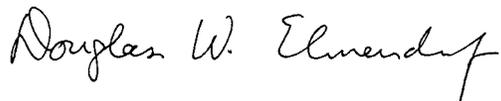


About This Document

This volume is one of a series of reports on the state of the budget and the economy that the Congressional Budget Office (CBO) issues each year. It satisfies the requirement of section 202(e) of the Congressional Budget Act of 1974 for CBO to submit to the Committees on the Budget periodic reports about fiscal policy and to provide baseline projections of the federal budget. In keeping with CBO's mandate to provide objective, impartial analysis, this report makes no recommendations.

CBO's Panel of Economic Advisers commented on an early version of the economic forecast underlying this report. Members of the panel are Rosanne Altshuler, Raj Chetty, Dan L. Crippen, Steven J. Davis, Kristin J. Forbes, Robert E. Hall, Jan Hatzius, Simon Johnson, Charles I. Jones, Anil Kashyap, Lawrence Katz, Donald Kohn, N. Gregory Mankiw, June E. O'Neill, Adam S. Posen, James Poterba, Joel Prakken, Carmen M. Reinhart, Robert Shimer, Matthew Slaughter, and Mark Zandi. Andrew Haughwout and Thomas Laubach attended the panel's meeting as guests. Although CBO's outside advisers provided considerable assistance, they are not responsible for the contents of this report.

The CBO staff members who contributed to this report—by preparing the economic, revenue, and spending projections; writing the report; editing and publishing it; compiling the supplemental materials posted along with it on CBO's website (www.cbo.gov/publication/45010); and providing other support—are listed on the following pages.



Douglas W. Elmendorf
Director

February 2014

Economic Projections

The economic projections were prepared by the Macroeconomic Analysis Division, with contributions from analysts in other divisions. That work was supervised by Wendy Edelberg, Kim Kowalewski, Robert Arnold, and Benjamin Page.

Alexander Arnon	Model and data management
David Brauer	Inflation, labor markets
Gabriel Ehrlich	Interest rates, monetary policy, energy prices, house prices
Daniel Fried	Net exports, exchange rates
Ronald Gecan	Energy prices
Mark Lasky	Business investment, housing
Leah Loversky	Motor vehicle sector, research assistance
Frank Russek	Federal, state, and local government spending and revenues
Robert Shackleton	Potential output, productivity
Christopher Williams	Consumer spending, incomes

Revenue Projections

The revenue projections were prepared by the Tax Analysis Division, supervised by David Weiner, Mark Booth, and Janet Holtzblatt. In addition, the staff of the Joint Committee on Taxation provided valuable assistance.

Paul Burnham	Retirement income
Barbara Edwards	Federal Reserve System earnings, customs duties, miscellaneous receipts
Jennifer Gravelle	International taxation
Pamela Greene	Corporate income taxes, estate and gift taxes
Edward Harris	Individual income taxes, social insurance taxes, tax modeling
Robert McClelland	Capital gains realizations
Shannon Mok	Estate and gift taxes
Kevin Perese	Tax modeling, Federal Reserve System earnings
Kurt Seibert	Social insurance taxes, refundable tax credits, depreciation, tax modeling
Joshua Shakin	Individual income taxes
Logan Timmerhoff	Excise taxes

Spending Projections

The spending projections were prepared by the Budget Analysis Division, with contributions from analysts in other divisions; that work was supervised by Peter Fontaine, Theresa Gullo, Holly Harvey, Janet Airis, Tom Bradley, Kim Cawley, Jean Hearne, Jeffrey Holland, Sarah Jennings, and Sam Papenfuss of the Budget Analysis Division, as well as by Jessica Banthin of the Health, Retirement, and Long-Term Analysis Division and Damien Moore of the Financial Analysis Division.

Defense, International Affairs, and Veterans' Affairs

Kent Christensen	Defense (projections, working capital funds, procurement, scorekeeping)
Sunita D'Monte	International affairs
Ann Futrell	Veterans' health care, international food assistance
Raymond Hall	Defense (research and development, stockpile sales, atomic energy, other programs)
William Ma	Veterans' readjustment benefits, reservists' education benefits
David Newman	Defense (military construction and family housing, military activities in Afghanistan), veterans' housing
Dawn Sauter Regan	Defense (military personnel)
Matthew Schmit	Military retirement, military health care
Jason Wheelock	Defense (operation and maintenance, compensation for radiation exposure, compensation for energy employees' occupational illness, other programs)
Dwayne Wright	Veterans' compensation and pensions

Health

Kirstin Blom	Medicaid, Children's Health Insurance Program
Julia Christensen	Food and Drug Administration, prescription drugs
Philip Ellis	Health insurance coverage
Lori Housman	Medicare
Paul Jacobs	Health insurance coverage
Paul Masi	Medicare
Sarah Masi	Health insurance exchanges, other programs
Jamease Miles	Medicare, Public Health Service
Alexandra Minicozzi	Health insurance coverage
Julia Mitchell	Federal Employees Health Benefits program
Andrea Noda	Medicaid prescription drugs, long-term care, Public Health Service
Allison Percy	Health insurance coverage
Lisa Ramirez-Branum	Medicaid, health insurance coverage, Public Health Service
Lara Robillard	Medicare

Health (Continued)

Robert Stewart	Medicaid, Children's Health Insurance Program, Indian Health Service
Andrew Stocking	Health insurance coverage
Santiago Vallinas	Medicare, Public Health Service
Ellen Werble	Health insurance coverage, other programs
Rebecca Yip	Medicare Part D, prescription drugs

Income Security and Education

Christina Hawley Anthony	Unemployment insurance, training programs, Administration on Aging, Smithsonian Institution, arts and humanities
Chad Chirico	Housing assistance, Fannie Mae and Freddie Mac, Troubled Asset Relief Program, Pension Benefit Guaranty Corporation
Sheila Dacey	Old-Age and Survivors Insurance, Social Security trust funds, Pension Benefit Guaranty Corporation
Elizabeth Cove Delisle	Social Services Block Grant, Children and Families Services, child nutrition and other nutrition programs
Kathleen FitzGerald	Supplemental Nutrition Assistance Program and other nutrition programs
Justin Humphrey	Elementary and secondary education, Pell grants, student loans
Deborah Kalcevic	Student loans, higher education
David Rafferty	Temporary Assistance for Needy Families, Child Support Enforcement, foster care, child care programs, Low Income Home Energy Assistance Program, Supplemental Security Income, refugee assistance
Emily Stern	Disability Insurance

Natural and Physical Resources

Megan Carroll	Energy, air transportation
Mark Grabowicz	Administration of justice, Postal Service
Kathleen Gramp	Energy, Outer Continental Shelf receipts, spectrum auction receipts
Daniel Hoople	Community and regional development, Federal Emergency Management Agency, deposit insurance
David Hull	Agriculture
Jeff LaFave	Conservation and land management, other natural resources
James Langley	Agriculture

Natural and Physical Resources (Continued)

Susanne Mehlman	Pollution control and abatement, Federal Housing Administration and other housing credit programs
Matthew Pickford	General government, legislative branch
Sarah Puro	Highways, Amtrak, water transportation
Aurora Swanson	Water resources, Fannie Mae and Freddie Mac
Martin von Gnechten	Administration of justice, science and space exploration, Bureau of Indian Affairs, recreation
Susan Willie	Mass transit, commerce, Small Business Administration, Universal Service Fund

Other Areas and Functions

Janet Airis	Appropriation bill (Legislative Branch)
Shane Beaulieu	Computer support
Edward Blau	Authorization bills
Barry Blom	Federal pay, monthly Treasury data
Jared Brewster	Interest on the public debt
Joanna Capps	Appropriation bills (Labor, Health and Human Services, and Education; State and Foreign Operations)
Gabriel Ehrlich	Fannie Mae and Freddie Mac, Federal Housing Administration
Mary Froehlich	Computer support
Avi Lerner	Troubled Asset Relief Program, automatic budget enforcement and sequestration, other interest
Amber Marcellino	Federal civilian retirement, historical data
Virginia Myers	Appropriation bills (Commerce, Justice, and Science; Financial Services and General Government)
Jeffrey Perry	Fannie Mae and Freddie Mac, Federal Housing Administration
Mitchell Remy	Fannie Mae and Freddie Mac, Federal Housing Administration
Mark Sanford	Appropriation bills (Agriculture and Food and Drug Administration; Defense)
Esther Steinbock	Appropriation bills (Transportation and Housing and Urban Development; Military Construction and Veterans Affairs; Energy and Water Development)
Santiago Vallinas	Various federal retirement programs, national income and product accounts, federal pay
Patrice Watson	Database system administrator
Adam Wilson	Appropriation bills (Homeland Security; Interior)

Writing

Christina Hawley Anthony wrote the summary. Barry Blom wrote Chapter 1, with assistance from Mark Booth and Jared Brewster; Jeffrey Holland wrote Box 1-1. Mark Lasky and Charles Whalen wrote Chapter 2. Christina Hawley Anthony, Jared Brewster, Amber Marcellino, and Santiago Vallinas wrote Chapter 3. Mark Booth and Joshua Shakin wrote Chapter 4. Amber Marcellino wrote Appendix A, with assistance from Mark Booth. Sarah Masi wrote Appendix B, with assistance from Jessica Banthin, Philip Ellis, Holly Harvey, and Jean Hearne. Devrim Demirel, Philip Ellis, and Benjamin Page wrote Appendix C, with assistance from Wendy Edelberg, Edward Harris, Janet Holtzblatt, Jonathan Huntley, Shannon Mok, Felix Reichling, and David Weiner. Avi Lerner wrote Appendix D, with assistance from Barbara Edwards. Frank Russek wrote Appendix E; and Jared Brewster, Appendix F. Alexander Arnon compiled Appendix G, and Amber Marcellino did the same for Appendix H.

Editing and Publishing

The editing and publishing of the report were handled by CBO's editing and publishing group, supervised by John Skeen, and the agency's web team, supervised by Deborah Kilroe.

Christine Bogusz, Christian Howlett, Kate Kelly, Loretta Lettner, Benjamin Plotinsky, and John Skeen edited the report. Maureen Costantino and Jeanine Rees prepared the report for publication, and Leigh Angres, Robert Dean, Annette Kalicki, and Simone Thomas published the report on CBO's website.

Chad Chirico coordinated the preparation of tables of baseline projections for selected programs, and Leah Loversky and Logan Timmerhoff compiled supplemental economic and tax data—all posted with this report on the agency's website. Jeanine Rees and Simone Thomas coordinated the presentation of those materials.

