

111TH CONGRESS	HOUSE OF REPRESENTATIVES	REPORT
1st Session		111-
	SENATE	

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2010

_____, 2009.—Ordered to be printed

Mr. Conrad, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany S. Con. Res. 13]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 13), setting forth the congressional budget for the United States Government for fiscal year 2010, revising the appropriate budgetary levels for fiscal year 2009, and setting forth the appropriate budgetary levels for fiscal years 2011 through 2014, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

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

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

(b) *TABLE OF CONTENTS.*—The table of contents for this concurrent resolution is as follows:

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

TITLE I—RECOMMENDED LEVELS AND AMOUNTS

Sec. 101. Recommended levels and amounts.

Sec. 102. Social Security.

Sec. 103. Postal Service discretionary administrative expenses.

Sec. 104. Major functional categories.

TITLE II—RECONCILIATION

Sec. 201. *Reconciliation in the Senate.*

Sec. 202. *Reconciliation in the House.*

TITLE III—RESERVE FUNDS

Subtitle A—Senate Reserve Funds

Sec. 301. *Deficit-neutral reserve fund to transform and modernize America's health care system.*

Sec. 302. *Deficit-neutral reserve fund to invest in clean energy and preserve the environment.*

Sec. 303. *Deficit-neutral reserve fund for higher education.*

Sec. 304. *Deficit-neutral reserve fund for child nutrition and WIC.*

Sec. 305. *Deficit-neutral reserve fund for investments in America's infrastructure.*

Sec. 306. *Deficit-neutral reserve fund to promote economic stabilization and growth.*

Sec. 307. *Deficit-neutral reserve fund for America's veterans and wounded servicemembers.*

Sec. 308. *Deficit-neutral reserve fund for judicial pay and judgeships, postal retiree assistance, and certain pension obligations.*

Sec. 309. *Deficit-neutral reserve fund for defense acquisition and Federal contracting reform.*

Sec. 310. *Deficit-neutral reserve fund for investments in our Nation's counties and schools.*

Sec. 311. *Deficit-neutral reserve fund for the Food and Drug Administration.*

Sec. 312. *Deficit-neutral reserve fund for a comprehensive investigation into the current financial crisis.*

Sec. 313. *Deficit-neutral reserve fund for increased transparency at the Federal Reserve.*

Sec. 314. *Deficit-neutral reserve fund for 21st century community learning centers.*

Sec. 315. *Deficit-neutral reserve fund for provision of critical resources to firefighters and fire departments.*

Sec. 316. *Deficit-neutral reserve fund to promote tax equity for States without personal income taxes, and other selected tax relief policies.*

Sec. 317. *Deficit-neutral reserve fund to promote individual savings and financial security.*

Sec. 318. *Deficit-neutral reserve fund to increase FDIC and NCUA borrowing authority.*

Sec. 319. *Deficit-neutral reserve fund for improving the well-being of children.*

Sec. 320. *Deficit-neutral reserve fund for a 9/11 health program.*

Subtitle B—House Reserve Funds

Sec. 321. *Deficit-neutral reserve fund for health care reform.*

Sec. 322. *Deficit-neutral reserve fund for college access, affordability, and completion.*

Sec. 323. *Deficit-neutral reserve fund for increasing energy independence.*

Sec. 324. *Deficit-neutral reserve fund for America's veterans and wounded servicemembers.*

Sec. 325. *Deficit-neutral reserve fund for certain tax relief.*

Sec. 326. *Deficit-neutral reserve fund for a 9/11 health program.*

Sec. 327. *Deficit-neutral reserve fund for child nutrition.*

Sec. 328. *Deficit-neutral reserve fund for structural unemployment insurance reforms.*

Sec. 329. *Deficit-neutral reserve fund for child support.*

Sec. 330. *Deficit-neutral reserve fund for the Affordable Housing Trust Fund.*

Sec. 331. *Deficit-neutral reserve fund for home visiting.*

Sec. 332. *Deficit-neutral reserve fund for low-income home energy assistance program trigger.*

Sec. 333. *Deficit-neutral reserve fund for county payments legislation.*

Sec. 334. *Reserve fund for the surface transportation reauthorization.*

TITLE IV—BUDGET PROCESS

Subtitle A—Senate Provisions

PART I—BUDGET ENFORCEMENT

Sec. 401. *Discretionary spending limits, program integrity initiatives, and other adjustments.*

Sec. 402. *Point of order against advance appropriations.*

Sec. 403. *Emergency legislation.*

- Sec. 404. *Point of order against legislation increasing short-term deficit.*
 Sec. 405. *Point of order against certain legislation related to surface transportation funding.*

PART II—OTHER PROVISIONS

- Sec. 411. *Oversight of Government performance.*
 Sec. 412. *Budgetary treatment of certain discretionary administrative expenses.*
 Sec. 413. *Application and effect of changes in allocations and aggregates.*
 Sec. 414. *Adjustments to reflect changes in concepts and definitions.*
 Sec. 415. *Exercise of rulemaking powers.*

Subtitle B—House Enforcement Provisions

- Sec. 421. *Adjustments for direct spending and revenues.*
 Sec. 422. *Adjustments to discretionary spending limits.*
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 Sec. 429. *Exercise of rulemaking powers.*

TITLE V—POLICY

- Sec. 501. *Policy on middle-class tax relief and revenues.*
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TITLE VI—SENSE OF THE CONGRESS

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

TITLE I—RECOMMENDED LEVELS AND AMOUNTS

SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.

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

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

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

Fiscal year 2009: \$1,532,571,000,000.
Fiscal year 2010: \$1,653,682,000,000.
Fiscal year 2011: \$1,929,625,000,000.
Fiscal year 2012: \$2,129,601,000,000.
Fiscal year 2013: \$2,291,120,000,000.
Fiscal year 2014: \$2,495,781,000,000.

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

Fiscal year 2009: \$0.
Fiscal year 2010: −\$12,304,000,000.
Fiscal year 2011: −\$159,006,000,000.
Fiscal year 2012: −\$230,792,000,000.
Fiscal year 2013: −\$224,217,000,000.
Fiscal year 2014: −\$137,877,000,000.

(2) *NEW BUDGET AUTHORITY.*—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2009: \$3,675,927,000,000.
Fiscal year 2010: \$2,888,691,000,000.
Fiscal year 2011: \$2,844,910,000,000.
Fiscal year 2012: \$2,848,117,000,000.
Fiscal year 2013: \$3,012,193,000,000.
Fiscal year 2014: \$3,188,847,000,000.

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

Fiscal year 2009: \$3,356,270,000,000.
Fiscal year 2010: \$3,001,311,000,000.
Fiscal year 2011: \$2,967,908,000,000.
Fiscal year 2012: \$2,881,842,000,000.
Fiscal year 2013: \$3,019,375,000,000.
Fiscal year 2014: \$3,174,814,000,000.

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

Fiscal year 2009: \$1,823,699,000,000.
Fiscal year 2010: \$1,347,629,000,000.
Fiscal year 2011: \$1,038,283,000,000.
Fiscal year 2012: \$752,241,000,000.
Fiscal year 2013: \$728,255,000,000.
Fiscal year 2014: \$679,033,000,000.

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

Fiscal year 2009: \$12,016,335,000,000.
Fiscal year 2010: \$13,233,246,000,000.
Fiscal year 2011: \$14,349,372,000,000.
Fiscal year 2012: \$15,277,119,000,000.
Fiscal year 2013: \$16,159,829,000,000.
Fiscal year 2014: \$17,022,631,000,000.

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

Fiscal year 2009: \$7,728,718,000,000.
Fiscal year 2010: \$8,778,081,000,000.
Fiscal year 2011: \$9,683,425,000,000.
Fiscal year 2012: \$10,345,343,000,000.
Fiscal year 2013: \$10,930,977,000,000.
Fiscal year 2014: \$11,499,230,000,000.

SEC. 102. SOCIAL SECURITY.

(a) *SOCIAL SECURITY REVENUES.*—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 2009: \$653,117,000,000.
Fiscal year 2010: \$668,208,000,000.
Fiscal year 2011: \$694,864,000,000.
Fiscal year 2012: \$726,045,000,000.
Fiscal year 2013: \$766,065,000,000.

Fiscal year 2014: \$802,166,000,000.

(b) *SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:*

Fiscal year 2009: \$513,029,000,000.

Fiscal year 2010: \$544,140,000,000.

Fiscal year 2011: \$564,523,000,000.

Fiscal year 2012: \$586,897,000,000.

Fiscal year 2013: \$612,017,000,000.

Fiscal year 2014: \$639,054,000,000.

(c) *SOCIAL SECURITY ADMINISTRATIVE EXPENSES.—In the Senate, the amounts of new budget authority and budget outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for administrative expenses are as follows:*

Fiscal year 2009:

(A) New budget authority, \$5,296,000,000.

(B) Outlays, \$4,945,000,000.

Fiscal year 2010:

(A) New budget authority, \$6,072,000,000.

(B) Outlays, \$5,934,000,000.

Fiscal year 2011:

(A) New budget authority, \$6,568,000,000.

(B) Outlays, \$6,433,000,000.

Fiscal year 2012:

(A) New budget authority, \$6,895,000,000.

(B) Outlays, \$6,809,000,000.

Fiscal year 2013:

(A) New budget authority, \$7,223,000,000.

(B) Outlays, \$7,148,000,000.

Fiscal year 2014:

(A) New budget authority, \$7,599,000,000.

(B) Outlays, \$7,517,000,000.

SEC. 103. POSTAL SERVICE DISCRETIONARY ADMINISTRATIVE EXPENSES.

In the Senate, the amounts of new budget authority and budget outlays of the Postal Service for discretionary administrative expenses are as follows:

Fiscal year 2009:

(A) New budget authority, \$253,000,000.

(B) Outlays, \$253,000,000.

Fiscal year 2010:

(A) New budget authority, \$262,000,000.

(B) Outlays, \$262,000,000.

Fiscal year 2011:

(A) New budget authority, \$267,000,000.

(B) Outlays, \$267,000,000.

Fiscal year 2012:

(A) New budget authority, \$272,000,000.

(B) Outlays, \$272,000,000.

Fiscal year 2013:

(A) New budget authority, \$277,000,000.

(B) Outlays, \$277,000,000.

Fiscal year 2014:

- (A) New budget authority, \$283,000,000.*
- (B) Outlays, \$283,000,000.*

SEC. 104. MAJOR FUNCTIONAL CATEGORIES.

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

*(1) National Defense (050):**Fiscal year 2009:*

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

Fiscal year 2010:

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

Fiscal year 2011:

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

Fiscal year 2012:

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

Fiscal year 2013:

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

Fiscal year 2014:

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

*(2) International Affairs (150):**Fiscal year 2009:*

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

Fiscal year 2010:

- (A) New budget authority, \$47,866,000,000.*
- (B) Outlays, \$44,668,000,000.*

Fiscal year 2011:

- (A) New budget authority, \$51,505,000,000.*
- (B) Outlays, \$50,423,000,000.*

Fiscal year 2012:

- (A) New budget authority, \$52,205,000,000.*
- (B) Outlays, \$52,078,000,000.*

Fiscal year 2013:

- (A) New budget authority, \$53,553,000,000.*
- (B) Outlays, \$52,899,000,000.*

Fiscal year 2014:

- (A) New budget authority, \$54,928,000,000.*
- (B) Outlays, \$52,777,000,000.*

*(3) General Science, Space, and Technology (250):**Fiscal year 2009:*

- (A) New budget authority, \$35,389,000,000.*
- (B) Outlays, \$30,973,000,000.*

Fiscal year 2010:

- (A) New budget authority, \$31,139,000,000.*
- (B) Outlays, \$32,467,000,000.*

Fiscal year 2011:

- (A) New budget authority, \$33,993,000,000.*
- (B) Outlays, \$34,532,000,000.*

*Fiscal year 2012:**(A) New budget authority, \$34,246,000,000.**(B) Outlays, \$33,532,000,000.**Fiscal year 2013:**(A) New budget authority, \$34,473,000,000.**(B) Outlays, \$33,823,000,000.**Fiscal year 2014:**(A) New budget authority, \$34,841,000,000.**(B) Outlays, \$34,141,000,000.**(4) Energy (270):**Fiscal year 2009:**(A) New budget authority, \$43,919,000,000.**(B) Outlays, \$2,952,000,000.**Fiscal year 2010:**(A) New budget authority, \$4,989,000,000.**(B) Outlays, \$6,275,000,000.**Fiscal year 2011:**(A) New budget authority, \$5,037,000,000.**(B) Outlays, \$9,089,000,000.**Fiscal year 2012:**(A) New budget authority, \$4,995,000,000.**(B) Outlays, \$11,760,000,000.**Fiscal year 2013:**(A) New budget authority, \$5,272,000,000.**(B) Outlays, \$11,758,000,000.**Fiscal year 2014:**(A) New budget authority, \$5,280,000,000.**(B) Outlays, \$11,121,000,000.**(5) Natural Resources and Environment (300):**Fiscal year 2009:**(A) New budget authority, \$56,009,000,000.**(B) Outlays, \$36,834,000,000.**Fiscal year 2010:**(A) New budget authority, \$37,587,000,000.**(B) Outlays, \$40,557,000,000.**Fiscal year 2011:**(A) New budget authority, \$37,859,000,000.**(B) Outlays, \$39,889,000,000.**Fiscal year 2012:**(A) New budget authority, \$38,579,000,000.**(B) Outlays, \$39,535,000,000.**Fiscal year 2013:**(A) New budget authority, \$38,718,000,000.**(B) Outlays, \$39,191,000,000.**Fiscal year 2014:**(A) New budget authority, \$39,338,000,000.**(B) Outlays, \$39,322,000,000.**(6) Agriculture (350):**Fiscal year 2009:**(A) New budget authority, \$24,974,000,000.**(B) Outlays, \$23,070,000,000.**Fiscal year 2010:**(A) New budget authority, \$23,690,000,000.**(B) Outlays, \$23,951,000,000.**Fiscal year 2011:*

- (A) *New budget authority*, \$24,726,000,000.
- (B) *Outlays*, \$24,025,000,000.
- Fiscal year 2012:*
 - (A) *New budget authority*, \$21,640,000,000.
 - (B) *Outlays*, \$17,545,000,000.
- Fiscal year 2013:*
 - (A) *New budget authority*, \$22,449,000,000.
 - (B) *Outlays*, \$22,026,000,000.
- Fiscal year 2014:*
 - (A) *New budget authority*, \$23,116,000,000.
 - (B) *Outlays*, \$22,090,000,000.
- (7) *Commerce and Housing Credit (370):*
 - Fiscal year 2009:*
 - (A) *New budget authority*, \$694,439,000,000.
 - (B) *Outlays*, \$665,437,000,000.
 - Fiscal year 2010:*
 - (A) *New budget authority*, \$61,113,000,000.
 - (B) *Outlays*, \$85,750,000,000.
 - Fiscal year 2011:*
 - (A) *New budget authority*, \$26,181,000,000.
 - (B) *Outlays*, \$38,016,000,000.
 - Fiscal year 2012:*
 - (A) *New budget authority*, \$9,561,000,000.
 - (B) *Outlays*, \$8,649,000,000.
 - Fiscal year 2013:*
 - (A) *New budget authority*, \$17,247,000,000.
 - (B) *Outlays*, \$5,585,000,000.
 - Fiscal year 2014:*
 - (A) *New budget authority*, \$11,226,000,000.
 - (B) *Outlays*, -\$2,500,000,000.
- (8) *Transportation (400):*
 - Fiscal year 2009:*
 - (A) *New budget authority*, \$122,457,000,000.
 - (B) *Outlays*, \$87,784,000,000.
 - Fiscal year 2010:*
 - (A) *New budget authority*, \$88,151,000,000.
 - (B) *Outlays*, \$95,695,000,000.
 - Fiscal year 2011:*
 - (A) *New budget authority*, \$89,071,000,000.
 - (B) *Outlays*, \$96,474,000,000.
 - Fiscal year 2012:*
 - (A) *New budget authority*, \$90,047,000,000.
 - (B) *Outlays*, \$95,851,000,000.
 - Fiscal year 2013:*
 - (A) *New budget authority*, \$90,866,000,000.
 - (B) *Outlays*, \$96,150,000,000.
 - Fiscal year 2014:*
 - (A) *New budget authority*, \$91,809,000,000.
 - (B) *Outlays*, \$96,793,000,000.
- (9) *Community and Regional Development (450):*
 - Fiscal year 2009:*
 - (A) *New budget authority*, \$23,811,000,000.
 - (B) *Outlays*, \$29,983,000,000.
 - Fiscal year 2010:*
 - (A) *New budget authority*, \$18,308,000,000.

- (B) Outlays, \$29,303,000,000.
- Fiscal year 2011:
 - (A) New budget authority, \$21,232,000,000.
 - (B) Outlays, \$27,530,000,000.
- Fiscal year 2012:
 - (A) New budget authority, \$16,311,000,000.
 - (B) Outlays, \$24,767,000,000.
- Fiscal year 2013:
 - (A) New budget authority, \$16,202,000,000.
 - (B) Outlays, \$21,945,000,000.
- Fiscal year 2014:
 - (A) New budget authority, \$16,270,000,000.
 - (B) Outlays, \$19,147,000,000.
- (10) Education, Training, Employment, and Social Services (500):
 - Fiscal year 2009:
 - (A) New budget authority, \$164,276,000,000.
 - (B) Outlays, \$73,219,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$94,430,000,000.
 - (B) Outlays, \$140,624,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$107,858,000,000.
 - (B) Outlays, \$141,412,000,000.
 - Fiscal year 2012:
 - (A) New budget authority, \$117,121,000,000.
 - (B) Outlays, \$118,480,000,000.
 - Fiscal year 2013:
 - (A) New budget authority, \$115,931,000,000.
 - (B) Outlays, \$118,911,000,000.
 - Fiscal year 2014:
 - (A) New budget authority, \$125,788,000,000.
 - (B) Outlays, \$120,959,000,000.
- (11) Health (550):
 - Fiscal year 2009:
 - (A) New budget authority, \$380,158,000,000.
 - (B) Outlays, \$354,397,000,000.
 - Fiscal year 2010:
 - (A) New budget authority, \$384,309,000,000.
 - (B) Outlays, \$388,885,000,000.
 - Fiscal year 2011:
 - (A) New budget authority, \$363,778,000,000.
 - (B) Outlays, \$367,412,000,000.
 - Fiscal year 2012:
 - (A) New budget authority, \$367,840,000,000.
 - (B) Outlays, \$367,391,000,000.
 - Fiscal year 2013:
 - (A) New budget authority, \$386,483,000,000.
 - (B) Outlays, \$382,172,000,000.
 - Fiscal year 2014:
 - (A) New budget authority, \$395,248,000,000.
 - (B) Outlays, \$396,541,000,000.
- (12) Medicare (570):
 - Fiscal year 2009:
 - (A) New budget authority, \$427,076,000,000.

- (B) Outlays, \$426,736,000,000.
- Fiscal year 2010:*
- (A) New budget authority, \$449,668,000,000.
- (B) Outlays, \$449,798,000,000.
- Fiscal year 2011:*
- (A) New budget authority, \$504,895,000,000.
- (B) Outlays, \$504,721,000,000.
- Fiscal year 2012:*
- (A) New budget authority, \$505,686,000,000.
- (B) Outlays, \$505,436,000,000.
- Fiscal year 2013:*
- (A) New budget authority, \$540,017,000,000.
- (B) Outlays, \$540,146,000,000.
- Fiscal year 2014:*
- (A) New budget authority, \$593,421,000,000.
- (B) Outlays, \$593,233,000,000.
- (13) *Income Security (600):*
- Fiscal year 2009:*
- (A) New budget authority, \$520,123,000,000.
- (B) Outlays, \$503,020,000,000.
- Fiscal year 2010:*
- (A) New budget authority, \$536,740,000,000.
- (B) Outlays, \$540,202,000,000.
- Fiscal year 2011:*
- (A) New budget authority, \$509,101,000,000.
- (B) Outlays, \$512,335,000,000.
- Fiscal year 2012:*
- (A) New budget authority, \$451,472,000,000.
- (B) Outlays, \$452,176,000,000.
- Fiscal year 2013:*
- (A) New budget authority, \$455,310,000,000.
- (B) Outlays, \$455,184,000,000.
- Fiscal year 2014:*
- (A) New budget authority, \$455,984,000,000.
- (B) Outlays, \$454,858,000,000.
- (14) *Social Security (650):*
- Fiscal year 2009:*
- (A) New budget authority, \$31,820,000,000.
- (B) Outlays, \$31,264,000,000.
- Fiscal year 2010:*
- (A) New budget authority, \$20,255,000,000.
- (B) Outlays, \$20,378,000,000.
- Fiscal year 2011:*
- (A) New budget authority, \$23,380,000,000.
- (B) Outlays, \$23,513,000,000.
- Fiscal year 2012:*
- (A) New budget authority, \$26,478,000,000.
- (B) Outlays, \$26,628,000,000.
- Fiscal year 2013:*
- (A) New budget authority, \$29,529,000,000.
- (B) Outlays, \$29,679,000,000.
- Fiscal year 2014:*
- (A) New budget authority, \$32,728,000,000.
- (B) Outlays, \$32,728,000,000.
- (15) *Veterans Benefits and Services (700):*

*Fiscal year 2009:**(A) New budget authority, \$97,705,000,000.**(B) Outlays, \$94,831,000,000.**Fiscal year 2010:**(A) New budget authority, \$106,498,000,000.**(B) Outlays, \$105,578,000,000.**Fiscal year 2011:**(A) New budget authority, \$112,977,000,000.**(B) Outlays, \$112,520,000,000.**Fiscal year 2012:**(A) New budget authority, \$108,839,000,000.**(B) Outlays, \$108,242,000,000.**Fiscal year 2013:**(A) New budget authority, \$113,942,000,000.**(B) Outlays, \$113,293,000,000.**Fiscal year 2014:**(A) New budget authority, \$116,163,000,000.**(B) Outlays, \$115,624,000,000.**(16) Administration of Justice (750):**Fiscal year 2009:**(A) New budget authority, \$55,783,000,000.**(B) Outlays, \$49,853,000,000.**Fiscal year 2010:**(A) New budget authority, \$53,400,000,000.**(B) Outlays, \$52,043,000,000.**Fiscal year 2011:**(A) New budget authority, \$53,892,000,000.**(B) Outlays, \$55,589,000,000.**Fiscal year 2012:**(A) New budget authority, \$53,738,000,000.**(B) Outlays, \$55,468,000,000.**Fiscal year 2013:**(A) New budget authority, \$53,569,000,000.**(B) Outlays, \$54,537,000,000.**Fiscal year 2014:**(A) New budget authority, \$54,247,000,000.**(B) Outlays, \$54,058,000,000.**(17) General Government (800):**Fiscal year 2009:**(A) New budget authority, \$30,405,000,000.**(B) Outlays, \$24,629,000,000.**Fiscal year 2010:**(A) New budget authority, \$21,979,000,000.**(B) Outlays, \$22,757,000,000.**Fiscal year 2011:**(A) New budget authority, \$22,264,000,000.**(B) Outlays, \$23,099,000,000.**Fiscal year 2012:**(A) New budget authority, \$22,620,000,000.**(B) Outlays, \$23,689,000,000.**Fiscal year 2013:**(A) New budget authority, \$22,396,000,000.**(B) Outlays, \$23,196,000,000.**Fiscal year 2014:**(A) New budget authority, \$22,898,000,000.*

- (B) Outlays, \$23,167,000,000.
- (18) *Net Interest (900):*
- Fiscal year 2009:*
- (A) New budget authority, \$288,952,000,000.
- (B) Outlays, \$288,952,000,000.
- Fiscal year 2010:*
- (A) New budget authority, \$284,153,000,000.
- (B) Outlays, \$284,153,000,000.
- Fiscal year 2011:*
- (A) New budget authority, \$323,325,000,000.
- (B) Outlays, \$323,325,000,000.
- Fiscal year 2012:*
- (A) New budget authority, \$387,488,000,000.
- (B) Outlays, \$387,488,000,000.
- Fiscal year 2013:*
- (A) New budget authority, \$470,412,000,000.
- (B) Outlays, \$470,412,000,000.
- Fiscal year 2014:*
- (A) New budget authority, \$558,265,000,000.
- (B) Outlays, \$558,265,000,000.
- (19) *Allowances (920):*
- Fiscal year 2009:*
- (A) New budget authority, \$7,150,000,000.
- (B) Outlays, \$1,788,000,000.
- Fiscal year 2010:*
- (A) New budget authority, \$1,157,000,000.
- (B) Outlays, \$2,548,000,000.
- Fiscal year 2011:*
- (A) New budget authority, -\$14,278,000,000.
- (B) Outlays, -\$8,066,000,000.
- Fiscal year 2012:*
- (A) New budget authority, -\$14,914,000,000.
- (B) Outlays, -\$13,147,000,000.
- Fiscal year 2013:*
- (A) New budget authority, -\$16,126,000,000.
- (B) Outlays, -\$14,979,000,000.
- Fiscal year 2014:*
- (A) New budget authority, -\$16,670,000,000.
- (B) Outlays, -\$15,235,000,000.
- (20) *Undistributed Offsetting Receipts (950):*
- Fiscal year 2009:*
- (A) New budget authority, -\$78,206,000,000.
- (B) Outlays, -\$78,206,000,000.
- Fiscal year 2010:*
- (A) New budget authority, -\$68,774,000,000.
- (B) Outlays, -\$68,774,000,000.
- Fiscal year 2011:*
- (A) New budget authority, -\$71,993,000,000.
- (B) Outlays, -\$71,993,000,000.
- Fiscal year 2012:*
- (A) New budget authority, -\$74,970,000,000.
- (B) Outlays, -\$74,970,000,000.
- Fiscal year 2013:*
- (A) New budget authority, -\$77,945,000,000.
- (B) Outlays, -\$77,945,000,000.

*Fiscal year 2014:**(A) New budget authority, −\$79,861,000,000.**(B) Outlays, −\$79,861,000,000.**(21) Overseas Deployments and Other Activities (970):**Fiscal year 2009:**(A) New budget authority, \$90,745,000,000.**(B) Outlays, \$24,147,000,000.**Fiscal year 2010:**(A) New budget authority, \$130,000,000,000.**(B) Outlays, \$98,410,000,000.**Fiscal year 2011:**(A) New budget authority, \$50,000,000,000.**(B) Outlays, \$76,118,000,000.**Fiscal year 2012:**(A) New budget authority, \$50,000,000,000.**(B) Outlays, \$65,221,000,000.**Fiscal year 2013:**(A) New budget authority, \$50,000,000,000.**(B) Outlays, \$56,722,000,000.**Fiscal year 2014:**(A) New budget authority, \$50,000,000,000.**(B) Outlays, \$52,110,000,000.***TITLE II—RECONCILIATION****SEC. 201. RECONCILIATION IN THE SENATE.**

(a) COMMITTEE ON FINANCE.—The Senate Committee on Finance shall report changes in laws within its jurisdiction to reduce the deficit by \$1,000,000,000 for the period of fiscal years 2009 through 2014.

(b) COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS.—The Senate Committee on Health, Education, Labor, and Pensions shall report changes in laws within its jurisdiction to reduce the deficit by \$1,000,000,000 for the period of fiscal years 2009 through 2014.

(c) SUBMISSIONS.—In the Senate, not later than October 15, 2009, the Senate committees named in subsections (a) and (b) shall submit their recommendations to the Senate Committee on the Budget. Upon receiving all such recommendations, the Senate Committee on the Budget shall report to the Senate a reconciliation bill carrying out all such recommendations without any substantive revision.

SEC. 202. RECONCILIATION IN THE HOUSE.*(a) HEALTH CARE REFORM.—*

(1) The House Committee on Energy and Commerce shall report changes in laws to reduce the deficit by \$1,000,000,000 for the period of fiscal years 2009 through 2014.

(2) The House Committee on Ways and Means shall report changes in laws to reduce the deficit by \$1,000,000,000 for the period of fiscal years 2009 through 2014.

(3) The House Committee on Education and Labor shall report changes in laws to reduce the deficit by \$1,000,000,000 for the period of fiscal years 2009 through 2014.

(b) *INVESTING IN EDUCATION.*—The House Committee on Education and Labor shall report changes in laws to reduce the deficit by \$1,000,000,000 for the period of fiscal years 2009 through 2014.

(c) *SUBMISSIONS.*—In the House, not later than October 15, 2009, the House committees named in subsections (a) and (b) shall submit their recommendations to the House Committee on the Budget. Upon receiving all such recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such changes without any substantive revision.

TITLE III—RESERVE FUNDS

Subtitle A—Senate Reserve Funds

SEC. 301. DEFICIT-NEUTRAL RESERVE FUND TO TRANSFORM AND MODERNIZE AMERICA'S HEALTH CARE SYSTEM.

(a) *TRANSFORM AND MODERNIZE AMERICA'S HEALTH CARE SYSTEM.*—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution, and make adjustments to the pay-as-you-go ledger that are deficit-neutral over 11 years, for one or more bills, joint resolutions, amendments, motions, or conference reports that are deficit-neutral, reduce excess cost growth in health care spending and are fiscally sustainable over the long term, and—

(1) protect families' financial health including restraining the growth of health premiums and other health-related costs;

(2) make health coverage affordable to businesses (in particular to small business and individuals who are self-employed), households, and governments, including by reducing wasteful and inefficient spending in the health care system with periodic reports on savings achieved through these efforts, and by moving forward with improvements to the health care delivery system, including Medicare;

(3) aim for quality, affordable health care for all Americans;

(4) provide portability of coverage and assurance of coverage with appropriate consumer protections;

(5) guarantee choice of health plans and health care providers to Americans;

(6) invest in prevention and wellness and address issues of health disparities;

(7) improve patient safety and quality care, including the appropriate use of health information technology and health data, and promote transparency in cost and quality information to Americans; or

(8) maintain long-term fiscal sustainability and pays for itself by reducing health care cost growth, improving productivity, or dedicating additional sources of revenue;

by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over the period of the total of fiscal years 2009 through 2019.

(b) *OTHER REVISIONS.*—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or commit-

tees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that—

(1) increase the reimbursement rate for physician services under section 1848(d) of the Social Security Act and that include financial incentives for physicians to improve the quality and efficiency of items and services furnished to Medicare beneficiaries through the use of consensus-based quality measures;

(2) include measures to encourage physicians to train in primary care residencies and ensure an adequate supply of residents and physicians;

(3) improve the Medicare program for beneficiaries and protect access to outpatient therapy services (including physical therapy, occupational therapy, and speech-language pathology services) through measures such as repealing the current outpatient therapy caps while protecting beneficiaries from associated premium increases; or

(4) promote payment policies that address the systemic inequities of Medicare and Medicaid reimbursement that lead to access problems in rural areas, including access to primary care and outpatient services, hospitals, and an adequate supply of providers in the workforce or that reward quality and efficient care and address geographic variations in spending in the Medicare program;

by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 302. DEFICIT-NEUTRAL RESERVE FUND TO INVEST IN CLEAN ENERGY AND PRESERVE THE ENVIRONMENT.

(a) **INVESTING IN CLEAN ENERGY AND PRESERVING THE ENVIRONMENT.**—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would—

(1) reduce our Nation's dependence on imported energy;

(2) produce green jobs;

(3) promote renewable energy development (including expediting research on the viability of using higher ethanol blends at the service station pump);

(4) authorize long-term contracts for procurement of alternative fuels from domestic sources, provided that such procurement is consistent with section 526 of the Energy Independence and Security Act of 2007 (Public Law 110-140);

(5) accelerate the research, development, demonstration, and deployment of advanced technologies to capture and store carbon dioxide emissions from coal-fired power plants and other industrial emission sources and to use coal in an environmentally acceptable manner;

(6) strengthen and retool manufacturing supply chains;

(7) create a clean energy investment fund;

(8) improve electricity transmission;

(9) encourage conservation and efficiency;

(10) make improvements to the Low-Income Home Energy Assistance Program;

(11) set aside additional funding from the Oil Spill Liability Trust Fund for Arctic oil spill research;

(12) implement water settlements;

(13) provide additional resources for wildland fire management activities (including the removal of the requirement for State matching funds); or

(14) preserve or protect public lands, oceans or coastal areas;

by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019. The legislation may include tax provisions.

(b) **CLIMATE CHANGE LEGISLATION.**—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would—

(1) invest in clean energy technology initiatives;

(2) decrease greenhouse gas emissions;

(3) create new jobs in a clean technology economy;

(4) strengthen the manufacturing competitiveness of the United States;

(5) diversify the domestic clean energy supply to increase the energy security of the United States;

(6) protect consumers (including policies that address regional differences);

(7) provide incentives for cost-savings achieved through energy efficiencies;

(8) provide voluntary opportunities for agriculture and forestry communities to contribute to reducing the levels of greenhouse gases in the atmosphere; and

(9) help families, workers, communities, and businesses make the transition to a clean energy economy;

by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 303. DEFICIT-NEUTRAL RESERVE FUND FOR HIGHER EDUCATION.

The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that make higher education more accessible and affordable while maintaining a competitive private sector role in the student loan program, which may include legislation to expand and strengthen student aid, such as Pell Grants, or increase college enrollment and completion rates for low-income students, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019. The legislation may include tax provisions.

SEC. 304. DEFICIT-NEUTRAL RESERVE FUND FOR CHILD NUTRITION AND WIC.

The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would reauthorize child nutrition programs or the Special Supplemental Nutrition Program for Women, Infants, and Children (the WIC program), by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 305. DEFICIT-NEUTRAL RESERVE FUND FOR INVESTMENTS IN AMERICA'S INFRASTRUCTURE.

(a) INFRASTRUCTURE.—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide for a robust Federal investment in America's infrastructure, which may include projects for public housing, energy, water, transportation, freight and passenger rail, or other infrastructure projects, by the amounts provided in that legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(b) SURFACE TRANSPORTATION.—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide new contract authority paid out of the Highway Trust Fund for surface transportation programs to the extent such new contract authority is offset by an increase in receipts to the Highway Trust Fund (excluding transfers from the general fund of the Treasury into the Highway Trust Fund not offset by a similar increase in receipts), provided further that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(c) MULTIMODAL TRANSPORTATION PROJECTS.—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would authorize multimodal transportation projects that—

- (1) provide a set of performance measures;*
 - (2) require a cost-benefit analysis be conducted to ensure accountability and overall project goals are met; and*
 - (3) provide flexibility for States, cities, and localities to create strategies that meet the needs of their communities;*
- by the amounts provided in that legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.*

(d) **FLOOD CONTROL PROJECTS AND INSURANCE REFORM.**—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide for levee modernization, maintenance, repair, and improvement, or provide for flood insurance reform and modernization, by the amounts provided in that legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 306. DEFICIT-NEUTRAL RESERVE FUND TO PROMOTE ECONOMIC STABILIZATION AND GROWTH.

(a) **MANUFACTURING.**—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports, including tax legislation, that would revitalize and strengthen the United States domestic manufacturing sector by increasing Federal research and development, by expanding the scope and effectiveness of manufacturing programs across the Federal Government, by increasing efforts to train and retrain manufacturing workers, by enhancing workers' technical skills in the use of the new advanced manufacturing technologies to produce competitive energy efficient products, by increasing support for sector workforce training, by increasing support for the redevelopment of closed manufacturing plants, by increasing support for development of alternative fuels and leap-ahead automotive and energy technologies such as advanced batteries, or by establishing tax incentives to encourage the continued production in the United States of advanced technologies and the infrastructure to support such technologies, by the amounts provided in that legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(b) **TAX RELIEF.**—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution by the amounts provided by one or more bills, joint resolutions, amendments, motions, or conference reports that would provide tax relief, including but not limited to extensions of expiring and expired tax relief, or refundable tax relief, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(c) **TAX REFORM.**—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would reform the Internal Revenue Code to ensure a sustainable revenue base that would lead to a fairer and more efficient tax system and to a more competitive business environment for United States enterprises, by the amounts provided in such legislation for those purposes, provided that such legislation would not in-

crease the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(d) **TRADE.**—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports related to trade by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(e) **HOUSING ASSISTANCE.**—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports related to housing assistance, which may include low income rental assistance, or assistance provided through the Housing Trust Fund created under section 1131 of the Housing and Economic Recovery Act of 2008, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(f) **UNEMPLOYMENT MITIGATION.**—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that reduce the unemployment rate or provide assistance to the unemployed, particularly in the states and localities with the highest rates of unemployment, or improve the implementation of the unemployment compensation program, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 307. DEFICIT-NEUTRAL RESERVE FUND FOR AMERICA'S VETERANS AND WOUNDED SERVICEMEMBERS.

The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would—

- (1) expand the number of disabled military retirees who receive both disability compensation and retired pay;
- (2) accelerate the phase-in of concurrent receipt;
- (3) reduce or eliminate the offset between Survivor Benefit Plan annuities and Veterans' Dependency and Indemnity Compensation;
- (4) enhance or maintain the affordability of health care for military personnel, military retirees or veterans;
- (5) improve disability benefits or evaluations for wounded or disabled military personnel or veterans (including measures to expedite the claims process);

(6) enhance servicemember education benefits for members of the National Guard and Reserve by ensuring those benefits keep pace with the national average cost of tuition; or

(7) expand veterans' benefits (including for veterans living in rural areas);

by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 308. DEFICIT-NEUTRAL RESERVE FUND FOR JUDICIAL PAY AND JUDGESHIPS, POSTAL RETIREE ASSISTANCE, AND CERTAIN PENSION OBLIGATIONS.

(a) **JUDICIAL PAY AND JUDGESHIPS.**—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would authorize salary adjustments for justices and judges of the United States, or increase the number of Federal judgeships, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(b) **POSTAL RETIREES.**—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports relating to adjustments to funding for postal retiree health coverage, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(c) **PENSION OBLIGATIONS.**—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would authorize funding to cover the full cost of pension obligations for current and past employees of laboratories and environmental cleanup sites under the jurisdiction of the Department of Energy (including benefits paid to security personnel) in a manner that does not impact the missions of those laboratories and environmental cleanup sites, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 309. DEFICIT-NEUTRAL RESERVE FUND FOR DEFENSE ACQUISITION AND FEDERAL CONTRACTING REFORM.

The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that—

(1) provide funding to the Department of Defense for additional activities to reduce waste, fraud, abuse and overpayments in defense contracting;

(2) enhance the capability of the Federal acquisition or contracting workforce to achieve better value for taxpayers;

(3) reduce the use of no-bid and cost-plus contracts;

(4) reform Department of Defense processes for acquiring weapons systems or services in order to reduce costs, improve cost and schedule estimation, enhance developmental testing of weapons, enhance oversight, or increase the rigor of reviews of programs that experience critical cost growth;

(5) reduce the award of contracts to contractors with seriously delinquent tax debts;

(6) reduce the use of non-competitive contracts and the continuation of task orders for logistics support;

(7) reduce the use of contracts for acquisition, oversight, and management support services;

(8) enhance the capability of auditors and inspectors general to oversee Federal acquisition and procurement;

(9) reform the processes for payment of bonuses to contractors and government executives responsible for over-budget projects and programs that fail to meet basic performance requirements; or

(10) achieve savings by requiring that Federal departments and agencies eliminate improper payments and increase the use of recovery audits;

by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 310. DEFICIT-NEUTRAL RESERVE FUND FOR INVESTMENTS IN OUR NATION'S COUNTIES AND SCHOOLS.

The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide for the reauthorization of the Secure Rural Schools and Community Self Determination Act of 2000 (Public Law 106-393) or make changes to the Payments in Lieu of Taxes Act of 1976 (Public Law 94-565), or both, by the amounts provided by that legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 311. DEFICIT-NEUTRAL RESERVE FUND FOR THE FOOD AND DRUG ADMINISTRATION.

(a) **REGULATION.**—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that authorize the Food and Drug Administration to regulate products and assess user fees on manufacturers and importers of those products to cover the cost of the Food and Drug Administration's regulatory activities, by the amounts provided in that legislation for those purposes, provided that such legislation would not in-

crease the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(b) **DRUG IMPORTATION.**—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that permit the safe importation of prescription drugs approved by the Food and Drug Administration from a specified list of countries, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

(c) **FOOD SAFETY.**—The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would improve the safety of the food supply in the United States, by the amounts provided in such legislation for these purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 312. DEFICIT-NEUTRAL RESERVE FUND FOR A COMPREHENSIVE INVESTIGATION INTO THE CURRENT FINANCIAL CRISIS.

The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide resources for a comprehensive investigation to determine the cause of the current financial crisis, hold those responsible accountable, and provide recommendations to prevent another financial crisis of this magnitude from occurring again by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 313. DEFICIT-NEUTRAL RESERVE FUND FOR INCREASED TRANSPARENCY AT THE FEDERAL RESERVE.

The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that increase transparency at the Federal Reserve System, including audits of the Board of Governors of the Federal Reserve System and the Federal reserve banks, to include—

(1) an evaluation of the appropriate number and the associated costs of Federal reserve banks;

(2) publication on its website, with respect to all lending and financial assistance facilities created by the Board to address the financial crisis, of—

(A) the nature and amounts of the collateral that the central bank is accepting on behalf of American taxpayers

in the various lending programs, on no less than a monthly basis;

(B) the extent to which changes in valuation of credit extensions to various special purpose vehicles, such as Maiden Lane I, Maiden Lane II, and Maiden Lane III, are a result of losses on collateral which will not be recovered;

(C) the number of borrowers that participate in each of the lending programs and details of the credit extended, including the extent to which the credit is concentrated in one or more institutions; and

(D) information on the extent to which the central bank is contracting for services of private sector firms for the design, pricing, management, and accounting for the various lending programs and the terms and nature of such contracts and bidding processes; and

(3) including the identity of each entity to which the Board has provided all loans and other financial assistance since March 24, 2008, the value or amount of that financial assistance, and what that entity is doing with such financial assistance;

by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 314. DEFICIT-NEUTRAL RESERVE FUND FOR 21ST CENTURY COMMUNITY LEARNING CENTERS.

The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would increase funding for the 21st Century Community Learning Centers program by the amounts provided in such legislation for such purpose, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 315. DEFICIT-NEUTRAL RESERVE FUND FOR PROVISION OF CRITICAL RESOURCES TO FIREFIGHTERS AND FIRE DEPARTMENTS.

The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would provide firefighters and fire departments with critical resources under the Assistance to Firefighters Grant and the Staffing for Adequate Fire and Emergency Response Firefighters Grant of the Federal Emergency Management Agency, by the amounts provided in such legislation for such purpose, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 316. DEFICIT-NEUTRAL RESERVE FUND TO PROMOTE TAX EQUITY FOR STATES WITHOUT PERSONAL INCOME TAXES, AND OTHER SELECTED TAX RELIEF POLICIES.

The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and

other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would extend permanently the deduction for State and local sales taxes, extend incentives for enhanced charitable giving from individual retirement accounts, including life-income gifts, or enhance the employer-provided child care credit and the dependent care tax credit, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 317. DEFICIT-NEUTRAL RESERVE FUND TO PROMOTE INDIVIDUAL SAVINGS AND FINANCIAL SECURITY.

The chairman of the Committee on the Budget of the Senate may revise the aggregates, allocations, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that promote financial security through financial literacy, retirement planning, and savings incentives, including individual development accounts and child savings accounts, provided that such legislation does not increase the deficit over either the period of the total fiscal years 2009 through 2014 or the period of the total fiscal years 2009 through 2019.

SEC. 318. DEFICIT-NEUTRAL RESERVE FUND TO INCREASE FDIC AND NCUA BORROWING AUTHORITY.

The chairman of the Committee on the Budget of the Senate may revise the aggregates, allocations, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports to increase the borrowing authority of the Federal Deposit Insurance Corporation and the National Credit Union Administration, provided that such legislation does not increase the deficit over either the period of the total fiscal years 2009 through 2014 or the period of the total fiscal years 2009 through 2019.

SEC. 319. DEFICIT-NEUTRAL RESERVE FUND FOR IMPROVING THE WELL-BEING OF CHILDREN.

The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that—

(1) make improvements to child welfare programs, including strengthening the recruitment and retention of foster families, or make improvements to the child support enforcement program;

(2) improve the Federal foster care payment system to better support children, improve family support, family preservation, family reunification services, address the needs of children prior to removal, during removal, and post placement or address the needs of children who have been abused or neglected; or

(3) provide funds to states for a program of home visits to low-income mothers-to-be and low-income families that will produce sizeable, sustained improvements in the health, well-being, or school readiness of children or their parents;

by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either

the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

SEC. 320. DEFICIT-NEUTRAL RESERVE FUND FOR A 9/11 HEALTH PROGRAM.

The chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would establish a program, including medical monitoring and treatment, addressing the adverse health impacts linked to the September 11, 2001 attacks, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2009 through 2014 or the period of the total of fiscal years 2009 through 2019.

Subtitle B—House Reserve Funds

SEC. 321. DEFICIT-NEUTRAL RESERVE FUND FOR HEALTH CARE REFORM.

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

SEC. 322. DEFICIT-NEUTRAL RESERVE FUND FOR COLLEGE ACCESS, AFFORDABILITY, AND COMPLETION.

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

SEC. 323. DEFICIT-NEUTRAL RESERVE FUND FOR INCREASING ENERGY INDEPENDENCE.

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

(1) provides tax incentives for or otherwise encourages the production of renewable energy or increased energy efficiency;

(2) encourages investment in emerging energy or vehicle technologies or carbon capture and sequestration;

(3) limits and provides for reductions in greenhouse gas emissions;

(4) assists businesses, industries, States, communities, the environment, workers, or households as the United States moves toward reducing and offsetting the impacts of greenhouse gas emissions; or

(5) facilitates the training of workers for these industries ("green collar jobs");

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

SEC. 324. DEFICIT-NEUTRAL RESERVE FUND FOR AMERICA'S VETERANS AND WOUNDED SERVICEMEMBERS.

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

(1) expand the number of disabled military retirees who receive both disability compensation and retired pay (concurrent receipt);

(2) accelerate the phase-in of concurrent receipt;

(3) reduce or eliminate the offset between Survivor Benefit Plan annuities and Veterans' Dependency and Indemnity Compensation;

(4) enhance or maintain the affordability of health care for military personnel, military retirees or veterans;

(5) improve disability benefits or evaluations for wounded or disabled military personnel or veterans (including measures to expedite the claims process);

(6) enhance servicemember education benefits for members of the National Guard and Reserve by ensuring those benefits keep pace with the national average cost of tuition; or

(7) expand veterans' benefits (including for veterans living in rural areas);

by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit or decrease the surplus for either time period provided in clause 10 of rule XXI of the Rules of the House of Representatives.

SEC. 325. DEFICIT-NEUTRAL RESERVE FUND FOR CERTAIN TAX RELIEF.

The chairman of the House Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that provides for tax relief that supports working families (such as expanding the refundable child credit), businesses, States, or communities, by the amounts provided in such measure if such measure would not increase the deficit or decrease the surplus for either time period provided in clause 10 of rule XXI of the Rules of the House of Representatives.

SEC. 326. DEFICIT-NEUTRAL RESERVE FUND FOR A 9/11 HEALTH PROGRAM.

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

SEC. 327. DEFICIT-NEUTRAL RESERVE FUND FOR CHILD NUTRITION.

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

SEC. 328. DEFICIT-NEUTRAL RESERVE FUND FOR STRUCTURAL UNEMPLOYMENT INSURANCE REFORMS.

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

SEC. 329. DEFICIT-NEUTRAL RESERVE FUND FOR CHILD SUPPORT.

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

SEC. 330. DEFICIT-NEUTRAL RESERVE FUND FOR THE AFFORDABLE HOUSING TRUST FUND.

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

SEC. 331. DEFICIT-NEUTRAL RESERVE FUND FOR HOME VISITING.

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

SEC. 332. DEFICIT-NEUTRAL RESERVE FUND FOR LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM TRIGGER.

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

SEC. 333. DEFICIT-NEUTRAL RESERVE FUND FOR COUNTY PAYMENTS LEGISLATION.

The chairman of the House Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for any bill, joint resolution, amendment, or conference report that provides for the reauthorization of the Secure Rural Schools and Community Self Determination Act of 2000 (Public Law 106-393) or makes changes to the Payments in Lieu of Taxes Act of 1976 (Public Law 94-565) by the amounts provided in such measure if such measure would not increase the deficit or decrease the surplus for either time period provided in clause 10 of rule XXI of the Rules of the House of Representatives.

SEC. 334. RESERVE FUND FOR THE SURFACE TRANSPORTATION REAUTHORIZATION.

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

TITLE IV—BUDGET PROCESS

Subtitle A—Senate Provisions

PART I—BUDGET ENFORCEMENT

SEC. 401. DISCRETIONARY SPENDING LIMITS, PROGRAM INTEGRITY INITIATIVES, AND OTHER ADJUSTMENTS.

(a) SENATE POINT OF ORDER.—

(1) *IN GENERAL.*—Except as otherwise provided in this section, it shall not be in order in the Senate to consider any bill or joint resolution (or amendment, motion, or conference report on that bill or joint resolution) that would cause the discretionary spending limits in this section to be exceeded.

(2) SUPERMAJORITY WAIVER AND APPEALS.—

(A) *WAIVER.*—This subsection may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(B) *APPEALS.*—Appeals in the Senate from the decisions of the Chair relating to any provision of this subsection shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this subsection.

(b) SENATE DISCRETIONARY SPENDING LIMITS.—In the Senate and as used in this section, the term “discretionary spending limit” means—

(1) for fiscal year 2009, \$1,391,471,000,000 in new budget authority and \$1,220,843,000,000 in outlays; and

(2) for fiscal year 2010, \$1,082,250,000,000 in new budget authority and \$1,269,471,000,000 in outlays;

as adjusted in conformance with the adjustment procedures in subsection (c).

(c) ADJUSTMENTS IN THE SENATE.—

(1) *IN GENERAL.*—After the reporting of a bill or joint resolution relating to any matter described in paragraph (2), or the offering of an amendment thereto or the submission of a conference report thereon—

(A) the chairman of the Senate Committee on the Budget may adjust the discretionary spending limits, budgetary aggregates, and allocations pursuant to section 302(a) of the Congressional Budget Act of 1974, by the amount of new budget authority in that measure for that purpose and the outlays flowing therefrom; and

(B) following any adjustment under subparagraph (A), the Senate Committee on Appropriations may report appropriately revised suballocations pursuant to section 302(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(2) *MATTERS DESCRIBED.*—Matters referred to in paragraph (1) are as follows:

(A) CONTINUING DISABILITY REVIEWS AND SSI REDETERMINATIONS.—

(i) *IN GENERAL.*—If a bill or joint resolution is reported making appropriations for fiscal year 2010 that appropriates \$273,000,000 for continuing disability reviews and Supplemental Security Income redeterminations for the Social Security Administration, and provides an additional appropriation of up to \$485,000,000 for continuing disability reviews and Supplemental Security Income redeterminations for the Social Security Administration, then the discretionary spending limits, allocation to the Senate Committee on Appropriations, and aggregates may be adjusted by the amounts provided in such legislation for that purpose, but not to exceed \$485,000,000 in budget authority and outlays flowing therefrom for fiscal year 2010.

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

(B) *INTERNAL REVENUE SERVICE TAX ENFORCEMENT.*—If a bill or joint resolution is reported making appropriations for fiscal year 2010 that appropriates \$7,100,000,000 for the Internal Revenue Service for enhanced tax enforcement to address the Federal tax gap (taxes owed but not paid) and provides an additional appropriation of up to \$890,000,000 for the Internal Revenue Service for enhanced tax enforcement to address the Federal tax gap, then the discretionary spending limits, allocation to the Senate Committee on Appropriations, and aggregates may be adjusted by the amounts provided in such legislation for that purpose, but not to exceed \$890,000,000 in budget authority and outlays flowing therefrom for fiscal year 2010.

(C) *HEALTH CARE FRAUD AND ABUSE CONTROL.*—If a bill or joint resolution is reported making appropriations for fiscal year 2010 that appropriates up to \$311,000,000 to the Health Care Fraud and Abuse Control program at the Department of Health and Human Services, then the discretionary spending limits, allocation to the Senate Committee on Appropriations, and aggregates may be adjusted by the amounts provided in such legislation for that purpose, but not to exceed \$311,000,000 in budget authority and outlays flowing therefrom for fiscal year 2010.

(D) *UNEMPLOYMENT INSURANCE IMPROPER PAYMENT REVIEWS.*—If a bill or joint resolution is reported making appropriations for fiscal year 2010 that appropriates \$10,000,000 for in-person reemployment and eligibility assessments and unemployment insurance improper payment reviews, and provides an additional appropriation of up to \$50,000,000 for in-person reemployment and eligibility as-

assessments and unemployment insurance improper payment reviews, then the discretionary spending limits, allocation to the Senate Committee on Appropriations, and aggregates may be adjusted by the amounts provided in such legislation for that purpose, but not to exceed \$50,000,000 in budget authority and outlays flowing therefrom for fiscal year 2010.

(3) **LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP).**—*If a bill or joint resolution is reported making appropriations for fiscal year 2010 that appropriates \$3,200,000,000 in funding for the Low-Income Home Energy Assistance Program and provides an additional appropriation of up to \$1,900,000,000 for that program, then the discretionary spending limits, allocation to the Senate Committee on Appropriations, and aggregates may be adjusted by the amounts provided in such legislation for that purpose, but not to exceed \$1,900,000,000 in budget authority and outlays flowing therefrom for fiscal year 2010.*

(4) **ADJUSTMENTS TO SUPPORT ONGOING OVERSEAS DEPLOYMENTS AND OTHER ACTIVITIES.**—*The chairman of the Senate Committee on the Budget may adjust the discretionary spending limits, allocations to the Senate Committee on Appropriations, and aggregates for one or more—*

(A) bills reported by the Senate Committee on Appropriations or passed by the House of Representatives;

(B) joint resolutions or amendments reported by the Senate Committee on Appropriations;

(C) amendments between the Houses received from the House of Representatives or Senate amendments offered by the authority of the Senate Committee on Appropriations;
or

(D) conference reports;

making appropriations for fiscal years 2009 and 2010 for overseas deployments and other activities by the amounts provided in such legislation for those purposes (and so designated pursuant to this paragraph), up to the amounts of budget authority specified in section 104(21) for fiscal years 2009 and 2010 and the new outlays flowing therefrom.

(5) **REVISED APPROPRIATIONS FOR FISCAL YEAR 2010.**—

(A) IN GENERAL.—*If after adoption of this resolution by the Congress, the President submits his budget pursuant to section 1105(a) of title 31, United States Code, and the Congressional Budget Office (CBO) re-estimates the budget, the chairman of the Senate Committee on the Budget may adjust the discretionary spending limits, budgetary aggregates, and allocations pursuant to section 302(a) of the Congressional Budget Act of 1974 by the aggregate difference for discretionary appropriations and related outlays between the CBO re-estimate and the President's Budget.*

(B) SUBALLOCATIONS.—*Following any adjustment under subparagraph (A), the Senate Committee on Appropriations may report appropriately revised suballocations pursuant to section 302(b) of the Congressional Budget Act of 1974 to carry out this paragraph.*

(d) *INAPPLICABILITY.*—In the Senate, subsections (a), (b), (c), and (d) of section 312 of S. Con. Res. 70 (110th Congress) shall no longer apply.

SEC. 402. POINT OF ORDER AGAINST ADVANCE APPROPRIATIONS.

(a) *IN GENERAL.*—

(1) *POINT OF ORDER.*—Except as provided in subsection (b), it shall not be in order in the Senate to consider any bill, joint resolution, motion, amendment, or conference report that would provide an advance appropriation.

(2) *DEFINITION.*—In this section, the term “advance appropriation” means any new budget authority provided in a bill or joint resolution making appropriations for fiscal year 2010 that first becomes available for any fiscal year after 2010, or any new budget authority provided in a bill or joint resolution making general appropriations or continuing appropriations for fiscal year 2011, that first becomes available for any fiscal year after 2011.

(b) *EXCEPTIONS.*—Advance appropriations may be provided—

(1) for fiscal years 2011 and 2012 for programs, projects, activities, or accounts identified in the joint explanatory statement of managers accompanying this resolution under the heading “Accounts Identified for Advance Appropriations” in an aggregate amount not to exceed \$28,852,000,000 in new budget authority in each year;

(2) for the Corporation for Public Broadcasting; and

(3) for the Department of Veterans Affairs for the Medical Services, Medical Support and Compliance, and Medical Facilities accounts of the Veterans Health Administration.

(c) *SUPERMAJORITY WAIVER AND APPEAL.*—

(1) *WAIVER.*—In the Senate, subsection (a) may be waived or suspended only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.

(2) *APPEAL.*—An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under subsection (a).

(d) *FORM OF POINT OF ORDER.*—A point of order under subsection (a) may be raised by a Senator as provided in section 313(e) of the Congressional Budget Act of 1974.

(e) *CONFERENCE REPORTS.*—When the Senate is considering a conference report on, or an amendment between the Houses in relation to, a bill, upon a point of order being made by any Senator pursuant to this section, and such point of order being sustained, such material contained in such conference report shall be deemed stricken, and the Senate shall proceed to consider the question of whether the Senate shall recede from its amendment and concur with a further amendment, or concur in the House amendment with a further amendment, as the case may be, which further amendment shall consist of only that portion of the conference report or House amendment, as the case may be, not so stricken. Any such motion in the Senate shall be debatable. In any case in which such point of order is sustained against a conference report (or Senate amendment derived from such conference report by operation of this subsection), no further amendment shall be in order.

(f) *INAPPLICABILITY.*—In the Senate, section 313 of S. Con. Res. 70 (110th Congress) shall no longer apply.

SEC. 403. EMERGENCY LEGISLATION.

(a) *AUTHORITY TO DESIGNATE.*—In the Senate, with respect to a provision of direct spending or receipts legislation or appropriations for discretionary accounts that Congress designates as an emergency requirement in such measure, the amounts of new budget authority, outlays, and receipts in all fiscal years resulting from that provision shall be treated as an emergency requirement for the purpose of this section.

(b) *EXEMPTION OF EMERGENCY PROVISIONS.*—Any new budget authority, outlays, and receipts resulting from any provision designated as an emergency requirement, pursuant to this section, in any bill, joint resolution, amendment, or conference report shall not count for purposes of sections 302 and 311 of the Congressional Budget Act of 1974, section 201 of S. Con. Res. 21 (110th Congress) (relating to pay-as-you-go), section 311 of S. Con. Res. 70 (110th Congress) (relating to long-term deficits), and sections 401 and 404 of this resolution (relating to discretionary spending and short-term deficits). Designated emergency provisions shall not count for the purpose of revising allocations, aggregates, or other levels pursuant to procedures established under section 301(b)(7) of the Congressional Budget Act of 1974 for deficit-neutral reserve funds and revising discretionary spending limits set pursuant to section 301 of this resolution.

(c) *DESIGNATIONS.*—If a provision of legislation is designated as an emergency requirement under this section, the committee report and any statement of managers accompanying that legislation shall include an explanation of the manner in which the provision meets the criteria in subsection (f).

(d) *DEFINITIONS.*—In this section, the terms “direct spending”, “receipts”, and “appropriations for discretionary accounts” mean any provision of a bill, joint resolution, amendment, motion, or conference report that affects direct spending, receipts, or appropriations as those terms have been defined and interpreted for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985.

(e) *POINT OF ORDER.*—

(1) *IN GENERAL.*—When the Senate is considering a bill, resolution, amendment, motion, or conference report, if a point of order is made by a Senator against an emergency designation in that measure, that provision making such a designation shall be stricken from the measure and may not be offered as an amendment from the floor.

(2) *SUPERMAJORITY WAIVER AND APPEALS.*—

(A) *WAIVER.*—Paragraph (1) may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.

(B) *APPEALS.*—Appeals in the Senate from the decisions of the Chair relating to any provision of this subsection shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of

the ruling of the Chair on a point of order raised under this subsection.

(3) *DEFINITION OF AN EMERGENCY DESIGNATION.*—For purposes of paragraph (1), a provision shall be considered an emergency designation if it designates any item as an emergency requirement pursuant to this subsection.

(4) *FORM OF THE POINT OF ORDER.*—A point of order under paragraph (1) may be raised by a Senator as provided in section 313(e) of the Congressional Budget Act of 1974.

(5) *CONFERENCE REPORTS.*—When the Senate is considering a conference report on, or an amendment between the Houses in relation to, a bill, upon a point of order being made by any Senator pursuant to this section, and such point of order being sustained, such material contained in such conference report shall be deemed stricken, and the Senate shall proceed to consider the question of whether the Senate shall recede from its amendment and concur with a further amendment, or concur in the House amendment with a further amendment, as the case may be, which further amendment shall consist of only that portion of the conference report or House amendment, as the case may be, not so stricken. Any such motion in the Senate shall be debatable. In any case in which such point of order is sustained against a conference report (or Senate amendment derived from such conference report by operation of this subsection), no further amendment shall be in order.

(f) *CRITERIA.*—

(1) *IN GENERAL.*—For purposes of this section, any provision is an emergency requirement if the situation addressed by such provision is—

(A) necessary, essential, or vital (not merely useful or beneficial);

(B) sudden, quickly coming into being, and not building up over time;

(C) an urgent, pressing, and compelling need requiring immediate action;

(D) subject to paragraph (2), unforeseen, unpredictable, and unanticipated; and

(E) not permanent, temporary in nature.

(2) *UNFORESEEN.*—An emergency that is part of an aggregate level of anticipated emergencies, particularly when normally estimated in advance, is not unforeseen.

(g) *INAPPLICABILITY.*—In the Senate, section 204(a) of S. Con. Res. 21 (110th Congress), the concurrent resolution on the budget for fiscal year 2008, shall no longer apply.

SEC. 404. POINT OF ORDER AGAINST LEGISLATION INCREASING SHORT-TERM DEFICIT.

(a) *POINT OF ORDER.*—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report (except measures within the jurisdiction of the Committee on Appropriations) that would cause a net increase in the deficit in excess of \$10,000,000,000 in any fiscal year provided for in the most recently adopted concurrent resolution on the budget unless it is fully offset over the period of all fiscal years provided for in the most recently adopted concurrent resolution on the budget.

(b) *SUPERMAJORITY WAIVER AND APPEAL IN THE SENATE.*—

(1) **WAIVER.**—*This section may be waived or suspended only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.*

(2) **APPEAL.**—*An affirmative vote of three-fifths of the Members, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.*

(c) **LIMITATION.**—*The provisions of this section shall not apply to any bills, joint resolutions, amendments, motions, or conference reports for which the chairman of the Senate Committee on the Budget has made adjustments to the allocations, levels or limits contained in this resolution pursuant to Section 301(a) of this resolution.*

(d) **DETERMINATIONS OF BUDGET LEVELS.**—*For purposes of this section, the levels shall be determined on the basis of estimates provided by the Senate Committee on the Budget.*

(e) **SUNSET.**—*This section shall expire on September 30, 2018.*

(f) **INAPPLICABILITY.**—*In the Senate, section 315 of S. Con. Res. 70 (110th Congress), the concurrent resolution in the budget for fiscal year 2009, shall no longer apply.*

SEC. 405. POINT OF ORDER AGAINST CERTAIN LEGISLATION RELATED TO SURFACE TRANSPORTATION FUNDING.

(a) **POINT OF ORDER.**—*It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that extends the authority or reauthorizes surface transportation programs that appropriates budget authority from sources other than the Highway Trust Fund, including the Mass Transit Account of such fund.*

(b) **SUPERMAJORITY WAIVER AND APPEALS IN THE SENATE.**—

(1) **WAIVER.**—*This section may be waived or suspended only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.*

(2) **APPEALS.**—*An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.*

(c) **SUNSET.**—*This section shall expire on September 30, 2018.*

PART II—OTHER PROVISIONS

SEC. 411. OVERSIGHT OF GOVERNMENT PERFORMANCE.

In the Senate, all committees are directed to review programs within their jurisdiction to root out waste, fraud, and abuse in program spending, giving particular scrutiny to issues raised by Government Accountability Office reports. Based on these oversight efforts and committee performance reviews of programs within their jurisdiction, committees are directed to include recommendations for improved governmental performance in their annual views and estimates reports required under section 301(d) of the Congressional Budget Act of 1974 to the Senate Committee on the Budget.

SEC. 412. BUDGETARY TREATMENT OF CERTAIN DISCRETIONARY ADMINISTRATIVE EXPENSES.

In the Senate, notwithstanding section 302(a)(1) of the Congressional Budget Act of 1974, section 13301 of the Budget Enforcement

Act of 1990, and section 2009a of title 39, United States Code, the joint explanatory statement accompanying the conference report on any concurrent resolution on the budget shall include in its allocations under section 302(a) of the Congressional Budget Act of 1974 to the Senate Committee on Appropriation amounts for the discretionary administrative expenses of the Social Security Administration and of the Postal Service.

SEC. 413. APPLICATION AND EFFECT OF CHANGES IN ALLOCATIONS AND AGGREGATES.

(a) **APPLICATION.**—In the Senate, any adjustments of allocations and aggregates made pursuant to this resolution shall—

- (1) apply while that measure is under consideration;
- (2) take effect upon the enactment of that measure; and
- (3) be published in the Congressional Record as soon as practicable.

(b) **EFFECT OF CHANGED ALLOCATIONS AND AGGREGATES.**—Revised allocations and aggregates resulting from these adjustments shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

(c) **BUDGET COMMITTEE DETERMINATIONS.**—For purposes of this resolution the levels of new budget authority, outlays, direct spending, new entitlement authority, revenues, deficits, and surpluses for a fiscal year or period of fiscal years shall be determined on the basis of estimates made by the Senate Committee on the Budget.

(d) **ADJUSTMENTS.**—The chairman of the Senate Committee on the Budget may adjust the aggregates, allocations, and other levels and limits in this resolution for legislation which has received final Congressional approval in the same form by the House of Representatives and the Senate, but has yet to be presented to or signed by the President at the time of final consideration of this resolution.

SEC. 414. ADJUSTMENTS TO REFLECT CHANGES IN CONCEPTS AND DEFINITIONS.

Upon the enactment of a bill or joint resolution providing for a change in concepts or definitions, the chairman of the Senate Committee on the Budget may make adjustments to the levels and allocations in this resolution in accordance with section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as in effect prior to September 30, 2002).

SEC. 415. EXERCISE OF RULEMAKING POWERS.

The Senate adopts the provisions of this subtitle—

- (1) as an exercise of the rulemaking power of the Senate, and as such they shall be considered as part of the rules of the Senate and such rules shall supersede other rules only to the extent that they are inconsistent with such other rules; and
- (2) with full recognition of the constitutional right of the Senate to change those rules at any time, in the same manner, and to the same extent as is the case of any other rule of the Senate.

Subtitle B—House Enforcement Provisions

SEC. 421. ADJUSTMENTS FOR DIRECT SPENDING AND REVENUES.

(a) **ADJUSTMENTS FOR CURRENT POLICY.**—

(1) *IN GENERAL.*—For the policies set forth in and not to exceed the amounts in paragraph (2), and subject to the condition specified in paragraph (3), when the chairman of the House Committee on the Budget evaluates the budgetary effects of any provision in a bill, joint resolution, amendment, or conference report for the purposes of the Congressional Budget Act of 1974, this concurrent resolution, or the Rules of the House of Representatives relative to baseline estimates consistent with section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985, he may exclude from his evaluation the budgetary effects of such provisions if such effects would have been reflected in a baseline adjusted for current policy.

(2) *POLICIES AND AMOUNTS.*—Paragraph (1) shall apply only to the following provisions:

(A) *MEDICARE IMPROVEMENTS.*—An increase in the deficit of not to exceed \$38,000,000,000 in fiscal years 2010 through 2014 and of not to exceed \$38,000,000,000 in fiscal years 2010 through 2019 by reforming the Medicare payment system for physicians to—

(i) change incentives to encourage efficiency and higher quality care in a way that supports fiscal sustainability;

(ii) improve payment accuracy to encourage efficient use of resources and ensure that primary care receives appropriate compensation;

(iii) improve coordination of care among all providers serving a patient in all appropriate settings; or

(iv) hold providers accountable for their utilization patterns and quality of care.

(B) *MIDDLE CLASS TAX RELIEF.*—A decrease in revenues (or increase in outlays, as appropriate) of an amount not to exceed \$512,165,000,000 in fiscal years 2010 through 2014 and of an amount not to exceed \$1,294,476,000,000 in fiscal years 2010 through 2019, resulting from extending certain provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 and the Jobs and Growth Tax Relief Reconciliation Act of 2003 for middle class tax relief, including—

(i) the 10 percent individual income tax bracket;

(ii) marriage penalty relief;

(iii) the child credit at \$1,000 and partial refundability of the credit;

(iv) education incentives;

(v) other incentives for middle class families and children;

(vi) other reductions to individual income tax brackets; and

(vii) small business tax relief.

(C) *REFORM OF THE ALTERNATIVE MINIMUM TAX.*—A decrease in revenues of an amount not to exceed \$214,433,000,000 in fiscal years 2010 through 2014 and fiscal years 2010 through 2019 resulting from reform of the AMT so that tens of millions of working families will not become subject to it.

(D) **REFORM OF THE ESTATE AND GIFT TAX.**—A decrease in revenues of an amount not to exceed \$72,033,000,000 in fiscal years 2010 through 2014 and of an amount not to exceed \$256,244,000,000 in fiscal years 2010 through 2019 resulting from reform of the Estate and Gift Tax so that only a minute fraction of estates owe tax, by extending the law as in effect for 2009 for the Estate and Gift Tax.

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

(4) **REVISIONS.**—The chairman of the House Committee on the Budget may revise or adjust the allocations, aggregates, and other appropriate levels in this resolution to reflect current policy adjustments made pursuant to this section.

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

SEC. 422. ADJUSTMENTS TO DISCRETIONARY SPENDING LIMITS.

(a) **PROGRAM INTEGRITY INITIATIVES.**—

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

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

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

(2) **INTERNAL REVENUE SERVICE TAX COMPLIANCE.**—In the House, prior to consideration of any bill, joint resolution,

amendment, or conference report making appropriations for fiscal year 2010 that appropriates \$4,904,000,000 to the Internal Revenue Service for Enforcement and provides an additional appropriation of up to \$600,000,000 for Enforcement to address the Federal tax gap, and provides that such sums as may be necessary shall be available from the Operations Support account in the Internal Revenue Service to fully support these Enforcement activities, the allocation to the House Committee on Appropriations shall be increased by the amount of the additional budget authority and outlays resulting from that budget authority for fiscal year 2010.

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

(4) **UNEMPLOYMENT INSURANCE PROGRAM INTEGRITY ACTIVITIES.**—In the House, prior to consideration of any bill, joint resolution, amendment, or conference report making appropriations for fiscal year 2010 that appropriates \$10,000,000 for in-person reemployment and eligibility assessments and unemployment insurance improper payment reviews for the Department of Labor and provides an additional appropriation of up to \$50,000,000, and the amount is designated for in-person reemployment and eligibility assessments and unemployment insurance improper payment reviews for the Department of Labor, the allocation to the House Committee on Appropriations shall be increased by the amount of additional budget authority and outlays resulting from that budget authority for fiscal year 2010.

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

(b) **LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP).**—In the House, prior to consideration of any bill, joint resolution, amendment, or conference report making appropriations for fiscal year 2010 that appropriates \$3,200,000,000 in funding for the Low-Income Home Energy Assistance Program and provides additional appropriations of up to \$1,900,000,000 for that program, if a mandatory trigger for LIHEAP is not enacted, the chairman of the House Committee on the Budget may allocate such additional budget authority and outlays resulting from that budget authority to the House Committee on Appropriations.

(c) **REVISED APPROPRIATIONS FOR FISCAL YEAR 2010.**—

(1) **IN GENERAL.**—If after adoption of this resolution by the Congress, the President submits his budget pursuant to section

1105(a) of title 31, United States Code, and the Congressional Budget Office (CBO) re-estimates the budget, the chairman of the House Committee on the Budget may adjust the discretionary spending limits, budgetary aggregates, and the allocation to the House Committee on Appropriations by the aggregate difference for discretionary appropriations and related outlays between the CBO re-estimate and the President's Budget.

(2) **SUBALLOCATIONS.**—Following any adjustment under subparagraph (A), the House Committee on Appropriations may report appropriately revised suballocations pursuant to section 302(b) of the Congressional Budget Act of 1974 to carry out this paragraph.

SEC. 423. COSTS OF OVERSEAS DEPLOYMENTS AND EMERGENCY NEEDS.

(a) **OVERSEAS DEPLOYMENTS AND OTHER ACTIVITIES.**—

(1) In the House, if any bill, joint resolution, amendment, or conference report makes appropriations for fiscal year 2009 or fiscal year 2010 for overseas deployments and other activities and such amounts are so designated pursuant to this paragraph, then the allocation to the House Committee on Appropriations may be adjusted by the amounts provided in such legislation for that purpose up to the amounts of budget authority specified in section 104(21) for fiscal year 2009 or fiscal year 2010 and the new outlays resulting therefrom.

(2) In the House, if any bill, joint resolution, amendment, or conference report makes appropriations for fiscal year 2009 or fiscal year 2010 for overseas deployments and other activities above the amounts of budget authority and new outlays specified in paragraph (1) and such amounts are so designated pursuant to this paragraph, then new budget authority, outlays, or receipts resulting therefrom shall not count for the purposes of the Congressional Budget Act of 1974 or this resolution.

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

SEC. 424. POINT OF ORDER AGAINST ADVANCE APPROPRIATIONS.

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

(b) **EXCEPTIONS.**—Advance appropriations may be provided—

(1) for fiscal year 2011 for programs, projects, activities, or accounts identified in the joint explanatory statement of managers to accompany this resolution under the heading "Accounts Identified for Advance Appropriations" in an aggregate amount not to exceed \$28,852,000,000 in new budget authority, and for 2012, accounts separately identified under the same heading; and

(2) for the Department of Veterans Affairs for the Medical Services, Medical Support and Compliance, and Medical Facilities accounts of the Veterans Health Administration.

(c) *DEFINITION.*—In this section, the term “advance appropriation” means any new discretionary budget authority provided in a bill or joint resolution making general appropriations or any new discretionary budget authority provided in a bill or joint resolution making continuing appropriations for fiscal year 2010 that first becomes available for any fiscal year after 2010.

SEC. 425. OVERSIGHT OF GOVERNMENT PERFORMANCE.

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

SEC. 426. BUDGETARY TREATMENT OF CERTAIN DISCRETIONARY ADMINISTRATIVE EXPENSES.

(a) *IN GENERAL.*—In the House, notwithstanding section 302(a)(1) of the Congressional Budget Act of 1974, section 13301 of the Budget Enforcement Act of 1990, and section 4001 of the Omnibus Budget Reconciliation Act of 1989, the joint explanatory statement accompanying the conference report on any concurrent resolution on the budget shall include in its allocation under section 302(a) of the Congressional Budget Act of 1974 to the House Committee on Appropriations amounts for the discretionary administrative expenses of the Social Security Administration and of the Postal Service.

(b) *SPECIAL RULE.*—For purposes of applying section 302(f) of the Congressional Budget Act of 1974, estimates of the level of total new budget authority and total outlays provided by a measure shall include any off-budget discretionary amounts.

SEC. 427. APPLICATION AND EFFECT OF CHANGES IN ALLOCATIONS AND AGGREGATES.

(a) *APPLICATION.*—In the House, any adjustments of allocations and aggregates made pursuant to this resolution shall—

- (1) apply while that measure is under consideration;
- (2) take effect upon the enactment of that measure; and
- (3) be published in the Congressional Record as soon as practicable.

(b) *EFFECT OF CHANGED ALLOCATIONS AND AGGREGATES.*—Revised allocations and aggregates resulting from these adjustments shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates included in this resolution.

(c) *BUDGET COMMITTEE DETERMINATIONS.*—For purposes of this resolution, the levels of new budget authority, outlays, direct spending, new entitlement authority, revenues, deficits, and surpluses for a fiscal year or period of fiscal years shall be determined on the basis of estimates made by the House Committee on the Budget.

(d) *ADJUSTMENTS.*—The chairman of the House Committee on the Budget may adjust the aggregates, allocations, and other levels

in this resolution for legislation which has received final Congressional approval in the same form by the House of Representatives and the Senate, but has yet to be presented to or signed by the President at the time of final consideration of this resolution.

SEC. 428. ADJUSTMENTS TO REFLECT CHANGES IN CONCEPTS AND DEFINITIONS.

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

SEC. 429. EXERCISE OF RULEMAKING POWERS.

The House adopts the provisions of this subtitle—

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

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

TITLE V—POLICY

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

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

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

(2) middle-class tax relief; and

(3) elimination of estate taxes on all but a minute fraction of estates.

In total, this resolution supports the extension of over \$1,750,000,000,000 in tax relief to individuals and families relative to current law. This resolution supports additional, deficit-neutral tax relief, including the extension of AMT relief, expanding the eligibility for the refundable child credit, the research and experimentation tax credit, the deduction for State and local sales taxes, the enactment of a tax credit for school construction bonds, and other tax relief for working families. The cost of enacting such policies may be offset by reforms within the Internal Revenue Code of 1986 that produce higher rates of tax compliance to close the "tax gap" and reduce taxpayer burdens through tax simplification. The President's budget proposes a variety of other revenue offsets. Unless expressly provided, this resolution does not assume any of the specific revenue offset proposals provided for in the President's budget. Decisions about specific revenue offsets are made by the House Committee on Ways and Means and the Senate Committee on Finance, which are the tax-writing committees.

SEC. 502. POLICY ON DEFENSE PRIORITIES.

It is the policy of this resolution that—

(1) there is no higher priority than the defense of our Nation, and therefore the Administration and Congress will make the necessary investments and reforms to strengthen our military so that it can successfully meet the threats of the 21st century;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TITLE VI—SENSE OF THE CONGRESS

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

It is the sense of the Congress that—

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

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

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

(4) VA may find it difficult to realize the level of increase in medical care collections estimated in the President's budget for 2010 using existing authorities, and increases to veterans beneficiary travel reimbursement are important; therefore, this resolution provides \$673,000,000 more for Function 700 (Veterans Benefits and Services) than the President's budget to safeguard the provision of health care to veterans;

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

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

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

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

- (1) safeguarding the Nation's transportation systems, including rail, mass transit, ports, and airports;
- (2) continuing with efforts to identify and to screen for threats bound for the United States;
- (3) strengthening border security;
- (4) enhancing emergency preparedness and training and equipping first responders;
- (5) helping to make critical infrastructure more secure and resilient against the threat of terrorism and natural disasters;
- (6) making the Nation's cyber infrastructure resistive to attack; and
- (7) increasing the preparedness of the public health system.

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

It is the sense of the Congress that—

- (1) the Congress should provide sufficient investments to enable our Nation to continue to be the world leader in education, innovation, and economic growth as envisioned in the goals of the America COMPETES Act;
- (2) this resolution builds on significant funding provided in the American Recovery and Reinvestment Act for scientific research and education in Function 250 (General Science, Space and Technology), Function 270 (Energy), Function 300 (Natural Resources and Environment), Function 500 (Education, Training, Employment, and Social Services), and Function 550 (Health);

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

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

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

It is the sense of the Congress that rates of compensation for civilian employees of the United States should be adjusted at the same time, and in the same proportion, as are rates of compensation for members of the uniformed services.

SEC. 605. SENSE OF THE CONGRESS ON COLLEGE AFFORDABILITY AND STUDENT LOAN REFORM.

It is the Sense of the Congress that—

- (1) nothing in the resolution should be construed to reduce any assistance that makes college more affordable and accessible for students, including but not limited to student aid programs and services provided by nonprofit State agencies and private lenders;
- (2) private and non-profit lenders, originators, and loan servicers help students plan for, apply to, and pay for post-secondary education and training;
- (3) any reform of the federal student loan programs to ensure that students have reliable and efficient access to federal loans should include some future role for the currently involved private and non-profit entities, including state non-profits with

100% FFEL lending in the State, and capitalize on the current infrastructure provided by private and non-profit entities, in order both to provide employment to many Americans during this time of economic distress and to maintain valuable services that make post-secondary education more accessible and attainable for many Americans; and

(4) therefore, pursuant to any changes to the student loan programs, loan processing, administration, and servicing should continue to be performed, as needed, by for-profit and non-profit entities.

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

It is the sense of the Congress that this resolution recognizes the need to address significant and long-standing problems affecting the major large scale aquatic, estuarine, and coastal ecosystems nationwide. This resolution includes funding for a new interagency initiative to address such regional ecosystems. It also includes funding to work with Great Lakes States, tribes, local communities, and organizations to more effectively address issues prioritized in the Great Lakes Regional Collaborative. This initiative could address issues such as invasive species, habitat restoration and conservation, non-point source pollution, and contaminated sediment. The resolution also supports the President's proposal to use outcome-oriented performance goals and measures to target the most significant problems and track progress in addressing these ecosystems.

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

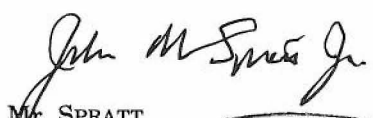
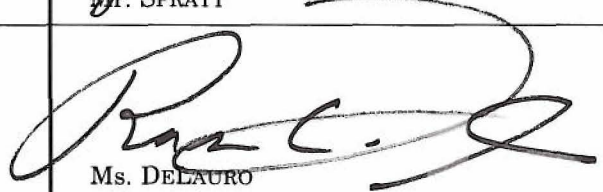
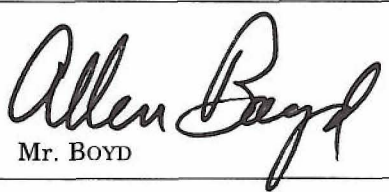
It is the sense of the Congress that—

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

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

S.Con. Res. 13*Managers on the part of the*
SENATE*Managers on the part of the*
HOUSE**Mr. CONRAD****Mrs. MURRAY****Mr. GREGG**

S.Con. Res. 13—Continued

<i>Managers on the part of the SENATE</i>	<i>Managers on the part of the HOUSE</i>
	 Mr. SPRATT
	 Ms. DELAURO
	 Mr. BOYD
	Mr. RYAN
	Mr. HENSARLING

SENATE
OFFICIAL COPY

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF
CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 13), setting forth the congressional budget for the United States Government for fiscal year 2010, revising the appropriate budgetary levels for fiscal year 2009, and setting forth the appropriate budgetary levels for fiscal years 2011 through 2014, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck all of the Senate concurrent resolution after the resolving clause and inserted the House-passed concurrent resolution on the budget (H. Con. Res. 85) as a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment that is a substitute for the Senate concurrent resolution and the House amendment. The differences between the Senate concurrent resolution, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

DISPLAYS AND AMOUNTS

The required contents of concurrent budget resolutions are set forth in section 301(a) of the Congressional Budget Act of 1974. The years in this document are fiscal years unless otherwise noted.

The treatment of budget function levels in the House-passed and Senate-passed budget resolutions and the conference report is as follows:

Senate-passed Resolution

The Senate concurrent resolution includes all of the items required under section 301(a) of the Congressional Budget Act.

House-passed Resolution

The House resolution includes all of the items required as part of a concurrent budget resolution under section 301(a) of the Congressional Budget Act other than the spending and revenue levels for Social Security (which are not required for the House, but are used to enforce a point of order applicable only in the Senate).

Conference Agreement

The conference agreement includes all of the items required by section 301(a) of the Congressional Budget Act.

AGGREGATE AND FUNCTION LEVELS

Pursuant to section 301(a)(4) of the Congressional Budget Act, the budget resolution must set appropriate levels for each major functional category based on the 302(a) allocations and the budgetary totals.

The respective levels of the Senate concurrent resolution, the House concurrent resolution, and conference agreement for each major budget function, as well as revenue totals, are discussed in the section after the numerical tables. A summary of the overall budget policy is as follows:

Total spending is \$3.444 trillion in budget authority (BA) and \$3.555 trillion in outlays in 2010, and \$17.783 trillion in BA and \$18.031 trillion in outlays over 2010-2014.

Discretionary spending totals \$1.226 trillion in BA and \$1.376 trillion in outlays in 2010, and \$5.958 trillion in BA and \$6.521 trillion in outlays over 2010-2014. Excluding funding for overseas deployments and other activities, and for disasters accounted for in Function 920, discretionary spending for 2010 totals \$1.086 trillion in BA and \$1.273 trillion in outlays. These aggregate amounts (minus cap adjustments for program integrity initiatives and the Low-Income Home Energy Assistance Program) are allocated to the Appropriations Committees to be suballocated among their respective appropriations subcommittees.

Mandatory spending totals \$2.218 trillion in BA and \$2.178 trillion in outlays in 2010, and \$11.825 trillion in BA and \$11.510 trillion in outlays over 2010-2014. This includes \$2 billion in reconciled savings over 2009-2014. These savings are reflected in Function 920 and will be determined by the committees of jurisdiction. (The resolution assumes the instructions will be used for health care reform and investing in education.)

Revenue totals \$2.322 trillion in 2010, and \$14.157 trillion over five years. Specific policies will be determined by the Committee on Finance in the Senate and the Committee on Ways and Means in the House.

The conference agreement uses the Congressional Budget Office (CBO) March 2009 baseline.

The conference agreement reduces the budget deficit from \$1.233 trillion in 2010 to \$523 billion in 2014.

The following section describes the conference agreement's revenue levels and spending according to the budget's functional categories.

**FISCAL YEAR 2010 BUDGET RESOLUTION
CONFERENCE REPORT**
Total Spending, Revenues, Deficit/Surplus, and Debt

(\$s in billions)	2009	2010	2011	2012	2013	2014	2010-14
Summary							
Budget Authority	4,201.576	3,444.158	3,420.344	3,444.688	3,634.668	3,839.044	17,782.902
On	3,675.927	2,888.691	2,844.910	2,848.117	3,012.193	3,188.847	14,782.758
Off	525.649	555.467	575.434	596.571	622.475	650.197	3,000.144
Outlays	3,878.897	3,554.647	3,540.931	3,475.520	3,638.517	3,821.368	18,030.983
On	3,356.270	3,001.311	2,967.908	2,881.842	3,019.375	3,174.814	15,045.250
Off	522.627	553.336	573.023	593.678	619.142	646.554	2,985.733
Revenues	2,185.688	2,321.890	2,624.489	2,855.646	3,057.185	3,297.947	14,157.157
On	1,532.571	1,653.682	1,929.625	2,129.601	2,291.120	2,495.781	10,499.809
Off	653.117	668.208	694.864	726.045	766.065	802.166	3,657.347
Deficit (-)/Surplus	-1,693.209	-1,232.757	-916.442	-619.874	-581.332	-523.421	-3,873.826
On	-1,823.699	-1,347.629	-1,038.283	-752.241	-728.255	-679.033	-4,545.441
Off	130.490	114.872	121.841	132.367	146.923	155.612	671.614
Debt Held by the Public	7,728.718	8,778.081	9,683.425	10,345.343	10,930.977	11,499.230	--
Debt Subject to Limit	12,016.335	13,233.246	14,349.372	15,277.119	16,159.829	17,022.631	--
By Function							
050 National Defense							
Budget Authority	618.057	562.033	570.107	579.135	589.895	603.828	2,904.998
Outlays	646.810	606.043	587.945	576.023	584.670	595.476	2,950.157
150 International Affairs							
Budget Authority	40.885	47.866	51.505	52.205	53.553	54.928	260.057
Outlays	37.797	44.668	50.423	52.078	52.899	52.777	252.845
250 General Science, Space, and Technology							
Budget Authority	35.389	31.139	33.993	34.246	34.473	34.841	168.692
Outlays	30.973	32.467	34.532	33.532	33.823	34.141	168.495
270 Energy							
Budget Authority	43.919	4.989	5.037	4.995	5.272	5.280	25.573
Outlays	2.952	6.275	9.089	11.760	11.758	11.121	50.003
300 Natural Resources and Environment							
Budget Authority	56.009	37.587	37.859	38.579	38.718	39.338	192.081
Outlays	36.834	40.557	39.889	39.535	39.191	39.322	198.494
350 Agriculture							
Budget Authority	24.974	23.690	24.726	21.640	22.449	23.116	115.621
Outlays	23.070	23.951	24.025	17.545	22.026	22.090	109.637
370 Commerce and Housing Credit							
Budget Authority	699.092	64.375	28.248	9.533	17.224	11.209	130.589
Outlays	670.090	89.012	40.083	8.621	5.562	-2.517	140.761
On Budget Authority	694.439	61.113	26.181	9.561	17.247	11.226	125.328
Outlays	665.437	85.750	38.016	8.649	5.585	-2.500	135.500
Off Budget Authority	4.653	3.262	2.067	-0.028	-0.023	-0.017	5.261
Outlays	4.653	3.262	2.067	-0.028	-0.023	-0.017	5.261
400 Transportation							
Budget Authority	122.457	88.151	89.071	90.047	90.866	91.809	449.944
Outlays	87.784	95.695	96.474	95.851	96.150	96.793	480.963
450 Community and Regional Development							
Budget Authority	23.811	18.308	21.232	16.311	16.202	16.270	88.323
Outlays	29.983	29.303	27.530	24.767	21.945	19.147	122.692
500 Education, Training, Employment, and Social Services							
Budget Authority	164.276	94.430	107.858	117.121	115.931	125.788	561.128
Outlays	73.219	140.624	141.412	118.480	118.911	120.959	640.386

FISCAL YEAR 2010 BUDGET RESOLUTION
CONFERENCE REPORT
Total Spending, Revenues, Deficit/Surplus, and Debt

(\$s in billions)	2009	2010	2011	2012	2013	2014	2010-14
550 Health							
Budget Authority	380.158	384.309	363.778	367.840	386.483	395.248	1,897.658
Outlays	354.397	388.885	367.412	367.391	382.172	396.541	1,902.401
570 Medicare							
Budget Authority	427.076	449.668	504.895	505.686	540.017	593.421	2,593.687
Outlays	426.736	449.798	504.721	505.436	540.146	593.233	2,593.334
600 Income Security							
Budget Authority	520.123	536.740	509.101	451.472	455.310	455.984	2,408.607
Outlays	503.020	540.202	512.335	452.176	455.184	454.858	2,414.755
650 Social Security							
Budget Authority	686.427	703.408	728.422	757.525	792.485	831.958	3,813.798
Outlays	682.849	701.400	726.144	754.782	789.302	828.315	3,799.943
On Budget Authority	31.820	20.255	23.380	26.478	29.529	32.728	132.370
Outlays	31.264	20.378	23.513	26.628	29.679	32.728	132.926
Off Budget Authority	654.607	683.153	705.042	731.047	762.956	799.230	3,681.428
Outlays	651.585	681.022	702.631	728.154	759.623	795.587	3,667.017
700 Veterans Benefits and Services							
Budget Authority	97.705	106.498	112.977	108.839	113.942	116.163	558.419
Outlays	94.831	105.578	112.520	108.242	113.293	115.624	555.257
750 Administration of Justice							
Budget Authority	55.783	53.400	53.892	53.738	53.569	54.247	268.846
Outlays	49.853	52.043	55.589	55.468	54.537	54.058	271.695
800 General Government							
Budget Authority	30.405	21.979	22.264	22.620	22.396	22.898	112.157
Outlays	24.629	22.757	23.099	23.689	23.196	23.167	115.908
900 Net Interest							
Budget Authority	169.752	168.353	207.625	269.888	347.712	427.965	1,421.543
Outlays	169.752	168.353	207.625	269.888	347.712	427.965	1,421.543
On Budget Authority	288.952	284.153	323.325	387.488	470.412	558.265	2,023.643
Outlays	288.952	284.153	323.325	387.488	470.412	558.265	2,023.643
Off Budget Authority	-119.200	-115.800	-115.700	-117.600	-122.700	-130.300	-602.100
Outlays	-119.200	-115.800	-115.700	-117.600	-122.700	-130.300	-602.100
920 Allowances							
Budget Authority	7.150	1.157	-14.278	-14.914	-16.126	-16.670	-60.831
Outlays	1.788	2.548	-8.066	-13.147	-14.979	-15.235	-48.879
950 Undistributed Offsetting Receipts							
Budget Authority	-92.617	-83.922	-87.968	-91.818	-95.703	-98.577	-457.988
Outlays	-92.617	-83.922	-87.968	-91.818	-95.703	-98.577	-457.988
On Budget Authority	-78.206	-68.774	-71.993	-74.970	-77.945	-79.861	-373.543
Outlays	-78.206	-68.774	-71.993	-74.970	-77.945	-79.861	-373.543
Off Budget Authority	-14.411	-15.148	-15.975	-16.848	-17.758	-18.716	-84.445
Outlays	-14.411	-15.148	-15.975	-16.848	-17.758	-18.716	-84.445
970 Overseas Deployments and Other Activities							
Budget Authority	90.745	130.000	50.000	50.000	50.000	50.000	330.000
Outlays	24.147	98.410	76.118	65.221	56.722	52.110	348.581

**FISCAL YEAR 2010 BUDGET RESOLUTION
CONFERENCE REPORT
Discretionary Spending**

(\$s in billions)	2009	2010	2011	2012	2013	2014	2010-14
Summary							
Total Discretionary							
Budget Authority	1,489.366	1,226.236	1,158.062	1,171.073	1,189.577	1,213.359	5,958.307
Outlays	1,246.778	1,376.372	1,327.798	1,271.448	1,269.020	1,276.268	6,520.906
Defense							
Budget Authority	614.426	556.128	564.293	573.612	584.421	598.249	2,876.703
Outlays	641.927	600.048	582.107	570.461	579.217	589.904	2,921.737
Nondefense							
Budget Authority	874.940	670.108	593.769	597.461	605.156	615.110	3,081.604
Outlays	604.851	776.324	745.691	700.987	689.803	686.364	3,599.169
By Function							
050 National Defense							
Budget Authority	614.426	556.128	564.293	573.612	584.421	598.249	2,876.703
Outlays	641.927	600.048	582.107	570.461	579.217	589.904	2,921.737
150 International Affairs							
Budget Authority	42.666	51.000	55.136	55.526	55.895	56.471	274.028
Outlays	41.300	47.487	51.781	53.701	54.723	54.975	262.667
250 General Science, Space, and Technology							
Budget Authority	35.264	31.014	33.868	34.121	34.348	34.716	168.067
Outlays	30.855	32.329	34.405	33.400	33.692	34.016	167.842
270 Energy							
Budget Authority	44.998	6.180	6.215	6.027	5.972	5.915	30.309
Outlays	5.350	9.039	11.486	13.418	13.236	12.719	59.898
300 Natural Resources and Environment							
Budget Authority	54.596	35.285	35.717	36.155	36.622	37.201	180.980
Outlays	36.252	38.973	37.734	37.099	36.786	37.165	187.757
350 Agriculture							
Budget Authority	6.349	6.131	6.204	6.275	6.345	6.445	31.400
Outlays	6.111	6.217	6.174	6.224	6.286	6.375	31.276
370 Commerce and Housing Credit							
Budget Authority	13.216	13.391	6.383	5.110	4.240	3.966	33.090
Outlays	6.253	13.459	9.302	7.159	5.917	4.520	40.357
On Budget Authority	12.963	13.129	6.116	4.838	3.963	3.683	31.729
Outlays	6.000	13.197	9.035	6.887	5.640	4.237	38.996
Off Budget Authority	0.253	0.262	0.267	0.272	0.277	0.283	1.361
Outlays	0.253	0.262	0.267	0.272	0.277	0.283	1.361
400 Transportation							
Budget Authority	79.061	31.436	31.925	32.443	32.933	33.295	162.032
Outlays	85.668	93.462	94.195	93.437	93.614	94.103	468.811
450 Community and Regional Development							
Budget Authority	23.006	17.930	21.059	16.118	16.187	16.255	87.549
Outlays	26.252	26.904	26.559	24.005	21.501	19.204	118.173
500 Education, Training, Employment, and Social Services							
Budget Authority	188.508	89.417	97.440	103.135	107.416	111.357	508.765
Outlays	94.814	138.899	131.054	106.917	107.799	110.965	595.634
550 Health							
Budget Authority	75.483	58.556	59.034	59.515	59.951	60.636	297.692
Outlays	57.635	64.806	63.890	60.965	59.498	59.754	308.913
570 Medicare							
Budget Authority	5.390	5.600	5.766	5.974	6.199	6.455	29.994
Outlays	5.255	5.570	5.736	5.928	6.169	6.420	29.823

FISCAL YEAR 2010 BUDGET RESOLUTION
CONFERENCE REPORT
Discretionary Spending

(\$s in billions)	2009	2010	2011	2012	2013	2014	2010-14
600 Income Security							
Budget Authority	74.067	64.678	65.488	66.022	66.505	67.265	329.958
Outlays	64.056	69.323	70.540	69.319	68.718	67.803	345.703
650 Social Security							
Budget Authority	6.386	6.072	6.568	6.895	7.223	7.599	34.357
Outlays	5.479	6.057	6.566	6.959	7.298	7.517	34.397
On Budget Authority	1.090	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.534	0.123	0.133	0.150	0.150	0.000	0.556
Off Budget Authority	5.296	6.072	6.568	6.895	7.223	7.599	34.357
Outlays	4.945	5.934	6.433	6.809	7.148	7.517	33.841
700 Veterans Benefits and Services							
Budget Authority	49.394	53.396	54.552	55.992	57.523	59.111	280.574
Outlays	46.757	52.584	54.101	55.622	57.073	58.663	278.043
750 Administration of Justice							
Budget Authority	54.099	49.306	52.426	52.378	52.307	53.022	259.439
Outlays	48.018	49.883	53.004	53.158	53.287	52.889	262.221
800 General Government							
Budget Authority	24.562	19.365	19.681	20.000	20.323	20.737	100.106
Outlays	18.861	20.196	20.536	20.919	21.177	21.069	103.897
900 Net Interest							
Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
On Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Off Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
920 Allowances							
Budget Authority	7.150	1.351	-13.693	-14.225	-14.833	-15.336	-56.736
Outlays	1.788	2.726	-7.490	-12.464	-13.693	-13.903	-44.824
950 Undistributed Offsetting Receipts							
Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
On Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Off Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
970 Overseas Deployments and Other Activities							
Budget Authority	90.745	130.000	50.000	50.000	50.000	50.000	330.000
Outlays	24.147	98.410	76.118	65.221	56.722	52.110	348.581

**FISCAL YEAR 2010 BUDGET RESOLUTION
CONFERENCE REPORT
Mandatory Spending**

(\$s in billions)	2009	2010	2011	2012	2013	2014	2010-14
Summary							
Total Mandatory							
Budget Authority	2,712.210	2,217.922	2,262.282	2,273.615	2,445.091	2,625.685	11,824.595
Outlays	2,632.119	2,178.275	2,213.133	2,204.072	2,369.497	2,545.100	11,510.077
On-Budget							
Budget Authority	2,192.110	1,668.789	1,693.683	1,684.211	1,830.116	1,983.370	8,860.169
Outlays	2,114.690	1,631.135	1,646.810	1,617.475	1,757.780	1,906.346	8,559.546
Off-Budget							
Budget Authority	520.100	549.133	568.599	589.404	614.975	642.315	2,964.426
Outlays	517.429	547.140	566.323	586.597	611.717	638.754	2,950.531
By Function							
050 National Defense							
Budget Authority	3.631	5.905	5.814	5.523	5.474	5.579	28.295
Outlays	4.883	5.995	5.838	5.562	5.453	5.572	28.420
150 International Affairs							
Budget Authority	-1.781	-3.134	-3.631	-3.321	-2.342	-1.543	-13.971
Outlays	-3.503	-2.819	-1.358	-1.623	-1.824	-2.198	-9.822
250 General Science, Space, and Technology							
Budget Authority	0.125	0.125	0.125	0.125	0.125	0.125	0.625
Outlays	0.118	0.138	0.127	0.132	0.131	0.125	0.653
270 Energy							
Budget Authority	-1.079	-1.191	-1.178	-1.032	-0.700	-0.635	-4.736
Outlays	-2.398	-2.764	-2.397	-1.658	-1.478	-1.598	-9.895
300 Natural Resources and Environment							
Budget Authority	1.413	2.302	2.142	2.424	2.096	2.137	11.101
Outlays	0.582	1.584	2.155	2.436	2.405	2.157	10.737
350 Agriculture							
Budget Authority	18.625	17.559	18.522	15.365	16.104	16.671	84.221
Outlays	16.959	17.734	17.851	11.321	15.740	15.715	78.361
370 Commerce and Housing Credit							
Budget Authority	685.876	50.984	21.865	4.423	12.984	7.243	97.499
Outlays	663.837	75.553	30.781	1.462	-0.355	-7.037	100.404
On Budget Authority	681.476	47.984	20.065	4.723	13.284	7.543	93.599
Outlays	659.437	72.553	28.981	1.762	-0.055	-6.737	96.504
Off Budget Authority	4.400	3.000	1.800	-0.300	-0.300	-0.300	3.900
Outlays	4.400	3.000	1.800	-0.300	-0.300	-0.300	3.900
400 Transportation							
Budget Authority	43.396	56.715	57.146	57.604	57.933	58.514	287.912
Outlays	2.116	2.233	2.279	2.414	2.536	2.690	12.152
450 Community and Regional Development							
Budget Authority	0.805	0.378	0.173	0.193	0.015	0.015	0.774
Outlays	3.731	2.399	0.971	0.762	0.444	-0.057	4.519
500 Education, Training, Employment, and Social Services							
Budget Authority	-24.232	5.013	10.418	13.986	8.515	14.431	52.363
Outlays	-21.595	1.725	10.358	11.563	11.112	9.994	44.752
550 Health							
Budget Authority	304.675	325.753	304.744	308.325	326.532	334.612	1,599.966
Outlays	296.762	324.079	303.522	306.426	322.674	336.787	1,593.488
570 Medicare							
Budget Authority	421.686	444.068	499.129	499.712	533.818	586.966	2,563.693
Outlays	421.481	444.228	498.985	499.508	533.977	586.813	2,563.511

**FISCAL YEAR 2010 BUDGET RESOLUTION
CONFERENCE REPORT
Mandatory Spending**

[illegible]

FISCAL YEAR 2010 BUDGET RESOLUTION
SENATE-PASSED RESOLUTION
Total Spending, Revenues, Deficit/Surplus, and Debt

(\$s in billions)	2009	2010	2011	2012	2013	2014	2010-14
Summary							
Budget Authority	4,193.698	3,409.433	3,375.292	3,408.884	3,612.557	3,814.841	17,621.007
On	3,668.049	2,853.966	2,799.858	2,812.313	2,990.082	3,164.644	14,620.863
Off	525.649	555.467	575.434	596.571	622.475	650.197	3,000.144
Outlays	3,878.160	3,534.362	3,510.238	3,450.634	3,622.304	3,799.526	17,917.064
On	3,355.533	2,981.026	2,937.215	2,856.956	3,003.162	3,152.972	14,931.331
Off	522.627	553.336	573.023	593.678	619.142	646.554	2,985.733
Revenues	2,159.314	2,288.280	2,613.790	2,849.632	3,052.666	3,291.995	14,096.363
On	1,506.196	1,620.072	1,918.926	2,123.586	2,286.601	2,489.829	10,439.015
Off	653.117	668.208	694.864	726.045	766.065	802.166	3,657.347
Deficit (-)/Surplus	-1,718.846	-1,246.082	-896.448	-601.002	-569.638	-507.531	-3,820.701
On	-1,849.337	-1,360.954	-1,018.289	-733.370	-716.560	-663.142	-4,492.315
Off	130.490	114.872	121.841	132.367	146.923	155.612	671.614
Debt Held by the Public	7,754.355	8,817.043	9,702.393	10,345.439	10,919.379	11,471.742	—
Public Debt	12,067.919	13,298.235	14,394.517	15,303.842	16,175.508	17,022.970	—
By Function							
050 National Defense							
Budget Authority	693.557	691.703	619.767	628.785	639.535	653.458	3,233.248
Outlays	671.725	695.628	662.705	642.223	641.425	646.834	3,288.815
150 International Affairs							
Budget Authority	55.333	50.667	48.186	50.421	53.324	55.992	258.590
Outlays	38.011	48.853	51.034	51.649	52.556	53.223	257.314
250 General Science, Space, and Technology							
Budget Authority	35.389	31.139	33.993	35.008	35.557	36.211	171.908
Outlays	30.973	32.467	33.032	33.749	34.971	36.066	170.285
270 Energy							
Budget Authority	43.919	4.489	4.404	4.427	4.619	4.540	22.479
Outlays	2.952	6.210	8.906	10.341	5.613	0.484	31.553
300 Natural Resources and Environment							
Budget Authority	56.009	37.687	37.914	38.376	38.256	38.602	190.834
Outlays	36.834	40.690	39.928	39.419	38.883	38.788	197.709
350 Agriculture							
Budget Authority	24.974	23.620	24.602	21.500	22.295	22.920	114.937
Outlays	23.070	23.881	23.914	17.410	21.877	21.906	108.987
370 Commerce and Housing Credit							
Budget Authority	699.092	64.375	27.998	9.277	16.962	10.941	129.554
Outlays	670.090	89.080	39.865	8.372	5.306	-2.779	139.844
On Budget Authority	694.439	61.113	25.931	9.305	16.985	10.958	124.293
Outlays	665.437	85.818	37.798	8.400	5.329	-2.762	134.583
Off Budget Authority	4.653	3.262	2.067	-0.028	-0.023	-0.017	5.261
Outlays	4.653	3.262	2.067	-0.028	-0.023	-0.017	5.261
400 Transportation							
Budget Authority	122.457	75.246	75.301	75.885	75.758	75.642	377.833
Outlays	87.784	95.695	96.147	95.184	95.017	94.972	477.016
450 Community and Regional Development							
Budget Authority	23.811	16.338	16.152	16.194	16.043	16.068	80.796
Outlays	29.983	28.924	25.574	22.263	19.640	17.870	114.272
500 Education, Training, Employment, and Social Services							
Budget Authority	164.276	94.430	107.858	117.121	115.931	125.788	561.128
Outlays	73.219	140.624	141.412	118.480	118.911	120.959	640.386
550 Health							
Budget Authority	380.158	385.447	363.906	368.156	387.170	396.523	1,901.202
Outlays	354.397	389.191	368.001	367.749	382.650	397.368	1,904.959

FISCAL YEAR 2010 BUDGET RESOLUTION
SENATE-PASSED RESOLUTION
Total Spending, Revenues, Deficit/Surplus, and Debt

(\$s in billions)	2009	2010	2011	2012	2013	2014	2010-14
570 Medicare							
Budget Authority	427.076	442.828	487.518	491.854	539.711	592.893	2,554.804
Outlays	426.736	442.959	487.336	491.626	539.862	592.733	2,554.517
600 Income Security							
Budget Authority	520.123	536.609	507.502	450.091	454.160	454.931	2,403.293
Outlays	503.020	539.949	511.314	450.856	453.935	453.726	2,409.780
650 Social Security							
Budget Authority	686.427	703.408	728.422	757.525	792.485	831.958	3,813.798
Outlays	682.849	701.400	726.144	754.782	789.302	828.315	3,799.943
On Budget Authority	31.820	20.255	23.380	26.478	29.529	32.728	132.370
Outlays	31.264	20.378	23.513	26.628	29.679	32.728	132.926
Off Budget Authority	654.607	683.153	705.042	731.047	762.956	799.230	3,681.428
Outlays	651.585	681.022	702.631	728.154	759.623	795.587	3,667.017
700 Veterans Benefits and Services							
Budget Authority	97.705	106.490	112.806	108.643	113.722	115.929	557.590
Outlays	94.831	105.593	112.355	108.048	113.071	115.388	554.455
750 Administration of Justice							
Budget Authority	55.783	53.499	52.061	51.866	51.651	51.488	260.564
Outlays	49.853	52.064	54.204	53.839	52.679	51.635	264.422
800 General Government							
Budget Authority	30.405	22.324	22.483	22.715	22.445	22.812	112.779
Outlays	24.629	23.024	23.328	23.814	23.260	23.113	116.538
900 Net Interest							
Budget Authority	169.821	168.758	208.094	270.020	347.373	427.026	1,421.270
Outlays	169.821	168.758	208.094	270.020	347.373	427.026	1,421.270
On Budget Authority	289.021	284.558	323.794	387.620	470.073	557.326	2,023.370
Outlays	289.021	284.558	323.794	387.620	470.073	557.326	2,023.370
Off Budget Authority	-119.200	-115.800	-115.700	-117.600	-122.700	-130.300	-602.100
Outlays	-119.200	-115.800	-115.700	-117.600	-122.700	-130.300	-602.100
920 Allowances							
Budget Authority	0.000	-16.032	-16.046	-17.512	-19.097	-20.674	-89.360
Outlays	0.000	-7.037	-15.267	-17.655	-18.659	-19.891	-78.507
950 Undistributed Offsetting Receipts							
Budget Authority	-92.617	-83.592	-87.628	-91.468	-95.343	-98.207	-456.238
Outlays	-92.617	-83.592	-87.628	-91.468	-95.343	-98.207	-456.238
On Budget Authority	-78.206	-68.444	-71.653	-74.620	-77.585	-79.491	-371.793
Outlays	-78.206	-68.444	-71.653	-74.620	-77.585	-79.491	-371.793
Off Budget Authority	-14.411	-15.148	-15.975	-16.848	-17.758	-18.716	-84.445
Outlays	-14.411	-15.148	-15.975	-16.848	-17.758	-18.716	-84.445

FISCAL YEAR 2010 BUDGET RESOLUTION
SENATE-PASSED RESOLUTION
Discretionary Spending

(\$s in billions)	2009	2010	2011	2012	2013	2014	2010-14
Summary							
Total Discretionary							
Budget Authority	1,481.419	1,210.886	1,142.921	1,162.047	1,180.705	1,203.369	5,899.929
Outlays	1,245.972	1,362.557	1,314.023	1,260.003	1,252.457	1,254.650	6,443.690
Defense							
Budget Authority	689.926	686.128	614.293	623.612	634.421	648.249	3,206.703
Outlays	666.842	689.963	657.207	637.011	636.332	641.632	3,262.145
Nondefense							
Budget Authority	791.493	524.758	528.628	538.435	546.284	555.120	2,693.226
Outlays	579.130	672.594	656.816	622.992	616.125	613.018	3,181.545
By Function							
050 National Defense							
Budget Authority	689.926	686.128	614.293	623.612	634.421	648.249	3,206.703
Outlays	666.842	689.963	657.207	637.011	636.332	641.632	3,262.145
150 International Affairs							
Budget Authority	57.114	53.801	51.817	53.742	55.666	57.535	272.561
Outlays	41.514	51.672	52.392	53.272	54.380	55.421	267.136
250 General Science, Space, and Technology							
Budget Authority	35.264	31.014	33.868	34.883	35.432	36.086	171.283
Outlays	30.855	32.329	32.905	33.617	34.840	35.941	169.632
270 Energy							
Budget Authority	44.998	5.680	5.582	5.459	5.319	5.175	27.215
Outlays	5.350	8.974	11.303	11.999	7.091	2.082	41.448
300 Natural Resources and Environment							
Budget Authority	54.596	35.385	35.772	35.952	36.160	36.465	179.733
Outlays	36.252	39.106	37.773	36.983	36.478	36.631	186.972
350 Agriculture							
Budget Authority	6.349	6.131	6.150	6.205	6.261	6.319	31.066
Outlays	6.111	6.217	6.133	6.159	6.207	6.261	30.976
370 Commerce and Housing Credit							
Budget Authority	13.216	13.391	6.133	4.854	3.978	3.698	32.055
Outlays	6.253	13.527	9.084	6.910	5.661	4.258	39.440
On Budget Authority	12.963	13.129	5.866	4.582	3.701	3.415	30.694
Outlays	6.000	13.265	8.817	6.638	5.384	3.975	38.079
Off Budget Authority	0.253	0.262	0.267	0.272	0.277	0.283	1.361
Outlays	0.253	0.262	0.267	0.272	0.277	0.283	1.361
400 Transportation							
Budget Authority	79.061	31.436	31.310	31.686	31.440	31.117	156.990
Outlays	85.668	93.462	93.868	92.770	92.481	92.282	464.864
450 Community and Regional Development							
Budget Authority	23.006	15.960	15.979	16.001	16.028	16.053	80.022
Outlays	26.252	26.525	24.603	21.501	19.196	17.927	109.753
500 Education, Training, Employment, and Social Services							
Budget Authority	188.508	89.417	97.440	103.135	107.416	111.357	508.765
Outlays	94.814	138.899	131.054	106.917	107.799	110.965	595.634
550 Health							
Budget Authority	75.483	59.694	59.162	59.831	60.638	61.911	301.236
Outlays	57.635	65.112	64.479	61.323	59.976	60.581	311.471

FISCAL YEAR 2010 BUDGET RESOLUTION
SENATE-PASSED RESOLUTION
Discretionary Spending

[illegible]

FISCAL YEAR 2010 BUDGET RESOLUTION
SENATE-PASSED RESOLUTION
Mandatory Spending

(\$s in billions)	2009	2010	2011	2012	2013	2014	2010-14
Summary							
Total Mandatory							
Budget Authority	2,712.279	2,198.547	2,232.371	2,246.837	2,431.852	2,611.472	11,721.078
Outlays	2,632.188	2,171.805	2,196.377	2,190.699	2,369.873	2,544.876	11,473.629
On-Budget							
Budget Authority	2,192.179	1,649.414	1,663.772	1,657.433	1,816.877	1,969.157	8,756.652
Outlays	2,114.759	1,624.665	1,630.054	1,604.102	1,758.156	1,906.122	8,523.098
Off-Budget							
Budget Authority	520.100	549.133	568.599	589.404	614.975	642.315	2,964.426
Outlays	517.429	547.140	566.323	586.597	611.717	638.754	2,950.531
By Function							
050 National Defense							
Budget Authority	3.631	5.575	5.474	5.173	5.114	5.209	26.545
Outlays	4.883	5.665	5.498	5.212	5.093	5.202	26.670
150 International Affairs							
Budget Authority	-1.781	-3.134	-3.631	-3.321	-2.342	-1.543	-13.971
Outlays	-3.503	-2.819	-1.358	-1.623	-1.824	-2.198	-9.822
250 General Science, Space, and Technology							
Budget Authority	0.125	0.125	0.125	0.125	0.125	0.125	0.625
Outlays	0.118	0.138	0.127	0.132	0.131	0.125	0.653
270 Energy							
Budget Authority	-1.079	-1.191	-1.178	-1.032	-0.700	-0.635	-4.736
Outlays	-2.398	-2.764	-2.397	-1.658	-1.478	-1.598	-9.895
300 Natural Resources and Environment							
Budget Authority	1.413	2.302	2.142	2.424	2.096	2.137	11.101
Outlays	0.582	1.584	2.155	2.436	2.405	2.157	10.737
350 Agriculture							
Budget Authority	18.625	17.489	18.452	15.295	16.034	16.601	83.871
Outlays	16.959	17.664	17.781	11.251	15.670	15.645	78.011
370 Commerce and Housing Credit							
Budget Authority	685.876	50.984	21.865	4.423	12.984	7.243	97.499
Outlays	663.837	75.553	30.781	1.462	-0.355	-7.037	100.404
On Budget Authority	681.476	47.984	20.065	4.723	13.284	7.543	93.599
Outlays	659.437	72.553	28.981	1.762	-0.055	-6.737	96.504
Off Budget Authority	4.400	3.000	1.800	-0.300	-0.300	-0.300	3.900
Outlays	4.400	3.000	1.800	-0.300	-0.300	-0.300	3.900
400 Transportation							
Budget Authority	43.396	43.810	43.991	44.199	44.318	44.525	220.843
Outlays	2.116	2.233	2.279	2.414	2.536	2.690	12.152
450 Community and Regional Development							
Budget Authority	0.805	0.378	0.173	0.193	0.015	0.015	0.774
Outlays	3.731	2.399	0.971	0.762	0.444	-0.057	4.519
500 Education, Training, Employment, and Social Services							
Budget Authority	-24.232	5.013	10.418	13.986	8.515	14.431	52.363
Outlays	-21.595	1.725	10.358	11.563	11.112	9.994	44.752
550 Health							
Budget Authority	304.675	325.753	304.744	308.325	326.532	334.612	1,599.966
Outlays	296.762	324.079	303.522	306.426	322.674	336.787	1,593.488

FISCAL YEAR 2010 BUDGET RESOLUTION
SENATE-PASSED RESOLUTION
Mandatory Spending

(\$s in billions)	2009	2010	2011	2012	2013	2014	2010-14
570 Medicare							
Budget Authority	421.686	437.228	481.689	485.992	533.818	586.966	2,525.693
Outlays	421.481	437.388	481.545	485.788	533.977	586.813	2,525.511
600 Income Security							
Budget Authority	446.056	471.911	443.349	385.105	388.378	388.262	2,077.005
Outlays	438.964	470.744	441.540	382.518	386.046	386.600	2,067.448
650 Social Security							
Budget Authority	680.041	697.336	721.854	750.630	785.262	824.359	3,779.441
Outlays	677.370	695.343	719.578	747.823	782.004	820.798	3,765.546
On Budget Authority	30.730	20.255	23.380	26.478	29.529	32.728	132.370
Outlays	30.730	20.255	23.380	26.478	29.529	32.728	132.370
Off Budget Authority	649.311	677.081	698.474	724.152	755.733	791.631	3,647.071
Outlays	646.640	675.088	696.198	721.345	752.475	788.070	3,633.176
700 Veterans Benefits and Services							
Budget Authority	48.311	53.094	58.389	52.788	56.338	56.960	277.569
Outlays	48.074	52.986	58.383	52.561	56.139	56.869	276.938
750 Administration of Justice							
Budget Authority	1.684	4.094	1.466	1.360	1.262	1.225	9.407
Outlays	1.835	2.160	2.585	2.310	1.250	1.169	9.474
800 General Government							
Budget Authority	5.843	2.614	2.583	2.620	2.073	2.161	12.051
Outlays	5.768	2.561	2.563	2.770	2.019	2.098	12.011
900 Net Interest							
Budget Authority	169.821	168.758	208.094	270.020	347.373	427.026	1,421.270
Outlays	169.821	168.758	208.094	270.020	347.373	427.026	1,421.270
On Budget Authority	289.021	284.558	323.794	387.620	470.073	557.326	2,023.370
Outlays	289.021	284.558	323.794	387.620	470.073	557.326	2,023.370
Off Budget Authority	-119.200	-115.800	-115.700	-117.600	-122.700	-130.300	-602.100
Outlays	-119.200	-115.800	-115.700	-117.600	-122.700	-130.300	-602.100
920 Allowances							
Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
950 Undistributed Offsetting Receipts							
Budget Authority	-92.617	-83.592	-87.628	-91.468	-95.343	-98.207	-456.238
Outlays	-92.617	-83.592	-87.628	-91.468	-95.343	-98.207	-456.238
On Budget Authority	-78.206	-68.444	-71.653	-74.620	-77.585	-79.491	-371.793
Outlays	-78.206	-68.444	-71.653	-74.620	-77.585	-79.491	-371.793
Off Budget Authority	-14.411	-15.148	-15.975	-16.848	-17.758	-18.716	-84.445
Outlays	-14.411	-15.148	-15.975	-16.848	-17.758	-18.716	-84.445

HOUSE-PASSED 2010 RESOLUTION: TOTAL SPENDING AND REVENUES

(In billions of dollars)

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

HOUSE-PASSED 2010 RESOLUTION: TOTAL SPENDING AND REVENUES

(In billions of dollars)

Fiscal year	2009	2010	2011	2012	2013	2014	2010-2014
BA.....	694.439	60.933	26.181	9.561	17.247	11.226	125.148
OT.....	665.437	85.638	37.954	8.645	5.585	-2.500	135.322
Off-budget:							
BA.....	4.653	3.262	2.067	-0.028	-0.023	-0.017	5.261
OT.....	4.653	3.262	2.067	-0.028	-0.023	-0.017	5.261
Transportation (400):							
BA.....	122.457	88.151	89.071	90.047	90.866	91.809	449.944
OT.....	87.784	95.695	96.474	95.851	96.150	96.793	480.963
Community and Regional Development (450):							
BA.....	23.811	18.308	21.232	21.311	21.202	21.270	103.323
OT.....	29.983	29.303	27.530	25.722	24.155	22.752	129.462
Education, Training, Employment and Social Services (500):							
BA.....	164.276	93.689	107.858	117.121	115.931	125.788	560.387
OT.....	73.219	140.300	141.108	118.391	118.888	120.959	639.646
Health (550):							
BA.....	380.158	383.911	364.910	369.852	389.719	400.451	1,908.843
OT.....	354.397	388.746	367.628	368.556	384.359	400.173	1,909.462
Medicare (570):							
BA.....	427.076	449.653	505.171	513.824	558.235	616.315	2,643.198
OT.....	426.736	449.784	504.962	513.591	558.381	616.150	2,642.868
Income Security (600):							
BA.....	520.123	536.169	510.575	478.039	483.386	485.396	2,493.565
OT.....	503.020	539.918	513.410	478.323	482.745	483.758	2,498.154
Social Security (650):							
BA.....	686.427	703.408	728.422	757.525	792.485	831.958	3,813.798
OT.....	682.849	701.400	726.144	754.782	789.302	828.315	3,799.943
On-budget:							
BA.....	31.820	20.255	23.380	26.478	29.529	32.728	132.370
OT.....	31.264	20.378	23.513	26.628	29.679	32.728	132.926
Off-budget:							
BA.....	654.607	683.153	705.042	731.047	762.956	799.230	3,681.428
OT.....	651.585	681.022	702.631	728.154	759.623	795.587	3,667.017
Veterans Benefits and Services (700):							
BA.....	97.705	106.365	112.842	108.702	113.803	116.021	557.733
OT.....	94.831	105.468	112.386	108.103	113.151	115.480	554.588
Administration of Justice (750):							
BA.....	55.783	52.857	53.892	53.738	53.569	54.247	268.303
OT.....	49.853	51.630	55.503	55.441	54.526	54.058	271.158
General Government (800):							
BA.....	30.405	21.979	22.316	22.737	22.750	23.415	113.197
OT.....	24.629	22.757	23.147	23.795	23.492	23.629	116.820
Net Interest (900):							
BA.....	169.755	168.285	207.566	269.883	347.752	429.837	1,423.323
OT.....	169.755	168.285	207.566	269.883	347.752	429.837	1,423.323
On-budget:							

HOUSE-PASSED 2010 RESOLUTION: TOTAL SPENDING AND REVENUES

(In billions of dollars)

Fiscal year	2009	2010	2011	2012	2013	2014	2010-2014
BA.....	288.955	284.085	323.266	387.483	470.452	560.137	2,025.423
OT.....	288.955	284.085	323.266	387.483	470.452	560.137	2,025.423
Off-budget:							
BA.....	-119.200	-115.800	-115.700	-117.600	-122.700	-130.300	-602.100
OT.....	-119.200	-115.800	-115.700	-117.600	-122.700	-130.300	-602.100
Allowances (920):							
BA.....	14.450	9.422	8.052	6.518	5.543	3.865	33.400
OT.....	1.788	4.893	5.903	4.750	4.122	2.962	22.630
Undistributed Offsetting Receipts (950):							
BA.....	-92.617	-83.922	-87.968	-91.818	-95.703	-98.577	-457.988
OT.....	-92.617	-83.922	-87.968	-91.818	-95.703	-98.577	-457.988
On-budget:							
BA.....	-78.206	-68.774	-71.993	-74.970	-77.945	-79.861	-373.543
OT.....	-78.206	-68.774	-71.993	-74.970	-77.945	-79.861	-373.543
Off-budget:							
BA.....	-14.411	-15.148	-15.975	-16.848	-17.758	-18.716	-84.445
OT.....	-14.411	-15.148	-15.975	-16.848	-17.758	-18.716	-84.445
Overseas Deployments and Other Activities (970):							
BA.....	82.648	130.000	50.000	50.000	50.000	50.000	330.000
OT.....	25.129	92.774	76.530	67.694	57.830	52.085	346.913

HOUSE-PASSED 2010 RESOLUTION: DISCRETIONARY SPENDING

(In billions of dollars)

Fiscal year	2009	2010	2011	2012	2013	2014	2010-2014
Summary							
Total Spending:							
BA.....	1,488.569	1,229.078	1,179.313	1,205.924	1,232.826	1,265.463	6,112.604
OT.....	1,247.760	1,370.565	1,341.264	1,298.562	1,302.648	1,317.342	6,630.381
On-Budget:							
BA.....	1,483.020	1,222.744	1,172.478	1,198.757	1,225.326	1,257.581	6,076.886
OT.....	1,242.562	1,364.369	1,334.564	1,291.481	1,295.223	1,309.542	6,595.179
Off-Budget:							
BA.....	5.549	6.334	6.835	7.167	7.500	7.882	35.718
OT.....	5.198	6.196	6.700	7.081	7.425	7.800	35.202
By Function							
National Defense (050):							
BA.....	614.426	556.128	564.293	573.612	584.421	598.249	2,876.703
OT.....	641.927	600.048	582.107	570.461	579.217	589.904	2,921.737
International Affairs (150):							
BA.....	42.666	48.454	52.777	57.063	61.502	65.931	285.727
OT.....	41.300	46.280	50.000	53.746	57.597	61.490	269.113
General Science, Space, and Technology (250):							
BA.....	35.264	31.014	31.368	33.248	34.294	35.561	165.485
OT.....	30.855	32.329	32.280	32.333	33.483	34.710	165.135
Energy (270):							
BA.....	44.998	6.680	6.717	6.764	6.798	6.862	33.821
OT.....	5.350	10.031	13.719	15.058	13.611	12.110	64.529
Natural Resources and Environment (300):							
BA.....	54.596	35.085	36.458	36.825	37.252	37.880	183.500
OT.....	36.252	38.866	38.082	37.622	37.349	37.800	189.719
Agriculture (350):							
BA.....	6.349	6.131	6.169	6.279	6.393	6.511	31.483
OT.....	6.111	6.217	6.147	6.219	6.323	6.435	31.341
Commerce and Housing Credit (370):							
BA.....	13.216	13.211	6.383	5.110	4.240	3.966	32.910
OT.....	6.253	13.347	9.240	7.155	5.917	4.520	40.179
On-budget:							
BA.....	12.963	12.949	6.116	4.838	3.963	3.683	31.549
OT.....	6.000	13.085	8.973	6.883	5.640	4.237	38.818
Off-budget:							
BA.....	0.253	0.262	0.267	0.272	0.277	0.283	1.361
OT.....	0.253	0.262	0.267	0.272	0.277	0.283	1.361
Transportation (400):							
BA.....	79.061	31.436	31.925	32.443	32.933	33.295	162.032
OT.....	85.668	93.462	94.195	93.437	93.614	94.103	468.811
Community and Regional Development (450):							
BA.....	23.006	17.930	21.059	21.118	21.187	21.255	102.549
OT.....	26.252	26.904	26.559	24.960	23.711	22.809	124.943

HOUSE-PASSED 2010 RESOLUTION: DISCRETIONARY SPENDING

(In billions of dollars)

Fiscal year	2009	2010	2011	2012	2013	2014	2010-2014
Education, Training, Employment and Social Services (500):							
BA.....	188.508	88.676	97.440	103.135	107.416	111.357	508.024
OT.....	94.814	138.575	130.750	106.828	107.776	110.965	594.894
Health (550):							
BA.....	75.483	58.158	60.166	61.527	63.187	65.839	308.877
OT.....	57.635	64.667	64.106	62.130	61.685	63.386	315.974
Medicare (570):							
BA.....	5.390	5.595	6.042	6.112	6.197	6.269	30.215
OT.....	5.255	5.566	5.977	6.083	6.184	6.257	30.067
Income Security (600):							
BA.....	74.067	62.778	65.488	67.210	68.878	70.734	335.088
OT.....	64.056	67.860	70.141	70.087	70.576	70.760	349.424
Social Security (650):							
BA.....	6.386	6.072	6.568	6.895	7.223	7.599	34.357
OT.....	5.479	6.057	6.566	6.959	7.298	7.517	34.397
On-budget:							
BA.....	1.090	—	—	—	—	—	—
OT.....	0.534	0.123	0.133	0.150	0.150	—	0.556
Off-budget:							
BA.....	5.296	6.072	6.568	6.895	7.223	7.599	34.357
OT.....	4.945	5.934	6.433	6.809	7.148	7.517	33.841
Veterans Benefits and Services (700):							
BA.....	49.394	53.263	54.417	55.855	57.384	58.969	279.888
OT.....	46.757	52.474	53.967	55.483	56.931	58.519	277.374
Administration of Justice (750):							
BA.....	54.099	48.763	52.426	52.378	52.307	53.022	258.896
OT.....	48.018	49.470	52.918	53.131	53.276	52.889	261.684
General Government (800):							
BA.....	24.562	19.365	19.733	20.117	20.677	21.254	101.146
OT.....	18.861	20.196	20.584	21.025	21.473	21.531	104.809
Allowances (920):							
BA.....	14.450	10.339	9.884	10.233	10.537	10.910	51.903
OT.....	1.788	5.442	7.396	8.151	8.797	9.552	39.338
Overseas Deployments and Other Activities (970):							
BA.....	82.648	130.000	50.000	50.000	50.000	50.000	330.000
OT.....	25.129	92.774	76.530	67.694	57.830	52.085	346.913

HOUSE-PASSED RESOLUTION: MANDATORY SPENDING

(In billions of dollars)

Fiscal year	2009	2010	2011	2012	2013	2014	2010-2014
Summary							
Total Spending:							
BA.....	2,712.213	2,218.450	2,262.450	2,303.963	2,485.353	2,670.869	11,941.085
OT.....	2,632.122	2,179.005	2,213.631	2,234.728	2,410.071	2,590.737	11,628.172
On-Budget:							
BA.....	2,192.113	1,669.317	1,693.851	1,714.559	1,870.378	2,028.554	8,976.659
OT.....	2,114.693	1,631.865	1,647.308	1,648.131	1,798.354	1,951.983	8,677.641
Off-Budget:							
BA.....	520.100	549.133	568.599	589.404	614.975	642.315	2,964.426
OT.....	517.429	547.140	566.323	586.597	611.717	638.754	2,950.531
By Function							
National Defense (050):							
BA.....	3.631	5.905	5.814	5.523	5.474	5.579	28.295
OT.....	4.883	5.995	5.838	5.562	5.453	5.572	28.420
International Affairs (150):							
BA.....	-1.781	-3.134	-3.631	-3.321	-2.342	-1.543	-13.971
OT.....	-3.503	-2.819	-1.358	-1.623	-1.824	-2.198	-9.822
General Science, Space, and Technology (250):							
BA.....	0.125	0.125	0.125	0.125	0.125	0.125	0.625
OT.....	0.118	0.138	0.127	0.132	0.131	0.125	0.653
Energy (270):							
BA.....	-1.079	-1.191	-1.178	-1.032	-0.700	-0.635	-4.736
OT.....	-2.398	-2.764	-2.397	-1.658	-1.478	-1.598	-9.895
Natural Resources and Environment (300):							
BA.....	1.413	2.302	2.142	2.424	2.096	2.137	11.101
OT.....	0.582	1.584	2.155	2.436	2.405	2.157	10.737
Agriculture (350):							
BA.....	18.625	17.559	18.522	15.365	16.104	16.671	84.221
OT.....	16.959	17.734	17.851	11.321	15.740	15.715	78.361
Commerce and Housing Credit (370):							
BA.....	685.876	50.984	21.865	4.423	12.984	7.243	97.499
OT.....	663.837	75.553	30.781	1.462	-0.355	-7.037	100.404
On-budget:							
BA.....	681.476	47.984	20.065	4.723	13.284	7.543	93.599
OT.....	659.437	72.553	28.981	1.762	-0.055	-6.737	96.504
Off-budget:							
BA.....	4.400	3.000	1.800	-0.300	-0.300	-0.300	3.900
OT.....	4.400	3.000	1.800	-0.300	-0.300	-0.300	3.900
Transportation (400):							
BA.....	43.396	56.715	57.146	57.604	57.933	58.514	287.912
OT.....	2.116	2.233	2.279	2.414	2.536	2.690	12.152
Community and Regional Development (450):							
BA.....	0.805	0.378	0.173	0.193	0.015	0.015	0.774
OT.....	3.731	2.399	0.971	0.762	0.444	-0.057	4.519

HOUSE-PASSED RESOLUTION: MANDATORY SPENDING

(In billions of dollars)

Fiscal year	2009	2010	2011	2012	2013	2014	2010-2014
Education, Training, Employment and Social Services (500):							
BA.....	-24.232	5.013	10.418	13.986	8.515	14.431	52.363
OT.....	-21.595	1.725	10.358	11.563	11.112	9.994	44.752
Health (550):							
BA.....	304.675	325.753	304.744	308.325	326.532	334.612	1,599.966
OT.....	296.762	324.079	303.522	306.426	322.674	336.787	1,593.488
Medicare (570):							
BA.....	421.686	444.058	499.129	507.712	552.038	610.046	2,612.983
OT.....	421.481	444.218	498.985	507.508	552.197	609.893	2,612.801
Income Security (600):							
BA.....	446.056	473.391	445.087	410.829	414.508	414.662	2,158.477
OT.....	438.964	472.058	443.269	408.236	412.169	412.998	2,148.730
Social Security (650):							
BA.....	680.041	697.336	721.854	750.630	785.262	824.359	3,779.441
OT.....	677.370	695.343	719.578	747.823	782.004	820.798	3,765.546
On-budget:							
BA.....	30.730	20.255	23.380	26.478	29.529	32.728	132.370
OT.....	30.730	20.255	23.380	26.478	29.529	32.728	132.370
Off-budget:							
BA.....	649.311	677.081	698.474	724.152	755.733	791.631	3,647.071
OT.....	646.640	675.088	696.198	721.345	752.475	788.070	3,633.176
Veterans Benefits and Services (700):							
BA.....	48.311	53.102	58.425	52.847	56.419	57.052	277.845
OT.....	48.074	52.994	58.419	52.620	56.220	56.961	277.214
Administration of Justice (750):							
BA.....	1.684	4.094	1.466	1.360	1.262	1.225	9.407
OT.....	1.835	2.160	2.585	2.310	1.250	1.169	9.474
General Government (800):							
BA.....	5.843	2.614	2.583	2.620	2.073	2.161	12.051
OT.....	5.768	2.561	2.563	2.770	2.019	2.098	12.011
Net Interest (900):							
BA.....	169.755	168.285	207.566	269.883	347.752	429.837	1,423.323
OT.....	169.755	168.285	207.566	269.883	347.752	429.837	1,423.323
On-budget:							
BA.....	288.955	284.085	323.266	387.483	470.452	560.137	2,025.423
OT.....	288.955	284.085	323.266	387.483	470.452	560.137	2,025.423
Off-budget:							
BA.....	-119.200	-115.800	-115.700	-117.600	-122.700	-130.300	-602.100
OT.....	-119.200	-115.800	-115.700	-117.600	-122.700	-130.300	-602.100
Allowances (920):							
BA.....	—	-0.917	-1.832	-3.715	-4.994	-7.045	-18.503
OT.....	—	-0.549	-1.493	-3.401	-4.675	-6.590	-16.708
Undistributed Offsetting Receipts (950):							
BA.....	-92.617	-83.922	-87.968	-91.818	-95.703	-98.577	-457.988
OT.....	-92.617	-83.922	-87.968	-91.818	-95.703	-98.577	-457.988

HOUSE-PASSED RESOLUTION: MANDATORY SPENDING

(In billions of dollars)

Fiscal year	2009	2010	2011	2012	2013	2014	2010-2014
On-budget:							
BA.....	-78.206	-68.774	-71.993	-74.970	-77.945	-79.861	-373.543
OT.....	-78.206	-68.774	-71.993	-74.970	-77.945	-79.861	-373.543
Off-budget:							
BA.....	-14.411	-15.148	-15.975	-16.848	-17.758	-18.716	-84.445
OT.....	-14.411	-15.148	-15.975	-16.848	-17.758	-18.716	-84.445

REVENUES

Summary

The revenue component of the budget resolution reflects all of the federal government's tax receipts that are classified as "on-budget." This includes individual income taxes; corporate income taxes; excise taxes, such as the gasoline tax; and other taxes, such as estate and gift taxes. Taxes collected for the Social Security system – the Old Age and Survivors and Disability Insurance (OASDI) payroll tax – are "off-budget." The Hospital Insurance payroll tax portion of Medicare, the Federal Unemployment Tax Act payroll tax, railroad retirement and other retirement systems are all "on-budget." Customs duties, tariffs, and other miscellaneous receipts are also included in the revenue component. Pursuant to the Congressional Budget Act of 1974 and the Budget Enforcement Act of 1990, Social Security payroll taxes are not included in the budget resolution.

Senate-passed Resolution

The Senate budget resolution includes \$1.6 trillion in on-budget revenues for 2010, and \$10.4 trillion over 2010-2014. (The corresponding revenue figures on a unified basis are \$2.3 trillion for 2010 and \$14.1 trillion over five years.)

The revenue level in the Senate resolution is \$825.0 billion below the levels in the CBO baseline over 2010-2014.

The Senate resolution provides substantial tax relief for the middle class. Consistent with the President's budget, the Senate resolution assumes: the 10 percent bracket, child tax credit, marriage penalty relief are made permanent, as well as the related expansions of the child tax credit and the earned income tax credit included in the economic recovery package are extended; the American Opportunity Tax Credit providing a \$2,500 credit for higher education is made permanent; an expansion of the existing "savers credit" and a new policy to require employers that do not offer 401(k)s to offer automatic enrollment in IRAs. The Senate resolution also follows the President's proposals to extend other 2001 and 2003 tax changes for couples with incomes under \$250,000 and singles with incomes under \$200,000, including the 25 percent and 28 percent brackets and the preferential rates for capital gains and dividend income.

The Senate resolution assumes three years of alternative minimum tax relief, through 2012, without offsets. It calls for permanent reform of the estate tax, reflecting continuation of the 2009 estate tax parameters, with an exemption of \$3.5 million (\$7 million for a couple) indexed to inflation and a top rate of 45 percent. The Senate resolution would extend through 2011 those tax provisions that are slated to expire in 2009 or 2010, but that have been routinely extended in the past. These provisions (referred to as "extenders") include, among others, the research and experimentation tax credit, the deduction for state and local sales taxes, the deduction for teacher classroom expenses, and the exception for active financing income.

The Senate resolution calls for small business tax relief. It assumes the permanent

extension of the section 179 expensing provision for small businesses. In addition, it includes a new proposal to eliminate capital gains taxes for small businesses, going beyond the current 75 percent exclusion. It also calls for expanding the net operating loss carryback rules.

The Senate resolution includes several reserve funds that provide for tax relief, including refundable tax relief and the extension of expired and expiring tax relief, as long as the costs of these provisions are offset. One reserve fund would provide for comprehensive tax reform that would ensure a sustainable revenue base in a tax system that promotes simplicity, fairness, and competitiveness. Additional reserve funds address specific tax issues, such as extending the deduction for state and local sales taxes and the incentives for promoting charitable donations from individual retirement account funds, enhancing the employer-provided child care credit and the dependent care tax credit, among other things.

Finally, the Senate resolution assumes enactment of loophole closers and other revenue-raising provisions consistent with levels in the President's budget. The resolution assumes that the Finance Committee will work closely with the Administration to develop the proposals to achieve the revenue levels assumed in the resolution. To help close the tax gap and bolster Internal Revenue Service (IRS) enforcement, the resolution provides additional resources available through a discretionary cap adjustment that directs \$890 million to IRS enforcement activities.

House-passed Resolution

The House budget resolution calls for reducing the revenues provided under CBO's baseline forecast by \$613.2 billion over the 2009-2014 period and by \$1,480.2 billion over the 2010-19 period. This reduction in revenues reflects the House budget resolution's extension of the elements of the 2001-2003 tax cuts benefitting middle class families (including, but not limited to the child tax credit, marriage penalty relief, the 10 percent bracket, education incentives, other benefits for families with children, reductions in other individual income tax brackets, and small business tax relief). The House resolution also extends the estate tax at 2009 levels – eliminating estate taxes on all but a minute fraction of estates by reforming and substantially increasing the unified tax credit. It also includes a one-year patch of the Alternative Minimum Tax (AMT). The House resolution also accommodates additional AMT relief in a deficit-neutral manner. The House resolution further accommodates deficit-neutral extension of other expiring tax provisions and other proposals that support working families, businesses, states, or communities. It also accommodates other high priority deficit-neutral revenue adjustments, such as tax incentives for energy efficiency and renewable energy, the deduction for State and local taxes, and a tax credit for construction of public schools. Decisions about specific revenue offsets are made by the Ways and Means Committee, which has a significant range of offsets that it can consider. However, unless expressly indicated otherwise, the House resolution does not assume any of the specific revenue offset proposals provided for in the President's budget.

Conference Agreement

The conference agreement includes \$1.654 trillion in on-budget revenues for 2010, and \$10.500 trillion over 2010-2014. (The corresponding revenue figures on a unified basis are \$2.322 trillion for 2010 and \$14.157 trillion over five years.) The conference agreement provides for three additional years of AMT relief, without offset, a two-year extension of expired and expiring tax provisions, and a new incentive for retirement savings. The agreement supports the permanent extension of tax relief first enacted in 2001 and 2003 to benefit middle-income individuals and families – including extension of the child tax credit, the 10-percent bracket, and marriage penalty relief – and provides for estate tax reform. In addition, the agreement assumes the extension of other 2001 and 2003 tax changes for middle-income taxpayers, including the 25 percent and 28 percent brackets and the preferential rates for investment income. Further, the agreement includes several deficit-neutral reserve funds that accommodate a range of additional tax reform and tax relief proposals, such as expanding eligibility for the refundable child credit, among the most effective tax relief vehicles for working families with children.

The revenue level in the conference agreement is \$764 billion below the levels under current law over 2009-2014. Revenue legislation is subject to House and Senate pay-as-you-go rules. In the House, section 421 of the conference agreement allows the chairman of the Budget Committee to make current policy adjustments before evaluating the costs of tax legislation for compliance with House budget rules and procedures, assuming the condition stated in that section is met.

NATIONAL DEFENSE: FUNCTION 050

Function Summary

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

Senate-passed Resolution

The Senate resolution fully funds the President's core defense budget request over the five-year budget window. Total national defense discretionary funding in the Senate resolution is \$556.1 billion. This includes \$533.7 billion in 2010 for the Department of Defense, \$20.3 billion more than the 2009 enacted level exclusive of war funding and defense spending in the economic recovery package.

The Senate resolution reflects the President's request for additional 2009 overseas contingency operations funding of \$75.5 billion for the Defense Department. If enacted, this will bring total war funding for 2009 to \$152.6 billion. Under President Bush, the total cost of the wars reached \$864 billion. The Senate resolution also provides for the 2010 war request of \$130 billion. Including requested war funds and mandatory spending, the Senate resolution provides \$691.7 billion in BA for defense in 2010.

The Obama Administration has demonstrated its commitment to budgetary transparency when it comes to funding for overseas contingency operations. The Bush Administration failed to honor its commitment to include war costs in its budget request and obscured the fiscal situation by seeking war funding as an emergency even after five years of war in Iraq. The Obama Administration, on the other hand, has provided a good faith estimate of war costs for 2010 and an annual allowance of \$50 billion for potential future costs of overseas contingency operations from 2011 onward. These amounts are reflected in the Senate resolution.

In keeping with how the past two budget resolutions have handled war costs, the Senate resolution includes a \$130 billion cap adjustment provision for 2010 that allows the Chairman to revise the discretionary spending cap for non-emergency appropriations related to overseas contingency operations such as the wars in Iraq and Afghanistan. The Senate resolution assumes the use of this cap adjustment and allocates the amounts to the National Defense function. However, the cap adjustment would not prevent further war funding on an emergency basis if war costs exceed the allotted level.

The Senate resolution includes a reserve fund to facilitate enactment of the President's proposal to expand "concurrent receipt" of military retired pay and veterans disability compensation to retirees who were medically retired from active service. While full programmatic details will be provided later, the administration has indicated that the budget funds the expansion of the Army and Marine Corps in order to enhance military readiness and reduce the strain of multiple, extended deployments on current servicemembers. Additionally, the President's request includes funding to modernize military barracks and dormitories, and to improve medical care and housing for wounded servicemembers. The Senate resolution supports these objectives.

The Senate resolution also recognizes the serious inequity in how the military death benefits system treats widows and orphans whom our servicemembers and veterans leave behind. The Senate resolution provides a deficit-neutral reserve fund to facilitate the repeal of the law that requires a dollar-for-dollar reduction in Department of Defense Survivor Benefit Plan (SBP) annuity benefit payments by benefits received under the Department of Veterans Affairs Dependency and Indemnity Compensation (DIC) program. Repeal of the offset would allow the widows and orphans whom our servicemembers and veterans leave behind to receive the full SBP amount due to them. Congress recognized the injustice of the SBP-DIC offset in the National Defense Authorization Act for Fiscal Year 2008 when it authorized a special payment to SBP-DIC-affected survivors, but this payment is far below the full amount that is offset.

The ability of the United States military to project power worldwide depends on the aerial refueling tanker fleet. The backbone of this fleet is the KC-135, which is rapidly approaching its 50th year in service. Further postponement of the tanker re-capitalization program will have an adverse effect on our ability to achieve the requirements of the National Military Strategy. Accordingly, the Senate resolution assumes that the Air Force will receive not less than \$2.37 billion in 2010, and not less than \$13 billion across the Future Years Defense Plan to fund the development and procurement of a next generation aerial refueling tanker.

The National Guard has a long history of outstanding service to our nation, and our nation's reliance on the Guard has only increased since September 11, 2001. The Senate resolution encourages the Appropriations Committee to identify additional resources within the defense budget to address needs for National Guard equipment.

The Senate resolution also assumes no less than \$5.55 billion in funding for the Defense Environmental Cleanup account. The environmental management program is charged with efficiently cleaning up the environmental damage resulting from 50 years of nuclear weapons production. The Senate resolution provides for increased funding at several major sites addressed under this program including Hanford, Idaho Falls, Oak Ridge, and Savannah River. This increase brings total environmental management funding for nuclear site cleanup (including amounts in other budget functions) to \$6.5 billion.

Defense funding remains at record levels, even after adjusting for inflation. The Department of Defense has had serious trouble with cost growth in its weapons acquisition programs. The Government Accountability Office has found that the total acquisition cost of the

Pentagon's 2007 portfolio of major programs has exceeded initial estimates by nearly \$300 billion.

The Obama Administration has announced that it will make reform of the acquisition process a top priority in order to get the best possible value for defense spending. The Senate resolution supports that reform effort by including a reserve fund for defense contracting reform. Additionally, the Senate resolution assumes not less than \$500 million for the Acquisition Workforce Development Fund, which is already showing great promise as a mechanism for enhancing the capability of the Department of Defense to oversee acquisition programs and get better value for our defense dollar. While the Senate resolution does not project savings from acquisition reform or the contracting reform initiatives announced by the President, successful implementation of those initiatives could result in significant savings in future years that should be reserved for deficit reduction.

The Senate resolution also includes a program integrity cap adjustment dedicated to reducing waste in defense contracting. The cap adjustment allows the Chairman of the Budget Committee to increase the discretionary spending cap by up to \$100 million to accommodate legislation appropriating funding for the Department of Defense for additional activities to reduce waste, fraud, abuse and overpayments in defense contracting or to enhance the capability of the defense acquisition or contracting workforce to save taxpayer resources. When billions of dollars are wasted due to poor contracting practices, ordering of unneeded spare parts, or other waste, fraud and abuse, it is our troops that suffer.

House-passed Resolution

The House resolution reflects a total of \$562.0 billion in BA and \$606.0 billion in outlays for 2010, and \$2.9 trillion in BA and \$3.0 trillion in outlays over five years.

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

The House resolution includes specific defense policy assumptions in Title V, section 502. It recognizes that as the country faces its worst economic crisis since the Great Depression, DoD needs to get the most out of every dollar it spends by making tough but necessary tradeoffs to ensure resources are applied to the most effective and operationally viable programs, and by assessing national security needs in a comprehensive manner that includes all agencies involved in our national security.

The National Commission on Terrorist Attacks Upon the United States (commonly referred to as the 9/11 Commission) identified terrorists with weapons of mass destruction as our number one threat. Consequently, it is the policy of the House resolution that non-proliferation programs, such as the Cooperative Threat Reduction program and the nonproliferation programs at the Department of Energy, be funded at a level that is commensurate with the evolving threat.

The House resolution recognizes that our most important security resource is our men and women who serve in uniform. To honor their service, it is the policy of the House resolution to not only ensure that they are properly equipped and trained to perform their mission, but that they also have the proper support in terms of health care, pay, and support for their families. The House resolution also includes a deficit-neutral reserve fund for an expansion of eligibility to permit additional disabled military retirees to receive both disability compensation and retired pay.

In recent years, cost overruns on major weapons programs have worsened. According to the Government Accountability Office (GAO), the cost of major weapon systems on DoD's books as of 2007 increased nearly \$300 billion above initial estimates. As a result, our military is not able to purchase equipment in adequate quantities to equip our servicemen and servicewomen. To put our defense plans on a sustainable path and to meet our military's equipment requirements, the House resolution affirms the Administration's calls to make acquisition reform a top priority.

According to GAO, government-wide spending on contractor services has more than doubled over the last ten years. DoD has expanded the use of contractors in its acquisition process to aid in program management functions and has relied heavily on contractors to carry out operations in Iraq and Afghanistan. This trend has implications for DoD in terms of accountability, operational effectiveness, and cost. Consequently, it is the policy of the House resolution that DoD review the role that contractors play in its operations, including the degree to which contractors are performing inherently governmental functions, to ensure it has the most effective mix of government and contracted personnel.

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

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

DoD spends billions of dollars on fuel and electricity for its planes, ships, vehicles and

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

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

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

Conference Agreement

The conference agreement for Function 050 includes a total of \$562.0 billion in BA and \$606.0 billion in outlays in 2010, and \$2.9 trillion in BA and \$3.0 trillion in outlays over five years. Consistent with both the House- and Senate-passed resolutions, the conference agreement affirms the importance of reforming the defense acquisition and contracting processes to achieve better value for the American taxpayer.

For mandatory programs, the conference agreement provides \$5.9 billion in BA and \$6.0 billion in outlays in 2010, and \$28.3 billion in BA and \$28.4 billion in outlays over five years.

The conference agreement reflects the cost of overseas deployments and other activities in Function 970, as in the House-passed resolution. Consistent with the Senate resolution, the conference agreement allows the discretionary spending caps to be adjusted to accommodate appropriations for such costs.

The conference agreement includes deficit-neutral reserve funds addressing defense-related matters. Both chambers have deficit neutral reserve funds to accommodate initiatives related to meeting our commitments to the nation's military personnel, veterans, and survivors. The Department of Defense and congressional committees of jurisdiction are encouraged to reverse the decision to eliminate credit toward DOD retirement pay for service in the Alaska Territorial Guard during World War II.

The conference agreement also includes a Senate deficit-neutral reserve fund providing for legislation that would reform defense contracting and acquisition policy in order to achieve better value for taxpayer resources. The reserve fund would accommodate legislation that provided for additional activities to reduce waste, fraud, abuse, and overpayments in defense

contracting or to enhance the capability of the defense acquisition or contracting workforce, among other purposes.

The conference agreement includes a statement of policy on defense issues (section 502) that outlines key priorities to be funded within the defense allocation and the need for the Department of Defense to reform its acquisition process and to do a better job of reining in wasteful spending, particularly with regard to contracting practices and continuing funding of Cold War-era weapons systems that may not be as effective against today's threats. It also highlights the need for DoD to place greater emphasis on implementing GAO recommendations, which could yield billions of dollars in savings.

INTERNATIONAL AFFAIRS: FUNCTION 150

Function Summary

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

Senate-passed Resolution

The President's request for international affairs activities, as re-estimated by CBO, is \$53.8 billion. This represents an increase of \$15.6 billion above the non-emergency 2009 level. However, the size of the year-over-year increase requested by the President's budget reflects a change in concept, as the President seeks to transfer international affairs funding in support of overseas contingency operations and programs with predictable and recurring funding requirements that have previously been funded in supplementals to the base budget. This more transparent budgeting is commendable.

Typically, the baseline used for year-over-year comparisons in the Congressional budget resolution excludes all supplementals and emergency funding. Therefore, the President's decision to reduce or eliminate emergency requests for international affairs in 2010 artificially inflates the year-over-year increase. A more realistic comparison, including enacted bridge funding in the 2009 level, shows a year-over-year increase of \$11.5 billion for the President's request.

The Senate resolution calls for \$53.8 billion for the international affairs function and assumes that the top priorities in allocating the increase for international affairs will be related to core national security concerns such as counter-proliferation and anti-terrorism, as well as enhancing the capacity of the State Department and USAID to assume responsibilities that have been taken on by the military.

House-passed Resolution

The House resolution calls for a total of \$45.3 billion in BA and \$43.5 billion in outlays for 2010, and for \$271.8 billion in BA and \$259.3 billion in outlays over five years. The total BA level for 2010 reflects discretionary BA of \$48.5 billion and mandatory BA of -\$3.1 billion. This function has negative mandatory BA and outlay levels. These levels reflect receipts of the foreign military sales trust fund, the repayment of loans and credits by foreign nations, and the liquidation of economic assistance loans, foreign military financing loans, Export-Import Bank loans, and housing and other credit guaranty programs.

The 2009 level of discretionary BA includes \$4.5 billion in enacted supplemental appropriations. It does not include an additional \$7.1 billion in supplemental appropriations for 2009 that the President has requested for international affairs, which is included under Function 970 (Overseas Deployments and Other Activities).

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

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

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

Conference Agreement

International Affairs discretionary spending under the conference agreement totals \$51.0 billion in BA and \$47.5 billion in outlays for 2010. This represents an increase of \$12.8 billion in BA above the non-emergency 2009 level and \$8.7 billion above the 2009 level adjusted to include enacted supplemental funding (other than American Recovery and Reinvestment Act funding).

Including negative mandatory spending, the conference agreement provides an overall total of \$47.9 billion in BA and \$44.7 billion in outlays for 2010, and \$260 billion in BA and \$253 billion in outlays over five years.

GENERAL SCIENCE, SPACE AND TECHNOLOGY: FUNCTION 250

Function Summary

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

Senate-passed Resolution

The Senate resolution provides an increase above the President's requested level over the five-year window by providing \$31.1 billion in BA and \$32.5 billion in outlays for 2010, and \$171.9 billion in BA and \$170.3 billion in outlays over five years.

The Senate resolution funds the National Aeronautics and Space Administration (NASA) at \$18.7 billion for 2010. This level of funding recognizes the importance of our nation's space program and endorses the agency's balanced goals of exploration, science, and aeronautics. This level of funding also reflects the vital role our space program plays in driving scientific and technological advancements critical to our economy.

NASA currently intends to retire its Space Shuttles at the end of 2010. The criteria for Shuttle retirement, however, remains the completion of scheduled flights, and a fixed retirement date could create dangerous scheduling pressures. Consequently, the Senate resolution recognizes the possibility that currently planned Shuttle missions may continue beyond the end of 2010, and provides \$2.5 billion above the President's request for 2011 with additional resources for NASA in the outyears.

Currently, NASA projects a five-year gap in U.S. human space flight capability. During that gap the United States will need to purchase space flight services from Russia, costing in excess of \$500 million. The Senate resolution recognizes the strategic importance of uninterrupted access to space and supports efforts to reduce or eliminate this five-year gap in U.S. human space flight.

House-passed Resolution

The House resolution calls for a total of \$31.1 billion in BA and \$32.5 billion in outlays for 2010, and for \$166.1 billion in BA and \$165.8 billion in outlays over five years.

The House budget resolution total for this function equals the level requested by the President for FY 2010, and for all five years in the budget window. Funding for scientific research and education is also included in Function 270 (Energy), Function 300 (Environment and Natural Resources), Function 350 (Agriculture), Function 370 (Commerce and Housing Credit), Function 400 (Transportation), Function 500 (Education, Training, Employment, and Social Services), and Function 550 (Health). This funding will support the science and technology goals of the House Leadership's Innovation Agenda and the America COMPETES

Act: to put NSF funding on a path toward doubling, to train more qualified science and math teachers, and to invest in basic research on energy technologies.

Conference Agreement

The conference agreement includes \$31.1 billion in BA and \$32.5 billion in outlays in 2010, and \$168.7 billion in BA and \$168.5 billion in outlays over five years.

The conference agreement provides additional resources throughout the five year budget window, as requested by the President, for COMPETES Act and other Innovation programs in Function 250 as well as in other functions.

The conference agreement recognizes the scientific and technological contributions of our nation's manned and unmanned space program and the strategic importance of uninterrupted human access to space, and supports efforts to reduce the impending gap in US human spaceflight. The conference agreement matches the President's request for NASA in 2010 (while acknowledging that an additional \$400 million was appropriated for NASA exploration in the 2009 American Recovery and Reinvestment Act) and provides \$2.5 billion above the President's request in 2011. The additional funding is provided in 2011 in anticipation that the funding is needed for the remaining eight space shuttle missions to safely fly and to complete the construction and equipping of the international space station.

ENERGY: FUNCTION 270

Function Summary

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

Senate-passed Resolution

The Senate resolution calls for a total of \$4.5 billion in BA and \$6.2 billion in outlays for 2010, and \$22.5 billion in BA and \$31.6 billion in outlays over five years.

Our nation's economic and national security are directly linked to our energy policy. We must confront the challenges of global climate change and our nation's addiction to foreign oil. By doing so, we can also create the green jobs that will drive our nation's economic recovery. To meet these challenges, President Obama and the Congress have responded with a historic investment of resources in a strategy to reduce our dependence on imported energy.

The economic recovery package included \$38.7 billion to fund important energy priorities such as modernizing the electric grid, renewable energy and transmission loan guarantees, local government energy efficiency and conservation grants, weatherization assistance, carbon capture and sequestration technology, energy efficiency and renewable energy research and development, and advanced battery development. When the emergency funding provided in the stimulus and other bills is included, overall funding for the Department of Energy climbed from approximately \$24 billion in 2008 to \$73 billion in 2009. This \$73 billion 2009 funding level represents the largest budget in the history of the Department of Energy.

The Senate resolution builds on the investments in the economic recovery package by fully funding the President's request for 2010 energy discretionary funding. The energy funding level in the Senate resolution will provide increases for the Energy Efficiency and Renewable Energy program. These increases will accommodate investments in important priorities such as wind, solar, geothermal, biomass and biorefinery R&D, hydrogen, vehicle/building technologies and the weatherization assistance program. The Senate resolution supports increased funding for the Energy Efficiency and Conservation Block Grant Program. The resolution also includes increases to invest in the development of low carbon coal technologies such as carbon capture and sequestration. The resolution supports continued funding increases for the Department of Energy's loan guarantee program.

The Senate resolution would increase funding for electricity delivery and energy

reliability. The funding increase could be used to modernize the electric grid, enhance security and reliability of energy infrastructure, and facilitate recovery from disruptions to energy supply.

The Senate resolution supports the reclassification of receipts for the annual operating expenses of Southeastern, Southwestern, and Western Area Power Administrations (PMAs). By reclassifying the receipts from mandatory to discretionary, power rates will become more closely linked to the annual appropriations they fund. This direct link will promote long-term planning and improve the overall efficiency and reliability of the Federal power program.

The Senate resolution includes an energy reserve fund to accommodate legislation that advances important priorities such as reducing our Nation's dependence on imported energy, producing green jobs, promoting renewable energy development, improving electricity transmission, creating a clean energy investment fund, and encouraging conservation and efficiency. The legislation could also include energy tax proposals. This reserve fund could be used for legislation such as a proposal to extend the permissible term of power purchase agreements used by federal agencies to acquire renewable energy. It could also be used for a proposal to expand the economic recovery package's investments in transmission infrastructure and smart grid technology. Additionally, the reserve fund could accommodate a proposal to create a Clean Energy Investment Fund. That type of proposal could aid in the transition to a low-carbon economy by using financing tools such as direct loans and loan guarantees to invest in clean energy technologies.

House-passed Resolution

The House resolution calls for a total of \$5.5 billion in BA and \$7.3 billion in outlays for 2010, and for \$29.1 billion in BA and \$54.6 billion in outlays over five years. The total BA level for 2010 reflects discretionary BA of \$6.7 billion and mandatory BA of -\$1.2 billion.

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

The House urges the Appropriations Committee to include language in its appropriations bill to implement a "net zero" policy for the annual expenses of the Power Marketing Administrations (PMAs). The President's budget also supports this proposal. Reclassifying these receipts would more closely link the PMAs' annual appropriations with payments from their customers.

Conference Agreement

The conference agreement provides a total of \$5.0 billion in BA and \$6.3 billion in outlays for 2010, and \$25.6 billion in BA and \$50.0 billion in outlays over five years. The conference agreement provides \$6.2 billion in 2010 for discretionary programs in this function. This is \$500 million more than the President's proposed discretionary funding level for 2010. (The total BA and outlay levels are lower than the discretionary BA and outlay levels because this function has negative mandatory BA and outlay levels, reflecting the fact that the U.S. government collects more money than it spends marketing federally produced power and collects fees from commercial nuclear reactors.)

The conference agreement includes a significant commitment of resources to invest in emerging energy technologies , promote renewable energy and energy efficiency, and reduce our nation's dependence on imported energy. The conference agreement includes deficit-neutral reserve funds to accommodate energy legislation. Like the Senate-passed and House-passed resolutions, the conference agreement supports reclassifying the receipts of the Power Marketing Administrations (PMAs) to more closely link the PMAs' annual appropriations with payments from their customers.

NATURAL RESOURCES AND ENVIRONMENT: FUNCTION 300

Function Summary

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

Senate-passed Resolution

The Senate resolution calls for a total of \$37.7 billion in BA and \$40.7 billion in outlays for 2010, and \$190.8 billion in BA and \$197.7 billion in outlays over five years.

The Senate resolution recognizes that we have an obligation to current and future generations to take meaningful action to reduce greenhouse gas emissions. The resolution includes a reserve fund to accommodate legislation that would invest in clean energy technology initiatives, decrease greenhouse gas emissions, or help families, workers, communities, and businesses make the transition to a clean energy economy. The resolution includes no specific assumptions regarding the policy details of such a proposal. The details of the proposal will be left to the committees of jurisdiction and the legislative process.

If climate change legislation brings new revenues into the Treasury, the Senate resolution would support the President's proposal to invest \$15 billion per year in a variety of clean energy technology initiatives. These initiatives would accelerate the widespread deployment of energy efficient technologies, increase our reliance on clean and renewable energy sources, and move America forward on the path to energy security.

The Senate resolution fully funds the President's request for the Environmental Protection Agency (EPA). The resolution includes \$3.9 billion for EPA's Clean Water and Drinking Water State Revolving Funds. The overall EPA funding level could accommodate significant increases for Superfund, the brownfields program and a variety of other EPA programs. The resolution would accommodate increases for water infrastructure priorities at the Army Corps of Engineers and the Bureau of Reclamation.

The Senate resolution recognizes the importance of the Bureau of Reclamation rural water program to support ongoing Municipal, Rural, and Industrial (MR&I) systems for the Great Plains Region. The Bureau of Reclamation supplies drinking water to 2.6 million people in the Great Plains region and is encouraged to prioritize the completion of the Pick Sloan-Missouri Basin Program--Garrison Diversion Unit, Mni Wiconi, Lewis and Clark, Perkins County, Fort Peck Reservation/Dry Prairie, and Rocky Boys/North Central rural water system projects. The

Senate resolution supports funding these vital rural water development projects at a level that is as close to \$292 million as possible.

The Senate resolution includes increases for the Army Corps of Engineers and the Department of Interior which are sufficient to fully fund ongoing Everglades Restoration activities, including construction of authorized projects contained in the Comprehensive Everglades Restoration Plan and the Everglades National Park Expansion Act.

The funding levels in the Senate resolution allow for increases for the National Oceanic and Atmospheric Administration (NOAA). In addition, the resolution includes a reserve fund which would accommodate legislation to preserve or protect oceans or coastal areas.

The Senate resolution assumes increases for the Department of the Interior and the Forest Service. The resolution also includes the President's proposal to increase funding for land acquisition programs. The Senate-passed resolution includes a reserve fund which could be used for legislation that preserves or protects public lands. This could include, but is not limited to, legislation that protects national parks, national monuments, wilderness areas, wild and scenic rivers, and national recreation areas.

The Senate resolution fully funds wildfire suppression activities at the Forest Service and the Department of the Interior. The resolution commends the President for taking steps to budget for growing annual fire suppression costs. It provides the 10-year average for fire suppression costs and assumes that an additional \$357 million will be provided if appropriated funds are exhausted and the severity of the fire season requires additional funding. The Senate resolution also included increases in funding for hazardous fuel reduction.

The Senate resolution recognizes the need to address significant and long-standing problems affecting the major large scale aquatic, estuarine, and coastal ecosystems nationwide. The Senate resolution includes funding for a new inter-agency initiative to address such regional ecosystems. It assumes the President's request of \$475 million to work with Great Lakes states, tribes, and local communities and organizations to address issues prioritized in the Great Lakes Regional Collaborative. This initiative could address issues such as invasive species, non-point source pollution, habitat restoration and contaminated sediment. The resolution also supports the President's proposal to use outcome-oriented performance goals and measures to target the most significant problems and track progress in addressing these ecosystems.

House-passed Resolution

The House resolution calls for a total of \$37.4 billion in BA and \$40.5 billion in outlays for 2010, and for \$194.6 billion in BA and \$200.5 billion in outlays over five years.

The House budget resolution matches the President's total discretionary funding request for this function, and provides increased resources for programs such as the Land and Water Conservation Fund, the EPA's Clean Water and Drinking Water State Revolving Funds, and other EPA programs. The House recognizes the need for maintaining and upgrading water

infrastructure in the Commonwealth of the Northern Mariana Islands and other U.S. territories, and encourages relevant federal agencies to work with territory governments on this issue. The House resolution also allows for additional funding for other programs at NOAA, the Department of the Interior, and the Forest Service.

For mandatory spending, the House resolution assumes levels provided by current law.

The House resolution includes a deficit-neutral reserve fund that accommodates legislation to increase investments in renewable energy and energy independence, encourage new technological development, take steps to provide for reductions in greenhouse gas emissions, and help families, businesses, the environment and industries adapt to the new energy economy.

Conference Agreement

The conference agreement includes a total of \$37.6 billion in BA and \$40.6 billion in outlays for 2010, and \$192.1 billion in BA and \$198.5 billion in outlays over five years. The conference agreement provides \$35.3 billion in 2010 for discretionary programs in this function. This is \$200 million more than the President's proposed discretionary funding level for 2010.

The conference agreement includes significant increases for natural resources and environment programs, including a variety of programs at the Environmental Protection Agency. The agreement provides additional resources for agencies such as the Army Corps of Engineers and the Bureau of Reclamation to invest in national water infrastructure priorities. It also increases funding for a number of other programs throughout the Department of the Interior, the Forest Service, and the National Oceanic and Atmospheric Administration. The funding levels in the conference agreement include the President's proposal to provide additional funding for wildland fire suppression activities at the Forest Service and the Department of the Interior. The conference agreement could also accommodate increases in funding for hazardous fuel reduction activities. The conference agreement includes deficit-neutral reserve funds which could be used for legislation to reduce greenhouse gas emissions.

AGRICULTURE: FUNCTION 350

Function Summary

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

Senate-passed Resolution

The Senate resolution reflects a total of \$23.6 billion in BA and \$23.9 billion in outlays for 2010, and \$114.9 billion in BA and \$109.0 billion in outlays over five years. During Committee consideration, an amendment was adopted assuming \$70 million in savings per year in crop insurance over the next five years. The amendment dedicated \$175 million for child nutrition and \$175 million for deficit reduction. Besides these changes, the Senate resolution leaves all other nutrition, conservation, renewable energy, and farm safety net improvements included in the 2008 Farm Bill unchanged.

Given our current fiscal situation, the Senate resolution recognizes that all areas of the federal budget need to be examined for savings. Even though the 2008 Farm Bill received over 80 votes in the Senate and was fully paid for, the Senate resolution would support targeted savings in agriculture, including some savings in the Environmental Quality Incentives Program and the federal crop insurance program.

House-passed Resolution

The House resolution calls for a total of \$23.7 billion in BA and \$24.0 billion in outlays for 2010, and for \$115.7 billion in BA and \$109.7 billion in outlays over five years. The House resolution provides resources for commodity support, agricultural research, and the Animal and Plant Health Inspection Service, including activities to support eradication of the Asian Longhorn Beetle.

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

Conference Agreement

The conference agreement calls for a total of \$23.7 billion in BA and \$24.0 billion in outlays for 2010, and for \$115.6 billion in BA and \$109.6 billion in outlays over five years. For discretionary spending, the conference agreement assumes \$6.1 billion in BA and \$6.2 billion in outlays for 2010. For mandatory spending, the agreement matches CBO's baseline estimate for

March 2009 (assuming levels provided by current law), leaving all of the nutrition, conservation, renewable energy, and farm safety net improvements made in the 2008 Farm Bill unchanged.

COMMERCE AND HOUSING CREDIT: FUNCTION 370

Function Summary

The Commerce and Housing Credit function includes mortgage credit, the Postal Service, deposit insurance, and other advancement of commerce (the majority of the discretionary and mandatory spending in this function). The mortgage credit component of this function includes housing assistance through the Federal Housing Administration, the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac), the Government National Mortgage Association (Ginnie Mae), and rural housing programs of the Department of Agriculture. The function also includes net Postal Service spending and spending for deposit insurance activities of banks, thrifts, and credit unions. Most of the Commerce Department is provided for in this function, including the International Trade Administration, the Bureau of Economic Analysis, the Patent and Trademark Office, the National Institute of Standards and Technology, the National Telecommunications and Information Administration, and the Bureau of the Census. Finally, the function also includes funding for independent agencies such as the Securities and Exchange Commission, the Commodity Futures Trading Commission, the Federal Trade Commission, the Federal Communications Commission, and the majority of the Small Business Administration.

Senate-passed Resolution

The Senate resolution calls for a total of \$64.4 billion in unified BA and \$89.1 billion in unified outlays for 2010, and \$129.6 billion in unified BA and \$139.8 billion in unified outlays over five years. (The corresponding on-budget figures are \$61.1 billion in BA and \$85.8 billion in outlays for 2010, and \$124.3 billion in BA over five years and \$134.6 billion in outlays over five years.) The Senate resolution includes a deficit-neutral reserve fund that would allow for additional investments in housing assistance, including low-income rental assistance and assistance provided through the Affordable Housing Trust Fund. The Senate resolution provides \$880 million for the Small Business Administration and adopts the Administration's budget level for the Manufacturing Extension Program (MEP), which is authorized in the America COMPETES Act.

House-passed Resolution

For the unified budget, the House resolution calls for a total of \$64.2 billion in BA and \$88.9 billion in outlays for 2010, and for \$130.4 billion in BA and \$140.6 billion in outlays over five years. (The budget resolution provides only the on-budget amounts, which are \$60.9 billion in BA and \$85.6 billion in outlays for 2010, and \$125.1 billion in BA and \$135.3 billion in outlays over five years.)

The discretionary function total for 2010 includes significantly increased funding to ensure that the Bureau of the Census has the necessary resources to hire workers and to complete the 2010 Census. The 2010 total also fully accounts for funding to support Federal Housing

Administration (FHA) and other mortgage credit programs in order to respond to the current housing crisis.

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

Conference Agreement

For the unified budget, the conference agreement calls for a total of \$64.4 billion in BA and \$89.0 billion in outlays for 2010, and for \$130.6 billion in BA and \$140.8 billion in outlays over five years. (The conference agreement provides only the on-budget amounts, which are \$61.1 billion in BA and \$85.8 billion in outlays for 2010, and \$125.3 billion in BA and \$135.5 billion in outlays over five years.) The discretionary function total includes significantly increased funding for the Bureau of the Census, reflecting execution of the 2010 census, and continues to support the Small Business Administration and the Manufacturing Extension Program. The 2010 total also fully accounts for funding to support Federal Housing Administration (FHA) and other mortgage credit programs in order to respond to the current housing crisis.

The conference agreement supports efforts to provide additional investment in and oversight of housing assistance. Both the Senate and the House include reserve funds that allow for investments in the Affordable Housing Trust Fund. The Senate economic stabilization reserve fund also allows for additional investments in low-income rental assistance. The conference agreement also supports efforts to increase the capacity of HUD's Inspector General to investigate cases of FHA loan fraud. The HUD Inspector General's office has not expanded even as the number of FHA-approved lenders has doubled over the past two years.

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

TRANSPORTATION: FUNCTION 400

Function Summary

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

Senate-passed Resolution

The Senate resolution calls for a total of \$75.2 billion in BA and \$95.7 billion in outlays for 2010, and \$377.8 billion in BA and \$477.0 billion in outlays over five years. The Senate resolution includes an infrastructure reserve fund that would be available for surface transportation programs and multimodal transportation projects. The reserve fund anticipates that future surface transportation investments will be paid for and the solvency of the Highway Trust Fund will be maintained for the length of the surface transportation authorization. The Senate resolution understands that the surface transportation reauthorization will augment current investments, and provides funding levels for highways, transit, and safety programs which will be adjusted when a reauthorization bill is reported. The Senate resolution does not adopt the administration's proposed change to scoring of contract authority. The Senate resolution continues the unprecedented commitment to high speed rail made in the economic recovery package by providing \$1 billion for high speed rail in 2010.

House-passed Resolution

The House resolution calls for a total of \$88.2 billion in BA and \$95.7 billion in outlays for 2010, and for \$449.9 billion in BA and \$481.0 billion in outlays over five years.

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

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

In order to address the highway and transit programs during reauthorization, the House resolution includes a surface transportation reserve fund that provides further increases to highway and transit contract authority if the future legislation maintains a solvent Highway Trust Fund.

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

Conference Agreement

The Conference agreement calls for a total of \$88.2 billion in BA and \$95.7 billion in outlays for 2010, and \$449.9 billion in BA and \$481.0 billion in outlays over five years. The conference agreement recognizes that this year's economic recovery package made significant investments in highway construction, mass transit, passenger rail, and aviation that will create badly needed jobs to help sustain the recovery. The conference agreement recognizes that continued investment in infrastructure programs is important and includes House and Senate infrastructure reserve funds to accommodate legislation to reauthorize surface transportation programs and ensure the solvency of the Highway Trust Fund for the length of the surface transportation authorization.

The task of reauthorizing highway construction programs is made more difficult by a large set of current law rescissions to contract authority, a form of mandatory budget authority. Beginning in 2010, the conference agreement restores the mandatory baseline for the federal-aid highway program so that its funding authority is in line with current projections of obligation limitations. In the Senate, it will not be in order for legislation that extends or reauthorizes surface transportation bills to appropriate budget authority for those programs outside of the Highway Trust Fund. The conference agreement also does not adopt the administration's proposed change to scoring of contract authority and does not assume increases to fuel taxes.

The Senate infrastructure reserve fund would also accommodate legislation that makes additional investments in multimodal transportation projects, passenger and freight rail and could also accommodate legislation regarding the Denali Commission, an independent federal agency focusing on rural Alaskan communities.

The conference agreement continues the unprecedented commitment to high speed rail made in the economic recovery package by providing \$1 billion for high speed rail in 2010. Finally, as a part of the reauthorization of the Federal Aviation Administration, the conference agreement accommodates increases to the Airport Improvement Program (AIP).

COMMUNITY AND REGIONAL DEVELOPMENT: FUNCTION 450

Function Summary

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

Senate-passed Resolution

The Senate resolution calls for a total of \$16.3 billion in BA and \$28.9 billion in outlays for 2010, and \$80.8 billion in BA and \$114.3 billion in outlays over five years.

The Senate resolution recognizes the importance of providing investments in our communities and protecting the homeland. The Senate resolution includes increased funding for the Community Development Block Grant (CDBG), the largest source of federal grant assistance in support of state and local government housing and community development efforts, and for grants to local governments to revitalize closed manufacturing plants. The Senate resolution also supports funding for Department of Homeland Security grant programs and BIA programs.

House-passed Resolution

The House resolution calls for a total of \$18.3 billion in BA and \$29.3 billion in outlays for 2010, and for \$103.3 billion in BA and \$129.5 billion in outlays over five years.

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

Conference Agreement

The conference agreement includes a total of \$18.3 billion in BA and \$29.3 billion in outlays for 2010, and \$88.3 billion in BA and \$122.7 billion in outlays over five years.

The conference agreement provides increased funding levels that will provide needed investments in our communities and homeland security. The agreement provides increased funding, which could include full funding for the Community Development Block Grant

(CDBG), and for grants to local governments to revitalize closed manufacturing plants. The conference agreement also includes \$2.0 billion in 2010 and \$5.0 billion in 2011 for a National Infrastructure Bank, if authorized, with an understanding that at least one quarter of the funding would be targeted to rural areas. The conference agreement also supports funding for Department of Homeland Security grant programs and BIA programs.

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

Function Summary

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

Senate-passed Resolution

The Senate resolution calls for a total of \$94.4 billion in BA and \$140.6 billion in outlays for 2010, and \$561.1 billion in BA and \$640.4 billion in outlays over five years.

Building on the investments in education and training provided in the economic recovery package, the Senate resolution fully funds the President's request for education and training programs over the five-year budget window. Investments in education and training programs have sound economic benefits and the Senate-passed resolution provides Americans a complete and competitive education from cradle to career.

There is increasing evidence that investing in high quality early childhood education programs, such as Head Start, is a solid investment, yielding \$10 in reduced social costs for every dollar invested. Despite these benefits, many preschool students do not have access to quality early education programs. The Senate-passed resolution provides expanded resources to invest in the long-term returns of early education.

Moreover, decreased federal funding for education has implications at the state and local level. When the federal government reduces its share of funding for the Individuals with Disabilities Education Act, state and local governments have to cut programs to cover the decreasing share of special education.

The Senate resolution calls for a significant investment to build our human capital through programs targeting low-income students, such as Title I, and for innovative and effective strategies to reduce achievement gaps and improve student learning in grade schools, middle schools, and high schools. The competitive educational advantage we used to enjoy, relative to other nations, has eroded significantly in recent years.

The Senate resolution proposes to reduce barriers to higher education by including provisions that could accommodate the President's student aid proposals, such as expanding Pell grants. The President has challenged our students to commit to at least one year of post-secondary study. However, many low- and moderate-income high school graduates who are fully prepared to go to college do not because of financial barriers. Employers indicate that we

are not producing enough trained workers with the skills for the modern workplace, particularly in high-growth sectors such as health care and green energy technologies. Increasingly, these sectors require some form of post-secondary education or job re-training.

The Senate resolution recognizes that effective education and training programs are necessary to restart US economic growth and allow our citizens to compete in the global economy. It makes this effort a high priority. The Senate resolution also provides the President's requested level for the Corporation for National and Community Service to encourage Americans to serve their community and country.

The Senate resolution provides a deficit-neutral reserve fund for higher education to facilitate enactment of legislation to make college more accessible and affordable.

The Senate resolution adopted three amendments to the Higher Education reserve fund which would maintain a competitive student loan program; facilitate expanded funding for programs that provide need-based grants and community work-study programs; and facilitate expanded funding for programs that provide outreach to low-income students to prepare for college. The Senate also adopted an amendment to the Economic Stabilization and Growth reserve fund to provide specialized training for workers in emerging industries. In addition the Senate adopted an amendment to provide a reserve fund for after-school programs.

House-passed Resolution

The House resolution calls for a total of \$93.7 billion in BA and \$140.3 billion in outlays for 2010, and for \$560.4 billion in BA and \$639.6 billion in outlays over five years.

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

The 111th Congress has already made significant new investments in education in the American Recovery and Reinvestment Act, which provided about \$100 billion that states will use primarily to maintain elementary, secondary, and higher education services. The American Recovery and Reinvestment Act targeted significant funds to Title I (Education for the Disadvantaged), Head Start, and special education, where the funding can be used to train more teachers to provide needed services in the future. The House budget resolution builds upon that start by providing the level of funding in the President's request for education, job training, and social services for 2010.

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

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

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

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

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

Conference Agreement

The conference agreement calls for a total of \$94.4 billion in BA and \$140.6 billion in outlays for 2010, and for \$561.1 billion in BA and \$640.4 billion in outlays over five years.

The conference agreement recognizes the importance of investing in education and training programs to build a highly skilled workforce that can compete in the global marketplace and provides the President's requested level for education, training and social service programs in every year over the five-year budget window. The increased funding will assist Americans from cradle to career with job training programs, access to higher education through Pell grants and state programs targeted to low-income students, elementary and secondary education

programs such as Title I and IDEA, and expanded resources for Head Start and other early education programs.

The conference agreement contains deficit-neutral reserve funds for higher education legislation in both the House and Senate. It also includes a Senate reserve fund for 21st Century Learning Centers.

The conference agreement includes a Sense of Congress provision on college affordability and student loan reform that reaffirms the importance of the student aid services provided by both non-profit and for-profit entities in the student loan program, as well as the employment they provide across the country.

HEALTH: FUNCTION 550

Function Summary

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

Senate-passed Resolution

The Senate resolution calls for a total of \$385.4 billion in BA and \$389.2 billion in outlays for 2010, and for \$1.9 trillion in BA and outlays over five years.

The Senate resolution includes increased funding above the 2010 baseline level consistent with the President's health priorities for NIH, HRSA, CDC, IHS, and FDA. Significant increases for Community Health Centers, health professions, and the National Health Service Corps within HRSA are also included. Increases above the President's request are also included for the Maternal and Child Health Block Grant, the organ transplantation program, and several other programs.

In addition, the Senate resolution contains several health care related deficit-neutral reserve funds, including reserve funds for health care reform legislation and for improvements at the FDA.

House-passed Resolution

The House resolution calls for a total of \$383.9 billion in BA and \$388.7 billion in outlays for 2010, and for \$1.9 trillion in BA and outlays over five years.

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

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

Conference Agreement

The conference agreement includes a total of \$384.3 billion in BA and \$388.9 billion in outlays for 2010, and \$1.9 trillion in BA and outlays over five years.

Discretionary funding levels for Function 550 include increased funding above the 2010 baseline level consistent with the President's health priorities for NIH, HRSA, CDC, IHS, and FDA. In addition, the conference agreement assumes significant increases for Community Health Centers, health professions, and the National Health Service Corps within HRSA as well as food safety efforts at FDA. Increases are also included for the Maternal and Child Health Block Grant and the organ transplantation program as well as additional funding for IHS to help meet the needs of American Indians and Alaska Natives.

The conference agreement provides critical resources for public health, which includes programs focused on addressing health promotion and disease prevention. Preventative health care measures and disease management have the potential to lead to more efficient use of health care spending, and reduced illness, as well as an improvement in the health of the public.

In addition, programs in Function 550 are also addressed in several health care related deficit-neutral reserve funds, including a reserve fund for health care reform legislation.

MEDICARE: FUNCTION 570

Function Summary

The Medicare function includes funding to administer and to provide benefits under the Medicare program. Medicare is a federal health insurance program that currently covers 45 million Americans aged 65 and older, as well as younger adults who are disabled or suffer from end-stage renal disease.

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

Senate-passed Resolution

The Senate resolution calls for a total of \$442.8 billion in BA and \$443.0 billion in outlays for 2010, and \$2.6 trillion in BA and \$2.6 trillion in outlays over five years. The mandatory spending levels in the Senate resolution are at the CBO baseline level in all years covered by the resolution. In addition, the Senate resolution includes a deficit-neutral reserve fund in Sec. 201(b) for legislation that increases the reimbursement rate for Medicare physician services (and overrides a large payment rate cut that would otherwise go into effect on January 1, 2010) and addresses other Medicare benefit and payment issues. In addition, the Senate resolution also contemplates Medicare physician payment reform as a component of comprehensive health reform and subject to the flexibility of the reserve fund in Sec. 201(a).

The discretionary spending levels in the Senate resolution assume \$25 million over the period 2010 to 2012 to begin addressing the administrative costs associated with legislation that would reduce the potential for identity theft by requiring the Centers for Medicare and Medicaid Services to remove Social Security numbers from Medicare cards.

For 2010, the discretionary funding levels in this function include a discretionary cap adjustment of up to \$311 million for program integrity activities of the Health Care Fraud and Abuse Control (HCFAC program) to address improper payments, fraud, and abuse in the Medicare program.

House-passed Resolution

The House resolution calls for a total of \$449.7 billion in BA and \$449.8 billion in outlays for 2010, and for \$2.6 trillion in BA and outlays over five years.

The House budget resolution function level for Medicare assumes that the payment rates in effect for physicians for 2009 will stay in effect through 2019. This assumption is consistent with the President's budget and is based on Congressional actions in recent years to prevent cuts in physician payments that would otherwise be required by the Sustainable Growth Rate formula. However, like the President's budget, the House budget resolution does not intend this assumption as a reflection of future policy. Instead, the assumption represents a realistic and meaningful benchmark against which to measure the fiscal effects of legislation reforming the Medicare physician payment system. The House resolution includes a reserve fund (Sec. 314) to accommodate legislation for improvements in Medicare's system for paying physicians.

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

Conference Agreement

The conference agreement reflects a total of \$449.7 billion in BA and \$449.8 billion in outlays in 2010, and \$2.6 trillion in BA and \$2.6 trillion in outlays over five years.

For 2010, the discretionary spending levels in this function are \$5 million above the President's request. Over five years, the discretionary funding in this function assumes \$25 million to begin addressing the administrative costs associated with legislation that would reduce the potential for identity theft by requiring the Centers for Medicare and Medicaid Services to remove Social Security numbers from Medicare cards.

The mandatory spending levels in this function assume \$38 billion above the CBO baseline level, which reflects Medicare payment rates in effect for physicians for 2009 staying in effect through 2010, 2011, and at least part of 2012. However, the conference agreement does not intend this assumption as a reflection of future policy. In the Senate, legislation that would freeze physician payments at current levels, provide a positive update for physician payments, or reform the Medicare physician payment system, whether on a temporary or permanent basis, must be compliant with Sec. 301(a) or Sec. 301(b) in this conference agreement. In the House, Sec. 421 of the conference agreement allows the chairman of the Budget Committee to treat the additional \$38 billion as a current policy adjustment before evaluating the costs of legislation affecting Medicare physician payments for compliance with House budget rules and procedures, assuming the condition stated in that section is met.

The conference agreement includes a Senate reserve fund (Sec. 301) and a House reserve fund (Sec. 321) to accommodate comprehensive health reform legislation and related provisions, including legislation for improvements in Medicare's system for paying physicians.

INCOME SECURITY: FUNCTION 600

Function Summary

The Income Security function contains a range of income security programs including: 1) major cash and in-kind means-tested entitlements; 2) general retirement, disability, and pension programs excluding Social Security and veterans' compensation programs; 3) federal and military retirement programs; 4) unemployment compensation; 5) low-income housing programs; and 6) other low-income support programs. Major federal entitlement programs in this function include unemployment insurance, food stamps, child nutrition, Temporary Assistance to Needy Families (TANF), foster care, child support enforcement, child care, Supplemental Security Income, and spending for the refundable portion of the Earned Income Credit.

Senate-passed Resolution

The Senate resolution calls for a total of \$536.6 billion in BA and \$539.9 billion in outlays for 2010, and for \$2.4 trillion in BA and outlays over five years.

The resolution provides increased funding for the Low-Income Home Energy Assistance Program. These funds for LIHEAP will help to continue providing heating and cooling assistance to over five million low-income households, including the working poor, disabled persons, elderly, and families with young children. The Senate resolution continues to support funding for the Public Housing Capital Fund, Hope VI Distressed Housing Program, Housing for the Disabled, Housing for the Elderly, and the Section 8 tenant-based Housing Choice Voucher program and the project-based Section 8 program. The resolution includes increases for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).

In addition, the Senate resolution includes deficit-neutral reserve funds for improvements to child welfare, child support enforcement, foster care financing, and LIHEAP, as well as for the reauthorization of the child nutrition and WIC programs, and for establishing or expanding early childhood home visitation programs.

House-passed Resolution

The House resolution calls for a total of \$536.2 billion in BA and \$539.9 billion in outlays for 2010, and for \$2.5 trillion in BA and outlays over five years.

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

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

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

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

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

Conference Agreement

The conference agreement includes a total of \$536.7 billion in BA and \$540.2 billion in outlays for 2010, and \$2.4 trillion in BA and outlays over five years.

The conference agreement provides discretionary funding increases consistent with President's budget request for Function 600 in order to invest in children and meet urgent needs of low-income families and elderly and disabled people. The conference agreement supports the President's request of \$3.2 billion for LIHEAP in 2010. However the agreement also includes a discretionary cap adjustment for an additional \$1.9 billion, for a total LIHEAP funding level of \$5.1 billion if the President's funding level of \$3.2 billion is included in an appropriations measure. These funds for LIHEAP will help to continue providing heating and cooling assistance to over five million low-income households, including the working poor, disabled persons, elderly, and families with young children.

The conference agreement accommodates funding for increases in participation in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), which is currently projected to have 9.8 million participants in 2010. The conference agreement also continues to support funding for important housing assistance programs for low-income families, the elderly, and the disabled.

In addition, the conference agreement includes deficit-neutral reserve funds for improvements to child welfare, child support enforcement, foster care financing, and LIHEAP, as well as for the reauthorization of the child nutrition and WIC programs to help meet the President's goal of ending childhood hunger in the United States, and for establishing or expanding home visitation programs.

SOCIAL SECURITY: FUNCTION 650

Function Summary

The Social Security function includes funding for the Old-Age, Survivors, and Disability Insurance (OASDI) programs, which provide earned Social Security benefits to over 52 million eligible retired workers, disabled persons, and their spouses and survivors. In addition, this function provides funding to the Social Security Administration (SSA) and the Office of the Inspector General (OIG) to administer the Social Security program and ensure program integrity.

Under provisions of the Congressional Budget Act and the Budget Enforcement Act, the Old-Age and Survivors Insurance (OASI) trust fund and the Disability Insurance (DI) trust fund are off-budget and do not appear in the budget resolution totals. A small portion of spending in Function 650, the general fund transfer of income taxes on Social Security benefits to the trust funds and outlays resulting from funding authorized in the American Recovery and Reinvestment Act of 2009, is considered on-budget and appears in the budget resolution totals.

Senate-passed Resolution

The Senate resolution calls for \$20.3 billion in on-budget BA and \$20.4 billion in on-budget outlays for 2010, and \$132.4 billion in on-budget BA and \$132.9 billion in on-budget outlays over five years. (The corresponding figures on a unified basis are \$703.4 billion in BA and \$701.4 billion in outlays for 2010 and \$3.8 trillion in BA and outlays over five years.) This spending reflects the general fund transfer of income taxes on Social Security benefits to the trust funds and the outlay effect of funding for the Social Security Administration (SSA) that was authorized in the American Recovery and Reinvestment Act of 2009.

For 2010, the Senate resolution provides \$6.1 billion in BA and \$5.9 billion in off-budget discretionary outlays for SSA administrative expenses, as outlined in section 102(c) of the resolution, which matches the President's budget request. When combined with funding resources in Function 570 (Medicare) and Function 600 (Income Security), the total administrative budget for SSA assumed in the Senate resolution is \$11.6 billion. This substantial increase over the FY09 level is intended to help address the serious and unacceptable backlog of Social Security disability claims and hearings, as well as other backlog workloads for which additional resources are needed.

The discretionary funding levels in the Senate resolution assume a discretionary cap adjustment of \$485 million to fund additional continuing disability reviews and Supplemental Security Income redeterminations, if appropriators provide a base funding level for these program integrity initiatives of \$273 million.

House-passed Resolution

For the unified budget, the House resolution calls for a total of \$703.4 billion in BA and \$701.4 billion in outlays for 2010, and for \$3.8 trillion in BA and outlays over five years. (The

budget resolution provides only the on-budget amounts, which are \$20.3 billion in BA and \$20.4 billion in outlays for 2010, and \$132.4 billion in BA and \$132.9 billion in outlays over five years.)

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

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

Conference Agreement

For the unified budget, the conference agreement calls for \$703.4 billion in BA and \$701.4 billion in outlays for 2010, and \$3.8 trillion in BA and outlays over five years. (The conference agreement provides only the on-budget amounts, which are \$20.3 billion in BA and \$20.4 billion in outlays for 2010, and \$132.4 billion in BA and \$132.9 billion in outlays over five years.)

For 2010, the conference agreement provides total net discretionary resources for the administrative expenses of SSA (across all relevant functions) of \$11.6 billion, meeting the President's requested level. The total SSA funding level in the conference agreement assumes the President's full request for a cap adjustment for program integrity efforts (including CDRs, SSI redeterminations and SSI asset verification). It also reflects the President's full request for more resources to address the serious backlog of disability claims and hearings, as well as other backlog workloads for which additional resources are needed.

VETERANS BENEFITS AND SERVICES: FUNCTION 700

Function Summary

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

Senate-passed Resolution

The Senate resolution calls for a total of \$106.5 billion in BA and \$105.6 billion in outlays for 2010, and \$557.6 billion in BA and \$554.5 billion in outlays over five years. The Senate resolution provides a \$5.6 billion increase for the VA in 2010, and continues that commitment by increasing funding for the VA by \$27 billion over the next five years. The Senate resolution also provides additional resources to the VA so that veterans' insurance need not be billed for service-connected VA care and for increased beneficiary travel reimbursement. Once again, the Senate resolution recognizes the deep debt our nation owes to those who have served in defending our country and continues to provide critical resources to ensure that they get the quality health care they deserve.

In addition, the Senate resolution understands that there is an urgent need for funding of grants for State Veterans Cemeteries with the aging of the WWII generation. Unfortunately, funding levels have not kept up with need. Therefore, the Senate resolution supports adequate funding that can address the costs of constructing new cemeteries as well as the needs of existing State Veterans Cemeteries.

House-passed Resolution

The House resolution calls for a total of \$106.4 billion in BA and \$105.5 billion in outlays for 2010, and for \$557.7 billion in BA and \$554.6 billion in outlays over five years. The total BA level for 2010 includes discretionary BA of \$53.3 billion.

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

The House resolution emphasizes the high priority that the House places on continuing to provide sufficient and timely funding for veterans' health care. The House resolution provides full funding to support excellent health care for veterans. It includes funding to restore health care eligibility to additional non-disabled veterans with modest incomes (Priority Group 8),

consistent with the President's budget. In addition, the House resolution provides funding above the 2009 levels for VA to research and treat mental health, post-traumatic stress disorder (PTSD), and traumatic brain injury. In particular, the House resolution recognizes the importance of ensuring adequate funding for neuropsychiatric-PTSD staff and research.

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

Conference Agreement

The conference agreement calls for a total of \$106.5 billion in BA and \$105.6 billion in outlays for 2010, and \$558.4 billion in BA and \$555.3 billion in outlays over five years. The conference agreement provides an 11.7 percent increase for discretionary BA for veterans' health care and other services (excluding emergency funding), and continues that commitment by increasing discretionary funding for the Department of Veterans Affairs (VA) and related agencies by more than \$27 billion over the next five years. The decrease in mandatory BA and outlays between 2011 and 2012 reflects the timing of monthly benefit payments—primarily, disability compensation and pensions—in any given fiscal year. It is not the result of any reduction in benefits. As a result, 2011 includes 13 benefit payment dates, while 2012 contains only 11 benefit payment dates.

The conference agreement includes funding to restore health care eligibility to additional non-disabled veterans with modest incomes (Priority Group 8), consistent with the President's budget. In addition, the agreement provides funding above the 2009 levels for VA to research and treat mental health, post-traumatic stress disorder, and traumatic brain injury. The conference agreement supports increasing the number of healthcare professionals in the Veterans Health Administration (VHA) to meet the needs of the expanding number of veterans and to fill vacant healthcare professional positions at VHA. The conference agreement supports enhanced incentives for healthcare professionals of the VHA who serve in rural areas and increases to veterans beneficiary travel reimbursement. The conference agreement also provides additional resources to the VA so that veterans' private insurance need not be billed for service-connected VA care, and the agreement affirms that VA is not and should not be authorized to bill private insurance companies for treatment of health conditions that are related to veterans' military service.

In addition, the conference agreement recognizes that there is an urgent need to open new national and State Veterans Cemeteries with the aging of the WWII generation. Unfortunately, funding levels for grants for State Veterans Cemeteries have not kept up with the need. Therefore, the conference agreement supports adequate funding that can address the costs of

constructing new cemeteries as well as the needs of existing State Veterans Cemeteries.

Sections 402 and 424 of the conference agreement include language exempting the following VA accounts from a point of order against advance appropriations: Medical Services, Medical Support and Compliance, and Medical Facilities.

ADMINISTRATION OF JUSTICE: FUNCTION 750

Function Summary

The Administration of Justice function includes funding for federal law enforcement activities at the Department of Justice (DOJ) including criminal investigations by the Federal Bureau of Investigation (FBI) and the Drug Enforcement Agency (DEA). The function also includes funding for border enforcement by the Department of Homeland Security (DHS). Additionally, the function includes funding for civil rights enforcement and prosecution; federal block, categorical, and formula law enforcement grant programs to state and local governments; prison construction and operation; the United States Attorneys; and the federal judiciary.

Senate-passed Resolution

The Senate resolution calls for a total of \$53.5 billion in BA and \$52.1 billion in outlays for 2010, and for \$260.6 billion in BA and \$264.4 billion in outlays over five years.

The Senate resolution recognizes the important role the partnership between federal, state, and local law enforcement entities plays in maintaining safe communities. For example, the Community Oriented Policing Service (COPS) grant program provides funding that is critical in many urban and rural areas in maintaining police presence, carrying out criminal investigations, combating methamphetamine, and in training and equipping law enforcement officers. This and other support for local law enforcement remain a priority.

The Senate resolution includes funding to protect children by funding Adam Walsh Child Protection and Safety Act programs. The Senate resolution also provides resources to support the Administration's efforts to combat drug, gun, and cash smuggling by cartels and for addressing potential spillover violence along the Southern border.

House-passed Resolution

The House resolution calls for a total of \$52.9 billion in BA and \$51.6 billion in outlays for 2010, and for \$268.3 billion in BA and \$271.2 billion in outlays over five years.

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

states and localities for their incarceration costs – and the House resolution recognizes the importance of these and other programs.

Conference Agreement

The conference agreement calls for a total of \$53.4 billion in BA and \$52.0 billion in outlays for 2010, and for \$268.8 billion BA and \$271.7 billion in outlays over five years. The conference agreement provides significant resources for federal and local law enforcement programs. The conference agreement provides increased funding for the Federal Bureau of Investigation (FBI) as it meets the country's domestic crime fighting, financial fraud investigation, and national security needs.

The conference agreement supports the Department of Justice's programs and initiatives that hire and equip police officers and that provide other important services to our communities. For example, the conference agreement supports drug control efforts in urban and rural areas by including funding for High Intensity Drug Areas (HIDTA) programs and drug interdiction efforts carried out by both the Departments of Justice and Homeland Security. In addition, the Community Oriented Policing Services (COPS) program includes hiring grants and grants to combat methamphetamine, the Edward Byrne Memorial Justice Assistance Grant (Byrne JAG) provides flexible resources to our communities to meet a variety of their criminal justice needs, the State Criminal Alien Assistance Program (SCAAP) reimburses states and localities for their incarceration costs, and Adam Walsh Child Protection and Safety Act programs prevents crimes against children.

The conference agreement includes funding for Violence Against Women Act (VAWA) and Family Violence Prevention and Services Act. These funds supplement support for violence prevention and services activities. In particular, the conference agreement supports the VAWA Long-Term Stability/Housing for Victims Program, which builds collaborations between domestic violence service providers, housing providers, and developers to leverage existing resources and create housing solutions that meet victims' need for long-term housing. Helping victims remain safe and stable over time is critical since victims of domestic violence often return to their abusers because they cannot find long-term housing.

Finally, the conference agreement provides additional funding to support the President's initiative to combat violence along the U.S.-Mexico border.

GENERAL GOVERNMENT: FUNCTION 800

Function Summary

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

Senate-passed Resolution

The Senate resolution calls for a total of \$22.3 billion in BA and \$23.0 billion in outlays for 2010, and \$112.8 billion in BA and \$116.5 billion in outlays over five years.

The Senate resolution supports enhanced Internal Revenue Service (IRS) tax enforcement to address the tax gap. The resolution fully funds the President's budget request for the IRS and includes the President's request for additional resources for IRS enforcement. By including a discretionary cap adjustment of \$890 million, the budget resolution would direct approximately \$8 billion to IRS enforcement activities. A similar cap adjustment was included in the 2009 budget resolution.

The Senate resolution assumes that rates of compensation for civilian employees of the United States should be adjusted at the same time, and in the same proportion, as are rates of compensation for members of the uniformed services.

House-passed Resolution

The House resolution calls for a total of \$22.0 billion in BA and \$22.8 billion in outlays for 2010, and for \$113.2 billion in BA and \$116.8 billion in outlays over five years.

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

Conference Agreement

The conference agreement includes \$22.0 billion in BA and \$22.8 billion in outlays for 2010, and \$112.2 billion in BA and \$115.9 billion in outlays over five years. It fully funds the President's budget request for IRS enforcement activities, including additional resources available through a discretionary cap adjustment. The Senate retains an \$890 million discretionary cap adjustment, which would require approximately \$8 billion for IRS enforcement

related activities. The House reflects an equivalent amount for enforcement activities using a cap adjustment for the Enforcement account and additional funding from related accounts.

NET INTEREST: FUNCTION 900

Function Summary

The Net Interest function is entirely mandatory with no discretionary components. It consists primarily of the interest paid by the federal government to private and foreign government holders of U.S. Treasury securities. It includes the interest on the public debt after deducting the interest income received by the federal government from trust fund investments, loans and cash balances, and earnings of the National Railroad Retirement Investment Trust.

Senate-passed Resolution

For the unified budget, the Senate resolution calls for BA and outlays of \$168.8 billion for 2010 and \$1.4 trillion over five years. (The budget resolution provides only the on-budget amounts, which total \$284.6 billion in BA and outlays for 2010 and \$2.0 trillion in BA and outlays over five years.)

House-passed Resolution

For the unified budget, the House resolution calls for a total of \$168.3 billion in BA and outlays for 2010, and for \$1.4 trillion in BA and outlays over five years. (The budget resolution provides only the on-budget amounts, which are \$284.1 billion in BA and outlays for 2010, and \$2.0 trillion in BA and outlays over five years.)

Conference Agreement

For the unified budget, the conference agreement calls for BA and outlays of \$168.4 billion for 2010 and \$1.4 trillion over five years. (The on-budget amounts are \$284.2 billion in BA and outlays for 2010 and \$2.0 trillion in BA and outlays over five years.)

ALLOWANCES: FUNCTION 920

Function Summary

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

Senate-passed Resolution

The Senate resolution calls for a total of -\$16.0 billion in BA and -\$7.0 billion in outlays for 2010, and -\$89.4 billion in BA and -\$78.8 billion in outlays over five years.

House-passed Resolution

The House resolution calls for a total of \$9.4 billion in BA and \$4.9 billion in outlays for 2010, and for \$33.4 billion in BA and \$22.6 billion in outlays over five years.

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

Conference Agreement

The conference agreement calls for a total of \$1.2 billion in BA and \$2.5 billion in outlays for 2010, and -\$60.8 billion in BA and -\$48.9 billion in outlays over five years. These funding levels include a placeholder for 2009 and 2010 to recognize the potential costs of disasters. Offsetting these amounts are other non-security discretionary adjustments, savings pursuant to reconciliation instructions, and offsets for policy in other budget functions.

UNDISTRIBUTED OFFSETTING RECEIPTS: FUNCTION 950

Function Summary

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

Senate-passed Resolution

The Senate resolution calls for unified undistributed offsetting receipts of -\$83.6 billion in BA and outlays for 2010 and -\$456.2 billion in BA and outlays over five years. (The on-budget totals for BA and outlays are -\$68.4 billion for 2010 and -\$371.8 billion over five years.) The Senate resolution matches the CBO's baseline estimate of undistributed offsetting receipts.

House-passed Resolution

For the unified budget, the House resolution calls for a total of -\$83.9 billion in BA and outlays for 2010, and for -\$458.0 billion in BA and outlays over five years. (The budget resolution provides only the on-budget amounts, which are -\$68.8 billion in BA and outlays for 2010, and -\$373.5 billion in BA and outlays over five years.)

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

Conference Agreement

For the unified budget, the conference agreement includes undistributed offsetting receipts of -\$83.9 billion in BA and outlays for 2010 and -\$458.0 billion in BA and outlays over five years. (The on-budget amounts are -\$68.8 billion in BA and outlays for 2010 and -\$373.5 billion in BA and outlays over five years.)

OVERSEAS DEPLOYMENTS AND OTHER ACTIVITIES: FUNCTION 970

Function Summary

This function includes funding for overseas deployments and other activities.

Senate-passed Resolution

The Senate resolution did not include Function 970.

House-passed Resolution

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

Conference Agreement

The conference agreement includes Function 970 to account for the President's pending supplemental request, other Presidential requests, and an estimate of potential future costs of overseas deployments.

RECONCILIATION

Senate-passed Resolution

The Senate resolution did not include any reconciliation instructions.

House-passed Resolution

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

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

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

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

Conference Agreement

The conference agreement includes reconciliation instructions.

For the Senate, Sec. 201 of the conference agreement provides reconciliation instructions to the Committee on Finance and Committee on Health, Education, Labor, and Pensions to report changes in laws within their jurisdiction that reduce the deficit by \$1,000,000,000 each for the period of fiscal years 2009 through 2014. The deadline for these committees to report legislation complying with their instructions is October 15, 2009.

For the House, Sec. 202 of the conference agreement provides two sets of reconciliation instructions, one intended for health reform and one intended for education. The deadline for affected committees to report legislation complying with each set of instructions is October 15, 2009. The committees shall report reconciliation legislation directly to the House Committee on the Budget.

Sec. 202(a), for health reform, instructs the Committee on Ways and Means, the Committee on Energy and Commerce, and the Committee on Education and Labor to report changes in laws to reduce the deficit by \$1.0 billion for the period of fiscal years 2009 through 2014. Because of overlapping committee jurisdictions in the House with respect to health programs and related policies, the House Committee on the Budget assumes that legislation reported pursuant to Sec. 201(a) by the three named committees will, in combination, result in total net deficit reduction of at least \$1.0 billion for the period of fiscal years 2009 through 2014.

Sec. 202(b), for education, instructs the Committee on Education and Labor to report changes in laws to reduce the deficit by \$1.0 billion for the period of fiscal years 2009 through 2014.

• It is assumed that reconciliation will not be used for changes in legislation related to global climate change.

RESERVE FUNDS

The Senate and House use reserve funds in connection with consideration of legislation that complies with each chamber's rules. The conference agreement therefore contains reserve funds for the House and for the Senate to address the rules and procedures that apply in each chamber.

Senate-passed Resolution

Sec. 201. Transform and modernize America's health care system

- (a) **Transform and Modernize America's Health Care System:** The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of health reform legislation that expand affordable coverage, improve health care quality and health outcomes, and constrain costs, provided that such legislation is deficit-neutral over the total of 2009-2019, reduces excess cost growth in health care spending, and is fiscally-sustainable over the long-term. The reserve fund reflects the eight principles for health reform outlined in the President's budget and provides maximum flexibility to the authorizing Committees to determine the appropriate level of spending and the offsets that may be required to pay for these investments.
- (b) **Other Revisions:** The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation in the following areas, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019:
 - (1) **Physician Payments** - legislation that increases the reimbursement rate for physician services under Medicare Part B.
 - (2) **Physician Training** - legislation to encourage physicians to train in primary care residencies and ensure an adequate supply of residents and physicians.
 - (3) **Medicare Outpatient Therapy** - legislation to improve the Medicare program for beneficiaries and protect access to outpatient therapy services (including physical therapy, occupational therapy, and speech-language pathology services) while protecting beneficiaries from associated premium increases.
 - (4) **Geographic Variation** - legislation to promote Medicare payment policies that reward quality and efficient care and address geographic variation in spending.
 - (5) **Medicare Advantage Enrollees** - legislation to protect Medicare Advantage enrollees from premium increases and benefit reductions in their Medicare Advantage plans that would result from estimates in the 2010 Medicare Advantage Call Letter.

Sec. 202. Investing in clean energy and preserving the environment

The Senate-passed resolution includes a deficit-neutral reserve fund allowing the Chairman of the Budget Committee to revise the levels in the resolution for legislation in the following areas, provided that such legislation would not increase the deficit over either the period of the total of 2009 through 2014 or the period of the total of 2009 through 2019.

- (a) **Investing in Clean Energy and Preserving the Environment:** Legislation that would reduce our Nation's dependence on imported energy including through expanded offshore oil and gas production in the Outer Continental Shelf, produce green jobs, promote renewable energy development, strengthen and retool manufacturing supply chains, create a clean energy investment fund, improve electricity transmission, encourage conservation and efficiency (including through industrial energy efficiency programs), make improvements to the Low Income Home Energy Assistance Program, set aside additional funding from the Oil Spill Liability Trust Fund for Arctic oil spill research conducted by the Oil Spill Recovery Institute, implement water settlements, or preserve or protect public lands, oceans or coastal areas, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the cost of producing energy from domestic sources, including oil and gas from the Outer Continental Shelf or other areas; would not increase the cost of energy for American families; would not increase the cost of energy for domestic manufacturers, farmers, fishermen, or other domestic industries; and would not enhance foreign competitiveness against U.S. businesses. The legislation may include tax provisions.
- (b) **Climate Change Legislation:** Legislation that would invest in clean energy technology initiatives, decrease greenhouse gas emissions (without regulating carbon dioxide, nitrogen oxide, water vapor, or methane emissions from biological processes associated with livestock production), create new jobs in a clean technology economy, strengthen the manufacturing competitiveness of the United States, diversify the domestic clean energy supply to increase the energy security of the United States, protect consumers (including policies that address regional differences), provide incentives for cost-savings achieved through energy efficiencies, provide voluntary opportunities for agriculture and forestry communities to contribute to reducing the levels of greenhouse gases in the atmosphere, and help families, workers, communities, and businesses make the transition to a clean energy economy, without increasing electricity or gasoline prices or increasing the overall burden on consumers, through the use of revenues and policies provided in such legislation.
- (c) **Allocations:** The Chairman of the Senate Committee on the Budget shall not revise the allocations in this resolution if the legislation provided for in subsections (a) or (b) is reported from any committee pursuant to section 310 of the Congressional Budget Act of 1974.

Sec. 203. Higher education

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels and limits in the resolution for one or more pieces of legislation that would make higher education more accessible and more affordable while maintaining a competitive student loan program that provides students and institutions of higher education with a comprehensive choice of loan products and services which may include legislation to expand and strengthen student aid, such as Pell grants, or increase college enrollment and completion rates for low income students such as by investing in programs that provide need-based grants and community work study programs or provide outreach to low-income students to prepare for college, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019. This may include tax legislation.

Sec. 204. Child nutrition and WIC

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would reauthorize child nutrition programs and/or the Special Supplemental Nutrition Program for Women, Infants, and Children (the WIC program), provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 205. Investments in America's infrastructure

- (a) Infrastructure: The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels and limits in the resolution for one or more pieces of legislation that would provide a sustained robust federal investment in infrastructure, which may include public housing, energy, water, transportation, including freight and passenger rail, or other infrastructure projects, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

The Senate-passed resolution also allows the Chairman of the Budget Committee to revise the allocations to allow funding for the Denali Commission for each applicable fiscal year at a level equal to not less than the level of funding made available for the Denali Commission during 2006.

- (b) Surface Transportation: The Senate resolution allows the Chairman of the Budget Committee to revise the levels and limits in the resolution for one or more pieces of legislation that would provide new budget authority for surface transportation programs to the extent such new budget authority is offset by an increase in receipts to the Highway Trust Fund (excluding transfers from the general fund of the Treasury into the Highway Trust Fund not offset by a similar increase in receipts), provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.
- (c) Multimodal Transportation Projects: The Senate resolution allows the Chairman of the Budget Committee to revise the levels and limits in the resolution for one or more pieces of legislation that would authorize multimodal transportation projects that –
 - (1) provide a set of performance measures;

(2) require a cost-benefit analysis be conducted to ensure accountability and overall project goals are met; and

(3) provide flexibility for States, cities, and localities to create strategies that meet the needs of their communities

– provided the legislation is deficit-neutral over the total of 2009-2014 and 2009-2019.

- (d) **Flood Control Projects:** The Senate resolution allows the Chairman of the Budget Committee to revise the levels and limits in the resolution for one or more pieces of legislation that provide for levee modernization, maintenance, repair, and improvement, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.
- (e) **Allowing Amtrak Passengers to Securely Transport Firearms on Passenger Trains:** The Senate resolution states that none of amounts made available in the reserve fund authorized under this section may be used to provide financial assistance for the National Railroad Passenger Corporation (Amtrak) unless Amtrak passengers are allowed to securely transport firearms in their checked baggage.

Sec. 206. Promote economic stabilization and growth

- (a) **Manufacturing:** The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels and limits in the resolution for one or more pieces of legislation that would revitalize and strengthen the United States domestic manufacturing sector by increasing Federal research and development, by expanding the scope and effectiveness of manufacturing programs across the Federal Government, by increasing efforts to train and retrain manufacturing workers, by enhancing workers' technical skills in the use of the new advanced manufacturing technologies to produce competitive energy efficient products, by increasing support for sector workforce training, by increasing support for the redevelopment of closed manufacturing plants, by increasing support for development of alternative fuels and leap-ahead automotive and energy technologies such as advanced batteries, or by establishing tax incentives to encourage the continued production in the United States of advanced technologies and the infrastructure to support such technologies, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.
- (b) **Tax Relief:** The Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would provide tax relief including, but not limited to, extensions of expiring and expired tax relief provisions, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.
- (c) **Tax Reform:** The Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would reform the Internal Revenue Code to ensure a sustainable revenue base that would lead to a fairer and more efficient

tax system and to a more competitive business environment for United States enterprises, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

- (d) Flood Insurance Reform: The Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would provide for flood insurance reform and modernization, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.
- (e) Trade: The Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation related to trade, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.
- (f) Housing Assistance: The Senate resolution allows the Chairman of the Budget Committee to revise the levels and limits in the resolution for one or more pieces of legislation related to housing assistance, which may include low income rental assistance and assistance provided through the Housing Trust Fund created under section 1131 of the Housing and Economic Recovery Act of 2008, and legislation that allows for a temporary suspension of the 10 percent tax penalty on early withdrawal from qualified retirement accounts, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.
- (g) Unemployment Mitigation: The Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would reduce the unemployment rate or provide assistance to the unemployed, particularly in the states and localities with the highest rates of unemployment, or improve the implementation of the unemployment compensation program, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 207. America's veterans and wounded servicemembers

The Senate-passed resolution includes a reserve fund allowing the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would expand the number of disabled military retirees who receive both disability compensation and retired pay, accelerate the phase-in of concurrent receipt, eliminate the offset between Survivor Benefit Plan annuities and Veterans' Dependency and Indemnity Compensation, enhance servicemember education benefits for members of the National Guard and Reserve by ensuring those benefits keep pace with the national average cost of tuition, provide for the payment of retired pay for members of the Alaska Territorial Guard who served in the Alaska Territorial Guard during and after World War II, or expand veterans' benefits (including for veterans living in rural areas), provided such legislation is deficit-neutral over the total of 2008-2013 and 2008-2018.

Sec. 208. Judicial pay and judgeships and postal retiree assistance

- (a) Judicial Pay and Judgeships: The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of

legislation that authorize salary adjustments for justices and judges of the United States or increases the number of federal judgeships, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

- (b) **Postal Retirees:** The Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation relating to funding adjustments for United States Postal Service retiree health coverage, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 209. Defense acquisition and contracting reform

The Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would –

(1) enhance the capability of the Federal acquisition or contracting workforce to achieve better value for taxpayers;

(2) reduce the use of no-bid and cost-plus contracts;

(3) reform Department of Defense processes for acquiring weapons systems in order to reduce costs, improve cost and schedule estimation, enhance developmental testing of weapons, or increase the rigor of reviews of programs that experience critical cost growth;

(4) reduce the award of contracts to contractors with seriously delinquent tax debts;

(5) reduce the use of contracts, including the continuation of task orders, awarded under the Logistics Civil Augmentation Program (LOGCAP) III;

(6) reform Department of Defense processes for acquiring services in order to reduce costs, improve costs and schedule estimation, enhance oversight, or increase the rigor of reviews of programs that experience critical cost growth;

(7) reduce the use of contracts for acquisition, oversight, and management support services; or

(8) enhance the capability of auditors and inspectors general to oversee Federal acquisition and procurement;

– provided the legislation is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 210. Investments in our nation's counties and schools

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would reauthorize the Secure

Rural Schools and Community Self Determination Act of 2000 (Public Law 106–393), make changes to the Payments in Lieu of Taxes Act of 1976 (Public Law 94–565), or both, provided that such legislation would not increase the deficit over either the period of the total of 2009 through 2014 or the period of the total of 2009 through 2019.

Sec. 211. The Food and Drug Administration

- (a) **Regulation:** The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would authorize the Food and Drug Administration to regulate products and assess user fees on manufacturers and importers of those products to cover the cost of the Food and Drug Administration's regulatory activities, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.
- (b) **Drug Importation:** The Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would permit the safe importation of prescription drugs approved by the Food and Drug Administration from a specified list of countries, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.
- (c) **Food Safety:** The Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would improve the safety of the food supply in the United States, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 212. Bipartisan Congressional Sunset Commission

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that –

- (1) provide for a bipartisan congressional sunset commission that will review Federal programs, focusing on unauthorized and nonperforming programs;
- (2) provide for a process that will help abolish obsolete and duplicative Federal programs;
- (3) provide for improved government accountability and greater openness in government decision-making; and
- (4) provide for a process that ensures that Congress will consider the commission's reports and recommendations

– provided that such legislation would not increase the deficit over either the period of the total of 2009 through 2014 or the period of the total of 2009 through 2019.

Sec. 213. Improving domestic fuels security

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would achieve domestic fuels security by authorizing the Department of Defense to procure alternative fuels from domestic sources under contracts for up to 20 years, provided that procurement is consistent with section 526 of the Energy Independence and Security Act of 2007 (Public Law 110-140), and provided that such legislation would not increase the deficit over either the period of the total of 2009 through 2014 or the period of the total of 2009 through 2019.

Sec. 214. Comprehensive investigation into the current financial crisis

The Senate resolution allows the Chairman of the Budget Committee to revise the levels and limits in the resolution for one or more pieces of legislation that provide resources for a comprehensive investigation to determine the cause of the current financial crisis, hold those responsible accountable, and provide recommendations to prevent another financial crisis of this magnitude from occurring again, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 215. Increased transparency at the federal reserve

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels and limits in the resolution for one or more pieces of legislation that increase transparency at the Federal Reserve System, including audits of the Board of Governors of the Federal Reserve System and the Federal reserve banks, to include –

- (1) an evaluation of the appropriate number and the associated costs of Federal reserve banks;
- (2) publication on its website, with respect to all lending and financial assistance facilities created by the Board to address the financial crisis, of –
 - (a) the nature and amounts of the collateral that the central bank is accepting on behalf of American taxpayers in the various lending programs, on no less than a monthly basis;
 - (b) the extent to which changes in valuation of credit extensions to various special purpose vehicles, such as Maiden Lane I, Maiden Lane II, and Maiden Lane III, are a result of losses on collateral which will not be recovered;
 - (c) the number of borrowers that participate in each of the lending programs and details of the credit extended, including the extent to which the credit is concentrated in one or more institutions; and
 - (d) information on the extent to which the central bank is contracting for services of private sector firms for the design, pricing, management, and accounting for the

various lending programs and the terms and nature of such contracts and bidding processes; and

(3) including the identity of each entity to which the Board has provided all loans and other financial assistance since March 24, 2008, the value or amount of that financial assistance, and what that entity is doing with such financial assistance

– provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 216. Improving child welfare

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would make improvements to child welfare programs, including strengthening the recruitment and retention of foster families, or make improvements to the child support enforcement program, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 217. Long-term stability/housing for victims

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels and limits in the resolution for one or more pieces of legislation that would fully fund the Long-Term Stability/Housing for Victims Program under the Violence Against Women Act, by the amounts provided in that legislation for those purposes, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 218. Providing a tax credit for the purchase of a principal residence

The Senate-passed resolution includes a reserve fund allowing the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would provide a non-refundable tax credit in the amount of the lesser of \$15,000 or 10 percent of the purchase price for the purchase of a principal residence for the period of one year, provided such legislation is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 219. Monitoring of FHA-insured lending

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels and limits in the resolution for one or more pieces of legislation that would increase the capacity of the Inspector General of the Department of Housing and Urban Development to investigate cases of mortgage fraud of Federal Housing Administration loans, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 220. Address the systemic inequities of Medicare and Medicaid reimbursement that lead to access problems in rural areas

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that address the systemic inequities of Medicare and Medicaid reimbursement that lead to access problems in rural areas, including access to primary care and outpatient services, hospitals, and an adequate supply of providers in the workforce, provided that it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 221. Carbon capture and storage and advanced clean coal power generation research, development, demonstration, and deployment

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would accelerate the research, development, demonstration, and deployment of advanced technologies to capture and store carbon dioxide emissions from coal-fired power plants and other industrial emission sources and to use coal in an environmentally acceptable manner, provided that such legislation would not increase the deficit over either the period of the total of 2009 through 2014 or the period of the total of 2009 through 2019.

Sec. 222. Expenditure of remaining TARP funds

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels and limits in the resolution for one or more pieces of legislation that reaffirm that the remaining Troubled Asset Relief Program funds shall be used to save homes, save small businesses, help the municipal bond market, make credit more widely available, and provide additional resources for the Special Inspector General for the Troubled Asset Relief Program, the Congressional Oversight Panel, and the Government Accountability Office for vigorous audit and evaluation of all expenditures and commitments made under the Troubled Asset Relief Program, by the amounts provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 223. Prohibiting undeserved contracting performance bonuses

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels and limits in the resolution for one or more pieces of legislation that would prohibit federally funded bonuses awarded to contractors and government executives responsible for over budget projects and programs that fail to meet basic performance requirements, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 224. Eliminating wasteful programs

The Senate-passed resolution includes a reserve fund allowing the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would achieve savings by eliminating wasteful, inefficient, and duplicative programs, provided that such legislation is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 225. Violence Against Women Act and the Family Violence Prevention and Service Act

The Senate-passed resolution includes a reserve fund allowing the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would provide resources for programs administered through the Violence Against Women Act and the Family Violence Prevention and Services Act, and other related programs, provided that such legislation is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 226. Ending abusive no-bid contracts

The Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would end abusive no-bid contracts by requiring all Federal contracts over \$25,000 to be competitively bid provided the legislation is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 227. Home visitation programs

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would provide funds to States to establish or expand quality programs of early childhood home visitation that increase school readiness, child abuse and neglect prevention, and early identification of developmental and health delays, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 228. 21st Century learning centers

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels and limits in the resolution for one or more pieces of legislation that would increase funding for the 21st Century Community Learning Centers program, provided that such legislation is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 229. Extending top tax brackets for individuals with majority small business income

The Senate-passed resolution includes a reserve fund allowing the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would extend the top tax brackets of 33 percent and 35 percent for individuals receiving more than 50 percent of income from small business, provided such legislation is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 230. Pension coverage for employees of Department of Energy laboratories and environmental cleanup sites

The Senate-passed resolution includes a deficit-neutral reserve fund allowing the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would authorize funding to cover the full cost of pension obligations for current and past

employees of laboratories and environmental cleanup sites under the jurisdiction of the Department of Energy (including benefits paid to security personnel) in a manner that does not impact the missions of those laboratories and environmental cleanup sites.

Sec. 231. Resources for firefighters and fire departments

The Senate resolution allows the Chairman of the Budget Committee to revise the levels and limits in the resolution for one or more pieces of legislation that provide firefighters and fire departments with critical resources under FEMA Assistance to Firefighters Grant and Staffing for Adequate Fire and Emergency Response Firefighters Grant programs, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 232. Increased use of recovery audits

The Senate-passed resolution includes a reserve fund allowing the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would achieve savings by requiring agencies to increase their use of recovery audits and use those savings to reduce the deficit.

Sec. 233. Repealing 1993 income tax on Social Security benefits

The Senate-passed resolution includes a reserve fund allowing the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would repeal the 1993 increase in the income tax on social security benefits, provided such legislation is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 234. Increasing the amount of capital losses allowed to individuals

The Senate-passed resolution includes a reserve fund allowing the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would increase the amount of capital losses allowed to individuals, provided such legislation is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 235. Foster care financing reform

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would –

- (1) change the Federal foster care payment system;
- (2) promote and improve family support, family preservation and time-limited family unification services;
- (3) provide for subsidies and support programs that are available to support the needs of the children prior to removal, during removal, and post placement;

- (4) promote innovation and best practice at the State level; and
 - (5) guarantee that public funds are used to effectively meet the needs of children who have been abused or neglected
- provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 236. Healthcare professionals for the Veterans Health Administration

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels and limits in the resolution for one or more pieces of legislation that would –

- (1) increase the number of healthcare professionals in the Veterans Health Administration to meet the needs of the expanding number of veterans and to fill healthcare professional positions in the Veterans Health Administration that are currently vacant; and
 - (2) provide enhanced incentives for healthcare professionals of the Veterans Health Administration who serve in rural areas
- provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 237. Repealing deductions from mineral revenue payments to states

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would repeal the requirement to deduct certain amounts from mineral revenues payable to States, provided that such legislation would not increase the deficit over either the period of the total of 2009 through 2014 or the period of the total of 2009 through 2019.

Sec. 238. Promoting tax equity for states without personal income taxes

The Senate-passed resolution includes a reserve fund allowing the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would provide for the permanent extension of the deduction for state and local sales taxes in order to promote tax equity for states without personal income taxes, provided such legislation is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 239. Setting performance standards to identify failing government programs

The Senate-passed resolution includes a reserve fund allowing the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would set performance standards to identify failing government programs, provided that such legislation is deficit neutral over the total 2009-2014 and 2009-2019.

Sec. 240. Expediting research on viability of using higher ethanol blends at service stations

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would expedite research at the Department of Energy and the Environmental Protection Agency on the viability of the use of higher ethanol blends at the service station pump, provided that such legislation would not increase the deficit over either the period of the total of 2009 through 2014 or the period of the total of 2009 through 2019.

Sec. 241. Enhanced drug-control efforts

The Senate-passed resolution includes a reserve fund allowing the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would increase the number of counties designated as High Intensity Drug Trafficking Areas to provide coordination, equipment, technology, and additional resources to combat drug trafficking or legislation that increases drug interdiction funding at the Department of Homeland Security, provided that such legislation is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 242. Promoting individual savings and financial security

The Senate-passed resolution includes a reserve fund allowing the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would promote financial security through financial literacy, retirement planning, and savings incentives, provided such legislation is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 243. National Health Services Corps

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would provide the National Health Service Corps with \$235 million for 2010, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 244. Improving the animal health and disease program

The Senate-passed resolution includes a reserve fund allowing the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would fully fund the animal health and disease program, provided that such legislation is deficit neutral over the total 2009-2014 and 2009-2019.

Sec. 245. Increase in the end strength for active duty personnel of the Army

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would reduce the strain on the United States Armed Forces by authorizing an increase in the end strength for active duty

personnel of the Army to a level not less than 577,400 persons provided the legislation is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 246. Wildland fire management activities

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would –

(1) allow wildland fire management funds for hazardous fuels reduction and hazard mitigation activities in areas at high risk of catastrophic wildfire to be distributed to areas demonstrating highest priority needs, as determined by the Chief of the Forest Service, and

(2) provide that no State matching funds are required for the activities described in paragraph (1)

– provided that such legislation would not increase the deficit over either the period of the total of 2009 through 2014 or the period of the total of 2009 through 2019.

Sec. 247. Increasing the estate tax exemption and lowering the maximum estate tax rate

The Senate-passed resolution includes a reserve fund allowing the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would establish the estate tax exemption at \$5 million, indexed for inflation, set the maximum estate tax rate at 35 percent, and provide for reunification of the estate and gift credits and the portability of exemption between spouses, provided such legislation is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 248. Point of order against legislation that provides additional relief for the estate tax beyond the levels assumed in the budget resolution unless an equal amount of additional tax relief is provided to middle class taxpayers.

The Senate-passed resolution included a point of order in the Senate against legislation that would provide additional relief for the estate tax beyond the levels assumed in the budget resolution of \$7 million per married couple and a graduated rate ending at a rate less than 45 percent unless an equal amount of tax relief is provided to taxpayers earning less than \$100,000 per year and such relief is in addition to the amounts assumed in the budget resolution. The point of order could be waived with 60 votes.

Sec. 249. Increase FDIC and NCUA borrowing authority

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would increase the borrowing authority of the Federal Deposit Insurance Corporation and the National Credit Union Administration, provided it is deficit-neutral over the total of 2009- 2019.

Sec. 250. Innovative Loan Guarantee Program at the Department of Energy

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would authorize an additional \$50,000,000,000 for use to provide loan guarantees for eligible projects under title XVII of the Energy Policy Act of 2005 (42 U.S.C. 16511 et seq.), provided that such legislation would not increase the deficit over either the period of the total of 2009 through 2014 or the period of the total of 2009 through 2019.

Sec. 251. Nuclear research and development

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would authorize nuclear research and development activities, including the Generation IV program, the Advanced Fuel Cycle Initiative, and the Light Water Reactor Sustainability program, provided that such legislation would not increase the deficit over either the period of the total of 2009 through 2014 or the period of the total of 2009 through 2019.

Sec. 252. 2012 completion of Food and Drug Administration facilities

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation that would provide sufficient funding for the General services Administration to complete construction of the Food and Drug administration White Oak Campus in Silver Spring, Maryland by 2012, provided it is deficit-neutral over the total of 2009-2014 and 2009-2019.

Sec. 253. Energy Star for Small Business Program

The Senate-passed resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would set aside, from amounts made available for the Energy Star Program of the Environmental Protection Agency, at least 2 percent for the Energy Star for Small Business Program, provided that such legislation would not increase the deficit over either the period of the total of 2009 through 2014 or the period of the total of 2009 through 2019.

Throughout this subtitle, the use of the word "limits" refers to the discretionary spending limits in the Senate.

House-passed Resolution

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

The reserve fund supports the President's goal of fiscally responsible health reform legislation. The reserve fund accommodates legislation that addresses the common goals of making affordable health coverage available to all, improving the quality of health care, and

reducing rising health care costs, while building on and strengthening existing public and private insurance coverage and preserving choice of provider and plan, consistent with the pay-as-you-go principle.

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

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

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

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

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

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

The reserve fund accommodates legislation to change health care and benefits for veterans, servicemembers, or their families, consistent with the pay-as-you-go principle. This reserve fund covers legislation that enhances health care for military personnel or veterans; maintains the affordability of health care for military retirees or veterans; improves disability benefits or evaluations for wounded or disabled military personnel or veterans (including measures to expedite the claims process); expands eligibility to permit additional disabled military retirees to receive both disability compensation and retired pay (concurrent receipt); or eliminates the offset between Survivor Benefit Plan annuities and veterans' dependency and indemnity compensation. The reserve fund shall not accommodate legislation authorizing the Department of Veterans Affairs (VA) to bill private insurance companies for treatment of health conditions that are related to veterans' military service. VA already is authorized to bill such companies for treatment of conditions that are not service-connected.

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

The reserve fund for tax relief accommodates legislation to reduce tax burdens on working families, businesses, States, or communities if it complies with the pay-as-you-go

principle. This reserve fund could therefore accommodate individual tax relief supporting working families, higher education, and raising participation in retirement saving vehicles, among other purposes. It could also accommodate tax relief and investment incentives for businesses, States, or communities.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 313. Reserve fund for the surface transportation reauthorization

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

Sec. 314. Current policy reserve fund for Medicare improvements

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

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

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

The SGR formula limits how much total physician compensation can grow every year. The SGR formula has required payment rate cuts every year since 2002. Since 2003, Congress has enacted legislation to prevent these rate cuts from taking effect, one or two years at a time. Consequently, history has shown that the current statutory baseline as it relates to Medicare physician payments is unrealistic. Under current law, physicians face a 21 percent cut in their Medicare payment rate in 2010, and further cuts for several years after that. Cuts of this magnitude could destabilize the Medicare program and present serious access problems for Medicare beneficiaries.

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

The reserve fund allows the Chairman of the Budget Committee to adjust the House resolution aggregates and allocations to reflect current policy for certain provisions of the Internal Revenue Code of 1986 for middle class tax relief. The reserve fund supports the extension of middle class tax relief such as the 10 percent individual income tax bracket, marriage penalty relief, the child credit at \$1,000 and partial refundability of the credit, education incentives, other incentives for middle class families and children, and other reductions or adjustments to individual income tax brackets, as well as small business tax relief.

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

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

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

After the House has adopted a measure to impose statutory pay-as-you-go requirements, or when a bill utilizing this reserve fund includes provisions to impose statutory pay-as-you-go

requirements, Section 401(a) of the House resolution directs the chairman of the Budget Committee to make current policy adjustments to the baseline before evaluating the costs of the tax bill for compliance with House budget rules and procedures. The adjustments may be made only for the purposes and in the amounts provided in this reserve fund.

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

The reserve fund allows the Chairman of the Budget Committee to adjust the resolution aggregates and allocations to reflect current policy by extending the law as in effect for 2009 for the Estate and Gift Tax. The reserve fund supports continuation of 2009 policy so that only a minute fraction of estates will owe tax.

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

Conference Agreement

Title III of the conference agreement contains reserve funds.

Subtitle A: Senate reserve funds

Subtitle A of the conference agreement contains the following reserve funds that apply only in the Senate:

Sec. 301. Deficit-neutral reserve fund to transform and modernize America's health care system (Secs. 201 and 220 of the Senate-passed resolution, as modified)

Sec. 302. Deficit-neutral reserve fund to invest in clean energy and preserve the environment (Secs. 202, 213, 221, 240 and 246 of the Senate-passed resolution, as modified)

Sec. 303. Deficit-neutral reserve fund for higher education (Sec. 203 of the Senate-passed resolution, as modified)

Sec. 304. Deficit-neutral reserve fund for child nutrition and WIC (Sec. 204 of the Senate-passed resolution)

Sec. 305. Deficit-neutral reserve fund for investments in America's infrastructure (Secs. 205 and 206(d) of the Senate-passed resolution, as modified)

Sec. 306. Deficit-neutral reserve fund to promote economic stabilization and growth (Sec. 206 of the Senate-passed resolution, as modified)

Sec. 307. Deficit-neutral reserve fund for America's veterans and wounded servicemembers (Sec. 207 of the Senate-passed resolution, as modified)

Sec. 308. Deficit-neutral reserve fund for judicial pay and judgeships, postal retiree assistance, and certain pension obligations (Secs. 208 and 230 of the Senate-passed resolution, as modified)

Sec. 309. Deficit-neutral reserve fund for defense acquisition and Federal contracting reform (Secs. 209, 223, 232 and 301(c)(2)(E) of the Senate-passed resolution, as modified)

Sec. 310. Deficit-neutral reserve fund for investments in our Nation's counties and schools (Sec. 210 of the Senate-passed resolution)

Sec. 311. Deficit-neutral reserve fund for the Food and Drug Administration (Sec. 211 of the Senate-passed resolution)

Sec. 312. Deficit-neutral reserve fund for a comprehensive investigation into the current financial crisis (Sec. 214 of the Senate-passed resolution)

Sec. 313. Deficit-neutral reserve fund for increased transparency at the Federal Reserve (Sec. 215 of the Senate-passed resolution)

Sec. 314. Deficit-neutral reserve fund for 21st Century community learning centers (Sec. 228 of the Senate-passed resolution)

Sec. 315. Deficit-neutral reserve fund for provision of critical resources to firefighters and fire departments (Sec. 231 of the Senate-passed resolution)

Sec. 316. Deficit-neutral reserve fund to promote tax equity for States without personal income taxes, and other selected tax relief policies (combines Sec. 238 and provisions from Sec. 206 of the Senate-passed resolution, as modified)

Sec. 317. Deficit-neutral reserve fund to promote individual savings and financial security (Sec. 242 of the Senate-passed resolution)

Sec. 318. Deficit-neutral reserve fund to increase FDIC and NCUA borrowing authority (Sec. 249 of the Senate-passed resolution, as modified)

Sec. 319. Deficit-neutral reserve fund for improving the well-being of children (Secs. 216, 227 and 235 of the Senate-passed resolution, as modified, and Sec. 311 of the House-passed resolution, as modified)

Sec. 320. Deficit-neutral reserve fund for a 9/11 health program (Sec. 306 of the House-passed resolution, as modified)

Subtitle B: House reserve funds

Subtitle B of the conference agreement contains the following reserve funds that apply only in the House:

Sec. 321. Deficit-neutral reserve fund for health care reform (Sec. 301 of the House-passed resolution)

Sec. 322. Deficit-neutral reserve fund for college access, affordability, and completion (Sec. 302 of the House-passed resolution, as modified)

Sec. 323. Deficit-neutral reserve fund for increasing energy independence (Sec. 303 of the House-passed resolution)

Sec. 324. Deficit-neutral reserve fund for America's veterans and wounded servicemembers (Sec. 304 of the House-passed resolution, as modified)

Sec. 325. Deficit-neutral reserve fund for certain tax relief (Sec. 305 of the House-passed resolution, as modified)

Sec. 326. Deficit-neutral reserve fund for a 9/11 health program (Sec. 306 of the House-passed resolution)

Sec. 327. Deficit-neutral reserve fund for child nutrition (Sec. 307 of the House-passed resolution)

Sec. 328. Deficit-neutral reserve fund for structural unemployment insurance reforms (Sec. 308 of the House-passed resolution)

Sec. 329. Deficit-neutral reserve fund for child support (Sec. 309 of the House-passed resolution)

Sec. 330. Deficit-neutral reserve fund for the Affordable Housing Trust Fund (Sec. 310 of the House-passed resolution)

Sec. 331. Deficit-neutral reserve fund for home visiting (Sec. 311 of the House-passed resolution, as modified, and Sec. 227 of the Senate resolution, as modified)

Sec. 332. Deficit-neutral reserve fund for low-income home energy assistance program trigger (Sec. 312 of the House-passed resolution)

Sec. 333. Deficit-neutral reserve fund for county payments legislation (Sec. 210 of the Senate-passed resolution, as modified)

Sec. 334. Reserve fund for the surface transportation reauthorization (Sec. 313 of the House-passed resolution)

Each House reserve fund references the time periods in clause 10 of rule XXI of the Rules of the House of Representatives. This citation references the House pay-as-you-go rule, as opposed to specific years. As long as the legislation described in the reserve fund complies with the House pay-as-you-go rule, the chairman may make the applicable adjustment.

The House-passed budget resolution included current policy adjustments in Sections 314, 315, 316, and 317. The adjustments provided for in those reserve funds are addressed in the conference agreement in the budget process title under Section 421 (Adjustments for Direct Spending and Revenues).

BUDGET PROCESS

The Senate and the House use enforcement provisions to ensure that legislation is consistent with the budget plan set forth in the budget resolution. The conference agreement contains enforcement provisions for the Senate and House to accommodate the procedures that apply to consideration of legislation in each chamber.

Senate-passed Resolution

The FY2008 and FY2009 budget resolutions included many important enforcement provisions which remain in effect in the Senate. These include:

2008 Budget Resolution (S. Con. Res. 21)

- The Senate pay-as-you-go point of order (Sec. 201);
- The 60-vote point of order against reconciliation increasing the deficit (Sec 202); and
- Continued 60-vote enforcement of budgetary points of order in the Senate (Sec. 205).

2009 Budget Resolution (S. Con. Res. 70)

- The 60-vote point of order against legislation increasing long-term deficits (Sec. 311); and
- The 60-vote point of order against provisions of appropriations legislation that constitute changes in mandatory programs (Sec. 314).

The Senate-passed resolution for 2010, S. Con. Res. 13, continues the strong budget enforcement practices of the last two budget resolutions with the following modifications.

Subtitle A – Budget Enforcement

Sec. 301. Discretionary spending caps

The Senate-passed resolution would strengthen fiscal responsibility by establishing discretionary spending limits for 2009 and 2010, and enforcing them with a point of order in the Senate that could only be waived with 60 votes. For 2009, it provides a cap of \$1,391.5 billion in budget authority and \$1,220.8 billion in outlays. For 2010, it sets a cap of \$1,079.1 billion in budget authority and \$1,268.1 billion in outlays. As in past years, the Senate-passed resolution permits adjustments to the discretionary spending limits in 2010 for program integrity initiatives, such as Social Security Administration continuing disability reviews (CDRs) and Supplemental Security Income redeterminations, enhanced Internal Revenue Service tax enforcement to address the tax gap, appropriations for Health Care Fraud and Abuse Control (HCFAC) program at the Department of Health and Human Services, and unemployment insurance improper payments reviews at the Department of Labor. It also provides for adjustments in 2010 for expenses related to overseas contingency operations.

The Senate-passed resolution also includes a program integrity cap adjustment dedicated to reducing waste in defense contracting by recovering overpayments to defense contractors,

reducing wasteful spending that undermines our ability to purchase equipment needed for U.S. troops and combating fraud. It allows the Chairman of the Budget Committee to increase the discretionary spending cap by up to \$100 million to accommodate legislation appropriating funding for the Department of Defense for additional activities to reduce waste, fraud, abuse and overpayments in defense contracting or to enhance the capability of the defense acquisition or contracting workforce to save taxpayer resources.

The Senate-passed resolution permits the Chairman to adjust the discretionary spending limits, budget aggregates, and allocations, if the CBO re-estimates the President's 2010 request for discretionary spending at an aggregate level different from the CBO preliminary estimate dated March 20, 2009.

Sec. 302. Advance appropriations

As in past years, the Senate-passed resolution provides a supermajority point of order in the Senate against appropriations in 2010 bills that would first become effective in any year after 2010, and against appropriations in 2011 bills that would first become effective in any year after 2011. It does not apply against appropriations for the Corporation for Public Broadcasting or Department of Veterans Affairs for the Medical Services, Medical Administration, Medical Facilities, and Medical and Prosthetic Research accounts of the Veterans Health Administration, nor does it apply against changes in mandatory programs or deferrals of mandatory budget authority from one year to the next. There is an exemption for each of 2010 and 2011 of up to \$28.852 billion (the same level as provided for in the 2009 Budget Resolution) for the following:

ACCOUNTS IDENTIFIED FOR ADVANCE APPROPRIATIONS IN THE SENATE

Labor, HHS:

- Employment and Training Administration
- Job Corps
- Education for the Disadvantaged
- School Improvement
- Children and Family Services (Head Start)
- Special Education
- Career, Technical, and Adult Education

Financial Services and General Government: Payment to Postal Service

Transportation, Housing and Urban Development: Tenant-based Rental Assistance
Project-based Rental Assistance

Sec. 303. Emergency legislation

The Senate-passed resolution makes technical changes in the emergency legislation designation to provide consistent treatment for emergency legislation with respect to enforcement of various points of order and revisions pursuant to deficit-neutral reserve funds.

Sec. 304. Point of order against legislation increasing short-term deficit

The Senate-passed resolution updates the expiration date in the point of order against legislation that increases the short-term deficit.

Sec. 305. Point of order against appropriations legislation that includes provisions affecting the crime victims fund

The Senate-passed resolution includes a new 60-vote point of order that applies to appropriations legislation containing one or more provisions that constitute a change in a mandatory program that affects the Crime Victims Fund, section 1402 of the Victims of Crime Act of 1984 (42 U.S.C. 10601).

Sec. 306. Point of order against increasing revenues beyond the levels set in the budget resolution through a widespread tax increase on taxpayers with incomes below \$200,000 or married couples with incomes below \$250,000

The Senate-passed resolution includes a point of order in the Senate against legislation that would cause revenues to exceed the levels set in the budget resolution and include a tax increase that would have widespread applicability on taxpayers with incomes below \$200,000 or married couples with incomes below \$250,000. The point of order could be waived with 60 votes.

Sec. 307. Point of order against increasing certain federal income tax rates

The Senate-passed resolution includes a point of order in the Senate against legislation that would increase certain federal tax rates. The point of order could be waived with 60 votes.

Sec. 308. Point of order against legislation increasing energy taxes on middle-income taxpayers

The Senate-passed resolution includes a point of order in the Senate against legislation that would increase energy taxes on middle-income taxpayers. The point of order could be waived with 60 votes.

Sec. 309. Point of order against legislation imposing a marriage tax penalty

The Senate-passed resolution includes a point of order in the Senate against legislation that would result in a greater Federal income tax liability for taxpayers filing a joint return than if such taxpayers were unmarried and had filed individual tax returns. The point of order could be waived with 60 votes.

Sec. 310. Point of order against legislation causing revenues to increase above the levels set in the budget resolution

The Senate-passed resolution includes a point of order in the Senate against legislation that would cause revenues to be more than the level of revenues established in the budget resolution. The point of order could be waived with 60 votes.

Sec. 311. Point of order against increasing taxes while unemployment rate is above 5.8 percent

The Senate-passed resolution includes a point of order in the Senate against considering legislation that would increase taxes if the unemployment rate exceeds 5.8 percent. The point of order could be waived with 60 votes.

Sec. 312. Point of order against legislation that causes significant job loss

The Senate-passed resolution includes a point of order in the Senate against legislation that would cause revenues to be more than the level of revenues set forth for the applicable years in the resolution or would cause significant job loss in manufacturing or coal dependent regions of the United States.

Sec. 313. Point of order against legislation that would permit the Secretary of Veterans Affairs to recover from a private health insurer of a disabled veteran amounts paid for treatment of such disability

The Senate-passed resolution includes a point of order in the Senate against legislation that would permit the Secretary of Veterans Affairs to recover from a private health insurer of a disabled veteran amounts paid for treatment of such disability.

Sec. 314. Point of order against legislation weakening terrorism laws

The Senate-passed resolution includes a point of order in the Senate against legislation that would weaken or eliminate anti-terrorism tools or investigative methods.

Sec. 315. Restrictions on unfunded mandates on state and local governments

This section of the Senate-passed resolution increases from a simple majority to three-fifths of all members duly sworn and chosen the number of Senators necessary to waive a point of order under section 424(a)(1) of the Congressional Budget Act.

Sec. 316. Point of order on legislation that eliminates the ability of Americans to keep their health plan or their choice of doctor

The Senate-passed resolution includes a point of order in the Senate against legislation that eliminates the ability of Americans to keep their health plan or their choice of doctor as determined by the Congressional Budget Office. The point of order could be waived with 60 votes.

Subtitle B – Other Provisions

Sec. 321. Oversight of government performance

The Senate-passed resolution continues the provision instructing Committees of the Senate to review programs within their jurisdiction to root out waste, fraud, and abuse in program spending, giving particular scrutiny to issues raised by Government Accountability Office reports, and include recommendations for improved governmental performance in their annual views and estimates reports required under section 301(d) of the Congressional Budget Act of 1974 to the Senate Committee on the Budget.

Sec. 322. Budgetary treatment of certain discretionary administrative expenses

The Senate-passed resolution continues the provision requiring that all budget resolutions include the Administrative Expenses of the Social Security Administration and of the Postal Service in the 302(a) allocations of the Appropriations Committee.

Sec. 323. Application and effect of changes in allocations and aggregates

The Senate-passed resolution details the adjustment procedures required to accommodate legislation provided for in this resolution, and requires adjustments made to be printed in the Congressional Record. For purposes of enforcement, the levels resulting from adjustments made pursuant to this resolution will have the same effect as if adopted in the levels of Title I of this resolution. The Committee on the Budget determines the budgetary levels and estimates required to enforce budgetary points of order, including those pursuant to this resolution and the Congressional Budget Act of 1974.

Sec. 324. Adjustments to reflect changes in concepts and definitions

The Senate-passed resolution allows the Chairman of the Committee on the Budget to adjust levels in this resolution upon the enactment of legislation that changes concepts or definitions.

Secs. 325 and 326. Debt disclosure

These sections reflect an amendment adopted in the Committee on the Budget regarding the levels of debt assumed in the budget resolution and to require budget resolutions to contain a debt disclosure section.

Sec. 327. Exercise of rulemaking powers

This section of the Senate-passed resolution recognizes that the provisions of this resolution are adopted pursuant to the rulemaking power of the Senate, and also recognizes the Constitutional right of the Senate to change those rules as they apply to the Senate.

House-passed Resolution

Sec. 401. Adjustments for Direct Spending and Revenues

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

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

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

Sec. 402. Adjustments to Discretionary Spending Limits

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

The adjustments under this section are primarily intended to provide additional administrative funding for current program integrity activities to eliminate errors or fraud in the operation of a number of federal programs and to promote compliance with federal tax laws. For example, the adjustment for unemployment compensation programs is provided to increase limited administrative funding for current program integrity activities, and not to finance other proposals that would adversely affect workers who have received unemployment benefits. The section outlines procedures for these allocation adjustments.

This section also incorporates a procedure whereby provisions or measures reported by

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

Sec. 403. Advance Appropriations

Section 403 of the House resolution limits the amount and type of advance appropriations for fiscal years 2011 and 2012. Under this section, advance appropriations for fiscal year 2011 are restricted to \$28.852 billion for the programs, projects, activities, or accounts listed below. Advances for 2012 are listed separately. The section defines advance appropriations as any new discretionary budget authority provided in a bill or joint resolution making general or continuing appropriations for fiscal year 2010 that first becomes available for any fiscal year after 2010.

Advance Appropriations for Fiscal Year 2011:

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

Advance Appropriations for Fiscal Year 2012:

- The Corporation for Public Broadcasting

Sec. 404. Oversight of Government Performance

Section 404 of the House resolution encourages all committees of the House to conduct rigorous oversight hearings to root out waste, fraud, and abuse in federal programs, with particular attention to issues raised by the Office of the Inspector General or the Government Accountability Office. Based on these oversight efforts, such recommendations should be included in the views and estimates reports submitted to the Budget Committee under section 301(d) of the Congressional Budget Act on 1974.

Sec. 405. Budgetary Treatment of Certain Discretionary Administrative Expenses

Section 405 of the House resolution provides that administrative expenses of the Social Security Administration and of the Postal Service shall be part of the annual appropriations

process by including those expenses in the allocation to the Committee on Appropriations pursuant to section 302 of the Congressional Budget Act.

Sec. 406. Application and Effect of Changes in Allocations and Aggregates

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

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

Sec. 407. Adjustments to Reflect Changes in Concepts and Definitions

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

Sec. 408. Exercise of Rulemaking Powers

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

Conference Agreement

Title IV contains the following budget process and enforcement provisions:

Subtitle A - Senate Provisions

The FY2008 and FY2009 budget resolutions included many important enforcement provisions which remain in effect in the Senate. These include:

2008 Budget Resolution (S. Con. Res. 21)

- The Senate pay-as-you-go point of order (Sec. 201);
- The 60-vote point of order against reconciliation increasing the deficit (Sec 202); and
- Continued 60-vote enforcement of budgetary points of order in the Senate (Sec. 205).

2009 Budget Resolution (S. Con. Res. 70)

- The 60-vote point of order against legislation increasing long-term deficits (Sec. 311); and
- The 60-vote point of order against provisions of appropriations legislation that constitute changes in mandatory programs (Sec. 314).

Part I - Budget Enforcement

Sec. 401. Discretionary spending limits, program integrity initiatives, and other adjustments (Sec. 301 of the Senate-passed resolution, as modified)

Sec. 402. Point of order against advance appropriations (Sec. 302 of the Senate-passed resolution, as modified)

ACCOUNTS IDENTIFIED FOR ADVANCE APPROPRIATIONS IN THE SENATE
Labor, HHS:

- Employment and Training Administration
- Job Corps
- Education for the Disadvantaged
- School Improvement
- Children and Family Services (Head Start)
- Special Education
- Career, Technical, and Adult Education

Financial Services and General Government: Payment to Postal Service

Transportation, Housing and Urban Development: Tenant-based Rental Assistance
Project-based Rental Assistance

Sec. 403. Emergency legislation (Sec. 303 of the Senate-passed resolution, as modified)

Sec. 404. Point of order against legislation increasing short-term deficit (Sec. 304 of the Senate-passed resolution, as modified)

Sec. 405. Point of order against certain legislation related to surface transportation funding

Part II - Other Provisions

Sec. 411. Oversight of Government performance (Sec. 321 of the Senate-passed resolution)

To support the President's commitment to eliminate ineffective or duplicative federal programs, the Senate adopted amendments to set standards to identify failing federal programs and to review inefficient programs. This section retains the requirement of the Senate-passed

resolution requiring that committees of the Senate review programs to root out waste, fraud, and abuse, giving particular scrutiny to issues raised by Government Accountability Office reports.

Sec. 412. Budgetary treatment of certain discretionary administrative expenses (Sec. 322 of the Senate-passed resolution)

Sec. 413. Application and effect of changes in allocations and aggregates (Sec. 323 of the Senate-passed resolution, as modified)

Sec. 414. Adjustments to reflect changes in concepts and definitions (Sec. 324 of the Senate-passed resolution)

Sec. 415. Exercise of rulemaking powers (Sec. 302 of the Senate-passed resolution)

Subtitle B - House Enforcement Provisions

Sec. 421. Adjustments for direct spending and revenues --

Sec. 421(a). - Adjustments for current policy

This subsection provides that after the House has adopted a measure to impose statutory paygo requirements (or if such measure is included as part of the legislation under consideration), the Chairman of the House Budget Committee may make current policy adjustments to the baseline before evaluating the costs of certain measures for compliance with House budget rules and procedures. The adjustments may only be made for the purposes and in the amounts provided in paragraph (a)(2). This subsection, as revised, replaces sections 314, 315, 316 and 317 of the House-passed resolution. Subsection (a)(4) allows the chairman of the House Budget Committee to adjust the 302(a) allocations and aggregates as may be necessary to reflect the current policy adjustments.

Sec. 421(b). - Deposit insurance (Sec. 401(c) of the House-passed resolution)

Sec. 422. Adjustments to discretionary spending (Sec. 402 of the House-passed resolution, as modified)

Sec. 423. Costs of overseas deployments and emergency needs (Sec. 402(b) of the House-passed resolution, as modified)

Sec. 424. Point of order against advance appropriations (Sec. 403 of the House-passed resolution, as modified)

Accounts identified for advance appropriations in the House:

Sec. 424(b)(1) Advance Appropriations for Fiscal Year 2011:

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

Sec. 424(b)(1) Advance Appropriations for Fiscal Year 2012:

- The Corporation for Public Broadcasting

Sec. 424(b)(2) Advance Appropriations for Fiscal Year 2011:

- VA - Medical Services
- VA - Medical Support and Compliance
- VA - Medical Facilities

Sec. 425. Oversight of Government Performance (Sec. 404 of the House-passed resolution)

Sec. 426. Budgetary Treatment of Certain Discretionary Administrative Expenses (Sec. 405 of the House-passed resolution)

Sec. 427. Application and Effects of Changes in Allocations and Aggregates (Sec. 406 of the House-passed resolution)

Sec. 428. Adjustments to Reflect Changes In Concepts and Definitions (Sec. 407 of the House-passed resolution)

Sec. 429. Exercise of Rulemaking Powers (Sec. 408 of the House-passed resolution)

POLICY

Senate-passed Resolution

The Senate-passed resolution did not contain a policy statement title.

House-passed Resolution

Title V of the House-passed resolution contains the following policy sections:

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

Sec. 502. Policy on defense priorities

Conference Agreement

Title V of the conference agreement contains the following policy sections, which apply to both Houses:

Sec. 501. Policy on middle-class tax relief and revenues (Sec. 501 of the House-passed resolution, as modified)

Sec. 502. Policy on defense priorities (Sec. 502 of the House-passed resolution, as modified)

SENSE OF THE SENATE, HOUSE AND CONGRESS

Senate-passed Resolution

The Senate resolution did not contain a sense of the Senate title.

House-passed Resolution

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

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

Sec. 602. Sense of the House on homeland security

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

Sec. 604. Sense of the House regarding pay parity

Sec. 605. Sense of the House on college affordability

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

Sec. 607. Sense of the House regarding the importance of child support enforcement

Conference Agreement

Title VI of the conference agreement contains the following Sense of Congress provisions:

Sec. 601. Sense of the Congress on veterans' and servicemembers' health care (Sec. 601 of the House-passed resolution, as modified)

Sec. 602. Sense of the Congress on homeland security (Sec. 602 of the House-passed resolution, as modified)

Sec. 603. Sense of the Congress on promoting American innovation and economic competitiveness (Sec. 603 of the House-passed resolution, as modified)

Sec. 604. Sense of the Congress regarding pay parity (Sec. 604 of the House-passed resolution, as modified)

Sec. 605. Sense of the Congress on college affordability and student loan reform (Sec. 605 of the House-passed resolution, as modified)

Sec. 606. Sense of the Congress on Great Lakes restoration (Sec. 606 of the House-passed resolution, as modified)

Sec. 607. Sense of the Congress regarding the importance of child support enforcement (Sec. 607 of the House-passed resolution, as modified)

ECONOMIC ASSUMPTIONS

Section 301(g)(2) of the Congressional Budget Act requires that the joint explanatory statement accompanying a conference report on a budget resolution set forth the common economic assumptions upon which the joint statement and conference report are based. The conference agreement is built upon the economic forecasts developed by the Congressional Budget Office, as updated in March 2009 to include the forecasted economic effects of the fiscal stimulus package.

Senate-passed Resolution

CBO's economic assumptions were used.

House-passed Resolution

CBO's economic assumptions were used.

Conference Agreement

CBO's economic assumptions were used.

Economic Assumptions of the Budget Resolution (Calendar Years)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Real GDP, Percent Change, Year Over Year	- 3.0	2.9	4.0	4.1	4.0	3.5
GDP Price Index, Percent Change, Year Over Year	1.5	0.8	0.5	0.6	0.6	0.9
Consumer Prices, Percent Change, Year Over Year	- 0.7	1.4	1.2	1.0	1.0	1.2
Unemployment Rate, Percent, Yearly Average	8.8	9.0	7.7	6.6	5.7	5.1
3-Month Treasury Bill Rate, Percent, Yearly Average	0.3	0.9	1.8	3.0	3.9	4.4
10-Year Treasury Bond Rate, Percent, Yearly Average	2.9	3.4	4.0	4.6	5.0	5.3

ALLOCATIONS

As required in section 302 of the Congressional Budget Act, the joint statement of managers includes an allocation, based on the conference agreement, of total budget authority and total budget outlays among each of the appropriate committees. The allocations are as follows:

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT
TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT
BUDGET YEAR 2009
(in millions of dollars)

Committee	Direct Spending Legislation		Entitlements Funded In Annual Appropriations Acts	
	Budget Authority	Outlays	Budget Authority	Outlays
Appropriations				
General Purpose Discretionary	1,391,471	1,220,843		
Memo: <i>on-budget</i>	1,385,922	1,215,645		
<i>off-budget</i>	5,549	5,198		
Mandatory	<u>670,696</u>	<u>658,189</u>		
Total	2,062,167	1,879,032		
Agriculture, Nutrition, and Forestry	16,564	14,660	90,027	77,833
Armed Services	125,643	126,493	105	121
Banking, Housing, and Urban Affairs	688,581	660,785	0	0
Commerce, Science, and Transportation	13,990	10,450	1,235	1,236
Energy and Natural Resources	4,618	4,817	576	577
Environment and Public Works	29,400	2,017	0	0
Finance	1,178,757	1,166,970	506,309	506,332
Foreign Relations	23,477	22,222	149	149
Homeland Security and Governmental Affairs	91,166	89,297	10,425	10,425
Judiciary	7,986	8,076	639	664
Health, Education, Labor, and Pensions	-22,436	-19,058	13,014	12,961
Rules and Administration	69	21	126	126
Intelligence	0	0	279	279
Veterans' Affairs	952	1,041	47,812	47,486
Indian Affairs	528	532	0	0
Small Business	1,211	1,211	0	0
Unassigned to Committee	<u>-639,092</u>	<u>-633,033</u>	<u>0</u>	<u>0</u>
TOTAL	3,583,581	3,335,533	670,696	658,189

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT
TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT
BUDGET YEAR 2010
(in millions of dollars)

Committee	Direct Spending Legislation		Entitlements Funded In Annual Appropriations Acts	
	Budget Authority	Outlays	Budget Authority	Outlays
Appropriations				
General Purpose Discretionary	1,082,250	1,269,471		
Memo: <i>on-budget</i>	1,075,916	1,263,275		
<i>off-budget</i>	6,334	6,196		
Mandatory	<u>730,253</u>	<u>719,740</u>		
Total	1,812,503	1,989,211		
Agriculture, Nutrition, and Forestry	16,023	15,281	100,179	89,627
Armed Services	135,650	135,706	107	108
Banking, Housing, and Urban Affairs	56,363	74,321	0	0
Commerce, Science, and Transportation	14,554	10,024	1,262	1,259
Energy and Natural Resources	5,026	4,887	442	443
Environment and Public Works	42,543	2,381	0	0
Finance	1,231,628	1,232,134	550,657	550,930
Foreign Relations	21,299	22,956	142	142
Homeland Security and Governmental Affairs	93,837	91,927	10,327	10,327
Judiciary	10,472	8,504	653	688
Health, Education, Labor, and Pensions	4,487	1,526	13,779	13,719
Rules and Administration	68	18	130	130
Intelligence	0	0	291	291
Veterans' Affairs	1,184	1,284	52,284	52,076
Indian Affairs	572	549	0	0
Small Business	0	0	0	0
Unassigned to Committee	<u>-695,170</u>	<u>-690,103</u>	<u>0</u>	<u>0</u>
TOTAL	2,751,039	2,900,606	730,253	719,740

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT
TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT

5-YEAR: 2010-2014
(in millions of dollars)

Committee	Direct Spending Legislation		Entitlements Funded In Annual	
	Budget Authority	Outlays	Budget Authority	Outlays
Agriculture, Nutrition, and Forestry	77,179	75,315	508,359	452,415
Armed Services	710,328	710,249	460	461
Banking, Housing, and Urban Affairs	135,688	99,696	0	0
Commerce, Science, and Transportation	75,279	49,626	6,704	6,678
Energy and Natural Resources	27,251	27,457	1,470	1,471
Environment and Public Works	215,367	13,714	0	0
Finance	6,851,258	6,850,666	2,930,150	2,930,537
Foreign Relations	94,573	105,029	632	632
Homeland Security and Governmental Affairs	491,185	478,570	50,451	50,451
Judiciary	42,641	42,826	3,381	3,482
Health, Education, Labor, and Pensions	50,349	44,474	76,790	76,621
Rules and Administration	340	344	681	681
Intelligence	0	0	1,498	1,498
Veterans' Affairs	5,433	6,176	273,064	271,690
Indian Affairs	2,469	2,441	0	0
Small Business	0	0	0	0

Allocation of Spending Authority to House Committee on Appropriations
(In millions of dollars)

		<u>2009 1/</u>	<u>2010</u>
Discretionary Action	BA	1,391,471	1,082,540
	OT	1,220,843	1,269,745
Current Law Mandatory	BA	670,595	725,056
	OT	658,123	715,684

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

**ALLOCATIONS OF SPENDING AUTHORITY
TO HOUSE COMMITTEES OTHER THAN APPROPRIATIONS**
(In millions of dollars)

	2009 1/	2010	Total 2010-2014
Committee on Agriculture			
Current Law			
BA	16,709	16,183	63,406
OT	14,831	15,455	64,273
Reauthorizations			
BA	1	1	138,284
OT	1	1	135,903
Total			
BA	16,710	16,184	201,690
OT	14,832	15,456	200,176
Committee on Armed Services			
Current Law			
BA	125,663	135,653	710,343
OT	126,514	135,710	710,265
Resolution Change			
BA	0	0	0
OT	0	0	0
Total			
BA	125,663	135,653	710,343
OT	126,514	135,710	710,265
Committee on Education and Labor			
Current Law			
BA	-20,683	-454	25,648
OT	-17,727	-3,516	19,608
Reauthorizations			
BA	101	3,648	18,664
OT	66	2,513	17,190
Resolution Change			
BA	0	0	-1,000
OT	0	0	-1,000
Total			
BA	-20,582	3,194	43,312
OT	-17,661	-1,003	35,798
Committee on Energy and Commerce			
Current Law			
BA	279,426	286,402	1,643,660
OT	273,475	285,467	1,637,420
Reauthorizations			
BA	0	0	5,720
OT	0	0	8,566
Total			
BA	279,426	286,402	1,649,380
OT	273,475	285,467	1,645,986

**ALLOCATIONS OF SPENDING AUTHORITY
TO HOUSE COMMITTEES OTHER THAN APPROPRIATIONS**
(In millions of dollars)

	2009 1/	2010	Total 2010-2014
Committee on Financial Services			
Current Law			
BA	684,785	47,983	93,841
OT	666,250	75,202	104,154
Committee on Foreign Affairs			
Current Law			
BA	23,477	21,299	94,573
OT	22,222	22,956	105,029
Committee on Homeland Security			
Current Law			
BA	1,535	1,585	8,465
OT	1,582	1,591	8,548
Committee on House Administration			
Current Law			
BA	69	68	340
OT	21	18	344
Committee on the Judiciary			
Current Law			
BA	6,929	9,375	36,556
OT	7,021	7,412	36,768
Committee on Natural Resources			
Current Law			
BA	5,362	5,899	31,419
OT	4,879	5,700	31,479
Committee on Oversight and Government Reform			
Current Law			
BA	90,002	92,711	485,602
OT	88,170	90,771	472,924
Committee on Science and Technology			
Current Law			
BA	126	126	630
OT	119	139	658
Committee on Small Business			
Current Law			
BA	1,211	0	0
OT	1,211	0	0

**ALLOCATIONS OF SPENDING AUTHORITY
TO HOUSE COMMITTEES OTHER THAN APPROPRIATIONS**
(In millions of dollars)

	2009 1/	2010	Total 2010-2014
Committee on Transportation and Infrastructure			
Current Law			
BA	53,534	14,192	74,384
OT	14,057	14,649	76,644
Reauthorizations			
BA	1,950	42,083	210,415
OT	0	173	2,365
Resolution Change			
BA	0	13,085	68,669
OT	0	0	0
Total			
BA	55,484	69,360	353,468
OT	14,057	14,822	79,009
Committee on Veterans Affairs			
Current Law			
BA	952	1,184	5,433
OT	1,041	1,284	6,176
Reauthorizations			
BA	0	1,549	11,092
OT	0	1,543	10,908
Total			
BA	952	2,733	16,525
OT	1,041	2,827	17,084
Committee on Ways and Means			
Current Law			
BA	900,451	938,463	4,999,413
OT	896,860	940,618	5,008,958
Reauthorizations			
BA	0	25	83,520
OT	0	25	76,818
Resolution Change			
BA	0	6,840	37,000
OT	0	6,840	37,000
Total			
BA	900,451	945,328	5,119,933
OT	896,860	947,483	5,122,776

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

PAY-AS-YOU-GO SCORECARD FOR THE SENATE REFLECTING LEVELS FOR THE CONFERENCE AGREEMENT

Period of the current fiscal year, the budget year, and the four fiscal years following the budget year: \$0.

Period of the current fiscal year, the budget year, and the nine fiscal years following the budget year: \$0.

RULE XXVIII OF THE RULES OF THE HOUSE OF REPRESENTATIVES

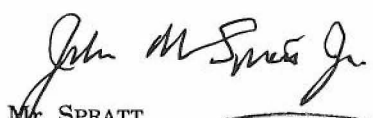
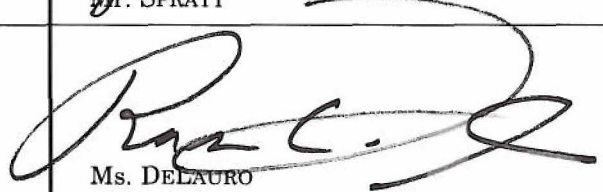
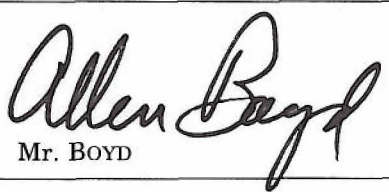
The adoption of this conference agreement by the two houses would result in the engrossment of a House joint resolution changing the statutory limit on the public debt pursuant to clause 3 of rule XXVIII of the Rules of the House of Representatives. The rule requires a joint resolution in the following form:

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

Legislative jurisdiction over the public debt remains with the Finance Committee in the Senate and the Committee on Ways and Means in the House.

S.Con. Res. 13*Managers on the part of the*
SENATE*Managers on the part of the*
HOUSE**Mr. CONRAD****Mrs. MURRAY****Mr. GREGG**

S.Con. Res. 13—Continued

<i>Managers on the part of the SENATE</i>	<i>Managers on the part of the HOUSE</i>
	 Mr. SPRATT
	 Ms. DELAURO
	 Mr. BOYD
	Mr. RYAN
	Mr. HENSARLING