

CHAIRMAN

PAUL RYAN

COMMITTEE HEARING

HOUSE BUDGET COMMITTEE



BUDGET.HOUSE.GOV

PHONE: 202.226.7270

Assessing President Obama's Fiscal Record

Key Points:

- Spending surged 18% in 2009 reaching 25% of GDP - the highest since World War II
- Deficits exceeded \$1 trillion in each of the four years of the President's term
- Gross debt has increased over \$5 trillion since the President was inaugurated
- Even adjusting for a weak economy and Bush-era policies, President Obama has signed legislation increasing deficits by \$1.6 trillion over his term
- Republicans in the 112th Congress have stopped the spending spree and have forced the President to accept over \$2.3 trillion in future deficit reduction

Early in his Administration, President Obama promised to cut the deficit in half. While he clearly did not keep that promise, he has gone on to assert that his budget achieves \$4 trillion in deficit reduction, and recently he claimed, "Since I've been President, Federal spending has risen at the lowest pace in 60 years."¹ Many were left wondering how this could be possible with President Obama presiding over unprecedented trillion-dollar deficits for four consecutive years, adding over \$5 trillion in new debt since his inauguration, and piling on a slew of new government initiatives including a near-trillion dollar stimulus and a massive new healthcare entitlement.² Indeed, a closer look at the evidence shows the President's claim of spending restraint does not hold up against the facts, and his overall fiscal record doesn't fare any better.

The President and his allies have offered many excuses for why his fiscal record has been a disappointment. Some of the most prominent are "inheriting a trillion dollar deficit,"

¹ <http://www.whitehouse.gov/the-press-office/2012/05/23/remarks-president-campaign-event>

² The President's statement has been fact-checked and found dubious by PolitiFact, the Associated Press, Factcheck.org, and the Washington Post's Fact Checker.

experiencing a “deeper recession than anyone anticipated,” and disagreement about who was responsible for actions taken in fiscal 2009 – a transition year when both Presidents Bush and Obama held office.

This paper examines the President’s fiscal record from various perspectives in comparison to his numerous assertions of fiscal responsibility. The analysis addresses both the President’s actual fiscal record and his budget proposals going forward. Additional context is provided by exploring the President’s fiscal record under unified Democratic control of government during 2009-2010 and what happened afterward under divided government with a Republican-controlled House of Representatives.

As will be made clear throughout, the President’s fiscal record has been a failure regardless of the yardstick chosen to measure it. His assertions to the contrary are misleading at best, and his budget proposals for the future would perpetuate and aggravate an already dangerous fiscal situation.

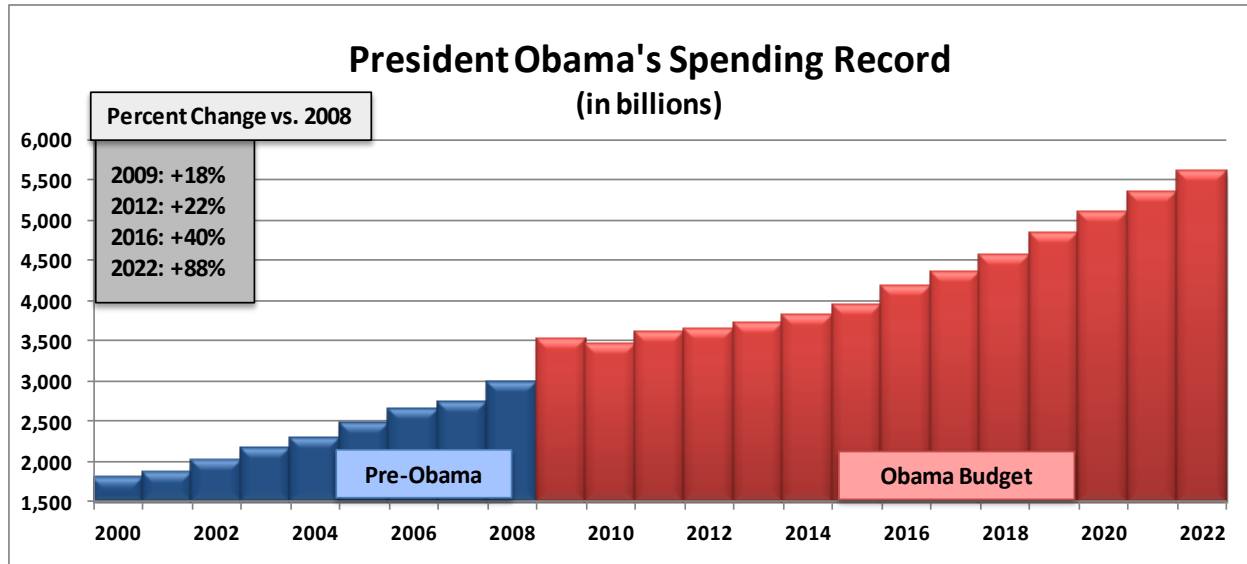
The President’s Fiscal Record in Nominal Terms

There are myriad ways in which to judge a President’s fiscal record. The simplest approach is to compare the actual (i.e. nominal) levels of spending, revenue, deficits, and debt before and after a particular administration held power. This is the method that most use to judge the fiscal performance of the previous 43 Presidents. President Obama’s fiscal record, when viewed in this manner, shows dismal results.

Spending surged a remarkable 18 percent from 2008 to 2009 - a rate of growth in year-over-year spending that has occurred only once since 1960 (Figure 1). More importantly, the data shows this spending surge was not a one-time response to stem a financial panic and stimulate the economy. Spending falls only once during the Obama years in 2010, and this drop represents a mere 1.7 percent reduction from a huge 18 percent increase that occurred the year before in 2009. The slight decrease in 2010 spending was entirely the result of repayments from the Troubled Asset Relief Program³ and smaller support payments to Fannie Mae and Freddie Mac rather than new policy decisions to reduce core government programs. Spending is 22 percent higher at the end of the President’s term compared to when he took office and is projected to continue higher under his proposed 2013 budget.

³The Department of Treasury records repayments to the TARP as offsetting receipts, which are treated as spending reductions rather than revenue.

Figure 1

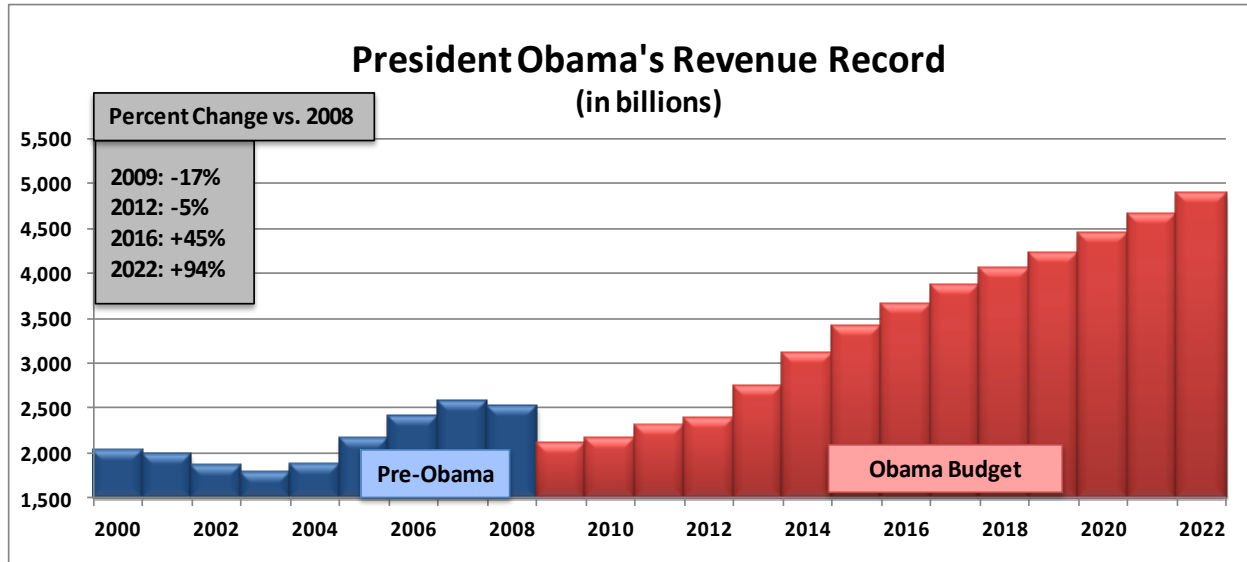


Source: *Budget of the U.S. Government FY2013, Historical Tables, Table 1.1.*
Analysis of the President's 2013 Budget. Congressional Budget Office.

Revenue losses contributed to the deterioration of the fiscal outlook during the President's term with revenues falling sharply in 2009 versus 2008 and remaining at reduced levels during the next four years (Figure 2). This outcome can be explained by a combination of prolonged economic weakness and new legislation that reduced revenues.

The relative contributions of economic factors and legislative actions affecting the President's revenue record are explored later in this paper. Suffice it to say here that while the economy performed worse than initially projected, the President's legislative actions contributed heavily to revenue losses during his four years in office.

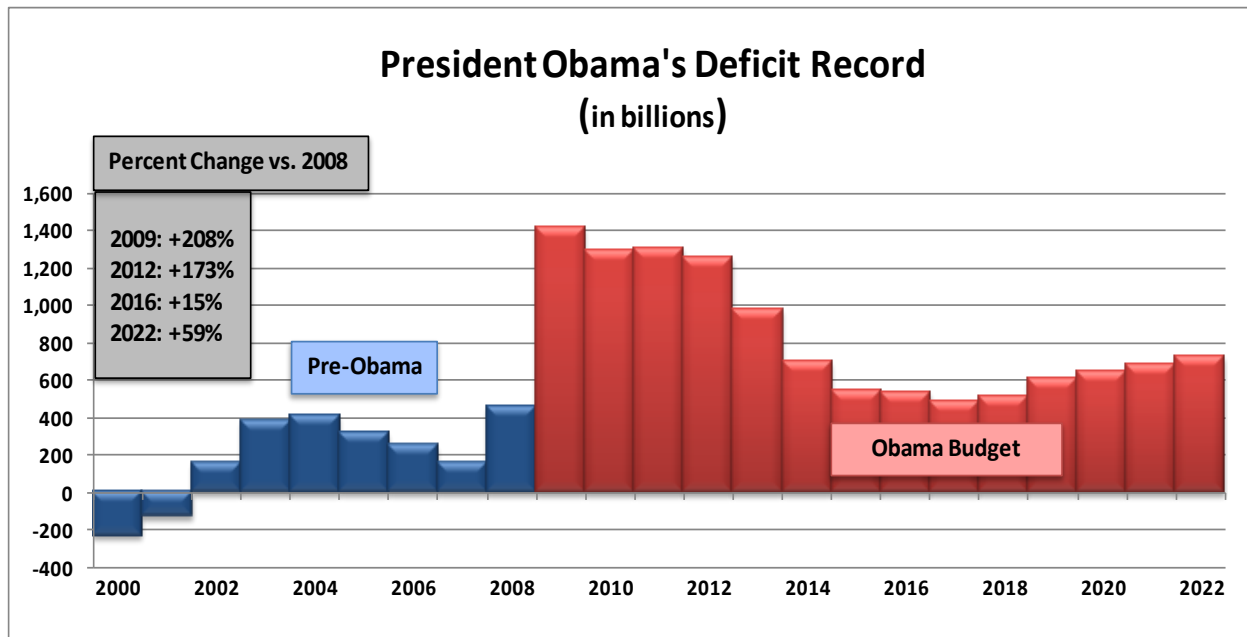
Figure 2



Source: *Budget of the U.S. Government FY2013, Historical Tables, Table 1.1.*
Analysis of the President's 2013 Budget. Congressional Budget Office.

The deficit soared to \$1.4 trillion in 2009 - a 208 percent and \$958 billion increase above the previous deficit record set in 2008 (Figure 3). While the fiscal situation had deteriorated when he entered office, President Obama quickly moved to add nearly a \$1 trillion stimulus package within a month of taking office, to sign 9 of the 12 fiscal year 2009 appropriations bills that increased non-defense spending by 8 percent in that year alone, and to pursue the creation of a new open-ended healthcare entitlement funded by huge tax increases, a raid on Medicare, and gimmicks to hide its true cost. He added even more to subsequent year deficits compared to those projected at the time he took office and has made no progress in reducing them. Indeed, his 2012 deficit is projected to be 173 percent larger than the 2008 deficit before he took office, and each of his four years in office produced record deficits in excess of \$1 trillion. Over the longer term, his budget request would keep deficits higher than any level experienced during the Bush administration, never dropping below \$488 billion.

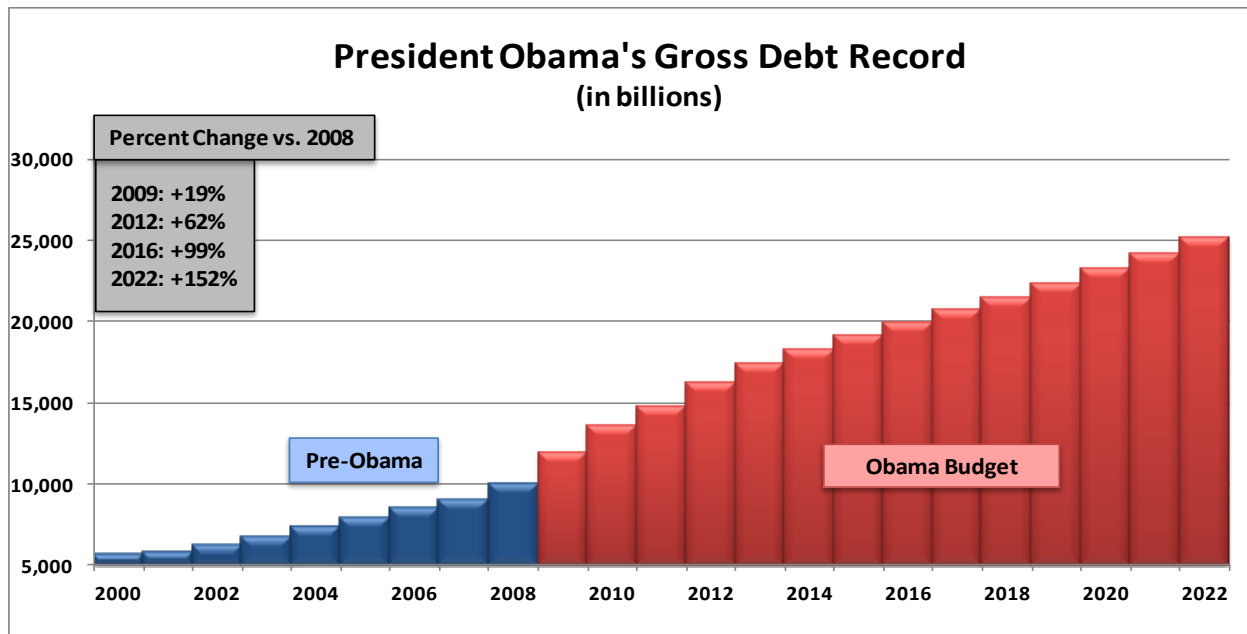
Figure 3



Source: *Budget of the U.S. Government FY2013, Historical Tables, Table 1.1.*
Analysis of the President's 2013 Budget. Congressional Budget Office.

The result of record deficits has been an explosion in government debt since Obama took office. Gross federal debt increased by 19 percent from 2008 to 2009, and is on pace to increase by 62 percent by the time the President finishes his term (Figure 4). The debt would double in just eight years versus when the President took office assuming his budget is implemented.

Figure 4



Source: *Budget of the U.S. Government FY2013, Historical Tables, Table 7.1*
Analysis of the President's 2013 Budget. Congressional Budget Office.

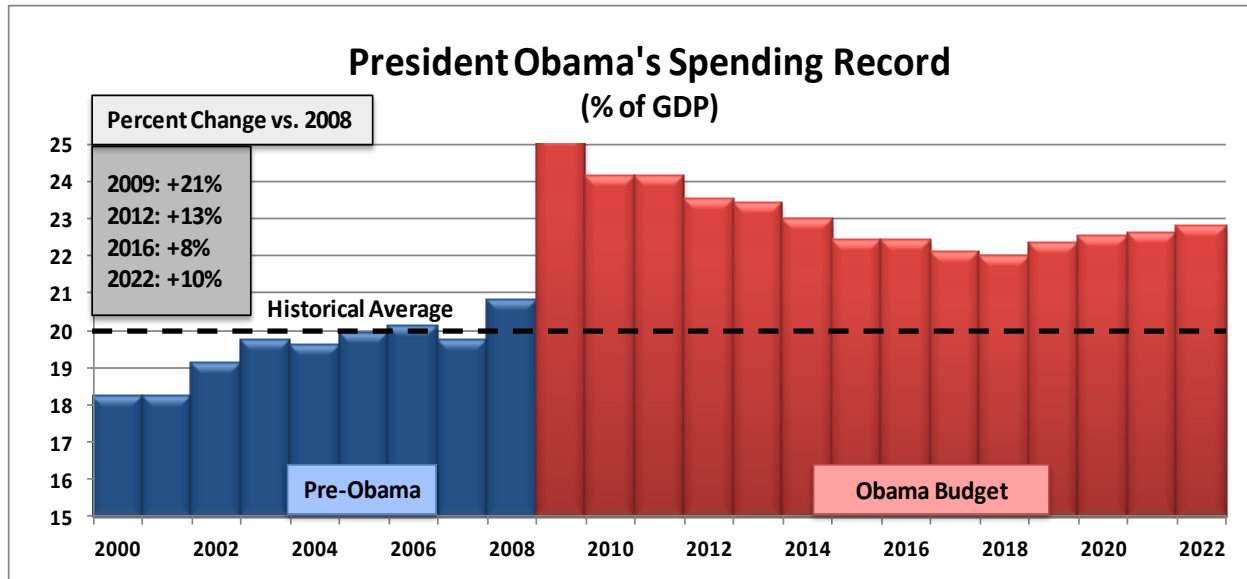
The President's Record as Share of the Economy

Economists point out that simply measuring nominal levels of budgetary data ignores important factors like inflation, growth in population, and economic conditions that can greatly influence fiscal outcomes, especially when viewed over long periods of time. For example, as the population grows one would expect government spending to rise, particularly for programs such as Medicaid, Medicare, and Social Security where spending is tied to the number of beneficiaries. Similarly, if inflation is present in the economy, it erodes the purchasing power of federal spending. And, the government's sheer size in terms of spending, taxes, deficits, and debt has a significant impact of the economy, which in turn, has a feedback effect on the budget. To account for these factors, the budget is frequently measured relative to the size of the economy (gross domestic product or GDP).

Measuring the President's record relative to the economy also shows that he has boosted spending sharply above historic norms. Federal spending has averaged about 20 percent of the economy during the past 50 years. Not only did the President significantly increase spending by 21 percent from 2008 to 2009, but also he kept it far above the historic norm well after the end of the recession in mid-2009 (Figure 5). In fact, the President's spending would average about

22.6 percent of the economy over the next decade – a 13 percent permanent increase above the 50-year average spending level.

Figure 5



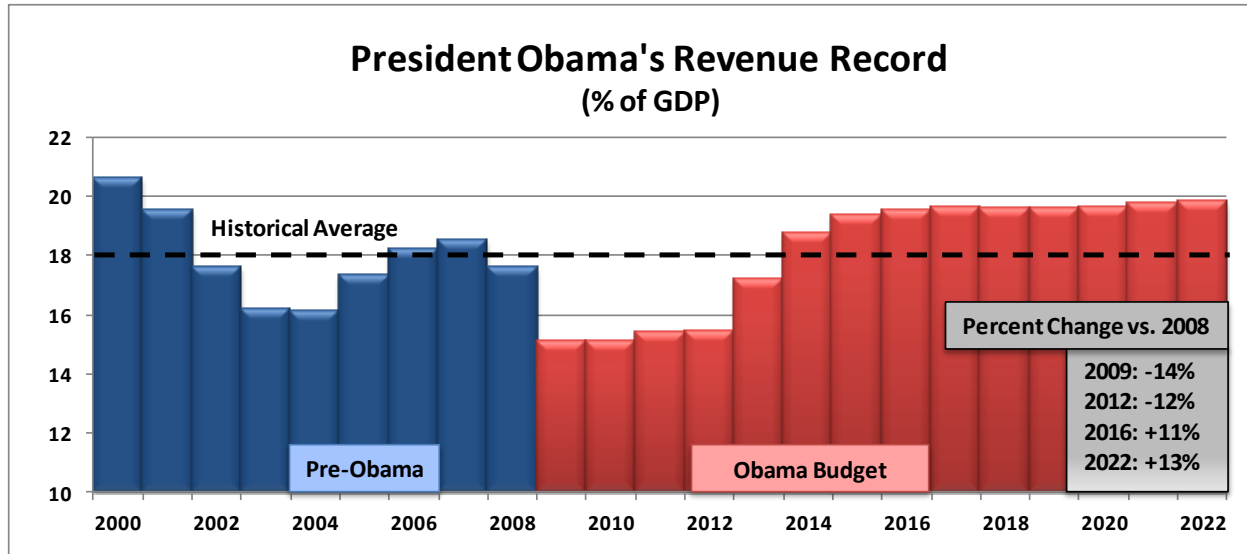
Source: *Budget of the U.S. Government FY2013, Historical Tables*. Table 1.2.
Analysis of the President's 2013 Budget. Congressional Budget Office.

Federal tax collections are very sensitive to the performance of the economy. The financial crises and recession contributed to a dramatic drop in revenues, which fell well below historical averages during the President's first few years in office. By the middle of the decade, however, CBO's projections show the economy recovering and revenues returning to normal levels. In fact, revenues would climb to 18.7 percent of GDP – above their historic average of 18 percent – even with full extension of tax policies enacted in 2001 and 2003.⁴

President Obama has refused to fully extend the 2001 and 2003 tax policies and called for several new taxes on individuals in the top brackets, companies involved in oil and gas exploration, and corporations doing business overseas. These are in addition to the permanent \$1 trillion tax increase already enacted as part of his healthcare reform law. As a result, revenues would permanently rise well above the historic norm under his budget. By 2022, federal receipts would be close to 20 percent of the economy – or about 11 percent above the historic norm (Figure 6).

⁴ This figure is derived by subtracting CBO's estimate of extending certain income tax, estate and gift tax provisions scheduled to expire on December 31, 2012 and index the AMT for inflation, from its current law revenue baseline. See page 19 of the *Budget and Economic Outlook for Fiscal Years 2012-2022*. Congressional Budget Office.

Figure 6



Source: *Budget of the U.S. Government FY2013, Historical Tables, Table 1.2.*
Analysis of the President's 2013 Budget. Congressional Budget Office.

Deficits rose sharply above the long-term average of about 2 percent of GDP during the President's first four years. The 2009 deficit increased 216 percent above the 2008 level and reached the highest level as a share of the economy since World War II. Despite tax revenues permanently rising above their historic norm beginning in 2014, under the President's budget deficits never fall below *their* historic norm. Instead the President would dedicate tax increases to chase a higher level of federal spending, rather than to deficit reduction.

Perhaps the most shocking aspect of the President's fiscal record is the amount of debt he has accumulated versus the nation's ability to pay for it. Gross debt jumped from about 70 percent of GDP in 2008, to 85 percent in 2009 – a 22 percent increase in just one year and by 2014, it is projected to reach 110 percent of GDP. Particularly troubling about this result is that a larger share of the future economy will be absorbed by higher interest payments resulting in more tax dollars being diverted away from government services and paid to creditors, many of whom are foreign nations. With the Federal Reserve keeping interest rates artificially low, debt service costs have not risen significantly, but once rates normalize the additional cost could run in the trillions.⁵

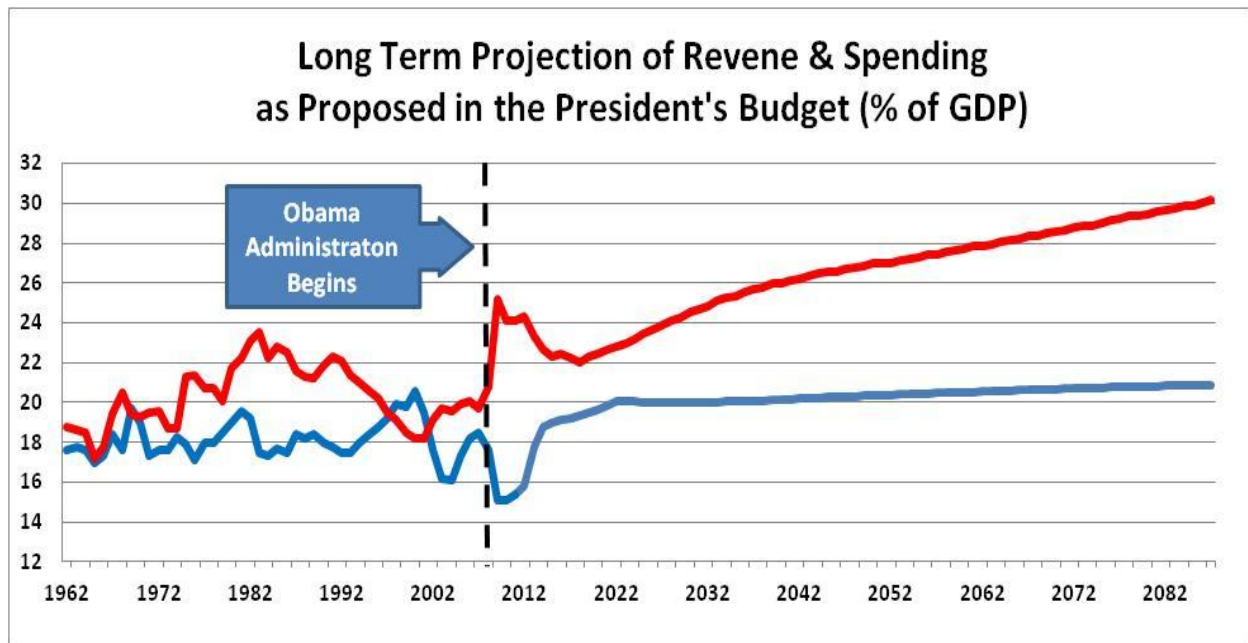
⁵ See February 24, 2011 letter to Chairman Ryan from the Congressional Budget Office outlining various interest rate scenarios. <http://cbo.gov/publication/22039>

The appearance of stable deficits and debt near the end of the decade belie the damage that President Obama’s budget would do over the longer term. His latest budget makes this clear by stating:

“Beyond 2022, the fiscal position gradually deteriorates mainly because of the aging of the population and the high continuing cost of the Government’s health programs. By 2030, the deficit is projected to be 4.5 percent of GDP, and by 2040 it is nearly 6 percent. The deficit continues to rise for the next 75 years, and the publicly-held debt is also projected to rise persistently relative to GDP.”⁶

Despite sharply higher taxes, the President’s budget would remain woefully unsustainable. Figures 7 and 8 are the President’s own estimates of what his budget would do to the nation’s fiscal outlook over the long term.⁷ As Figure 7 shows, out-of-control spending is clearly the root of the problem and the President has no plan to address it

Figure 7



Source: *Budget of the U.S. Government FY2013, Long Range Budget Projections. 2013 Base Case Projection*

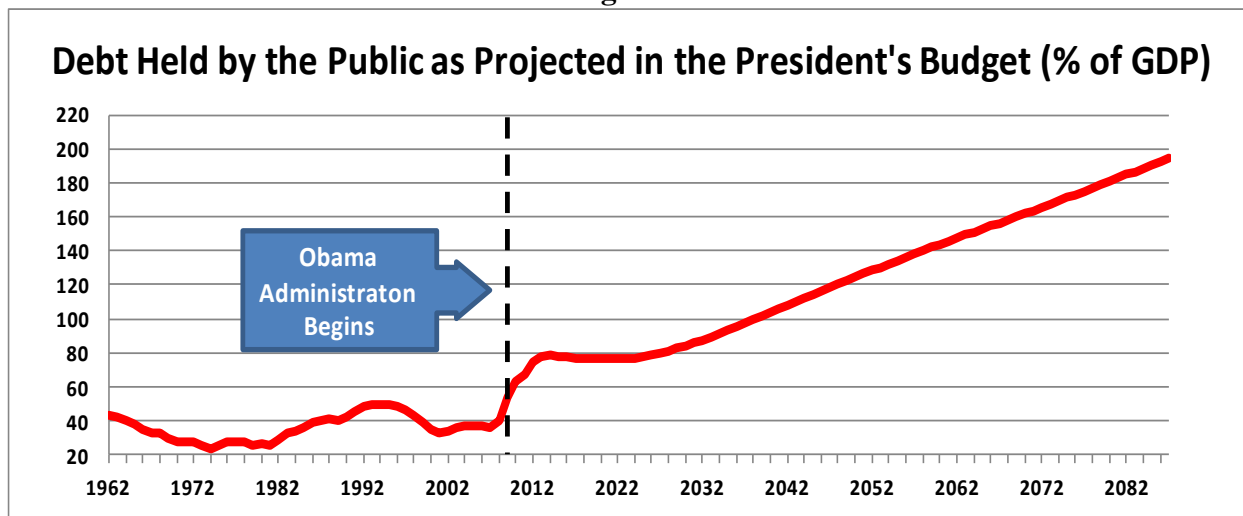
⁶ *Budget of the U.S. Government FY2013, Analytical Perspectives. Page 58.*

⁷ *Budget of the U.S. Government FY2013, Long Range Budget Projections. 2013 Base Case Projection*

The President's refusal to rein in federal spending inexorably leads to debt spiraling out of control in the coming decades (figure 8).

Particularly troubling, is that higher debt leads to much slower economic growth. Economists Kenneth S. Rogoff and Carmen M. Reinhart recently completed a landmark study that looks at the historical relationship among gross public debt, GDP growth, and inflation in a variety of advanced and developing countries. The study uses data from 44 countries and spans roughly 200 years.

Figure 8

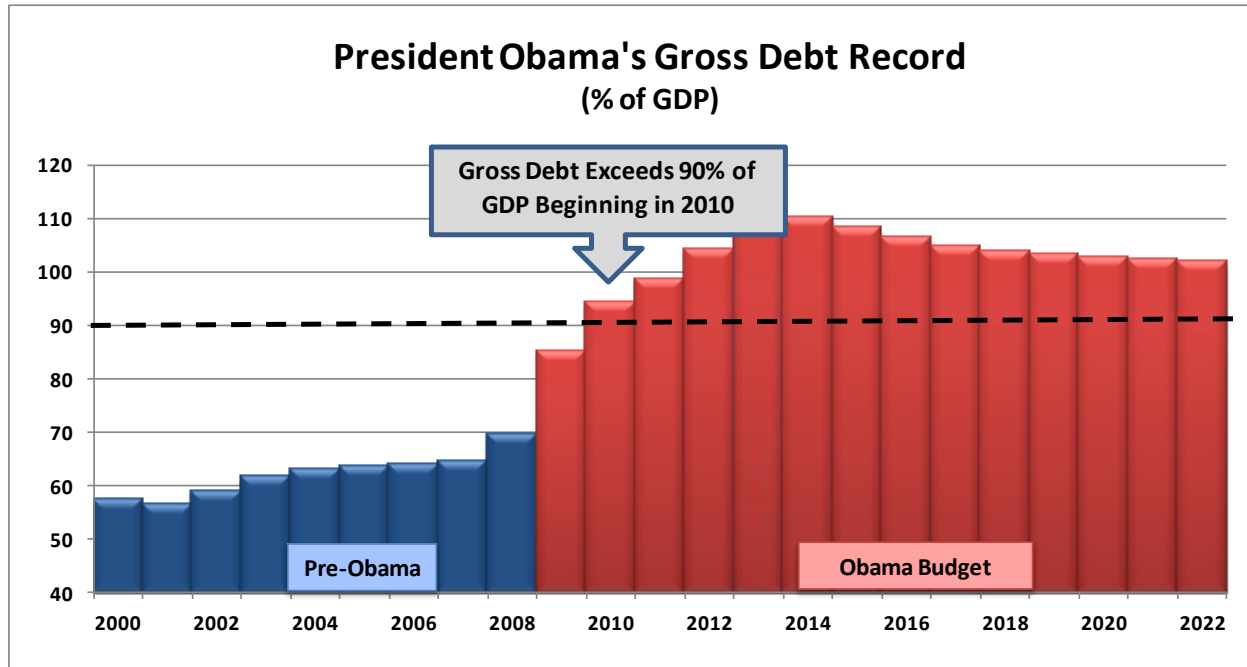


Source: *Budget of the U.S. Government FY2013, Long Range Budget Projections. 2013 Base Case Projection*

The authors found conclusive empirical evidence that when gross public debt exceeds 90 percent of GDP in the advanced countries, economic growth declines materially. Among the 20 advanced countries in the study, for instance, average annual GDP growth is at 3 percent to 4 percent when debt is relatively moderate or low (i.e. under 60 percent of GDP), but it dips to just 1.6 percent when debt is high (i.e., above 90 percent of GDP).⁸ This evidence does not bode well for the U.S. economy, which is already carrying gross level of federal debt near 100 percent of GDP that is projected to climb even higher under the President's budget (figure 9).

⁸ Rogoff/Reinhart: *Growth in a Time of Debt*, an NBER Working Paper, January 2010, page 25. Note: this academic study focuses on gross central government debt, which is most akin to the concept of total gross debt in the U.S.

Figure 9



Source: *Budget of the U.S. Government FY2013, Historical Tables, Table 7.1*
Analysis of the President's 2013 Budget. Congressional Budget Office.

The Impact of the Economy on President Obama's Fiscal Record

In February of 2009, President Obama made a promise to cut the deficit in half by the end of his first term.⁹ When his FY2013 budget proposal was released and it became clear the President would not only break his promise, but also would once again propose a deficit in excess of \$1 trillion, he blamed “a recession that turned out to be a lot deeper than any of us realized.”¹⁰ The President has also blamed automatic budget stabilizers that trigger during sluggish economic conditions even without Presidential or Congressional action.¹¹ For example, unemployment, food stamp, and welfare benefits tend to increase “automatically” if the economy weakens and more people become eligible for them. Likewise, tax revenue “automatically” shrinks when business income falls and more people become unemployed.

Fortunately, we can judge the veracity of the President's excuse for ongoing high deficits by examining the Congressional Budget Office's [CBO] estimate of automatic budget stabilizers

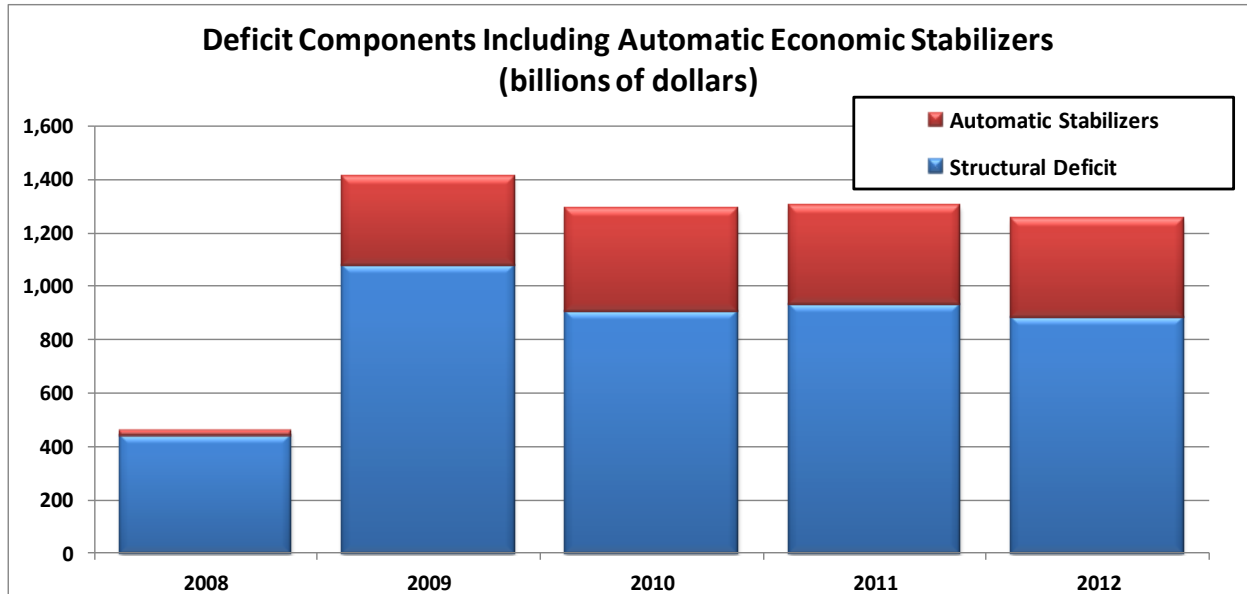
⁹ President's remarks at the opening of the Fiscal Responsibility Summit. February 23, 2009.

¹⁰ Interview with WAGA-TV, February 14, 2012.

¹¹ President's remarks at the Republican retreat. January 2010.

from 2008-2012.¹² Figure 10 shows CBO’s estimate of the contribution of automatic stabilizers and structural deficits (i.e., the deficit under normal economic conditions) to the total deficit reported from fiscal year 2008 -2012. (Note: the 2012 figure is based on CBO’s re-estimate of the President’s FY2013 Budget).

Figure 10



Source: *Budget & Economic Outlook for Fiscal Years 2012-2022*. Congressional Budget Office, Page 117.
Analysis of the President’s 2013 Budget. Congressional Budget Office.

Clearly the President did not come close to cutting the deficit in half by the end of his first term even when taking automatic stabilizers into account. In fact, the President is projected to cut the 2009 structural deficit only marginally from \$1,079 billion to \$885 billion by the end of fiscal 2012— about \$346 billion shy of his half-way mark promise. The impact of automatic stabilizers, as measured by CBO, accounted for only 28 percent of the total deficit contribution on average during fiscal years 2009-2012; the remaining 72 percent is due to structural deficits. President Obama has kept structural deficits far above the 2008 pre-recession level, never letting them drop below \$885 billion versus a 2008 figure of \$438 billion. The President’s excuse of a “deeper recession than any of us realized” accounts for relatively little of the unprecedented deficit increases of the past four years.

¹² *The Budget and Economic Outlook: Fiscal Years 2012 to 2022*. Congressional Budget Office. Page 117.

President Obama's Actions and His Fiscal Record

Presidents usually enter office to solve problems and not to blame their record on their predecessors. President Reagan could have said he “inherited” a weak economy, high taxes, soaring inflation and interest rates, a weak defense in the face of the Soviet threat and done nothing about it. Instead, he took action to address all of these problems that he could have claimed he “inherited.”

Even so, if one removes the effects of enacted laws and economic conditions prior to President Obama taking office, his fiscal record is still dismal. The previous section made clear that automatic budget stabilizers played a subordinate role in the huge increase in deficits during the past four years. But a more important question to answer is: has the President been successful at reducing the “inherited” deficit? To examine this question we need to compare Obama administration deficits to those that would have occurred had January 2009 budget policy been continued without change over the subsequent four years.

To project a January 2009 “current policy” baseline, CBO’s January 2009 current law baseline can be used with two policy changes: (1) an adjustment to reflect extension of tax policy in effect since 2001 and 2003 and a continuation of relief from the alternative minimum tax¹³ and, (2) an adjustment to reflect enacted appropriations for war spending.¹⁴

¹³ Pursuant to the Congressional Budget Act as amended, the CBO current law baseline is constructed to reflect spending, revenue, deficit, and debt projections based on current law. The law in effect during January 2009 showed tax policies enacted in 2001 and 2003 expiring at the end of 2010, which according to CBO models would have resulted in additional revenue for the government. Preventing these tax policies from expiring is treated by CBO as a revenue loss relative to its current law baseline even though no *new* tax cuts would actually be enacted under such a scenario. Moreover, assuming such expiration in tax relief would imply a major policy change which neither party has endorsed.

¹⁴ The CBO current law baseline assumes that annually appropriated discretionary spending, including war spending, grows with inflation from its most recently enacted level. This approach can result in distorted views of the future, especially with respect to war spending. For example, CBO’s baseline shows increasing levels of war spending throughout the budget window notwithstanding the Bush Administration signing a Status of Forces Agreement on November 17, 2008, two months before President Obama took office, providing for the withdrawal of all U.S. forces from Iraq by December 31, 2011. Also, at the end of the Bush administration in early January 2009, the 110th Congress had provided only \$65.9 billion in bridge funding for the war; whereas, in 2008 Congress provided \$187 billion. Lawmakers at the time stated their preference to let the incoming 111th Congress and new Obama administration ultimately decide how it would shape war policy and funding going forward. Reducing war funding from \$187 billion in 2008 to a temporary level of \$65.9 billion in 2009 manifested as a huge reduction in spending in CBO’s January 2009 baseline, especially when extrapolated over 10 years. Likewise when the 111th Congress provided the remaining war funds in June 2009 – an \$88.1 billion increase resulting in a final level of \$154 billion – CBO’s August 2009 baseline showed a large spending increase, even though the total 2009 war spending level was less than 2008.

During this time period, CBO updated its budget projections on 10 separate occasions¹⁵, each time showing the relative contribution of legislative, economic, and technical factors to changes in its estimates. Using this data, it is possible to isolate how much President Obama added to the deficit through legislation he signed into law, and how much can be attributed to the economy and technical re-estimates (Figure 11). In fairness to the President, CBO's initial January 2009 baseline estimate has been adjusted to remove the distortions resulting from maintaining the tax policy and war conditions when he entered office, and holds him harmless for their budgetary effects.¹⁶

Several conclusions can be drawn from this data. First, the January 2009 current policy baseline reflects the budgetary effects of all actions taken by previous presidents as well as those resulting from a weaker economy. These budgetary impacts are included in the baseline estimate of deficits and represented by the blue shaded area. The data indicate that while the President did confront a large deficit when he took office, the same deficit was estimated to decline from \$1.2 trillion to \$641 billion – about half – by the end of his term even if he took no action. It's important to note that this estimate includes both the extension of Bush-era tax policy and all war spending through 2012.

Instead of declining, the deficit remained over \$1 trillion every year during the President's term. As the chart makes clear, new legislation explains the vast majority of this outcome. Altogether, the President is estimated to have added about \$1.6 trillion to the deficit above and beyond the policies and conditions he inherited, as a result of new legislation he enacted.

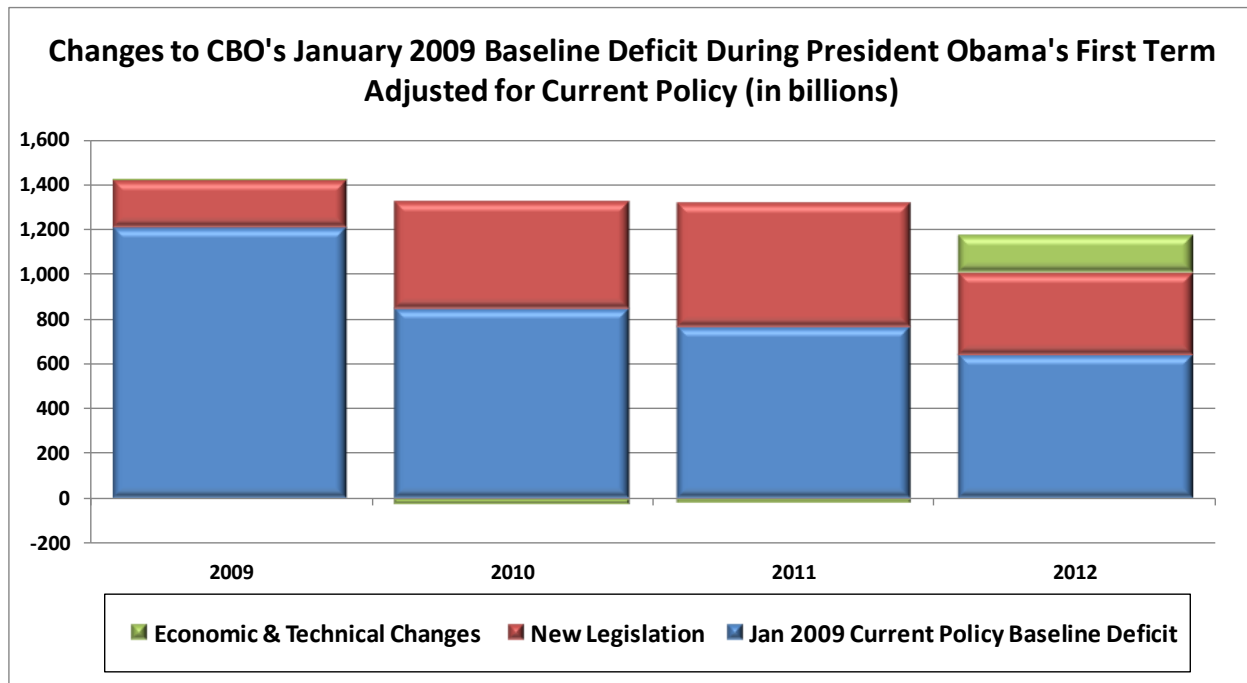
Furthermore, changes to economic and technical estimates contributed very little to the deficit from 2009-2011 versus initial estimates, and has only recently driven deficit projections higher than originally forecast. For 2010 and 2011, economic and technical re-estimates are negligible (they actually improved the deficit outlook during those two years). This somewhat surprising result is explained by the counterbalancing effects of both lower revenues and lower interest rates on the overall budget. The data shows that while revenues dropped by approximately \$724 billion from 2009-2012 versus initial forecasts due to economic and technical re-estimates, outlays also dropped by \$597 billion mostly as a result of lower interest rates. Even in 2012,

¹⁵ The March 2012 CBO baseline projection was the most recent estimate available at the time this paper was published. CBO will issue one additional baseline update in August 2012 before the first term of the Obama Administration concludes.

¹⁶ The CBO January 2009 deficit baseline was adjusted upwards by \$563 billion in 2011-2012 to maintain current tax policies, \$211 billion to reflect additional war spending, and \$26 billion for additional debt service. If these adjustments are not included, deficits resulting from new legislation under President Obama would be \$800 billion higher than noted here.

where economic and technical re-estimates deviate most from initial forecasts, their contribution is only \$166 billion to a projected total deficit of \$1.2 trillion.

Figure 11



Source: CBO Budget & Economic Outlook and Updates from January 2009 through March 2012.

***The President's Fiscal Record under Unified Democratic Control vs. a
Republican Controlled House of Representatives.***

There is probably no better indicator of a President's true fiscal ambitions than when his party has unified control over the legislative and executive branches. This was the situation President Obama found himself in from January 2009 until December 2010. For much of this time, the President even enjoyed a 60 vote supermajority in the Senate, thus guaranteeing the minority could not significantly impact his plans. After the mid-term elections of 2010, Republicans gained a majority in the House of Representatives and additional seats in the Senate.

Appendix I and II on the following pages catalog the budget impact of all authorizing laws and discretionary appropriations, respectively, enacted during the 111th and 112th Congresses during

the President's term.¹⁷ Estimates for authorizing laws are based on CBO scoring of both the current year impact and cumulative impact over ten years. For discretionary appropriations, the budget year estimate is based on CBO scoring; the 10-year impact is a House Budget Committee [HBC] staff estimate based on the same methodology used by CBO to construct its discretionary baseline, except that emergencies and war spending are not inflated.¹⁸ In cases where both mandatory and discretionary spending components were included in a single bill, the budgetary effects have been separated among Appendix I and II, respectively.

As the data in the appendices makes clear, fiscal discipline under President Obama and the 111th Congress was abysmal; any semblance of discipline did not return until the Republican-controlled House forced it during the 112th Congress. Among the more notable bills passed by the 111th Congress and signed by the President were a massive stimulus bill costing \$831 billion,¹⁹ a new healthcare entitlement which added \$1.7 trillion in new gross spending,²⁰ and an increase to base appropriations that put the discretionary budget on a path to spend \$576 billion more over the ensuing 10-year period.

The increase in non-defense discretionary spending during the two years of unified control of the government by President Obama and Democrats is breath-taking. While most of the focus during this period was on the stimulus, cap and trade, Dodd-Frank, and health care legislation, the Congress appropriated and the President signed into law a 24 percent increase in non-defense discretionary spending over a two year period. If stimulus is included, the increase grows to 84 percent.²¹

¹⁷ Budget data is current through July 6. Additional legislation impacting the budget will likely be passed between the publication of this report and the time the 112th Congress adjourns in the fall of 2012, which would impact the figures reported here.

¹⁸ The 10-year impact of base appropriations, war spending, and emergencies are treated as follows: (a) Enacted base appropriations are inflated at the same rate as appropriations shown in CBO's baseline for that budget year and compared against that same baseline. Any delta between the enacted inflated base appropriations and the baseline is treated as a change in the deficit. (b) Emergencies are treated as one-time events that immediately add to the deficit. (c) War spending is not shown to impact the deficit for reasons discussed in the section dealing with budget conditions confronted by President Obama when he took office (see footnote 14).

¹⁹ See *The Budget & Economic Outlook for Fiscal Years 2012-2022*. Congressional Budget Office.

²⁰ See CBO letter to Speaker John Boehner on the budget impacts of H.R. 6079. July 24, 2012.

²¹ *The Democrat's Spending Spree*. House Budget Committee.
<http://budget.house.gov/news/documentsingle.aspx?DocumentID=223474>

Together, the President and the 111th Congress enacted an estimated \$579 billion of new spending over the near term and \$1.9 trillion over the 10-year budget window. While there were some temporary reductions in taxes to stimulate the economy, the President and his allies also managed to enact a massive \$1 trillion permanent tax increase as part of healthcare reform.²² Over the long-term, the President and the 111th Congress succeeded in raising far more taxes than it cut, the net figure being approximately \$273 billion.²³ The combined spending and revenue effects of the 111th Congress was estimated to increase near-term²⁴ deficits by \$889 billion and 10-year deficits by \$1.6 trillion – a fiscal failure if ever there was one.

A significant improvement in the fiscal outlook began when a Republican-controlled House was sworn in for the 112th Congress. The most noticeable improvements were made in discretionary spending, where Republicans forced the President to accept two rounds of spending cuts during the FY2011 and FY2012 appropriations cycles, and through the Budget Control Act, which will cut \$2.1 trillion in spending over the next decade.²⁵ Combined, these discretionary cuts total about \$192 billion over the near term and \$2.3 trillion over the long term. The 112th Congress's record in mandatory spending is mixed, having added \$46 billion in new near-term spending mostly to continue unemployment benefits and prevent 30 percent reductions in reimbursements to Medicare providers. However, over the long-term, \$235 billion in new spending cuts were enacted.

For revenues, the 112th Congress ultimately accepted a one-year extension of a temporary payroll tax cut that President Obama insisted upon, but also reversed some of the tax increases included in the healthcare reform law. This included the repeal of an onerous paperwork requirement to report de-minimis business transactions on 1099 tax forms. These provisions reduced revenue by \$90 billion in the near-term and \$137 billion over 10 years.

Altogether, the 112th Congress has so far achieved reductions of \$56 billion in near-term deficits and \$2.4 trillion over 10 –years – a striking contrast versus the unified, Democratic-controlled

²² CBO letter to Speaker John Boehner on the budget impacts of H.R. 6079.

²³ Figure does not include the impact of extending 2001 and 2003 tax policies for reasons discussed in the section on the budget conditions inherited by President Obama.

²⁴ Near-term is defined as outlay/revenue and budget authority changes in authorizing laws and discretionary appropriations, respectively, occurring in the budget year. Changes to budget authority do not affect the actual deficit until they are converted to outlays. On average, discretionary accounts convert about 80 percent of budget authority to outlays within two years of being appropriated. Thus changes in budget authority occurring in the budget year are a reasonable approximation of changes in the near term deficit.

²⁵ The 112th Congress completed the FY2011 appropriations cycle left over from the 111th Congress.

111th Congress. It's important to note too, that while President Obama now takes credit for the spending restraint and deficit reduction achieved over the past two years, these reductions were only achieved after protracted battles with the Administration over appropriations levels and the debt limit. During this period the President was proposing additional stimulus in his 2011 American Jobs Act - a bill that would have increased spending by \$175 billion and permanently raised taxes by \$450 billion – and he repeatedly called for a “clean” increase in the debt limit, effectively a blank check to borrow trillions more with no spending restraint.

Conclusion

There are many ways one can judge the President's fiscal record and explain the outcome. When compared with actual evidence, however, each perspective inevitably leads to the same result: the President's fiscal record has been a failure and his excuses do not hold up to scrutiny. He increased spending, deficits, and debt at a record pace and made a difficult fiscal situation he inherited much worse. The effects of lingering economic weakness, while real, explain only a small part of why deficits have remained over \$1 trillion each year of the Obama administration and why the national debt soared by nearly 60 percent under his watch. And certainly, economic conditions do not explain why the President's budget according to his own words would let the “fiscal situation gradually deteriorate...” beyond 2022.

With the election of a Republican House of Representatives in 2010, the spending explosion ended. The Republican House immediately stopped the huge increases occurring in discretionary appropriations and fulfilled the Speaker's goal that any increase in the debt limit should be accompanied by a greater amount of deficit reduction through spending cuts and reforms. While a Republican House has slowed the growth in spending, much more needs to be done in order to avoid a fast approaching fiscal crisis, and it will take both strong Presidential and Congressional leadership to achieve it.

Appendix I – Authorizing Laws of the 111th and 112th Congress

Explanatory Notes

When measuring the impact of legislation, CBO estimates the budgetary impact relative to a baseline. CBO develops a baseline that reflects spending and revenues that will occur under current law. Because this “current law” baseline assumes a very large tax increase with the expiration of 2001 and 2003 tax policies, the Obama Administration, the Bowles-Simpson Commission, and the House Budget Committee use an adjusted or “current policy” baseline to measure the impact of legislation assuming current tax policy is extended.

Appendix I shows a summary of the impact of all mandatory and revenue legislation enacted during the 111th Congress (2009-2010) and the 112th Congress (2011-2012) to date. The summary information compares the cumulative impact of this legislation relative to a current law and current policy baseline. For the 112th Congress, Congress has not enacted any laws yet pertaining to 2001 and 2003 tax policy. As a result, the impact of legislation enacted during the 112th Congress is the same relative to a current law and current policy baseline.

Following this summary information, Appendix I provides the CBO cost estimate for each law relative to a current law baseline. For legislation that extends 2001 and 2003 tax relief, such as the P.L. 111-312, the revenue impact and deficit impact would be much lower relative to a current policy baseline.

In addition, to the extent appropriations bills included provisions affecting mandatory spending or revenue, the out-year impact is displayed in this table.

**Appendix I – Authorizing Laws of the 111th and 112th Congress
Budget Impact vs. CBO Baseline (Figures in Millions)**

| Summary | Outlays | | Revenue | | Deficit | |
|---|----------|------------|----------|----------|----------|------------|
| | 1-year | 10-year | 1-year | 10-year | 1-year | 10-year |
| Impact of Authorizing Laws, 111th Congress (Current Law) | +198,515 | +1,037,691 | -499,592 | -262,131 | +697,928 | +1,299,919 |
| Adjustment for Extension of 2001/2003 Tax Policy | 0 | -77,110 | +189,406 | +535,425 | -189,406 | -612,535 |
| Impact of Authorizing Laws, 111th Congress (Current Policy) | +198,515 | +960,581 | -310,186 | +273,294 | +508,522 | +687,384 |
| Impact of Authorizing Laws, 112th Congress | +46,361 | -235,014 | -89,660 | -137,041 | +136,021 | -97,973 |

Authorizing Laws of the 111th and 112th Congress (figures in millions)^{1,2}

| Enactment Date | Public Law | Title | Outlays | | Revenue | | Deficit | |
|-------------------|-------------|--|---------|---------|---------|----------|---------|---------|
| | | | 1-year | 10-year | 1-year | 10-year | 1-year | 10-year |
| 02/04/09 | P.L. 111-3 | Children's Health Insurance Program Reauthorization Act of 2009 | 2,400 | 73,800 | 3,800 | 74,800 | -1,500 | -1,000 |
| 02/17/09 | P.L. 111-5 | American Recovery and Reinvestment Act of 2009 ³ | 79,208 | 358,272 | -69,000 | -184,000 | 148,208 | 542,272 |
| 03/11/09 | P.L. 111-8 | Omnibus Appropriations Act of 2009 (changes to mandatory programs) | 0 | 1,179 | 0 | 0 | 0 | 1,179 |
| 05/20/09 | P.L. 111-22 | Helping Families Save Their Homes Act of 2009 | 3,266 | -3,110 | 0 | 0 | 3,266 | -3,110 |
| 06/22/09 | P.L. 111-31 | Family Smoking Prevention and Tobacco Control Act | 2 | 422 | 8 | 1,465 | -6 | -1,043 |

Authorizing Laws of the 111th and 112th Congress (figures in millions)

| Enactment | | Title | Outlays | | Revenue | | Deficit | |
|-----------|-------------|---|---------|---------|---------|---------|---------|---------|
| Date | Public Law | | 1-year | 10-year | 1-year | 10-year | 1-year | 10-year |
| 06/24/09 | P.L. 111-32 | Supplemental Appropriations Act of 2009 (Change to Mandatory Programs) | 0 | 465 | 0 | 44 | 0 | 421 |
| 07/01/09 | P.L. 111-39 | To make technical changes to the Higher Education Act of 1965 | -202 | -1 | 0 | 0 | -202 | -1 |
| 07/28/09 | P.L. 111-42 | A Joint Resolution Approving the Renewal of Import Restrictions Contained in the Burmese Freedom and Democracy Act of 2003, and for Other Purposes | 0 | -11 | 6,864 | -2 | -6,864 | -9 |
| 08/07/09 | P.L. 111-45 | To authorize the Director of the United States Patent and Trademark Office to use funds made available under the Trademark Act of 1946 for patent operations in order to avoid furloughs and reductions-in-force, and for other purposes. | 5 | 0 | 0 | 0 | 5 | 0 |
| 08/07/09 | P.L. 111-47 | Making Supplemental Appropriations for Fiscal Year 2009 for the Consumer Assistance to Recycle and Save Program | 0 | 0 | 0 | -21 | 0 | 21 |
| 08/12/09 | P.L. 111-49 | Judicial Survivors Protection Act of 2009 | -1 | 0 | 0 | 0 | -1 | 0 |
| 10/28/09 | P.L. 111-84 | National Defense Authorization Act for FY 2010 | 8 | 855 | 26 | 979 | -17 | -124 |
| 11/06/09 | P.L. 111-92 | Worker, Homeownership, and Business Assistance Act of 2009 | 5,708 | 6,639 | -38,979 | 6,676 | 44,687 | -37 |

Authorizing Laws of the 111th and 112th Congress (figures in millions)

| Enactment | | Title | Outlays | | Revenue | | Deficit | |
|-----------|--------------|---|---------|---------|---------|---------|---------|---------|
| Date | Public Law | | 1-year | 10-year | 1-year | 10-year | 1-year | 10-year |
| 11/06/09 | P.L. 111-96 | A bill to allow the funding for the interoperable emergency communications grant program established under the Digital Television Transition and Public Safety Act of 2005 to remain available until expended through fiscal year 2012, and for other purposes. | -350 | 0 | 0 | 0 | -350 | 0 |
| 12/15/09 | P.L. 111-115 | No Social Security Benefits for Prisoners Act of 2009 | 31 | 57 | 0 | 0 | 31 | 57 |
| 12/16/09 | P.L. 111-117 | The Consolidated Appropriations Act of 2010 (Changes to Mandatory Programs) | 0 | 1,690 | 0 | 0 | 0 | 1,690 |
| 12/28/09 | P.L. 111-124 | To Extend the Generalized System of Preferences and the Andean Trade Preference Act, and for Other Purposes | 0 | -796 | -589 | -785 | 589 | -11 |
| 01/22/10 | P.L. 111-126 | An Act to Accelerate the Income Tax Benefits for Charitable Cash Contribution for the Relief of Victims of the Earthquake in Haiti | 0 | 0 | -40 | -2 | -40 | -2 |
| 01/27/10 | P.L. 111-127 | Emergency Aid to American Survivors of the Haiti Earthquake Act | 50 | -39 | 0 | 0 | 50 | -39 |

Authorizing Laws of the 111th and 112th Congress (figures in millions)

| Enactment | | Title | Outlays | | Revenue | | Deficit | |
|-----------|--------------|--|---------|---------|---------|---------|---------|----------|
| Date | Public Law | | 1-year | 10-year | 1-year | 10-year | 1-year | 10-year |
| 02/27/10 | P.L. 111-142 | Social Security Disability Applicants' Access to Professional Representation Act of 2010 | -4 | -65 | 0 | 0 | -4 | -65 |
| 03/02/10 | P.L. 111-144 | Temporary Extension Act of 2010 | 7,901 | 8,146 | -704 | -2,157 | 8,605 | 10,303 |
| 03/04/10 | P.L. 111-145 | United States Capitol Police Administrative Technical Corrections Act of 2009 | 6 | -266 | 0 | 150 | 6 | -416 |
| 03/18/10 | P.L. 111-147 | Hiring Incentives to Restore Employment Act | 107 | 7,611 | -4,384 | 8,668 | 4,491 | -1,057 |
| 03/23/10 | P.L. 111-148 | Patient Protection and Affordable Care Act | 3,000 | 355,000 | -1,000 | 473,000 | 4,000 | -118,000 |
| 03/26/10 | P.L. 111-151 | Satellite Television Extension Act of 2010 | 0 | 0 | 2 | 0 | -2 | 0 |
| 03/30/10 | P.L. 111-152 | Health Care and Education Reconciliation Act of 2010 | 0 | 27,000 | -2,000 | 52,000 | 2,000 | -25,000 |
| 04/15/10 | P.L. 111-157 | Continuing Extension Act of 2010 | 14,322 | 15,359 | -1,292 | -2,790 | 15,614 | 18,149 |
| 05/14/10 | P.L. 111-165 | To provide that Members of Congress shall not Receive a Cost of Living Adjustment | -1 | -10 | 0 | 0 | -1 | -10 |
| 05/24/10 | P.L. 111-171 | Haiti Economic Lift Program Act of 2010 | 0 | -1,026 | -60 | -1,025 | 60 | -1 |
| 05/27/10 | P.L. 111-175 | Satellite Television Extension and Localism Act of 2010 | 0 | 0 | 0 | 7 | 0 | -7 |
| 06/15/10 | P.L. 111-191 | To Amend the Oil Pollution Act of 1990 to Authorize Advances from Oil Spill Liabilities | 50 | 0 | 0 | 0 | 50 | 0 |

Authorizing Laws of the 111th and 112th Congress (figures in millions)

| Enactment | | Title | Outlays | | Revenue | | Deficit | |
|-----------|--------------|---|---------|---------|---------|---------|---------|---------|
| Date | Public Law | | 1-year | 10-year | 1-year | 10-year | 1-year | 10-year |
| 06/25/10 | P.L. 111-192 | Preservation of Access to Care for Medicare Beneficiaries & Pension Relief Act | -450 | 2,400 | 119 | 1,987 | -569 | 413 |
| 07/02/10 | P.L. 111-196 | National Flood Insurance Program Extension Act of 2010 | 50 | 0 | 0 | 0 | 50 | 0 |
| 07/02/10 | P.L. 111-198 | Homebuyer Assistance & Improvement Act of 2010 | -6 | -104 | -25 | -74 | 19 | -28 |
| 07/21/10 | P.L. 111-203 | Dodd-Frank Wall Street Reform & Consumer Protection Act of 2010 | -11,000 | 10,200 | 0 | 13,500 | -11,000 | -3,200 |
| 07/22/10 | P.L. 111-205 | Unemployment Compensation Extension Act of 2010 | 8,545 | 33,040 | 0 | -903 | 8,545 | 33,943 |
| 07/27/10 | P.L. 111-210 | Approving Renewal of Import Restrictions Contained in the Burmese Freedom and Democracy Act of 2003, and for Other Purposes | 0 | -10 | 0 | -2 | 0 | -8 |
| 07/29/10 | P.L. 111-212 | Supplemental Appropriations Act of 2010 (Change to Mandatory Programs) | 0 | 3,378 | 0 | 0 | 0 | 3,378 |
| 08/06/10 | P.L. 111-221 | National September 11 Memorial & Museum Commemorative Medal Act of 2010 | -2 | 0 | 0 | 0 | -2 | 0 |

Authorizing Laws of the 111th and 112th Congress (figures in millions)

| Enactment | | Title | Outlays | | Revenue | | Deficit | |
|-----------|--------------|--|---------|---------|---------|---------|---------|---------|
| Date | Public Law | | 1-year | 10-year | 1-year | 10-year | 1-year | 10-year |
| 08/10/10 | P.L. 111-226 | To modernize the air traffic control system, improve the safety, reliability, and availability of transportation by air in the United States, provide for modernization of the air traffic control system, reauthorize the Federal Aviation Administration, and for Other Purposes | -13 | 8,381 | 0 | 9,752 | -13 | -1,371 |
| 08/11/10 | P.L. 111-227 | United States Manufacturing Enhancement Act of 2010 | 0 | 0 | 0 | 5 | 0 | -5 |
| 08/11/10 | P.L. 111-228 | General and Special Risk Insurance Funds Availability Act of 2010 | -94 | 0 | 0 | 0 | -94 | 0 |
| 08/13/10 | P.L. 111-230 | Making Emergency Supplemental Appropriations for Border Security for the Fiscal Year Ending September 30, 2010 and for Other Purposes | -133 | -552 | 0 | 0 | -133 | -552 |
| 08/16/10 | P.L. 111-232 | Star Spangled Banner Commemorative Coin Act | 0 | -2 | 0 | 0 | 0 | -2 |
| 08/16/10 | P.L. 111-237 | Firearms Excise Tax Improvement Act of 2010 | 0 | -105 | -82 | -18 | 82 | -86 |
| 09/27/10 | P.L. 111-240 | Small Business Jobs Act of 2010 | 30,293 | 2,064 | -55,087 | 2,522 | 85,380 | -458 |
| 10/08/10 | P.L. 111-260 | Twenty-First Century Communications and Video Accessibility Act of 2010 | 0 | 0 | 0 | 76 | 0 | -76 |

Authorizing Laws of the 111th and 112th Congress (figures in millions)

| Enactment | | Title | Outlays | | Revenue | | Deficit | |
|-----------|--------------|---|---------|---------|----------|----------|---------|---------|
| Date | Public Law | | 1-year | 10-year | 1-year | 10-year | 1-year | 10-year |
| 10/08/10 | P.L. 111-266 | Security Cooperation Act of 2010 | -6 | -6 | 0 | 0 | -6 | -6 |
| 10/13/10 | P.L. 111-275 | Veterans Benefit Act of 2010 | 0 | -8 | 0 | 0 | 0 | -8 |
| 11/24/10 | P.L. 111-285 | To extend the deadline for Social Services Block Grant expenditures of supplemental funds appropriated following disasters in 2008. | -21 | 0 | 0 | 0 | -21 | 0 |
| 11/30/10 | P.L. 111-286 | Physician Payment & Therapy Relief Act of 2010 | 975 | -23 | 0 | 0 | 975 | -23 |
| 12/08/10 | P.L. 111-291 | Claims Resolution Act of 2010 | 2,057 | -2,221 | 0 | -2,220 | 2,057 | -1 |
| 12/13/10 | P.L. 111-296 | Healthy, Hunger-Free Kids Act of 2010 | 0 | -12,184 | 0 | 0 | 0 | -12,184 |
| 12/15/10 | P.L. 111-309 | Medicare & Medicaid Extenders Act of 2010 | 12,000 | 3,000 | 0 | 3,000 | 12,000 | 0 |
| 12/17/10 | P.L. 111-312 | Tax Relief, Unemployment Insurance Reauthorization, & Job Creation Act of 2010 | 36,695 | 136,447 | -337,459 | -721,359 | 374,154 | 857,806 |
| 12/22/10 | P.L. 111-325 | Regulated Investment Company Modernization Act of 2010 | 0 | 0 | 0 | 30 | 0 | -30 |
| 12/29/10 | P.L. 111-343 | To require the FDIC to fully insure interest on Lawyer Trust Accounts | 12 | -2 | 0 | 0 | 12 | -2 |
| 12/29/10 | P.L. 111-344 | Omnibus Trade Act of 2010 | 107 | -467 | -15 | -17 | 122 | -450 |
| 01/02/11 | P.L. 111-347 | James Zadroga 9/11 Health & Compensation Act of 2010 | 63 | 4,152 | 305 | 4,585 | -242 | -433 |

Authorizing Laws of the 111th and 112th Congress (figures in millions)

| Enactment | | Title | Outlays | | Revenue | | Deficit | |
|-----------|--------------|--|---------|----------|---------|---------|---------|----------|
| Date | Public Law | | 1-year | 10-year | 1-year | 10-year | 1-year | 10-year |
| 01/04/11 | P.L. 111-372 | Sec. 202 Supportive Housing for the Elderly Act of 2010 | 5 | 5 | 0 | 0 | 5 | 5 |
| 01/04/11 | P.L. 111-373 | Pedestrian Safety Enhancement Act of 2010 | 0 | 2 | 0 | 0 | 0 | 2 |
| 01/04/11 | P.L. 111-377 | Post 9/11 Veterans Educational Assistance Improvement Act of 2010 | -16 | -734 | 0 | 0 | -16 | -734 |
| 01/04/11 | P.L. 111-382 | To Clarify the National Credit Union Administration Authority to Make Stabilization Fund Expenditures Without Borrowing for the Treasury | -25 | -131 | 0 | 0 | -25 | -131 |
| 01/07/11 | P.L. 111-383 | Ike Skelton Nation Defense Authorization Act for Fiscal Year 2011 | 3,973 | 0 | 0 | -2 | 3,973 | 0 |
| 04/14/11 | P.L. 112-9 | Comprehensive 1099 Taxpayer Protection & Repayment of Exchange Subsidy Overpayments Act of 2011 | 0 | -19,892 | 0 | -19,726 | 0 | -166 |
| 04/15/11 | P.L. 112-10 | Department of Defense and Full-Year Continuing Appropriations Act, 2011 (Changes to Mandatory Programs) | 0 | 452 | 0 | 333 | 0 | 119 |
| 08/02/11 | P.L. 112-25 | Budget Control Act of 2011 ⁴ | 3,000 | -20,000 | 0 | 0 | 3,000 | -20,000 |
| 08/02/11 | P.L. 112-25 | Budget Control Act of 2011 (assumed effects of automatic sequester) | 0 | -165,000 | 0 | 0 | 0 | -165,000 |

Authorizing Laws of the 111th and 112th Congress (figures in millions)

| Enactment | | Title | Outlays | | Revenue | | Deficit | |
|-----------|-------------|--|---------|---------|---------|---------|---------|---------|
| Date | Public Law | | 1-year | 10-year | 1-year | 10-year | 1-year | 10-year |
| 08/03/11 | P.L. 112-26 | Restoring GI Bill Fairness Act of 2011 | -26 | -7 | 0 | 0 | -26 | -7 |
| 09/16/11 | P.L. 112-29 | America Invents Act | -3 | -13 | -4 | -8 | 1 | -5 |
| 10/21/11 | P.L. 112-40 | To Extend the Generalized System of Preferences, & For Other Purposes | -240 | -1,790 | -996 | -1,784 | 756 | -6 |
| 10/21/11 | P.L. 112-41 | United States-Korea Free Trade Agreement Implementation Act | 53 | -7,007 | -31 | -6,991 | 84 | -16 |
| 10/21/11 | P.L. 112-42 | United States-Colombia Trade Promotion Agreement Implementation Act | -68 | -1,510 | -139 | -1,488 | 71 | -22 |
| 10/21/11 | P.L. 112-43 | United States-Panama Trade Promotion Agreement Implementation Act | 1 | -8 | 118 | -6 | -117 | -2 |
| 11/21/11 | P.L. 112-56 | To Amend the Internal Revenue Code of 1986 to Repeal the Imposition of 3% Withholding | -45 | -20,252 | -31 | -18,268 | -14 | -1,984 |
| 12/23/11 | P.L. 112-78 | Temporary Payroll Tax Cut Continuation Act of 2011 | 10,445 | -23,195 | -18,782 | -20,909 | 29,227 | -2,286 |
| 12/23/11 | P.L. 112-80 | To Amend Title 39, United States Code, to Extend the Authority of the United States Code, to Extend the Authority of the United States Postal Service to Issue a Semi postal to Raise Funds for Breast Cancer Research | -3 | 0 | 0 | 0 | -3 | 0 |

Authorizing Laws of the 111th and 112th Congress (figures in millions)

| Enactment | | | Outlays | | Revenue | | Deficit | |
|-----------|--------------|--|---------|---------|---------|---------|---------|---------|
| Date | Public Law | Title | 1-year | 10-year | 1-year | 10-year | 1-year | 10-year |
| 02/14/12 | P.L. 112-95 | FAA Modernization & Reform Act of 2012 | 0 | 0 | -24 | 11 | 24 | -11 |
| 02/22/12 | P.L. 112-96 | Middle Class Tax Relief & Job Creation Act of 2012 | 30,767 | 11,734 | -70,368 | -77,601 | 101,135 | 89,335 |
| 03/13/12 | P.L. 112-99 | To Apply the Countervailing Duty Provisions of the Tariff Act of 1930 to Nonmarket Economy Countries, and for Other Purposes | 0 | 0 | 0 | 160 | 0 | -160 |
| 05/25/12 | P.L. 112-121 | Temporary Bankruptcy Judgeships Act of 2012 | 0 | 6 | 0 | 6 | 0 | 0 |
| 07/06/12 | P.L. 112-141 | MAP-21 | 2,480 | 11,775 | 597 | 9,226 | 1,883 | 2,549 |
| 07/09/12 | P.L. 122-144 | Food and Drug Administration Safety and Innovation Act | 0 | -307 | 0 | 4 | 0 | -311 |

Notes:

¹This table includes laws enacted between January, 2009 and May, 2012 that had a net budget impact estimated at \$1 million or greater. Data is based on Congressional Budget Office (CBO) estimates of unified budget impacts at the time the law was enacted. Estimates shown here do not include impacts on debt service. The Current Year column refers to the fiscal year during which the law was enacted. The Cumulative column refers to the budget window, which may include a 10 or 11 year timeframe depending on the enactment date. Laws enacted between January 1st and before October 1st have an 11-year budget window, which includes the current fiscal year, the budget year (fiscal year + 1), and 9 additional fiscal years beyond the budget year. Between October 1st and December 30th, a new fiscal year begins and the budget year and current fiscal year are the same causing the budget window to include only 10-years of budget estimates. After January 1st, CBO adds an additional fiscal year to its budget window estimates, once again reflecting an 11-year horizon.

²This table reflects only mandatory budgetary effects of enacted laws. The table does not include the budget-year spending effects for changes to mandatory programs (CHIMPs) included in discretionary appropriation bills, but it does include the subsequent 9-year impact of spending-related CHIMPs. Long-standing budget scoring conventions require the budget-year effects of CHIMP's to be scored as discretionary.

³The budgetary impact of P.L. 111-5, the American Recovery and Reinvestment Act of 2009 is based on the most recent estimate included in CBO's Budget & Economic Outlook for Fiscal Years 2012-2022. The estimate shown here includes only mandatory budgetary effects.

⁴The budgetary estimate for P.L. 112-25, the Budget Control Act of 2011 includes only the mandatory budgetary impact; the effects on discretionary spending are shown in Appendix II.

**Appendix II – Discretionary Appropriations of the 111th and 112th Congress
Budget Impact vs. CBO Baseline and Staff Estimate of 10-Year Extrapolated Baseline (Figures in Millions)**

Summary

| | Enacted Level | | Baseline | | Implied Deficit Impact | |
|-------------------------------------|---------------|------------|-------------|------------|------------------------|------------|
| | Budget Year | 10-Year | Budget Year | 10-Year | Budget Year | 10-Year |
| 111th Congress | | | | | | |
| Base Discretionary Appropriations | 1,497,465 | 16,151,628 | 1,444,890 | 15,586,913 | +52,575 | +564,715 |
| Emergencies/Supplementals/Disasters | 328,208 | 328,208 | 0 | 0 | +328,208 | +328,208 |
| Global War on Terrorism | 251,730 | 251,730 | 0 | 0 | 0 | 0 |
| Total 111th Congress | 2,077,403 | 16,731,566 | 1,444,890 | 15,586,913 | +380,783 | +892,923 |
| 112th Congress | | | | | | |
| Base Discretionary Appropriations. | 1,994,781 | 21,870,473 | 2,198,110 | 24,197,238 | -203,328 | -2,327,765 |
| Emergencies/Supplementals/Disasters | 10,936 | 10,936 | 0 | 0 | +10,936 | +10,936 |
| Global War on Terrorism | 285,945 | 285,945 | 0 | 0 | 0 | 0 |
| Total 112th Congress | 2,005,717 | 21,881,409 | 2,198,110 | 24,197,238 | -192,392 | -2,316,829 |

Notes:

The “budget year” column in this table reflects appropriations enacted by each session of Congress over a two year legislative period. The effects of temporary continuing resolutions are not shown; full-year continuing resolutions are included. At the conclusion the 110th Congress, only 3 of the 12 annual discretionary appropriations bills for FY2009 had been enacted and signed by President Bush. These included bills for Defense, Homeland Security, and Military Construction/Veteran Affairs which provided an estimated \$605,084 million in budget authority. The remainder of the FY2009 discretionary appropriations bills was enacted by the 111th Congress. Both the enacted and baseline level of appropriations for the 111th Congress do not include the effects of FY2009 appropriations enacted by the 110th Congress. The 112th Congress enacted final appropriations for fiscal year 2011, which were originally considered, but left unfinished by the 111th Congress. The impact of fiscal year 2011 appropriations is, therefore, charged to the 112th Congress. At the time of publication, the 112th Congress had not completed fiscal 2013 appropriations. Additional notes are included at the bottom of the following table.

Discretionary Appropriations Enacted by the 111th and 112th Congress (Budget Authority in millions)

| Enactment Date | Public Law | Title | Enacted Level | | Baseline ^{3,4} | | Implied Deficit Impact | |
|----------------|--------------|---|--------------------------|----------------------|-------------------------|------------|------------------------|---------|
| | | | Budget Year ¹ | 10-Year ² | Budget Year | 10-Year | Budget Year | 10-Year |
| 02/17/09 | PL 111-5 | American Recovery & Reinvestment Act of 2009 (Emergencies) | 288,728 | 288,728 | 0 | 0 | 288,728 | 288,728 |
| 03/11/09 | PL 111-8 | Omnibus Appropriations Act of 2009 (Base Funding) | 407,602 | 4,537,595 | 397,239 | 4,422,230 | 10,363 | 115,365 |
| 03/11/09 | PL 111-8 | Omnibus Appropriations Act of 2009 (Emergencies) | 99 | 99 | 0 | 0 | 99 | 99 |
| 06/24/09 | PL 111-32 | Supplemental Appropriation Act of 2009 (Non-Emergency) | -1,048 | -11,667 | 0 | 0 | -1,048 | -11,667 |
| 06/24/09 | PL 111-32 | Supplemental Appropriation Act of 2009 (Emergencies) | 16,169 | 16,169 | 0 | 0 | 16,169 | 16,169 |
| 06/24/09 | PL 111-32 | Supplemental Appropriation Act of 2009 (Global War on Terrorism) | 90,730 | 90,730 | 0 | 0 | 0 | 0 |
| 12/16/09 | P.L. 111-117 | Consolidated Appropriations Act of 2010 (Base Funding) | 1,090,911 | 11,625,699 | 1,047,651 | 11,164,683 | 43,260 | 461,016 |
| 12/16/09 | P.L. 111-117 | Consolidated Appropriations Act of 2010 (Global War on Terrorism) | 128,252 | 128,252 | 0 | 0 | 0 | 0 |
| 07/29/10 | P.L. 111-212 | Supplemental Appropriations Act of 2010 (Emergencies) | 22,741 | 22,741 | 0 | 0 | 22,741 | 22,741 |
| 07/29/10 | P.L. 111-212 | Supplemental Appropriations Act of 2010 (Global War on Terrorism) | 32,748 | 32,748 | 0 | 0 | 0 | 0 |
| 08/10/10 | P.L. 111-224 | United States Patent and Trademark Office Supplemental Appropriations Act, 2010 (Emergencies) | -29 | -29 | 0 | 0 | -29 | -29 |

Discretionary Appropriations Enacted by the 111th and 112th Congress (Budget Authority in millions)

| Enactment Date | Public Law | Title | Enacted Level | | Baseline ^{3,4} | | Implied Deficit Impact | |
|----------------|--------------------------|--|--------------------------|----------------------|-------------------------|------------|------------------------|----------|
| | | | Budget Year ¹ | 10-Year ² | Budget Year | 10-Year | Budget Year | 10-Year |
| 08/13/10 | P.L. 111-230 | Supplemental Appropriations for Border Security for Fiscal Year Ending September 30, 2010 and for Other Purposes (Emergencies) | 500 | 500 | 0 | 0 | 500 | 500 |
| 04/15/11 | P.L. 112-10 | Department of Defense and Full-Year Continuing Appropriations Act, 2011 (Base Funding) | 1,049,782 | 11,430,473 | 1,111,110 | 12,098,238 | -61,328 | -667,765 |
| 04/15/11 | P.L. 112-10 | Department of Defense and Full-Year Continuing Appropriations Act, 2011 (Global War on Terrorism) | 159,401 | 159,401 | 0 | 0 | 0 | 0 |
| 08/02/11 | P.L. 112-25 | Budget Control Act of 2011 (assumed effect of automatic sequester) ⁵ | -98,000 | -820,000 | 0 | 0 | -98,000 | -820,000 |
| 12/16/11 | P.L. 112-55, P.L. 112-74 | Consolidated Appropriations Act of 2012 (Base Funding) ⁶ | 1,042,999 | 11,260,000 | 1,087,000 | 12,099,000 | -44,000 | -840,000 |
| 12/16/11 | P.L. 112-55, P.L. 112-74 | Consolidated Appropriations Act of 2012 (Global War on Terrorism) | 126,544 | 126,544 | 0 | 0 | 0 | 0 |
| 12/23/11 | P.L. 112-55, P.L. 112-77 | Disaster Relief Appropriations Act of 2012 | 10,936 | 10,936 | 0 | 0 | 10,936 | 10,936 |

Notes:

¹Includes laws enacted between January, 2009 and May, 2012 that had a net budget impact estimated at \$1 million or greater. Data is based on Congressional Budget Office (CBO) estimates of unified budget impacts at the time the law was enacted.

²CBO typically does not provide 10-year estimates of the budgetary impact of discretionary appropriations acts since they are enacted on an annual basis and frequently provide 1-year allotments of funds. The 10-year column is an HBC staff estimate of the cumulative budget impact of discretionary actions over a 10-year window. For base discretionary budget authority, the staff estimate assumes future growth at the same rate as CBO's projected rate of discretionary budget authority inflation for each fiscal year in its baseline. The staff estimate assumes emergencies, supplementals, and war funding are one-time events and, therefore, does not reflect future growth of these spending categories. An exception to this approach is made for cases where emergency appropriations are provided for multiple fiscal years in a single act.

³Figures are based on CBO's March baseline estimate for the applicable fiscal year. The Fiscal 2012 baseline estimate displayed here is based on an adjusted 2011 March baseline which includes the effects of the Department of Defense and Consolidated Appropriations Acts of 2011, which was enacted after the 2011 CBO March baseline was released.

⁴Although CBO provides a baseline estimate of war spending, it is not displayed in this table. Long-standing CBO scorekeeping rules distort future projections of war spending because they require the most recently enacted level to be increased with inflation throughout the entire budget window. This rule produces an unreliable projection of future war spending because it assumes a permanent scenario of increasing war spending in the budget that will most likely never be requested. (See footnote 14 in the main body of the paper for additional discussion).

⁵The effects of automatic sequester provisions of the BCA are included in this table, despite the fact that future appropriations have not yet been provided. Barring changes in current law, the automatic sequester will be triggered regardless of the level of appropriations actually provided at a future date.

⁶Figures reflect CBO's estimate of providing discretionary appropriations at levels consistent with the spending caps set in the Budget Control Act of 2011 (BCA). This table assigns the budget impact of the BCA's initial discretionary spending limits to the Consolidated Appropriations Act of 2012 rather than the BCA itself because the BCA set spending caps only, but did not provide actual appropriations.