HOUSE BUDGET COMMITTEE

Democratic Caucus

The Honorable John M. Spratt Jr. ■ Ranking Democratic Member

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UPDATED December 14, 2005
Reflects CBO Revisions to Medicaid Estimates

Summary of House and Senate Reconciliation Bills

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Charts and Graphs

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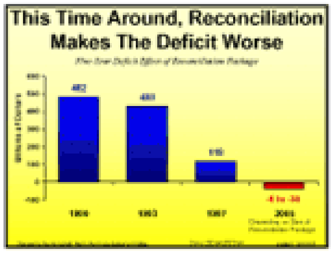
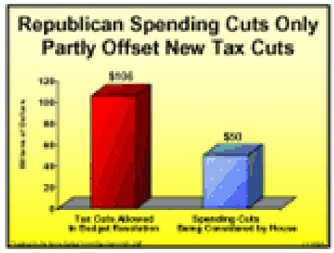
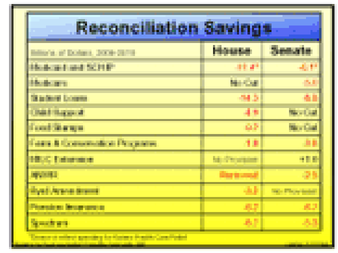
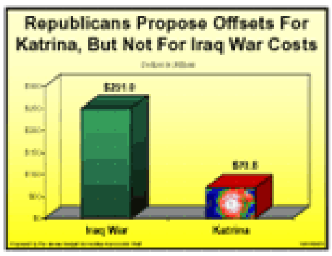
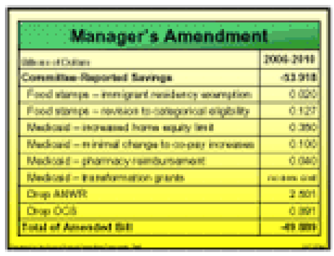
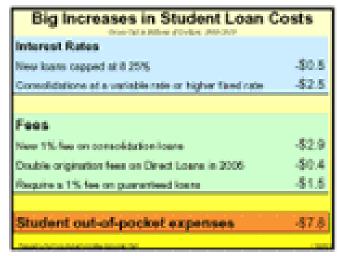


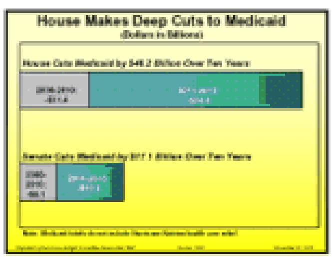


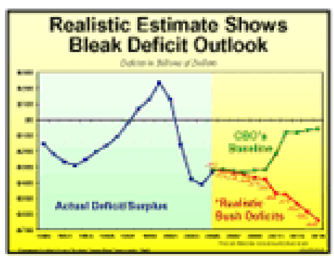


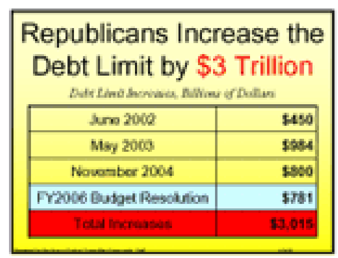


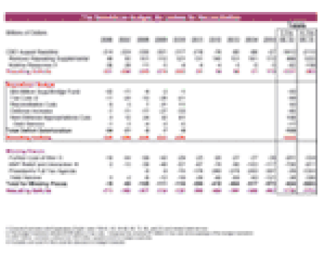












Overview

On November 3, the Senate passed a spending reconciliation bill (S. 1932) that reduces outlays over five years by $34.6 billion. On November 18, the House passed its spending reconciliation bill (H.R. 4241), which reduces outlays by $49.5 billion over five years. Despite differences in their budgetary impact and specific provisions, the bills passed by the House and the Senate share a common set of fundamental flaws, which will in all likelihood characterize any conference report on this bill, as well.

Key Points — Reconciliation Spending Bills

While the House and Senate bills differ in their budgetary impact and in many specific provisions, both bills share the following flaws:

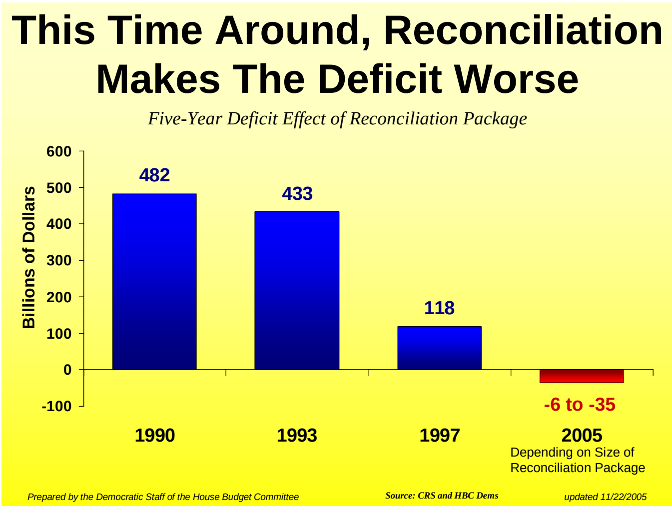
Even with these spending cuts, the Republican budget still increases the deficit.

All of these spending cuts will be used to offset tax cuts, not the costs of hurricane response or deficit reduction.

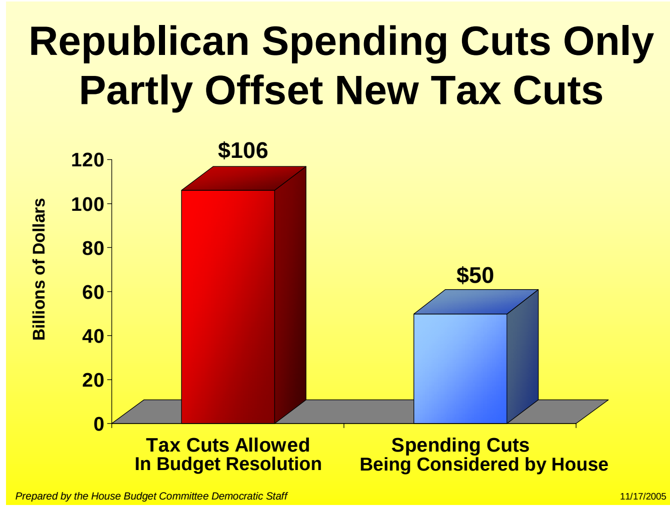
Spending cuts threaten vital services, including services that may benefit some hurricane victims.

Republicans reveal a double standard by claiming to offset hurricane costs but not war costs or tax cuts.

Republican Reconciliation Plans Increase Deficit — The Republican reconciliation spending plan – when combined with the reconciliation tax cuts currently moving through the House and the Senate – will *increase* the deficit by billions of dollars. The size of the tax bills moving through the House and Senate exceeds the size of the spending cuts passed, by $6.5 billion for the House and $25.0 billion for the Senate. By the time the process is completed, the Republican reconciliation plans could add as much as $35 billion to the deficit because the budget resolution allows for reconciled tax cuts of up to $70 billion and calls for a minimum of $35 billion in spending cuts. Whatever the final size of the conference report on these bills, the reconciliation spending bill implements one step of a budget plan that increases the deficit and the national debt – contrary to Republican attempts to portray the spending reconciliation bill as reducing the deficit.



***Spending Cuts Pay for Tax Cuts, Not Hurricane Costs or Deficit Reduction* —** Republicans claim that these spending cuts will be used to reduce the deficit or offset the cost of hurricane relief efforts. The reality, however, is that these spending cuts will help finance part of the $106 billion of tax cuts included in this year's Republican budget resolution. Indeed, this year's Republican budget resolution called for reconciled spending cuts long before the hurricanes occurred.



Spending Cuts Threaten Vital Services, Including Services for Hurricane Victims — While differing in some of the specific provisions, the House and Senate bills both cut funding for a number of key services. Some of the services cut – like Medicaid (cut in both bills) and food stamps (cut in the House bill) – may benefit people who have been affected by the hurricanes. The programs cut include:

- **Medicaid –** The House bill contains $11.0 billion in net cuts, including cuts of over $8 billion that fall upon beneficiaries through more cost-sharing, new premiums, and other cuts. The Senate bill contains net cuts of $6.1 billion, modifying pharmacy reimbursement for prescription drugs and making other changes, but avoiding the specific cost-sharing and premium increases contained in the House bill.
- **Student Loans –** The House bill includes $14.3 billion in net spending cuts to student loan programs over five years. That includes $7.8 billion coming directly out of students' pockets through increases in interest rates and fees. The Senate bill cuts student loan spending by $8.8 billion by increasing the interest rate on loans to parents and cutting subsidies to lenders.
- **Child Support Enforcement –** The House bill includes $4.9 billion in cuts, which will dramatically reduce the states' capacity to enforce child support orders. The Senate bill includes no cuts in this area.
- **Food Stamps –** The House bill includes $697 million in food stamp cuts, which would cause an estimated 220,000 people to lose food stamps. The Senate bill includes no cuts in this area.

Reconciliation Savings

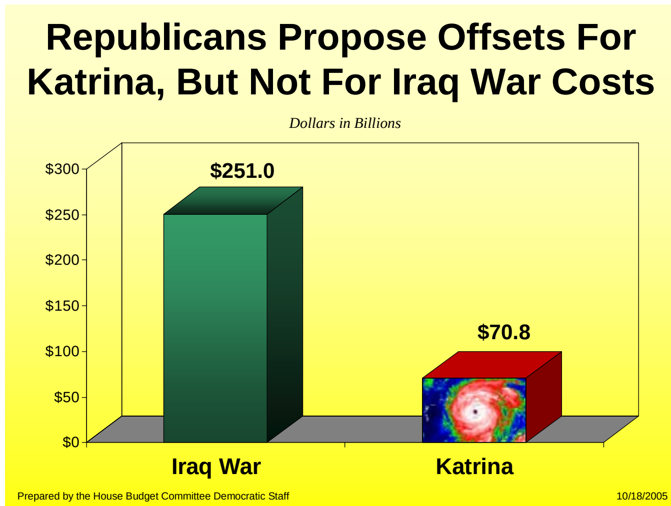
Billions of Dollars, 2006-2010	House	Senate
Medicaid and SCHIP	-11.0*	-6.1*
Medicare	No Cut	-5.0
Student Loans	-14.3	-8.8
Child Support	-4.9	No Cut
Food Stamps	-0.7	No Cut
Farm & Conservation Programs	-1.8	-3.8
MILC Extension	No Provision	+1.0
ANWR	Removed	-2.5
Byrd Amendment	-3.2	No Provision
Pension Insurance	-6.2	-6.7
Spectrum	-8.7	-5.3

*Does not reflect spending for Katrina Health Care Relief

Other Controversial Provisions — The reconciliation bills also include other controversial provisions, such as:

- **Environment –** The Senate bill allows for drilling in the Arctic National Wildlife Refuge (ANWR), a provision that was originally included in the House bill but later dropped. The House bill includes other controversial environmental provisions affecting mining, the development of oil shale, the sale of public lands, and conservation programs.
- **Farm Programs** – The House bill cuts $1.0 billion from commodity programs and $760 million from conservation programs. The Senate bill cuts $1.7 billion from commodity programs and $1.1 billion from conservation programs.
- **Byrd Amendment –** The House bill repeals the Byrd Amendment, which provides that anti-dumping duties be distributed to companies affected by dumped or subsidized imports. This provision is not included in the Senate bill.

Republican Claims About Offsetting Hurricane Costs Reveal Double Standard — The Republican claim about offsetting the cost of hurricane relief is inconsistent with the decision in recent years not to offset tax cuts or supplemental funding for Iraq and other purposes. Why does the Republican leadership insist on offsetting the cost of rebuilding Biloxi but not the cost of rebuilding Baghdad?



Democrats Support Fiscal Responsibility — Democrats have a strong track record on fiscal responsibility. In the 1990s, President Clinton and Democrats in Congress worked together to move the budget from record deficits to record surpluses. The budget resolution offered by House Democrats this year balanced the budget by 2012, while the Republican budget never reaches balance, even with these reconciled changes. Democrats also support reinstatement of the effective pay-as-you-go (PAYGO) rule that helped take the budget from record deficits in the early 1990s to a $236 billion surplus just five short years ago.

Medicaid

The House bill cuts Medicaid by $11.0 billion over five years, nearly double the $6.1 billion in Medicaid cuts approved by the Senate. Over ten years, the cuts in the House bill more than doubles the Senate, with cuts of over $45 billion, compared with $17.1 billion in the Senate. The bulk of the five year House cuts — over $8 billion — will fall directly on beneficiaries in the form of higher co-pays, premiums, and other provisions that cut benefits or will delay access to Medicaid coverage.

Medicaid Changes in Reconciliation Bills		
Billions of Dollars, 2006-2010	**House**	**Senate**
Increase cost-sharing and premiums	-2.4	no provision
Eliminate federal benefit standards	-3.9	no provision
Tighten asset rules and other changes to long-term care	-2.2	-0.3
Changes to prescription drug payments	-1.7	-8.2
Anti-waste, fraud and abuse	-0.5	-0.1
Benefit expansions	1.0	2.6
Other provisions	-1.4	-0.05
Total cuts, 2006-2010	**-11.0**	**-6.1**
Hurricane Katrina Relief	2.6	1.8
Total cuts plus Hurricane Katrina Relief, 2006-2010	**-8.5**	**-4.3**

- ***House Bill Lets States Reduce Access to Services by Hiking Up Cost-Sharing and Premiums*** — The House bill lets states impose premiums and increase cost-sharing for many categories of beneficiaries and services. States could, for the first time, let providers turn away someone who needs care if the beneficiary cannot afford the co-payment. There is extensive research showing that increasing cost-sharing for low-income people results in a decline in use of health care services and worsening of health status. *In fact, CBO finds that a large share of the savings comes from reduced use of services caused by higher cost-sharing, and from fewer eligible beneficiaries enrolling because of the premiums.* The Senate does not include a comparable provision.

- ***House Bill Lets States Cut Benefits for Millions of Children* —** The House bill lets states remove standards for Medicaid benefit packages, which can result in benefit cuts. In doing so, states can eliminate an entitlement that guarantees children access to preventive services and the care necessary to ameliorate the long-term effects of chronic illness and disability. (This comprehensive coverage is known as "EPSDT" or Early and Periodic Screening, Diagnostic and Treatment service.) This provision could result in elimination of comprehensive health coverage for approximately 6 million children. The Senate does not include a comparable provision.

- ***Tightens Access to Long-Term Care* —** Both the House and Senate bills make changes that tighten the rules governing how assets are counted for determining eligibility for long-term care. However, the House bill is more aggressive, with savings of $2.2 billion over five years, compared with $335 million in the Senate. Under the House bill, states will look at asset transfers going back five years, and if any assets were transferred for less than fair market value, there will be a delay in Medicaid eligibility that begins when the individual applies for coverage. CBO estimates that under the House bill 120,000 people, or 15 percent of all new Medicaid nursing home recipients, will face delays in Medicaid eligibility in 2010.

- ***Modifies Payments for Prescription Drugs* —** Both the House and Senate bills modify payments for prescription drugs; however, the Senate bill goes farther in reducing overpayments for prescription drugs and increasing rebates from pharmaceutical companies, yielding five-year savings of $8.2 billion compared with $1.7 billion in the House bill.

- ***Addresses Waste, Fraud and Abuse* —** The Senate includes $113 million in savings from various provisions designed to combat waste, fraud and abuse, with re-investments for a Medicaid integrity program. The House bill includes one similar savings provision, but does not create a Medicaid integrity program.

- ***Expands Some Benefits* —** Both the House and Senate bills include some benefit expansions, with the Senate spending $2.6 billion on a package that includes expansion of coverage to certain disabled children. The House bill spends $1.0 billion on benefit expansions, primarily to expand access to home- and community-based services for individuals who might otherwise need care in a nursing home or other institution.

- ***Other Provisions* —** Both the House and Senate bills include other provisions, including restricting access to case management for individuals with multiple complex illnesses (House and Senate), and tightening requirements governing how an applicant can prove citizenship (House only).

- ***Hurricane Katrina Relief* —** Both bills provide some relief through May 15, 2006 for those affected by Hurricane Katrina. The Senate provides $1.8 billion for full federal Medicaid funding for Katrina evacuees. The House provides $2.6 billion for full federal Medicaid funding for Katrina evacuees and Medicaid beneficiaries still residing in Katrina-affected areas in Louisiana, Mississippi and Alabama.

Medicare

The Senate attempts to minimize its Medicaid cuts by reducing overpayments and making other changes in Medicare, yielding savings of $5.0 billion over five years. The House bill does not change Medicare, instead targeting all of its health-related cuts on Medicaid.

Medicare Changes in Reconciliation Bills		
Billions of Dollars, 2006-2010	**House**	**Senate**
Eliminate PPO stabilization fund	no provision	-5.4
Codify administration policy for risk adjustment	no provision	-6.5
Increase physician payments for 2006	no provision	10.8
Benefit expansions and other provider payment increases	no provision	2.3
Provider payment cuts	no provision	-5.7
Interactions	no provision	-0.5
Total cuts, 2006-2010	**0.0**	**-5.0**

Eliminate the Preferred Provider Organization Stabilization Fund — The Medicare Modernization Act included $10 billion over ten years to entice private preferred provider organizations (PPOs) into the Medicare program. There are going to be an overwhelming number of choices for seniors next year with 65 regional PPO plans in 21 regions — clearly private plans do not need any additional enticement to participate in Medicare. The Senate eliminates this PPO "slush fund," consistent with a recommendation from the Medicare Payment Advisory Commission (MedPAC), saving $5.4 billion over five years.

Codify Administration Policy for Risk Adjustment **—** Private plans under Medicare Advantage are supposed to receive lower payments if they serve healthier, and thus cheaper, beneficiaries. The Administration is currently providing extra payments to private plans to protect them from the effects of this process, known as "risk adjustment." The Administration already plans to phase out these extra payments. Because of a scoring discrepancy between CBO and the Department of Health and Human Services, codifying the Administration's policy saves $6.5 billion over five years. This provision is also a MedPAC recommendation.

Increase Physician Payments **—** Under the current payment formula, physicians are slated to receive a 4.4 percent cut to their payments beginning January 1, 2006. The Senate bill prevents this cut by overriding the payment formula and providing a 1.0 percent increase for 2006. The House bill does not address the physician payment issue.

***Benefit Expansions and Other Provider Payment Increases* —** The Senate bill includes $2.3 billion for a variety of provisions, including the continuation of additional payments to rural outpatient hospitals, an increase in dialysis payments, and a delay until 2007 of payments caps on outpatient therapy services.

***Provider Payment Cuts* —** The Senate bill includes provisions that reduce payments for durable medical equipment and skilled nursing facilities. The Senate bill also establishes a value-based purchasing program for many Medicare providers, which yields savings due to a timing shift for provider payments.

Student Loans

The House reconciliation bill cuts direct spending on student loans by $14.3 billion over five years while the Senate bill cuts $8.8 billion from student loan programs. Both bills make similar cuts in lender subsidies and the rate of federal insurance against defaults, and both bills change interest rates that borrowers will pay for future loans, although the House bill changes all rates and the Senate bill increases only the rate on parent loans. However, the House bill levies several new fees on students and increases existing fees, while the Senate bill reduces current fees. In addition, the Senate bill includes $8.0 billion in new spending that would supplement Pell Grants and also provides $1.7 billion to help pay elementary and secondary education costs for students displaced by Hurricane Katrina; neither provision is in the House bill.

Student Loan Cuts
2006-2010, in Billions of Dollars

House	Senate
-14.3	-8.8

The House bill includes gross cuts that will increase student out-of-pocket costs by $7.8 billion. Even some of the provisions that cost money, such as letting students take out larger loans, will end up costing students more. In fact, the higher interest rates and new fees in the House bill could cost students up to $5,800 more over the life of their loans, according to estimates by the Committee on Education and the Workforce Democratic staff.

Interest Rates on New Loans — The House bill changes the interest rates that borrowers are slated to pay for new loans under current law; new loans will have variable interest rates capped at 8.25 percent rather than the fixed 6.8 percent rate (7.9 percent for parent borrowers) scheduled for July 2006. In contrast, the Senate bill increases only the rate on parent loans scheduled to go into effect in July 2006 from a fixed rate of 7.9 percent to 8.5 percent.

Interest Rates on Consolidated Loans — Under the House bill, students who consolidate their loans will have to pay a 1 percent premium if they want to freeze the variable rate then in place, or they can choose a variable rate; students currently fix their rate based on the average of their underlying loans. This change will cost students $2.5 billion over five years. The Senate bill does not change rates on consolidation loans.

More Fees for Students — The House bill will double the origination fee for students getting Direct Loans – from an effective 1.5 percent to 3 percent in 2006 – before it eventually reduces the fee to 1 percent in 2010. The Senate bill allows the Department of Education to charge a fee of up to 2.5 percent, but does not mandate it. An immediate increase in student origination fees may cause colleges to stop offering loans through the Direct Loan program, which is more efficient for the federal government than the competing Federal Family Education Loans (FFEL) program because it generally has lower federal subsidy costs. Under the House bill, students applying for FFEL loans will face a mandatory 1 percent insurance fee, which banks now often waive. Under the Senate bill, FFEL fees would drop from 3.0 percent to 2.0 percent in 2007. In addition, students who consolidate their loans will have to pay a new 1 percent origination fee under the House bill.

Lender Subsidies and Fees — Both the House and Senate bills end loans that guarantee certain lenders a minimum 9.5 percent return, although the Senate bill allows a subset of these loans to continue. Both bills eliminate subsidies that ensure lenders are paid a rate at least as high as the borrower rate, even when the lender-yield formula is lower than the borrower rate. Both bills also reduce the federal level of loan insurance and the percentage that collection agencies may keep on payments of a defaulted loan. Finally, the House bill increases lender origination and consolidation fees, while the Senate bill increases lender fees only on consolidation loans.

Student Loan Cuts in Reconciliation Bills

(Outlays in Billions of Dollars, 2006-2010)

Provisions that Cut Outlays	*House*	*Senate*
Borrower Interest Rates		
• Change interest rates borrowers pay on new loans.	-0.505	see note
• Let consolidators choose a variable or higher fixed rate capped at 8.25%.	-2.515	NA
Borrower Fees		
• Levy a new 1% fee on all consolidation loans.	-2.940	NA
• Require a 1% insurance fee on guaranteed loans.	-1.470	NA
• Eliminate 1.5% Direct Loan repayment incentive.	-0.350	NA
Lenders/Guaranty Agencies		
• Change "guaranteed 9.5% return" new loans.	-1.795	-1.400
• Eliminate floor on lenders' rate of return.	-5.220	see note
• Reduce lender reinsurance and percent of default collections lenders keep.	-1.410	-0.860
• Raise lender origination and consolidation fees.	-1.825	-0.625
• Require 1% Guaranty Agency fee.	NA	-1.490
• Reduce fees on percent of default collections that GAs keep.	-0.065	-0.065
Other Savings		
• End direct spending for loan administration and make it discretionary.	-2.206	NA
• Income-contingent loan forgiveness.	NA	-0.710
• Interaction effects.	-0.298	-1.379
Provisions that Increase Outlays		
• New programs to supplement Pell Grants.	NA	8.012
• Reduce origination fees.	4.070	2.460
• Increase limits on how much students may borrow.	1.585	1.860
• Katrina-related higher education relief.	0.210	0.105
• Other small provisions.	0.474	0.366
Total, reconciled student loan cuts	**-14.260**	**-8.801**
• Funding for K-12 education for students displaced by Katrina.	NA	1.660
Total, reconciled education cuts	**-14.260**	**-7.141**

Note: these two provisions combined cut $15.075 billion in direct spending over five years.

Budget Gimmick in House Bill Jeopardizes Loan Programs — The House bill eliminates all mandatory spending for administration of federal student loans, which shows a savings of $2.2 billion over five years. Either the money becomes appropriated funding, in which case there is no savings to the government, or it is cut, which jeopardizes the continuation of the federal student loan programs. The Senate bill has no similar provision.

***New Pell Grant Programs in Senate Bill* —** The Senate bill provides $8.0 billion for two temporary programs that would provide enhanced Pell Grants. The Provisional Grant Assistance Program (ProGAP) provides additional funding for students who apply for a Pell Grant by June 30 each year, and the National Science and Mathematics Access to Retain Talent (SMART) program would increase Pell Grants by up to $1,500 for third- and fourth-year students majoring in math, science, or other specified field. The House bill does not provide any extra Pell Grant funding.

***Other Changes* —** The House and Senate bills increase the amount that students may borrow from the federal loan programs during their first and second year of college, although the House bill does not increase the aggregate total allowed over five years and the Senate bill does. Both bills also extend the loan forgiveness program for those who become qualified teachers of math, science, or special education.

Safety Net Programs

The House bill cuts $6.9 billion from four safety net programs: food stamps, child support enforcement, Supplemental Security Income, and foster care. These programs provide basic security for low-wage working families, children, low-income elderly, and persons with disabilities. The House bill also provides $1 billion of additional funding for home energy assistance, and it provides a slight increase for child care as part of comprehensive welfare legislation. In contrast, the Senate bill makes no changes to any of these programs.

Safety Net Changes in Reconciliation Bills		
Billions of Dollars, 2006-2010	**House**	**Senate**
Food Stamps	-0.7	no provision
Child Support Enforcement	-4.9	no provision
Foster Care	-0.6	no provision
Supplemental Security Income	-0.7	no provision
Temporary Assistance for Needy Families	+0.9	no provision
Child Care	+0.4	no provision
Low-Income Home Energy Assistance	+1.0	no provision
Total cuts, 2006-2010	**-4.6**	**0.0**

Food Stamps

- ***TANF Categorical Eligibility* —** The House bill cuts $442 million over five years by making it more difficult for certain families to qualify for food stamps. Under current law, families who qualify for Temporary Assistance for Needy Families (TANF) cash assistance or non-cash services such as child care or transportation assistance may be deemed eligible for food stamps, as long as they also meet separate Food Stamp Program requirements. The House bill tightens requirements for families receiving non-cash services. The Center on Budget and Policy Priorities estimates at least 150,000 people will lose food stamps under this provision, primarily low-income working families with children.

- ***Seven-Year Waiting Period for Legal Immigrants* —** The House bill saves $255 million over five years by lengthening the waiting period for legal immigrants to qualify for food stamps from five to seven years. The 1996 welfare reform law made most legal immigrants ineligible for food stamps. Only three years ago, recognizing that the 1996 law was too draconian, Congress restored access to food stamps for immigrants who have been in the United States for at least five years. Once it is fully phased in, the change will cause 70,000 legal immigrants to lose food stamps.

Child Support

The House bill cuts $4.9 billion over five years by reducing federal spending on child support programs run by states. Most of the savings result from reducing the federal matching rate to states from 66 percent to 50 percent of program costs. This cut will reduce states' capacity to help families establish legal child support orders and enforce orders to make sure that child support owed actually gets paid. This in turn will reduce the resources available to single parents and harm efforts to strengthen families by keeping both parents financially and emotionally involved in their children's lives. CBO estimates that the reconciliation bill's reduction in the federal commitment to child support programs will result in custodial parents receiving $7.1 billion less child support over five years and $21.3 billion less over ten years.

Foster Care

The House bill cuts $397 million over five years by limiting children's eligibility for federally funded foster care payments (payments made to a foster care provider on behalf of the child). The bill cuts another $180 million by limiting circumstances under which states can receive federal funding for services provided to children in certain settings, such as non-licensed foster homes. These two provisions essentially shift costs to states. Unless states are able to devote new resources to foster care, they may cut services and increase caseloads in a system that in many states is already overburdened and underfunded.

Supplemental Security Income (SSI)

The House bill cuts spending by $425 million by requiring that retroactive SSI benefits exceeding three times the maximum monthly benefit (currently $579) be paid to beneficiaries in installments over the period of a year. Current law requires installment payments for retroactive SSI benefits exceeding 12 times the maximum benefit. About 750,000 individuals per year become eligible for SSI. Many are entitled to retroactive benefits resulting from the lengthy nature of the disability determination process. Initial determinations take three months, on average. The appeals process for denied claims often takes more than a year. The bill also saves $307 million by requiring that the Social Security Administration review 50 percent of new disability benefit awards to ensure that the finding of disability is accurate before starting payments, thereby avoiding erroneous payments.

Welfare Reform

The House reconciliation bill includes comprehensive legislation to renew the Temporary Assistance for Needy Families (TANF) program. The legislation freezes the basic block grant, increases work requirements, and eliminates two performance bonus programs (saving $1.1 billion). Part of the savings from eliminating the bonus programs is used to provide $349 million for new marriage promotion activities, and $409 million for new research projects. The legislation also extends supplemental grants, at a cost of $1.2 billion over five years. The net effect of the TANF provisions is to increase spending by $926 million over five years relative to CBO's estimate of current services. This appearance of an increase in spending is only because the extension of supplemental grants is excluded by law from CBO's projections of current services, even though the grants have been in place for nine years. Adjusting for this scoring factor, total TANF spending in the bill actually declines by $239 million.

Child Care

The House bill increases child care funding above current-law levels by $500 million over five years ($434 million of which will be actually be spent within the five-year window). This increase is not enough to keep pace with inflation, let alone cover the additional demand for child care created by the bill's increased work requirements for welfare recipients. CBO estimates that complying with the increased work requirements in the Committee bill will increase states' costs over the next five years by $4.1 billion for child care and $4.2 billion for work activities. States will likely shift existing child care resources to TANF recipients facing new work requirements. The Center on Budget and Policy Priorities estimates that 330,000 children of low-wage working parents who are *not* on welfare would lose child care assistance as a result.

Low-Income Home Energy Assistance Program (LIHEAP)

The House bill includes a $1 billion increase for LIHEAP, in response to the expected sharp rise in home heating costs this winter. However, according to an analysis by the Center on Budget and Policy Priorities, the combination of rising prices and more families needing assistance mean that even with the $1 billion increase in the reconciliation bill, total LIHEAP funding for 2006 would fall short by more than $2 billion of the amount needed to keep eligible families' out-of-pocket costs for home heating in line with what they paid last year.

Environment

The House and Senate reconciliation spending bills create federal savings in entirely different ways. The Senate reconciliation bill opens the Arctic National Wildlife Refuge coastal plain to oil and gas exploration, which is estimated to net $2.5 billion in proceeds to the federal government over five years (this assumes a 50/50 revenue split with the State of Alaska). A manager's amendment added before House floor consideration stripped a similar provision from the House bill, as well as a provision opening the Outer Continental Shelf to oil and gas exploration. As a result, the House reconciliation bill includes savings of only $286 million from programs under the jurisdiction of the Resources Committee. These savings come from providing incentives for companies to mine gold and silver on public lands, fast-tracking the development of oil shale, and selling public land in Nevada, Idaho, and the District of Columbia.

Environmental Provisions

- The Senate bill opens the Arctic National Wildlife Refuge coastal plain to oil and gas exploration and cuts Farm Bill conservation programs, yielding savings of $3.6 billion.
- The House bill provides incentives for companies to mine gold and silver on public lands, fast-tracks the development of oil shale, sells public land in Nevada, Idaho, and the District of Columbia, and cuts Farm Bill conservation programs, totaling $1.0 billion.

The House and Senate bills also cut vital Farm Bill conservation programs that are under the jurisdiction of the House and Senate Agriculture Committees. Over five years, the House bill includes $760 million in conservation cuts; the Senate cuts $1.1 billion.

Senate Bill Permits Drilling in the Arctic — The Senate-passed bill opens the Arctic National Wildlife Refuge coastal plain to oil and gas exploration. The House bill has no such provision.

- ***Alaska Likely to Sue to Claim 90 Percent of Revenue*** — The State of Alaska claims it is entitled to 90 percent of the receipts under the Alaska Statehood Act. The State legislature has repeatedly endorsed preserving the 90/10 split; if the State were to prevail in litigation to preserve the 90/10 split, the Treasury would receive only 10 percent of CBO's projected revenues, or only $500 million. Rep. Don Young and Sen. Ted Stevens are both on record advocating inclusion of a 50/50 split to pass the bill, and then suing to fight for a 90/10 split for their State.

- ***Oil and Gas Industry Not Committed to Drilling in ANWR*** — Two of the largest oil companies with an interest in Alaskan oil have recently cut back or eliminated their plans to explore for oil in Alaska and others have shown little public enthusiasm for drilling in the Arctic. This raises the question as to how profitable it is to explore in the Arctic Refuge.

House Bill Makes Changes to Mining Law — The reconciliation bill changes mining law, estimated to raise $158 million over five years. The Senate bill has no such provision.

- ***Repeals Current Moratorium on Patents* —** The bill repeals the ban on mining patents and allows mining companies and individuals to acquire federal land for $1,000 per acre, which is an increase over established levels but often fails to reflect fair market value.

- ***Right to Mine* —** The reconciliation bill gives companies the right to mine regardless of whether there is a valuable mineral deposit within the claim, exposing millions of acres of federal land to potential purchase and commercial development.

- ***No New Fees* —** The House Republican bill prohibits the government from levying any additional royalties or fees on mining operations. Oil, gas, and coal companies all currently pay a royalty when on federal lands, but mining operations do not.

***House Bill Overrides Energy Bill to Fast-Track Production of Oil Shale* —** The bill overrides a number of provisions in the recently enacted energy bill regarding development of oil shale. These changes include eliminating required consultation with relevant state and local governments before proceeding with large-scale oil shale leasing, leasing large amounts of federal oil shale within a one-year period, and capping oil shale royalty rates at 3 percent for ten years instead of using the energy bill's instructions to set royalty rates that "ensure a fair return to the taxpayer." Finally, it prevents any Environmental Impact Statement from being challenged. The Senate bill has no such provision.

***Both House and Senate Bills Cut Farm Bill Conservation Programs* —** Both the House and Senate reconciliation bills cut vital Farm Bill programs that would help farmers and ranchers protect and enhance natural resources.

- ***House Cuts* —** The Conservation Security Program (CSP), which rewards good conservation stewardship practices, is cut by $504 million over the 2006-2010 period. The Watershed Rehabilitation Program is eliminated, cutting $225 million that goes to localities to rehabilitate aging dams and other flood control structures that are beyond their lifespan and pose a hazard to life and property. The reconciliation bill also eliminates the Agriculture Management Assistance program, designed to assist producers in managing their financial risk, moving to organic production, and implementing conservation practices that will also enhance their productivity. This results in a cut of $31 million over five years. CBO estimates that these cuts will provide $760 million in savings over the 2006-2010 period.

- ***Senate Cuts* —** The Senate also cuts the CSP, totaling $821 million over the 2006-2010 period. The Conservation Reserve Program (CRP), which provides payments to landowners for taking highly erodible or other environmentally sensitive land out of production for ten or more years, is cut by $129 million over five years. The Senate also cuts the Environmental Quality Incentives Program (EQIP) by $104 million over five years. EQIP provides farmers and ranchers with financial and technical assistance to improve water, soil, and air quality as well as improve wildlife habitat. CBO estimates that these cuts will provide $1.1 billion in savings over the 2006-2010 period.

Other Environmental Provisions **—** The House Republican reconciliation bill sells public land in Nevada and Idaho to mining companies. It also sells land in the District of Columbia, despite a bipartisan agreement reached among members of the House, the Senate, and the Administration to convey these parcels directly to the District. These provisions will raise $128 million over five years. The Senate bill has no such provisions.

Spectrum Auctions

The House bill includes $8.7 billion in net savings over five years by making changes to spectrum policy; the Senate bill includes $5.3 billion in net savings.

Both bills require that television broadcasters complete the transition to digital broadcasts (by January 1, 2009, in the House bill and by April 7, 2009, in the Senate bill); this transition will free up the analog spectrum currently being used by the broadcasters. A portion of this spectrum will then be made available for public safety use, and another portion will be auctioned off – generating new receipts estimated to total $10 billion over the next five years. The House bill spends $1.3 billion of these receipts over five years, while the Senate bill spends $4.7 billion over five years. Key spending provisions of the bills include:

> **Spectrum Auctions**
>
> Both bills generate $10 billion in receipts over five years by requiring that broadcasters complete the conversion to digital television in 2009, and by auctioning spectrum made available by that transition.
>
> - The House bill spends $1.3 billion of this total to provide digital converter boxes to consumers and to provide communications equipment for first responders, providing a net savings of $8.7 billion over five years.
>
> - The Senate bill spends $4.7 billion on converter boxes, first responder communications equipment, and for other purposes – yielding a net savings of $5.3 billion over five years.

- ***Funding for Transition to Digital Television*** — An estimated 21 million households only have televisions that, unless modified, will not work once the transition to digital broadcasting is completed. The House reconciliation bill uses about $1 billion of the new receipts to finance and administer the purchase by consumers of the converter box needed to adapt analog television sets to receive digital broadcasts. This amount of funding is expected to be insufficient to hold consumers harmless for the cost of equipping analog televisions with converter boxes. The Senate's reconciliation bill includes $3 billion for this purpose.

- ***Funding for Public Safety Equipment*** — The House bill includes $500 million for communications equipment for first responders – $235 million of which will be spent within the reconciliation window (2006-2010). The Senate bill includes $1 billion for this purpose – $470 million of which will be spent within the five-year reconciliation window. The Senate bill also contains a provision that would make additional funds available for this purpose if the proceeds from the auctioned spectrum exceed the estimated level by a sufficient amount.

Pensions

The House reconciliation bill raises $6.2 billion over five years by increasing premiums that single-employer pension plans pay to the Pension Benefit Guaranty Corporation (PBGC**)**. First, the reconciliation bill increases the flat-rate premiums from $19 to $30 per participant in 2006. PBGC could then increase that rate by up to 20 percent annually for the next four years. Second, the bill creates a new $1,250 per participant premium that companies would pay annually for three years after they emerge from bankruptcy.

PBGC Premium Increases
5-year total

House	Senate
$6.2 billion	$6.7 billion

The Senate bill creates an identical new post-bankruptcy premium but raises the flat-rate premium to $46.75 in 2006 and then indexes it to inflation. In addition, the Senate bill raises the per participant premium for multi-employer plans from the current $2.60 to $8.00 in 2006, and indexes it to inflation thereafter. Together, the Senate provisions raise $6.7 billion over five years.

Trade

The House reconciliation bill repeals the Continued Dumping and Subsidy Offset Act (CDSOA), commonly known as the Byrd Amendment, which raises $3.2 billion over five years. Repeal of the Byrd Amendment means that hundreds of U.S. companies harmed by unfair foreign trade will not receive redistributed customs duties. The Senate bill includes no such provision.

Byrd Amendment Changes in Reconciliation Bills		
Billions of Dollars, 2006-2010	**House**	**Senate**
Distributions to U.S. companies, other than lumber.	-1.2	no provision
Estimated cost of distributions to U.S. lumber companies.	-2.0	no provision
Total cuts, 2006-2010	**-3.2**	**0.0**

Repeal of Byrd Amendment

- ***Cuts to U.S. Companies Already Hurt by Unfair Trade*** — Customs duties of about $300 million are expected to be distributed annually to U.S. companies under the Byrd Amendment. Since 2001, 770 companies have benefitted from this provision and used these funds to remain competitive with foreign business. With the repeal of the Byrd Amendment, these companies will no longer receive these funds.

- ***Wide Assortment of Companies Hurt by Cuts*** — While a large portion of the disbursements have gone to a small number of firms particularly injured by unfair trade, hundreds of small businesses have also benefitted from the provision. From honey farmers to producers of ball bearings, the Byrd Amendment benefits a wide variety of industries.

- ***Premature Repeal Weakens the United States' Hand in Trade Negotiations*** — The U.S. Trade Representative is presently engaged in ongoing negotiations on the Byrd Amendment. Prematurely repealing this provision will severely weaken the United States' hand in these negotiations.

- ***Repeal of the Byrd Amendment Threatens U.S. Sovereignty on Trade Issues* —** The World Trade Organization's (WTO) ruling against the practice of distributing customs duties to industries hurt by unfair trade represents encroachment on U.S. sovereignty. The WTO should not be allowed to dictate how Congress may allocate funds.

- ***Senate Opposition*** — The repeal of the Byrd Amendment is widely opposed in the Senate, with over 70 Senators publicly stating their support for the law.

Agriculture

Commodity Programs

In the face of record-high energy prices and natural disasters, Republicans chose to cut important safety net programs for farmers.

Agriculture Cuts 2006-2010, in Billions of Dollars	House	Senate
Commodities	-1.0	-1.7
Other	-1.1	-0.2

The House bill cuts commodity programs by $1.0 billion over five years and by $553 million in 2006.

- ***One Percent Reduction for Direct Payments*** — The reconciliation measure reduces the total amount of the direct payment to producers by one percent through 2009, saving $211 million over five years.
- ***Reduce Advance Direct Payment to 40 Percent*** — The measure reduces the percentage of direct payments for covered commodities and peanuts that can be paid in advance from 50 percent to 40 percent. This provision saves a total of $513 million.
- ***Eliminate the Cotton Step 2 Program*** — The reconciliation bill repeals the special marketing loan provisions for upland cotton known as "Step 2," which saves $282 million over five years.

Commodity Program Cuts
2006-2010 Savings, In Millions of Dollars

House		Senate	
One Percent Reduction for Direct Payments	-211	Reduce All Commodity Payments by 2.5%	-1,296
Eliminate Cotton Step 2	-282	Eliminate Cotton Step 2	-282
Reduce Advance Direct Payment to 40% for 2006 and 2007	-513	Reduce Advance Direct Payment to 40% for 2006 and 29% for 2007-2011	-1,088
		Forfeiture Penalty for Nonrecourse Sugar Loans	-65
		Extend MILC at 34% payment factor	+998
Total	**-1,006**	**Total**	**-1,733**

The Senate bill cuts commodity programs by $1.7 billion over five years and by $181 million in 2006. The Senate measure reduces all commodity payments by 2.5 percent (not just direct payments, but also counter-cyclical payments, marketing loan gains, and loan deficiency payments). The Senate bill reduces the advance direct payment from 50 percent to 40 percent for the 2006 crop year, but to 29 percent for the 2007 through 2011 crop years, and assesses a forfeiture penalty on nonrecourse sugar loans. The Senate bill also extends the Milk Income Loss Contract (MILC) program, which increases spending by an additional $998 million. The House bill has no provision for MILC.

Conservation Programs

See "Environment"

Rural Development, Research, and Energy Programs

The House reconciliation package trims several programs related to rural development, research, and renewable energy, saving $1.1 billion over five years. The following programs are cut under the House bill:

- ***Renewable Energy Systems and Energy Efficiency Improvements Program*** **—** cut $23 million.
- ***Enhanced Access to Broadband Telecommunications Services in Rural Areas*** **—** cut $47 million.
- ***Value-Added Agricultural Product Market Development Program Grants*** **—** cut $160 million.
- ***Rural Business Investment Program*** **—** cut $89 million.
- ***Rural Business Strategic Investment Grants*** **—** cut $100 million.
- ***Rural Firefighters and Emergency Personnel Grants*** — cut $50 million.
- ***Initiative for Future Agriculture and Food Systems*** — cut $620 million.

In recent years, funding for many of these programs has been limited or reduced by appropriations legislation in order to fund other agriculture programs. The 2006 Agriculture Appropriations bill was no exception, and reduced or eliminated funding for each of the above programs, among others.

The Senate bill limits funding for the Initiative for Future Agriculture and Food Systems, but does not eliminate it entirely, saving $227 million over five years.

Judiciary

The House bill raises a net total of $428 million by imposing new visa fees on multinational employers who seek to temporarily transfer certain employees to the United States under the L-1 visa program and by authorizing 93 new temporary and permanent judgeships and extending authority for certain judgeships. The Senate bill raises $394 million by imposing a fee lower than the new fee in the House bill for multinational employers applying for L-1 visas and by imposing fees on reissued H-1B and employment-based visas.

Judiciary Changes in Reconciliation Bills		
Millions of Dollars, 2006-2010	**House**	**Senate**
L-1 Visa Fees for Multinational Employers	-500	-252
New Judgeships	+72	no provision
Fees for Reissued H-1B Visas	no provision	-75
Fees for Reissued Employment-Based Immigrant Visas	no provision	-251
Department of Justice Programs	no provision	+183
Total cuts, 2006-2010	**-428**	**-394**

House Reconciliation

- ***L-1 Visa Fees for Multinational Employers*** — The House bill raises $500 million over years 2006 through 2010 by requiring multinational employers to pay a $1,500 fee to apply for a temporary transfer of a non-immigrant, intra-company professional employee to the United States under the L-1 visa program.

- ***New Permanent and Temporary Judgeships*** — The House bill increases mandatory spending by $72 million over five years by establishing 93 new permanent and temporary judgeships, and extending authority for certain circuit, district, and bankruptcy court judgeships.

- ***Ninth Circuit Split*** — The bill also splits the Ninth Circuit Court, redistributing some states between the Ninth Circuit and a newly created Twelfth Circuit.

Senate Reconciliation

- ***L-1 Visa Fees for Multinational Employers*** — The Senate bill raises $252 million over five years by requiring multinational employers to pay a $750 fee to apply for the same visa under the L-1 visa program.

- ***Fees for Reissued Employment-Based Immigrant Visas*** — The Senate bill also raises $251 million over five years by imposing a $500 fee for unused employment-based immigrant visas that are to be reissued.

- ***Fees for Reissued H-1B Visas*** — The Senate bill also raises $75 million over five years by imposing a $500 fee for up to 30,000 unused H-1B visas that are to be reissued.

- ***Department of Justice Programs* —** The Senate bill adds $183 million in new spending over five years for several Department of Justice programs, including the Bulletproof Vest Partnership Act, the Copyright Royalty Judges Program, and programs authorized under the Justice For All Act of 2004 relating to DNA testing, identification, and research and development.

Transportation

The House reconciliation bill increases vessel tonnage duties that are currently imposed on the cargo-carrying capacity of vessels that either enter or depart from/return to the United States. The Senate reconciliation bill effectively rescinds a portion of the State of Alaska's transportation funding that was provided in the recently enacted transportation reauthorization bill (SAFETEA-LU).

Transportation Provisions

- The Senate bill rescinds a portion of Alaska's transportation funding, saving $30 million.
- The House bill increases vessel tonnage duties, raising $156 million.

- ***House Increases Vessel Tonnage Duties*** — The House bill increases vessel tonnage duties. These fees are imposed on the cargo-carrying capacity of vessels that enter the United States from any foreign port or place, or depart from and return to a United States port or place. The tonnage duties are assessed regardless of whether the vessel is carrying cargo. In 1990, the 2 cents per ton duty on vessels arriving in the United States from certain foreign ports was raised to 9 cents per ton, not to exceed 45 cents per ton per vessel in a single year. In addition, the 6 cents per ton duty on vessels arriving in the United States from any other foreign port was raised to 27 cents per ton, not to exceed $1.35 per ton in a single year. The higher fees were extended twice, but expired in 2002. For 2006-2010, the House bill increases the 2-cent duty to 4.5 cents per ton, not to exceed 22.5 cents per ton in a single year, and increases the 6-cent duty to 13.5 cents per ton, not to exceed 67.5 cents per ton in a single year. CBO estimates that these changes will increase receipts by $156 million over the 2006-2010 period.

- ***Senate Rescinds Alaska Transportation Funding*** — The Senate bill delays a portion of law related to the State of Alaska's transportation funding. A provision in SAFETEA-LU allowed Alaska to spend all of its unobligated contract authority on the Alaska Highway or the Alaska Marine Highway System without further appropriation (*i.e.*, it exempted this contract authority from obligation limitations or, simply put, allowed Alaska to exceed the transportation bill's obligation limitations). The reconciliation bill delays the effective date of this provision until December 31, 2008. This delay, coupled with the large rescission of highway contract authority in SAFETEA-LU at the end of fiscal year 2009, provides a very narrow window of opportunity for Alaska to obligate this exempt contract authority. CBO estimates that Alaska will not be able to obligate the entire amount, resulting in a rescission of contract authority. CBO estimates this will reduce spending by $30 million over the 2006-2010 period.

Deposit Insurance

Deposit Insurance Changes in Reconciliation Bills		
Billions of Dollars, 2006-2010	**House**	**Senate**
Cost of Resolving Failed Institutions	+0.4	+0.1
Premium Collections	-0.6	-0.4
Total cuts, 2006-2010	**-0.2**	**-0.3**

The House bill saves $200 million over five years by making changes to the federal deposit insurance system. The bill increases the coverage limit on insured deposits from $100,000 to $130,000 for most accounts ($260,000 for retirement accounts), and it sets up a new risk-based premium structure that will have the effect of increasing premiums paid by insured financial institutions. The new coverage limit is estimated to increase the cost of resolving failed financial institutions, thereby increasing spending by $400 million over five years. The new premium structure will bring in an estimated $600 million in new collections over the next five years, for net savings of $200 million.

The Senate bill saves $300 million over five years with a slightly different set of policies. The Senate bill increases the insurance coverage limit for retirement accounts only, from $100,000 to $250,000. The Senate bill establishes a new premium structure similar to the one in the House bill.

Federal Housing Administration (FHA)

FHA Changes in Reconciliation Bills		
Billions of Dollars, 2006-2010	**House**	**Senate**
Termination of Certain FHA Authorities	-0.3	-0.3
Total cuts, 2006-2010	**–0.3**	**-0.3**

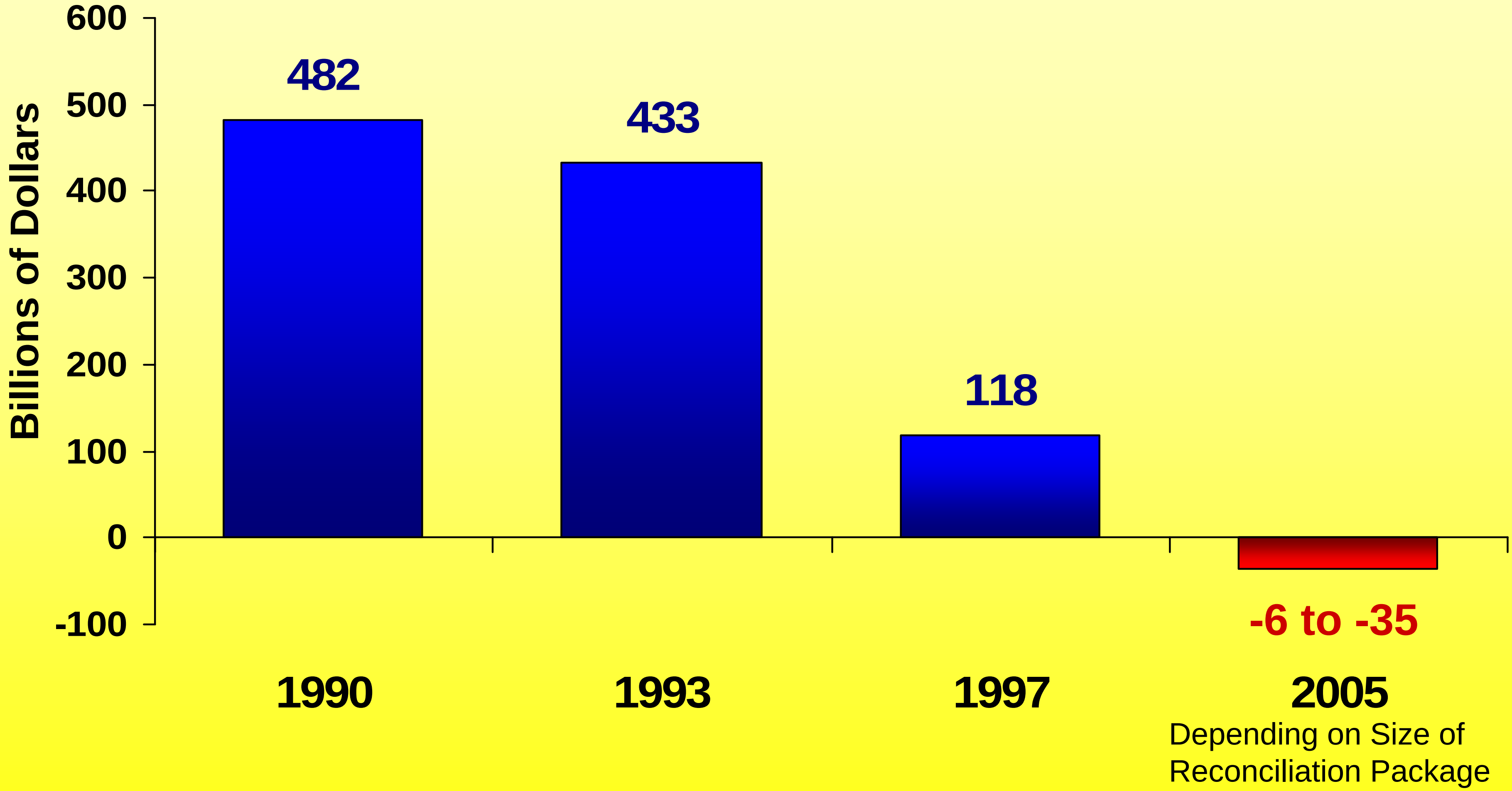
Both the House and Senate bills save $270 million over five years by eliminating mandatory spending and requiring annual appropriations for certain activities carried out by the Department of Housing and Urban Development (HUD) with regard to properties in mortgage default. Under current law, when FHA-insured multi-family properties go into mortgage default, HUD has authority to sell them at below-market prices in order to preserve the properties as affordable housing. HUD also has the authority to provide up-front rehabilitation grants to the buyers of defaulted properties. The House and Senate legislation makes HUD's use of these authorities subject to the availability of annual appropriations, which puts at risk HUD's ability to effectively deal with these properties so that they remain part of the supply of privately owned affordable housing. In the House version, the requirement for appropriations sunsets after 2010.

Reconciliation Savings, 2006-2010, By Committee

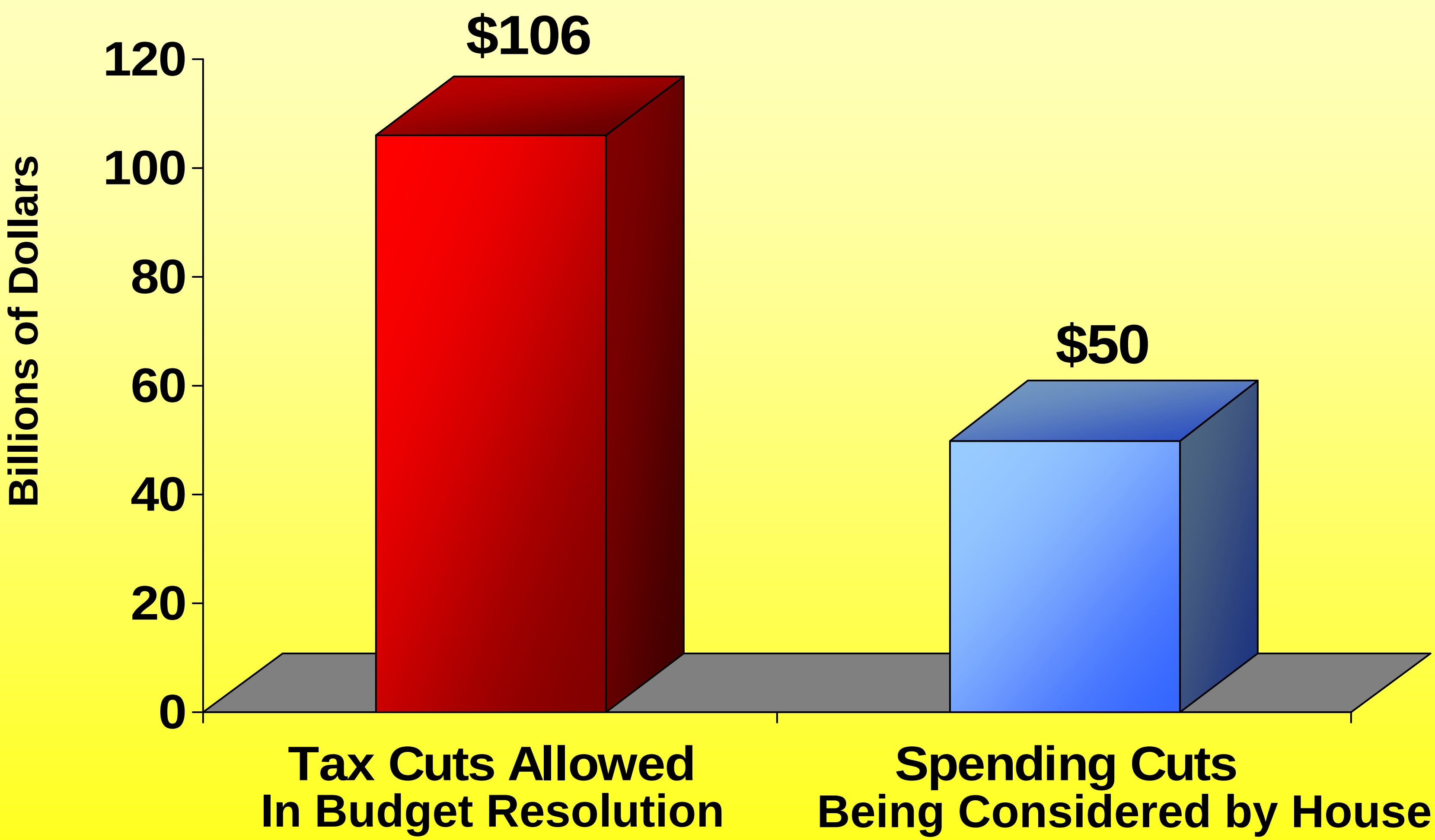
Senate		House	
Agriculture, Nutrition, and Forestry	-2.663	Agriculture	-3.503
Banking, Housing, and Urban Affairs	-0.570	Education and the Workforce	-20.422
Commerce, Science, and Transportation	-5.311	Energy and Commerce	-16.236
Energy and Natural Resources	-2.501	Financial Services	-0.470
Environment and Public Works	-0.030	Judiciary	-0.428
Finance	-9.299	Resources	-0.286
Health, Education, Labor and Pensions	-13.874	Transportation and Infrastructure	-0.156
Judiciary	-0.394	Ways and Means	-8.048
Total	**-34.644**	**Total**	**-49.549**

This Time Around, Reconciliation Makes The Deficit Worse

Five-Year Deficit Effect of Reconciliation Package



Republican Spending Cuts Only Partly Offset New Tax Cuts

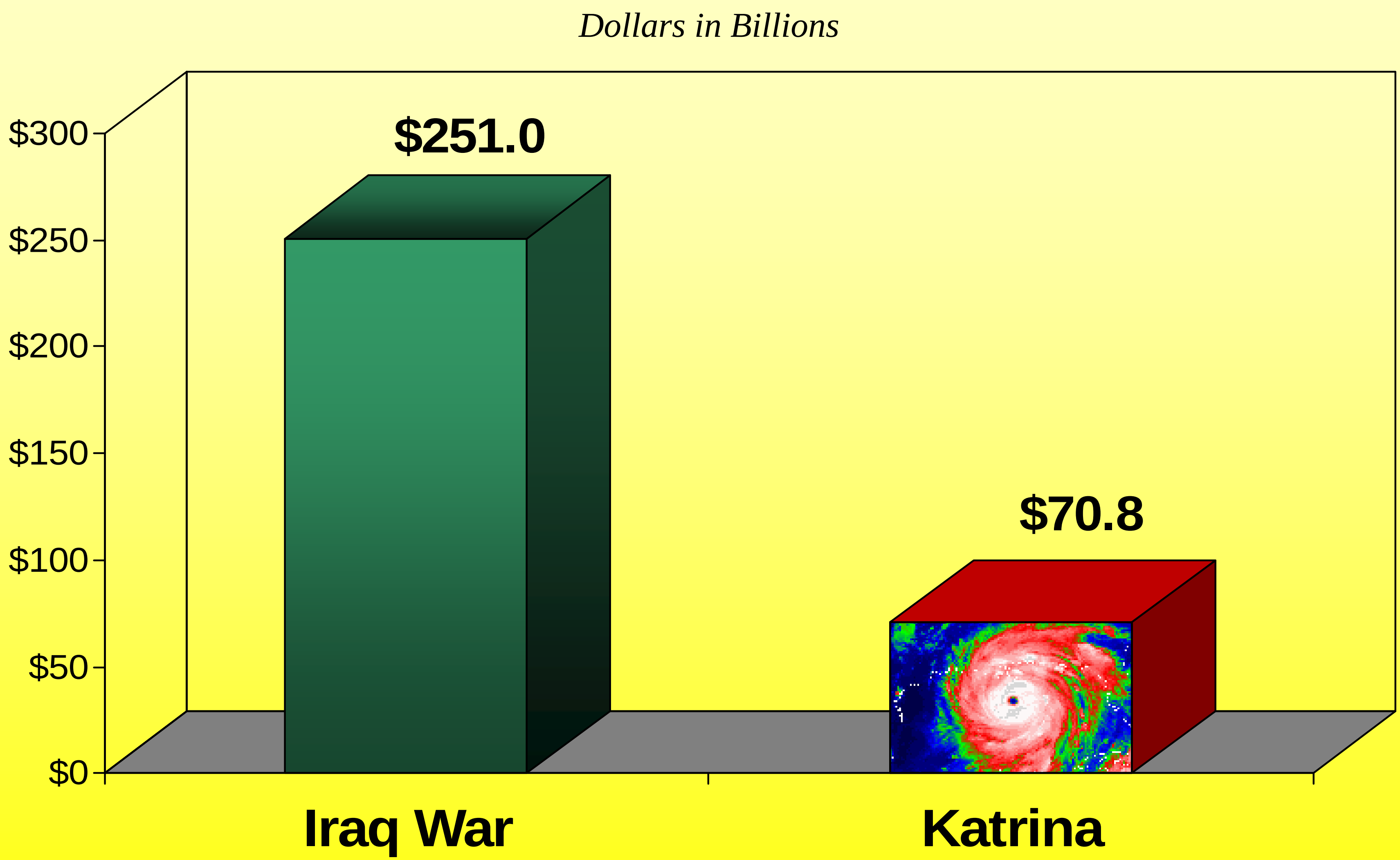


Reconciliation Savings

Billions of Dollars, 2006-2010	House	Senate
Medicaid and SCHIP	-11.0*	-6.1*
Medicare	No Cut	-5.0
Student Loans	-14.3	-8.8
Child Support	-4.9	No Cut
Food Stamps	-0.7	No Cut
Farm & Conservation Programs	-1.8	-3.8
MILC Extension	No Provision	+1.0
ANWR	Removed	-2.5
Byrd Amendment	-3.2	No Provision
Pension Insurance	-6.2	-6.7
Spectrum	-8.7	-5.3

*Does not reflect spending for Katrina Health Care Relief

Republicans Propose Offsets For Katrina, But Not For Iraq War Costs



Manager's Amendment

Billions of Dollars	2006-2010
Committee-Reported Savings	**-53.578**
Food stamps – immigrant residency exemption	0.020
Food stamps – revision to categorical eligibility	0.127
Medicaid – increased home equity limit	0.350
Medicaid – minimal change to co-pay increases	0.100
Medicaid – pharmacy reimbursement	0.040
Medicaid – transformation grants	no new cost
Drop ANWR	2.501
Drop OCS	0.891
Total of Amended Bill	**-49.549**

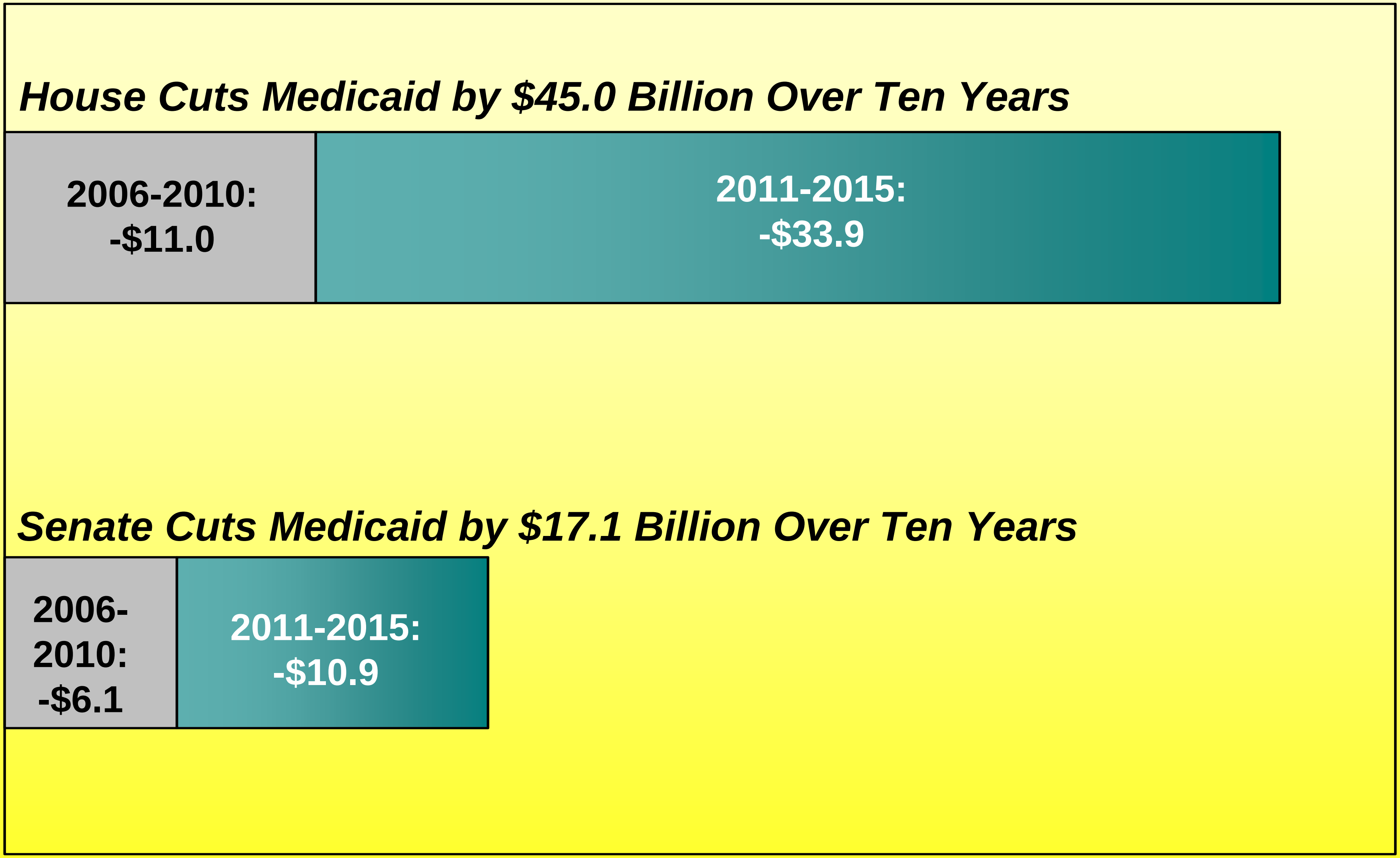
Big Increases in Student Loan Costs

Gross Cut in Billions of Dollars, 2006-2010

Interest Rates	
New loans capped at 8.25%	-$0.5
Consolidations at a variable rate or higher fixed rate	-$2.5
Fees	
New 1% fee on consolidation loans	-$2.9
Double origination fees on Direct Loans in 2006	-$0.4
Require a 1% fee on guaranteed loans	-$1.5
Student out-of-pocket expenses	-$7.8

House Makes Deep Cuts to Medicaid

(Dollars in Billions)



Note: Medicaid totals do not include Hurricane Katrina health care relief.

Realistic Estimate Shows Bleak Deficit Outlook

Deficits in Billions of Dollars

*10-Year Estimate Including Omitted Costs

Prepared by the House Budget Committee Democratic Staff

10/17/2005

Republicans Increase the Debt Limit by $3 Trillion

Debt Limit Increases, Billions of Dollars

June 2002	**$450**
May 2003	**$984**
November 2004	**$800**
FY2006 Budget Resolution	**$781**
Total Increases	**$3,015**

The Republican Budget, An Update for Reconciliation

Billions of Dollars	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Totals 5 Yrs 06-'10	Totals 10 Yrs 06-'15
CBO August Baseline	-314	-324	-335	-321	-317	-218	-78	-80	-66	-57	-1612	-2110
Remove Repeating Supplemental	49	83	101	112	121	131	140	151	161	172	466	1222
Katrina Response /1	-36	-26	-11	-5	-4	-4	-4	-5	-5	-5	-82	-106
Resulting Deficits	**-301**	**-268**	**-245**	**-214**	**-200**	**-91**	**58**	**66**	**91**	**110**	**-1227**	**-993**
Republican Budget												
$50 Billion Supp/Bridge Fund	-32	-11	-4	-2	-1						-50	
Tax Cuts /2	-17	-24	-10	-26	-21						-99	
Reconciliation Cuts	6	5	7	21	11						50	
Defense Increase	-7	-11	-17	-27	-33						-95	
Non-Defense Appropriations Cuts	-3	12	24	32	41						106	
Debt Service	-1	-3	-4	-4	-5						-17	
Total Deficit Deterioration	**-54**	**-31**	**-5**	**-7**	**-9**						**-105**	
Resulting Deficits	**-355**	**-299**	**-249**	**-221**	**-208**						**-1333**	
Missing Pieces												
Further Cost of War /3	-18	-54	-58	-42	-29	-25	-26	-27	-27	-28	-201	-334
AMT Relief and Interaction /4	0	-13	-39	-48	-57	-67	-78	-90	-103	-117	-156	-611
President's Full Tax Agenda			-5	-9	-15	-178	-268	-278	-293	-307	-29	-1353
Debt Service	0	-2	-6	-12	-18	-28	-46	-69	-93	-121	-38	-395
Total for Missing Pieces	**-18**	**-69**	**-108**	**-111**	**-118**	**-299**	**-418**	**-464**	**-517**	**-573**	**-424**	**-2693**
Resulting Deficits	**-373**	**-368**	**-357**	**-332**	**-326**	**-390**	**-360**	**-397**	**-426**	**-462**	**-1756**	**-3792**

/1 Enacted hurricane relief legislation (Public Laws 109-61, 62, 64-66, 68, 73, 86, and 91) and related debt service.
/2 The budget resolution allowed $106 billion in tax cuts. Congress has enacted $7 billion in tax cuts since passage of the budget resolution
/3 CBO Option, excludes outlays from $50 billion supplemental in budget resolution
/4 Excludes one-year fix that could be assumed in budget resolution