
CURRENT SERVICES ESTIMATES

25. CURRENT SERVICES ESTIMATES

Current services estimates or the “baseline” are designed to provide a neutral benchmark against which policy proposals can be measured. Since the early 1970s when the first requirements for the calculation of a “current services” baseline were enacted, a variety of concepts and measures have been employed. Shortly after enactment of the Budget Enforcement Act (BEA) which provided detailed rules for calculating a baseline, there was a consensus to define the current services estimates according to those rules. However, that baseline has serious technical flaws, which compromise its ability to serve as a neutral measure. This section provides detailed estimates of a baseline that corrects these flaws. It also discusses alternative formulations for the baseline.

Ideally, a current services baseline would provide a projection of estimated receipts, outlays, deficits or surpluses, and budget authority needed to reflect this year’s enacted policies and programs for each year in

the future. Because such a concept would be nearly impossible to apply across all segments of the government, the baseline has instead become largely a mechanical construct.

Moreover, it is important to discuss what a baseline is not. The baseline is not a prediction of the final outcome of the annual budget process, nor is it a proposed budget. By itself, the current services baseline commits no one to any particular policy. Instead, the commitments or constraints reflected in the current services estimates are based on the tax and spending policies contained in current law.

The current services baseline is used in a variety of ways: It can warn of future problems, either for Government fiscal policy as a whole or for individual tax and spending programs. It is also a “policy-neutral” benchmark against which the President’s Budget and other budget proposals can be compared to measure the magnitude of the proposed changes. Table 25–1

Table 25–1. BASELINE CATEGORY TOTALS
(In billions of dollars)

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|--|-------|-------|-------|-------|-------|-------|-------|
| Receipts | 2,407 | 2,550 | 2,714 | 2,831 | 3,008 | 3,151 | 3,348 |
| Outlays: | | | | | | | |
| Discretionary: | | | | | | | |
| DoD-Military | 499 | 511 | 444 | 455 | 464 | 475 | 486 |
| Homeland security | 31 | 35 | 36 | 38 | 36 | 37 | 38 |
| International affairs | 36 | 36 | 34 | 34 | 33 | 33 | 33 |
| Other discretionary | 451 | 450 | 448 | 450 | 454 | 463 | 470 |
| Subtotal, discretionary | 1,017 | 1,032 | 961 | 976 | 987 | 1,008 | 1,028 |
| Mandatory: | | | | | | | |
| Social Security | 544 | 582 | 608 | 640 | 678 | 718 | 762 |
| Medicare | 325 | 367 | 391 | 418 | 447 | 493 | 503 |
| Medicaid and SCHIP | 186 | 197 | 209 | 224 | 241 | 259 | 279 |
| Other mandatory | 357 | 318 | 330 | 348 | 361 | 381 | 374 |
| Subtotal, mandatory | 1,412 | 1,465 | 1,537 | 1,631 | 1,727 | 1,850 | 1,918 |
| Net interest | 227 | 238 | 254 | 258 | 259 | 258 | 255 |
| Total outlays | 2,655 | 2,735 | 2,752 | 2,866 | 2,973 | 3,116 | 3,201 |
| Unified deficit | -248 | -185 | -38 | -35 | 34 | 35 | 147 |
| On-budget | -434 | -368 | -250 | -261 | -210 | -228 | -130 |
| Off-budget | 186 | 183 | 212 | 225 | 244 | 263 | 277 |
| Memorandum: | | | | | | | |
| BEA baseline deficit | -248 | -186 | -81 | -104 | -34 | 95 | 287 |
| Do not extend emergencies | | | 40 | 64 | 72 | 76 | 79 |
| Correct growth rates for pay | | | 2 | 3 | 3 | 3 | 3 |
| Remove special rule for administrative expenses of selected programs | | | * | * | 1 | 1 | 1 |
| Extend certain tax provisions | | * | -1 | -2 | -14 | -146 | -225 |
| Related debt service | | * | 1 | 4 | 7 | 7 | 2 |
| Current baseline deficit | -248 | -185 | -38 | -35 | 34 | 35 | 147 |

shows current services estimates of receipts, outlays, and surpluses for 2006 through 2012. They are based on the economic assumptions described later in this chapter. The estimates are shown on a unified budget basis, i.e., the off-budget receipts and outlays of the Social Security trust funds and the Postal Service Fund are added to the on-budget receipts and outlays to calculate the unified budget totals. The table also shows the current services estimates by major component. The BEA baseline deficits are shown as a memorandum in the table. Table 25–2 shows the changes proposed in the budget relative to the current services estimates. Detailed descriptions of the budget proposals can be found in the main *Budget* volume.

Conceptual Basis for Estimates

Receipts and outlays are divided into two categories that are important for calculating the current services estimates: those controlled by authorizing legislation (direct spending and receipts) and those controlled through the annual appropriations process (discretionary spending). Different estimating rules apply to each category. There are numerous alternative rules that could be used to develop current services estimates for both categories. The next section discusses some alternatives that might be considered.

Direct spending and receipts.—Direct spending includes the major entitlement programs, such as social security, medicare, medicaid, Federal employee retirement, unemployment compensation, food stamps and other means-tested entitlements. It also includes such programs as deposit insurance and farm price and income supports, where the Government is legally obligated to make payments under certain conditions. Receipts and direct spending are alike in that they involve ongoing activities that generally operate under permanent authority (they do not require annual authoriza-

tion), and the underlying statutes generally specify the tax rates or benefit levels that must be collected or paid, and who must pay or who is eligible to receive benefits. The current services baseline assumes that receipts and direct spending programs continue in the future as specified by current law. The budgetary impact of anticipated regulations and administrative actions that are permissible under current law are also reflected in the estimates.

If a baseline is intended to reflect current law, then the provisions of law providing spending authority and the authority to collect taxes or other receipts that expire under current law should be assumed to expire. However, the current services baseline assumes extension of several types of authority:

- Expiring provisions affecting excise taxes dedicated to a trust fund are assumed to be extended at current rates. During the projection period of 2007 through 2012, the only taxes affected by this exception are taxes deposited in the Airport and Airway trust fund, which expire on September 30, 2007, and taxes deposited in the Highway trust fund, the Leaking Underground Storage Tank trust fund, and the Sport Fish Restoration and Boating Safety trust fund, which expire on September 30, 2011.
- Direct spending programs that will expire under current law are assumed to be extended if their 2007 outlays exceed \$50 million. For example, Temporary Assistance for Needy Families and child care entitlement to States are scheduled to expire at the end of 2010. The baseline estimates provided here assume continuation of these programs through the projection period. However, programs enacted after the enactment of the Balanced Budget Act of 1997 that are explicitly temporary in nature expire in the baseline even if

Table 25–2. IMPACT OF BUDGET POLICY

(in billions of dollars)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | Total |
|--|------|------|------|------|------|------|-----------|
| | | | | | | | 2008–2012 |
| Current Services Baseline Deficit | -185 | -38 | -35 | 34 | 35 | 147 | 143 |
| Proposals: | | | | | | | |
| Global war on terror and other emergencies | -37 | -133 | -94 | -47 | -25 | -18 | -316 |
| Discretionary policy: | | | | | | | |
| Security | -6 | -17 | -47 | -55 | -61 | -52 | -233 |
| Non-security | -7 | -8 | 6 | 15 | 28 | 37 | 79 |
| Subtotal, discretionary | -12 | -26 | -41 | -40 | -32 | -15 | -154 |
| Revenue proposals ¹ | -10 | -53 | -36 | -63 | -60 | -55 | -267 |
| Mandatory proposals: | | | | | | | |
| Social security personal accounts | | | | | | -30 | -30 |
| Other proposals | * | 10 | 19 | 21 | 28 | 32 | 110 |
| 2008 Budget Deficit | -244 | -239 | -187 | -94 | -54 | 61 | -514 |

*\$500 million or less.

Note: Each line includes debt service.

¹ Includes outlay impact of revenue proposals.

their current year outlays exceed the \$50 million threshold.

- Certain provisions in the 2001 and 2003 Tax Acts that were clearly not intended to be temporary are assumed to continue past their expiration date. These provisions include reductions in individual income taxes on capital gains and dividends, increased expensing for small businesses, and reductions in income taxes and estate and gift taxes scheduled to sunset on December 31, 2010. Unlike the two extensions discussed above, the BEA baseline definitions, developed before the enactment of the 2001 and 2003 tax acts, do not provide for extension of these provisions.

Discretionary spending.—Discretionary programs differ in one important aspect from direct spending programs—Congress provides spending authority for almost all discretionary programs one year at a time. The spending authority is normally provided in the form of annual appropriations. Absent appropriations of additional funds in the future, discretionary programs would cease to exist after existing balances were spent. If the baseline was intended to reflect current law, then a baseline would only reflect the expenditure of remaining balances from appropriations laws. Instead the current services baseline provides a mechanical definition for discretionary programs that is somewhat arbitrary. The definition used here attempts to keep discretionary spending level in real terms. For 2007, the current services estimates for discretionary programs are equal to enacted 2007 appropriations for accounts included in the Defense and Homeland Security Appropriations Acts. For all other discretionary accounts, current services estimates are set at the annualized continuing resolution rate. For 2008 through 2012, funding for most accounts is equal to this 2007 level adjusted for inflation. The inflation rates used here are similar to those required by the BEA but adjusted to remove the overcompensation for federal pay inherent in the BEA definition. Unlike the BEA requirements, these current services estimates assume that federal pay raises are effective in January, as required under current law. At the time the BEA was enacted, it ignored the nearly contemporaneous enactment of the Federal Employees Compensation Act of 1991 that shifted the effective date of federal employee pay raises from October to January. Also, the estimates presented here exclude the special adjustment for administrative expenses for certain benefit programs required by the BEA. This provision is inconsistent with the baseline rules for other accounts that fund administrative costs. In addition, the baseline estimates presented here assume that emergency appropriations enacted for 2007, which primarily provide funding for the Global War on Terror, are one-time only expenditures. The BEA requires that the baseline assume funding for emergencies repeatedly through the projection period.

Alternative Formulations of Baseline

Throughout much of U.S. history, budget proposals were often compared to either the President's request or the previous year's budget. In the early 1970s, policy-makers developed the concept of a baseline to provide a more neutral benchmark for comparisons. While the Congressional Budget Act of 1974 included a requirement that OMB and the Congressional Budget Office (CBO) provide estimates of a current services baseline, the definition of the baseline was very general and specific guidance was not provided.

Subsequent budget laws have specified in increasing detail the requirements for constructing baselines. Current services estimates for direct spending programs and receipts are generally estimated based on laws currently in place and most major programs are assumed to continue even past sunset dates set in law. In the case of receipts, the BEA requires only the extension of trust fund excise taxes, but otherwise bases the estimates on current law. For discretionary programs, these acts instituted a precise definition of baseline with numerous rules for its construction.

It is clear, however, that a number of baseline definitions could be developed that differ for those presented in this chapter:

- *Extend provisions affecting parts of mandatory programs.* Currently, mandatory programs that have current year outlays of over \$50 million are generally assumed to continue. However, provisions of law that affect parts of mandatory programs, even those that have been consistently extended in the past, are assumed to expire as scheduled.
- *Do not extend any authorizing laws that expire.* If all mandatory programs were assumed to expire as scheduled, deficits for 2008 through 2012 would be \$314 billion lower than the current estimates. (See the section below on major program assumptions for details on mandatory program extensions assumed in the estimates.) If excise taxes were allowed to expire, the deficit would be \$110 billion higher over the period 2008 through 2012. If certain provisions of the 2001 and 2003 Tax Acts were assumed to expire, the deficit would be \$404 billion lower over the period.
- *Straightline appropriations.* If all discretionary budgetary resources were to be the same in each year in the projection period as provided for the current year, total outlays would be \$18 billion lower in 2008 and \$381 billion lower over the period 2008 through 2012.
- *Do not extend any appropriations.* The current treatment of expiring provisions is inconsistent with the treatment of discretionary spending. All discretionary spending continues whether there is authorization for the program or not and whether funds have already been provided or not. In nearly all cases, funds for discretionary programs have not been provided in advance for years beyond the current year. If rules consistent with the treat-

ment of other expiring provisions were applied to discretionary spending, no new budgetary resources would be provided. Thus, under a strict “current law” approach, the only discretionary outlays that would be included in the baseline would be the lagged spending from the current year budgetary resource. If this rule were followed, outlays in 2008 would be reduced by \$553 billion relative to the current estimates. Clearly this would provide an unrealistic estimate of future spending and the government’s future fiscal position.

Table 25–3 provides estimates for a variety of changes in baseline definitions that could be considered.

Economic Assumptions

The current services estimates are based on the same economic assumptions as the President’s Budget, which are based on enactment of the President’s Budget proposals. The economy and the budget interact. Changes in economic conditions significantly alter the estimates

of tax receipts, unemployment benefits, entitlement payments that are automatically adjusted for changes in cost-of-living (COLAs), income support programs for low-income individuals, and interest on the Federal debt. In turn, Government tax and spending policies influence prices, economic growth, consumption, savings, and investment. Because of these interactions, it would be reasonable, from an economic perspective, to assume different economic paths for the current services baseline and the President’s Budget. However, this would diminish the value of current services estimates as a benchmark for measuring proposed policy changes, because it would then be difficult to separate the effects of proposed policy changes from the effects of different economic assumptions. By using the same economic assumptions for current services and the President’s Budget, this potential source of confusion is eliminated. The economic assumptions underlying both the budget and the current service estimates are summarized in Table 25–4. The economic outlook underlying these as-

Table 25–3. ALTERNATIVE BASELINE ASSUMPTIONS

(in billions of dollars)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2008–2012 |
|--|------|------|------|-------|-------|-------|-----------|
| Current baseline surplus/deficit | -185 | -38 | -35 | 34 | 35 | 147 | 143 |
| Alternative assumptions (“+” represents deficit increase): | | | | | | | |
| Extend provisions affecting parts of mandatory programs ¹ | -* | -1 | -2 | -2 | -2 | -2 | -9 |
| Do not extend any authorizing laws: | | | | | | | |
| Mandatory spending | | 41 | 51 | 55 | 80 | 87 | 314 |
| Trust fund excise taxes | | -12 | -13 | -14 | -16 | -55 | -110 |
| Certain provisions of the 2001 and 2003 Tax Acts | -* | 1 | 2 | 14 | 150 | 237 | 404 |
| Straightline appropriations | | 18 | 44 | 74 | 106 | 140 | 381 |
| Do not extend any appropriations | | 553 | 863 | 1,005 | 1,105 | 1,193 | 4,718 |

¹ Estimates provided here are the totals for the illustrative provisions shown in Table 25–5. This is not a completelisting of all provisions that expire.

Table 25–4. SUMMARY OF ECONOMIC ASSUMPTIONS

(Fiscal years; dollar amounts in billions)

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|--|--------|--------|--------|--------|--------|--------|
| Gross Domestic Product (GDP): | | | | | | |
| Levels, dollar amounts in billions: | | | | | | |
| Current dollars | 13,761 | 14,515 | 15,306 | 16,112 | 16,938 | 17,786 |
| Real, chained (2000) dollars | 11,637 | 11,985 | 12,357 | 12,732 | 13,114 | 13,502 |
| Percent change, year over year: | | | | | | |
| Current dollars | 5.4 | 5.5 | 5.5 | 5.3 | 5.1 | 5.0 |
| Real, chained (2000) dollars | 2.8 | 3.0 | 3.1 | 3.0 | 3.0 | 3.0 |
| Inflation measures (percent change, year over year): | | | | | | |
| GDP chained price index | 2.5 | 2.4 | 2.3 | 2.2 | 2.1 | 2.0 |
| Consumer price index (all urban) | 2.0 | 2.6 | 2.6 | 2.5 | 2.4 | 2.3 |
| Unemployment rate, civilian (percent) | 4.6 | 4.7 | 4.8 | 4.8 | 4.8 | 4.8 |
| Interest rates (percent): | | | | | | |
| 91–day Treasury bills | 4.8 | 4.6 | 4.4 | 4.3 | 4.1 | 4.1 |
| 10–year Treasury notes | 4.9 | 5.0 | 5.2 | 5.3 | 5.3 | 5.3 |
| MEMORANDUM | | | | | | |
| Related program assumptions: | | | | | | |
| Automatic benefit increases (percent): | | | | | | |
| Social security and veterans pensions | 3.3 | 1.4 | 2.6 | 2.5 | 2.4 | 2.3 |
| Federal employee retirement | 3.3 | 1.4 | 2.6 | 2.5 | 2.4 | 2.3 |
| Food stamps | 2.2 | 4.1 | 2.6 | 2.6 | 2.4 | 2.4 |
| Insured unemployment rate | 1.9 | 1.9 | 1.9 | 2.0 | 2.0 | 2.0 |

sumptions is discussed in greater detail in Chapter 12 of this volume.

Major Programmatic Assumptions

A number of programmatic assumptions must be made in order to calculate the baseline estimates. These include assumptions about the number of beneficiaries who will receive payments from the major benefit programs and annual cost-of-living adjustments in the indexed programs. Assumptions on baseline caseload projections for the major benefit programs are shown in Table 25–5. Assumptions about various automatic cost-of-living-adjustments are shown in Table 25–4.

It is also necessary to make assumptions about the continuation of expiring programs and provisions. In the estimates provided here, expiring excise taxes dedicated to a trust fund are extended at current rates. Certain income tax provisions from the 2001 and 2003 Tax Acts, that were not designed to be temporary in nature, are assumed to be permanent for purposes of calculating revenue estimates. In general, mandatory programs with current year spending of at least \$50 million are also assumed to continue. All discretionary

programs with enacted non-emergency appropriations in the current year are assumed to continue. However, specific provisions of law that affect mandatory programs (but are not necessary for program operation) are allowed to expire as scheduled. For example, under the Tax Relief and Health Care Act of 2006, Medicaid Transitional Medical Assistance will expire at the end of June 2007. The baseline does not assume additional spending under this authority beyond that point. Table 25–6 provides a listing of mandatory programs and taxes assumed to continue in the baseline after their expiration.

Many other important assumptions must be made in order to calculate the baseline estimates. These include assumptions about the timing and substance of regulations that will be issued over the projection period, the use of administrative discretion provided under current law, and other assumptions about the way programs operate. Table 25–6 lists many of these assumptions and their impact on the baseline estimates. It is not intended to be an exhaustive listing; the variety and complexity of Government programs are too great to provide a complete list. Instead, some of the more important assumptions are shown.

Table 25–5. BENEFICIARY PROJECTIONS FOR MAJOR BENEFIT PROGRAMS

(Annual average, in thousands)

| | 2006 Actual | Estimate | | | | | |
|--|----------------|----------|--------|--------|--------|--------|--------|
| | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Farmer direct payments | 1,587 | 1,579 | 1,571 | 1,563 | 1,555 | 1,548 | 1,540 |
| Federal family education loans | 5,883 | 6,173 | 6,396 | 6,640 | 6,909 | 7,191 | 7,487 |
| Federal direct student loans | 1,714 | 1,709 | 1,767 | 1,832 | 1,904 | 1,978 | 2,057 |
| Medicaid/State Children's Health Insurance Program | 52,273 | 53,353 | 53,859 | 54,400 | 54,914 | 55,227 | 55,622 |
| Medicare-eligible military retiree health benefits | 1,871 | 1,903 | 1,938 | 1,969 | 1,995 | 2,025 | 2,069 |
| Medicare: | | | | | | | |
| Hospital insurance | 42,684 | 43,356 | 44,190 | 45,132 | 46,084 | 47,153 | 48,505 |
| Supplementary medical insurance | 40,100 | 40,618 | 41,335 | 42,134 | 42,919 | 43,749 | 44,894 |
| Railroad retirement | 583 | 573 | 565 | 558 | 552 | 547 | 542 |
| Federal civil service retirement | 2,453 | 2,471 | 2,488 | 2,518 | 2,541 | 2,564 | 2,587 |
| Military retirement | 2,116 | 2,142 | 2,162 | 2,178 | 2,188 | 2,193 | 2,196 |
| Unemployment compensation | 7,538 | 7,537 | 7,982 | 8,372 | 8,456 | 8,543 | 8,574 |
| Food stamps | 26,736 | 26,335 | 26,245 | 26,113 | 25,860 | 25,661 | 25,430 |
| Child nutrition | 32,748 | 33,713 | 34,374 | 34,942 | 35,465 | 35,967 | 36,416 |
| Foster care and adoption assistance | 600 | 616 | 638 | 658 | 680 | 703 | 727 |
| Supplemental security income (SSI): | | | | | | | |
| Aged | 1,116 | 1,113 | 1,112 | 1,111 | 1,113 | 1,118 | 1,128 |
| Blind/disabled | 5,762 | 5,932 | 6,110 | 6,255 | 6,378 | 6,495 | 6,604 |
| Subtotal, SSI | 6,878 | 7,045 | 7,222 | 7,366 | 7,491 | 7,613 | 7,732 |
| Child care and development fund ¹ | 2,300 | 2,200 | 2,100 | 2,100 | 2,000 | 2,000 | 2,000 |
| Social security (OASDI): | | | | | | | |
| Old age and survivor insurance | 40,264 | 40,688 | 41,263 | 42,007 | 42,947 | 43,964 | 45,074 |
| Disability insurance | 8,373 | 8,729 | 9,056 | 9,329 | 9,550 | 9,764 | 9,954 |
| Veterans compensation: | | | | | | | |
| Veterans | 2,683 | 2,782 | 2,879 | 2,977 | 3,072 | 3,164 | 3,252 |
| Survivors (non-veterans) | 330 | 334 | 341 | 347 | 353 | 359 | 366 |
| Subtotal, veterans compensation | 3,013 | 3,116 | 3,220 | 3,324 | 3,425 | 3,523 | 3,618 |
| Veterans pensions: | | | | | | | |
| Veterans | 332 | 326 | 320 | 315 | 309 | 304 | 298 |
| Survivors (non-veterans) | 203 | 198 | 193 | 188 | 183 | 178 | 174 |
| Subtotal, veterans pensions | 535 | 524 | 513 | 503 | 492 | 482 | 472 |

¹ Includes children served through the CCDF (including TANF transfers) and through funds spent directly on child care in the Social Services Block Grant and TANF programs.

Table 25-6. IMPACT OF REGULATIONS, EXPIRING AUTHORIZATIONS, AND OTHER ASSUMPTIONS IN THE BASELINE

(In millions of dollars)

| | Estimate | | | | | |
|---|----------|--------|--------|--------|--------|--------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| REGULATIONS | | | | | | |
| EPA pesticides tolerance fee | | | -13 | -13 | -13 | -13 |
| Foster care and adoption assistance: | | | | | | |
| National Youth in Transition Database | | 6 | 6 | 7 | 6 | 5 |
| Impact of Total Case Management | 10 | 65 | 68 | 71 | 73 | 75 |
| Medicaid: ¹ | | | | | | |
| Payment Reform | -120 | -530 | -840 | -1,170 | -1,210 | -1,250 |
| School-based Services Administration Reform | | -615 | -670 | -725 | -785 | -850 |
| Medicaid Graduate Medical Education Reform | | -140 | -290 | -440 | -450 | -460 |
| Medicaid Services Reform | | -230 | -360 | -520 | -570 | -610 |
| Managed Care reform | | | | | | |
| Clarifying Regulations | | | | | | |
| Payment Error Rate Measurement | 5 | 5 | 5 | 6 | 6 | 7 |
| Medicare: ¹ | | | | | | |
| Post-Acute Care Provider Reform, Program Integrity, Upcoding Adjustments and other efficiency and productivity improvements | | -1,000 | -1,572 | -2,159 | -2,637 | -2,867 |
| Old age and survivors insurance (OASI) and disability insurance (DI): | | | | | | |
| Reduction of Title II benefits under family maximum in cases of dual entitlement | 18 | 19 | 20 | 21 | 23 | 23 |
| Trial work period | 3 | 2 | 1 | 1 | | |
| Expedited reinstatement of disability benefits | NA | NA | NA | NA | NA | NA |
| Continuing disability review failure to cooperate process | -10 | -12 | -12 | -12 | -13 | -14 |
| State Children's Health Insurance Program: ¹ | | | | | | |
| Payment Error Rate Measurement | 7 | 8 | 8 | 9 | 9 | 10 |
| Supplemental security income (SSI): | | | | | | |
| Title XVI cross-program recovery | -15 | -15 | -15 | -20 | -20 | -20 |
| Student earned income exclusion | 4 | 4 | 5 | 5 | 5 | 5 |
| Expedited reinstatement of disability benefits | NA | NA | NA | NA | NA | NA |
| EXPIRING AUTHORIZATIONS | | | | | | |
| Provisions extended in the baseline (effect of extension): | | | | | | |
| Spending: | | | | | | |
| Child care entitlement to States: | | | | | | |
| Child care mandatory | | | | | 1,178 | 1,178 |
| Child care match | | | | | 1,674 | 1,674 |
| Child care tribal | | | | | 58 | 58 |
| Training and technical assistance | | | | | 7 | 7 |
| Child nutrition: | | | | | | |
| Summer food service program | | | | 347 | 366 | 386 |
| State administrative expenses | | | | 191 | 200 | 208 |
| CCC market access, bioenergy and commodity programs: | | | | | | |
| Counter-cyclical payment program | | | 439 | 949 | 898 | 944 |
| Dairy price support program | | 60 | 55 | 47 | 47 | 47 |
| Dairy export incentive program | | | 3 | | | |
| Direct payment program | | 1,155 | 5,249 | 5,249 | 5,249 | 5,249 |
| Marketing assistance loan and loan deficiency payment program | | 735 | 1,154 | 566 | 656 | 844 |
| Sugar nonrecourse loan program | | | 170 | 129 | 111 | 117 |
| Market access program | | 200 | 200 | 200 | 200 | 200 |
| Export credit guarantee programs | | 70 | 70 | 70 | 70 | 70 |
| Food for progress | | 154 | 154 | 154 | 154 | 154 |
| Bill Emerson Humanitarian Trust | | 140 | 140 | 140 | 140 | 140 |
| Conservation reserve program | | 22 | 102 | 228 | 604 | 1,002 |
| Farm security and rural investment | | | | | | |
| Ground and surface water conservation | | 2 | 17 | 26 | 35 | 43 |
| Farm and ranch lands protection | | 2 | 37 | 65 | 81 | 97 |
| Food stamps: | | | | | | |
| Benefit costs | | 31,875 | 32,714 | 33,389 | 34,115 | 34,786 |
| State administrative expenses | | 2,644 | 2,754 | 2,865 | 2,977 | 3,092 |
| Employment and training | | 321 | 330 | 338 | 346 | 352 |
| Other program costs | | 59 | 61 | 62 | 64 | 65 |
| Nutrition assistance for Puerto Rico | | 1,612 | 1,655 | 1,698 | 1,739 | 1,780 |
| Food donations on Indian reservations | | 80 | 83 | 86 | 88 | 90 |
| The emergency food assistance program commodities | | 140 | 140 | 140 | 140 | 140 |
| Other activities under the Food Stamp Act of 1977 | | 28 | 27 | 26 | 26 | 27 |
| Promoting safe and stable families | | | | | | 345 |
| Temporary assistance for needy families (TANF) resources: | | | | | | |
| State family assistance grants (SFAG) | | | | | 16,553 | 16,480 |
| SFAG to territories | | | | | 78 | 78 |

Table 25–6. IMPACT OF REGULATIONS, EXPIRING AUTHORIZATIONS, AND OTHER ASSUMPTIONS IN THE BASELINE—Continued
(In millions of dollars)

| | Estimate | | | | | |
|---|----------|--------|--------|---------|----------|----------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Tribal work program | | | | | 8 | 8 |
| Health Marriage and Fatherhood | | | | | 150 | 150 |
| Contingency fund | | | | | 91 | 96 |
| Welfare research | | | | | 15 | 15 |
| Trade adjustment assistance—training and income support | | 685 | 841 | 918 | 968 | 992 |
| Trade adjustment assistance—farmers | | 15 | 15 | 15 | 15 | 15 |
| Veterans compensation—annual cost of living adjustment | | 348 | 1,132 | 2,017 | 2,933 | 3,876 |
| Revenues: | | | | | | |
| Excise taxes dedicated to trust funds: | | | | | | |
| Airport and Airway trust fund taxes | | 11,495 | 12,185 | 12,906 | 13,662 | 14,453 |
| Aquatic Resources trust fund taxes | | | | | | 516 |
| Highway trust fund taxes | | | | | | 35,940 |
| LUST taxes | | | | | | 212 |
| Certain provisions for the 2001 tax cut and 2003 jobs and growth tax cut (includes outlay impact) | 188 | -690 | -1,595 | -13,789 | -146,193 | -224,918 |
| Provisions not extended in the baseline (effect of extension): | | | | | | |
| Spending: | | | | | | |
| Abstinence education (Children and Families Services) | 5 | 25 | 44 | 49 | 50 | 50 |
| Biobased product testing | | 1 | 1 | 1 | 1 | 1 |
| Biodiesel fuel education | | 1 | 1 | 1 | 1 | 1 |
| EPA | | | | | | |
| Pesticide maintenance fee | | | -15 | -15 | -15 | -15 |
| Pesticide registration service fee | | | -3 | -3 | -3 | -3 |
| Farm bill programs: | | | | | | |
| Klamath Basin | | | 2 | 3 | 6 | 7 |
| Grassland reserve program | | 14 | 38 | 44 | 46 | 48 |
| Milk income loss contract program | | 300 | 185 | 120 | 85 | 70 |
| Small watershed rehabilitation program | | 38 | 56 | 65 | 65 | 65 |
| Wetlands reserve program | | | 18 | 200 | 291 | 364 |
| Wildlife habitat incentives | | 1 | 18 | 31 | 45 | 58 |
| Medicare, SMI—medicare low income premium assistance | | 425 | 440 | 465 | 495 | 525 |
| Medicaid—Transitional Medical Assistance | 35 | 554 | 580 | 601 | 625 | 650 |
| Promoting safe and stable families—court improvement grants | | | | | 20 | 20 |
| TANF—supplemental grants | | | 229 | 287 | 302 | 319 |
| Trade adjustment assistance—alternative TAA | | | 6 | 18 | 24 | 25 |
| Veterans programs: | | | | | | |
| Income verification match | | | 4 | -1 | -5 | 11 |
| Medicaid for veterans and spouses in nursing homes | | | | | | -576 |
| Adjustable rate mortgages | | | 3 | | 3 | |
| Increase loan fees for housing loans | | | | | | -170 |
| Benefits for on-the-job training or apprenticeships | | 10 | 14 | 15 | 15 | 16 |
| OTHER IMPORTANT PROGRAM ASSUMPTIONS | | | | | | |
| Child support enforcement (CSE): | | | | | | |
| Alternative penalties for Family Support Act systems and Statewide Disbursement Unit requirements | -7 | -7 | -7 | -7 | | |
| Federal family education loan program: | | | | | | |
| Eliminate voluntary flexible agreements with guarantee agencies | -945 | -123 | -123 | -123 | -123 | -123 |
| Food stamps: | | | | | | |
| Tax offset, recoupment, and general claims collection | -181 | -189 | -194 | -198 | -203 | -207 |
| Quality control liabilities | -3 | -3 | -3 | -3 | -3 | -3 |
| Allocation of administrative costs between public assistance programs | -197 | -197 | -197 | -197 | -197 | -197 |
| Medicare: | | | | | | |
| Physicians | 59,503 | 58,634 | 58,402 | 57,875 | 56,708 | 55,804 |
| Contracting Reform | | -70 | -280 | -550 | -580 | |
| Medicaid: | | | | | | |
| Financial management recoveries | -656 | -704 | -759 | -819 | -884 | -954 |
| Vaccines for Children, total program costs | 2,905 | 2,762 | 2,751 | 2,704 | 2,683 | 2,675 |
| Institutional long term care | 34,213 | 36,302 | 38,262 | 40,325 | 42,506 | 44,808 |
| Home and community based institutional alternatives | 23,548 | 25,635 | 28,836 | 32,435 | 36,438 | 40,983 |
| Pharmaceuticals (FFS, net of rebates) | 9,766 | 10,533 | 11,126 | 12,026 | 12,966 | 13,951 |
| Managed care (including Medicaid MCOs, PHPs, PCCM) | 35,375 | 40,223 | 43,738 | 47,352 | 51,486 | 56,030 |
| State Children's Health Insurance Program (Title XXI) | 5,647 | 5,424 | 5,401 | 5,497 | 5,456 | 5,507 |
| Approved Demonstrations and Pilot Programs: ² | | | | | | |
| Medicare, HI: | | | | | | |
| Rural Hospice | | | | | | |
| Baseline estimate | 3 | 3 | 3 | 4 | | |
| Demonstration estimate | 3 | 3 | 3 | 4 | | |

Table 25–6. IMPACT OF REGULATIONS, EXPIRING AUTHORIZATIONS, AND OTHER ASSUMPTIONS IN THE BASELINE—Continued
(In millions of dollars)

| | Estimate | | | | | |
|---|----------|-------|-------|------|------|------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Mercy Medical | | | | | | |
| Baseline estimate | 6 | 2 | | | | |
| Demonstration estimate | 6 | 2 | | | | |
| Premier | | | | | | |
| Baseline estimate | 2,894 | 3,047 | 3,264 | | | |
| Demonstration estimate | 2,906 | 3,059 | 3,276 | 12 | | |
| Rural Community Hospital ³ | | | | | | |
| Baseline estimate | 48 | 51 | 53 | 33 | | |
| Demonstration estimate | 58 | 61 | 64 | 40 | | |
| New York Graduate Medical Education | | | | | | |
| Baseline estimate | 69 | 69 | 69 | | | |
| Demonstration estimate | 48 | 35 | 17 | | | |
| Utah Graduate Medical Education | | | | | | |
| Baseline estimate | 8 | | | | | |
| Demonstration estimate | 8 | | | | | |
| Medicare, SMI: | | | | | | |
| Chronic Care Improvement Program (Medicare Health Support) | | | | | | |
| Baseline estimate | | | | | | |
| Demonstration estimate | 198 | 177 | 8 | | | |
| Expansion of Coverage for Chiropractic Services | | | | | | |
| Baseline estimate | 10 | | | | | |
| Demonstration estimate | 14 | | | | | |
| Municipal Health Services Programs | | | | | | |
| Baseline estimate | 4 | | | | | |
| Demonstration estimate | 12 | 3 | | | | |
| Telemedicine | | | | | | |
| Baseline estimate | 4 | | | | | |
| Demonstration estimate | 4 | | | | | |
| United Mine Workers of America Prescription Drugs | | | | | | |
| Baseline estimate | | | | | | |
| Demonstration estimate | 89 | | | | | |
| Coordinated Care Disease Management | | | | | | |
| Baseline estimate | 178 | 90 | | | | |
| Demonstration estimate | 158 | 79 | | | | |
| Lifemasters Disease Management Dual Eligibles | | | | | | |
| Baseline estimate | 655 | 159 | | | | |
| Demonstration estimate | 614 | 149 | | | | |
| Medicare Lifestyle Modification Program | | | | | | |
| Baseline estimate | | | | | | |
| Demonstration estimate | | | | | | |
| Care Management for High-Cost Beneficiaries | | | | | | |
| Baseline estimate | | | | | | |
| Demonstration estimate | 95 | 82 | 13 | | | |
| Low Vision Rehabilitation | | | | | | |
| Baseline estimate | 8 | 8 | 8 | 8 | | |
| Demonstration estimate | 10 | 10 | 10 | 10 | | |
| Cancer Prevention and Treatment for Ethnic and Racial Minorities | | | | | | |
| Baseline estimate | 5 | 5 | 6 | 7 | | |
| Demonstration estimate | 5 | 5 | 6 | 7 | | |
| Medical Adult Day Care | | | | | | |
| Baseline estimate | 3 | 3 | 3 | 3 | | |
| Demonstration estimate | 2 | 2 | 3 | 3 | | |
| Demo to Limit Annual Change in Part D Premiums | | | | | | |
| Baseline estimate | | | | | | |
| Demonstration estimate | 640 | 210 | 60 | | | |
| Demo to Transition Enrollment of “Low-Income Subsidy Beneficiaries” | | | | | | |
| Baseline estimate | | | | | | |
| Demonstration estimate | 360 | 220 | 240 | 140 | 30 | |
| Part D Reconciliation to States (402 demos) | | | | | | |
| Baseline estimate | | | | | | |
| Demonstration estimate | 178 | | | | | |
| Part D Payment (reinsurance) | | | | | | |
| Baseline estimate | | | | | | |
| Demonstration estimate | | | | | | |
| Part D Late Enrollment Penalty Waiver ⁴ | | | | | | |
| Baseline estimate | | | | | | |
| Demonstration estimate | | | | | | |

Table 25–6. IMPACT OF REGULATIONS, EXPIRING AUTHORIZATIONS, AND OTHER ASSUMPTIONS IN THE BASELINE—Continued
(In millions of dollars)

| | Estimate | | | | | |
|--|----------|--------|--------|--------|--------|------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Medicare: HI and SMI: | | | | | | |
| ESRD Disease Management | | | | | | |
| Baseline estimate | 192 | 199 | 205 | 53 | | |
| Demonstration estimate | 191 | 198 | 204 | 53 | | |
| Home Health Third Party Liability | | | | | | |
| Baseline estimate | 191 | 174 | 187 | 158 | 13 | |
| Demonstration estimate | 186 | 171 | 182 | 153 | 13 | |
| Medicare+Choice Phase I | | | | | | |
| Baseline estimate | | | | | | |
| Demonstration estimate | 6 | | | | | |
| Medicare+Choice Phase II | | | | | | |
| Baseline estimate | | | | | | |
| Demonstration estimate | 66 | | | | | |
| S/HMO I | | | | | | |
| Baseline estimate | 1,731 | 558 | | | | |
| Demonstration estimate | 1,990 | 664 | | | | |
| S/HMO II | | | | | | |
| Baseline estimate | 619 | 198 | | | | |
| Demonstration estimate | 711 | 228 | | | | |
| Physician Group Practice | | | | | | |
| Baseline estimate | 1,793 | 463 | | | | |
| Demonstration estimate | 1,667 | 468 | 77 | | | |
| Medical Savings Account | | | | | | |
| Baseline estimate | 1 | 2 | 4 | 6 | 8 | |
| Demonstration estimate | | | | | | |
| United Mine Workers of America Health | | | | | | |
| Baseline estimate | 520 | | | | | |
| Demonstration estimate | 502 | 6 | | | | |
| Medicaid (baseline estimates): ⁵ | | | | | | |
| Alabama Family Planning | 214 | 238 | | | | |
| Arizona AHCCCS | 4,365 | 4,839 | 5,356 | 5,932 | 6,571 | |
| Arkansas (ARKids B) | 91 | 102 | | | | |
| Arkansas Family Planning Services | 229 | 249 | | | | |
| Arkansas Independent Choices (Cash & Counseling) ⁶ | 5 | | | | | |
| Arkansas TEFRA | 32 | 8 | | | | |
| California Family Planning | 612 | | | | | |
| California In-Home Supportive Services Plus ⁶ | 325 | 378 | 357 | | | |
| California—MediCal Hospital/Uninsured Care | 766 | 766 | 766 | 702 | | |
| Colorado Consumer Directed Attendant Support ⁶ | 19 | 3 | | | | |
| Delaware—Diamond State Health Plan | 335 | 286 | 302 | 76 | | |
| District of Columbia Childless Adults 50–64 | 3 | | | | | |
| District of Columbia HIV | 11 | 14 | 18 | 6 | | |
| Florida Consumer Directed Care Plus (Cash & Counseling) ⁶ | 61 | 26 | | | | |
| Florida Family Planning | 910 | 967 | 1,068 | | | |
| Florida MEDS-AD Program | 975 | 1,072 | 1,180 | 1,298 | | |
| Florida medicaid reform | 4,875 | 5,662 | 6,589 | 7,683 | 4,137 | |
| Hawaii Health QUEST | 256 | 289 | 237 | | | |
| Illinois Family Planning | 414 | 443 | | | | |
| IowaCare | 109 | 117 | 125 | 134 | | |
| Iowa Family Planning | 175 | 189 | 205 | | | |
| Kentucky Health Care Partnership Program | 513 | 568 | 48 | | | |
| Louisiana Family Planning | 445 | 483 | 525 | 569 | | |
| Maine HIV | 7 | | | | | |
| Maryland (Health Choice) | 1,610 | 1,086 | | | | |
| Massachusetts MassHealth | 2,757 | 2,960 | | | | |
| Michigan Family Planning | 425 | 462 | 503 | 547 | | |
| Minnesota (Prepaid Med. Assist. Project Plus) | 186 | 148 | | | | |
| Minnesota Family Planning | 248 | | | | | |
| Mississippi Family Planning | 146 | | | | | |
| Mississippi—Healthier Mississippi | 71 | 78 | 86 | | | |
| Missouri Managed Care Plus | 86 | | | | | |
| Montana Basic Medicaid for Able-Bodied Adults | 35 | 39 | 13 | | | |
| New Jersey Personal Preference (Cash & Counseling) ⁶ | 5 | 3 | | | | |
| New Mexico—Family Planning | 109 | 114 | 119 | | | |
| New York (Partnership Plan) | 7,142 | 7,823 | 7,685 | | | |
| New York Federal-State Health Reform Partnership | 10,248 | 10,907 | 11,609 | 12,357 | 13,153 | |
| North Carolina Family Planning | 424 | 457 | 494 | | | |

Table 25–6. IMPACT OF REGULATIONS, EXPIRING AUTHORIZATIONS, AND OTHER ASSUMPTIONS IN THE BASELINE—Continued
(In millions of dollars)

| | Estimate | | | | | |
|---|----------|-------|--------|--------|--------|--------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Oklahoma Family Planning | 159 | 166 | | | | |
| Oregon Family Planning | 156 | 169 | 183 | | | |
| Oregon Independent Choices ⁶ | 2 | | | | | |
| Rhode Island Rite Care (Medicaid) | 192 | 169 | | | | |
| South Carolina Family Planning | 54 | 57 | | | | |
| TennCare II | 3,124 | | | | | |
| Utah (Primary Care Network) | 106 | 110 | 117 | | | |
| Vermont Long Term Care Plan ⁷ | 121 | 135 | 149 | 166 | | |
| Vermont Global Commitment to Health | 494 | 538 | 586 | 639 | 160 | |
| Virginia—Family Planning | 176 | | | | | |
| Washington (Take Charge/Family Planning) | 296 | 312 | 329 | | | |
| Wisconsin Badger Care (Medicaid) | 18 | | | | | |
| Wisconsin Family Planning | 23 | | | | | |
| Pharmacy plus (demonstration estimate) | | | | | | |
| Wisconsin Pharmacy Plus | 100 | | | | | |
| State Children’s Health Insurance Program (Title XXI) (demonstration estimates): ⁵ | | | | | | |
| Alaska | 9 | 10 | 11 | | | |
| Hawaii | 1 | 8 | 9 | | | |
| Maryland Health Choice ⁸ | 150 | | | | | |
| Minnesota Care: | | | | | | |
| Demonstration estimate (SCHIP funds) | 39 | 41 | 39 | | | |
| Baseline estimate (medicaid funds) | | | | | | |
| Missouri MC+c ⁸ | 56 | | | | | |
| New Jersey Family Care ⁹ | 167 | 173 | | | | |
| New Mexico SCHIP ⁸ | 26 | | | | | |
| Rhode Island (SCHIP RiteCare) ⁹ | 34 | 11 | | | | |
| Wisconsin (BadgerCare) | 88 | | | | | |
| Health Insurance Flexibility and Accountability (HIFA) (demonstration estimate—SCHIP funds): ⁵ | | | | | | |
| Arizona HIFA—amendment to AHCCCS | 36 | 29 | 24 | 26 | 28 | 144 |
| Arkansas HIFA | | | | | | |
| Demonstration estimate | 4 | 8 | 13 | 24 | 31 | |
| Baseline estimate (medicaid funds) | 1,421 | 1,604 | 1,813 | 2,049 | 2,318 | |
| Colorado HIFA | 13 | 16 | 18 | | | |
| Idaho HIFA | 13 | 14 | 11 | | | |
| Illinois HIFA (KidCare Parent Coverage) | | | | | | |
| Demonstration estimate | 159 | | | | | |
| Baseline estimate (medicaid funds) | 6 | | | | | |
| Maine HIFA (Maine Care for Childless Adults) | | | | | | |
| Baseline estimate (medicaid funds) | 102 | | | | | |
| Michigan HIFA | 120 | 112 | 24 | | | |
| Nevada HIFA | 11 | 16 | 19 | 21 | 17 | |
| New Mexico HIFA | 21 | 24 | 27 | | | |
| Oklahoma Sooner Care Demo+HIFA | | | | | | |
| Baseline estimate (medicaid funds) | 998 | 1,071 | 1,137 | 289 | | |
| Oregon HIFA (Oregon Health Plan 2) | | | | | | |
| Demonstration estimate (SCHIP funds) | 16 | | | | | |
| Baseline estimate (medicaid funds) | 1,603 | | | | | |
| Virginia HIFA | 12 | 12 | 13 | | | |
| Joint Medicare and Medicaid: | | | | | | |
| Minnesota-Dual Eligibles | | | | | | |
| Baseline estimate | 1,213 | 339 | | | | |
| Demonstration estimate | 1,213 | 339 | | | | |
| Wisconsin Health Partnership Dual Eligible | | | | | | |
| Baseline estimate | 125 | 35 | | | | |
| Demonstration estimate | 125 | 35 | | | | |
| Massachusetts SCO Dual Eligible | | | | | | |
| Demonstration estimate | 175 | 47 | | | | |
| Baseline estimate | 175 | 47 | | | | |
| OASI, DI, SSI: | | | | | | |
| Performance of continuing disability reviews (baseline levels): | | | | | | |
| OASDI | -11 | -60 | -128 | -211 | -378 | -714 |
| SSI (federal) | -33 | -172 | -318 | -462 | -654 | -725 |
| Collection of overpayments: | | | | | | |
| OASI | -719 | -779 | -836 | -892 | -949 | -1,009 |
| DI | -691 | -769 | -843 | -915 | -984 | -1,055 |
| SSI (federal) | -928 | -986 | -1,043 | -1,101 | -1,155 | -1,217 |

Table 25–6. IMPACT OF REGULATIONS, EXPIRING AUTHORIZATIONS, AND OTHER ASSUMPTIONS IN THE BASELINE—Continued
(In millions of dollars)

| | Estimate | | | | | |
|--|----------|--------|--------|--------|--------|--------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Debts written off as uncollectable (no effect on outlays): | | | | | | |
| OASI | 134 | 145 | 155 | 166 | 176 | 188 |
| DI | 474 | 527 | 578 | 628 | 675 | 723 |
| SSI (federal) | 415 | 441 | 467 | 492 | 516 | 544 |
| OASDI: | | | | | | |
| Payments to states for vocational rehabilitation | 80 | 88 | 95 | 104 | 112 | 120 |
| DI: | | | | | | |
| Research and demonstration projects | 50 | 57 | 30 | | | |
| SSI: | | | | | | |
| Payments from states for state supplemental benefits | -4,050 | -4,555 | -4,755 | -4,960 | -5,565 | -4,965 |
| Payments for state supplemental benefits | 4,430 | 4,572 | 4,772 | 4,975 | 5,137 | 5,428 |
| Fees for administration of State supplement: | | | | | | |
| Treasury share | -128 | -143 | -146 | -149 | -164 | -141 |
| SSA share | -119 | -122 | -125 | -127 | -130 | -133 |
| Research and demonstration projects | 33 | 28 | 27 | 27 | 27 | 27 |
| Payments to states for vocational rehabilitation | 53 | 56 | 59 | 62 | 66 | 71 |
| Performance of non-disability redeterminations (excludes related overpayment collections reported above) | 602 | 239 | 2 | -49 | -137 | -681 |
| Royalties and offshore minerals management: | | | | | | |
| Increased deepwater oil and gas leases royalty rates | | 150 | 60 | 50 | 30 | 10 |
| Royalty-in-kind oil to fill Strategic Petroleum Reserve | 435 | 1,102 | | | | |
| State grants and demonstrations—health care: | | | | | | |
| Ticket to work grant programs: | | | | | | |
| Infrastructure grant program | 17 | 20 | 20 | 32 | 35 | 37 |
| Demonstration to maintain independence and employment | 21 | 22 | 22 | 10 | 10 | 10 |
| High risk pools: | | | | | | |
| Initial seed grants | 2 | | | | | |
| Operation of pools | 78 | | | | | |
| Emergency health services for undocumented aliens | 200 | 200 | 133 | 200 | | |
| Katrina relief | 1,039 | | | | | |
| Psychiatric residential treatment demonstration | 10 | 17 | 28 | 33 | 35 | |
| Money Follow the Person demonstration | 18 | 57 | 121 | 213 | 320 | |
| Medicaid transformation grants | 75 | 75 | | | | |
| Medicaid integrity program | 55 | 50 | 75 | 75 | 75 | 75 |

* = \$500,000 or less.

NA = Not available.

¹ Medicare and Medicaid/SCHIP regulations reflect gross outlays.

² Baseline estimates reflect costs absent the demonstration; demonstration estimate reflects costs of the demonstration. The differences represent the net impact of the demonstration. Any demonstrations are implicitly assumed in the current services baseline.

³ Costs of this demonstration are offset annually by a reduction to inpatient hospital prospective payment rates.

⁴ Costs of this demonstration are estimated to be negligible over 10 years.

⁵ Baseline estimates reflect costs absent the demonstration. Demonstration estimates reflect cost of the demonstration.

⁶ Consumer directed program in which "plan of care" is converted to a cash allotment. It is expected that these will convert to DRA State Plan options upon expiration.

⁷ Adjustments have been made since prior year submission to account for Part D.

⁸ Estimates reflect costs for SCHIP children under the State's Medicaid 1115.

⁹ States project covering a portion of their entire demonstration population with Medicaid funds.

Current Services Receipts, Outlays, and Budget Authority

Receipts.—Table 25–7 shows baseline receipts by major source. Total receipts are projected to increase by \$164 billion from 2007 to 2008 and by \$634 billion from 2008 to 2012, largely due to assumed increases in incomes resulting from both real economic growth and inflation.

Individual income taxes are estimated to increase by \$117 billion from 2007 to 2008 under baseline assumptions. This growth of 9.9 percent is primarily the effect of increased collections resulting from rising personal incomes. Individual income taxes are projected to grow at an annual rate of 6.4 percent between 2008 and 2012.

Table 25–7. BASELINE RECEIPTS BY SOURCE

(In billions of dollars)

| | 2006 Actual | Estimate | | | | | |
|--|----------------|----------|-------|-------|-------|-------|-------|
| | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Individual income taxes | 1,044 | 1,178 | 1,295 | 1,349 | 1,465 | 1,547 | 1,657 |
| Corporation income taxes | 354 | 342 | 319 | 327 | 334 | 350 | 377 |
| Social insurance and retirement receipts | 838 | 873 | 926 | 972 | 1,027 | 1,084 | 1,137 |
| On-budget | 229 | 239 | 252 | 261 | 274 | 288 | 301 |
| Off-budget | 608 | 634 | 674 | 711 | 753 | 796 | 835 |
| Excise taxes | 74 | 58 | 69 | 72 | 73 | 78 | 81 |
| Estate and gift taxes | 28 | 25 | 26 | 27 | 22 | 2 | 1 |
| Other | 70 | 73 | 80 | 83 | 87 | 91 | 95 |
| Total | 2,407 | 2,550 | 2,714 | 2,831 | 3,008 | 3,151 | 3,348 |
| On-budget | 1,799 | 1,916 | 2,040 | 2,119 | 2,254 | 2,356 | 2,513 |
| Off-budget | 608 | 634 | 674 | 711 | 753 | 796 | 835 |

Corporation income taxes under current law are estimated to decline by \$23 billion or 6.8 percent between 2007 and 2008, in large part due to economic factors and legislated tax changes. Corporation income taxes are projected to increase at an annual rate of 4.3 percent from 2008 to 2012, reflecting higher corporate profits.

Social insurance and retirement receipts are estimated to increase by \$52 billion between 2007 and 2008, and by an additional \$211 billion between 2008 and 2012. The estimates reflect assumed increases in total wages and salaries paid, and scheduled increases in the social security taxable earnings base from \$97,500 in 2007 to \$123,600 in 2012.

Excise taxes are estimated to be unusually low in 2007 due to refunds of certain telephone excise taxes. They return to normal levels in 2008 and increase by \$13 billion from 2008 to 2012, in large part due to increased economic activity and the expiration of various excise tax credits. Estate and gift taxes remain relatively level until 2010 when the estate tax is repealed. Other baseline receipts (customs duties and miscellaneous receipts) are projected to increase by \$22 billion from 2007 to 2012.

Outlays.—Current services outlays are estimated to grow from \$2,735 billion in 2007 to \$2,752 billion in 2008, a 0.6 percent increase. This small increase is in part due to calendar quirks. When October 1 falls on a weekend, military pay and certain benefit payments are paid on the previous Friday, shifting them into the previous fiscal year. Between 2007 and 2012, current services outlays are projected to increase at

an average annual rate of 3.2 percent. October 1 falls on a weekend in both 2007 and 2012.

Even though most discretionary spending is assumed to grow with inflation, outlays for discretionary programs decline from \$1,032 billion in 2007 to \$961 billion in 2008 because the baseline assumes no additional spending for the war beyond what is already enacted. Outlays increase each year thereafter, reflecting increases in resources to keep pace with inflation, reaching \$1,028 billion in 2012. Entitlement and other mandatory programs are estimated to grow from \$1,465 billion in 2007 to \$1,537 billion in 2008, and to \$1,918 billion in 2012, due in large part to changes in the number of beneficiaries and to automatic cost-of-living adjustments and other adjustments for inflation. Social security outlays grow from \$582 billion in 2007 to \$762 billion in 2012, an average annual rate of 5.5 percent. Medicare and medicaid are projected to grow at annual average rates of 6.5 and 7.3 percent, respectively, outpacing inflation. Other areas of growth include federal employee retirement (average annual growth of 3.5 percent), unemployment compensation (5.6 percent) and veterans programs (6.6 percent). Net interest payments to the public total \$238 billion in 2007 and \$254 billion in 2008 and remain nearly level through the projection period.

Tables 25–9 and 25–10 show current services outlays by function and by agency, respectively. A more detailed presentation of outlays (by function, subfunction, category, and program) appears on the CD-ROM that accompanies this volume.

Budget authority.—Tables 25–11 and 25–12 show current services estimates of budget authority by function and by agency, respectively. A more detailed presen-

tation of budget authority with program level estimates appears on the CD-ROM that accompanies this volume.

Table 25–8. CHANGE IN BASELINE OUTLAY ESTIMATES BY CATEGORY

(Dollar amounts in billions)

| | 2007 | 2008 | 2012 | Change 2007 to 2008 | | Change 2007 to 2012 | |
|---|-------|-------|-------|---------------------|---------|---------------------|---------------------|
| | | | | Amount | Percent | Amount | Annual average rate |
| Outlays: | | | | | | | |
| Discretionary: | | | | | | | |
| DoD-Military | 511 | 444 | 486 | -67 | -13.1% | -25 | -1.0% |
| Homeland security | 35 | 36 | 38 | * | 0.9% | 3 | 1.5% |
| International affairs | 36 | 34 | 33 | -2 | -6.2% | -3 | -1.7% |
| Other discretionary | 486 | 482 | 504 | -4 | -0.9% | 18 | 0.7% |
| Subtotal, discretionary | 1,032 | 961 | 1,028 | -71 | -6.8% | -4 | -0.1% |
| Mandatory: | | | | | | | |
| Farm programs | 14 | 14 | 15 | -1 | -3.8% | * | 0.3% |
| Medicaid | 192 | 204 | 273 | 12 | 6.3% | 82 | 7.3% |
| Other health care | 23 | 24 | 30 | 1 | 3.0% | 7 | 5.2% |
| Medicare | 367 | 391 | 503 | 23 | 6.3% | 136 | 6.5% |
| Federal employee retirement and disability | 105 | 109 | 124 | 4 | 4.3% | 20 | 3.5% |
| Unemployment compensation | 32 | 34 | 42 | 2 | 7.3% | 10 | 5.6% |
| Other income security programs | 174 | 182 | 193 | 8 | 4.8% | 19 | 2.1% |
| Social Security | 582 | 608 | 762 | 26 | 4.4% | 180 | 5.5% |
| Veterans programs | 39 | 45 | 53 | 6 | 15.9% | 15 | 6.6% |
| Other mandatory programs | 20 | 13 | 15 | -7 | -33.8% | -5 | -5.7% |
| Undistributed offsetting receipts | -82 | -86 | -91 | -4 | 5.0% | -10 | 2.3% |
| Subtotal, mandatory | 1,465 | 1,537 | 1,918 | 72 | 4.9% | 453 | 5.5% |
| Net interest | 238 | 254 | 255 | 16 | 6.7% | 17 | 1.4% |
| Total outlays | 2,735 | 2,752 | 3,201 | 17 | 0.6% | 466 | 3.2% |

Table 25-9. CURRENT SERVICES OUTLAYS BY FUNCTION

(in billions of dollars)

| Function | 2006 Actual | Estimate | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| National defense: | | | | | | | |
| Department of Defense—Military | 499.3 | 512.4 | 446.1 | 457.6 | 466.0 | 477.2 | 488.5 |
| Other | 22.5 | 22.7 | 23.2 | 23.6 | 23.5 | 23.4 | 23.8 |
| Total, National defense | 521.8 | 535.1 | 469.3 | 481.1 | 489.5 | 500.6 | 512.3 |
| International affairs | 29.5 | 32.7 | 32.0 | 31.8 | 30.8 | 30.7 | 31.3 |
| General science, space, and technology | 23.6 | 24.9 | 25.7 | 26.6 | 26.6 | 27.1 | 27.7 |
| Energy | 0.8 | 1.8 | 1.5 | 1.7 | 1.9 | 2.1 | 2.1 |
| Natural resources and environment | 33.1 | 35.1 | 33.1 | 31.9 | 33.1 | 33.8 | 34.9 |
| Agriculture | 26.0 | 20.1 | 19.8 | 19.6 | 20.1 | 20.8 | 21.1 |
| Commerce and housing credit | 6.2 | 0.2 | -1.4 | 0.7 | -0.4 | -0.2 | 1.0 |
| On-Budget | (7.3) | (-2.4) | (0.9) | (-1.0) | (-1.7) | (-2.1) | (0.2) |
| Off-Budget | (-1.1) | (2.6) | (-2.3) | (1.7) | (1.3) | (1.9) | (0.8) |
| Transportation | 70.2 | 74.6 | 78.2 | 78.1 | 79.5 | 80.8 | 82.7 |
| Community and regional development | 54.5 | 31.4 | 23.7 | 20.4 | 17.4 | 17.9 | 14.5 |
| Education, training, employment, and social services | 118.6 | 94.0 | 88.2 | 91.0 | 94.2 | 96.0 | 97.3 |
| Health | 252.8 | 268.5 | 281.7 | 300.2 | 316.4 | 336.5 | 359.6 |
| Medicare | 329.9 | 372.3 | 395.6 | 423.4 | 452.4 | 498.1 | 508.8 |
| Income security | 352.5 | 365.4 | 380.4 | 389.4 | 399.5 | 415.5 | 415.0 |
| Social security | 548.5 | 586.5 | 612.5 | 644.9 | 683.3 | 723.0 | 767.4 |
| On-Budget | (16.1) | (19.4) | (20.0) | (22.0) | (24.2) | (27.1) | (30.1) |
| Off-Budget | (532.5) | (567.2) | (592.5) | (622.9) | (659.1) | (695.8) | (737.3) |
| Veterans benefits and services | 69.8 | 72.4 | 79.5 | 83.3 | 87.4 | 95.9 | 92.0 |
| Administration of justice | 41.0 | 45.3 | 44.7 | 44.9 | 45.5 | 46.2 | 47.6 |
| General government | 18.2 | 18.8 | 19.8 | 19.6 | 20.1 | 21.0 | 22.1 |
| Net interest | 226.6 | 237.7 | 253.5 | 258.4 | 259.1 | 257.8 | 255.0 |
| On-Budget | (324.3) | (343.9) | (368.2) | (383.2) | (395.6) | (407.0) | (417.9) |
| Off-Budget | (-97.7) | (-106.2) | (-114.6) | (-124.8) | (-136.5) | (-149.3) | (-162.9) |
| Allowances | | | | | | | |
| Undistributed offsetting receipts: | | | | | | | |
| Employer share, employee retirement (on-budget) | -49.2 | -48.8 | -51.7 | -55.0 | -58.4 | -62.1 | -65.6 |
| Employer share, employee retirement (off-budget) | -11.6 | -12.3 | -13.1 | -13.8 | -14.7 | -15.8 | -16.6 |
| Rents and royalties on the Outer Continental Shelf | -7.3 | -6.8 | -9.1 | -9.9 | -9.9 | -9.6 | -9.3 |
| Sale of major assets | | | | -0.3 | | | |
| Other undistributed offsetting receipts | -0.1 | -13.8 | -11.8 | -2.2 | -0.1 | -0.1 | |
| Total, Undistributed offsetting receipts | -68.2 | -81.7 | -85.8 | -81.3 | -83.1 | -87.6 | -91.5 |
| On-Budget | (-56.6) | (-69.4) | (-72.6) | (-67.4) | (-68.4) | (-71.8) | (-74.9) |
| Off-Budget | (-11.6) | (-12.3) | (-13.1) | (-13.8) | (-14.7) | (-15.8) | (-16.6) |
| Total | 2,655.4 | 2,735.0 | 2,752.1 | 2,865.7 | 2,973.5 | 3,115.9 | 3,200.9 |
| On-Budget | (2,233.4) | (2,283.7) | (2,289.6) | (2,379.8) | (2,464.3) | (2,583.2) | (2,642.2) |
| Off-Budget | (422.1) | (451.3) | (462.5) | (485.9) | (509.2) | (532.7) | (558.7) |

Table 25-10. CURRENT SERVICES OUTLAYS BY AGENCY

(in billions of dollars)

| Agency | 2006 Actual | Estimate | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Legislative Branch | 4.1 | 4.3 | 4.3 | 4.3 | 4.5 | 4.7 | 4.8 |
| Judicial Branch | 5.8 | 5.8 | 6.1 | 6.3 | 6.5 | 6.8 | 7.0 |
| Agriculture | 93.5 | 88.6 | 89.3 | 90.6 | 93.2 | 96.2 | 98.9 |
| Commerce | 6.4 | 6.2 | 6.5 | 6.9 | 7.0 | 6.8 | 6.7 |
| Defense—Military | 499.4 | 512.4 | 446.1 | 457.6 | 466.0 | 477.2 | 488.5 |
| Education | 93.4 | 68.0 | 62.8 | 65.1 | 67.5 | 68.8 | 69.5 |
| Energy | 19.6 | 21.9 | 21.8 | 22.7 | 22.8 | 22.7 | 23.2 |
| Health and Human Services | 614.3 | 671.2 | 705.4 | 748.6 | 794.8 | 860.3 | 892.7 |
| Homeland Security | 69.1 | 49.1 | 40.4 | 38.8 | 34.6 | 35.0 | 35.9 |
| Housing and Urban Development | 42.4 | 42.8 | 44.2 | 43.5 | 42.5 | 43.5 | 40.5 |
| Interior | 9.1 | 10.9 | 10.6 | 10.4 | 11.0 | 11.1 | 11.4 |
| Justice | 23.3 | 22.9 | 23.9 | 24.8 | 25.2 | 25.3 | 26.1 |
| Labor | 43.1 | 47.4 | 50.4 | 51.6 | 54.0 | 56.3 | 58.0 |
| State | 13.0 | 15.3 | 14.5 | 14.6 | 14.3 | 14.2 | 14.5 |
| Transportation | 60.1 | 63.8 | 66.1 | 65.4 | 66.3 | 67.2 | 68.6 |
| Treasury | 464.7 | 489.0 | 519.5 | 539.5 | 557.7 | 575.1 | 588.7 |
| Veterans Affairs | 69.8 | 72.3 | 79.4 | 83.2 | 87.3 | 95.6 | 91.8 |
| Corps of Engineers—Civil Works | 6.9 | 7.4 | 6.4 | 5.2 | 5.3 | 5.4 | 5.5 |
| Other Defense Civil Programs | 44.4 | 47.6 | 49.1 | 50.4 | 51.4 | 52.5 | 52.8 |
| Environmental Protection Agency | 8.3 | 8.0 | 7.9 | 8.2 | 8.4 | 8.5 | 8.7 |
| Executive Office of the President | 5.4 | 2.7 | 1.4 | 0.7 | 0.5 | 0.4 | 0.4 |
| General Services Administration | * | 0.5 | 0.6 | -0.2 | -0.3 | -0.4 | -0.3 |
| International Assistance Programs | 13.9 | 16.5 | 16.3 | 16.6 | 16.3 | 16.3 | 16.6 |
| National Aeronautics and Space Administration | 15.1 | 16.1 | 16.8 | 17.6 | 17.5 | 17.7 | 18.2 |
| National Science Foundation | 5.5 | 5.9 | 5.8 | 5.9 | 6.0 | 6.2 | 6.3 |
| Office of Personnel Management | 62.4 | 58.8 | 64.2 | 66.8 | 69.2 | 71.2 | 73.9 |
| Small Business Administration | 0.9 | 0.7 | 0.7 | 0.5 | 0.5 | 0.5 | 0.5 |
| Social Security Administration | 585.7 | 622.9 | 654.4 | 689.0 | 729.7 | 775.8 | 813.7 |
| On-Budget | (53.3) | (55.7) | (61.9) | (66.1) | (70.6) | (80.0) | (76.4) |
| Off-Budget | (532.5) | (567.2) | (592.5) | (622.9) | (659.1) | (695.8) | (737.3) |
| Other Independent Agencies | 12.9 | 18.7 | 15.3 | 17.6 | 17.3 | 18.3 | 20.1 |
| On-Budget | (14.0) | (16.0) | (17.6) | (15.9) | (16.0) | (16.4) | (19.2) |
| Off-Budget | (-1.1) | (2.6) | (-2.3) | (1.7) | (1.3) | (1.9) | (0.8) |
| Allowances | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| Undistributed Offsetting Receipts | -237.5 | -263.0 | -278.1 | -286.5 | -303.4 | -323.3 | -342.3 |
| On-Budget | (-128.2) | (-144.5) | (-150.4) | (-147.9) | (-152.2) | (-158.2) | (-162.8) |
| Off-Budget | (-109.3) | (-118.5) | (-127.7) | (-138.6) | (-151.2) | (-165.1) | (-179.5) |
| Total | 2,655.4 | 2,735.0 | 2,752.1 | 2,865.7 | 2,973.5 | 3,115.9 | 3,200.9 |
| On-Budget | (2,233.4) | (2,283.7) | (2,289.6) | (2,379.8) | (2,464.3) | (2,583.2) | (2,642.2) |
| Off-Budget | (422.1) | (451.3) | (462.5) | (485.9) | (509.2) | (532.7) | (558.7) |

* \$50 million or less.

Table 25–11. CURRENT SERVICES BUDGET AUTHORITY BY FUNCTION

(in billions of dollars)

| Function | 2006 Actual | Estimate | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| National defense: | | | | | | | |
| Department of Defense—Military | 593.8 | 501.2 | 443.9 | 457.3 | 470.6 | 484.2 | 497.8 |
| Other | 23.4 | 21.8 | 22.5 | 22.8 | 23.1 | 23.6 | 24.0 |
| Total, National defense | 617.2 | 523.0 | 466.4 | 480.0 | 493.8 | 507.7 | 521.8 |
| International affairs | 32.8 | 27.1 | 29.5 | 31.1 | 31.9 | 32.7 | 33.6 |
| General science, space, and technology | 25.1 | 24.9 | 25.5 | 26.2 | 26.8 | 27.4 | 28.0 |
| Energy | 0.3 | 1.2 | 1.5 | 1.6 | 1.8 | 2.1 | 2.2 |
| Natural resources and environment | 38.1 | 29.7 | 31.0 | 31.3 | 32.7 | 33.7 | 34.9 |
| Agriculture | 25.6 | 19.1 | 20.0 | 19.7 | 20.5 | 20.9 | 21.5 |
| Commerce and housing credit | 14.3 | 11.1 | 10.4 | 8.4 | 8.2 | 8.8 | 8.0 |
| On-Budget | (10.6) | (2.8) | (6.7) | (6.7) | (6.9) | (6.9) | (7.2) |
| Off-Budget | (3.7) | (8.3) | (3.7) | (1.7) | (1.3) | (1.9) | (0.8) |
| Transportation | 75.7 | 77.7 | 83.4 | 84.3 | 85.1 | 86.0 | 86.9 |
| Community and regional development | 31.2 | 12.7 | 13.0 | 13.5 | 13.8 | 14.2 | 14.6 |
| Education, training, employment, and social services | 125.9 | 91.7 | 92.2 | 94.8 | 97.6 | 98.6 | 100.8 |
| Health | 295.2 | 242.3 | 283.5 | 303.1 | 320.5 | 341.9 | 364.7 |
| Medicare | 365.4 | 371.9 | 395.5 | 423.8 | 452.1 | 498.1 | 509.2 |
| Income security | 351.1 | 361.0 | 377.9 | 390.3 | 402.3 | 421.1 | 419.0 |
| Social security | 552.2 | 589.2 | 614.6 | 647.9 | 686.6 | 726.3 | 771.3 |
| On-Budget | (16.1) | (19.4) | (20.0) | (22.0) | (24.2) | (27.1) | (30.1) |
| Off-Budget | (536.2) | (569.9) | (594.6) | (625.9) | (662.4) | (699.1) | (741.2) |
| Veterans benefits and services | 71.0 | 74.5 | 79.5 | 83.8 | 88.0 | 92.4 | 96.8 |
| Administration of justice | 42.7 | 43.7 | 44.7 | 43.9 | 45.1 | 46.6 | 48.0 |
| General government | 19.7 | 18.6 | 19.0 | 19.8 | 20.4 | 21.2 | 22.1 |
| Net interest | 226.6 | 237.7 | 253.5 | 258.4 | 259.1 | 257.8 | 255.0 |
| On-Budget | (324.3) | (343.9) | (368.2) | (383.2) | (395.6) | (407.0) | (417.9) |
| Off-Budget | (-97.7) | (-106.2) | (-114.6) | (-124.8) | (-136.5) | (-149.3) | (-162.9) |
| Allowances | | | | | | | |
| Undistributed offsetting receipts: | | | | | | | |
| Employer share, employee retirement (on-budget) | -49.2 | -48.8 | -51.7 | -55.0 | -58.4 | -62.1 | -65.6 |
| Employer share, employee retirement (off-budget) | -11.6 | -12.3 | -13.1 | -13.8 | -14.7 | -15.8 | -16.6 |
| Rents and royalties on the Outer Continental Shelf | -7.3 | -6.8 | -9.1 | -9.9 | -9.9 | -9.6 | -9.3 |
| Sale of major assets | | | | -0.3 | | | |
| Other undistributed offsetting receipts | -0.1 | -13.8 | -11.8 | -2.2 | -0.1 | -0.1 | |
| Total, Undistributed offsetting receipts | -68.2 | -81.7 | -85.8 | -81.3 | -83.1 | -87.6 | -91.5 |
| On-Budget | (-56.6) | (-69.4) | (-72.6) | (-67.4) | (-68.4) | (-71.8) | (-74.9) |
| Off-Budget | (-11.6) | (-12.3) | (-13.1) | (-13.8) | (-14.7) | (-15.8) | (-16.6) |
| Total | 2,841.7 | 2,675.4 | 2,755.7 | 2,880.6 | 3,003.4 | 3,149.8 | 3,246.7 |
| On-Budget | (2,411.1) | (2,215.8) | (2,285.1) | (2,391.7) | (2,490.9) | (2,613.8) | (2,684.1) |
| Off-Budget | (430.5) | (459.6) | (470.6) | (488.9) | (512.5) | (536.0) | (562.6) |
| MEMORANDUM | | | | | | | |
| Discretionary budget authority: | | | | | | | |
| National defense | 556.5 | 519.9 | 462.9 | 476.6 | 490.4 | 504.3 | 518.3 |
| International | 35.9 | 29.9 | 30.7 | 31.4 | 32.2 | 33.0 | 33.7 |
| Domestic | 404.3 | 375.4 | 393.6 | 404.5 | 415.4 | 426.5 | 437.9 |
| Total | 996.7 | 925.2 | 887.2 | 912.6 | 938.0 | 963.8 | 990.0 |

Table 25-12. CURRENT SERVICES BUDGET AUTHORITY BY AGENCY

(in billions of dollars)

| Agency | 2006 Actual | Estimate | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Legislative Branch | 4.2 | 4.2 | 4.3 | 4.5 | 4.6 | 4.8 | 5.0 |
| Judicial Branch | 6.0 | 5.9 | 6.1 | 6.3 | 6.6 | 6.8 | 7.0 |
| Agriculture | 97.3 | 87.4 | 91.8 | 93.1 | 96.1 | 99.1 | 102.0 |
| Commerce | 6.6 | 7.9 | 6.1 | 6.4 | 6.5 | 6.7 | 6.9 |
| Defense—Military | 593.8 | 501.2 | 443.9 | 457.3 | 470.6 | 484.2 | 497.8 |
| Education | 100.1 | 66.3 | 66.3 | 68.3 | 70.5 | 71.0 | 72.6 |
| Energy | 21.1 | 20.5 | 21.2 | 21.7 | 22.2 | 22.8 | 23.3 |
| Health and Human Services | 684.6 | 643.3 | 706.8 | 751.1 | 798.3 | 866.7 | 897.4 |
| Homeland Security | 32.4 | 34.1 | 33.1 | 35.5 | 34.3 | 35.3 | 36.3 |
| Housing and Urban Development | 52.4 | 33.8 | 38.4 | 39.3 | 40.3 | 41.0 | 41.8 |
| Interior | 10.0 | 9.7 | 10.1 | 10.4 | 11.0 | 11.2 | 11.5 |
| Justice | 23.1 | 22.6 | 24.6 | 24.1 | 24.7 | 25.5 | 26.4 |
| Labor | 45.9 | 46.7 | 49.5 | 51.4 | 53.7 | 55.7 | 57.6 |
| State | 15.4 | 13.0 | 13.3 | 13.6 | 14.0 | 14.3 | 14.7 |
| Transportation | 64.4 | 65.6 | 71.0 | 71.4 | 71.8 | 72.2 | 72.6 |
| Treasury | 466.6 | 490.5 | 520.4 | 540.3 | 558.8 | 576.2 | 589.6 |
| Veterans Affairs | 71.0 | 74.4 | 79.5 | 83.7 | 87.9 | 92.1 | 96.6 |
| Corps of Engineers—Civil Works | 11.9 | 4.7 | 4.8 | 5.0 | 5.2 | 5.4 | 5.6 |
| Other Defense Civil Programs | 44.7 | 47.8 | 49.2 | 50.6 | 51.6 | 52.7 | 53.0 |
| Environmental Protection Agency | 7.6 | 7.5 | 7.7 | 7.9 | 8.1 | 8.4 | 8.6 |
| Executive Office of the President | 0.3 | 0.4 | 0.3 | 0.4 | 0.4 | 0.4 | 0.4 |
| General Services Administration | 0.7 | -0.2 | -0.2 | -0.2 | -0.2 | -0.2 | -0.2 |
| International Assistance Programs | 18.7 | 14.5 | 15.1 | 16.4 | 16.8 | 17.2 | 17.6 |
| National Aeronautics and Space Administration | 16.6 | 16.2 | 16.6 | 17.0 | 17.5 | 17.9 | 18.3 |
| National Science Foundation | 5.7 | 5.7 | 5.9 | 6.0 | 6.2 | 6.3 | 6.4 |
| Office of Personnel Management | 66.8 | 62.2 | 66.9 | 69.5 | 72.0 | 75.5 | 77.0 |
| Small Business Administration | 1.8 | 0.4 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Social Security Administration | 589.5 | 626.3 | 655.5 | 692.0 | 733.0 | 778.7 | 818.1 |
| On-Budget | (53.4) | (56.4) | (60.9) | (66.2) | (70.6) | (79.6) | (76.9) |
| Off-Budget | (536.2) | (569.9) | (594.6) | (625.9) | (662.4) | (699.1) | (741.2) |
| Other Independent Agencies | 20.0 | 26.0 | 25.0 | 23.5 | 23.8 | 24.9 | 24.5 |
| On-Budget | (16.3) | (17.7) | (21.3) | (21.8) | (22.4) | (23.0) | (23.7) |
| Off-Budget | (3.7) | (8.3) | (3.7) | (1.7) | (1.3) | (1.9) | (0.8) |
| Allowances | ----- | ----- | ----- | ----- | ----- | ----- | ----- |
| Undistributed Offsetting Receipts | -237.5 | -263.0 | -278.1 | -286.5 | -303.4 | -323.3 | -342.3 |
| On-Budget | (-128.2) | (-144.5) | (-150.4) | (-147.9) | (-152.2) | (-158.2) | (-162.8) |
| Off-Budget | (-109.3) | (-118.5) | (-127.7) | (-138.6) | (-151.2) | (-165.1) | (-179.5) |
| Total | 2,841.7 | 2,675.4 | 2,755.7 | 2,880.6 | 3,003.4 | 3,149.8 | 3,246.7 |
| On-Budget | (2,411.1) | (2,215.8) | (2,285.1) | (2,391.7) | (2,490.9) | (2,613.8) | (2,684.1) |
| Off-Budget | (430.5) | (459.6) | (470.6) | (488.9) | (512.5) | (536.0) | (562.6) |

