



Legislation Enacted in the 115th Congress That Affects Mandatory Spending or Revenues

This report of the Congressional Budget Office summarizes the agency's estimates of the budgetary effects of authorizing legislation enacted during the first and second sessions of the 115th Congress (calendar years 2017 and 2018) that affected mandatory spending or revenues.¹ The estimates incorporated into this report are for the enacted versions of the corresponding laws. Each estimate was prepared when the legislation was considered or enacted, and each was measured over the period of time and against the baseline projections used for budget enforcement purposes by the House and Senate Committees on the Budget at the time the legislation was

last considered by the Congress.² The periods referred to are consistent with those that CBO used for its cost estimates during each Congressional session. The cumulative effects of the legislation are presented in Table 1.

According to CBO's estimates, the laws that were enacted during the first session of the 115th Congress will increase budget deficits in every fiscal year from 2017 through 2026 but will decrease the deficit in 2027. In total, CBO estimated, those laws will add about \$1.5 trillion to the cumulative deficit over the 2017–2027 period. The largest estimated increase in the deficit stems from Public Law 115-97, the major tax legislation enacted in December 2017, which amended numerous provisions of U.S. tax law and reduced most income tax rates for individuals and corporations. At the time that P.L. 115-97 (H.R. 1) was considered by the Congress, CBO and the staff of the Joint Committee on Taxation (JCT) estimated that its enactment would increase the deficit in every fiscal year from 2017 through 2026 before decreasing it in 2027. In total, CBO and JCT estimated, P.L. 115-97 would decrease revenues by about \$1,649 billion and would decrease outlays by

1. In addition to the budgetary effects of authorizing legislation, the amounts in this report and the accompanying tables include the estimated effects on revenues from provisions included in enacted appropriation legislation. The estimated effects on budget authority and outlays of appropriation legislation are not included in this report because most of those effects are classified in the budget as discretionary spending. Although annual appropriation legislation typically provides a large amount of mandatory spending authority each year (estimated at more than \$1 trillion in fiscal year 2017 and again in 2018), most of those amounts are already included in CBO's baseline projections, as required by section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985. Accordingly, relative to CBO's baselines, most mandatory spending ascribed to appropriation legislation has no budgetary effect.

2. For more information related to the budgetary effects identified in CBO's estimates, see Congressional Budget Office, *How CBO Prepares Cost Estimates* (February 2018), www.cbo.gov/publication/53519.

Notes: Unless otherwise indicated, all years referred to are federal fiscal years, which run from October 1 to September 30 and are designated by the calendar year in which they end. Numbers in the text and table may not sum to totals because of rounding.

Table 1.

Summary of the Estimated Budgetary Effects of Laws Enacted in the 115th Congress That Affect Mandatory Spending or Revenues

Billions of Dollars

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	11-Year Total
First Session (2017)^a													
Total Outlays	*	-5	11	2	-14	-22	-26	-29	-33	-23	-53	n.a.	-190
Total Revenues	*	-151	-270	-257	-235	-199	-164	-149	-146	-61	-20	n.a.	-1,654
Net Increase or Decrease (-) in the Deficit	*	146	281	259	221	178	138	120	114	38	-34	n.a.	1,464
Second Session (2018)^b													
Total Outlays	n.a.	8	19	5	-2	-4	-3	1	2	-22	-40	-2	-38
Total Revenues	n.a.	-12	-14	-9	-5	-4	*	1	1	2	2	*	-38
Net Increase or Decrease (-) in the Deficit	n.a.	20	33	14	3	*	-4	*	2	-24	-41	-2	*

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

For revenues, positive numbers indicate a decrease in the deficit and negative numbers indicate an increase in the deficit.

n.a. = not available or not applicable; * = between -\$500 million and \$500 million.

a. The estimated budgetary effects of legislation enacted during the first session of the 115th Congress (January 3, 2017, to January 3, 2018) are shown over the 2017–2027 period, the same period spanned by the current-law baseline each law was measured against. Accordingly, estimates of the effects of those laws in 2028 are not available.

b. The estimated budgetary effects of legislation enacted during the second session of the 115th Congress (January 3, 2018, to January 3, 2019) are shown over the 2018–2028 period, for the same years spanned by the current-law baseline each law was measured against. Some estimates for laws enacted during the second session of the 115th Congress do not include amounts for 2028 because they were measured against a baseline that extended only through 2027.

\$194 billion over the 2018–2027 period, for a net effect on the deficit of \$1,455 billion.³

3. Those estimates were published in December 2017 and were measured against the current-law baseline projections that covered the period from 2017 to 2027. For the estimate of the budgetary effects of P.L. 115-97 that was prepared at the time it was considered, see Congressional Budget Office, letter to the Honorable Kevin Brady providing a cost estimate for the conference agreement on H.R. 1, a bill to provide for reconciliation pursuant to titles II and V of the Concurrent Resolution on the Budget for Fiscal Year 2018 (December 15, 2018), www.cbo.gov/publication/53415.

In a subsequent analysis, CBO projected that P.L. 115-97 would increase the primary deficit by \$1,843 billion over the 2018–2028 period. (The primary deficit excludes the related costs of interest payments on federal debt.) See Congressional Budget Office, *The Budget and Economic Outlook: 2018 to 2028*, Appendix B (April 2018), www.cbo.gov/publication/53651.

For additional analysis of that law's effects on CBO's economic forecast and its budget projections, see Congressional Budget Office, "How the 2017 Tax Act Has Affected CBO's GDP and Budget Projections Since January 2017," *CBO Blog* (February 28, 2019), www.cbo.gov/publication/54994.

Laws enacted during the second session of the 115th Congress increased the deficit in fiscal year 2018 and will increase the deficit further in each year from 2019 through 2022, according to CBO's estimates. However, CBO anticipates that those increases will be mostly offset by decreases in the deficit in 2026, 2027, and 2028—mainly because of provisions enacted in division C of the Bipartisan Budget Act of 2018 (P.L. 115-123). Among other effects, those provisions extend through 2027 the automatic reductions (or sequestration) to mandatory accounts required by the Budget Control Act of 2011, increase certain aviation security and customs user fees, and allow for additional oil to be sold from the Strategic Petroleum Reserve.⁴ In total, CBO estimates, the mandatory spending and revenue effects of laws enacted during the second session

4. See Congressional Budget Office, cost estimate for Senate Amendment 1930 to H.R. 1892 (February 8, 2018), www.cbo.gov/publication/53556, and cost estimate for the direct spending and revenue effects of division C of Senate Amendment 1930, the Bipartisan Budget Act of 2018 (February 8, 2018), www.cbo.gov/publication/53561.

of the 115th Congress will increase deficits by less than \$500 million over the 2018–2028 period.

Three supplemental data tables that are posted with this report provide details about those estimated budgetary effects. Supplemental Table 1 lists the laws in order of enactment during the first session and provides their estimated effects over the 2017–2027 period. Supplemental Table 2 covers the second session and shows effects for the 2018–2028 period. Each entry lists the number of the underlying bill and, where possible, supplies a link to the relevant cost estimate on CBO’s website. The amounts in a referenced cost estimate may differ from the amounts shown in the table because of changes in legislative provisions or in CBO’s analysis that occurred between the time of the initial cost estimate and the enactment of the law.

Supplemental Table 3 lists the 75 laws enacted during the 115th Congress that CBO estimated would have insignificant effects: They would increase or decrease annual and cumulative deficits by less than \$500,000 over the relevant projection period. Those laws also are listed by date of enactment; because the effects are relatively small, no cost estimate links are provided.

This biennial report of the Congressional Budget Office was prepared for the House and Senate Committees on the Budget. Earlier editions are posted online at www.cbo.gov/publication/50052 and www.cbo.gov/publication/52505. In keeping with CBO’s mandate to provide objective, impartial analysis, the report includes no recommendations.

J’nell Blanco Suchy prepared the report with guidance from Theresa Gullo and Adam Wilson and with assistance from Aldo Prospero. Mark Hadley and Robert Sunshine reviewed the report, Kate Kelly edited it, and Casey Labrack prepared it for publication.

This report is available, along with supplemental data, on CBO’s website (www.cbo.gov/publication/54949).

CBO seeks feedback to make its work as useful as possible. Please send comments to communications@cbo.gov.



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