

(1982-1984), compared with an average annual growth of 8.5 percent under the baseline projections for the same period. The budget resolution outlay growth targets are also substantially below the average annual growth of 11.5 percent during the last ten years (1971-1980) and 12.5 percent since 1976 (see Figure 7). The resolution would also change spending priorities by increasing funds for national defense above the defense baseline levels and reducing funds for nondefense levels from the projected baseline (see Figure 8). The first resolution target for national defense outlays is \$29 billion above the projected baseline level for 1984 and \$98 billion below the baseline level for nondefense programs. National defense outlays as a share of total budget outlays would increase from about 24 percent in 1981 to 32 percent in 1984 under the first budget resolution, compared with 26 percent under the baseline projections.

Because of the changed spending priorities, the average annual growth rate for defense programs would accelerate to 15.5 percent during the next three years, compared with 11.7 percent under the CBO baseline projections for 1982-1984, and 5.6 percent during the last ten years

Figure 7.  
Annual Growth in Total Budget Outlays

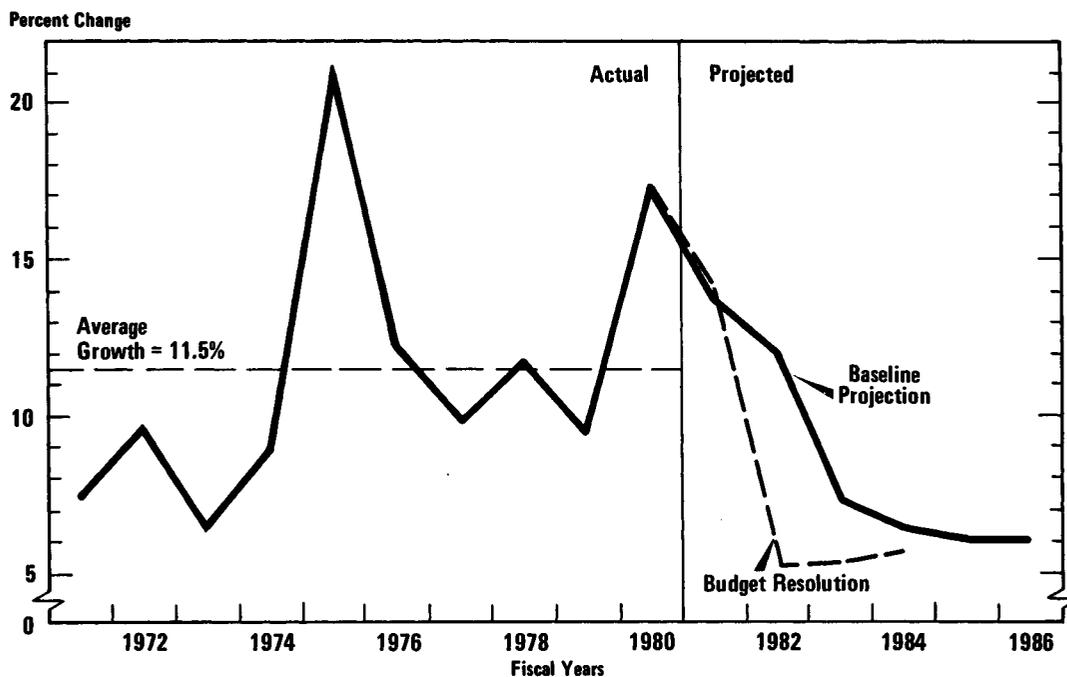
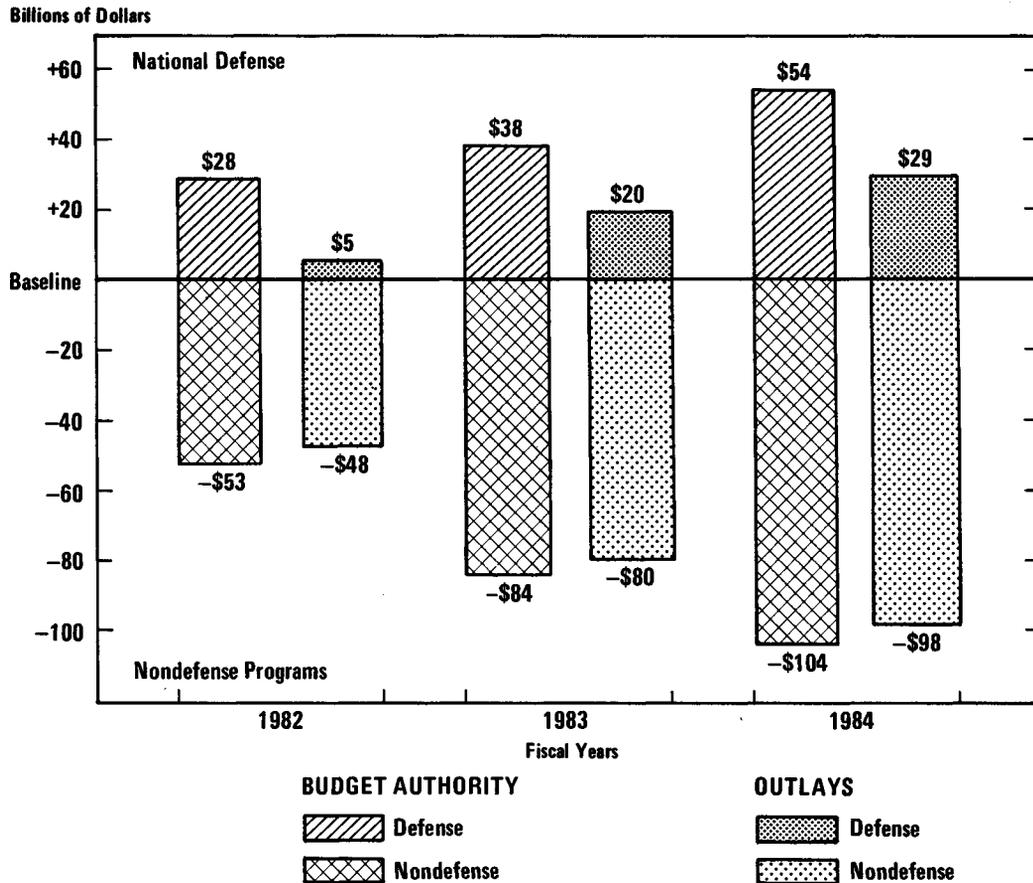


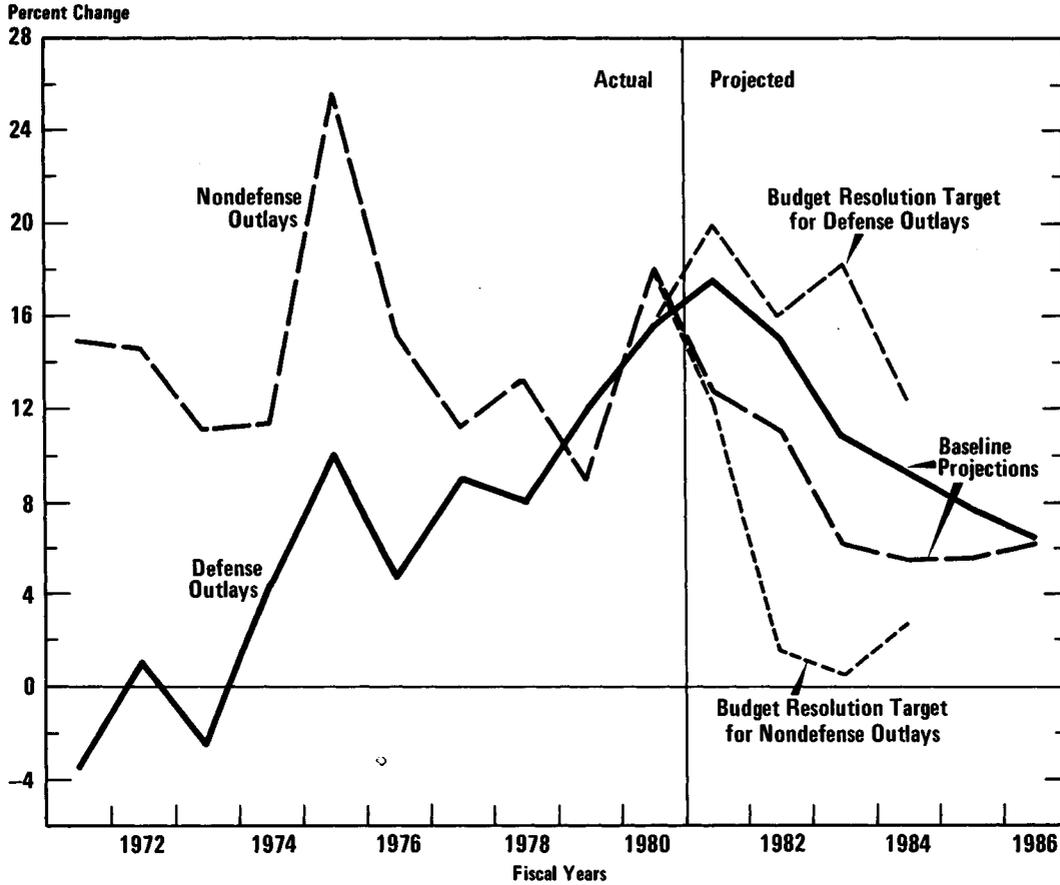
Figure 8.  
Budget Resolution Changes in Spending Priorities



(1971-1980). The annual growth rate for nondefense program outlays, in contrast, would fall to less than 2 percent during the next three years, compared with an average of 7.5 percent under the CBO baseline projections and 14.2 percent during the last ten years (see Figure 9).

The major portion of the reductions in spending for nondefense programs are assumed to be achieved through the reconciliation process, which is discussed in Chapter II. The outlay savings included in the reconciliation instructions for nondefense programs total about \$34 billion in 1982, \$44 billion in 1983, and \$52 billion in 1984 (see Table 21). Most of these reconciliation reductions are targeted for the human resources programs, and particularly those programs contained in the areas of education,

Figure 9.  
Annual Growth in Defense and Nondefense Outlays



training, employment, and social services (function 500) and income security (function 600). The proposed spending reductions in all other nondefense programs, while smaller in dollar magnitude, are larger in relative terms. The major reductions in these areas involve energy, natural resources and environment, and transportation programs (functions 270, 300, and 400).

The first budget resolution also assumes that additional reductions in nondefense spending will be achieved outside of the reconciliation process through the annual appropriation process or by other means. These additional outlay savings from the projected baseline levels for nondefense programs total \$14 billion for 1982, \$36 billion for 1983, and \$46 billion for 1984 (see Table 21). Over half of these additional nondefense savings in

TABLE 21. COMPARISON OF BUDGET RESOLUTION TARGETS AND BASELINE OUTLAY PROJECTIONS (By fiscal year, in billions of dollars)

	1981	1982	1983	1984
<b>National Defense (function 050)</b>				
Baseline projections	159.6	183.8	203.5	222.0
Reconciliation instructions <u>a/</u>	-0.2	-2.6	-3.3	-3.3
Other changes from baseline	3.5	7.6	22.9	31.9
First budget resolution for 1982	<u>162.9</u>	<u>188.8</u>	<u>223.1</u>	<u>250.6</u>
<b>Human Resources (functions 500, 550, 600, 700)</b>				
Baseline projections	350.7	393.2	429.2	462.5
Reconciliation instructions <u>a/</u>	-1.1	-23.0	-28.9	-34.0
Other changes from baseline	-0.6	-6.3	-11.0	-12.8
First budget resolution for 1982	<u>349.0</u>	<u>363.95</u>	<u>389.3</u>	<u>415.75</u>
<b>All Other Nondefense Programs</b>				
Baseline projections	149.5	161.7	159.8	158.8
Reconciliation instructions <u>a/</u>	-1.0	-10.9	-14.8	-18.5
Other changes from baseline	1.0	-8.1	-4.7	-5.1
First budget resolution for 1982	<u>149.45</u>	<u>142.7</u>	<u>140.25</u>	<u>135.2</u>
<b>Unspecified Future Legislative Changes</b>				
First budget resolution for 1982 (function 920)	--	--	-20.4	-27.8
<b>Total Outlays</b>				
Baseline projections	659.8	738.7	792.5	843.3
Reconciliation instructions <u>a/</u>	-2.3	-36.5	-47.0	-55.8
Other changes from baseline	3.9	-6.7	-13.2	-13.8
First budget resolution for 1982	<u>661.35</u>	<u>695.45</u>	<u>732.25</u>	<u>773.75</u>

a/ Reconciliation instructions for Senate committees, Conference Report on First Concurrent Resolution on the Budget--Fiscal Year 1982, H. Con. Res. 115, Senate Report No. 97-86, May 15, 1981.

1983 and 1984 are contained in the allowances category (function 920) and consist of unspecified future legislative changes. They amount to \$20 billion in outlays for 1983 and \$28 billion for 1984.

## SENSITIVITY OF SPENDING PROJECTIONS TO ECONOMIC ASSUMPTIONS

As discussed in Chapter II, spending projections are sensitive to changes in the underlying economic assumptions. This section gives more detail on the sensitivity of outlay estimates to changes in economic conditions.

### Inflation

About 30 percent of budget outlays are directly indexed to changes in the CPI or similar indexes. The timing and frequency of the inflation adjustments, however, vary among programs. Social Security benefits, for example, are adjusted once a year in July based on the most recent first-quarter-over-first-quarter increase in the CPI. Supplemental security income, railroad retirement benefits, and veterans' pensions are automatically adjusted in a similar manner. Retirement benefits for federal civilian and military personnel, on the other hand, are adjusted twice a year in March and September for six-month increases in the CPI between the previous June-to-December and December-to-June periods, respectively. (The reconciliation instructions assume that this would be changed to a single annual cost-of-living increase for federal retirees.) Food stamp benefits are adjusted each January based on changes in the thrifty food plan.

In general, the lagged effects of the indexing provisions mean that a one percentage point increase in the inflation rate forecast for a particular calendar year would have a relatively small effect on outlays for the same fiscal year. In Social Security, for example, higher (or lower) inflation would significantly affect only one-quarter of the fiscal year and would have greater effects on the next and succeeding fiscal years.

As noted earlier in this chapter, some outlays tend to respond more or less automatically to changes in the inflation rate, since the federal government is paying for the cost of services provided to eligible families and individuals (for instance, medicare and medicaid). Some of the other effects of higher (or lower) inflation on budget outlays are not automatic, but would occur only if discretionary programs were adjusted to offset the effects of inflation (as assumed for the baseline projections).

Federal pay costs would increase with higher inflation if private wages keep pace with higher inflation and if federal wages are adjusted according to the principle of comparability (again, as assumed in the baseline). Net interest costs would decline, because inflation increases revenues by more than it increases outlays, and deficits would decline.

Table 22 shows the estimated effect on the baseline outlay projections of a one percentage point higher inflation rate beginning in January 1982 and continuing for the entire projection period. It also shows the effect of a one percentage point higher inflation rate for only calendar year 1982.

### Unemployment

Higher unemployment leads directly to higher unemployment benefits with almost no lag. It also results in higher outlays for certain other programs, such as Social Security, food stamps, and public assistance, which have more beneficiaries as a result of higher unemployment. For these latter programs, however, the outlay effect generally occurs with some lag. The outlay effect of changes in the projected unemployment rate sometimes is not symmetrical. A higher assumed unemployment rate could be sufficient to trigger the extended benefits program, which provides an additional 13 weeks of benefits for insured unemployed workers when the national unemployment rate exceeds roughly 7.5 percent.<sup>2/</sup> The reason for the higher unemployment also can be important. To the extent that an increase in unemployment can be attributed to increased imports--as in the case of increased unemployment in the auto industry in 1980--unemployment benefits under the trade adjustment assistance program would rise.

Table 23 shows the estimated effects on the baseline outlay projections of a one percentage point higher unemployment rate beginning in January 1982 for the entire projection period as well as of a higher rate just in calendar year 1982. An increase in unemployment is sometimes mitigated to some extent by lower inflation that would eventually result from lower real economic growth. To the extent, however, that higher unemployment results from factors other than reduced economic growth, this offsetting

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<sup>2/</sup> The national extended benefits program is triggered whenever the insured unemployment rate (which is calculated as a 13-week average) exceeds 4.5 percent. This translates into a national unemployment rate of about 7.5 percent. The reconciliation instructions assume the elimination of the national unemployment rate trigger for extended benefits, but the individual state triggers would remain.

TABLE 22. THE EFFECTS ON PROJECTED BASELINE OUTLAYS OF A ONE PERCENTAGE POINT HIGHER INFLATION RATE (By fiscal year, in billions of dollars)

	1982	1983	1984	1985	1986
One Percentage Point Higher Inflation Rate in Calendar Years 1982-1986					
Automatically Indexed Programs					
Social Security (OASDI)	0.2	1.5	3.5	5.7	8.6
Federal employee retirement <u>a/</u>	--	0.3	0.8	1.2	1.6
Other	--	0.2	0.8	1.0	1.4
Subtotal	<u>0.2</u>	<u>2.0</u>	<u>5.1</u>	<u>7.9</u>	<u>11.6</u>
Indirectly Indexed Programs					
Medicare and medicaid	0.2	0.5	0.9	1.3	1.9
Other	<u>0.1</u>	<u>0.3</u>	<u>0.4</u>	<u>0.6</u>	<u>0.8</u>
Subtotal	<u>0.3</u>	<u>0.8</u>	<u>1.3</u>	<u>1.9</u>	<u>2.7</u>
Federal Pay					
Civilian	--	0.3	0.9	1.6	2.4
Military	--	0.2	0.6	1.0	1.6
Subtotal	--	<u>0.5</u>	<u>1.5</u>	<u>2.6</u>	<u>4.0</u>
Discretionary Programs					
National defense	0.3	1.2	2.4	3.9	11.7
Other	<u>0.7</u>	<u>1.5</u>	<u>2.8</u>	<u>4.4</u>	<u>5.5</u>
Subtotal	<u>1.0</u>	<u>2.7</u>	<u>5.2</u>	<u>8.3</u>	<u>6.2</u>
Net Interest	<u>-0.2</u>	<u>-1.0</u>	<u>-2.5</u>	<u>-4.6</u>	<u>-7.4</u>
Total	1.3	5.0	10.6	16.1	22.6
-----					
One Percentage Point Higher Inflation Rate in Calendar Year 1982 Only					
Automatically Indexed Programs					
Social Security (OASDI)	0.2	1.2	1.9	2.2	2.3
Federal employee retirement <u>a/</u>	--	0.3	0.2	0.2	0.2
Other	--	0.2	0.4	0.4	0.6
Subtotal	<u>0.2</u>	<u>1.7</u>	<u>2.5</u>	<u>2.8</u>	<u>3.1</u>
Indirectly Indexed Programs					
Medicare and medicaid	0.2	0.2	0.3	0.3	0.4
Other	<u>0.1</u>	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>	<u>0.1</u>
Subtotal	<u>0.3</u>	<u>0.4</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
Federal Pay					
Civilian	--	0.3	0.6	0.6	0.7
Military	--	0.2	0.4	0.4	0.4
Subtotal	--	<u>0.5</u>	<u>1.0</u>	<u>1.0</u>	<u>1.1</u>
Discretionary Programs					
National defense	0.3	0.6	0.7	0.8	0.8
Other	<u>0.7</u>	<u>0.9</u>	<u>1.0</u>	<u>1.2</u>	<u>1.3</u>
Subtotal	<u>1.0</u>	<u>1.5</u>	<u>1.7</u>	<u>2.0</u>	<u>2.1</u>
Net Interest	<u>-0.2</u>	<u>-0.7</u>	<u>-1.2</u>	<u>-1.6</u>	<u>-2.1</u>
Total	1.3	3.4	4.5	4.7	4.7

a/ Civilian and military.

TABLE 23. THE EFFECTS ON PROJECTED BASELINE OUTLAYS OF A ONE PERCENTAGE POINT HIGHER UNEMPLOYMENT RATE (By fiscal year, in billions of dollars)

	1982	1983	1984	1985	1986
One Percentage Point Higher Unemployment Rate in Calendar Years 1982-1986					
Unemployment Compensation <u>a/</u>					
Regular programs	2.0	2.8	2.8	2.8	2.8
Extended benefits	3.1	3.9	1.7	0.8	0.4
Subtotal	<u>5.1</u>	<u>6.7</u>	<u>4.5</u>	<u>3.6</u>	<u>3.2</u>
Social Security	--	0.2	0.7	0.8	0.8
Food Stamps	0.6	0.8	0.9	0.8	0.9
Other Transfer Payments	0.2	0.6	0.7	0.9	0.8
Federal Pay	--	-0.5	-1.4	-1.6	-1.7
Net Interest	<u>1.1</u>	<u>3.6</u>	<u>6.2</u>	<u>8.5</u>	<u>10.4</u>
Total	7.0	11.4	11.6	13.0	14.4
-----					
One Percentage Point Higher Unemployment Rate in Calendar Year 1982 Only					
Unemployment Compensation <u>a/</u>					
Regular programs	2.0	0.5	--	--	--
Extended benefits	3.1	0.3	--	--	--
Subtotal	<u>5.1</u>	<u>0.8</u>	<u>--</u>	<u>--</u>	<u>--</u>
Social Security	--	0.2	0.6	--	--
Food Stamps	0.6	0.2	--	--	--
Other Transfer Payments	0.2	0.4	0.1	0.1	--
Federal Pay	--	-0.5	-1.0	-0.1	--
Net Interest	<u>1.1</u>	<u>2.4</u>	<u>2.7</u>	<u>2.6</u>	<u>2.4</u>
Total	7.0	3.5	2.4	2.6	2.4

a/ Excludes any effect on trade adjustment assistance.

effect may not materialize, and it is therefore not assumed in Table 23. The figures shown do assume that higher unemployment would be accompanied by slightly lower real wage rates as the result of the lower real growth in the economy.

### Interest Rates

Higher interest rates primarily affect interest costs for new issues of government securities. Thus, the outlay effect of an interest rate change builds up over time as more and more securities are issued, including the refinancing of previous borrowing. The precise outlay effect can vary, depending on whether only short-term rates are assumed to change or the rates for the entire array of government financing instruments (bills, notes, and bonds). Also, outlay effects for a particular year depend on the timing of the interest rate change during the fiscal year. The earlier in the fiscal year the change is assumed, the greater the outlay effect. Increases in interest costs on federal debt held by the public will be somewhat offset by increased interest receipts from off-budget agencies that borrow through the Federal Financing Bank. (Changes in trust fund interest as a result of changes in rates have no effect on net interest outlays.)

In addition to net interest, projections of certain other federal transactions are affected by interest rate assumptions. The cost of guaranteed student loans, for example, depends on the assumptions for the 91-day Treasury bill rate. Projections of interest receipts for the Exchange Stabilization Fund also vary with changes in interest rate assumptions.

Table 24 shows the estimated effects on the baseline outlay projections of a one percentage point across-the-board increase in all government interest rates beginning in January 1982 for the entire projection period as well as for just calendar year 1982. The table also shows the effect of a one percentage point increase in only the 91-day Treasury bill rate. The effect of higher levels of public debt that could result from higher budget deficits because of increased interest outlays is shown separately for each set of assumptions.

TABLE 24. THE EFFECTS ON PROJECTED BASELINE OUTLAYS OF A ONE PERCENTAGE POINT INCREASE IN ASSUMED INTEREST RATES (By fiscal year, in billions of dollars)

	1982	1983	1984	1985	1986
One Percentage Point Increase in All Government Interest Rates in Calendar Years 1982-1986					
Net Interest					
Caused directly by higher interest rates	1.8	4.2	5.1	5.5	5.9
Caused by resulting increase in deficit	0.1	0.4	0.9	1.4	1.9
Subtotal	<u>1.9</u>	<u>4.6</u>	<u>6.0</u>	<u>6.9</u>	<u>7.8</u>
Other Outlays	<u>0.2</u>	<u>0.3</u>	<u>0.4</u>	<u>0.4</u>	<u>0.5</u>
Total	2.1	4.9	6.4	7.3	8.3
-----					
One Percentage Point Increase in Treasury Bill Rates Only in Calendar Years 1982-1986					
Net Interest					
Caused directly by higher interest rates	1.2	2.6	2.7	2.7	2.8
Caused by resulting increase in deficit	--	0.3	0.6	0.8	1.0
Subtotal	<u>1.2</u>	<u>2.9</u>	<u>3.3</u>	<u>3.5</u>	<u>3.8</u>
Other Outlays	<u>0.2</u>	<u>0.3</u>	<u>0.4</u>	<u>0.4</u>	<u>0.5</u>
Total	1.4	3.2	3.7	3.9	4.3
-----					
One Percentage Point Increase in All Government Interest Rates in Calendar Year 1982 Only					
Net Interest					
Caused directly by higher interest rates	1.8	2.6	1.1	0.7	0.6
Caused by resulting increase in deficit	0.1	0.3	0.5	0.6	0.6
Subtotal	<u>1.9</u>	<u>2.9</u>	<u>1.6</u>	<u>1.3</u>	<u>1.2</u>
Other Outlays	<u>0.2</u>	<u>0.1</u>	--	--	--
Total	2.1	3.0	1.6	1.3	1.2
-----					
One Percentage Point Increase in Treasury Bill Rates Only in Calendar Year 1982 Only					
Net Interest					
Caused directly by higher interest rates	1.2	1.4	--	--	--
Caused by resulting increase in deficit	--	0.2	0.3	0.3	0.3
Subtotal	<u>1.2</u>	<u>1.6</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>
Other Outlays	<u>0.2</u>	<u>0.1</u>	--	--	--
Total	1.4	1.7	0.3	0.3	0.3

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**APPENDIXES**

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In keeping with this objective, the allocation of budget resolution spending totals is determined by the responsibility for bills and resolutions that provide budget authority or directly affect outlays according to the standing rules of each House. The spending allocation rules were developed by staff of the Appropriations and Budget Committees of both Houses and by the Congressional Budget Office (CBO). They are used by the Budget Committees for developing the budget resolution section 302 crosswalk estimates and by the CBO in its scorekeeping tabulations.

Under the spending allocation rules, the committees that actually provide the budget authority or outlays receive the section 302 allocations.

- o The Appropriations Committees of each House receive allocations for budget authority and outlays that are provided through annual appropriation acts, including outlays resulting from annual appropriations enacted in prior years.
- o Permanent appropriations enacted in prior years that do not require any current Congressional action are generally enacted in legislation other than annual appropriation acts. These include most trust funds, such as social security and unemployment compensation. Budget authority and outlays for these programs are allocated to the authorizing committees that have jurisdiction over them.
- o Where the Congress has established--in law or in practice--a pattern of enacting limitations on spending from trust funds through annual limitations in appropriation acts (for example, an annual limitation on administrative expenses of the social security program), the outlays involved are allocated to the Appropriations Committees.
- o Offsetting receipts, which are recorded as negative budget authority and outlays in the budget, are not allocated to committees except where the budget resolution anticipates that new legislation will increase or decrease the level of offsetting receipts; in such cases, the increase or decrease is allocated to the authorizing committee of jurisdiction.

The basic allocation rules outlined above apply to both the House and the Senate. In addition, the Senate has a further rule for entitlement programs that are funded through annual appropriation acts (such as medicaid or veterans' pensions). In the Senate, budget authority and outlays for annually appropriated entitlements are, under section 302, assigned both

to the Appropriations Committee (the first basic rule above) and to the authorizing committees with jurisdiction over the particular entitlement programs. This is because the basic entitlement legislation, though not directly providing the budget authority and outlays, essentially "locks in" the levels that must be provided through the annual appropriations process.

Tables A-1 and A-2 show the distribution of the baseline spending projections for 1982-1986 by committees with spending jurisdictions. About 50 percent of the baseline budget authority and outlays that are allocated to committees fall under the jurisdiction of the Appropriations Committees throughout the projection period. The House Ways and Means Committee is allocated nearly 40 percent of gross budget authority and outlays (before offsetting receipts are deducted), and the Senate Finance Committee is also allocated about 40 percent of gross budget authority and outlays (before offsetting receipts and annually appropriated entitlements are deducted).

Table A-3 compares the baseline spending projections for fiscal year 1982 with the first budget resolution spending targets allocated to committees with spending jurisdictions. Over 60 percent of the anticipated reductions in outlays from projected baseline levels have been assigned to the Appropriations Committees in both Houses. The first budget resolution, however, contemplates significant reductions in appropriated entitlements over which the Appropriations Committees have little or no control. As discussed in the next section, the basic substantive legislation authorizing these programs must be changed to produce spending savings. Consequently, the reconciliation instructions contained in the 1982 first budget resolution assigned savings in these programs to the authorizing committees. Thus, the figures shown in Table A-3 overstate the responsibility of the Appropriations Committees to reduce spending from projected baseline levels in 1982. Table A-3 correctly states the responsibility of the Senate authorizing committees to achieve savings, since appropriated entitlements are also allocated to the authorizing committees, but it understates the responsibility of the House authorizing committees to achieve savings.

#### ALLOCATION BY AUTHORIZING JURISDICTION

The first budget resolution for fiscal year 1982 (H. Con. Res. 115) includes reconciliation instructions to 13 Senate authorizing committees and 15 House authorizing committees to recommend legislation to achieve spending savings of approximately \$51 billion in budget authority and \$36 billion in outlays in 1982, and even greater amounts in 1983 and 1984. The savings are to be measured from the baseline spending projections developed by the Congressional Budget Office that are presented in this report.

TABLE A-1. BASELINE PROJECTIONS OF BUDGET AUTHORITY AND OUTLAYS BY HOUSE COMMITTEES WITH SPENDING JURISDICTION a/ (By fiscal year, in billions of dollars)

	1981 Base	Projections				
		1982	1983	1984	1985	1986
Budget Authority						
Appropriations Committee	439.9	484.0	525.7	559.6	594.0	622.6
Authorizing Committees						
Ways and Means	295.3	340.6	367.5	393.3	427.9	461.5
Post Office and Civil Service	37.1	41.3	45.4	49.1	53.1	54.8
Other	45.5	40.5	42.0	46.8	49.3	51.7
Subtotal (allocated to authorizing committees)	377.9	422.3	454.7	489.2	530.2	567.9
Offsetting Receipts (not allocated to committees)	-94.0	-110.7	-121.3	-131.9	-143.9	-152.9
Total	723.8	795.6	859.3	916.8	980.3	1,037.7
-----						
Outlays						
Appropriations Committee	408.6	457.2	492.7	525.5	562.3	599.7
Authorizing Committees						
Ways and Means	290.6	329.1	354.3	378.7	400.3	421.4
Post Office and Civil Service	26.6	30.0	32.8	35.3	37.6	39.6
Other	27.9	33.0	33.9	35.7	38.6	42.0
Subtotal (allocated to authorizing committees)	345.1	392.1	421.1	449.8	476.5	503.0
Offsetting Receipts (not allocated to committees)	-94.0	-110.7	-121.3	-131.9	-143.9	-152.9
Total	659.8	738.7	792.5	843.3	894.9	949.9

a/ Corresponds to the budget resolution allocations of budget authority and outlays among committees pursuant to section 302 of the Congressional Budget Act.

TABLE A-2. BASELINE PROJECTIONS OF BUDGET AUTHORITY AND OUTLAYS BY SENATE COMMITTEES WITH SPENDING JURISDICTION a/ (By fiscal year, in billions of dollars)

	1981 Base	Projections				
		1982	1983	1984	1985	1986
Budget Authority						
Appropriations Committee	439.9	484.0	525.7	559.6	594.0	622.6
Authorizing Committees						
Finance	344.1	390.5	420.9	446.8	485.1	521.6
Governmental Affairs	37.1	41.3	45.4	49.1	53.1	54.8
Other	<u>75.5</u>	<u>73.4</u>	<u>77.7</u>	<u>84.5</u>	<u>88.8</u>	<u>92.9</u>
Subtotal (allocated to authorizing committees)	456.7	505.2	544.0	580.5	627.0	669.3
Eliminate Double-Counting <u>b/</u>	-78.8	-82.9	-89.1	-91.3	-96.8	-101.3
Offsetting Receipts (not allocated to committees)	<u>-94.0</u>	<u>-110.7</u>	<u>-121.3</u>	<u>-131.9</u>	<u>-143.9</u>	<u>-152.9</u>
Total	723.8	795.6	859.3	916.8	980.3	1,037.7
-----						
Outlays						
Appropriations Committee	408.6	457.2	492.7	525.5	562.3	599.7
Authorizing Committees						
Finance	340.0	380.6	407.3	431.8	457.1	481.1
Governmental Affairs	26.6	30.0	32.9	35.4	37.6	39.6
Other	<u>56.9</u>	<u>65.8</u>	<u>69.4</u>	<u>73.3</u>	<u>78.1</u>	<u>83.1</u>
Subtotal (allocated to authorizing committees)	423.6	476.4	509.6	540.5	572.8	603.9
Eliminate Double-Counting <u>b/</u>	-78.4	-84.2	-88.5	-90.7	-96.3	-100.8
Offsetting Receipts (not allocated to committees)	<u>-94.0</u>	<u>-110.7</u>	<u>-121.3</u>	<u>-131.9</u>	<u>-143.9</u>	<u>-152.9</u>
Total	659.8	738.7	792.5	843.3	894.9	949.9

a/ Corresponds to the budget resolution allocations of budget authority and outlays among committees pursuant to section 302 of the Congressional Budget Act.

b/ Annually appropriated entitlements allocated to both appropriations and authorizing committees.

TABLE A-3. COMPARISON OF BUDGET RESOLUTION SPENDING TARGETS FOR FISCAL YEAR 1982 AND BASELINE PROJECTIONS BY COMMITTEES WITH SPENDING JURISDICTION a/ (In billions of dollars)

	Baseline Projections		First Budget Resolution		Difference	
	BA	O	BA	O	BA	O
House of Representatives						
Appropriations Committee	484.0	457.2	464.6	430.2	-19.4	-27.0
Authorizing Committees						
Ways and Means	340.6	329.1	335.5	317.5	-5.0	-11.6
Post Office Civil Service	41.3	30.0	40.2	29.6	-1.1	-0.4
Other	<u>40.5</u>	<u>33.0</u>	<u>41.6</u>	<u>29.2</u>	<u>1.1</u>	<u>-3.8</u>
Subtotal (allocated to authorizing committees)	422.3	392.1	417.4	376.3	-5.0	-15.8
Offsetting Receipts (not allocated to committees)	<u>-110.7</u>	<u>-110.7</u>	<u>-111.1</u>	<u>-111.1</u>	<u>-0.4</u>	<u>-0.4</u>
Total	795.6	738.7	770.9	695.45	-24.7	-43.2
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Senate						
Appropriations Committee	484.0	457.2	463.7	428.9	-20.4	-28.4
Authorizing Committees						
Finance	390.5	380.6	380.6	363.9	-9.9	-16.7
Governmental Affairs	41.3	30.0	40.7	29.5	-0.6	-0.5
Other	<u>73.4</u>	<u>65.8</u>	<u>73.5</u>	<u>61.8</u>	<u>0.1</u>	<u>-4.0</u>
Subtotal (allocated to authorizing committees)	505.2	476.4	494.8	455.2	-10.4	-21.2
Eliminate Double-Counting <u>b/</u>	-82.9	-84.2	-77.7	-78.8	5.2	5.5
Offsetting Receipts (not allocated to committees)	<u>-110.7</u>	<u>-110.7</u>	<u>-109.8</u>	<u>-109.8</u>	<u>0.8</u>	<u>0.8</u>
Total	795.6	738.7	770.9	695.45	-24.7	-43.2

a/ Committee allocations pursuant to section 302 of the Congressional Budget Act.

b/ Annually appropriated entitlements are allocated to both appropriations and authorizing committees.

The reconciliation instructions are aimed at both authorization levels and direct spending. The term "direct spending" as used for the reconciliation process includes both budget authority that is provided directly in authorizing legislation and appropriated entitlements. The term "entitlement" refers to legislation that requires the payment of benefits (or entitlements) to any person or unit of government that meets the eligibility requirements established by the legislation. Authorizations for entitlements constitute binding obligations on the part of the federal government, and eligible recipients have legal recourse if the obligation is not fulfilled. Budget authority for such payments is not necessarily provided in advance, in which case the subsequent enactment of appropriations is required. These are referred to as "appropriated entitlements." Savings in these programs generally cannot be made through the appropriation process; they must, instead, be achieved through changes in substantive authorizing legislation.

Tables A-4 and A-5 provide a distribution of the CBO baseline spending projections for 1982-1984 by House and Senate committees with authorizing jurisdiction, including direct spending. Over 96 percent of budget authority and outlays that are allocable to committees (offsetting receipts are not allocated to committees) can be assigned to individual committees with sole jurisdiction. The remaining portion is assigned to two or more authorizing committees and is shown in the tables as shared jurisdiction.

Shared jurisdiction covers those spending accounts that provide funds for activities that have been authorized by laws over which more than one committee has jurisdiction. For example, CBO has identified 36 laws that currently, or in the past, have authorized some portion of the operations and research account for the National Oceanic and Atmospheric Administration (NOAA) in the Department of Commerce. Of these 36 laws, 29 were reported by the Senate Commerce Committee, 6 were reported by the Environment Committee, and 1 by the Energy Committee. CBO was not able to subdivide the spending account into amounts for each authorization for these baseline projections. In this case, the baseline projections for this NOAA spending account are allocated to all three Senate authorizing committees. As a result, the sum of the individual committee allocations shown in Tables A-4 and A-5 is greater than the amount of baseline budget authority and outlays allocable to authorizing committees. CBO is working to eliminate the shared jurisdiction allocations in the future by subdividing the affected spending accounts by authorizations.

The major amounts of authorized spending in the House of Representatives fall under the jurisdiction of the Ways and Means, Armed Services, Post Office and Civil Service, and Banking, Finance, and Urban Affairs

Committees. These four House committees have authorizing jurisdiction over three-quarters of the total amount of budget authority allocated to the committees shown in Table A-4. In the Senate, the principal authorizing committees are Finance, Armed Services, Governmental Affairs, and Banking, Housing, and Urban Affairs. These four Senate committees have authorizing jurisdiction over 75 percent of the total budget authority allocated to the committees shown in Table A-5.

TABLE A-4. BASELINE PROJECTIONS OF BUDGET AUTHORITY AND OUTLAYS BY HOUSE COMMITTEES WITH AUTHORIZING JURISDICTION (By fiscal year, in billions of dollars)

Committee		1981 Base	Projections		
			1982	1983	1984
Agriculture					
Sole jurisdiction	BA	18.9	20.5	22.3	23.0
	O	16.6	21.3	22.0	23.4
Shared jurisdiction	BA	4.2	4.7	4.9	5.2
	O	4.2	4.6	4.8	5.0
Armed Services					
Sole jurisdiction	BA	174.6	198.9	219.8	238.6
	O	160.6	184.7	204.3	222.7
Shared jurisdiction	BA	0.7	0.7	0.6	0.7
	O	0.8	0.8	0.6	0.7
Banking, Finance, and Urban Affairs					
Sole jurisdiction	BA	53.0	47.7	50.3	55.1
	O	16.4	20.4	21.2	23.1
Shared jurisdiction	BA	1.1	1.2	1.3	1.4
	O	1.2	1.5	1.5	1.6
District of Columbia					
Sole jurisdiction	BA	0.7	0.7	0.8	0.8
	O	0.7	0.8	0.8	0.8
Shared jurisdiction	BA	1.0	1.1	1.2	1.2
	O	1.0	1.0	1.1	1.2
Education and Labor					
Sole jurisdiction	BA	35.1	38.6	41.7	44.8
	O	34.2	37.4	40.1	42.9
Shared jurisdiction	BA	3.5	4.0	4.2	4.5
	O	3.8	4.0	4.1	4.4

(Continued)

TABLE A-4. CONTINUED

Committee		1981 Base	Projections			
			1982	1983	1984	
Energy and Commerce	Sole jurisdiction	BA	36.1	37.8	39.7	40.3
		O	35.1	37.6	40.3	41.0
	Shared jurisdiction	BA	10.9	12.2	12.9	13.7
		O	13.4	14.8	16.0	17.2
Foreign Affairs	Sole jurisdiction	BA	20.2	21.3	22.7	24.8
		O	18.2	19.3	20.3	21.2
	Shared jurisdiction	BA	2.2	2.4	2.5	2.5
		O	2.2	2.4	2.5	2.5
Government Operations	Sole jurisdiction	BA	12.1	12.6	12.9	13.9
		O	12.6	12.6	13.0	13.8
	Shared jurisdiction	BA	--	--	--	--
		O	a/	0.1	0.1	0.2
House Administration	Sole jurisdiction	BA	0.8	0.8	0.9	0.9
		O	0.8	0.8	0.8	0.9
	Shared jurisdiction	BA	0.1	0.1	0.2	0.2
		O	0.1	0.1	0.2	0.2
Interior and Insular Affairs	Sole jurisdiction	BA	6.1	5.6	6.0	6.0
		O	5.1	5.2	5.6	6.1
	Shared jurisdiction	BA	6.9	7.4	7.7	8.1
		O	6.9	7.3	7.5	7.9

(Continued)

a/ Less than \$50 million.