority, \$16,245,000,000.
  - (B) Outlays, \$12,061,000,000.
- Fiscal year 2008:
  - (A) New budget authority, \$16,404,000,000.
  - (B) Outlays, \$11,894,000,000.
- Fiscal year 2009:
  - (A) New budget authority, \$16,479,000,000.
  - (B) Outlays, \$11,934,000,000.
- Fiscal year 2010:
  - (A) New budget authority, \$16,597,000,000.
  - (B) Outlays, \$11,889,000,000.
- Fiscal year 2011:
  - (A) New budget authority, \$16,714,000,000.
  - (B) Outlays, \$11,915,000,000.
- (8) Transportation (400):
  - Fiscal year 2001:
    - (A) New budget authority, \$62,130,000,000.
    - (B) Outlays, \$51,681,000,000.
  - Fiscal year 2002:
    - (A) New budget authority, \$64,965,000,000.
    - (B) Outlays, \$56,167,000,000.
  - Fiscal year 2003:
    - (A) New budget authority, \$62,392,000,000.
    - (B) Outlays, \$60,521,000,000.
  - Fiscal year 2004:
    - (A) New budget authority, \$64,154,000,000.
    - (B) Outlays, \$62,662,000,000.
  - Fiscal year 2005:
    - (A) New budget authority, \$65,907,000,000.
    - (B) Outlays, \$64,225,000,000.
  - Fiscal year 2006:
    - (A) New budget authority, \$67,794,000,000.
    - (B) Outlays, \$65,702,000,000.
  - Fiscal year 2007:
    - (A) New budget authority, \$69,637,000,000.
    - (B) Outlays, \$66,577,000,000.
  - Fiscal year 2008:
    - (A) New budget authority, \$71,490,000,000.
    - (B) Outlays, \$67,775,000,000.
  - Fiscal year 2009:
    - (A) New budget authority, \$73,377,000,000.
    - (B) Outlays, \$69,221,000,000.
  - Fiscal year 2010:
    - (A) New budget authority, \$76,412,000,000.
    - (B) Outlays, \$70,588,000,000.
  - Fiscal year 2011:
    - (A) New budget authority, \$78,652,000,000.
    - (B) Outlays, \$72,183,000,000.
- (9) Community and Regional Development (450):
  - Fiscal year 2001:
    - (A) New budget authority, \$11,225,000,000.
    - (B) Outlays, \$11,366,000,000.
  - Fiscal year 2002:

- (A) *New budget authority*, \$11,892,000,000.
- (B) *Outlays*, \$11,730,000,000.
- Fiscal year 2003:*
  - (A) *New budget authority*, \$12,067,000,000.
  - (B) *Outlays*, \$11,731,000,000.
- Fiscal year 2004:*
  - (A) *New budget authority*, \$12,350,000,000.
  - (B) *Outlays*, \$11,967,000,000.
- Fiscal year 2005:*
  - (A) *New budget authority*, \$12,664,000,000.
  - (B) *Outlays*, \$11,913,000,000.
- Fiscal year 2006:*
  - (A) *New budget authority*, \$12,933,000,000.
  - (B) *Outlays*, \$11,936,000,000.
- Fiscal year 2007:*
  - (A) *New budget authority*, \$13,198,000,000.
  - (B) *Outlays*, \$12,181,000,000.
- Fiscal year 2008:*
  - (A) *New budget authority*, \$13,476,000,000.
  - (B) *Outlays*, \$12,444,000,000.
- Fiscal year 2009:*
  - (A) *New budget authority*, \$13,759,000,000.
  - (B) *Outlays*, \$12,696,000,000.
- Fiscal year 2010:*
  - (A) *New budget authority*, \$14,048,000,000.
  - (B) *Outlays*, \$12,962,000,000.
- Fiscal year 2011:*
  - (A) *New budget authority*, \$14,340,000,000.
  - (B) *Outlays*, \$13,233,000,000.
- (10) *Education, Training, Employment, and Social Services*  
(500):
  - Fiscal year 2001:*
    - (A) *New budget authority*, \$76,951,000,000.
    - (B) *Outlays*, \$69,850,000,000.
  - Fiscal year 2002:*
    - (A) *New budget authority*, \$81,234,000,000.
    - (B) *Outlays*, \$76,742,000,000.
  - Fiscal year 2003:*
    - (A) *New budget authority*, \$82,805,000,000.
    - (B) *Outlays*, \$81,479,000,000.
  - Fiscal year 2004:*
    - (A) *New budget authority*, \$84,386,000,000.
    - (B) *Outlays*, \$83,574,000,000.
  - Fiscal year 2005:*
    - (A) *New budget authority*, \$87,122,000,000.
    - (B) *Outlays*, \$85,819,000,000.
  - Fiscal year 2006:*
    - (A) *New budget authority*, \$89,233,000,000.
    - (B) *Outlays*, \$87,924,000,000.
  - Fiscal year 2007:*
    - (A) *New budget authority*, \$91,327,000,000.
    - (B) *Outlays*, \$89,955,000,000.
  - Fiscal year 2008:*
    - (A) *New budget authority*, \$93,501,000,000.
    - (B) *Outlays*, \$92,115,000,000.

- Fiscal year 2009:*  
 (A) *New budget authority*, \$95,780,000,000.  
 (B) *Outlays*, \$94,341,000,000.
- Fiscal year 2010:*  
 (A) *New budget authority*, \$98,113,000,000.  
 (B) *Outlays*, \$96,654,000,000.
- Fiscal year 2011:*  
 (A) *New budget authority*, \$100,517,000,000.  
 (B) *Outlays*, \$99,017,000,000.
- (11) *Health (550):*  
*Fiscal year 2001:*  
 (A) *New budget authority*, \$180,104,000,000.  
 (B) *Outlays*, \$173,012,000,000.
- Fiscal year 2002:*  
 (A) *New budget authority*, \$198,775,000,000.  
 (B) *Outlays*, \$196,668,000,000.
- Fiscal year 2003:*  
 (A) *New budget authority*, \$221,150,000,000.  
 (B) *Outlays*, \$219,770,000,000.
- Fiscal year 2004:*  
 (A) *New budget authority*, \$235,474,000,000.  
 (B) *Outlays*, \$234,672,000,000.
- Fiscal year 2005:*  
 (A) *New budget authority*, \$242,661,000,000.  
 (B) *Outlays*, \$241,084,000,000.
- Fiscal year 2006:*  
 (A) *New budget authority*, \$259,125,000,000.  
 (B) *Outlays*, \$257,594,000,000.
- Fiscal year 2007:*  
 (A) *New budget authority*, \$278,882,000,000.  
 (B) *Outlays*, \$276,575,000,000.
- Fiscal year 2008:*  
 (A) *New budget authority*, \$299,116,000,000.  
 (B) *Outlays*, \$297,091,000,000.
- Fiscal year 2009:*  
 (A) *New budget authority*, \$320,791,000,000.  
 (B) *Outlays*, \$319,017,000,000.
- Fiscal year 2010:*  
 (A) *New budget authority*, \$345,380,000,000.  
 (B) *Outlays*, \$343,729,000,000.
- Fiscal year 2011:*  
 (A) *New budget authority*, \$372,407,000,000.  
 (B) *Outlays*, \$370,945,000,000.
- (12) *Medicare (570):*  
*Fiscal year 2001:*  
 (A) *New budget authority*, \$217,531,000,000.  
 (B) *Outlays*, \$217,708,000,000.
- Fiscal year 2002:*  
 (A) *New budget authority*, \$229,179,000,000.  
 (B) *Outlays*, \$229,121,000,000.
- Fiscal year 2003:*  
 (A) *New budget authority*, \$244,838,000,000.  
 (B) *Outlays*, \$244,596,000,000.
- Fiscal year 2004:*  
 (A) *New budget authority*, \$271,378,000,000.

- (B) Outlays, \$271,579,000,000.
- Fiscal year 2005:
  - (A) New budget authority, \$306,158,000,000.
  - (B) Outlays, \$306,079,000,000.
- Fiscal year 2006:
  - (A) New budget authority, \$326,564,000,000.
  - (B) Outlays, \$326,298,000,000.
- Fiscal year 2007:
  - (A) New budget authority, \$363,686,000,000.
  - (B) Outlays, \$363,901,000,000.
- Fiscal year 2008:
  - (A) New budget authority, \$393,686,000,000.
  - (B) Outlays, \$393,578,000,000.
- Fiscal year 2009:
  - (A) New budget authority, \$424,278,000,000.
  - (B) Outlays, \$423,993,000,000.
- Fiscal year 2010:
  - (A) New budget authority, \$458,957,000,000.
  - (B) Outlays, \$459,194,000,000.
- Fiscal year 2011:
  - (A) New budget authority, \$497,379,000,000.
  - (B) Outlays, \$497,366,000,000.
- (13) Income Security (600):
  - Fiscal year 2001:
    - (A) New budget authority, \$255,942,000,000.
    - (B) Outlays, \$256,932,000,000.
  - Fiscal year 2002:
    - (A) New budget authority, \$273,840,000,000.
    - (B) Outlays, \$272,122,000,000.
  - Fiscal year 2003:
    - (A) New budget authority, \$283,864,000,000.
    - (B) Outlays, \$282,611,000,000.
  - Fiscal year 2004:
    - (A) New budget authority, \$295,030,000,000.
    - (B) Outlays, \$293,420,000,000.
  - Fiscal year 2005:
    - (A) New budget authority, \$309,192,000,000.
    - (B) Outlays, \$307,667,000,000.
  - Fiscal year 2006:
    - (A) New budget authority, \$316,761,000,000.
    - (B) Outlays, \$315,312,000,000.
  - Fiscal year 2007:
    - (A) New budget authority, \$324,056,000,000.
    - (B) Outlays, \$322,627,000,000.
  - Fiscal year 2008:
    - (A) New budget authority, \$338,278,000,000.
    - (B) Outlays, \$336,950,000,000.
  - Fiscal year 2009:
    - (A) New budget authority, \$349,561,000,000.
    - (B) Outlays, \$347,987,000,000.
  - Fiscal year 2010:
    - (A) New budget authority, \$360,308,000,000.
    - (B) Outlays, \$358,600,000,000.
  - Fiscal year 2011:
    - (A) New budget authority, \$371,593,000,000.

- (B) Outlays, \$369,419,000,000.
- (14) *Social Security (650):*
  - Fiscal year 2001:
    - (A) New budget authority, \$9,805,000,000.
    - (B) Outlays, \$9,805,000,000.
  - Fiscal year 2002:
    - (A) New budget authority, \$11,004,000,000.
    - (B) Outlays, \$11,003,000,000.
  - Fiscal year 2003:
    - (A) New budget authority, \$11,733,000,000.
    - (B) Outlays, \$11,733,000,000.
  - Fiscal year 2004:
    - (A) New budget authority, \$12,496,000,000.
    - (B) Outlays, \$12,496,000,000.
  - Fiscal year 2005:
    - (A) New budget authority, \$13,308,000,000.
    - (B) Outlays, \$13,308,000,000.
  - Fiscal year 2006:
    - (A) New budget authority, \$14,207,000,000.
    - (B) Outlays, \$14,207,000,000.
  - Fiscal year 2007:
    - (A) New budget authority, \$15,168,000,000.
    - (B) Outlays, \$15,168,000,000.
  - Fiscal year 2008:
    - (A) New budget authority, \$16,241,000,000.
    - (B) Outlays, \$16,241,000,000.
  - Fiscal year 2009:
    - (A) New budget authority, \$17,483,000,000.
    - (B) Outlays, \$17,483,000,000.
  - Fiscal year 2010:
    - (A) New budget authority, \$18,878,000,000.
    - (B) Outlays, \$18,878,000,000.
  - Fiscal year 2011:
    - (A) New budget authority, \$20,388,000,000.
    - (B) Outlays, \$20,388,000,000.
- (15) *Veterans Benefits and Services (700):*
  - Fiscal year 2001:
    - (A) New budget authority, \$46,675,000,000.
    - (B) Outlays, \$45,926,000,000.
  - Fiscal year 2002:
    - (A) New budget authority, \$51,512,000,000.
    - (B) Outlays, \$50,921,000,000.
  - Fiscal year 2003:
    - (A) New budget authority, \$53,801,000,000.
    - (B) Outlays, \$53,408,000,000.
  - Fiscal year 2004:
    - (A) New budget authority, \$56,161,000,000.
    - (B) Outlays, \$55,744,000,000.
  - Fiscal year 2005:
    - (A) New budget authority, \$60,317,000,000.
    - (B) Outlays, \$59,847,000,000.
  - Fiscal year 2006:
    - (A) New budget authority, \$59,863,000,000.
    - (B) Outlays, \$59,368,000,000.
  - Fiscal year 2007:

- (A) *New budget authority*, \$59,345,000,000.
- (B) *Outlays*, \$58,853,000,000.
- Fiscal year 2008:*
  - (A) *New budget authority*, \$63,407,000,000.
  - (B) *Outlays*, \$62,971,000,000.
- Fiscal year 2009:*
  - (A) *New budget authority*, \$64,981,000,000.
  - (B) *Outlays*, \$64,570,000,000.
- Fiscal year 2010:*
  - (A) *New budget authority*, \$66,973,000,000.
  - (B) *Outlays*, \$66,555,000,000.
- Fiscal year 2011:*
  - (A) *New budget authority*, \$69,063,000,000.
  - (B) *Outlays*, \$68,632,000,000.
- (16) *Administration of Justice (750):*
  - Fiscal year 2001:*
    - (A) *New budget authority*, \$30,577,000,000.
    - (B) *Outlays*, \$30,003,000,000.
  - Fiscal year 2002:*
    - (A) *New budget authority*, \$32,431,000,000.
    - (B) *Outlays*, \$31,436,000,000.
  - Fiscal year 2003:*
    - (A) *New budget authority*, \$32,545,000,000.
    - (B) *Outlays*, \$32,809,000,000.
  - Fiscal year 2004:*
    - (A) *New budget authority*, \$35,330,000,000.
    - (B) *Outlays*, \$35,543,000,000.
  - Fiscal year 2005:*
    - (A) *New budget authority*, \$36,420,000,000.
    - (B) *Outlays*, \$36,347,000,000.
  - Fiscal year 2006:*
    - (A) *New budget authority*, \$37,466,000,000.
    - (B) *Outlays*, \$37,036,000,000.
  - Fiscal year 2007:*
    - (A) *New budget authority*, \$38,543,000,000.
    - (B) *Outlays*, \$38,013,000,000.
  - Fiscal year 2008:*
    - (A) *New budget authority*, \$39,665,000,000.
    - (B) *Outlays*, \$39,152,000,000.
  - Fiscal year 2009:*
    - (A) *New budget authority*, \$40,822,000,000.
    - (B) *Outlays*, \$40,292,000,000.
  - Fiscal year 2010:*
    - (A) *New budget authority*, \$42,021,000,000.
    - (B) *Outlays*, \$41,483,000,000.
  - Fiscal year 2011:*
    - (A) *New budget authority*, \$43,284,000,000.
    - (B) *Outlays*, \$42,728,000,000.
- (17) *General Government (800):*
  - Fiscal year 2001:*
    - (A) *New budget authority*, \$16,307,000,000.
    - (B) *Outlays*, \$16,065,000,000.
  - Fiscal year 2002:*
    - (A) *New budget authority*, \$16,496,000,000.
    - (B) *Outlays*, \$16,193,000,000.

*Fiscal year 2003:*  
     (A) New budget authority, \$16,651,000,000.  
     (B) Outlays, \$16,493,000,000.  
*Fiscal year 2004:*  
     (A) New budget authority, \$17,082,000,000.  
     (B) Outlays, \$16,978,000,000.  
*Fiscal year 2005:*  
     (A) New budget authority, \$17,560,000,000.  
     (B) Outlays, \$17,201,000,000.  
*Fiscal year 2006:*  
     (A) New budget authority, \$18,068,000,000.  
     (B) Outlays, \$17,641,000,000.  
*Fiscal year 2007:*  
     (A) New budget authority, \$18,609,000,000.  
     (B) Outlays, \$18,144,000,000.  
*Fiscal year 2008:*  
     (A) New budget authority, \$18,791,000,000.  
     (B) Outlays, \$18,445,000,000.  
*Fiscal year 2009:*  
     (A) New budget authority, \$19,377,000,000.  
     (B) Outlays, \$18,882,000,000.  
*Fiscal year 2010:*  
     (A) New budget authority, \$19,968,000,000.  
     (B) Outlays, \$19,437,000,000.  
*Fiscal year 2011:*  
     (A) New budget authority, \$20,599,000,000.  
     (B) Outlays, \$20,048,000,000.  
 (18) *Net Interest (900):*  
     *Fiscal year 2001:*  
         (A) New budget authority, \$275,467,000,000.  
         (B) Outlays, \$275,467,000,000.  
     *Fiscal year 2002:*  
         (A) New budget authority, \$259,162,000,000.  
         (B) Outlays, \$259,162,000,000.  
     *Fiscal year 2003:*  
         (A) New budget authority, \$252,364,000,000.  
         (B) Outlays, \$252,364,000,000.  
     *Fiscal year 2004:*  
         (A) New budget authority, \$247,310,000,000.  
         (B) Outlays, \$247,310,000,000.  
     *Fiscal year 2005:*  
         (A) New budget authority, \$240,115,000,000.  
         (B) Outlays, \$240,115,000,000.  
     *Fiscal year 2006:*  
         (A) New budget authority, \$235,642,000,000.  
         (B) Outlays, \$235,642,000,000.  
     *Fiscal year 2007:*  
         (A) New budget authority, \$232,136,000,000.  
         (B) Outlays, \$232,136,000,000.  
     *Fiscal year 2008:*  
         (A) New budget authority, \$227,484,000,000.  
         (B) Outlays, \$227,484,000,000.  
     *Fiscal year 2009:*  
         (A) New budget authority, \$221,933,000,000.  
         (B) Outlays, \$221,933,000,000.



- Fiscal year 2010:*  
 (A) *New budget authority*, \$214,899,000,000.  
 (B) *Outlays*, \$214,899,000,000.
- Fiscal year 2011:*  
 (A) *New budget authority*, \$207,328,000,000.  
 (B) *Outlays*, \$207,328,000,000.
- (19) *Allowances (920):*  
*Fiscal year 2001:*  
 (A) *New budget authority*, \$84,528,000,000.  
 (B) *Outlays*, \$84,697,000,000.
- Fiscal year 2002:*  
 (A) *New budget authority*, –\$103,548,000,000.  
 (B) *Outlays*, –\$99,379,000,000.
- Fiscal year 2003:*  
 (A) *New budget authority*, –\$6,115,000,000.  
 (B) *Outlays*, –\$5,222,000,000.
- Fiscal year 2004:*  
 (A) *New budget authority*, –\$6,268,000,000.  
 (B) *Outlays*, –\$5,912,000,000.
- Fiscal year 2005:*  
 (A) *New budget authority*, –\$6,423,000,000.  
 (B) *Outlays*, –\$6,263,000,000.
- Fiscal year 2006:*  
 (A) *New budget authority*, –\$6,580,000,000.  
 (B) *Outlays*, –\$6,503,000,000.
- Fiscal year 2007:*  
 (A) *New budget authority*, –\$6,744,000,000.  
 (B) *Outlays*, –\$6,665,000,000.
- Fiscal year 2008:*  
 (A) *New budget authority*, –\$6,908,000,000.  
 (B) *Outlays*, –\$6,828,000,000.
- Fiscal year 2009:*  
 (A) *New budget authority*, –\$7,079,000,000.  
 (B) *Outlays*, –\$6,994,000,000.
- Fiscal year 2010:*  
 (A) *New budget authority*, –\$7,251,000,000.  
 (B) *Outlays*, –\$7,165,000,000.
- Fiscal year 2011:*  
 (A) *New budget authority*, –\$7,429,000,000.  
 (B) *Outlays*, –\$7,340,000,000.
- (20) *Undistributed Offsetting Receipts (950):*  
*Fiscal year 2001:*  
 (A) *New budget authority*, –\$38,265,000,000.  
 (B) *Outlays*, –\$38,265,000,000.
- Fiscal year 2002:*  
 (A) *New budget authority*, –\$38,803,000,000.  
 (B) *Outlays*, –\$38,803,000,000.
- Fiscal year 2003:*  
 (A) *New budget authority*, –\$49,508,000,000.  
 (B) *Outlays*, –\$49,508,000,000.
- Fiscal year 2004:*  
 (A) *New budget authority*, –\$56,315,000,000.  
 (B) *Outlays*, –\$56,315,000,000.
- Fiscal year 2005:*  
 (A) *New budget authority*, –\$46,463,000,000.

(B) Outlays, —\$46,463,000,000.

*Fiscal year 2006:*

(A) New budget authority, —\$50,461,000,000.

(B) Outlays, —\$50,461,000,000.

*Fiscal year 2007:*

(A) New budget authority, —\$48,179,000,000.

(B) Outlays, —\$48,179,000,000.

*Fiscal year 2008:*

(A) New budget authority, —\$49,141,000,000.

(B) Outlays, —\$49,141,000,000.

*Fiscal year 2009:*

(A) New budget authority, —\$50,203,000,000.

(B) Outlays, —\$50,203,000,000.

*Fiscal year 2010:*

(A) New budget authority, —\$51,778,000,000.

(B) Outlays, —\$51,778,000,000.

*Fiscal year 2011:*

(A) New budget authority, —\$53,287,000,000.

(B) Outlays, —\$53,287,000,000.

**SEC. 103. RECONCILIATION IN THE SENATE.**

(a) *IN GENERAL.*—Subject to subsection (b), the Senate Committee on Finance shall report a reconciliation bill not later than May 18, 2001, that consists of changes in laws within its jurisdiction sufficient to reduce revenues by not more than \$1,250,000,000,000 and increase the total level of outlays by not more than \$100,000,000,000 for the period of fiscal years 2001 through 2011: Provided, That \$100,000,000,000 of these revenues and outlays shall only be available for fiscal years 2001 through 2002.

(b) *SURPLUS.*—Legislation described in subsection (a) may not, when taken together with all other previously-enacted legislation (except for legislation enacted pursuant to section 211), reduce the on-budget surplus below the level of the Medicare Hospital Insurance Trust Fund surplus in any fiscal year covered by this resolution.

(c) *SENSE OF CONGRESS.*—It is the sense of the Congress that of the total amount reconciled in subsection (a), \$100,000,000,000 will be for an economic stimulus package over the next 2 years.

**SEC. 104. RECONCILIATION IN THE HOUSE.**

(a) *IN GENERAL.*—Subject to subsection (b), the Committee on Ways and Means of the House of Representatives shall report to the House of Representatives a reconciliation bill not later than May 18, 2001 that consists of changes in laws within its jurisdiction sufficient to reduce revenues by not more than \$1,250,000,000,000 for the period of years 2001 through 2011 and the total level of outlays may be increased by not more than \$100,000,000,000 for the period of fiscal years 2001 through 2011.

(b) *SURPLUS.*—Legislation described in subsection (a) may not, when taken together with all other previously-enacted legislation (except for legislation enacted pursuant to section 211), reduce the on-budget surplus below the level of the Medicare Hospital Insurance Trust Fund surplus in any fiscal year covered by this resolution.

(c) *SENSE OF CONGRESS.*—*It is the sense of the Congress that of the total amount reconciled in subsection (a), \$100,000,000,000 will be for an economic stimulus package over the next 2 years.*

## **TITLE II—BUDGET ENFORCEMENT AND RULEMAKING**

### **Subtitle A—Budget Enforcement**

#### **SEC. 201. RESTRICTIONS ON ADVANCE APPROPRIATIONS IN THE HOUSE.**

(a) *IN GENERAL.*—(1) *In the House, except as provided in subsection (b), an advance appropriation may not be reported in a bill or joint resolution making a general appropriation or continuing appropriation, and may not be in order as an amendment thereto.*

(2) *Managers on the part of the House may not agree to a Senate amendment that would violate paragraph (1) unless specific authority to agree to the amendment first is given by the House by a separate vote with respect thereto.*

(b) *EXCEPTION.*—*In the House, an advance appropriation may be provided—*

(1) *for fiscal year 2003 for programs, projects, activities or accounts identified in the joint explanatory statement of managers accompanying this resolution under the heading “Accounts Identified for Advance Appropriations” in an aggregate amount not to exceed \$23,159,000,000 in new budget authority; and*

(2) *for the Corporation for Public Broadcasting.*

(c) *DEFINITION.*—*In this section, the term “advance appropriation” means any discretionary new budget authority in a bill or joint resolution making general appropriations or continuing appropriations for fiscal year 2002 that first becomes available for any fiscal year after 2002.*

#### **SEC. 202. RESTRICTIONS ON ADVANCE APPROPRIATIONS IN THE SENATE.**

(a) *IN GENERAL.*—*Except as provided in subsection (b), it shall not be in order in the Senate to consider any reported bill or joint resolution, or amendment thereto or conference report thereon, that would provide an advance appropriation.*

(b) *EXCEPTION.*—*An advance appropriation may be provided—*

(1) *for fiscal year 2003 for programs, projects, activities or accounts identified in the joint explanatory statement of managers accompanying this resolution under the heading “Accounts Identified for Advance Appropriations” in an aggregate amount not to exceed \$23,159,000,000 in new budget authority; and*

(2) *for the Corporation for Public Broadcasting.*

(c) *APPLICATION OF POINT OF ORDER IN THE SENATE.*—

(1) *WAIVER AND APPEAL.*—*In the Senate, subsection (a) may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sus-*

tain an appeal of the ruling of the Chair on a point of order raised under subsection (a).

(2) *FORM OF THE POINT OF ORDER.*—A point of order under subsection (a) may be raised by a Senator as provided in section 313(e) of the Congressional Budget Act of 1974.

(3) *CONFERENCE REPORTS.*—If a point of order is sustained under subsection (a) against a conference report in the Senate, the report shall be disposed of as provided in section 313(d) of the Congressional Budget Act of 1974.

(d) *DEFINITION.*—In this section, the term “advance appropriation” means any discretionary new budget authority in a bill or joint resolution making general appropriations or continuing appropriations for fiscal year 2002 that first becomes available for any fiscal year after 2002.

(e) *SENSE OF CONGRESS.*—It is the sense of Congress that the Budget Enforcement Act of 1990 should be amended to address procedures for advance appropriations for fiscal years beginning with fiscal year 2003.

**SEC. 203. MECHANISM FOR IMPLEMENTING INCREASE OF FISCAL YEAR 2002 DISCRETIONARY SPENDING LIMITS.**

(a) *FINDINGS.*—The Senate finds the following:

(1) Unless and until the discretionary spending limit for fiscal year 2002 (as set out in section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985) is increased, aggregate appropriations which exceed the current law limits would still be out of order in the Senate and subject to a supermajority vote.

(2) Except for a necessary adjustment included in function 920 (to comply with section 312(b) of the Congressional Budget Act of 1974), the functional totals contained in this concurrent resolution envision a level of discretionary spending for fiscal year 2002 as follows:

(A) For the discretionary category: \$659,540,000,000 in new budget authority and \$647,780,000,000 in outlays.

(B) For the highway category: \$28,489,000,000 in outlays.

(C) For the mass transit category: \$5,275,000,000 in outlays.

(D) For the conservation category: \$1,760,000,000 in new budget authority and \$1,232,000,000 in outlays.

(3) To facilitate the Senate completing its legislative responsibilities for the 1st Session of the 107th Congress in a timely fashion, it is imperative that the Senate consider legislation which establishes appropriate discretionary spending limits for fiscal year 2002 through 2006 as soon as possible.

(b) *ADJUSTMENT TO ALLOCATIONS AND OTHER BUDGETARY AGGREGATES AND LEVELS.*—Whenever a bill or joint resolution becomes law that increases the discretionary spending limit for fiscal year 2002 set out in section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985, the chairman of the Committee on the Budget of the Senate shall increase the allocation called for in section 302(a) of the Congressional Budget Act of 1974 (2 U.S.C. 633(a)) to the appropriate Committee on Appropriations and shall also appropriately adjust all other budgetary aggregates and levels contained in this resolution.

(c) *SENATE DEFENSE FIREWALL.*—

(1) *DEFINITION.*—In this subsection, for purposes of enforcement in the Senate for fiscal year 2002, the term “discretionary spending limit” means—

(A) for the defense category, \$325,070,000,000 in new budget authority; and

(B) for the nondefense category, \$336,230,000,000 in new budget authority.

(2) *POINT OF ORDER IN THE SENATE.*—

(A) *IN GENERAL.*—After the adjustment to the section 302(a) allocation to the Committee on Appropriations is made pursuant to subsection (b) and except as provided in subparagraph (B), it shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that exceeds any discretionary spending limit set forth in this subsection.

(B) *EXCEPTION.*—This paragraph shall not apply if a declaration of war by Congress is in effect.

(3) *WAIVER AND APPEAL.*—This subsection may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this subsection.

**SEC. 204. COMPLIANCE WITH SECTION 13301 OF THE BUDGET ENFORCEMENT ACT OF 1990.**

(a) *IN GENERAL.*—In the House of Representatives, notwithstanding section 302(a)(1) of the Congressional Budget Act of 1974 and section 13301 of the Budget Enforcement Act of 1990, the joint explanatory statement accompanying the conference report on any concurrent resolution on the budget shall include in its allocation under section 302(a) of such Act to the Committee on Appropriations amounts for the discretionary administrative expenses of the Social Security Administration.

(b) *SPECIAL RULE.*—In the House of Representatives, for purposes of applying section 302(f) of the Congressional Budget Act of 1974, estimates of the level of total new budget authority and total outlays provided by a measure shall include any discretionary amounts provided for the Social Security Administration.

**Subtitle B—Reserve Funds****SEC. 211. RESERVE FUND FOR MEDICARE.**

(a) *MEDICARE REFORM AND PRESCRIPTION DRUGS.*—If the Committee on Finance of the Senate or the Committee on Ways and Means or the Committee on Energy and Commerce of the House of Representatives reports a bill or joint resolution, or an amendment is offered thereto, or a conference report thereon is submitted, which reforms the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) and improves the access of beneficiaries under that program to prescription drugs, the appropriate chairman of the Committee on the Budget may revise committee allocations for that committee and other appropriate budgetary agree-

gates and allocations of new budget authority (and the outlays resulting therefrom) in this resolution by the amount provided by that measure for that purpose, but not to exceed \$0 for fiscal year 2002, \$59,100,000,000 for the period of fiscal years 2002 through 2006, and \$300,000,000,000 for the period of fiscal years 2002 through 2011.

**(b) MEDICARE PAYMENTS TO HOME HEALTH AGENCIES.—**

**(1) IN GENERAL.**—Subject to paragraph (2), if the Senate Committee on Finance or the House Committee on Ways and Means or Committee on Energy and Commerce report a bill, or if an amendment thereto is offered or a conference report thereon is submitted, that repeals the 15 percent reduction in payments under the medicare program to home health agencies enacted by the Balanced Budget Act of 1997 and now scheduled to go into effect on October 1, 2002, the appropriate chairman of the Committee on the Budget may increase the allocation of new budget authority and outlays to that committee and other appropriate budgetary aggregates and levels by the amount the amount provided by that measure for that purpose, but not to exceed \$0 in new budget authority and outlays in 2002, \$4,000,000,000 for the period 2002 through 2006, and \$13,700,000,000 for the period 2002 through 2011.

**(2) SURPLUS.**—Legislation described in paragraph (1) may not, when taken together with all other previously-enacted legislation (except for legislation enacted pursuant to subsection (a)), reduce the on-budget surplus below the level of the Medicare Hospital Insurance Trust Fund surplus in any fiscal year covered by this resolution.

**SEC. 212. RESERVE FUND FOR FAMILY OPPORTUNITY ACT.**

**(a) IN GENERAL.**—Subject to subsection (b), if the Committee on Finance of the Senate or the Committee on Energy and Commerce of the House of Representatives reports a bill or joint resolution, or if an amendment thereto is offered or a conference report thereon is submitted, that provides States with the opportunity to expand medicaid coverage for children with special needs, allowing families of disabled children with the opportunity to purchase coverage under the medicaid program for such children (commonly referred to as the “Family Opportunity Act of 2001”), the appropriate chairman of the Committee on the Budget may revise committee allocations for that committee and other appropriate budgetary aggregates and allocations of new budget authority (and the outlays resulting therefrom) in this resolution by the amount provided by that measure for that purpose, but not to exceed \$227,000,000 in new budget authority and \$180,000,000 in outlays for fiscal year 2002, \$3,035,000,000 in new budget authority and \$2,724,000,000 in outlays for the period of fiscal years 2002 through 2006, and \$8,337,000,000 in new budget authority and \$7,867,000,000 in outlays for the period of fiscal years 2002 through 2011.

**(b) SURPLUS.**—Legislation described in subsection (a) may not, when taken together with all other previously-enacted legislation (except for legislation enacted pursuant to section 211), reduce the on-budget surplus below the level of the Medicare Hospital Insurance Trust Fund surplus in any fiscal year covered by this resolution.

**SEC. 213. RESERVE FUND FOR AGRICULTURE .**

(a) *IN GENERAL.*—(1) Subject to subsection (b), if the Committee on Agriculture, Nutrition, and Forestry of the Senate or the Committee on Agriculture of the House of Representatives reports a bill, or an amendment thereto is offered, or a conference report thereon is submitted, to reauthorize the Federal Agriculture Improvement Act of 1996, title I of that Act, and other appropriate agricultural production legislation, the appropriate Chairman of the Committee on the Budget may increase the allocation of new budget authority and outlays to that committee for fiscal years 2003 through 2011 by the amount of new budget authority (and the outlays resulting therefrom) provided by that measure for that purpose not to exceed \$66,150,000,000 in new budget authority and outlays for fiscal years 2003 through 2011.

(2) In the House of Representatives, if an adjustment is made under paragraph (1), the Chairman of the Committee on the Budget may adjust the fiscal year 2002 level by an amount not to exceed the adjustment that is made for fiscal year 2003 (and reduce the adjustment made for fiscal year 2003 by that amount).

(b) *SURPLUS.*—Legislation described in subsection (a) may not, when taken together with all other previously-enacted legislation (except for legislation enacted pursuant to section 211), reduce the on-budget surplus below the level of the Medicare Hospital Insurance Trust Fund surplus in any fiscal year covered by this resolution.

**SEC. 214. RESERVE FUND FOR ADDITIONAL TAX CUTS AND DEBT REDUCTION.**

If the report provided pursuant to section 202(e)(2) of the Congressional Budget Act of 1974, the budget and economic outlook: update (for fiscal years 2002 through 2011), estimates an on-budget surplus for any of fiscal years 2001 through 2011 that exceeds the estimated on-budget surplus set forth in the Congressional Budget Office's January 2001 budget and economic outlook for such fiscal year, the chairman of the Committee on the Budget of the House may, in an amount not to exceed the increase in such surplus for that fiscal year—

(1) reduce the recommended level of Federal revenues and make other appropriate adjustments (including the reconciliation instructions) for that fiscal year;

(2) reduce the appropriate level of the public debt, increase the amount of the surplus, and make other appropriate adjustments for that fiscal year; or

(3) any combination of paragraphs (1) and (2).

**SEC. 215. TECHNICAL RESERVE FUND FOR STUDENT LOANS.**

(a) *IN GENERAL.*—Subject to subsection (b), if the Committee on Health, Education, Labor, and Pensions of the Senate reports a bill, or an amendment thereto is offered, or a conference report thereon is submitted, or the Committee on Education and the Workforce of the House of Representatives reports a bill, or an amendment is offered, or a conference report is submitted, that provides additional resources for legislation that repeals the replacement interest rate structure for student loans scheduled to occur on July 1, 2003, the appropriate Chairman of the Committee on the Budget may increase the allocation of new budget authority and outlays to the appropriate committee—

(1) for fiscal years 2001 and 2002 by the amount of new budget authority (and the outlays resulting therefrom) provided by that measure for that purpose not to exceed \$110,000,000 in new budget authority and \$100,000,000 outlays;

(2) for fiscal years 2001 through 2006 by the amount of new budget authority (and the outlays resulting therefrom) provided by that measure for that purpose not to exceed \$3,440,000,000 in new budget authority and \$2,840,000,000 outlays; and

(3) for fiscal years 2001 through 2011 by the amount of new budget authority (and the outlays resulting therefrom) provided by that measure for that purpose not to exceed \$7,665,000,000 in new budget authority and \$6,590,000,000 outlays.

(b) **SURPLUS.**—Legislation described in subsection (a) may not, when taken together with all other previously-enacted legislation (except for legislation enacted pursuant to section 211), reduce the on-budget surplus below the level of the Medicare Hospital Insurance Trust Fund surplus in any fiscal year covered by this resolution.

**SEC. 216. RESERVE FUND FOR HEALTH INSURANCE FOR THE UNINSURED.**

(a) **IN GENERAL.**—Subject to subsection (b), if the Committee on Finance of the Senate or the Committee on Energy and Commerce or Committee on Ways and Means of the House of Representatives report a bill or joint resolution, or an amendment thereto is offered, or a conference report thereon is submitted, that provides health insurance for the uninsured (including a measure providing for tax deductions for the purchase of health insurance for, among others, moderate income individuals not receiving health insurance from their employers), the appropriate chairman of the Committee on the Budget may revise committee allocations for that committee and other appropriate budgetary aggregates and allocations of new budget authority (and the outlays resulting therefrom) and may revise the revenue aggregates and other appropriate budgetary aggregates and allocations in this resolution by the amount provided by that measure for that purpose, but not to exceed \$28,000,000,000 in new budget authority and outlays for the period of fiscal years 2002 through 2004 or \$28,000,000,000 in revenues for the period of fiscal years 2002 through 2004 or any combination of budget authority and outlays or revenues as long as the sum of all revisions does not exceed \$28,000,000,000. The chairman of the appropriate Committee on the Budget is authorized to allocate these resources over a period of time longer than that specified in the previous sentence.

(b) **SURPLUS.**—Legislation described in subsection (a) may not, when taken together with all other previously-enacted legislation (except for legislation enacted pursuant to section 211), reduce the on-budget surplus below the level of the Medicare Hospital Insurance Trust Fund surplus in any fiscal year covered by this resolution.

**SEC. 217. RESERVE FUND FOR DEFENSE IN THE SENATE.**

(a) **IN GENERAL.**—Subject to subsection (b), if the President submits a budget amendment and the Committee on Appropriations or the Committee on Armed Services of the Senate reports a bill, or an amendment thereto is offered, or a conference report thereon is submitted, that provides additional resources for defense spending in



response to the recommendations of the President's National Defense Review, the Chairman of the Committee on the Budget may increase the allocation of new budget authority and outlays to that committee for fiscal year 2002 by the amount of new budget authority (and the outlays resulting therefrom) provided by that measure for that purpose.

(b) *SURPLUS.*—Legislation described in subsection (a) may not, when taken together with all other previously-enacted legislation (except for legislation enacted pursuant to section 211), reduce the on-budget surplus below the level of the Medicare Hospital Insurance Trust Fund surplus in any fiscal year covered by this resolution.

**SEC. 218. STRATEGIC RESERVE FUND IN THE HOUSE.**

(a) *ADJUSTMENTS.*—In the House of Representatives, the chairman of the Committee on the Budget may adjust the appropriate aggregates and committee allocations of new budget authority (and outlays flowing therefrom) for fiscal year 2002 for a bill making appropriations for the Department of Defense and, for fiscal years 2002 through 2011, a bill making authorizations for the Department of Defense, a bill providing a prescription drug benefit, and any other appropriate legislation. The chairman may also make adjustments for amendments to or conference reports on such bills. In making adjustments under this subsection, the chairman shall consider, as appropriate, the recommendations of the President's National Defense Review and any statement of administrative policy or supplemental budget request relating to any legislation referred to in this subsection.

(b) *LIMITATIONS.*—(1) The adjustments for any bill referred to in subsection (a) shall be in an amount not to exceed the amount by which such bill breaches the applicable allocation or aggregate.

(2) Legislation described in subsection (a) may not, when taken together with all other previously-enacted legislation (except for legislation enacted pursuant to section 211), reduce the on-budget surplus below the level of the Medicare Hospital Insurance Trust Fund surplus in any fiscal year covered by this resolution.

## **Subtitle C—Miscellaneous Provisions**

**SEC. 221. APPLICATION AND EFFECT OF CHANGES IN ALLOCATIONS AND AGGREGATES.**

(a) *APPLICATION.*—Any adjustments of allocations and aggregates made pursuant to this resolution shall—

- (1) apply while that measure is under consideration;
- (2) take effect upon the enactment of that measure; and
- (3) be published in the Congressional Record as soon as practicable.

(b) *EFFECT OF CHANGED ALLOCATIONS AND AGGREGATES.*—Revised allocations and aggregates resulting from these adjustments shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

(c) *BUDGET COMMITTEE DETERMINATIONS.*—For purposes of this resolution—

- (1) the levels of new budget authority, outlays, direct spending, new entitlement authority, revenues, deficits, and surpluses

for a fiscal year or period of fiscal years shall be determined on the basis of estimates made by the Committees on the Budget of the House of Representatives and the Senate; and

(2) such chairman, as applicable, may make any other necessary adjustments to such levels to carry out this resolution.

(d) **ENFORCEMENT IN THE HOUSE.**—

(1) **IN GENERAL.**—In the House of Representatives, for the purpose of enforcing this concurrent resolution, sections 302(f) and 311(a) of the Congressional Budget Act of 1974 shall apply to fiscal year 2002 and the total for fiscal year 2002 and the four ensuing fiscal years.

(2) **APPROPRIATE LEVELS.**—For purposes of enforcement of the Congressional Budget Act of 1974 in the House of Representatives, the appropriate levels of total new budget authority and total budget outlays for fiscal years 2002 through 2011 prescribed by this resolution pursuant to section 301(a)(1) of such Act shall be based upon the table entitled “Conference Report Fiscal Year 2002, Budget Resolution Total Spending and Revenues” in conjunction with the provisions of title II of this resolution.

(e) **ENFORCEMENT IN THE SENATE.**—The Senate, for purposes of enforcement of the Congressional Budget Act of 1974 and this resolution, measures discharged pursuant to Senate Resolution 8 shall be considered as if the measure had been reported from the committee of jurisdiction.

**SEC. 222. EXERCISE OF RULEMAKING POWERS.**

Congress adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change those rules (so far as they relate to that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

## **TITLE III—SENSE OF THE SENATE AND CONGRESS PROVISIONS**

### **Subtitle A—Sense of the Senate**

**SEC. 301. SENSE OF THE SENATE ON CONSERVATION.**

It is the sense of the Senate that conservation funding is a priority of the One Hundred Seventh Congress.

**SEC. 302. SENSE OF THE SENATE ON AIDS AND OTHER INFECTIOUS DISEASES.**

Notwithstanding any other provision of this resolution, it is the sense of the Senate that:

(1) **FINDINGS.**—The Senate finds the following:

(A) HIV/AIDS, having already infected over 58 million people worldwide, is devastating the health, economies, and

*social structures in dozens of countries in Africa, and increasingly in Asia, the Caribbean and Eastern Europe.*

*(B) AIDS has wiped out decades of progress in improving the lives of families in the developing world. As the leading cause of death in Africa, AIDS has killed 17 million and will claim the lives of one quarter of the population, mostly productive adults, in the next decade. In addition, 13 million children have been orphaned by AIDS—a number that will rise to 40 million by 2010.*

*(C) The Agency for International Development, along with the Centers for Disease Control, Department of Labor, and Department of Defense have been at the forefront of the international battle to control HIV/AIDS, with global assistance totaling \$330,000,000 from the United States Agency for International Development and \$136,000,000 from other agencies in fiscal year 2001, primarily focused on targeted prevention programs.*

*(D) While prevention is key, treatment and care for those affected by HIV/AIDS is an increasingly critical component of the global response. Improving health systems, providing home-based care, treating AIDS-associated diseases like tuberculosis, providing for family support and orphan care, and making antiretroviral drugs against HIV available will reduce social and economic damage to families and communities.*

*(E) Pharmaceutical companies recently dramatically reduced the prices of antiretroviral drugs to the poorest countries. With sufficient resources, it is now possible to improve treatment options in countries where health systems are able to deliver and monitor the medications.*

*(F) The United Nations AIDS program estimates it will cost at least \$3,000,000,000 for basic AIDS prevention and care services in Sub-Saharan Africa alone, and at least \$2,000,000,000 more if antiretroviral drugs are provided widely. In Africa, only \$500,000,000 is currently available from all donors, lending agencies and African governments themselves.*

*(2) SENSE OF THE SENATE.—It is the sense of the Senate that the spending levels in this budget resolution shall be increased by \$200,000,000 in fiscal year 2002 and by \$500,000,000 in 2003 and for each year thereafter for the purpose of helping the neediest countries cope with the burgeoning costs of prevention, care and treatment of those affected by HIV/AIDS and associated infectious diseases.*

**SEC. 303. SENSE OF THE SENATE ON CONSOLIDATED HEALTH CENTERS.**

*It is the sense of the Senate that appropriations for consolidated health centers under section 330 of the Public Health Service Act (42 U.S.C. 254b) should be increased by 100 percent over the next 5 fiscal years in order to double the number of individuals who receive health services at community, migrant, homeless, and public housing health centers.*

**SEC. 304. FUNDING FOR DEPARTMENT OF JUSTICE PROGRAMS FOR STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE.**

*It is the sense of the Senate that the levels in this resolution assume increased funding for fiscal year 2002 for the Department of Justice State and local law enforcement grant programs.*

**SEC. 305. SENSE OF THE SENATE REGARDING UNITED STATES COAST GUARD FISCAL YEAR 2002 FUNDING.**

*It is the sense of the Senate that any level of budget authority and outlays in fiscal year 2002 below the level assumed in this resolution for the Coast Guard would require the Coast Guard to—*

*(1) close numerous units and reduce overall mission capability, including the counter narcotics interdiction mission which was authorized under the Western Hemisphere Drug Elimination Act;*

*(2) reduce the number of personnel of an already streamlined workforce; and*

*(3) reduce operations in a manner that would have a detrimental impact on the sustainability of valuable fish stocks in the North Atlantic and Pacific Northwest and its capacity to stem the flow of illicit drugs and illegal immigration into the United States.*

**SEC. 306. STRENGTHENING OUR NATIONAL FOOD SAFETY INFRASTRUCTURE.**

*(a) FINDING.—The Senate finds that the United States food supply is one of the safest in the world, but in order to maintain the integrity of our food supply in the face of emerging threats, we must make the necessary investments now, in a time of surplus.*

*(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that the appropriate amount should be invested at the Food and Drug Administration and the Center for Disease Control food activities next year in order to strengthen our national food safety infrastructure by—*

*(1) increasing the number of inspectors within the Food and Drug Administration to enable the Food and Drug Administration to inspect high-risk sites at least annually;*

*(2) supporting research that enables us to meet emerging threats;*

*(3) improving surveillance to identify and trace the sources and incidence of food-borne illness;*

*(4) otherwise maintaining at least current funding levels for food safety initiatives in the Food and Drug Administration and the United States Department of Agriculture; and*

*(5) providing additional funds should such needs arise due to emerging food safety threats.*

**SEC. 307. SENSE OF THE SENATE WITH RESPECT TO INCREASING FUNDS FOR RENEWABLE ENERGY RESEARCH AND DEVELOPMENT.**

*It is the sense of the Senate that the Senate recognizes the importance of renewable energy resources and that providing for such technologies should be increased by at least \$450,000,000 for fiscal year 2002 and at a rate in excess of inflation in subsequent years.*

**SEC. 308. SENSE OF THE SENATE WITH RESPECT TO INCREASED EDUCATION FUNDING.**

*It is the Sense of the Senate that—*

(1) this budget resolution makes available up to \$6.2 billion in discretionary budget authority for funding domestic priorities in excess of the President's request; and

(2) funding for discretionary education programs (including Head Start and funds for the Department of Education in excess of the President's request of \$44.5 billion in discretionary budget authority for fiscal year 2002) is one such priority; and

(3) these additional funds for education should be devoted to high priority programs including Head Start, the Individuals with Disabilities Education Act, education for the disadvantaged, Impact Aid, state assessment tests, Pell Grants, reading improvement programs, school construction, and teacher and classroom quality programs.

## **Subtitle B—Sense of the Congress**

### **SEC. 311. ASSET BUILDING FOR THE WORKING POOR.**

(a) *FINDINGS.*—Congress find the following:

(1) For the vast majority of United States households, the pathway to the economic mainstream and financial security is not through spending and consumption, but through savings, investing, and the accumulation of assets.

(2) One-third of all Americans have no assets available for investment and another 20 percent have only negligible assets. The situation is even more serious for minority households; for example, 60 percent of African-American households have no or negative financial assets.

(3) Nearly 50 percent of all children in America live in households that have no assets available for investment, including 40 percent of Caucasian children and 73 percent of African-American children.

(4) Up to 20 percent of all United States households do not deposit their savings in financial institutions and, thus, do not have access to the basic financial tools that make asset accumulation possible.

(5) Public policy can have either a positive or a negative impact on asset accumulation. Traditional public assistance programs based on income and consumption have rarely been successful in supporting the transition to economic self-sufficiency. Tax policy, through \$288,000,000,000 in annual tax incentives, has helped lay the foundation for the great middle class.

(6) Lacking an income tax liability, low-income working families cannot take advantage of asset development incentives available through the Federal tax code.

(7) Individual Development Accounts have proven to be successful in helping low-income working families save and accumulate assets. Individual Development Accounts have been used to purchase long-term, high-return assets, including homes, postsecondary education and training, and small business.

(b) *SENSE OF CONGRESS.*—It is the sense of Congress that the Federal tax code should support a significant expansion of Individual Development Accounts so that millions of low-income, working families can save, build assets, and move their lives forward;

*thus, making positive contributions to the economic and social well-being of the United States, as well as to its future.*

**SEC. 312. FEDERAL FIRE PREVENTION ASSISTANCE.**

*(a) FINDINGS.—Congress finds the following:*

*(1) Increased demands on firefighting and emergency medical personnel have made it difficult for local governments to adequately fund necessary fire safety precautions.*

*(2) The Government has an obligation to protect the health and safety of the firefighting personnel of the United States and to ensure that they have the financial resources to protect the public.*

*(3) The high rates in the United States of death, injury, and property damage caused by fires demonstrates a critical need for Federal investment in support of firefighting personnel.*

*(b) SENSE OF CONGRESS.—It is the sense of Congress that the Government should support the core operations of the Federal Emergency Management Agency by providing needed fire grant programs to assist our firefighters and rescue personnel as they respond to more than 17,000,000 emergency calls annually. To accomplish this task, Congress supports preservation of the Assistance to Firefighters grant program. Continued support of the Assistance to Firefighters grant program will enable local firefighters to adequately protect the lives of countless Americans put at risk by insufficient fire protection.*

**SEC. 313. FUNDING FOR GRADUATE MEDICAL EDUCATION AT CHILDREN'S TEACHING HOSPITALS.**

*It is the sense of Congress that:*

*(1) Function 550 includes an appropriate level of funding for graduate medical education conducted at independent children's teaching hospitals in order to ensure access to care by millions of children nationwide.*

*(2) An emphasis should be placed on the role played by community health centers in underserved rural and urban communities.*

*(3) Funding under function 550 should also reflect the importance of the Ryan White CARE Act to persons afflicted with HIV/AIDS.*

**SEC. 314. CONCURRENT RETIREMENT AND DISABILITY BENEFITS TO RETIRED MEMBERS OF THE ARMED FORCES.**

*(a) FINDINGS.—Congress finds that the Secretary of Defense is the appropriate official for evaluating the existing standards for the provision of concurrent retirement and disability benefits to retired members of the Armed Forces and the need to change these standards.*

*(b) SENSE OF CONGRESS.—It is the sense of Congress that—*

*(1) the Secretary of Defense should report not later than 180 days after the date of adoption of this resolution to the congressional committees of jurisdiction on the provision of concurrent retirement and disability benefits to retired members of the Armed Forces;*

*(2) the report should address the number of individuals retired from the Armed Forces who would otherwise be eligible for disability compensation, the comparability of the policy to Office of Personnel Management guidelines for civilian Federal re-*

*tirees, the applicability of this policy to prevailing private sector standards, the number of individuals potentially eligible for concurrent benefits who receive other forms of Federal assistance and the cost of that assistance, and alternative initiatives that would accomplish the same end as concurrent receipt of military retired pay and disability compensation;*

*(3) the Secretary of Defense should submit legislation that he considers appropriate;*

*(4) upon receiving such report, the committees of jurisdiction, working with the Committees on the Budget of the House and Senate, should consider appropriate legislation; and*

*(5) CBO and OMB should report not later than 30 days after the date of adoption of this resolution to the Committees on the Budget on the risk that provision of full concurrent receipt of military retired pay and disability compensation would reduce the surplus below the level of the Medicare Hospital Insurance Trust Fund.*

**SEC. 315. FEDERAL EMPLOYEE PAY.**

*(a) FINDINGS.—Congress finds the following:*

*(1) Members of the uniformed services and civilian employees of the United States make significant contributions to the general welfare of the Nation.*

*(2) Increases in the pay of members of the uniformed services and of civilian employees of the United States have not kept pace with increases in the overall pay levels of workers in the private sector, so that there now exists—*

*(A) a 32 percent gap between compensation levels of Federal civilian employees and compensation levels of private sector workers; and*

*(B) an estimated 10 percent gap between compensation levels of members of the uniformed services and compensation levels of private sector workers.*

*(3) The President's budget proposal for fiscal year 2002 includes a 4.6 percent pay raise for military personnel.*

*(4) The Office of Management and Budget has requested that Federal agencies plan their fiscal year 2002 budgets with a 3.6 percent pay raise for civilian Federal employees.*

*(5) In almost every year during the past 2 decades, there have been equal adjustments in the compensation of members of the uniformed services and the compensation of civilian employees of the United States.*

*(b) SENSE OF CONGRESS.—It is the sense of Congress that rates of compensation for civilian employees of the United States should be adjusted at the same time, and in the same proportion, as are rates of compensation for members of the uniformed services.*

**SEC. 316. SALES TAX DEDUCTION.**

*(a) FINDINGS.—Congress finds that—*

*(1) in 1986 the ability to deduct State sales taxes was eliminated from the Federal tax code;*

*(2) the States of Tennessee, Texas, Wyoming, Washington, Florida, Nevada, and South Dakota have no State income tax;*

*(3) the citizens of those seven States continue to be treated unfairly by paying significantly more in taxes to the Government than taxpayers with an identical profile in different State*

*because they are prohibited from deducting their State sales taxes from their Federal income taxes in lieu of a State income tax;*

*(4) the design of the Federal tax code is preferential in its treatment of States with State income taxes over those without State income taxes;*

*(5) the current Federal tax code infringes upon States' rights to tax their citizens as they see fit in that the Federal tax code exerts unjust influence on States without State income taxes to impose one their citizens;*

*(6) the current surpluses that our Government holds provide an appropriate time and opportunity to allow taxpayers to deduct either their State sales taxes or their State income taxes from their Federal income tax returns; and*

*(7) over 50 Members of the House of Representatives have cosponsored legislation to restore the sales tax deduction option to the Federal tax code.*

*(b) SENSE OF CONGRESS.—It is the sense of Congress that the Committee on Ways and Means and the Committee on Finance should consider legislation that makes State sales tax deductible against Federal income taxes.*

And the Senate agree to the same.

JIM NUSSLE,  
JOHN E. SUNUNU,  
*Managers on the Part of the House.*  
PETE V. DOMENICI,  
CHUCK GRASSLEY,  
DON NICKLES,  
PHIL GRAMM,  
KIT BOND,  
*Managers on the Part of the Senate.*



## JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the Senate and the House at the conference on disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (House Concurrent Resolution 83), establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal 2003, through 2011, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommend in the accompanying conference report:

The Senate amendment struck all out of the House resolution after the resolving clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House resolution and the Senate amendment.

### DISPLAYS AND AMOUNTS

The contents of concurrent budget resolutions are set forth in section 301(a) of the Congressional Budget Act of 1974. The years in this document are fiscal years unless otherwise indicated.

House Resolution.—The House budget resolution includes all of the items required as part of a concurrent budget resolution under section 301(a) of the Congressional Budget Act other than the spending and revenue levels for Social Security (which is used to enforce a point of order applicable only in the Senate).

Senate Amendment.—The Senate amendment includes all of the items required under section 301(a) of the Congressional Budget Act. As permitted under section 301(b) of the Congressional Budget Act, Section 102 of the Senate amendment includes advisory levels on debt held by the public.

Conference Agreement.—The Conference Agreement includes all of the items required by section 301(a) of the Congressional Budget Act.

### AGGREGATES AND FUNCTION LEVELS

**FUNCTION SUMMARY -- HOUSE PASSED RESOLUTION**  
(\$ billions)

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
<b>050 - National Defense</b>													
BA	310,328	324,563	333,273	342,578	352,184	352,095	372,224	382,734	393,539	404,535	416,303	1714,693	3684,028
OT	300,591	319,252	323,548	334,048	347,175	354,571	361,909	375,622	386,526	397,616	409,246	1680,594	3511,513
BA	311,051	324,947	333,440	342,776	352,357	352,267	372,443	382,935	393,741	404,722	416,493	1715,787	3686,121
OT	301,316	319,659	325,723	334,252	347,353	354,748	362,133	375,829	386,735	397,810	409,443	1681,735	3613,685
BA	-0.723	-0.384	-0.167	-0.198	-0.173	-0.172	-0.219	-0.201	-0.202	-0.187	-0.190	-1,094	-2,083
OT	-0.727	-0.407	-0.175	-0.204	-0.178	-0.177	-0.224	-0.207	-0.209	-0.194	-0.197	-1,141	-2,172
<b>150 - International Affairs</b>													
BA	22,424	23,866	23,885	24,493	25,367	25,165	26,932	27,447	28,036	28,422	29,595	123,778	264,208
OT	21,716	23,158	23,174	23,781	24,655	24,453	26,220	26,735	27,326	27,711	28,987	122,918	259,126
BA	22,641	23,858	23,884	24,497	25,370	25,168	26,935	27,450	28,039	28,425	29,598	123,781	264,211
OT	23,259	23,205	23,536	23,977	24,285	24,879	25,562	26,210	26,891	27,416	28,208	119,882	254,228
BA	-0.217	0.008	0.038	-0.009	0.161	0.240	0.310	0.152	0.045	-0.005	0.458	0.458	0.955
OT	-3,589	-3,645	-3,672	-3,558	-3,485	-3,484	-3,421	-3,384	-3,308	-3,255	-3,291	-17,844	-34,503
<b>250 - General Science, Space and Technology</b>													
BA	21,043	22,197	22,633	23,109	23,645	24,295	24,947	25,588	26,240	26,654	27,752	115,879	247,080
OT	19,612	21,043	21,900	22,584	23,174	23,719	24,309	24,925	25,564	26,086	26,869	112,420	240,172
BA	20,901	22,034	22,454	23,072	23,607	24,256	24,907	25,548	26,199	26,612	27,709	115,423	246,398
OT	19,552	20,968	21,787	22,440	23,013	23,612	24,250	24,886	25,524	26,045	26,827	111,820	239,352
BA	0.143	0.163	0.163	0.163	0.163	0.163	0.163	0.163	0.163	0.163	0.163	0.163	0.163
OT	0.050	0.075	0.113	0.144	0.161	0.107	0.069	0.039	0.040	0.041	0.043	0.456	0.820
<b>270 - Energy</b>													
BA	1,225	0,835	0,760	0,912	0,899	1,023	1,103	2,196	2,290	2,267	2,191	4,429	14,476
OT	-0.115	-0.234	-0.531	-0.590	-0.496	-0.354	-0.248	0.385	0.784	0.955	0.927	-2,205	0,598
BA	3,132	2,783	2,730	2,873	3,084	3,203	3,284	3,985	4,045	4,081	4,120	14,773	34,288
OT	3,104	2,926	2,766	2,873	3,016	3,128	3,235	3,978	3,918	4,046	4,108	14,709	33,590
BA	-1,907	-1,948	-1,970	-2,061	-2,165	-2,180	-2,181	-1,789	-1,755	-1,814	-1,929	-10,344	-18,812
OT	-3,219	-3,160	-3,297	-3,463	-3,512	-3,482	-3,463	-3,191	-3,132	-3,091	-3,161	-16,914	-32,992
<b>300 - Natural Resources and Environment</b>													
BA	28,833	26,700	26,837	27,716	27,954	27,954	28,624	29,349	30,620	31,173	32,417	137,145	289,328
OT	26,361	26,403	26,951	27,467	27,866	27,815	28,266	28,774	29,888	30,525	31,509	136,302	285,264
BA	28,740	26,404	26,463	27,192	27,389	27,332	28,130	28,842	29,883	30,154	31,387	134,835	283,031
OT	26,358	26,158	26,588	27,021	27,212	27,332	27,726	28,279	29,018	29,603	30,575	134,311	279,512
BA	0.093	0.296	0.374	0.524	0.549	0.567	0.494	0.507	0.937	1,019	1,030	2,310	6,257
OT	0.003	0.245	0.363	0.446	0.454	0.463	0.540	0.495	0.870	0.922	0.934	1,991	5,752
<b>350 - Agriculture</b>													
BA	25,290	19,144	19,610	18,482	18,337	17,888	16,520	15,648	15,336	15,894	16,123	92,461	172,482
OT	23,654	17,500	16,991	16,971	16,972	16,968	16,520	15,648	15,336	15,894	16,123	92,461	172,482
BA	4,791	4,834	5,193	5,154	5,298	5,461	5,597	5,742	5,892	5,982	6,230	25,930	55,319
OT	4,969	4,765	5,070	5,113	5,232	5,375	5,521	5,663	5,813	5,914	6,127	25,555	54,593
BA	21,499	14,310	13,417	13,328	13,039	12,437	10,923	9,906	9,946	9,912	9,853	66,531	117,111
OT	18,985	12,735	11,911	11,959	11,620	10,913	9,425	8,399	8,546	8,619	8,598	59,138	102,725

**FUNCTION SUMMARY – HOUSE PASSED RESOLUTION**  
(\$ billions)

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
<b>370 - Commerce and Housing</b>													
Credit	3,516	8,715	8,450	14,120	12,730	12,660	13,533	13,851	14,267	16,724	13,519	58,675	130,589
Discretionary	OT	5,657	3,078	9,885	9,013	8,365	9,223	9,308	9,609	12,834	9,807	35,998	86,779
Mandatory	BA	1,363	-0,234	-0,520	-0,942	-0,563	0,269	0,530	0,813	3,972	1,017	-2,268	8,180
Discretionary	OT	2,008	8,949	10,414	10,757	8,928	8,960	8,796	8,796	8,862	8,790	58,998	125,379
Mandatory	OT	1,779	3,552	14,540	13,372	13,253	13,264	13,321	13,291	13,303	13,302	58,998	125,379
on-budget	BA	2,516	7,415	10,507	9,828	9,170	9,029	9,016	8,996	8,862	8,790	38,387	83,080
Discretionary	OT	-0,771	4,357	12,820	12,730	12,660	13,533	13,851	14,267	16,724	13,519	54,175	128,069
Discretionary	BA	1,363	-0,234	-0,520	-0,942	-0,563	0,269	0,530	0,813	3,972	1,017	-2,268	8,180
Mandatory	BA	2,008	8,949	10,414	10,757	8,928	8,960	8,796	8,796	8,862	8,790	58,998	125,379
Mandatory	OT	1,779	3,552	14,540	13,372	13,253	13,264	13,321	13,291	13,303	13,302	58,998	125,379
<b>400 - Transportation</b>													
Discretionary	BA	62,130	60,991	58,721	59,219	60,276	60,800	61,314	61,843	62,194	63,056	298,927	608,134
Mandatory	OT	51,681	56,615	58,299	60,233	61,955	63,709	66,374	68,007	69,301	71,198	299,811	639,613
Mandatory	BA	18,964	18,198	16,554	17,017	17,992	18,469	18,934	19,414	19,710	20,517	85,245	182,289
Mandatory	OT	49,680	53,871	56,215	58,177	59,937	61,747	64,366	65,972	67,319	69,159	289,947	619,744
Mandatory	BA	43,168	44,792	42,167	42,202	42,237	42,331	42,380	42,429	42,484	42,539	213,662	425,645
Mandatory	OT	2,001	1,744	2,084	2,056	1,962	1,941	2,008	2,035	1,962	2,039	9,864	19,869
<b>450 - Community and Regional</b>													
Discretionary	BA	11,285	10,120	10,318	10,667	11,243	11,545	11,844	12,146	12,338	12,844	53,168	113,885
Discretionary	OT	11,359	10,422	10,361	10,667	11,243	11,545	11,844	12,146	12,338	12,844	53,168	113,885
Mandatory	BA	12,048	11,740	11,460	11,073	10,771	10,983	11,292	11,585	11,869	12,181	55,091	113,804
Mandatory	OT	-0,352	-0,031	-0,042	-0,036	0,041	0,041	0,043	0,045	0,046	0,048	0,048	0,271
Mandatory	BA	-0,682	-0,318	-0,499	-0,413	-0,515	-0,526	-0,535	-0,547	-0,560	-0,575	-2,232	-4,975
<b>500 - Education, Training, Employment, and Social Services</b>													
Discretionary	BA	76,886	82,134	82,013	83,888	87,345	92,846	95,701	96,444	100,510	104,626	425,565	917,712
Discretionary	OT	69,790	76,220	81,671	82,281	84,831	87,685	92,862	95,910	98,386	101,380	412,668	891,650
Mandatory	BA	81,189	65,322	65,577	67,595	69,473	71,539	73,462	75,557	78,704	81,957	339,476	726,844
Mandatory	OT	54,012	59,658	66,382	65,959	67,605	69,578	71,592	73,442	75,591	77,211	328,163	705,354
Mandatory	BA	15,557	16,562	16,365	16,322	16,742	17,006	17,244	17,356	17,466	17,576	86,189	188,068
Mandatory	OT	15,778	16,562	16,365	16,322	16,742	17,006	17,244	17,356	17,466	17,576	86,189	188,068
<b>550 - Health</b>													
Discretionary	BA	182,604	203,966	229,688	246,548	266,790	286,985	307,625	329,698	354,229	382,408	1,200,786	2,861,731
Discretionary	OT	175,512	201,117	225,947	244,687	264,574	284,223	305,213	327,566	352,522	380,214	1,187,680	2,837,418
Mandatory	BA	38,771	41,005	45,488	46,966	48,456	50,000	51,362	52,646	53,958	55,192	231,965	501,646
Mandatory	OT	33,770	38,124	41,540	44,682	48,503	48,115	49,636	50,966	52,270	53,401	218,964	480,018
Mandatory	BA	143,833	162,961	184,200	199,562	216,740	235,623	254,979	275,742	299,421	325,499	968,521	2,360,085
Mandatory	OT	141,742	162,961	184,200	199,562	216,740	235,623	254,979	275,742	299,421	325,499	968,521	2,360,085

**FUNCTION SUMMARY -- HOUSE PASSED RESOLUTION**  
(\$ billions)

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
<b>570 - Medicare</b>													
BA	217,531	228,128	243,946	260,240	291,770	309,821	336,143	362,842	381,122	423,445	459,386	1335,005	3307,953
OT	217,709	229,075	243,718	260,446	291,696	309,660	336,382	362,454	380,956	423,696	459,386	1334,830	3307,581
<b>Discretionary</b>	BA	3,451	3,451	3,451	3,451	3,451	3,451	3,451	3,451	3,451	3,451	17,323	36,097
BA	3,269	3,416	3,451	3,512	3,609	3,714	3,813	3,910	4,007	4,078	4,233	17,702	37,741
<b>Mandatory</b>	BA	214,174	240,498	256,995	288,125	306,169	332,291	358,990	387,070	419,329	455,110	1317,166	3269,856
OT	214,439	225,659	240,267	256,934	288,067	305,946	332,553	358,834	386,841	419,622	455,157	1316,893	3269,900
<b>600 - Income Security</b>													
BA	255,942	271,512	281,824	293,331	308,066	315,915	323,428	337,855	349,303	369,890	371,642	1470,648	3212,766
OT	256,932	272,093	282,335	292,461	306,673	314,382	321,895	336,473	347,818	368,217	369,424	1467,944	3201,571
<b>Discretionary</b>	BA	39,454	42,836	44,471	46,187	47,955	49,435	50,846	52,244	53,768	55,088	230,884	500,042
OT	43,974	45,879	47,234	47,546	48,515	49,068	50,006	50,455	51,740	52,440	53,522	238,842	507,490
<b>Mandatory</b>	BA	216,468	228,576	247,353	246,111	258,110	273,990	286,018	295,011	314,500	313,902	1238,764	2702,424
OT	212,358	226,214	236,101	244,915	258,160	264,714	270,889	284,018	293,878	303,292	312,902	1228,102	2694,081
<b>650 - Social Security</b>													
BA	435,131	457,247	479,657	503,759	529,173	555,826	584,078	614,734	649,513	686,200	725,476	2525,652	5785,663
OT	433,121	455,011	477,265	501,544	525,861	553,421	581,478	611,748	646,257	683,437	722,812	2514,092	5759,824
<b>Discretionary</b>	BA	3,448	3,520	3,518	3,519	3,719	3,829	4,033	4,135	4,201	4,373	18,205	38,877
OT	3,388	3,474	3,497	3,574	3,667	3,774	3,875	3,977	4,079	4,148	4,309	17,986	38,374
<b>Mandatory</b>	BA	431,733	453,727	476,139	500,140	525,454	551,997	580,148	610,701	645,378	681,999	2507,457	5746,786
OT	429,733	451,537	473,756	497,970	523,194	549,647	577,603	607,771	642,178	679,289	718,503	2496,106	5721,450
<b>650 on-budget</b>	BA	1,805	1,805	1,805	1,805	1,805	1,805	1,805	1,805	1,805	1,805	1,805	1,805
OT	1,805	1,805	1,805	1,805	1,805	1,805	1,805	1,805	1,805	1,805	1,805	1,805	1,805
<b>Discretionary</b>	BA	0,017	0,018	0,019	0,020	0,021	0,021	0,022	0,022	0,023	0,024	0,099	0,211
OT	0,017	0,018	0,019	0,020	0,021	0,021	0,021	0,022	0,022	0,023	0,024	0,098	0,210
<b>Mandatory</b>	BA	9,768	10,986	11,714	12,477	13,288	14,186	15,147	16,219	17,460	18,854	62,651	150,694
OT	9,768	10,986	11,714	12,477	13,288	14,186	15,147	16,219	17,460	18,854	20,383	62,651	150,694
<b>700 - Veterans Benefits and Services</b>													
BA	46,675	52,261	53,033	55,270	59,329	58,807	58,138	61,998	63,354	64,740	67,114	278,700	594,044
OT	45,928	51,595	52,778	54,884	58,851	58,325	57,668	61,590	62,975	64,394	66,674	276,463	588,764
<b>Discretionary</b>	BA	22,512	24,215	23,447	24,124	24,800	25,541	26,819	27,606	27,942	28,217	122,127	260,045
OT	22,512	24,215	23,447	24,124	24,800	25,541	26,819	27,606	27,942	28,217	28,592	122,127	260,045
<b>Mandatory</b>	BA	24,163	28,046	29,586	31,146	34,529	32,286	35,078	35,748	36,798	37,897	156,573	333,999
OT	23,894	27,745	29,285	30,926	34,290	33,028	31,693	34,948	35,651	36,704	37,602	155,274	332,072
<b>750 - Administration of Justice</b>													
BA	30,577	30,870	31,899	33,592	34,629	35,661	36,609	37,563	38,539	39,189	40,767	166,641	359,308
OT	30,003	30,328	32,116	34,056	35,279	36,611	38,119	37,116	38,090	38,842	40,204	166,467	356,838
<b>Discretionary</b>	BA	29,987	29,726	31,563	31,442	32,340	33,315	35,129	36,051	36,645	38,163	158,386	338,599
OT	29,335	29,530	31,478	31,780	32,388	33,077	33,864	34,909	35,732	36,424	37,726	158,251	336,804
<b>Mandatory</b>	BA	0,668	0,798	0,636	2,276	2,302	2,255	2,434	2,488	2,544	2,604	8,255	20,709
OT	0,668	0,798	0,636	2,276	2,302	2,255	2,255	2,308	2,356	2,416	2,479	8,219	20,604

**FUNCTION SUMMARY -- HOUSE PASSED RESOLUTION**  
(\$ billions)

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
<b>800 - General Government</b>													
Discretionary	16,307	16,671	16,313	16,690	17,035	17,492	17,921	17,981	18,426	18,706	19,430	84,191	176,655
Mandatory	18,095	18,326	18,263	18,927	16,726	17,100	17,504	17,691	17,995	18,285	18,911	83,042	173,428
OT	14,028	14,797	14,753	15,197	15,559	16,014	16,438	16,866	17,298	17,574	18,290	76,320	162,786
BA	13,795	14,493	14,709	14,969	15,286	15,665	16,046	16,447	16,871	17,175	17,794	75,092	159,425
OT	2,279	1,874	1,590	1,483	1,476	1,478	1,483	1,415	1,128	1,132	1,140	7,871	13,869
OT	2,270	1,863	1,554	1,458	1,440	1,435	1,488	1,244	1,124	1,110	1,117	7,950	14,003
<b>900 - Net Interest</b>													
Discretionary	205,109	182,168	189,879	155,381	137,968	121,911	105,477	87,027	66,823	44,585	20,929	767,307	1092,148
Mandatory	205,109	182,168	189,879	155,381	137,968	121,911	105,477	87,027	66,823	44,585	20,929	767,307	1092,148
OT	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
BA	205,109	182,168	189,879	155,381	137,968	121,911	105,477	87,027	66,823	44,585	20,929	767,307	1092,148
OT	205,109	182,168	189,879	155,381	137,968	121,911	105,477	87,027	66,823	44,585	20,929	767,307	1092,148
<b>900 on-budget</b>													
Discretionary	273,584	257,570	253,243	248,531	242,355	238,959	236,545	233,269	229,324	224,395	219,099	1240,658	2383,290
Mandatory	273,584	257,570	253,243	248,531	242,355	238,959	236,545	233,269	229,324	224,395	219,099	1240,658	2383,290
OT	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
BA	273,584	257,570	253,243	248,531	242,355	238,959	236,545	233,269	229,324	224,395	219,099	1240,658	2383,290
OT	273,584	257,570	253,243	248,531	242,355	238,959	236,545	233,269	229,324	224,395	219,099	1240,658	2383,290
<b>920 - Allowances</b>													
Discretionary	-0.472	5,004	5,481	6,017	6,190	6,366	6,583	6,720	6,988	7,151	7,452	29,058	63,950
Mandatory	-0.472	5,004	5,481	6,017	6,190	6,366	6,583	6,720	6,988	7,151	7,452	29,058	63,950
OT	-0.303	5,004	5,481	6,017	6,190	6,366	6,583	6,720	6,988	7,151	7,452	29,058	63,950
BA	-0.303	5,004	5,481	6,017	6,190	6,366	6,583	6,720	6,988	7,151	7,452	29,058	63,950
OT	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>950 - Undistributed Offsetting Receipts</b>													
Discretionary	-46,173	-50,808	-51,475	-53,089	-56,170	-57,901	-60,346	-62,242	-64,210	-66,757	-69,459	-289,443	-612,457
Mandatory	-46,173	-50,808	-51,475	-53,089	-56,170	-57,901	-60,346	-62,242	-64,210	-66,757	-69,459	-289,443	-612,457
OT	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
BA	-46,173	-50,808	-51,475	-53,089	-56,170	-57,901	-60,346	-62,242	-64,210	-66,757	-69,459	-289,443	-612,457
OT	-46,173	-50,808	-51,475	-53,089	-56,170	-57,901	-60,346	-62,242	-64,210	-66,757	-69,459	-289,443	-612,457
<b>950 on-budget</b>													
Discretionary	-38,265	-42,303	-52,308	-53,215	-45,483	-46,461	-48,179	-49,141	-50,203	-51,778	-53,287	-239,750	-492,338
Mandatory	-38,265	-42,303	-52,308	-53,215	-45,483	-46,461	-48,179	-49,141	-50,203	-51,778	-53,287	-239,750	-492,338
OT	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
BA	-38,265	-42,303	-52,308	-53,215	-45,483	-46,461	-48,179	-49,141	-50,203	-51,778	-53,287	-239,750	-492,338
OT	-38,265	-42,303	-52,308	-53,215	-45,483	-46,461	-48,179	-49,141	-50,203	-51,778	-53,287	-239,750	-492,338

**FUNCTION SUMMARY -- HOUSE PASSED RESOLUTION**  
(\$ billions)

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
<b>Total</b>	<b>1907.181</b>	<b>1977.284</b>	<b>2035.745</b>	<b>2112.813</b>	<b>2200.889</b>	<b>2264.582</b>	<b>2344.090</b>	<b>2437.775</b>	<b>2552.815</b>	<b>2634.089</b>	<b>2743.581</b>	<b>10591.293</b>	<b>23283.643</b>
BA	1857.134	1927.165	1987.745	2067.745	2157.165	2247.745	2337.745	2427.745	2517.745	2607.745	2697.745	1046.329	23003.36
OT	645.434	680.788	678.653	697.415	716.791	736.931	758.167	779.370	800.386	821.342	842.358	349.964	7800.74
Discr.	845.308	883.658	707.627	725.080	747.918	765.754	784.681	809.485	832.307	855.817	878.303	3830.034	7790.607
Mand.	1271.747	1315.496	1357.192	1415.398	1484.088	1527.651	1585.933	1658.097	1731.435	1810.459	1896.653	7100.925	15783.402
<b>Total on-budget</b>	<b>1557.188</b>	<b>1613.649</b>	<b>1660.452</b>	<b>1723.275</b>	<b>1800.098</b>	<b>1851.451</b>	<b>1918.415</b>	<b>1998.625</b>	<b>2077.292</b>	<b>2181.555</b>	<b>2252.834</b>	<b>8616.495</b>	<b>19057.648</b>
BA	1508.806	1579.785	1634.539	1698.529	1777.324	1825.563	1889.868	1973.636	2053.589	2139.911	2230.245	8515.730	18802.979
OT	632.003	657.287	675.054	693.816	713.082	733.123	754.248	775.667	797.267	819.452	842.579	3472.362	7461.575
Discr.	841.357	880.199	704.149	721.526	744.274	762.001	780.807	805.530	828.250	851.892	874.018	3612.146	7752.443
Mand.	1251.185	1286.182	1285.582	1344.274	1424.274	1483.562	1554.807	1622.958	1690.025	1758.103	1826.219	5176.583	11596.071
BA	866.889	899.586	930.390	977.003	1033.053	1063.582	1108.061	1168.106	1236.339	1286.219	1356.227	4903.584	11050.536
<b>Revenues</b>	<b>2128.793</b>	<b>2168.069</b>	<b>2259.955</b>	<b>2344.414</b>	<b>2436.749</b>	<b>2521.375</b>	<b>2628.575</b>	<b>2754.151</b>	<b>2889.595</b>	<b>3038.582</b>	<b>3206.212</b>	<b>11730.582</b>	<b>26247.677</b>
<b>Revenues on-budget</b>	<b>1624.679</b>	<b>1635.761</b>	<b>1699.017</b>	<b>1755.74</b>	<b>1816.689</b>	<b>1872.154</b>	<b>1948.64</b>	<b>2041.897</b>	<b>2143.156</b>	<b>2256.553</b>	<b>2387.027</b>	<b>8779.361</b>	<b>18556.434</b>
Surplus	272.049	226.884	252.525	258.562	260.896	285.096	315.632	344.351	383.739	428.900	487.884	1284.033	3244.539
On-budget	115.873	55.976	64.478	57.211	39.365	46.601	55.772	68.061	89.567	116.642	156.782	263.631	753.455
Off-budget	156.176	170.908	188.047	201.351	221.501	238.495	258.860	276.290	294.172	312.258	331.102	1020.402	2491.084

**FUNCTION SUMMARY -- SENATE PASSED RESOLUTION**  
(\$ billions)

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
<b>050 - National Defense</b>													
BA	310.328	334.514	333.426	342.728	352.292	362.163	372.279	382.774	393.559	404.547	416.308	1725.125	3694.592
OT	300.591	326.813	325.703	334.198	347.283	354.659	361.954	375.662	386.546	397.628	409.251	1688.636	3619.697
BA	311.051	334.801	333.440	342.776	352.357	362.257	372.443	382.935	393.741	404.722	416.493	1728.641	3695.975
OT	301.718	327.712	326.516	334.514	347.198	354.659	361.954	375.662	386.546	397.628	409.251	1688.636	3619.697
BA	-0.723	-0.267	-0.123	-0.046	-0.065	-0.104	-0.184	-0.166	-0.185	-0.176	-0.185	-0.519	-1.393
OT	-0.727	-0.310	-0.020	-0.054	-0.070	-0.108	-0.169	-0.167	-0.189	-0.182	-0.182	-0.583	-1.482
<b>150 - International Affairs</b>													
BA	22.424	24.116	24.435	24.543	25.417	26.215	26.982	27.497	28.086	28.472	29.645	124.726	285.408
OT	19.670	19.793	20.414	20.469	20.830	21.445	22.191	22.876	23.633	24.211	25.047	102.951	220.909
BA	22.641	24.108	24.397	24.552	25.238	25.975	26.872	27.345	28.041	28.477	29.650	124.268	284.453
OT	23.259	23.438	24.086	24.027	24.315	24.929	25.612	26.260	26.941	27.466	28.338	120.795	255.412
BA	-0.217	0.008	0.038	-0.009	0.181	0.240	0.310	0.162	0.045	-0.006	-0.006	0.468	0.955
OT	-3.569	-3.645	-3.672	-3.558	-3.485	-3.484	-3.421	-3.354	-3.308	-3.255	-3.291	-17.844	-34.503
<b>250 - General Science, Space and Technology</b>													
BA	21.043	22.798	21.852	22.307	22.859	23.493	24.122	24.741	25.370	25.769	26.829	113.309	240.140
OT	19.612	21.201	21.059	21.325	22.380	22.925	23.486	24.091	24.707	25.211	25.966	109.390	232.861
BA	20.901	22.635	21.673	22.270	22.821	23.454	24.082	24.701	25.329	25.727	26.765	112.853	239.478
OT	19.562	21.126	20.946	21.581	22.219	22.818	23.437	24.052	24.667	25.170	25.925	108.790	232.041
BA	0.142	0.163	0.179	0.037	0.038	0.039	0.040	0.040	0.041	0.042	0.043	0.456	0.662
OT	0.050	0.075	0.113	0.144	0.161	0.107	0.069	0.039	0.040	0.041	0.041	0.600	0.820
<b>270 - Energy</b>													
BA	1.225	1.676	0.985	1.117	1.104	1.238	1.308	2.401	2.495	2.472	2.386	6.090	17.162
OT	-0.115	0.018	-0.265	-0.355	-0.291	-0.149	-0.305	0.560	0.510	0.485	0.432	1.132	1.613
BA	3.132	3.598	2.935	3.178	3.289	3.408	3.489	4.190	4.250	4.288	4.325	16.398	35.938
OT	3.104	3.178	3.031	3.108	3.221	3.333	3.440	3.781	4.121	4.251	4.313	15.871	35.777
BA	-1.907	-1.912	-1.970	-2.051	-2.185	-2.180	-2.181	-1.789	-1.755	-1.814	-1.929	-10.308	-19.776
OT	-3.219	-3.160	-3.297	-3.463	-3.512	-3.482	-3.483	-3.191	-3.132	-3.081	-3.181	-16.914	-32.992
<b>300 - Natural Resources and Environment</b>													
BA	28.833	29.644	27.390	28.169	28.392	28.408	29.074	29.799	31.070	31.623	32.667	142.003	285.436
OT	26.361	29.252	27.480	27.913	28.118	28.268	28.735	29.231	30.338	30.975	31.958	141.031	282.288
BA	28.740	28.986	26.563	27.292	27.459	27.467	28.230	28.942	29.783	30.254	31.487	137.929	286.625
OT	26.660	28.666	26.116	27.143	27.513	27.623	28.023	28.359	29.116	29.703	30.675	137.313	283.014
BA	0.093	0.646	0.787	0.871	0.903	0.891	0.844	0.852	1.117	1.263	1.263	4.974	9.241
OT	0.003	0.592	0.682	0.792	0.806	0.856	0.909	0.852	1.220	1.272	1.263	3.718	9.241
<b>350 - Agriculture</b>													
BA	35.290	25.189	26.655	25.927	25.382	23.933	22.565	20.693	19.881	18.939	19.168	126.696	227.932
OT	24.654	24.641	24.026	24.117	23.897	23.353	20.991	19.107	18.404	17.578	17.770	118.914	212.764
BA	4.791	4.879	5.238	5.189	5.343	5.496	5.642	5.787	5.935	6.027	6.275	26.155	55.821
OT	4.669	4.808	5.115	5.158	5.277	5.420	5.568	5.708	5.858	5.959	6.172	25.776	55.039
BA	21.117	21.317	20.358	20.517	20.629	18.457	16.923	14.906	13.946	12.912	12.863	100.531	172.111
OT	27.385	19.735	18.911	18.959	18.820	16.913	15.423	13.359	12.546	11.619	11.596	93.136	157.725

**FUNCTION SUMMARY -- SENATE PASSED RESOLUTION**  
(\$ billions)

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
<b>370 - Commerce and Housing</b>													
Credit	3,516	8,994	8,503	14,189	12,800	12,729	13,598	13,918	14,332	18,793	13,587	57,215	131,443
Discretionary	OT	5,759	3,131	9,954	9,083	8,434	9,288	9,375	9,674	12,903	9,875	36,361	87,476
Mandatory	BA	1,363	-0,221	-0,451	-0,572	-0,524	0,334	0,597	1,041	5,490	0,285	-1,750	5,997
Mandatory	OT	2,008	0,229	1,053	1,252	1,745	1,359	1,359	0,878	4,041	1,085	-2,026	4,396
Discretionary	BA	1,779	5,533	3,352	10,507	9,828	9,170	9,024	8,096	18,302	13,502	38,965	125,446
Mandatory	OT	2,516	7,694	8,803	12,899	12,729	13,598	13,918	14,332	18,793	13,587	57,215	131,443
Discretionary	BA	-0,771	4,459	3,231	8,654	9,083	9,288	9,375	9,674	12,903	9,875	33,861	84,878
Mandatory	OT	1,363	-0,022	-0,451	-0,572	-0,524	0,334	0,597	1,041	5,490	0,285	-1,750	5,997
Discretionary	BA	2,008	0,229	-0,221	-0,553	-0,736	0,259	0,359	0,878	4,041	1,085	-2,026	4,396
Mandatory	OT	1,153	7,716	8,784	13,340	13,372	13,284	13,321	13,291	13,303	13,302	56,465	122,946
Discretionary	BA	-2,779	4,230	3,452	9,207	9,828	9,170	9,016	8,996	8,862	8,790	35,887	80,580
<b>400 - Transportation</b>													
Discretionary	BA	82,190	62,155	86,246	67,741	89,347	70,953	72,578	74,248	75,769	77,835	330,243	701,516
Mandatory	OT	51,691	55,083	62,549	67,549	62,549	62,549	62,549	62,549	62,549	62,549	302,863	646,766
Discretionary	BA	18,984	17,089	17,135	17,619	18,039	18,039	19,593	20,594	20,594	21,590	85,860	185,860
Mandatory	OT	49,680	54,338	56,868	58,741	60,531	63,594	65,000	66,629	67,984	69,661	292,819	625,697
Discretionary	BA	43,196	45,067	47,616	48,629	49,672	50,753	51,959	54,164	55,364	56,595	241,737	512,716
Mandatory	OT	2,001	1,744	2,056	2,018	1,962	1,841	2,008	2,035	1,982	2,039	9,864	19,869
<b>450 - Community and Regional</b>													
Discretionary	BA	11,225	11,228	10,318	10,587	10,920	11,243	11,545	12,146	12,338	12,844	54,276	114,993
Mandatory	OT	11,366	11,560	11,088	10,780	10,408	10,179	10,325	10,793	11,048	11,345	54,015	108,023
Discretionary	BA	12,048	11,875	11,843	11,343	10,982	11,504	11,601	12,101	12,282	12,786	64,228	114,722
Mandatory	OT	-0,362	0,031	-0,042	-0,020	0,038	0,041	0,043	0,045	0,046	0,048	56,589	114,512
Discretionary	BA	-0,682	-0,318	-0,552	-0,563	-0,758	-0,771	-0,785	-0,802	-0,821	-0,836	-2,874	-5,669
<b>500 - Education, Training, Employment, and Social Services</b>													
Discretionary	BA	76,886	111,857	98,870	105,875	113,361	120,752	127,924	134,409	143,285	159,533	550,715	1,265,449
Mandatory	OT	69,790	79,353	94,054	100,270	107,509	115,992	123,602	130,230	140,009	156,324	487,188	1,194,050
Discretionary	BA	61,189	74,921	66,234	68,252	70,189	72,286	74,240	76,365	78,329	82,864	351,882	743,257
Mandatory	OT	54,012	61,111	65,956	68,648	70,285	72,330	74,210	76,390	78,042	80,219	332,283	713,474
Discretionary	BA	15,557	36,936	32,536	37,623	43,172	48,466	53,684	58,044	64,958	70,006	188,833	522,192
Mandatory	OT	15,778	18,242	28,109	33,622	39,225	45,707	51,272	56,020	61,619	66,655	164,905	480,576
<b>550 - Health</b>													
Discretionary	BA	182,604	216,052	242,906	260,309	257,859	271,154	291,759	312,905	335,471	360,544	1,248,280	2,938,266
Mandatory	OT	175,512	213,242	239,126	258,514	255,591	269,047	310,457	333,359	358,901	387,174	1,235,477	2,914,415
Discretionary	BA	38,771	46,131	50,108	52,296	54,286	56,410	58,292	60,176	62,156	63,738	259,231	570,192
Mandatory	OT	33,770	43,242	46,160	50,012	52,333	54,475	56,965	58,496	60,470	62,331	246,222	548,556
Discretionary	BA	143,833	189,921	192,798	208,013	203,573	214,744	233,466	252,729	273,315	296,806	989,049	2,365,074
Mandatory	OT	141,742	170,000	192,966	208,502	203,258	214,529	232,482	251,961	272,859	296,570	989,255	2,365,859



**FUNCTION SUMMARY -- SENATE PASSED RESOLUTION**  
(\$ billions)

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
<b>570 - Medicare</b>													
BA	217,531	229,128	243,946	260,240	291,770	309,921	335,143	362,842	391,122	423,445	459,396	1335,005	3307,953
OT	217,708	229,075	243,718	260,446	291,596	309,660	335,366	362,744	390,848	423,698	459,390	1334,595	3307,641
BA	3,357	3,448	3,451	3,546	3,646	3,752	3,862	3,952	4,052	4,118	4,286	17,839	35,097
OT	3,289	3,416	3,451	3,512	3,609	3,714	3,813	3,910	4,017	4,118	4,286	17,839	35,097
BA	214,174	225,619	240,369	256,535	285,125	306,173	331,111	358,140	387,077	419,329	455,117	1317,162	3269,856
OT	214,439	225,659	240,267	256,394	285,067	305,946	332,553	358,634	386,841	419,622	455,157	1316,893	3269,900
<b>600 - Income Security</b>													
BA	255,942	278,801	281,124	292,431	307,066	314,915	322,128	336,555	348,003	358,590	370,342	1474,337	3209,955
OT	256,932	274,943	281,660	291,586	305,698	313,407	320,620	335,198	346,343	356,942	368,149	1467,294	3194,548
BA	39,454	46,306	44,471	46,187	47,955	49,435	50,846	52,244	53,768	55,088	57,212	234,354	503,512
OT	43,974	49,349	47,234	47,546	48,515	49,698	51,006	52,455	53,740	54,925	56,522	242,312	510,860
BA	216,488	232,495	236,653	246,244	259,111	265,480	271,282	284,311	294,235	303,502	313,130	1239,983	2708,443
OT	212,968	225,584	234,420	244,040	257,103	263,739	269,514	282,743	292,603	302,017	311,627	1224,962	2693,586
<b>650 - Social Security</b>													
BA	435,181	457,247	479,657	503,759	529,173	555,826	584,078	614,734	649,513	686,200	725,478	2525,662	5785,683
OT	433,121	455,011	477,255	501,544	526,961	553,421	581,478	611,748	646,257	683,437	722,812	2514,092	5759,824
BA	3,458	3,520	3,518	3,619	3,719	3,829	3,930	4,033	4,135	4,201	4,373	18,205	38,877
OT	3,388	3,474	3,497	3,574	3,667	3,774	3,875	3,977	4,079	4,148	4,309	17,986	38,374
BA	431,733	453,727	476,139	500,140	525,454	551,997	580,148	610,701	645,378	681,999	721,103	2507,467	5746,786
OT	429,733	451,537	473,758	497,970	523,194	549,647	577,603	607,771	642,178	679,289	716,503	2496,106	5721,450
<b>650 on-budget</b>													
BA	9,805	10,865	11,315	11,852	12,387	13,038	13,739	14,750	15,927	17,289	18,799	58,467	139,961
OT	9,805	10,865	11,315	11,852	12,387	13,038	13,739	14,750	15,927	17,289	18,799	58,467	139,961
BA	0,017	0,019	0,019	0,020	0,020	0,021	0,021	0,022	0,022	0,023	0,024	0,029	0,111
OT	0,017	0,019	0,019	0,020	0,020	0,021	0,021	0,022	0,022	0,023	0,024	0,029	0,111
BA	9,788	10,846	11,296	11,832	12,367	13,017	13,718	14,728	15,905	17,266	18,775	59,358	139,750
OT	9,788	10,846	11,296	11,832	12,367	13,017	13,718	14,728	15,905	17,266	18,775	59,358	139,750
<b>700 - Veterans Benefits and Services</b>													
BA	46,675	53,789	54,088	56,024	60,007	59,395	58,637	62,418	63,767	65,075	67,366	283,303	600,598
OT	45,926	53,060	53,771	55,841	59,567	58,929	58,119	62,020	63,396	64,736	66,931	280,968	596,231
BA	22,512	26,150	25,165	25,842	26,518	27,259	27,952	28,637	29,324	29,660	30,935	130,934	271,442
OT	22,052	25,688	25,120	25,655	26,287	27,015	27,693	28,360	29,042	29,408	30,590	129,775	274,866
BA	24,163	27,639	28,923	30,182	33,489	32,196	30,686	33,781	34,443	35,415	36,431	152,389	323,124
OT	23,864	27,372	28,651	29,966	33,270	31,934	30,467	33,560	34,354	35,328	36,341	151,193	321,363
<b>750 - Administration of Justice</b>													
BA	30,577	32,370	31,599	33,592	34,629	35,651	36,609	37,563	38,539	39,189	40,787	168,141	380,808
OT	30,003	31,828	32,116	34,056	34,688	35,279	36,119	37,116	38,090	38,842	40,204	167,967	385,338
BA	29,887	31,226	31,563	31,442	32,340	33,315	34,225	35,129	36,051	36,845	38,163	159,886	340,099
OT	29,335	31,030	31,478	31,780	32,368	33,077	33,864	34,908	35,732	36,424	37,725	159,751	335,304
BA	0,590	1,144	0,336	2,150	2,289	2,336	2,384	2,434	2,488	2,544	2,604	8,266	20,709
OT	0,668	0,796	0,638	2,276	2,302	2,202	2,285	2,308	2,358	2,418	2,479	8,216	20,034

**FUNCTION SUMMARY -- SENATE PASSED RESOLUTION**  
**(\$ billions)**

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
800 - General Government	16,307	16,671	16,313	16,680	17,035	17,492	17,921	17,961	18,426	18,706	19,430	84,191	176,655
OT	16,065	16,326	16,263	16,627	16,726	17,100	17,504	17,691	17,995	18,285	18,911	83,042	173,428
Discretionary	14,028	14,797	14,969	15,989	15,559	16,014	16,438	16,866	17,298	17,574	18,290	76,320	162,785
BA	13,795	14,463	14,709	15,167	15,288	15,665	16,046	16,467	16,871	17,175	17,794	75,092	159,425
Mandatory	2,279	1,874	1,580	1,483	1,476	1,478	1,483	1,115	1,128	1,132	1,140	7,891	13,969
OT	2,270	1,863	1,564	1,466	1,440	1,456	1,458	1,244	1,124	1,110	1,117	7,570	14,003
900 - Net interest	206,999	187,261	176,213	162,276	144,815	128,456	111,705	92,939	72,136	49,184	24,834	799,022	114,919
OT	206,999	187,261	176,213	162,276	144,815	128,456	111,705	92,939	72,136	49,184	24,834	799,022	114,919
Discretionary	0	0	0	0	0	0	0	0	0	0	0	0	0
BA	0	0	0	0	0	0	0	0	0	0	0	0	0
900 on-budget	206,999	187,261	176,213	162,276	144,815	128,456	111,705	92,939	72,136	49,184	24,834	799,022	114,919
OT	206,999	187,261	176,213	162,276	144,815	128,456	111,705	92,939	72,136	49,184	24,834	799,022	114,919
Discretionary	275,474	262,661	259,569	255,407	248,170	245,457	242,709	239,087	234,530	228,860	222,839	1272,265	2440,299
OT	0	0	0	0	0	0	0	0	0	0	0	0	0
BA	0	0	0	0	0	0	0	0	0	0	0	0	0
900 on-budget	275,474	262,661	259,569	255,407	248,170	245,457	242,709	239,087	234,530	228,860	222,839	1272,265	2440,299
OT	275,474	262,661	259,569	255,407	248,170	245,457	242,709	239,087	234,530	228,860	222,839	1272,265	2440,299
Discretionary	0	0	0	0	0	0	0	0	0	0	0	0	0
BA	0	0	0	0	0	0	0	0	0	0	0	0	0
920 - Allowances	80,628	-6,056	0,399	0,180	-0,176	-0,561	-0,945	-1,438	-1,875	-2,472	-2,965	-6,214	-15,909
OT	80,628	-6,056	0,399	0,180	-0,176	-0,561	-0,945	-1,438	-1,875	-2,472	-2,965	-6,214	-15,909
Discretionary	0	0	0	0	0	0	0	0	0	0	0	0	0
BA	0	0	0	0	0	0	0	0	0	0	0	0	0
920 on-budget	80,628	-6,056	0,399	0,180	-0,176	-0,561	-0,945	-1,438	-1,875	-2,472	-2,965	-6,214	-15,909
OT	80,628	-6,056	0,399	0,180	-0,176	-0,561	-0,945	-1,438	-1,875	-2,472	-2,965	-6,214	-15,909
Discretionary	0	0	0	0	0	0	0	0	0	0	0	0	0
BA	0	0	0	0	0	0	0	0	0	0	0	0	0
950 - Undistributed Offsetting Receipts	48,173	-47,308	-58,875	-46,389	-57,370	-62,101	-60,536	-62,422	-64,370	-66,897	-69,569	-292,043	-615,837
OT	48,173	-47,308	-58,875	-46,389	-57,370	-62,101	-60,536	-62,422	-64,370	-66,897	-69,569	-292,043	-615,837
Discretionary	0	0	0	0	0	0	0	0	0	0	0	0	0
BA	0	0	0	0	0	0	0	0	0	0	0	0	0
950 on-budget	48,173	-47,308	-58,875	-46,389	-57,370	-62,101	-60,536	-62,422	-64,370	-66,897	-69,569	-292,043	-615,837
OT	48,173	-47,308	-58,875	-46,389	-57,370	-62,101	-60,536	-62,422	-64,370	-66,897	-69,569	-292,043	-615,837
Discretionary	38,265	-38,803	-49,708	-46,663	-50,661	-50,661	-48,369	-49,321	-50,363	-51,918	-53,397	-242,350	-495,718
OT	38,265	-38,803	-49,708	-46,663	-50,661	-50,661	-48,369	-49,321	-50,363	-51,918	-53,397	-242,350	-495,718
Discretionary	0	0	0	0	0	0	0	0	0	0	0	0	0
BA	0	0	0	0	0	0	0	0	0	0	0	0	0
950 on-budget	38,265	-38,803	-49,708	-46,663	-50,661	-50,661	-48,369	-49,321	-50,363	-51,918	-53,397	-242,350	-495,718
OT	38,265	-38,803	-49,708	-46,663	-50,661	-50,661	-48,369	-49,321	-50,363	-51,918	-53,397	-242,350	-495,718
Discretionary	0	0	0	0	0	0	0	0	0	0	0	0	0
BA	0	0	0	0	0	0	0	0	0	0	0	0	0

**FUNCTION SUMMARY -- SENATE PASSED RESOLUTION**  
(\$ billions)

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
Total	1999.071	2051.127	2083.837	2160.372	2245.076	2309.659	2397.848	2494.731	2595.204	2699.859	2815.397	10850.072	23853.110
Discretionary a/	1948.629	1979.210	2046.077	2123.297	2209.414	2270.710	2355.346	2454.495	2555.608	2661.707	2776.016	10628.709	23431.880
BA	635.434	686.397	691.319	699.562	718.949	739.099	760.320	781.843	803.543	825.797	848.094	3327.345	7547.942
OT	1313.195	1292.813	1354.758	1423.735	1490.465	1531.611	1595.026	1672.652	1752.065	1835.910	1927.922	7301.364	15883.938
Mandatory	195.442	171.917	137.760	137.075	135.662	138.949	142.502	139.236	191.596	178.152	169.383	1571.367	341.232
OT	1303.321	1280.581	1335.318	1395.695	1459.057	1502.629	1568.412	1642.845	1721.138	1803.723	1895.547	7323.329	18205.169
Total on-budget	1649.078	1687.350	1708.118	1770.170	1843.352	1895.312	1970.680	2054.006	2138.019	2225.603	2322.897	8904.303	19515.507
BA	1600.696	1617.668	1672.760	1735.310	1810.002	1858.768	1930.778	2016.756	2101.679	2190.214	2286.180	8694.509	19220.115
OT	632.003	684.896	677.920	695.883	715.250	736.290	756.411	777.832	799.430	821.619	844.745	3609.239	7505.276
Discretionary	641.937	695.173	707.281	724.048	746.660	764.328	783.080	807.695	830.413	853.859	876.184	3637.510	7788.741
BA	1017.075	1002.454	1030.288	1074.187	1128.102	1160.022	1214.269	1276.174	1338.589	1403.984	1478.152	5395.064	12106.231
Mandatory	958.759	922.495	955.479	1011.262	1053.322	1094.440	1147.696	1209.061	1271.266	1336.355	1405.996	5056.999	11431.374
Revenues	2134.399	2177.131	2263.552	2360.422	2473.967	2564.678	2675.782	2807.658	2953.339	3102.648	3279.146	11879.750	26698.323
Revenues on-budget	1630.290	1644.823	1722.614	1791.748	1853.907	1915.457	1995.847	2095.204	2206.900	2320.619	2459.961	8928.549	20007.080
Surplus	185.770	197.921	237.475	257.125	264.553	293.968	320.436	353.163	387.731	440.941	503.130	1251.041	3265.443
On-budget	29.594	27.155	49.854	56.438	43.906	56.689	65.069	78.448	105.221	130.405	173.781	234.040	786.965
Off-budget	156.176	170.766	187.621	200.687	220.648	237.279	255.367	274.715	292.510	310.536	329.349	1017.001	2479.478

a/ Discretionary spending in this summary reflects the levels that will apply once new discretionary limits are enacted.

**CONFERENCE REPORT FISCAL YEAR 2002  
BUDGET RESOLUTION TOTAL SPENDING AND REVENUES  
(\$ billions)**

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
<b>050 - National Defense</b>													
BA	316.873	324.832	333.646	342.294	350.876	359.807	369.023	378.505	388.323	398.338	408.821	1711.455	3654.485
OT	302.371	319.137	326.643	335.184	343.073	351.482	359.774	368.242	376.916	385.727	394.679	1681.519	3590.798
Discretionary	317.596	325.070	332.707	340.418	348.116	355.860	363.521	371.195	378.869	386.516	394.151	1732.151	3655.118
BA	306.868	314.534	322.191	329.848	337.505	345.162	352.819	360.476	368.133	375.790	383.447	1642.863	3540.839
Mandatory	-0.727	-0.261	-0.069	-0.130	-0.135	-0.148	-0.213	-0.196	-0.204	-0.185	-0.191	-0.743	-1.732
<b>150 - International Affairs</b>													
BA	22.424	23.214	23.750	24.214	24.911	25.504	26.107	26.482	26.937	27.458	28.065	121.593	256.642
OT	19.670	19.062	19.554	20.164	20.431	20.900	21.494	22.031	22.650	23.235	23.766	100.131	213.307
Discretionary	22.641	23.206	23.712	24.223	24.730	25.264	25.797	26.330	26.892	27.463	28.070	121.135	255.687
BA	21.558	22.123	22.629	23.135	23.641	24.147	24.653	25.159	25.665	26.171	26.677	112.139	240.000
Mandatory	-0.217	0.008	0.039	-0.009	0.181	0.240	0.310	0.152	0.045	-0.005	-0.005	0.458	0.955
BA	-3.589	-3.645	-3.672	-3.658	-3.485	-3.484	-3.421	-3.384	-3.308	-3.255	-3.291	-17.844	-34.503
<b>250 - General Science, Space and Technology</b>													
BA	21.043	21.583	22.055	22.378	22.839	23.323	23.812	24.303	24.816	25.335	25.879	112.179	236.324
OT	19.612	20.725	21.361	21.845	22.429	22.847	23.280	23.743	24.239	24.749	25.274	109.307	230.592
Discretionary	20.901	21.420	21.876	22.342	22.801	23.284	23.772	24.263	24.775	25.293	25.836	111.723	235.662
BA	19.558	20.077	20.596	21.115	21.634	22.153	22.672	23.191	23.710	24.229	24.748	108.152	228.872
Mandatory	0.142	0.553	0.179	0.037	0.039	0.040	0.040	0.040	0.040	0.040	0.040	0.566	0.652
OT	0.050	0.075	0.113	0.144	0.161	0.107	0.059	0.039	0.040	0.041	0.041	0.600	0.820
<b>270 - Energy</b>													
BA	1.225	1.360	1.328	1.309	1.254	1.336	1.411	1.882	1.998	2.021	1.990	6.587	15.889
OT	-0.115	-0.019	-0.072	-0.120	-0.091	-0.003	0.071	0.440	0.579	0.703	0.691	-0.305	2.179
Discretionary	3.132	3.308	3.298	3.370	3.439	3.516	3.592	3.671	3.753	3.835	3.919	16.531	35.701
BA	3.104	3.143	3.185	3.226	3.267	3.308	3.349	3.390	3.431	3.472	3.513	16.509	35.611
Mandatory	-0.948	-0.948	-0.948	-0.948	-0.948	-0.948	-0.948	-0.948	-0.948	-0.948	-0.948	-0.948	-0.948
OT	-3.219	-3.160	-3.297	-3.463	-3.512	-3.482	-3.483	-3.191	-3.132	-3.091	-3.181	-16.914	-32.992
<b>300 - Natural Resources and Environment</b>													
BA	28.833	30.381	31.263	32.249	33.091	33.985	34.767	35.691	37.064	38.111	39.137	160.949	345.719
OT	26.361	28.652	30.368	31.506	32.365	33.281	34.126	34.903	36.194	37.190	38.190	156.172	336.775
Discretionary	28.740	29.735	30.636	31.372	32.188	33.044	33.923	34.834	35.777	36.742	37.757	156.875	335.908
BA	26.858	28.060	29.075	30.074	31.069	32.045	33.217	34.051	34.974	35.918	36.907	152.454	327.521
Mandatory	0.003	0.592	0.592	0.792	0.806	0.836	0.809	0.852	1.220	1.272	1.283	3.718	9.254
<b>350 - Agriculture</b>													
BA	31.790	26.265	26.507	26.562	26.406	25.452	24.083	22.723	21.921	21.553	21.703	131.192	243.175
OT	29.154	24.593	24.924	25.120	24.915	23.853	22.509	21.134	20.441	20.174	20.319	123.405	227.982
Discretionary	4.791	4.955	5.090	5.234	5.367	5.515	5.660	5.817	5.975	6.141	6.310	26.161	56.064
BA	4.669	4.858	5.013	5.161	5.295	5.440	5.684	5.735	5.895	6.055	6.221	25.767	55.257
Mandatory	24.885	19.735	19.911	19.959	19.820	18.413	18.923	18.596	14.546	14.119	13.593	97.638	172.725
<b>370 - Commerce and Housing Credit</b>													
BA	3.518	11.474	11.294	17.342	16.163	16.138	16.245	16.404	16.479	16.597	16.714	72.411	154.850
OT	0.229	7.887	5.852	13.033	12.387	11.790	12.061	11.894	11.934	11.889	11.915	50.949	110.642
Discretionary	1.363	2.525	2.610	2.791	2.895	2.981	3.032	3.083	3.188	3.294	3.412	13.613	28.471
BA	2.008	2.357	2.600	2.526	2.569	2.620	2.698	2.878	2.938	3.027	3.125	12.562	25.662
Mandatory	2.153	8.948	8.684	14.640	13.572	13.253	13.264	13.321	13.291	13.303	13.302	56.096	125.379

**CONFERENCE REPORT FISCAL YEAR 2002  
BUDGET RESOLUTION TOTAL SPENDING AND REVENUES  
(\$ billions)**

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
<b>370 on-budget</b>													
OT	-1,779	5,530	3,352	10,507	9,828	9,170	9,029	9,016	8,996	8,962	8,790	38,387	83,080
BA	2,516	10,174	11,394	16,042	16,163	16,138	16,245	16,404	16,479	16,597	16,714	69,911	152,350
<b>Discretionary</b>	-0,771	6,587	5,952	11,733	12,387	11,790	12,061	11,894	11,934	11,889	11,915	48,449	105,142
BA	1,363	2,525	2,610	2,702	2,791	2,885	2,881	3,083	3,188	3,294	3,412	13,513	28,471
OT	2,008	2,357	2,500	2,526	2,559	2,620	3,032	2,878	2,838	3,027	3,125	12,562	27,562
<b>Mandatory</b>	1,153	7,849	8,784	13,340	13,372	13,253	13,264	13,321	13,291	13,303	13,302	56,398	122,879
OT	-2,779	4,230	3,452	9,207	9,828	9,170	9,029	9,016	8,996	8,962	8,790	35,867	80,560
<b>400 - Transportation</b>													
BA	62,130	64,965	62,392	64,154	65,907	67,794	69,637	71,490	73,377	76,412	78,652	325,212	694,780
OT	51,681	56,167	60,521	62,662	64,225	65,702	66,577	67,775	69,221	70,588	72,183	309,277	655,621
<b>Discretionary</b>	18,964	19,652	20,215	20,797	21,364	21,961	22,577	23,217	23,874	24,551	25,257	103,989	223,469
OT	49,680	54,423	58,437	60,505	62,207	63,740	64,536	65,767	67,186	68,606	70,144	299,413	635,752
<b>Mandatory</b>	43,186	45,313	42,177	43,357	44,543	45,833	47,060	48,273	49,503	51,861	53,395	221,223	471,315
OT	2,001	1,744	2,084	2,056	2,018	1,962	1,941	2,008	2,035	1,982	2,039	9,864	19,869
<b>450 - Community and Regional Development</b>													
BA	11,225	11,892	12,067	12,350	12,664	12,933	13,198	13,476	13,759	14,048	14,340	61,906	130,727
OT	11,366	11,730	11,731	11,967	11,913	11,936	12,181	12,444	12,696	12,962	13,233	59,277	122,793
<b>Discretionary</b>	11,577	11,881	12,109	12,370	12,626	12,892	13,157	13,433	13,714	14,002	14,292	61,858	130,456
OT	12,048	12,048	12,230	12,380	12,400	12,451	12,707	12,979	13,243	13,522	13,808	61,509	127,768
<b>Mandatory</b>	-0,352	0,031	-0,042	-0,020	0,038	0,041	0,041	0,043	0,045	0,046	0,048	0,048	0,271
OT	-0,862	-0,318	-0,499	-0,413	-0,467	-0,515	-0,526	-0,535	-0,547	-0,560	-0,575	-2,232	-4,975
<b>500 - Education, Training, Employment, and Social Services</b>													
BA	76,951	81,234	82,805	84,395	87,122	89,233	91,327	93,501	95,780	98,113	100,517	424,780	904,018
OT	69,850	76,742	81,479	83,574	85,819	87,924	89,955	92,115	94,341	96,654	99,017	415,538	887,620
<b>Discretionary</b>	61,189	64,377	65,734	67,063	68,375	69,747	71,133	72,537	73,979	75,442	76,963	335,296	705,350
OT	54,012	60,140	64,780	66,472	67,774	69,067	70,458	71,865	73,277	74,734	76,227	328,233	694,784
<b>Mandatory</b>	15,762	16,857	17,071	17,323	18,747	19,486	20,194	20,964	21,801	22,671	23,554	89,484	198,688
OT	15,838	16,602	16,699	17,102	18,045	18,857	19,497	20,250	21,054	21,920	22,790	87,305	192,826
<b>550 - Health</b>													
BA	180,104	198,775	221,150	235,474	242,681	259,125	278,882	299,116	320,791	345,380	372,407	1,157,185	2,773,761
OT	173,012	198,668	219,770	234,872	241,084	257,594	276,575	297,091	319,017	343,729	370,945	1,149,788	2,757,145
<b>Discretionary</b>	38,771	39,827	40,725	41,634	42,536	43,479	44,439	45,412	46,426	47,449	48,523	208,201	440,450
OT	33,770	37,688	39,238	40,409	41,345	42,229	43,167	44,119	45,098	46,098	47,128	200,509	426,519
<b>Mandatory</b>	141,333	158,948	180,425	193,840	200,125	215,646	234,443	253,704	274,365	297,931	323,884	948,984	2,333,311
OT	138,242	158,080	180,532	194,263	199,739	215,365	233,408	252,572	273,919	297,631	323,817	948,879	2,330,626

**CONFERENCE REPORT FISCAL YEAR 2002  
BUDGET RESOLUTION TOTAL SPENDING AND REVENUES  
(\$ billions)**

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
<b>570 - Medicare</b>													
BA	217,531	229,179	244,838	271,378	306,158	326,564	363,688	353,886	424,278	458,957	497,379	1378,117	3516,103
OT	217,708	229,121	244,596	271,579	306,079	326,298	363,901	353,578	423,993	459,194	497,366	1377,873	3515,705
<b>Discretionary</b>													
BA	3,357	3,560	3,640	3,763	3,933	4,095	4,275	4,476	4,688	4,908	5,149	18,951	42,447
OT	3,269	3,462	3,629	3,745	3,892	4,052	4,228	4,424	4,632	4,852	5,089	18,780	42,005
<b>Mandatory</b>													
BA	214,174	225,679	241,198	267,595	302,225	322,469	359,411	359,210	419,590	454,049	492,230	1359,166	3473,656
OT	214,459	225,659	240,967	267,634	302,167	322,246	359,673	359,154	419,361	454,342	492,277	1358,693	3473,700
<b>600 - Income Security</b>													
BA	255,942	273,840	283,864	295,030	309,192	316,761	324,056	338,278	349,561	360,308	371,593	1478,687	3222,483
OT	256,932	272,122	282,811	293,420	307,667	315,312	322,627	336,950	347,987	358,600	369,419	1471,132	3206,715
<b>Discretionary</b>													
BA	39,454	44,845	46,511	47,886	49,081	50,281	51,474	52,667	54,026	55,506	57,163	238,604	505,440
OT	43,974	45,828	47,485	48,480	49,484	50,573	51,713	52,907	54,084	55,283	56,492	241,850	512,329
<b>Mandatory</b>													
BA	216,488	228,995	237,353	247,144	260,111	266,480	272,982	285,611	295,535	304,802	314,430	1240,083	2713,043
OT	212,958	225,234	235,126	244,940	258,183	264,739	270,914	284,043	293,903	303,317	312,927	1229,282	2694,386
<b>650 - Social Security</b>													
BA	435,181	457,324	479,853	503,978	529,413	556,082	584,393	615,054	649,872	686,642	725,901	2526,650	5788,482
OT	433,121	455,079	477,432	501,752	527,095	553,672	581,756	612,060	646,006	683,864	723,230	2515,030	5762,546
<b>Discretionary</b>													
BA	3,448	3,597	3,714	3,838	3,959	4,085	4,215	4,353	4,494	4,643	4,798	19,193	41,698
OT	3,388	3,542	3,674	3,782	3,901	4,025	4,153	4,289	4,428	4,575	4,727	18,924	41,096
<b>Mandatory</b>													
BA	431,733	453,727	476,139	500,140	525,454	551,997	580,148	610,701	645,378	681,959	721,103	2507,467	5746,786
OT	429,733	451,537	473,758	497,970	523,194	549,647	577,603	607,771	642,178	679,289	718,503	2486,106	5724,450
<b>650 on-budget</b>													
BA	18,548	19,357	19,958	20,568	21,178	21,788	22,398	23,008	23,618	24,228	24,838	98,458	215,568
OT	9,805	11,003	11,733	12,496	13,308	14,207	15,168	16,241	17,483	18,878	20,388	62,747	150,905
<b>Discretionary</b>													
BA	0,017	0,019	0,019	0,019	0,020	0,021	0,021	0,022	0,023	0,024	0,025	0,097	0,212
OT	0,017	0,017	0,019	0,019	0,020	0,021	0,021	0,022	0,023	0,024	0,025	0,096	0,211
<b>Mandatory</b>													
BA	9,788	10,986	11,714	12,477	13,288	14,186	15,147	16,219	17,460	18,854	20,363	62,651	150,694
OT	9,788	10,986	11,714	12,477	13,288	14,186	15,147	16,219	17,460	18,854	20,363	62,651	150,694
<b>700 - Veterans Benefits and Services</b>													
BA	46,676	51,512	53,801	56,161	60,317	69,853	59,345	63,407	64,991	66,973	69,053	281,854	605,423
OT	45,926	50,921	53,408	55,744	59,847	59,398	58,853	62,971	64,570	66,555	68,632	279,286	600,869
<b>Discretionary</b>													
BA	22,512	23,466	24,215	25,015	25,788	26,597	27,441	28,328	29,233	30,175	31,166	125,081	271,424
OT	22,062	23,176	24,123	24,818	25,557	26,340	27,160	28,023	28,919	29,851	30,830	124,014	268,797
<b>Mandatory</b>													
BA	24,163	28,046	29,586	31,146	34,529	33,266	31,904	35,079	35,748	36,798	37,887	156,573	333,989
OT	23,864	27,745	29,295	30,926	34,290	33,028	31,693	34,948	35,651	36,704	37,802	155,274	332,072
<b>750 - Administration of Justice</b>													
BA	30,577	32,431	32,545	35,230	35,420	37,456	38,549	39,655	40,822	42,051	43,284	174,192	378,527
OT	30,503	31,436	32,809	35,543	35,347	37,036	38,013	39,152	40,362	41,643	42,728	173,171	371,839
<b>Discretionary</b>													
BA	29,987	31,267	32,209	33,180	34,131	35,130	36,159	37,231	38,334	39,477	40,680	165,937	357,818
OT	29,335	30,638	32,171	33,267	34,045	34,834	35,758	36,844	37,934	39,065	40,249	164,955	354,805
<b>Mandatory</b>													
BA	0,590	1,144	0,336	2,150	2,289	2,336	2,384	2,434	2,488	2,544	2,604	8,255	20,709
OT	0,668	0,798	0,638	2,276	2,302	2,202	2,295	2,308	2,358	2,418	2,479	8,216	20,034
<b>800 - General Government</b>													
BA	16,397	16,496	16,551	17,092	17,650	18,058	18,609	19,701	19,977	19,988	20,590	84,857	183,291
OT	16,065	16,193	16,493	16,978	17,201	17,641	18,144	18,445	18,802	19,437	20,048	84,806	177,162
<b>Discretionary</b>													
BA	14,028	14,822	15,091	15,959	16,094	16,590	17,126	17,676	18,249	18,836	19,459	77,966	169,332
OT	13,795	14,330	14,939	15,320	15,761	16,205	16,686	17,201	17,758	18,327	18,931	76,556	165,459
<b>Mandatory</b>													
BA	2,279	1,874	1,560	1,483	1,476	1,408	1,483	1,115	1,128	1,132	1,140	7,871	13,869
OT	2,270	1,863	1,554	1,858	1,440	1,435	1,458	1,244	1,124	1,110	1,117	7,950	14,003

CONFERENCE REPORT FISCAL YEAR 2002  
BUDGET RESOLUTION TOTAL SPENDING AND REVENUES  
(\$ billions)

Function	2001	2002	2003	2004	2005	2006	2007	2008	2010	2011	2002-06	2002-11
<b>900 - Net Interest</b>	<b>206 992</b>	<b>186 707</b>	<b>174 930</b>	<b>160 500</b>	<b>142 479</b>	<b>126 747</b>	<b>103 714</b>	<b>89 384</b>	<b>68 051</b>	<b>44 200</b>	<b>790 362</b>	<b>1119 509</b>
OT	206 992	186 707	174 930	160 500	142 479	126 747	103 714	89 384	68 051	44 200	790 362	1119 509
BA	0	0	0	0	0	0	0	0	0	0	0	0
Discretionary	0	0	0	0	0	0	0	0	0	0	0	0
Mandatory	0	0	0	0	0	0	0	0	0	0	0	0
<b>900 on-budget</b>	<b>206 992</b>	<b>186 707</b>	<b>174 930</b>	<b>160 500</b>	<b>142 479</b>	<b>126 747</b>	<b>103 714</b>	<b>89 384</b>	<b>68 051</b>	<b>44 200</b>	<b>790 362</b>	<b>1119 509</b>
OT	206 992	186 707	174 930	160 500	142 479	126 747	103 714	89 384	68 051	44 200	790 362	1119 509
BA	0	0	0	0	0	0	0	0	0	0	0	0
Discretionary	0	0	0	0	0	0	0	0	0	0	0	0
Mandatory	0	0	0	0	0	0	0	0	0	0	0	0
<b>900 on-budget</b>	<b>206 992</b>	<b>186 707</b>	<b>258 286</b>	<b>253 631</b>	<b>246 834</b>	<b>242 748</b>	<b>233 718</b>	<b>235 542</b>	<b>230 445</b>	<b>223 876</b>	<b>1263 605</b>	<b>2409 989</b>
OT	275 467	262 107	258 286	253 631	246 834	242 748	233 718	235 542	230 445	223 876	1263 605	2409 989
BA	0	0	0	0	0	0	0	0	0	0	0	0
Discretionary	0	0	0	0	0	0	0	0	0	0	0	0
Mandatory	0	0	0	0	0	0	0	0	0	0	0	0
<b>920 - Allowances</b>	<b>84 597</b>	<b>-5 953</b>	<b>-6 115</b>	<b>-6 262</b>	<b>-6 423</b>	<b>-6 580</b>	<b>-6 744</b>	<b>-6 908</b>	<b>-7 079</b>	<b>-7 251</b>	<b>-31 340</b>	<b>-66 750</b>
OT	84 597	-5 953	-6 115	-6 262	-6 423	-6 580	-6 744	-6 908	-7 079	-7 251	-31 340	-66 750
BA	0	0	0	0	0	0	0	0	0	0	0	0
Discretionary	0	0	0	0	0	0	0	0	0	0	0	0
Mandatory	0	0	0	0	0	0	0	0	0	0	0	0
<b>950 - Undistributed Offsetting Receipts</b>	<b>-46 173</b>	<b>-47 308</b>	<b>-58 675</b>	<b>-66 189</b>	<b>-57 170</b>	<b>-61 901</b>	<b>-60 346</b>	<b>-62 242</b>	<b>-64 210</b>	<b>-66 757</b>	<b>-614 257</b>	<b>-614 257</b>
OT	-46 173	-47 308	-58 675	-66 189	-57 170	-61 901	-60 346	-62 242	-64 210	-66 757	-614 257	-614 257
BA	0	0	0	0	0	0	0	0	0	0	0	0
Discretionary	0	0	0	0	0	0	0	0	0	0	0	0
Mandatory	0	0	0	0	0	0	0	0	0	0	0	0
<b>950 on-budget</b>	<b>-46 173</b>	<b>-47 308</b>	<b>-58 675</b>	<b>-66 189</b>	<b>-57 170</b>	<b>-61 901</b>	<b>-60 346</b>	<b>-62 242</b>	<b>-64 210</b>	<b>-66 757</b>	<b>-614 257</b>	<b>-614 257</b>
OT	-46 173	-47 308	-58 675	-66 189	-57 170	-61 901	-60 346	-62 242	-64 210	-66 757	-614 257	-614 257
BA	0	0	0	0	0	0	0	0	0	0	0	0
Discretionary	0	0	0	0	0	0	0	0	0	0	0	0
Mandatory	0	0	0	0	0	0	0	0	0	0	0	0
<b>950 on-budget</b>	<b>-38 265</b>	<b>-38 803</b>	<b>-49 508</b>	<b>-56 315</b>	<b>-46 463</b>	<b>-50 461</b>	<b>-48 179</b>	<b>-49 141</b>	<b>-50 203</b>	<b>-51 778</b>	<b>-241 550</b>	<b>-494 138</b>
OT	-38 265	-38 803	-49 508	-56 315	-46 463	-50 461	-48 179	-49 141	-50 203	-51 778	-241 550	-494 138
BA	0	0	0	0	0	0	0	0	0	0	0	0
Discretionary	0	0	0	0	0	0	0	0	0	0	0	0
Mandatory	0	0	0	0	0	0	0	0	0	0	0	0
<b>950 on-budget</b>	<b>-38 265</b>	<b>-38 803</b>	<b>-49 508</b>	<b>-56 315</b>	<b>-46 463</b>	<b>-50 461</b>	<b>-48 179</b>	<b>-49 141</b>	<b>-50 203</b>	<b>-51 778</b>	<b>-241 550</b>	<b>-494 138</b>
OT	-38 265	-38 803	-49 508	-56 315	-46 463	-50 461	-48 179	-49 141	-50 203	-51 778	-241 550	-494 138
BA	0	0	0	0	0	0	0	0	0	0	0	0
Discretionary	0	0	0	0	0	0	0	0	0	0	0	0
Mandatory	0	0	0	0	0	0	0	0	0	0	0	0

**CONFERENCE REPORT FISCAL YEAR 2002  
BUDGET RESOLUTION TOTAL SPENDING AND REVENUES  
(\$ Billions)**

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-06	2002-11
<b>Total</b>	<b>2003.674</b>	<b>1990.203</b>	<b>2049.949</b>	<b>2129.714</b>	<b>2221.841</b>	<b>2286.679</b>	<b>2378.718</b>	<b>2472.687</b>	<b>2566.898</b>	<b>2668.427</b>	<b>2777.954</b>	<b>10678.386</b>	<b>23543.071</b>
Discretionary a/	1948.462	1961.945	2020.613	2103.122	2195.832	2255.976	2343.601	2439.456	2532.731	2633.611	2741.534	10927.388	23218.221
OT	1844.569	1857.979	1916.724	1999.574	2092.277	2152.421	2240.046	2336.910	2430.130	2531.530	2640.320	10735.456	22983.530
Mandatory	647.088	692.276	707.094	725.949	748.329	761.752	777.510	799.616	819.696	840.153	857.270	3423.890	7723.326
BA	1361.985	1328.903	1371.072	1433.157	1508.064	1554.945	1628.510	1703.573	1778.080	1859.405	1947.624	7196.140	16113.332
OT	1301.374	1269.169	1313.429	1377.174	1449.503	1494.224	1566.089	1639.840	1713.045	1793.359	1880.064	6903.498	15495.895
BA	1653.681	1626.488	1674.452	1739.937	1820.798	1873.245	1952.694	2033.133	2110.810	2195.318	2286.618	8734.920	19313.594
OT	1600.529	1590.474	1647.437	1715.571	1797.107	1844.952	1920.184	2002.896	2080.009	2163.180	2252.869	8595.541	19014.679
Discretionary	638.548	657.721	675.182	692.739	709.838	727.870	746.014	764.783	784.348	804.403	825.957	3463.150	7388.255
OT	643.177	669.421	683.429	699.426	714.436	731.716	749.319	767.359	785.281	803.502	821.768	3575.052	7681.441
BA	1843.137	1849.251	1907.273	1942.166	1994.865	2041.754	2090.589	2140.599	2191.457	2243.555	2296.789	9058.828	20328.153
Mandatory	956.812	911.223	944.008	993.386	1054.859	1087.204	1146.804	1207.547	1264.728	1327.579	1396.101	4990.479	11333.238
Revenues	2134.571	2170.510	2266.982	2368.984	2472.706	2550.525	2674.609	2802.180	2940.393	3100.084	3255.735	11829.707	28602.708
Revenues on-budget	1630.462	1638.202	1706.044	1780.310	1852.646	1901.304	1994.674	2069.726	2193.954	2318.055	2436.550	8878.506	19911.465
Surplus	186.109	218.595	246.469	285.852	276.874	294.549	331.008	382.724	407.662	468.572	514.201	1302.519	3384.467
On-budget	29.939	47.828	69.867	86.955	76.599	56.365	37.159	38.845	39.535	40.535	41.535	165.535	389.765
Off-budget	156.176	170.837	187.882	201.123	221.335	238.197	256.518	275.894	293.717	311.698	330.520	1019.354	2487.701
Debt Held by the Public	3243.211	3037.867	2810.731	2563.647	2303.144	2022.464	1702.918	1349.973	947.307	878.000	818.000		
Accumulated Excess Cash	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	392.678	843.560		

a/ Discretionary spending in this summary reflects the levels that will apply once new discretionary limits are enacted.



## ECONOMIC ASSUMPTIONS

Section 301(g)(2) of the Congressional Budget Act requires that the joint explanatory statement accompanying a conference report on a budget resolution set forth the common economic assumptions upon which the joint statement and conference report are based. The Conference Agreement is built upon the economic forecasts developed by the Congressional Budget Office and presented in CBO's "The Economic and Budget Outlook: Fiscal Years 2002–2011" (January 2001).

House Resolution.—CBO's economic assumptions were used.

Senate Amendment.—CBO's economic assumptions were used.

Conference Agreement.—CBO's economic assumptions were used.

ECONOMIC ASSUMPTIONS  
(By calendar years)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-2011
Percent change, year over year:												
Real GDP Growth	2.4	3.4	3.3	3.0	3.0	3.0	3.0	3.0	3.0	3.1	3.1	3.1
Consumer Price Index	2.8	2.8	2.7	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.6
GDP Price Index	2.3	2.1	2.0	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9
Percent, annual average:												
Unemployment Rate	4.4	4.5	4.5	4.7	4.8	4.9	5.0	5.1	5.2	5.2	5.2	4.9
Three-Month Treasury Bill Rate	4.8	4.9	5.0	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9	4.9
Ten-Year Treasury Note Rate	4.9	5.3	5.5	5.6	5.7	5.8	5.8	5.8	5.8	5.8	5.8	5.7

## FUNCTIONS AND REVENUES

Pursuant to section 301(a)(3) of the Budget Act, the budget resolution must set appropriate levels for each major functional category based on the 302(a) allocations and the budgetary totals.

The respective levels of the House resolution, the Senate amendment, and the Conference Agreement for each major budget function are discussed in the following section. The Conference Agreement provides aggregate discretionary spending in 2002 of \$661.3 billion in budget authority (BA) and \$682.8 billion in outlays.

These two aggregate numbers are allocated to the Appropriations Committees to be suballocated to their 13 individual appropriation subcommittees. For the purposes of presentation in this Conference Agreement, functional discretionary numbers are set at fiscal year 2002 Congressional Budget Office baseline estimates, and do not reflect any specific policy orientation except for the defense function, which assumes President Bush's budget authority request for fiscal year 2002. For years beyond 2002 this report assumes that the 2002 discretionary function levels grow by inflation.

The only specific discretionary policy decision inherent in this resolution is a \$661.3 billion discretionary budget authority allocation. The Appropriations Committees are responsible for allocating this budget authority to their subcommittees to address specific policy priorities.

## FUNCTION 050: NATIONAL DEFENSE

**Major Programs in Function.**—Under current law, spending for Function 050, National Defense, will total \$310.3 billion in BA and \$300.6 billion in outlays for 2001. This function includes funding for the Department of Defense (about 95 percent of the function), the defense activities of the Department of Energy (about 5 percent of the function), and other defense activities in other departments and agencies, including the Department of Transportation, the Department of Justice, the General Services Administration, and the Selective Service (less than 1% of the function).

**House Resolution.**—The resolution establishes levels of \$324.6 billion in budget authority [BA] and \$319.3 billion in outlays in fiscal year 2002, an increase of 4.6 percent in BA compared with fiscal year 2001. The function totals are \$1.71 trillion in BA and \$1.68 trillion in outlays over 5 years, and \$3.68 trillion in BA and \$3.61 trillion in outlays over 10 years. Funding in the resolution accommodates the President's proposal to increase military pay and other compensation by \$1.4 billion in 2002. The resolution also assumes an additional \$400 million to improve the quality of housing for military personnel and their families, and \$3.9 billion for the first year of expanded health benefits for over-65 military retirees (Tricare for Life). In addition, the resolution accommodates the President's proposed \$2.6-billion initiative (\$20 billion over 5 years) to fund research and development of new technologies. The Department of Defense intends to apply this funding to create new capabilities to defend against projected future threats, following a comprehensive review by the Secretary of Defense to assess national security needs. To potentially augment the levels in this function,

the resolution creates two reserve funds that could accommodate additional defense spending: one, in fiscal year 2001, to eliminate Department of Defense shortfalls; and a second, in fiscal year 2002, for possible legislation pursuant to the President's defense review. See also section 1218A.

**Senate Amendment.**—The Senate amendment provides \$334.5 billion in BA and \$326.8 billion in outlays in 2002, and \$3.69 trillion in BA and \$3.62 trillion in outlays over 2002–2011. These amounts include full funding for the President's request, which for 2002 constitutes a \$14.3 billion increase in BA over 2001—a 4.6 percent nominal increase—and which in 2002 accommodates increases of \$1.4 billion in BA for military personnel pay and retention, \$0.4 billion for military housing, \$2.6 billion for research and development for missile defense and “transformation,” and \$3.9 billion for the Tricare for Life program enacted in the 106th Congress. The President's request also incorporated reductions below inflated baseline levels for the Department of Energy defense activities (subfunction 053) and other defense-related activities in subfunction 054, amounting to approximately \$1 billion per year over 2002–2011.

The Senate amendment includes the President's proposal to make the Radiation Exposure Compensation Trust Fund a mandatory program and to delay payments to certain beneficiaries pending the scientific findings of a study by the National Institute of Occupational Safety and Health.

The Senate amendment also encompasses increases directed by certain amendments adopted by the Senate for 2002. These include an amendment adding \$8.5 billion in BA and \$6.5 billion in outlays to redress serious and pressing Defense Health Program shortfalls (\$3.1 billion), unfunded Department of Energy non-proliferation and “Stockpile Stewardship” activities (\$900 million), and readiness shortages (\$4.5 billion). Another floor amendment added \$1.0 billion in additional BA and \$0.7 billion in outlays for the Department of Energy's Environmental Management program.

**Conference Agreement.**—For 2001, the Conferees adopted \$316.9 billion in BA and \$302.4 billion in outlays. This is an increase of \$6.5 billion in BA over previously enacted appropriations for 2001. For 2002, the Conferees adopted \$324.8 billion in BA and \$319.1 billion in outlays. This is an increase of \$14.5 billion above levels enacted to date for 2001. For 2002–2011, the Conference Agreement totals \$3.65 trillion in BA and \$3.59 trillion in outlays.

Regarding discretionary spending, the Conferees adopted the House amendment with certain understandings and alterations. Among the understandings, the primary ones are to redress shortfalls in the National Defense budget function for 2001 and 2002 regarding the Defense Health Program, readiness, and certain Department of Energy defense activities. The key alteration is a revised mechanism to accommodate the as yet unspecified additional funding needed for the results of the President's Defense Review to adjust U.S. national security strategy and defense programs to the requirements twenty-first century.

To redress shortfalls in 2001, the Conferees have revised the Section 302(a) allocation up to the level of the statutory cap for 2001 to accommodate a 2001 supplemental for the Department of

Defense totaling \$6.5 billion in BA and \$1.8 billion in outlays. The Conferees assume and urge in the strongest possible terms that this budget authority be used, in the amounts specified, exclusively for urgent shortfalls in the Defense Health Program (\$1.4 billion) and immediate readiness needs, including spare parts, training, depot and other maintenance, fuel and energy costs, and base operations (\$5.1 billion).

For discretionary spending in 2002, the Conferees adopted \$325.1 billion in BA and \$319.4 billion in outlays. These totals match the President's request as scored by CBO, together with the outlays estimated by CBO from the 2001 supplemental allocation described above. In addition, the Conferees adopted reserve funds, described more fully in the discussion of Title II, to accommodate a Presidential budget amendment in response to the President's Defense Review.

The Conferees assume that, taken together, the National Defense budget as originally submitted by the President and the subsequent budget amendment will fully fund the "transformation" initiatives recommended by the President and the Secretary of Defense and all pre-existing priority national security programs in the Department of Defense and the Department of Energy. The Conferees are particularly concerned that the amended budget request fully address all shortfalls that have heretofore been identified for 2002, including those in the Defense Health Program (up to \$3.1 billion), activities where readiness has in recent years fallen below optimal levels (totaling several billions of dollars), and essential national security programs in the Department of Energy, including Stockpile Stewardship (\$800 million), non-proliferation activities (\$100 million), and Environmental Management programs (up to \$1 billion, which could occur in the fiscal year deemed most appropriate, 2001 or 2002). The Conferees agree that it is essential for the National Defense budget as amended, to fully fund each of these concerns respecting both shortfalls and "transformation."

Regarding mandatory spending, the Conferees adopted the Senate amendment concerning the Radiation Exposure Compensation Trust Fund, revised to reflect more recent CBO scoring. This updated scoring amounts to \$172 million in 2002 and \$655 million for 2002–2011 with an offsetting reduction of expenses in the Energy Occupation Illness Compensation fund that brings net costs to \$146 million in 2002 and \$440 million for 2002–2011.

#### FUNCTION 150: INTERNATIONAL AFFAIRS

**Major Programs in Function.**—Under current law, spending for Function 150, International Affairs, will total \$22.4 billion in BA and \$19.7 billion in outlays for 2001. This function includes funding for the operation of the foreign affairs establishment including embassies and other diplomatic missions abroad, foreign aid loan and technical assistance activities in developing countries, security assistance to foreign governments, activities of the Foreign Military Sales Trust Fund, U.S. contributions to international financial institutions and the United Nations, the Export-Import Bank and other trade promotion activities, and refugee assistance.

**House Resolution.**—The resolution fully funds the President's requested levels of \$23.9 billion in budget authority [BA] and \$19.6

billion in outlays in fiscal year 2002, an increase of 6.4 percent in BA compared with fiscal year 2001. The function totals are \$123.8 billion in BA and \$102.0 billion in outlays over 5 years, and \$264.2 billion in BA and \$219.7 billion in outlays over 10 years. The levels fully fund the President's request and accommodate his proposal to increase the Administration of Foreign Affairs funding by \$888 million above the 2001 level, to a total of \$5.7 billion for fiscal year 2002, and his request to increase military assistance to Israel by \$60 million. In addition, to maintain and expand programs to stem the flow of cocaine and heroin from Colombia and its Andean neighbors, the budget assumes the President's \$624-million increase for international narcotics control and law enforcement. The resolution also assumes sufficient resources for the Tropical Forest Conservation Act [TFCA].

**Senate Amendment.**—The Senate amendment provides \$24.1 billion in BA and \$19.8 billion in outlays in 2002, and \$265.4 billion in BA and \$220.9 billion in outlays over 2002–2011. These amounts include full funding for the President's request, which for 2002 constitutes a \$1.5 billion increase in BA over 2001—a 6.7 percent nominal increase. The Senate amendment also reflects the Senate's adoption of a floor amendment to increase the President's request by \$200 million in BA in 2002 and by \$500 million in BA in 2003—with commensurate outlays—for the purpose of assisting the response of needy counties to the international HIV/AIDS pandemic. The Senate also adopted an amendment regarding conservation that affected several budget functions, including the addition of \$50 million in BA in every year over the 2002–2011 period in Function 150.

**Conference Agreement.**—The Conference Agreement totals \$23.2 billion in BA and \$19.1 billion in outlays for 2002. For 2002–2011, the Conference Agreement totals \$256.6 billion in BA and \$213.3 billion in outlays, a reduction of \$7.6 billion in BA below the request and the House resolution. The BA and outlays for International Affairs equal the amounts of CBO's inflated baseline for 2002–2011, plus the outlays needed in 2002 to address the payment of arrearages to the UN discussed below.

Regarding discretionary spending, the Conferees strongly support Secretary of State Powell's proposals to reinvigorate the US foreign policy establishment and to expand some international programs. The Senate expressed this support in the form of expanding even further proposed programs to address the HIV/AIDS epidemic in regions, such as Africa.

Regarding the payment of arrearages to the United Nations, the conferees recognize that Congress has appropriated funds for the payment of arrears to the UN and related agencies in 1999 and 2000. Those funds have not been obligated because not all of the reforms required by authorizing statute have been met, in particular the requirement that the United States' assessment for contributions to international peacekeeping activities be reduced to no more than 25 percent of the total. Recognizing the substantial reforms that have been negotiated, the President has proposed legislation, not subject to PAYGO, that would release the funds for obligation. The legislative proposal would increase outlays by \$582 million in 2001 and \$244 million in 2002. This resolution accommo-

dates the increased spending in its estimates of outlays from prior year's appropriations. The conferees direct that if the legislative proposal is included in authorizing legislation, the cost of such legislation up to the amounts included in the fiscal year 2001 and 2002 allocations of the appropriations committee shall not be charged against the allocation of the authorizing committee for purposes of enforcing this resolution.

#### FUNCTION 250: GENERAL SCIENCE, SPACE AND TECHNOLOGY

**Major Programs in Function.**—Under current law, spending for Function 250, General Science, Space and Technology, will total \$21.0 billion in BA and \$19.7 billion in outlays for 2001. The General Science, Space and Technology function consists of funds in two major categories: general science and basic research, and space flight, research, and supporting activities. The general science component includes the budgets for the National Science Foundation [NSF], and the fundamental science programs of the Department of Energy [DOE]. The largest component of the function, nearly two thirds of the total, is for space flight, research, and supporting activities of the National Aeronautics and Space Administration [NASA] (except for NASA's air transportation programs, which are included in Function 400).

**House Resolution.**—The resolution establishes levels of \$22.2 billion in budget authority [BA] and \$21.0 billion in outlays in fiscal year 2002, an increase of 5.7 percent in BA compared with fiscal year 2001. The function totals are \$115.9 billion in BA and \$112.4 billion in outlays over 5 years, and \$247.1 billion in BA and \$240.2 billion in outlays over 10 years. The resolution assumes \$4.5 billion for the National Science Foundation [NSF], a \$56-million increase from 2001. It assumes \$14.5 billion for the National Aeronautics and Space Administration [NASA], a 2-percent increase over 2001. This total allows for the President's recommendations, including increased funds for International Space Station development and operations; a 64-percent increase over 2001 for NASA's Space Launch Initiative; six space shuttle flights a year; and continued funding for safety improvements in NASA.

**Senate Amendment.**—The Senate amendment sets forth \$22.8 billion in BA and \$21.2 billion in outlays in 2002, and \$240.1 billion in BA and \$232.9 billion in outlays over 2002–2011. The total spending within Function 250 was amended by the following two amendments:

The Senate adopted an amendment that added \$1.441 billion in BA and \$530 million in outlays in 2002 to the function total proposed by President Bush. The amendment assumed an increase of \$674 million for NSF in 2002. The increase is intended to provide additional funding for NSF along a doubling path similar to that of the National Institutes of Health. NASA would also receive an increase of \$518 million, and DOE science would increase by \$469 million in 2002. The amendment would allow funding for all of the President's initiatives in Function 250, as well as address other needs within the scientific community. The total assumed increase above the 2001 appropriated level is \$1.661 billion.

The Senate also adopted an amendment related to global climate changes that affected several functional categories, including

Function 150, 250, 270, 300, and 350. In this function, the amendment reflected an increase in BA of \$50 million each year for 10 years, for a total increase of \$500 million in BA from FY2002–2011.

Conference Agreement.—The Conference Agreement assumes \$21.6 billion in BA and \$20.7 billion in outlays in 2002, and \$236.3 billion in BA and \$230.6 billion in outlays over the 2002–2011 period.

#### FUNCTION 270: ENERGY

Major Programs in Function.—Under current law, spending for Function 270 Energy, will total \$1.2 billion in BA and –\$0.1 billion in outlays for 2001. This Function includes civilian activities of the Department of Energy, the Rural Utilities Service, the power programs of the Tennessee Valley Authority (TVA), and the Nuclear Regulatory Commission (NRC). Mandatory spending in this function contains large levels of offsetting receipts, resulting in net mandatory spending of –\$1.9 billion in BA and –\$3.2 billion in outlays for 2001. Congress provided \$3.1 billion in discretionary BA for 2001.

House Resolution.—The resolution establishes levels of \$835 million in budget authority [BA] and –\$234 million in outlays in fiscal year 2002, a decrease of 33 percent in BA compared with fiscal year 2001. The 5-year function totals are \$4.4 billion in BA and –\$2.2 billion in outlays; and the 10-year totals are \$14.5 billion in BA and \$598 million in outlays. The resolution assumes the President's proposed \$1.4 billion over 10 years (a \$120-million increase) for the Department of Energy's Weatherization Assistance Program to help low-income families who live in poorly insulated housing or have insufficient heating or cooling systems. It also assumes a total of \$8 million to support the Northeast Heating Oil Reserve that was established because of low heating oil stocks. Finally, in light of past management and security problems, the resolution accommodates the President's efforts to reform the Department of Energy.

Senate Amendment.—The Senate amendment sets forth \$1.676 billion in BA and \$.018 billion in outlays in 2002, and \$17.162 billion in BA and \$2.785 billion in outlays over the 2002–2011 period. The Senate amendment assumes the President's budget with the following Senate adopted amendments to discretionary spending: \$205 million in BA each year over the 2002–2011 period to reduce greenhouse gas emissions, \$450 million in BA in 2002 for Renewable Energy R&D, and \$150 million in BA in 2002 for Fossil Energy R&D. The Senate amendment does not assume the President's proposal for the Arctic National Wildlife Refuge (ANWR).

Conference Agreement.—The Conference Agreement assumes \$1.36 billion in BA and –\$0.02 in outlays in 2002 and \$15.9 billion in BA and \$2.2 billion in outlays over the 2002–2011 period.

#### FUNCTION 300: NATURAL RESOURCES AND THE ENVIRONMENT

Major Programs in Function.—Under current law, spending for Function 300 Natural Resources and the Environment, will total \$28.8 billion in BA and \$26.4 billion in outlays for 2001. This Function includes funding for water resources, conservation and land management, recreation resources, and pollution control and abate-



ment. Agencies with major program activities within the Function include the Environmental Protection Agency (EPA), the Army Corps of Engineers, the National Oceanic and Atmospheric Administration (NOAA), the Forest Service (within the Department of Agriculture), and the Department of the Interior, including the National Park Service, the Fish and Wildlife Service, the U.S. Geological Survey, the Bureau of Land Management and the Bureau of Reclamation, among others.

House Resolution.—The resolution establishes levels of \$26.7 billion in budget authority [BA] and \$26.4 billion in outlays in fiscal year 2002, a decrease of 7.3 percent in BA compared with fiscal year 2001. The 5-year function totals are \$137.1 billion in BA and \$136.3 billion in outlays; and the 10-year totals are \$289.3 billion in BA and \$285.3 billion in outlays. The resolution accommodates the President's recommendation to fully fund the Land and Water Conservation [LWC] Fund at \$900 million starting in 2002, an increase of \$356 million over 2001. It also provides for an addition of \$440 million in 2002 as a down payment on eliminating the National Park Service's deferred maintenance backlog, currently pegged at \$4.9 billion. In addition, it assumes more than \$1 billion in EPA grants for States and tribes to administer environmental programs, and a total of \$3.7 billion in funding for the EPA's Operating Program, which comprises the agency's core regulatory, research, and enforcement activities. The resolution would support substantially reducing the backlog of school repairs and maintenance in the Bureau of Indian Affairs, with the goal of eliminating the backlog within 5 years, and assumes increased funding for the Army Corps of Engineers program evaluating proposed development in wetlands. The resolution also accepts the administration's proposed extension of a user fee pilot program in the National Park Service, but does not include increase in Corps of Engineers recreation fees.

Senate Amendment.—The Senate amendment sets forth \$29.6 billion in BA and \$29.3 billion in outlays in 2002, and \$296.4 billion in BA and \$292.3 billion in outlays over 2002–2011. The Senate amendment assumes the President's budget with the following Senate adopted amendments to discretionary spending: \$250 million in BA and \$199 million in outlays in 2002 to fully fund the Conservation Spending Cap, \$44 million in BA in 2002 for water system improvements, \$1.3 billion in BA and outlays in 2002 for agriculture conservation programs, \$100 million in BA in 2002 to reduce greenhouse gases, \$800 million in BA in 2002 for wastewater infrastructure improvements, and \$100 million in BA in 2002 for the Bureau of Reclamation construction account.

The Senate amendment assumes mandatory spending of \$350 million in BA and outlays each year over the 2002–2011 period to address agricultural conservation needs.

Conference Agreement.—The Conference Agreement assumes \$30.4 billion in BA and \$28.7 billion in outlays in 2002, and \$345.7 billion in BA and \$336.8 billion in outlays over the 2002–2011 period. The Conference Agreement accepts the Senate position on the extension of the recreational fee demonstration program. The Conference Agreement assumes mandatory agriculture spending of \$350 million in BA and outlays in 2002. Section 213 establishes a

reserve fund for agriculture that permits the chairman of the appropriate Committee on the Budget to adjust the Agriculture Committee's allocation to accommodate legislation providing, among other things, as much as \$350 billion for the period of 2003 through 2011 for conservation programs.

#### FUNCTION 350: AGRICULTURE

**Major Programs in Function.**—Under current law, spending for Function 350 Agriculture, is estimated to total \$26.3 billion in budget authority (BA) and \$23.7 billion in outlays for FY 2001. This Function includes funding for federal programs intended to promote the economic stability of agriculture through direct assistance and loans to food and fiber producers; provide regulatory, inspection and reporting services for agricultural markets; and promote research as well as education in agriculture and nutrition.

**House Resolution.**—The resolution establishes levels of \$19.1 billion in budget authority [BA] in fiscal year 2002, and \$17.5 billion in outlays. The 5-year function totals are \$92.5 billion in BA and \$84.7 billion in outlays; and the 10-year totals are \$172.5 billion in BA and \$157.3 billion in outlays. The resolution accommodates the President's recommendations, including: support of United States Department of Agriculture [USDA] food safety activities, including providing 7,600 meat and poultry inspectors; allocation of conservation assistance to 650,000 landowners, farmers, and ranchers; maintaining funding for priority activities in the Forest Service's wildland fire management plan, including hazardous fuels reduction; redirecting USDA research to provide new emphasis in key areas such as biotechnology, the development of new agricultural products, and improved protection against emerging exotic plant and animal diseases as well as crop and animal pests; and expanding overseas markets for American agricultural products by strengthening USDA's market intelligence capabilities and the Department's expertise for resolving technical trade issues with foreign trading partners. The resolution contains two reserve funds that would accommodate additional agricultural needs: a fiscal year 2001 reserve fund that could be used for emergency Agricultural Market Transition payments; and a fiscal year 2002 reserve fund that could accommodate a reauthorization of the Federal Agricultural Improvement and Reform Act or additional emergency relief.

**Senate Amendment.**—The Senate amendment revises the 2001 spending levels. It increases BA and outlays by \$9 billion to \$35.3 billion and \$32.7 billion respectively. For 2002, the Senate assumes \$26.2 billion in BA and \$24.5 billion in outlays. Over the ten-year period 2002–2011, the Senate assumes a total of \$227.9 billion in BA and \$212.8 billion in outlays. The Senate adopted mandatory amendments which increased CCC spending by \$9 billion in BA and outlays in 2001 and a total of \$55 billion in BA and outlays over the 2002–2011 period. The Senate adopted a discretionary amendment which added \$0.045 billion in BA and \$0.041 billion in outlays in 2002 and \$0.45 billion in BA and \$0.446 billion in outlays over the ten-year period 2002–2011.

**Conference Agreement.**—The Conference Agreement revises the 2001 spending levels. It increases both BA and outlays by \$5.5 billion to \$31.8 billion and \$29.2 billion respectively. For 2002, the

Conference Agreement assumes \$26.3 billion in BA and \$24.6 billion in outlays. Over the ten-year period 2002–2011, the agreement assumes a total of \$243.2 billion in BA and \$228.0 billion in outlays. The 2001 and 2002 levels assume \$12.5 billion of new mandatory BA and outlays. This money would be allocated to the Senate and House agriculture authorizing committees. It is assumed that the additional funds for 2001 and 2002 will address low income concerns in the agriculture sector today. For 2003 to 2011, the Conference Agreement assumes increased mandatory BA and outlays totaling \$63 billion to be made available for the extension and revision of the Federal Agriculture Improvement and Reform Act of 1996, which expires in 2002. Fiscal Year 2003 monies may be made available for 2002 crop year support. The money would be placed in a reserve fund for the authorizing committees. This function assumes the necessary funding for the modernization plan of USDA's National Animal Disease Center and National Veterinary Services Laboratory in Ames, IA.

#### FUNCTION 370: COMMERCE AND HOUSING CREDIT

**Major Programs in Function.**—Under current law, spending for Function 370, Commerce and Housing Credit, will total about \$3.5 billion in BA and \$0.2 billion in outlays for 2001. Function 370 includes both on-budget and an off-budget (Postal Service) components, but the budget resolution text includes only the on-budget portion. Both on-budget and total spending are shown, however, in the summary tables contained in this Conference Agreement. This budget function includes funding for discretionary housing programs, such as subsidies for single and multifamily housing in rural areas and mortgage insurance provided by the Federal Housing Administration; off-budget net spending by the Postal Service; discretionary funding for commerce programs, such as international trade and exports, science and technology, the census, and small business; and mandatory spending for deposit insurance activities related to banks, savings and loans, and credit unions.

**House Resolution.**—For on-budget spending in this function, the resolution establishes levels of \$7.4 billion in budget authority [BA] and \$4.4 billion in outlays in fiscal year 2002, an increase of 195 percent in BA compared with fiscal year 2001. The on-budget function totals are \$54.2 billion in BA and \$33.5 billion in outlays over 5 years, and \$128.1 billion in BA and \$84.3 billion in outlays over 10 years. The resolution assumes the President's recommendation that premiums for specified Federal Housing Administration [FHA] programs, such as condominiums, rehabilitation loans, and multifamily loans, are to be increased so that all single-family FHA borrowers pay the same premiums, and that the programs operate without the need for a subsidy.

**Senate Amendment.**—The Senate amendment does not revise the levels for 2001. For 2002, the resolution provides \$7.7 billion in BA and \$4.5 billion in outlays. Over 10 years, the resolution provides \$128.9 billion in BA and \$85.0 billion in outlays. The Senate amendment does not include the House's assumption of a reduction in fees charged by the Securities and Exchange Commission. Because of an amendment adopted by the Senate that dropped the President's proposal to charge exam fees for state-chartered banks,

the Senate amendment is now comparable to the House resolution in this regard. Further, the Senate amendment reflects the Senate's adoption of an amendment to increase spending on the International Trade Administration by \$655 million over 2002–2011 and of another amendment to restore \$264 million in funding in 2002 for programs of the Small Business Administration to offset cuts that had been proposed in the President's budget.

Conference Agreement.—The Conference Agreement does not revise the fiscal year 2001 levels. For 2002, the resolution provides \$10.2 billion in BA and \$6.6 billion in outlays. Over 10 years, it provides \$152.4 billion in BA and \$108.1 billion in outlays.

#### FUNCTION 400: TRANSPORTATION

Major Programs in Function.—Under current law, spending for Function 400, Transportation, will total \$62.1 billion in BA and \$51.7 billion in outlays for 2001. The function primarily comprises funding for the Department of Transportation, including ground transportation programs, such as the federal-aid highway program, mass transit, motor carrier safety, and the National Rail Passenger Corporation (Amtrak); air transportation through the Federal Aviation Administration (FAA) airport improvement program, facilities and equipment program, research, and operation of the air traffic control system; water transportation through the Coast Guard and Maritime Administration; the Surface Transportation Board; the National Transportation Safety Board; and related transportation safety and support activities within the Department of Transportation. In addition, funds for air transportation programs under the auspices of NASA are included within this function.

House Resolution.—The resolution establishes levels of \$61.0 billion in BA and \$55.6 in outlays in fiscal year 2002; \$298.9 billion in BA and \$299.8 billion in outlays over 5 years; and \$608.1 billion in BA and \$639.6 billion in outlays over 10 years. The resolution accommodates the President's proposal to fully fund the authorized levels provided for highways (\$32.3 billion) and transit (\$6.7 billion) under the Transportation Equity Act for the 21st Century and for the Federal Aviation Administration's operating (\$6.9 billion), capital (\$2.9 billion), and airport grants (\$3.3 billion) programs under the Aviation Investment and Reform Act for the 21st Century. To assist Americans with disabilities in overcoming transportation barriers to work, the resolution assumes the President's \$145-million proposal to fund two new programs under his New Freedom Initiative to increase the ability of individuals with disabilities to integrate into the workforce. The resolution also assumes an increase in Coast Guard operating expenses of \$250 million above the fiscal year 2002 level recommended by the President for fiscal year 2002 and subsequent years. This increase is provided to eliminate Coast Guard vessel and aircraft spare parts problems, to improve personnel training, to fund new Department of Defense entitlements, and to operate drug interdiction assets at optimal levels. (The resolution acknowledged that the Office of Management and Budget's budget submission contained recently identified errors, and indicated conferees would seek to address them.)

Senate Amendment.—The Senate amendment does not revise the 2001 levels. For 2002, the resolution provides \$62.2 billion in

BA and \$56.1 billion in outlays. Over 10 years, the resolution provides \$701.6 billion in BA and \$645.8 billion in outlays. The Senate amendment assumes the President's budget plus a Senate adopted amendment to add \$250 million in BA and outlays for the Coast Guard in 2002.

Conference Agreement.—The Conference Agreement does not revise the 2001 levels. For 2002, the resolution provides \$65.0 billion in BA and \$56.2 billion in outlays. Over 10 years, it provides \$694.8 billion in BA and \$655.6 billion in outlays.

#### FUNCTION 450: COMMUNITY AND REGIONAL DEVELOPMENT

Major Programs in Function.—Under current law, spending for Function 450, Community and Regional Development, will total \$11.2 billion in BA and \$11.4 billion in outlays for 2001. This function reflects programs that provide Federal funding for economic and community development in both urban and rural areas. Funding for disaster relief and insurance—including activities of the Federal Emergency Management Agency—also is provided in this function.

House Resolution.—The resolution establishes levels of \$10.1 billion in budget authority [BA] and \$11.4 billion in outlays in fiscal year 2002, a decrease of 9.8 percent in BA compared with fiscal year 2001. The 5-year totals are \$53.2 billion in BA and \$53.7 billion in outlays; and the 10-year totals are \$113.9 billion in BA and \$108.8 billion in outlays. Consistent with the President's recommendations, the budget assumes continuation of Community Development Block Grant [CDBG] formula funding at the 2001 level. It also assumes that the Rural Housing and Economic Development Program, begun in 1999, will be terminated due to its duplication of other programs, such as CDBGs.

Senate Amendment.—For 2002, the Senate amendment sets forth \$11.2 billion in BA and \$11.6 billion in outlays. Over the 2002–2011 ten year period, it assumes \$115.0 billion in BA and \$108.0 billion in outlays. The Senate adopted an amendment to increase by \$108 million Federal Emergency Management Agency (FEMA) funds in 2002. Also adopted was an amendment to increase clean water grants by \$1.0 billion in 2002.

Conference Agreement.—The Conference Agreement does not revise the fiscal year 2001 levels. For 2002, it sets forth \$11.9 billion in BA and \$11.7 billion in outlays. Over the 2002–2011 ten year period, it sets forth \$130.7 billion in BA and \$122.8 billion in outlays.

#### FUNCTION 500: EDUCATION, TRAINING, EMPLOYMENT AND SOCIAL SERVICES

Major Programs in Function.—Under current law, spending for Function 500, Education, Training, Employment and Social Services, will total \$76.9 billion in BA and \$69.8 billion in outlays for 2001. This function includes funding for elementary and secondary, vocational, and higher education; education research and other education activities; job training and employment services; aging services; children and families services; adoption and foster care assistance; and funding for the arts and humanities.

House Resolution.—The resolution establishes levels of \$82.1 billion in budget authority [BA] and \$76.2 billion in outlays in fiscal year 2002, an increase of 6.8 percent in BA compared with fiscal year 2001. The 5-year function totals are \$425.6 billion in BA and \$412.7 billion in outlays; and the 10-year totals are \$917.7 billion in BA and \$891.7 billion in outlays.

The resolution assumes the President's proposal to redirect the \$1.2 billion provided for school renovation, first funded in 2001, allowing States to reallocate the 2001 funds among school renovation, technology, or special education. For 2002, the budget assumes States can use this funding stream for priorities such as special education, help for low-performing schools, or accountability reforms.

The resolution also accommodates the President's proposed increase in program spending of the Department of Education by \$4.6 billion, or 11.5 percent, in fiscal year 2002. It provides sufficient funding in elementary and secondary education for the President's "No Child Left Behind" education reform plan. Key initiatives include the following:

- A tripling of reading education funds, to \$900 million in 2002, and a total increase in reading education spending of \$5 billion over 5 years.

- The provision of \$2.6 billion for States to improve teacher quality through high-quality professional development, recruitment and retention activities.

- A total of \$320 million to help States to develop annual assessments of students, and to establish strong accountability systems; and \$69 million to expand State participation in the National Assessment of Education Progress, so that parents, teachers and policymakers can ensure that students are improving.

- Consolidation and streamlining of existing Federal elementary and secondary education programs.

The resolution also assumes the following recommendations by the President: an increase of \$137 million for the Impact Aid construction program, which currently receives only \$12.8 million; consolidation and increased funding for teacher training and recruiting; a sum of \$175 million to help charter schools acquire, construct, or renovate facilities; an increase for "character education" from \$9.3 million to \$25 million; an increase for the Troops to Teachers program to \$30 million; an expansion of the teacher student loan forgiveness program by increasing the loan forgiveness limit from \$5,000 to \$17,500 for math and science majors who teach those subjects in high-need schools for 5 years.

To provide fiscal assistance to low-income college students, the budget accommodates the President's proposal to increase the Pell Grant program by \$1 billion. This will increase the maximum award for all qualifying students to \$3,850.

The budget also assumes an increase of 6.4 percent in funding for historically black colleges and graduate institutions, and Hispanic serving institutions, with a goal of increasing these programs 30 percent by 2005. The resolution also accommodates the President's proposed expansion of programs to protect abused and neglected children under the Safe and Stable Families Act, and provi-

sion of education or training vouchers to children aging out of foster care.

The resolution creates a \$1.25-billion reserve fund for the Individuals with Disabilities Education Act [IDEA] Part B grants to States.

Senate Amendment.—The Senate Amendment does not revise the 2001 levels. For 2002, the Senate provides \$111.9 billion in BA and \$79.4 billion in outlays. Over the ten-year period 2002–2011, the Senate provides a total of \$1,265.4 billion in BA, and \$1,194.1 billion in outlays.

The Senate adopted the following amendments to the President's budget:

—For unspecified education funding, an amendment adding \$8.3 billion in discretionary BA and \$1.0 billion in outlays in 2002, and adding \$242.0 billion in mandatory BA and \$223.6 billion in outlays over the period 2003–2011.

—For IDEA (special education), an amendment adding \$70.0 billion in mandatory BA and \$70.0 billion in outlays over the ten-year period 2002–2011.

—For the Social Services Block Grant, an amendment adding \$680 million in mandatory BA and outlays in 2002.

—For education technology, an amendment adding \$628 million in discretionary BA and \$35 million in outlays in 2002.

—For Impact Aid, an amendment adding \$300 million in discretionary BA and \$150 million in outlays in 2002.

—For children's services, an amendment adding \$271 million in discretionary BA and \$243 million in outlays in 2002.

—For American history education, an amendment adding \$100 million in discretionary BA and \$25 million in outlays in 2002.

Conference Agreement.—The Conference Agreement revises 2001 levels to \$77.0 billion in BA and \$69.9 billion in outlays. For 2002, the Conference Agreement provides \$81.2 billion in BA and \$76.7 billion in outlays. Over the ten-year period 2002–2011, the Conference Agreement provides a total of \$904.0 billion in BA and \$887.6 billion in outlays. The Conferees assume that within these aggregate numbers, the Grants to States program under the Individuals with Disabilities Education Act (IDEA) will receive funds of at least \$7.59 billion in 2002, and that further additional resources for education should be focused on this program.

#### FUNCTION 550: HEALTH

Major Programs in Function.—Under current law, spending for Function 550, Health, will total \$180.1 billion in BA and \$173.0 billion in outlays for 2001. The major programs in this function include Medicaid, the State Children's Health Insurance Program, health benefits for federal workers and retirees, the National Institutes of Health, the Food and Drug Administration, the Health Resources Services Administration, Indian Health Services, the Centers for Disease Control and Prevention, and the Substance Abuse and Mental Health Services Administration.

House Resolution.—The resolution establishes levels of \$204.0 billion in BA and \$201.1 billion in outlays in fiscal year 2002, an increase of 13.3 percent in BA compared with fiscal year 2001. The function totals are \$1.20 trillion in BA and \$1.19 trillion in outlays

over 5 years, and \$2.86 trillion in BA and \$2.84 trillion in outlays over 10 years. Funding in the resolution accommodates the President's proposal to double the National Institutes of Health [NIH] 1998 funding level of \$13.6 billion by 2003. To accomplish this, the 2002 budget assumes \$23.1 billion for NIH, a \$2.8 billion increase above the 2001 level. To strengthen the health care safety net, the budget assumes the President's \$124-million increase for community health centers. The budget also assumes \$8.3 billion over 10 years for the enactment of H.R. 600, the Family Opportunity Act of 2001. Under the Act, States would have the option to expand Medicaid coverage for children with special needs, allowing families of disabled children with the opportunity to purchase coverage under the Medicaid program for such children.

Finally, Function 550 assumes \$43.1 billion (fiscal years 2002–2005) of the President's proposed Medicare reform, including the Immediate Helping Hand Prescription Drug Plan. (The costs for fiscal years 2006 through 2011 are reflected in Function 570.) The resolution also assumes the outlay effect of the President's proposed refundable health care tax credits, and the impact of the extension of an OBRA 1990 provision limiting Department of Veterans Affairs [VA] pensions for Medicaid recipients in nursing homes.

**Senate Amendment.**—The Senate amendment revises 2001 BA and outlays by \$2.5 billion for the President's Immediate Helping Hand prescription drug program for seniors. The amendment sets forth \$216.1 billion in BA and \$213.2 billion in outlays in 2002, and \$2,938.3 billion in BA and \$2,914.4 billion in outlays over 2002–2011.

The Senate amendment as introduced assumed the President's budget for both mandatory and discretionary spending. The following provisions were added through floor amendments. For mandatory spending, an additional \$28 billion was added over 2002–2004 for health spending for the uninsured. A reserve fund of \$200 million in 2002 and \$7.9 billion over 10 years was included for the Family Opportunity Act. In discretionary spending, an additional \$700 million was assumed for NIH spending in 2002. The Indian Health Service was increased by \$67.3 billion over 10 years. Budget authority for the FDA was increased by \$40 million in 2002 and \$400 million over 10 years. Amendments were adopted to increase funding for graduate medical education at children's hospitals by \$50 million in 2002 and to provide an additional \$136 million in 2002 for both graduate medical education and consolidated health centers.

**Conference Agreement.**—The Conference Agreement does not revise the 2001 levels. For 2002, the resolution provides \$198.8 billion in BA and \$196.7 billion in outlays. Over 10 years, it provides \$2,773.8 billion in BA and \$2,757.1 billion in outlays.

Under the Conference Agreement, funding for the President's Immediate Helping Hand prescription drug proposal (\$43.1 billion over 2002–2005 plus an additional \$2.5 billion in 2001) was moved to Function 570 (Medicare). The Conference Agreement includes a reserve fund for the Family Opportunity Act of \$227 million in 2002 and \$8.3 billion over 10 years. The function totals also include a reserve fund of \$28 billion over 3 years for additional health



spending for the uninsured. This reserve fund can be used for either direct spending or revenue changes associated with legislation to improve health insurance coverage. The Conference Agreement also assumes Medicaid Upper Payment Limit savings of \$11.7 billion over 10 years.

#### FUNCTION 570: MEDICARE

**Major Programs in Function.**—Under current law, spending for Function 570, Medicare, will total \$217.5 billion in BA and \$217.7 billion in outlays for 2001. Medicare provides health insurance coverage for persons over age 65 and qualified disabled workers.

**House Resolution.**—The resolution establishes levels of \$229.1 billion in budget authority [BA] and outlays in fiscal year 2002, an increase of 5.3 percent in BA compared with fiscal year 2001. The function totals are \$1.34 trillion in BA and \$1.33 trillion in outlays over 5 years, and \$3.31 trillion in BA and outlays over 10 years. As proposed in the President's budget, the budget resolution assumes \$153 billion over 10 years for Medicare Reform, including the Immediate Helping Hand Prescription Drug Plan. This total is shared by Function 550 and Function 570; Function 570 incorporates \$109.9 billion of the total over 10 years. The budget is consistent with the provisions of the Social Security and Medicare Lock-Box Act of 2001, which stipulates that the Medicare Hospital Insurance [HI] surplus can be used only for debt reduction or Medicare reform. The resolution establishes a reserve fund that could be used to accommodate an expanded Medicare reform/prescription drug proposal. It also establishes a general purpose reserve fund that could address Medicare initiatives.

**Senate Amendment.**—The Senate amendment does not revise 2001 levels. For 2002, the amendment provides \$229.1 billion in BA and outlays. Over 10 years, the amendment provides \$3,308.0 billion in BA and \$3,307.6 billion in outlays for this function, the same as the House resolution.

The Senate amendment as introduced assumed the President's budget for both mandatory and discretionary spending. The following provisions were added through floor amendments. A reserve fund was adopted that allows for additional spending for Medicare reform and prescription drugs that goes beyond the \$153 billion over 10 years already included in the functional totals and budget aggregates. (This amount includes \$43.1 billion in Function 550 and \$109.9 billion in Function 570.) The amount allocated from the reserve fund will be determined by the Chairman of the Senate Budget Committee using a Congressional Budget Office cost estimate of the President's Medicare reform proposal or a comparable proposal submitted by the Committee on Finance. In no case will the amount exceed \$300 billion over 10 years (including the \$153 already reflected in the budget totals). The Senate amendment also includes a reserve fund of \$13.7 billion over 10 years for additional Medicare home health spending.

**Conference Agreement.**—The Conference Agreement does not revise 2001 levels. For 2002, the resolution provides \$229.2 billion in BA and \$229.1 billion in outlays. Over 10 years, the resolution provides \$3,516.1 billion in BA and \$3,515.7 billion in outlays for this function. The Conference Agreement includes a reserve fund of

up to \$300 billion for Medicare reform and a prescription drug benefit. The amount allocated from the reserve fund will be determined by the Chairmen of the Budget Committees of the House and Senate. The resolution also includes a reserve fund of \$13.7 billion over 10 years for additional Medicare home health spending. This reserve fund is to be used to finance the repeal of the 15% reduction in Medicare home health payments, currently scheduled to take effect on October 1, 2002.

#### FUNCTION 600: INCOME SECURITY

**Major Programs in Function.**—Under current law, spending for Function 600, Income Security, will total \$255.9 billion in BA and \$256.9 billion in outlays for 2001. This function contains: (1) major cash and in-kind means-tested entitlements; (2) general retirement, disability, and pension programs excluding Social Security and Veterans' compensation programs; (3) federal and military retirement programs; (4) unemployment compensation; (5) low-income housing programs; and (6) other low-income support programs. This last category includes Temporary Assistance to Needy Families (TANF), Supplemental Security Income (SSI), and spending for the refundable portion of the Earned Income Credit (EIC).

**House Resolution.**—The resolution establishes levels of \$271.5 billion in budget authority [BA] and \$272.1 billion in outlays in fiscal year 2002, an increase of 6.1 percent in BA compared with fiscal year 2001. The function totals are \$1.47 trillion in BA and outlays over 5 years, and \$3.21 trillion in BA and \$3.20 trillion in outlays over 10 years. Consistent with the President's budget, the resolution accommodates continued State innovation, and the mobilization of private-sector, corporate, and faith-based sources, for addressing the needs of low-income Americans—a process that began with the historic 1996 welfare reform law. In particular, the budget proposes a number of initiatives to encourage more charitable giving to community organizations that are effectively helping disadvantaged Americans to improve their lives and increase their families' well-being. Other initiatives are intended to strengthen low-income families and to address the needs of children caught in the Nation's foster care system. The budget provides sufficient funding to renew all expiring public housing contracts, and adds funding for 34,000 new section 8 vouchers. Additionally, the budget provides new funding to increase home-ownership among low-income families. Beyond these priorities, the focus in fiscal year 2002 will be to improve management of HUD's programs, several of which have been designated among the General Accounting Office's "High Risk" programs, vulnerable to substantial amounts of fraud and mismanagement.

Other assumptions of the resolution are the following:

—Providing \$1.4 billion for Low-Income Home Energy Assistance Program [LIHEAP] funding to help low-income families heat their homes.

—Funding the Special Supplemental Nutrition Program for Women, Infants and Children [WIC] at 7.25 million individuals per month, maintaining current program level.

—Maintaining current law policies for the Food Stamp Program, which will result in \$20 billion in outlays for benefits and program administration in fiscal year 2002.

The resolution also accommodates the outlay effects related to the President's refundable tax proposals.

Senate Amendment.—The Senate amendment does not revise 2001 levels. For 2002, the resolution provides \$278.8 billion in BA and \$274.9 billion in outlays. Over 10 years, the resolution provides \$3,210.0 billion in BA and \$3,194.5 billion in outlays. The Senate adopted three amendments to the President's budget. In mandatory funds for 2002, the Senate amendment includes \$319 million to extend TANF supplemental grants. In discretionary funds for 2002, the Senate amendment includes an additional \$2.6 billion for Low Income Home Energy Assistance and \$870 million for child care. The remaining difference between the House resolution and the Senate amendment is due to the Senate's treatment of advance appropriations and the greater amount of BA and outlays provided in the House resolution for the refundable portion of tax credits.

Conference Agreement.—The Conference Agreement does not revise 2001 levels. For 2002, the resolution provides \$273.8 billion in BA and \$272.1 billion in outlays. Over 10 years, it provides \$3,222.5 billion in BA and \$3,206.7 billion in outlays. The Conference Agreement adopts the Senate amendment regarding TANF supplemental grants.

#### FUNCTION 650: SOCIAL SECURITY

Major Programs in Function.—Under current law, spending for Function 650, Social Security, will total \$435.2 billion in BA and \$433.1 billion in outlays for 2001. This function includes Social Security benefits and administrative expenses. Under provisions of the Budget Enforcement Act, Social Security trust funds are off-budget. The figures below reflect the on-budget portions of this function, primarily payments from the general fund to the trust funds to credit the trust funds for income taxes collected on Social Security benefits. Both on-budget and off-budget spending are shown, however, in the summary tables contained in the statement of managers accompanying the Conference Agreement.

House Resolution.—For on-budget spending in this function, the resolution establishes levels of \$11.0 billion in budget authority [BA] and outlays in fiscal year 2002, an increase of 12.2 percent in BA compared with fiscal year 2001. The on-budget function totals are \$62.8 billion in BA and \$62.7 billion in outlays over 5 years, and \$150.9 billion in BA and outlays over 10 years. The resolution supports the President's approach to Social Security reform through the following specific measures:

—It assumes provisions of the Social Security and Medicare Lock-Box Act of 2001 (H.R. 2), recently passed by the House, which prohibits using Social Security surpluses for any purpose other than debt reduction or Social Security reform.

—It assumes the President's proposal to provide \$7.7 billion for the SSA, an increase of \$456 million, or 6.3 percent, above fiscal year 2001. The increase will allow SSA to process 100,000 more initial disability claims in 2002 than in 2001.

—It makes no changes in current Social Security benefits or taxes.

Senate Amendment.—The Senate amendment does not revise 2001 on-budget totals of \$9.8 billion in BA and outlays. For 2002, the resolution assumes \$10.9 billion in both BA and outlays. Over 10 years, the resolution provides \$140.0 billion in both BA and outlays.

The President's budget assumes no changes to Social Security benefits. Indirectly, however, the tax cut proposal would decrease both on-budget spending and the trust fund surplus. The President's tax proposal would reduce marginal income rates, thereby decreasing the amount of income taxes paid on Social Security benefits. This reduces on-budget payments from the general fund to the trust funds to credit the trust funds for income taxes paid on Social Security benefits by \$11 billion over 10 years. The difference between the House resolution and the Senate amendment is that the House holds the Social Security trust funds harmless for the impact of the tax cut.

Conference Agreement.—The Conference Agreement does not revise 2001 on-budget totals. The Senate recedes to the House and agrees to hold the trust funds harmless for the impact of any tax cuts resulting from this agreement. For 2002, the Conference Agreement assumes \$11.0 billion in both BA and outlays. Over 10 years, it provides \$150.9 billion in BA and \$150.9 billion in outlays.

#### FUNCTION 700: VETERANS BENEFITS AND SERVICES

Major Programs in Function.—Under current law, spending for Function 700 Veterans Benefits and Services, will total \$46.7 billion in BA and \$45.9 billion in outlays for 2001. This budget function includes income security needs of disabled veterans, indigent veterans, and survivors of deceased veterans through compensation benefits, pensions, and life insurance programs. Major education, training, and rehabilitation and readjustment programs include the Montgomery GI Bill, the Veterans Educational Assistance program, and the Vocational Rehabilitation and Counseling program. Veterans can also receive guarantees on home loans. Roughly half of all spending in this function is for the Veterans Health Administration, which is comprised of hospitals, nursing homes, domiciliaries, and outpatient clinics.

House Resolution.—The resolution establishes levels of \$52.3 billion in BA and \$51.6 billion in outlays in fiscal year 2002, an increase of 12 percent in BA compared with fiscal year 2001. The function totals are \$278.7 billion in BA and \$276.5 in outlays over 5 years, and \$594.0 billion in BA and \$589.8 billion in outlays over 10 years.

The budget assumes the enactment of veterans' burial benefits enhancements in H.R. 801, the Veterans' Opportunity Act of 2001. It also assumes increases in mandatory spending for Montgomery GI Bill education benefits improvements. The budget assumes the permanent extension of several expiring provisions of existing law pertaining to veterans benefits. These include IRS income verification for means-tested veterans and survivor benefits; limiting VA pension to Medicaid recipients in nursing homes; and continuing current housing loan fees.

**Senate Amendment.**—The Senate amendment assumes \$53.8 billion in BA and \$53.1 billion in outlays in 2002, and \$600.6 billion in BA and \$596.2 billion in outlays over 2002–2011. The Senate adopted two amendments to increase funding for Veterans Medical Care. The first amendment added \$1.718 billion in BA each year from 2002 to 2011 and the second amendment added, \$967 million in BA for 2002.

**Conference Agreement.**—For 2002, it sets forth \$51.5 billion in BA and \$50.9 billion in outlays. Over 10 years, it provides \$605.4 billion in BA and \$600.9 billion in outlays.

The agreement also assumes an increase in funding in mandatory spending for improvements to the Montgomery GI Bill and veterans burial benefits. The agreement also assumes an extension of several expiring provisions of the Omnibus Budget Reconciliation Act of 1990.

#### FUNCTION 750: ADMINISTRATION OF JUSTICE

**Major Programs in Function.**—Under current law, spending for Function 750, Administration of Justice, will total \$30.6 billion in BA and \$30.0 billion in outlays for 2001. This function provides funding for federal law enforcement activities. These activities include criminal investigations by the Federal Bureau of Investigation and the Drug Enforcement Administration, and border enforcement and the control of illegal immigration by the Customs Service and the Immigration and Naturalization Service. Also funded through this function are the federal courts, federal prison operation and construction, and criminal justice assistance.

**House Resolution.**—The resolution establishes levels of \$30.9 billion in budget authority [BA] and \$30.3 billion in outlays in 2002, an increase of 1.0 percent in BA compared with fiscal year 2001. The function totals are \$166.6 billion in BA and \$166.5 billion in outlays over 5 years, and \$359.3 billion in BA and \$356.8 billion in outlays over 10 years. The resolution accommodates the President's proposals to increase funding for the Drug Enforcement Agency by 9 percent; the Federal Bureau of Investigation by 8 percent; the Federal Bureau of Prisons by 8 percent; the U.S. Attorneys by 7 percent; and to hire and train 550 new Border Control agents.

**Senate Amendment.**—For 2002, the resolution sets forth \$32.4 billion in BA and \$31.8 billion in outlays. Over the 2002–2011 ten year period, it sets forth \$360.8 billion in BA and \$358.3 billion in outlays. These levels reflect adoption of an amendment to increase Department of Justice state and local law enforcement assistance grant programs by \$1.5 billion in 2002.

**Conference Agreement.**—The Conference Agreement sets forth \$32.4 billion in BA and \$31.4 billion in outlays for 2002. Over the 2002–2011, the agreement sets forth \$378.5 billion in BA and \$374.8 billion in outlays.

#### FUNCTION 800: GENERAL GOVERNMENT

**Major Programs in Function.**—Under current law, spending for Function 800 General Government, will total \$16.3 billion in BA and \$16.1 billion in outlays for 2001. This function consists of the activities of the Legislative Branch, the Executive Office of the

President, U.S. Treasury fiscal operations (including the Internal Revenue Service), personnel and property management, and general purpose fiscal assistance to states, localities, and U.S. territories.

House Resolution.—The resolution establishes levels of \$16.7 billion in budget authority [BA] and \$16.3 billion in outlays in fiscal year 2002, an increase of 2.2 percent in BA compared with fiscal year 2001. The function totals are \$84.2 billion in BA and \$83.0 billion in outlays over 5 years, and \$176.7 billion in BA and \$173.4 billion in outlays over 10 years.

Senate Amendment.—The Senate amendment does not revise the 2001 levels. For 2002, the resolution assumes \$16.6 billion in BA and \$16.3 billion outlays. Over 10 years, the resolution provides \$176.7 billion in BA and \$173.4 billion in outlays.

Conference Agreement.—The Conference Agreement does not revise the 2001 levels. For 2002, the Conference Agreement assumes \$16.5 billion in both BA and \$16.2 billion outlays. Over 10 years, it provides \$183.2 billion in BA and \$179.5 billion in outlays.

#### FUNCTION 900: NET INTEREST

Major Programs in Function.—Under current law, on-budget spending for Function 900, Net Interest, will total \$254.8 billion in BA and outlays for 2002. Net interest is the interest paid for the federal government's borrowing minus the interest income received by the federal government. Net interest includes both on-budget and off-budget components, but the budget resolution text includes only the on-budget portion. Both on-budget and total interest spending are shown, however, in the summary tables contained in the statement of managers accompanying the Conference Agreement. Interest is a mandatory payment, with no discretionary component.

House Resolution.—The accounting of net interest in the budget includes only the on-budget component of interest spending. This spending declines at a relatively steady but moderate pace from \$274 billion in 2001 to \$219 billion in 2011. But even this decline understates—by significant amounts—the benefits to taxpayers of the debt reduction incorporated in this budget. When off-budget interest is taken into account (the increasing Federal credit accruing to the Social Security Trust Fund surplus in the form of government IOUs, and entered as negative spending), the overall net interest spending of the Federal Government is being virtually eliminated. It declines from \$205 billion in 2001 to just \$21 billion in 2011.

Senate Amendment.—The Senate amendment revises the 2001 on-budget levels to \$275.5 billion in BA and outlays. For 2002, it sets forth on-budget levels of \$262.1 billion in BA and outlays. Over ten years, it provides on-budget amounts of \$2,440.3 billion in BA and outlays.

Conference Agreement.—The Conference Agreement revises the 2001 on-budget levels to \$275.5 billion in BA and outlays. For 2002, it sets forth on-budget levels of \$262.1 billion in BA and outlays. Over ten years, it provides on-budget amounts of \$2,410.0 billion in BA and outlays.

## FUNCTION 920: ALLOWANCES

**Major Programs in Function.**—Under current law, spending for Function 920, Allowances, will total –\$0.5 billion in BA and –\$0.3 billion in outlays for 2001. This function usually displays the budgetary effects of proposals that cannot be easily distributed across other budget functions. In the case of 2001, it reflects the 0.22 percent across-the-board cut that was enacted in the Omnibus Consolidated and Emergency Supplemental Appropriations for Fiscal Year 2001. CBO could not display those cuts by account and by function until the Administration could display how the cuts would be implemented in the release of the full President's budget request.

In past years, Function 920 has also included total savings or costs from proposals associated with emergency spending or proposals contingent on possible future events that have uncertain chances of occurring. Most recently, in the Senate amendment and Conference Agreement on budget resolutions for both 2001 and 2002, the figures expressed in the budget resolution text (as well as the summary tables) for all other budget functions reflect the total level of discretionary spending contemplated by the budget resolution (e.g., as described in section 203 of the Conference Agreement on the 2002 budget). These levels are higher than the statutory cap on discretionary spending in place for those years. But because a budget resolution would be out of order in the Senate if it contains a level of discretionary spending higher than the statutory cap, the figures in the budget resolution text in Function 920 have had to reflect a negative entry that reduces the net level of discretionary spending from the contemplated level (as aggregated across all other budget functions) to the statutory level. The summary tables, however, omit this negative entry for Function 920 so that their aggregates reflect the levels ultimately intended by the resolution.

**House Resolution.**—For discretionary spending, the budget resolution calls for \$5.0 billion in budget authority [BA] and \$1.8 billion in outlays in fiscal year 2002. The 5-year spending totals are \$29.1 billion in BA and \$22.4 billion in outlays; and the 10-year totals are \$64.0 billion in BA and \$55.5 billion in outlays. There is no mandatory spending in this function.

The funds identified constitute primarily a set-aside fund for unanticipated emergency needs during the fiscal year.

**Senate Amendment.**—The Senate amendment revises the 2001 levels to \$80.5 billion in BA and \$80.7 billion in outlays in 2001, reflecting the Senate's adoption of an amendment to further increase a tax refund for that year. For 2002, the resolution sets forth –\$6.1 billion in BA and –\$8.6 billion in outlays. The resolution provides –\$15.9 billion in BA and –\$23.1 billion in outlays over 2002–2010. These figures (as shown in the summary tables) reflect the effect of 13 amendments adopted by the Senate that sought to suggest an increase in spending in other functions and that appeared to “offset” such increased spending by bookkeeping the same amount with a negative value in Function 920. These figures do not include the entry necessary to reduce the overall discretionary level to the statutory cap.

Conference Agreement.—The Conference Agreement revises the 2001 levels to \$84.5 billion in BA and \$84.7 billion in outlays. For 2002, the resolution provides –\$6.0 billion in BA and –\$3.7 billion in outlays. Over 10 years, it provides –\$66.8 billion in BA and –\$62.6 billion in outlays.

#### FUNCTION 950: UNDISTRIBUTED OFFSETTING RECEIPTS

Major Programs in Function.—Under current law, receipts in Function 950, Undistributed Offsetting Receipts, will total about \$46.2 billion (negative BA and outlays) for 2001. Function 950 includes both on-budget and off-budget components, but the budget resolution text includes only the on-budget portion. Both on-budget and total receipts are shown, however, in the summary tables contained in this Conference Agreement. This function records offsetting receipts (receipts, not federal revenues or taxes, that the budget shows as offsets to spending programs) that are too large to record in other budget functions. Such receipts are either intrabudgetary (a payment from one federal agency to another, such as agency payments to the retirement trust funds) or proprietary (a payment from the public for some type of business transaction with the government). The main types of receipts recorded as “undistributed” in this function are: the payments federal agencies make to retirement trust funds for their employees, payments made by companies for the right to explore and produce oil and gas on the Outer Continental Shelf, and payments by those who bid for the right to buy or use the public property or resources, such as the electromagnetic spectrum.

House Resolution.—The resolution calls for –\$42.3 billion in budget authority [BA] and outlays in fiscal year 2002, a decrease of 10.6 percent in BA compared with fiscal year 2001, (or an increase of 10.6 percent in receipts compared with fiscal year 2001). The 5-year function totals are –\$239.8 billion in BA and outlays; and the 10-year totals are –\$492.3 billion in BA and outlays.

These totals comprise entirely of mandatory spending. There is no discretionary spending in this function.

The resolution does not assume lease bonuses from the Arctic National Wildlife Refuge or an analog spectrum license fee or other spectrum offsets. It also assumes permanent extension of the Balanced Budget Act [BBEDCA] provision that increased, by 1.51 percentage points, Federal agency contributions to the Civil Service Retirement and Disability Trust Fund [CSRDF] on behalf of their CSRS-participant employees. That provision had been scheduled to sunset after fiscal year 2002.

Senate Amendment.—The Senate amendment does not revise the 2001 levels. For 2002, the resolution provides –\$38.8 billion in BA and outlays. Over 10 years, the resolution provides –\$495.7 billion in BA and outlays. The Senate amendment is the same as the House resolution, except that it reflects both the President’s proposals to delay certain spectrum auctions and to impose a fee on broadcasters using spectrum channels for analog broadcasts to encourage the transition to digital television.

Conference Agreement.—The Conference Agreement does not revise the 2001 levels. For 2002, the resolution provides –\$38.8 billion in BA and outlays. Over 10 years, it provides –\$494.1 bil-



lion in BA and outlays. The conferees agree to the President's proposal to delay certain spectrum auctions that was assumed in the Senate amendment, but do not agree to the President's proposal for an analog lease fee.

#### REVENUES

Federal revenues are taxes and other collections from the public that result from the government's sovereign or governmental powers. Federal revenues include individual income taxes, corporate income taxes, social insurance taxes, excise taxes, estate and gift taxes, custom duties and miscellaneous receipts (which include deposits of earnings by the Federal Reserve System, fines, penalties, fees for regulatory services, and others).

Under current law, federal tax collections are projected to total \$28 trillion over the next ten years. This year, total revenues are projected to equal 20.7 percent of GDP, slightly below the World War II record level of 20.9 percent. Over the projection period 2002–2011, under current law, total revenues are projected to average 20.3 percent of GDP, far above historical averages for any time period, including times of war.

House Resolution.—The House resolution provides for \$1.62 trillion in tax reduction over the next 10 years. This level would accommodate the President's priority tax cut proposals: reducing marginal tax rates, doubling the per-child tax credit; providing relief from the marriage penalty, and providing death tax relief. It also provides for additional tax reduction, subject to the discretion of the Committee on Ways and Means. Such measures might include charitable deduction expansion; refundable tax credits for private health insurance; Education Savings Account expansion and other education provisions; Individual Retirement Account [IRA] increases and other pension reform; and permanent extension of the research and development [R&D] tax credit. (The refundable elements of the President's tax proposals, which are treated as spending, appear in the functional areas to which they apply.) It also assumes, but does not reconcile, the revenue effect of a proposed reduction in fees levied by the Securities and Exchange Commission, and a requirement that the Federal Reserve pay interest on deposits at the Reserve. The resolution also establishes a reserve fund for further tax reduction should the Congressional Budget Office's summer update indicate additional non-Social Security surpluses. The reserve fund could allow for measures such as extension of Medical Savings Accounts, repeal of transportation deficit reduction fuel taxes, and reduction of the capital gains rate.

Senate Amendment.—The Senate amendment revises the 2001 on-budget revenue level to \$1,630.3 billion. It sets forth on-budget revenues of \$1,644.8 billion in 2002, and \$20,007.1 billion over the ten years 2002–2011. The Senate amendment assumes a tax reduction, relative to the CBO baseline, of \$1,188.1 billion over the period 2002–2011, about \$450 billion less than the tax relief assumed in the House resolution. The Senate amendment includes an allowance (in Function 920) for a surplus refund of up to \$85 billion in 2001. The refund represents about 88 percent of the \$96 billion non-Social Security, non-Hospital Insurance surplus projected under current law for 2001. The tax relief assumed in the Senate

amendment represents just four percent of all projected revenues over the next ten years, and less than one percent of GDP over the next ten years.

Conference Agreement.—The Conference Agreement includes language for reconciliation of tax relief including a surplus refund of \$1.350 trillion over the period 2001–2011. (see description of reconciliation). In addition, the Conference Agreement accepts the House position to assume a one-year extension of tax provisions expiring in 2001, legislation to reduce SEC fees, and legislation to permit the Federal Reserve System to pay interest on reserve balances. These three provisions would not be reconciled, and are assumed to reduce revenues by \$19 billion over ten years. The total amount of tax relief, surplus refund, and other revenue changes assumed in the Conference Agreement, both reconciled and non-reconciled, is \$1.369 trillion over the 2001–2011 period.

#### DEBT LEVELS

Debt held by the public peaked at \$3.773 trillion in 1997. At the end of 2001, debt held by the public is projected to be \$3.243 trillion, \$530 billion lower than just four years ago. This is a reduction of 14 percent from peak levels.

The table on the following page shows the levels of debt held by the public resulting from the policies assumed in the Conference Agreement. The policies assumed in the Conference Agreement result in a reduction in debt in every year through 2011 and total debt reduction of \$2.425 trillion from the end of 2001 through the end of 2011. Debt held by the public falls to 4.8 percent of GDP, its lowest level since 1916, prior to World War I.

The Conference Agreement proposals result in retiring the maximum amount of public debt that can reasonably be retired. Under the budget resolution, the debt remaining in 2010 and 2011 is considered (by CBO's estimates) to be the minimum debt level. It consists mostly of marketable bonds that will not have matured and that will be too expensive to buy back, savings bonds, and special bonds for State and local governments.

Debt Held by the Public  
[\$ billions]

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Debt Held by the Public .....	3,243.2	3,037.9	2,810.7	2,563.6	2,303.1	2,022.5	1,702.9	1,350.0	947.3	878.0	818.0

## RECONCILIATION INSTRUCTIONS

Under section 310(a) of the Budget Act, the budget resolution may include directives to the committees of jurisdiction to make revisions in law necessary to accomplish a specified change in spending or revenues. If the resolution includes directives to only one committee of the House or Senate, then that committee is required to directly report to its House legislative language of its design that would implement the spending or revenue changes provided for in the resolution. Any bill considered pursuant to a reconciliation instruction is subject to special procedures set forth in sections 310 and 313 of the Budget Act.

*House resolution*

Section 4 provides for five different reconciliation bills. It contains directives to the Ways and Means Committee to report three tax-only bills to the floor by May 2, May 23, and June 20 of fiscal year 2001. Additional directives to the Ways and Means and the Energy and Commerce Committees are designed to allow those committees to reform the Medicare program and provide a prescription drug benefit. The Medicare-related legislation must be submitted to the House Budget Committee no later than July 24, 2001. An additional omnibus bill will be composed of submissions from six different committees that will contain both spending and revenue changes. These Committees are required to submit their recommendations to the Budget Committee by September 11, 2001.

*Senate amendment*

The Senate amendment provides a reconciliation instruction to the Senate Committee on Finance to reduce revenues for the period of fiscal years 2001 through 2011 by not more than the amount of revenue reductions set out in the revenue aggregates in the resolution. It also instructs the Committee on Finance to increase outlays by not more than \$60 billion for the period of fiscal years 2001 through 2011. This reconciliation instruction was added by an amendment offered by Senator Domenici. The reduction in the revenue aggregates plus the \$60 billion in outlays would permit up to \$1.248 trillion in "tax relief" over this 11-year period.

*Conference agreement*

The Conference Agreement provides a reconciliation instruction to the Senate Committee on Finance to report by May 18, 2001, legislation to reduce revenues by not more than \$1.25 trillion and increase outlays by not more than \$100 billion for the period of fiscal years 2001 through 2011 provided that \$100 billion of the revenues and outlays changes shall only be available for 2001 and 2002. The Conference Agreement also provides a reconciliation instruction to the House Committee on Ways and Means to report legislation by May 18, 2001 to reduce revenues by not more than \$1.250 trillion for the period of fiscal years 2001 through 2011 and to increase outlays by not more than \$100 billion for the period of fiscal years 2001 through 2011. The total reconciliation instruction to both the House Committee on Ways and Means and the Senate

Committee on Finance is for \$1.350 trillion over the period 2001 through 2011.

#### ALLOCATIONS

As required in section 302 of the Budget Act, the joint statement of the managers includes an allocation, based on the Conference Agreement, of total budget authority and total budget outlays among each of the appropriate House and Senate committees. The allocations are as follows:

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**ALLOCATIONS OF SPENDING AUTHORITY  
TO HOUSE COMMITTEES  
Appropriations Committee  
(in millions of dollars)**

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		2001	2002
General Purpose *	BA	641,979	659,540
	OT	615,529	647,780
Highways *	BA		
	OT	26,920	28,489
Mass Transit *	BA		
	OT	4,639	5,275
Conservation *	BA		1,760
	OT		1,232
Total Discretionary Action	BA	641,979	661,300
	OT	647,088	682,776
Current Law Mandatory	BA	332,768	357,786
	OT	316,432	350,418

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\* - Shown for display purposes only.

**ALLOCATIONS OF SPENDING AUTHORITY TO HOUSE COMMITTEES**  
**Committees Other than Appropriations**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Total
<b>Agriculture Committee</b>												
Current Law	21,035	14,020	3,570	3,436	3,466	3,537	3,580	3,362	3,855	3,997	4,062	28,049
OT	17,238	10,701	67	-11	-8	33	38	-284	361	720	830	46,905
Discretionary Action	5,600	7,350	0	0	0	0	0	0	0	0	0	12,447
OT	5,600	7,350	0	0	0	0	0	0	0	0	0	7,350
Reauthorizations	0	0	0	0	0	0	0	0	0	0	0	7,350
OT	0	0	0	0	0	0	0	0	0	0	0	0
Total	26,635	21,370	34,049	34,757	35,263	35,263	35,263	34,477	35,186	35,669	36,641	282,662
OT	22,738	18,351	29,204	31,211	31,682	31,687	30,663	30,223	31,628	32,638	33,363	160,708
BA	26,635	21,370	34,049	34,757	35,263	35,263	35,263	34,477	35,186	35,669	36,641	336,917
Total	22,738	18,351	29,204	31,211	31,682	31,687	30,663	30,223	31,628	32,638	33,363	141,835
<b>Armed Services Committee</b>												
Current Law	50,884	52,630	58,578	61,753	63,987	65,156	68,382	70,624	72,894	75,262	77,684	304,114
OT	50,761	52,536	59,494	61,675	63,905	65,070	68,293	70,535	72,806	75,177	77,598	303,580
Discretionary Action	0	146	108	74	43	29	11	11	5	9	6	386
OT	0	146	108	74	43	29	11	11	5	9	6	386
Total	50,884	52,776	59,684	61,837	64,030	65,185	68,393	70,636	72,899	75,271	77,690	304,512
OT	50,761	52,682	59,600	61,749	63,948	65,099	68,304	70,546	72,811	75,186	77,605	304,078
BA	50,884	52,776	59,684	61,837	64,030	65,185	68,393	70,636	72,899	75,271	77,690	304,512
Total	50,761	52,682	59,600	61,749	63,948	65,099	68,304	70,546	72,811	75,186	77,605	304,078
<b>Financial Services Committee</b>												
Current Law	9,629	6,697	6,978	6,404	6,193	5,904	5,833	5,688	5,637	5,737	5,855	60,912
OT	1,419	1,366	1,228	763	187	-710	-895	-1,092	-1,147	-1,196	-1,245	-2,732
Committee on Education and the Workforce	5,408	5,098	4,774	4,123	5,098	5,302	5,356	5,498	5,624	5,752	5,857	53,133
Current Law	4,544	5,049	4,627	4,137	4,519	4,844	4,901	4,997	5,116	5,236	5,342	48,768
Discretionary Action	0	0	0	0	0	0	0	0	0	0	0	0
OT	0	0	0	0	0	0	0	0	0	0	0	0
Reauthorizations	0	0	0	0	0	0	0	0	0	0	0	0
OT	0	0	0	0	0	0	0	0	0	0	0	0
Total	5,413	6,008	5,084	4,885	5,890	6,105	6,046	5,929	6,137	6,237	6,342	53,133
OT	4,549	5,112	4,876	4,811	5,238	5,644	5,700	5,629	5,820	5,933	6,042	48,768
BA	5,413	6,008	5,084	4,885	5,890	6,105	6,046	5,929	6,137	6,237	6,342	53,133
Total	4,549	5,112	4,876	4,811	5,238	5,644	5,700	5,629	5,820	5,933	6,042	48,768
<b>Energy and Commerce Committee</b>												
Current Law	1,852	9,774	11,636	16,674	17,773	17,853	18,852	19,903	13,851	13,928	13,967	148,251
OT	3	9,660	10,240	16,538	17,522	17,867	17,867	17,867	14,925	14,925	13,919	153,211
Discretionary Action	0	2,887	1,925	-4,042	-2,013	-5,094	-1,180	-1,275	-1,377	-1,490	-1,515	-6,537
OT	0	2,887	1,925	-4,042	-2,013	-5,094	-1,180	-1,275	-1,377	-1,490	-1,515	-6,537
Reauthorizations	0	0	0	0	0	0	0	0	0	0	0	0
OT	0	0	0	0	0	0	0	0	0	0	0	0
Total	1,852	12,461	13,561	12,632	15,760	12,759	17,672	17,628	17,514	17,438	17,352	154,777
OT	3	12,347	12,165	12,496	15,579	12,693	16,687	16,607	17,050	17,156	17,297	150,177
BA	1,852	12,461	13,561	12,632	15,760	12,759	17,672	17,628	17,514	17,438	17,352	154,777
Total	3	12,347	12,165	12,496	15,579	12,693	16,687	16,607	17,050	17,156	17,297	150,177

		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2002-2006	2002-2011	Total
Government Reform Committee	Current Law	BA 60,669	62,982	65,455	68,016	70,498	73,036	75,736	78,477	81,347	84,403	87,520	339,989	747,472	
	OT	59,270	61,610	64,142	66,808	69,353	71,953	74,709	77,574	80,423	83,676	86,757	333,881	737,060	
	Discretionary Action	BA 0	0	-496	-523	-501	-475	-448	-413	-378	-340	-259	-1,995	-3,871	
	OT	0	0	-496	-523	-501	-475	-448	-413	-378	-340	-259	-1,995	-3,871	
	Total	BA 60,669	62,982	64,959	67,493	69,997	72,558	75,290	78,064	80,969	83,336	87,221	337,994	743,601	
Committee on House Administration	Current Law	BA 59,270	61,610	63,646	66,285	68,857	71,468	74,263	77,161	80,045	83,336	86,498	331,886	733,189	
	OT	112	87	89	86	87	87	87	88	88	88	88	436	875	
	Discretionary Action	BA 0	0	0	0	0	0	0	0	0	0	0	0	0	
	OT	58	33	60	252	42	27	59	221	88	70	64	414	916	
	Total	BA 11,300	11,727	11,813	11,829	12,114	12,369	12,894	12,661	12,607	12,586	12,629	59,852	123,029	
International Relations Committee	Current Law	BA 10,463	10,482	10,599	10,533	11,039	11,281	11,607	11,817	11,935	12,005	12,078	54,239	113,881	
	OT	2,882	2,742	2,552	2,291	2,324	2,363	2,507	2,512	2,624	2,728	2,691	12,272	25,334	
	Discretionary Action	BA 0	0	87	89	93	96	0	88	31	0	-1	365	385	
	OT	0	0	87	89	93	96	0	88	31	0	-1	365	385	
	Total	BA 2,882	2,742	2,639	2,380	2,417	2,459	2,507	2,512	2,624	2,728	2,691	12,637	25,699	
Judiciary Committee	Current Law	BA 5,064	5,221	4,346	4,410	4,410	4,416	4,475	4,543	4,630	4,706	4,782	22,803	46,939	
	OT	4,847	4,695	4,341	4,469	4,444	4,392	4,415	4,425	4,484	4,596	4,632	22,541	45,063	
	Discretionary Action	BA 5,064	5,221	4,346	4,410	4,410	4,416	4,475	4,543	4,630	4,706	4,782	22,803	46,939	
	OT	4,847	4,695	4,341	4,469	4,444	4,392	4,415	4,425	4,484	4,596	4,632	22,541	45,063	
	Total	BA 5,064	5,221	4,346	4,410	4,410	4,416	4,475	4,543	4,630	4,706	4,782	22,803	46,939	
Transportation and Infrastructure Committee	Current Law	BA 52,510	54,581	51,787	53,480	54,350	55,817	57,116	58,987	60,386	62,928	64,768	270,015	574,110	
	OT	9,662	9,761	9,901	9,954	9,950	10,040	10,066	10,568	10,814	11,011	11,329	49,626	103,404	
	Discretionary Action	BA 52,510	54,581	51,787	53,480	54,350	55,817	57,116	58,987	60,386	62,928	64,768	270,015	574,110	
	OT	9,662	9,761	9,901	9,954	9,950	10,040	10,066	10,568	10,814	11,011	11,329	49,626	103,404	
	Total	BA 52,510	54,581	51,787	53,480	54,350	55,817	57,116	58,987	60,386	62,928	64,768	270,015	574,110	
Science Committee	Current Law	BA 158	192	213	72	74	77	78	80	81	84	85	628	1,036	



**ALLOCATIONS OF SPENDING AUTHORITY TO HOUSE COMMITTEES**  
Committees Other than Appropriations

		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Total	
<b>Veterans' Affairs Committee</b>														
Current Law	BA	1,249	1,356	1,388	1,365	1,366	1,349	1,344	1,335	1,301	1,271	1,243	6,784	13,278
	OT	1,041	1,195	1,220	1,259	1,262	1,274	1,300	1,303	1,277	1,281	1,240	6,210	12,581
Discretionary Action	BA	0	264	478	761	816	885	953	1,008	594	640	687	3,205	7,087
	OT	0	264	479	761	816	885	953	1,008	594	640	687	3,205	7,087
Reauthorizations	BA	0	445	1,035	1,641	2,431	2,888	3,211	4,012	4,644	5,294	5,963	8,440	31,584
	OT	0	407	985	1,580	2,355	2,798	3,111	3,950	4,591	5,240	5,907	8,135	30,944
Total	BA	1,249	2,065	2,872	3,787	4,603	5,122	5,508	6,355	6,539	7,205	7,893	18,429	51,929
	OT	1,041	1,866	2,654	3,610	4,433	4,957	5,384	6,271	6,462	7,141	7,834	17,550	50,622
<b>Ways and Means Committee</b>														
Current Law	BA	697,787	684,366	680,440	697,153	718,687	729,599	752,688	771,900	791,581	810,744	831,149	3,510,695	7,468,747
	OT	695,886	684,537	679,418	685,843	716,988	728,179	751,350	770,209	789,680	809,335	825,471	3,504,965	7,455,010
Reauthorizations	BA	0	285	19,793	19,994	20,001	20,007	20,014	20,022	20,038	20,045	20,053	80,080	180,250
	OT	0	208	20,036	20,913	21,121	21,227	21,284	21,342	21,355	21,365	21,373	83,505	190,225
Discretionary Action	BA	85,000	1,360	3,089	2,834	3,879	4,247	4,984	4,983	4,945	4,902	4,862	15,409	40,085
	OT	85,000	900	3,060	2,867	3,950	4,292	5,019	4,988	4,960	4,907	4,867	15,069	39,820
Total	BA	782,787	686,011	703,322	720,021	742,567	754,253	777,686	796,905	816,562	835,691	855,054	3,506,174	7,669,082
	OT	781,886	685,645	702,514	719,823	742,059	753,598	777,653	796,549	815,995	835,607	855,711	3,503,539	7,665,055

**SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT  
TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT  
BUDGET YEAR TOTAL 2001  
(in millions of dollars)**

Committee	Direct spending jurisdiction		Entitlements funded in annual appropriations acts	
	Budget Authority	Outlays	Budget authority	Outlays
<b>Appropriations</b>				
General Purpose Discretionary	640,803	617,507	0	0
<i>Memo:</i>	637,372	614,136		
	3,431	3,371		
Highways	0	26,320	0	0
Mass Transit	0	4,639	0	0
Mandatory	332,768	316,432	0	0
<b>Total</b>	973,571	965,498	0	0
<b>Agriculture, Nutrition, and Forestry</b>	26,339	22,544	29,963	12,133
Armed Services	50,881	50,784	54	54
Banking, Housing and Urban Affairs	11,512	4,075	0	0
Commerce, Science, and Transportation	394	(3,472)	751	749
Energy and Natural Resources	2,691	2,609	40	51
Environment and Public Works	39,185	1,838	0	0
Finance	793,558	790,942	169,158	169,328
Foreign Relations	11,369	10,433	0	0
Governmental Affairs	60,669	59,270	0	0
Judiciary	5,064	4,847	264	264
Health, Education, Labor, and Pensions	9,726	8,740	1,852	1,851
Rules and Administration	112	68	0	0
Veterans' Affairs	1,249	1,245	23,556	23,465
Indian Affairs	267	233	0	0
Small Business	(375)	(475)	0	0
Unassigned to Committee	(330,341)	(313,341)	0	0
<b>TOTAL</b>	1,655,871	1,605,818	225,638	207,895

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT  
TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT  
BUDGET YEAR TOTAL 2002  
(in millions of dollars)

Committee	Direct spending jurisdiction		Entitlements funded in annual appropriations acts	
	Budget Authority	Outlays	Budget authority	Outlays
Appropriations				
General Purpose Discretionary				
<i>Memo:</i>				
on-budget	546,945	537,091	0	0
off-budget	543,366	533,566		
	3,579	3,525		
Highways	0	28,489	0	0
Mass Transit	0	5,275	0	0
Conservation	1,760	1,232		
Mandatory	358,567	350,837	0	0
Total	907,272	922,924	0	0
Agriculture, Nutrition, and Forestry	21,175	17,856	22,293	13,209
Armed Services	53,053	52,964	54	54
Banking, Housing and Urban Affairs	8,417	1,273	0	0
Commerce, Science, and Transportation	13,452	9,630	805	801
Energy and Natural Resources	2,543	2,435	40	56
Environment and Public Works	41,494	1,799	0	0
Finance	699,700	699,169	185,672	185,713
Foreign Relations	11,706	10,454	0	0
Governmental Affairs	62,982	61,610	0	0
Judiciary	5,195	4,669	264	264
Health, Education, Labor, and Pensions	10,179	9,419	1,804	1,822
Rules and Administration	87	33	0	0
Veterans' Affairs	1,620	1,622	26,902	26,762
Indian Affairs	272	280	0	0
Small Business	0	(100)	0	0
Unassigned to Committee	(329,947)	(320,947)	0	0
TOTAL	1,509,200	1,475,090	237,834	228,661

**SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT  
TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT  
5-YEAR TOTAL: 2002-2006  
(in millions of dollars)**

Committee	Direct spending jurisdiction		Entitlements funded in annual appropriations acts	
	Budget Authority	Outlays	Budget authority	Outlays
Agriculture, Nutrition, and Forestry	69,640	52,349	106,745	71,186
Armed Services	305,980	305,551	274	274
Banking, Housing and Urban Affairs	59,463	2,355	0	0
Commerce, Science, and Transportation	72,789	50,419	4,493	4,468
Energy and Natural Resources	11,145	10,947	200	230
Environment and Public Works	181,030	8,380	0	0
Finance	3,740,350	3,737,604	1,086,697	1,086,656
Foreign Relations	59,747	54,108	0	0
Governmental Affairs	337,994	331,886	0	0
Judiciary	22,667	22,405	1,320	1,320
Health, Education, Labor, and Pensions	48,155	46,411	8,972	8,995
Rules and Administration	436	414	0	0
Veterans' Affairs	9,989	9,964	148,529	147,804
Indian Affairs	1,103	1,116	0	0
Small Business	0	(200)	0	0

**SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT  
TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT  
10-YEAR TOTAL: 2002-2011  
(in millions of dollars)**

Committee	Direct spending jurisdiction		Entitlements funded in annual appropriations acts	
	Budget Authority	Outlays	Budget authority	Outlays
Agriculture, Nutrition, and Forestry	114,692	80,210	225,304	156,220
Armed Services	671,521	670,656	549	549
Banking, Housing and Urban Affairs	132,028	(3,390)	0	0
Commerce, Science, and Transportation	164,611	118,775	10,178	10,292
Energy and Natural Resources	22,064	21,882	400	430
Environment and Public Works	371,833	15,995	0	0
Finance	8,261,320	8,254,702	2,663,216	2,662,654
Foreign Relations	122,819	113,442	0	0
Governmental Affairs	743,601	733,189	0	0
Judiciary	45,724	44,848	2,640	2,640
Health, Education, Labor, and Pensions	102,173	97,860	17,950	17,973
Rules and Administration	875	916	0	0
Veterans' Affairs	19,277	19,318	317,909	316,669
Indian Affairs	2,112	2,108	0	0
Small Business	0	(200)	0	0

The Conferees agree that it would be ideal to enforce this resolution using CBO's best cost estimates based on its most recent baseline. Typically, CBO prepares a preliminary baseline published in January and then a revised baseline in March that incorporates information CBO learns in reestimating the President's budget, which is usually released in early February. Almost always, the budget resolution is based on CBO's revised baseline. This year, however, the President's budget was not released until April 9, so CBO will not release its full analysis of the President's budget and accompanying revised baseline until May 18. Thus, this budget resolution is still based on CBO's preliminary baseline. Therefore the Conferees intend that the Chairmen of the Committees on the Budget will enforce this resolution (pursuant to Section 312 of the Budget Act) with respect to appropriation measures consistent with the assumptions underlying CBO's revised baseline only after CBO publishes its analysis of the President's budgetary proposals for fiscal year 2002 including its revised baseline and only to reflect the revised baseline, and may use CBO's estimates (that are consistent with the revised baseline) for purposes of enforcing the budget resolution.

The Conferees also agree that transfers from non-budgetary governmental entities such as the Federal Reserve Banks shall not be used to offset increased on-budget spending when such transfers produce no real budgetary effects. It has long been the view of both Committees on the Budget that transfers of Federal Reserve surpluses to the Treasury are not valid offsets for increased spending. Nonetheless, such transfers have been legislated in the past—as recently as the fall of 1999. The Conferees agree to a scoring rule to make clear that such transfers will not be taken into account when determining compliance with the various Budget Act and Senate paygo points of order.

#### RULEMAKING AND BUDGETARY PROCEDURES

##### ENFORCEMENT PROCEDURES

The Budget Act contains procedures for the enforcement of the levels contained therein. In addition, many budget resolutions have contained additional enforcement procedures. In general, enforcement is accomplished by setting forth new scoring rules or new points of order which can be raised by any member of either House. Subtitle A of title II of the Conference Agreement contains 4 such provisions.

##### *House resolution*

##### *Section 5: Reserve Fund for Emergencies*

Section 5 modifies Congressional procedures related to emergency spending in fiscal year 2001. It establishes a separate allocation to the Appropriations Committee for emergencies of \$5.6 billion. In lieu of the current practice of automatically increasing the appropriate levels in the budget resolution for designated emergencies, it permits the Appropriations Committee to make such adjustments only if emergency-designated appropriations meet a stat-

utory definition of an emergency and key disaster accounts have been fully funded.

*Section 13: Restrictions on Advance Appropriations*

Section 13 establishes a scoring rule and budgetary control designed to limit advance appropriations. It provides that for purposes of enforcing the budget resolution, advance appropriations are to be scored in the year in which they are enacted. Under current scorekeeping conventions, appropriations are scored in the year in which they are available for obligation. An exception is provided for programs for which advance appropriations do not exceed a specified level that will be identified in the joint statement of managers.

*Section 12: Compliance with Section 13301*

Section 12 provides the House the authority to include the administrative expenses related to Social Security in the 302(a) allocation to the Appropriations Committee. As part of an agreement between the House and Senate Budget Committees in 2000, the administrative expenses of the Social Security trust funds are no longer included in the budget resolution. The Budget Committees, however, continue to include these expenses in the 302(a) allocations of the Appropriations Committee because they are controlled through the annual appropriations process. Absent the authority provided under section 12, these expenses could not be included in the 302(a) allocations because the allocations must be consistent with the amounts set forth in the budget resolution.

*Senate amendment*

*Section 201: Restrictions on Advance Appropriations*

The Senate amendment contains a new scoring rule with respect to advance appropriations. The new rule provides that both the BA and the outlays for an advance appropriation will be scored for the budget year regardless of the fiscal year in which the funds actually become available for obligation. An exception is provided for advance appropriations which provide full funding for a capital project. The exception is intended to apply to the federal buildings fund within the General Services Administration and not as a means of providing incremental funding to other federal acquisitions.

*Section 202: Mechanism for implementing increase of fiscal year 2002 discretionary spending limits*

The Senate amendment contains a mechanism virtually identical to that which was included in section 206 of the fiscal year 2001 budget resolution. The Senate amendment provides the Chairman of the Senate Committee on the Budget the authority to increase the section 302(a) allocation to the Committee on Appropriations after the statutory discretionary spending limit for fiscal year 2002 (set forth in section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985) has been amended. Such adjustment is limited to the levels set forth in the mechanism. As passed the Senate, the allocation may be adjusted up to \$689.2 bil-

lion in BA and \$666.5 in outlays for the general discretionary category, \$28.5 billion in outlays for the highway category, \$5.3 billion in outlays for the mass transit category, and \$1.76 billion in BA and \$1.38 in outlays for the conservation category. Note that with an exception for a necessary adjustment within Function 920 (to bring the Senate-passed resolution in compliance with section 312(b) of the Budget Act) these numbers are intended to reflect the sum of the functional totals. However due to mathematical inconsistency within some of the amendments adopted during the Senate debate of the resolution, this may not be the case.

*Section 207: Limitation on consideration of amendments under reconciliation and a budget resolution*

The Senate amendment contains language which modifies the time for debate on budget resolutions, reconciliation bills, and amendments thereto. The language was added by an amendment offered by Senator Byrd. The Senate amendment modifies the procedural rules as follows: (1) limits overall debate time (including the offering of amendments) for both budget resolutions and reconciliation bills to 50 hours (current rules permit 50 hours for budget resolutions and 20 for reconciliation bills); (2) eliminates the non-debatable motion to reduce the time, so that time may only be reduced by unanimous consent; (3) reduces time on 1st degree amendments from 2 hours to 1 hour, and reduce time on amendments to amendments (and debatable motions and appeals) from 1 hour to 30 minutes; (4) requires that 1st degree amendments be offered or filed with the Clerk prior to the end of the 10th hour of consideration and that 2nd degree amendments be offered or filed with the Clerk prior to the end of the 20th hour of consideration; (5) requires that after 40 hours of consideration, the resolution be set aside for 1 calendar day; (6) provides that waiver or appeal from these new rules requires 60 votes in the Senate.

*Conference Agreement*

*Section 201: Restrictions on Advance Appropriations—House*

Section 201 of the Conference Agreement adopts a limitation on advance appropriations similar to the approach taken in last year's budget resolution. The Conference Agreement establishes a rule against any advance appropriation for 2003 and any year thereafter with two exceptions: (1) advance appropriations may be provided for the accounts in the appropriation bills listed below, provided that their sum does not exceed \$23.159 billion in budget authority for 2003 and (2) advance appropriations may be provided for the Corporation for Public Broadcasting.

*Accounts Identified for Advance Appropriations:*

Commerce, Justice, State

Patent and Trademark Office (13 1006 01 376)

Legal Activities and U.S. Marshals, Antitrust Division (15 0319 01 752)

U.S. Trustee System (15 5073 02 752)

Federal Trade Commission (29 0100 01 376)

Interior

Elk Hills (89 5428 02 271)



Labor, Health and Human Services, Education  
 Employment and Training Administration (16 0174 01 504)  
 Health Resources (75 0350 01 551)  
 Low Income Home Energy Assistance Program (75 1502 01 609)  
 Child Care Development Block Grant (75 1515 01 609)  
 Elementary and Secondary Education [reading excellence] (91 0011 01 501)  
 Education for the Disadvantaged (91 0900 01 501)  
 School Improvement (91 1000 01 501)  
 Children and Family Services [head start] (75 1536 01 506)  
 Special Education (91 0300 01 501)  
 Vocational and Adult Education (91 0400 01 501)  
 Treasury, General Government  
 Payment to Postal Service (18 1001 01 372)  
 Federal Building Fund (47 4542 04 804)  
 Veterans, Housing and Urban Development  
 Section 8 Renewals (86 0319 01 604)

The Conference Agreement adopts the definition of “advance appropriation” that was used in section 203(b)(2) of last year’s budget resolution (which was the provision applicable in the House of Representatives). This limitation can be enforced by points of order, which may be raised against advance appropriations not falling within the exception. The effect of a point of order under this section, if sustained by the Chair, is to cause the appropriation(s) to be stricken from the bill or joint resolution. The bill itself, however, continues to be considered.

*Section 202: Restrictions on Advance Appropriations—Senate*

Section 201(a) of the Conference Agreement adopts a limitation on advance appropriations similar to the approach taken in last year’s budget resolution. The Conference Agreement prohibits any advance appropriation for 2003 and any year thereafter with two exceptions: (1) advance appropriations may be provided for the accounts in the appropriation bills listed below, provided that their sum does not exceed \$23.159 billion in budget authority for 2003 and (2) advance appropriations may be provided for the Corporation for Public Broadcasting.

*Accounts Identified for Advance Appropriations:*

Commerce, Justice, State  
 Patent and Trademark Office (13 1006 01 376)  
 Legal Activities and U.S. Marshals, Antitrust Division (15 0319 01 752)  
 U.S. Trustee System (15 5073 02 752)  
 Federal Trade Commission (29 0100 01 376)  
 Interior  
 Elk Hills (89 5428 02 271)  
 Labor, Health and Human Services, Education  
 Employment and Training Administration (16 0174 01 504)  
 Health Resources (75 0350 01 551)  
 Low Income Home Energy Assistance Program (75 1502 01 609)  
 Child Care Development Block Grant (75 1515 01 609)  
 Elementary and Secondary Education [reading excellence] (91 0011 01 501)

Education for the disadvantaged (91 0900 01 501)  
 School Improvement (91 1000 01 501)  
 Children and Family Services [head start] (75 1536 01 506)  
 Special Education (91 0300 01 501)  
 Vocational and Adult Education (91 0400 01 501)  
 Treasury, General Government  
   Payment to Postal Service (18 1001 01 372)  
   Federal Building Fund (47 4542 04 804)  
 Veterans, Housing and Urban Development  
   Section 8 Renewals (86 0319 01 604)

The Conference Agreement adopts the definition of “advance appropriation” that was used in section 203(b)(2) of last year’s budget resolution (which was the provision applicable in the Senate). Both the overall cap on advanced appropriations for fiscal year 2002 for the specified accounts and the prohibition for subsequent fiscal years will be enforced in the Senate by a 60-vote point of order. The effect of a point of order under this section, if sustained by the Chair, is to cause the appropriation(s) to be stricken from the bill or joint resolution. The bill itself, however, continues to be considered.

*Section 203: Mechanism for Implementing Increase of Fiscal Year 2002 Discretionary Spending Limits*

Section 203 of the Conference Agreement retains the language from section 202 of the Senate amendment. Virtually identical language was included in section 206 of last year’s budget resolution. It provides the Chairman of the Senate Committee on the Budget the authority to increase the section 302(a) allocation to the Committee on Appropriations after the statutory discretionary spending limit for fiscal year 2002 (set forth in section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985) has been amended. The Conference Agreement permits the allocation to be adjusted up to \$659.540 billion in BA and \$647.780 billion in outlays for the general discretionary category, \$28.489 billion in outlays for the highway category, \$5.275 billion in outlays for the mass transit category, and \$1.760 billion in BA and \$1.232 billion in outlays for the conservation category. Note that with an exception for a necessary adjustment within Function 920 (to bring the Conference Agreement in to compliance with section 312(b) of the Budget Act), the functional totals of this Conference Agreement reflect a level of discretionary spending equal to the levels provided in this section.

Section 203 of the Conference Agreement also includes a mechanism for establishing a budget authority firewall in the Senate with respect to defense and nondefense discretionary spending. This firewall would be enforced by a 60-vote point of order only after the section 251 discretionary spending limit for 2002 has been amended. Similar language was included in section 207 of last year’s budget resolution. The Conferees feel that a firewall is necessary to add credibility to the total level of discretionary spending provided for in this resolution given the additional authority set out in section 218 of the resolution to increase the section 302(a) allocation to the Committee on Appropriations for additional defense spending. The Conferees stress the need for the President to

transmit to Congress a budget amendment requesting additional resources for defense after the completion of the President's National Defense Review prior to the Chairman of the Budget Committee considering any increase in the 302(a) allocation pursuant to section 218.

*Section 204: Compliance with Section 13301 of the Budget Enforcement Act of 1990*

Section 204 of the Conference Agreement retains the language of section 12 of the House Resolution regarding the budgetary treatment in the House of discretionary spending for the Social Security Administration. Similar language was included in section 231 of last year's resolution.

*Other issues*

The Conference Agreement does not include any language reflecting section 206 of the Senate amendment which provided limitations on consideration of amendments to budget resolutions and reconciliation bills in the Senate.

*Senate Pay-as-you-go Point of Order*

For convenience, and in keeping with previous years, the text of the Senate's current Pay-go point of order (see Section 207 of H. Con. Res. 68 (106th Cong. 1st Sess.) and the starting balances for the Senate pay-go scorecard are set out below. The starting balance represents the Congressional Budget Office's baseline estimate of the on-budget surpluses over the ten-year period. The Conferees note that the levels of spending and revenue reductions set out in the Conference Agreement, if enacted, would not result in a violation of the Senate pay-as-you-go point of order.

**SEC. \_\_\_\_ . PAY-AS-YOU-GO POINT OF ORDER IN THE SENATE.**

(a) PURPOSES.—The Senate declares that it is essential to—

- (1) ensure continued compliance with the balanced budget plan set forth in this resolution; and
- (2) continue the pay-as-you-go enforcement system.

(b) POINT OF ORDER.—

(1) IN GENERAL.—It shall not be in order in the Senate to consider any direct spending or revenue legislation that would increase the on-budget deficit or cause an on-budget deficit for any one of the three applicable time periods as measured in paragraphs (5) and (6).

(2) APPLICABLE TIME PERIODS.—For the purposes of this subsection the term “applicable time period” means any one of the three following time periods:

(A) The first year covered by the most recently adopted concurrent resolution on the budget.

(B) The period of the first 5 fiscal years covered by the most recently adopted concurrent resolution on the budget.

(C) The period of the 5 fiscal years following the first 5 fiscal years covered by the most recently adopted concurrent resolution on the budget.

(3) DIRECT-SPENDING LEGISLATION.—For purposes of this subsection and except as provided in paragraph (4), the term “direct-spending legislation” means any bill, joint resolution,

amendment, motion, or conference report that affects direct spending as that term is defined by and interpreted for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985.

(4) EXCLUSION.—For purposes of this subsection the terms “direct-spending legislation” and “revenue legislation” do not include—

(A) any concurrent resolution on the budget; or

(B) any provision of legislation that affects the full funding of, and continuation of, the deposit insurance guarantee commitment in effect on the date of enactment of the Budget Enforcement Act of 1990.

(5) BASELINE.—Estimates prepared pursuant to this section shall—

(A) use the baseline used for the most recently adopted concurrent resolution on the budget, and

(B) be calculated under the requirements of subsection (b) through (d) of section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 for fiscal years beyond those covered by that concurrent resolution on the budget.

(6) PRIOR SURPLUS.—If direct spending or revenue legislation increases the on-budget deficit or causes an on-budget deficit when taken individually, then it must also increase the on-budget deficit or causes an on-budget deficit when taken together with all direct spending and revenue legislation enacted since the beginning of the calendar year not accounted for in the baseline under paragraph (5)(A), except that the direct spending or revenue effects resulting from legislation enacted pursuant to the reconciliation instruction included in that concurrent resolution on the budget shall not be available.

(c) WAIVER.—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(d) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(e) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, outlays, and revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

(f) CONFORMING AMENDMENT.—Section 23 of H. Con. Res. 218 (103rd Cong.) is repealed.

(g) SUNSET.—Subsections (a) through (e) of this section shall expire September 30, 2002.

2002 BUDGET RESOLUTION  
[\$ Billions]

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Baseline on-budget surpluses .....	142.097	171.286	195.686	211.605	266.799	316.203	359.195	416.669	484.265	558.187

## RESERVE FUNDS

Reserve funds are special procedures which permit the consideration of specified legislation by making available the resources that are assumed within the aggregate levels of the budget resolution, but are not initially allocated to the appropriate committee of jurisdiction. In general, such provisions provide that upon the reporting of the legislation by the appropriate committee, the Chairmen of the Committees on the Budget may adjust the appropriate allocations to accommodate the legislation provided that all the terms of the reserve fund have been satisfied. The Chairmen intend to make reserve fund adjustments only for legislation reported by the appropriate committee. Subtitle B of Title II of the Conference Agreement contains nine reserve funds.

*House resolution**Section 6: Strategic Reserve*

Section 6 establishes a reserve fund for Department of Defense spending following the President's National Defense Review and a potential reauthorization of the Federal Agriculture Improvement Act of 1996. It could also accommodate other legislation. In order to be eligible for adjustments under this section, the legislation must be reported before July 11, 2001.

*Section 7: Supplemental Reserve for Medicare*

Section 7 establishes a reserve fund to accommodate a potentially more expensive Medicare bill than was reflected in the budget resolution. The Budget Committee chairman is authorized to make the adjustment for reconciliation legislation that provides for Medicare reform and prescription drug coverage. The Budget Committee chairman may increase the 302(a) allocations to the appropriate committees of jurisdiction by the amount of the Congressional Budget Office [CBO] reestimate of the cost of the President's Medicare plan or an alternative plan submitted by the Ways and Means and Commerce Committees. As a further limit on the cost of the bill, the adjustment under this section may not cause the on-budget surplus in the budget resolution to be less than \$36 billion in fiscal year 2002 and comparable levels in fiscal years 2003 through 2011.

*Section 8: Reserve for FY 2001*

Section 8 establishes a reserve fund for fiscal year 2001. The Chairman of the Budget Committee is authorized to make adjustments for Department of Defense shortfalls, emergency agricultural assistance, and other measures. It also limits the amount of the adjustments to the amount the bill exceeds the Committee's allocation. The adjustments may also not cause the on-budget surplus to be less than \$29 billion in fiscal year 2001.

*Section 9: Reserve for Education*

Section 9 establishes a reserve fund to allow additional spending for programs authorized by the Individuals with Disabilities Education Act (IDEA) in fiscal year 2002. It permits the Budget Committee chairman to increase the allocation when an appropria-

tion increases spending for IDEA above the baseline level of \$6.37 billion. The adjustment may not exceed \$1.25 billion.

*Section 10: Reserve for Additional Tax Cuts and Debt Reduction*

Section 10 permits the budget resolution to be adjusted to accommodate a larger tax cut or debt reduction if the surplus estimates increase in the Congressional Budget Office update of its budget and economic forecast for any fiscal years 2001 through 2011. If the estimate of the on-budget surplus increases, the chairman of the Budget Committee may increase the tax cut or reduce the debt levels by up to the amount of the increase in the surplus.

*Senate amendment*

*Section 203: Reserve fund for prescription drugs and Medicare reform in the Senate*

The Senate amendment contains language creating a reserve fund for Medicare reform and a prescription drug benefit. This reserve fund replaced the language in the initial substitute amendment offered by Senator Domenici and was added by an amendment offered by Senator Grassley. The Senate amendment permits budget resolution levels and committee allocation to be adjusted for legislation reported from Senate Committee on Finance that reforms medicare and improves access to prescription drugs for beneficiaries. The adjustments may not exceed the Congressional Budget Office's cost estimate of either a plan submitted by the President or a comparable plan submitted by the Chairman of the Committee on Finance and in no case may total spending exceed \$300 billion for the period of fiscal years 2002 through 2011. Note that the aggregates and function levels in the Senate amendment assume only \$153 billion (of the potential \$300 billion) over ten years.

*Section 206: Reserve fund for medicare payments to home health agencies*

The Senate amendment contains language creating a reserve fund to restore Medicare payments to home health agencies. This reserve fund was added by an amendment offered by Senator Collins. The Senate amendment permits budget resolution levels and committee allocation to be adjusted for legislation reported from Senate Committee on Finance that repeals the scheduled 15% reduction in home health payments. Adjustments may not exceed \$4 billion for the period of fiscal years 2002 through 2006 and \$13.7 billion for the period of fiscal years 2002 through 2011. In addition, no adjustments may be made if the cost of such legislation, taken together with all previously enacted legislation would reduce the on-budget surplus below the level of the Medicare HI Trust Fund surplus for any fiscal year covered by this budget resolution. Note that the function levels and aggregates in the Senate amendment assume the reductions would have gone into effect.

*Section 208: Reserve fund for the payment of retired pay and compensation to disabled military retirees*

The Senate amendment contains language creating a reserve fund to provide for the payment of retired pay and veterans' disability benefits to disabled military retirees. This reserve fund was added by an amendment offered by Senator Reid. The Senate amendment permits budget resolution levels and committee allocation to be adjusted for legislation reported from Senate Committee on Armed Services (and the appropriate committee of the House of Representatives) that funds the payment of full retired pay and veterans' disability benefits to disabled military retirees. The amendment does not, however, make any provision for the additional \$14.4 billion in discretionary spending that the Congressional Budget Office has estimated would also be required to fully fund these benefits. Adjustments may not exceed \$2.9 billion for fiscal year 2002 or \$40 billion for the period of fiscal years 2002 through 2011. In addition, no adjustment may be made if the sum of the cost of this legislation taken together with previously enacted legislation would reduce the level of the Medicare Hospital Insurance trust fund for any fiscal year covered by the budget resolution.

*Section 209: Reserve fund for refundable tax credits*

The Senate amendment contains language which in effect provides "fungibility" between outlays and revenues in a reconciliation tax legislation. This provision was added by an amendment offered by Senator Bingaman. The Senate amendment permits budget resolution levels, committee allocation, and reconciliation instruction to be adjusted for legislation reported from the Senate Committee on Finance that provides refundable tax credits. Adjustments are limited such that the sum of the spending increase and revenue reductions must not exceed the total amount of the reconciliation instruction. This will have the same effect as the "fungibility" language set out in section 310(c) of the Budget Act—and is superfluous in this case since the reconciliation instruction in the Senate amendment to Senate Finance contains an outlay component.

*Section 212: Reserve fund for Family Opportunity Act*

The Senate amendment contains a reserve fund to facilitate the consideration of the Family Opportunity Act in the Senate. This reserve fund was added by an amendment offered by Senator Grassley. The Senate amendment permits budget resolution levels and committee allocation to be adjusted for legislation reported from Senate Committee on Finance that expands Medicaid coverage for children with special needs to permit their parents to purchase such coverage. Adjustments may not exceed \$200 million for fiscal year 2002 or \$7.9 billion for the period of fiscal years 2002 through 2011. In addition, no adjustment may be made if the sum of the cost of this legislation taken together with previously enacted legislation would reduce the level of the Medicare Hospital Insurance trust fund for any fiscal year covered by the budget resolution.



*Section 213: Reserve fund for Veterans' education*

The Senate amendment contains a reserve fund to provide additional resources for veterans' education benefits. This reserve fund was added by an amendment offered by Senator Collins. The Senate amendment permits budget resolution levels and committee allocation to be adjusted for legislation reported from Senate Committee on Veterans' Affairs (and the appropriate committee of the House of Representatives) that increases the basic monthly benefit under the G.I. bill. Adjustments may not exceed \$775 million for fiscal year 2002 or \$4.3 billion for the period of fiscal years 2002 through 2006 or \$9.9 billion for the period of fiscal years 2002 through 2011. In addition, no adjustment may be made if the sum of the cost of this legislation taken together with previously enacted legislation would reduce the level of the Medicare Hospital Insurance trust fund for any fiscal year covered by the budget resolution.

*Section 214: Reserve fund for payments in lieu of taxes*

The Senate amendment contains a reserve fund to provide additional resources for payments in lieu of taxes and for refuge revenue sharing. This reserve fund was added by an amendment offered by Senator Bingaman. The Senate amendment permits budget resolution levels and committee allocation to be adjusted for legislation reported from Senate Committee on Energy and Natural Resources that fully funds payments in lieu of taxes for entitlement lands under chapter 69 of title 31 of the U.S. Code. Adjustments may not exceed \$353 million for fiscal year 2002 or \$3.709 billion for the period of fiscal years 2002 through 2011. In addition, no adjustment may be made if the sum of the cost of this legislation taken together with previously enacted legislation would reduce the level of the Medicare Hospital Insurance trust fund for any fiscal year covered by the budget resolution.

*Conference agreement*

*Section 211: Medicare Reserve Fund*

Section 211 of the Conference Agreement is in two parts. Section (a) retains the language from the House and Senate resolutions to accommodate Medicare reform and prescription drug legislation. The language is modeled on section 203 of the Senate Amendment. The aggregate level of spending for such legislation has been assumed within the Function 570 levels and the aggregates in the Conference Agreement, but will not be allocated to the committees. The Conference Agreement applies in both the House of Representatives and the Senate and permits the appropriate Budget Committee chairman to adjust committee allocations and other appropriate budgetary aggregates and allocations for legislation which is reported from the Senate Finance Committee and the House Committee on Ways and Means or the Committee on Energy and Commerce if the committee report legislation providing for Medicare reform and a prescription drug benefit provided that the cost of such legislation does not exceed \$59.1 billion in BA and outlays for the period of fiscal years 2003 through 2006 and \$300 billion in BA and outlays for the period of fiscal years 2003 through

2011. The Conferees note that in the Senate the authority granted under this section does not permit the Chairman of the Committee on the Budget to make any adjustments for floor amendments offered to unrelated legislation.

The Conferees note that it would be appropriate for the cost of such legislation (but no other legislation) to be funded in whole or in part from the surpluses of the Hospital Insurance Trust Fund.

Section 211(b) of the Conference Agreement retains the language of section 206 of the Senate Amendment which provides a reserve fund for legislation regarding payments under Medicare to home health providers—with a modification. The Conference Agreement applies in both the House of Representatives and the Senate and permits the appropriate Budget Committee chairman to adjust committee allocations and other appropriate budgetary aggregates and allocations for legislation which is reported (or for amendments thereto or conference report thereon) from the Senate Finance Committee and the House Committee on Ways and Means or the Committee on Energy and Commerce if the committees report legislation that repeals the scheduled 15% reduction in home health payments. The aggregate level of spending for such legislation has been assumed within the Function 570 levels and the aggregates in the Conference Agreement, but will not be allocated to the committees. Adjustments may not exceed \$4 billion in BA and outlays for the period of fiscal years 2003 through 2006 and \$13.7 billion in BA and outlays for the period of fiscal years 2003 through 2011. The Conferees note that the authority granted under this section does not permit the Chairman of the Committee on the Budget to make any adjustments for floor amendments offered to unrelated legislation. Subsection (b) provides, however, that no adjustments may be made if the cost of such legislation, taken together with all previously enacted legislation, would reduce the surplus below the level of the Medicare HI Trust Fund surplus for any fiscal year covered by this budget resolution.

*Section 212: Reserve Fund for the Family Opportunity Act*

Section 212 of the Conference Agreement retains the language of section 212 of the Senate Amendment which provides a reserve fund for legislation to enable the expansion of Medicaid coverage for children with special needs to permit their parents to purchase such coverage—with a modification. The Conference Agreement applies in both the House of Representatives and the Senate and permits the appropriate Budget Committee chairman to adjust committee allocations and other appropriate budgetary aggregates and allocations for legislation which is reported (and amendments thereto, or any conference report thereon) from the Senate Finance Committee and the House Committee on Ways and Means or the Committee on Energy and Commerce if the committees report legislation that expands Medicaid coverage for children with special needs to permit their parents to purchase such coverage. Adjustments may not exceed \$227 million in BA and \$180 million in outlays for fiscal year 2002, \$3.035 billion in BA and \$2.724 billion in outlays for the period of fiscal years 2002 through 2006 and \$8.337 billion in BA and \$7.867 billion in outlays for the period of fiscal years 2002 through 2011.

The Conferees note that the authority granted under this section does not permit the Chairman of the Committee on the Budget to make any adjustments for floor amendments offered to unrelated legislation. Note that the aggregate level of spending for such legislation has been assumed within the Function 550 levels and the aggregates in the Conference Agreement, but will not be allocated to the committees. The Conference Agreement provides, however, that no adjustments may be made if the cost of such legislation, taken together with all previously enacted legislation would reduce the surplus below the level of the Medicare HI Trust Fund surplus for any fiscal year covered by this budget resolution.

*Section 213: Reserve Fund for Agriculture*

Section 213 of the Conference Agreement includes a new reserve fund for legislation reauthorizing the Federal Agriculture Improvement and Reform (FAIR) Act of 1996, Title I of such act, and other appropriate agriculture production legislation. Funding for agriculture was assumed in the budget totals but not the allocation. The Conference Agreement applies in both the House of Representatives and the Senate and permits the appropriate Budget Committee chairman to adjust committee allocations and other appropriate budgetary aggregates and allocations for legislation which is reported (and amendments thereto, or any conference report thereon) from the Senate Committee on Agriculture, Nutrition and Forestry and the House Committee on Agriculture if the committees report such legislation. Adjustments may not exceed \$66.15 billion in BA and outlays for the period of fiscal years 2003 through 2011.

The Conferees note that in the Senate the authority granted under this section does not permit the Chairman of the Committee on the Budget to make any adjustments for floor amendments offered to unrelated legislation. Note that the aggregate level of spending for such legislation has been assumed within the levels for Function 300 and 350 and within the aggregates in the Conference Agreement, but will not be allocated to the committees. The Conference Agreement provides however that no adjustments may be made if the cost of such legislation, taken together with all previously enacted legislation would reduce the surplus below the level of the Medicare HI Trust Fund surplus for any fiscal year covered by this budget resolution.

*Section 214: Reserve Fund for Additional Tax Cuts and Debt Reduction*

Section 214 of the Conference Agreement retains the language of Section 10 of the House Resolution, which provides a mechanism by which the assumed tax cuts or debt levels may be adjusted by an increase in CBO's mid-session update of the surplus. Similar language was included in section 213 of last year's budget resolution.

*Section 215: Technical Reserve Fund for Student Loans*

Section 215 of the Conference Agreement includes a new technical reserve for legislation that permanently retains the interest rate schedule currently in effect for student loans and that repeals

the switch to a replacement interest rate structure scheduled to occur under current law on July 1, 2003. This technical reserve would permit extension of the overwhelmingly bipartisan agreement reached in the Higher Education Amendments of 1998 to support the interest rate structure of the student loan programs as it operates today.

The Conference Agreement permits the appropriate Budget Committee chairman to adjust committee allocations and other appropriate budgetary aggregates and allocations for legislation (reported from the Senate Committee on Health, Education, Labor and Pensions and within the jurisdiction of House Committee on Education and the Workforce) that repeals an provision (from 1993) that, if left in place, would dismantle the existing interest rate structure for student loans starting July 1, 2003. The adjustment may not exceed \$110 million in BA and \$100 million in outlays for the combined period 2001–2002, nor may it exceed \$3.440 billion in BA and \$2.840 billion in outlays for the combined period 2001–2006, nor may it exceed \$7.665 billion in BA and \$6.590 billion in outlays over the 2001–2011 period. The Conferees note that the Senate the authority granted under this section does not permit the Chairman of the Committee on the Budget to make any adjustments for floor amendments offered to unrelated legislation.

*Section 216: Reserve Fund for the Purchase of Health Insurance by the Uninsured*

Section 216 of the Conference Agreement includes a reserve fund for legislation which provides resources to facilitate the purchase of health insurance for the uninsured. The Conference Agreement applies in both the House of Representatives and the Senate and permits the appropriate Budget Committee chairman to adjust committee allocations and other appropriate budgetary aggregates and allocations (including the revenue aggregates) for legislation which is reported (and amendments thereto, or any conference report thereon) from the Senate Finance Committee and the House Committee on Ways and Means or the Committee on Energy and Commerce if the committees report legislation that enables the uninsured to purchase health insurance. The aggregate level of spending for such legislation has been assumed within the Function 550 levels and the spending aggregates in the Conference Agreement, but will not be allocated to the committees. Adjustments may not exceed \$28 billion in BA and outlays or \$28 billion in revenues or any combination of spending and revenues for the period of fiscal years 2002 through 2004.

The Conferees note that the authority granted under this section does not permit the Chairman of the Committee on the Budget to make any adjustments for floor amendments offered to unrelated legislation. The Conferees intend, however, to provide complete flexibility to the authorizing committees to draft such legislation providing spending or tax changes. The Conference Agreement provides however that no adjustments may be made if the cost of such legislation, taken together with all previously enacted legislation would reduce the surplus below the level of the Medicare HI Trust Fund surplus for any fiscal year covered by this budget resolution.

*Section 217: Reserve Fund for Defense in the Senate*

Section 217 of the Conference Agreement includes a mechanism in the Senate to increase the section 302(a) allocation (and other appropriate budgetary aggregates) to the Committee on Appropriations and the Committee on Armed Services of the Senate for 2002 in order to make additional resources available in response to the President's National Defense Review. The Conference Agreement permits the Chairman of the Committee on the Budget to increase the 302(a) allocation only when two requirements are satisfied. First, the President must submit a specific budget amendment to the Congress requesting additional funding for fiscal year 2002 in response to the National Defense Review. Second, the Committee on Appropriations must have reported an appropriations measure which provides funding for such budget amendment.

The Conferees note that the authority granted under this section does not permit the Chairman of the Committee on the Budget to make any adjustments for floor amendments offered to unrelated legislation. Note that neither the Function 050 levels nor the aggregates of the resolution contain any additional resources for this National Defense Review. Therefore, any adjustments made pursuant to the authority in this section will reduce the surplus aggregates contained in the resolution. The Conferees acknowledge that because of the limitation contained in section 302(a)(3)(A) of the Budget Act, the chairman of the Committee on the Budget may not adjust the section 302(a) allocation to the Committee on Appropriations until the discretionary spending limits in section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 has been increased for 2002 by an amount sufficient to accommodate the increase envisioned by this section. The Conference Agreement provides, however, that no adjustments may be made if the cost of such legislation, taken together with all previously enacted legislation would reduce the surplus below the level of the Medicare HI Trust Fund surplus for any fiscal year covered by this budget resolution.

*Section 218: Strategic Reserve Fund in the House*

Section 218 of the Conference Agreement establishes a reserve in the House of Representatives for authorizing or appropriations measures for the Department of Defense, following the President's National Defense Review; it also may be used for legislation that would provide for a prescription drug benefit, or for other appropriate legislation. The adjustment may only be made for the amount that the relevant legislation exceeds the applicable committee's allocation or the aggregate provided for in the budget resolution. The reserve fund is further limited in that the adjustment may not be made if it would cause the on-budget surplus to be less than an amount equal to the Medicare Hospital Insurance Trust Fund.

*Additional items*

The Conferees note that the Conference Agreement does not include any reserve fund language from section 9 of the House resolution regarding additional discretionary funding for programs authorized in the Individuals with Disabilities Act.

The Conferees note that the Conference Agreement does not include any reserve fund language from section 208 of the Senate Amendment regarding the payment of retired pay and veterans' disability benefits to disabled military retirees. The Conference Agreement does however retain the Sense of the Congress language from section 19 of the House Resolution which is set out in section 314.

Section 314 of the conference report includes a sense of the Congress directing the Secretary of Defense to report within 180 days after the adoption of this Conference Agreement to the relevant congressional defense committees and to the House and Senate Budget Committees on the provision of concurrent retirement and disability benefits for retired members of the Armed Forces. The report shall address the number of individuals retired from the Armed Forces who would otherwise be eligible for disability compensation under the proposed legislation (S. 170 in the Senate and H.R. 303 in the House of Representatives); the comparability of the policy to Office of Personnel Management guidelines for civilian Federal retirees; the comparability of this proposed policy to prevailing private sector standards; the numbers of individuals potentially eligible for concurrent benefits who receive other forms of Federal assistance and the cost of that assistance; and alternative initiatives that would accomplish the same result as concurrent receipt of military retired pay and disability compensation at different levels of cost. The Secretary of Defense may submit legislation that he considers appropriate.

Section 314 of the Conference Agreement also includes a Sense of Congress requesting the Congressional Budget Office and the Office of Management and Budget to report to the Budget Committees within 30 days after the adoption of this conference report on the risk that providing full concurrent receipt of military retired pay and disability compensation under the proposed legislation identified above could reduce the on-budget surplus below the level of the Medicare Hospital Insurance Trust Fund.

The Conferees also note that the Conference Agreement does not include any reserve fund language from section 209 of the Senate Amendment which purported to provide "fungibility" between outlays and revenues in reconciliation tax legislation. Given the language in section 310(c) of the Budget Act which statutorily provides for "fungibility," the language from section 209 was superfluous.

The Conference Agreement does not include the language from section 213 of the Senate Amendment regarding increased funding for veterans' education benefits. Instead the Conferees agreed to include the funding within the Function 700 levels, the resolution aggregates, and the allocation to the appropriate authorizing committees of the House of Representatives and the Senate.

The Conference Agreement does not include the language from section 214 of the Senate Amendment regarding additional resources for payments in lieu of taxes and for refuge revenue sharing.

## MISCELLANEOUS PROVISIONS

In addition to enforcement provisions and reserve funds, budget resolutions may contain miscellaneous provisions that may affect the level of spending or that provide additional enforcement mechanisms or additional guidance in interpreting the resolution. Subtitle C of Title II of the Conference Agreement contains two of these provisions.

*House resolution**Section 11. Application and effect of changes in allocations and aggregates*

Section 11 establishes the procedures for making adjustments pursuant to the reserve funds included in this resolution. It provides that the adjustments may only be made during the interval that the legislation is under consideration and do not take effect until the legislation is actually enacted. It also requires the Budget Committee chairman to submit any revisions in the budget resolution pursuant to the reserves for printing in the Congressional Record.

*Senate Amendment**Section 204: Application and effect of changes in allocations and aggregates*

The Senate amendment contains language which is similar to the language found in section 222 of the fiscal year 2001 budget resolution and clarifies the application and effectiveness of the adjustments made by the Chairman of the Committee on the Budget pursuant to the “reserve funds” set out in the resolution.

*Section 205: Exercise of rulemaking powers*

The Senate amendment contains language identical to section 234 of the fiscal year 2001 budget resolution and states the authority by which Congress adopts the various budgetary enforcement rules and procedures for the consideration of certain legislation set out in the resolution.

*Section 210: Additional Revenue reductions*

The Senate amendment contains a provision which states that revenue reductions set out in the underlying resolution should be increased by an additional \$69 billion for the period of fiscal years 2002 through 2011—in order to provide marriage penalty relief. The language was added by an amendment offered by Senator Hutchison (TX).

*Section 211: Increase funding for IDEA*

The Senate amendment contains a provision that states that the revenue reductions set out in the underlying resolution should be reduced by \$70 billion for the period of fiscal years 2002 through 2011 and an additional \$70 billion in BA and outlays should be added to Function 500 (Education) over that same time period—in order to provide additional resources to IDEA. This language was added by an amendment offered by Senator Breaux.

*Conference Agreement*

*Section 221: Application and Effect of Changes in Allocations and Aggregates*

Section 221 of the Conference Agreement retains the language of section 11 of the House Resolution (which is virtually identical to Section 204 of the Senate Amendment) clarifying the process for implementing any adjustment made pursuant to the reserve funds and the status of these adjusted levels. It further clarifies that the Budget Committee determines scoring for purposes of points of order. This section also makes clear that levels in the joint statement will be used for purposes of budget enforcement rather than the levels in the conference report. Finally the Budget Committee chairmen are given the authority to score legislation for enforcement purposes based on CBO's updated baseline.

*Section 222: Exercise of Rulemaking Powers*

Section 222 of the Conference Agreement retains the language of section 205 of the Senate Amendment. It states the authority by which Congress adopts the various budgetary enforcement rules and procedures for the consideration of certain legislation set out in the budget resolution. An identical provision was included in section 234 of last year's budget resolution.

The Conference Agreement does not include the language from either section 210 or 211 of the Senate Amendment because all assumptions regarding revenues are taken into account within the actual revenue aggregates set out in the Conference Agreement. In addition, the issue of the level of funding for programs authorized in the Individuals with Disabilities Education Act is taken into account within the levels for Function 500.

SENSE OF CONGRESS, HOUSE AND SENATE PROVISIONS

*House Resolution*

The House budget resolution contains the following Senses of the House or Congress that have no legal force but reflect the Congress' views on a variety of budget-related issues. The section numbers and section headings of these reserve funds are as follows:

Section 14 states a Sense of the House concerning Federal pay.

Section 15 states a Sense of Congress relating to Individual Development Accounts and the working poor.

Section 16 provides a Sense of Congress relating to Federal fire prevention assistance.

Section 17 states a Sense of the House regarding the deduction of state sales tax from Federal income taxes.

Section 18 states a Sense of Congress regarding funding for Graduate Medical Education.

*Senate Amendment*

The Senate amendment contains the following Sense of the Senate provisions:

Section 301 Sense of the Senate on Debt Reduction.

Section 302 Sense of the Senate on AIDS and Other Infectious Diseases.



Section 303 Sense of the Senate on Consolidated Health Centers.

Section 304 Sense of the Senate on Funding for Department of Justice Programs for State and Local Law Enforcement Assistance.

Section 305 Sense of the Senate on United States Coast Guard Fiscal Year 2002 Funding.

Section 306 Sense of the Senate on Strengthening our National Food Safety Infrastructure.

Section 307 Sense of the Senate with Respect to Increasing Funds for Renewable Energy Research and Development.

*Conference agreement*

The Conference Agreement contains the following Sense of the Senate and Sense of Congress provisions:

Subtitle A—Sense of the Senate provisions.

Section 301 Sense of the Senate on conservation.

Section 302 Sense of the Senate on AIDS and other infectious diseases.

Section 303 Sense of the Senate on Consolidated Health Centers.

Section 304 Sense of the Senate on Funding for Department of Justice Programs for State and Local Law Enforcement Assistance.

Section 305 Sense of the Senate on United States Coast Guard Fiscal Year 2002 Funding.

Section 306 Sense of the Senate on Strengthening our National Food Safety Infrastructure.

Section 307 Sense of the Senate with Respect to Increasing Funds for Renewable Energy Research and Development.

Section 308 Sense of the Senate with respect to increased education funding.

Subtitle B—Sense of the Congress provisions.

Section 311 Asset building for the working poor.

Section 312 Federal Fire prevention assistance.

Section 313 Funding for graduate medical education at children's teaching hospitals.

Section 314 Concurrent retirement and disability benefits to retired members of the armed forces.

Section 315 Federal Employee Pay.

Section 316 Sales tax deduction.

JIM NUSSLE,  
JOHN E. SUNUNU,  
*Managers on the Part of the House.*

PETE V. DOMENICI,  
CHUCK GRASSLEY,  
DON NICKLES,  
PHIL GRAMM,  
KIT BOND,  
*Managers on the Part of the Senate.*