

CBO ESTIMATE FOR DIVISIONS B AND C OF RULES COMMITTEE PRINT 115-58, WITH AN AMENDMENT—FURTHER EXTENSION OF CONTINUING APPROPRIATIONS ACT, 2018, AND DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2018 (DISCRETIONARY SPENDING ONLY)

		Fiscal Year 2018 Appropriations, in Millions of Dollars							
		Constrained by Caps ^a			Cap Adjustments ^b			Total ^c	
House Subcommittee		ATB		Total	OCO/GWOT	Disaster Relief	Program Integrity	Emergency Requirements ^{e,f}	
		Appropriations	Reduction ^d						
Agriculture ^{e,g,h}	BA:	20,856	-153	20,703	0	0	0	1,270	21,973
	O:	21,792	-99	21,693	0	0	0	1,270	22,963
Commerce, Justice, Science	BA:	52,626	-440	52,186	0	0	0	0	52,186
	O:	64,334	-284	64,050	0	0	0	0	64,050
Defense ^{d,e}	BA:	584,169	n.a.	584,169	75,112	0	0	4,486	663,767
	O:	553,725	n.a.	553,725	33,395	0	0	801	587,921
Energy and Water	BA:	37,969	-261	37,708	0	0	0	0	37,708
	O:	38,195	-153	38,042	0	0	0	0	38,042
Financial Services ^{e,h}	BA:	21,722	-160	21,562	0	0	0	225	21,787
	O:	23,598	-135	23,463	0	0	0	399	23,862
Homeland Security ^{e,i}	BA:	42,479	-295	42,184	163	6,713	0	34,670	83,730
	O:	47,171	-192	46,979	126	336	0	17,369	64,810
Interior and Environment ^e	BA:	32,114	-196	31,918	0	0	0	577	32,495
	O:	32,507	-129	32,378	0	0	0	577	32,955
Labor, HHS, Education ^{f,g,j}	BA:	166,874	-1,155	165,719	0	0	1,876	0	167,595
	O:	170,087	-496	169,591	0	0	1,562	0	171,153
Legislative Branch	BA:	4,436	-30	4,406	0	0	0	0	4,406
	O:	4,378	-25	4,353	0	0	0	0	4,353
Military Construction, VA ^e	BA:	85,675	-584	85,091	433	0	0	200	85,724
	O:	83,897	-444	83,453	2	0	0	2	83,457
State, Foreign Operations	BA:	36,850	-254	36,596	20,784	0	0	0	57,380
	O:	46,597	-111	46,486	6,461	0	0	0	52,947
Transportation, HUD ^e	BA:	56,822	-461	56,361	0	0	0	0	56,361
	O:	120,202	-376	119,826	0	0	0	160	119,986
Total	BA:	1,142,592	-3,989	1,138,603	96,492	6,713	1,876	41,428	1,285,112
	O:	1,206,483	-2,444	1,204,039	39,984	336	1,562	20,578	1,266,499

Source: Congressional Budget Office.

Notes: ATB = Across the Board; BA = budget authority; O = outlays; HHS = Health and Human Services; HUD = Housing and Urban Development; VA = Veterans Affairs; OCO/GWOT = Overseas Contingency Operations/Global War on Terrorism.

Rules Committee Print 115-58 (RCP 115-58), as posted on docs.house.gov on February 5, 2018, would add six divisions to the Senate Amendment to the Honoring Hometown Heroes Act (H.R. 1892): Division B contains the Further Extension of Continuing Appropriations Act, 2018; Division C contains the Department of Defense Appropriations Act, 2018; Division D contains authorizing provisions related to certain agricultural programs; Division E contains provisions related to corporate taxes; Division F contains authorizing provisions related to certain health programs; and Division G provides for the budgetary treatment of Divisions D-F.

This estimate includes the budgetary effects of Amendment #1, as posted on rules.house.gov which would make changes to the authorities in Division F.

The Honoring Hometown Heroes Act, as included in RCP 115-58, would amend federal law to allow a U.S. flag to be flown at half-staff following the death of a first responder in any state, territory, possession, or the District of Columbia. Because the flag is displayed daily at federal facilities, CBO estimates that enacting the Honoring Hometown Heroes Act would have no effect on the federal budget.

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Continued

Division B would amend the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56), to with certain exceptions provide for the continuation through March 23, 2018, of the appropriations and authorities contained in the fiscal year 2017 appropriation acts, including the Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2017 (Division A of P.L. 114-223); the Security Assistance Appropriations Act, 2017 (Division B of P.L. 114-254); and the Consolidated Appropriations Act, 2017 (Divisions A-L of P.L. 115-31).

The amounts shown in this report also include the fiscal year 2018 budgetary effects of supplemental appropriations for fiscal year 2017 that were provided in the Supplemental Appropriations for Disaster Relief Requirements Act, 2017 (Division B of P.L. 115-56), as well as supplemental appropriations provided for fiscal year 2018 by the Additional Supplemental Appropriations for Disaster Relief Requirements Act of 2017 (Division A of P.L. 115-72) and the Department of Defense Missile Defeat and Defense Enhancements Appropriations Act, 2018 (Division B of P.L. 115-96).

Except where otherwise noted, the amounts shown in Table 1 are shown on an annualized basis.

- a. In fiscal year 2018, most discretionary budget authority is subject to limits as described in the Budget Control Act of 2011 (P.L. 112-25). In its *Sequestration Update Report: August 2017*, CBO estimated that those limits would total \$1,064,806 million—\$549,057 million for defense programs and \$515,749 million for nondefense programs.
- b. Designated pursuant to section 251(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 (Deficit Control Act); spending limits for fiscal year 2018 would be adjusted to accommodate these amounts.
- c. CBO estimates that if the levels of budget authority provided by RCP 115-58 and other previously enacted appropriations legislation were extended for the remainder of fiscal year 2018, the amount of discretionary budget authority provided for fiscal year 2018 would exceed the limit on defense programs by \$69,932 million and would exceed the limit on nondefense programs by \$3,865 million; extending those levels of funding for the duration of fiscal year 2018 would require a sequestration. However, the authority in section 147 of P.L. 115-56, as amended, and continued by RCP 115-58, would delay any potential sequestration order until 15 days after the Continuing Appropriations Act, 2018, would expire. In addition, section 1408 of Division C would nullify the effects of any sequestration ordered for defense programs in fiscal year 2018. The authority to determine whether a sequestration is required and, if so, how to make the necessary cuts in budget authority rests with the Office of Management and Budget.
- d. Section 101(b) of Division D of P.L. 115-56, as continued by RCP 115-58 contains an across-the-board reduction of 0.6791 percent, which would be applied to the amounts continued by Section 101(a) that are constrained by the discretionary caps. The amounts and authorities provided by Division C, all within the jurisdiction of the Defense subcommittee, would not be subject to the across-the-board reduction, and are provided for the duration of fiscal year 2018.
- e. Division B of P.L. 115-56 provided \$15,250 million in supplemental budget authority for disaster relief requirements for fiscal year 2017, resulting in estimated outlays of \$3,406 million in fiscal year 2018. In addition, P.L. 115-72 and P.L. 115-96 provided an additional \$41,203 million in combined budget authority resulting in estimated outlays of \$17,059 million in fiscal year 2018. All three of those laws designated the amounts provided as emergency requirements pursuant to section 251(b)(2)(A)(i) of the Deficit Control Act. In addition, section 160 of RCP 115-58 would provide \$225 million in budget authority and designate that amount as an emergency requirement. All amounts shown in this report as being for “Emergency Requirements” were, or would be, provided by appropriations or authorities in place for the entirety of fiscal year 2018.
- f. Division H of P.L. 115-31 (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2017) provided \$1,960 million in “additional new budget authority” for fiscal year 2017 for program integrity efforts—\$1,546 million for continuing disability reviews, and \$414 million for health care fraud and abuse control—and designated those amounts pursuant to section 251(b)(2)(B) and section 251(b)(2)(C), respectively. The discretionary caps for fiscal year 2017 were accordingly adjusted upward by the same amounts. Section 101(a)(8) of P.L. 115-56, as continued by RCP 115-58, would continue the level of appropriations for continuing disability reviews of \$1,546 million in fiscal year 2018, however, the maximum adjustment to the discretionary caps permitted by section 251(b)(2)(B) of the Budget Control Act for fiscal year 2018 is only \$1,462 million. Therefore, this report shows the difference between those amounts (\$84 million) as nondefense discretionary spending constrained by the caps.
- g. Pursuant to sections 1001-1004 of the 21st Century Cures Act (Public Law 114-255), certain funding provided to the Department of Health and Human Services (HHS)—in particular the Food and Drug Administration (FDA) and the National Institutes of Health (NIH)—in 2017 through 2026 shall not count for the purposes of the Deficit Control Act or the Congressional Budget and Impoundment Control Act of 1974. The amounts shown in this report do not include \$866 million in budget authority and \$706 million in associated outlays assumed to continue in fiscal year 2018 within the following subcommittees’ jurisdictions: \$20 million in budget authority and \$12 million in outlays for the FDA (Agriculture); and \$846 million in budget authority and \$694 million in outlays for HHS, which includes \$497 million in budget authority for state responses to the opioid abuse crisis, and \$349 million for NIH (Labor, HHS, Education).
- h. Historically, the Appropriations Committee in each chamber has provided funding for the Commodity Futures Trading Commission in different subcommittees: the House proposes this funding within the Agriculture subcommittee’s jurisdiction, while the Senate includes their recommended levels within the Financial Services subcommittee’s jurisdiction. This report includes \$250 million in budget authority and \$261 million in associated outlays, proposed to be continued by Section 101(a) of the Continuing Appropriations Act, 2018, within the jurisdiction of the Financial Services subcommittee. Those amounts do not reflect the across-the-board reduction included in section 101(b).
- i. Sections 540-542 of the Department of Homeland Security Appropriations Act, 2017, extended several visa programs through the end of fiscal year 2017. CBO estimates that extending those authorities through the end of fiscal year 2018 would increase on-budget direct spending by \$1 million in fiscal year 2018, \$18 million over the 2018-2022 period, and \$44 million over the 2018-2027 period. In addition, CBO estimates that continuing those authorities would decrease off-budget direct spending by \$1 million over the 2018-2022 period, and by \$7 million over the 2022-2027 period. Further, CBO estimates that continuing those authorities would increase revenues by \$2 million in fiscal year 2018; and would decrease revenues by \$2 million over the 2018-2022 period and by \$7 million over the 2018-2027 period. Those changes in revenues are not shown in this table.
- j. Section 226 of the Labor, Health and Human Services, and Education Act, 2017 (Division H of P.L. 115-31), delayed implementation of the recommendations of the United States Preventive Services Task Force with respect to breast cancer screening, mammography, and prevention through January 1, 2019. CBO estimates that extending that delay through January 1, 2020, would increase direct spending budget authority and outlays by \$14 million in fiscal year 2019, and \$6 million in fiscal year 2020. In addition, CBO estimates that extending the delay through January 1, 2020, would decrease revenues by \$23 million in fiscal year 2019 (of which \$6 million would be off-budget) and by \$9 million in fiscal year 2020, (of which \$2 million would be off-budget). Those amounts are not shown in this table.

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		Fiscal Year 2018 Appropriations Constrained by Caps, in Millions of Dollars ^{a,b,c}		
House Subcommittee		Defense	Nondefense	Total
Agriculture	BA:	0	20,703	20,703
	O:	0	21,693	21,693
Commerce, Justice, Science	BA:	5,164	47,022	52,186
	O:	5,163	58,887	64,050
Defense	BA:	584,038	131	584,169
	O:	553,576	149	553,725
Energy and Water	BA:	19,907	17,801	37,708
	O:	19,801	18,241	38,042
Financial Services	BA:	33	21,529	21,562
	O:	32	23,431	23,463
Homeland Security	BA:	1,862	40,322	42,184
	O:	1,792	45,187	46,979
Interior and Environment	BA:	0	31,918	31,918
	O:	0	32,378	32,378
Labor, HHS, Education	BA:	0	165,719	165,719
	O:	0	169,591	169,591
Legislative Branch	BA:	0	4,406	4,406
	O:	0	4,353	4,353
Military Construction, VA	BA:	7,687	77,404	85,091
	O:	7,842	75,611	83,453
State, Foreign Operations	BA:	0	36,596	36,596
	O:	0	46,486	46,486
Transportation, HUD	BA:	298	56,063	56,361
	O:	298	119,528	119,826
Total	BA:	618,989	519,614	1,138,603
	O:	588,504	615,535	1,204,039

Source: Congressional Budget Office.

Notes: BA = budget authority; O = outlays; HHS = Health and Human Services; HUD = Housing and Urban Development; VA = Veterans Affairs.

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Except for the amounts shown within the jurisdiction of the Defense subcommittee, all of the amounts in Table 2 are shown on an annualized basis. The amounts shown in Table 2 within the Defense subcommittee's jurisdiction would be provided by Division C for the duration of fiscal year 2018.

- Excludes amounts designated as funding for emergency requirements, overseas contingency operations, disaster relief, or program integrity efforts, and designated pursuant to section 251 of Deficit Control Act of 1985, or provided pursuant to sections 1001-1004 of the 21st Century Cures Act (P.L. 114-255).
- In fiscal year 2018, most discretionary budget authority is subject to limits as described in the Budget Control Act of 2011 (P.L. 112-25). In its *Sequestration Update Report: August 2017*, CBO estimated that those limits would total \$1,064,806 million—\$549,057 million for defense programs and \$515,749 million for nondefense programs.
- CBO estimates that if the levels of budget authority provided by RCP 115-58 and other previously enacted appropriations legislation were extended for the remainder of fiscal year 2018, the amount of discretionary budget authority provided for fiscal year 2018 would exceed the limit on defense programs by \$69,932 million and would exceed the limit on nondefense programs by \$3,865 million; extending those levels of funding for the duration of fiscal year 2018 would require a sequestration. However, the authority in section 147 of P.L. 115-56, as amended, and continued by RCP 115-58, would delay any potential sequestration order until 15 days after the Continuing Appropriations Act, 2018, would expire. In addition, section 1408 of Division C would nullify the effects of any sequestration ordered for defense programs in fiscal year 2018. The authority to determine whether a sequestration is required and, if so, how to make the necessary cuts in budget authority rests with the Office of Management and Budget.

**CBO ESTIMATE FOR DIVISIONS D-F OF RULES COMMITTEE PRINT 115-58, WITH AN AMENDMENT—
MISCELLANEOUS, TAX MATTERS, AND HEALTH PROVISIONS**

	By Fiscal Year, in Millions of Dollars										2018-	2018-
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2022	2027
INCREASES OR DECREASES (-) IN DIRECT SPENDING												
Division F—HEALTH PROVISIONS												
Title I—Medicare Extenders and Related Policies												
Estimated Budget Authority	1,470	2,177	1,117	806	873	654	560	576	556	527	6,443	9,316
Estimated Outlays	1,467	2,177	1,120	806	873	654	560	576	556	527	6,443	9,316
Title II—Additional Medicare Policies Relating to Extenders												
Estimated Budget Authority	2	15	14	12	7	7	7	7	7	7	50	85
Estimated Outlays	2	15	14	12	7	7	7	7	7	7	50	85
Title III—Creating High-Quality Results and Outcomes Necessary to Improve Chronic Care												
Estimated Budget Authority	0	3	24	38	8	13	18	23	38	48	73	213
Estimated Outlays	0	3	24	38	8	13	18	23	38	48	73	213
Title IV—Medicare Part B Miscellaneous Policies												
Estimated Budget Authority	0	-259	-489	-159	0	0	-3	0	2	2	-907	-906
Estimated Outlays	0	-259	-489	-159	0	0	-3	0	2	2	-907	-906
Title V—Other Health Extenders												
Estimated Budget Authority	3,760	4,493	0	0	0	0	0	0	0	0	8,253	8,253
Estimated Outlays	1,048	2,833	2,980	1,323	41	5	0	0	0	0	8,225	8,230
Title VI—Child And Family Services and Support												
Estimated Budget Authority	106	-37	-65	-66	-11	15	29	85	115	186	-73	357
Estimated Outlays	-10	-35	-58	-61	12	26	35	94	133	209	-153	344
Title VII—Offsets												
Estimated Budget Authority	1,584	2,499	-514	-2,527	-2,856	-3,699	-3,217	-3,873	-3,586	-3,704	-1,814	-19,893
Estimated Outlays	1,584	2,419	-642	-2,590	-2,591	-3,648	-2,815	-3,320	-3,344	-3,662	-1,820	-18,609
Interaction Effects—IPAB												
Estimated Budget Authority	0	0	0	0	0	0	500	100	200	200	0	1,000
Estimated Outlays	0	0	0	0	0	0	500	100	200	200	0	1,000
Total, Changes in Direct Spending												
Estimated Budget Authority	6,921	8,890	88	-1,896	-1,979	-3,011	-2,106	-3,082	-2,668	-2,734	12,024	-1,576
Estimated Outlays	4,090	7,154	2,950	-631	-1,650	-2,945	-1,698	-2,520	-2,407	-2,669	11,912	-327
INCREASES OR DECREASES (-) IN REVENUES												
Division E—TAX MATTERS												
Payment for corporate taxes	0	0	-3,355	3,355	0	0	0	0	0	0	0	0
NET INCREASE OR DECREASE (-) IN THE DEFICIT FROM CHANGES IN DIRECT SPENDING AND REVENUES												
Impact on the deficit	4,090	7,154	6,305	-3,986	-1,650	-2,945	-1,698	-2,520	-2,407	-2,669	11,912	-327

Sources: Congressional Budget Office and staff of the Joint Committee on Taxation.

Notes: Assumes enactment in February 2018; numbers may not add up to totals because of rounding; all amounts in Table 3 are on-budget.

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Division D would extend the authorization for the Environmental Quality Incentives Program (EQIP) until the end of fiscal year 2019, but that would have no cost relative to the baseline because CBO already assumes the level of funding proposed by Division D in its baseline, as required by section 257 of the Deficit Control Act. Relative to current law, budget authority and outlays would increase by \$1.75 billion under that one-year extension of EQIP.

Division E would shift payments of corporate estimated taxes between fiscal years 2020 and 2021. For corporations with at least \$1 billion in assets, the legislation would reduce the portion of corporate estimated payments due from July through September of 2020, repealing a provision which was enacted in the Trade Preferences Extension Act of 2015 (P.L. 114-27).

Division F would extend a number of expired provisions in the Medicare program and make other changes to health programs and to child and family support and services.