

111TH CONGRESS }
1st Session

HOUSE OF REPRESENTATIVES

{ REPORT
111-60

**CONCURRENT RESOLUTION
ON THE BUDGET—
FISCAL YEAR 2010**

—
R E P O R T

OF THE

**COMMITTEE ON THE BUDGET
HOUSE OF REPRESENTATIVES**

TO ACCOMPANY

H. Con. Res. 85

SETTING FORTH THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEAR 2010 AND INCLUDING THE APPROPRIATE BUDGETARY LEVELS FOR FISCAL YEARS 2009 AND 2011 THROUGH 2014

together with

MINORITY VIEWS



MARCH 27, 2009.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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CONCURRENT RESOLUTION ON THE BUDGET—
FISCAL YEAR 2010

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Mr. SPRATT, from the Committee on the Budget,
submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H. Con. Res. 85]

OVERVIEW

President Bush has dealt President Obama a hard hand to play: an economy in crisis and a budget in deficit—in deficit this year alone by \$1.752 trillion according to the Office of Management and Budget (OMB). President Obama has responded with a budget that meets the challenge head-on, and the Committee budget reflects his major principles.

The President has recognized that we have not one but two deficits. The first is an economy running at 6.8 percent, or \$1 trillion below its potential. To move our economy closer to its capacity, the President has signed into law a package of stimulus measures, totaling \$787 billion. Its impact is a bit early to estimate, but here's what the Congressional Budget Office (CBO) says in its Analysis of the President's Budget, issued a week ago: ". . . the adoption of the American Recovery and Reinvestment Act and very aggressive actions by the Federal Reserve and the Treasury will help end the recession this fall." (CBO's Preliminary Analysis of the President's Budget, March 2009, page 19).

The President next turned to the budget. He has sent Congress a budget that cuts the deficit by more than half by 2013, from \$1.8 trillion this year to \$533 billion in 2013, according to OMB estimates. It's all but impossible to balance the budget when the economy is in recession, and for that matter, it's also unadvisable. Much of what we do to make the economy better necessarily makes the deficit larger, at least for the short run.

But the stark reality is that the deficit that President Bush left behind will constitute a massive 12.3 percent of our Gross Domestic Product (GDP). At least two-thirds of that stems from tax and spending policies undertaken by the Bush Administration. Almost everyone would agree that this is an unsustainable deficit.

President Obama has responded with a budget that will pare the deficit down to 3 percent of GDP in 2013. His budget cuts the deficit by more than half in four years. The Committee budget uses CBO numbers and reduces the deficit to \$586 billion in 2013, which is 3.5 percent of GDP, roughly the rate of growth in the economy for that year.

The President's budget is not so committed to deficit reduction that it overrides other needs. In fact, it takes on topics that earlier budgets have found too tough to tackle, like health care for the millions of Americans without insurance. On top of that, it puts defense spending on a more sustainable path, with an increase of 4 percent, and makes a moderate adjustment to non-defense, discretionary spending.

In spite of deficits, the President's budget launches initiatives to make our economy more productive and our people more competitive: first, in education and in particular in efforts to make college more affordable and accessible; next, in health care for the millions uninsured; and finally, in alternative energies to reduce our dependence on foreign oil and the depletion of our environment. The Committee budget facilitates these priorities by the creation of deficit-neutral reserve funds.

This budget extends the middle-income tax cuts adopted in 2001 and 2003—the 10 percent bracket, the child tax credit, and marital penalty relief. It indexes the alternative minimum tax to keep it from burdening middle-income taxpayers for whom it was never intended. It also extends estate tax exemptions at the 2009 levels, and it indexes the exemptions for future years.

Our colleagues on the other side of the aisle have complained about the President's tax and spending policies. But CBO's non-partisan analysis of the President's budget concludes that "Proposed changes in tax policy would reduce revenues by an estimated \$2.1 trillion (or 6.1 percent) over the next ten years."

The President's major initiatives—those in health care, energy, education, and the environment—are all implemented via reserve funds that are deficit-neutral.

The Committee budget strikes all of these themes, and with a few exceptions, embraces the priorities of the President's budget. This is just the beginning, but a bold beginning for the 2010 five-year budget process.

The Committee budget is in the form of a five-year budget, using CBO's scoring and CBO's estimate of the economy. OMB has projected its budget over ten years, but a five-year budget is not unusual. In fact, it's the customary time-frame for budgeting. In re-

cent years, four deficit-reduction plans been enacted, and all implemented less than 10-year budgets: the Gramm-Rudman-Hollings, 1985–86; the Bush Budget Summit, 1990–91; the Clinton Budget, 1993; and the Balanced Budget Act of 1997.

The farther forecasts run into the future, the more tenuous they become. It is hard enough to project the economy ten months out, much less ten years. Five-year forecasts are, therefore, more realistic, and if the projected results do not pan out, more amenable to adjustment.

All projections rest on assumptions about the future, and the underlying assumptions can have a large impact on the bottom-line. For example, will our military still be deployed in Iraq and Afghanistan ten years from now? When will the economy bounce back? Real estate and automobiles are key sectors of our economy. When will they regain their potency?

The congressional budget process is an annual process, and therefore it's an iterative process. Since we revisit the budget every year, we can continually take steps to correct its course. The Committee will be mindful of the second five years, and as we approach 2015 and 2016, will be making corrections to see that the deficit stays on a downward trajectory. But those corrections can be made better when our economy has emerged from recession, and the course of the economy is more evident.

The fiscal situation we face today stands in marked contrast to the fiscal situation the Bush Administration faced eight years ago when it took office. Under President Clinton, the budget was balanced in 1998 for the first time in nearly thirty years. From 1998 to 2001, some \$400 billion in Treasury debt was paid off. The year before President Bush took office, the budget ran a surplus of \$236 billion. But during eight years on his watch, budget deficits roared back, government debt all but doubled, and spending grew dramatically.

Instead of inheriting a surplus, President Obama inherited a record deficit equal to \$1.752 trillion this year, according to OMB. At least \$1.3 trillion is a carryover from the Bush Administration. On top of that, the economy is mired in the worst recession since the 1930s. When he took office in 2001, President Bush took control of a ten-year surplus projected by OMB at \$5.6 trillion. Democrats warned President Bush that though he was sitting on an island of surpluses, he was surrounded by a sea of red ink. We thought these surpluses should be used to pay off outstanding government debt. This would have increased net national saving, and rendered the Treasury more solvent to meet the claims of the baby boomers for Social Security and Medicare. President Bush told us we could have it all—guns, butter, and tax cuts too, and never mind the deficits. Eight years and \$5 trillion dollars of debt later, the country is confronted with the worst deficits in our peace-time history.

The Committee budget builds on the support for education built into the Recovery Act and backs the President's proposals for further investments in education, extending from early childhood through post-secondary education and training. This budget accommodates the President's proposal to expand access to college for more people—only about 40 percent of Americans aged 25 to 34 have a college degree—by continuing to raise the maximum Pell grant, and does so in a deficit-neutral way. This budget could sup-

port other assistance that helps more low-income high school graduates afford, attend, and complete college. This budget invests in educating our youth by starting with support for the President's initiatives in early childhood education and following through with approaches to making sure all children learn and achieve in elementary and secondary school.

The budget reflects the President's commitment to bolster America's energy independence and security. It builds on significant funding and tax incentives in the Recovery Act by raising our investments in renewable energy and energy efficiency. It also allows for legislation that will promote energy independence over the long term.

This budget also supports and facilitates reforms in our health care system to bend the cost curve and at the same time make affordable coverage available to the estimated 46 million Americans who lack medical insurance.

The Committee budget puts the budget back on a fiscally sustainable path while advancing key priorities in health care, energy, and education, all goals that the American people support.

Economic Assumptions and Revenues

The budget resolution adopts the March 2009 economic forecast of the Congressional Budget Office (CBO), as updated to include the forecasted economic effects of the Recovery Act, and takes CBO's March 2009 projections of spending and revenues under current law as the baseline. CBO's economic assumptions include the following (all references are to calendar years, not fiscal years, unless otherwise noted):

Unemployment: CBO expects the unemployment rate to rise substantially from an estimated 5.8 percent in 2008 to 8.8 percent in 2009, 9.0 percent in 2010, and 7.7 percent in 2011. The unemployment rate is assumed to average 5.6 percent for years 2012–15 and 4.8 percent thereafter.

Interest Rates: Interest rates are projected to be unusually low for 2009 and 2010 but rise closer to historical norms over the rest of the budget window. Short-term interest rates are projected to fall to 0.3 percent in 2009, but begin to rise again to 0.9 percent in 2010, 1.8 percent in 2011, averaging 4.0 percent over 2012–15 and averaging 4.7 percent over the remainder of the budget window. Long-term rates are projected to fall to the 2.9 to 4.0 percent range in 2009–11, rising to an average of 5.1 percent over 2012–15 and 5.6 percent over 2016–19.

Real GDP Growth: CBO projects that real GDP growth will drop substantially from an estimated 1.1 percent in 2008 to –3.0 percent in 2009, with growth recovering to 2.9 percent in 2010 due in large part to the American Recovery and Reinvestment Act of 2009. Real GDP would then grow 4.0 percent in 2011, before averaging 3.6 percent over 2012–15 and falling to 2.3 percent thereafter.

Inflation: CBO forecasts very low inflation over the budget window. Inflation as measured by the Consumer Price Index (CPI) drops from 3.8 percent in 2008 to –0.7 percent in 2009, before rebounding in 2010 to 1.4 percent, and averaging 1.2 percent over 2011–15, before rising to 1.9 percent over the 2016–2019 period. The GDP price index, meanwhile, falls from 2.2 percent in 2008 to 1.5 percent in 2009, and then remains below 1 percent through

2015 until rising to an average of 1.6 percent in the 2016–19 period.

The President’s budget assumes stronger growth in real GDP than CBO projects. This and other differences in assumptions result in the Administration’s forecast showing an extra \$2,798 billion in revenue over fiscal years 2010–2019 compared with CBO’s March forecast.

The budget resolution calls for reducing the revenues provided under CBO’s baseline forecast by \$613.2 billion over the 2009–2014 period and by \$1,480.2 billion over the 2010–19 period. This reduction in revenues reflects the budget resolution’s extension of the elements of the 2001–03 tax cuts benefitting middle class families (including, but not limited to the child tax credit, marriage penalty relief, the 10 percent bracket, education incentives, other benefits for families with children, reductions in other individual income tax brackets, and small business tax relief). The budget resolution also extends the estate tax at 2009 levels—eliminating estate taxes on all but a minute fraction of estates by reforming and substantially increasing the unified tax credit. It also includes a one-year patch of the Alternative Minimum Tax (AMT). The resolution also accommodates additional AMT relief in a deficit-neutral manner. The resolution further accommodates deficit-neutral extension of other expiring tax provisions and other proposals that support working families, businesses, states, or communities. It also accommodates other high priority deficit-neutral revenue adjustments, such as tax incentives for energy efficiency and renewable energy, the deduction for State and local taxes, and a tax credit for construction of public schools. Decisions about specific revenue offsets are made by the Ways and Means Committee, which has a significant range of offsets that it can consider. However, unless expressly indicated otherwise, the resolution does not assume any of the specific revenue offset proposals provided for in the President’s budget.

TITLE I—RECOMMENDED LEVELS AND AMOUNTS
EXPLANATION OF COMMITTEE RECOMMENDATIONS BY
FUNCTION

FUNCTION 050: NATIONAL DEFENSE

FUNCTION SUMMARY

The National Defense function includes the military activities of the Department of Defense (DoD), the nuclear-weapons related activities of the Department of Energy (DOE) and the National Nuclear Security Administration, the national security activities of several other agencies such as the Selective Service Agency, and portions of the activities of the Coast Guard and the Federal Bureau of Investigation. The programs in this function include: the pay and benefits of active, Guard, and reserve military personnel; DoD operations including training, maintenance of equipment, and facilities; health care for military personnel and dependents; procurement of weapons; research and development; construction of military facilities, including housing; research on nuclear weapons; and the cleanup of nuclear weapons production facilities.

FUNCTION LEVELS AND PRIORITIES

FUNCTION 050: NATIONAL DEFENSE

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010–2014
Total Spending:							
Budget Authority	618.1	562.0	570.1	579.1	589.9	603.8	2,905.0
Outlays	646.8	606.0	587.9	576.0	584.7	595.5	2,950.2
Discretionary:¹							
Budget Authority	614.4	556.1	564.3	573.6	584.4	598.2	2,876.7
Outlays	641.9	600.0	582.1	570.5	579.2	589.9	2,921.7
Mandatory Spending:							
Budget Authority	3.6	5.9	5.8	5.5	5.5	5.6	28.3
Outlays	4.9	6.0	5.8	5.6	5.5	5.6	28.4

¹ 2009 includes \$12.7 billion provided by the American Recovery and Reinvestment Act.

There is no higher priority than the defense of our nation, and therefore this resolution makes the necessary investments and calls for the necessary reforms to ensure the country is able to meet the security challenges of the 21st century.

The resolution includes specific defense policy assumptions in Title V, section 502. It recognizes that as the country faces its worst economic crisis since the Great Depression, DoD needs to get

the most out of every dollar it spends by making tough but necessary tradeoffs to ensure resources are applied to the most effective and operationally viable programs, and by assessing national security needs in a comprehensive manner that includes all agencies involved in our national security.

The National Commission on Terrorist Attacks Upon the United States (commonly referred to as the 9/11 Commission) identified terrorists with weapons of mass destruction as our number one threat. Consequently, it is the policy of the resolution that non-proliferation programs, such as the Cooperative Threat Reduction program and the nonproliferation programs at the Department of Energy, be funded at a level that is commensurate with the evolving threat. The resolution recognizes that our most important security resource is our men and women who serve in uniform. To honor their service, it is the policy of the resolution to not only ensure that they are properly equipped and trained to perform their mission, but that they also have the proper support in terms of health care, pay, and support for their families. The resolution also includes a deficit-neutral reserve fund for an expansion of eligibility to permit additional disabled military retirees to receive both disability compensation and retired pay.

In recent years, cost overruns on major weapons programs have worsened. According to the Government Accountability Office (GAO), the cost of major weapon systems on DoD's books as of 2007 increased nearly \$300 billion above initial estimates. As a result, our military is not able to purchase equipment in adequate quantities to equip our servicemen and servicewomen. To put our defense plans on a sustainable path and to meet our military's equipment requirements, the resolution affirms the Administration's calls to make acquisition reform a top priority. According to GAO, government-wide spending on contractor services has more than doubled over the last ten years. DoD has expanded the use of contractors in its acquisition process to aid in program management functions and has relied heavily on contractors to carry out operations in Iraq and Afghanistan. This trend has implications for DoD in terms of accountability, operational effectiveness, and cost. Consequently, it is the policy of the resolution that DoD review the role that contractors play in its operations, including the degree to which contractors are performing inherently governmental functions, to ensure it has the most effective mix of government and contracted personnel.

GAO has performed numerous audits and has produced numerous recommendations regarding DoD's programs and processes that have produced billions of dollars of savings. According to a GAO report released in December 2008, DoD implemented 1,682 recommendations made by GAO from 2001 to 2007 that have resulted in financial benefits exceeding \$89 billion. There are still 758 recommendations made over that period that DoD has not yet implemented that could yield billions of dollars in further savings. The resolution continues to highlight the need for DoD to continue to make implementation of GAO recommendations a top priority and, to the extent possible, encourages DoD to use savings resulting from implemented GAO recommendations toward any upfront in-

vestments needed to implement the remaining 758 recommendations.

The House resolution encourages the committees with jurisdiction over defense to continue to conduct vigorous oversight with the objective of ferreting out wasteful practices, fraud, and abuse. It encourages the committees to require DoD to report to Congress on its progress in implementing GAO recommendations, the role contractors play in its operations, its assessment of the applicability of Cold War-era weapons to meet 21st century threats, and how well DoD's comprehensive Financial Improvement and Audit Readiness (FIAR) plan is moving the Department toward achieving a clean audit.

DoD spends billions of dollars on fuel and electricity for its planes, ships, vehicles and facilities each year and increasing world demand for energy could therefore have significant consequences for our military in the future. As a result, the resolution calls on DoD to investigate the benefit of alternative energy sources and energy efficiency conversions. The Department should pursue those technologies that could reduce its energy needs, enhance expeditionary operations, achieve savings, and reduce dependence on unreliable energy sources.

The resolution continues to recognize the need for the DoD to develop a shipbuilding plan that is viable in terms of providing an adequate number of ships for the Navy to perform its mission and that is viable in terms of sustaining the industrial base.

Our national security is not solely dependent on our military, and other agencies and programs are important to effectively address the threats of today and mitigate the possibility of future threats. Therefore, it is the policy of this resolution that coordination is needed to ensure that all of our agencies involved in our national security work in a complementary way, and that when assessing security threats and the funding needed to counter them, the Administration should do so in a comprehensive manner that includes all agencies involved in our national security.

FUNCTION 150: INTERNATIONAL AFFAIRS

FUNCTION SUMMARY

Function 150 covers funding for U.S. international activities, including: operating and securing U.S. embassies and consulates throughout the world; providing military assistance to allies; assisting refugees; aiding developing nations; dispensing economic assistance to fledgling democracies; promoting U.S. exports abroad; making U.S. payments to international organizations; and contributing to international peacekeeping efforts. The major agencies in this function include the Departments of State, Agriculture, and the Treasury; the U.S. Agency for International Development; and the Millennium Challenge Corporation.

FUNCTION LEVELS AND PRIORITIES

FUNCTION 150: INTERNATIONAL AFFAIRS

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010-2014
Total Spending:							
Budget Authority	40.9	45.3	49.1	53.7	59.2	64.4	271.8
Outlays	37.8	43.5	48.6	52.1	55.8	59.3	259.3
Discretionary: ¹							
Budget Authority	42.7	48.5	52.8	57.1	61.5	65.9	285.7
Outlays	41.3	46.3	50.0	53.7	57.6	61.5	269.1
Mandatory Spending:							
Budget Authority	-1.8	-3.1	-3.6	-3.3	-2.3	-1.5	-14.0
Outlays	-3.5	-2.8	-1.4	-1.6	-1.8	-2.2	-9.8

¹ 2009 includes \$0.4 billion provided by the American Recovery and Reinvestment Act.

The 2009 level of discretionary budget authority includes \$4.5 billion in enacted supplemental appropriations. It does not include an additional \$7.1 billion in supplemental appropriations for 2009 that the President has said he plans to request for international affairs, which is included under Function 970 (Overseas Deployments and Related Activities).

For 2010, the resolution provides \$10.2 billion (26.8 percent) more discretionary budget authority than the 2009 level, excluding supplemental funding, and \$5.8 billion (13.6 percent) more funding than total enacted funding for 2009 so far. The resolution provides \$5.4 billion (9.9 percent) less than the President's 2010 budget, which includes his proposal to provide in the regular budget request funding that has in recent years been requested and appropriated as supplemental funding. Pursuant to the resolution, funding designated as an emergency or for overseas deployments and related activities does not count against the Appropriations Committee's allocation provided in this resolution.

This function's negative mandatory budget authority and outlay levels reflect receipts of the foreign military sales trust fund, the repayment of loans and credits by foreign nations, and the liquidation of economic assistance loans, foreign military financing loans, Export-Import Bank loans, and housing and other credit guaranty programs.

The Committee shares the President's commitment to reduce global hunger and poverty. The resolution provides funding in this function to help achieve the goal of cutting it in half by no later than 2015.

The House notes the strong support for H.R. 44, the Guam World War II Loyalty Recognition Act, which the House approved on February 23, 2009. The House also approved this legislation during the 110th Congress (H.R. 1595). The bill authorizes compensation to the Guamanian victims of the Imperial Japanese military occupation during World War II.

FUNCTION 250: GENERAL SCIENCE, SPACE AND TECHNOLOGY

FUNCTION SUMMARY

The General Science, Space, and Technology function includes funding for the National Aeronautics and Space Administration (NASA) except for its aviation programs, the National Science Foundation (NSF), as well as programs in the Department of Energy (DOE) Office of Science.

FUNCTION LEVELS AND PRIORITIES

FUNCTION 250: GENERAL SCIENCE, SPACE, AND TECHNOLOGY

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010-2014
Total Spending:							
Budget Authority	35.4	31.1	31.5	33.4	34.4	35.7	166.1
Outlays	31.0	32.5	32.4	32.5	33.6	34.8	165.8
Discretionary:¹							
Budget Authority	35.3	31.0	31.4	33.2	34.3	35.6	165.5
Outlays	30.9	32.3	32.3	32.3	33.5	34.7	165.1
Mandatory Spending:							
Budget Authority	0.1	0.1	0.1	0.1	0.1	0.1	0.6
Outlays	0.1	0.1	0.1	0.1	0.1	0.1	0.7

¹ 2009 includes \$5.9 billion provided by the American Recovery and Reinvestment Act.

The budget resolution total for this function equals the level requested by the President for FY 2010, and for all five years in the budget window. Funding for scientific research and education is also included in Function 270 (Energy), Function 300 (Environment and Natural Resources), Function 350 (Agriculture), Function 370 (Commerce and Housing Credit), Function 400 (Transportation), Function 500 (Education, Training, Employment, and Social Services), and Function 550 (Health). This funding will support the science and technology goals of the House Leadership's Innovation Agenda and the America COMPETES Act: to put NSF funding on a path toward doubling, to train more qualified science and math teachers, and to invest in basic research on energy technologies.

FUNCTION 270: ENERGY

FUNCTION SUMMARY

Function 270 covers energy-related programs including research and development, environmental clean-up, and rural utility loans. Most of these programs are within the Department of Energy (DOE). This function covers about 20 percent of appropriated funding for DOE but does not include DOE's national security activities, which are in Function 050 (National Defense), or its basic research and science activities, which are in Function 250 (General Science, Space, and Technology). This function also includes the Department of Agriculture's Rural Utilities Service, the Tennessee Valley Authority, the Federal Energy Regulatory Commission, and the Nuclear Regulatory Commission.

FUNCTION LEVELS AND PRIORITIES

FUNCTION 270: ENERGY

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010-2014
Total Spending:							
Budget Authority	43.9	5.5	5.5	5.7	6.1	6.2	29.1
Outlays	3.0	7.3	11.3	13.4	12.1	10.5	54.6
Discretionary:¹							
Budget Authority	45.0	6.7	6.7	6.8	6.8	6.9	33.8
Outlays	5.4	10.0	13.7	15.1	13.6	12.1	64.5
Mandatory Spending:							
Budget Authority	-1.1	-1.2	-1.2	-1.0	-0.7	-0.6	-4.7
Outlays	-2.4	-2.8	-2.4	-1.7	-1.5	-1.6	-9.9

¹ 2009 includes \$31.6 billion provided by the American Recovery and Reinvestment Act.

The 2009 level of discretionary budget authority includes \$39.4 billion in supplemental appropriations from the Recovery Act. The resolution for 2010 builds on this Recovery Act funding for renewable energy, energy efficiency, emerging energy and vehicle technologies, and other important investments to increase the United States' energy independence and create new jobs. The resolution provides \$1.0 billion (18.4 percent) more in appropriated funding for 2010 than the 2009 level of regular appropriations. The resolution recognizes the importance of continuing adequate funding for the Weatherization Assistance Program, which helps lower-income families to reduce their energy bills and increase the comfort and safety of their homes.

The Committee urges the Appropriations Committee to include language in its appropriations bill to implement a "net zero" policy for the annual expenses of the Power Marketing Administration (PMAs). The President's budget also supports this proposal. Reclas-

sifying these receipts would more closely link the PMAs' annual appropriations with payments from their customers.

FUNCTION 300: NATURAL RESOURCES AND ENVIRONMENT

FUNCTION SUMMARY

The Natural Resources and Environment function consists of funding for water resources, conservation, land management, pollution control and abatement, and recreational resources. Major departments and agencies in this function are the Department of the Interior (including the National Park Service, the Bureau of Land Management, the Bureau of Reclamation, the Fish and Wildlife Service, and the Minerals Management Service), conservation-oriented and land management agencies within the Department of Agriculture (including the Forest Service), the National Oceanic and Atmospheric Administration (NOAA) at the Department of Commerce, the Army Corps of Engineers, and the Environmental Protection Agency (EPA).

FUNCTION LEVELS AND PRIORITIES

FUNCTION 300: NATURAL RESOURCES AND ENVIRONMENT

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010-2014
Total Spending:							
Budget Authority	56.0	37.4	38.6	39.2	39.3	40.0	194.6
Outlays	36.8	40.5	40.2	40.1	39.8	40.0	200.5
Discretionary:¹							
Budget Authority	54.6	35.1	36.5	36.8	37.3	37.9	183.5
Outlays	36.3	38.9	38.1	37.6	37.3	37.8	189.7
Mandatory Spending:							
Budget Authority	1.4	2.3	2.1	2.4	2.1	2.1	11.1
Outlays	0.6	1.6	2.2	2.4	2.4	2.2	10.7

¹ 2009 includes \$16.8 billion provided by the American Recovery and Reinvestment Act.

The budget resolution matches the President's total discretionary funding request for this function, and provides increased resources for programs such as the Land and Water Conservation Fund, the EPA's Clean Water and Drinking Water State Revolving Funds, and other EPA programs. The Budget Committee recognizes the need for maintaining and upgrading water infrastructure in the Commonwealth of the Northern Mariana Islands and other U.S. territories, and encourages relevant federal agencies to work with territory governments on this issue. The resolution also allows for additional funding for other programs at NOAA, the Department of the Interior, and the Forest Service.

For mandatory spending, the House resolution assumes levels provided by current law. The resolution includes a deficit-neutral reserve fund that accommodates legislation to increase investments

in renewable energy and energy independence, encourage new technological development, take steps to provide for reductions in greenhouse gas emissions, and help families, businesses, the environment and industries adapt to the new energy economy.

FUNCTION 350: AGRICULTURE

FUNCTION SUMMARY

The Agriculture function includes farm income stabilization, agricultural research, and other services administered by the U.S. Department of Agriculture. The discretionary programs include research and education programs, economics and statistics services, administration of the farm support programs, farm loan programs, meat and poultry inspection, and a portion of the Public Law 480 international food aid program. The mandatory programs include commodity programs, crop insurance, and certain farm loans.

FUNCTION LEVELS AND PRIORITIES

FUNCTION 350: AGRICULTURE

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010–2014
Total Spending:							
Budget Authority	25.0	23.7	24.7	21.6	22.5	23.2	115.7
Outlays	23.1	24.0	24.0	17.5	22.1	22.2	109.7
Discretionary: ¹							
Budget Authority	6.3	6.1	6.2	6.3	6.4	6.5	31.5
Outlays	6.1	6.2	6.1	6.2	6.3	6.4	31.3
Mandatory Spending:							
Budget Authority	18.6	17.6	18.5	15.4	16.1	16.7	84.2
Outlays	17.0	17.7	17.9	11.3	15.7	15.7	78.4

¹ 2009 includes \$0.3 billion provided by the American Recovery and Reinvestment Act.

The budget resolution provides resources for commodity support, agricultural research, and the Animal and Plant Health Inspection Service, including activities to support eradication of the Asian Longhorn Beetle.

For mandatory spending, the House resolution assumes levels provided by current law. For discretionary programs, the resolution matches the levels in the President's budget.

FUNCTION 370: COMMERCE AND HOUSING CREDIT

FUNCTION SUMMARY

Function 370 includes mortgage credit, the Bureau of the Census, the Postal Service, deposit insurance, the Small Business Administration, and other advancement of commerce programs (the majority of the discretionary and mandatory spending in this function).

The mortgage credit component of this function includes housing assistance through the Federal Housing Administration, the Federal National Mortgage Association (Fannie Mae), and the Federal Home Loan Mortgage Corporation (Freddie Mac), among other programs and institutions. Function 370 also includes the Department of the Treasury's Troubled Assets Relief Program (TARP).

FUNCTION LEVELS AND PRIORITIES

FUNCTION 370: COMMERCE AND HOUSING CREDIT ¹

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010-2014
Total Spending:							
Budget Authority	699.1	64.2	28.2	9.5	17.2	11.2	130.4
Outlays	670.1	88.9	40.0	8.6	5.6	-2.5	140.6
Discretionary: ²							
Budget Authority	13.2	13.2	6.4	5.1	4.2	4.0	32.9
Outlays	6.3	13.3	9.2	7.2	5.9	4.5	40.2
Mandatory Spending:							
Budget Authority	685.9	51.0	21.9	4.4	13.0	7.2	97.5
Outlays	663.8	75.6	30.8	1.5	-0.4	-7.0	100.4

¹ Includes both on- and off-budget amounts.

² 2009 includes \$7.9 billion provided by the American Recovery and Reinvestment Act.

The discretionary function total for 2010 includes significantly increased funding to ensure that the Bureau of the Census has the necessary resources to hire workers and to complete the 2010 Census. The 2010 total also fully accounts for funding to support Federal Housing Administration (FHA) and other mortgage credit programs in order to respond to the current housing crisis.

The Committee notes that the goal of the Treasury's Troubled Assets Relief Program is to help stabilize credit and housing markets, not to use eventual returns to support additional, non-related spending. Proceeds from the sale of troubled assets, repayments of loans, or other resulting revenues to the Treasury from Federal assistance provided under the Emergency Economic Stabilization Act of 2008, Public Law 110-343, should be available to reduce the Federal deficit and the public debt.

FUNCTION 400: TRANSPORTATION

FUNCTION SUMMARY

Function 400 consists mostly of the programs administered by the Department of Transportation, including programs for highways, mass transit, aviation, and maritime activities. This function also includes two components of the Department of Homeland Security: the Coast Guard and the Transportation Security Administration. In addition, this function includes several small transportation-related agencies and the research program for civilian aviation at the National Aeronautics and Space Administration (NASA).

FUNCTION LEVELS AND PRIORITIES

FUNCTION 400: TRANSPORTATION [In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010–2014
Total Spending:							
Budget Authority	122.5	88.2	89.1	90.0	90.9	91.8	449.9
Outlays	87.8	95.7	96.5	95.9	96.2	96.8	481.0
Discretionary:¹							
Budget Authority	79.1	31.4	31.9	32.4	32.9	33.3	162.0
Outlays	85.7	93.5	94.2	93.4	93.6	94.1	468.8
Mandatory Spending:							
Budget Authority	43.4	56.7	57.1	57.6	57.9	58.5	287.9
Outlays	2.1	2.2	2.3	2.4	2.5	2.7	12.2

¹ 2009 includes \$49.5 billion provided by the American Recovery and Reinvestment Act.

The budget resolution recognizes that transportation programs are charged with helping to pull the economy out of the recession. The American Recovery and Reinvestment Act made significant investments in highway construction, mass transit, passenger rail, and aviation. In addition, as the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) expires, the House will craft a new highway and transit bill for the 2010–2015 period.

The House’s task of reauthorizing highway construction programs is made more difficult by a large set of current law rescissions to contract authority, a form of mandatory budget authority. Beginning in 2010, the resolution restores the mandatory baseline for the federal-aid highway program so that its funding authority is in line with current projections of obligation limitations. The resolution retains current scorekeeping practices for contract authority programs.

In order to address the highway and transit programs during reauthorization, the resolution includes a surface transportation re-

serve fund that provides further increases to highway and transit contract authority if the future legislation maintains a solvent Highway Trust Fund.

Finally, as a part of the reauthorization of the Federal Aviation Administration, the resolution accommodates increases to the Airport Improvement Program (AIP).

FUNCTION 450: COMMUNITY AND REGIONAL DEVELOPMENT

FUNCTION SUMMARY

Function 450 includes federal programs to improve community economic conditions, promote rural development, and assist in federal preparations for and response to disasters. This function provides appropriated funding for the Community Development Block Grant, Department of Agriculture rural development programs, the Bureau of Indian Affairs, the Federal Emergency Management Agency, and other disaster mitigation and community development-related programs. It also provides mandatory funding for the federal flood insurance program.

FUNCTION LEVELS AND PRIORITIES

FUNCTION 450: COMMUNITY AND REGIONAL DEVELOPMENT

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010–2014
Total Spending:							
Budget Authority	23.8	18.3	21.2	21.3	21.2	21.3	103.3
Outlays	30.0	29.3	27.5	25.7	24.2	22.8	129.5
Discretionary:¹							
Budget Authority	23.0	17.9	21.1	21.1	21.2	21.3	102.5
Outlays	26.3	26.9	26.6	25.0	23.7	22.8	124.9
Mandatory Spending:							
Budget Authority	0.8	0.4	0.2	0.2	0.0	0.0	0.8
Outlays	3.7	2.4	1.0	0.8	0.4	–0.1	4.5

¹ 2009 includes \$8.2 billion provided by the American Recovery and Reinvestment Act.

The budget resolution provides increased funding to accommodate urgent community development and homeland security needs, which could include full funding for the Community Development Block Grant (CDBG), similar to the President’s budget. Function 450 also accommodates funding for a new National Infrastructure Bank, capitalized with federal funds, to direct public and private dollars towards infrastructure investments of national or regional significance. However, because a National Infrastructure Bank is not yet authorized, the resolution includes initial funding in 2010 and larger amounts over the 2011–2014 period.

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

FUNCTION SUMMARY

Function 500 includes funding for the Department of Education, as well as programs in the Department of Health and Human Services (HHS) and the Department of Labor. This function provides funding for elementary and secondary, career and technical, and post-secondary educational programs; job training and employment services; children and family services; and statistical analysis and research related to these areas. It also contains funding for the Library of Congress and independent research and arts agencies.

FUNCTION LEVELS AND PRIORITIES

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

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010–2014
Total Spending:							
Budget Authority	164.3	93.7	107.9	117.1	115.9	125.8	560.4
Outlays	73.2	140.3	141.1	118.4	118.9	121.0	639.6
Discretionary:¹							
Budget Authority	188.5	88.7	97.4	103.1	107.4	111.4	508.0
Outlays	94.8	138.6	130.8	106.8	107.8	111.0	594.9
Mandatory Spending:							
Budget Authority	-24.2	5.0	10.4	14.0	8.5	14.4	52.4
Outlays	-21.6	1.7	10.4	11.6	11.1	10.0	44.8

¹ 2009 includes \$104.7 billion provided by the American Recovery and Reinvestment Act.

The 2010 budget resolution supports the President's investments in education from early childhood through post-secondary education and training and shares the President's goal of improving American education and creating a workforce that is prepared to compete and succeed in the global economy. The resolution supports the President's plan to make a new investment in early childhood education, improve student achievement in elementary and secondary education through both proven strategies and innovative approaches, and increase the number of high school graduates that attend and complete higher education by making college more affordable and accessible. The resolution also accommodates the President's support for strong job training services that will prepare Americans for stable and high-paying jobs.

The 111th Congress has already made significant new investments in education in the Recovery Act, which provided about \$100 billion that states will use primarily to maintain elementary, secondary, and higher education services. The Recovery Act targeted significant funds to Title I (Education for the Disadvantaged), Head

Start, and special education, where the funding can be used to train more teachers to provide needed services in the future. This budget resolution builds upon that start by providing the level of funding in the President's request for education, job training, and social services for 2010.

The resolution's funding could support services that will help students meet high standards and will provide effective teachers and principals, including investments in key programs such as Head Start and the Individuals with Disabilities Education Act. It also could support the No Child Left Behind Act programs that work to close the achievement gap and ensure that all children learn, including Impact Aid and after-school services. The funding could be used as a down payment on a comprehensive literacy initiative for the nation that encompasses early childhood, elementary, and secondary education.

This year Congress increased the maximum Pell Grant award by \$619—the largest annual increase for a program that helps more than seven million students pay for college. The resolution provides discretionary funding to support the President's Pell grant increase for 2010. Going forward, the resolution could accommodate the President's proposals to provide additional assistance to help more low-income high school graduates attend and complete college, provided they are enacted in a fiscally responsible way. Further assistance could include expanding access to Historically Black Colleges and Universities as well as Hispanic-serving institutions and other minority-serving institutions, which continue to make important contributions towards increasing the percentage of minority students gaining a college degree.

The Committee urges the Committee on Education and Labor to review options for the student loan program that will maintain a role for FFELP lenders in the student loan program, and to look to ways to achieve savings that capitalize on current infrastructure and minimize the disruption to students and the employees of FFELP lenders who currently serve 75 percent of loans at American colleges, universities, and community colleges.

The resolution continues to support two-year advance funding for the Corporation for Public Broadcasting, and recognizes that public television and radio stations are experiencing financial distress as a result of the recession.

The resolution contains a reserve fund to accommodate legislation that makes college more affordable, consistent with the House pay-as-you-go rule. It also contains fiscally responsible reconciliation instructions directing the Committee on Education and Labor to report a bill that invests in education while reducing the deficit by \$1 billion over the 2009–2014 period.

FUNCTION 550: HEALTH

FUNCTION SUMMARY

The Health function includes most direct health care service programs as well as funding for anti-bioterrorism activities, national biomedical research, protecting the health of the general population and workers in their places of employment, providing health services for under-served populations, and promoting training for the health care workforce. The major programs in this function include Medicaid, the State Children's Health Insurance Program (SCHIP), health benefits for federal workers and retirees, the National Institutes of Health (NIH), the Food and Drug Administration (FDA), the Health Resources and Services Administration (HRSA), the Centers for Disease Control and Prevention (CDC), the Substance Abuse and Mental Health Services Administration (SAMHSA), the Indian Health Service (IHS), and the Agency for Healthcare Research and Quality.

FUNCTION LEVELS AND PRIORITIES

FUNCTION 550: HEALTH (In billions of dollars)

	2009	2010	2011	2012	2013	2014	2010-2014
Total Spending:							
Budget Authority	380.2	383.9	364.9	369.9	389.7	400.5	1,908.8
Outlays	354.4	388.7	367.6	368.6	384.4	400.2	1,909.5
Discretionary:¹							
Budget Authority	75.5	58.2	60.2	61.5	63.2	65.8	308.9
Outlays	57.6	64.7	64.1	62.1	61.7	63.4	316.0
Mandatory Spending:							
Budget Authority	304.7	325.8	304.7	308.3	326.5	334.6	1,600.0
Outlays	296.8	324.1	303.5	306.4	322.7	336.8	1,593.5

¹ 2009 includes \$17.1 billion provided by the American Recovery and Reinvestment Act.

The discretionary resources for Function 550 for 2010 match the President's 2010 request and increase funding over the 2010 baseline level, enabling support of the President's priorities for cancer research, food safety, and other important programs. The resolution provides critical resources for public health, which includes programs focused on addressing health promotion and disease prevention. Preventative health care measures and disease management have the potential to lead to more efficient use of health care spending, and reduced illness, as well as an improvement in the health of the public.

Programs in Function 550 are also addressed in the resolution's deficit-neutral reserve funds for health care reform and the 9/11 health program.

FUNCTION 570: MEDICARE

FUNCTION SUMMARY

The Medicare function includes funding to administer and to provide benefits under the Medicare program. Medicare is a federal health insurance program that currently covers 44 million Americans aged 65 and older, as well as younger adults who are disabled or suffer from end-stage renal disease.

Congress provides an annual appropriation for the costs of administering Medicare, including resources to conduct program integrity activities to guard against improper payments, fraud, and abuse. The remainder of spending in this function is mandatory and reflects payments to health care providers and private insurance plans, as well as beneficiary premiums and other receipts and payments to the Medicare trust funds, under the Part A Hospital Insurance (HI) program, the Part B Supplementary Medical Insurance (SMI) program, the Part C Medicare Advantage program, and the Part D Prescription Drug program.

FUNCTION LEVELS AND PRIORITIES

FUNCTION 570: MEDICARE

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010-2014
Total Spending:							
Budget Authority	427.1	449.7	505.2	513.8	558.2	616.3	2,643.2
Outlays	426.7	449.8	505.0	513.6	558.4	616.2	2,642.9
Discretionary:							
Budget Authority	5.4	5.6	6.0	6.1	6.2	6.3	30.2
Outlays	5.3	5.6	6.0	6.1	6.2	6.3	30.1
Mandatory Spending:							
Budget Authority	421.7	444.1	499.1	507.7	552.0	610.0	2,613.0
Outlays	421.5	444.2	499.0	507.5	552.2	609.9	2,612.8

The budget resolution function level for Medicare assumes that the payment rates in effect for physicians for 2009 will stay in effect through 2019. This assumption is consistent with the President's budget and is based on Congressional actions in recent years to prevent cuts in physician payments that would otherwise be required by the Sustainable Growth Rate formula. However, like the President's budget, the budget resolution does not intend this assumption as a reflection of future policy. Instead, the assumption represents a realistic and meaningful benchmark against which to measure the fiscal effects of legislation reforming the Medicare physician payment system. The resolution includes a reserve fund

(Sec. 314) to accommodate legislation for improvements in Medicare's system for paying physicians.

The resolution provides a discretionary cap adjustment of \$311 million for additional activities aimed at detecting and preventing Medicare fraud and other improper payments. The Health Care Fraud and Abuse Control program is a joint effort of the Department of Health and Human Services, the HHS Office of the Inspector General, and the Department of Justice.

FUNCTION 600: INCOME SECURITY

FUNCTION SUMMARY

Function 600 consists of a range of income security programs that provide cash or near-cash assistance (e.g., housing, nutrition, and energy assistance) to low-income persons, and benefits to certain retirees, persons with disabilities, and the unemployed. Housing assistance programs account for the largest share of discretionary funding in this function. Major federal entitlement programs in this function include unemployment insurance, trade adjustment assistance, income support, food stamps, Temporary Assistance to Needy Families, foster care, and Supplemental Security Income. Federal and other retirement and disability programs comprise approximately one third of the funds in this function.

FUNCTION LEVELS AND PRIORITIES

FUNCTION 600: INCOME SECURITY

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010-2014
Total Spending:							
Budget Authority	520.1	536.2	510.6	478.0	483.4	485.4	2,493.6
Outlays	503.0	539.9	513.4	478.3	482.7	483.8	2,498.2
Discretionary:¹							
Budget Authority	74.1	62.8	65.5	67.2	68.9	70.7	335.1
Outlays	64.1	67.9	70.1	70.1	70.6	70.8	349.4
Mandatory Spending:							
Budget Authority	446.1	473.4	445.1	410.8	414.5	414.7	2,158.5
Outlays	439.0	472.1	443.3	408.2	412.2	413.0	2,148.7

¹ 2009 includes \$13.8 billion provided by the American Recovery and Reinvestment Act.

The budget resolution matches the President's increase in discretionary funding for Function 600 in order to invest in children and meet urgent needs of low-income families and elderly and disabled people in difficult economic times. These resources will build upon the recently enacted Recovery Act, which provided increases in mandatory and discretionary funding for child care, child support, and assistance to needy families.

The Committee shares the President's commitment to ending childhood hunger in the United States by 2015, and funding to move toward that goal is provided here. The resolution accommodates continued economically driven increases in participation in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), which is currently projected to have 9.8 million participants in 2010. The resolution also includes a deficit-neutral reserve fund and additional funding to accommodate a reau-

thorization of child nutrition programs that will improve meal quality and access.

The resolution provides the necessary funding to continue rental housing assistance to families, elderly, and disabled people who rely on assistance from the Department of Housing and Urban Development (HUD). The Committee also recognizes the unmet need for affordable housing, both by including a deficit-neutral reserve fund for the Affordable Housing Trust Fund, and by providing additional discretionary resources for affordable housing preservation.

The resolution also accommodates the President's proposal to make the Low-income Home Energy Assistance Program (LIHEAP) more quickly responsive to rising energy costs, coupled with an increase in regular discretionary funding to allow the program to reach families in need.

In addition to the policies mentioned above, mandatory programs in Function 600 are also addressed in deficit-neutral reserve funds for home visiting, structural reform of extended unemployment benefits, and child support.

FUNCTION 650: SOCIAL SECURITY

FUNCTION SUMMARY

The Social Security function includes funding for the Old-Age, Survivors, and Disability Insurance (OASDI) programs, which provide earned Social Security benefits to nearly 50 million eligible retired workers, disabled persons, and their spouses and survivors. In addition, this function provides funding to the Social Security Administration (SSA) and the Office of the Inspector General (OIG) to administer the Social Security program and ensure program integrity.

Under provisions of the Congressional Budget Act and the Budget Enforcement Act, the Old-Age and Survivors Insurance (OASI) trust fund and the Disability Insurance (DI) trust fund are off-budget and do not appear in the budget resolution totals. A small portion of spending in Function 650—the general fund transfer of income taxes on Social Security benefits to the trust funds—is considered on-budget and appears in the budget resolution totals.

FUNCTION LEVELS AND PRIORITIES

FUNCTION 650: SOCIAL SECURITY ¹

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010–2014
Total Spending:							
Budget Authority	686.4	703.4	728.4	757.5	792.5	832.0	3,813.8
Outlays	682.8	701.4	726.1	754.8	789.3	828.3	3,799.9
Discretionary: ²							
Budget Authority	6.4	6.1	6.6	6.9	7.2	7.6	34.4
Outlays	5.5	6.1	6.6	7.0	7.3	7.5	34.4
Mandatory Spending:							
Budget Authority	680.0	697.3	721.9	750.6	785.3	824.4	3,779.4
Outlays	677.4	695.3	719.6	747.8	782.0	820.8	3,765.5

¹ Includes both on- and off-budget amounts.

² 2009 includes \$1.1 billion provided by the American Recovery and Reinvestment Act.

The administrative budget for the SSA includes resources in Function 570 (Medicare) and Function 600 (Income Security) as well as Function 650. The resolution assumes an \$11.6 billion funding level for the administrative expenses at the SSA, the same as the President's budget level. The increased resources will enable SSA to address the rising number of disability and retirement claims, as well as address the serious backlog of disability claims and hearings and provide for improved service to the American public.

Included in the total funding level above are resources to accommodate \$485 million through an adjustment of the discretionary al-

location for program integrity initiatives. The adjustment allows the SSA to conduct an increasing number of Continuing Disability Reviews (CDRs) and Supplemental Security Income (SSI) redeterminations. The language also allows funding of up to \$34 million of the \$485 million allocation adjustment to be used for asset verification for SSI recipients, but only if it has a return on investment at least as high as a low-priority SSI redetermination of eligibility, at a 4:1 return.

FUNCTION 700: VETERANS BENEFITS AND SERVICES

FUNCTION SUMMARY

Function 700 covers the programs of the Department of Veterans Affairs (VA), including veterans' medical care, compensation and pensions, education and rehabilitation benefits, and housing programs. It also includes the Department of Labor's Veterans' Employment and Training Service, the United States Court of Appeals for Veterans Claims, and the American Battle Monuments Commission. More than 99 percent of appropriated veterans' funding goes to VA, and more than 85 percent of this funding is for VA medical care and hospital services.

FUNCTION LEVELS AND PRIORITIES

FUNCTION 700: VETERANS BENEFITS AND SERVICES

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010-2014
Total Spending:							
Budget Authority	97.7	106.4	112.8	108.7	113.8	116.0	557.7
Outlays	94.8	105.5	112.4	108.1	113.2	115.5	554.6
Discretionary: ¹							
Budget Authority	49.4	53.3	54.4	55.9	57.4	59.0	279.9
Outlays	46.8	52.5	54.0	55.5	56.9	58.5	277.4
Mandatory Spending:							
Budget Authority	48.3	53.1	58.4	52.8	56.4	57.1	277.8
Outlays	48.1	53.0	58.4	52.6	56.2	57.0	277.2

¹ 2009 includes \$1.4 billion provided by the American Recovery and Reinvestment Act.

The 2009 level of discretionary budget authority includes \$1.6 billion in supplemental appropriations from the Recovery Act. For 2010, the resolution provides \$5.5 billion (11.5 percent) more discretionary budget authority than the 2009 level (excluding supplemental funding) and \$540 million (1.0 percent) more than the President's 2010 budget.

The resolution emphasizes the high priority that the House places on continuing to provide sufficient and timely funding for veterans' health care. The resolution provides full funding to support excellent health care for veterans. It includes funding to restore health care eligibility to additional non-disabled veterans with modest incomes (Priority Group 8), consistent with the President's budget. In addition, the resolution provides funding above the 2009 levels for VA to research and treat mental health, post-traumatic stress disorder (PTSD), and traumatic brain injury. In particular, the resolution recognizes the importance of ensuring adequate funding for neuropsychiatric-PTSD staff and research.

The resolution affirms that VA is not and should not be authorized to bill private insurance companies for treatment of health conditions that are related to veterans' military service. VA already is authorized to bill such companies for treatment of conditions that are not service-connected. The resolution adds \$540 million to the President's strong budget for veterans to safeguard the provision of health care if, using existing authorities, VA does not realize the level of increase in these medical care collections that is estimated in the President's budget.

FUNCTION 750: ADMINISTRATION OF JUSTICE

FUNCTION SUMMARY

The Administration of Justice function consists of federal law enforcement programs, litigation and judicial activities, correction operations, and state and local justice assistance. Examples of the agencies within this function include the Federal Bureau of Investigation, the United States Attorneys, the federal Judiciary, the Federal Bureau of Prisons, and the Legal Services Corporation. This function includes several components of the Department of Homeland Security.

FUNCTION LEVELS AND PRIORITIES

FUNCTION 750: ADMINISTRATION OF JUSTICE

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010-2014
Total Spending:							
Budget Authority	55.8	52.9	53.9	53.7	53.6	54.2	268.3
Outlays	49.9	51.6	55.5	55.4	54.5	54.1	271.2
Discretionary:¹							
Budget Authority	54.1	48.8	52.4	52.4	52.3	53.0	258.9
Outlays	48.0	49.5	52.9	53.1	53.3	52.9	261.7
Mandatory Spending:							
Budget Authority	1.7	4.1	1.5	1.4	1.3	1.2	9.4
Outlays	1.8	2.2	2.6	2.3	1.3	1.2	9.5

¹ 2009 includes \$5.2 billion provided by the American Recovery and Reinvestment Act.

The budget resolution provides significant resources for our federal and local law enforcement programs, matching the level in the President's budget. The resolution provides increased funding for the Federal Bureau of Investigation (FBI) as it meets the country's domestic crime fighting, financial fraud investigation, and national security needs. In addition, the resolution supports the Department of Justice's programs and initiatives that hire and equip police officers, combat drugs, protect juveniles, and that provide other important services to our communities. For example, the Community Oriented Policing Services (COPS) program includes hiring grants for new police officers, the Edward Byrne Memorial Justice Assistance Grant (Byrne JAG) provides flexible resources to our communities to meet a variety of their criminal justice needs, and the State Criminal Alien Assistance Program (SCAAP) reimburses states and localities for their incarceration costs—and the resolution recognizes the importance of these and other programs.

FUNCTION 800: GENERAL GOVERNMENT

FUNCTION SUMMARY

The General Government function consists of the activities of the Legislative Branch, the Executive Office of the President, general tax collection and fiscal operations of the Department of the Treasury (including the IRS), the Office of Personnel Management, the property and personnel costs of the General Services Administration, and general purpose fiscal assistance to states, localities, the District of Columbia, and U.S. territories.

FUNCTION LEVELS AND PRIORITIES

FUNCTION 800: GENERAL GOVERNMENT

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010–2014
Total Spending:							
Budget Authority	30.4	22.0	22.3	22.7	22.8	23.4	113.2
Outlays	24.6	22.8	23.1	23.8	23.5	23.6	116.8
Discretionary: ¹							
Budget Authority	24.6	19.4	19.7	20.1	20.7	21.3	101.1
Outlays	18.9	20.2	20.6	21.0	21.5	21.5	104.8
Mandatory Spending:							
Budget Authority	5.8	2.6	2.6	2.6	2.1	2.2	12.1
Outlays	5.8	2.6	2.6	2.8	2.0	2.1	12.0

¹ 2009 includes \$6.2 billion provided by the American Recovery and Reinvestment Act.

The budget resolution includes a program integrity initiative to increase IRS tax compliance efforts to collect unpaid taxes. In a change from previous years, the amounts included within the resolution's adjustments for this purpose focus solely on amounts in IRS's Enforcement account. The resolution assumes the full level for IRS activities proposed by the President.

FUNCTION 900: INTEREST

FUNCTION SUMMARY

Function 900 consists primarily of the interest paid by the federal government to holders of U.S. Treasury securities. This amount is slightly offset by interest income received by the federal government on loans and cash balances and by earnings of the National Railroad Retirement Investment Trust.

FUNCTION LEVELS AND PRIORITIES

FUNCTION 900: NET INTEREST ¹

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010-2014
Total Spending:							
Budget Authority	169.8	168.3	207.6	269.9	347.8	429.8	1,423.3
Outlays	169.8	168.3	207.6	269.9	347.8	429.8	1,423.3
Discretionary:							
Budget Authority	—	—	—	—	—	—	—
Outlays	—	—	—	—	—	—	—
Mandatory Spending:							
Budget Authority	169.8	168.3	207.6	269.9	347.8	429.8	1,423.3
Outlays	169.8	168.3	207.6	269.9	347.8	429.8	1,423.3

¹ Includes both on- and off-budget amounts.

FUNCTION 920: ALLOWANCES

FUNCTION SUMMARY

The Allowances function is used for planning purposes to address the budgetary effects of proposals or assumptions that cross several budget functions. Once such changes are enacted, the budgetary effects are distributed to the appropriate budget function.

FUNCTION LEVELS AND PRIORITIES

FUNCTION 920: ALLOWANCES

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010–2014
Total Spending:							
Budget Authority	14.5	9.4	8.1	6.5	5.5	3.9	33.4
Outlays	1.8	4.9	5.9	4.8	4.1	3.0	22.6
Discretionary:							
Budget Authority	14.5	10.3	9.9	10.2	10.5	10.9	51.9
Outlays	1.8	5.4	7.4	8.2	8.8	9.6	39.3
Mandatory Spending:							
Budget Authority	—	–0.9	–1.8	–3.7	–5.0	–7.0	–18.5
Outlays	—	–0.5	–1.5	–3.4	–4.7	–6.6	–16.7

Function 920 includes a placeholder to recognize the potential costs of disasters over the resolution period. It also includes a variety of savings, including savings related to program integrity initiatives, savings pursuant to reconciliation instructions, and savings to offset program initiatives in other budget functions.

FUNCTION 950: UNDISTRIBUTED OFFSETTING RECEIPTS

FUNCTION SUMMARY

The function includes major offsetting receipt items that would distort the funding levels of other functional categories if they were distributed to them. Examples of such items include the employer share of federal employee retirement benefits, outer continental shelf rents and royalties, and the sale of major assets.

FUNCTION LEVELS AND PRIORITIES

FUNCTION 950: UNDISTRIBUTED OFFSETTING RECEIPTS ¹

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010–2014
Total Spending:							
Budget Authority	–92.6	–83.9	–88.0	–91.8	–95.7	–98.6	–458.0
Outlays	–92.6	–83.9	–88.0	–91.8	–95.7	–98.6	–458.0
Discretionary:							
Budget Authority	—	—	—	—	—	—	—
Outlays	—	—	—	—	—	—	—
Mandatory Spending:							
Budget Authority	–92.6	–83.9	–88.0	–91.8	–95.7	–98.6	–458.0
Outlays	–92.6	–83.9	–88.0	–91.8	–95.7	–98.6	–458.0

¹ Includes both on- and off-budget amounts.

The negative spending in Function 950 represents CBO's baseline estimate of undistributed offsetting receipts and the impact of concurrent receipt policy.

**FUNCTION 970: OVERSEAS DEPLOYMENTS AND OTHER
ACTIVITIES**

FUNCTION SUMMARY

This function includes funding for overseas deployments and other activities.

FUNCTION LEVELS AND PRIORITIES

FUNCTION 970: OVERSEAS DEPLOYMENTS AND OTHER ACTIVITIES

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010-2014
Total Spending:							
Budget Authority	82.6	130.0	50.0	50.0	50.0	50.0	330.0
Outlays	25.1	92.8	76.5	67.7	57.8	52.1	346.9
Discretionary:							
Budget Authority	82.6	130.0	50.0	50.0	50.0	50.0	330.0
Outlays	25.1	92.8	76.5	67.7	57.8	52.1	346.9
Mandatory Spending:							
Budget Authority	—	—	—	—	—	—	—
Outlays	—	—	—	—	—	—	—

The House resolution includes amounts equal to the President's budget to account for any future House consideration of appropriations for overseas deployments and other activities.

TITLE II—RECONCILIATION

Title II of the resolution includes reconciliation instructions. The instructions direct a committee to make changes in laws under its jurisdiction that affect revenues or direct spending to achieve a specified budgetary result. The legislation used to implement those instructions is reported as a reconciliation bill.

Section 201 includes reconciliation instructions to committees for health care reform and for education, but not for other policy areas. In section 201(a), entitled Health Care Reform, the Committee on Energy and Commerce and the Committee on Ways and Means each are instructed to report changes in laws by September 29, 2009, to reduce the deficit by \$1 billion for the period of fiscal years 2009 through 2014. In section 201(b), entitled Investments in Education, the Committee on Education and Labor is instructed to report changes in laws by September 30, 2009, to reduce the deficit by \$1 billion for the period of fiscal years 2009 through 2014. Reconciliation instructions do not preclude the consideration of legislation in these policy areas under regular order.

Procedural language included in section 201(c) permits but does not require the Clerk of the House to join two separate reconciliation measures that meet the above descriptions, once one such measure has passed the House, for the purpose of forming a single engrossed reconciliation bill within the meaning of section 310 of the Congressional Budget Act of 1974.

The House has adopted a rule relating to reconciliation instructions (clause 7 of rule XXI) that requires that any reconciliation instruction must not increase the deficit or reduce the surplus over the time periods specified in the House pay-as-you-go rule. The reconciliation instructions provided in title II satisfy the requirement of clause 7 of rule XXI.

TITLE III—RESERVE FUNDS

Sec. 301. Deficit-neutral reserve fund for health care reform

The reserve fund supports the President’s goal of fiscally responsible health reform legislation. The reserve fund accommodates legislation that addresses the common goals of making affordable health coverage available to all, improving the quality of health care, and reducing rising health care costs, while building on and strengthening existing public and private insurance coverage and preserving choice of provider and plan, consistent with the pay-as-you-go principle.

As part of health care reform, the Committee supports measures to ensure that payments to providers are appropriate and equitable and are designed to encourage efficiency, higher quality care, coordination of care, and accountability.

Sec. 302. Deficit-neutral reserve fund for college access, affordability, and completion

The reserve fund accommodates changes in laws that will increase assistance or benefits to college students, consistent with the pay-as-you-go principle. This reserve fund will provide committees maximum flexibility in finding offsets for legislation to help more students afford and complete college.

Sec. 303. Deficit-neutral reserve fund for increasing energy independence

The reserve fund accommodates legislation to increase U.S. energy independence, consistent with the pay-as-you-go principle. This reserve fund covers legislation that provides tax incentives for or otherwise encourages the production of renewable energy or increased energy efficiency; encourages investment in emerging energy or vehicle technologies or carbon capture and sequestration; limits and provides for reductions in greenhouse gas emissions; assists businesses, industries, states, communities, the environment, workers, or households as the United States moves toward reducing and offsetting the impacts of greenhouse gas emissions; or facilitates the training of workers for these industries (“green collar jobs”).

Sec. 304. Deficit-neutral reserve fund for America’s veterans and servicemembers

The reserve fund accommodates legislation to change health care and benefits for veterans, servicemembers, or their families, consistent with the pay-as-you-go principle. This reserve fund covers legislation that enhances health care for military personnel or veterans; maintains the affordability of health care for military retir-

ees or veterans; improves disability benefits or evaluations for wounded or disabled military personnel or veterans (including measures to expedite the claims process); expands eligibility to permit additional disabled military retirees to receive both disability compensation and retired pay (concurrent receipt); or eliminates the offset between Survivor Benefit Plan annuities and veterans' dependency and indemnity compensation. The reserve fund shall not accommodate legislation authorizing the Department of Veterans Affairs (VA) to bill private insurance companies for treatment of health conditions that are related to veterans' military service. VA already is authorized to bill such companies for treatment of conditions that are not service-connected.

Sec. 305. Deficit-neutral reserve fund for certain tax relief

The reserve fund for tax relief accommodates legislation to reduce tax burdens on working families, businesses, States, or communities if it complies with the pay-as-you-go principle. This reserve fund could therefore accommodate individual tax relief supporting working families, higher education, and raising participation in retirement saving vehicles, among other purposes. It could also accommodate tax relief and investment incentives for businesses, States, or communities.

Sec. 306. Deficit-neutral reserve fund for a 9/11 health program

The reserve fund accommodates legislation that would establish a program, including medical monitoring and treatment, addressing the adverse health impacts linked to the attacks of September 11, 2001, consistent with the pay-as-you-go principle. Last year, the House and Senate included this deficit-neutral reserve fund as part of the Conference Agreement.

Sec. 307. Deficit-neutral reserve fund for child nutrition

This reserve fund accommodates legislation to reauthorize, expand, or improve the child nutrition programs, including, but not limited to, the school lunch and school breakfast programs, after-school and summer food programs, the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), and the child and adult care food program, consistent with the pay-as-you-go principle.

Sec. 308. Deficit-neutral reserve fund for structural unemployment insurance reforms

This reserve fund accommodates legislation consistent with the pay-as-you-go principle that builds on the provisions of the Recovery Act and continues modernizing the unemployment system to better meet the challenges of the 21st century workforce, in particular by improving its response to economic downturns.

Sec. 309. Deficit-neutral reserve fund for child support

This reserve fund accommodates legislation to increase parental support for children, including efforts to ensure that children receive 100 percent of the child support that they are owed and that is paid by non-custodial parents, as well as other efforts to provide

more parental support for children, consistent with the pay-as-you-go principle.

Sec. 310. Deficit-neutral reserve fund for the Affordable Housing Trust Fund

The reserve fund accommodates funding for the existing Affordable Housing Trust Fund that provides grants to states, communities, and other entities to provide or rehabilitate housing for low-income families, consistent with the pay-as-you-go principle. The reserve fund provides committees with flexibility to find offsets for legislation that capitalizes the trust fund, which is already authorized.

Sec. 311. Deficit-neutral reserve fund for home visiting

This reserve fund accommodates legislation to provide mandatory funding for a home visiting program or programs serving low-income mothers-to-be and low-income families, consistent with the pay-as-you-go principle. The Committee anticipates that the legislation will fund evidence-based programs that have been tested in well-designed randomized controlled trials and are likely to produce future budget savings by improving child and family health and well-being. Research studies on providing nurse home visiting services to low-income families, for example, have documented between three and six dollars in savings for every dollar invested in the home visits.

Sec. 312. Deficit-neutral reserve fund for Low-income Home Energy Assistance Program trigger

This reserve fund accommodates legislation to ensure that the Low-income Home Energy Assistance Program (LIHEAP) responds more quickly and efficiently to energy price increases, so long as the legislation is consistent with the pay-as-you-go principle.

Sec. 313. Reserve fund for the surface transportation reauthorization

The reserve fund accommodates additional contract authority for the reauthorization of highway construction, highway safety and mass transit programs or other transportation-related legislation on the condition that the Highway Trust Fund continues to fully meet its obligations. While the eventual funding needs for the upcoming highway and transit bill are not yet known, the reserve fund will provide flexibility to adjust the Transportation and Infrastructure Committee's allocation provided that the solvency of the Highway Trust Fund is maintained.

Sec. 314. Current policy reserve fund for Medicare improvements

The reserve fund accommodates additional mandatory spending to reform the Medicare physician payment system. The reserve fund supports legislation to change incentives to encourage efficiency and higher quality care in a way that supports fiscal sustainability, to improve payment accuracy to encourage efficient use of resources and ensure that primary care receives appropriate compensation, to improve coordination of care among all providers

servicing a patient in all appropriate settings, or to hold providers accountable for their utilization patterns and quality of care.

The reserve fund allows Medicare physician payment reform legislation to be scored against a baseline that reflects current policy, which means a baseline that assumes the payment rates in effect for physicians for 2009 will stay in effect through 2019. This assumption is consistent with the President's budget and is based on Congressional actions in recent years to prevent cuts in physician payments that would otherwise be required by the Sustainable Growth Rate (SGR) formula. However, like the President's budget, the budget resolution does not intend this assumption as a reflection of future policy. Instead, the assumption represents a realistic and meaningful benchmark against which to measure the fiscal effects of legislation reforming the Medicare physician payment system.

After the House has adopted a measure to impose statutory pay-as-you-go requirements, or when a bill utilizing this reserve fund includes provisions to impose statutory pay-as-you-go requirements, Section 401(a) of this resolution directs the chairman of the Budget Committee to make current policy adjustments to the baseline before evaluating the costs of the Medicare bill for compliance with House budget rules and procedures. The adjustments may be made only for the purposes and in the amounts provided in this reserve fund.

The SGR formula limits how much total physician compensation can grow every year. The SGR formula has required payment rate cuts every year since 2002. Since 2003, Congress has enacted legislation to prevent these rate cuts from taking effect, one or two years at a time. Consequently, history has shown that the current statutory baseline as it relates to Medicare physician payments is unrealistic. Under current law, physicians face a 21 percent cut in their Medicare payment rate in 2010, and further cuts for several years after that. Cuts of this magnitude could destabilize the Medicare program and present serious access problems for Medicare beneficiaries. The 2008 Medicare trustees report noted that these cuts, if they were to go into effect, could result in substantially reduced beneficiary access to physician services. The trustees report noted the possibility of significant effects on other aspects of Medicare as well, such as an increased use of hospital or emergency room services; an increase in mortality rates; or an enrollment shift to Medicare Advantage plans, which would drive up federal costs because Medicare Advantage plans are currently paid an average of 14 percent more than the traditional fee-for-service program. Neither the Medicare actuaries nor the Congressional Budget Office reflects these secondary effects in their respective baselines, because of substantial uncertainty about the magnitude of the effects.

Sec. 315. Current policy reserve fund for middle class tax relief

The reserve fund allows the Chairman of the Budget Committee to adjust the resolution aggregates and allocations to reflect current policy for certain provisions of the Internal Revenue Code of 1986 for middle class tax relief, decreasing revenues (or increasing outlays, as appropriate) by up to \$698.6 billion over five years and, for purposes of House rules, by up to \$1,848.5 billion over ten

years. The reserve fund supports the extension of middle class tax relief such as the 10 percent individual income tax bracket, marriage penalty relief, the child credit at \$1,000 and partial refundability of the credit, education incentives, other incentives for middle class families and children, and other reductions or adjustments to individual income tax brackets, as well as small business tax relief.

After the House has adopted a measure to impose statutory pay-as-you-go requirements, or when a bill utilizing this reserve fund includes provisions to impose statutory pay-as-you-go requirements, Section 401(a) of this resolution directs the chairman of the Budget Committee to make current policy adjustments to the baseline before evaluating the costs of the tax bill for compliance with House budget rules and procedures. The adjustments may be made only for the purposes and in the amounts provided in this reserve fund.

Sec. 316. Current policy reserve fund for reform of the alternative minimum tax (AMT)

The reserve fund allows the Chairman of the Budget Committee to adjust the resolution aggregates and allocations to reflect current policy for the alternative minimum tax (AMT) for one additional year, decreasing revenues by an amount not to exceed \$68.65 billion over 5 years and over 10 years. The reserve fund would support immediate AMT relief so that tens of millions of working families will not become subject to it in tax year 2010. Without reform, the number of taxpayers subject to the AMT will rise from 4 million in 2010 to 28 million in 2010, according to the Congressional Budget Office. The resolution would accommodate further, deficit-neutral relief from the AMT.

After the House has adopted a measure to impose statutory pay-as-you-go requirements, or when a bill utilizing this reserve fund includes provisions to impose statutory pay-as-you-go requirements, Section 401(a) of this resolution directs the chairman of the Budget Committee to make current policy adjustments to the baseline before evaluating the costs of the tax bill for compliance with House budget rules and procedures. The adjustments may be made only for the purposes and in the amounts provided in this reserve fund.

Sec. 317. Current policy reserve fund for reform of the Estate and Gift Tax

The reserve fund allows the Chairman of the Budget Committee to adjust the resolution aggregates and allocations to reflect current policy by extending the law as in effect in 2009 for the Estate and Gift Tax, decreasing revenues by up to \$72.0 billion over 5 years and, for purposes of House Rules, by up to \$256.2 billion over 10 years. The reserve fund supports continuation of 2009 policy so that only a minute fraction of estates will owe tax.

After the House has adopted a measure to impose statutory pay-as-you-go requirements, or when a bill utilizing this reserve fund includes provisions to impose statutory pay-as-you-go requirements, Section 401(a) of this resolution directs the chairman of the Budget Committee to make current policy adjustments to the base-

line before evaluating the costs of the tax bill for compliance with House budget rules and procedures. The adjustments may be made only for the purposes and in the amounts provided in this reserve fund.

TITLE IV—BUDGET ENFORCEMENT

Sec. 401. Adjustments for direct spending and revenues

After the House has acted upon a measure to impose statutory pay-as-you-go requirements, or when a bill listed in a current policy reserve fund includes provisions to impose statutory pay-as-you-go requirements, subsection (a) of this section directs the chairman of the Budget Committee to make current policy adjustments to the baseline before evaluating the costs of certain measures for compliance with House budget rules and procedures. The adjustments may be made only for the purposes and in the amounts provided in a current policy reserve fund. Four current policy reserve funds appear in title III of the resolution as sections 314, 315, 316, and 317.

Subsection (b) allows the chairman of the Budget Committee to adjust the 302(a) allocation to the Appropriations Committee if changes to the Low-income Home Energy Assistance Program (reflected in this resolution's mandatory spending totals) are not funded in an authorization bill and are included instead in an appropriations measure.

Subsection (c) updates and reinstates a provision of the Budget Enforcement Act of 1990. The chairman of the Budget Committee is directed to exempt from the calculation of the cost of any measure any budgetary effects of legislative provisions that affect the full funding of the federal deposit insurance guarantee.

Sec. 402. Adjustments to discretionary spending limits

Section 402 provides for specific allocation adjustments for the Committee on Appropriations when the Committee reports legislation that includes increased appropriations for the following program integrity initiatives: (1) program integrity initiatives at the Social Security Administration; (2) Internal Revenue Service tax compliance; (3) the health care fraud and abuse control program at the Department of Health and Human Services; and (4) unemployment insurance in-person reemployment and eligibility assessments and improper payment reviews. In addition, a new program integrity adjustment has been added this year to create the Partnership Fund for Program Integrity at the Office of Management and Budget for program integrity pilot initiatives across federal agencies. This adjustment is intended to develop new ideas to promote administrative efficiency gains and reductions in erroneous payments.

The adjustments under this section are primarily intended to provide additional administrative funding for current program integrity activities to eliminate errors or fraud in the operation of a number of federal programs and to promote compliance with fed-

eral tax laws. For example, the adjustment for unemployment compensation programs is provided to increase limited administrative funding for current program integrity activities, and not to finance other proposals that would adversely affect workers who have received unemployment benefits. The section outlines procedures for these allocation adjustments.

This section also incorporates a procedure whereby provisions or measures reported by the Committee on Appropriations will be exempt in certain circumstances from compliance with titles III and IV of the Congressional Budget Act of 1974 and the budget resolution. Such an exemption applies if: (1) the Committee on Appropriations determines and designates that amounts appropriated are necessary for overseas deployments and related activities; or (2) the Committee on Appropriations provides discretionary appropriations and designates those amounts as necessary to meet emergency needs.

Sec. 403. Advance appropriations

Section 403 limits the amount and type of advance appropriations for fiscal years 2011 and 2012. Under this section, advance appropriations for fiscal year 2011 are restricted to \$28.852 billion for the programs, projects, activities, or accounts listed below. Advances for 2012 are listed separately. The list is included in this report so that the Appropriations Committee can prepare appropriations bills for fiscal year 2010 accordingly. The list will also be included in the joint explanatory statement of managers to accompany the conference report on this resolution. The section defines advance appropriations as any new discretionary budget authority provided in a bill or joint resolution making general or continuing appropriations for fiscal year 2010 that first becomes available for any fiscal year after 2010.

Advance Appropriations for Fiscal Year 2011

- Employment and Training Administration
- Office of Job Corps
- Education for the Disadvantaged
- School Improvement Programs
- Special Education
- Career, Technical and Adult Education
- Payment to Postal Service
- Tenant-based Rental Assistance
- Project-based Rental Assistance

Advance Appropriations for Fiscal Year 2012

- The Corporation for Public Broadcasting

Sec. 404. Oversight of government performance

Section 404 encourages all committees of the House to conduct rigorous oversight hearings to root out waste, fraud, and abuse in federal programs, with particular attention to issues raised by the Office of the Inspector General or the Government Accountability Office. Based on these oversight efforts, such recommendations should be included in the views and estimates reports submitted to

the Budget Committee under section 301(d) of the Congressional Budget Act on 1974.

Sec. 405. Budgetary treatment of certain discretionary administrative expenses

Section 405 provides that administrative expenses of the Social Security Administration and of the Postal Service shall be part of the annual appropriations process by including those expenses in the allocation to the Committee on Appropriations pursuant to section 302 of the Congressional Budget Act.

Sec. 406. Application and effect of changes in allocations and aggregates

Section 406 details the allocation and aggregate adjustment procedures that are required to accommodate legislation for the reserve funds and program integrity initiatives in this resolution. This section provides that the adjustments shall apply while the legislation is under consideration and take effect upon enactment of the legislation. In addition, the section requires the adjustments to be printed in the Congressional Record.

The section also notes that, for purposes of enforcement, aggregate and allocation levels resulting from adjustments made pursuant to this resolution will have the same effect as if adopted in the original levels of Title I of this budget resolution. This section also provides that the Committee on the Budget shall determine the budgetary levels and estimates which are required to enforce points of order under the Congressional Budget Act.

Sec. 407. Adjustments to reflect changes in concepts and definitions

Section 407 requires the chairman of the Committee on the Budget to adjust levels and allocations in this budget resolution upon enactment of legislation that changes concepts or definitions.

Sec. 408. Exercise of rulemaking powers

Section 408 provides that, once adopted, the provisions of the budget resolution are incorporated into the rules of the House of Representatives and shall supersede inconsistent rules. The section recognizes the constitutional right of the House of Representatives to change those rules at any time.

TITLE V—POLICY

Title V of the resolution contains the following policy sections:
Sec. 501. Policy on middle-class tax relief and revenues
Sec. 502. Policy on defense priorities

TITLE VI—SENSE OF THE HOUSE

Title VI of the resolution contains the following Sense of the House sections:

Sec. 601. Sense of the House on veterans' and servicemembers' health care

Sec. 602. Sense of the House on homeland security

Sec. 603. Sense of the House on promoting American innovation and economic competitiveness

Sec. 604. Sense of the House regarding pay parity

Sec. 605. Sense of the House on college affordability

Sec. 606. Sense of the House on Great Lakes restoration

ALLOCATIONS TO COMMITTEES

As required by Section 302(a) of the Congressional Budget Act of 1974, the discretionary levels established in the budget resolution are allocated to the Appropriations Committee and the mandatory spending levels are allocated to each of the committees with mandatory spending authority.

In this report, the Appropriations Committee receives an allocation for 2010 and a revised allocation for 2009. The authorizing committees receive allocations for 2010 and the five-year period 2010 through 2014 as well as a revised allocation for 2009. The authorizing committee allocation is divided into current law amounts, reauthorization, and resolution changes. Reauthorization refers to amounts for legislation due for reauthorization that are part of the CBO baseline levels. "Resolution changes" refers to the budgetary impact of legislation enacted after the adoption of this resolution, anticipated to reflect a change from baseline levels.

ALLOCATION OF SPENDING AUTHORITY TO HOUSE COMMITTEE ON APPROPRIATIONS

[In millions of dollars]

	2009 ¹	2010
Discretionary Action:		
BA	1,398,771	1,087,320
OT	1,220,843	1,271,140
Current Law Mandatory:		
BA	670,595	725,056
OT	658,123	715,684

¹ Revision to amounts included in S. Con. Res. 70. Includes emergencies incorporated in the Congressional Budget Office March baseline

ALLOCATIONS OF SPENDING AUTHORITY TO HOUSE COMMITTEES OTHER THAN APPROPRIATIONS

[In millions of dollars]

	2009 ¹	2010	Total 2010-2014
Committee on Agriculture:			
Current Law:			
BA	16,709	16,183	63,406
OT	14,831	15,455	64,273
Reauthorizations:			
BA	1	1	138,284
OT	1	1	135,903
Total:			
BA	16,710	16,184	201,690
OT	14,832	15,456	200,176
Committee on Armed Services:			
Current Law:			
BA	125,663	135,653	710,343
OT	126,514	135,710	710,265
Resolution Change:			
BA		194	2,095
OT		178	2,055
Total:			
BA	125,663	135,847	712,438
OT	126,514	135,888	712,320
Committee on Education and Labor:			
Current Law:			
BA	-20,683	-454	25,648
OT	-17,727	-3,516	19,608
Reauthorizations:			
BA	101	3,648	18,664
OT	66	2,513	17,190
Resolution Change:			
BA		1,329	6,080
OT		1,179	5,930
Total:			
BA	-20,582	4,523	50,392
OT	-17,661	176	42,728
Committee on Energy and Commerce:			
Current Law:			
BA	279,426	286,402	1,643,660
OT	273,475	285,467	1,637,420
Reauthorizations:			
BA			5,720
OT			8,566
Total:			
BA	279,426	286,402	1,649,380
OT	273,475	285,467	1,645,986
Committee on Financial Services:			
Current Law:			
BA	684,785	47,983	93,841
OT	666,250	75,202	104,154
Committee on Foreign Affairs:			
Current Law:			
BA	23,477	21,299	94,573
OT	22,222	22,956	105,029
Committee on Homeland Security:			
Current Law:			
BA	1,535	1,585	8,465
OT	1,582	1,591	8,548
Committee on House Administration:			
Current Law:			
BA	69	68	340
OT	21	18	344

ALLOCATIONS OF SPENDING AUTHORITY TO HOUSE COMMITTEES OTHER THAN APPROPRIATIONS—
Continued
[In millions of dollars]

	2009 ¹	2010	Total 2010–2014
Committee on the Judiciary:			
Current Law:			
BA	6,929	9,375	36,556
OT	7,021	7,412	36,768
Committee on Natural Resources:			
Current Law:			
BA	5,362	5,899	31,419
OT	4,879	5,700	31,479
Committee on Oversight and Government Reform:			
Current Law:			
BA	90,002	92,711	485,602
OT	88,170	90,771	472,924
Committee on Science and Technology:			
Current Law:			
BA	126	126	630
OT	119	139	658
Committee on Small Business:			
Current Law:			
BA	1,211		
OT	1,211		
Committee on Transportation and Infrastructure:			
Current Law:			
BA	53,534	14,192	74,384
OT	14,057	14,649	76,644
Reauthorizations:			
BA	1,950	42,083	210,415
OT		173	2,365
Resolution Change:			
BA		13,085	68,669
OT			
Total:			
BA	55,484	69,360	353,468
OT	14,057	14,822	79,009
Committee on Veterans Affairs:			
Current Law:			
BA	952	1,184	5,433
OT	1,041	1,284	6,176
Reauthorizations:			
BA		1,549	11,092
OT		1,543	10,908
Total:			
BA	952	2,733	16,525
OT	1,041	2,827	17,084
Committee on Ways and Means:			
Current Law:			
BA	900,451	938,463	4,999,413
OT	896,860	940,618	5,008,958
Reauthorizations:			
BA		25	83,520
OT		25	76,818
Resolution Change:			
BA		6,830	159,038
OT		6,830	159,038
Total:			
BA	900,451	945,318	5,241,971
OT	896,860	947,473	5,244,814

¹ Revision to amounts for 2009 included in S.Con.Res. 70

SUMMARY TABLE 1.—FISCAL YEAR 2010 BUDGET RESOLUTION TOTAL SPENDING AND REVENUES

(In billions of dollars)

Fiscal year	2009	2010	2011	2012	2013	2014	2010–2014
Budget Resolution							
Total Spending:							
BA	4,200.782	3,447.528	3,441.763	3,509.887	3,718.179	3,936.332	18,053.689
OT	3,879.882	3,549.570	3,554.895	3,533.290	3,712.719	3,908.079	18,258.553
On-Budget:							
BA	3,675.133	2,892.061	2,866.329	2,913.316	3,095.704	3,286.135	15,053.545
OT	3,357.255	2,996.234	2,981.872	2,939.612	3,093.577	3,261.525	15,272.820
Off-Budget:							
BA	525.649	555.467	575.434	596.571	622.475	650.197	3,000.144
OT	522.627	553.336	573.023	593.678	619.142	646.554	2,985.733
Revenues:							
Total	2,185.688	2,327.733	2,627.690	2,915.833	3,127.173	3,309.681	14,308.110
On-budget	1,532.571	1,659.525	1,933.072	2,190.099	2,361.429	2,507.846	10,651.971
Off-budget	653.117	668.208	694.618	725.734	765.744	801.835	3,656.139
Surplus/Deficit (–):							
Total	–1,694.194	–1,221.837	–927.205	–617.457	–585.546	–598.398	–3,950.443
On-budget	–1,824.684	–1,336.709	–1,048.800	–749.513	–732.148	–753.679	–4,620.849
Off-budget	130.490	114.872	121.595	132.056	146.602	155.281	670.406
Debt Subject to Limit (end of year)	12,017	13,223	14,350	15,276	16,162	17,100	na
Debt Held by the Public (end of year)	7,730	8,768	9,684	10,344	10,934	11,577	na
By Function							
National Defense (050):							
BA	618.057	562.033	570.107	579.135	589.895	603.828	2,904.998
OT	646.810	606.043	587.945	576.023	584.670	595.476	2,950.157
International Affairs (150):							
BA	40.885	45.320	49.146	53.742	59.160	64.388	271.756
OT	37.797	43.461	48.642	52.123	55.773	59.292	259.291
General Science, Space, and Technology (250):							
BA	35.389	31.139	31.493	33.373	34.419	35.686	166.110
OT	30.973	32.467	32.407	32.465	33.614	34.835	165.788
Energy (270):							
BA	43.919	5.489	5.539	5.732	6.098	6.227	29.085
OT	2.952	7.267	11.322	13.400	12.133	10.512	54.634
Natural Resources and Environment (300):							
BA	56.009	37.387	38.600	39.249	39.348	40.017	194.601
OT	36.834	40.450	40.237	40.058	39.754	39.957	200.456
Agriculture (350):							
BA	24.974	23.690	24.691	21.644	22.497	23.182	115.704
OT	23.070	23.951	23.998	17.540	22.063	22.150	109.702
Commerce and Housing Credit (370):							
BA	699.092	64.195	28.248	9.533	17.224	11.209	130.409
OT	670.090	88.900	40.021	8.617	5.562	–2.517	140.583
On-budget:							
BA	694.439	60.933	26.181	9.561	17.247	11.226	125.148
OT	665.437	85.638	37.954	8.645	5.585	–2.500	135.322
Off-budget:							
BA	4.653	3.262	2.067	–0.028	–0.023	–0.017	5.261
OT	4.653	3.262	2.067	–0.028	–0.023	–0.017	5.261
Transportation (400):							
BA	122.457	88.151	89.071	90.047	90.866	91.809	449.944
OT	87.784	95.695	96.474	95.851	96.150	96.793	480.963
Community and Regional Development (450):							
BA	23.811	18.308	21.232	21.311	21.202	21.270	103.323
OT	29.983	29.303	27.530	25.722	24.155	22.752	129.462

SUMMARY TABLE 1.—FISCAL YEAR 2010 BUDGET RESOLUTION TOTAL SPENDING AND REVENUES—Continued
[In billions of dollars]

Fiscal year	2009	2010	2011	2012	2013	2014	2010–2014
Education, Training, Employment and Social Services (500):							
BA	164.276	93.689	107.858	117.121	115.931	125.788	560.387
OT	73.219	140.300	141.108	118.391	118.888	120.959	639.646
Health (550):							
BA	380.158	383.911	364.910	369.852	389.719	400.451	1,908.843
OT	354.397	388.746	367.628	368.556	384.359	400.173	1,909.462
Medicare (570):							
BA	427.076	449.653	505.171	513.824	558.235	616.315	2,643.198
OT	426.736	449.784	504.962	513.591	558.381	616.150	2,642.868
Income Security (600):							
BA	520.123	536.169	510.575	478.039	483.386	485.396	2,493.565
OT	503.020	539.918	513.410	478.323	482.745	483.758	2,498.154
Social Security (650):							
BA	686.427	703.408	728.422	757.525	792.485	831.958	3,813.798
OT	682.849	701.400	726.144	754.782	789.302	828.315	3,799.943
On-budget:							
BA	31.820	20.255	23.380	26.478	29.529	32.728	132.370
OT	31.264	20.378	23.513	26.628	29.679	32.728	132.926
Off-budget:							
BA	654.607	683.153	705.042	731.047	762.956	799.230	3,681.428
OT	651.585	681.022	702.631	728.154	759.623	795.587	3,667.017
Veterans Benefits and Services (700):							
BA	97.705	106.365	112.842	108.702	113.803	116.021	557.733
OT	94.831	105.468	112.386	108.103	113.151	115.480	554.588
Administration of Justice (750):							
BA	55.783	52.857	53.892	53.738	53.569	54.247	268.303
OT	49.853	51.630	55.503	55.441	54.526	54.058	271.158
General Government (800):							
BA	30.405	21.979	22.316	22.737	22.750	23.415	113.197
OT	24.629	22.757	23.147	23.795	23.492	23.629	116.820
Net Interest (900):							
BA	169.755	168.285	207.566	269.883	347.752	429.837	1,423.323
OT	169.755	168.285	207.566	269.883	347.752	429.837	1,423.323
On-budget:							
BA	288.955	284.085	323.266	387.483	470.452	560.137	2,025.423
OT	288.955	284.085	323.266	387.483	470.452	560.137	2,025.423
Off-budget:							
BA	-119.200	-115.800	-115.700	-117.600	-122.700	-130.300	-602.100
OT	-119.200	-115.800	-115.700	-117.600	-122.700	-130.300	-602.100
Allowances (920):							
BA	14.450	9.422	8.052	6.518	5.543	3.865	33.400
OT	1.788	4.893	5.903	4.750	4.122	2.962	22.630
Undistributed Offsetting Receipts (950):							
BA	-92.617	-83.922	-87.968	-91.818	-95.703	-98.577	-457.988
OT	-92.617	-83.922	-87.968	-91.818	-95.703	-98.577	-457.988
On-budget:							
BA	-78.206	-68.774	-71.993	-74.970	-77.945	-79.861	-373.543
OT	-78.206	-68.774	-71.993	-74.970	-77.945	-79.861	-373.543
Off-budget:							
BA	-14.411	-15.148	-15.975	-16.848	-17.758	-18.716	-84.445
OT	-14.411	-15.148	-15.975	-16.848	-17.758	-18.716	-84.445
Overseas Deployments and Other Activities (970):							
BA	82.648	130.000	50.000	50.000	50.000	50.000	330.000
OT	25.129	92.774	76.530	67.694	57.830	52.085	346.913

SUMMARY TABLE 2.—FISCAL YEAR 2010 BUDGET RESOLUTION DISCRETIONARY SPENDING

(In billions of dollars)

Fiscal year	2009	2010	2011	2012	2013	2014	2010–2014
Budget Resolution							
Total Spending:							
BA	1,488.569	1,229.078	1,179.313	1,205.924	1,232.826	1,265.463	6,112.604
OT	1,247.760	1,370.565	1,341.264	1,298.562	1,302.648	1,317.342	6,630.381
On-Budget:							
BA	1,483.020	1,222.744	1,172.478	1,198.757	1,225.326	1,257.581	6,076.886
OT	1,242.562	1,364.369	1,334.564	1,291.481	1,295.223	1,309.542	6,595.179
Off-Budget:							
BA	5.549	6.334	6.835	7.167	7.500	7.882	35.718
OT	5.198	6.196	6.700	7.081	7.425	7.800	35.202
By Function							
National Defense (050):							
BA	614.426	556.128	564.293	573.612	584.421	598.249	2,876.703
OT	641.927	600.048	582.107	570.461	579.217	589.904	2,921.737
International Affairs (150):							
BA	42.666	48.454	52.777	57.063	61.502	65.931	285.727
OT	41.300	46.280	50.000	53.746	57.597	61.490	269.113
General Science, Space, and Technology (250):							
BA	35.264	31.014	31.368	33.248	34.294	35.561	165.485
OT	30.855	32.329	32.280	32.333	33.483	34.710	165.135
Energy (270):							
BA	44.998	6.680	6.717	6.764	6.798	6.862	33.821
OT	5.350	10.031	13.719	15.058	13.611	12.110	64.529
Natural Resources and Envi- ronment (300):							
BA	54.596	35.085	36.458	36.825	37.252	37.880	183.500
OT	36.252	38.866	38.082	37.622	37.349	37.800	189.719
Agriculture (350):							
BA	6.349	6.131	6.169	6.279	6.393	6.511	31.483
OT	6.111	6.217	6.147	6.219	6.323	6.435	31.341
Commerce and Housing Credit (370):							
BA	13.216	13.211	6.383	5.110	4.240	3.966	32.910
OT	6.253	13.347	9.240	7.155	5.917	4.520	40.179
On-budget:							
BA	12.963	12.949	6.116	4.838	3.963	3.683	31.549
OT	6.000	13.085	8.973	6.883	5.640	4.237	38.818
Off-budget:							
BA	0.253	0.262	0.267	0.272	0.277	0.283	1.361
OT	0.253	0.262	0.267	0.272	0.277	0.283	1.361
Transportation (400):							
BA	79.061	31.436	31.925	32.443	32.933	33.295	162.032
OT	85.668	93.462	94.195	93.437	93.614	94.103	468.811
Community and Regional De- velopment (450):							
BA	23.006	17.930	21.059	21.118	21.187	21.255	102.549
OT	26.252	26.904	26.559	24.960	23.711	22.809	124.943
Education, Training, Employ- ment and Social Services (500):							
BA	188.508	88.676	97.440	103.135	107.416	111.357	508.024
OT	94.814	138.575	130.750	106.828	107.776	110.965	594.894
Health (550):							
BA	75.483	58.158	60.166	61.527	63.187	65.839	308.877
OT	57.635	64.667	64.106	62.130	61.685	63.386	315.974
Medicare (570):							
BA	5.390	5.595	6.042	6.112	6.197	6.269	30.215
OT	5.255	5.566	5.977	6.083	6.184	6.257	30.067
Income Security (600):							
BA	74.067	62.778	65.488	67.210	68.878	70.734	335.088
OT	64.056	67.860	70.141	70.087	70.576	70.760	349.424

SUMMARY TABLE 2.—FISCAL YEAR 2010 BUDGET RESOLUTION DISCRETIONARY SPENDING—
Continued
[In billions of dollars]

Fiscal year	2009	2010	2011	2012	2013	2014	2010–2014
Social Security (650):							
BA	6.386	6.072	6.568	6.895	7.223	7.599	34.357
OT	5.479	6.057	6.566	6.959	7.298	7.517	34.397
On-budget:							
BA	1.090						
OT	0.534	0.123	0.133	0.150	0.150		0.556
Off-budget:							
BA	5.296	6.072	6.568	6.895	7.223	7.599	34.357
OT	4.945	5.934	6.433	6.809	7.148	7.517	33.841
Veterans Benefits and Services (700):							
BA	49.394	53.263	54.417	55.855	57.384	58.969	279.888
OT	46.757	52.474	53.967	55.483	56.931	58.519	277.374
Administration of Justice (750):							
BA	54.099	48.763	52.426	52.378	52.307	53.022	258.896
OT	48.018	49.470	52.918	53.131	53.276	52.889	261.684
General Government (800):							
BA	24.562	19.365	19.733	20.117	20.677	21.254	101.146
OT	18.861	20.196	20.584	21.025	21.473	21.531	104.809
Allowances (920):							
BA	14.450	10.339	9.884	10.233	10.537	10.910	51.903
OT	1.788	5.442	7.396	8.151	8.797	9.552	39.338
Overseas Deployments and Other Activities (970):							
BA	82.648	130.000	50.000	50.000	50.000	50.000	330.000
OT	25.129	92.774	76.530	67.694	57.830	52.085	346.913

SUMMARY TABLE 3.—FISCAL YEAR 2010 BUDGET RESOLUTION MANDATORY SPENDING

[In billions of dollars]

Fiscal year	2009	2010	2011	2012	2013	2014	2010–2014
Budget Resolution							
Total Spending:							
BA	2,712.213	2,218.450	2,262.450	2,303.963	2,485.353	2,670.869	11,941.085
OT	2,632.122	2,179.005	2,213.631	2,234.728	2,410.071	2,590.737	11,628.172
On-Budget:							
BA	2,192.113	1,669.317	1,693.851	1,714.559	1,870.378	2,028.554	8,976.659
OT	2,114.693	1,631.865	1,647.308	1,648.131	1,798.354	1,951.983	8,677.641
Off-Budget:							
BA	520.100	549.133	568.599	589.404	614.975	642.315	2,964.426
OT	517.429	547.140	566.323	586.597	611.717	638.754	2,950.531
By Function							
National Defense (050):							
BA	3.631	5.905	5.814	5.523	5.474	5.579	28.295
OT	4.883	5.995	5.838	5.562	5.453	5.572	28.420
International Affairs (150):							
BA	-1.781	-3.134	-3.631	-3.321	-2.342	-1.543	-13.971
OT	-3.503	-2.819	-1.358	-1.623	-1.824	-2.198	-9.822
General Science, Space, and Technology (250):							
BA	0.125	0.125	0.125	0.125	0.125	0.125	0.625
OT	0.118	0.138	0.127	0.132	0.131	0.125	0.653
Energy (270):							
BA	-1.079	-1.191	-1.178	-1.032	-0.700	-0.635	-4.736
OT	-2.398	-2.764	-2.397	-1.658	-1.478	-1.598	-9.895
Natural Resources and Envi- ronment (300):							
BA	1.413	2.302	2.142	2.424	2.096	2.137	11.101
OT	0.582	1.584	2.155	2.436	2.405	2.157	10.737
Agriculture (350):							
BA	18.625	17.559	18.522	15.365	16.104	16.671	84.221
OT	16.959	17.734	17.851	11.321	15.740	15.715	78.361
Commerce and Housing Credit (370):							
BA	685.876	50.984	21.865	4.423	12.984	7.243	97.499
OT	663.837	75.553	30.781	1.462	-0.355	-7.037	100.404
On-budget:							
BA	681.476	47.984	20.065	4.723	13.284	7.543	93.599
OT	659.437	72.553	28.981	1.762	-0.055	-6.737	96.504
Off-budget:							
BA	4.400	3.000	1.800	-0.300	-0.300	-0.300	3.900
OT	4.400	3.000	1.800	-0.300	-0.300	-0.300	3.900
Transportation (400):							
BA	43.396	56.715	57.146	57.604	57.933	58.514	287.912
OT	2.116	2.233	2.279	2.414	2.536	2.690	12.152
Community and Regional De- velopment (450):							
BA	0.805	0.378	0.173	0.193	0.015	0.015	0.774
OT	3.731	2.399	0.971	0.762	0.444	-0.057	4.519
Education, Training, Employ- ment and Social Services (500):							
BA	-24.232	5.013	10.418	13.986	8.515	14.431	52.363
OT	-21.595	1.725	10.358	11.563	11.112	9.994	44.752
Health (550):							
BA	304.675	325.753	304.744	308.325	326.532	334.612	1,599.966
OT	296.762	324.079	303.522	306.426	322.674	336.787	1,593.488
Medicare (570):							
BA	421.686	444.058	499.129	507.712	552.038	610.046	2,612.983
OT	421.481	444.218	498.985	507.508	552.197	609.893	2,612.801
Income Security (600):							
BA	446.056	473.391	445.087	410.829	414.508	414.662	2,158.477
OT	438.964	472.058	443.269	408.236	412.169	412.998	2,148.730

SUMMARY TABLE 3.—FISCAL YEAR 2010 BUDGET RESOLUTION MANDATORY SPENDING—
Continued
[In billions of dollars]

Fiscal year	2009	2010	2011	2012	2013	2014	2010–2014
Social Security (650):							
BA	680.041	697.336	721.854	750.630	785.262	824.359	3,779.441
OT	677.370	695.343	719.578	747.823	782.004	820.798	3,765.546
On-budget:							
BA	30.730	20.255	23.380	26.478	29.529	32.728	132.370
OT	30.730	20.255	23.380	26.478	29.529	32.728	132.370
Off-budget:							
BA	649.311	677.081	698.474	724.152	755.733	791.631	3,647.071
OT	646.640	675.088	696.198	721.345	752.475	788.070	3,633.176
Veterans Benefits and Services (700):							
BA	48.311	53.102	58.425	52.847	56.419	57.052	277.845
OT	48.074	52.994	58.419	52.620	56.220	56.961	277.214
Administration of Justice (750):							
BA	1.684	4.094	1.466	1.360	1.262	1.225	9.407
OT	1.835	2.160	2.585	2.310	1.250	1.169	9.474
General Government (800):							
BA	5.843	2.614	2.583	2.620	2.073	2.161	12.051
OT	5.768	2.561	2.563	2.770	2.019	2.098	12.011
Net Interest (900):							
BA	169.755	168.285	207.566	269.883	347.752	429.837	1,423.323
OT	169.755	168.285	207.566	269.883	347.752	429.837	1,423.323
On-budget:							
BA	288.955	284.085	323.266	387.483	470.452	560.137	2,025.423
OT	288.955	284.085	323.266	387.483	470.452	560.137	2,025.423
Off-budget:							
BA	-119.200	-115.800	-115.700	-117.600	-122.700	-130.300	-602.100
OT	-119.200	-115.800	-115.700	-117.600	-122.700	-130.300	-602.100
Allowances (920):							
BA		-0.917	-1.832	-3.715	-4.994	-7.045	-18.503
OT		-0.549	-1.493	-3.401	-4.675	-6.590	-16.708
Undistributed Offsetting Receipts (950):							
BA	-92.617	-83.922	-87.968	-91.818	-95.703	-98.577	-457.988
OT	-92.617	-83.922	-87.968	-91.818	-95.703	-98.577	-457.988
On-budget:							
BA	-78.206	-68.774	-71.993	-74.970	-77.945	-79.861	-373.543
OT	-78.206	-68.774	-71.993	-74.970	-77.945	-79.861	-373.543
Off-budget:							
BA	-14.411	-15.148	-15.975	-16.848	-17.758	-18.716	-84.445
OT	-14.411	-15.148	-15.975	-16.848	-17.758	-18.716	-84.445

SUMMARY TABLE 4.—TAX EXPENDITURE ESTIMATES BY BUDGET FUNCTION, FISCAL YEARS 2008–2012—Continued
 [Billions of dollars]

Function	Corporations					Individuals					Total 2008–12
	2008	2009	2010	2011	2012	2008	2009	2010	2011	2012	
Credits for alcohol fuels ⁵	0.1	0.1	0.1	(1)	(1)	.....	.....	.....	.....	.....	0.3
Energy credit (section 48):											
Solar	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Geothermal	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Fuel cells	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Microturbines .....	.....	.....	.....	.....	.....	(1)	(1)	(1)	(1)	(1)	(1)
Credits for electricity production from renewable resources (section 45):											
Wind	0.6	0.8	0.9	0.9	0.9	(1)	(1)	(1)	(1)	(1)	4.1
Closed-loop biomass	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Geothermal	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.2
Qualified hydropower	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.1
Solar (limited to facilities placed in service before 1/1/05)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.1
Small irrigation power	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.1
Municipal solid waste	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.2
Open-loop biomass	0.3	0.4	0.3	0.2	0.2	(1)	(1)	(1)	(1)	(1)	1.5
Credits for investments in clean coal facilities	0.2	0.2	0.2	0.1	0.1	.....	.....	.....	.....	.....	0.8
Coal production credits:											
Refined coal	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.1
Indian coal	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.1
Credit for the production of energy-efficient appliances	0.1	0.1	0.1	(1)	(1)	.....	.....	.....	.....	.....	0.3
Credits for alternative technology vehicles:											
Hybrid vehicles	(1)	(1)	(1)	(1)	(1)	0.2	0.2	0.2	0.1	(1)	0.9
Other alternative fuel vehicles	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.1
Credit for clean-fuel vehicle refueling property	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.1
Residential energy efficient property credit	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.1
New energy efficient home credit	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.1
Energy-related exclusions from income:											
Exclusion of interest on State and local government qualified private activity bonds for en- ergy production facilities	(1)	(1)	(1)	(1)	(1)	(1)	0.1	0.1	0.1	0.1	0.6
Energy-related deductions:											
Deduction for expenditures on energy-efficient commercial building property	(1)	0.1	0.1	0.1	0.1	(1)	(1)	(1)	(1)	(1)	0.2
Eight-year inclusion from sale of electric transmission assets to independent utilities	0.3	0.2	(1)	-0.1	-0.1	(1)	(1)	(1)	(1)	(1)	0.3

SUMMARY TABLE 4.—TAX EXPENDITURE ESTIMATES BY BUDGET FUNCTION, FISCAL YEARS 2008–2012—Continued
 [Billions of dollars]

Function	Corporations				Individuals				Total 2008–12	
	2008	2009	2010	2011	2012	2008	2009	2010		2011	2012
Commerce and Housing										
Housing:										
Deduction for mortgage interest on owner-occupied residences						67.0	80.1	89.4	99.8	107.3
Deduction for property taxes on real property						24.6	15.9	13.4	26.6	31.6
Increased standard deduction for real property taxes						0.9	2.5	0.4		
Exclusion of capital gains on sales of principal residences						16.8	15.8	16.9	19.3	20.9
Exclusion of interest on State and local government qualified private activity bonds for owner-occupied housing										
Deduction for premiums for qualified mortgage insurance	0.4	0.4	0.4	0.4	0.5	0.9	0.9	1.0	1.1	1.2
Exclusion of income attributable to the discharge of principal residence acquisition indebtedness						(1)	0.1	0.2	0.2	
First-time homebuyer credit ⁶						0.2	0.3	0.2	0.2	0.1
Refundable first-time homebuyer credit						0.3	13.6	-0.5	-1.9	-1.7
Depreciation of rental housing in excess of alternative depreciation system ⁷						(6)	(6)	(6)	(6)	(6)
Other business and housing:										
Refundable research tax credits ⁸	0.4	0.5	0.5	0.5	0.5	3.8	4.1	4.8	4.9	4.8
Financial institutions:										
Exemption of credit union income	(1)	0.5								
Insurance companies:										
Exclusion of investment income on life insurance and annuity contracts	1.4	1.5	1.6	1.7	1.8					
Small life insurance company taxable income adjustment	2.6	2.7	2.7	2.8	2.9	26.8	27.5	28.2	28.9	29.7
Special treatment of life insurance company reserves	0.1	0.1	0.1	0.1	0.1					
Special deduction for Blue Cross and Blue Shield companies	2.0	2.1	2.2	2.3	2.4					
Tax-exempt status and election to be taxed only on investment income for certain small property and casualty insurance companies	1.0	1.0	1.1	1.1	1.1					
Interest rate and discounting period assumptions for reserves of property and casualty insurance companies	0.1	0.1	0.1	0.1	0.1					
15-percent proration for property and casualty insurance companies	0.6	0.6	0.7	0.7	0.7					
Housing:										
Credit for low-income housing	0.3	0.3	0.3	0.4	0.4					
Credit for rehabilitation of historic structures	4.8	5.1	5.5	5.9	6.3	0.6	0.6	0.7	0.7	0.7
Credit for rehabilitation of structures, other than historic structures	0.3	0.3	0.3	0.4	0.4	0.1	0.1	0.1	0.2	0.2
Total	(1)	(1)	(1)	1.0	1.0	0.1	0.1	0.2	0.2	0.2

Exclusion of interest on State and local government qualified private activity bonds for rental housing	0.2	0.2	0.2	0.3	0.3	0.6	0.6	0.6	0.6	0.7	0.7	4.5
Other business and commerce												
Exclusion of interest on State and local government small-issue qualified private activity bonds	0.1	0.1	0.1	0.1	0.2	0.3	1.8	0.3	0.3	0.4	0.4	2.4
Carryover basis of capital gains on gifts						2.5		14.3	14.6	3.5		36.7
15-year recovery period for:												
Leasehold improvement property	0.4	1.0	1.0	0.6	0.5	0.5	1.2	1.2	0.7	0.7	0.7	7.7
Restaurant property	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.2
Retail improvements	(1)	(1)	(1)	0.1	0.1	(1)	(1)	(1)	0.1	0.1	0.1	0.4
Retail motor fuels outlets	0.1	0.2	0.1	0.1	0.1	0.1	0.2	0.2	0.1	0.1	0.1	1.5
Seven-year recovery period for motorsports entertainment complexes	(1)	0.1	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.2
Deferral of gain on non-dealer installment sales	1.1	1.2	1.3	1.4	1.5	0.5	0.5	0.6	0.7	0.7	0.7	9.5
Deferral of gain on like-kind exchanges	3.0	3.0	3.1	3.2	3.3	1.1	1.1	1.2	1.1	1.1	1.1	21.2
Expensing under section 179 of depreciable business property	1.0	1.0	0.5	-0.1	-1.4	4.4	4.1	2.0	-0.5	-5.8	-5.8	5.2
Amortization of business startup costs	(1)	(1)	(1)	(1)	(1)	0.8	0.9	0.9	1.0	1.0	1.0	4.6
Reduced rates on first \$10,000,000 of corporate taxable income	3.3	3.3	3.2	3.2	3.2	(1)	(1)	(1)	(1)	(1)	(1)	16.3
Exemptions from imputed interest rules	(1)	(1)	(1)	(1)	(1)	0.5	0.5	0.5	0.5	0.6	0.6	2.6
Expensing of magazine circulation expenditures	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.1
Special rules for magazines, paperback book, and record returns	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.2
Completed contract rules	0.5	0.5	0.6	0.6	0.7	(1)	(1)	(1)	(1)	(1)	(1)	3.0
Cash accounting, other than agriculture	(1)	(1)	(1)	(1)	(1)	(1)	0.9	1.0	1.0	1.1	1.1	5.0
Credit for employer-paid FICA taxes on tips	0.3	0.3	0.3	0.3	0.4	0.2	0.2	0.2	0.2	0.2	0.2	2.6
Deduction for certain film and television production costs	0.2	0.2	(2)	(2)	(2)	(1)	(1)	(2)	(2)	(2)	(2)	0.1
Deduction for income attributable to domestic production activities	5.5	6.0	7.3	8.6	9.4	1.8	2.0	2.7	3.5	3.9	3.9	50.7
Credit for the cost of carrying tax-paid distilled spirits in wholesale inventories	(1)	(1)	(1)	(1)	(1)	(1)						0.1
Reduced rates of tax on dividends and long-term capital gains						150.2	148.1	161.6	107.5	100.6		668.1
Exclusion of capital gains at death						26.5	28.3	30.4	37.6	45.2		188.0
Expensing of costs to remove architectural and transportation barriers to the handicapped and elderly	(1)	(1)	(1)	(1)	(1)	0.1	0.1	0.1	0.1	0.1	0.1	0.6
Reduced tax rate on small business stock gains						0.5	0.5	0.5	0.5	0.4	0.4	2.4
Distributions in redemption of stock to pay death taxes						0.3	0.3	0.3	(1)	0.5	1.3	
Ordinary gain or loss treatment for sale or exchange of Fannie Mae and Freddie Mac pre-ferred stock by certain financial institutions		2.6	0.4	0.2	0.1		0.1	(1)	(1)	(1)	(1)	3.4
Inventory methods and valuation:												
Last in first out	3.5	3.7	3.9	4.1	4.3	0.5	0.5	0.5	0.6	0.6	0.6	22.2
Lower of cost or market	2.2	0.3	0.4	0.4	0.5	0.6	0.1	0.1	0.1	0.1	0.1	4.8
Specific identification for homogeneous products	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.2
Exclusion of gain or loss on sale or exchange of brownfield property	(1)	(1)	(1)	(1)	(1)	(1)						0.1
60-40 rule for gain or loss from section 1256 contracts	0.1	0.1	0.1	0.1	0.1	2.2	2.1	2.4	1.8	1.9	1.9	10.8

SUMMARY TABLE 4.—TAX EXPENDITURE ESTIMATES BY BUDGET FUNCTION, FISCAL YEARS 2008–2012—Continued
 [Billions of dollars]

Function	Corporations					Individuals					Total 2008–12	
	2008	2009	2010	2011	2012	2008	2009	2010	2011	2012		
Net alternative minimum tax attributable to depreciation adjustment and net operating loss limitation*	-0.7	-0.7	-0.6	-0.6	-0.6	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-3.6
Exclusion of interest on State and local qualified private activity bonds for green buildings and sustainable design projects	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.1
Depreciation of buildings other than rental housing in excess of alternative depreciation system ⁷	0.9	1.7	1.7	1.1	1.1	0.7	1.4	1.4	0.9	0.9	0.9	12.1
Depreciation of equipment in excess of the alternative depreciation system ⁷	32.6	20.7	6.3	13.5	18.6	6.9	4.4	1.3	2.9	3.9	3.9	111.1
Transportation												
Exclusion of employer-paid transportation benefits	0.1	0.1	(1)	(1)	(1)	4.0	4.1	4.3	4.9	5.2	5.2	22.4
Credit for certain expenditures on railroad track maintenance	0.1	0.1	0.1	0.1	0.1	.....	.....	.....	.....	.....	.....	0.2
Deferral of tax on capital construction funds of shipping companies	0.1	0.1	0.1	0.1	0.1	.....	.....	.....	.....	.....	.....	0.5
Exclusion of interest on State and local government qualified private activity bonds for highway projects and rail-truck transfer facilities	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.1
Community and Regional Development												
Empowerment zone tax incentives	0.4	0.4	0.2	(1)	(1)	0.4	0.4	0.2	0.1	0.1	0.1	2.2
Renewal community tax incentives	0.3	0.2	0.1	0.1	0.1	0.4	0.3	0.1	0.1	0.1	0.1	1.8
New markets tax credit	0.4	0.4	0.4	0.4	0.4	0.5	0.6	0.6	0.5	0.5	0.5	4.8
Expensing of environmental remediation costs ("brownfields")	0.1	0.1	(1)	(1)	(1)	0.1	0.1	(1)	(1)	(1)	(1)	0.2
District of Columbia tax incentives	(1)	0.1	(1)	(1)	(1)	0.1	0.2	0.1	0.1	0.1	0.1	0.8
Disaster relief:												
Katrina emergency act	0.1	(1)	(1)	(1)	(1)	0.1	(1)	(1)	(1)	(1)	(1)	0.2
Gulf opportunity zone	0.3	(1)	0.1	(1)	(1)	1.3	0.6	0.4	0.3	0.2	0.2	3.3
Kansas disaster relief	.....	.....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.1
Midwest disaster relief	.....	.....	0.3	0.2	0.2	0.3	.....	0.9	0.1	0.1	0.1	2.2
National disaster relief	.....	.....	0.8	1.1	0.7	0.2	.....	1.2	0.8	0.5	0.1	5.3
Accelerated depreciation for business property on Indian reservations	0.2	0.2	0.1	-0.1	-0.2	0.1	0.1	0.1	-0.1	-0.1	-0.1	0.2
Credit for Indian reservation employment	(1)	(1)	(1)	.....	.....	(1)	(1)	(1)	.....	.....	.....	0.2
Exclusion of interest on State and local government qualified private activity bonds for private airports, docks, and mass-commuting facilities	0.3	0.3	0.3	0.3	0.3	0.7	0.7	0.7	0.8	0.9	0.9	5.4
Exclusion of interest on State and local government qualified private activity bonds for sewage, water, and hazardous waste facilities	0.2	0.2	0.2	0.2	0.2	0.4	0.4	0.4	0.5	0.5	0.5	3.1

Education, Training, Employment, and Social Services

Education and training:

Deduction for interest on student loans					0.8	0.9	1.0	0.5	0.4	3.7
Deduction for higher education expenses					1.2	2.5	0.7	.....	.....	4.5
Exclusion of earnings of Coverdell education savings accounts					0.1	0.1	0.1	0.2	0.2	0.6
Exclusion of interest on educational savings bonds					(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Exclusion of scholarship and fellowship income					1.8	1.9	2.0	2.1	2.2	10.1
Exclusion of income attributable to the discharge of certain student loan debt and NMSC educational loan repayments					0.1	0.1	0.1	0.1	0.1	0.4
Exclusion of employer-provided education assistance benefits					0.8	0.8	0.9	0.9	0.9	4.3
Exclusion of employer-provided tuition reduction benefits					0.2	0.2	0.2	0.2	0.2	1.0
Parental personal exemption for students aged 19 to 23					1.3	0.4	(¹)	0.3	0.4	2.4
Exclusion of interest on State and local government qualified private activity bonds for student loans	0.1	0.2	0.2	0.2	0.4	0.4	0.4	0.5	0.5	3.0
Exclusion of interest on State and local government qualified private activity bonds for private nonprofit and qualified public educational facilities	0.8	0.8	0.9	1.0	2.0	2.1	2.2	2.5	2.6	16.0
Credit for holders of qualified zone academy bonds	0.1	0.2	0.2	0.2	.....	.....	.....	.....	.....	1.0
Deduction for charitable contributions to educational institutions	0.4	0.4	0.5	0.5	6.0	6.3	6.6	7.0	7.7	35.9
Above-the-line deduction for teacher classroom expenses	0.2	.....	.....	.....	0.2	(¹)	.....	.....	.....	0.2
Credits for tuition for post-secondary education ² :										
Hope credit						2.7	1.8	2.0	2.6	11.8
Lifetime learning credit						1.9	1.2	2.0	2.8	10.8
Exclusion of tax on earnings of qualified tuition programs ³ :										
Prepaid tuition programs					0.1	0.1	0.1	0.2	0.2	0.6
Savings account programs					0.5	0.5	0.8	1.1	1.3	4.1
Employment:										
Exclusion of employee meals and lodging (other than military)					0.9	1.0	1.0	1.0	1.1	5.1
Exclusion of benefits provided under cafeteria plans ⁴					33.6	36.8	40.3	44.8	45.9	201.4
Exclusion of housing allowances for ministers					0.6	0.6	0.7	0.7	0.7	3.3
Exclusion of miscellaneous fringe benefits					6.3	6.4	6.6	7.5	8.0	34.8
Exclusion of employee awards					0.2	0.2	0.2	0.2	0.2	0.9
Exclusion of income earned by voluntary employees' beneficiary associations					2.0	2.1	2.1	2.2	2.3	10.7
Special tax provisions for employee stock ownership plans (ESOPs)	0.9	1.0	1.1	1.2	0.5	0.5	0.5	0.5	0.5	6.9
Deferral of taxation on spread on acquisition of stock under incentive stock option plans and employee stock purchase plans ⁵ :										
Deferral of taxation on spread on acquisition of stock under incentive stock option plans*	-0.9	-0.9	-0.9	-1.0	0.3	0.3	0.3	0.3	0.2	-3.3
Deferral of taxation on spread on employee stock purchase plans*	-0.2	-0.2	-0.2	-0.3	0.1	0.1	0.1	0.1	0.1	-0.6

SUMMARY TABLE 4.—TAX EXPENDITURE ESTIMATES BY BUDGET FUNCTION, FISCAL YEARS 2008–2012—Continued
 [Billions of dollars]

Function	Corporations					Individuals					Total 2008–12
	2008	2009	2010	2011	2012	2008	2009	2010	2011	2012	
Disallowance of deduction for excess parachute payments (applicable if payments to a disqualified individual are contingent on a change of control of a corporation and are equal to or greater than three times the individual's annualized includible compensation) ^{10*}	-0.2	-0.2	-0.2	-0.2	-0.2						-1.0
One million dollar cap on deductible compensation for covered employees of publicly held corporations ^{10*}	-0.5	-0.5	-0.5	-0.5	-0.5						-2.6
Social services:											
Nonrefundable tax credit for children under age 17 ^{11,12}						27.3	27.1	27.2	14.1	9.4	105.1
Credit for child and dependent care and exclusion of employer-provided child care ¹³						3.1	2.6	2.6	2.5	2.4	13.2
Credit for employer-provided dependent care						(1)	(1)	(1)	(1)	(1)	0.2
Exclusion of certain foster care payments						0.7	0.7	0.8	0.8	0.9	3.9
Adoption credit and employee adoption benefits exclusion						0.4	0.4	0.4	0.1	(1)	1.3
Deduction for charitable contributions, other than for education and health ¹⁴	2.4	2.5	2.6	2.6	2.7	34.4	35.9	37.7	40.2	43.9	204.9
Credit for disabled access expenditures	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.3
Refundable tax credit for children under age 17 ¹⁵						20.3	18.8	18.0	7.3	3.9	68.3
Work opportunity tax credit	0.5	0.5	0.6	0.5	0.4	0.1	0.1	0.1	0.1	0.1	3.1
Health											
Exclusion of employer contributions for health care, health insurance premiums, and long-term care insurance premiums ¹⁶						116.8	127.4	136.9	145.0	154.2	680.3
Exclusion of medical care and TRICARE medical insurance for military dependents, retirees, and retiree dependents not enrolled in Medicare						2.1	2.2	2.3	2.5	2.6	11.7
Exclusion of health insurance benefits for military retirees and retiree dependents enrolled in Medicare						1.2	1.3	1.4	1.7	1.9	7.5
Deduction for health insurance premiums and long-term care insurance premiums by the self-employed						4.4	4.8	5.2	5.8	6.3	26.4
Deduction for medical expenses and long-term care expenses						9.2	10.6	12.2	16.4	19.4	67.9
Exclusion of workers' compensation benefits (medical benefits)						8.1	8.8	9.5	10.3	11.2	47.8
Health savings accounts						0.5	0.7	0.9	1.2	1.6	4.9
Exclusion of interest on State and local government qualified private activity bonds for private nonprofit hospital facilities	0.6	0.6	0.7	0.7	0.8	1.5	1.6	1.7	1.9	2.0	12.1
Deduction for charitable contributions to health organizations	0.3	0.3	0.3	0.3	0.3	3.9	4.0	4.3	4.6	5.0	23.2
Credit for purchase of health insurance by certain displaced persons ⁶						0.1	0.1	0.2	0.2	0.2	0.7
Refundable credit for purchase of health insurance by certain displaced workers						(6)	(6)	(6)	(6)	(6)	(6)

Credit for orphan drug research	0.3	0.3	0.3	0.3	0.4	0.4	(1)	(1)	(1)	(1)	(1)	1.7
Medicare												
Exclusion of Medicare benefits:												
Hospital insurance (Part A)							21.9	23.7	25.7	30.1	33.1	134.4
Supplementary medical insurance (Part B)							14.6	16.0	17.7	21.1	23.5	92.9
Prescription drug insurance (Part D)							4.5	5.3	5.9	6.9	6.8	29.3
Exclusion of certain subsidies to employers who maintain prescription drug plans for Medi-care enrollees	1.1	1.1	1.1	1.1	1.1	1.1						5.4
Income Security												
Exclusion of workers' compensation benefits (disability and survivor's payments)							2.7	2.7	2.7	3.0	3.1	14.2
Exclusion of damages on account of personal physical injuries or physical sickness							1.5	1.5	1.5	1.6	1.6	7.7
Exclusion of special benefits for disabled coal miners							(1)	(1)	(1)	(1)	(1)	0.2
Exclusion of cash public assistance benefits							3.0	3.0	3.1	3.4	4.4	16.9
Net exclusion of pension contributions and earnings:												
Plans covering partners and sole proprietors (sometimes referred to as "Keogh plans")							9.7	9.8	13.9	18.1	19.9	71.4
Defined benefit plans							42.4	42.8	42.7	42.6	42.4	212.9
Defined contribution plans							51.2	55.2	68.1	77.8	89.1	341.4
Individual retirement arrangements ² :												
Traditional IRAs							13.8	15.6	17.0	15.5	16.2	78.0
Roth IRAs							2.5	3.1	3.8	4.9	6.0	20.3
Credit for certain individuals for elective deferrals and IRA contributions							0.8	0.8	0.8	0.8	0.8	4.1
Exclusion of other employee benefits:												
Premiums on group term life insurance							2.6	2.7	2.7	2.7	2.7	13.4
Premiums on accident and disability insurance							2.9	3.0	3.1	3.3	3.5	15.8
Additional standard deduction for the blind and the elderly							2.0	1.9	1.8	2.2	2.6	10.5
Deduction for casualty and theft losses							0.2	0.2	0.2	0.2	0.3	1.2
Nonrefundable earned income credit ¹¹							6.2	6.3	6.4	7.9	8.7	35.4
Recovery rebate ⁷							95.0	20.4				115.4
Phase out of the personal exemption and disallowance of the personal exemption and the standard deduction against the alternative minimum tax*							-11.1	-35.7	-64.5	-54.8	-44.2	-210.2
Exclusion of survivor annuities paid to families of public safety officers killed in the line of duty							(1)	(1)	(1)	(1)	(1)	0.1
Exclusion of disaster mitigation payments	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	0.2
Refundable earned income credit ¹⁴							42.4	44.3	45.3	41.7	41.0	214.7
Refundable recovery rebate							(6)	(6)	(6)	(6)	(6)	(6)
Social Security and Railroad Retirement												
Exclusion of untaxed social security and railroad retirement benefits							24.2	25.7	27.8	34.1	35.3	147.1
Veterans' Benefits and Service												
Exclusion of veterans' disability compensation							3.6	3.7	3.8	4.1	4.2	19.4
Exclusion of veterans' pensions							0.1	0.1	0.1	0.1	0.1	0.6

SUMMARY TABLE 4.—TAX EXPENDITURE ESTIMATES BY BUDGET FUNCTION, FISCAL YEARS 2008–2012—Continued
 (Billions of dollars)

Function	Corporations					Individuals					Total 2008–12	
	2008	2009	2010	2011	2012	2008	2009	2010	2011	2012		
Exclusion of veterans' readjustment benefits												
Exclusion of interest on State and local government qualified private activity bonds for veterans' housing	(1)	(1)	(1)	(1)	(1)	0.4	0.5	0.8	1.0	1.2	3.9	
General Purpose Fiscal Assistance												
Exclusion of interest on public purpose State and local government bonds	7.4	7.7	8.0	8.4	8.8	19.0	19.7	20.4	23.2	24.0	146.6	
Deduction of nonbusiness State and local government income taxes, sale taxes, and personal property taxes						48.0	37.0	33.8	57.0	66.4	242.1	
Interest												
Deferral of interest on savings bonds						1.2	1.2	1.2	1.3	1.3	6.2	

1 Positive tax expenditure of less than \$50 million.
 2 In prior tables, this provision was presented on a consolidated basis.
 3 Negative tax expenditure of less than \$50 million.
 4 These calculations are provided for historical comparison. The deferral calculations use full inclusion of the income of controlled foreign corporations as the standard.
 5 In addition, the credit from excise tax for alcohol fuels results in a reduction in excise tax receipts, net of income tax effect, of \$13.6 billion over the fiscal years 2008 through 2012.
 6 Includes both refundable and nonrefundable amounts.
 7 These calculations are provided for historical comparison. The depreciation calculations use straight-line depreciation as the standard.
 8 Transfer is limited to research credits that would otherwise expire.
 9 Estimate includes amounts of employer-provided health insurance purchased through cafeteria plans and employer-provided child care purchased through dependent care flexible spending accounts. These amounts are also included in other items in this table.
 10 Estimate does not include effects of changes made by the Emergency Economic Stabilization Act of 2008.
 11 Tax expenditure estimate includes amounts used to offset income taxes and amounts used to offset other taxes.
 12 Refundable amounts.
 13 Estimate includes employer-provided child care purchased through dependent care flexible spending accounts.
 14 In addition to the general charitable deduction, the tax expenditure accounts for the higher percentage limitation for public charities, the fair market value deduction for related-used tangible personal property, the enhanced deduction for inventory, the fair market value deduction for publicly traded stock and exceptions to the partial interest rules.
 15 Nonrefundable amounts.
 16 Estimate includes employer-provided insurance purchased through cafeteria plans.
 Note.—Dashes may not add to totals due to rounding. An “-” indicates a negative tax expenditure for the 2008–12 period.
 Source: Joint Committee on Taxation.

SUMMARY TABLE 5.—FISCAL YEAR 2010 BUDGET RESOLUTION COMPARED TO PRESIDENT'S BUDGET

[In billions of dollars]

Fiscal year	2009	2010	2011	2012	2013	2014	2010–2014
Budget Resolution							
Total Spending:							
BA	4,200.782	3,447.528	3,441.763	3,509.887	3,718.179	3,936.332	18,053.689
OT	3,879.882	3,549.570	3,554.895	3,533.290	3,712.719	3,908.079	18,258.553
On-Budget:							
BA	3,675.133	2,892.061	2,866.329	2,913.316	3,095.704	3,286.135	15,053.545
OT	3,357.255	2,996.234	2,981.872	2,939.612	3,093.577	3,261.525	15,272.820
Revenues:							
Total	2,185.688	2,327.733	2,627.690	2,915.833	3,127.173	3,309.681	14,308.110
On-budget	1,532.571	1,659.525	1,933.072	2,190.099	2,361.429	2,507.846	10,651.971
Surplus/Deficit (–):							
Total	–1,694.194	–1,221.837	–927.205	–617.457	–585.546	–598.398	–3,950.443
On-budget	–1,824.684	–1,336.709	–1,048.800	–749.513	–732.148	–753.679	–4,620.849
President's Budget (CBO Reestimate)							
Total Spending:							
BA	4,278.151	3,511.338	3,394.602	3,509.996	3,733.519	3,959.645	18,109.100
OT	4,004.031	3,668.520	3,556.318	3,575.363	3,766.981	3,979.202	18,546.384
On-Budget:							
BA	3,752.502	2,955.880	2,819.218	2,913.579	3,111.525	3,310.312	15,110.514
OT	3,481.404	3,115.189	2,983.337	2,981.825	3,148.301	3,333.492	15,562.144
Revenues:							
Total	2,159.331	2,289.131	2,585.853	2,917.376	3,094.667	3,230.563	14,117.590
On-budget	1,506.214	1,620.923	1,891.235	2,191.642	2,328.923	2,428.728	10,461.451
Surplus/Deficit (–):							
Total	–1,844.700	–1,379.389	–970.465	–657.987	–672.314	–748.639	–4,428.794
On-budget	–1,975.190	–1,494.266	–1,092.102	–790.183	–819.378	–904.764	–5,100.693
Difference							
Total Spending:							
BA	–77.369	–63.810	47.161	–0.109	–15.340	–23.313	–55.411
OT	–124.149	–118.950	–1.423	–42.073	–54.262	–71.123	–287.831
On-Budget:							
BA	–77.369	–63.819	47.111	–0.263	–15.821	–24.177	–56.969
OT	–124.149	–118.955	–1.465	–42.213	–54.724	–71.967	–289.324
Revenues:							
Total	26.357	38.602	41.837	–1.543	32.506	79.118	190.520
On-budget	26.357	38.602	41.837	–1.543	32.506	79.118	190.520
Surplus/Deficit (–):							
Total	150.506	157.552	43.260	40.530	86.768	150.241	478.351
On-budget	150.506	157.557	43.302	40.670	87.230	151.085	479.844

SUMMARY TABLE 6.—FISCAL YEAR 2010 BUDGET RESOLUTION COMPARED TO 2009: TOTAL SPENDING AND REVENUES

[In billions of dollars]

Fiscal year	2010	2011	2012	2013	2014	2010–2014
Summary						
Total Spending:						
BA	-753.254	-759.019	-690.895	-482.603	-264.450	-2,950.221
OT	-330.312	-324.987	-346.592	-167.163	28.197	-1,140.857
On-Budget:						
BA	-783.072	-808.804	-761.817	-579.429	-388.998	-3,322.120
OT	-361.021	-375.383	-417.643	-263.678	-95.730	-1,513.455
Off-Budget:						
BA	29.818	49.785	70.922	96.826	124.548	371.899
OT	30.709	50.396	71.051	96.515	123.927	372.598
Revenues:						
Total	142.045	442.002	730.145	941.485	1,123.993	3,379.670
On-budget	126.954	400.501	657.528	828.858	975.275	2,989.116
Off-budget	15.091	41.501	72.617	112.627	148.718	390.554
Surplus/Deficit (-)						
Total	472.357	766.989	1,076.737	1,108.648	1,095.796	4,520.527
On-budget	487.975	775.884	1,075.171	1,092.536	1,071.005	4,502.571
Off-budget	-15.618	-8.895	1.566	16.112	24.791	17.956
By Function						
National Defense (050):						
BA	-56.024	-47.950	-38.922	-28.162	-14.229	-185.287
OT	-40.767	-58.865	-70.787	-62.140	-51.334	-283.893
International Affairs (150):						
BA	4.435	8.261	12.857	18.275	23.503	67.331
OT	5.664	10.845	14.326	17.976	21.495	70.306
General Science, Space, and Technology (250):						
BA	-4.250	-3.896	-2.016	-0.970	0.297	-10.835
OT	1.494	1.434	1.492	2.641	3.862	10.923
Energy (270):						
BA	-38.430	-38.380	-38.187	-37.821	-37.692	-190.510
OT	4.315	8.370	10.448	9.181	7.560	39.874
Natural Resources and Environment (300):						
BA	-18.622	-17.409	-16.760	-16.661	-15.992	-85.444
OT	3.616	3.403	3.224	2.920	3.123	16.286
Agriculture (350):						
BA	-1.284	-0.283	-3.330	-2.477	-1.792	-9.166
OT	0.881	0.928	-5.530	-1.007	-0.920	-5.648
Commerce and Housing Credit (370):						
BA	-634.897	-670.844	-689.559	-681.868	-687.883	-3,365.051
OT	-581.190	-630.069	-661.473	-664.528	-672.607	-3,209.867
On-budget:						
BA	-633.506	-668.258	-684.878	-677.192	-683.213	-3,347.047
OT	-579.799	-627.483	-656.792	-659.852	-667.937	-3,191.863
Off-budget:						
BA	-1.391	-2.586	-4.681	-4.676	-4.670	-18.004
OT	-1.391	-2.586	-4.681	-4.676	-4.670	-18.004
Transportation (400):						
BA	-34.306	-33.386	-32.410	-31.591	-30.648	-162.341
OT	7.911	8.690	8.067	8.366	9.009	42.043
Community and Regional Development (450):						
BA	-5.503	-2.579	-2.500	-2.609	-2.541	-15.732
OT	-0.680	-2.453	-4.261	-5.828	-7.231	-20.453
Education, Training, Employment and Social Services (500):						
BA	-70.587	-56.418	-47.155	-48.345	-38.488	-260.993
OT	67.081	67.889	45.172	45.669	47.740	273.551
Health (550):						
BA	3.753	-15.248	-10.306	9.561	20.293	8.053
OT	34.349	13.231	14.159	29.962	45.776	137.477
Medicare (570):						
BA	22.577	78.095	86.748	131.159	189.239	507.818

SUMMARY TABLE 6.—FISCAL YEAR 2010 BUDGET RESOLUTION COMPARED TO 2009: TOTAL SPENDING AND REVENUES—Continued

[In billions of dollars]

Fiscal year	2010	2011	2012	2013	2014	2010–2014
OT	23.048	78.226	86.855	131.645	189.414	509.188
Income Security (600):						
BA	16.046	-9.548	-42.084	-36.737	-34.727	-107.050
OT	36.898	10.390	-24.697	-20.275	-19.262	-16.946
Social Security (650):						
BA	16.981	41.995	71.098	106.058	145.531	381.663
OT	18.551	43.295	71.933	106.453	145.466	385.698
On-budget:						
BA	-11.565	-8.440	-5.342	-2.291	0.908	-26.730
OT	-10.886	-7.751	-4.636	-1.585	1.464	-23.394
Off-budget:						
BA	28.546	50.435	76.440	108.349	144.623	408.393
OT	29.437	51.046	76.569	108.038	144.002	409.092
Veterans Benefits and Services (700):						
BA	8.660	15.137	10.997	16.098	18.316	69.208
OT	10.637	17.555	13.272	18.320	20.649	80.433
Administration of Justice (750):						
BA	-2.926	-1.891	-2.045	-2.214	-1.536	-10.612
OT	1.777	5.650	5.588	4.673	4.205	21.893
General Government (800):						
BA	-8.426	-8.089	-7.668	-7.655	-6.990	-38.828
OT	-1.872	-1.482	-0.834	-1.137	-1.000	-6.325
Net Interest (900):						
BA	-1.470	37.811	100.128	177.997	260.082	574.548
OT	-1.470	37.811	100.128	177.997	260.082	574.548
On-budget:						
BA	-4.870	34.311	98.528	181.497	271.182	580.648
OT	-4.870	34.311	98.528	181.497	271.182	580.648
Off-budget:						
BA	3.400	3.500	1.600	-3.500	-11.100	-6.100
OT	3.400	3.500	1.600	-3.500	-11.100	-6.100
Allowances (920):						
BA	-5.028	-6.398	-7.932	-8.907	-10.585	-38.850
OT	3.105	4.115	2.962	2.334	1.174	13.690
Undistributed Offsetting Receipts (950):						
BA	8.695	4.649	0.799	-3.086	-5.960	5.097
OT	8.695	4.649	0.799	-3.086	-5.960	5.097
On-budget:						
BA	9.432	6.213	3.236	0.261	-1.655	17.487
OT	9.432	6.213	3.236	0.261	-1.655	17.487
Off-budget:						
BA	-0.737	-1.564	-2.437	-3.347	-4.305	-12.390
OT	-0.737	-1.564	-2.437	-3.347	-4.305	-12.390
Overseas Deployments and Other Activities (970):						
BA	47.352	-32.648	-32.648	-32.648	-32.648	-83.240
OT	67.645	51.401	42.565	32.701	26.956	221.268

SUMMARY TABLE 7.—FISCAL YEAR 2010 BUDGET RESOLUTION COMPARED TO 2009: TOTAL SPENDING AND REVENUES

[Percentage change]

Fiscal year	2010	2011	2012	2013	2014
Summary					
Total Spending:					
BA	-17.9	-18.1	-16.4	-11.5	-6.3
OT	-8.5	-8.4	-8.9	-4.3	0.7
On-Budget:					
BA	-21.3	-22.0	-20.7	-15.8	-10.6
OT	-10.8	-11.2	-12.4	-7.9	-2.9
Off-Budget:					
BA	5.7	9.5	13.5	18.4	23.7
OT	5.9	9.6	13.6	18.5	23.7
Revenues:					
Total	6.5	20.2	33.4	43.1	51.4
On-budget	8.3	26.1	42.9	54.1	63.6
Off-budget	2.3	6.4	11.1	17.2	22.8
Surplus/Deficit (-)					
Total	-27.9	-45.3	-63.6	-65.4	-64.7
On-budget	-26.7	-42.5	-58.9	-59.9	-58.7
Off-budget	-12.0	-6.8	1.2	12.3	19.0
By Function					
National Defense (050):					
BA	-9.1	-7.8	-6.3	-4.6	-2.3
OT	-6.3	-9.1	-10.9	-9.6	-7.9
International Affairs (150):					
BA	10.8	20.2	31.4	44.7	57.5
OT	15.0	28.7	37.9	47.6	56.9
General Science, Space, and Technology (250):					
BA	-12.0	-11.0	-5.7	-2.7	0.8
OT	4.8	4.6	4.8	8.5	12.5
Energy (270):					
BA	-87.5	-87.4	-86.9	-86.1	-85.8
OT	146.2	283.5	353.9	311.0	256.1
Natural Resources and Environment (300):					
BA	-33.2	-31.1	-29.9	-29.7	-28.6
OT	9.8	9.2	8.8	7.9	8.5
Agriculture (350):					
BA	-5.1	-1.1	-13.3	-9.9	-7.2
OT	3.8	4.0	-24.0	-4.4	-4.0
Commerce and Housing Credit (370):					
BA	-90.8	-96.0	-98.6	-97.5	-98.4
OT	-86.7	-94.0	-98.7	-99.2	-100.4
On-budget:					
BA	-91.2	-96.2	-98.6	-97.5	-98.4
OT	-87.1	-94.3	-98.7	-99.2	-100.4
Off-budget:					
BA	-29.9	-55.6	-100.6	-100.5	-100.4
OT	-29.9	-55.6	-100.6	-100.5	-100.4
Transportation (400):					
BA	-28.0	-27.3	-26.5	-25.8	-25.0
OT	9.0	9.9	9.2	9.5	10.3
Community and Regional Development (450):					
BA	-23.1	-10.8	-10.5	-11.0	-10.7
OT	-2.3	-8.2	-14.2	-19.4	-24.1
Education, Training, Employment and Social Services (500):					
BA	-43.0	-34.3	-28.7	-29.4	-23.4
OT	91.6	92.7	61.7	62.4	65.2
Health (550):					
BA	1.0	-4.0	-2.7	2.5	5.3
OT	9.7	3.7	4.0	8.5	12.9
Medicare (570):					
BA	5.3	18.3	20.3	30.7	44.3
OT	5.4	18.3	20.4	30.8	44.4

SUMMARY TABLE 7.—FISCAL YEAR 2010 BUDGET RESOLUTION COMPARED TO 2009: TOTAL SPENDING AND REVENUES—Continued
[Percentage change]

Fiscal year	2010	2011	2012	2013	2014
Income Security (600):					
BA	3.1	-1.8	-8.1	-7.1	-6.7
OT	7.3	2.1	-4.9	-4.0	-3.8
Social Security (650):					
BA	2.5	6.1	10.4	15.5	21.2
OT	2.7	6.3	10.5	15.6	21.3
On-budget:					
BA	-36.3	-26.5	-16.8	-7.2	2.9
OT	-34.8	-24.8	-14.8	-5.1	4.7
Off-budget:					
BA	4.4	7.7	11.7	16.6	22.1
OT	4.5	7.8	11.8	16.6	22.1
Veterans Benefits and Services (700):					
BA	8.9	15.5	11.3	16.5	18.7
OT	11.2	18.5	14.0	19.3	21.8
Administration of Justice (750):					
BA	-5.2	-3.4	-3.7	-4.0	-2.8
OT	3.6	11.3	11.2	9.4	8.4
General Government (800):					
BA	-27.7	-26.6	-25.2	-25.2	-23.0
OT	-7.6	-6.0	-3.4	-4.6	-4.1
Net Interest (900):					
BA	-0.9	22.3	59.0	104.9	153.2
OT	-0.9	22.3	59.0	104.9	153.2
On-budget:					
BA	-1.7	11.9	34.1	62.8	93.8
OT	-1.7	11.9	34.1	62.8	93.8
Off-budget:					
BA	-2.9	-2.9	-1.3	2.9	9.3
OT	-2.9	-2.9	-1.3	2.9	9.3
Allowances (920):					
BA	-34.8	-44.3	-54.9	-61.6	-73.3
OT	173.7	230.1	165.7	130.5	65.7
Undistributed Offsetting Receipts (950):					
BA	-9.4	-5.0	-0.9	3.3	6.4
OT	-9.4	-5.0	-0.9	3.3	6.4
On-budget:					
BA	-12.1	-7.9	-4.1	-0.3	2.1
OT	-12.1	-7.9	-4.1	-0.3	2.1
Off-budget:					
BA	5.1	10.9	16.9	23.2	29.9
OT	5.1	10.9	16.9	23.2	29.9
Overseas Deployments and Other Activities (970):					
BA	57.3	-39.5	-39.5	-39.5	-39.5
OT	269.2	204.5	169.4	130.1	107.3

VOTES OF THE COMMITTEE

House rule XIII, clause 3(b), requires that each committee report include the total number of votes cast for and against, and the names of members voting for and against, each recorded vote on a motion to report a measure or matter of a public nature and any amendment offered to the measure or matter.

Described below are the roll call votes from the Committee on the Budget on the Concurrent Resolution on the Budget for Fiscal Year 2010.

On March 25, 2009, the Committee met in open session. A quorum was present.

After calling the Committee to order, Chairman Spratt reminded all members that pursuant to unanimous consent agreed to at the Committee's organizational meeting held January 22, 2009, and consistent with House rule XVI, clause 4, he was authorized to declare a recess at any time.

Chairman Spratt asked unanimous consent that the reading of the budget aggregates, function levels, and other appropriate matters be dispensed with; that the aggregates, function levels, and other matter be opened to amendment; that the reading of each amendment be by title, and that the reading of each amendment be dispensed with. There were no objections.

The Committee adopted and ordered reported the Concurrent Resolution on the Budget for Fiscal Year 2010. The following votes were taken by the Committee:

1. An amendment was offered by Representative Hensarling to cut budget authority in Function 920 (Allowances) by \$1.1 billion below the level in the Chairman's mark for fiscal years 2010 through 2014 by rescinding all Recovery Act funding not spent in 2009 and cutting non-defense, non-veterans discretionary spending to the level in the 2009 continuing resolution.

The amendment was not agreed to by a roll call vote of 14 ayes to 24 nays.

VOTE NO. 1

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)			

VOTE NO. 1—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

2. An amendment was offered by Representative Jordan to increase spending in Function 500 (Education, Training, Employment, and Social Services) by \$140 million in 2010 for the private school scholarship program in the District of Columbia. The increase would be offset by cutting an equal amount from funds in Function 370 (Commerce and Housing Credit) provided for Digital Television Convert Box coupons.

The amendment was not agreed to by a roll call vote of 14 ayes and 23 nays.

VOTE NO. 2

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		

VOTE NO. 2—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
DOGGETT (TX)		X		SIMPSON (ID)			
BLUMENAUER (OR)				McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

3. An amendment was offered by Representatives Harper and Austria to decrease Function 150 (International Affairs) funding for aid to the Gaza Strip by \$400 million for fiscal year 2010 and increase Function 050 (National Defense) by the same amount for military pay. The amendment would also create a separate allocation to the Appropriations Committee for Function 050 to eliminate its flexibility to move resources from Function 050 to other functions.

The amendment was not agreed to by a roll call vote of 13 ayes and 23 nays.

VOTE NO. 3

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		

VOTE NO. 3—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)			
BLUMENAUER (OR)				McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)			
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

4. An amendment was offered by Representative Diaz-Balart to reduce revenues in the Chairman's mark by \$490 billion over fiscal years 2010 through 2014 and create a reserve fund for revenues.

The amendment was not agreed to by a roll call vote of 14 ayes and 23 nays.

VOTE NO. 4

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)				GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)			

VOTE NO. 4—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

5. An amendment was offered by Representative Ryan that would place a restriction on the health reform reserve fund to prevent legislation that would add private-sector mandates or taxes on small businesses, reduce private insurance coverage, reduce private sector jobs, expand entitlements, or use comparative effectiveness data to “limit patient choice and restrict medical professionals from providing and/or prescribing the care they believe to be medically necessary.”

The amendment was not agreed to by a roll call vote of 14 ayes and 23 nays.

VOTE NO. 5

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)				GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		

VOTE NO. 5—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
DOGGETT (TX)		X		SIMPSON (ID)			
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

6. An amendment was offered by Representative Jordan to freeze non-defense, non-veterans discretionary funding at the enacted fiscal year 2008 level, for a five-year cut of \$1.5 trillion below the level in the Chairman's mark.

The amendment was not agreed to by a roll call vote of 14 ayes and 24 nays.

VOTE NO. 6

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)			

VOTE NO. 6—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

7. An amendment was offered by Representative Nunes to assume oil and gas development in the Arctic National Wildlife Refuge and dedicate receipts from bonus bids, royalties, and rental payments to a clean energy trust fund, the Highway Trust Fund, and deficit reduction.

The amendment was not agreed to by a roll call vote of 14 ayes and 24 nays.

VOTE NO. 7

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)			

VOTE NO. 7—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

8. An amendment was offered by Representative Lummis to add a provision to the deficit-neutral energy independence reserve fund (Section 303) that would prevent the Chairman from making the necessary aggregate or allocation adjustments of the concurrent resolution if legislation falling under the reserve fund were to include a cap-and-trade program.

The amendment was not agreed to by a roll call vote of 15 ayes and 24 nays.

VOTE NO. 8

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)	X		

VOTE NO. 8—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

9. An amendment was offered by Representatives McHenry and Hensarling to reduce discretionary funding for Function 500 (Education, Training, Employment, and Social Services) in the Chairman's mark by \$50 million for 2010. It also would increase discretionary funding for Function 700 (Veterans Benefits and Services) by \$50 million above the Chairman's mark.

The amendment was not agreed to by a roll call vote of 15 ayes and 22 nays.

VOTE NO. 9

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)	X		

VOTE NO. 9—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)				LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)							
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

10. An amendment was offered by Representative Ryan to strike the reconciliation instructions to the Committees on Ways and Means and Energy and Commerce for health reform, and to the Committee on Education and Labor for investing in education.

The amendment was not agreed to by a roll call vote of 14 ayes and 22 nays.

VOTE NO. 10

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)	X		
BLUMENAUER (OR)		X		McHENRY (NC)	X		

VOTE NO. 10—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)			
TSONGAS (MA)				LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)							
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

11. An amendment was offered by Representative Aderholt to require a separate vote on increasing the debt limit unless a certification were made that foreign-held debt was below 21.6 percent of gross domestic product.

The amendment was not agreed to by a roll call vote of 14 ayes and 23 nays.

VOTE NO. 11

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)			
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		

VOTE NO. 11—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)				LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

12. An amendment was offered by Representative Lummis to create a budget point of order against legislation that makes changes to the Federal Family Education Loan program unless certain conditions are met.

The amendment was not agreed to by a roll call vote of 15 ayes and 24 nays.

VOTE NO. 12

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)	X		
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		

VOTE NO. 12—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

13. An amendment was offered by Representatives Latta, Garrett, and Mack to eliminate the estate and gift tax at an approximate cost of \$240 billion relative to the Chairman's mark and offset this cost by a corresponding reduction in Function 920 (Allowances).

The amendment was not agreed to by a roll call vote of 13 ayes and 23 nays.

VOTE NO. 13

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)			
KAPTUR (OH)		X		GARRETT (NJ)			
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)	X		
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		

VOTE NO. 13—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)							

14. An amendment was offered by Representative Harper to provide that the Medicare improvement reserve fund be used for legislation that would increase premiums for the Medicare prescription drug benefit to those with incomes above \$85,000 (individual) or \$170,000 (family), which would conform to current law governing Part B premiums.

The amendment was not agreed to by a roll call vote of 12 ayes and 22 nays.

VOTE NO. 14

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)			
DOGGETT (TX)		X		SIMPSON (ID)			
BLUMENAUER (OR)	X			McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)		X	
BOYD (FL)		X		CAMPBELL (CA)			

VOTE NO. 14—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)			
YARMUTH (KY)	X			HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)							
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

15. An amendment was offered by Representative Jordan to add multiyear discretionary spending caps, with separate caps for defense and non-defense spending.

The amendment was not agreed to by a roll call vote of 15 ayes and 24 nays.

VOTE NO. 15

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)	X		
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		

VOTE NO. 15—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

16. An amendment was offered by Representatives Diaz-Balart and McHenry to add a new section to the Chairman's mark that would establish a point of order in the House with respect to considering legislation that would set a limit on carbon dioxide emissions from fossil fuel use.

The amendment was not agreed to by a roll call vote of 15 ayes and 24 nays.

VOTE NO. 16

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)	X		
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		

VOTE NO. 16—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

17. An amendment was offered by Representative Hensarling to apply pay-as-you-go to discretionary spending, allowing a point of order to stop consideration of an appropriations bill if it provided an increase above the CBO baseline in either the current year or budget year.

The amendment was not agreed to by a roll call vote of 15 ayes and 24 nays.

VOTE NO. 17

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)	X		
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		

VOTE NO. 17—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

18. An amendment was offered by Representative Campbell to require: the inclusion of Congressional Budget Office estimates in conference reports; roll call votes on legislation authorizing or providing over \$50 million; the public availability of lists of earmarks on the internet 48 hours before consideration; written justifications for earmarks in appropriations bills reports; and restrictions on same-day rules.

The amendment was not agreed to by a roll call vote of 15 ayes and 24 nays.

VOTE NO. 18

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)	X		
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		

VOTE NO. 18—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
TSONGAS (MA)		X		LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

19. An amendment was offered by Representative Nunes to create a point of order against earmarks that would expire at the end of the first session of the 111th Congress and to establish new House rules for earmarks after the moratorium.

The amendment was not agreed to by a roll call vote of 12 ayes and 25 nays.

VOTE NO. 19

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)			
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)		X	
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		

VOTE NO. 19—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)			
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

20. An amendment was offered by Representative Ryan to prohibit agricultural payments to farmers who make over \$250,000 in adjusted gross income. It would also place a hard cap of \$250,000 in total agricultural payments per person.

The amendment was not agreed to by a roll call vote of 11 ayes and 23 nays.

VOTE NO. 20

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)			
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)			
DOGGETT (TX)	X			SIMPSON (ID)		X	
BLUMENAUER (OR)	X			McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)		X	
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		

VOTE NO. 20—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
McCOLLUM (MN)		X		ADERHOLT (AL)			
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)	X			HARPER (MS)			
ANDREWS (NJ)		X		LATTA (OH)			
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

21. An amendment was offered by Representatives Simpson and Harper to require the inclusion of medical liability reform as part of the health care reserve fund.

The amendment was not agreed to by a voice vote.

22. An amendment was offered by Representative Jordan to allow savings from amendments to appropriations bill or continuing resolutions to be designated for deficit reduction.

The amendment was not agreed to by a roll call vote of 12 ayes and 24 nays.

VOTE NO. 22

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)			
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)			
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		

VOTE NO. 22—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)			
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

An amendment was offered by Representative Lummis to add to the resolution a section expressing the sense of the House that every state should have at least one Job Corps center.

The amendment was withdrawn.

23. An amendment was offered by Representatives Ryan and Hensarling to create a point of order against legislation that would increase the unfunded liability of the Medicare Hospital Insurance Trust Fund or would cause a net increase in the long-term unfunded liability of the government.

The amendment was not agreed to by a roll call vote of 14 ayes and 24 nays.

VOTE NO. 23

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)			
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)	X		
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		

VOTE NO. 23—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

24. An amendment was offered by Representative Lummis to add to the resolution a policy statement in support of freezing the administrative expenses at the Department of Education and devoting all savings to the Impact Aid program.

The amendment was not agreed to by a roll call vote of 14 ayes and 23 nays.

VOTE NO. 24

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)				GARRETT (NJ)			
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)	X		
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		

VOTE NO. 24—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
TSONGAS (MA)		X		LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)			
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

25. An amendment was offered by Representatives Hensarling and Jordan to deny emergency designations for additional activities of the Troubled Assets Relief Program.

The amendment was not agreed to by a roll call vote of 14 ayes and 25 nays.

VOTE NO. 25

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECCERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)	X		
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)		X	
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		

VOTE NO. 25—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

26. An amendment was offered by Representatives Hensarling and McHenry to add to the resolution a policy statement on requirements for receiving government-insured mortgages.

The amendment was not agreed to by a roll call vote of 15 ayes and 23 nays.

VOTE NO. 26

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)	X		
DOGGETT (TX)		X		SIMPSON (ID)	X		
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)				MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		
MELANCON (LA)		X		NUNES (CA)	X		

VOTE NO. 26—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

27. An amendment was offered by Representative Nunes to establish a point of order against considering legislation in the House that would “have the effect of raising taxes on energy producers or the domestic production of oil and natural gas energy.” The amendment also would reduce Function 950 (Undistributed Offsetting Receipts) by \$12.4 billion over five years and reduce spending by a similar amount.

The amendment was not agreed to by a roll call vote of 15 ayes and 23 nays.

VOTE NO. 27

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)		X		RYAN (WI) (Ranking)	X		
SCHWARTZ (PA)		X		HENSARLING (TX)	X		
KAPTUR (OH)		X		GARRETT (NJ)	X		
BECERRA (CA)		X		DIAZ-BALART (FL)			
DOGGETT (TX)		X		SIMPSON (ID)	X		
BLUMENAUER (OR)		X		McHENRY (NC)	X		
BERRY (AR)		X		MACK (FL)	X		
BOYD (FL)		X		CAMPBELL (CA)	X		
McGOVERN (MA)		X		JORDAN (OH)	X		
TSONGAS (MA)		X		LUMMIS (WY)	X		
ETHERIDGE (NC)		X		AUSTRIA (OH)	X		
McCOLLUM (MN)		X		ADERHOLT (AL)	X		

VOTE NO. 27—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
MELANCON (LA)	X			NUNES (CA)	X		
YARMUTH (KY)		X		HARPER (MS)	X		
ANDREWS (NJ)		X		LATTA (OH)	X		
DeLAURO (CT)		X					
EDWARDS (TX)		X					
SCOTT (VA)		X					
LANGEVIN (RI)		X					
LARSEN (WA)		X					
BISHOP (NY)		X					
MOORE (WI)		X					
CONNOLLY (VA)		X					
SCHRADER (OR)		X					

An amendment was offered by Representative Simpson to provide funding for the Yucca Mountain repository project.

The amendment was withdrawn.

28. A sense of House section was offered by Representatives Ryan and Moore stating that additional legislative action is needed to ensure that states have the necessary resources to collect all child support that is owed to families and that 100 percent of the support should pass on to families without financial penalty.

The sense of House amendment was agreed to by a voice vote.

29. Ms. Schwartz moved that the Committee adopt the aggregates, functional totals, and other matters of the Chairman's mark, as amended. The motion was agreed to by a voice vote.

30. Ms. Schwartz moved that the Committee order the Chairman's mark of the concurrent resolution as amended to be reported to the House of Representatives with the recommendation that the concurrent resolution do pass. The motion was agreed to by a roll call vote of 24 ayes and 15 nays.

VOTE NO. 30

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
SPRATT (SC) (Chairman)	X			RYAN (WI) (Ranking)		X	
SCHWARTZ (PA)	X			HENSARLING (TX)		X	
KAPTUR (OH)	X			GARRETT (NJ)		X	
BECERRA (CA)	X			DIAZ-BALART (FL)		X	
DOGGETT (TX)	X			SIMPSON (ID)		X	
BLUMENAUER (OR)	X			McHENRY (NC)		X	

VOTE NO. 30—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
BERRY (AR)	X			MACK (FL)		X	
BOYD (FL)	X			CAMPBELL (CA)		X	
McGOVERN (MA)	X			JORDAN (OH)		X	
TSONGAS (MA)	X			LUMMIS (WY)		X	
ETHERIDGE (NC)	X			AUSTRIA (OH)		X	
McCOLLUM (MN)	X			ADERHOLT (AL)		X	
MELANCON (LA)	X			NUNES (CA)		X	
YARMUTH (KY)	X			HARPER (MS)		X	
ANDREWS (NJ)	X			LATTA (OH)		X	
DeLAURO (CT)	X						
EDWARDS (TX)	X						
SCOTT (VA)	X						
LANGEVIN (RI)	X						
LARSEN (WA)	X						
BISHOP (NY)	X						
MOORE (WI)	X						
CONNOLLY (VA)	X						
SCHRADER (OR)	X						

31. Ms. Schwartz, pursuant to House rule XXII, clause 1 moved that the Chairman be authorized to offer such motions in the House of Representatives as may be necessary to go to conference; and that the staff be authorized to make technical and conforming corrections in the concurrent resolution and committee amendments, and to calculate the remaining elements required on the resolution, prior to the filing of the concurrent resolution. The motions were agreed to by voice votes.

Mr. Ryan stated the intention of the minority to file minority views for inclusion in the report on the Concurrent Resolution on the Budget for Fiscal Year 2010.

Chairman Spratt adjourned the Committee.

HOUSE RULE XXVIII

The adoption of a conference agreement by the two houses on a concurrent resolution on the budget would result in the engrossment of a House Joint Resolution changing the statutory limit on the public debt pursuant to House Rule XXVIII, clause 3. The rule requires a joint resolution in the following form:

Resolved, by the Senate and the House of Representatives of the United States in Congress assembled, that subsection (b) of section 3101 of title 31, United States Code, is amended by striking out the dollar limitation contained in such subsection and inserting in lieu thereof \$13,029,000,000,000.

OTHER MATTERS TO BE INCLUDED UNDER THE RULES OF THE HOUSE

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Clause 3(c)(1) of rule XIII of the House requires that each committee report include oversight findings and recommendations pursuant to clause 2(b)(1) of rule X. The Committee on the Budget makes no such findings at this time.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

Clause 3(c)(2) of rule XIII of the House provides that committee reports shall include the statement required by section 308(a)(1) of the Congressional Budget Act of 1974 concerning new budget authority, entitlement authority, and tax expenditures. As a concurrent resolution that sets forth a blueprint for the Congressional budget, the budget resolution does not provide new budget authority or new entitlement authority or change revenues. Therefore, this report does not include such a statement.

GENERAL PERFORMANCE GOALS AND OBJECTIVES

Clause 3(c)(4) of rule XIII of the House requires that each committee report include a statement of general performance goals and objectives, including outcome-related goals and objectives, for which the measure authorizes funding. Because the concurrent resolution on the budget does not authorize funding, the Committee cannot report any such goals and objectives to report.

MINORITY VIEWS

INTRODUCTION

The Democratic fiscal strategy has been clear from the outset: to increase government spending at every opportunity, for any excuse, and push the reckoning down the road. Seizing on troubled economic times, they are pursuing a vast expansion of government intended not to right the ship, but to steer it toward a radically different course—straight into a tidal wave of spending and debt that is already building. Their budget—which is simply a sweeping expansion of government—spends too much, taxes too much, and borrows too much; it will sink under its own weight, and pull the U.S. economy down with it.

The Majority's entire fiscal outlook resorts to the tired and predictable notion that the central government is the first and best answer to the Nation's problems. It relies on the outdated belief that more spending, and larger and more intrusive government, can lead to greater prosperity. Worse, the elements of the budget will likely weaken the U.S. economy, and sap its prospects for sustained growth. The higher borrowing and taxes needed to finance the Democrats' plans will dampen incentives and crowd out opportunities for investment and growth.

The Majority promises to provide for everyone's health care; look after everyone's child; send everyone to college; pick which industries will thrive in this economy; and cut taxes for everyone but the "wealthy." All these things sound desirable, and the budget pretends they can be had for free. They cannot. They will require huge tax increases, which will still be overwhelmed by the relentless torrent of spending; and hence they will force ever more borrowing as well, further draining the domestic resources needed for innovation and growth, and making America more vulnerable to the whims of foreign investors who today hold roughly 50 percent of U.S. debt.

But this mounting debt, devastating as it will be, is simply the fiscal expression of the moral failing in the Majority's approach. Their borrow-and-spend philosophy further decays an ethical principle that once guided fiscal policy. As Nobel Laureate James M. Buchanan once put it:

Before the Keynesian inspired shift in thinking about fiscal matters, it was universally considered immoral to spend without taxing, except in periods of emergency (wars or major depressions). We have lost the moral sense of fis-

cal responsibility that served to make formal constitutional constraints unnecessary.¹

Even Democratic Presidents who favored large expansions of government domestic programs—Roosevelt, Truman, and Johnson—adhered to the principle of a government that lived within its means, though they could not always fulfill it.² The conviction slipped away in the 1970s, as Washington increasingly tried to manage the economy by manipulating fiscal policy. But it never fully vanished: a large majority of Americans still believed in such fiscal discipline; and by the late 1990s—with a Republican Congress and a Democratic President—the goal was achieved.

After the recession of 2001—and especially after the terrorist attacks of 9/11—budget deficits returned; but by 2004, President Bush and the Congress were striving to reduce them—and they were succeeding. That progress ended in 2008, with a severe economic slowdown and financial rescue package to thaw credit markets. By January this year, the Congressional Budget Office [CBO] projected a record deficit of \$1.2 trillion.

Handed an admittedly daunting challenge, the new President and new Congress made their intentions clear: shovel on more spending and more borrowing. They promptly enacted a trillion-dollar “stimulus” bill, followed by a \$407.6-billion omnibus appropriation with nearly 9,000 earmarks. They drove this year’s deficit to nearly \$2 trillion, exceeding 13 percent of gross domestic product—more than double the largest budget deficit since World War II.

But they did not stop there. The President had an opportunity to present a fiscally disciplined budget—to get spending, deficits, and the debt under control. Instead he went the other direction; and the House Democratic Majority followed. The smallest deficit in the 5-year window of the committee-reported budget resolution—\$586 billion—is still larger in nominal terms than any other post-war gap between spending and revenue (\$459 billion)—and if they continue to follow the President’s plan, deficits will grow again after that. By the end of the President’s 4-year term, deficits begin rising again, growing faster than inflation and faster than the U.S. economy.

Still, the Democrats’ willingness to heap more debt on future generations is only one of the moral failings in their fiscal strategy. Even worse is the effect of their big-government designs on the character of individual Americans.

What has always made America great is the character of individual Americans, in all their wide diversity. The government’s rightful mission has been to secure the natural rights of individuals: to protect each person’s life, liberty, and freedom to pursue his or her own happiness. A government that presumes to reach beyond this mission is not “progressive.” It goes backward—finding excuses to privilege some at the expense of others. It suffocates

¹ Buchanan, in a prepared statement to the Committee on the Budget, U.S. House of Representatives, concerning a proposed balanced budget amendment, 27 April 1992.

² President Johnson’s balanced budget in fiscal year 1969 often is credited to a 10-percent surtax enacted that year, and the creation of the “unified budget,” which combined Social Security spending and revenue with the rest of the budget. It is noteworthy, however, that the 1969 budget also reduced spending measured in constant dollars. Without this spending reduction, the budget would not have been balanced.

personal initiative and transforms self-reliance into a vice, and makes it virtuous to be dependent on government. It creates an aversion to risk, sapping the entrepreneurial spirit necessary for growth, innovation, and prosperity.

If this sounds alarmist, consider what has happened in Europe, where such “progressive” government policies have long been entrenched. As recently described by author and political commentator Mark Steyn:

The short version of late 20th-century history is that Continental Europe entirely missed out on the Eighties boom and its Nineties echo. A couple of weeks back, the evening news shows breathlessly announced that U.S. unemployment had risen to 7 percent, the highest in a decade and a half. Yet the worst American unemployment rate is still better than the best French unemployment rate for the same period. Indeed, for much of the 1990s the EU [European Union] as a whole averaged an unemployment rate twice that of the U.S. and got used to double-digit unemployment as a routine and semi-permanent feature of life.³

For all these reasons, this budget debate has truly profound consequences. The Majority is pursuing the third major installment of the Federal Government’s 20th century expansion. *Time* magazine captured this sense last November, with a picture of then-President-elect Obama as the new Franklin D. Roosevelt, and a cover headline that read: “The New New Deal.” But that may actually understate the Democrats’ ambitions, which point toward the paternalistic, and economically enervating, European model. The cover of *Newsweek* announced on 16 February 2009: “We Are All Socialists Now.”

To clarify this point, it is necessary to review not only the budget resolution as reported, but also the major fiscal and policy decisions already adopted by the Majority so far this year. The discussion below begins by reflecting on that context.

“STIMULUS”

Advocates of “priming the economic pump” by spending more borrowed money have never suffered a lack of faith in their concept—despite the absence of any consistent evidence that the practice works. Even President Roosevelt, whose New Deal often is considered the largest and most consistent exercise of the Keynesian theory, rejected the notion. Yet like an alchemist explaining his failure to conjure up gold, if one “stimulus” doesn’t succeed, its proponents will declare: “Congress didn’t do it right,” or “it wasn’t big enough.”⁴

³ Steyn, “Prime Minister Obama: Will European Statism Supplant the American Way?,” *National Review*, 23 March 2009.

⁴ The most remarkable assertion is that the New Deal itself was too small, and only World War II spending had sufficient magnitude to prove Keynes’s point. One expression of this view appeared in a *Time* magazine article, on 29 March 1999, by former Labor Secretary Robert B. Reich. He says President Roosevelt, by 1938, had run out of options and finally turned to the Keynesian approach. Secretary Reich adds: “Yet not until the U.S. entered World War II did FDR try Keynes’ idea on a scale necessary to pull the Nation out of the doldrums. . . .” This ignores other key factors during the period: most of America’s working age population was either

Still, sometimes cracks in this confidence do appear. No sooner had Congress passed the American Recovery and Reinvestment Act than the House Speaker, as if anticipating its failure, was suggesting a second “stimulus” would be needed—though she soon disavowed the idea. In any case, the President got to sign his first big spending bill within the first month of his tenure.⁵

The supposedly “targeted” measure spent money on an estimated 150 government programs. It included \$43.6 billion for 15 programs the Office of Management and Budget [OMB] has rated as “ineffective” or “results not demonstrated.” Because it is funded on borrowed money, its cost will surely exceed the advertized \$787 billion—reaching \$1.1 trillion with interest payments. It helped push an already large budget current-year deficit above 13 percent of gross domestic product, according to the most recent estimates by the CBO. Worst of all, because of the additional debt it creates, the measure will actually weaken, not stimulate, the economy in the long run, according to CBO’s estimates. The only additional demand it will create is a demand for even more government.

In addition to its purely financial aspects, the measure took several large steps toward nationalizing U.S. health care.

It increased, by about 8.2 million, the number of those dependent on the Federal Government for health care, according to CBO estimates. Of these, 7 million will take advantage of the measure’s expanded COBRA coverage (COBRA is the Consolidated Omnibus Budget Reconciliation Act of 1986), and 1.2 million will enroll in Medicaid under the \$90-billion expansion of the Federal Medical Assistance Percentage [FMAP] formula for Medicaid.

With the latter, the legislation threw this money at a flawed program. In early February, the Government Accountability Office published a report showing \$32.7 billion worth of improper Medicaid payments in a single year (2007)—more than 10 percent of total Medicaid spending. But instead of reforming the program, the “stimulus” bill increased payments using a methodology based on the current payment formula—widely acknowledged as seriously deficient because it rewards States for driving up their health care costs.

It also shifted control of health care decisions toward the Federal Government with provisions that, as is often the case, sound eminently reasonable.

One is health information technology [IT]. The “stimulus” bill spent \$20 billion on a government-run IT program for medical providers, punishing those who already have adopted technology measures, and refusing to acknowledge the lack of consensus on interoperability standards, the nucleus of any health information technology program. The bill also ignored the widespread lack of confidence in the security of individuals’ personal medical information when managed by a Federal Government that frequently has mishandled electronic records.

A second measure is known as “comparative effectiveness.” The “stimulus” bill set aside \$1.1 billion for a new “Comparative Effectiveness Research” program. The purpose of this “research” is to

servicing in the military or employed in war production; most commodities, including gasoline, were rationed; and wages and prices were controlled by the government.

⁵The folly of rushing the measure through has only become more clear since its enactment.

allow the Federal Government even more leverage in deciding which medical treatments are worth paying for and which are not. This will inevitably impose government control over physicians' medical decisions, and cause private-sector insurers to limit coverage in line with the government's choices—all of which will turn American health care into a nationalized health maintenance organization [HMO]. As demonstrated in the United Kingdom and Canada, it is a mistake to let the government dictate health care decisions. *The Wall Street Journal* reported in February that the median wait time to see a general practitioner in Canada is 17.3 weeks, with one man being told, at age 57, that he was too old to see the benefits of hip surgery. In the UK, a comparative effectiveness board has denied drugs for those suffering from breast cancer, Alzheimer's Disease, and multiple sclerosis.

While it is hard to imagine the United States would make such choices, Democrats on the Appropriations Committee—the committee responsible for funding agencies that oversee this program—have already indicated this practice as the goal of comparative effectiveness research. The committee's report on the “stimulus” says: “Those items, procedures, and interventions . . . that are found to be less effective and in some cases, more expensive, will no longer be prescribed.”⁶

THE OMNIBUS

The Majority followed its trillion dollars of “stimulus” with another trillion-dollar spending measure: the omnibus appropriations bill, more than half of which was appropriated mandatory spending. Its \$407.6 billion in nonemergency discretionary spending, as estimated by CBO, represented an increase of \$29 billion, or 7.7 percent, from fiscal year 2008 enacted levels. That increase alone was several times greater than inflation (0.03 percent at the time) just as the U.S. economy was shrinking. But when combined with the three appropriations bills previously enacted under the regular order, the Majority had increased discretionary spending by \$80 billion, or 8.6 percent, over the 2008 level. When added to the few appropriations bills enacted under the regular order, total fiscal year 2009 discretionary spending exceeded \$1 trillion (see Table 2).

TABLE 1: FISCAL YEAR 2009 OMNIBUS APPROPRIATIONS BILL (H.R. 1105)

[Budget Authority, in Billions of Dollars Annualized]

	FY 2008 Enacted	FY 2009	Dollar Increase	Percent Increase
Agriculture:				
Budget Authority	18.093	20.456	2.363	13.1
Outlays	19.528	21.530	2.002	10.3
Commerce, Justice, Science:				
Budget Authority	51.803	57.652	5.849	11.3
Outlays	53.441	57.372	3.931	7.4
Energy and Water:				
Budget Authority	30.888	33.261	2.373	7.7
Outlays	32.340	32.270	-0.07	-.02
Financial Services:				
Budget Authority	20.599	22.697	2.098	10.2
Outlays	20.903	22.890	1.987	9.5

⁶H. Rept. 111-004.

TABLE 1: FISCAL YEAR 2009 OMNIBUS APPROPRIATIONS BILL (H.R. 1105)—Continued
 [Budget Authority, in Billions of Dollars Annualized]

	FY 2008 Enacted	FY 2009	Dollar Increase	Percent Increase
Interior and Environment:				
Budget Authority	26.555	27.579	1.024	3.9
Outlays	28.052	28.659	.607	2.2
Labor, HHS, Education:				
Budget Authority	144.841	149.935	5.094	3.5
Outlays	146.292	150.134	3.842	2.6
Legislative Branch:				
Budget Authority	3.970	4.402	.432	10.9
Outlays	4.008	4.330	.322	8.0
State, Foreign Operations:				
Budget Authority	32.800	36.620	3.820	11.6
Outlays	32.841	36.219	3.378	10.3
Transportation, HUD:				
Budget Authority	48.821	55.000	6.179	12.7
Outlays	114.270	114.663	.393	0.3
Subtotal: Omnibus Appropriations Bill				
Budget Authority	378.370	407.602	29.232	7.7
Outlays	451.675	468.067	16.392	3.6

Source: Congressional Budget Office (2008 scored levels at time of enactment).

Even these figures understated the Majority's spending spree, however, because many programs receiving increases in this measure already were boosted in the "stimulus"; and with this "double dipping," spending in programs covered by the omnibus nearly doubled compared with 2008.

The bill also contained nearly 9,000 Member-sponsored earmarks totaling roughly \$11 billion. These included \$15 million for California Emission Reduction Grants; \$1.8 million for swine odor and manure management; \$200,000 for tattoo removal; \$1.9 million for a water taxi service in Connecticut; and \$2.2 million for grape genetics (see Table 3). There were also 85 earmarks for the National Aeronautics and Space Administration, which had received \$1 billion in the "stimulus" bill.

With the President having pledged to halt earmarks, the administration scrambled for an excuse to let them slide in this case, and resorted to declaring this was "last year's business"—notwithstanding that it was this year's Congress that passed the measure, and this year's President who signed it.

TABLE 2: TOTAL FISCAL YEAR 2009 APPROPRIATIONS
 [Budget Authority, in Billions of Dollars Annualized]

	FY 2008 Enacted	FY 2009	Dollar Increase	Percent Increase
Omnibus Appropriations Bill (from Table 1)				
Budget Authority	378.370	407.602	29.232	7.7
Outlays	451.675	468.067	16.392	3.6
Previously Enacted Appropriations (Public Law 110-329)				
Defense				
Budget Authority	459.332	487.737	28.405	6.2
Outlays	475.164	525.250	50.116	10.5
Homeland Security:				
Budget Authority	34.852	42.164	7.312	21.0
Outlays	38.028	42.625	4.597	12.1
Military Construction, VA:				
Budget Authority	60.213	72.863	12.650	21.0

TABLE 2: TOTAL FISCAL YEAR 2009 APPROPRIATIONS—Continued
 [Budget Authority, in Billions of Dollars Annualized]

	FY 2008 Enacted	FY 2009	Dollar Increase	Percent Increase
Outlays	52.232	66.881	14.649	28.0
Labor, HHS Education ¹				
Budget Authority	—	2.320	2.320	100.0
Outlays	—	1.624	1.624	100.0
Subtotal: Previously Enacted Appropriations				
Budget Authority	554.397	605.084	50.687	9.1
Outlays	565.424	636.410	70.986	12.6
Total: Fiscal Year 2009 Appropriations				
Budget Authority	932.767	1,012.686	79.919	8.6
Outlays	1,017.099	² 1,104.500	² 87.401	8.6

Source: Congressional Budget Office (2008 scored levels at time of enactment).

¹ Appropriations for these activities were increased in the continuing resolution.

² Fiscal Year 2009 includes \$23 million in outlays from Public Law 110-252.

TABLE 3: SELECTED EARMARKS IN OMNIBUS APPROPRIATIONS BILL

Earmark	Amount
California Emission Reduction Grants	\$15,000,000
Illinois Pedestrian and Bicycling Road and Trail Improvements	2,850,000
Center for Grape Genetics	2,192,000
Center for Advanced Viticulture and Tree Crop Research	2,192,000
Promotion of Astronomy in Hawaii	2,000,000
Pleasure Beach Water Taxi Service, Connecticut	1,900,000
Honey Bee Lab	1,762,000
Swine Odor and Manure Management	1,791,000
Sustainable Las Vegas	951,500
Study Alternative Uses for Tobacco	280,000
Tattoo Removal Violence Prevention Outreach	200,000
Digitization of New York Historical Society Collection	190,000

The gimmicks in the bill included \$28.8 billion in “advance appropriations”—spending loaded up for 2010; \$100 million in “emergency” spending (after the Majority already spent \$787 billion for the emergency “stimulus” bill); and \$3.2 billion in rescissions of highway contract authority that will produce no expenditure savings.

THE PRESIDENT’S BUDGET

In his late-February address to Congress, the President said the answers to America’s troubles “exist in our laboratories and our universities; in our fields and our factories; in the imaginations of our entrepreneurs and the pride of the hardest-working people on Earth.” But the budget he submitted 2 days later contradicts the rhetoric. Like the entire Democratic fiscal and policy strategy, it views government—and especially the central government in Washington—as the fountain of wisdom and creativity.

The House budget resolution is the President’s fiscal plan—indeed, news accounts leading to the markup consistently spoke of Congress voting on the President’s budget. While the numbers in the committee-reported resolution may differ from the President’s, through various maneuvers, such as reserve funds, it will result in the President’s budget. Therefore a review of the administration proposal is appropriate.

SPENDS TOO MUCH

As reestimated by the CBO,⁷ the President’s budget increases total spending to more than \$4 trillion in 2009—28.5 percent of GDP—the highest Federal spending has been as a share of the economy since World War II. After 10 years, spending as a percentage of GDP will still be 24.5 percent of GDP, nearly a full 2 percentage points higher than any year during the Bush administration, despite the full costs of 9/11, the war, and Hurricane Katrina. Through the entire 10-year budget window, spending remains at or above roughly 23 percent of GDP, the longest sustained post-war period for that level of spending.

For discretionary spending, the budget proposes \$1.3 trillion in budget authority [BA] for fiscal year 2010, according to the administration’s own figures—an increase of 6.7 percent from its estimate of the fiscal year 2009 nonemergency level. The 2010 total includes \$533.7 billion for the Department of Defense, a 4-percent increase, and \$599.1 billion for nondefense programs, a 9.3-percent increase over the preceding fiscal year (excluding emergencies). For the out-years, the budget unrealistically assumes that after 2 years of run-away spending, Congress will dramatically slow the growth of non-defense discretionary budget authority to about the rate of inflation.

TABLE 4: BASE DISCRETIONARY SPENDING IN THE PRESIDENT’S BUDGET

[Dollars in billions]

	2009	2010	\$ Increase	% Increase
Defense	513.3	533.7	20.3	4.0
Nondefense	548.2	599.1	50.8	9.3
Total Base	1,061.6	1,132.8	71.2	6.7

Source: Office of Management and Budget. Figures may not add due to rounding.

The President also requested \$83 billion in fiscal year 2009 funding for the Global War on Terrorism, as well as \$130 billion for war costs in fiscal year 2010. In the outyears, the budget contains a \$50-billion “placeholder” in every year. Finally, the budget takes the peak year of Iraq war funding (fiscal year 2008), inflates this level, and adds \$1.6 trillion in BA to the baseline for the Iraq war over the next 10 years. The administration then takes credit for the difference, claiming \$1.5 trillion in outlay “savings” between this baseline and its actual war requests for fiscal year 2009 and beyond.

Notable discretionary spending increases requested by the President include the following:

- A 35-percent increase in fiscal year 2010 budget authority for the Environmental Protection Agency, following a 92-percent increase in 2009 in the “stimulus” bill.
- A 41-percent increase in 2010 for the State Department and other international agencies.
- An 18-percent boost for housing.
- A 14-percent increase in education funding.

⁷ Congressional Budget Office, A Preliminary Analysis of the President’s Budget and an Update of CBO’s Budget and Economic Outlook, March 2009.

- A 9-percent increase for agriculture.

Despite the President’s talk of the need to reform entitlements and become “fiscally responsible,” his budget increases net entitlement spending over 10 years by \$1 trillion. The total consists of refundable tax credits (\$326.2 billion); a Medicare physician payment increase (\$329.6 billion); and \$317.8 billion in tax increases toward a health care reserve fund that will finance entitlement spending increases.

The \$634-billion health care reserve fund—described in further detail below—is said to be only a “down payment” on health care reform. The administration notes in the President’s budget that that amount will “not be sufficient for comprehensive reform” and lists these additional entitlement expenditures as “TBD”—to be determined. Half of the \$634-billion “health reserve fund” is offset with \$317.8 billion in tax increases. The other half is offset with \$316 billion in reductions to the Medicare and Medicaid programs. Of this \$316 billion, more than half the savings come from adding a “competitive bidding” requirement for Medicare Advantage plans. As this proposal reduces payments to Medicare Advantage plans by approximately the same amount of money (\$176.6 billion) as past proposals for the program (such as reducing Medicare Advantage payments to 100 percent of fee-for-service Medicare payments), it can be expected to reduce coverage by approximately the same number of individuals as CBO has previously estimated—6 million seniors.

In addition to the Medicare Advantage reductions, additional savings are achieved from a variety of proposals, such as reductions in home health payments, changes to the Medicaid drug rebate program, bundling of Medicare hospital and post-acute care payments, and Food and Drug Administration approval of generic biologic drugs. Another provision calls for requiring the wealthiest seniors to pay more for their Medicare drug benefits. (This is a concept many Republicans have supported in the past, and it has been included in the Republican budget substitute the past 2 years. But the House Democratic Majority left it out of their budget resolution, and in markup rejected an amendment to include it.)

TABLE 5: THE PRESIDENT’S ENTITLEMENT SPENDING INCREASES

[Deficit impact in billions of dollars]

	2010–19
Total Mandatory Initiatives and Savings (2010–19)	37.9
Outlay Effect of Tax Credits	326.2
Health Care Tax Spending	317.8
Medicare Physician Payments	329.6
Total	1,011.5

Source: Office of Management and Budget

The budget extends a physician payment increase that adds \$285 billion to Medicare outlays over 10 years and increases Medicare’s existing \$36 trillion in unfunded obligations by \$2 trillion. Because this payment increase is included in the President’s baseline, it does not show up as a spending increase and is not subject to the pay-as-you-go requirement that this costly payment update be offset in the future. What this amounts to is increased deficit spend-

ing. While the details of this payment increase are not provided, an increase of about 1 percent each year can be expected, given the cost and past estimates of this proposal. (The Majority's budget resolution also exempts from the House pay-as-you-go rule the Sustainable Growth Rate formula used for setting Medicare's physician payment rates; and the Majority rejected an amendment establishing a point of order against any legislation in the House that would increase the government's more than \$56 trillion in unfunded liabilities.)

When the President signed into law the Democratic Majority's reauthorization of the State Children's Health Insurance Program [SCHIP], it included a funding cliff in new spending—meaning children would be put on the program initially only to be forced off or onto Medicaid when the new funding runs out after 5 years. As this is politically impossible, CBO estimated the true cost of the SCHIP expansion to be \$38 billion more over 10 years than OMB reported, for a total of \$153 billion.

The President's budget also calls for several other entitlement expansions:

- *Pell Grants*. The budget permanently extends the "stimulus" bill's so-called "temporary" increase to the Pell Grant benefit, and indexes the benefit so that it automatically rises 1 percent ahead of the consumer price index [CPI] going forward. The budget also converts Pell Grants into an entitlement program by placing it in the mandatory spending category. This will cost taxpayers an additional \$116.8 billion over 10 years.

- *Three More New Entitlement Programs*. The budget further expands government entitlements with the creation of three new mandatory programs. First, a new College Access and Completion Fund is created and funded for 5 years at a cost of \$2.5 billion, after which time the program is ostensibly zeroed out. This is another misleading spending "cliff": it is highly unlikely that this program will end, and even if it does, it will not end abruptly.

- Second, the budget spends \$8.6 billion to establish a new nursing home visitation program. Once this new entitlement starts, the budget estimates it will cost taxpayers \$1.8 billion per year. Finally, an additional \$4.3 billion is added to the entitlement spending category for an automatic increase in the Low Income Home Energy Assistance Program. The increase is intended to correspond with rising energy costs.

- *Student Loans*. The budget effectively eliminates the Federal Family Education Loan Program, a student loan program that leverages private sector capital, and is the largest source of student financial aid. In its place, the budget finances the entire Federal student loan program with U.S. treasury borrowing.

- *Troubled Assets Relief Program [TARP]*. Also included in the President's mandatory spending proposals is a "placeholder for additional financial stabilization effort[s]" that could be used to purchase up to \$750 billion in troubled assets from the banking sector. The budgeted amount of \$250 billion actually represents the "subsidy," or net cost to the Federal Government after recoupment, although the up-front investment would be about three times that amount. The funding will be made available in addition to the \$700 billion in TARP funds approved by Congress in September 2008.

- *Agriculture Programs.* The budget shifts Department of Agriculture funding away from farm subsidies and directs them toward food welfare programs. The most significant changes in farm subsidies include a reduction of direct payments to farmers making more than \$500,000; a reduction in crop insurance premium assistance; and the elimination of payments for cotton storage. (The Majority excluded this provision from the budget resolution, and a bipartisan amendment to add a similar provision was rejected.)

- *Nutrition Programs.* The budget includes \$9.8 billion to fund the reauthorization of the Child Nutrition and Women and Infant Children Programs, which provide assistance to low-income children. This comes on top of the \$20 billion provided for nutrition programs in the “stimulus” bill. The budget also mentions the creation of a pilot program to increase the participation of low-income seniors in the Supplemental Nutrition Assistance Program (formerly known as food stamps), but does not provide a cost estimate for this provision.

- *Hope for Homeowners Program.* The Hope for Homeowners program began in 2008. The Department of Housing and Urban Development said: “400,000 borrowers in danger of losing their homes will be able to refinance into more affordable government-insured mortgages.” Yet as of 3 February 2009, only 25 loans have been guaranteed under the Hope for Homeowners program. The President’s budget proposes to increase funding for the program by \$2.3 billion over 10 years.

Taxes Too Much

Overall, the President’s budget increases taxes by \$1.5 trillion over 10 years, mainly through tax hikes on those earning more than \$250,000 a year (which will include many small businesses), and a cap-and-trade tax on carbon emissions that will add to U.S. families’ costs for natural gas, electricity, home heating, and gasoline.

Still, in contrast to the congressional Majority, the President’s budget recognizes that keeping tax rates the same does not constitute to a new tax “cut.” Specifically, his revenue baseline assumes the continuation of the 2001 and 2003 tax relief laws beyond their scheduled expiration in 2011. The administration baseline also assumes indexing the alternative minimum tax [AMT] for inflation. House Democrats adopted a pay-as-you-go rule that treated both of these extensions as new tax “cuts” requiring offsetting tax increases.

Some of the significant tax increases in the President’s budget are the following:

- *Tax Hikes on “Upper-Income Individuals.”* This provision raises \$636.7 billion over 10 years. More than half that revenue (\$339 billion) comes from reinstating the 36 percent and 39.6 percent tax brackets for taxpayers earning more than \$250,000 (married) and \$200,000 (single). The overwhelming majority of small businesses pay taxes at the top two individual rates, so this represents a de facto tax hike on the engine of job creation in the U.S. economy.

- *Limiting Key Deductions.* The budget also proposes to limit the mortgage-interest deduction for upper-income taxpayers. House-

holds paying taxes at the top two income brackets (currently 33 percent and 35 percent) would only be able to take this deduction at the 28-percent rate instead, thereby lowering its tax value. It is a curious step at a time when the government also is trying to support a troubled housing market. The tax deduction for charitable giving would also be capped in a similar way for top-tier filers.

- *Exemptions and Deductions.* The budget reinstates the Personal Exemption Phaseout [PEP] and limitation on itemized deductions for those earning more than \$250,000 (married) and \$200,000 (single). This increases taxes by \$179.8 billion over 10 years.

- *The Death Tax.* The estate tax, scheduled to be repealed next year, is resurrected in the President's budget, which maintains the provision at its 2009 parameters (i.e. top rate of 45 percent, estate exemption amount is \$3.5 million). This onerous tax punishes families for building up savings to pass on to their heirs; and it imposes an especially heavy burden on small businesses and family farms.

- *Capital Gains.* The President increases the capital gains tax rate from 15 percent to 20 percent for upper income taxpayers, raising taxes by \$118.1 billion over 10 years.

- *Cap and Trade.* The President's budget proposes to begin capping carbon emissions beginning in 2012. This new policy would impose an \$80-billion annual cost to the economy—or \$646 billion over 10 years—by making carbon-based energy more expensive. The household impact of the proposal is expected to be anywhere from \$1,600 to \$4,500 per year. The administration claims the burden of increased energy prices would be eased by returning most of the new revenue to taxpayers through the Make Work Pay tax credit. But the credit is not available to seniors and those who do not work. A conservative estimate also shows this proposal could lead to as many as 1.5 million job losses by 2015.

It is important to note that Treasury routinely assumes excise taxes reduce incomes in the affected industry and for others throughout the economy, and offsets the revenue gain by 25 percent. Consequently, the \$646 billion actually understates the impact of the cap-and-trade policy. The actual burden on consumers may be more than \$800 billion.

- *Energy Taxes.* The budget signals a greater emphasis on alternative and renewable energy at the expense of the oil and natural gas industries. The budget repeals numerous different tax provisions for oil and gas producers, including the manufacturing deduction and expensing of drilling costs, which would effectively raise taxes on the industry by \$31 billion to \$80 billion.

In addition, the budget requests implementation of last summer's controversial "use it or lose it" leasing policy, which would add yet another \$1 billion to domestic energy producers' costs. Altogether, the budget's energy policies could cost 167,000 jobs, studies show.

The budget also contains a range of "loophole closers," recommended by the President, that raise taxes by a total of \$353 billion over 10 years.

- *Enforcement.* The largest item is "international enforcement, reform deferral, and other tax reform," which raises \$210 billion. The lion's share of this revenue likely comes from an elimination or a severe restriction on the deferral of tax on overseas profits from U.S.-based multinational companies. This provision would un-

dermine U.S. competitiveness by moving further toward a worldwide system of international taxation (most countries have territorial systems) and would likely lead to a rise in foreign takeovers of U.S.-based companies.

The U.S. has experimented with this provision in the past. In the mid-1980s, tax deferral was eliminated for U.S.-based shipping companies. Several large U.S. shipping companies were subsequently taken over by foreign competitors to bypass the harmful effects of the new law and reap the tax benefits of being foreign-owned. These takeovers led to a loss of U.S.-headquartered jobs at these shipping companies and affected domestic jobs in industries tied to the shipping industry.

- *Carried Interest.* The budget would tax carried interest at private equity funds at the ordinary income rate instead of the capital gains rate (i.e. tax rate rises from current 15 percent to as much as 39.6 percent). This provision hampers the flow of private venture capital at precisely the time when we should be encouraging it.

TABLE 6: THE PRESIDENT'S NET TAX INCREASE
[Deficit impact in billions of dollars] ^a

	2010–19
Obama Net Tax Provisions (2010–19)	– 50.0
Replace Aviation Excise Tax with an Equivalent Fee	– 77.1
Include Climate Tax	– 645.7
Include Health Reform Tax	– 317.8
Include Receipt Effect from Mandatory Proposals	– 14.1
Include Outlay Effect of Tax Credits	– 326.2
Total Tax Increase	– 1,430.8

^a Negative numbers indicate an increase in taxes.

Source: Office of Management and Budget.

BORROWS TOO MUCH

As noted, the deficit stood at \$1.2 trillion in January. But the President and the Democratic Congress have already widened this fiscal gap to \$1.8 trillion, according to CBO—a deficit increase greater than the total deficit in any year in the United States' history.

The hemorrhage of red ink results from the economic “stimulus,” expanded funding for the Troubled Assets Relief Program, doubling the bailout of Fannie Mae and Freddie Mac, and an omnibus appropriations bill that will drive this year's total discretionary spending above \$1 trillion. The total deficit is 13.1 percent of GDP, more than twice the highest deficit level as a share of the economy since World War II. According to CBO, the President's deficits total \$1.379 trillion (9.6 percent of GDP) in 2010, and \$970 billion (6.4 percent of GDP) in 2011. They jump to \$749 billion in 2014, the target year for the cut-the-deficit-in-half goal. Deficits continue to grow, reaching \$1.189 trillion by the end of the decade.

This practice of financing big promises with borrowed money is, of course, precisely what got the U.S. economy into its current troubles—and this budget makes it permanent government policy. Further, like the budget's tax increases, its heavy borrowing soaks up

the very economic resources needed for private-sector investment to sustained growth in the U.S. economy.

It also adds to an already growing debt that threatens to overwhelm future generations. Under the President's budget, debt held by the public—effectively the amount Treasury needs to borrow in private markets—will double by 2014, to \$12.6 trillion, and will more than triple before the end of the decade, to \$17.3 trillion in 2019, CBO estimates. Measured as a share of the economy, debt held by the public rises to 82.4 percent of GDP by 2019.⁸

According to Treasury, foreigners currently hold more than 50 percent of U.S. debt; but it cannot be taken for granted that they will continue to hold this current debt, much less the huge increases the Obama administration will need to borrow.

OBAMA REDUX:

THE HOUSE DEMOCRATIC BUDGET

INTRODUCTION

After first protesting that their budget was different from the President's—with less spending, smaller deficits, and lower debt—Majority Members conceded during markup that the two budgets were really the same. Some of their comments:

- “This budget resolution shares the President's priorities.”
- “[This is a] key step to making the President's plan a reality.”
- “The President has proposed, and under this budget we support his plans.”
- The Chairman's Mark “embraces” and “supports” the President's budget.

These remarks only admitted the obvious. The Chairman's Mark, and the budget as reported, could have been described as different from the President's budget only if one believed the following:

- That the 5-year budget window, as opposed to the President's 10-year plan, was not designed to hide the explosion of costs after 2014 for the President's ambitious, big-government agenda.
- That the AMT would be fixed in a “deficit-neutral” fashion—that is, by raising other taxes—though the Democrats themselves have rejected this approach for the past 2 years.
- That the “Making Work Pay” tax credit—a key tax provision in the President's budget—would not be extended unless offset (it was created as an “emergency” measure).
- That the Troubled Assets Relief Program [TARP] was over and the Treasury Secretary's financial stabilization plans will get no more funding.
- That the budget's numerous “reserve funds” (AKA tax and spend) would not be used to increase spending and taxes in the President's plan for a sweeping expansion of government.
- That the House would give up its plans to jam through the U.S. Senate a government takeover of health care and student loans, and possibly a carbon “cap-and-trade” system by using the fast-track “reconciliation” process.

⁸ CBO, A Preliminary Analysis of the President's Budget and an Update of CBO's Budget and Economic Outlook, March 2009.

If one does not believe these things, the resolution as reported truly is the President's budget; and as such it ushers in the third and final wave of government expansion, building on the New Deal and the Great Society. For that reason, much of this discussion focuses on peculiar aspects of the budget relating to congressional rules and practices.

TABLE 7: BUDGET COMPARISONS
[In billions of dollars]

	2009	2010	2011	2012	2013	2014
CBO March Baseline:						
Revenue	2,186	2,334	2,783	3,086	3,281	3,436
Outlays	3,853	3,473	3,476	3,417	3,581	3,746
Deficits	-1,667	-1,139	-693	-331	-300	-310
Debt (Public)	7,703	8,658	9,340	9,712	10,016	10,372
President's Budget:						
Revenue	2,159	2,289	2,586	2,917	3,095	3,231
Outlays	4,004	3,669	3,556	3,575	3,767	3,979
Deficits	-1,845	-1,379	-970	-658	-672	-749
Debt (Public)	7,987	9,319	10,292	11,055	11,770	12,628
Committee-Reported Budget:						
Revenue	2,186	2,328	2,628	2,916	3,127	3,310
Outlays	3,880	3,550	3,555	3,533	3,713	3,908
Deficits	-1,694	-1,222	-927	-617	-586	-598
Debt (Public)	7,730	8,768	9,684	10,344	10,934	11,577

Source: Committee on the Budget, Republican staff. Figures may not add due to rounding.

OVERVIEW

As noted, it is a 5-year budget, plus fiscal year 2009. It assumes a peak deficit of \$1.694 trillion in fiscal year 2009. The deficit path is below the President's as scored by the CBO, falling to \$585 billion in 2013 and then starting to rise. Deficits total approximately \$628 billion less than the President's for the fiscal year 2009–14 period.

One reason for these differences and others is that the committee's reported budget carries many spending initiatives in the form of "reserve funds"; the costs of these items are not reflected in the budget figures. The House budget also assumes, in its revenue base, a large tax increase resulting from the scheduled expiration of the 2001 and 2003 tax relief provisions, and also assumes more than 20 million new taxpayers would be ensnared by the AMT.⁹ These two premises yield a tax hike of roughly \$1.2 trillion over 5 years, and \$3.3 trillion over 10 years, and includes increases in marginal rates for all tax brackets, elimination of the 10-percent bracket, higher taxes on investments and children, among others. The resolution then retains some of the 2001/2003 tax provisions, and claims credit for tax "cuts" that are only the continuation of

⁹The Majority will defend this assumption by claiming they merely applied the Congressional Budget Office [CBO] baseline. CBO projects tax revenue based on "current law"—meaning tax provisions that are scheduled to lapse under existing law are assumed to lapse, however unrealistic that assumption might be. It is true that CBO exists to serve the Congress, and Congress relies on the agency's economic and budgetary estimates. But the baseline assumptions in the congressional budget are the prerogative of the House and Senate Budget Committees.

policies in place today. The budget still raises taxes by more than \$1 trillion over 10 years, as explained below.

It should be noted, however, the deficits in the committee-reported budget do not take into account a number of policies likely to be enacted—such as an AMT patch, the Making Work Pay tax credit, and TARP funding. The effects of adding these policies are reflected in Table 2 below.

Under the committee budget, debt held by the public would be 67 percent of gross domestic product [GDP]. CBO put the President's debt at 73 percent in 2014.

TABLE 8: REALISTIC DEFICITS UNDER THE COMMITTEE-REPORTED BUDGET

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010–14
AMT			-69.0	-30.6	-33.9	-37.3	-170.8
Making Work Pay Credit			-29	-42	-43	-43	-156.3
TARP	-125	-125	0	0	0	0	-125
Debt Service	—	-2	-6	-10	-17	-24	-59
Total	-125	-127	-103	-83	-93	-104	-511
More Realistic Deficits, Reported Budget	-1,819	-1,349	-1,031	-700	-679	-703	-4,462

Source: Committee on the Budget, Republican staff. Figures may not add due to rounding.

RECONCILIATION

As a means of leveraging the passage of major legislative initiatives, and minimizing resistance, the budget employs the fast-track reconciliation process.

The budget instructs the Ways and Means Committee, the Energy and Commerce Committee, and the Education and Labor Committee to report legislation by the end of September reducing the deficit by \$1 billion each over 6 years. But the committees are bound by nothing other than the deficit reduction amount. So this provision allows them to report any legislation they choose; and it could then move swiftly through the Senate, because reconciliation is not subject to a filibuster. Thus this provision allows Congress to lock out the minority and pass sweeping changes proposed by the President on entirely partisan votes. These could include:

- *Health Care Reform.* This provision has the potential to redefine the relationship between the patients and their doctors, placing a government bureaucrat between them. With so much at stake, using reconciliation instructions to jam through monumental changes in health care—which constitutes 17 percent of the Nation's economy—cheats the American people out of the debate they deserve.

- *Cap and Trade.* The President's budget proposes to begin capping carbon emissions beginning in 2012. This new policy would impose a \$79 billion annual cost to the economy—or \$629 billion over 10 years—by making carbon-based energy more expensive. The increase in energy prices could force households to spend an extra \$1,100 per year, on average.

- *Student Loans.* The President's budget also would effectively shut down the federally guaranteed private-sector lending for col-

lege costs, resulting in a complete government takeover of student loans.

This is a clear abuse of reconciliation, which was always intended to provide for deficit reduction. As Senator Byrd has stated, using the reconciliation process “to enact substantive policy changes is an undemocratic disservice to our people and to the Senate’s institutional role.”

Other senior Senators who have criticized the approach in the House budget include the following:

- Senator Conrad, Budget Committee Chairman, at a committee hearing on 12 February 2009: “[Reconciliation] was never intended for the purposes to which it’s been put . . . However meritorious, whether it’s health care reform, whether it’s global climate change legislation, I think we need as a body to think very, very carefully about do we want reconciliation to be used in a way to override the normal process and to allow without ability to filibuster a simple majority to pass sweeping legislation. . . . [T]here is no most single element of rules that goes more against minority rights than the reconciliation that I know of.”

- Senator Gregg, Budget Committee Ranking Member, quoted in the Associated Press on 23 March 2009: “[Reconciliation] would be the Chicago approach to governing: strong-arm it through. You’re talking about the exact opposite of bipartisan. You’re talking about running over the minority, putting them in cement, and throwing them in the Chicago River.”

- Senator Baucus, Finance Committee Chairman, quoted in Congressional Quarterly on 5 March 2009: “Easy is not always best. It becomes partisan, and if it becomes partisan, even if you get a partisan solution, it tends not to be lasting. You can jam something down somebody’s throat . . . but the point is, it’s by far better to be inclusive than exclusive.”

RESERVE FUNDS

Instead of funding promised initiatives, the budget contains 17 “deficit-neutral” reserve funds that pledge extra money for pet initiatives if offsets are included. Reserve funds provide a free pass for legislation that chases higher spending with higher taxes. They allow spending or tax provisions to be adopted if they are offset by spending reductions or—as is far more likely—tax increases. In most cases, the amount of additional spending and taxes anticipated is unspecified.

Twelve of these reserve funds would allow unlimited additional taxes and spending. One provides for a tax cut bill that does not cut taxes. Another provides \$285 billion in deficit spending. Three proclaim to extend “current” tax policy but in fact enshrine a huge tax increase on millions of families, on small businesses, and on family farms. The reserve funds—most of which are deficit-neutral over 5 years and 10 years, unless indicated otherwise—are the following:

- *Health Care Reform*. The provision calls for “improvements to health care in America,” deficit-neutral over 5 years and 10 years. No spending amount is identified.

- *College Access, Affordability, and Completion*. The fund, to be deficit-neutral over 5 years and 10 years, includes increasing the

maximum Pell Grant by the consumer price index plus 1 percent. No spending amount is identified.

- *Increasing Energy Independence.* The language explicitly talks about “reductions in greenhouse gas emissions” and associated spending programs. It is deficit-neutral over 5 years and 10 years; no spending amount is identified.

- *Veterans and Servicemembers.* Among other things, this fund calls for expanding concurrent receipt, but rules out the President’s proposal for billing third-party insurers. No spending amount is identified.

- *Tax Relief.* The fund calls for deficit-neutral “tax relief” for working families, businesses, States, or communities. No other details or amounts are specified.

- *A 9/11 Health Program.* No spending amount is identified.

- *Child Nutrition.* No spending amount is identified.

- *Unemployment Insurance Reforms.* No spending amount is identified.

- *Child Support.* No spending amount is identified.

- *The Affordable Housing Trust Fund.* No spending amount is identified.

- *Home Visiting.* The fund calls for a program for home visits to low-income families and mothers-to-be. No spending amount is identified.

- *Low-Income Home Energy Assistance Program [LIHEAP].* This provision calls for an unspecified increase in LIHEAP.

- *Surface Transportation.* The fund is intended to maintain solvency of the Highway Trust Fund, and requires any transfers into the trust fund to be fully offset.

- *Medicare.* This is a “current policy” reserve fund allowing an \$87.29 billion spending increase over 5 years, and \$284.97 billion over 10 years, for Medicare “improvements.” No offsets are required.

- *Middle Class Tax Relief.* This is another “current policy” reserve fund for “middle class tax relief,” totaling \$698.571 billion over 5 years, and \$1,848.523 billion over 10 years. The language identifies the 10-percent individual income tax bracket, marriage penalty relief, the \$1,000 child credit, among others. No offsets are required.

- *AMT.* This also is a “current policy” reserve fund for one year of AMT relief, with a budget impact of \$68.65 billion over 5 years and 10 years. No offsets are required.

- *Estate and Gift Tax.* This section of the budget calls for a “current policy” reserve fund for the death tax, with a budget impact of \$72.033 billion over 5 years, and \$256.244 billion over 10 years. No offsets are required.

DISCRETIONARY SPENDING

The pattern of nonemergency discretionary follows the President’s 2010 budget: large increase in the budget year, followed by sharp outyear declines in spending growth.

The base discretionary topline appears to be \$1.099 trillion in budget authority [BA], an increase of \$86 billion (8.5 percent) over the 2009 scored level. The Appropriators’ 302(a) allocation can be adjusted for program integrity spending (on top of base \$1.099 tril-

lion), or increased \$1.9 billion in 2010 for LIHEAP. The additional spending is not otherwise accounted for in the resolution per usual.

The fiscal year 2010 nondefense discretionary dollar increase over the 2009 scored level is \$57 billion, approximately a 12-percent increase without cap adjustments.

The budget assumes the President's base discretionary defense request in all years. It also assumes the President's overseas contingency funding, including \$83 billion in fiscal year 2009; \$130 billion in fiscal year 2010; and \$50-billion placeholders for 2011–14. War spending is not treated as an “emergency,” but it nevertheless “shall not count for the purposes of the Congressional Budget Act of 1974 or this resolution.” The advance appropriations cap is the same as last year, \$28.9 billion. An advance for the Corporation for Public Broadcasting is on top and uncapped.

The budget includes “policy” statements on taxes and defense; and Sense of the House language on VA/military healthcare, homeland security, “competitiveness,” pay parity, and the Great Lakes.

TABLE 9: DISCRETIONARY SPENDING IN THE COMMITTEE-REPORTED BUDGET

[In billions of dollars]

	2009	2010	2011	2012	2013	2014	2010–14
Defense	535.8	556.1	564.3	573.6	584.4	598.2	2,876.7
International	38.2	48.5	52.7	57.1	61.5	65.9	285.7
Other Nondefense Disc	448.1	494.5	512.2	525.2	536.9	551.3	2,620.2
Base Discretionary	1,022.1	1,099.1	1,129.3	1,155.9	1,182.8	1,215.5	5,782.6
2010 Cap Adjustments	—	3.308					
Total Discretionary Base ^a	1,036.6	1,102.4	1,129.3	1,155.9	1,182.8	1,215.5	5,785.9
War	82.6	130.0	50.0	50.0	50.0	50.0	50.0
Enacted	369.4	—	—	—	—	—	—
Topline	1,488.6	1,232.4	1,179.3	1,205.9	1,232.8	1,265.5	6,115.9

^a Includes allowances in Function 920.

Source: Committee on the Budget, Republican staff. Figures may not add due to rounding.

TAX INCREASES

The budget repeats the President's folly of raising taxes in the midst of a recession. The tax hikes total \$574 billion over 5 years and \$1.154 trillion over 10 years (see Table 10 below). The total is close to the President's tax increase of \$1.5 trillion over 10 years, as reestimated by CBO. But the figures reflected in the budget do not include the all-but-unlimited tax hikes that could come through the budget's reserve funds.

TABLE 10: TAX INCREASE IN THE COMMITTEE-REPORTED BUDGET

[Revenue in billions of dollars]

	2010	2011	2012	2013	2014	2010–14	2010–19
CBO Current-Law Baseline ¹	2,334	2,783	3,086	3,281	3,436	14,920	34,548
Committee Baseline ²	2,328	2,628	2,916	3,127	3,310	14,308	⁴ 32,443
Current Tax Policy Baseline ³	2,324	2,580	2,794	2,952	3,085	13,734	31,289
Tax Hike in Committee Budget ⁵	4	48	122	176	225	574	1,154

¹ Assumes 2001/03 tax relief provisions expire after 2010, and no alternative minimum tax (AMT) relief.

² Assumes only some 2001/03 provisions are extended, and a 1-year AMT patch.

³ Assumes no new tax increases; extension of all 2001/03 tax provisions; and AMT patched for 10 years.

⁴ Extrapolated 10-year revenues based on current policy reserve funds in Chairman's Mark.

⁵ Does not capture tax increases that could be imposed under reconciliation or “deficit-neutral” reserve funds.

Source: Committee on the Budget, Republican staff.

PAY-AS-YOU-GO

A new pay-as-you-go [pay-go] rule exempts the higher spending and lower revenues relative to the Budget Enforcement Act baseline in the “current policy” reserve funds, provided that the House passes a statutory pay-go bill. No Senate or Presidential action is required.

CONCLUSION

In his preface to the twelfth edition of *Democracy in America*, Tocqueville urged his own countrymen to look to America as the model of a thriving democratic republic. His conclusion deserves to be quoted at length. It reads:

. . . The republic there [in America] has not been the assailant, but the guardian, of all vested rights; the property of individuals has had better guarantees there than in any other country in the world; anarchy has there been as unknown as despotism.

Where else could we find greater causes of hope, or more instructive lessons? Let us look to America, not in order to make a servile copy of the institutions that she has established, but to gain a clearer view of the polity that will be the best for us; let us look there less to find examples than instruction; let us borrow from her the principles, rather than the details, of her laws. The laws of the French republic may be, and ought to be in many cases, different from those which govern the United States; but the principles on which the American constitutions rest, those principles of order, of the balance of powers, of true liberty, of deep and sincere respect for right, are indispensable to all republics; they ought to be common to all; and it may be said beforehand that wherever they are not found, the republic will soon have ceased to exist.¹⁰

Tocqueville’s observations were prescient. In the 19th and 20th centuries, America came into a league of its own in terms of rapid economic achievement, rising living standards, and international competitiveness. By the mid-20th century, America had become the powerhouse of the world’s economies, the arsenal of democracy, and the Nation whose strength and sacrifice helped save western Europe, first from fascism and then from communism. Several factors contributed to America’s pre-eminence—principally a reliance on the individual and private markets (or what former British Prime Minister Thatcher insisted should be called “the free sector”¹¹)—which generated innovation and growth and laid the groundwork for increased prosperity.

¹⁰ Alexis-Charles-Henri Clerel de Tocqueville, *Author’s Preface to the Twelfth Edition, Democracy in America*, 1848.

¹¹ “It has been the fault of those of us who stand for free enterprise that for too long we have accepted without protest the terminology of our opponents. We even use it ourselves. In Parliament we find ourselves talking about the ‘private’ sector of industry. We should insist on saying the ‘free’ sector.” Thatcher, “Competitive enterprise or State bureaucracy,” in *The Guardian*, 1 July 1975.

How ironic it would be if America now abandoned its leadership in the world just to imitate the European model, and follow the Continent's discouraging economic decline.

An alternative path is available. It is informed by a fundamentally different vision—one that flows from a confidence in Americans themselves. It recognizes that responsibility is not a slogan but a way of life, the twin of freedom. It promotes ownership and private property because America depends on—has always depended on—the strength and character of responsible individuals who value self-sufficiency, personal accomplishment, and loyalty to their families and communities. This approach acknowledges the need for a sturdy safety net for those facing chronic or temporary problems; but it understands that the reliability of this safety net depends on a vibrant free enterprise sector to generate the resources for the government to use.

House Republicans will present such a budget for consideration in the House. It builds on the initiative of individual Americans, exercised responsibly in a free economy and a democratic political system. Strengthening the role of the individual is the key to invigorating the society, and the economy, at large. The Republican budget also will keep alive the American legacy of leaving the next generation better off.

At the same time, it upholds Americans' compassion toward those who are less well off. It will strengthen the safety net by making it sustainable for the long term—which cannot be done under current policies or the Obama/Democratic budget.

In short, the Republican budget will keep faith with an essential point made by President Reagan in his first inaugural address: "We are a Nation that has a government—not the other way around."¹²

PAUL RYAN.
 JEB HENSARLING.
 DEVIN NUNES.
 ROBERT LATTA.
 MIKE SIMPSON.
 MARIO DIAZ-BALART.
 JIM JORDAN.
 JOHN CAMPBELL.
 PATRICK MCHENRY.
 CONNIE MACK.
 CYNTHIA LUMMIS.
 ROBERT ADERHOLT.
 STEVE AUSTRIA.

¹²From President Reagan's First Inaugural Address, 20 January 1981.

APPENDIX—THE CONCURRENT RESOLUTION ON THE BUDGET

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2010.

(a) DECLARATION.—Congress declares that this resolution is the concurrent resolution on the budget for fiscal year 2010 and that this resolution sets forth the appropriate budgetary levels for fiscal year 2009 and for fiscal years 2011 through 2014.

(b) TABLE OF CONTENTS.—

Sec. 1. Concurrent resolution on the budget for fiscal year 2010.

TITLE I—RECOMMENDED LEVELS AND AMOUNTS

Sec. 101. Recommended levels and amounts.

Sec. 102. Major functional categories.

TITLE II—RECONCILIATION

Sec. 201. Reconciliation in the House.

Sec. 202. Reconciliation in the Senate.

TITLE III—RESERVE FUNDS

Sec. 301. Deficit-neutral reserve fund for health care reform.

Sec. 302. Deficit-neutral reserve fund for college access, affordability, and completion.

Sec. 303. Deficit-neutral reserve fund for increasing energy independence.

Sec. 304. Deficit-neutral reserve fund for America's veterans and servicemembers.

Sec. 305. Deficit-neutral reserve fund for certain tax relief.

Sec. 306. Deficit-neutral reserve fund for a 9/11 health program.

Sec. 307. Deficit-neutral reserve fund for child nutrition.

Sec. 308. Deficit-neutral reserve fund for structural unemployment insurance reforms.

Sec. 309. Deficit-neutral reserve fund for child support.

Sec. 310. Deficit-neutral reserve fund for the Affordable Housing Trust Fund.

Sec. 311. Deficit-neutral reserve fund for home visiting.

Sec. 312. Deficit-neutral reserve fund for Low-Income Home Energy Assistance Program trigger.

Sec. 313. Reserve fund for the Surface Transportation Reauthorization.

Sec. 314. Current policy reserve fund for Medicare improvements.

Sec. 315. Current policy reserve fund for middle class tax relief.

Sec. 316. Current policy reserve fund for reform of the alternative minimum tax (AMT).

Sec. 317. Current policy reserve fund for reform of the Estate and Gift Tax.

TITLE IV—BUDGET ENFORCEMENT

Sec. 401. Adjustments for direct spending and revenues.

Sec. 402. Adjustments to discretionary spending limits.

Sec. 403. Point of order against advance appropriations.

Sec. 404. Oversight of Government performance.

Sec. 405. Budgetary treatment of certain discretionary administrative expenses.

Sec. 406. Application and effect of changes in allocations and aggregates.

Sec. 407. Adjustments to reflect changes in concepts and definitions.

Sec. 408. Exercise of rulemaking powers.

TITLE V—POLICY

- Sec. 501. Policy on middle-class tax relief and revenues.
 Sec. 502. Policy on defense priorities.

TITLE VI—SENSE OF THE HOUSE

- Sec. 601. Sense of the House on veterans' and servicemembers' health care.
 Sec. 602. Sense of the House on homeland security.
 Sec. 603. Sense of the House on promoting American innovation and economic competitiveness.
 Sec. 604. Sense of the House regarding pay parity.
 Sec. 605. Sense of the House on college affordability.
 Sec. 606. Sense of the House on Great Lakes restoration.
 Sec. 607. Sense of the House regarding the importance of child support enforcement.

TITLE I—RECOMMENDED LEVELS AND AMOUNTS

SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for each of fiscal years 2009 through 2014:

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

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

Fiscal year 2009: \$1,532,571,000,000
 Fiscal year 2010: \$1,659,525,000,000.
 Fiscal year 2011: \$1,933,072,000,000.
 Fiscal year 2012: \$2,190,099,000,000.
 Fiscal year 2013: \$2,361,429,000,000.
 Fiscal year 2014: \$2,507,846,000,000.

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

Fiscal year 2009: \$0.
 Fiscal year 2010: -\$6,461,000,000.
 Fiscal year 2011: -\$155,559,000,000.
 Fiscal year 2012: -\$170,294,000,000.
 Fiscal year 2013: -\$153,908,000,000.
 Fiscal year 2014: -\$125,832,000,000.

(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 2009: \$3,675,133,000,000.
 Fiscal year 2010: \$2,892,061,000,000.
 Fiscal year 2011: \$2,866,329,000,000.
 Fiscal year 2012: \$2,913,316,000,000.
 Fiscal year 2013: \$3,095,704,000,000.
 Fiscal year 2014: \$3,286,135,000,000.

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

Fiscal year 2009: \$3,357,255,000,000.
 Fiscal year 2010: \$2,996,234,000,000.
 Fiscal year 2011: \$2,981,872,000,000.
 Fiscal year 2012: \$2,939,612,000,000.
 Fiscal year 2013: \$3,093,577,000,000.
 Fiscal year 2014: \$3,261,525,000,000.

(4) DEFICITS (ON-BUDGET).—For purposes of the enforcement of this resolution, the amounts of the deficits (on-budget) are as follows:

Fiscal year 2009: \$1,824,684,000,000.
 Fiscal year 2010: \$1,336,709,000,000.
 Fiscal year 2011: \$1,048,800,000,000.
 Fiscal year 2012: \$749,513,000,000.
 Fiscal year 2013: \$732,148,000,000.
 Fiscal year 2014: \$753,679,000,000.

(5) DEBT SUBJECT TO LIMIT.—Pursuant to section 301(a)(5) of the Congressional Budget Act of 1974, the appropriate levels of the public debt are as follows:

Fiscal year 2009: \$12,017,000,000,000.
 Fiscal year 2010: \$13,223,000,000,000.
 Fiscal year 2011: \$14,350,000,000,000.
 Fiscal year 2012: \$15,276,000,000,000.
 Fiscal year 2013: \$16,162,000,000,000.
 Fiscal year 2014: \$17,100,000,000,000.

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

Fiscal year 2009: \$7,730,000,000,000.
 Fiscal year 2010: \$8,768,000,000,000.
 Fiscal year 2011: \$9,684,000,000,000.
 Fiscal year 2012: \$10,344,000,000,000.
 Fiscal year 2013: \$10,934,000,000,000.
 Fiscal year 2014: \$11,577,000,000,000.

SEC. 102. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority and outlays for fiscal years 2009 through 2014 for each major functional category are:

(1) National Defense (050):

Fiscal year 2009:

(A) New budget authority, \$618,057,000,000.
 (B) Outlays, \$646,810,000,000.

Fiscal year 2010:

(A) New budget authority, \$562,033,000,000.
 (B) Outlays, \$606,043,000,000.

Fiscal year 2011:

(A) New budget authority, \$570,107,000,000.
 (B) Outlays, \$587,945,000,000.

Fiscal year 2012:

(A) New budget authority, \$579,135,000,000.
 (B) Outlays, \$576,023,000,000.

Fiscal year 2013:

(A) New budget authority, \$589,895,000,000.
 (B) Outlays, \$584,670,000,000.

Fiscal year 2014:

(A) New budget authority, \$603,828,000,000.
 (B) Outlays, \$595,476,000,000.

(2) International Affairs (150):

Fiscal year 2009:

(A) New budget authority, \$40,885,000,000.
 (B) Outlays, \$37,797,000,000.

Fiscal year 2010:

- (A) New budget authority, \$45,320,000,000.
- (B) Outlays, \$43,461,000,000.
- Fiscal year 2011:
 - (A) New budget authority, \$49,146,000,000.
 - (B) Outlays, \$48,642,000,000.
- Fiscal year 2012:
 - (A) New budget authority, \$53,742,000,000.
 - (B) Outlays, \$52,123,000,000.
- Fiscal year 2013:
 - (A) New budget authority, \$59,160,000,000.
 - (B) Outlays, \$55,773,000,000.
- Fiscal year 2014:
 - (A) New budget authority, \$64,388,000,000.
 - (B) Outlays, \$59,292,000,000.
- (3) General Science, Space, and Technology (250):
 - Fiscal year 2009:
 - (A) New budget authority, \$35,389,000,000.
 - (B) Outlays, \$30,973,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$31,139,000,000.
 - (B) Outlays, \$32,467,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$31,493,000,000.
 - (B) Outlays, \$32,407,000,000.
 - Fiscal year 2012:
 - (A) New budget authority, \$33,373,000,000.
 - (B) Outlays, \$32,465,000,000.
 - Fiscal year 2013:
 - (A) New budget authority, \$34,419,000,000.
 - (B) Outlays, \$33,614,000,000.
 - Fiscal year 2014:
 - (A) New budget authority, \$35,686,000,000.
 - (B) Outlays, \$34,835,000,000.
- (4) Energy (270):
 - Fiscal year 2009:
 - (A) New budget authority, \$43,919,000,000.
 - (B) Outlays, \$2,952,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$5,489,000,000.
 - (B) Outlays, \$7,267,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$5,539,000,000.
 - (B) Outlays, \$11,322,000,000.
 - Fiscal year 2012:
 - (A) New budget authority, \$5,732,000,000.
 - (B) Outlays, \$13,400,000,000.
 - Fiscal year 2013:
 - (A) New budget authority, \$6,098,000,000.
 - (B) Outlays, \$12,133,000,000.
 - Fiscal year 2014:
 - (A) New budget authority, \$6,227,000,000.
 - (B) Outlays, \$10,512,000,000.
- (5) Natural Resources and Environment (300):
 - Fiscal year 2009:

- (A) New budget authority, \$56,009,000,000.
- (B) Outlays, \$36,834,000,000.
- Fiscal year 2010:
 - (A) New budget authority, \$37,387,000,000.
 - (B) Outlays, \$40,450,000,000.
- Fiscal year 2011:
 - (A) New budget authority, \$38,600,000,000.
 - (B) Outlays, \$40,237,000,000.
- Fiscal year 2012:
 - (A) New budget authority, \$39,249,000,000.
 - (B) Outlays, \$40,058,000,000.
- Fiscal year 2013:
 - (A) New budget authority, \$39,348,000,000.
 - (B) Outlays, \$39,754,000,000.
- Fiscal year 2014:
 - (A) New budget authority, \$40,017,000,000.
 - (B) Outlays, \$39,957,000,000.
- (6) Agriculture (350):
 - Fiscal year 2009:
 - (A) New budget authority, \$24,974,000,000.
 - (B) Outlays, \$23,070,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$23,690,000,000.
 - (B) Outlays, \$23,951,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$24,691,000,000.
 - (B) Outlays, \$23,998,000,000.
 - Fiscal year 2012:
 - (A) New budget authority, \$21,644,000,000.
 - (B) Outlays, \$17,540,000,000.
 - Fiscal year 2013:
 - (A) New budget authority, \$22,497,000,000.
 - (B) Outlays, \$22,063,000,000.
 - Fiscal year 2014:
 - (A) New budget authority, \$23,182,000,000.
 - (B) Outlays, \$22,150,000,000.
- (7) Commerce and Housing Credit (370):
 - Fiscal year 2009:
 - (A) New budget authority, \$694,439,000,000.
 - (B) Outlays, \$665,437,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$60,933,000,000.
 - (B) Outlays, \$85,638,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$26,181,000,000.
 - (B) Outlays, \$37,954,000,000.
 - Fiscal year 2012:
 - (A) New budget authority, \$9,561,000,000.
 - (B) Outlays, \$8,645,000,000.
 - Fiscal year 2013:
 - (A) New budget authority, \$17,247,000,000.
 - (B) Outlays, \$5,585,000,000.
 - Fiscal year 2014:
 - (A) New budget authority, \$11,226,000,000.

- (B) Outlays, – \$2,500,000,000.
- (8) Transportation (400):
 - Fiscal year 2009:
 - (A) New budget authority, \$122,457,000,000.
 - (B) Outlays, \$87,784,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$88,151,000,000.
 - (B) Outlays, \$95,695,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$89,071,000,000.
 - (B) Outlays, \$96,474,000,000.
 - Fiscal year 2012:
 - (A) New budget authority, \$90,047,000,000.
 - (B) Outlays, \$95,851,000,000.
 - Fiscal year 2013:
 - (A) New budget authority, \$90,866,000,000.
 - (B) Outlays, \$96,150,000,000.
 - Fiscal year 2014:
 - (A) New budget authority, \$91,809,000,000.
 - (B) Outlays, \$96,793,000,000.
- (9) Community and Regional Development (450):
 - Fiscal year 2009:
 - (A) New budget authority, \$23,811,000,000.
 - (B) Outlays, \$29,983,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$18,308,000,000.
 - (B) Outlays, \$29,303,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$21,232,000,000.
 - (B) Outlays, \$27,530,000,000.
 - Fiscal year 2012:
 - (A) New budget authority, \$21,311,000,000.
 - (B) Outlays, \$25,722,000,000.
 - Fiscal year 2013:
 - (A) New budget authority, \$21,202,000,000.
 - (B) Outlays, \$24,155,000,000.
 - Fiscal year 2014:
 - (A) New budget authority, \$21,270,000,000.
 - (B) Outlays, \$22,752,000,000.
- (10) Education, Training, Employment, and Social Services (500):
 - Fiscal year 2009:
 - (A) New budget authority, \$164,276,000,000.
 - (B) Outlays, \$73,219,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$93,689,000,000.
 - (B) Outlays, \$140,300,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$107,858,000,000.
 - (B) Outlays, \$141,108,000,000.
 - Fiscal year 2012:
 - (A) New budget authority, \$117,121,000,000.
 - (B) Outlays, \$118,391,000,000.
 - Fiscal year 2013:

- (A) New budget authority, \$115,931,000,000.
- (B) Outlays, \$118,888,000,000.
- Fiscal year 2014:
 - (A) New budget authority, \$125,788,000,000.
 - (B) Outlays, \$120,959,000,000.
- (11) Health (550):
 - Fiscal year 2009:
 - (A) New budget authority, \$380,158,000,000.
 - (B) Outlays, \$354,397,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$383,911,000,000.
 - (B) Outlays, \$388,746,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$364,910,000,000.
 - (B) Outlays, \$367,628,000,000.
 - Fiscal year 2012:
 - (A) New budget authority, \$369,852,000,000.
 - (B) Outlays, \$368,556,000,000.
 - Fiscal year 2013:
 - (A) New budget authority, \$389,719,000,000.
 - (B) Outlays, \$384,359,000,000.
 - Fiscal year 2014:
 - (A) New budget authority, \$400,451,000,000.
 - (B) Outlays, \$400,173,000,000.
- (12) Medicare (570):
 - Fiscal year 2009:
 - (A) New budget authority, \$427,076,000,000.
 - (B) Outlays, \$426,736,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$449,653,000,000.
 - (B) Outlays, \$449,784,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$505,171,000,000.
 - (B) Outlays, \$504,962,000,000.
 - Fiscal year 2012:
 - (A) New budget authority, \$513,824,000,000.
 - (B) Outlays, \$513,591,000,000.
 - Fiscal year 2013:
 - (A) New budget authority, \$558,235,000,000.
 - (B) Outlays, \$558,381,000,000.
 - Fiscal year 2014:
 - (A) New budget authority, \$616,315,000,000.
 - (B) Outlays, \$616,150,000,000.
- (13) Income Security (600):
 - Fiscal year 2009:
 - (A) New budget authority, \$520,123,000,000.
 - (B) Outlays, \$503,020,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$536,169,000,000.
 - (B) Outlays, \$539,918,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$510,575,000,000.
 - (B) Outlays, \$513,410,000,000.
 - Fiscal year 2012:

- (A) New budget authority, \$478,039,000,000.
- (B) Outlays, \$478,323,000,000.
- Fiscal year 2013:
 - (A) New budget authority, \$483,386,000,000.
 - (B) Outlays, \$482,745,000,000.
- Fiscal year 2014:
 - (A) New budget authority, \$485,396,000,000.
 - (B) Outlays, \$483,758,000,000.
- (14) Social Security (650):
 - Fiscal year 2009:
 - (A) New budget authority, \$31,820,000,000.
 - (B) Outlays, \$31,264,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$20,255,000,000.
 - (B) Outlays, \$20,378,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$23,380,000,000.
 - (B) Outlays, \$23,513,000,000.
 - Fiscal year 2012:
 - (A) New budget authority, \$26,478,000,000.
 - (B) Outlays, \$26,628,000,000.
 - Fiscal year 2013:
 - (A) New budget authority, \$29,529,000,000.
 - (B) Outlays, \$29,679,000,000.
 - Fiscal year 2014:
 - (A) New budget authority, \$32,728,000,000.
 - (B) Outlays, \$32,728,000,000.
- (15) Veterans Benefits and Services (700):
 - Fiscal year 2009:
 - (A) New budget authority, \$97,705,000,000.
 - (B) Outlays, \$94,831,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$106,365,000,000.
 - (B) Outlays, \$105,468,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$112,842,000,000.
 - (B) Outlays, \$112,386,000,000.
 - Fiscal year 2012:
 - (A) New budget authority, \$108,702,000,000.
 - (B) Outlays, \$108,103,000,000.
 - Fiscal year 2013:
 - (A) New budget authority, \$113,803,000,000.
 - (B) Outlays, \$113,151,000,000.
 - Fiscal year 2014:
 - (A) New budget authority, \$116,021,000,000.
 - (B) Outlays, \$115,480,000,000.
- (16) Administration of Justice (750):
 - Fiscal year 2009:
 - (A) New budget authority, \$55,783,000,000.
 - (B) Outlays, \$49,853,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$52,857,000,000.
 - (B) Outlays, \$51,630,000,000.
 - Fiscal year 2011:

- (A) New budget authority, \$53,892,000,000.
- (B) Outlays, \$55,503,000,000.
- Fiscal year 2012:
 - (A) New budget authority, \$53,738,000,000.
 - (B) Outlays, \$55,441,000,000.
- Fiscal year 2013:
 - (A) New budget authority, \$53,569,000,000.
 - (B) Outlays, \$54,526,000,000.
- Fiscal year 2014:
 - (A) New budget authority, \$54,247,000,000.
 - (B) Outlays, \$54,058,000,000.
- (17) General Government (800):
 - Fiscal year 2009:
 - (A) New budget authority, \$30,405,000,000.
 - (B) Outlays, \$24,629,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$21,979,000,000.
 - (B) Outlays, \$22,757,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$22,316,000,000.
 - (B) Outlays, \$23,147,000,000.
 - Fiscal year 2012:
 - (A) New budget authority, \$22,737,000,000.
 - (B) Outlays, \$23,795,000,000.
 - Fiscal year 2013:
 - (A) New budget authority, \$22,750,000,000.
 - (B) Outlays, \$23,492,000,000.
 - Fiscal year 2014:
 - (A) New budget authority, \$23,415,000,000.
 - (B) Outlays, \$23,629,000,000.
- (18) Net Interest (900):
 - Fiscal year 2009:
 - (A) New budget authority, \$288,955,000,000.
 - (B) Outlays, \$288,955,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$284,085,000,000.
 - (B) Outlays, \$284,085,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$323,266,000,000.
 - (B) Outlays, \$323,266,000,000.
 - Fiscal year 2012:
 - (A) New budget authority, \$387,483,000,000.
 - (B) Outlays, \$387,483,000,000.
 - Fiscal year 2013:
 - (A) New budget authority, \$470,452,000,000.
 - (B) Outlays, \$470,452,000,000.
 - Fiscal year 2014:
 - (A) New budget authority, \$560,137,000,000.
 - (B) Outlays, \$560,137,000,000.
- (19) Allowances (920):
 - Fiscal year 2009:
 - (A) New budget authority, \$14,450,000,000.
 - (B) Outlays, \$1,788,000,000.
 - Fiscal year 2010:

- (A) New budget authority, \$9,422,000,000.
- (B) Outlays, \$4,893,000,000.
- Fiscal year 2011:
 - (A) New budget authority, \$8,052,000,000.
 - (B) Outlays, \$5,903,000,000.
- Fiscal year 2012:
 - (A) New budget authority, \$6,518,000,000.
 - (B) Outlays, \$4,750,000,000.
- Fiscal year 2013:
 - (A) New budget authority, \$5,543,000,000.
 - (B) Outlays, \$4,122,000,000.
- Fiscal year 2014:
 - (A) New budget authority, \$3,865,000,000.
 - (B) Outlays, \$2,962,000,000.
- (20) Undistributed Offsetting Receipts (950):
 - Fiscal year 2009:
 - (A) New budget authority, – \$78,206,000,000.
 - (B) Outlays, – \$78,206,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, – \$68,774,000,000.
 - (B) Outlays, – \$68,774,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, – \$71,993,000,000.
 - (B) Outlays, – \$71,993,000,000.
 - Fiscal year 2012:
 - (A) New budget authority, – \$74,970,000,000.
 - (B) Outlays, – \$74,970,000,000.
 - Fiscal year 2013:
 - (A) New budget authority, – \$77,945,000,000.
 - (B) Outlays, – \$77,945,000,000.
 - Fiscal year 2014:
 - (A) New budget authority, – \$79,861,000,000.
 - (B) Outlays, – \$79,861,000,000.
- (21) Overseas Deployments and Other Activities (970):
 - Fiscal year 2009:
 - (A) New budget authority, \$82,648,000,000.
 - (B) Outlays, \$25,129,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$130,000,000,000.
 - (B) Outlays, \$92,774,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$50,000,000,000.
 - (B) Outlays, \$76,530,000,000.
 - Fiscal year 2012:
 - (A) New budget authority, \$50,000,000,000.
 - (B) Outlays, \$67,694,000,000.
 - Fiscal year 2013:
 - (A) New budget authority, \$50,000,000,000.
 - (B) Outlays, \$57,830,000,000.
 - Fiscal year 2014:
 - (A) New budget authority, \$50,000,000,000.
 - (B) Outlays, \$52,085,000,000.

TITLE II—RECONCILIATION

SEC. 201. RECONCILIATION IN THE HOUSE.

(a) HEALTH CARE REFORM.—

(1) Not later than September 29, 2009, the House Committee on Energy and Commerce shall report changes in laws to reduce the deficit by \$1,000,000,000 for the period of fiscal years 2009 through 2014.

(2) Not later than September 29, 2009, the House Committee on Ways and Means shall report changes in laws to reduce the deficit by \$1,000,000,000 for the period of fiscal years 2009 through 2014.

(b) INVESTING IN EDUCATION.—Not later than September 30, 2009, the House Committee on Education and Labor shall report changes in laws to reduce the deficit by \$1,000,000,000 for the period of fiscal years 2009 through 2014.

(c) SINGLE ENGROSSMENT.—The House may direct the Clerk to add at the end of a bill addressed by this section the text of another measure addressed by this section as passed by the House to form a single engrossed reconciliation bill within the meaning of section 310 of the Congressional Budget Act of 1974.

SEC. 202. RECONCILIATION IN THE SENATE.

(Senate reconciliation instructions to be supplied by the Senate.)

TITLE III—RESERVE FUNDS

SEC. 301. DEFICIT-NEUTRAL RESERVE FUND FOR HEALTH CARE REFORM.

The chairman of the Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that makes improvements to health care in America, which may include making affordable health coverage available for all, improving the quality of health care, reducing rising health care costs, building on and strengthening existing public and private insurance coverage, including employer-sponsored coverage, and preserving choice of provider and plan by the amounts provided in such measure if such measure would not increase the deficit or decrease the surplus for either time period provided in clause 10 of rule XXI of the Rules of the House of Representatives.

SEC. 302. DEFICIT-NEUTRAL RESERVE FUND FOR COLLEGE ACCESS, AFFORDABILITY, AND COMPLETION.

The chairman of the Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that makes college more affordable or accessible or that increases college enrollment and completion through reforms to the Higher Education Act of 1965 or other legislation, including increasing the maximum Pell grant award annually by an amount equal to one percentage point more than the Consumer Price Index, by the amounts provided in such measure if such measure would not increase the deficit or decrease the surplus for either time period provided in clause 10 of rule XXI of the Rules of the House of Representatives.

SEC. 303. DEFICIT-NEUTRAL RESERVE FUND FOR INCREASING ENERGY INDEPENDENCE.

The chairman of the Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that—

- (1) provides tax incentives for or otherwise encourages the production of renewable energy or increased energy efficiency;
- (2) encourages investment in emerging energy or vehicle technologies or carbon capture and sequestration;
- (3) limits and provides for reductions in greenhouse gas emissions;
- (4) assists businesses, industries, States, communities, the environment, workers, or households as the United States moves toward reducing and offsetting the impacts of greenhouse gas emissions; or
- (5) facilitates the training of workers for these industries (“green collar jobs”);

by the amounts provided in such measure if such measure would not increase the deficit or decrease the surplus for either time period provided in clause 10 of rule XXI of the Rules of the House of Representatives.

SEC. 304. DEFICIT-NEUTRAL RESERVE FUND FOR AMERICA'S VETERANS AND SERVICEMEMBERS.

The chairman of the Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that—

- (1) enhances health care for military personnel or veterans;
- (2) maintains the affordability of health care for military retirees or veterans;
- (3) improves disability benefits or evaluations for wounded or disabled military personnel or veterans, including measures to expedite the claims process;
- (4) expands eligibility to permit additional disabled military retirees to receive both disability compensation and retired pay (concurrent receipt); or
- (5) eliminates the offset between Survivor Benefit Plan annuities and veterans' dependency and indemnity compensation; and

does not authorize the Department of Veterans Affairs (VA) to bill private insurance companies for treatment of health conditions that are related to veterans' military service, by the amounts provided in such measure if such measure would not increase the deficit or decrease the surplus for either time period provided in clause 10 of rule XXI of the Rules of the House of Representatives.

SEC. 305. DEFICIT-NEUTRAL RESERVE FUND FOR CERTAIN TAX RELIEF.

The chairman of the Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that provides for tax relief that supports working families, businesses, States, or communities, by the amounts provided in such measure if such measure would not increase the deficit or decrease

the surplus for either time period provided in clause 10 of rule XXI of the Rules of the House of Representatives.

SEC. 306. DEFICIT-NEUTRAL RESERVE FUND FOR A 9/11 HEALTH PROGRAM.

The chairman of the Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that would establish a program, including medical monitoring and treatment, addressing the adverse health impacts linked to the September 11, 2001, attacks by the amounts provided in such measure if such measure would not increase the deficit or decrease the surplus for either time period provided in clause 10 of rule XXI of the Rules of the House of Representatives.

SEC. 307. DEFICIT-NEUTRAL RESERVE FUND FOR CHILD NUTRITION.

The chairman of the Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that reauthorizes, expands, or improves child nutrition programs by the amounts provided in such measure if such measure would not increase the deficit or decrease the surplus for either time period provided in clause 10 of rule XXI of the Rules of the House of Representatives.

SEC. 308. DEFICIT-NEUTRAL RESERVE FUND FOR STRUCTURAL UNEMPLOYMENT INSURANCE REFORMS.

The chairman of the Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that makes structural reforms to make the unemployment insurance system respond better to serious economic downturns by the amounts provided in such measure if such measure would not increase the deficit or decrease the surplus for either time period provided in clause 10 of rule XXI of the Rules of the House of Representatives.

SEC. 309. DEFICIT-NEUTRAL RESERVE FUND FOR CHILD SUPPORT.

The chairman of the Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that increases parental support for children, particularly from non-custodial parents, including legislation that results in a greater share of collected child support reaching the child, by the amounts provided in such measure if such measure would not increase the deficit or decrease the surplus for either time period provided in clause 10 of rule XXI of the Rules of the House of Representatives.

SEC. 310. DEFICIT-NEUTRAL RESERVE FUND FOR THE AFFORDABLE HOUSING TRUST FUND.

The chairman of the Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that capitalizes the existing Affordable Housing Trust Fund by the amounts provided in such measure if such measure would not increase the deficit or decrease the surplus for either time period provided in clause 10 of rule XXI of the Rules of the House of Representatives.

SEC. 311. DEFICIT-NEUTRAL RESERVE FUND FOR HOME VISITING.

The chairman of the Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that provides funds to states for a program or programs of home visits to low-income mothers-to-be and low-income families which will produce sizeable, sustained improvements in the health and well-being of children and their parents, by the amounts provided in such measure if such measure would not increase the deficit or decrease the surplus for either time period provided in clause 10 of rule XXI of the Rules of the House of Representatives.

SEC. 312. DEFICIT-NEUTRAL RESERVE FUND FOR LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM TRIGGER.

The chairman of the Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that makes the Low-Income Home Energy Assistance Program more responsive to energy price increases by the amounts provided in such measure if such measure would not increase the deficit or decrease the surplus for either time period provided in clause 10 of rule XXI of the Rules of the House of Representatives.

SEC. 313. RESERVE FUND FOR THE SURFACE TRANSPORTATION REAUTHORIZATION.

The chairman of the Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that reauthorizes surface transportation programs or that authorizes other transportation-related spending by providing new contract authority by the amounts provided in such measure if such measure establishes or maintains a solvent Highway Trust Fund over the period of fiscal years 2009 through 2015. "Solvency" is defined as a positive cash balance. Such measure may include a transfer into the Highway Trust Fund from other Federal funds, as long as the transfer of Federal funds is fully offset.

SEC. 314. CURRENT POLICY RESERVE FUND FOR MEDICARE IMPROVEMENTS.

(a) **PROCEDURE.**—The chairman of the Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that would increase outlays by an amount not to exceed \$87,290,000,000 in fiscal years 2010 through 2014 and, for the purposes of the Rules of the House of Representatives, by an amount not to exceed \$284,970,000,000 in fiscal years 2010 through 2019 by reforming the Medicare payment system for physicians to—

- (1) change incentives to encourage efficiency and higher quality care in a way that supports fiscal sustainability;
- (2) improve payment accuracy to encourage efficient use of resources and ensure that primary care receives appropriate compensation;
- (3) improve coordination of care among all providers serving a patient in all appropriate settings; or
- (4) hold providers accountable for their utilization patterns and quality of care.

(b) **APPLICABILITY.**—For the purposes of section 401(a) of this resolution, the revisions made pursuant to this section shall apply only to a measure that includes the policies and the amounts described in this section.

SEC. 315. CURRENT POLICY RESERVE FUND FOR MIDDLE CLASS TAX RELIEF.

(a) **PROCEDURE.**—The chairman of the Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that would decrease revenues (or increase outlays, as appropriate) by an amount not to exceed \$698,571,000,000 in fiscal years 2010 through 2014 and, for the purposes of the Rules of the House of Representatives, by an amount not to exceed \$1,848,523,000,000 in fiscal years 2010 through 2019, by extending certain provisions of the Internal Revenue Code of 1986 for middle class tax relief, including the—

- (1) 10 percent individual income tax bracket;
- (2) marriage penalty relief;
- (3) child credit at \$1,000 and partial refundability of the credit;
- (4) education incentives;
- (5) other incentives for middle class families and children;
- (6) other reductions to individual income tax brackets; and
- (7) small business tax relief.

(b) **APPLICABILITY.**—For the purposes of section 401(a) of this resolution, the adjustments made pursuant to this section shall apply only to a measure that includes the policies and the amounts described in this section.

SEC. 316. CURRENT POLICY RESERVE FUND FOR REFORM OF THE ALTERNATIVE MINIMUM TAX (AMT).

(a) **PROCEDURE.**—The chairman of the Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that would decrease revenues by an amount not to exceed \$68,650,000,000 in fiscal years 2010 through 2014 and fiscal years 2010 through 2019 by reforming the AMT so that tens of millions of working families will not become subject to it.

(b) **APPLICABILITY.**—For the purposes of section 401(a) of this resolution, the adjustments made pursuant to this section shall apply only to a measure that includes the policies and the amounts described in this section.

SEC. 317. CURRENT POLICY RESERVE FUND FOR REFORM OF THE ESTATE AND GIFT TAX.

(a) **PROCEDURE.**—The chairman of the Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that would decrease revenues by an amount not to exceed \$72,033,000,000 in fiscal years 2010 through 2014 and, for the purposes of the Rules of the House of Representatives, by an amount not to exceed \$256,244,000,000 in fiscal years 2010 through 2019 by reforming the Estate and Gift Tax so that only a minute fraction of estates owe tax, by extending the law as in effect in 2009 for the Estate and Gift Tax.

(b) **APPLICABILITY.**—For the purposes of section 401(a) of this resolution, the adjustments made pursuant to this section shall apply only to a measure that includes the policies and the amounts described in this section.

TITLE IV—BUDGET ENFORCEMENT

SEC. 401. ADJUSTMENTS FOR DIRECT SPENDING AND REVENUES.

(a) ADJUSTMENTS TO MAINTAIN CURRENT POLICY.—

(1) Subject to the condition specified in paragraph (3), when the chairman of the Committee on the Budget evaluates the budgetary effects of a provision in any bill, joint resolution, amendment, or conference report for the purposes of the Congressional Budget Act of 1974, this resolution, or the Rules of the House of Representatives relative to baseline estimates that are consistent with section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985, he shall exclude from his evaluation the budgetary effects of such provision if such effects would have been reflected in a baseline adjusted to maintain current policy.

(2) Paragraph (1) applies only to a provision with respect to which the chairman of the Committee on the Budget has exercised his authority to make budgetary adjustments under sections 314, 315, 316, and 317 of this resolution.

(3) Paragraph (1) shall apply only if the House of Representatives has previously passed a bill to impose statutory pay-as-you-go requirements, or the measure containing the provision being evaluated by the chairman of the Committee on the Budget imposes such requirements, and only if such bill is designated as providing statutory pay-as-you-go requirements under this subsection.

(b) **LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP).**—Prior to consideration of a bill, joint resolution, amendment, or conference report making appropriations for fiscal year 2010 that appropriates \$3,200,000,000 in funding for the Low-Income Home Energy Assistance program and provides additional appropriations of up to \$1,900,000,000 for that program, then the chairman of the Committee on the Budget may revise the budgetary treatment of such additional amounts and allocate such additional budget authority and outlays resulting from that budget authority to the Committee on Appropriations.

(c) **DEPOSIT INSURANCE.**—When the chairman of the Budget Committee evaluates the budgetary effects of a provision of a bill, joint resolution, amendment, or conference report for the purposes of the Congressional Budget Act of 1974, this resolution, or the Rules of the House of Representatives, the chairman shall exclude the budgetary effects of any provision that affects the full funding of the deposit insurance guarantee commitment in effect on the date of enactment of Public Law 110–343, the Emergency Economic Stabilization Act of 2008.

SEC. 402. ADJUSTMENTS TO DISCRETIONARY SPENDING LIMITS.

(a) PROGRAM INTEGRITY INITIATIVES.—

(1) **SOCIAL SECURITY ADMINISTRATION PROGRAM INTEGRITY INITIATIVES.**—

(A) IN GENERAL.—Prior to consideration of any bill, joint resolution, amendment, or conference report making appropriations for fiscal year 2010 that appropriates \$273,000,000 for continuing disability reviews and Supplemental Security Income redeterminations for the Social Security Administration and (except as provided in subparagraph (B)) provides an additional appropriation of up to \$485,000,000, and that amount is designated for continuing disability reviews and Supplemental Security Income redeterminations for the Social Security Administration, the allocation to the Committee on Appropriations shall be increased by the amount of the additional budget authority and outlays resulting from that budget authority for fiscal year 2010.

(B) ASSET VERIFICATION.—The additional appropriation of \$485,000,000 may also provide that a portion of that amount, not to exceed \$34,000,000, instead may be used for asset verification for Supplemental Security Income recipients, but only if and to the extent that the Office of the Chief Actuary estimates that the initiative would be at least as cost effective as the redeterminations of eligibility described in subparagraph (A).

(2) INTERNAL REVENUE SERVICE TAX COMPLIANCE.—Prior to consideration of any bill, joint resolution, amendment, or conference report making appropriations for fiscal year 2010 that appropriates \$5,117,000,000 to the Internal Revenue Service for Enforcement and provides an additional appropriation of up to \$387,000,000 for Enforcement to address the Federal tax gap, and provides that such sums as may be necessary shall be available from the Operations Support account in the Internal Revenue Service to fully support these Enforcement activities, the allocation to the Committee on Appropriations shall be increased by the amount of the additional budget authority and outlays resulting from that budget authority for fiscal year 2010.

(3) HEALTH CARE FRAUD AND ABUSE CONTROL PROGRAM.—Prior to consideration of any bill, joint resolution, amendment, or conference report making appropriations for fiscal year 2010 that appropriates up to \$311,000,000, and the amount is designated to the health care fraud and abuse control program at the Department of Health and Human Services, the allocation to the Committee on Appropriations shall be increased by the amount of additional budget authority and outlays resulting from that budget authority for fiscal year 2010.

(4) UNEMPLOYMENT INSURANCE PROGRAM INTEGRITY ACTIVITIES.—Prior to consideration of any bill, joint resolution, amendment, or conference report making appropriations for fiscal year 2010 that appropriates \$10,000,000 for in-person reemployment and eligibility assessments and unemployment insurance improper payment reviews for the Department of Labor and provides an additional appropriation of up to \$50,000,000, and the amount is designated for in-person reemployment and eligibility assessments and unemployment insurance improper payment reviews for the Department of Labor,

the allocation to the Committee on Appropriations shall be increased by the amount of additional budget authority and outlays resulting from that budget authority for fiscal year 2010.

(5) PARTNERSHIP FUND FOR PROGRAM INTEGRITY INNOVATION.—Prior to consideration of any bill, joint resolution, amendment, or conference report that provides discretionary budget authority for a Partnership Fund for Program Integrity Innovation in the Office of Management and Budget in an amount not to exceed \$175,000,000 for fiscal year 2010 and that designates the amount for the Partnership Fund for Program Integrity Innovation in the Office of Management and Budget, the allocation to the Committee on Appropriations shall be increased by the amount of the additional budget authority and outlays resulting from that budget authority for fiscal year 2010.

(6) PROCEDURE FOR ADJUSTMENTS.—Prior to consideration of any bill, joint resolution, amendment, or conference report, the chairman of the Committee on the Budget shall make the adjustments set forth in this subsection for the incremental new budget authority in that measure and the outlays resulting from that budget authority if that measure meets the requirements set forth in this subsection.

(b) COSTS OF OVERSEAS DEPLOYMENTS AND EMERGENCY NEEDS.—

(1) OVERSEAS DEPLOYMENTS AND RELATED ACTIVITIES.—If any bill, joint resolution, amendment, or conference report makes appropriations for fiscal year 2009 or fiscal year 2010 for overseas deployments and related activities and such amounts are so designated pursuant to this subparagraph, then new budget authority, outlays, or receipts resulting therefrom shall not count for the purposes of the Congressional Budget Act of 1974 or this resolution.

(2) EMERGENCY NEEDS.—If any bill, joint resolution, amendment, or conference report makes appropriations for discretionary amounts and such amounts are designated as necessary to meet emergency needs, then new budget authority and outlays resulting therefrom shall not count for the purposes of the Congressional Budget Act of 1974 or this resolution.

SEC. 403. POINT OF ORDER AGAINST ADVANCE APPROPRIATIONS.

(a) IN GENERAL.—Except as provided in subsection (b), any bill, joint resolution, amendment, or conference report making a general appropriation or continuing appropriation may not provide for advance appropriations.

(b) EXCEPTIONS.—An advance appropriation may be provided for fiscal year 2011 for programs, projects, activities, or accounts identified in the report to accompany this resolution or the joint explanatory statement of managers to accompany this resolution under the heading “Accounts Identified for Advance Appropriations” in an aggregate amount not to exceed \$28,852,000,000 in new budget authority, and for 2012, accounts separately identified under the same heading.

(c) DEFINITION.—In this section, the term “advance appropriation” means any new discretionary budget authority provided in a bill or joint resolution making general appropriations or any new

discretionary budget authority provided in a bill or joint resolution making continuing appropriations for fiscal year 2010 that first becomes available for any fiscal year after 2010.

SEC. 404. OVERSIGHT OF GOVERNMENT PERFORMANCE.

All committees are encouraged to conduct rigorous oversight hearings to root out waste, fraud, and abuse in all aspects of Federal spending and Government operations, giving particular scrutiny to issues raised by the Federal Office of the Inspector General or the Comptroller General of the United States. Based upon these oversight efforts, the committees are encouraged to make recommendations to reduce wasteful Federal spending to promote deficit reduction and long-term fiscal responsibility. Such recommendations should be submitted to the Committee on the Budget in the views and estimates reports prepared by committees as required under 301(d) of the Congressional Budget Act of 1974.

SEC. 405. BUDGETARY TREATMENT OF CERTAIN DISCRETIONARY ADMINISTRATIVE EXPENSES.

(a) **IN GENERAL.**—Notwithstanding section 302(a)(1) of the Congressional Budget Act of 1974, section 13301 of the Budget Enforcement Act of 1990, and section 4001 of the Omnibus Budget Reconciliation Act of 1989, 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 the Congressional Budget Act of 1974 to the Committee on Appropriations amounts for the discretionary administrative expenses of the Social Security Administration and of the Postal Service.

(b) **SPECIAL RULE.**—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 off-budget discretionary amounts.

SEC. 406. 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 included in this resolution.

(c) **BUDGET COMMITTEE DETERMINATIONS.**—For purposes of this resolution, 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 Committee on the Budget.

(d) **ADJUSTMENTS.**—The chairman of the Committee on the Budget may adjust the aggregates, allocations, and other levels in this resolution for legislation which has received final Congressional approval in the same form by the House of Representatives and the

Senate, but has yet to be presented to or signed by the President at the time of final consideration of this resolution.

SEC. 407. ADJUSTMENTS TO REFLECT CHANGES IN CONCEPTS AND DEFINITIONS.

Upon the enactment of any bill or joint resolution providing for a change in budgetary concepts or definitions, the chairman of the Committee on the Budget shall adjust any appropriate levels and allocations in this resolution accordingly.

SEC. 408. EXERCISE OF RULEMAKING POWERS.

The House adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the House of Representatives and as such they shall be considered as part of the rules of the House, and these rules shall supersede other rules only to the extent that they are inconsistent with other such rules; and

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

TITLE V—POLICY

SEC. 501. POLICY ON MIDDLE-CLASS TAX RELIEF AND REVENUES.

It is the policy of this resolution to minimize fiscal burdens on working families and their children and grandchildren. It is the policy of this resolution to extend the following tax relief consistent with current policy—

(1) relief for the tens of millions of middle-income households who would otherwise be subject to the Alternative Minimum Tax (AMT) under current law;

(2) middle-class tax relief; and

(3) elimination of estate taxes on all but a minute fraction of estates by reforming and substantially increasing the unified tax credit.

In total, this resolution supports the extension of \$1,700,000,000,000 in tax relief to individuals and families relative to current law. This resolution supports additional, deficit-neutral tax relief, including the extension of AMT relief, the research and experimentation tax credit, the deduction for State and local sales taxes, the enactment of a tax credit for school construction bonds, and other tax relief for working families. The cost of enacting such policies may be offset by reforms within the Internal Revenue Code of 1986 that produce higher rates of tax compliance to close the “tax gap” and reduce taxpayer burdens through tax simplification. The President’s budget proposes a variety of other revenue offsets. Unless expressly provided, this resolution does not assume any of the specific revenue offset proposals provided for in the President’s budget. Decisions about specific revenue offsets are made by the Ways and Means Committee, which is the tax-writing committee.

SEC. 502. POLICY ON DEFENSE PRIORITIES.

It is the policy of this resolution that—

(1) there is no higher priority than the defense of our Nation, and therefore the Administration and Congress will make the

necessary investments and reforms to strengthen our military so that it can successfully meet the threats of the 21st century;

(2) acquisition reform is needed at the Department of Defense to end excessive cost growth in the development of new weapons systems and to ensure that weapons systems are delivered on time and in adequate quantities to equip our servicemen and servicewomen;

(3) the Department of Defense should review defense plans to ensure that weapons developed to counter Cold War-era threats are not redundant and are applicable to 21st century threats;

(4) sufficient resources should be provided for the Department of Defense to aggressively address the 758 unimplemented recommendations made by the Government Accountability Office (GAO) since 2001 to improve practices at the Department of Defense, which could save billions of dollars that could be applied to priorities identified in this section;

(5) the Department of Defense should review the role that contractors play in its operations, including the degree to which contractors are performing inherently governmental functions, to ensure it has the most effective mix of government and contracted personnel;

(6) the Department of Defense report to Congress on its assessment of Cold War-era weaponry, its progress on implementing GAO recommendations, and its review of contractors at the Department as outlined in paragraphs (3), (4), and (5) by a date to be determined by the appropriate committees;

(7) the GAO provide a report to the appropriate congressional committees by December 31, 2009, on the Department of Defense's progress in implementing its audit recommendations;

(8) ballistic missile defense technologies that are not proven to work through adequate testing and that are not operationally viable should not be deployed, and that no funding should be provided for the research or development of space-based interceptors;

(9) cooperative threat reduction and other nonproliferation programs (securing "loose nukes" and other materials used in weapons of mass destruction), which were highlighted as high priorities by the 9/11 Commission, need to be funded at a level that is commensurate with the evolving threat;

(10) readiness of our troops, particularly the National Guard and Reserves, is a high priority, and that continued emphasis is needed to ensure adequate equipment and training;

(11) improving military health care services and ensuring quality health care for returning combat veterans is a high priority;

(12) military pay and benefits should be enhanced to improve the quality of life for military personnel and their families;

(13) the Department of Defense should make every effort to investigate the national security benefits of energy independence, including those that may be associated with alternative energy sources and energy efficiency conversions;

(14) the Administration's budget requests should continue to comply with section 1008, Public Law 109-364, the John Warner National Defense Authorization Act for Fiscal Year 2007, and that to the extent practicable overseas military operations should no longer be funded through emergency supplemental appropriations; and

(15) when assessing security threats and reviewing the programs and funding needed to counter these threats, the Administration should do so in a comprehensive manner that includes all agencies involved in our national security.

TITLE VI—SENSE OF THE HOUSE

SEC. 601. SENSE OF THE HOUSE ON VETERANS' AND SERVICEMEMBERS' HEALTH CARE.

It is the sense of the House that—

(1) the House supports excellent health care for current and former members of the United States Armed Services—they have served well and honorably and have made significant sacrifices for this Nation;

(2) the President's budget will improve health care for veterans by increasing appropriations for VA by 10 percent more than the 2009 level, increasing VA's appropriated resources for every year after 2010, and restoring health care eligibility to additional nondisabled veterans with modest incomes;

(3) VA is not and should not be authorized to bill private insurance companies for treatment of health conditions that are related to veterans' military service;

(4) VA may find it difficult to realize the level of increase in medical care collections estimated in the President's budget for 2010 using existing authorities; therefore, this resolution provides \$540,000,000 more for Function 700 (Veterans Benefits and Services) than the President's budget to safeguard the provision of health care to veterans;

(5) it is important to continue providing sufficient and timely funding for veterans' and servicemembers' health care; and

(6) this resolution provides additional funding above the 2009 levels for VA to research and treat mental health, post-traumatic stress disorder, and traumatic brain injury.

SEC. 602. SENSE OF THE HOUSE ON HOMELAND SECURITY.

It is the sense of the House that because making the country safer and more secure is such a critical priority, the resolution therefore provides robust resources in the four budget functions—Function 400 (Transportation), Function 450 (Community and Regional Development), Function 550 (Health), and Function 750 (Administration of Justice)—that fund most nondefense homeland security activities that can be used to address our key security priorities, including—

(1) safeguarding the Nation's transportation systems, including rail, mass transit, ports, and airports;

(2) continuing with efforts to identify and to screen for threats bound for the United States;

(3) strengthening border security;

(4) enhancing emergency preparedness and training and equipping first responders;

(5) helping to make critical infrastructure more secure and resilient against the threat of terrorism and natural disasters;

(6) making the Nation's cyber infrastructure resistive to attack; and

(7) increasing the preparedness of the public health system.

SEC. 603. SENSE OF THE HOUSE ON PROMOTING AMERICAN INNOVATION AND ECONOMIC COMPETITIVENESS.

It is the sense of the House that—

(1) the House should provide sufficient investments to enable our Nation to continue to be the world leader in education, innovation, and economic growth as envisioned in the goals of the America COMPETES Act;

(2) this resolution builds on significant funding provided in the American Recovery and Reinvestment Act for scientific research and education in Function 250 (General Science, Space and Technology), Function 270 (Energy), Function 300 (Natural Resources and Environment), Function 500 (Education, Training, Employment, and Social Services), and Function 550 (Health);

(3) the House also should pursue policies designed to ensure that American students, teachers, businesses, and workers are prepared to continue leading the world in innovation, research, and technology well into the future; and

(4) this resolution recognizes the importance of the extension of investments and tax policies that promote research and development and encourage innovation and future technologies that will ensure American economic competitiveness.

SEC. 604. SENSE OF THE HOUSE REGARDING PAY PARITY.

It is the sense of the House 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. 605. SENSE OF THE HOUSE ON COLLEGE AFFORDABILITY.

It is the sense of the House that nothing in this resolution should be construed to reduce any assistance that makes college more affordable and accessible for students, including but not limited to student aid programs and services provided by nonprofit State agencies.

SEC. 606. SENSE OF THE HOUSE ON GREAT LAKES RESTORATION.

It is the sense of the House that this resolution recognizes the importance of funding for an interagency initiative to address regional environmental issues that affect the Great Lakes, and that coordinated planning and implementation among the Federal, State, and local government and nongovernmental stakeholders is essential to more effectively addressing the most significant problems within the Great Lakes basin.

SEC. 607. SENSE OF THE HOUSE REGARDING THE IMPORTANCE OF CHILD SUPPORT ENFORCEMENT.

It is the sense of the House that—

(1) additional legislative action is needed to ensure that States have the necessary resources to collect all child support that is owed to families and to allow them to pass 100 percent of support on to families without financial penalty; and

(2) when 100 percent of child support payments are passed to the child, rather than administrative expenses, program integrity is improved and child support participation increases.

