



CONGRESSIONAL BUDGET OFFICE  
U.S. Congress  
Washington, DC 20515

*Phillip L. Swagel, Director*

April 26, 2023

Honorable Jodey Arrington  
Chairman  
Committee on the Budget  
U.S. House of Representatives  
Washington, DC 20515

*Re: CBO's Estimate of the Budgetary Effects of Amendment 22 to H.R. 2811,  
the Limit, Save, Grow Act of 2023*

Dear Mr. Chairman:

The Congressional Budget Office has reviewed [amendment 22](#) to H.R. 2811, the Limit, Save, Grow Act of 2023, as adopted by the House Committee on Rules on April 26, 2023.

That amendment would make the following changes to H.R. 2811:

- Permanently rescind unobligated balances from five sections in Public Law 117-169 (an act to provide reconciliation pursuant to title II of S. Con. Res. 14, referred to hereafter as the 2022 reconciliation act);
- Strike sections 225, 227, and 228 from the bill;
- Establish circumstances in which sections 229 and 244 of the bill would not apply to taxpayers;
- Change the effective date for expanded work requirements for Temporary Assistance for Needy Families (TANF) from fiscal year 2026 to 2025, and change the effective date for one provision related to work requirements for the Supplemental Nutrition Assistance Program (SNAP) from 2025 to 2024.

CBO and the staff of the Joint Committee on Taxation (JCT) estimate that those provisions would have the following budgetary effects relative to the estimates for the underlying bill (see Table 1).<sup>1</sup>

### **Rescissions of Unobligated Balances**

Section 202, as added by the amendment, would rescind funds from provisions of the 2022 reconciliation act that provided funding to:

- Help state and local governments adopt certain building codes,
- Finance energy generation and transmission infrastructure,
- Carry out deferred maintenance in the National Park System,
- Plan and execute projects to reduce greenhouse gas emissions, and
- Improve access to and safety of transportation systems in disadvantaged or underserved communities.

CBO estimates that \$13.2 billion in budget authority would be permanently rescinded (or canceled) under section 202, reducing outlays by \$9.6 billion over the 2023–2033 period. That amount does not include savings for assistance to state and local governments to adopt certain building codes because those amounts would be rescinded by section 10017 of H.R. 2811; the savings are included in CBO’s estimate for that section of the bill.

### **Strike Sections 225, 227, and 228**

The amendment would strike sections 225, 227, and 229 of H.R. 2811. Those sections would modify the tax credit for carbon dioxide sequestration; change the effective dates for applying incentives for the use of biodiesel, renewable diesel, and alternative fuels; and change the effective date for applying incentives to use second-generation biofuels. JCT estimates striking those provisions from H.R. 2811 would decrease revenues by \$38.6 billion over the 2023–2033 period, relative to its estimate for the bill.

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1. See Congressional Budget Office, letter to the Honorable Jodey Arrington concerning CBO’s estimate of the budgetary effects of H.R. 2811, the Limit, Save, Grow Act of 2023 (April 25, 2023), [www.cbo.gov/publication/59102](http://www.cbo.gov/publication/59102). The Congressional Budget Act of 1974, as amended, stipulates that revenue estimates provided by JCT will be the official estimates for all tax legislation considered by the Congress. As such, CBO incorporates those estimates into its estimates of the budgetary effects of legislation.

**Provide a Transition Rule for Sections 229 and 244 of the Bill**

Amendment 22 would provide transition relief for the implementation of provisions in sections 229 and 244 that would apply to taxpayers who entered into certain binding, written contracts or took certain other investment actions between August 27, 2022, and April 18, 2023. Those taxpayers would be provided relief from the transition rule; neither the repeal of the sustainable-aviation-fuel credit nor the repeal of the clean-fuel-production credit would apply to their eligible activities. JCT has not yet provided an estimate of the deficit effects of those provisions.

**Change the Effective Dates for Work Requirements**

Amendment 22 would change the effective date for the expanded TANF work requirement from fiscal year 2026 to fiscal year 2025. CBO estimates that the change would reduce direct spending by an insignificant amount (less than \$500,000) in 2028, relative to CBO's estimate for the bill.

The amendment also would change the effective date for one provision related to SNAP work requirements from 2025 to 2024. CBO estimates that the change also would reduce direct spending by an insignificant amount (less than \$500,000) in 2024, relative to CBO's estimate for the bill.

I hope this information is useful to you. If you wish further details on this analysis, we would be pleased to provide them.

Sincerely,



Phillip L. Swagel  
Director

cc: Honorable Brendan F. Boyle  
Ranking Member

**Table 1. Estimated Direct Spending and Revenue Effects of Amendment 22 to H.R. 2811, the Limit, Save, Grow Act of 2023, as Adopted by the House Committee on Rules on April 26, 2023**

[https://amendments-rules.house.gov/amendments/ARRING\\_056\\_xml230426003753333.pdf](https://amendments-rules.house.gov/amendments/ARRING_056_xml230426003753333.pdf)

	By Fiscal Year, Billions of Dollars											2023-2028	2023-2033
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033		
<b>Decreases (-) in Direct Spending</b>													
<b>Rescission of Certain Funds Provided in Public Law 117-169</b>													
Estimated Budget Authority	-13.2	0	0	0	0	0	0	0	0	0	0	-13.2	-13.2
Estimated Outlays	*	-0.4	-1.2	-1.9	-2.2	-1.9	-1.2	-0.7	-0.1	0	0	-7.7	-9.6
<b>Work Requirements</b>													
Supplemental Nutrition Assistance Program													
Estimated Budget Authority	0	*	0	0	0	0	0	0	0	0	0	*	*
Estimated Outlays	0	*	0	0	0	0	0	0	0	0	0	*	*
Temporary Assistance for Needy Families													
Estimated Budget Authority	0	0	0	0	0	*	0	0	0	0	0	*	*
Estimated Outlays	0	0	0	0	0	*	0	0	0	0	0	*	*
<b>Subtotal, Work Requirements</b>													
Estimated Budget Authority	0	*	0	0	0	*	0	0	0	0	0	*	*
Estimated Outlays	0	*	0	0	0	*	0	0	0	0	0	*	*
<b>Total Change in Direct Spending</b>													
Estimated Budget Authority	-13.2	*	0	0	0	*	0	0	0	0	0	-13.2	-13.2
Estimated Outlays	*	-0.4	-1.2	-1.9	-2.2	-1.9	-1.2	-0.7	-0.1	0	0	-7.7	-9.6
<b>Decreases (-) in Revenues</b>													
Strike sections 225, 227, and 228 (JCT estimate) <sup>a</sup>	-2.0	-5.9	-2.6	-1.6	-1.7	-2.3	-2.9	-3.6	-4.3	-5.5	-6.0	-16.2	-38.6
Energy Tax Transition Rule (JCT estimate)													

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

Components may not sum to totals because of rounding; \* = between -\$50 million and zero.

Budgetary effects are relative to CBO's February 2023 baseline projections and include updates to incorporate new information about certain programs.

a. Estimate provided by JCT is preliminary and subject to change.