

## 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 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, Alan J. Auerbach, Markus K. Brunnermeier, Mary C. Daly, Steven J. Davis, Roger W. Ferguson Jr., Claudia Goldin, Robert E. Hall, Jan Hatzius, Simon Johnson, Anil Kashyap, Lawrence Katz, Donald Kohn, N. Gregory Mankiw, Adam S. Posen, James Poterba, Joel Prakken, Valerie A. Ramey, Carmen M. Reinhart, Brian Sack, Robert Shimer, Justin Wolfers, and Mark Zandi. John Fernald and Erica Groshen 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; reviewing, editing, and publishing it; compiling the supplemental materials posted along with it on CBO's website ([www.cbo.gov/publication/49892](http://www.cbo.gov/publication/49892)); and providing other support—are listed on the following pages.



Douglas W. Elmendorf  
Director

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## 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	Housing, research assistance
Lauren Bresnahan	Inflation
Gabriel Ehrlich	Interest rates, monetary policy, house prices
Daniel Fried	Net exports, exchange rates, energy prices
Edward Gamber	Current quarter analysis
Ronald Gecan	Energy prices
Mark Lasky	Business investment, housing
Leah Loversky	Motor vehicle sector, model and data management
Joshua Montes	Labor markets
Frank Russek	Federal, state, and local government spending and revenues
Robert Shackleton	Potential output, productivity
Christopher Williams	Consumer spending, incomes
Shiqi Zheng	Research assistance

## Revenue Projections

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

Paul Burnham	Retirement income
Nathaniel Frentz	Federal Reserve System earnings, customs duties, miscellaneous fees and fines
Jennifer Gravelle	International taxation, depreciation
Pamela Greene	Corporate income taxes
Robert McClelland	Capital gains realizations
Shannon Mok	Estate and gift taxes, refundable tax credits
Kevin Perese	Tax modeling, Federal Reserve System earnings
Molly Saunders-Scott	International taxation, business taxation
Kurt Seibert	Payroll taxes, depreciation, tax modeling
Joshua Shakin	Individual income taxes, refundable tax credits
Logan Timmerhoff	Excise taxes
Marvin Ward	Tax modeling

## 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, Chad Chirico, 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, operation and maintenance, 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, procurement, compensation for radiation exposure and energy employees' occupational illness, other defense programs)
Dwayne Wright	Veterans' compensation and pensions

### *Health*

Julia Christensen	Food and Drug Administration, prescription drugs
Kate Fritzsche	Health insurance exchanges, other programs
Daniel Hoople	Medicaid, Children's Health Insurance Program
Lori Housman	Medicare
Paul Jacobs	Health insurance coverage
Sean Lyons	Health insurance coverage
Paul Masi	Medicare, Federal Employees Health Benefits program
Sarah Masi	Health insurance exchanges, other programs
Jamease Miles	Medicare, Public Health Service
Alexandra Minicozzi	Health insurance coverage
Eamon Molloy	Health insurance coverage
Andrea Noda	Medicaid prescription drugs, long-term care, Public Health Service
Romain Parsad	Health insurance coverage

*Health (Continued)*

Allison Percy	Health insurance coverage
Lisa Ramirez-Branum	Medicaid, health insurance coverage, Health Resources and Services Administration
Lara Robillard	Medicare
Erica Socker	Medicare
Robert Stewart	Medicaid, Children's Health Insurance Program, Indian Health Service
Sam Trachtman	Health insurance coverage
Ellen Werble	Prescription drugs, Public Health Service
Zoe Williams	Medicare
Rebecca Yip	Medicare Part D, prescription drugs, Public Health Service

*Income Security and Education*

Christina Hawley Anthony	Unemployment insurance, training programs, Administration on Aging, Smithsonian Institution, arts and humanities
Sheila Dacey	Old-Age and Survivors Insurance, Social Security trust funds, Pension Benefit Guaranty Corporation
Elizabeth Cove Delisle	Housing assistance
Kathleen FitzGerald	Supplemental Nutrition Assistance Program and other nutrition programs
Jennifer Gray	Social Services Block Grant, Child and Family Services, child nutrition 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, refugee assistance
Emily Stern	Disability Insurance, Supplemental Security Income

*Natural and Physical Resources*

Marin Burnett	Administration of justice, science and space exploration, recreational resources
Megan Carroll	Energy, air transportation

*Natural and Physical Resources (Continued)*

Martin von Gnechten	Community and regional development, Federal Emergency Management Agency, Bureau of Indian Affairs, credit unions
Mark Grabowicz	Administration of justice, Postal Service
Kathleen Gramp	Energy, Outer Continental Shelf receipts, spectrum auction receipts, Orderly Liquidation Fund
David Hull	Agriculture
Jeff LaFave	Conservation and land management, other natural resources
James Langley	Agriculture
Susanne Mehlman	Pollution control and abatement, Federal Housing Administration and other housing credit programs
Matthew Pickford	General government, legislative branch
Sarah Puro	Highways, mass transit, Amtrak, water transportation
Aurora Swanson	Water resources, Fannie Mae and Freddie Mac
Susan Willie	Commerce, Small Business Administration, Universal Service Fund, agricultural trade and credit

*Other Areas and Functions*

Janet Airis	Appropriation bill (Legislative Branch)
Shane Beaulieu	Computer support
Barry Blom	Federal pay, monthly Treasury data
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, interest on the public debt, other interest, Federal Deposit Insurance Corporation
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
Dan Ready	Various federal retirement programs, national income and product accounts, federal pay

*Other Areas and Functions (Continued)*

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)
J'nell Blanco Suchy	Authorization bills
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 Jeffrey Holland. Daniel Fried and Charles Whalen wrote Chapter 2. Christina Hawley Anthony, Megan Carroll, Avi Lerner, and Amber Marcellino wrote Chapter 3. Mark Booth, Pamela Greene, Joshua Shakin, and David Weiner wrote Chapter 4. Amber Marcellino wrote Appendix A, with assistance from Nathaniel Frentz. Sarah Masi and Kate Fritzsche wrote Appendix B, with assistance from Jessica Banthin, Holly Harvey, and Chad Chirico. Dan Ready wrote Appendix C, with assistance from Nathaniel Frentz. Frank Russek wrote Appendix D; Jeffrey Holland wrote Appendix E. Shiqi Zheng compiled Appendix F, and Amber Marcellino compiled Appendix G.

**Review, Editing, and Publishing**

Jeffrey Kling and Robert Sunshine reviewed the report. The editing and publishing 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, Kate Kelly, Loretta Lettner, Bo Peery, Benjamin Plotinsky, Jeanine Rees, and John Skeen edited the report; Leigh Angres, Maureen Costantino, and Jeanine Rees prepared it for publication; and Robert Dean, Annette Kalicki, Adam Russell, and Simone Thomas published it on CBO's website.

Sarah Puro 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.