

CBO ESTIMATE FOR H.R. 6147—INTERIOR, ENVIRONMENT, FINANCIAL SERVICES, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2019, AS PASSED BY THE HOUSE OR REPRESENTATIVES ON JULY 19, 2018 (DISCRETIONARY SPENDING ONLY)

		Fiscal Year 2019 Appropriations, in Millions of Dollars		
		Constrained by the Caps ^a		Total ^a
		Defense	Nondefense	
<u>Subcommittee</u>				
Interior and Environment (Division A)	Budget Authority:	0	35,247	35,247
	Outlays:	0	34,980	34,980
Financial Services (Division B) ^{b,c}	Budget Authority:	31	23,392	23,423
	Outlays:	30	24,008	24,038
Total	Budget Authority:	31	58,639	58,670
	Outlays:	30	58,988	59,018

Source: Congressional Budget Office.

H.R. 6147, the Interior, Environment, Financial Services, and General Government Appropriations Act, 2019, as passed by the House of Representatives on July 19, 2018, contains 2 of the 12 annual appropriation bills for fiscal year 2019.

- a. In fiscal year 2019, most discretionary budget authority is subject to limits as described in the Budget Control Act of 2011 (P.L. 112-25), as amended by the Bipartisan Budget Act of 2018 (P.L. 115-123). For fiscal year 2019, those limits total \$1,244,000 million—\$647,000 million for defense programs (statutorily referred to as the revised security category) and \$597,000 million for nondefense programs (statutorily referred to as the revised nonsecurity category).
- b. CBO estimates that certain provisions in Division B of H.R. 6147 (Financial Services) would affect revenues: Section 112 would prohibit the Internal Revenue Service from making determinations that a church is not exempt from taxation for participating in political activities. At this time, CBO and JCT are unable to complete a full analysis of this proposal, but expect that such a prohibition would result in a loss of revenue totaling less than \$1 million.

Section 1205 would prohibit the District of Columbia from using its local funds in fiscal year 2019 to carry out its individual health care mandate. As a result, CBO expects a small number of people would forego health care coverage because they are uncertain about what would be required; CBO estimates that the prohibition would thus result in an insignificant increase in revenues in fiscal year 2019 stemming from a small increase in penalty payments.

In addition, Title IX of Division B would: amend the Dodd-Frank Wall Street Reform and Consumer Protection Act and other laws governing regulation of the financial industry; allow financial institutions, under certain circumstances, to be exempt from a variety of regulations; make numerous other changes to the authorities of the agencies that regulate the financial industry; and change how the operations of various governmental regulatory agencies are funded. On net, CBO estimates that enacting Title IX would decrease direct spending budget authority by \$126 million, and outlays by \$42 million in 2019. Further, CBO estimates that over the 2019-2028 period, enacting Title IX would decrease direct spending budget authority and outlays by about \$6 billion, and would increase revenues by \$21 million. None of the changes in estimated revenues from provisions in H.R. 6147 are shown in this table.

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- c. A provision of Division B of H.R. 6147 (Financial Services) under the heading, “United States Postal Service—Payment to the Postal Service Fund,” would require the Postal Service to comply with the service standards for first class mail and periodicals in effect on July 1, 2012, for the duration of fiscal year 2019. Considering this direction is only applicable in 2019 and the Postal Service’s ongoing financial challenges, CBO expects that complete compliance is not likely. As a result, CBO estimates, that provision would increase direct spending from the Postal Service Fund by \$300 million in 2019.

Under the terms of the Omnibus Budget Reconciliation Act of 1989 (Public Law 101-239), disbursements from the fund are not included in budget totals. However, payments to the fund for administrative expenses included in appropriation bills are considered discretionary off-budget spending that counts against the Appropriations Committee’s allocation and against the caps on nondefense discretionary spending established by the Budget Control Act of 2011. The House Committee on the Budget does not consider the direct spending under the provision to have a scoreable budgetary effect; therefore, the budgetary effects of the aforementioned service standards provision are not shown in this table.
