

A BUDGET FOR A
**Better
America**

PROMISES KEPT. TAXPAYERS FIRST.

Mid-Session Review

FISCAL YEAR 2020
BUDGET OF THE U.S. GOVERNMENT

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Better
America

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**FISCAL YEAR 2020
BUDGET OF THE U.S. GOVERNMENT**



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 12, 2019

The Honorable Nancy Pelosi
Speaker of the House of Representatives
U.S. House of Representatives
Washington, D.C. 20515

Dear Madam Speaker:

Section 1106 of Title 31, United States Code, requests that the President send to the Congress a supplemental update of the Budget that was transmitted to the Congress earlier in the year. This enclosed supplemental update of the Budget, commonly known as the Mid-Session Review, contains revised estimates of receipts, outlays, budget authority, and the budget deficit for fiscal years 2019 through 2029.

Sincerely,

A handwritten signature in blue ink, appearing to read "R. Vought", with a stylized flourish at the end.

Russell T. Vought
Acting Director

Enclosure

Identical Letter Sent to The Honorable Michael R. Pence

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GENERAL NOTES

1. Unless otherwise noted, years referenced for budget data are fiscal years, and years referenced for economic data are calendar years.
2. All totals in the text and tables include both on-budget and off-budget spending and receipts unless otherwise noted.
3. Details in the tables and text may not add to totals due to rounding.
4. At the time the *Mid-Session Review* was prepared, H.R. 3401, the Emergency Supplemental Appropriations for Humanitarian Assistance and Security at the Southern Border Act, 2019 had not been enacted. As a result, the *Mid-Session Review* includes an allowance to represent the Administration's pending request that was transmitted to the Congress on May 1, 2019 to address the humanitarian and security crisis at the southern border of the United States.
5. Web address: <http://www.budget.gov>

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SUMMARY

The Mid-Session Review (MSR) updates the Administration's estimates for outlays, receipts, and the deficit for economic, legislative, and other changes that have occurred since the President's 2020 Budget was released in March.

The 2019 deficit has been revised to a projected \$1.0 trillion, \$91 billion lower than the \$1.1 trillion deficit projected in March. The improvement in the 2019 deficit is largely the result of technical revisions, including an increase in expected receipts based on new tax reporting data and collections to date, as well as a decrease in outlays, primarily in mandatory and net interest spending.

Going forward, the MSR estimates that the deficit will decrease by \$414 billion over the ten-year budget window relative to the Budget. This reduction is largely attributed to the changes in the Administration's forecast of economic assumptions, the most notable of which is a reduction in the interest rate forecast. The 2020 Budget projected increases in near-term interest rates that have been slow to materialize, requiring an updated forecast of lower rates. These changes plus enacted legislation and policy changes lower the Government's net interest payments by \$711 billion over the 10-year window. Overall, tax receipts are still forecast

to increase both nominally and as a share of GDP each year throughout the budget window. The Administration still projects that the growth generated by its economic policies, including the Tax Cuts and Jobs Act's reduction of the tax burden, will generate enough additional tax receipts to offset the tax cuts.

These relatively small updates to the budget picture do not change the overall trajectory of Federal spending and deficits. Without reform, trillion dollar deficits will continue throughout the budget window, and will drive debt to more than \$33 trillion by 2029. The trend of growing deficits can be reversed only through concerted efforts of spending restraint and restoring Government to the proper size. The 2020 Budget provides a clear roadmap for fiscal responsibility, proposing over \$2.9 trillion in spending reductions—more proposed spending reductions than any previous administration in history—while still providing key funding increases for critical national priorities such as border security and national defense, veterans' healthcare, childcare and rebuilding the Nation's infrastructure. Under the President's policies, deficits will fall from 4.7 percent of GDP in 2020 to 0.6 percent of GDP in 2029.

Table 1. CHANGES IN DEFICITS FROM THE BUDGET

(In billions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2020– 2024	2020– 2029
2020 Budget deficit	1,092	1,101	1,068	1,049	909	700	631	577	513	508	202		
Percent of GDP	5.1%	4.9%	4.5%	4.2%	3.5%	2.6%	2.2%	1.9%	1.6%	1.5%	0.6%		
Enacted legislation and policy changes:													
Enacted legislation ¹	8	8	2	2	1	2	—*	—*	—1	—1	—1	15	12
Policy changes ²	9	11	1	*	*	.....	.....	.....	.....	.....	.....	12	12
Debt service	*	1	1	1	1	1	1	2	2	2	2	5	13
Subtotal, enacted legislation and policy changes	17	20	3	4	3	3	1	1	1	1	1	32	37
Economic and technical reestimates:													
Receipts	—35	13	43	38	49	54	72	74	87	98	111	198	641
Outlays:													
Discretionary programs	—12	—6	—2	5	*	1	1	2	—1	*	—*	—2	—*
Mandatory:													
Social Security	—3	—8	—13	—16	—20	—22	—23	—24	—23	—22	—22	—80	—194
Foreign military sales	—2	—2	—4	—9	—9	—9	—8	—6	—7	—8	—5	—33	—67
Child tax credit	—7	—7	—6	—6	—7	—6	—6	—6	—6	—6	—6	—32	—62
Medicare	—1	3	2	—3	—4	—3	—4	—5	—9	—14	—7	—5	—43
Medicaid	—13	—6	1	7	12	11	11	—*	1	1	2	25	41
Earned income tax credit	—2	—2	—2	—2	—3	—3	—3	—3	—5	—5	—4	—12	—32
Other	—17	—1	9	—*	—4	—2	—2	—2	—2	—2	—3	2	—10
Total mandatory	—44	—24	—13	—30	—34	—33	—35	—46	—51	—56	—45	—135	—367
Net interest ³	—17	—58	—84	—98	—94	—83	—73	—67	—60	—55	—52	—418	—724
Subtotal, outlays	—73	—88	—100	—124	—129	—115	—107	—111	—112	—111	—97	—555	—1,092
Subtotal, economic and technical reestimates	—108	—75	—56	—86	—79	—61	—34	—37	—25	—12	15	—357	—452
Total, changes	—91	—56	—53	—82	—76	—58	—33	—36	—25	—12	16	—325	—414
Mid-Session Review deficit	1,001	1,045	1,016	966	832	643	598	541	489	497	218		
Percent of GDP	4.7%	4.7%	4.3%	3.9%	3.2%	2.4%	2.1%	1.8%	1.6%	1.5%	0.6%		

Note: Positive figures represent higher outlays or lower receipts.

* \$500 million or less.

¹ Includes outlay and receipt effects.² 2019 Humanitarian aid supplemental and trade mitigation assistance.³ Includes debt service on all reestimates.

ECONOMIC ASSUMPTIONS AND OVERVIEW

This Mid-Session Review (MSR) updates the economic forecast from the 2020 Budget, which was finalized in November 2018 and released in March 2019. In the November 2018 forecast for the 2020 Budget, the unemployment rate was expected to continue to decline in the near term and then to rise to 4.2 percent, the Administration's estimate of the rate of employment consistent with stable inflation. Inflation measures were expected to rise in 2020 to levels consistent with Federal Reserve targets, and interest rates were expected to rise appreciably in the near term and then settle at a rate roughly consistent with the economy's growth potential and inflation rates. The MSR forecast, completed at the end of May 2019, adjusts the near term forecast for recent data—most notably, lower interest rates—but otherwise largely matches the 2020 Budget forecast.

The economic recovery following the 2008-2009 downturn was abnormally slow relative to other postwar recoveries. Economic growth was subdued, with real Q4/Q4 GDP growing at an average annual rate of 2.1 percent during the seven years from 2010 to 2016. Since the President was elected, growth has increased. In contrast to a performance of 1.9 percent growth over the four quarters of 2016, real GDP grew at 2.5 percent over the four quarters of 2017 and 3.0 percent over the four quarters of 2018. The current estimate of 2019:Q1 growth is 3.1 percent. Meanwhile, the labor market in 2017, 2018 and through June was remarkably strong, with payroll employment growing vigorously while unemployment rates fell to historic lows. In June 2019, the unemployment rate stood at 3.7 percent and the economy had added over 6 million nonfarm jobs since the 2016 election.

The Administration's efforts to support greater economic growth were spearheaded by the corporate aspects of the Tax Cuts and Jobs Act (TCJA), passed in December 2017, which has acted as a catalyst for sustained and ongoing positive effects on the American economy. As many of the policies in this law are still being finalized, it is expected that the TCJA will

continue to lead to more jobs and a greater investment in capital. In addition to changes to the tax code, this Administration has pursued a robust deregulatory agenda. Many cumbersome, duplicative and unnecessary regulations were removed, and the pace of added regulation was sharply curtailed, especially for small and medium enterprises. The Administration is also currently pursuing policies that would reform the immigration system, spur investments in infrastructure, pursue an "all of the above" energy policy, negotiate reciprocal trade agreements, encourage more participation in the labor market among marginalized populations, and most importantly, rein in Federal spending that contributes to large Federal budget deficits.

The MSR economic forecast makes only limited revisions to the forecast in the 2020 Budget. MSR projections of economic growth and the unemployment rate are similar to the projections in the Budget. Real GDP powered through headwinds to increase by 3.1 percent on an annualized basis in the first quarter of 2019, overcoming not only a recently observed seasonal pattern of slower growth in the first quarter, but also international slowdowns and crises, as well as a Government shutdown of historic duration. The MSR forecasts a growth rate of 3.2 percent for the four quarters of 2019.

Relative to the Budget forecast, the MSR forecast includes a substantial decrease in interest rates in the near term, and a slight decrease in the long run. This reflects the fact that interest rates have been lower than expected since the economic forecast for the Budget was finalized in November 2018. Inflation rates are forecast to be slightly lower in 2019, but thereafter are the same as those projected in the Budget.

Although the U.S. economy is on track to hit this Administration's estimates, several downside risks are being monitored. As mentioned in the "Economic Assumptions and Overview" chapter in the *Analytical Perspectives* volume of the 2020 Budget, debt burdens are of con-

cern, with student loan debt, leveraged loans and the Federal deficit all expanding rapidly over the past decade. Recently, the 10-year 90-day interest rate spread, a historic predictor of economic downturns, inverted for the first time since 2007. In addition, the Chicago Fed National Activity, the Institute for Supply Management Manufacturing, and the Morgan Stanley Business Conditions indexes have fallen throughout 2019.

Despite this, there are signs of persistent strength in this economy. The labor force participation rate has remained stable, despite downward demographic pressure due to baby-boomers reaching retirement age, lifted by a 1.6 percent point increase in prime age participation since the 2016 election. The un-

employment rate has continued to fall. Real consumer spending remains strong. Upside potential for 2019 exists if Administration policies regarding infrastructure, immigration, and a responsible budget are enacted. These will have positive growth repercussions that will reverberate across productivity, participation, investment, and confidence. The overall international growth outlook poses a downside risk, but more agreements like the United States-Mexico-Canada Agreement that reduce uncompetitive actions and reach towards a trade barrier-free reciprocal world will increase standards of living in the United States and abroad. The Administration has set aspirational and achievable goals for the American economy, and it has succeeded in meeting them.

ECONOMIC PROJECTIONS

The Administration's forecast is based on information available at the end of May, and it retains the assumption that the President's policy proposals in the 2020 Budget will be fully enacted. The projections for key variables can be found in Table 2.

Real Gross Domestic Product (GDP): Real GDP growth in 2019 is expected to be 3.2 percent on a fourth quarter-over-fourth quarter (Q4/Q4) basis (as shown in Table 3), before edging down to a sustainable 2.8 percent in the long run.

Unemployment Rate: The unemployment rate has remained consistent with the 2020 Budget projections, falling to 3.7 percent by June 2019. The unemployment rate is expected to average 3.7 percent in 2019 and 3.6 in 2020, and then slowly climb back towards 4.2 percent in 2025, which is the Administration's estimate of the rate of unemployment consistent with stable inflation in the long run.

Inflation: Post-financial crisis, the inflation rate has been low compared with the post-World War II average. The medium- and long-run inflation rate projections in the MSR

remain consistent with the 2020 Budget assumptions, with year-over-year long-run rates of 2.3 percent when measured by the Consumer Price Index for All Urban Consumers (CPI-U).

Interest Rates: Interest rate forecasts comprise the most substantial change from the 2020 Budget to the MSR. Treasury rates have decreased notably since the Budget was finalized. The 2020 Budget forecast a 90-day rate of 2.7 percent and a 10-year rate of 3.4 percent in 2019. Reflecting recent data, these have been revised down to 2.4 percent and 2.6 percent, respectively.

Incomes and Income Shares: Labor compensation and corporate profit trends remain roughly the same as in the 2020 Budget projections. As a share of GDP, wages and salaries are expected to increase, while corporate profits are expected to decline, with most of this evolution of income shares taking place during the middle and later years of the forecast. However, wages and salaries show small declines relative to the Budget estimates, due to revisions to estimates by the Bureau of Economic Analysis (BEA) in May 2019.

Table 2. ECONOMIC ASSUMPTIONS¹

(Calendar Years, Dollar Amounts in Billions)

	Actual				Projections									
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	
Gross Domestic Product (GDP):														
Levels, Dollar Amounts in Billions:														
Current Dollars	19,485	20,494	21,460	22,591	23,746	24,956	26,225	27,561	28,946	30,372	31,856	33,412	35,044	
Real, Chained (2012) Dollars	18,051	18,567	19,136	19,741	20,345	20,959	21,592	22,244	22,902	23,557	24,221	24,904	25,606	
Chained Price Index (2012=100), Annual Average	107.9	110.3	112.2	114.4	116.7	119.1	121.5	123.9	126.4	128.9	131.5	134.2	136.9	
Percent Change, Fourth Quarter over Fourth Quarter:														
Current Dollars	4.5	5.2	4.8	5.2	5.1	5.1	5.1	5.1	5.0	4.9	4.9	4.9	4.9	
Real, Chained (2012) Dollars	2.5	3.0	3.2	3.1	3.0	3.0	3.0	3.0	2.9	2.8	2.8	2.8	2.8	
Chained Price Index (2012=100)	2.0	2.1	1.7	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	
Incomes, Billions of Current Dollars:														
Domestic Corporate Profits	1,650	1,778	1,878	1,968	1,955	2,024	2,034	2,055	2,091	2,117	2,146	2,186	2,199	
Employee Compensation	10,407	10,841	11,244	11,816	12,465	13,170	13,904	14,685	15,502	16,351	17,241	18,181	19,172	
Wages and Salaries	8,454	8,821	9,151	9,617	10,151	10,735	11,339	11,954	12,611	13,296	14,025	14,783	15,593	
Nonwage Personal Income	4,863	5,107	5,290	5,656	5,924	6,212	6,488	6,779	7,109	7,452	7,829	8,146	8,503	
Consumer Price Index (All Urban)²:														
Level (1982–1984 = 100), Annual Average	245.1	251.1	255.9	261.8	267.7	273.8	280.0	286.3	292.8	299.5	306.3	313.2	320.3	
Percent Change, Fourth Quarter over Fourth Quarter	2.1	2.2	2.1	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	
Unemployment Rate, Civilian, Percent:														
Annual Average	4.4	3.9	3.7	3.6	3.7	3.9	4.0	4.1	4.2	4.2	4.2	4.2	4.2	
Interest Rates, Percent:														
91-Day Treasury Bills ³	0.9	1.9	2.4	2.4	2.5	2.6	2.7	2.8	2.8	2.8	2.9	2.9	2.9	
10-Year Treasury Notes	2.3	2.9	2.6	2.8	3.1	3.4	3.6	3.6	3.6	3.6	3.6	3.6	3.6	

¹ Based on information available as of June 2019.² Seasonally Adjusted.³ Average rate, secondary market (bank discount basis).**FORECAST COMPARISONS**

Comparisons between the Administration's topline MSR forecast and forecasts by the Congressional Budget Office (CBO), the Federal Reserve's Federal Open Market Committee (FOMC), and the Blue Chip panel of private sector forecasters should be made with caution. The forecast of the Administration assumes that all of the President's policy proposals will be enacted, including major changes to existing infrastructure, immigration, deregulation, labor market policies, and a reduction of budget deficits. The Administration's relatively more optimistic forecast for real GDP growth can largely be accounted for by its expectation of higher productivity growth in the medium to long run, and by greater labor force participation rates due to those policies. By contrast,

CBO's forecast assumes current law policies and a more pessimistic expectation for long-run productivity growth. The Blue Chip consensus reflects a combination of assumptions regarding the implementation of policy proposals among private sector forecasters. A comparison of forecasts for key economic variables is found in Table 3.

Real Gross Domestic Product: The Administration's forecast for real GDP growth differs from those published by CBO in January 2019, by the FOMC in June 2019, and by the Blue Chip consensus in June 2019 (short-run) and October 2018 (long-run). The Administration predicts higher GDP growth, peaking at 3.2 percent Q4/Q4 in 2019 and 3.1 percent

in 2020, while other estimates for 2020 range from 1.8 to 2.0 percent. The Administration also predicts long run growth at 2.8 percent, compared with other forecasts of between 1.8 to 2.0 percent.

Unemployment: The Administration's unemployment rate projections are generally similar to those of the other forecasters in the near term, but there is substantial disagreement about the long run rate of unemployment consistent with stable inflation. The Administration lowered its long run forecast for unemployment down to 4.2 percent last fall, and since then the Federal Reserve and Blue Chip have lowered their forecasts as well.

However, CBO's long run forecast for unemployment is 4.7 percent, a notable outlier.

Inflation: Inflation expectations are relatively consistent across the different forecasts. CBO predicts higher inflation in 2020-2023, but has a similar outlook for the longer run as other forecasts.

Interest Rates: The Administration's interest rate forecast has been reduced in the MSR, to reflect recent changes in the data. This reduction has been matched by the Blue Chip consensus, which forecasts lower interest rates in 2020 than the Administration, while CBO is higher.

Table 3. COMPARISON OF ECONOMIC ASSUMPTIONS

(Calendar Years)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Real GDP (Year-over-Year growth rates):												
2020 MSR	2.9	3.1	3.2	3.1	3.0	3.0	3.0	3.0	2.9	2.8	2.8	2.8
2020 Budget	2.9	3.2	3.1	3.0	3.0	3.0	3.0	2.9	2.8	2.8	2.8	2.8
CBO	2.9	2.7	1.9	1.6	1.6	1.7	1.8	1.8	1.7	1.8	1.8	1.8
Blue Chip ¹	2.9	2.5	1.8	1.8	1.9	2.1	2.1	2.0	2.0	2.0	2.0	2.0
Real GDP (Fourth-Quarter-over-Fourth-Quarter growth rates):												
2020 MSR	3.0	3.2	3.1	3.0	3.0	3.0	3.0	2.9	2.8	2.8	2.8	2.8
2020 Budget	3.1	3.2	3.1	3.0	3.0	3.0	3.0	2.9	2.8	2.8	2.8	2.8
CBO	3.1	2.3	1.7	1.6	1.6	1.7	1.9	1.8	1.7	1.9	1.8	1.8
Federal Reserve (FOMC) ²	3.0	2.1	2.0	1.8	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9
Consumer Price Index (CPI-U Fourth quarter growth rates):												
2020 MSR	2.2	2.1	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
2020 Budget	2.5	2.1	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
CBO	2.4	2.2	2.6	2.5	2.5	2.5	2.4	2.3	2.3	2.3	2.3	2.4
Blue Chip ¹	2.5	1.9	2.1	2.2	2.2	2.3	2.2	2.2	2.2	2.2	2.2	2.2
Federal Reserve (FOMC) ^{2,3}	1.9	1.8	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Unemployment Rate (annual average):												
2020 MSR	3.9	3.7	3.6	3.7	3.9	4.0	4.1	4.2	4.2	4.2	4.2	4.2
2020 Budget	3.9	3.6	3.6	3.7	3.9	4.0	4.1	4.2	4.2	4.2	4.2	4.2
CBO	3.9	3.5	3.7	4.2	4.6	4.8	4.8	4.8	4.8	4.8	4.7	4.7
Blue Chip ¹	3.9	3.7	3.6	4.1	4.2	4.3	4.3	4.4	4.4	4.4	4.4	4.4
Federal Reserve ²	3.7	3.6	3.7	3.8	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2
Interest Rates:												
91-Day Treasury Bills (discount basis):												
2020 MSR	1.9	2.4	2.4	2.5	2.6	2.7	2.8	2.8	2.8	2.9	2.9	2.9
2020 Budget	1.9	2.7	3.1	3.2	3.2	3.1	3.0	3.0	3.0	3.0	3.0	3.0
CBO	1.9	2.8	3.2	3.2	3.2	3.0	2.8	2.7	2.7	2.8	2.8	2.8
Blue Chip ¹	2.0	2.4	2.2	2.9	2.8	2.9	3.0	3.0	3.0	3.0	3.0	3.0
10-Year Treasury Notes:												
2020 MSR	2.9	2.6	2.8	3.1	3.4	3.6	3.6	3.6	3.6	3.6	3.6	3.6
2020 Budget	2.9	3.4	3.6	3.8	3.8	3.7	3.7	3.7	3.7	3.7	3.7	3.7
CBO	2.9	3.4	3.6	3.7	3.7	3.8	3.7	3.7	3.7	3.7	3.7	3.8
Blue Chip ¹	2.9	2.5	2.6	3.5	3.6	3.7	3.7	3.7	3.7	3.7	3.7	3.7

Sources: Administration; CBO, The Budget and Economic Outlook: 2019 to 2029, January 2019; June 2019 and October 2018 Blue Chip Economic Indicators, Aspen Publishers, Inc.; Federal Reserve Open Market Committee, June 19, 2019.

¹ Blue Chip data: annual forecasts for 2025-2029 are extracted from their 5 year averages, the 2019 and 2020 forecasts are from the June 2019 issue, while 2021-2029 are from the October 2018 issue.

² Median Projection.

³ PCE Inflation.

RECEIPTS

Receipts for 2019 in MSR are estimated to be \$3,472 billion, \$35 billion above the 2020 Budget estimate. After 2019, receipts are estimated to be lower relative to the 2020 Budget in each year through 2029, for a net decrease in receipts of \$640 billion over the 10-year budget horizon.

Most of the net increase in 2019 receipts is attributable to technical revisions based on new tax reporting data, collections to date, and other information, which increase receipts by \$54 billion. Revised economic assumptions lower 2019 receipts relative to the Budget estimate by \$19 billion.

The \$640 billion decrease in receipts over the 10-year budget horizon is driven primarily by a \$428 billion reduction in receipts attributable to revised economic assumptions, including a slight decline in the wages and salaries growth forecast, though growth has shown continued strength thus far in 2019. Wages and salaries growth rebounds over the

longer term and projections remain higher than absent the Administration's policies. Technical reestimates drive an additional \$212 billion reduction in receipts, largely due to lower-than-expected corporation income tax collections. Neither of these changes are large – roughly a 1-percent reduction in total receipts over 10 years – and, overall, receipts are projected to increase both nominally and as a share of GDP each year throughout the budget window. The Administration still projects that its economic policies, including the Tax Cuts and Jobs Act's tax savings for Americans, will generate enough additional tax receipts to offset the tax cuts.

Given the historic nature of the Tax Cuts and Jobs Act, there is a range of reasonable assumptions related to taxpayer behavior, wage and salary growth, and corporate profits. The Administration's estimates will continue to be refined as the most comprehensive tax reform in a generation is implemented in full.

ECONOMIC CHANGES

As noted above, revisions in the economic forecast decrease receipts by \$19 billion in 2019, and decrease receipts by \$428 billion over the 10 years from 2020 through 2029. In 2019, revisions to the economic forecast, specifically the forecast of wages and salaries, have the greatest effect on individual income taxes, decreasing receipts by \$18 billion.

Over the 10-year budget window, revisions in the economic forecast have the greatest effect on individual income taxes, decreasing collections by \$368 billion relative to the Budget estimate, primarily attributable to the changes to the forecast of wages and

salaries. Decreases in certain types of income affect the taxes received from taxing that income. The change in the forecast of wages and salaries also accounts for most of the \$47 billion decrease in social insurance and retirement receipts, primarily Social Security and Medicare payroll taxes. Decreases in the forecast of imports relative to the Budget drives a decrease of \$107 billion in customs duties collections. Revisions in the forecast of GDP and depreciation increase collections of corporation income taxes by \$99 billion. Revisions in the forecasts of GDP, interest rates, and other sources of income decrease all remaining sources of receipts by a net \$5 billion.

TECHNICAL CHANGES

Technical revisions increase receipts by \$54 billion in 2019 and increase receipts by \$19 billion in 2020. Technical revisions reduce receipts in each subsequent year, for a net decrease in receipts of \$212 billion over the 10-

year budget window. The upward technical revisions in 2019 are primarily due to actual individual income tax collections data for tax year 2018 and 2019 and customs duties collections to date (increasing receipts by \$39 bil-

lion and \$13 billion, respectively, relative to the Budget). Technical revisions reduced other sources of receipts by a net \$2 billion.

Over the 10-year budget window, technical revisions decrease collections of corporation income taxes by \$139 billion and individual income taxes by \$118 billion relative to the Budget. For corporation income taxes, these revisions reflect actual collections data since the Budget and modeling updates that reflect current law, including effects of the Tax Cuts

and Jobs Act. For individual income taxes, these revisions reflect actual collections data since the Budget, along with reestimates of the effects of extending expiring provisions of the Tax Cuts and Jobs Act reflected in the Administration's adjusted baseline. Technical revisions of excise taxes and customs duties increase collections by \$23 billion and \$27 billion, respectively. Technical revisions in all other sources of receipts decrease receipts by \$5 billion.

ENACTED LEGISLATION AND REVISIONS IN PROPOSALS

The Consolidated Appropriations Act, 2018, is the only piece of legislation enacted since the Budget that had an effect on receipts, increasing 10-year collections by \$1 billion. This increase in receipts is due to a provision in the Act that provided the Bureau of Engraving and Printing (BEP) authority to construct a re-

placement currency production facility, which reduces BEP's operating costs and increases deposits of earnings by the Federal Reserve system.

Changes in the estimates of receipt proposals net to zero over the 10-year window.

Table 4. CHANGES IN RECEIPTS

(In billions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2020– 2024	2020– 2029
2020 Budget estimate	3,438	3,645	3,877	4,129	4,421	4,753	5,040	5,323	5,608	5,939	6,292		
Changes in current law receipts due to revised economic assumptions:													
Individual income taxes	-18	-30	-34	-36	-35	-34	-35	-36	-38	-42	-46	-169	-368
Corporation income taxes	1	5	10	12	13	12	10	9	8	9	11	52	99
Social insurance and retirement ...	-1	-6	-4	-4	-4	-4	-4	-4	-5	-5	-7	-21	-47
Other	-1	-2	-3	-5	-9	-11	-12	-14	-17	-18	-21	-29	-112
Total, changes due to revised economic assumptions	-19	-33	-32	-33	-34	-37	-41	-46	-53	-58	-62	-168	-428
Changes in adjusted baseline receipts due to technical reestimates ¹ :													
Individual income taxes	39	11	1	5	-2	-*	-9	-20	-25	-35	-43	14	-118
Corporation income taxes	4	-7	-12	-12	-15	-21	-24	-10	-14	-12	-10	-68	-139
Social insurance and retirement ...	5	*	2	1	*	-*	-1	-1	-2	-1	-1	3	-3
Other	6	15	-1	1	2	3	3	4	6	7	7	21	48
Total, changes due to technical re-estimates	54	19	-11	-5	-16	-18	-31	-27	-35	-42	-48	-31	-212
Changes in current law receipts due to enacted legislation .....	*	*	*	—*	*	*	—*	*	*	*	.....	*	1
Changes in proposals due to enacted legislation and economic and technical revisions	—*	*	-1	*	*	1	—*	-1	*	1	-1	1	*
Total, changes in proposals	—*	*	-1	*	*	1	—*	-1	*	1	-1	1	*
Total change in receipts	35	-13	-43	-38	-49	-54	-72	-74	-86	-98	-111	-197	-640
2020 Mid-Session estimate	3,472	3,632	3,833	4,091	4,372	4,698	4,968	5,248	5,522	5,841	6,181		

* \$500 million or less.

¹ Includes economic and technical reestimates of receipt effects of extending expiring TCJA individual and estate provisions.

EXPENDITURES

Outlays for 2019 in the Mid-Session Review (MSR) are estimated to be \$4,473 billion, \$56 billion lower than the 2020 Budget estimate. After 2019, outlays continue to be lower relative to the 2020 Budget in each year through 2029, for a total decrease of \$1,054 billion over the 10-year budget horizon. The decrease in spending is largely due to technical reestimates of spending for mandatory programs and net interest programs. The downward technical revisions are partially offset by increases in projected spending due to enacted legislation and policy changes.

Enacted Legislation Changes

Relative to estimates in the Budget, legislation enacted since the Budget was completed increases outlays by \$8 billion in 2019 and by \$13 billion over the 10-year budget window. Two laws increase discretionary spending: Public Law 116-6, the Consolidated Appropriations Act, 2019 (Omnibus); and Public Law 116-20, the Additional Supplemental Appropriations for Disaster Relief Act, 2019 (Supplemental). These two laws increase discretionary outlays by \$11 billion in 2019, and by an additional \$19 billion from 2020 to 2029.

Six laws enacted since the Budget was completed affect mandatory spending: the Omnibus; the Supplemental; Public Law 116-8 (the Pesticide Registration Improvement Extension Act of 2018); Public Law 116-16 (the Medicaid Services Investment and Accountability Act of 2019); Public Law 116-23 (the Blue Water Navy Vietnam Veterans Act of 2019); and Public Law 116-24 (the Northern Mariana Islands Long-Term Legal Residents Relief Act). Together, these laws decrease net mandatory spending relative to Budget estimates by \$3 billion in 2019 and by \$6 billion over the next 10 years.

Policy Changes

There are two changes in policy since the Budget that increase spending. The first is the Trade Mitigation assistance payments to farmers, which increase outlays by \$8 billion

in 2019 and by \$9 billion in 2020. The second is the requested supplemental appropriations for humanitarian aid and border security that would increase outlays by \$1 billion in 2019, and by \$3 billion in 2020 and 2021. At the time the MSR was prepared, H.R. 3401, the Emergency Supplemental Appropriations for Humanitarian Assistance and Security at the Southern Border Act, 2019, had not been enacted.¹ As a result, the MSR includes an allowance to represent the Administration's pending request that was transmitted to the Congress on May 1, 2019.

Estimating Changes

Estimating changes are changes due to factors other than enacted legislation or changes in policy. These include changes in economic assumptions, discussed earlier in this MSR, and changes in technical factors. Relative to the Budget estimates, economic and technical changes decrease estimated outlays for 2019 by \$73 billion, and further decrease outlays by \$1,092 billion over the 10-year window.

Discretionary Programs. Relative to the Budget, outlays for discretionary programs decrease by \$12 billion in 2019, but net to zero over the next 10 years. The changes in 2019 reflect higher outlays for defense (\$5 billion), and lower outlays for non-defense (\$17 billion), compared to the Budget. Outlays over the 10-year period decrease by \$9 billion for defense programs, but increase by \$8 billion for non-defense base programs.

Social Security. Estimating changes decrease outlays for Social Security by \$3 billion in 2019 as compared with the Budget, and by an additional \$194 billion over the next 10 years. The decreases are primarily due to revised assumptions for the ages at which retired workers start receiving benefits, based on actual benefit claiming behavior through 2018. The decreases are also partially due to

¹ President Donald J. Trump signed into law H.R. 3401 on July 1, 2019.

the MSR's lower forecast for the CPI in 2019, which results in a lower cost-of-living adjustment for 2020.

Foreign Military Sales. Estimating changes decrease outlays by \$2 billion in 2019, and further decrease outlays by \$67 billion from 2020 to 2029 relative to the Budget. The decreases are due to revisions that reflect the latest military sales volumes and projections based on year-to-date actuals.

Child Tax Credit (CTC). Technical changes decrease outlays for the CTC by \$7 billion in 2019, and by \$62 billion over the next 10 years. The decreases are due to the incorporation of year-to-date actuals, which were lower than expected after the first full year the Tax Cuts and Jobs Act expanded the CTC. Lower forecast wages (due to the technical revision in wages and salaries) also decreased outlays for the CTC over the window. The technical and economic changes to CTC outlays also decrease the cost of the Budget proposal to extend the CTC.

Medicare. Economic and technical revisions result in a net decrease in outlays for Medicare by \$1 billion in 2019 relative to Budget estimates, and an additional \$43 billion from 2020 to 2029. The decrease is primarily due to technical factors that reduce projected Medicare Part A spending, such as a decline in estimated Medicare enrollment and a lower utilization rate (e.g., inpatient hospital, and skilled nursing facility services) compared to the Budget estimates. Changes in Part B estimates reflect updated actual spending, residual growth rates, and a correction in the sequestration calculation.

Medicaid. Economic and technical revisions reduce projected Federal outlays for Medicaid by \$13 billion in 2019 relative to the Budget estimates, and increase outlays by \$41 billion on net from 2020 to 2029. These changes are due to technical adjustments including slower Medicaid enrollment growth than previously projected and recent State Medicaid expansions, as well as adjustments to reflect changes to economic factors, including the CPI.

Earned Income Tax Credit (EITC). Economic and technical changes decrease outlays for the EITC by \$2 billion in 2019, and by \$32 billion over the next 10 years. The revision to forecast wages in the MSR economic assumptions (due to the technical revision in wages and salaries) results in lower outlays for the EITC. The overall decrease is also due to technical revisions that incorporate year-to-date actual data showing a reduction in the number of returns claiming the EITC and a stable average credit amount, resulting in lower outlays relative to the Budget.

FHA Mutual Mortgage Insurance. Technical revisions to interest income estimates decrease outlays for the mutual mortgage insurance capital reserve by \$1 billion in 2019, and by \$23 billion over the 10-year window. Interest income from the first eight months of the fiscal year has already exceeded the Budget estimate (higher levels of interest income offset outlays, so net outlays are lower). Later years in the budget window are also adjusted to reflect projected interest earned based on current balances in the account and future deposits of negative subsidy and interest earned.

Supplemental Nutrition Assistance Program (SNAP). Outlays for SNAP decrease by \$6 billion in 2019, and by an additional \$7 billion from 2020 to 2029, due to technical re-estimates that incorporate lower-than-expected actual participation for SNAP benefits. In addition, decreases in unemployment and increases in anticipated earnings for program participants, partially offset by a small increase in the Thrifty Food Plan, also act to decrease spending for SNAP relative to the Budget.

Net Interest. Excluding the debt service associated with enacted legislation and policy changes, outlays for net interest are projected to decrease by \$17 billion in 2019 and by \$724 billion over the next 10 years. The majority of the decrease is the result of revised economic assumptions, including projections for Treasury interest rates and lower growth in the CPI. Technical revisions are largely due to updating for year-to-date actuals.

Table 5. CHANGES IN OUTLAYS

(In billions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2020– 2024	2020– 2029
2020 Budget estimate	4,529	4,746	4,945	5,177	5,330	5,453	5,671	5,899	6,122	6,447	6,495		
Changes due to enacted legislation and policy changes:													
2019 Discretionary appropriations	6	1	1	1	1	2	–*	–*	–*	–*	–*	6	5
Emergency supplemental appropriations	5	6	3	2	1	1	1	*	*	*	.....	13	14
Other enacted legislation	–3	1	–2	–1	–1	–1	–1	–1	–1	–1	–1	–3	–6
Additional supplemental appropriations ¹	1	2	1	*	*	.....	.....	.....	.....	.....	.....	3	3
Trade mitigation assistance ...	8	9	.....	.....	.....	.....	.....	.....	.....	.....	.....	9	9
Debt service	*	1	1	1	1	1	1	2	2	2	2	5	13
Subtotal, enacted legislation and policy changes	17	20	3	3	3	3	1	1	1	1	1	33	38
Changes due to reestimates:													
Discretionary appropriations:													
Defense base programs	5	–8	–2	2	*	–*	–*	–*	–*	–*	–*	–9	–9
Non-defense base programs	–17	2	*	2	–*	2	1	2	–1	*	–*	6	8
Overseas contingency operations .....	–*	*	–*	.....	.....	.....	.....	.....	.....	.....	.....	–*	–*
Subtotal, discretionary appropriations	–12	–6	–2	5	*	1	1	2	–1	*	–*	–2	–*
Social Security	–3	–8	–13	–16	–20	–22	–23	–24	–23	–22	–22	–80	–194
Foreign military sales	–2	–2	–4	–9	–9	–9	–8	–6	–7	–8	–5	–33	–67
Child tax credit	–7	–7	–6	–6	–7	–6	–6	–6	–6	–6	–6	–32	–62
Medicare	–1	3	2	–3	–4	–3	–4	–5	–9	–14	–7	–5	–43
Medicaid	–13	–6	1	7	12	11	11	–*	1	1	2	25	41
Earned income tax credit	–2	–2	–2	–2	–3	–3	–3	–3	–5	–5	–4	–12	–32
Mutual mortgage insurance ...	–1	–1	–1	–2	–2	–2	–2	–3	–3	–3	–4	–8	–23
Supplemental Nutrition Assistance Program	–6	–1	–1	–1	–1	–*	–1	–1	–1	–1	2	–5	–7
Other programs	–10	1	12	3	–1	*	1	2	2	2	–1	15	20
Net interest ²	–17	–58	–84	–98	–94	–83	–73	–67	–60	–55	–52	–418	–724
Subtotal, reestimates	–73	–88	–100	–124	–129	–115	–107	–111	–112	–111	–97	–555	–1,092
Total change in outlays	–56	–69	–96	–120	–125	–112	–105	–110	–111	–110	–96	–522	–1,054
Mid-Session estimate	4,473	4,677	4,849	5,057	5,205	5,341	5,566	5,789	6,011	6,337	6,399		

*\$500 million or less.

¹ At the time the Mid-Session Review was prepared, H.R. 3401, the Emergency Supplemental Appropriations for Humanitarian Assistance and Security at the Southern Border Act, 2019, had not been enacted. As a result, the Mid-Session Review includes an allowance to represent the Administration's pending request that was transmitted to the Congress on May 1, 2019, to address the humanitarian and security crisis at the southern border of the United States.

² Includes debt service on all reestimates.

SUMMARY TABLES

Table S-1. BUDGET TOTALS

(In billions of dollars and as a percent of GDP)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
													2020–2024	2020–2029
Budget Totals in Billions of Dollars:														
Receipts	3,330	3,472	3,632	3,833	4,091	4,372	4,698	4,968	5,248	5,522	5,841	6,181	20,627	48,387
Outlays	4,109	4,473	4,677	4,849	5,057	5,205	5,341	5,566	5,789	6,011	6,337	6,399	25,129	55,231
Deficit	779	1,001	1,045	1,016	966	832	643	598	541	489	497	218	4,502	6,845
Debt held by the public	15,750	16,819	17,931	19,013	20,043	20,937	21,640	22,298	22,896	23,439	23,990	24,256		
Gross domestic product (GDP)	20,236	21,207	22,306	23,454	24,649	25,902	27,221	28,596	30,012	31,478	33,017	34,629		
Budget Totals as a Percent of GDP:														
Receipts	16.5%	16.4%	16.3%	16.3%	16.6%	16.9%	17.3%	17.4%	17.5%	17.5%	17.7%	17.8%	16.7%	17.1%
Outlays	20.3%	21.1%	21.0%	20.7%	20.5%	20.1%	19.6%	19.5%	19.3%	19.1%	19.2%	18.5%	20.4%	19.7%
Deficit	3.8%	4.7%	4.7%	4.3%	3.9%	3.2%	2.4%	2.1%	1.8%	1.6%	1.5%	0.6%	3.7%	2.6%
Debt held by the public	77.8%	79.3%	80.4%	81.1%	81.3%	80.8%	79.5%	78.0%	76.3%	74.5%	72.7%	70.0%		

Table S-2. EFFECTS OF BUDGET PROPOSALS ON PROJECTED DEFICITS

(Deficit increases (+) or decreases (–) in billions of dollars)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
													2020–2024	2020–2029
Projected deficits in the baseline	779	1,006	1,010	1,004	1,032	956	850	920	975	1,003	1,142	969	4,851	9,860
Percent of GDP	3.8%	4.7%	4.5%	4.3%	4.2%	3.7%	3.1%	3.2%	3.2%	3.2%	3.5%	2.8%		
Proposals in the 2020 Mid-Session Review:														
Invest in critical national priorities:														
Provide defense funding to rebuild and restore the military and protect our Nation		*	55	75	81	77	72	48	34	22	14	10	360	488
Implement the VA MISSION Act of 2018			6	9	10	10	10	10	10	10	10	10	45	95
Support major investment in infrastructure			5	26	40	50	40	19	10	5	5	*	160	199
Establish Education Freedom Scholarships			1	5	5	5	5	5	5	5	5	5	21	46
Provide paid parental leave			1	1	1	2	2	2	3	3	3	3	7	20
Debt service			1	3	7	12	16	20	23	26	28	30	39	166
Total .....	.....	*	69	119	145	155	145	105	85	71	65	57	632	1,015
Restrain spending to protect and respect American taxpayers:														
Right-size Government and apply two-penny plan to non-defense discretionary spending		1	22	–16	–56	–87	–116	–145	–173	–200	–227	–253	–253	–1,251
Empowering States and consumers to reform healthcare			5	14	–25	–32	–48	–66	–88	–108	–129	–153	–86	–629
Address wasteful spending, fraud, and abuse in healthcare			–7	–22	–33	–40	–47	–53	–65	–71	–78	–84	–149	–501
Improve drug pricing and payment policies			–1	–4	–5	–7	–9	–10	–10	–11	–12	–12	–26	–83
Improve the welfare system			–22	–30	–32	–33	–33	–34	–35	–35	–35	–35	–150	–325
Reform Federal student loans			–6	–11	–16	–20	–22	–24	–25	–27	–28	–28	–75	–207
Reform disability programs and test new approaches			–1	–2	–2	–2	–2	–5	–8	–12	–17	–21	–9	–72
Modify retirement and health benefits for Federal employees ...			–3	–3	–7	–9	–11	–12	–13	–14	–15	–17	–32	–104
Implement agricultural reforms			–2	–5	–6	–7	–7	–7	–7	–7	–7	–7	–26	–61
Reform the Postal Service			–4	–8	–8	–9	–10	–10	–11	–12	–13	–13	–39	–98
Other spending reductions and program reforms		–6	–13	–18	–13	–20	–23	–24	–32	–21	–61	–75	–88	–301
Debt service and other interest effects		–*	–1	–2	–7	–14	–24	–36	–50	–67	–87	–110	–48	–398
Total .....	.....	–5	–34	–107	–210	–278	–352	–427	–518	–585	–710	–809	–981	–4,030
Total proposals in the 2020 Mid-Session Review .....	.....	–5	35	12	–65	–123	–207	–322	–433	–515	–645	–751	–349	–3,015
Resulting deficits in the 2020 Mid-Session Review	779	1,001	1,045	1,016	966	832	643	598	541	489	497	218	4,502	6,845
Percent of GDP	3.8%	4.7%	4.7%	4.3%	3.9%	3.2%	2.4%	2.1%	1.8%	1.6%	1.5%	0.6%		

* \$500 million or less.

Table S-3. BASELINE BY CATEGORY¹

(In billions of dollars)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
													2020– 2024	2020– 2029
Outlays:														
Discretionary programs:														
Defense	623	680	664	673	678	688	701	715	733	752	770	790	3,404	7,164
Non-defense	639	678	682	667	674	679	694	702	717	730	747	763	3,396	7,055
Subtotal, discretionary programs	1,262	1,358	1,345	1,341	1,352	1,367	1,394	1,417	1,451	1,481	1,517	1,553	6,800	14,219
Mandatory programs:														
Social Security	982	1,038	1,094	1,153	1,219	1,289	1,365	1,445	1,530	1,619	1,714	1,813	6,119	14,240
Medicare ²	582	644	702	761	859	889	918	1,035	1,116	1,194	1,371	1,354	4,128	10,199
Medicaid ²	389	406	422	445	469	498	523	552	590	625	661	700	2,356	5,484
Exchange subsidies (including Basic Health Program)	46	57	56	56	58	60	62	64	66	68	71	75	292	636
Other mandatory programs	523	599	599	615	647	642	646	682	729	751	814	785	3,149	6,911
Subtotal, mandatory programs	2,522	2,744	2,872	3,030	3,252	3,378	3,513	3,779	4,031	4,256	4,632	4,727	16,045	37,470
Net interest	325	377	422	465	515	576	630	678	725	771	816	854	2,608	6,453
Total outlays	4,109	4,478	4,639	4,836	5,119	5,321	5,537	5,874	6,207	6,509	6,965	7,134	25,452	58,142
Receipts:														
Individual income taxes	1,684	1,719	1,803	1,912	2,050	2,198	2,358	2,519	2,692	2,875	3,068	3,270	10,321	24,744
Corporation income taxes	205	221	253	282	314	368	409	429	427	411	424	433	1,626	3,750
Social insurance and retirement receipts:														
Social Security payroll taxes	855	914	946	1,002	1,057	1,112	1,172	1,233	1,302	1,368	1,450	1,523	5,289	12,166
Medicare payroll taxes	261	278	287	305	324	341	361	380	402	423	450	474	1,618	3,746
Unemployment insurance	45	43	46	47	47	46	47	48	51	52	55	57	233	496
Other retirement	10	10	11	12	12	13	13	14	15	15	16	17	61	139
Excise taxes	95	98	108	111	115	109	138	129	133	138	127	148	582	1,255
Estate and gift taxes	23	17	19	20	21	22	24	26	27	28	30	31	106	248
Customs duties	41	82	64	43	44	44	45	46	47	48	49	50	241	480
Deposits of earnings, Federal Reserve System ...	71	49	49	52	56	62	68	73	79	85	90	97	288	712
Other miscellaneous receipts	41	40	42	45	47	50	53	56	59	62	65	66	237	545
Total receipts	3,330	3,473	3,629	3,832	4,088	4,365	4,687	4,954	5,233	5,506	5,823	6,165	20,601	48,282
Deficit	779	1,006	1,010	1,004	1,032	956	850	920	975	1,003	1,142	969	4,851	9,860
Net interest	325	377	422	465	515	576	630	678	725	771	816	854	2,608	6,453
Primary deficit	454	629	588	539	516	380	220	241	250	232	326	115	2,243	3,407
On-budget deficit	785	1,013	993	983	1,000	914	795	851	903	920	1,053	862	4,685	9,274
Off-budget deficit/surplus (–)	–6	–7	18	21	31	42	55	69	71	84	89	107	166	585

Table S-3. BASELINE BY CATEGORY¹—Continued

(In billions of dollars)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
													2020–2024	2020–2029
Memorandum, budget authority for discretionary programs:														
Defense	701	719	649	665	681	698	715	733	751	769	789	808	3,409	7,259
Non-defense	722	653	584	598	612	628	643	659	675	692	709	727	3,065	6,528
Total, discretionary budget authority	1,423	1,372	1,233	1,263	1,294	1,326	1,358	1,392	1,426	1,462	1,498	1,535	6,474	13,787

¹Baseline estimates are on the basis of the economic assumptions shown in Table S-9, which incorporate the effects of the Administration's fiscal policies.

²The Budget baseline included \$187.5 billion in estimated Medicare outlays and \$1.73 billion in estimated Medicaid outlays for the proposed rule entitled *Fraud and Abuse; Removal of Safe Harbor Protection for Rebates Involving Prescription Pharmaceuticals and Creation of New Safe Harbor Protection for Certain Point-of-Sale Reductions in Price on Prescription Pharmaceuticals and Certain Pharmacy Benefit Manager Service Fees*. At the time the *Mid-Session Review* was prepared, the final rule was under review but has since been withdrawn. As a result, the MSR still includes the estimated impacts of this now-withdrawn regulation.

Table S-4. PROPOSED BUDGET BY CATEGORY

(In billions of dollars)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
													2020- 2024	2020- 2029
Outlays:														
Discretionary programs:														
Defense	623	680	718	748	760	765	772	763	768	774	785	799	3,764	7,653
Non-defense	639	679	710	655	620	594	578	557	544	529	520	510	3,157	5,818
Subtotal, discretionary programs	1,262	1,359	1,429	1,403	1,380	1,359	1,350	1,320	1,312	1,303	1,305	1,310	6,921	13,471
Mandatory programs:														
Social Security	982	1,038	1,093	1,152	1,218	1,287	1,362	1,442	1,526	1,615	1,710	1,809	6,113	14,215
Medicare	582	644	682	713	797	818	837	946	1,020	1,100	1,238	1,205	3,847	9,355
Medicaid and Market-Based Health Care Grant	389	406	412	493	490	514	524	538	550	568	586	604	2,432	5,278
Exchange subsidies (including Basic Health Program)	46	57	56	19	.....	.....	.....	.....	.....	.....	.....	.....	75	75
Other mandatory programs	523	592	579	579	620	607	608	639	675	690	738	697	2,993	6,431
Allowance for infrastructure initiative .....	.....	.....	5	26	40	50	40	19	10	5	5	*	160	199
Subtotal, mandatory programs	2,522	2,737	2,827	2,982	3,165	3,275	3,371	3,584	3,781	3,978	4,276	4,316	15,619	35,553
Net interest	325	377	421	464	513	571	620	662	697	729	756	773	2,589	6,207
Total outlays	4,109	4,473	4,677	4,849	5,057	5,205	5,341	5,566	5,789	6,011	6,337	6,399	25,129	55,231
Receipts:														
Individual income taxes	1,684	1,719	1,805	1,912	2,050	2,200	2,360	2,523	2,697	2,881	3,074	3,276	10,327	24,778
Corporation income taxes	205	221	253	282	315	369	410	430	428	412	425	434	1,628	3,757
Social insurance and retirement receipts:														
Social Security payroll taxes	855	914	946	1,002	1,056	1,111	1,171	1,232	1,301	1,367	1,449	1,522	5,286	12,158
Medicare payroll taxes	261	278	287	305	323	341	360	380	402	423	449	473	1,617	3,744
Unemployment insurance	45	43	46	47	48	48	50	51	53	55	59	59	239	515
Other retirement	10	10	11	14	17	19	22	24	26	27	28	29	83	217
Excise taxes	95	98	109	112	116	110	139	130	134	138	127	149	585	1,262
Estate and gift taxes	23	17	19	20	21	22	24	26	27	28	30	31	106	248
Customs duties	41	82	64	43	44	44	45	46	47	48	49	50	241	480
Deposits of earnings, Federal Reserve System ...	71	49	49	53	57	62	69	74	79	85	91	97	290	717
Other miscellaneous receipts	41	40	42	45	47	50	53	56	60	62	65	66	238	547
Allowance for empowering States and consumers to reform healthcare .....	.....	.....	-1	-1	-4	-4	-4	-4	-4	-4	-5	-5	-13	-35
Total receipts	3,330	3,472	3,632	3,833	4,091	4,372	4,698	4,968	5,248	5,522	5,841	6,181	20,627	48,387
Deficit	779	1,001	1,045	1,016	966	832	643	598	541	489	497	218	4,502	6,845
Net interest	325	377	421	464	513	571	620	662	697	729	756	773	2,589	6,207
Primary deficit/surplus (-)	454	624	624	551	454	262	23	-64	-156	-241	-259	-555	1,913	638
On-budget deficit	785	1,008	1,029	997	939	792	591	533	475	411	415	118	4,348	6,299
Off-budget deficit/surplus (-)	-6	-7	16	19	28	40	52	65	66	78	82	100	155	545

SUMMARY TABLES

Table S-4. PROPOSED BUDGET BY CATEGORY—Continued

(In billions of dollars)

													Totals	
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2020– 2024	2020– 2029
Memorandum, budget authority for discretionary programs:														
Defense	701	719	750	746	760	778	784	752	768	784	800	817	3,818	7,739
Non-defense	722	657	557	538	527	517	506	495	485	475	466	458	2,644	5,023
Total, discretionary budget authority	1,423	1,376	1,307	1,284	1,287	1,295	1,290	1,247	1,253	1,259	1,266	1,275	6,462	12,762
Memorandum, empowering States and consumers to reform healthcare—Medicaid and other outlays for healthcare coverage:														
Medicaid	389	406	412	370	364	385	392	404	413	427	442	457	1,923	4,066
Exchange Subsidies (including Basic Health Program)	46	57	56	19	.....	.....	.....	.....	.....	.....	.....	.....	75	75
Market-Based Health Care Grant .....	.....	.....	.....	123	126	128	131	134	138	141	144	147	509	1,213
Total, outlays	435	463	468	512	490	514	524	538	550	568	586	604	2,507	5,353

* \$500 million or less

Table S-5. PROPOSED BUDGET BY CATEGORY AS A PERCENT OF GDP

(As a percent of GDP)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Averages	
													2020–2024	2020–2029
Outlays:														
Discretionary programs:														
Defense	3.1	3.2	3.2	3.2	3.1	3.0	2.8	2.7	2.6	2.5	2.4	2.3	3.1	2.8
Non-defense	3.2	3.2	3.2	2.8	2.5	2.3	2.1	1.9	1.8	1.7	1.6	1.5	2.6	2.1
Subtotal, discretionary programs	6.2	6.4	6.4	6.0	5.6	5.2	5.0	4.6	4.4	4.1	4.0	3.8	5.6	4.9
Mandatory programs:														
Social Security	4.9	4.9	4.9	4.9	4.9	5.0	5.0	5.0	5.1	5.1	5.2	5.2	4.9	5.0
Medicare	2.9	3.0	3.1	3.0	3.2	3.2	3.1	3.3	3.4	3.5	3.7	3.5	3.1	3.3
Medicaid and Market-Based Health Care Grant	1.9	1.9	1.8	2.1	2.0	2.0	1.9	1.9	1.8	1.8	1.8	1.7	2.0	1.9
Exchange subsidies (including Basic Health Program)	0.2	0.3	0.3	0.1	.....	.....	.....	.....	.....	.....	.....	.....	0.1	*
Other mandatory programs	2.6	2.8	2.6	2.5	2.5	2.3	2.2	2.2	2.2	2.2	2.2	2.0	2.4	2.3
Allowance for infrastructure initiative .....	.....	.....	*	0.1	0.2	0.2	0.1	0.1	*	*	*	*	0.1	0.1
Subtotal, mandatory programs	12.5	12.9	12.7	12.7	12.8	12.6	12.4	12.5	12.6	12.6	13.0	12.5	12.7	12.6
Net interest	1.6	1.8	1.9	2.0	2.1	2.2	2.3	2.3	2.3	2.3	2.3	2.2	2.1	2.2
Total outlays	20.3	21.1	21.0	20.7	20.5	20.1	19.6	19.5	19.3	19.1	19.2	18.5	20.4	19.7
Receipts:														
Individual income taxes	8.3	8.1	8.1	8.2	8.3	8.5	8.7	8.8	9.0	9.2	9.3	9.5	8.3	8.7
Corporation income taxes	1.0	1.0	1.1	1.2	1.3	1.4	1.5	1.5	1.4	1.3	1.3	1.3	1.3	1.3
Social insurance and retirement receipts:														
Social Security payroll taxes	4.2	4.3	4.2	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.4	4.4	4.3	4.3
Medicare payroll taxes	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.4	1.4	1.3	1.3
Unemployment insurance	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Other retirement	0.1	*	*	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Excise taxes	0.5	0.5	0.5	0.5	0.5	0.4	0.5	0.5	0.4	0.4	0.4	0.4	0.5	0.5
Estate and gift taxes	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Customs duties	0.2	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.2	0.2
Deposits of earnings, Federal Reserve System ...	0.3	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.3
Other miscellaneous receipts	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Allowance for empowering States and consumers to reform healthcare .....	.....	.....	–*	–*	–*	–*	–*	–*	–*	–*	–*	–*	–*	–*
Total receipts	16.5	16.4	16.3	16.3	16.6	16.9	17.3	17.4	17.5	17.5	17.7	17.8	16.7	17.1
Deficit	3.8	4.7	4.7	4.3	3.9	3.2	2.4	2.1	1.8	1.6	1.5	0.6	3.7	2.6
Net interest	1.6	1.8	1.9	2.0	2.1	2.2	2.3	2.3	2.3	2.3	2.3	2.2	2.1	2.2
Primary deficit/surplus (–)	2.2	2.9	2.8	2.4	1.8	1.0	0.1	–0.2	–0.5	–0.8	–0.8	–1.6	1.6	0.4
On-budget deficit	3.9	4.8	4.6	4.3	3.8	3.1	2.2	1.9	1.6	1.3	1.3	0.3	3.6	2.4
Off-budget deficit/surplus (–)	–*	–*	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.1	0.2
Memorandum, budget authority for discretionary programs:														
Defense	3.5	3.4	3.4	3.2	3.1	3.0	2.9	2.6	2.6	2.5	2.4	2.4	3.1	2.8

SUMMARY TABLES

Table S-5. PROPOSED BUDGET BY CATEGORY AS A PERCENT OF GDP—Continued

(As a percent of GDP)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Averages	
													2020– 2024	2020– 2029
Non-defense	3.6	3.1	2.5	2.3	2.1	2.0	1.9	1.7	1.6	1.5	1.4	1.3	2.2	1.8
Total, discretionary budget authority	7.0	6.5	5.9	5.5	5.2	5.0	4.7	4.4	4.2	4.0	3.8	3.7	5.3	4.6
Memorandum, empowering States and consumers to reform healthcare— Medicaid and other outlays for healthcare coverage:														
Medicaid	1.9	1.9	1.8	1.6	1.5	1.5	1.4	1.4	1.4	1.4	1.3	1.3	1.6	1.5
Exchange Subsidies (including Basic Health Program)	0.2	0.3	0.3	0.1	.....	.....	.....	.....	.....	.....	.....	.....	0.1	*
Market-Based Health Care Grant .....	.....	.....	.....	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.4
Total, outlays	2.2	2.2	2.1	2.2	2.0	2.0	1.9	1.9	1.8	1.8	1.8	1.7	2.0	1.9

* 0.05 percent of GDP or less.

Table S-6. MANDATORY AND RECEIPT PROPOSALS

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020–2024	2020–2029
Mandatory Initiatives and Savings:													
Agriculture:													
Establish Food Safety and Inspection Service (FSIS) user fee			–660	–660	–660	–660	–660	–660	–660	–660	–660	–2,640	–5,940
Establish Animal and Plant Health Inspection Service user fee		–22	–22	–23	–23	–24	–24	–24	–25	–25	–26	–114	–238
Establish Packers and Stockyards Program user fee		–25	–25	–25	–25	–25	–25	–25	–25	–25	–25	–125	–250
Establish Agricultural Marketing Service user fee		–20	–20	–20	–20	–20	–20	–20	–20	–20	–20	–100	–200
Adjust FSIS holiday and voluntary overtime user fee													
Eliminate the Rural Economic Development program				–5	–5	.....	.....	.....	.....	.....	.....	–10	–10
Improve Child Nutrition program integrity		–19	–124	–155	–188	–193	–198	–203	–208	–213	–218	–679	–1,719
Reform commodity purchases under Section 32		–411	–432	–454	–476	–499	–523	–547	–571	–596	–621	–2,272	–5,130
Establish Forest Service Mineral Program cost recovery fee		–29	–14	1	1	1	1	1	1	1	1	–40	–35
Amend land uses cost recovery authority		–2	–1	.....	.....	.....	.....	.....	.....	.....	.....	–3	–3
Limit eligibility for agricultural commodity payments to \$500,000 Adjusted Gross Income (AGI)		–63	–117	–132	–124	–114	–126	–154	–148	–164	–164	–550	–1,306
Streamline conservation programs		–210	–412	–617	–838	–1,040	–1,081	–1,131	–1,181	–1,181	–1,181	–3,117	–8,872
Eliminate lower priority Farm Bill programs		–54	–86	–97	–99	–100	–100	–100	–100	–100	–100	–436	–936
Eliminate Food for Progress food aid program		–166	–166	–166	–166	–166	–166	–166	–166	–166	–166	–830	–1,660
Tighten commodity payment limits and close loopholes		–149	–143	–141	–137	–135	–132	–130	–128	–127	–126	–705	–1,348
Eliminate Livestock Forage program		–680	–778	–769	–759	–758	–791	–815	–817	–827	–825	–3,744	–7,819
Eliminate the crop insurance 508(h) program		–12	–12	–12	–12	–12	–12	–12	–12	–12	–12	–60	–120
Limit Crop Insurance eligibility to \$500,000 AGI			–62	–69	–69	–68	–69	–68	–69	–78	–89	–268	–641
Limit Crop Insurance premium subsidies			–2,253	–2,321	–2,507	–2,488	–2,497	–2,482	–2,504	–2,522	–2,542	–9,569	–22,116
Cap Crop Insurance companies' underwriting gains					–417	–428	–423	–419	–421	–418	–422	–845	–2,948
Total, Agriculture		–1,862	–5,327	–5,665	–6,524	–6,729	–6,846	–6,955	–7,054	–7,133	–7,196	–26,107	–61,291
Commerce:													
Lease Shared Secondary Licenses		–40	–35	–35	–60	–65	–70	–70	–80	–80	–85	–235	–620

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020–2024	2020–2029
Education:													
Reform Federal student loans:													
Create single income-driven student loan repayment plan:													
Create single income-driven student loan repayment plan ²		–1,343	–3,077	–4,725	–6,324	–7,643	–8,643	–9,129	–9,999	–10,511	–11,274	–23,112	–72,668
Eliminate standard repayment cap		–1,857	–3,232	–4,376	–5,220	–5,840	–6,227	–6,411	–6,563	–6,568	–6,422	–20,525	–52,716
Use combined AGI to calculate loan payments for married filing separately		–95	–170	–255	–326	–400	–445	–457	–505	–538	–580	–1,246	–3,771
Total, create single income-driven student loan repayment plan		–3,295	–6,479	–9,356	–11,870	–13,883	–15,315	–15,997	–17,067	–17,617	–18,276	–44,883	–129,155
Eliminate subsidized student loans		–659	–2,094	–2,471	–2,660	–2,726	–2,709	–2,768	–2,769	–2,724	–2,767	–10,610	–24,347
Eliminate Public Service Loan Forgiveness		–1,459	–2,842	–4,015	–4,975	–5,688	–6,226	–6,477	–6,819	–7,231	–7,281	–18,979	–53,013
Eliminate account maintenance fee payments to guaranty agencies ...		–501										–501	–501
Enact student loan risk sharing													
Total, reform Federal student loans		–5,914	–11,415	–15,842	–19,505	–22,297	–24,250	–25,242	–26,655	–27,572	–28,324	–74,973	–207,016
Establish Education Freedom Scholarships ¹		860	4,884	4,962	5,019	4,960	4,987	4,971	4,948	4,944	4,974	20,685	45,509
Reduce improper payments in Pell Grants		–10	–21	–22	–22	–22	–23	–23	–24	–24	–24	–97	–215
Move Iraq-Afghanistan Service Grants into the Pell Grant program													
Expand Pell Grants to short-term programs		12	30	35	42	47	47	49	50	52	52	166	416
Reallocate mandatory Pell funding to support short-term programs ...		–12	–30	–35	–42	–47	–47	–49	–50	–52	–52	–166	–416
Total, Education		–5,064	–6,552	–10,902	–14,508	–17,359	–19,286	–20,294	–21,731	–22,652	–23,374	–54,385	–161,722
Energy:													
Repeal borrowing authority for Western Area Power Administration (WAPA)		–550	–615	455	–5	425	–225	225	–225	225	–225	–290	–515
Divest WAPA transmission assets ...			–847									–847	–847
Divest Southwestern Power Administration transmission assets			–16									–16	–16
Divest Bonneville Power Administration transmission assets			–2,334	–396	–414	–432	–395	–427	–438	–448	–459	–3,576	–5,743
Reform the laws governing how Power Marketing Administrations establish power rates		–247	–253	–259	–266	–274	–283	–291	–298	–304	–268	–1,299	–2,743
Restart Nuclear Waste Fund Fee in 2022				–355	–354	–353	–345	–337	–337	–337	–337	–1,062	–2,755
Total, Energy		–797	–4,065	–555	–1,039	–634	–1,248	–830	–1,298	–864	–1,289	–7,090	–12,619

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020– 2024	2020– 2029
Health and Human Services (HHS):													
Create child welfare flexible funding option													
Expand the Regional Partnership Grants program		11	34	38	39	40	40	40	42	42	42	162	368
Reauthorize Personal Responsibility Education Program and Sexual Risk Avoidance education		5	80	53	8	2	.....	.....	.....	.....	.....	148	148
Reauthorize Health Profession Opportunity Grants		3	45	18	13	4	2	.....	.....	.....	.....	83	85
Mitigate the impact of Temporary Assistance for Needy Families (TANF) and Social Services Block Grant (SSBG) program changes on child care spending		216	216	216	216	216	215	215	215	215	215	1,080	2,155
Expand access to National Directory of New Hires													
Reauthorize Healthy Marriage and Responsible Fatherhood Grants ...													
Fund States to provide parenting time services		2	2	2	3	3	4	4	5	5	5	12	35
Modernize and expand the Court Improvement Program		9	26	30	30	30	30	30	31	35	29	125	280
Promote family based care		14	18	32	36	41	47	43	42	42	42	141	357
Increase repatriation ceiling			1	1	1	1	1	1	1	1	1	4	9
Build the supply of child care		50	300	300	300	50	.....	.....	.....	.....	.....	1,000	1,000
Establish an Unaccompanied Alien Children Contingency Fund		480	221	22	7	4	4	.....	.....	.....	.....	734	738
Create Child and Family Services review incentives				7	8	8	8	21	22	18	18	23	110
Drug pricing and payment improvements:													
Public health:													
Improve 340B program integrity													
Establish and collect user fees from the 340B drug discount program from participating covered entities													
Reform exclusivity for first generics to spur greater competition and access		–55	–70	–80	–80	–80	–100	–95	–105	–125	–120	–365	–910
Reform 180-day exclusivity forfeiture provision for first generics to increase competition ³													
Enhance Food and Drug Administration (FDA) authority to address abuse of petition process ³													

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020– 2024	2020– 2029
Revise United States Pharmacopeia compendial requirements for biological products to encourage biosimilar development ³													
Codify FDA's approach to determining new chemical entity exclusivity ³													
Total, public health		–55	–70	–80	–80	–80	–100	–95	–105	–125	–120	–365	–910
Medicare:													
Eliminate cost-sharing on generic drugs and biosimilars for low-income beneficiaries			–70	–90	–90	–80	–90	–100	–100	–130	–130	–330	–880
Exclude manufacturer discounts from the calculation of beneficiary out-of-pocket costs in the Medicare Part D coverage gap			–3,040	–5,160	–6,620	–7,980	–9,540	–8,880	–9,580	–11,210	–10,390	–22,800	–72,400
Establish a beneficiary out-of-pocket maximum in the Medicare Part D catastrophic phase			730	1,770	1,840	1,670	1,560	1,170	1,390	2,120	1,150	6,010	13,400
Give the Secretary authority to contract with pharmaceutical manufacturers entering into new coverage gap discount program agreements on a quarterly basis ³													
Permanently authorize a successful pilot on retroactive Medicare Part D coverage for low-income beneficiaries		–10	–20	–20	–30	–30	–30	–30	–30	–40	–40	–110	–280
Authorize the HHS Secretary to leverage Medicare Part D plans' negotiating power for certain drugs covered under Part B ³													
Address abusive drug pricing by manufacturers by establishing an inflation limit for reimbursement of Medicare Part B drugs ³													
Improve manufacturers' reporting of average sales prices to set accurate payment rates ³													

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020– 2024	2020– 2029
Modify payment for drugs hospitals purchased through the 340B discount program and require a minimum level of charity care for hospitals to receive a payment adjustment related to uncompensated care ³													
Eliminate pass-through payments for drugs, biologicals, and biosimilars		–70	–180	–250	–280	–320	–350	–390	–440	–480	–530	–1,100	–3,290
Reduce Wholesale Acquisition Cost-based payments ³													
Reduce average sales price-based payments when the primary patent expires to increase competition and reduce gaming ³													
Total, Medicare.....		–80	–2,580	–3,750	–5,180	–6,740	–8,450	–8,230	–8,760	–9,740	–9,940	–18,330	–63,450
Medicaid:													
Clarify authorized generic sales under the Medicaid Drug Rebate Program		–15	–15	–15	–15	–15	–15	–15	–15	–15	–15	–75	–150
Test allowing State Medicaid programs to negotiate prices directly with drug manufacturers and set formulary for coverage		–5	–15	–20	–30	–35	–40	–50	–55	–60	–60	–105	–370
Impose greater penalties for manufacturer reporting of false information or false product data under the Medicaid Drug Rebate Program ³													
Exclude brand name and authorized generic drug prices from Medicaid Federal upper limit		–100	–100	–100	–100	–100	–100	–110	–110	–110	–110	–500	–1,040
Allow rebates on drugs that exceed 100 percent of the Average Manufacturer Price		–1,230	–1,310	–1,390	–1,480	–1,580	–1,680	–1,790	–1,920	–2,050	–2,190	–6,990	–16,620
Total, Medicaid.....		–1,350	–1,440	–1,525	–1,625	–1,730	–1,835	–1,965	–2,100	–2,235	–2,375	–7,670	–18,180
Total, drug pricing and payment improvements		–1,485	–4,090	–5,355	–6,885	–8,550	–10,385	–10,290	–10,965	–12,100	–12,435	–26,365	–82,540
Address opioids:													
Prevent abusive prescribing by establishing HHS reciprocity with the Drug Enforcement Administration to terminate provider prescribing authority ³													

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020– 2024	2020– 2029
Allow States to extend Medicaid coverage for pregnant women with substance use disorder to one year postpartum		25	20	20	20	20	20	20	20	20	20	105	205
Total, address opioids.....		25	20	20	20	20	20	20	20	20	20	105	205
Medicare appeals:													
Improve the Medicare appeals system													
Address wasteful spending, fraud, and abuse in Medicare:													
Improve and tailor the way Medicare educates beneficiaries about the program		30	40	60	50	50	60	60	50	50	50	230	500
Eliminate arbitrary thresholds and other burdens to encourage participation in advanced Alternative Payment Models		–160	–160	–140	40	90	20	10	20	40	50	–330	–190
Simplify and eliminate reporting burdens for clinicians participating in the Merit-based Incentive Payment System													
Tailor the frequency of skilled nursing facility surveys to more efficiently use resources and alleviate burden for top-performing nursing homes													
Remove timeframe for initial surveys for End Stage Renal Disease facilities under the Bipartisan Budget Act of 2018 ...													
Allow Centers for Medicare and Medicaid Services (CMS) flexibility to determine the frequency of Programs of All-Inclusive Care for the Elderly program audits													
Eliminate the unnecessary requirement of a face-to-face provider visit for durable medical equipment													
Remove the redundant requirement that physicians certify that all critical access hospital patients are expected to be discharged within 96 hours of admission													
Create a consolidated hospital quality payment program													

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020– 2024	2020– 2029
Authorize the Secretary to implement meaningful measures for the End Stage Renal Disease Quality Incentive Program													
Increase End Stage Renal Disease networks funding to match Consumer Price Index ³													
Consolidate and block grant graduate medical education payments		–820	–1,160	–2,100	–3,140	–4,140	–5,310	–6,420	–7,590	–8,930	–10,190	–11,360	–49,800
Modify payments to hospitals for uncompensated care			–4,680	–7,310	–8,510	–9,540	–10,630	–11,770	–12,970	–14,210	–15,520	–30,040	–95,140
Reduce Medicare coverage of bad debts		–400	–1,370	–2,920	–3,890	–4,220	–4,480	–4,760	–5,060	–5,380	–5,700	–12,800	–38,180
Address excessive payment for post-acute care providers by establishing a unified payment system based on patients’ clinical needs rather than the site of care		–710	–2,750	–5,020	–7,650	–10,410	–12,120	–13,150	–14,280	–15,970	–16,290	–26,540	–98,350
Authorize long-term care hospital site neutral exceptions criteria ...		–330	–800	–900	–950	–1,010	–1,070	–1,130	–1,160	–1,220	–1,280	–3,990	–9,850
Pay all hospital-owned physician offices located off-campus at the physician office rate		–620	–1,640	–2,210	–2,450	–2,690	–2,960	–3,250	–3,560	–3,890	–4,290	–9,610	–27,560
Pay on-campus hospital outpatient departments at the physician office rate for certain services		–2,630	–7,130	–9,680	–10,890	–12,200	–13,630	–15,200	–16,930	–18,810	–20,880	–42,530	–127,980
Redesign Outpatient Prospective Payment System and Ambulatory Surgical Care payment systems to make risk-adjusted payments ³													
Implement value-based purchasing program for outpatient hospitals and ambulatory surgical centers ³													
Expand basis for beneficiary assignment for Accountable Care Organizations				–10	–10	–10	–10	–10	–10	–10	–10	–30	–80
Reform physician self-referral law to better support and align with alternative payment models and to address overutilization ³													
Reprioritize primary and preventive care in Medicare													
Require prior authorization when physicians order certain services excessively relative to their peers ³													

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020– 2024	2020– 2029
Reform and expand durable medical equipment competitive bidding			–580	–1,035	–1,120	–1,195	–1,290	–1,375	–1,470	–1,565	–1,670	–3,930	–11,300
Support coverage for innovative alternatives to durable medical equipment for treatment and management of diabetes ³													
Allow for Federal/State coordinated review of dual eligible Special Needs Plan marketing materials													
Improve appeals notifications for dually eligible individuals in Integrated Health Plans													
Clarify the Part D special enrollment period for dually eligible beneficiaries		–20	–10	–10	–20	–20	–20	–20	–30	–30	–30	–80	–210
Give Medicare beneficiaries with high deductible health plans the option to make tax deductible contributions to Health Savings Accounts or Medical Savings Accounts ¹			918	1,136	1,359	1,560	1,616	1,709	1,785	1,840	1,916	4,973	13,839
Expand prior authorization to additional Medicare fee-for-service items at high risk of fraud, waste, and abuse		–890	–1,360	–1,480	–1,570	–1,660	–1,760	–1,850	–1,950	–2,050	–2,170	–6,960	–16,740
Prevent fraud by applying penalties on providers and suppliers who fail to update enrollment records		–2	–2	–3	–3	–3	–3	–4	–4	–4	–4	–13	–32
Require reporting on clearinghouses and billing agents when Medicare providers and suppliers enroll in the program													
Ensure providers that violate Medicare’s safety requirements and have harmed patients cannot quickly re-enter the program													
Assess a penalty on physicians and practitioners who order services or supplies without proper documentation													
Improve safety and quality of care by publicly reporting Medicare survey and certification reports conducted by accreditation Organizations													
Require providers and suppliers to produce Part B records to support Part D investigations or audits													

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020– 2024	2020– 2029
Pass Treasury collection fees for CMS overpayment collections onto debtor		–20	–20	–20	–20	–20	–20	–20	–20	–20	–20	–100	–200
Improve efficiency and strengthen program integrity efforts in Medicare Parts C and D													
Implement targeted risk-adjustment pre-payment review in Medicare Advantage													
Clarify authority for the Healthcare Fraud Prevention Partnership													
Extend flexibility in annual Open Payments reporting deadline ...													
Require physician owned distributors to report in Open Payments													
Create authority to revoke or deny Medicare billing privileges based on medical board or independent review organizations													
Total, address wasteful spending, fraud, and abuse in Medicare		–6,572	–20,704	–31,642	–38,774	–45,418	–51,607	–57,180	–63,179	–70,159	–76,038	–143,110	–461,273
Address wasteful spending, fraud and abuse in Medicaid:													
Strengthen CMS’s ability to recoup Medicaid improper payments			–80	–350	–370	–390	–420	–440	–470	–500	–530	–1,190	–3,550
Continue Medicaid Disproportionate Share Hospital (DSH) allotment reductions								–6,510	–6,490	–6,470	–6,450	.....	–25,920
Clarify Medicaid treatment of third party payments for DSH allotments													
Address inappropriate financing of Medicaid state share by public providers ³													
Prohibit Medicaid payments to public providers in excess of costs ³													
Consolidate provider screening for Medicaid and Children’s Health Insurance Program (CHIP)													
Provide flexibility for enrolling out-of-State providers in Medicaid					1	1	1	1	1	1	1	2	7
Streamline the Medicaid terminations process													

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020– 2024	2020– 2029
Expand Medicaid Fraud Control Unit review to additional care settings ³													
Implement pre-payment controls to prevent inappropriate personal care services payments		–850	–880	–920	–960	–1,010	–1,060	–1,110	–1,170	–1,220	–1,280	–4,620	–10,460
Rescind remaining balances from the Medicaid Improvement Fund			–6	.....	.....	.....	.....	.....	.....	.....	.....	–6	–6
Total, address wasteful spending, fraud and abuse in Medicaid		–850	–966	–1,270	–1,329	–1,399	–1,479	–8,059	–8,129	–8,189	–8,259	–5,814	–39,929
Other Medicaid reforms:													
Implement Medicaid community engagement requirement		–8,100	–10,900	–11,500	–12,100	–12,800	–13,400	–14,200	–14,900	–15,800	–16,600	–55,400	–130,300
Allow States to apply asset tests to Modified Adjusted Gross Income standard populations ...		–40	–90	–200	–210	–220	–230	–240	–260	–270	–280	–760	–2,040
Reduce maximum allowable home equity for Medicaid eligibility			–460	–480	–510	–540	–580	–620	–660	–700	–740	–1,990	–5,290
Require documentation of satisfactory immigration status before receipt of Medicaid benefits		–190	–200	–210	–220	–230	–240	–250	–260	–280	–290	–1,050	–2,370
Modify the Medicaid fair hearing requirement to eliminate duplicative appeals													
Increase limit on Medicaid copayments for non-emergency use of emergency department ...		–120	–240	–240	–240	–240	–240	–240	–240	–240	–480	–1,080	–2,520
Increase flexibility in the duration of section 1915(b) managed care waivers													
Provide a pathway to make permanent established Medicaid managed care waivers													
Total, other Medicaid reforms ...		–8,450	–11,890	–12,630	–13,280	–14,030	–14,690	–15,550	–16,320	–17,290	–18,390	–60,280	–142,520
CHIP:													
Strengthen the CHIP safety net for States													
Public health:													
Provide tax exemption for certain Health Resources and Services Administration (HRSA) and Indian Health Service (IHS) scholarship and loan repayment programs ¹		24	32	32	32	32	32	35	35	35	36	152	325

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020– 2024	2020– 2029
Align substance use disorder treatment privacy protections with other confidentiality protections													
Extend Health Centers through 2021		1,800	3,920	2,160	80	40	.....	.....	.....	.....	.....	8,000	8,000
Extend the National Health Service Corps through 2021		68	248	226	56	16	6	.....	.....	.....	.....	614	620
Extend Teaching Health Centers Graduate Medical Education through 2021		67	114	59	13	.....	.....	.....	.....	.....	.....	253	253
Extend the Special Diabetes Programs for the National Institutes of Health and IHS through 2021		154	189	73	67	51	36	19	8	3	.....	534	600
Extend Family to Family Health Information Centers through 2021		2	6	4	.....	.....	.....	.....	.....	.....	.....	12	12
Extend Medicare enrollment assistance programs through 2021		8	29	27	8	3	2	.....	.....	.....	.....	75	77
Provide Federal Tort Claim Act coverage for IHS volunteers													
Authorize IHS to establish concurrent Federal/State jurisdiction at IHS Federal enclave properties													
Provide IHS discretionary use of all Title 38 personnel authorities													
Meet IHS loan repayment and scholarship service obligations on a half-time basis													
Reauthorize the Ryan White HIV/AIDS Program ³													
Total, public health		2,123	4,538	2,581	256	142	76	54	43	38	36	9,640	9,887
Other health:													
Provide an appropriation to pay Cost-Sharing Reductions ⁴	–6,301	471	.....	.....	.....	.....	.....	.....	.....	.....	.....	471	471
Reduce the grace period for Exchange premiums ¹		–85	7	.....	.....	.....	.....	.....	.....	.....	.....	–78	–78
Introduce new minimum required contribution for premium tax credits ¹		–230	–115	.....	.....	.....	.....	.....	.....	.....	.....	–345	–345
Improve and expand access to Health Savings Accounts ¹			2,142	3,044	2,960	2,873	2,943	3,071	3,201	3,268	3,348	11,019	26,850
Reform medical liability ¹		–153	–497	–1,335	–2,149	–2,843	–3,923	–4,729	–5,046	–5,458	–5,504	–6,977	–31,637
Prohibit governmental discrimination against health care providers who refuse to cover abortion													
Protect the religious liberty of child welfare providers													

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020– 2024	2020– 2029
Provide CMS Program Management implementation funding .....	.....	12	150	38	.....	.....	.....	.....	.....	.....	.....	200	200
Modify the U.S. Public Health Service Commissioned Corps retirement pay funding source ...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total, other health.....	–6,301	15	1,687	1,747	811	30	–980	–1,658	–1,845	–2,190	–2,156	4,290	–4,539
Interactions:													
Medicare interactions .....	.....	223	456	574	648	713	761	807	861	912	969	2,614	6,924
Medicaid interactions .....	.....	830	7,180	9,080	10,070	10,920	11,840	12,790	13,800	14,890	16,130	38,080	107,530
Total, Interactions.....	.....	1,053	7,636	9,654	10,718	11,633	12,601	13,597	14,661	15,802	17,099	40,694	114,454
Total, Health and Human Services (HHS)	–6,301	–13,351	–22,826	–36,176	–47,802	–57,173	–66,093	–78,712	–85,356	–93,710	–99,771	–177,328	–600,970
Homeland Security:													
Extend expiring Customs and Border Protection (CBP) fees .....	.....	.....	.....	.....	.....	.....	.....	.....	–967	–5,012	–5,109	.....	–11,088
Increase customs user fees .....	.....	–199	–177	–186	–196	–210	–222	–238	–249	–259	–265	–968	–2,201
Increase immigration user fees .....	.....	–64	–9	–2	–10	–3	–19	–5	–21	–4	–13	–88	–150
Establish Electronic Visa Update System user fee ¹ .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Eliminate BrandUSA; make revenue available to CBP .....	.....	–11	56	16	.....	.....	.....	.....	.....	.....	.....	61	61
Make full Electronic System for Travel Authorization (ESTA) receipts available to CBP ¹ .....	.....	.....	91	152	174	180	187	192	199	–4	–4	597	1,167
Establish an immigration services surcharge ¹ .....	.....	–466	–471	–479	–486	–494	–508	–523	–538	–554	–570	–2,396	–5,089
Increase worksite enforcement penalties ¹ .....	.....	–13	–14	–15	–15	–15	–15	–15	–15	–15	–15	–72	–147
Establish National Flood Insurance Program affordability assistance ⁵ .....	.....	4	5	8	55	37	51	65	81	91	95	109	492
Transfer immigration examination fees .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Reauthorize the Oil Spill Liability Trust Fund excise tax ^{1,6} .....	.....	–400	–543	–548	–555	–561	–571	–561	–552	–559	–563	–2,607	–5,413
Total, Homeland Security .....	.....	–1,149	–1,062	–1,054	–1,033	–1,066	–1,097	–1,085	–2,062	–6,316	–6,444	–5,364	–22,368
Interior:													
Cancel Southern Nevada Public Land Management Act balances .....	.....	–83	–69	–78	.....	.....	.....	.....	.....	.....	.....	–230	–230
Repeal enhanced geothermal payments to counties .....	.....	–4	–4	–4	–4	–4	–4	–4	–4	–4	–4	–20	–40
Reauthorize the Federal Lands Recreation Enhancement Act .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Establish a Public Lands Infrastructure Fund .....	.....	260	715	1,040	1,300	1,300	1,040	585	260	.....	.....	4,615	6,500
Total, Interior .....	.....	173	642	958	1,296	1,296	1,036	581	256	–4	–4	4,365	6,230
Justice:													
Establish a definite annual funding level for the Crime Victims Fund ...	.....	–3,259	–2,166	–1,696	–1,284	–200	–200	–200	–200	–200	–200	–8,605	–9,605

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020– 2024	2020– 2029
Labor:													
Improve Pension Benefit Guaranty Corporation (PBGC) Multiemployer solvency		11	–1,884	–1,917	–2,001	–2,043	729	–4,919	–2,159	–2,202	–2,240	–7,834	–18,625
Reform PBGC single-employer premiums		–5	–244	–131	–55	–4	191	–131	63	61	74	–439	–181
Expand Foreign Labor Certification fees													
Reform the Federal Employees’ Compensation Act		–31	–26	–29	–18	–18	–19	–19	–20	–21	–19	–122	–220
Reform the Trade Adjustment Assistance program		–22	–104	–171	–162	–31	35	30	3	–23	–47	–490	–492
Increase H–1B American Competitiveness and Workforce Improvement Act filing fee		–325	–207	–109	–19							–660	–660
Establish a paid parental leave program:													
Provide paid parental leave benefits ^{1,6,7}		750	750	1,313	1,962	2,167	2,361	2,548	2,722	2,885	3,033	6,942	20,491
Establish an Unemployment Insurance (UI) solvency standard ^{1,6}				–526	–917	–1,409	–779	–1,001	–1,312	–1,661	–375	–2,852	–7,980
Improve UI program integrity ^{1,6}		–132	–269	–290	–284	–259	–240	–168	–132	–89	–268	–1,234	–2,131
Total, establish a paid parental leave program		618	481	497	761	499	1,342	1,379	1,278	1,135	2,390	2,856	10,380
Total, Labor		246	–1,984	–1,860	–1,494	–1,597	2,278	–3,660	–835	–1,050	158	–6,689	–9,798
Transportation:													
Eliminate Off-System Bridges Set- Aside													
Treasury:													
Increase and extend guarantee fee charged by Government- sponsored enterprises		–224	–1,014	–1,616	–3,003	–4,352	–5,108	–4,971	–4,371	–3,771	–3,284	–10,209	–31,714
Subject Financial Research Fund to appropriations ^{1,6}			34	–12	–17	–17	–17	–17	–17	–17	–17	–12	–97
Increase collections of delinquent Federal non-tax debt		–32	–32	–32	–32	–32	–32	–32	–32	–32	–32	–160	–320
Increase and streamline recovery of unclaimed assets		–6	–6	–6	–6	–6	–6	–6	–6	–6	–6	–30	–60
Implement tax enforcement program integrity cap adjustment ¹		–160	–818	–1,895	–3,166	–4,558	–5,899	–6,880	–7,510	–7,942	–8,241	–10,597	–47,069
Increase discretionary outlays from tax enforcement program integrity cap adjustment (non-add)		320	693	1,040	1,386	1,737	1,850	1,865	1,875	1,885	1,893	5,176	14,544
Increase oversight of paid tax return preparers ¹		–24	–34	–37	–42	–46	–50	–55	–60	–66	–72	–183	–486
Provide more flexible authority for the Internal Revenue Service to address correctable errors ¹		–1,005	–1,503	–1,550	–1,604	–1,661	–1,721	–1,782	–1,846	–1,911	–1,978	–7,323	–16,561
Repeal the qualified plug-in electric drive motor vehicle credit ¹		–62	–379	–386	–381	–319	–234	–207	–221	–208	–156	–1,527	–2,553

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020–2024	2020–2029
Repeal exclusion of utility conservation subsidies ¹		–2	–7	–7	–6	–6	–5	–5	–5	–4	–4	–28	–51
Repeal accelerated depreciation for renewable energy property ¹		–171	–529	–786	–865	–904	–899	–863	–782	–643	–502	–3,255	–6,944
Repeal energy investment credit ¹	70	71	–259	–1,176	–1,540	–1,532	–1,489	–1,433	–1,447	–1,474	–1,469	–4,436	–11,748
Repeal credit for residential energy efficient property ¹	328	–709	–686	–195	–34	.....	.....	.....	.....	.....	.....	–1,624	–1,624
Total, Treasury	398	–2,324	–5,233	–7,698	–10,696	–13,433	–15,460	–16,251	–16,297	–16,074	–15,761	–39,384	–119,227
Veterans Affairs:													
Cap Post–9/11 GI Bill flight training programs at public schools		–28	–29	–30	–31	–32	–33	–34	–35	–38	–39	–150	–329
Enhance burial benefits for veterans		3	3	3	8	3	4	4	13	2	5	20	48
Reinstate COLA round-down		–36	–84	–129	–173	–229	–255	–266	–282	–297	–314	–651	–2,065
Standardize and enhance VA Compensation and Pension benefit programs		–234	–269	–278	–288	–298	–309	–320	–331	–103	–269	–1,367	–2,699
Standardize and improve veteran vocational rehabilitation and education benefit programs		2	1	1	1	1	1	1	1	1	2	6	12
Standardize and improve Specially Adapted Housing programs			1	1	1	1	.....	.....	.....	.....	.....	4	4
Expand the assets included in the Veterans Housing Benefit Program Fund to offset the cost for the maintenance and enhancement of the VA automated underwriting system ³													
Total, Veterans Affairs		–293	–377	–432	–482	–554	–592	–615	–634	–435	–615	–2,138	–5,029
Corps of Engineers:													
Divest Washington Aqueduct				–123	.....	.....	.....	.....	.....	.....	.....	–123	–123
Reform inland waterways financing ¹		–178	–178	–178	–178	–178	–178	–178	–178	–178	–178	–890	–1,780
Total, Corps of Engineers.....		–178	–178	–301	–178	–178	–178	–178	–178	–178	–178	–1,013	–1,903
Environmental Protection Agency:													
Expand use of pesticide licensing fees		5	4	4	4	4	3	2	1	1	1	21	29
General Services Administration (GSA) ⁸ :													
Increase employee contributions to 50 percent of cost, phased in at one percent per year ¹			–2,121	–4,400	–6,687	–8,627	–10,191	–11,505	–11,699	–11,762	–11,819	–21,835	–78,811
Implement defined contribution system for term employees ¹		33	90	92	93	95	98	100	102	104	106	403	913
Eliminate Federal Employees Retirement System COLA, Reduce Civil Service Retirement System COLA by 0.5 percent		–1,308	–2,074	–2,910	–3,815	–4,789	–5,832	–6,949	–8,140	–9,409	–10,757	–14,896	–55,983
Eliminate the Special Retirement Supplement		–194	–601	–1,045	–1,529	–1,900	–2,141	–2,391	–2,650	–2,918	–3,196	–5,269	–18,565

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020– 2024	2020– 2029
Change retirement calculation from high-three years to high-five years		–359	–429	–502	–575	–650	–729	–810	–894	–980	–1,068	–2,515	–6,996
Reduce the G Fund interest rate		–1,169	–1,598	–2,793	–2,451	–2,270	–1,613	–1,359	–1,340	–1,397	–1,421	–10,281	–17,411
Loss of mandatory offsetting receipts from GSA proposals			8,630	10,742	13,050	15,037	16,662	18,219	18,655	18,958	19,253	47,459	139,206
Discretionary effect of GSA proposals			–6,441	–7,668	–8,908	–9,816	–10,400	–10,873	–10,646	–10,346	–10,046	–32,833	–85,144
Postal effect of GSA proposals			1,646	1,989	2,212	2,412	2,590	2,595	2,602	2,608	2,617	8,259	21,271
Federal Employees Health Benefits (FEHB) Program:													
Modify the Government contribution to FEHB premiums				–166	–260	–276	–292	–310	–328	–348	–368	–702	–2,348
Provide tax preemption for Federal Employees Dental/Vision Program													
Total, Federal Employees Health Benefits (FEHB) Program				–166	–260	–276	–292	–310	–328	–348	–368	–702	–2,348
Total, General Services Administration		–2,997	–2,898	–6,661	–8,870	–10,784	–11,848	–13,283	–14,338	–15,490	–16,699	–32,210	–103,868
Other Independent Agencies:													
Restructure the Consumer Financial Protection Bureau		–23	–508	–515	–527	–539	–552	–566	–579	–593	–607	–2,112	–5,009
Eliminate the Securities and Exchange Commission Reserve Fund			–17	–41	–50	–50	–50	–50	–50	–50	–50	–158	–408
Mandatory effects of agency eliminations													
Federal Communications Commission:													
Enact Spectrum License User Fee		–50	–150	–300	–450	–500	–500	–500	–500	–500	–500	–1,450	–3,950
Conduct spectrum auctions below six gigahertz		–300	–300								–6,000	–600	–6,600
Total, Federal Communications Commission		–350	–450	–300	–450	–500	–500	–500	–500	–500	–6,500	–2,050	–10,550
Postal Service:													
Reform the Postal Service		–4,157	–7,837	–8,384	–9,023	–9,698	–10,388	–11,153	–11,991	–12,802	–12,794	–39,099	–98,227
Tennessee Valley Authority:													
Divest Tennessee Valley Authority transmission assets		229	–4,743	–124	–124	–124	–124	–124	–124	–124	–124	–4,886	–5,506
Total, other independent agencies		–4,301	–13,555	–9,364	–10,174	–10,911	–11,614	–12,393	–13,244	–14,069	–20,075	–48,305	–119,700
Cross-cutting reforms:													
Authorize additional Afghan Special Immigrant Visas		25	37	39	36	33	32	29	28	27	27	170	313
Eliminate allocations to the Housing Trust Fund and Capital Magnet Fund ¹		–128	–145	–220	–293	–348	–367	–379	–398	–401	–404	–1,134	–3,083
Extend Joint Committee mandatory sequestration									10,016	–25,932	–34,280		–50,196

SUMMARY TABLES

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020– 2024	2020– 2029
Improve clarity in worker classification and information reporting requirements ¹		–76	–109	–134	–170	–203	–236	–237	–253	–277	–303	–692	–1,998
Empowering States and consumers to reform healthcare:													
Proposal modeled after the Graham-Cassidy-Heller-Johnson bill:													
Medicaid reforms		1,790	–65,715	–91,536	–88,826	–99,336	–110,032	–126,622	–141,822	–156,702	–173,363	–343,623	–1,052,164
Market-based healthcare grant programs			146,000	157,000	168,000	179,000	190,000	190,000	210,000	220,000	230,000	650,000	1,690,000
Other		12,101	–21,840	–48,712	–55,639	–56,400	–59,250	–62,080	–65,221	–68,273	–71,867	–170,490	–497,181
Total, proposal modeled after the Graham-Cassidy-Heller-Johnson bill		13,891	58,445	16,752	23,535	23,264	20,718	1,298	2,957	–4,975	–15,230	135,887	140,655
Additional deficit reduction:													
Medicaid reforms			–700	–5,300	–15,940	–22,980	–30,460	–36,140	–40,500	–47,300	–54,000	–44,920	–253,320
Market-based healthcare grant programs			–23,240	–31,417	–39,529	–47,574	–55,551	–52,459	–69,296	–76,060	–82,749	–141,760	–477,875
State implementation		1,000	750	250	.....	.....	.....	.....	.....	.....	.....	2,000	2,000
Other		–10,000	–21,000	–5,000	.....	–750	–750	–750	–750	–750	–750	–36,750	–40,500
Total, additional deficit reduction		–9,000	–44,190	–41,467	–55,469	–71,304	–86,761	–89,349	–110,546	–124,110	–137,499	–221,430	–769,695
Total, empowering States and consumers to reform healthcare		4,891	14,255	–24,715	–31,934	–48,040	–66,043	–88,051	–107,589	–129,085	–152,729	–85,543	–629,040
Reform welfare programs:													
Reform the Supplemental Nutrition Assistance Program ...		–17,401	–19,734	–21,348	–21,934	–22,533	–23,095	–23,659	–23,504	–23,364	–23,209	–102,950	–219,781
Reduce TANF block grant		–1,099	–1,447	–1,519	–1,552	–1,613	–1,609	–1,601	–1,620	–1,624	–1,600	–7,230	–15,284
Strengthen TANF													
Eliminate the TANF Contingency Fund		–545	–608	–608	–608	–608	–608	–608	–608	–608	–608	–2,977	–6,017
Get noncustodial parents to work ...		4	5	7	8	9	10	11	13	14	15	33	96
Strengthen Child Support enforcement and establishment		–24	–40	–58	–66	–76	–77	–79	–81	–84	–86	–264	–671
Establish a Child Support technology fund		35	–42	–52	–63	–74	–150	–163	–177	–242	–257	–196	–1,185
Eliminate SSBG		–1,360	–1,632	–1,700	–1,700	–1,700	–1,700	–1,700	–1,700	–1,700	–1,700	–8,092	–16,592
Shift SSBG expenditures to Foster Care and Permanency		17	21	22	22	22	22	22	22	22	22	104	214
Require Social Security Number for Child Tax Credit, Earned Income Tax Credit, and credit for other dependents ¹		–1,736	–6,525	–6,625	–6,823	–6,944	–7,064	–7,295	–7,454	–7,641	–7,973	–28,653	–66,080
Promote Opportunity and Economic Mobility Demonstrations		22	41	60	79	98	78	59	40	21	2	300	500
Total, reform welfare programs...		–22,087	–29,961	–31,821	–32,637	–33,419	–34,193	–35,013	–35,069	–35,206	–35,394	–149,925	–324,800

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020– 2024	2020– 2029
Reform Federal disability programs and improve payment integrity:													
Improve Supplemental Security Income (SSI) youth transition to work		–5	–26	–8	–39	–158	–292	–432	–580	–742	–839	–236	–3,121
Test new approaches to increase labor force participation		100	100	100	100	100	–2,480	–5,073	–9,094	–13,636	–17,769	500	–47,552
Reduce 12 month retroactive Disability Insurance (DI) benefits to six months		–316	–568	–741	–940	–1,044	–1,133	–1,214	–1,285	–1,352	–1,409	–3,609	–10,002
Create a family maximum benefit structure for SSI disabled children in multirecipient families		–784	–800	–865	–821	–782	–867	–888	–907	–997	–885	–4,052	–8,596
Offset overlapping unemployment and disability payments ^{1,6}			–76	–200	–240	–265	–280	–295	–305	–314	–325	–781	–2,300
Eliminate Workers Compensation reverse offsets				–21	–22	–23	–25	–26	–28	–30	–32	–66	–207
Change the representative fee and approval process			3	15	25	28	21	24	22	21	22	71	181
Simplify administration of the SSI program			–382	–98	–69	–46	–34	–23	–11	2	13	–595	–648
Allow State hearing officers to hold disability hearings													
Provide additional debt collection authority for civil monetary penalties (CMPs) and assessments													
Eliminate travel reimbursement for claimants' representatives ...													
Allow Government-wide use of CBP entry/exit data to prevent improper payments				–1	–5	–11	–18	–27	–35	–43	–41	–17	–181
Modernize the Commissioner's collection of evidence to determine entitlement or eligibility													
Authorize Social Security Administration (SSA) to use all collection tools to recover funds in certain scenarios			–2	–3	–4	–5	–5	–6	–6	–7	–8	–14	–46
Hold fraud facilitators liable for overpayments				–1	–2	–2	–1	–1	–1	.....	–2	–5	–10
Expand mandatory electronic filing of W-2s ¹		–36	–34	–33	–32	–30	–28	–27	–26	–26	–24	–165	–296
Increase overpayment collection threshold for Old Age, Survivors, and Disability Insurance		–12	–77	–100	–110	–135	–161	–181	–237	–254	–251	–434	–1,518
Use death master file to prevent improper payments													
Exclude SSA debts from discharge in bankruptcy		–4	–12	–20	–24	–29	–32	–34	–37	–39	–43	–89	–274

SUMMARY TABLES

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020– 2024	2020– 2029
Improve collection of pension information from States and localities		18	28	24	–474	–1,135	–1,614	–1,735	–1,645	–1,547	–1,429	–1,539	–9,509
Total, reform Federal disability programs and improve payment integrity		–1,039	–1,846	–1,952	–2,657	–3,537	–6,949	–9,938	–14,175	–18,964	–23,022	–11,031	–84,079
Support major investment in infrastructure:													
Implement an infrastructure initiative		4,750	23,750	38,000	47,500	38,000	19,000	9,500	4,750	4,750	.....	152,000	190,000
Establish a Federal Capital Revolving Fund ⁹		269	2,046	2,167	2,001	1,834	267	201	134	67	1	8,317	8,987
Total, support major investment in infrastructure		5,019	25,796	40,167	49,501	39,834	19,267	9,701	4,884	4,817	1	160,317	198,987
Total, cross-cutting reforms.....		–13,395	8,027	–18,636	–18,154	–45,680	–88,489	–123,888	–142,556	–205,021	–246,104	–87,838	–893,896
Total, mandatory and receipt proposals	–5,903	–48,586	–57,585	–100,073	–120,998	–165,063	–219,704	–277,831	–305,606	–383,275	–437,636	–492,305	–2,116,357

Note: For receipt effects, positive figures indicate lower receipts. For outlay effects, positive figures indicate higher outlays. For net costs, positive figures indicate higher deficits.

¹ The estimates for this proposal include effects on receipts. The receipt effects included in the totals above are as follows:

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2020– 2024	2020– 2029
Establish Education Freedom Scholarships		860	4,884	4,962	5,019	4,960	4,987	4,971	4,948	4,944	4,974	20,685	45,509
Give Medicare beneficiaries with high deductible health plans the option to make tax deductible contributions to Health Savings Accounts or Medical Savings Accounts			918	1,126	1,339	1,540	1,596	1,679	1,745	1,800	1,856	4,923	13,599
Provide tax exemption for certain Health Resources and Services Administration (HRSA) and Indian Health Services (IHS) scholarship and loan repayment programs		24	32	32	32	32	32	35	35	35	36	152	325
Reduce the grace period for Exchange premiums.....		–47	20	.....	.....	.....	.....	.....	.....	.....	.....	–27	–27
Introduce new minimum required contribution for premium tax credits			–38	.....	.....	.....	.....	.....	.....	.....	.....	–38	–38
Improve and expand access to Health Savings Accounts			2,024	2,874	2,795	2,714	2,776	2,898	3,026	3,089	3,170	10,407	25,366
Reform medical liability		–18	–67	–96	–119	–136	–187	–149	–33	.....	.....	–436	–805
Establish Electronic Visa Update System user fee		–34	–38	–42	–47	–52	–58	–64	–72	–79	–88	–213	–574
Make full Electronic System for Travel Authorization (ESTA) receipts available to CBP							1	.....	.....	–209	–216	.....	–424
Establish an immigration services surcharge.....		–466	–471	–479	–486	–494	–508	–523	–538	–554	–570	–2,396	–5,089
Increase worksite enforcement penalties		–13	–14	–15	–15	–15	–15	–15	–15	–15	–15	–72	–147

Table S-6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
												2020– 2024	2020– 2029
Reauthorize the Oil Spill Liability Trust Fund excise tax		–400	–543	–548	–555	–561	–571	–561	–552	–559	–563	–2,607	–5,413
Provide paid parental leave benefits....				–535	–799	–881	–962	–1,037	–1,109	–1,174	–1,235	–2,215	–7,732
Establish an Unemployment Insurance (UI) solvency standard				–526	–917	–1,409	–779	–1,001	–1,312	–1,661	–375	–2,852	–7,980
Improve UI program integrity.....				6	16	33	49	87	108	135	61	55	495
Subject Financial Research Fund to appropriations			51	51	51	51	51	51	51	51	51	204	459
Implement tax enforcement program integrity cap adjustment		–160	–818	–1,895	–3,166	–4,558	–5,899	–6,880	–7,510	–7,942	–8,241	–10,597	–47,069
Increase oversight of paid tax return preparers		–19	–19	–21	–24	–26	–29	–32	–35	–39	–43	–109	–287
Provide more flexible authority for the Internal Revenue Service to address correctable errors		–410	–620	–652	–685	–720	–757	–795	–834	–875	–918	–3,087	–7,266
Repeal the qualified plug-in electric drive motor vehicle credit		–62	–379	–386	–381	–319	–234	–207	–221	–208	–156	–1,527	–2,553
Repeal exclusion of utility conservation subsidies		–2	–7	–7	–6	–6	–5	–5	–5	–4	–4	–28	–51
Repeal accelerated depreciation for renewable energy property		–171	–529	–786	–865	–904	–899	–863	–782	–643	–502	–3,255	–6,944
Repeal energy investment credit.....	70	71	–259	–1,176	–1,540	–1,532	–1,489	–1,433	–1,447	–1,474	–1,469	–4,436	–11,748
Repeal credit for residential energy efficient property	328	–709	–686	–195	–34							–1,624	–1,624
Reform inland waterways financing		–178	–178	–178	–178	–178	–178	–178	–178	–178	–178	–890	–1,780
Increase employee contributions to 50 percent of cost, phased in at one percent per year			–2,121	–4,400	–6,687	–8,627	–10,191	–11,505	–11,699	–11,762	–11,819	–21,835	–78,811
Implement defined contribution system for term employees		33	90	92	93	95	98	100	102	104	106	403	913
Expand mandatory electronic filing of W-2s		–12	–11	–11	–11	–11	–10	–10	–10	–10	–9	–56	–105
Eliminate allocations to the Housing Trust Fund and Capital Magnet Fund		–64	–72	–65	–66	–66	–66	–66	–67	–68	–70	–333	–670
Improve clarity in worker classification and information reporting requirements		–82	–119	–145	–185	–218	–249	–258	–276	–299	–324	–749	–2,155
Empowering States and consumers to reform healthcare.....		1,022	836	3,517	3,759	4,085	4,016	4,147	4,415	4,708	4,861	13,219	35,366
Require Social Security Number for Child Tax Credit, Earned Income Tax Credit, and credit for other dependents		–1,736	–3,522	–3,621	–3,725	–3,833	–3,951	–4,087	–4,236	–4,403	–4,586	–16,437	–37,700
Offset overlapping unemployment and disability payments.....					2	6	10	13	18	21	24	8	94
Total receipt effects of mandatory proposals	398	–2,573	–1,656	–3,119	–7,385	–11,030	–13,421	–15,688	–16,483	–17,269	–16,242	–25,763	–104,866

SUMMARY TABLES

Table S–6. MANDATORY AND RECEIPT PROPOSALS—Continued

(Deficit increases (+) or decreases (–) in millions of dollars)

² The single income-driven repayment plan proposal has sizable interactive effects with the proposals to eliminate subsidized loans and Public Service Loan Forgiveness. These effects, \$19.7 billion over 10 years, are included in the single income-driven repayment plan subtotal.

³ Estimates were not available at the time of MSR publication.

⁴ Fully fund CSR payments for qualified health plans that did not increase premium to account for non-payment of CSRs.

⁵ While this proposal increases outlays to provide means-tested assistance to low-income policyholders, the National Flood Insurance Program is also accelerating premium increases on other policyholders that currently do not pay full-risk premiums.

⁶ Net of income offsets.

⁷ The paid parental leave proposal consists of \$28,223 million in benefit and program administration costs, offset by \$7,732 million in savings associated with increased State revenues.

⁸ The President’s Budget proposes to transfer functions of the Office of Personnel Management to the GSA. For additional information on this reorganization proposal, please consult the “Reorganization” chapter of the *Analytical Perspectives* volume of the 2020 Budget.

⁹ The Federal Capital Revolving Fund is capitalized with \$10 billion in mandatory funds in 2020. Agency repayments to the fund are reflected as offsetting collections, which reduce the total outlays estimated from the fund over the 10-year window. However, the initial \$10 billion in capitalization funding is fully expended by 2024.

Table S-7. PROPOSED DISCRETIONARY FUNDING LEVELS IN THE 2020 MID-SESSION REVIEW

(Net budget authority in billions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals 2020- 2029
Defense:												
Current Law Funding Levels ¹	647	576	590	605	620	635	651	667	684	701	719	6,448
Proposed Base Changes ² .....	.....	.....	.....	+135	+138	+139	+91	+91	+90	+89	+88	+862
Defense Cap Adjustments: ³												
Emergency Requirements	3	9	.....	.....	.....	.....	.....	.....	.....	.....	.....	9
Overseas Contingency Operations levels	69	165	156	20	20	10	10	10	10	10	10	420
Total, Defense	719	750	746	760	778	784	752	768	784	800	817	7,739
Non-Defense:												
Current Law Funding Levels ¹	613	543	556	570	584	599	613	629	644	661	677	6,076
Proposed Base Changes ² .....	.....	.....	-24	-49	-73	-98	-122	-148	-173	-199	-224	-1,110
Proposed Base Funding	613	543	532	521	511	501	491	481	471	462	453	4,966
Federal Employee Retirement Cost Share												
Reduction Proposal: ⁴ .....	.....	.....	-6	-8	-9	-10	-10	-11	-11	-10	-10	-85
Non-Defense Cap Adjustments:												
Overseas Contingency Operations ⁵	8	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Emergency Requirements	22	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Program Integrity	2	2	3	3	4	4	5	5	5	5	5	40
Disaster Relief ⁶	12	14	7	7	7	7	7	7	7	7	7	81
Wildfire Suppression .....	.....	2	2	2	2	2	2	2	2	2	2	23
Total, Non-Defense Cap Adjustments	43	19	12	13	13	14	14	14	14	15	15	143
Total, Non-Defense with all Adjustments	657	562	538	526	515	505	495	484	475	466	458	5,024
Total, Discretionary Budget Authority	1,376	1,312	1,284	1,286	1,293	1,289	1,247	1,252	1,259	1,266	1,275	12,763
<i>Memorandum - Appropriations Counted Outside of Discretionary Caps:</i>												
21st Century Cures Appropriations ⁷	1	1	*	1	1	*	*	*	.....	.....	.....	4
Non-BBEDCA Emergency Funding ⁸ .....	.....	-5	.....	.....	.....	.....	.....	.....	.....	.....	.....	-5

* \$500 million or less.

¹The current law funding levels presented here are equal to 2019 Enacted funding levels and the caps estimated for 2020 and 2021 in the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA) with separate categories of funding for “defense” (or Function 050) and “non-defense” (NDD) programs and include Office of Management and Budget (OMB) estimates of Joint Committee enforcement (also known as “sequestration”). For 2022 through 2029, programs are assumed to grow at current services growth rates.

²Consistent with the 2020 Budget, the 2020 Mid-Session Review (MSR) proposes funding levels at the existing 2020 BBEDCA cap levels for defense and NDD programs. In 2021, the Administration proposes no change to the existing defense and NDD caps but would fund defense programs at the existing cap while beginning an annual two percent (or “2-penny”) decrease to NDD programs. After 2021, the 2020 MSR proposes defense caps through 2029 that resource national defense requirements while NDD caps are proposed that would continue the 2-penny decrease for each year.

³The 2020 MSR holds the national defense base budget to the current law BBEDCA caps levels for national defense programs in 2020 and 2021. In order to fully resource national defense requirements, funding above the current law caps will also be necessary. The 2020 MSR increases Overseas Contingency Operations (OCO) amounts in 2020 and 2021 to nearly \$165 billion and \$156 billion, respectively. These amounts fund direct war costs, enduring in-theater support, and certain base budget requirements. In addition, more than \$9 billion is requested in 2020 as an emergency requirement to address border security and hurricane recovery. After 2021, which is the final year of the discretionary caps in current law, outyear OCO amounts for 2022 and 2023 would be \$20 billion in each year and \$10 billion in 2024, consistent with the outyear OCO amounts included in OMB’s 2019 Mid-Session Review. 2025 through 2029 amounts reflect a notional \$10 billion placeholder for OCO consistent with a potential transition of certain OCO costs into the base budget while continuing to fund contingency operations. The placeholder amounts for 2025 through 2029 do not reflect specific decisions or assumptions about OCO funding in any particular year.

**Table S–7. PROPOSED DISCRETIONARY FUNDING LEVELS IN
THE 2020 MID-SESSION REVIEW—Continued**

(Net budget authority in billions of dollars)

⁴This adjustment reflects savings from a reform proposed in the 2020 MSR that would reduce Federal agency costs through changes to current civilian employee retirement plans. After 2021, the Administration supports reductions to its proposed NDD caps for this reform.

⁵The 2020 MSR continues the Administration’s policy to shift NDD OCO amounts into base discretionary funding. No NDD OCO amounts are proposed in 2020 or the outyears.

⁶“Disaster Relief” appropriations are amounts designated as such by the Congress provided they are for activities carried out pursuant to a Presidential disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act. These amounts are held to a funding ceiling that is determined annually according to a statutory formula. The Administration is requesting more than \$14 billion for Disaster Relief in 2020 to address significant and unprecedented recovery needs of recent hurricanes and wildfires. The 2020 MSR does not explicitly request disaster-designated appropriations in any year after 2020 and a placeholder of approximately \$7 billion is included in each of the outyears.

⁷The 21st Century Cures Act permitted funds to be appropriated each year and not counted towards the discretionary caps so long as the appropriations were specifically provided for the authorized purposes. These amounts are displayed outside of the discretionary totals for this reason and the levels included through the budget window reflect authorized levels.

⁸The 2020 MSR includes permanent cancellations of balances of emergency funding in the Departments of Energy and Housing and Urban Development that were not designated pursuant to BBEDCA. These cancellations are not being re-designated as emergency, therefore no savings are being achieved under the caps nor will the caps be adjusted for these cancellations.

Table S-8. 2020 DISCRETIONARY OVERVIEW BY MAJOR AGENCY

(Net budget authority in billions of dollars)

	2019 Enacted ¹	2020 Request	2020 Request less 2019 Enacted	
			Dollar	Percent
Base, Overseas Contingency Operations (OCO), and Program Integrity Discretionary Funding:				
Cabinet Departments:				
Agriculture ²	24.3	20.8	-3.5	-14.4%
Commerce	11.6	12.3	+0.8	+6.6%
Defense ³	685.0	718.3	+33.4	+4.9%
Education	70.5	60.1	-10.3	-14.7%
<i>Education, excluding Pell Grant cancellations</i>	71.1	64.0	-7.1	-10.0%
<i>Pell Grant cancellations</i>	-0.6	-3.9	-3.3	N/A
Energy	35.5	31.7	-3.8	-10.8%
<i>National Nuclear Security Administration</i>	15.1	16.5	+1.3	+8.9%
<i>Other Energy</i>	20.4	15.2	-5.2	-25.4%
Health and Human Services (HHS): ^{4,5}	102.0	89.6	-12.4	-12.2%
Homeland Security (DHS)	49.6	51.7	+2.0	+4.1%
Housing and Urban Development (HUD):				
<i>HUD gross total (excluding receipts)</i>	53.8	44.1	-9.7	-18.0%
<i>HUD receipts</i>	-9.1	-6.5	+2.6	-28.2%
Interior	14.0	12.5	-1.6	-11.3%
Justice	30.7	29.2	-1.4	-4.7%
Labor	12.1	10.9	-1.2	-9.7%
State and Other International Programs ^{2,6}	56.0	42.8	-13.2	-23.6%
Transportation	26.5	21.4	-5.1	-19.2%
Treasury ⁷	12.8	13.1	+0.3	+2.3%
Veterans Affairs	86.6	93.1	+6.5	+7.5%
Major Agencies:				
Corps of Engineers	7.0	5.0	-2.0	-29.1%
Environmental Protection Agency	8.8	6.2	-2.7	-30.1%
National Aeronautics and Space Administration	21.5	22.6	+1.1	+5.2%
National Science Foundation	8.1	7.1	-1.0	-12.5%
Small Business Administration	0.7	0.7	-*	-0.3%
Social Security Administration (SSA) ⁴	10.5	10.1	-0.4	-3.5%
Other Agencies	21.4	19.1	-2.2	-10.5%
Changes in mandatory programs .....	.....	-20.0	-20.0	N/A
Subtotal, Base, OCO, and Program Integrity Funding	1,339.9	1,296.0	-43.9	-3.3%
Other Funding, including Cap Adjustments:				
Emergency Requirements:				
Agriculture	5.5	.....	-5.5	N/A
Commerce	0.9	.....	-0.9	N/A
Defense	2.7	.....	-2.7	N/A
Education	0.2	.....	-0.2	N/A
HHS	0.3	.....	-0.3	N/A

**Table S-8. 2020 DISCRETIONARY OVERVIEW
BY MAJOR AGENCY—Continued**

(Net budget authority in billions of dollars)

	2019 Enacted ¹	2020 Request	2020 Request less 2019 Enacted	
			Dollar	Percent
DHS	0.5	.....	-0.5	N/A
HUD	4.1	.....	-4.1	N/A
Interior	0.3	.....	-0.3	N/A
Transportation	1.7	.....	-1.7	N/A
Corps of Engineers	3.3	.....	-3.3	N/A
Environmental Protection Agency	0.4	.....	-0.4	N/A
Other Agencies	0.2	.....	-0.2	N/A
Subtotal, Emergency Requirements	20.1	.....	-20.1	N/A
Emergency Request:				
Allowance for Humanitarian and Border Supplemental Request ⁸	4.5	.....	-4.5	N/A
Disaster Relief: ⁹				
DHS	12.0	14.1	+2.1	+17.3%
Wildfire Suppression:				
Agriculture .....	.....	2.0	+2.0	N/A
Interior .....	.....	0.3	+0.3	N/A
Subtotal, Wildfire Suppression .....	.....	2.3	+2.3	N/A
Non-BBEDCA Emergency Appropriations:				
Energy and HUD ¹⁰ .....	.....	-4.9	-4.9	N/A
Subtotal, Other Funding	36.6	11.5	-25.1	-68.7%
Total, Discretionary Budget Authority	1,376.4	1,307.4	-69.0	-5.0%
<i>Defense Total</i>	<i>719.1</i>	<i>750.0</i>	<i>+30.9</i>	<i>+4.3%</i>
<i>Non-Defense Total</i>	<i>657.4</i>	<i>557.4</i>	<i>-99.9</i>	<i>-15.2%</i>

* \$50 million or less.

¹ The 2019 Enacted levels include changes that occur after appropriations are enacted that are part of budget execution such as transfers, reestimates, and the rebasing as mandatory any changes in mandatory programs enacted in appropriations bills.

² Funding for Food for Peace Title II Grants is included in the State and Other International Programs total. Although the funds are appropriated to the Department of Agriculture, the funds are administered by the U.S. Agency for International Development (USAID).

³ The Department of Defense funding level in this presentation includes \$9.2 billion requested in 2020 as an emergency requirement to address border security and hurricane recovery.

⁴ Funding from the Hospital Insurance and Supplementary Medical Insurance trust funds for administrative expenses incurred by SSA that support the Medicare program are included in the HHS total and not in the SSA total.

⁵ The total for HHS includes amounts authorized under the 21st Century Cures Act, which permitted funds to be appropriated each year for certain activities and not counted toward the discretionary caps so long as the appropriations were specifically provided for the authorized purposes.

⁶ The State and International Programs total includes funding for the Department of State, USAID, Treasury International, and 12 international agencies.

**Table S–8. 2020 DISCRETIONARY OVERVIEW
BY MAJOR AGENCY—Continued**

(Net budget authority in billions of dollars)

⁷ The total for the Department of the Treasury includes \$0.4 billion for a new cap adjustment related to program integrity in the Internal Revenue Service. See the “Budget Process” chapter of the *Analytical Perspectives* volume of the 2020 Budget for more information on this adjustment.

⁸ This allowance represents the Administration’s pending supplemental request that was transmitted to the Congress on May 1, 2019 to address to humanitarian and security crisis at the southern border of the United States.

⁹ “Disaster Relief” appropriations are amounts designated as such by the Congress provided they are for activities carried out pursuant to a Presidential disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act. These amounts are held to a funding ceiling that is determined annually according to a statutory formula. the Administration is requesting \$14.1 billion for Disaster Relief in 2020 to address significant and unprecedented recovery needs of recent hurricanes and wildfires.

¹⁰ The 2020 Mid-Session Review proposes to eliminate the Title 17 Innovative Technology Loan Guarantee Program and the Advanced Technology Vehicles Manufacturing Loan Program in the Department of Energy. This proposal includes a permanent cancellation of most of the remaining balances of emergency funding that were not designated pursuant to BBEDCA. This total also includes some smaller emergency cancellations in HUD. These cancellations are not being re-designated as emergency, therefore no savings are being achieved under the caps nor will the caps be adjusted for these cancellations.

**Table S-9. ESTIMATED
SPENDING FROM 2020 BALANCES
OF BUDGET AUTHORITY:
DISCRETIONARY PROGRAMS**

(In billions of dollars)

	Total
Outlays from end-of-2020 balances:	
2021	727.6
2022	298.9
2023	135.3
2024	72.5
2025	34.7
2026	21.5
2027	10.6
2028	6.7
2029	3.5

Note: Required by 31 USC 1106(a)(3). Balances as of the end of 2020 include unspent balances of discretionary budget authority provided in 2020 and prior years, as well as unspent balances of mandatory contract authority that is subject to discretionary obligation limitations.

Table S-10. OUTLAYS FOR MANDATORY PROGRAMS UNDER CURRENT LAW¹

(In billions of dollars)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Totals	
													2020– 2024	2020– 2029
Outlays:														
Human resources programs:														
Education, training, employment and social services	3	43	25	28	29	30	30	30	30	31	31	31	140	294
Health	490	527	537	557	586	618	648	683	727	767	810	851	2,946	6,784
Medicare	582	644	702	761	859	889	918	1,035	1,116	1,194	1,371	1,354	4,128	10,199
Income security	426	444	454	464	487	491	494	517	537	547	571	561	2,390	5,123
Social security	982	1,038	1,094	1,153	1,219	1,289	1,365	1,445	1,530	1,619	1,714	1,813	6,119	14,240
Veterans' benefits and services	101	116	127	132	150	149	148	169	179	189	215	197	706	1,655
Subtotal, human resources programs	2,583	2,813	2,937	3,095	3,329	3,466	3,602	3,880	4,119	4,346	4,713	4,807	16,429	38,294
Other mandatory programs:														
International affairs	-1	-3	-4	-5	-7	-9	-9	-8	-6	-7	-8	-5	-34	-38
Energy	-3	-2	-1	-1	-3	-3	-5	-4	-4	-4	-2	-1	-14	-17
Natural resources and environment	3	2	4	5	5	5	5	4	4	3	3	3	23	23
Agriculture	16	31	25	23	21	16	16	17	18	18	19	19	101	93
Commerce and housing credit	-5	-29	-10	-6	-4	-6	-4	-1	1	1	1	1	-30	-20
Transportation	1	1	2	2	1	1	1	1	2	2	3	4	7	7
Justice	5	9	11	7	5	3	2	2	2	2	6	6	28	20
General government	7	8	10	8	8	8	8	8	8	8	8	8	42	40
Undistributed offsetting receipts	-98	-98	-110	-108	-112	-110	-113	-128	-118	-121	-125	-127	-552	-571
Other functions	15	11	9	10	9	7	9	8	7	8	12	12	44	43
Subtotal, other mandatory programs	-61	-69	-65	-65	-77	-88	-89	-101	-88	-90	-81	-80	-384	-825
Total, outlays for mandatory programs under current law	2,522	2,744	2,872	3,030	3,252	3,378	3,513	3,779	4,031	4,256	4,632	4,727	16,045	37,470

¹ This table meets the requirements of 31 USC 1106(a)(2).

Table S-11. FEDERAL GOVERNMENT FINANCING AND DEBT

(In billions of dollars)

	Actual 2018	Estimate										
		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Financing:												
Unified budget deficit:												
Primary deficit/surplus (–)	454	624	624	551	454	262	23	–64	–156	–241	–259	–555
Net interest	325	377	421	464	513	571	620	662	697	729	756	773
Unified budget deficit	779	1,001	1,045	1,016	966	832	643	598	541	489	497	218
As a percent of GDP	3.8%	4.7%	4.7%	4.3%	3.9%	3.2%	2.4%	2.1%	1.8%	1.6%	1.5%	0.6%
Other transactions affecting borrowing from the public:												
Changes in financial assets and liabilities: ¹												
Change in Treasury operating cash balance	225	*	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Net disbursements of credit financing accounts:												
Direct loan and Troubled Asset Relief Program (TARP) equity purchase accounts	91	46	67	68	66	66	65	65	61	58	58	52
Guaranteed loan accounts	–9	24	2	*	–2	–3	–4	–3	–3	–3	–3	–3
Net purchases of non-Federal securities by the National Railroad Retirement Investment Trust (NRRIT)	*	–1	–1	–1	–1	–1	–1	–1	–1	–*	–*	–*
Net change in other financial assets and liabilities ² ...	–2	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Subtotal, changes in financial assets and liabilities ...	305	69	68	67	63	62	61	61	57	54	54	49
Seigniorage on coins	–*	–*	–*	–*	–*	–*	–*	–*	–*	–*	–*	–*
Total, other transactions affecting borrowing from the public	305	69	67	67	63	61	60	61	57	54	54	48
Total, requirement to borrow from the public (equals change in debt held by the public)	1,084	1,069	1,112	1,082	1,029	894	703	659	598	543	551	266
Changes in Debt Subject to Statutory Limitation:												
Change in debt held by the public	1,084	1,069	1,112	1,082	1,029	894	703	659	598	543	551	266
Change in debt held by Government accounts	172	166	108	149	117	150	196	134	128	24	–30	78
Change in other factors	10	2	3	2	2	2	2	2	2	2	2	2
Total, change in debt subject to statutory limitation	1,266	1,238	1,224	1,233	1,149	1,046	902	794	728	569	523	346
Debt Subject to Statutory Limitation, End of Year:												
Debt issued by Treasury	21,438	22,674	23,896	25,129	26,276	27,320	28,221	29,015	29,743	30,311	30,833	31,178
Adjustment for discount, premium, and coverage ³	37	39	40	41	42	44	45	45	45	46	47	47
Total, debt subject to statutory limitation ⁴	21,475	22,713	23,936	25,170	26,319	27,364	28,266	29,060	29,788	30,357	30,880	31,226
Debt Outstanding, End of Year:												
Gross Federal debt: ⁵												
Debt issued by Treasury	21,438	22,674	23,896	25,129	26,276	27,320	28,221	29,015	29,743	30,311	30,833	31,178
Debt issued by other agencies	24	24	22	21	20	19	18	16	15	13	12	11
Total, gross Federal debt	21,462	22,698	23,919	25,150	26,296	27,340	28,239	29,031	29,758	30,324	30,845	31,189
As a percent of GDP	106.1%	107.0%	107.2%	107.2%	106.7%	105.6%	103.7%	101.5%	99.2%	96.3%	93.4%	90.1%

Table S-11. FEDERAL GOVERNMENT FINANCING AND DEBT—Continued

(In billions of dollars)

	Actual 2018	Estimate										
		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Held by:												
Debt held by Government accounts	5,713	5,879	5,988	6,136	6,253	6,403	6,599	6,733	6,861	6,885	6,855	6,933
Debt held by the public ⁶	15,750	16,819	17,931	19,013	20,043	20,937	21,640	22,298	22,896	23,439	23,990	24,256
As a percent of GDP	77.8%	79.3%	80.4%	81.1%	81.3%	80.8%	79.5%	78.0%	76.3%	74.5%	72.7%	70.0%
Debt Held by the Public Net of Financial Assets:												
Debt held by the public	15,750	16,819	17,931	19,013	20,043	20,937	21,640	22,298	22,896	23,439	23,990	24,256
Less financial assets net of liabilities:												
Treasury operating cash balance	385	385	385	385	385	385	385	385	385	385	385	385
Credit financing account balances:												
Direct loan and TARP equity purchase accounts	1,372	1,418	1,485	1,553	1,619	1,685	1,750	1,815	1,876	1,934	1,992	2,044
Guaranteed loan accounts	5	29	30	30	29	25	22	18	15	12	9	6
Government-sponsored enterprise preferred stock	113	113	113	113	113	113	113	113	113	113	113	113
Non-Federal securities held by NRRIT	26	24	23	22	21	20	19	19	18	18	17	17
Other assets net of liabilities	-60	-60	-60	-60	-60	-60	-60	-60	-60	-60	-60	-60
Total, financial assets net of liabilities	1,840	1,909	1,977	2,043	2,107	2,168	2,229	2,290	2,347	2,402	2,456	2,505
Debt held by the public net of financial assets	13,910	14,910	15,955	16,970	17,936	18,768	19,411	20,008	20,549	21,037	21,534	21,751
As a percent of GDP	68.7%	70.3%	71.5%	72.4%	72.8%	72.5%	71.3%	70.0%	68.5%	66.8%	65.2%	62.8%

* \$500 million or less.

¹A decrease in the Treasury operating cash balance (which is an asset) is a means of financing a deficit and therefore has a negative sign; that is, the reduction in cash balances reduces the amount that would otherwise be borrowed from the public. An increase in checks outstanding (which is a liability) is also a means of financing a deficit and therefore also has a negative sign.

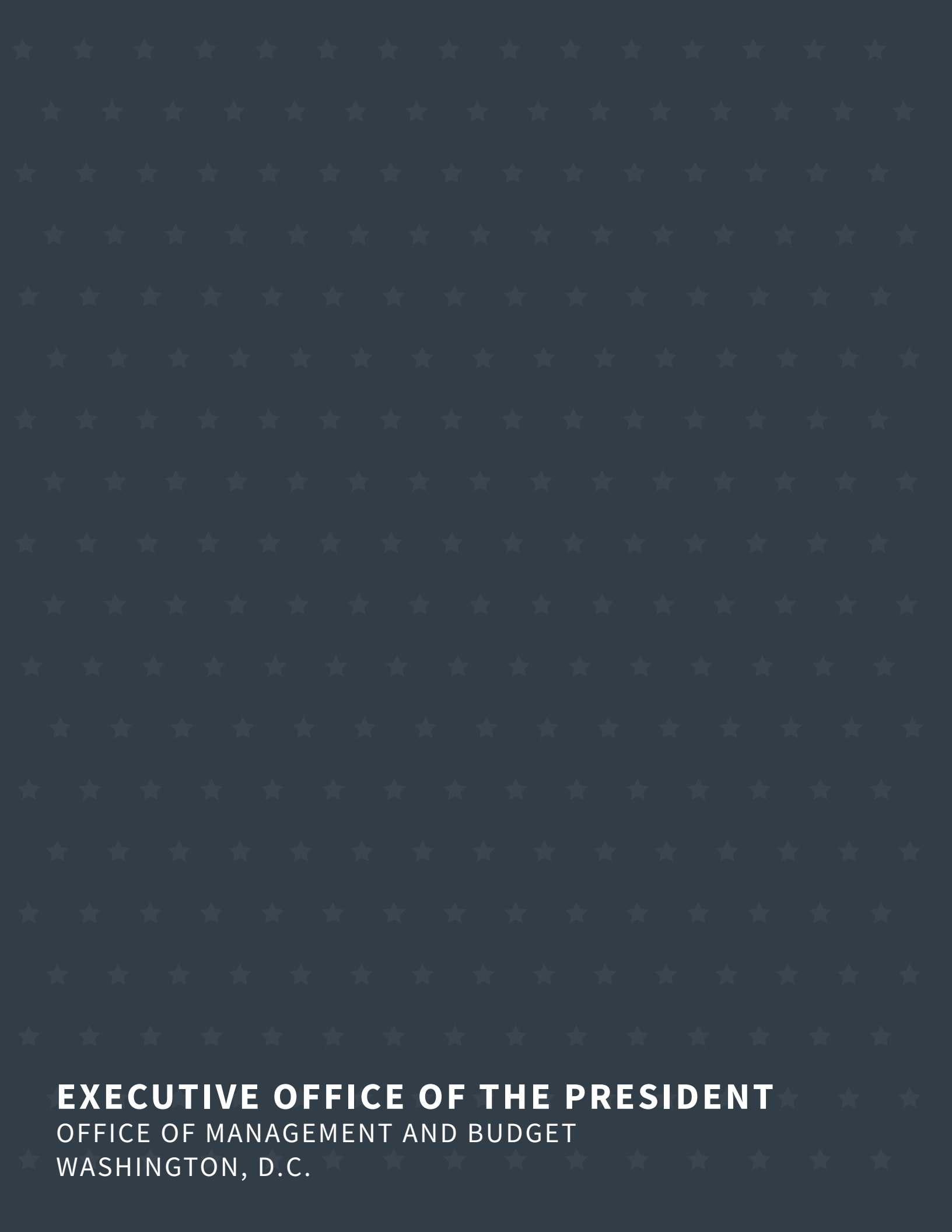
²Includes checks outstanding, accrued interest payable on Treasury debt, uninvested deposit fund balances, allocations of special drawing rights, and other liability accounts; and, as an offset, cash and monetary assets (other than the Treasury operating cash balance), other asset accounts, and profit on sale of gold.

³Consists mainly of debt issued by the Federal Financing Bank (which is not subject to limit), the unamortized discount (less premium) on public issues of Treasury notes and bonds (other than zero-coupon bonds), and the unrealized discount on Government account series securities.

⁴The statutory debt limit is approximately \$21,988 billion, as increased effective March 2, 2019.

⁵Treasury securities held by the public and zero-coupon bonds held by Government accounts are almost all measured at sales price plus amortized discount or less amortized premium. Agency debt securities are almost all measured at face value. Treasury securities in the Government account series are otherwise measured at face value less unrealized discount (if any).

⁶At the end of 2018, the Federal Reserve Banks held \$2,313.2 billion of Federal securities and the rest of the public held \$13,436.4 billion. Debt held by the Federal Reserve Banks is not estimated for future years.



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