Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
Mica
Miller (MI)
Miller, Gary
Moran (KS)
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—9

Cubin
Davis, Jo Ann
Delahunt
Engel
Fattah
McMorris Rodgers
Miller (FL)
Nadler
Sires

□ 1241

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION TO REDUCE TIME FOR ELECTRONIC VOTING DURING CONSIDERATION OF H.R. 1585, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2008

Mr. SKELTON. Madam Speaker, I ask unanimous consent that votes in series be reduced to 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

Mr. DAVIS of Kentucky. Madam Speaker, I object. The minority has not cleared this.

The SPEAKER pro tempore. Objection is heard.

MOTION TO ADJOURN

Mr. DAVIS of Kentucky. Madam Speaker, because the amendment to equalize benefits for wounded Guardsmen and Reservists with the regular Army was rejected by the Rules Committee yesterday, I offer a privileged motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. DAVIS of Kentucky moves that the House do now adjourn.

The SPEAKER pro tempore. The question is on the motion to adjourn offered by the gentleman from Kentucky (Mr. DAVIS).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. DAVIS of Kentucky. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 157, nays 245, not voting 30, as follows:

[Roll No. 353]

YEAS—157

Aderholt
Akin
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Brady (TX)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Camp (MI)
Campbell (CA)
Cannon
Cantor
Carter
Chabot
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gingrey
Gohmert
Goodlatte
Granger
Graves
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Hobson
Hoekstra
Hulshof
Inglis (SC)
Issa
Jindal
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
LaHood
Lamborn
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas
Lungren, Daniel E.
Mack
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McHenry
McKeon
Mica
Miller (MI)
Miller, Gary
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Pitts
Platts
Poe
Porter
Price (GA)
Putnam
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Smith (NE)
Smith (NJ)
Smith (TX)
Stearns
Sullivan
Tancredo
Thornberry
Tiberi
Upton
Walberg
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—245

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boozman
Boren
Boswell
Boucher
Boustany
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown (SC)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Carson
Castle
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
DeLauro
Dicks
Dingell
Doggett
Donnelly
Doyle
Drake
Edwards
Ellison
Ellsworth
Emanuel
Eshoo
Etheridge
Farr
Fattah
Filner
Forbes
Fortenberry
Frank (MA)
Giffords
Gillibrand
Gillmor
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (TX)
Hare
Harman
Herger
Herseth Sandlin
Higgins
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Hunter
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Kuhl (NY)
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Markey
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McCrery
McDermott
McGovern
McHugh
McIntyre
McNerney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Tim
Murtha
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Pallone
Pastor
Payne
Perlmutter
Peterson (MN)
Petri
Pickering
Pomeroy
Price (NC)
Rahall
Ramstad
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Space
Spratt
Stupak
Sutton
Tanner
Tauscher
Taylor
Terry
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Walden (OR)
Walsh (NY)
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Weller
Wexler
Wilson (OH)
Woolsey
Wu
Wynn
Yarmuth

NOT VOTING—30

Calvert
Capito
Coble
Cubin
Davis, Jo Ann
Delahunt
Engel
Gilchrest
Goode
Hall (NY)
Hastings (FL)
Hill
Maloney (NY)
Manzullo
Marshall
McMorris Rodgers
Miller (FL)
Murphy, Patrick
Nadler
Pascrell
Paul
Peterson (PA)
Pryce (OH)
Radanovich
Simpson
Sires
Souder
Stark
Tiahrt
Van Hollen

□ 1300

Mr. RANGEL and Mr. McNERNEY changed their vote from ''yea'' to ''nay.''

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mr. PATRICK J. MURPHY. Madam Speaker, on rollcall No. 353, had I been present, I would have voted ''nay.''

CONFERENCE REPORT ON S. CON. RES. 21, CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2008

Mr. SPRATT submitted the following conference report and statement on the Senate concurrent resolution (S. Con. Res. 21) revising the congressional budget for the United States Government for fiscal year 2007, establishing the congressional budget for the United States Government for fiscal year 2008,

and setting forth appropriate budgetary levels for fiscal years 2009 through 2012:

CONFERENCE REPORT (H. REPT. 110–153)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 21), revising the congressional budget for the United States Government for fiscal year 2007, establishing the congressional budget for the United States Government for fiscal year 2008, and setting forth appropriate budgetary levels for fiscal years 2009 through 2012, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2008.

(a) DECLARATION.—Congress declares that this resolution is the concurrent resolution on the budget for fiscal year 2008 and that this resolution sets forth the appropriate budgetary levels for fiscal years 2007 and 2009 through 2012.

(b) TABLE OF CONTENTS.—The table of contents for this concurrent resolution is as follows:

Sec. 1. Concurrent resolution on the budget for fiscal year 2008.

TITLE I—RECOMMENDED LEVELS AND AMOUNTS

Sec. 101. Recommended levels and amounts.
Sec. 102. Social Security.
Sec. 103. Major functional categories.

TITLE II—BUDGET PROCESS

Sec. 201. Pay-as-you-go point of order in the Senate.
Sec. 202. Senate point of order against reconciliation legislation that would increase the deficit or reduce a surplus.
Sec. 203. Senate point of order against legislation increasing long-term deficits.
Sec. 204. Emergency legislation.
Sec. 205. Extension of enforcement of budgetary points of order in the Senate.
Sec. 206. Point of order against advance appropriations.
Sec. 207. Discretionary spending limits, program integrity initiatives, and other adjustments.
Sec. 208. Application of previous allocations in the Senate.
Sec. 209. Senate point of order against provisions of appropriations legislation that constitute changes in mandatory programs with net costs.
Sec. 210. Compliance with section 13301 of the Budget Enforcement Act of 1990.
Sec. 211. Application and effect of changes in allocations and aggregates.
Sec. 212. Adjustments to reflect changes in concepts and definitions.
Sec. 213. Exercise of rulemaking powers.

TITLE III—RESERVE FUNDS

Sec. 301. Deficit-neutral reserve fund for SCHIP legislation.
Sec. 302. Deficit-neutral reserve fund for veterans and wounded servicemembers.
Sec. 303. Deficit-neutral reserve fund for tax relief.
Sec. 304. Deficit-neutral reserve fund for Medicare improvements.
Sec. 305. Deficit neutral reserve funds for health care quality, effectiveness, efficiency, and transparency.
Sec. 306. Deficit-neutral reserve fund for higher education.
Sec. 307. Deficit-neutral reserve fund for the Farm Bill.
Sec. 308. Deficit-neutral reserve fund for energy legislation.
Sec. 309. Deficit-neutral reserve fund for county payments legislation.
Sec. 310. Deficit-neutral reserve fund for terrorism risk insurance reauthorization.
Sec. 311. Deficit-neutral reserve fund for affordable housing.
Sec. 312. Deficit-neutral reserve fund for receipts from Bonneville Power Administration.
Sec. 313. Deficit-neutral reserve fund for Indian claims settlement.
Sec. 314. Deficit-neutral reserve fund for improvements in health.
Sec. 315. Deficit-neutral reserve fund for child care.
Sec. 316. Deficit-neutral reserve fund for immigration reform in the Senate.
Sec. 317. Deficit-reduction reserve fund.
Sec. 318. Deficit-neutral reserve fund for manufacturing initiatives in the Senate.
Sec. 319. Deficit-neutral reserve fund for the Food and Drug Administration in the Senate.
Sec. 320. Deficit-neutral reserve fund for Medicaid.
Sec. 321. Reserve fund adjustment for revenue measures in the House.
Sec. 322. Deficit-neutral reserve fund for San Joaquin River restoration and Navajo Nation water rights settlements.
Sec. 323. Deficit-neutral reserve fund for selected tax relief policies in the Senate.

TITLE IV—POLICY

Sec. 401. Policy on middle-income tax relief.
Sec. 402. Policy on defense priorities.
Sec. 403. Policy on college affordability.

TITLE V—SENSE OF THE HOUSE AND SENSE OF CONGRESS

Sec. 501. Sense of Congress on servicemembers' and veterans' health care and other priorities.
Sec. 502. Sense of Congress on the Innovation Agenda: A commitment to competitiveness to keep America #1.
Sec. 503. Sense of Congress on homeland security.
Sec. 504. Sense of Congress regarding the ongoing need to respond to Hurricanes Katrina and Rita.
Sec. 505. Sense of Congress regarding long-term sustainability of entitlements.
Sec. 506. Sense of Congress regarding the need to maintain and build upon efforts to fight hunger.
Sec. 507. Sense of Congress regarding affordable health coverage.
Sec. 508. Sense of Congress regarding extension of the statutory pay-as-you-go rule.
Sec. 509. Sense of Congress on long-term budgeting.
Sec. 510. Sense of Congress regarding pay parity.
Sec. 511. Sense of Congress regarding waste, fraud, and abuse.
Sec. 512. Sense of Congress regarding the importance of child support enforcement.
Sec. 513. Sense of the House on State veterans cemeteries.
Sec. 514. Sense of Congress on the State Criminal Alien Assistance Program.

TITLE VI—RECONCILIATION

Sec. 601. Reconciliation in the House.
Sec. 602. Deficit reduction reconciliation instruction in the Senate.

TITLE I—RECOMMENDED LEVELS AND AMOUNTS

SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for each of fiscal years 2007 through 2012:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 2007: $1,900,340,000,000.
Fiscal year 2008: $2,015,858,000,000.
Fiscal year 2009: $2,113,828,000,000.
Fiscal year 2010: $2,169,484,000,000.
Fiscal year 2011: $2,350,254,000,000.
Fiscal year 2012: $2,488,301,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 2007: −$4,366,000,000.
Fiscal year 2008: −$34,938,000,000.
Fiscal year 2009: $6,902,000,000.
Fiscal year 2010: $5,763,000,000.
Fiscal year 2011: −$44,296,000,000.
Fiscal year 2012: −$108,795,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2007: $2,380,535,000,000.
Fiscal year 2008: $2,496,028,000,000.
Fiscal year 2009: $2,517,132,000,000.
Fiscal year 2010: $2,569,696,000,000.
Fiscal year 2011: $2,684,889,000,000.
Fiscal year 2012: $2,719,268,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2007: $2,300,572,000,000.
Fiscal year 2008: $2,469,636,000,000.
Fiscal year 2009: $2,566,481,000,000.
Fiscal year 2010: $2,600,036,000,000.
Fiscal year 2011: $2,692,104,000,000.
Fiscal year 2012: $2,703,556,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 2007: $400,232,000,000.
Fiscal year 2008: $453,778,000,000.
Fiscal year 2009: $452,653,000,000.
Fiscal year 2010: $430,552,000,000.
Fiscal year 2011: $341,850,000,000.
Fiscal year 2012: $215,255,000,000.

(5) DEBT SUBJECT TO LIMIT.—Pursuant to section 301(a)(5) of the Congressional Budget Act of 1974, the appropriate levels of the public debt are as follows:

Fiscal year 2007: $8,932,264,000,000.
Fiscal year 2008: $9,504,150,000,000.
Fiscal year 2009: $10,073,725,000,000.
Fiscal year 2010: $10,622,023,000,000.
Fiscal year 2011: $11,077,407,000,000.
Fiscal year 2012: $11,419,028,000,000.

(6) DEBT HELD BY THE PUBLIC.—The appropriate levels of debt held by the public are as follows:

Fiscal year 2007: $5,047,318,000,000.
Fiscal year 2008: $5,312,560,000,000.
Fiscal year 2009: $5,561,383,000,000.
Fiscal year 2010: $5,774,487,000,000.
Fiscal year 2011: $5,881,776,000,000.
Fiscal year 2012: $5,850,852,000,000.

SEC. 102. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 2007: $637,586,000,000.
Fiscal year 2008: $668,998,000,000.
Fiscal year 2009: $702,851,000,000.
Fiscal year 2010: $737,589,000,000.
Fiscal year 2011: $772,605,000,000.
Fiscal year 2012: $807,928,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 2007: $441,676,000,000.
Fiscal year 2008: $460,224,000,000.
Fiscal year 2009: $478,578,000,000.
Fiscal year 2010: $499,655,000,000.
Fiscal year 2011: $520,743,000,000.
Fiscal year 2012: $546,082,000,000.

(c) SOCIAL SECURITY ADMINISTRATIVE EXPENSES.—In the Senate, the amounts of new budget authority and budget outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for administrative expenses are as follows:

Fiscal year 2007:

(A) New budget authority, $4,692,000,000.
(B) Outlays, $4,727,000,000.
Fiscal year 2008:
(A) New budget authority, $4,850,000,000.
(B) Outlays, $4,859,000,000.
Fiscal year 2009:
(A) New budget authority, $4,996,000,000.
(B) Outlays, $4,970,000,000.
Fiscal year 2010:
(A) New budget authority, $5,147,000,000.
(B) Outlays, $5,121,000,000.
Fiscal year 2011:
(A) New budget authority, $5,306,000,000.
(B) Outlays, $5,278,000,000.
Fiscal year 2012:
(A) New budget authority, $5,467,000,000.
(B) Outlays, $5,439,000,000.

SEC. 103. MAJOR FUNCTIONAL CATEGORIES.

Congress determines and declares that the appropriate levels of new budget authority and outlays for fiscal years 2007 through 2012 for each major functional category are:

(1) National Defense (050):
Fiscal year 2007:
(A) New budget authority, $525,797,000,000.
(B) Outlays, $534,270,000,000.
Fiscal year 2008:
(A) New budget authority, $506,955,000,000.
(B) Outlays, $514,401,000,000.
Fiscal year 2009:
(A) New budget authority, $534,705,000,000.
(B) Outlays, $524,384,000,000.
Fiscal year 2010:
(A) New budget authority, $545,171,000,000.
(B) Outlays, $536,433,000,000.
Fiscal year 2011:
(A) New budget authority, $550,944,000,000.
(B) Outlays, $547,624,000,000.
Fiscal year 2012:
(A) New budget authority, $559,799,000,000.
(B) Outlays, $548,169,000,000.
(2) International Affairs (150):
Fiscal year 2007:
(A) New budget authority, $28,795,000,000.
(B) Outlays, $31,308,000,000.
Fiscal year 2008:
(A) New budget authority, $34,678,000,000.
(B) Outlays, $33,070,000,000.
Fiscal year 2009:
(A) New budget authority, $35,602,000,000.
(B) Outlays, $32,664,000,000.
Fiscal year 2010:
(A) New budget authority, $35,980,000,000.
(B) Outlays, $33,070,000,000.
Fiscal year 2011:
(A) New budget authority, $36,630,000,000.
(B) Outlays, $33,528,000,000.
Fiscal year 2012:
(A) New budget authority, $37,257,000,000.
(B) Outlays, $34,150,000,000.
(3) General Science, Space, and Technology (250):
Fiscal year 2007:
(A) New budget authority, $25,079,000,000.
(B) Outlays, $24,516,000,000.
Fiscal year 2008:
(A) New budget authority, $27,615,000,000.
(B) Outlays, $26,472,000,000.
Fiscal year 2009:
(A) New budget authority, $28,641,000,000.
(B) Outlays, $28,411,000,000.
Fiscal year 2010:
(A) New budget authority, $29,844,000,000.
(B) Outlays, $29,485,000,000.
Fiscal year 2011:
(A) New budget authority, $31,103,000,000.
(B) Outlays, $30,089,000,000.
Fiscal year 2012:
(A) New budget authority, $32,438,000,000.
(B) Outlays, $31,367,000,000.
(4) Energy (270):
Fiscal year 2007:
(A) New budget authority, $2,943,000,000.
(B) Outlays, $1,369,000,000.
Fiscal year 2008:
(A) New budget authority, $3,408,000,000.
(B) Outlays, $1,162,000,000.
Fiscal year 2009:
(A) New budget authority, $3,209,000,000.
(B) Outlays, $1,590,000,000.
Fiscal year 2010:
(A) New budget authority, $3,275,000,000.
(B) Outlays, $1,782,000,000.
Fiscal year 2011:
(A) New budget authority, $3,346,000,000.
(B) Outlays, $1,829,000,000.
Fiscal year 2012:
(A) New budget authority, $3,404,000,000.
(B) Outlays, $2,111,000,000.
(5) Natural Resources and Environment (300):
Fiscal year 2007:
(A) New budget authority, $31,332,000,000.
(B) Outlays, $32,919,000,000.
Fiscal year 2008:
(A) New budget authority, $33,384,000,000.
(B) Outlays, $35,219,000,000.
Fiscal year 2009:
(A) New budget authority, $33,910,000,000.
(B) Outlays, $35,704,000,000.
Fiscal year 2010:
(A) New budget authority, $34,660,000,000.
(B) Outlays, $35,834,000,000.
Fiscal year 2011:
(A) New budget authority, $35,113,000,000.
(B) Outlays, $36,035,000,000.
Fiscal year 2012:
(A) New budget authority, $36,094,000,000.
(B) Outlays, $36,507,000,000.
(6) Agriculture (350):
Fiscal year 2007:
(A) New budget authority, $21,471,000,000.
(B) Outlays, $19,738,000,000.
Fiscal year 2008:
(A) New budget authority, $20,481,000,000.
(B) Outlays, $19,603,000,000.
Fiscal year 2009:
(A) New budget authority, $21,033,000,000.
(B) Outlays, $20,146,000,000.
Fiscal year 2010:
(A) New budget authority, $21,238,000,000.
(B) Outlays, $20,207,000,000.
Fiscal year 2011:
(A) New budget authority, $21,256,000,000.
(B) Outlays, $20,534,000,000.
Fiscal year 2012:
(A) New budget authority, $21,502,000,000.
(B) Outlays, $20,963,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 2007:
(A) New budget authority, $5,515,000,000.
(B) Outlays, −$3,522,000,000.
Fiscal year 2008:
(A) New budget authority, $9,279,000,000.
(B) Outlays, $2,034,000,000.
Fiscal year 2009:
(A) New budget authority, $9,973,000,000.
(B) Outlays, $1,048,000,000.
Fiscal year 2010:
(A) New budget authority, $13,775,000,000.
(B) Outlays, $3,431,000,000.
Fiscal year 2011:
(A) New budget authority, $8,822,000,000.
(B) Outlays, $2,439,000,000.
Fiscal year 2012:
(A) New budget authority, $8,822,000,000.
(B) Outlays, $756,000,000.
(8) Transportation (400):
Fiscal year 2007:
(A) New budget authority, $81,282,000,000.
(B) Outlays, $74,739,000,000.
Fiscal year 2008:
(A) New budget authority, $82,799,000,000.
(B) Outlays, $81,093,000,000.
Fiscal year 2009:
(A) New budget authority, $76,306,000,000.
(B) Outlays, $84,025,000,000.
Fiscal year 2010:
(A) New budget authority, $77,061,000,000.
(B) Outlays, $85,959,000,000.
Fiscal year 2011:
(A) New budget authority, $78,089,000,000.
(B) Outlays, $86,672,000,000.
Fiscal year 2012:
(A) New budget authority, $78,969,000,000.
(B) Outlays, $88,352,000,000.
(9) Community and Regional Development (450):
Fiscal year 2007:
(A) New budget authority, $15,717,000,000.
(B) Outlays, $28,281,000,000.
Fiscal year 2008:
(A) New budget authority, $15,814,000,000.
(B) Outlays, $22,292,000,000.
Fiscal year 2009:
(A) New budget authority, $14,725,000,000.
(B) Outlays, $21,008,000,000.
Fiscal year 2010:
(A) New budget authority, $14,942,000,000.
(B) Outlays, $19,892,000,000.
Fiscal year 2011:
(A) New budget authority, $15,157,000,000.
(B) Outlays, $18,440,000,000.
Fiscal year 2012:
(A) New budget authority, $15,371,000,000.
(B) Outlays, $15,938,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 2007:
(A) New budget authority, $92,780,000,000.
(B) Outlays, $92,224,000,000.
Fiscal year 2008:
(A) New budget authority, $93,880,000,000.
(B) Outlays, $91,022,000,000.
Fiscal year 2009:
(A) New budget authority, $97,809,000,000.
(B) Outlays, $94,513,000,000.
Fiscal year 2010:
(A) New budget authority, $99,726,000,000.
(B) Outlays, $97,075,000,000.
Fiscal year 2011:
(A) New budget authority, $100,151,000,000.
(B) Outlays, $98,745,000,000.
Fiscal year 2012:
(A) New budget authority, $100,748,000,000.
(B) Outlays, $98,728,000,000.
(11) Health (550):
Fiscal year 2007:
(A) New budget authority, $267,892,000,000.
(B) Outlays, $268,197,000,000.
Fiscal year 2008:
(A) New budget authority, $287,486,000,000.
(B) Outlays, $286,442,000,000.
Fiscal year 2009:
(A) New budget authority, $308,326,000,000.
(B) Outlays, $306,410,000,000.
Fiscal year 2010:
(A) New budget authority, $326,118,000,000.
(B) Outlays, $326,100,000,000.
Fiscal year 2011:
(A) New budget authority, $347,561,000,000.
(B) Outlays, $346,748,000,000.
Fiscal year 2012:
(A) New budget authority, $370,422,000,000.
(B) Outlays, $369,653,000,000.
(12) Medicare (570):
Fiscal year 2007:
(A) New budget authority, $365,152,000,000.
(B) Outlays, $370,180,000,000.
Fiscal year 2008:
(A) New budget authority, $389,587,000,000.
(B) Outlays, $389,703,000,000.
Fiscal year 2009:
(A) New budget authority, $416,710,000,000.
(B) Outlays, $416,367,000,000.
Fiscal year 2010:
(A) New budget authority, $442,347,000,000.
(B) Outlays, $442,569,000,000.
Fiscal year 2011:

(A) New budget authority, $489,077,000,000.
(B) Outlays, $489,087,000,000.
Fiscal year 2012:
(A) New budget authority, $486,804,000,000.
(B) Outlays, $486,417,000,000.
(13) Income Security (600):
Fiscal year 2007:
(A) New budget authority, $360,365,000,000.
(B) Outlays, $364,204,000,000.
Fiscal year 2008:
(A) New budget authority, $380,763,000,000.
(B) Outlays, $384,301,000,000.
Fiscal year 2009:
(A) New budget authority, $391,707,000,000.
(B) Outlays, $393,962,000,000.
Fiscal year 2010:
(A) New budget authority, $401,747,000,000.
(B) Outlays, $402,784,000,000.
Fiscal year 2011:
(A) New budget authority, $417,020,000,000.
(B) Outlays, $417,013,000,000.
Fiscal year 2012:
(A) New budget authority, $402,674,000,000.
(B) Outlays, $402,008,000,000.
(14) Social Security (650):
Fiscal year 2007:
(A) New budget authority, $19,089,000,000.
(B) Outlays, $19,089,000,000.
Fiscal year 2008:
(A) New budget authority, $19,644,000,000.
(B) Outlays, $19,644,000,000.
Fiscal year 2009:
(A) New budget authority, $21,518,000,000.
(B) Outlays, $21,518,000,000.
Fiscal year 2010:
(A) New budget authority, $23,701,000,000.
(B) Outlays, $23,701,000,000.
Fiscal year 2011:
(A) New budget authority, $27,009,000,000.
(B) Outlays, $27,009,000,000.
Fiscal year 2012:
(A) New budget authority, $29,898,000,000.
(B) Outlays, $29,898,000,000.
(15) Veterans Benefits and Services (700):
Fiscal year 2007:
(A) New budget authority, $73,896,000,000.
(B) Outlays, $72,342,000,000.
Fiscal year 2008:
(A) New budget authority, $85,262,000,000.
(B) Outlays, $84,421,000,000.
Fiscal year 2009:
(A) New budget authority, $87,787,000,000.
(B) Outlays, $88,290,000,000.
Fiscal year 2010:
(A) New budget authority, $90,414,000,000.
(B) Outlays, $89,981,000,000.
Fiscal year 2011:
(A) New budget authority, $96,033,000,000.
(B) Outlays, $95,543,000,000.
Fiscal year 2012:
(A) New budget authority, $93,325,000,000.
(B) Outlays, $92,666,000,000.
(16) Administration of Justice (750):
Fiscal year 2007:
(A) New budget authority, $45,504,000,000.
(B) Outlays, $44,659,000,000.
Fiscal year 2008:
(A) New budget authority, $47,998,000,000.
(B) Outlays, $47,131,000,000.
Fiscal year 2009:
(A) New budget authority, $48,315,000,000.
(B) Outlays, $49,120,000,000.
Fiscal year 2010:
(A) New budget authority, $49,220,000,000.
(B) Outlays, $49,449,000,000.
Fiscal year 2011:
(A) New budget authority, $50,146,000,000.
(B) Outlays, $49,969,000,000.
Fiscal year 2012:
(A) New budget authority, $51,079,000,000.
(B) Outlays, $50,759,000,000.
(17) General Government (800):
Fiscal year 2007:
(A) New budget authority, $18,193,000,000.
(B) Outlays, $18,574,000,000.
Fiscal year 2008:
(A) New budget authority, $18,628,000,000.
(B) Outlays, $19,012,000,000.
Fiscal year 2009:
(A) New budget authority, $19,254,000,000.
(B) Outlays, $19,323,000,000.
Fiscal year 2010:
(A) New budget authority, $19,876,000,000.
(B) Outlays, $19,755,000,000.
Fiscal year 2011:
(A) New budget authority, $20,637,000,000.
(B) Outlays, $20,360,000,000.
Fiscal year 2012:
(A) New budget authority, $21,349,000,000.
(B) Outlays, $21,183,000,000.
(18) Net Interest (900):
Fiscal year 2007:
(A) New budget authority, $344,509,000,000.
(B) Outlays, $344,509,000,000.
Fiscal year 2008:
(A) New budget authority, $370,578,000,000.
(B) Outlays, $370,578,000,000.
Fiscal year 2009:
(A) New budget authority, $391,056,000,000.
(B) Outlays, $391,056,000,000.
Fiscal year 2010:
(A) New budget authority, $414,724,000,000.
(B) Outlays, $414,724,000,000.
Fiscal year 2011:
(A) New budget authority, $433,665,000,000.
(B) Outlays, $433,665,000,000.
Fiscal year 2012:
(A) New budget authority, $448,597,000,000.
(B) Outlays, $448,597,000,000.
(19) Allowances (920):
Fiscal year 2007:
(A) New budget authority, $785,000,000.
(B) Outlays, $755,000,000.
Fiscal year 2008:
(A) New budget authority, −$6,394,000,000.
(B) Outlays, −$2,164,000,000.
Fiscal year 2009:
(A) New budget authority, −$6,894,000,000.
(B) Outlays, −$6,319,000,000.
Fiscal year 2010:
(A) New budget authority, −$7,190,000,000.
(B) Outlays, −$6,984,000,000.
Fiscal year 2011:
(A) New budget authority, −$7,295,000,000.
(B) Outlays, −$7,181,000,000.
Fiscal year 2012:
(A) New budget authority, −$7,427,000,000.
(B) Outlays, −$7,311,000,000.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 2007:
(A) New budget authority, −$69,714,000,000.
(B) Outlays, −$69,714,000,000.
Fiscal year 2008:
(A) New budget authority, −$70,979,000,000.
(B) Outlays, −$70,979,000,000.
Fiscal year 2009:
(A) New budget authority, −$66,560,000,000.
(B) Outlays, −$66,569,000,000.
Fiscal year 2010:
(A) New budget authority, −$66,933,000,000.
(B) Outlays, −$66,933,000,000.
Fiscal year 2011:
(A) New budget authority, −$69,575,000,000.
(B) Outlays, −$69,595,000,000.
Fiscal year 2012:
(A) New budget authority, −$71,857,000,000.
(B) Outlays, −$71,860,000,000.
(21) Overseas Deployments and Other Activities (970):
Fiscal year 2007:
(A) New budget authority, $124,153,000,000.
(B) Outlays, $31,935,000,000.
Fiscal year 2008:
(A) New budget authority, $145,162,000,000.
(B) Outlays, $115,179,000,000.
Fiscal year 2009:
(A) New budget authority, $50,000,000,000.
(B) Outlays, $109,830,000,000.
Fiscal year 2010:
(A) New budget authority, $0.
(B) Outlays, $41,722,000,000.
Fiscal year 2011:
(A) New budget authority, $0.
(B) Outlays, $13,551,000,000.
Fiscal year 2012:
(A) New budget authority, $0.
(B) Outlays, $4,505,000,000.

TITLE II—BUDGET PROCESS

SEC. 201. PAY-AS-YOU-GO POINT OF ORDER IN THE SENATE.

(a) POINT OF ORDER.—

(1) IN GENERAL.—It shall not be in order in the Senate to consider any direct spending or revenue legislation that would increase the on-budget deficit or cause an on-budget deficit for either of the applicable time periods as measured in paragraphs (5) and (6).

(2) APPLICABLE TIME PERIODS.—For purposes of this subsection, the term ''applicable time period'' means either—

(A) the period of the current fiscal year, the budget year, and the ensuing 4 fiscal years following the budget year; or

(B) the period of the current fiscal year, the budget year, and the ensuing 9 fiscal years following the budget year.

(3) DIRECT SPENDING LEGISLATION.—For purposes of this subsection and except as provided in paragraph (4), the term ''direct spending legislation'' means any bill, joint resolution, amendment, motion, or conference report that affects direct spending as that term is defined by, and interpreted for purposes of, the Balanced Budget and Emergency Deficit Control Act of 1985.

(4) EXCLUSION.—For purposes of this subsection, the terms ''direct spending legislation'' and ''revenue legislation'' do not include—

(A) any concurrent resolution on the budget; or

(B) any provision of legislation that affects the full funding of, and continuation of, the deposit insurance guarantee commitment in effect on the date of enactment of the Budget Enforcement Act of 1990.

(5) BASELINE.—Estimates prepared pursuant to this subsection shall—

(A) use the baseline surplus or deficit used for the most recently adopted concurrent resolution on the budget; and

(B) be calculated under the requirements of subsections (b) through (d) of section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 (as in effect prior to September 30, 2002) for fiscal years beyond those covered by that concurrent resolution on the budget.

(6) PRIOR SURPLUS.—If direct spending or revenue legislation increases the on-budget deficit or causes an on-budget deficit when taken individually, it must also increase the on-budget deficit or cause an on-budget deficit when taken together with all direct spending and revenue legislation enacted since the beginning of the calendar year not accounted for in the baseline under paragraph (5)(A), except that direct spending or revenue effects resulting in net deficit reduction enacted in any bill pursuant to a reconciliation instruction since the beginning of that same calendar year shall never be made available on the pay-as-you-go ledger and shall be dedicated only for deficit reduction.

(b) SUPERMAJORITY WAIVER AND APPEALS.—

(1) WAIVER.—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(2) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(c) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget

authority, outlays, and revenues for a fiscal year shall be determined on the basis of estimates made by the Senate Committee on the Budget.

(d) SUNSET.—This section shall expire on September 30, 2017.

(e) REPEAL.—In the Senate, section 505 of H. Con. Res. 95 (108th Congress), the fiscal year 2004 concurrent resolution on the budget, shall no longer apply.

SEC. 202. SENATE POINT OF ORDER AGAINST RECONCILIATION LEGISLATION THAT WOULD INCREASE THE DEFICIT OR REDUCE A SURPLUS.

(a) IN GENERAL.—It shall not be in order in the Senate to consider any reconciliation bill, resolution, amendment, amendment between Houses, motion, or conference report pursuant to section 310 of the Congressional Budget Act of 1974 that would cause or increase a deficit or reduce a surplus in either of the following periods:

(1) The current fiscal year, the budget year, and the ensuing 4 fiscal years following the budget year.

(2) The current fiscal year, the budget year, and the ensuing 9 fiscal years following the budget year.

(b) SUPERMAJORITY WAIVER AND APPEAL IN THE SENATE.—

(1) WAIVER.—This section may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.

(2) APPEAL.—An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(c) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of net deficit increases shall be determined on the basis of estimates provided by the Senate Committee on the Budget.

SEC. 203. SENATE POINT OF ORDER AGAINST LEGISLATION INCREASING LONG-TERM DEFICITS.

(a) CONGRESSIONAL BUDGET OFFICE ANALYSIS OF PROPOSALS.—The Director of the Congressional Budget Office shall, to the extent practicable, prepare for each bill and joint resolution reported from committee (except measures within the jurisdiction of the Committee on Appropriations), and amendments thereto and conference reports thereon, an estimate of whether the measure would cause, relative to current law, a net increase in deficits in excess of $5,000,000,000 in any of the four 10-year periods beginning in fiscal year 2018 through fiscal year 2057.

(b) POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would cause a net increase in deficits in excess of $5,000,000,000 in any of the 4 10-year periods beginning in 2018 through 2057.

(c) SUPERMAJORITY WAIVER AND APPEAL IN THE SENATE.—

(1) WAIVER.—This section may be waived or suspended only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(2) APPEAL.—An affirmative vote of three-fifths of the Members, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(d) DETERMINATIONS OF BUDGET LEVELS.—For purposes of this section, the levels of net deficit increases shall be determined on the basis of estimates provided by the Senate Committee on the Budget.

(e) REPEAL.—In the Senate, section 407 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006, shall no longer apply.

(f) SUNSET.—This section shall expire on September 30, 2017.

SEC. 204. EMERGENCY LEGISLATION.

(a) SENATE.—

(1) AUTHORITY TO DESIGNATE.—In the Senate, with respect to a provision of direct spending or receipts legislation or appropriations for discretionary accounts that Congress designates as an emergency requirement in such measure, the amounts of new budget authority, outlays, and receipts in all fiscal years resulting from that provision shall be treated as an emergency requirement for the purpose of this subsection.

(2) EXEMPTION OF EMERGENCY PROVISIONS.—Any new budget authority, outlays, and receipts resulting from any provision designated as an emergency requirement, pursuant to this subsection, in any bill, joint resolution, amendment, or conference report shall not count for purposes of sections 302 and 311 of the Congressional Budget Act of 1974 and sections 201, 203, and 207 of this resolution (relating to pay-as-you-go in the Senate, long-term deficits, and discretionary spending limits).

(3) DESIGNATIONS.—If a provision of legislation is designated as an emergency requirement under this subsection, the committee report and any statement of managers accompanying that legislation shall include an explanation of the manner in which the provision meets the criteria in paragraph (6).

(4) DEFINITIONS.—In this subsection, the terms ''direct spending'', ''receipts'', and ''appropriations for discretionary accounts'' mean any provision of a bill, joint resolution, amendment, motion, or conference report that affects direct spending, receipts, or appropriations as those terms have been defined and interpreted for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985.

(5) POINT OF ORDER.—

(A) IN GENERAL.—When the Senate is considering a bill, resolution, amendment, motion, or conference report, if a point of order is made by a Senator against an emergency designation in that measure, that provision making such a designation shall be stricken from the measure and may not be offered as an amendment from the floor.

(B) SUPERMAJORITY WAIVER AND APPEALS.—

(i) WAIVER.—Subparagraph (A) may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.

(ii) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this paragraph shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this paragraph.

(C) DEFINITION OF AN EMERGENCY DESIGNATION.—For purposes of subparagraph (A), a provision shall be considered an emergency designation if it designates any item as an emergency requirement pursuant to this subsection.

(D) FORM OF THE POINT OF ORDER.—A point of order under subparagraph (A) may be raised by a Senator as provided in section 313(e) of the Congressional Budget Act of 1974.

(E) CONFERENCE REPORTS.—When the Senate is considering a conference report on, or an amendment between the Houses in relation to, a bill, upon a point of order being made by any Senator pursuant to this subsection, and such point of order being sustained, such material contained in such conference report shall be deemed stricken, and the Senate shall proceed to consider the question of whether the Senate shall recede from its amendment and concur with a further amendment, or concur in the House amendment with a further amendment, as the case may be, which further amendment shall consist of only that portion of the conference report or House amendment, as the case may be, not so stricken. Any such motion in the Senate shall be debatable. In any case in which such point of order is sustained against a conference report (or Senate amendment derived from such conference report by operation of this paragraph), no further amendment shall be in order.

(6) CRITERIA.—

(A) IN GENERAL.—For purposes of this subsection, any provision is an emergency requirement if the situation addressed by such provision is—

(i) necessary, essential, or vital (not merely useful or beneficial);

(ii) sudden, quickly coming into being, and not building up over time;

(iii) an urgent, pressing, and compelling need requiring immediate action;

(iv) subject to subparagraph (B), unforeseen, unpredictable, and unanticipated; and

(v) not permanent, temporary in nature.

(B) UNFORESEEN.—An emergency that is part of an aggregate level of anticipated emergencies, particularly when normally estimated in advance, is not unforeseen.

(7) REPEAL.—In the Senate, section 402 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006, shall no longer apply.

(b) HOUSE.—In the House, if any bill or joint resolution, or amendment offered or considered as adopted or conference report thereon, that makes appropriations for discretionary amounts, and such amounts are designated as necessary to meet emergency needs, then the new budget authority and outlays resulting therefrom shall not be counted for the purposes of titles III and IV of the Congressional Budget Act of 1974.

SEC. 205. EXTENSION OF ENFORCEMENT OF BUDGETARY POINTS OF ORDER IN THE SENATE.

Notwithstanding any provision of the Congressional Budget Act of 1974, subsections (c)(2) and (d)(3) of section 904 of the Congressional Budget Act of 1974 shall remain in effect for purposes of Senate enforcement through September 30, 2017, and Section 403 of H. Con. Res. 95 (109th Congress) shall no longer apply in the Senate.

SEC. 206. POINT OF ORDER AGAINST ADVANCE APPROPRIATIONS.

(a) SENATE.—

(1) IN GENERAL.—

(A) POINT OF ORDER.—Except as provided in paragraph (2), it shall not be in order in the Senate to consider any bill, joint resolution, motion, amendment, or conference report that would provide an advance appropriation.

(B) DEFINITION.—In this subsection, the term ''advance appropriation'' means any new budget authority provided in a bill or joint resolution making appropriations for fiscal year 2008 that first becomes available for any fiscal year after 2008, or any new budget authority provided in a bill or joint resolution making general appropriations or continuing appropriations for fiscal year 2009, that first becomes available for any fiscal year after 2009.

(2) EXCEPTIONS.—Advance appropriations may be provided—

(A) for fiscal years 2009 and 2010 for programs, projects, activities, or accounts identified in the joint explanatory statement of managers accompanying this resolution under the heading ''Accounts Identified for Advance Appropriations'' in an aggregate amount not to exceed $25,158,000,000 in new budget authority in each year; and

(B) for the Corporation for Public Broadcasting.

(3) SUPERMAJORITY WAIVER AND APPEAL.—

(A) WAIVER.—In the Senate, paragraph (1) may be waived or suspended only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.

(B) APPEAL.—An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under paragraph (1).

(4) FORM OF POINT OF ORDER.—A point of order under paragraph (1) may be raised by a

Senator as provided in section 313(e) of the Congressional Budget Act of 1974.

(5) CONFERENCE REPORTS.—When the Senate is considering a conference report on, or an amendment between the Houses in relation to, a bill, upon a point of order being made by any Senator pursuant to this subsection, and such point of order being sustained, such material contained in such conference report shall be deemed stricken, and the Senate shall proceed to consider the question of whether the Senate shall recede from its amendment and concur with a further amendment, or concur in the House amendment with a further amendment, as the case may be, which further amendment shall consist of only that portion of the conference report or House amendment, as the case may be, not so stricken. Any such motion in the Senate shall be debatable. In any case in which such point of order is sustained against a conference report (or Senate amendment derived from such conference report by operation of this subsection), no further amendment shall be in order.

(6) REPEAL.—In the Senate, section 401 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006, shall no longer apply.

(b) HOUSE.—

(1) IN GENERAL.—In the House, except as provided in paragraph (2), a bill or joint resolution making a general appropriation or continuing appropriation, or an amendment thereto may not provide for advance appropriations.

(2) ADVANCE APPROPRIATION.—In the House, an advance appropriation may be provided for fiscal year 2009 or 2010 for programs, projects, activities, or accounts identified in the joint explanatory statement of managers accompanying this resolution under the heading ''Accounts Identified for Advance Appropriations'' in an aggregate amount not to exceed $25,558,000,000 in new budget authority.

(3) DEFINITION.—In this subsection, the term ''advance appropriation'' means any new discretionary budget authority provided in a bill or joint resolution making general appropriations or any new discretionary budget authority provided in a bill or joint resolution continuing appropriations for fiscal year 2008 that first becomes available for any fiscal year after 2008.

SEC. 207. DISCRETIONARY SPENDING LIMITS, PROGRAM INTEGRITY INITIATIVES, AND OTHER ADJUSTMENTS.

(a) SENATE POINT OF ORDER.—

(1) IN GENERAL.—Except as otherwise provided in this section, it shall not be in order in the Senate to consider any bill or joint resolution (or amendment, motion, or conference report on that bill or joint resolution) that would cause the discretionary spending limits in this section to be exceeded.

(2) SUPERMAJORITY WAIVER AND APPEALS.—

(A) WAIVER.—This subsection may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(B) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this subsection shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this subsection.

(b) SENATE DISCRETIONARY SPENDING LIMITS.—In the Senate and as used in this section, the term ''discretionary spending limit'' means—

(1) for fiscal year 2007, $950,504,000,000 in new budget authority and $1,029,465,000,000 in outlays; and

(2) for fiscal year 2008, $953,052,000,000 in new budget authority and $1,028,397,000,000 in outlays;

as adjusted in conformance with the adjustment procedures in subsection (c).

(c) ADJUSTMENTS IN THE SENATE.—

(1) IN GENERAL.—After the reporting of a bill or joint resolution relating to any matter described in paragraph (2), or the offering of an amendment thereto or the submission of a conference report thereon—

(A) the Chairman of the Senate Committee on the Budget may adjust the discretionary spending limits, budgetary aggregates, and allocations pursuant to section 302(a) of the Congressional Budget Act of 1974, by the amount of new budget authority in that measure for that purpose and the outlays flowing therefrom; and

(B) following any adjustment under subparagraph (A), the Senate Committee on Appropriations may report appropriately revised suballocations pursuant to section 302(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(2) MATTERS DESCRIBED.—Matters referred to in paragraph (1) are as follows:

(A) CONTINUING DISABILITY REVIEWS AND SSI REDETERMINATIONS.—If a bill or joint resolution is reported making appropriations for fiscal year 2008 that appropriates $264,000,000 for continuing disability reviews and Supplemental Security Income redeterminations for the Social Security Administration, and provides an additional appropriation of up to $213,000,000 for continuing disability reviews and Supplemental Security Income redeterminations for the Social Security Administration, then the discretionary spending limits, allocation to the Senate Committee on Appropriations, and aggregates may be adjusted by the amounts provided in such legislation for that purpose, but not to exceed $213,000,000 in budget authority and outlays flowing therefrom for fiscal year 2008.

(B) INTERNAL REVENUE SERVICE TAX ENFORCEMENT.—If a bill or joint resolution is reported making appropriations for fiscal year 2008 that appropriates $6,822,000,000 for the Internal Revenue Service for enhanced tax enforcement to address the Federal tax gap (taxes owed but not paid) and provides an additional appropriation of up to $406,000,000 for the Internal Revenue Service for enhanced tax enforcement to address the Federal tax gap, then the discretionary spending limits, allocation to the Senate Committee on Appropriations, and aggregates may be adjusted by the amounts provided in such legislation for that purpose, but not to exceed $406,000,000 in budget authority and outlays flowing therefrom for fiscal year 2008.

(C) HEALTH CARE FRAUD AND ABUSE CONTROL.—If a bill or joint resolution is reported making appropriations for fiscal year 2008 that appropriates up to $383,000,000 to the Health Care Fraud and Abuse Control program at the Department of Health and Human Services, then the discretionary spending limits, allocation to the Senate Committee on Appropriations, and aggregates may be adjusted by the amounts provided in such legislation for that purpose, but not to exceed $383,000,000 in budget authority and outlays flowing therefrom for fiscal year 2008.

(D) UNEMPLOYMENT INSURANCE IMPROPER PAYMENT REVIEWS.—If a bill or joint resolution is reported making appropriations for fiscal year 2008 that appropriates $10,000,000 for in-person reemployment and eligibility assessments and unemployment insurance improper payment reviews, and provides an additional appropriation of up to $40,000,000 for in-person reemployment and eligibility assessments and unemployment insurance improper payment reviews, then the discretionary spending limits, allocation to the Senate Committee on Appropriations, and aggregates may be adjusted by the amounts provided in such legislation for that purpose, but not to exceed $40,000,000 in budget authority and outlays flowing therefrom for fiscal year 2008.

(E) COSTS OF OVERSEAS DEPLOYMENTS AND RELATED ACTIVITIES.—The Chairman of the Senate Committee on the Budget may adjust the discretionary spending limits, allocation to the Senate Committee on Appropriations, and aggregates for one or more bills, joint resolutions, motions, amendments, or conference reports making appropriations for fiscal year 2008 for overseas deployments and related activities, by the amounts provided in such legislation for that purpose (and so designated pursuant to this subparagraph) up to the amounts of budget authority specified in Section 103(21) for fiscal year 2008 and the new outlays flowing therefrom.

(d) HOUSE.—

(1) PROGRAM INTEGRITY INITIATIVES AND OTHER ADJUSTMENTS.—

(A) CONTINUING DISABILITY REVIEWS AND SUPPLEMENTAL SECURITY INCOME REDETERMINATIONS.—If a bill or joint resolution is reported making appropriations for fiscal year 2008 that appropriates $264,000,000 for continuing disability reviews and Supplemental Security Income redeterminations for the Social Security Administration, and provides an additional appropriation of up to $213,000,000 and the amount is designated for continuing disability reviews and Supplemental Security Income redeterminations for the Social Security Administration, then the allocation to the Committee on Appropriations of the House of Representatives shall be increased by the amount of the additional budget authority and outlays flowing from that budget authority for fiscal year 2008.

(B) INTERNAL REVENUE SERVICE TAX COMPLIANCE.—If a bill or joint resolution is reported making appropriations for fiscal year 2008 that appropriates $6,822,000,000 to the Internal Revenue Service and the amount is designated to improve compliance with the provisions of the Internal Revenue Code of 1986 and provides an additional appropriation of up to $406,000,000, and the amount is designated to improve compliance with the provisions of the Internal Revenue Code of 1986, then the allocation to the Committee on Appropriations of the House of Representatives shall be increased by the amount of the additional budget authority and outlays flowing from that budget authority for fiscal year 2008.

(C) HEALTH CARE FRAUD AND ABUSE CONTROL PROGRAM.—If a bill or joint resolution is reported making appropriations for fiscal year 2008 that appropriates up to $383,000,000 and the amount is designated to the Health Care Fraud and Abuse Control program at the Department of Health and Human Services, then the allocation to the Committee on Appropriations of the House of Representatives shall be increased by the amount of additional budget authority and outlays flowing from that budget authority for fiscal year 2008.

(D) UNEMPLOYMENT INSURANCE IMPROPER PAYMENT REVIEWS.—If a bill or joint resolution is reported making appropriations for fiscal year 2008 that appropriates $10,000,000 for in-person reemployment and eligibility assessments and unemployment insurance improper payment reviews, and provides an additional appropriation of up to $40,000,000 for in-person reemployment and eligibility assessments and unemployment insurance improper payment reviews, then the allocation to the Committee on Appropriations and aggregates may be adjusted by the amounts provided in such legislation for that purpose, but not to exceed $40,000,000 in budget authority and outlays flowing therefrom for fiscal year 2008.

(E) COSTS OF OVERSEAS DEPLOYMENTS AND RELATED ACTIVITIES.—

(i) In the House, if one or more bills or joint resolutions are reported making appropriations for fiscal year 2008 for overseas deployments and related activities, (and such amounts are so designated pursuant to this clause) then the allocation to the House Committee on Appropriations and aggregates may be adjusted by the amounts provided in such legislation for that purpose up to the amounts of budget authority specified in section 103 (21) for fiscal year 2008 and the new outlays flowing therefrom.

(ii) In the House, if one or more bills or joint resolutions are reported making appropriations

for fiscal year 2008 for overseas deployments and related activities (and such amounts are so designated pursuant to this clause) above the amounts of budget authority and new outlays specified in clause (i), then new budget authority, outlays, or receipts resulting therefrom shall not count for the purposes of titles III and IV of the Congressional Budget Act of 1974.

(2) PROCEDURE FOR ADJUSTMENTS.—

(A) IN GENERAL.—After the reporting of a bill or joint resolution, or an amendment offered or considered as adopted thereto, or the submission of a conference report thereon, the Chairman of the Committee on the Budget shall make adjustments set forth in paragraph (1) for the incremental new budget authority in that measure and the outlays flowing from that budget authority, if that measure meets the requirements set forth in paragraph (1), except that no adjustment shall be made for provisions exempted for the purposes of titles III and IV of the Congressional Budget Act of 1974 under paragraph (1)(E)(ii).

(B) MATTERS TO BE ADJUSTED.—The adjustments referred to in subparagraph (A) are to be made to—

(i) the allocations made pursuant to the appropriate concurrent resolution on the budget pursuant to section 302(a) of the Congressional Budget Act of 1974; and

(ii) the budgetary aggregates as set forth in this resolution.

(e) OVERSIGHT OF GOVERNMENT PERFORMANCE.—In the House and the Senate, all committees are directed to review programs within their jurisdictions to root out waste, fraud, and abuse in program spending, giving particular scrutiny to issues raised by Government Accountability Office reports. Based on these oversight efforts and committee performance reviews of programs within their jurisdictions, committees are directed to include recommendations for improved governmental performance in their annual views and estimates reports required under section 301(d) of the Congressional Budget Act of 1974 to the Committees on the Budget.

(f) SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2007.—If legislation making supplemental appropriations for fiscal year 2007 is enacted, the Chairman of the appropriate Committee on the Budget shall make the appropriate adjustments in allocations, aggregates, discretionary spending limits, and other levels of new budget authority and outlays to reflect the difference between such measure and the corresponding levels assumed in this resolution.

SEC. 208. APPLICATION OF PREVIOUS ALLOCATIONS IN THE SENATE.

Section 7035 of Public Law 109–234 shall no longer apply in the Senate.

SEC. 209. SENATE POINT OF ORDER AGAINST PROVISIONS OF APPROPRIATIONS LEGISLATION THAT CONSTITUTE CHANGES IN MANDATORY PROGRAMS WITH NET COSTS.

(a) IN GENERAL.—In the Senate, it shall not be in order to consider any appropriations legislation, including any amendment thereto, motion in relation thereto, or conference report thereon, that includes any provision which constitutes a change in a mandatory program producing net costs, as defined in subsection (b), that would have been estimated as affecting direct spending or receipts under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (as in effect prior to September 30, 2002) were they included in legislation other than appropriations legislation. A point of order pursuant to this section shall be raised against such provision or provisions as described in subsections (e) and (f).

(b) CHANGES IN MANDATORY PROGRAMS PRODUCING NET COSTS.—A provision or provisions shall be subject to a point of order pursuant to this section if—

(1) the provision would increase budget authority in at least 1 of the 9 fiscal years that follow the budget year and over the period of the total of the budget year and the 9 fiscal years following the budget year;

(2) the provision would increase net outlays over the period of the total of the 9 fiscal years following the budget year; and

(3) the sum total of all changes in mandatory programs in the legislation would increase net outlays as measured over the period of the total of the 9 fiscal years following the budget year.

(c) DETERMINATION.—The determination of whether a provision is subject to a point of order pursuant to this section shall be made by the Committee on the Budget of the Senate.

(d) SUPERMAJORITY WAIVER AND APPEAL.—This section may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(e) GENERAL POINT OF ORDER.—It shall be in order for a Senator to raise a single point of order that several provisions of a bill, resolution, amendment, motion, or conference report violate this section. The Presiding Officer may sustain the point of order as to some or all of the provisions against which the Senator raised the point of order. If the Presiding Officer so sustains the point of order as to some of the provisions (including provisions of an amendment, motion, or conference report) against which the Senator raised the point of order, then only those provisions (including provision of an amendment, motion, or conference report) against which the Presiding Officer sustains the point of order shall be deemed stricken pursuant to this section. Before the Presiding Officer rules on such a point of order, any Senator may move to waive such a point of order as it applies to some or all of the provisions against which the point of order was raised. Such a motion to waive is amendable in accordance with rules and precedents of the Senate. After the Presiding Officer rules on such a point of order, any Senator may appeal the ruling of the Presiding Officer on such a point of order as it applies to some or all of the provisions on which the Presiding Officer ruled.

(f) FORM OF THE POINT OF ORDER.—When the Senate is considering a conference report on, or an amendment between the Houses in relation to, a bill, upon a point of order being made by any Senator pursuant to this section, and such point of order being sustained, such material contained in such conference report or amendment shall be deemed stricken, and the Senate shall proceed to consider the question of whether the Senate shall recede from its amendment and concur with a further amendment, or concur in the House amendment with a further amendment, as the case may be, which further amendment shall consist of only that portion of the conference report or House amendment, as the case may be, not so stricken. Any such motion shall be debatable. In any case in which such point of order is sustained against a conference report (or Senate amendment derived from such conference report by operation of this subsection), no further amendment shall be in order.

(g) EFFECTIVENESS.—This section shall not apply to—

(1) legislation making supplemental appropriations for fiscal year 2007; and

(2) any provision constituting a change in a mandatory program in appropriations legislation if such provision has been enacted in each of the 3 fiscal years prior to the budget year.

SEC. 210. COMPLIANCE WITH SECTION 13301 OF THE BUDGET ENFORCEMENT ACT OF 1990.

(a) IN GENERAL.—In the House and the Senate, notwithstanding section 302(a)(1) of the Congressional Budget Act of 1974 and section 13301 of the Budget Enforcement Act of 1990, the joint explanatory statement accompanying the conference report on any concurrent resolution on the budget shall include in its allocation under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Appropriations amounts for the discretionary administrative expenses of the Social Security Administration.

(b) SPECIAL RULE.—In the House, for purposes of applying section 302(f) of the Congressional Budget Act of 1974, estimates of the level of total new budget authority and total outlays provided by a measure shall include any discretionary amounts provided for the Social Security Administration.

SEC. 211. APPLICATION AND EFFECT OF CHANGES IN ALLOCATIONS AND AGGREGATES.

(a) APPLICATION.—Any adjustments of allocations and aggregates made pursuant to this resolution shall—

(1) apply while that measure is under consideration;

(2) take effect upon the enactment of that measure; and

(3) be published in the Congressional Record as soon as practicable.

(b) EFFECT OF CHANGED ALLOCATIONS AND AGGREGATES.—Revised allocations and aggregates resulting from these adjustments shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

(c) BUDGET COMMITTEE DETERMINATIONS.—For purposes of this resolution the levels of new budget authority, outlays, direct spending, new entitlement authority, revenues, deficits, and surpluses for a fiscal year or period of fiscal years shall be determined on the basis of estimates made by the appropriate Committee on the Budget.

SEC. 212. ADJUSTMENTS TO REFLECT CHANGES IN CONCEPTS AND DEFINITIONS.

Upon the enactment of a bill or joint resolution providing for a change in concepts or definitions, the Chairman of the appropriate Committee on the Budget may make adjustments to the levels and allocations in this resolution in accordance with section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as in effect prior to September 30, 2002).

SEC. 213. EXERCISE OF RULEMAKING POWERS.

Congress adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such they shall be considered as part of the rules of each House or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent with such other rules; and

(2) with full recognition of the constitutional right of either the Senate or House of Representatives to change those rules (insofar as they relate to that House) at any time, in the same manner, and to the same extent as is the case of any other rule of the Senate or House of Representatives.

TITLE III—RESERVE FUNDS

SEC. 301. DEFICIT-NEUTRAL RESERVE FUND FOR SCHIP LEGISLATION.

(a) SENATE.—

(1) PRIORITY.—The Senate establishes the following priorities and makes the following findings:

(A) The Senate shall make the enactment of legislation to reauthorize the State Children's Health Insurance Program (SCHIP) a top priority for the remainder of fiscal year 2007, during the first session of the 110th Congress.

(B) Extending health care coverage to the Nation's vulnerable uninsured children is an urgent priority for the Senate.

(C) SCHIP has proven itself a successful program for covering previously uninsured children.

(D) More than 6 million children are enrolled in this landmark program, which has enjoyed broad bipartisan support in Congress, among

our Nation's governors, and within state and local governments.

(E) SCHIP reduces the percentage of children with unmet health care needs.

(F) Since SCHIP was created, enormous progress has been made in reducing disparities in children's coverage rates.

(G) Uninsured children who gain coverage through SCHIP receive more preventive care and their parents report better access to providers and improved communications with their children's doctors.

(H) Congress has a responsibility to reauthorize SCHIP before the expiration of its current authorization.

(2) RESERVE FUND.—In the Senate, the Chairman of the Senate Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for a bill, joint resolution, amendment, motion, or conference report that provides up to $50,000,000,000 in outlays over the period of the total of fiscal years 2007 through 2012 for reauthorization of the State Children's Health Insurance Program (SCHIP), if such legislation maintains coverage for those currently enrolled in SCHIP, continues efforts to enroll uninsured children who are already eligible for SCHIP or Medicaid but are not enrolled, or supports States in their efforts to move forward in covering more children, by the amounts provided in that legislation for those purposes, provided that the outlay adjustment shall not exceed $50,000,000,000 in outlays over the period of the total of fiscal years 2007 through 2012, and provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017.

(b) HOUSE RESERVE FUND FOR THE STATE CHILDREN'S HEALTH INSURANCE PROGRAM.—The Chairman of the House Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels for bills, joint resolutions, amendments, or conference reports, which contains matter within the jurisdiction of the Committee on Energy and Commerce that expands coverage and improves children's health through the State Children's Health Insurance Program (SCHIP) under title XXI of the Social Security Act and the program under title XIX of such Act (commonly known as Medicaid) and that increases new budget authority that will result in not more than $50,000,000,000 in outlays in fiscal years 2007 through 2012, and others which contain offsets so designated for the purpose of this section within the jurisdiction of another committee or committees, if the combined changes would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

SEC. 302. DEFICIT-NEUTRAL RESERVE FUND FOR VETERANS AND WOUNDED SERVICEMEMBERS.

The Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports which—

(1) enhance medical care and disability benefits for wounded or disabled military personnel or veterans, which may include low-vision and blinded veterans;

(2) expand eligibility for Combat-Related Special Compensation to permit additional disabled retirees to receive both disability compensation and retired pay;

(3) eliminate the offset between Survivor Benefit Plan annuities and veterans' dependency and indemnity compensation;

(4) improve disability evaluations of military personnel or veterans to expedite the claims process;

(5) enhance educational benefits of veterans; or

(6) provide for or increase benefits to Filipino veterans of World War II, their survivors and dependents;

by the amounts provided in such legislation for those purposes (or, in the House, that contain offsets so designated for those purposes), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

SEC. 303. DEFICIT-NEUTRAL RESERVE FUND FOR TAX RELIEF.

(a) SENATE.—In the Senate, the Chairman of the Senate Committee on the Budget may revise the aggregates, allocations, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would provide tax relief, including extensions of expiring tax relief and refundable tax relief, by the amounts provided in that legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017.

(b) HOUSE.—

(1) RESERVE FUND FOR REFORM OF THE ALTERNATIVE MINIMUM TAX.—The Chairman of the House Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide for reform of the Internal Revenue Code of 1986 by reducing the tax burden of the alternative minimum tax on middle-income families by the amounts provided in such legislation for that purpose or that contain offsets so designated for that purpose, provided that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

(2) RESERVE FUND TO PROVIDE FOR MIDDLE-INCOME TAX RELIEF AND ECONOMIC EQUITY.—The Chairman of the House Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide for tax relief for middle-income families and taxpayers and enhanced economic equity, such as extension of the child tax credit, extension of marriage penalty relief, extension of the 10 percent individual income tax bracket, modification of the Alternative Minimum Tax, elimination of estate taxes on all but a minute fraction of estates by reforming and substantially increasing the unified credit, extension of the research and experimentation tax credit, extension of the deduction for State and local sales taxes, and a tax credit for school construction bonds, by the amounts provided in such legislation for those purposes or that contain offsets so designated for those purposes, provided that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

SEC. 304. DEFICIT-NEUTRAL RESERVE FUND FOR MEDICARE IMPROVEMENTS.

(a) HOUSE.—The Chairman of the House Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that improve the Medicare program for beneficiaries and protect access to care, through measures such as increasing the reimbursement rate for physicians while protecting beneficiaries from associated premium increases and making improvements to the prescription drug program under part D by the amounts provided in such legislation for those purposes or that contain offsets so designated for those purposes, provided that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

(b) SENATE.—

(1) PRESCRIPTION DRUGS.—In the Senate, the Chairman of the Senate Committee on the Budget may revise the aggregates, allocations, and other appropriate levels in this resolution for a bill, joint resolution, amendment, motion, or conference report that repeals the prohibition in section 1860D–11(i)(1) of the Social Security Act (42 U.S.C. 1395w–111(i)(1)) while preserving access to prescription drugs and price competition without requiring a particular formulary or instituting a price structure for reimbursement of covered Part D drugs, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further that any savings from the measure are to be used either to improve the Medicare Part D benefit or for deficit reduction.

(2) PHYSICIAN PAYMENTS.—In the Senate, the Chairman of the Senate Committee on the Budget may revise the aggregates, allocations, and other appropriate levels in this resolution for a bill, joint resolution, amendment, motion, or conference report that increases the reimbursement rate for physician services under section 1848(d) of the Social Security Act and that includes financial incentives for physicians to improve the quality and efficiency of items and services furnished to Medicare beneficiaries through the use of consensus-based quality measures, by the amounts provided in such legislation for that purpose, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017.

(3) IMPROVEMENTS TO MEDICARE PART D.—In the Senate, the Chairman of the Senate Committee on the Budget may revise the aggregates, allocations, and other appropriate levels in this resolution for a bill, joint resolution, amendment, motion, or conference report that makes improvements to the prescription drug benefit under Medicare Part D, by the amounts provided in such legislation for that purpose up to $5,000,000,000, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017.

(4) IMPROVING MEDICARE HOSPITAL PAYMENTS.—In the Senate, the Chairman of the Senate Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for a bill, joint resolution, amendment, motion, or conference report that—

(A) includes provisions to reform the area wage index used to adjust payments to hospitals under the Medicare hospital inpatient prospective payment system under section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)); and

(B) includes a transition to the reform described in subparagraph (A);

provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017.

(c) SENATE AND HOUSE DEFICIT-NEUTRAL RESERVE FUND TO ADDRESS PHYSICIAN AND OTHER HEALTH CARE PROVIDER SHORTAGES.—The Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or

more bills, joint resolutions, amendments, motions, or conference reports that encourage physicians to train in primary care residencies and attract more physicians and other health care providers to States that face a shortage of health care providers by the amounts provided in such legislation for those purposes (or, in the House, that contain offsets so designated for those purposes), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

SEC. 305. DEFICIT NEUTRAL RESERVE FUNDS FOR HEALTH CARE QUALITY, EFFECTIVENESS, EFFICIENCY, AND TRANSPARENCY.

(a) HEALTH INFORMATION TECHNOLOGY.—

(1) The Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide incentives or other support for adoption of modern information technology to improve quality and protect privacy in health care, by the amounts provided in such legislation for that purpose (or, in the House, that contain offsets so designated for that purpose), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

(2) The Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide incentives for Medicare providers or suppliers to comply with, where available and medically appropriate, clinical protocols identified as best practices, by the amounts provided in such legislation for that purpose (or, in the House, that contain offsets so designated for that purpose), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

(b) COMPARATIVE EFFECTIVENESS RESEARCH.—The Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that establish a new Federal or public-private initiative for comparative effectiveness research, by the amounts provided in such legislation for that purpose (or, in the House, that contain offsets so designated for that purpose), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

(c) IMPROVING THE HEALTH CARE SYSTEM.—In the Senate, the Chairman of the Senate Committee on the Budget may revise the allocations, aggregates, and other levels in this resolution for a bill, joint resolution, motion, amendment, or conference report that—

(1) creates a framework and parameters for the use of Medicare data for the purpose of conducting research, public reporting, and other activities to evaluate health care safety, effectiveness, efficiency, quality, and resource utilization in Federal programs and the private health care system; and

(2) includes provisions to protect beneficiary privacy and to prevent disclosure of proprietary or trade secret information with respect to the transfer and use of such data;

provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017.

SEC. 306. DEFICIT-NEUTRAL RESERVE FUND FOR HIGHER EDUCATION.

(a) SENATE.—In the Senate, the Chairman of the Senate Committee on the Budget may revise the aggregates, allocations, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would make higher education more accessible and more affordable, which may include tax benefits, by the amounts provided in such legislation for that purpose, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017.

(b) HOUSE.—The Chairman of the House Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that make college more affordable through reforms to the Higher Education Act of 1965 or other legislation by the amounts provided in such legislation for that purpose or that contain offsets so designated for that purpose, provided that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

SEC. 307. DEFICIT-NEUTRAL RESERVE FUND FOR THE FARM BILL.

(a) SENATE.—The Chairman of the Senate Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide for the reauthorization of the programs of the Food Security and Rural Investment Act of 2002 or prior Acts, authorize similar or related programs, provide for revenue changes, or any combination of the preceding purposes, by the amounts provided in such legislation for those purposes up to $20,000,000,000 over the period of the total of fiscal years 2007 through 2012, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017.

(b) HOUSE.—The Chairman of the House Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide for the reauthorization of the programs of the Food Security and Rural Investment Act of 2002 or prior Acts, authorize similar or related programs, or both, by the amounts provided in such legislation for those purposes or that contain offsets so designated for those purposes up to $20,000,000,000 for the total over the period of fiscal years 2007 through 2012, provided that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

SEC. 308. DEFICIT-NEUTRAL RESERVE FUND FOR ENERGY LEGISLATION.

(a) SENATE.—In the Senate, the Chairman of the Senate Committee on the Budget may revise the allocations, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would reduce our Nation's dependence on foreign sources of energy, expand production and use of clean alternative fuels and alternative fuel vehicles, promote renewable energy development, improve electricity transmission, encourage responsible development of domestic oil and natural gas resources, or reward conservation and efficiency, by the amounts provided in that legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017. The legislation may include tax legislation such as a proposal to extend energy tax incentives like the production tax credit for electricity produced from renewable resources, the Clean Renewable Energy Bond program, or provisions to encourage energy efficient buildings, products, and power plants.

(b) HOUSE.—

(1) The Chairman of the House Committee on the Budget shall revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that fulfill the purposes of section 301(a) of H.R. 6, the Clean Energy Act of 2007 by the amounts provided in such legislation for those purposes or that contain offsets so designated for those purposes, provided that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

(2) The Chairman of the House Committee on the Budget shall revise the allocations provided for under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Appropriations to the extent that any bills, joint resolutions, amendments, motions, or conference reports provide budget authority for purposes set forth in section 301(a) of H.R. 6 in excess of the amounts provided for those purposes in fiscal year 2007. Any adjustments made under this paragraph shall not include revenues attributable to changes in the Internal Revenue Code of 1986 and shall not exceed the receipts estimated by the Congressional Budget Office that are attributable to H.R. 6 for the year in which the adjustments are made.

SEC. 309. DEFICIT-NEUTRAL RESERVE FUND FOR COUNTY PAYMENTS LEGISLATION.

The Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide for the reauthorization of the Secure Rural Schools and Community Self-Determination Act of 2000 (Public Law 106–393), make changes to the Payments in Lieu of Taxes Act of 1976 (Public Law 94–565), or both, by the amounts provided by that legislation for those purposes (or, in the House, that contain offsets so designated for those purposes), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

SEC. 310. DEFICIT-NEUTRAL RESERVE FUND FOR TERRORISM RISK INSURANCE REAUTHORIZATION.

The Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide for a continued Federal role in ensuring the availability of terrorism insurance after the expiration of the Terrorism Risk Insurance Extension Act, by the amounts provided in such legislation for that purpose (or, in the House, that contain offsets so designated for that purpose), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

SEC. 311. DEFICIT-NEUTRAL RESERVE FUND FOR AFFORDABLE HOUSING.

The Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would establish an affordable housing fund financed by the housing government sponsored enterprises, by the amounts provided in such legislation for that purpose (or, in the House, that contain offsets so designated for that purpose), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

SEC. 312. DEFICIT-NEUTRAL RESERVE FUND FOR RECEIPTS FROM BONNEVILLE POWER ADMINISTRATION.

The Chairman of the appropriate Committee on the Budget may adjust the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that prohibit the Bonneville Power Administration from making early payments on its Federal Bond Debt to the United States Treasury, by the amounts provided by that legislation for that purpose (or, in the House, that contain offsets so designated for that purpose), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

SEC. 313. DEFICIT-NEUTRAL RESERVE FUND FOR INDIAN CLAIMS SETTLEMENT.

The Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that—

(1) create an Indian claims settlement fund for trust accounting and management deficiencies related to Individual Indian Moneys and assets; and

(2) extinguish all claims arising before the date of enactment for losses resulting from accounting errors, mismanagement of assets, or interest owed in connection with Individual Indian Moneys accounts;

by the amounts provided in such legislation for those purposes up to $8,000,000,000 (or, in the House, that contain offsets so designated for those purposes), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

SEC. 314. DEFICIT-NEUTRAL RESERVE FUND FOR IMPROVEMENTS IN HEALTH.

(a) HEALTH INSURANCE COVERAGE.—The Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that make health insurance coverage more affordable or available to small businesses and their employees, through pooling arrangements that provide appropriate consumer protections, by the amounts provided in such legislation for that purpose (or, in the House, that contain offsets so designated for that purpose), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

(b) HEALTH COVERAGE.—If a SCHIP reauthorization bill is enacted, then the Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports to improve health care, and provide quality health insurance for the uninsured and underinsured, and protect individuals with current health coverage, by the amounts provided in that legislation for that purpose (or, in the House, that contain offsets so designated for that purpose), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

(c) LONG-TERM CARE.—The Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would improve long-term care, enhance the safety and dignity of patients, encourage appropriate use of institutional and community-based care, promote quality care, or provide for the cost-effective use of public resources, by the amounts provided in such legislation for that purpose (or, in the House, that contain offsets so designated for that purpose), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

(d) MENTAL HEALTH PARITY.—The Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would provide parity between health insurance coverage of mental health benefits and benefits for medical and surgical services, including parity in public programs, by the amounts provided in such legislation for that purpose (or, in the House, that contain offsets so designated for that purpose), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

SEC. 315. DEFICIT-NEUTRAL RESERVE FUND FOR CHILD CARE.

The Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide up to $5,000,000,000 for the child care entitlement to States, by the amounts provided by such legislation for that purpose (or, in the House, that contain offsets so designated for that purpose), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

SEC. 316. DEFICIT-NEUTRAL RESERVE FUND FOR IMMIGRATION REFORM IN THE SENATE.

The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that provide for immigration reform by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017.

SEC. 317. DEFICIT-REDUCTION RESERVE FUND.

(a) REDUCTION OF IMPROPER PAYMENTS.—The Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution upon enactment of legislation that achieves savings by eliminating or reducing improper payments made by agencies reporting improper payments estimates under the Improper Payments Information Act of 2002 and uses such savings to reduce the deficit (or, in the House, that contain offsets so designated for that purpose), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

(b) INCREASED USE OF RECOVERY AUDITS.—The Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution upon enactment of legislation that achieves savings by requiring that agencies increase their use of the recovery audits authorized by the Erroneous Payments Recovery Act of 2001 (section 831 of the National Defense Authorization Act for fiscal year 2002) and uses such savings to reduce the deficit (or, in the House, that contain

offsets so designated for that purpose), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

SEC. 318. DEFICIT-NEUTRAL RESERVE FUND FOR MANUFACTURING INITIATIVES IN THE SENATE.

In the Senate, the Chairman of the Senate Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports, including tax legislation, that would revitalize the United States domestic manufacturing sector by increasing Federal research and development, by expanding the scope and effectiveness of manufacturing programs across the Federal government, by increasing support for development of alternative fuels and leap-ahead automotive and energy technologies, and by establishing tax incentives to encourage the continued production in the United States of advanced technologies and the infrastructure to support such technologies, by the amounts provided in that legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017.

SEC. 319. DEFICIT-NEUTRAL RESERVE FUND FOR THE FOOD AND DRUG ADMINISTRATION IN THE SENATE.

(a) REGULATION.—In the Senate, the Chairman of the Senate Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for a bill, joint resolution, motion, amendment, or conference report that authorizes the Food and Drug Administration to regulate products and assess user fees on manufacturers and importers of those products to cover the cost of the Food and Drug Administration's regulatory activities, by the amounts provided in that legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017.

(b) DRUG IMPORTATION.—In the Senate, the Chairman of the Senate Committee on the Budget may revise the aggregates, allocations, and other levels in this resolution for a bill, joint resolution, motion, amendment, or conference report that permits the safe importation of prescription drugs approved by the Food and Drug Administration from a specified list of countries, by the amounts provided in such legislation for that purpose, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017.

SEC. 320. DEFICIT-NEUTRAL RESERVE FUND FOR MEDICAID.

(a) DELAY OF RULE.—The Chairman of the appropriate Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for a bill, joint resolution, amendment, motion, or conference report that provides for a delay in the implementation of the proposed rule published on January 18, 2007, on pages 2236 through 2248 of volume 72, Federal Register (relating to parts 433, 447, and 457 of title 42, Code of Federal Regulations) or any other rule that would affect the Medicaid program or SCHIP in a similar manner, or place restrictions on coverage of or payment for graduate medical education, rehabilitation services, or school-based administration, transportation, or medical services under title XIX of the Social Security Act by the amounts provided in that legislation for that purpose (or, in the House, that contain offsets so designated for that purpose), provided in the Senate that such legislation would not increase the deficit over either the total of the period of fiscal years 2007 through 2012 or the total of the period of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

(b) DEMONSTRATION PROJECT REGARDING MEDICAID COVERAGE OF LOW-INCOME HIV-INFECTED INDIVIDUALS.—The Chairman of the appropriate Committee on the Budget may revise the allocations, aggregates, and other appropriate levels in this resolution for a bill, joint resolution, amendment, motion, or conference report that provides for a demonstration project under which a State may apply under section 1115 of the Social Security Act (42 U.S.C. 1315) to provide medical assistance under a State Medicaid program to HIV-infected individuals who are not eligible for medical assistance under such program under section 1902(a)(10)(A)(I) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(I)), by the amounts provided in that legislation for those purposes up to $500,000,000 (or, in the House, that contain offsets so designated for those purposes), provided in the Senate that such legislation would not increase the deficit over either the total of the period of fiscal years 2007 through 2012 or the total of the period of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

(c) TRANSITIONAL MEDICAL ASSISTANCE.—The Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions or conference reports that extend the Transitional Medical Assistance program, included in title XIX of the Social Security Act, by the amounts provided in such legislation for that purpose (or, in the House, that contain offsets so designated for that purpose), provided in the Senate that such legislation would not increase the deficit over either the total of the period of fiscal years 2007 through 2012 or the total of the period of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

SEC. 321. RESERVE FUND ADJUSTMENT FOR REVENUE MEASURES IN THE HOUSE.

In the House, for the duration of the 110th Congress with respect to consideration of any bill, joint resolution, amendment, motion, or conference report that would decrease total revenues for the single period comprising the budget year and the following 4 fiscal years below the Congressional Budget Office baseline for the most recent concurrent resolution on the budget, the Chairman of the House Committee on the Budget shall increase the revenue aggregates by $179,816,000,000 for the total over the period of fiscal years 2008 through 2012, if the Chairman determines that such legislation does not contain a provision consistent with the provision set forth in the joint explanatory statement of managers accompanying this concurrent resolution. The Chairman may readjust such levels upon disposition of any measure in violation of this section.

SEC. 322. DEFICIT-NEUTRAL RESERVE FUND FOR SAN JOAQUIN RIVER RESTORATION AND NAVAJO NATION WATER RIGHTS SETTLEMENTS.

The Chairman of the appropriate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would fulfill the purposes of the San Joaquin River Restoration Settlement Act, implement a Navajo Nation water rights settlement as authorized by the Northwestern New Mexico Rural Water Projects Act, or both, by the amounts provided by that legislation for those purposes (or, in the House, that contain offsets so designated for those purposes), provided in the Senate that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017, and provided further in the House that such legislation would not increase the deficit or decrease the surplus for the total over the period of fiscal years 2007 through 2012 or the period of fiscal years 2007 through 2017.

SEC. 323. DEFICIT-NEUTRAL RESERVE FUND FOR SELECTED TAX RELIEF POLICIES IN THE SENATE.

The Chairman of the Senate Committee on the Budget may revise the aggregates, allocations, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would provide tax relief by extending the State and local sales tax deduction, extending enhanced charitable giving from individual retirement accounts, reauthorizing the new markets tax credit under section 45D of the Internal Revenue Code of 1986, or extending and increasing the above-the-line deduction for teacher classroom supplies and expanding it to include qualified professional development expenses, by the amounts provided in that legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2007 through 2012 or the period of the total of fiscal years 2007 through 2017.

TITLE IV—POLICY

SEC. 401. POLICY ON MIDDLE-INCOME TAX RELIEF.

(a) IN THE HOUSE.—

(1) IN GENERAL.—It is the policy of the House to minimize fiscal burdens on middle-income families and their children and grandchildren. It is the policy of the House to provide immediate relief for the tens of millions of middle-income households who would otherwise be subject to the Alternative Minimum Tax under current law. Furthermore, it is the policy of the House to support extension of middle-income tax relief and enhanced economic equity through policies such as—

(A) extension of the child tax credit;

(B) extension of marriage penalty relief;

(C) extension of the 10 percent individual income tax bracket;

(D) elimination of estate taxes on all but a minute fraction of estates by reforming and substantially increasing the unified tax credit;

(E) extension of the research and experimentation tax credit;

(F) extension of the deduction for State and local sales taxes;

(G) extension of the deduction for small business expensing; and

(H) enactment of a tax credit for school construction bonds.

(2) OTHER MATTERS.—The House assumes the cost of enacting such policies is offset by reforms within the Internal Revenue Code of 1986 that promote economic efficiency, higher rates of tax compliance to close the ''tax gap'', and reduced taxpayer burdens through tax simplification.

(b) IN THE SENATE.—

(1) IN GENERAL.—The Senate adopted by a vote of 97 to 1 an amendment to S.Con.Res. 21 as reported by the Senate Committee on the Budget which, with regard to tax relief, reduced the revenue aggregates by $179,816,000,000 to provide for—

(A) extension of the child tax credit;

(B) extension of marriage penalty relief;

(C) extension of the 10 percent individual income tax bracket;

(D) reform of the estate tax to protect small businesses and family farms;

(E) extension of the adoption tax credit;

(F) extension of the dependent care tax credit;

(G) extension of the treatment of combat pay for purposes of determining the Earned Income Tax Credit; and

(H) other, unspecified tax relief.

(2) POLICY.—It is the policy of the Senate that this resolution supports both the enactment of the policies listed in paragraph (1) and the Senate pay-as-you-go rule in section 201, and that any additional revenues needed to meet the Senate's tax policy goals can be achieved by closing the tax gap, shutting down abusive tax shelters, addressing offshore tax havens, and without raising taxes.

SEC. 402. POLICY ON DEFENSE PRIORITIES.

It is the policy of this resolution that—

(1) implementing the recommendation of the National Commission on Terrorist Attacks Upon the United States (commonly referred to as the 9/11 Commission) to adequately fund cooperative threat reduction and nuclear nonproliferation programs should receive higher priority than the President's budget provides;

(2) TRICARE fees for military retirees under the age of 65 should remain at current levels;

(3) military pay and benefits should be enhanced to improve retention of experienced personnel;

(4) the recommendations of the bipartisan ''Walter Reed Commission'' (the President's Commission on Care for America's Returning Wounded Warriors) and other United States Government investigations into military healthcare facilities and services should be funded;

(5) higher priority defense needs could be addressed by funding missile defense at an adequate but lower level, not providing funding for development of space-based missile defense interceptors, and by restraining excessive cost and schedule growth in defense research, development and procurement programs;

(6) sufficient resources should be provided for the Department of Defense to do a more careful job of addressing as many as possible of the 1,378 unimplemented recommendations made by the Government Accountability Office over the last 6 years to improve practices at the Department of Defense, including investigation of the billions of dollars of obligations, disbursements and overcharges for which the Department of Defense cannot account; and

(7) savings from the actions recommended in paragraphs (5) and (6) of this section should be used to fund the priorities identified in paragraphs (1) through (4) in this section.

SEC. 403. POLICY ON COLLEGE AFFORDABILITY.

It is the policy of this resolution that nothing in this resolution should be construed to reduce any assistance that makes college more affordable for students, including but not limited to assistance to student aid programs run by nonprofit state agencies.

TITLE V—SENSE OF THE HOUSE AND SENSE OF CONGRESS

SEC. 501. SENSE OF CONGRESS ON SERVICEMEMBERS' AND VETERANS' HEALTH CARE AND OTHER PRIORITIES.

It is the sense of Congress that—

(1) Congress supports excellent health care for current and former members of the United States Armed Services, who have served well and honorably and have made significant sacrifices for this Nation;

(2) this resolution provides $43,125,000,000 in discretionary budget authority for 2008 for Function 700 (Veterans Benefits and Services), including veterans' health care, which is $6,668,000,000 more than the 2007 level, $5,474,000,000 more than the Congressional Budget Office's baseline level for 2008, and $3,576,000,000 more than the President's budget for 2008;

(3) this resolution provides funding to implement, in part, recommendations of the bi-partisan ''Walter Reed Commission'' (the President's Commission on Care for America's Returning Wounded Warriors) and other United States Government investigations into military and veterans health care facilities and services;

(4) this resolution assumes the rejection of the enrollment fees and co-payment increases in the President's budget;

(5) this resolution provides additional funding above the President's inadequate budget levels for the Department of Veterans Affairs to research and treat veterans' mental health, post-traumatic stress disorder, and traumatic brain and spinal cord injuries; and

(6) this resolution provides additional funding above the President's inadequate budget levels for the Department of Veterans Affairs to improve the speed and accuracy of its processing of disability compensation claims, including funding to hire additional personnel above the President's requested level.

SEC. 502. SENSE OF CONGRESS ON THE INNOVATION AGENDA: A COMMITMENT TO COMPETITIVENESS TO KEEP AMERICA #1.

(a) It is the sense of Congress to provide sufficient funding that our Nation may continue to be the world leader in education, innovation and economic growth. This resolution provides substantial increased funding above the President's requested level for 2008, and additional amounts in subsequent years in Function 250 (General Science, Space and Technology) and Function 270 (Energy). Additional increases for scientific research and education are included in Function 500 (Education, Employment, Training, and Social Services), Function 550 (Health), Function 300 (Environment and Natural Resources), Function 350 (Agriculture), Function 400 (Transportation), and Function 370 (Commerce and Housing Credit), all of which receive more funding than the President requested.

(b) America's greatest resource for innovation resides within classrooms across the country. The increased funding provided in this resolution will support important initiatives to educate 100,000 new scientists, engineers, and mathematicians, and place highly qualified teachers in math and science K–12 classrooms.

(c) Independent scientific research provides the foundation for innovation and future technologies. This resolution will put us on the path toward doubling funding for the National Science Foundation, basic research in the physical sciences, and collaborative research partnerships; and toward achieving energy independence through the development of clean and sustainable alternative energy technologies.

SEC. 503. SENSE OF CONGRESS ON HOMELAND SECURITY.

It is the sense of Congress that—

(1) this resolution assumes additional homeland security funding above the President's requested level for 2008 and every subsequent year;

(2) this resolution assumes funding above the President's requested level for 2008, and additional amounts in subsequent years, in the four budget functions: Function 400 (Transportation), Function 450 (Community and Regional Development), Function 550 (Health), and Function 750 (Administration of Justice) that fund most nondefense homeland security activities; and

(3) the homeland security funding provided in this resolution will help to strengthen the security of our Nation's transportation system, particularly our ports where significant security shortfalls still exist and foreign ports, by expanding efforts to identify and scan all high-risk United States-bound cargo, equip, train and support first responders (including enhancing interoperable communications and emergency management), strengthen border patrol, and increase the preparedness of the public health system.

SEC. 504. SENSE OF CONGRESS REGARDING THE ONGOING NEED TO RESPOND TO HURRICANES KATRINA AND RITA.

The sense of Congress is as follows:

(1) Critical needs in the Gulf Coast region should be addressed without further delay. The budget resolution creates a reserve fund that would allow for affordable housing that may be used to focus on areas devastated by Hurricanes Katrina and Rita, as well as new funding for additional recovery priorities.

(2) Additional oversight and investigation is needed to ensure that recovery efforts are on track, develop legislation to reform the contracting process, and better prepare for future disasters. Those efforts should be made in close consultation with residents of affected areas. For example, the budget resolution provides additional 2007 funding for the Federal Emergency Management Agency, some of which may be used for this purpose.

SEC. 505. SENSE OF CONGRESS REGARDING LONG-TERM SUSTAINABILITY OF ENTITLEMENTS.

(a) FINDINGS.—Congress finds the following:

(1) The aging of the United States population is going to put unprecedented pressure on the Nation's retirement and health care systems.

(2) The long-term strength of Social Security would be improved through a fiscally responsible policy of reducing the deficit and paying down the debt that has accumulated since 2001, thus reducing debt service payments and freeing up billions of dollars that can be dedicated to meeting social security's obligations.

(3) A policy of reducing and eventually eliminating the deficit and paying down the debt is a key factor in improving the long-term strength of the economy as a whole, because a lower debt burden frees up resources for productive investments that will result in higher economic growth, provide a higher standard of living for future generations, and enhance the Nation's ability to meet its commitments to its senior citizens.

(4) The most significant factor affecting the Nation's entitlement programs is the rapid increase in health care costs. The projected increasing costs of Medicare and Medicaid are not unique to these programs but rather are part of a pattern of rising costs for the health sector as a whole.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the growing cost of entitlements should be addressed in a way that is fiscally responsible and promotes economic growth, that addresses the causes of cost growth in the broader health care system, and that protects beneficiaries without leaving a legacy of debt to future generations.

SEC. 506. SENSE OF CONGRESS REGARDING THE NEED TO MAINTAIN AND BUILD UPON EFFORTS TO FIGHT HUNGER.

(a) FINDINGS.—Congress finds the following:

(1) More than 35 million individuals (12.4 million of them children) are food insecure, uncertain of having, or unable to acquire enough food. 10.8 million Americans are hungry because of lack of food.

(2) Despite the critical contributions of the Department of Agriculture nutrition programs and particularly the food stamp program that significantly reduced payment error rates while increasing enrollment to partially mitigate the impact of recent increases in the poverty rate, significant need remains.

(3) Nearly 25 million people, including nine million children and three million seniors, sought emergency food assistance from food pantries, soup kitchens, shelters, and local charities last year.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Department of Agriculture programs that help fight hunger should be

maintained and that Congress should seize opportunities to enhance those programs to reach people in need and to fight hunger.

SEC. 507. SENSE OF CONGRESS REGARDING AFFORDABLE HEALTH COVERAGE.

(a) FINDINGS.—Congress finds the following:

(1) More than 46 million Americans, including nine million children, lack health insurance. People without health insurance are more likely to experience problems getting medical care and to be hospitalized for avoidable health problems.

(2) Most Americans receive health coverage through their employers. A major issue facing all employers is the rising cost of health insurance. Small businesses, which have generated most of the new jobs annually over the last decade, have an especially difficult time affording health coverage, due to higher administrative costs and fewer people over whom to spread the risk of catastrophic costs. Because it is especially costly for small businesses to provide health coverage, their employees make up a large proportion of the nation's uninsured individuals.

(b) SENSE OF CONGRESS.—It is the sense of Congress that legislation consistent with the pay-as-you-go principle should be adopted that makes health insurance more affordable and accessible, with attention to the special needs of small businesses, and that lowers costs and improves the quality of health care by encouraging integration of health information technology tools into the practice of medicine, and promoting improvements in disease management and disease prevention.

SEC. 508. SENSE OF CONGRESS REGARDING EXTENSION OF THE STATUTORY PAY-AS-YOU-GO RULE.

It is the sense of Congress that in order to reduce the deficit Congress should extend PAYGO consistent with provisions of the Budget Enforcement Act of 1990.

SEC. 509. SENSE OF CONGRESS ON LONG-TERM BUDGETING.

It is the sense of Congress that the determination of the congressional budget for the United States Government and the President's budget request should include consideration of the Financial Report of the United States Government, especially its information regarding the Government's net operating cost, financial position, and long-term liabilities.

SEC. 510. SENSE OF CONGRESS REGARDING PAY PARITY.

It is the sense of Congress that rates of compensation for civilian employees of the United States should be adjusted at the same time, and in the same proportion, as are rates of compensation for members of the uniformed services.

SEC. 511. SENSE OF CONGRESS REGARDING WASTE, FRAUD, AND ABUSE.

It is the sense of Congress that all committees should examine programs within their jurisdiction to identify wasteful and fraudulent spending. To this end, section 207 of this resolution includes cap adjustments to provide appropriations for 3 programs that accounted for a significant share of improper payments reported by Federal agencies in 2006: Social Security Administration Continuing Disability Reviews, the Medicare/Medicaid Health Care Fraud and Abuse Control Program, and Unemployment Insurance. Section 207 also includes a cap adjustment for the Internal Revenue Service for tax compliance efforts to close the tax gap. In addition, the resolution's deficit-neutral reserve funds require authorizing committees to cut lower-priority and wasteful spending to accommodate higher-priority programs. Finally, section 207 of the resolution directs all committees to review the performance of programs within their jurisdiction and report recommendations annually to the Committees on the Budget as part of the views and estimates process required by section 301(d) of the Congressional Budget Act of 1974.

SEC. 512. SENSE OF CONGRESS REGARDING THE IMPORTANCE OF CHILD SUPPORT ENFORCEMENT.

It is the sense of Congress that—

(1) additional legislative action is needed to ensure that States have the necessary resources to collect all child support that is owed to families and to allow them to pass 100 percent of support on to families without financial penalty; and

(2) when 100 percent of child support payments are passed to the child, rather than administrative expenses, program integrity is improved and child support participation increases.

SEC. 513. SENSE OF THE HOUSE ON STATE VETERANS CEMETERIES.

It is the sense of the House that the Federal Government should pay the plot allowance for the interment in a State veterans cemetery of any spouse or eligible child of a veteran, consistent with the pay-as-you-go principle.

SEC. 514. SENSE OF CONGRESS ON THE STATE CRIMINAL ALIEN ASSISTANCE PROGRAM.

(a) FINDINGS.—Congress makes the following findings:

(1) Control of illegal immigration is a Federal responsibility.

(2) The State Criminal Alien Assistance Program (referred to in this section as ''SCAAP'') carried out pursuant to section 241(i) of the Immigration and Nationality Act (8 U.S.C. 1231(i)) provides critical funding to States and localities for reimbursement of costs incurred as a result of housing undocumented criminal aliens.

(3) Congress appropriated $300,000,000 for SCAAP to reimburse State and local governments for those costs in fiscal year 2004.

(4) Congress appropriated $305,000,000 for SCAAP to reimburse State and local governments for those costs in fiscal year 2005.

(5) Congress appropriated $405,000,000 for SCAAP to reimburse State and local governments for those costs in fiscal year 2006.

(6) Congress appropriated $399,000,000 for SCAAP to reimburse State and local governments for those costs in fiscal year 2007.

(7) Congress has authorized to be appropriated $950,000,000 to carry out SCAAP for each of the fiscal years 2008 through 2011.

(b) SENSE OF CONGRESS.—It is the sense of Congress that SCAAP funding for fiscal year 2008 should be consistent with the goal of achieving the program's fully authorized level.

TITLE VI—RECONCILIATION

SEC. 601. RECONCILIATION IN THE HOUSE.

Not later than September 10, 2007, the House Committee on Education and Labor shall report to the House of Representatives changes in laws to reduce the deficit by $750,000,000 for the period of fiscal years 2007 through 2012.

SEC. 602. DEFICIT REDUCTION RECONCILIATION INSTRUCTION IN THE SENATE.

Not later than September 10, 2007, the Senate Committee on Health, Education, Labor, and Pensions shall report changes in laws within its jurisdiction to reduce the deficit by $750,000,000 for the period of fiscal years 2007 through 2012.

And the House agree to the same.

JOHN M. SPRATT, Jr.,
ROSA DELAURO,
CHET EDWARDS,
Managers on the Part of the House.

KENT CONRAD,
PATTY MURRAY,
RON WYDEN,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 21) revising the congressional budget for the United States Government for fiscal year 2007, establishing the congressional budget for the United States Government for fiscal year 2008, and setting forth appropriate budgetary levels for fiscal years 2009 through 2012, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck all of the Senate concurrent resolution after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment that is a substitute for the Senate concurrent resolution and the House amendment. The differences between the Senate concurrent resolution, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

DISPLAYS AND AMOUNTS

The required contents of concurrent budget resolutions are set forth in section 301(a) of the Congressional Budget Act of 1974. The years in this document are fiscal years unless otherwise noted.

The treatment of budget function levels in the Senate-passed and House-passed budget resolutions and the conference report is as follows:

Senate Concurrent Resolution

The Senate concurrent resolution includes all of the items required under Section 301(a) of the Congressional Budget Act.

House Amendment

The House amendment includes all of the items required as part of a concurrent budget resolution under section 301(a) of the Congressional Budget Act other than the spending and revenue levels for Social Security (which are used to enforce a point of order applicable only in the Senate). It also includes a new separate function category, Function 970 (Overseas Deployments and Other Activities).

Conference Agreement

The conference agreement includes all of the items required by Section 301(a) of the Budget Act.

FISCAL YEAR 2008 BUDGET RESOLUTION CONFERENCE REPORT

Total Spending, Revenues, Deficit/Surplus, and Debt

$ billions	2007	2008	2009	2010	2011	2012	2008-2012
Summary							
Budget Authority	**2,833.887**	**2,965.385**	**3,005.682**	**3,078.574**	**3,214.230**	**3,274.376**	**15,538.247**
Off	453.352	469.357	488.550	508.878	529.341	555.108	2,551.234
On	2,380.535	2,496.028	2,517.132	2,569.696	2,684.889	2,719.268	12,987.013
Outlays	**2,751.675**	**2,936.519**	**3,052.129**	**3,105.812**	**3,217.925**	**3,254.777**	**15,567.162**
Off	451.103	466.883	485.648	505.776	525.821	551.221	2,535.349
On	2,300.572	2,469.636	2,566.481	2,600.036	2,692.104	2,703.556	13,031.813
Revenues	**2,537.926**	**2,684.856**	**2,816.679**	**2,907.073**	**3,122.859**	**3,296.229**	**14,827.696**
Off	637.586	668.998	702.851	737.589	772.605	807.928	3,689.971
On	1,900.340	2,015.858	2,113.828	2,169.484	2,350.254	2,488.301	11,137.725
Deficit (-)/Surplus	**-213.749**	**-251.663**	**-235.450**	**-198.739**	**-95.066**	**41.452**	**-739.466**
Off	186.483	202.115	217.203	231.813	246.784	256.707	1,154.622
On	-400.232	-453.778	-452.653	-430.552	-341.850	-215.255	-1,894.088
Debt Held by the Public	5,047.318	5,312.560	5,561.383	5,774.487	5,881.776	5,850.852	--
Debt Subject to Limit	8,932.264	9,504.150	10,073.725	10,622.023	11,077.407	11,419.028	--
By Function							
050 National Defense							
Budget Authority	525.797	506.955	534.705	545.171	550.944	559.799	2,697.574
Outlays	534.270	514.401	524.384	536.433	547.624	548.169	2,671.011
150 International Affairs							
Budget Authority	28.795	34.678	35.602	35.980	36.630	37.257	180.147
Outlays	31.308	33.070	32.664	33.070	33.528	34.150	166.482
250 General Science, Space and Technology							
Budget Authority	25.079	27.615	28.641	29.844	31.103	32.438	149.641
Outlays	24.516	26.472	28.411	29.485	30.089	31.367	145.824
270 Energy							
Budget Authority	2.943	3.408	3.209	3.275	3.346	3.404	16.642
Outlays	1.369	1.162	1.590	1.782	1.829	2.111	8.474
300 Natural Resources and Environment							
Budget Authority	31.332	33.384	33.910	34.660	35.113	36.094	173.161
Outlays	32.919	35.219	35.704	35.834	36.035	36.507	179.299
350 Agriculture							
Budget Authority	21.471	20.481	21.033	21.238	21.256	21.502	105.510
Outlays	19.738	19.603	20.146	20.207	20.534	20.963	101.453
370 Commerce and Housing Credit							
Budget Authority	10.215	11.079	12.073	14.775	8.622	8.522	55.071
Outlays	1.178	3.834	3.148	4.431	2.239	0.456	14.108
Off Budget Authority	4.700	1.800	2.100	1.000	-0.200	-0.300	4.400
Outlays	4.700	1.800	2.100	1.000	-0.200	-0.300	4.400
On Budget Authority	5.515	9.279	9.973	13.775	8.822	8.822	50.671
Outlays	-3.522	2.034	1.048	3.431	2.439	0.756	9.708
400 Transportation							
Budget Authority	81.282	82.799	76.306	77.061	78.089	78.969	393.224
Outlays	74.739	81.093	84.025	85.959	86.672	88.352	426.101
450 Community and Regional Development							
Budget Authority	15.717	15.814	14.725	14.942	15.157	15.371	76.010
Outlays	28.281	22.292	21.008	19.892	18.440	15.938	97.569

500 Education, Training, Employment, and Social Services							
Budget Authority	92.780	93.880	97.809	99.726	100.151	100.748	492.314
Outlays	92.224	91.022	94.513	97.075	98.745	98.728	480.083
550 Health							
Budget Authority	267.892	287.486	308.326	326.118	347.561	370.422	1,639.912
Outlays	268.197	286.442	306.410	326.100	346.748	369.653	1,635.354
570 Medicare							
Budget Authority	365.152	389.587	416.710	442.347	489.077	486.804	2,224.525
Outlays	370.180	389.703	416.367	442.569	489.087	486.417	2,224.143
600 Income Security							
Budget Authority	360.365	380.763	391.707	401.747	417.020	402.674	1,993.911
Outlays	364.204	384.301	393.962	402.784	417.013	402.008	2,000.067
650 Social Security							
Budget Authority	587.817	615.047	645.955	681.432	719.417	762.029	3,423.880
Outlays	585.568	612.573	643.053	678.330	715.897	758.142	3,407.995
Off Budget Authority	568.728	595.403	624.437	657.731	692.408	732.131	3,302.110
Outlays	566.479	592.929	621.535	654.629	688.888	728.244	3,286.225
On Budget Authority	19.089	19.644	21.518	23.701	27.009	29.898	121.770
Outlays	19.089	19.644	21.518	23.701	27.009	29.898	121.770
700 Veterans Benefits and Services							
Budget Authority	73.896	85.262	87.787	90.414	96.033	93.325	452.821
Outlays	72.342	84.421	88.290	89.981	95.543	92.666	450.900
750 Administration of Justice							
Budget Authority	45.504	47.998	48.315	49.220	50.146	51.079	246.757
Outlays	44.659	47.131	49.120	49.449	49.969	50.759	246.428
800 General Government							
Budget Authority	18.193	18.628	19.254	19.876	20.637	21.349	99.744
Outlays	18.574	19.012	19.323	19.755	20.360	21.183	99.634
900 Net Interest							
Budget Authority	236.709	255.678	266.756	279.424	286.265	288.297	1,376.420
Outlays	236.709	255.678	266.756	279.424	286.265	288.297	1,376.420
Off Budget Authority	-107.800	-114.900	-124.300	-135.300	-147.400	-160.300	-682.200
Outlays	-107.800	-114.900	-124.300	-135.300	-147.400	-160.300	-682.200
On Budget Authority	344.509	370.578	391.056	414.724	433.665	448.597	2,058.620
Outlays	344.509	370.578	391.056	414.724	433.665	448.597	2,058.620
920 Allowances							
Budget Authority	0.785	-6.394	-6.894	-7.190	-7.295	-7.427	-35.200
Outlays	0.755	-2.164	-6.319	-6.984	-7.181	-7.311	-29.958
950 Undistributed Offsetting Receipts							
Budget Authority	-81.990	-83.925	-80.247	-81.486	-85.042	-88.280	-418.980
Outlays	-81.990	-83.925	-80.256	-81.486	-85.062	-88.283	-419.012
Off Budget Authority	-12.276	-12.946	-13.687	-14.553	-15.467	-16.423	-73.076
Outlays	-12.276	-12.946	-13.687	-14.553	-15.467	-16.423	-73.076
On Budget Authority	-69.714	-70.979	-66.560	-66.933	-69.575	-71.857	-345.904
Outlays	-69.714	-70.979	-66.569	-66.933	-69.595	-71.860	-345.936
970 Overseas Deployments and Other Activities							
Budget Authority	124.153	145.162	50.000	0.000	0.000	0.000	195.162
Outlays	31.935	115.179	109.830	41.722	13.551	4.505	284.787

FISCAL YEAR 2008 BUDGET RESOLUTION CONFERENCE REPORT
Discretionary Spending

$ billions	2007	2008	2009	2010	2011	2012	2008-2012
Summary							
TOTAL DISCRETIONARY							
Budget Authority	**1,075.293**	**1,099.862**	**1,047.357**	**1,018.929**	**1,030.052**	**1,049.374**	**5,245.574**
Outlays	**1,061.391**	**1,144.840**	**1,160.782**	**1,112.630**	**1,100.382**	**1,096.852**	**5,615.486**
DEFENSE							
Budget Authority	522.419	503.844	531.603	542.020	548.044	556.913	2,682.424
Outlays	531.119	511.144	521.194	533.240	544.711	545.276	2,655.565
NON-DEFENSE							
Budget Authority	552.874	596.018	515.754	476.909	482.008	492.461	2,563.150
Outlays	530.272	633.696	639.588	579.390	555.671	551.576	2,959.921
By Function							
050 National Defense							
Budget Authority	522.419	503.844	531.603	542.020	548.044	556.913	2,682.424
Outlays	531.119	511.144	521.194	533.240	544.711	545.276	2,655.565
150 International Affairs							
Budget Authority	32.750	35.260	35.784	36.323	36.872	37.415	181.654
Outlays	36.676	35.059	35.095	35.718	36.137	36.729	178.738
250 General Science, Space and Technology							
Budget Authority	24.963	27.495	28.521	29.724	30.983	32.318	149.041
Outlays	24.402	26.340	28.281	29.358	29.962	31.251	145.192
270 Energy							
Budget Authority	4.191	4.815	4.638	4.713	4.792	4.869	23.827
Outlays	3.881	4.365	4.696	4.757	4.841	4.918	23.577
300 Natural Resources and Environment							
Budget Authority	30.361	31.940	32.564	33.213	33.884	34.714	166.315
Outlays	31.961	34.441	34.703	34.669	35.027	35.237	174.077
350 Agriculture							
Budget Authority	5.767	5.925	6.072	6.226	6.389	6.551	31.163
Outlays	5.810	5.903	6.028	6.149	6.308	6.471	30.859
370 Commerce and Housing Credit							
Budget Authority	2.690	4.520	5.319	9.102	4.045	4.020	27.006
Outlays	2.928	4.481	4.942	7.102	6.198	4.132	26.855
Off Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
On Budget Authority	2.690	4.520	5.319	9.102	4.045	4.020	27.006
Outlays	2.928	4.481	4.942	7.102	6.198	4.132	26.855
400 Transportation							
Budget Authority	26.117	25.540	27.476	28.095	28.948	29.777	139.836
Outlays	73.028	78.784	81.781	83.722	84.392	86.044	414.723
450 Community and Regional Development							
Budget Authority	12.954	14.500	14.709	14.930	15.150	15.370	74.660
Outlays	25.724	21.233	21.254	20.126	18.655	16.135	97.402

500 Education, Training, Employment, and Social Services							
Budget Authority	80.299	83.910	87.059	88.299	89.517	90.727	439.512
Outlays	80.354	82.420	85.192	87.103	88.626	89.902	433.243
550 Health							
Budget Authority	52.098	54.965	58.009	56.740	57.626	58.503	285.842
Outlays	52.733	54.276	55.921	56.461	56.786	57.642	281.087
570 Medicare							
Budget Authority	4.788	5.010	5.199	5.423	5.667	5.948	27.247
Outlays	4.865	5.050	5.168	5.388	5.630	5.905	27.141
600 Income Security							
Budget Authority	49.491	52.890	53.022	54.036	55.014	56.066	271.028
Outlays	55.654	58.084	57.680	57.267	57.201	57.517	287.748
650 Social Security							
Budget Authority	4.692	4.850	4.996	5.147	5.306	5.467	25.766
Outlays	4.727	4.859	4.970	5.121	5.278	5.439	25.667
Off Budget Authority	4.692	4.850	4.996	5.147	5.306	5.467	25.766
Outlays	4.727	4.859	4.970	5.121	5.278	5.439	25.667
On Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
700 Veterans Benefits and Services							
Budget Authority	36.457	43.125	44.300	45.597	46.957	48.339	228.318
Outlays	35.027	42.358	44.918	45.283	46.464	47.818	226.840
750 Administration of Justice							
Budget Authority	44.251	45.720	47.647	48.660	49.708	50.771	242.505
Outlays	43.355	46.018	47.997	48.622	49.606	50.527	242.770
800 General Government							
Budget Authority	16.067	16.785	17.333	17.871	18.445	19.033	89.467
Outlays	16.457	17.010	17.451	17.806	18.190	18.715	89.173
900 Net Interest							
Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Off Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
On Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
920 Allowances							
Budget Authority	0.785	-6.394	-6.894	-7.190	-7.295	-7.427	-35.200
Outlays	0.755	-2.164	-6.319	-6.984	-7.181	-7.311	-29.958
950 Offsetting Receipts							
Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Off Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
On Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
970 Overseas Deployments and Other Activities							
Budget Authority	124.153	145.162	50.000	0.000	0.000	0.000	195.162
Outlays	31.935	115.179	109.830	41.722	13.551	4.505	284.787

FISCAL YEAR 2008 BUDGET RESOLUTION CONFERENCE REPORT
Mandatory Spending

$ billions	2007	2008	2009	2010	2011	2012	2008-2012
Summary							
TOTAL MANDATORY							
Budget Authority	**1,758.594**	**1,865.523**	**1,958.325**	**2,059.645**	**2,184.178**	**2,225.002**	**10,292.673**
Outlays	**1,690.284**	**1,791.679**	**1,891.347**	**1,993.182**	**2,117.543**	**2,157.925**	**9,951.676**
OFF-BUDGET							
Budget Authority	448.660	464.507	483.554	503.731	524.035	549.641	2,525.468
Outlays	446.376	462.024	480.678	500.655	520.543	545.782	2,509.682
ON-BUDGET							
Budget Authority	1,309.934	1,401.016	1,474.771	1,555.914	1,660.143	1,675.361	7,767.205
Outlays	1,243.908	1,329.655	1,410.669	1,492.527	1,597.000	1,612.143	7,441.994
By Function							
050 National Defense							
Budget Authority	3.378	3.111	3.102	3.151	2.900	2.886	15.150
Outlays	3.151	3.257	3.190	3.193	2.913	2.893	15.446
150 International Affairs							
Budget Authority	-3.955	-0.582	-0.182	-0.343	-0.242	-0.158	-1.507
Outlays	-5.368	-1.989	-2.431	-2.648	-2.609	-2.579	-12.256
250 General Science, Space and Technology							
Budget Authority	0.116	0.120	0.120	0.120	0.120	0.120	0.600
Outlays	0.114	0.132	0.130	0.127	0.127	0.116	0.632
270 Energy							
Budget Authority	-1.248	-1.407	-1.429	-1.438	-1.446	-1.465	-7.185
Outlays	-2.512	-3.203	-3.106	-2.975	-3.012	-2.807	-15.103
300 Natural Resources and Environment							
Budget Authority	0.971	1.444	1.346	1.447	1.229	1.380	6.846
Outlays	0.958	0.778	1.001	1.165	1.008	1.270	5.222
350 Agriculture							
Budget Authority	15.704	14.556	14.961	15.012	14.867	14.951	74.347
Outlays	13.928	13.700	14.118	14.058	14.226	14.492	70.594
370 Commerce and Housing Credit							
Budget Authority	7.525	6.559	6.754	5.673	4.577	4.502	28.065
Outlays	-1.750	-0.647	-1.794	-2.671	-3.959	-3.676	-12.747
Off Budget Authority	4.700	1.800	2.100	1.000	-0.200	-0.300	4.400
Outlays	4.700	1.800	2.100	1.000	-0.200	-0.300	4.400
On Budget Authority	2.825	4.759	4.654	4.673	4.777	4.802	23.665
Outlays	-6.450	-2.447	-3.894	-3.671	-3.759	-3.376	-17.147
400 Transportation							
Budget Authority	55.165	57.259	48.830	48.966	49.141	49.192	253.388
Outlays	1.711	2.309	2.244	2.237	2.280	2.308	11.378
450 Community and Regional Development							
Budget Authority	2.763	1.314	0.016	0.012	0.007	0.001	1.350
Outlays	2.557	1.059	-0.246	-0.234	-0.215	-0.197	0.167

500 Education, Training, Employment, and Social Services							
Budget Authority	12.481	9.970	10.750	11.427	10.634	10.021	52.802
Outlays	11.870	8.602	9.321	9.972	10.119	8.826	46.840
550 Health							
Budget Authority	215.794	232.521	250.317	269.378	289.935	311.919	1,354.070
Outlays	215.464	232.166	250.489	269.639	289.962	312.011	1,354.267
570 Medicare							
Budget Authority	360.364	384.577	411.511	436.924	483.410	480.856	2,197.278
Outlays	365.315	384.653	411.199	437.181	483.457	480.512	2,197.002
600 Income Security							
Budget Authority	310.874	327.873	338.685	347.711	362.006	346.608	1,722.883
Outlays	308.550	326.217	336.282	345.517	359.812	344.491	1,712.319
650 Social Security							
Budget Authority	583.125	610.197	640.959	676.285	714.111	756.562	3,398.114
Outlays	580.841	607.714	638.083	673.209	710.619	752.703	3,382.328
Off Budget Authority	564.036	590.553	619.441	652.584	687.102	726.664	3,276.344
Outlays	561.752	588.070	616.565	649.508	683.610	722.805	3,260.558
On Budget Authority	19.089	19.644	21.518	23.701	27.009	29.898	121.770
Outlays	19.089	19.644	21.518	23.701	27.009	29.898	121.770
700 Veterans Benefits and Services							
Budget Authority	37.439	42.137	43.487	44.817	49.076	44.986	224.503
Outlays	37.315	42.063	43.372	44.698	49.079	44.848	224.060
750 Administration of Justice							
Budget Authority	1.253	2.278	0.668	0.560	0.438	0.308	4.252
Outlays	1.304	1.113	1.123	0.827	0.363	0.232	3.658
800 General Government							
Budget Authority	2.126	1.843	1.921	2.005	2.192	2.316	10.277
Outlays	2.117	2.002	1.872	1.949	2.170	2.468	10.461
900 Net Interest							
Budget Authority	236.709	255.678	266.756	279.424	286.265	288.297	1,376.420
Outlays	236.709	255.678	266.756	279.424	286.265	288.297	1,376.420
Off Budget Authority	-107.800	-114.900	-124.300	-135.300	-147.400	-160.300	-682.200
Outlays	-107.800	-114.900	-124.300	-135.300	-147.400	-160.300	-682.200
On Budget Authority	344.509	370.578	391.056	414.724	433.665	448.597	2,058.620
Outlays	344.509	370.578	391.056	414.724	433.665	448.597	2,058.620
920 Allowances							
Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
950 Undistributed Offsetting Receipts							
Budget Authority	-81.990	-83.925	-80.247	-81.486	-85.042	-88.280	-418.980
Outlays	-81.990	-83.925	-80.256	-81.486	-85.062	-88.283	-419.012
Off Budget Authority	-12.276	-12.946	-13.687	-14.553	-15.467	-16.423	-73.076
Outlays	-12.276	-12.946	-13.687	-14.553	-15.467	-16.423	-73.076
On Budget Authority	-69.714	-70.979	-66.560	-66.933	-69.575	-71.857	-345.904
Outlays	-69.714	-70.979	-66.569	-66.933	-69.595	-71.860	-345.936
970 Overseas Deployments and Other Activities							
Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000

FISCAL YEAR 2008 BUDGET RESOLUTION
SENATE-PASSED RESOLUTION
Total Spending, Revenues, Deficit/Surplus, and Debt

$ billions	2007	2008	2009	2010	2011	2012	2008-2012
Summary							
Budget Authority	**2,817.918**	**2,959.822**	**2,995.153**	**3,064.798**	**3,198.911**	**3,251.711**	**15,470.395**
Off	453.352	469.637	488.838	509.175	529.647	555.424	2,552.722
On	2,364.566	2,490.185	2,506.314	2,555.623	2,669.264	2,696.288	12,917.674
Outlays	**2,749.949**	**2,927.381**	**3,041.497**	**3,093.245**	**3,201.259**	**3,233.911**	**15,497.292**
Off	451.103	467.129	485.922	506.072	526.126	551.535	2,536.784
On	2,298.846	2,460.251	2,555.575	2,587.174	2,675.133	2,682.375	12,960.508
Revenues	**2,538.292**	**2,677.973**	**2,825.395**	**2,958.818**	**3,130.381**	**3,234.619**	**14,827.186**
Off	637.586	668.998	702.851	737.589	772.605	807.928	3,689.971
On	1,900.706	2,008.975	2,122.544	2,221.229	2,357.776	2,426.691	11,137.215
Deficit (-)/Surplus	**-211.657**	**-249.408**	**-216.102**	**-134.427**	**-70.878**	**0.708**	**-670.106**
Off	186.483	201.869	216.929	231.517	246.479	256.393	1,153.187
On	-398.140	-451.276	-433.031	-365.945	-317.357	-255.684	-1,823.293
Debt Held by the Public	5,045.226	5,308.213	5,537.687	5,686.479	5,769.579	5,779.399	--
Public Debt	8,960.830	9,529.811	10,079.488	10,562.973	10,993.669	11,375.583	--
By Function							
050 National Defense							
Budget Authority	619.363	648.820	584.775	545.251	551.054	559.899	2,889.799
Outlays	560.462	617.842	626.962	572.856	558.381	551.763	2,927.804
150 International Affairs							
Budget Authority	34.790	39.214	34.555	34.859	35.432	35.984	180.043
Outlays	32.015	36.944	35.102	33.497	33.377	33.335	172.255
250 General Science, Space and Technology							
Budget Authority	25.079	27.583	26.925	27.289	27.654	28.020	137.471
Outlays	24.516	26.353	27.529	27.651	27.267	27.593	136.394
270 Energy							
Budget Authority	2.958	3.662	3.142	3.198	3.258	3.306	16.566
Outlays	1.384	1.256	1.659	1.778	1.766	2.032	8.492
300 Natural Resources and Environment							
Budget Authority	31.332	32.933	33.331	33.999	34.365	35.098	169.725
Outlays	32.905	34.927	35.250	35.264	35.337	35.624	176.403
350 Agriculture							
Budget Authority	26.207	20.481	20.984	21.137	21.099	21.288	104.989
Outlays	22.580	21.497	20.108	20.118	20.390	20.763	102.877
370 Commerce and Housing Credit							
Budget Authority	10.215	10.715	10.702	9.566	8.391	8.472	47.846
Outlays	1.178	3.682	2.259	1.178	-0.227	0.207	7.099
Off Budget Authority	4.700	1.800	2.100	1.000	-0.200	-0.300	4.400
Outlays	4.700	1.800	2.100	1.000	-0.200	-0.300	4.400
On Budget Authority	5.515	8.915	8.602	8.566	8.591	8.772	43.446
Outlays	-3.522	1.882	0.159	0.178	-0.027	0.507	2.699
400 Transportation							
Budget Authority	81.282	83.872	75.700	76.253	76.887	77.476	390.188
Outlays	74.739	81.383	84.032	85.893	86.307	87.721	425.336
450 Community and Regional Development							
Budget Authority	19.117	15.415	13.561	13.742	13.921	14.098	70.738
Outlays	28.281	22.462	21.264	20.059	18.076	15.084	96.945
500 Education, Training, Employment, and Social Services							
Budget Authority	92.780	93.889	97.592	99.366	99.650	100.104	490.601
Outlays	92.224	90.399	93.948	96.896	98.473	98.307	478.023

550 Health							
Budget Authority	268.340	291.266	310.068	333.219	356.057	379.814	1,670.425
Outlays	268.645	290.234	308.329	333.355	355.356	379.151	1,666.426
570 Medicare							
Budget Authority	365.152	389.969	414.779	439.862	484.792	481.008	2,210.409
Outlays	370.180	390.035	414.440	440.092	484.811	480.632	2,210.011
600 Income Security							
Budget Authority	360.365	379.759	390.801	400.706	415.851	401.275	1,988.392
Outlays	364.204	383.609	393.118	401.774	415.874	400.684	1,995.058
650 Social Security							
Budget Authority	587.817	615.327	646.243	681.729	719.723	762.345	3,425.368
Outlays	585.568	612.819	643.327	678.626	716.202	758.456	3,409.430
Off Budget Authority	568.728	595.683	624.725	658.028	692.714	732.447	3,303.598
Outlays	566.479	593.175	621.809	654.925	689.193	728.558	3,287.660
On Budget Authority	19.089	19.644	21.518	23.701	27.009	29.898	121.770
Outlays	19.089	19.644	21.518	23.701	27.009	29.898	121.770
700 Veterans Benefits and Services							
Budget Authority	73.896	85.262	87.372	89.559	94.707	91.513	448.413
Outlays	72.342	84.424	87.943	89.210	94.314	90.957	446.848
750 Administration of Justice							
Budget Authority	45.559	48.796	47.333	48.106	48.895	49.686	242.816
Outlays	44.709	47.090	48.622	48.669	48.976	49.583	242.941
800 General Government							
Budget Authority	18.196	18.758	19.214	19.657	20.222	20.725	98.576
Outlays	18.577	19.118	19.313	19.573	19.987	20.606	98.597
900 Net Interest							
Budget Authority	236.675	255.525	266.093	276.702	280.076	278.155	1,356.551
Outlays	236.675	255.525	266.093	276.702	280.076	278.155	1,356.551
Off Budget Authority	-107.800	-114.900	-124.300	-135.300	-147.400	-160.300	-682.200
Outlays	-107.800	-114.900	-124.300	-135.300	-147.400	-160.300	-682.200
On Budget Authority	344.475	370.425	390.393	412.002	427.476	438.455	2,038.751
Outlays	344.475	370.425	390.393	412.002	427.476	438.455	2,038.751
920 Allowances							
Budget Authority	0.785	-16.724	-7.296	-7.390	-7.481	-7.574	-46.464
Outlays	0.755	-7.520	-7.069	-7.935	-7.824	-7.761	-38.109
950 Undistributed Offsetting Receipts							
Budget Authority	-81.990	-84.700	-80.722	-82.011	-85.642	-88.980	-422.055
Outlays	-81.990	-84.700	-80.731	-82.011	-85.662	-88.983	-422.087
Off Budget Authority	-12.276	-12.946	-13.687	-14.553	-15.467	-16.423	-73.076
Outlays	-12.276	-12.946	-13.687	-14.553	-15.467	-16.423	-73.076
On Budget Authority	-69.714	-71.754	-67.035	-67.458	-70.175	-72.557	-348.979
Outlays	-69.714	-71.754	-67.044	-67.458	-70.195	-72.560	-349.011

FISCAL YEAR 2008 BUDGET RESOLUTION
SENATE-PASSED RESOLUTION
Discretionary Spending

$ billions	2007	2008	2009	2010	2011	2012	2008-2012
Summary							
TOTAL DISCRETIONARY							
Budget Authority	**1,054.159**	**1,093.622**	**1,038.216**	**1,003.730**	**1,017.149**	**1,033.612**	**5,186.329**
Outlays	**1,056.394**	**1,133.005**	**1,151.313**	**1,098.315**	**1,085.708**	**1,082.463**	**5,550.803**
DEFENSE							
Budget Authority	615.985	645.659	581.603	542.020	548.044	556.913	2,874.239
Outlays	557.311	614.535	623.702	569.583	555.358	548.770	2,911.948
NONDEFENSE							
Budget Authority	438.174	447.963	456.613	461.710	469.105	476.699	2,312.090
Outlays	499.083	518.470	527.611	528.732	530.350	533.693	2,638.855
By Function							
050 National Defense							
Budget Authority	615.985	645.659	581.603	542.020	548.044	556.913	2,874.239
Outlays	557.311	614.535	623.702	569.583	555.358	548.770	2,911.948
150 International Affairs							
Budget Authority	38.745	39.796	34.737	35.202	35.674	36.142	181.550
Outlays	37.383	38.933	37.533	36.145	35.986	35.914	184.511
250 General Science, Space and Technology							
Budget Authority	24.963	27.463	26.805	27.169	27.534	27.900	136.871
Outlays	24.402	26.221	27.399	27.524	27.140	27.477	135.762
270 Energy							
Budget Authority	4.191	5.039	4.541	4.606	4.674	4.741	23.601
Outlays	3.881	4.429	4.735	4.723	4.748	4.809	23.445
300 Natural Resources and Environment							
Budget Authority	30.361	31.489	31.985	32.552	33.136	33.718	162.879
Outlays	31.947	34.149	34.249	34.099	34.329	34.354	171.181
350 Agriculture							
Budget Authority	5.767	5.925	6.023	6.125	6.232	6.337	30.642
Outlays	5.810	5.903	5.990	6.060	6.164	6.271	30.389
370 Commerce and Housing Credit							
Budget Authority	2.690	4.156	3.948	3.893	3.814	3.970	19.781
Outlays	2.928	4.329	4.053	3.849	3.732	3.883	19.846
Off Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
On Budget Authority	2.690	4.156	3.948	3.893	3.814	3.970	19.781
Outlays	2.928	4.329	4.053	3.849	3.732	3.883	19.846
400 Transportation							
Budget Authority	26.117	26.738	27.095	27.612	28.171	28.709	138.325
Outlays	73.028	79.074	81.788	83.656	84.027	85.413	413.958
450 Community and Regional Development							
Budget Authority	16.354	14.101	13.545	13.730	13.914	14.097	69.388
Outlays	25.724	21.403	21.510	20.293	18.291	15.281	96.778
500 Education, Training, Employment, and Social Services							
Budget Authority	80.299	83.769	86.692	87.789	88.866	89.933	437.049
Outlays	80.354	81.647	84.477	86.774	88.204	89.331	430.433

550 Health							
Budget Authority	52.098	57.245	57.751	56.341	57.122	57.895	286.355
Outlays	52.733	56.568	55.840	56.216	56.394	57.140	282.159
570 Medicare							
Budget Authority	4.788	5.392	5.543	5.703	5.874	6.068	28.579
Outlays	4.865	5.382	5.516	5.676	5.846	6.036	28.457
600 Income Security							
Budget Authority	49.491	51.886	52.116	52.995	53.845	54.667	265.509
Outlays	55.654	57.392	56.836	56.257	56.062	56.193	282.739
650 Social Security							
Budget Authority	4.692	5.130	5.284	5.444	5.612	5.783	27.254
Outlays	4.727	5.105	5.244	5.417	5.583	5.753	27.102
Off Budget Authority	4.692	5.130	5.284	5.444	5.612	5.783	27.254
Outlays	4.727	5.105	5.244	5.417	5.583	5.753	27.102
On Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
700 Veterans Benefits and Services							
Budget Authority	36.457	43.125	43.885	44.742	45.631	46.527	223.910
Outlays	35.027	42.361	44.571	44.512	45.235	46.109	222.788
750 Administration of Justice							
Budget Authority	44.306	46.518	46.665	47.546	48.457	49.378	238.564
Outlays	43.405	45.977	47.499	47.842	48.613	49.351	239.283
800 General Government							
Budget Authority	16.070	16.915	17.293	17.652	18.030	18.409	88.299
Outlays	16.460	17.116	17.441	17.624	17.817	18.138	88.136
900 Net Interest							
Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Off Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
On Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
920 Allowances							
Budget Authority	0.785	-16.724	-7.296	-7.390	-7.481	-7.574	-46.464
Outlays	0.755	-7.521	-7.069	-7.936	-7.823	-7.761	-38.109
950 Undistributed Offsetting Receipts							
Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Off Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
On Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000

FISCAL YEAR 2008 BUDGET RESOLUTION
SENATE-PASSED RESOLUTION
Mandatory Spending

$ billions	2007	2008	2009	2010	2011	2012	2008-2012
Summary							
TOTAL MANDATORY							
Budget Authority	**1,763.759**	**1,866.200**	**1,956.937**	**2,061.068**	**2,181.762**	**2,218.099**	**10,284.066**
Outlays	**1,693.555**	**1,794.376**	**1,890.184**	**1,994.930**	**2,115.552**	**2,151.447**	**9,946.488**
OFF-BUDGET							
Budget Authority	448.660	464.507	483.554	503.731	524.035	549.641	2,525.468
Outlays	446.376	462.024	480.678	500.655	520.543	545.782	2,509.682
ON-BUDGET							
Budget Authority	1,315.099	1,401.693	1,473.383	1,557.337	1,657.727	1,668.458	7,758.598
Outlays	1,247.179	1,332.352	1,409.506	1,494.275	1,595.009	1,605.665	7,436.806
By Function							
050 National Defense							
Budget Authority	3.378	3.161	3.172	3.231	3.010	2.986	15.560
Outlays	3.151	3.307	3.260	3.273	3.023	2.993	15.856
150 International Affairs							
Budget Authority	-3.955	-0.582	-0.182	-0.343	-0.242	-0.158	-1.507
Outlays	-5.368	-1.989	-2.431	-2.648	-2.609	-2.579	-12.256
250 General Science, Space and Technology							
Budget Authority	0.116	0.120	0.120	0.120	0.120	0.120	0.600
Outlays	0.114	0.132	0.130	0.127	0.127	0.116	0.632
270 Energy							
Budget Authority	-1.233	-1.377	-1.399	-1.408	-1.416	-1.435	-7.035
Outlays	-2.497	-3.173	-3.076	-2.945	-2.982	-2.777	-14.953
300 Natural Resources and Environment							
Budget Authority	0.971	1.444	1.346	1.447	1.229	1.380	6.846
Outlays	0.958	0.778	1.001	1.165	1.008	1.270	5.222
350 Agriculture							
Budget Authority	20.440	14.556	14.961	15.012	14.867	14.951	74.347
Outlays	16.770	15.594	14.118	14.058	14.226	14.492	72.488
370 Commerce and Housing Credit							
Budget Authority	7.525	6.559	6.754	5.673	4.577	4.502	28.065
Outlays	-1.750	-0.647	-1.794	-2.671	-3.959	-3.676	-12.747
Off Budget Authority	4.700	1.800	2.100	1.000	-0.200	-0.300	4.400
Outlays	4.700	1.800	2.100	1.000	-0.200	-0.300	4.400
On Budget Authority	2.825	4.759	4.654	4.673	4.777	4.802	23.665
Outlays	-6.450	-2.447	-3.894	-3.671	-3.759	-3.376	-17.147
400 Transportation							
Budget Authority	55.165	57.134	48.605	48.641	48.716	48.767	251.863
Outlays	1.711	2.309	2.244	2.237	2.280	2.308	11.378
450 Community and Regional Development							
Budget Authority	2.763	1.314	0.016	0.012	0.007	0.001	1.350
Outlays	2.557	1.059	-0.246	-0.234	-0.215	-0.197	0.167
500 Education, Training, Employment, and Social Services							
Budget Authority	12.481	10.120	10.900	11.577	10.784	10.171	53.552
Outlays	11.870	8.752	9.471	10.122	10.269	8.976	47.590

550 Health							
Budget Authority	216.242	234.021	252.317	276.878	298.935	321.919	1,384.070
Outlays	215.912	233.666	252.489	277.139	298.962	322.011	1,384.267
570 Medicare							
Budget Authority	360.364	384.577	409.236	434.159	478.918	474.940	2,181.830
Outlays	365.315	384.653	408.924	434.416	478.965	474.596	2,181.554
600 Income Security							
Budget Authority	310.874	327.873	338.685	347.711	362.006	346.608	1,722.883
Outlays	308.550	326.217	336.282	345.517	359.812	344.491	1,712.319
650 Social Security							
Budget Authority	583.125	610.197	640.959	676.285	714.111	756.562	3,398.114
Outlays	580.841	607.714	638.083	673.209	710.619	752.703	3,382.328
Off Budget Authority	564.036	590.553	619.441	652.584	687.102	726.664	3,276.344
Outlays	561.752	588.070	616.565	649.508	683.610	722.805	3,260.558
On Budget Authority	19.089	19.644	21.518	23.701	27.009	29.898	121.770
Outlays	19.089	19.644	21.518	23.701	27.009	29.898	121.770
700 Veterans Benefits and Services							
Budget Authority	37.439	42.137	43.487	44.817	49.076	44.986	224.503
Outlays	37.315	42.063	43.372	44.698	49.079	44.848	224.060
750 Administration of Justice							
Budget Authority	1.253	2.278	0.668	0.560	0.438	0.308	4.252
Outlays	1.304	1.113	1.123	0.827	0.363	0.232	3.658
800 General Government							
Budget Authority	2.126	1.843	1.921	2.005	2.192	2.316	10.277
Outlays	2.117	2.002	1.872	1.949	2.170	2.468	10.461
900 Net Interest							
Budget Authority	236.675	255.525	266.093	276.702	280.076	278.155	1,356.551
Outlays	236.675	255.525	266.093	276.702	280.076	278.155	1,356.551
Off Budget Authority	-107.800	-114.900	-124.300	-135.300	-147.400	-160.300	-682.200
Outlays	-107.800	-114.900	-124.300	-135.300	-147.400	-160.300	-682.200
On Budget Authority	344.475	370.425	390.393	412.002	427.476	438.455	2,038.751
Outlays	344.475	370.425	390.393	412.002	427.476	438.455	2,038.751
920 Allowances							
Budget Authority	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Outlays	0.000	0.000	0.000	0.000	0.000	0.000	0.000
950 Undistributed Offsetting Receipts							
Budget Authority	-81.990	-84.700	-80.722	-82.011	-85.642	-88.980	-422.055
Outlays	-81.990	-84.700	-80.731	-82.011	-85.662	-88.983	-422.087
Off Budget Authority	-12.276	-12.946	-13.687	-14.553	-15.467	-16.423	-73.076
Outlays	-12.276	-12.946	-13.687	-14.553	-15.467	-16.423	-73.076
On Budget Authority	-69.714	-71.754	-67.035	-67.458	-70.175	-72.557	-348.979
Outlays	-69.714	-71.754	-67.044	-67.458	-70.195	-72.560	-349.011

HOUSE-PASSED 2008 RESOLUTION: TOTAL SPENDING AND REVENUES

(In billions of dollars)

Fiscal year	2007	2008	2009	2010	2011	2012	2008-2012
			Summary				
Total Spending:							
BA	2,833.966	2,964.648	3,004.851	3,078.830	3,214.277	3,271.296	15,533.902
OT	2,751.168	2,932.771	3,050.953	3,106.494	3,217.179	3,252.030	15,559.427
On-Budget:							
BA	2,380.614	2,495.291	2,516.301	2,569.952	2,684.936	2,716.188	12,982.668
OT	2,300.065	2,465.888	2,565.305	2,600.718	2,691.358	2,700.809	13,024.078
Off-Budget:							
BA	453.352	469.357	488.550	508.878	529.341	555.108	2,551.234
OT	451.103	466.883	485.648	505.776	525.821	551.221	2,535.349
Revenues:							
Total	2,542.292	2,719.794	2,809.777	2,901.310	3,167.155	3,405.024	15,003.060
On-budget	1,904.706	2,050.796	2,106.926	2,163.721	2,394.550	2,597.096	11,313.089
Off-budget	637.586	668.998	702.851	737.589	772.605	807.928	3,689.971
Surplus/Deficit (-)							
Total	-208.876	-212.977	-241.176	-205.184	-50.024	152.994	-556.367
On-budget	-395.359	-415.092	-458.379	-436.997	-296.808	-103.713	-1,710.989
Off-budget	186.483	202.115	217.203	231.813	246.784	256.707	1,154.622
Debt Subject to Limit (end ol	8,927	9,461	10,036	10,591	11,001	11,231	na
Debt Held by the Public (enc	5,042	5,269	5,524	5,743	5,805	5,663	na
			By Function				
National Defense (050):							
BA	525.797	506.955	534.705	545.171	550.944	559.799	2,697.574
OT	534.270	514.401	524.384	536.433	547.624	548.169	2,671.011
International Affairs (150):							
BA	28.795	34.675	35.428	35.623	36.083	36.530	178.339
OT	31.308	33.096	32.557	32.687	33.006	33.613	164.959
General Science, Space, and Technology (250):							
BA	25.079	27.611	28.641	29.844	31.103	32.438	149.637
OT	24.516	26.472	28.411	29.485	30.089	31.367	145.824
Energy (270):							
BA	2.943	3.240	3.051	3.136	3.228	3.307	15.962
OT	1.369	1.092	1.454	1.641	1.697	1.997	7.881
Natural Resources and Environment (300):							
BA	31.332	32.813	33.529	34.483	35.152	36.194	172.171
OT	32.919	34.864	35.332	35.574	35.952	36.543	178.265
Agriculture (350):							
BA	21.471	20.381	20.933	21.138	21.156	21.402	105.010
OT	19.738	19.549	20.059	20.112	20.436	20.863	101.019
Commerce and Housing Credit (370):							
BA	10.215	10.958	12.073	14.775	8.622	8.522	54.950
OT	1.178	3.785	3.096	4.460	1.731	0.797	13.869

HOUSE-PASSED 2008 RESOLUTION: TOTAL SPENDING AND REVENUES

(In billions of dollars)

Fiscal year	2007	2008	2009	2010	2011	2012	2008-2012
On-budget:							
BA	5.515	9.158	9.973	13.775	8.822	8.822	50.550
OT	-3.522	1.985	0.996	3.460	1.931	1.097	9.469
Off-budget:							
BA	4.700	1.800	2.100	1.000	-0.200	-0.300	4.400
OT	4.700	1.800	2.100	1.000	-0.200	-0.300	4.400
Transportation (400):							
BA	81.282	82.657	76.343	77.261	78.289	79.169	393.719
OT	74.739	80.802	83.948	86.127	87.018	88.761	426.656
Community and Regional Development (450):							
BA	15.717	15.032	13.928	14.129	14.328	14.528	71.945
OT	28.281	22.017	20.474	19.220	17.649	15.131	94.491
Education, Training, Employment and Social Services (500):							
BA	92.780	92.461	96.810	98.333	98.409	98.654	484.667
OT	92.224	91.119	93.978	96.041	97.276	96.909	475.323
Health (550):							
BA	267.892	286.767	307.842	325.885	347.621	370.780	1,638.895
OT	268.197	286.261	305.984	325.716	346.553	369.739	1,634.253
Medicare (570):							
BA	365.152	389.586	416.731	442.369	489.100	486.828	2,224.614
OT	370.180	389.696	416.382	442.589	489.109	486.440	2,224.216
Income Security (600):							
BA	360.365	379.927	391.073	401.429	417.016	402.874	1,992.319
OT	364.204	383.546	393.458	402.422	416.907	402.130	1,998.463
Social Security (650):							
BA	587.817	615.047	645.955	681.432	719.417	762.029	3,423.880
OT	585.568	612.573	643.053	678.330	715.897	758.142	3,407.995
On-budget:							
BA	19.089	19.644	21.518	23.701	27.009	29.898	121.770
OT	19.089	19.644	21.518	23.701	27.009	29.898	121.770
Off-budget:							
BA	568.728	595.403	624.437	657.731	692.408	732.131	3,302.110
OT	566.479	592.929	621.535	654.629	688.888	728.244	3,286.225
Veterans Benefits and Services (700):							
BA	73.896	85.192	87.787	90.414	96.033	93.325	452.751
OT	72.342	82.772	87.681	89.710	95.410	92.599	448.172
Administration of Justice (750):							
BA	45.504	46.940	46.111	47.168	48.379	49.610	238.208
OT	44.659	46.155	47.311	47.504	48.164	49.207	238.341
General Government (800):							
BA	18.193	18.614	19.264	19.886	20.647	21.359	99.770
OT	18.574	18.998	19.328	19.765	20.370	21.193	99.654
Net Interest (900):							
BA	236.631	254.554	264.894	277.840	283.792	282.228	1,363.308
OT	236.631	254.554	264.894	277.840	283.792	282.228	1,363.308

HOUSE-PASSED 2008 RESOLUTION: TOTAL SPENDING AND REVENUES

(In billions of dollars)

Fiscal year	2007	2008	2009	2010	2011	2012	2008-2012
On-budget:							
BA	344.431	369.454	389.194	413.140	431.192	442.528	2,045.508
OT	344.431	369.454	389.194	413.140	431.192	442.528	2,045.508
Off-budget:							
BA	-107.800	-114.900	-124.300	-135.300	-147.400	-160.300	-682.200
OT	-107.800	-114.900	-124.300	-135.300	-147.400	-160.300	-682.200
Allowances (920):							
BA	0.785	---	---	---	---	---	---
OT	0.755	0.030	---	---	---	---	0.030
Undistributed Offsetting Receipts (950):							
BA	-81.990	-83.925	-80.247	-81.486	-85.042	-88.280	-418.980
OT	-81.990	-83.925	-80.256	-81.486	-85.062	-88.283	-419.012
On-budget:							
BA	-69.714	-70.979	-66.560	-66.933	-69.575	-71.857	-345.904
OT	-69.714	-70.979	-66.569	-66.933	-69.595	-71.860	-345.936
Off-budget:							
BA	-12.276	-12.946	-13.687	-14.553	-15.467	-16.423	-73.076
OT	-12.3	-12.9	-13.7	-14.6	-15.5	-16.4	-73.076
Overseas Deployments and Other Activities (970):							
BA	124.310	145.163	50.000	---	---	---	195.163
OT	31.506	114.914	109.425	42.324	13.561	4.485	284.709

HOUSE-PASSED 2008 RESOLUTION: DISCRETIONARY SPENDING

(In billions of dollars)

Fiscal year	2007	2008	2009	2010	2011	2012	2008-2012
			Summary				
Total Spending:							
BA	1,075.450	1,100.099	1,048.238	1,020.619	1,032.422	1,052.213	5,253.591
OT	1,060.962	1,142.066	1,161.318	1,114.746	1,101.959	1,100.024	5,620.113
			By Function				
National Defense (050):							
BA	522.419	503.844	531.603	542.020	548.044	556.913	2,682.424
OT	531.119	511.144	521.194	533.240	544.711	545.276	2,655.565
International Affairs (150):							
BA	32.750	35.257	35.610	35.966	36.325	36.688	179.846
OT	36.676	35.085	34.988	35.335	35.615	36.192	177.215
General Science, Space, and Technology (250):							
BA	24.963	27.491	28.521	29.724	30.983	32.318	149.037
OT	24.402	26.340	28.281	29.358	29.962	31.251	145.192
Energy (270):							
BA	4.191	4.647	4.480	4.574	4.674	4.772	23.147
OT	3.881	4.295	4.560	4.616	4.709	4.804	22.984
Natural Resources and Environment (300):							
BA	30.361	31.369	32.183	33.036	33.923	34.814	165.325
OT	31.961	34.086	34.331	34.409	34.944	35.273	173.043
Agriculture (350):							
BA	5.767	5.825	5.972	6.126	6.289	6.451	30.663
OT	5.810	5.849	5.941	6.054	6.210	6.371	30.425
Commerce and Housing Credit (370):							
BA	2.690	4.399	5.319	9.102	4.045	4.020	26.885
OT	2.928	4.432	4.890	7.131	5.690	4.473	26.616
On-budget:							
BA	2.690	4.399	5.319	9.102	4.045	4.020	26.885
OT	2.928	4.432	4.890	7.131	5.690	4.473	26.616
Off-budget:							
BA	—	—	—	—	—	—	—
OT	—	—	—	—	—	—	—
Transportation (400):							
BA	26.117	25.398	27.513	28.295	29.148	29.977	140.331
OT	73.028	78.493	81.704	83.890	84.738	86.453	415.278
Community and Regional Development (450):							
BA	12.954	13.718	13.912	14.117	14.321	14.527	70.595
OT	25.724	20.958	20.720	19.454	17.864	15.328	94.324
Education, Training, Employment and Social Services (500):							
BA	80.299	82.341	85.910	86.756	87.625	88.483	431.115
OT	80.354	82.367	84.507	85.919	87.007	87.933	427.733

HOUSE-PASSED 2008 RESOLUTION: DISCRETIONARY SPENDING

(In billions of dollars)

Fiscal year	2007	2008	2009	2010	2011	2012	2008-2012
Health (550):							
BA	52.098	54.246	57.525	56.507	57.686	58.861	284.825
OT	52.733	54.095	55.495	56.077	56.591	57.728	279.986
Medicare (570):							
BA	4.788	5.009	5.220	5.445	5.690	5.972	27.336
OT	4.865	5.043	5.183	5.408	5.652	5.928	27.214
Income Security (600):							
BA	49.491	52.054	52.388	53.718	55.010	56.266	269.436
OT	55.654	57.329	57.176	56.905	57.095	57.639	286.144
Social Security (650):							
BA	4.692	4.850	4.996	5.147	5.306	5.467	25.766
OT	4.727	4.859	4.970	5.121	5.278	5.439	25.667
On-budget:							
BA	—	—	—	—	—	—	—
OT	—	—	—	—	—	—	—
Off-budget:							
BA	4.692	4.850	4.996	5.147	5.306	5.467	25.766
OT	4.727	4.859	4.970	5.121	5.278	5.439	25.667
Veterans Benefits and Services (700):							
BA	36.457	43.055	44.300	45.597	46.957	48.339	228.248
OT	35.027	40.709	44.309	45.012	46.331	47.751	224.112
Administration of Justice (750):							
BA	44.251	44.662	45.443	46.608	47.941	49.302	233.956
OT	43.355	45.042	46.188	46.677	47.801	48.975	234.683
General Government (800):							
BA	16.067	16.771	17.343	17.881	18.455	19.043	89.493
OT	16.457	16.996	17.456	17.816	18.200	18.725	89.193
Allowances (920):							
BA	0.785	—	—	—	—	—	—
OT	0.755	0.030	—	—	—	—	0.030
Overseas Deployments and Other Activities (970):							
BA	124.310	145.163	50.000	—	—	—	195.163
OT	31.506	114.914	109.425	42.324	13.561	4.485	284.709

HOUSE-PASSED 2008 RESOLUTION: MANDATORY SPENDING

(In billions of dollars)

Fiscal year	2007	2008	2009	2010	2011	2012	2008-2012
			Summary				
Total Spending:							
BA	1,758.516	1,864.549	1,956.613	2,058.211	2,181.855	2,219.083	10,280.311
OT	1,690.206	1,790.705	1,889.635	1,991.748	2,115.220	2,152.006	9,939.314
On-Budget:							
BA	1,309.856	1,400.042	1,473.059	1,554.480	1,657.820	1,669.442	7,754.843
OT	1,243.830	1,328.681	1,408.957	1,491.093	1,594.677	1,606.224	7,429.632
Off-Budget:							
BA	448.660	464.507	483.554	503.731	524.035	549.641	2,525.468
OT	446.376	462.024	480.678	500.655	520.543	545.782	2,509.682
			By Function				
National Defense (050):							
BA	3.378	3.111	3.102	3.151	2.900	2.886	15.150
OT	3.151	3.257	3.190	3.193	2.913	2.893	15.446
International Affairs (150):							
BA	-3.955	-0.582	-0.182	-0.343	-0.242	-0.158	-1.507
OT	-5.368	-1.989	-2.431	-2.648	-2.609	-2.579	-12.256
General Science, Space, and Technology (250):							
BA	0.116	0.120	0.120	0.120	0.120	0.120	0.600
OT	0.114	0.132	0.130	0.127	0.127	0.116	0.632
Energy (270):							
BA	-1.248	-1.407	-1.429	-1.438	-1.446	-1.465	-7.185
OT	-2.512	-3.203	-3.106	-2.975	-3.012	-2.807	-15.103
Natural Resources and Environment (300):							
BA	0.971	1.444	1.346	1.447	1.229	1.380	6.846
OT	0.958	0.778	1.001	1.165	1.008	1.270	5.222
Agriculture (350):							
BA	15.704	14.556	14.961	15.012	14.867	14.951	74.347
OT	13.928	13.700	14.118	14.058	14.226	14.492	70.594
Commerce and Housing Credit (370):							
BA	7.525	6.559	6.754	5.673	4.577	4.502	28.065
OT	-1.750	-0.647	-1.794	-2.671	-3.959	-3.676	-12.747
On-budget:							
BA	2.825	4.759	4.654	4.673	4.777	4.802	23.665
OT	-6.450	-2.447	-3.894	-3.671	-3.759	-3.376	-17.147
Off-budget:							
BA	4.700	1.800	2.100	1.000	-0.200	-0.300	4.400
OT	4.700	1.800	2.100	1.000	-0.200	-0.300	4.400
Transportation (400):							
BA	55.165	57.259	48.830	48.966	49.141	49.192	253.388
OT	1.711	2.309	2.244	2.237	2.280	2.308	11.378
Community and Regional Development (450):							
BA	2.763	1.314	0.016	0.012	0.007	0.001	1.350
OT	2.557	1.059	-0.246	-0.234	-0.215	-0.197	0.167

HOUSE-PASSED 2008 RESOLUTION: MANDATORY SPENDING

(In billions of dollars)

Fiscal year	2007	2008	2009	2010	2011	2012	2008-2012
Education, Training, Employment and Social Services (500):							
BA	12.481	10.120	10.900	11.577	10.784	10.171	53.552
OT	11.870	8.752	9.471	10.122	10.269	8.976	47.590
Health (550):							
BA	215.794	232.521	250.317	269.378	289.935	311.919	1,354.070
OT	215.464	232.166	250.489	269.639	289.962	312.011	1,354.267
Medicare (570):							
BA	360.364	384.577	411.511	436.924	483.410	480.856	2,197.278
OT	365.315	384.653	411.199	437.181	483.457	480.512	2,197.002
Income Security (600):							
BA	310.874	327.873	338.685	347.711	362.006	346.608	1,722.883
OT	308.550	326.217	336.282	345.517	359.812	344.491	1,712.319
Social Security (650):							
BA	583.125	610.197	640.959	676.285	714.111	756.562	3,398.114
OT	580.841	607.714	638.083	673.209	710.619	752.703	3,382.328
On-budget:							
BA	19.089	19.644	21.518	23.701	27.009	29.898	121.770
OT	19.089	19.644	21.518	23.701	27.009	29.898	121.770
Off-budget:							
BA	564.036	590.553	619.441	652.584	687.102	726.664	3,276.344
OT	561.752	588.070	616.565	649.508	683.610	722.805	3,260.558
Veterans Benefits and Services (700):							
BA	37.439	42.137	43.487	44.817	49.076	44.986	224.503
OT	37.315	42.063	43.372	44.698	49.079	44.848	224.060
Administration of Justice (750):							
BA	1.253	2.278	0.668	0.560	0.438	0.308	4.252
OT	1.304	1.113	1.123	0.827	0.363	0.232	3.658
General Government (800):							
BA	2.126	1.843	1.921	2.005	2.192	2.316	10.277
OT	2.117	2.002	1.872	1.949	2.170	2.468	10.461
Net Interest (900):							
BA	236.631	254.554	264.894	277.840	283.792	282.228	1,363.308
OT	236.631	254.554	264.894	277.840	283.792	282.228	1,363.308
On-budget:							
BA	344.431	369.454	389.194	413.140	431.192	442.528	2,045.508
OT	344.431	369.454	389.194	413.140	431.192	442.528	2,045.508
Off-budget:							
BA	-107.800	-114.900	-124.300	-135.300	-147.400	-160.300	-682.200
OT	-107.800	-114.900	-124.300	-135.300	-147.400	-160.300	-682.200
Allowances (920):							
BA	—	—	—	—	—	—	—
OT	—	—	—	—	—	—	—
Undistributed Offsetting Receipts (950):							
BA	-81.990	-83.925	-80.247	-81.486	-85.042	-88.280	-418.980
OT	-81.990	-83.925	-80.256	-81.486	-85.062	-88.283	-419.012

HOUSE-PASSED 2008 RESOLUTION: MANDATORY SPENDING

(In billions of dollars)

Fiscal year	2007	2008	2009	2010	2011	2012	2008-2012
On-budget:							
BA.....	-69.714	-70.979	-66.560	-66.933	-69.575	-71.857	-345.904
OT.....	-69.714	-70.979	-66.569	-66.933	-69.595	-71.860	-345.936
Off-budget:							
BA.....	-12.276	-12.946	-13.687	-14.553	-15.467	-16.423	-73.076
OT.....	-12.276	-12.946	-13.687	-14.553	-15.467	-16.423	-73.076

AGGREGATE AND FUNCTION LEVELS

Pursuant to section 301(a)(3) of the Budget Act, the budget resolution must set appropriate levels for each major functional category based on the 302(a) allocations and the budgetary totals.

The respective levels of the Senate concurrent resolution, the House amendment, and conference agreement for each major budget function, as well as revenue totals, are discussed in the following section. A summary of the overall budget policy is as follows:

Total spending is $2.965 trillion in budget authority (BA) and $2.937 trillion in outlays in 2008, and $15.538 trillion in BA and $15.567 trillion in outlays over 2008–2012.

Discretionary spending for 2008 totals $1.100 trillion in BA and $1.145 trillion in outlays in 2008, and $5.246 trillion in BA and $5.615 trillion in outlays over 2008–2012. Excluding funding for overseas deployments and other activities, discretionary spending for 2008 totals $954.1 billion in BA and $1.029 trillion in outlays. These aggregate amounts (minus cap adjustments for program integrity initiatives) are allocated to the Appropriations Committees to be suballocated among their respective appropriations subcommittees.

Mandatory spending totals $1.866 trillion in BA and $1.792 trillion in outlays in 2008, and $10.293 trillion in BA and $9.952 trillion in outlays over 2008–2012. This includes $750 million in reconciled savings over 2007–2012. These savings are reflected in Function 500. Specific policies to achieve those savings will be determined by the committees of jurisdiction.

Revenue totals $2.685 trillion in 2008, and $14.828 trillion over five years. Specific policies will be determined by the Committee on Finance in the Senate and the Committee on Ways and Means in the House.

The conference report reduces the budget deficit from $251.7 billion in 2008, to a surplus of $41.5 billion in 2012.

The following section describes the conference report's revenue levels and spending according to the budget's functional categories.

REVENUES

Summary

The revenue component of the budget resolution reflects all of the federal government's tax receipts that are classified as ''on budget.'' This includes individual income taxes; corporate income taxes; excise taxes, such as the gasoline tax; and other taxes, such as estate and gift taxes. Taxes collected for the Social Security system—the Old Age and Survivors and Disability Insurance (OASDI) payroll tax—are ''off budget.'' The Hospital Insurance payroll tax portion of Medicare, the Federal Unemployment Tax Act payroll tax, railroad retirement and other retirement systems are all ''on budget.'' Customs duties, tariffs, and other miscellaneous receipts are also included in the revenue component. Pursuant to the Congressional Budget Act of 1974 and the Budget Enforcement Act of 1990, Social Security payroll taxes are not included in the budget resolution.

Senate Resolution

The Senate budget resolution includes $2.0 trillion in on-budget revenues for 2008, and $11.1 trillion over 2008–2012. (The corresponding revenue figures on a unified basis are $2.7 trillion for 2008 and $14.8 trillion over five years.) The resolution provides two years of relief from the Alternative Minimum Tax (AMT), protecting some 20 million middle-class taxpayers from being subject to the AMT in 2007 and 2008. The cost of providing this relief is fully offset. The resolution also assumes the extension of the college tuition deduction, with the costs offset.

The revenue level in the Senate resolution is $179.8 billion below the levels in the CBO baseline over 2007–2012. This provides for the extension after 2010 of middle-class tax relief—child tax credit, the 10 percent bracket, and marriage penalty relief—as well as continuation of the estate tax at 2009 levels adjusted for inflation. In addition, this revenue reduction accommodates extension of other tax provisions expiring in 2010, such as the adoption tax credit, the dependent care tax credit, and the treatment of combat pay for purposes of the earned income tax credit.

The Senate resolution includes several reserve funds that provide for tax relief, including refundable tax relief and the extension of expiring tax relief, as long as the costs of these provisions are offset. These deficit-neutral reserve funds would accommodate, for instance, tax relief related to agriculture, energy, higher education, and manufacturing as well as the extension of enhanced charitable giving from individual retirement accounts, the State and local sales tax deduction, the new markets tax credit, and the above-the-line deduction for teacher classroom supplies.

The Senate resolution assumes that any additional revenues needed under the resolution can be achieved by closing the tax gap, shutting down abusive tax shelters, addressing offshore tax havens, and without raising taxes. To help close the tax gap and bolster Internal Revenue Service (IRS) enforcement, the resolution fully funds the President's budget request for the IRS, including additional resources available through a discretionary cap adjustment that directs $406 million to IRS enforcement activities.

House Amendment

The House amendment matches the level of revenues under the CBO baseline in each year over the 2007–2012 period. This includes $2.1 trillion in on-budget revenues for 2008, and $11.3 trillion over 2008–2012. (The corresponding revenue figures on a unified basis are $2.7 trillion for 2008 and $15.0 trillion over five years.)

By following CBO's baseline path of revenues, the House amendment achieves current-law total revenue levels, but does not assume maintaining current tax law. Thus, the House amendment accommodates reform of the AMT and extension of tax cuts benefitting middle-income households (including the child tax credit, marriage penalty relief, the 10 percent bracket, and the deduction for State and local sales taxes), as long as such changes to tax law are accomplished in a deficit-neutral manner over the 2007–2012 and 2007–2017 periods.

The House amendment also accommodates deficit-neutral extension of other expiring tax provisions, such as the research and experimentation tax credit and the deduction for small business expensing. In addition, the House amendment accommodates deficit-neutral elimination of estate taxes on all but a minute fraction of estates by reforming and substantially increasing the unified tax credit. It also accommodates other high priority deficit-neutral revenue adjustments, such as providing a tax credit for local bonds to support the repair or construction of public schools.

Conference Agreement

The conference agreement includes $2.0 trillion in on-budget revenues for 2008, and $11.1 trillion over 2008–2012. (The corresponding revenue figures on a unified basis are $2.7 trillion for 2008 and $14.8 trillion over five years.) The resolution provides immediate relief from the Alternative Minimum Tax (AMT), with its cost fully offset. The resolution also reflects extension of the college tuition deduction, with the costs offset. The agreement supports tax relief that would benefit the middle class—including extension of the child tax credit, 10 percent bracket, and marriage penalty relief—and provide for estate tax reform. Additionally, the agreement includes several deficit-neutral reserve funds that provide for a wide range of tax policies.

The revenue level in the conference agreement is $180 billion below the levels in the CBO baseline over 2007–2012. Revenue legislation is subject to House and Senate pay-as-you-go (paygo) rules. Additionally, the House reserve fund adjustment for revenue measures (Section 321)—the House ''trigger'' mechanism—creates a second procedural hurdle in the House only, in addition to the paygo rule, to ensure fiscal responsibility.

NATIONAL DEFENSE: FUNCTION 050

Function Summary

The National Defense function includes the military activities of the Department of Defense (DoD), the nuclear-weapons related activities of the Department of Energy (DoE) and the National Nuclear Security Administration, and the national security activities of several other agencies such as the Selective Service, Coast Guard and Federal Bureau of Investigation. The programs in this function include: the pay and benefits of active, Guard, and reserve military personnel; DoD operations including training, maintenance of equipment, and facilities; health care for military personnel and dependents; procurement of weapons; research and development; construction of military facilities, including housing; research on nuclear weapons; and the cleanup of nuclear weapons production facilities.

Senate Resolution

The Senate resolution calls for a total of $648.8 billion in BA and $617.8 billion in outlays for 2008, and $2.9 trillion in BA and outlays over five years. This includes full funding for the President's request for war costs for 2007 through 2009.

Excluding requested war funds, the Senate resolution provides $503.8 billion in BA and $511.1 billion in outlays for defense in 2008. This funding for defense was equal to the level requested by the President for 2008 (as re-estimated by CBO), for a total increase of $39.6 billion in BA over the 2007 level adjusted for inflation.

The Senate resolution rejects the President's proposals for new TRICARE enrollment fees and deductibles for military retirees under the age of 65.

Additionally, the Senate resolution assumes full funding of the President's request for $690 million to support the baseline cost to completion for the waste treatment plant and associated facilities at the Hanford Nuclear Reservation. The resolution additionally assumes increases totaling $22.9 million for the Hanford tank farm and other Hanford cleanup-related programs.

The Senate resolution recognizes that many communities will experience significant population growth or declines resulting from the Base Realignment and Closure (BRAC) 2005 process, and it supports additional funding to accommodate the needs of these communities.

The National Guard has a long history of outstanding service to our nation. Since September 11, 2001, our reliance on the National Guard has only increased with many thousands of troops serving the nation both at home and abroad. The President has now announced that National Guard units will face re-activation for additional tours of duty in Iraq and Afghanistan despite the fact that they have not had the amount of time at home station between deployments that is expected under Department of Defense standards. Congress has provided the National

Guard with significant resources in recognition of the important role the Guard plays in our national security and to ensure that it has the tools to continue to perform its missions. The Senate resolution assumed continued funding of the National Guard at levels at least as high as those assumed in the President's Budget. The Senate resolution encourages the Appropriations Committee to provide for critical needs for National Guard equipment left unfunded in the President's Budget.

The Senate resolution includes a cap adjustment provision allowing the Chairman of the Budget Committee to revise the discretionary spending cap for appropriations related to operations in Iraq, Afghanistan, and other war-related costs. The cap adjustment allowed under the Senate resolution is $145.2 billion in budget authority for 2008 and $50.0 billion for 2009 (a portion of these costs are expected to fall under budget functions other than National Defense). The Senate resolution's levels of deficits and debt assumes that this cap adjustment is fully utilized.

An additional defense-related cap adjustment provision allows the Chairman of the Budget Committee to increase the discretionary cap by up to $5.0 billion to address deficiencies in training, equipment, force protection, logistics, or other matters necessary for the protection of United States military forces, or to address deficiencies at Walter Reed and other military medical facilities.

The existence of these cap adjustments would not prevent the Appropriations Committee from reporting emergency supplemental appropriations legislation if war costs exceed the allotted level. Emergency funding falls outside the discretionary spending caps included in the resolution, and hence does not require an adjustment.

For 2007, the Senate resolution assumes the enactment of the President's full emergency request for war costs, consisting of $99.6 billion in BA and $27.0 billion in outlays. Each of these levels is equal to CBO's reestimate of the President's war funding request.

House Amendment

The House amendment reflects a total of $507.0 billion in BA and $514.4 billion in outlays in 2008, and $2.7 trillion in BA and outlays over five years. The defense of our nation ranks first among our priorities, and the House amendment accordingly provides robust funding for Function 050 (National Defense). The amendment calls, however, for a reallocation of resources to address threats facing the nation and to guarantee first-rate health care for members of our armed forces. It includes assumptions on specific defense policy in Title IV, Section 402.

The National Commission on Terrorist Attacks Upon the United States (commonly referred to as the 9/11 Commission) identified terrorists with weapons of mass destruction as one of the nation's gravest threats. It recommended that Congress supply more resources to secure nuclear weapons and the fissile materials used in making these weapons. It is the policy of the House amendment that non-proliferation programs, such as the Cooperative Threat Reduction program, be given greater priority and higher funding.

High among our priorities is the health care guaranteed our armed forces, not only while they are in harm's way, but when they return from combat with injuries. For that reason, the House amendment opposes Tricare fee increases and calls for a substantial increase in the veterans' health care system. The amendment notes the upcoming recommendations of the President's Commission on Care for America's Returning Wounded Warriors and other government investigations in connection with the substandard care at Walter Reed Army Medical Center, and allows funds for action when those recommendations are received.

It is the policy of the House amendment that acquisition programs such as missile defense and satellite procurement be funded at lower, but still robust levels. Development of space-based interceptors as part of the missile defense program should be de-emphasized and satellite development and procurement should proceed along a more measured schedule. DoD's satellite programs have experienced significant cost growth and the President's request for satellite acquisition reflects a 26 percent increase above the 2007 enacted level.

The House amendment recognizes the need for DoD to root out wasteful spending with far more diligence. Seventeen years after passage of the Chief Financial Officers Act of 1990, DoD still cannot pass a standard audit. The Department cannot adequately track what it owns or the spending in its annual budgets. DoD has allowed the cost of its major acquisition programs to grow at an unsustainable rate. The Department's major acquisition programs grew by $317.0 billion above their initial projections from 2002 to 2006. DoD has awarded contracts for its foreign deployments that have been grossly more wasteful than domestic contracts, especially in Iraq. Furthermore, DoD continues to fund weapons systems that were developed years ago to counter Cold War-era threats, which may not be as effective in protecting the nation from today's threats.

Over the last six years, the Government Accountability Office (GAO) has performed numerous audits of DoD's financial management, contracting, and business practices. GAO made 2,544 recommendations, of which 1,378 have yet to be implemented. The House amendment assumes that enhancing accounting practices at DoD and implementing many GAO recommendations would yield substantial savings that could be applied to meet critical defense priorities. The amendment also directs the committees with jurisdiction over defense and armed services to conduct more oversight with the objective of ferreting out wasteful practices, fraud, and abuse.

For mandatory programs, the House amendment matches the President's assumptions regarding offsetting receipts.

Conference Agreement

The conference agreement for Function 050 includes a total of $507.0 billion in BA and $514.4 billion in outlays in 2008, and $2.7 trillion in BA and outlays over five years. The conference agreement does not assume enactment of the President's proposals for new TRICARE enrollment fees and deductibles for military retirees under the age of 65. In keeping with the Senate resolution, the conference agreement assumes that total National Defense funding includes no less than $5.0 billion to address deficiencies in training, equipment, force protection, logistics, and military medical care. The conference agreement reaffirms the Senate resolution's position on the importance of robust funding for atomic energy defense environmental cleanup activities.

For mandatory programs, the conference agreement matches the President's assumptions regarding offsetting receipts.

The conference agreement reflects war costs in Function 970, as in the House amendment.

The conference agreement also includes a deficit-neutral reserve fund (Section 302) to provide increased flexibility to the relevant House and Senate committees on various issues related to meeting our commitments to wounded and disabled military personnel and veterans, as well as their survivors.

The conference agreement includes a statement of policy on defense issues (Section 402). The House Budget Committee report (H. Rept. 110–69) discussed key priorities to be funded within the defense allocation and the need for the Department of Defense to root out wasteful spending (such as the continued funding of some Cold War-era weapons systems, which may not be as effective in protecting the nation from today's threats). The conference agreement reaffirms these priorities.

INTERNATIONAL AFFAIRS: FUNCTION 150

Function Summary

The International Affairs function includes funding for operations of U.S. embassies and other diplomatic missions abroad; development aid and technical assistance to developing countries; security assistance to foreign governments; refugee assistance; Foreign Military Sales Trust Fund; contributions to international organizations, including financial institutions; and the Export-Import Bank and other trade promotion programs. The major agencies in this function include the Departments of Agriculture, State, and the Treasury; the United States Agency for International Development; and the Millennium Challenge Corporation.

Senate Resolution

The Senate resolution calls for a total of $39.2 billion in BA and $36.9 billion in outlays, including the 2008 emergency request, and $180.0 billion in BA and $172.3 billion in outlays over five years. Excluding assumed war costs provided under a cap adjustment, discretionary spending for 2008 totals $36.5 billion in BA and $35.9 billion in outlays. The discretionary level is $6.5 billion above the 2007 level adjusted for inflation. The Senate resolution includes an increase in funding for international programs and additional funds for trade enforcement.

Overall, the Senate resolution increases funding for the President's Emergency Plan for AIDS Relief above the requested level and provides a U.S. contribution to the Global Fund for HIV/AIDS, Tuberculosis and Malaria of $940 million.

House Amendment

The House amendment reflects a total of $34.7 billion in non-emergency BA and $33.1 billion in non-emergency outlays in 2008, and $178.3 billion in BA and $165.0 billion in outlays over five years. The House amendment's discretionary budget authority for 2008 is $2.0 billion (5.9 percent) more than the amount needed to maintain purchasing power at the 2007 level. The amendment matches the President's Function 150 request for activities related to the United States' overseas military deployments and the Emergency Plan for AIDS Relief, which includes the Global HIV/AIDS Initiative. The House also notes the importance of adequate funding for core U.S. development assistance and other high priority programs.

Consistent with the President's budget, the House amendment also provides full funding to continue agreements that the United States reached in 1998 with Israel and Egypt regarding levels of military financing and economic support.

The House amendment provides additional funding for 2008 for the McGovern-Dole International Food for Education and Child Nutrition Program. This program has been demonstrated to help reduce child hunger and malnutrition, and increase enrollment and attendance in schools in beneficiary countries.

The House notes the large amount of unobligated funding that is still available for the Millennium Challenge Corporation, which has received almost $6.0 billion in total appropriations from fiscal years 2004 through 2007.

The House also notes the strong support enjoyed by H.R. 1595, a measure designed to provide compensation to the Guamanian victims of the Imperial Japanese military occupation during World War II.

Conference Agreement

The conference agreement includes $34.7 billion in BA and $33.1 billion in outlays in 2008, and $180.1 billion in BA and $166.5 billion in outlays over five years. The conference agreement reflects international affairs funding associated with overseas deployments and related activities in Function 970, as in the House amendment.

GENERAL SCIENCE, SPACE, AND TECHNOLOGY: FUNCTION 250

Function Summary

The General Science, Space, and Technology function includes funding for the National Aeronautics and Space Administration (NASA), except aviation programs, the National Science Foundation (NSF), as well as programs in the Department of Energy (DoE) Office of Science.

Senate Resolution

The Senate resolution calls for a total of $27.6 billion in BA and $26.4 billion in outlays for 2008, and $137.5 billion in BA and $136.4 billion in outlays over five years.

The Senate resolution assumes the President's request of $17.3 billion for NASA. The United States' goals for space exploration were defined in the President's 'Vision for Space Exploration' and included in the National Aeronautics and Space Administration Authorization Act of 2005. The resolution recognizes the importance of our nation's space program and endorsed the Act's balanced goals of exploration, science and aeronautics. The Act calls for retirement of the Space Shuttle by 2010 and first flight of its replacement by 2014. The Senate resolution recognizes the strategic importance of uninterrupted access to space and supported efforts to reduce this four-year gap in U.S. human space flight.

In addition, the Senate resolution notes the importance of incentives to promote innovation and competitiveness through research as essential to our nation's efforts to advance the scientific and technological developments necessary to maintain our quality of life and economic security. The resolution also reflects the Senate's concern about the geographic imbalance of federal research funding and believes that it is incumbent upon departments and agencies to ensure a more equitable distribution of funding and research infrastructure development throughout the nation.

The Senate resolution provides a $1.0 billion increase for additional investments in innovation and education, and $40 million for NSF nanotechnology programs.

House Amendment

The House amendment reflects a total of $27.6 billion in BA and $26.5 billion in outlays in 2008, and $149.6 billion in BA and $145.8 billion in outlays over five years. Funding in Function 250 exceeds the funding levels in the President's budget and the current services level for all five years in the budget window. Additional increases for scientific research and education are included in Function 270 (Energy), Function 300 (Environment and Natural Resources), Function 350 (Agriculture), Function 370 (Commerce and Housing Credit), Function 400 (Transportation), Function 500 (Education, Training, Employment, and Social Services), and Function 550 (Health), all of which receive more funding than the President requested. These increases will support the goals of the House Leadership's Innovation Agenda: to put NSF funding on a path toward doubling, to train more qualified science and math teachers, and to invest in basic research on energy technologies.

Conference Agreement

The conference agreement includes $27.6 billion in BA and $26.5 billion in outlays in 2008 and $149.6 billion in BA and $145.8 billion in outlays over five years. The conference agreement provides significant increases for NSF and the DoE Office of Science, and fully funds the President's 2008 request for NASA at $17.3 billion. For NASA, this represents an increase of $696 million, or 4 percent, above the 2007 level adjusted for inflation.

ENERGY: FUNCTION 270

Function Summary

The Energy function includes funding for most civilian energy and environmental programs in the Department of Energy (DoE). This function also includes the Rural Utilities Service of the Department of Agriculture, the Tennessee Valley Authority, the Federal Energy Regulatory Commission, and the Nuclear Regulatory Commission. This function does not include DoE's national security activities, which are in the National Defense function, or its basic research and science activities, which are in the General Science, Space and Technology function.

Senate Resolution

The Senate resolution calls for a total of $3.7 billion in BA and $1.3 billion in outlays for 2008, and $16.6 billion in BA and $8.5 billion in outlays over five years. The Senate resolution assumes $1.6 billion for the DoE's Energy Efficiency and Renewable Energy program. This funding level is $385 million above the President's request. In addition, the Senate resolution rejects the President's proposed cuts to the fossil energy research and development program.

The Senate resolution includes a deficit-neutral reserve fund for energy legislation that would reduce our nation's dependence on foreign sources of energy, expand production and use of alternative fuels and alternative fuel vehicles, promote renewable energy development, improve electricity transmission, encourage responsible development of domestic oil and natural gas resources, or reward conservation and efficiency. The reserve fund will provide committees increased flexibility in finding offsets for legislation that addresses the energy challenges facing our nation. The Senate resolution also includes a deficit-neutral reserve fund which accommodates the extension of various energy tax incentives.

The Senate resolution rejects the President's proposal to increase the interest rates Power Marketing Administrations pay when they borrow funds from the Treasury. The resolution also rejects the proposal to accelerate the Bonneville Power Administration's (BPA's) debt repayment. The BPA proposal could lead to higher electricity rates for power customers in the Northwest and circumvent the regional decision making process. It is unfortunate that the President's budget proposed this again after it was explicitly rejected by Congress last year. The resolution does not assume any savings from the proposal and includes a deficit-neutral reserve fund for legislation blocking the proposal. The levels for the energy function assume funding to accommodate legislation blocking the BPA proposal.

The Senate resolution adds funding for carbon sequestration and capture technology and funding for geothermal, ocean, and hydroelectric energy assistance.

House Amendment

The House amendment reflects a total of $3.2 billion in BA and $1.1 billion in outlays for 2008, and $16.0 billion in BA and $7.9 billion in outlays over five years. The amendment provides funding above the President's request and the level needed to maintain current services for Function 270. This increased funding could be used for research, development, and deployment of renewable and alternative energy technology and resources.

The House amendment also establishes a reserve fund to facilitate the development of conservation and efficiency technologies, clean domestic renewable energy resources, and alternative fuels that will reduce our reliance on foreign oil. The federal government, and particularly the DoE, should take the lead in research and development, and to that end, the House amendment includes an increase in Function 270 above baseline, while emphasizing that this is a first step toward increases that need to come soon and be substantial.

In the meantime, the DoE should husband its resources and program work at the national laboratories to advance the technologies of energy conservation and efficiency and of clean, renewable energy. Other agencies and departments of the government should join this effort. The House amendment recognizes, for example, the role that the Department of Agriculture could take in developing new energy sources such as cellulosic ethanol, and approves this mission among those cited in Function 350.

Funding sources for research and development are scattered throughout the budget. These sources need to be inventoried, and where possible, refocused on research and development of clean and renewable energies.

Conference Agreement

The conference agreement includes $3.4 billion in BA and $1.2 billion in outlays for 2008, and $16.6 billion in BA and $8.5 billion in outlays over five years. The conference agreement rejects the proposal to accelerate the Bonneville Power Administration's (BPA's) debt repayment. The BPA proposal could lead to higher electricity rates for power customers in the Northwest and circumvent the regional decision making process. It is unfortunate that the President's budget proposed this again after it was explicitly rejected by Congress last year. The conference agreement does not assume any savings from the proposal and includes a deficit-neutral reserve fund for legislation rejecting the proposal. The levels for the energy function assume funding to accommodate legislation rejecting the BPA proposal.

The conference agreement also rejects the President's proposal to increase the interest rates Power Marketing Administrations pay when they borrow funds from the Treasury.

The conference agreement includes a deficit-neutral reserve fund to accommodate energy legislation in both the House and the Senate.

NATURAL RESOURCES AND ENVIRONMENT: FUNCTION 300

Function Summary

The Natural Resources and Environment function consists of funding for water resources, conservation, land management, pollution control and abatement, and recreational resources. Major departments and agencies in this function are the Department of the Interior (including the National Park Service, the Bureau of Land Management, the Bureau of Reclamation, the Fish and Wildlife Service, and the Minerals Management Service), conservation-oriented and land management agencies within the Department of Agriculture (including the Forest Service), the National Oceanic and Atmospheric Administration at the Department of Commerce, the Army Corps of Engineers, and the Environmental Protection Agency (EPA).

Senate Resolution

The Senate resolution calls for a total of $32.9 billion in BA and $34.9 billion in outlays for 2008, and $169.7 billion in BA and $176.4 billion in outlays over five years. The Senate resolution includes $8.1 billion for the EPA. This is $877 million above the President's request and $170 million above the 2007 level adjusted for inflation. In nominal dollars, the President's proposed 2008 funding level of $7.2 billion would be the lowest budget for EPA since 1997. The Senate resolution assumes $1.5 billion for Superfund, an increase of $211 million above the President's request. The Senate resolution also assumes full funding for EPA's programs to support clean and safe drinking water. It rejects the President's proposal to cut a variety of environmental protection programs.

The Senate resolution rejects the President's proposal to permit oil and gas leasing in the Arctic National Wildlife Refuge (ANWR) and does not assume savings from the proposal. The Senate resolution also does not assume any savings from the President's proposal to sell Federal lands.

It rejects the proposal in the President's budget to reallocate the repayment of the capital costs of the Pick-Sloan Missouri Basin irrigation program to power customers. The resolution recognizes the importance of the Bureau of Reclamation rural water program to support ongoing Municipal, Rural, and Industrial (MR&I) systems for the Great Plains Region. The Bureau of Reclamation supplies drinking water to 2.6 million people in the Great Plains region and is encouraged to prioritize the completion of the Pick Sloan-Missouri Basin Program—Garrison Diversion Unit, the Mni Wiconi Project, Dry Prairie, Perkins County, and the Lewis and Clark projects. Together, these projects have a capability of $200 million. The resolution supports funding these projects at a level that is as close as possible to the full capability for these vital rural water development projects. The Senate resolution adds funding for the Forest Service.

House Amendment

The House amendment reflects a total of $32.8 billion in BA and $34.9 billion in outlays for 2008 and $172.2 billion in BA and $178.3 billion in outlays over five years. The House amendment rejects the President's proposed cuts to priority programs, such as the Land and Water Conservation Fund, the Fish and Wildlife Service's wildlife refuge system, the EPA's grants to States and Tribes to address water and air quality, and other EPA programs. It also includes funding to address high-priority brownfield redevelopment concerns. In addition, the amendment accommodates the President's recommendation to increase funding for the operation and maintenance of the national park system. The House amendment includes a deficit-neutral reserve fund to facilitate the reauthorization of the Farm Bill, providing resources for such objectives as to secure an economic safety net for agricultural producers, conserve our natural resources, and address nutrition needs.

Conference Agreement

The conference agreement includes $33.4 billion in BA and $35.2 billion in outlays for 2008, and $173.2 billion in BA and $179.3 billion in outlays over five years. The funding levels in the conference agreement assume that if the severity of the fire season requires additional funding, wildland fire suppression activities will be funded for 2008 at no less than $400 million above the ten-year average at the Forest Service and $100 million above the ten-year average at the Department of the Interior.

AGRICULTURE: FUNCTION 350

Function Summary

The Agriculture function includes farm income stabilization, agricultural research, and other services administered by the U.S. Department of Agriculture. The discretionary programs include research and education programs, economics and statistics services, administration of the farm support programs, farm loan programs, meat and poultry inspection, and a portion of the Public Law 480 international food aid program. The mandatory programs include commodity programs, crop insurance, and certain farm loans.

Senate Resolution

The Senate resolution reflects a total of $20.5 billion in BA and $21.5 billion in outlays for 2008 and $105.0 billion in BA and $102.9 billion in outlays over five years. With the 2002 Farm Bill expiring this year, the Senate resolution provides a deficit-neutral reserve fund for the reauthorization of agricultural programs. To address the needs of rural America and promote new sources of renewable energy from U.S. farm products, it would provide a $15.0 billion deficit-neutral reserve fund for the 2007 through 2012 period to reauthorize the Farm Bill. The reauthorization of the Farm Bill will provide an economic safety net for agricultural producers, enhance the stewardship of our natural resources, address domestic nutrition needs, increase agricultural research, and improve our export competitiveness.

House Amendment

The House amendment reflects a total of $20.4 billion in BA and $19.5 billion in outlays for 2008 and $105.0 billion in BA and $101.0 billion in outlays over five years. The amendment provides sufficient funding to bolster commodity support, agricultural research, and animal and plant inspection programs. The amendment includes a deficit-neutral reserve fund to facilitate the reauthorization of the Farm Bill, providing resources for such objectives as to secure an economic safety net for agricultural producers, conserve our natural resources, and address nutrition needs.

Conference Agreement

The conference agreement includes a total of $20.5 billion in BA and $19.6 billion in outlays for 2008, and $105.5 billion in BA and $101.5 billion in outlays over five years. The conference agreement includes a deficit-neutral reserve fund (Section 307) to provide up to an additional $20.0 billion for the 2007 Farm Bill to improve the economic safety net for farmers, address domestic nutrition needs, enhance conservation programs, and encourage the production of renewable energy resources and other purposes.

COMMERCE AND HOUSING CREDIT: FUNCTION 370

Function Summary

The Commerce and Housing Credit function includes mortgage credit, the Postal Service, deposit insurance, and other advancement of commerce (the majority of the discretionary and mandatory spending in this function). The mortgage credit component of this function includes housing assistance through the Federal Housing Administration, the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac), the Government National Mortgage Association (Ginnie Mae), and rural housing programs of the Department of Agriculture. The function also includes net Postal Service spending and spending for deposit insurance activities of banks, thrifts, and credit unions. Most of the Commerce Department is provided for in this function, including the International Trade Administration, the Bureau of Economic Analysis, the Patent and Trademark Office, the National Institute of Standards and Technology, the National Telecommunications and Information Administration, and the Bureau of the Census. Finally, the function also includes funding for independent agencies such as the Securities and Exchange Commission, the Commodity Futures Trading Commission, the Federal Trade Commission, the Federal Communications Commission, and the majority of the Small Business Administration.

Senate Resolution

The Senate resolution calls for a total of $10.7 billion in unified BA and $3.7 billion in unified outlays for 2008, and $47.8 billion in unified BA and $7.1 billion in unified outlays over five years. The Senate resolution rejects the President's proposal to cut assistance to America's small businesses. The President has tried repeatedly to reduce the Manufacturing Extension Program (MEP), which helps small businesses adopt advanced manufacturing technologies, but Congress has consistently restored the funding. The Senate resolution restores cuts to this vital program. The Senate resolution also provides robust resources for the Small Business Administration.

House Amendment

The House amendment reflects a total of $11.0 billion in unified BA and $3.8 billion in unified outlays for 2008 and $55.0 billion in unified BA and $13.9 billion in unified outlays over five years. The House amendment's discretionary function total includes significantly increased funding for the Bureau of Census, reflecting continued preparation for the 2010 census. For 2008, and over the following four years, funding in Function 370 is above the level in the President's budget.

Conference Agreement

The conference agreement calls for a total of $11.1 billion in unified BA and $3.8 billion in unified outlays for 2008, and $55.1 billion in unified BA and $14.1 billion in unified outlays over five years.

TRANSPORTATION: FUNCTION 400

Function Summary

The Transportation function consists mostly of the programs administered by the Department of Transportation, including programs for highways, mass transit, aviation, and maritime activities. This function also includes two components of the Department of Homeland Security: the Coast Guard and the Transportation Security Administration. In addition, this function includes several small transportation-related agencies and the research program for civilian aviation at NASA.

Senate Resolution

The Senate resolution calls for a total of $83.9 billion in BA and $81.4 billion in outlays for 2008, and $390.2 billion in BA and $425.3 billion in outlays over five years. The Senate resolution provides $1.8 billion in BA for Amtrak, a funding level that is $880 million above the President's request and $480 million above the 2007 level adjusted for inflation. Amtrak is a vital link to many small communities, and the Senate resolution will help Amtrak pay off debt and continue to improve its operations. The Senate resolution also provides full funding for highway, safety, and transit programs.

House Amendment

The House amendment reflects a total of $82.7 billion in BA and $80.8 billion in outlays for 2008 and $393.7 billion in BA and $426.7 billion in outlays over five years. It fully funds the highway, safety, and transit programs authorized in the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A

Legacy for Users (SAFETEA–LU). Specifically, the House amendment includes both the revenue aligned budget authority (RABA) and the funding for transit capital projects that the President's 2008 budget cuts. In addition, the House amendment maintains Amtrak, provides additional funding for grants to airports, and rejects the President's cuts to aviation programs within NASA.

Conference Agreement

The conference agreement provides a total of $82.8 billion in BA and $81.1 billion in outlays for 2008 and $393.2 billion in BA and $426.1 billion in outlays over five years. The conference agreement fully funds the highway, safety, and transit programs authorized in the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA–LU). Specifically, the conference agreement includes the revenue aligned budget authority (RABA) that the President's 2008 budget cuts. Among other transportation programs, the conference agreement provides $1.8 billion in BA for Amtrak.

COMMUNITY AND REGIONAL DEVELOPMENT: FUNCTION 450

Function Summary

The Community and Regional Development function includes federal programs to improve community economic conditions, promote rural development, and assist in federal preparations for and response to disasters. This function provides appropriated funding for the Community Development Block Grant (CDBG), Department of Agriculture rural development programs, the Bureau of Indian Affairs, the Federal Emergency Management Agency (including homeland security grants), and other disaster mitigation and community development-related programs. It also provides mandatory funding for the federal flood insurance program.

Senate Resolution

The Senate resolution calls for a total of $15.4 billion in BA and $22.5 billion in outlays for 2008, and $70.7 billion in BA and $96.9 billion in outlays over five years. This level restores cuts proposed in the President's budget for community development programs and several Department of Homeland Security (DHS) grant programs, including first responder grants. In addition, the Senate resolution includes increases in funding for security grant programs relating to port security, rail and transit security, interoperable communications equipment, and emergency management performance grants.

House Amendment

The House amendment reflects a total of $15.0 billion in BA and $22.0 billion in outlays in 2008, and $71.9 billion in BA and $94.5 billion in outlays over five years. The House amendment provides more than the President's 2008 discretionary funding level for Function 450, rejecting the President's cuts to the Community Development Block Grant (CDBG) program and providing additional funds for this and other key priorities like rural development and disaster preparedness.

Conference Agreement

The conference agreement includes a total of $15.8 billion in BA and $22.3 billion in outlays for 2008, and $76.0 billion in BA and $97.6 billion in outlays over five years. The conference agreement provides funding for continued investments in and additional resources for community development and homeland security, including community development block grants, interoperable communications equipment grants, and emergency management performance grant programs.

EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES: FUNCTION 500

Function Summary

The Education, Training, Employment and Social Services function includes funding for the Department of Education, as well as programs in the Department of Health and Human Services (HHS) and the Department of Labor. This function provides funding for elementary and secondary, career and technical, and post-secondary educational programs; job training and employment services; children and family services; and statistical analysis and research related to these areas. It also contains funding for the Library of Congress and independent research and art agencies such as the Corporation for Public Broadcasting, the Smithsonian Institution, the National Gallery of Art, the John F. Kennedy Center for the Performing Arts, the National Endowment for the Arts, and the National Endowment for the Humanities.

Senate Resolution

The Senate resolution calls for a total of $93.9 billion in BA and $90.4 billion in outlays in 2008 and $490.6 billion in BA and $478.0 billion in outlays over five years. The Senate resolution provides $2.0 billion in 2009 advance funding for Function 500 programs.

The Senate resolution recognizes that investments in education and training programs are critical to our nation's long-term economic outlook and provides $9.3 billion above the President's 2008 discretionary request for this function, including $2.0 billion in advance 2009 funding. Specifically, the Senate resolution rejects the President's proposed cuts and provides the largest increase since 2002 for elementary and secondary programs, particularly for Title I, the Individuals with Disabilities Education Act (IDEA), and Impact Aid. The Senate resolution provides an increase for Head Start and fully accommodates the President's proposed increases in the maximum Pell grant.

The Senate resolution provides a deficit-neutral reserve fund to facilitate enactment of legislation to improve college access and affordability. The Senate resolution provides $100 million for summer education programs, and a deficit-neutral reserve fund to facilitate enactment of legislation to provide assistance to States for offering or expanding preschool for children from low-income families. The Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation appropriating up to $17 million for 2008 if the Comptroller General makes certain certifications to Congress regarding the Smithsonian Institution.

House Amendment

The House amendment calls for a total of $92.5 billion in BA and $91.1 billion in outlays for 2008 and $484.7 billion in BA and $475.3 billion in outlays over five years. The House amendment specifically rejects the President's cuts to education, including his plan to eliminate many education programs. The amendment also rejects the President's steep cuts to job training and social services programs, including the Community Services Block Grant and the Social Services Block Grant.

In contrast to the President's funding cuts, the House amendment makes a down payment toward addressing long-standing needs in education, training, and social services. To that end, the amendment provides an appropriated program level for Function 500 that is $7.9 billion above the 2008 level in the President's budget. Those additional resources include $5.9 billion in 2008 funding and an increase of $2.0 billion in advance 2009 funding.

The House amendment's increased funding could be used for vital programs that help children and adults who most need assistance, including Head Start, Title I and other elementary and secondary education programs authorized under the No Child Left Behind Act, and employment training and national service programs such as VISTA. The additional funding also could bolster the federal government's commitment to cover a growing share of the cost of special education under the Individuals with Disabilities Education Act. Finally, the increased funds could help secure college access, equity, and success for every American by raising the maximum Pell Grant to at least $4,600, maintaining Supplemental Opportunity Educational Grants and the Leveraging Educational Assistance Partnerships, and broadening access to Hispanic-serving institutions, Historically Black Colleges and Universities, and other high-quality educational opportunities.

The House amendment also contains a reserve fund to accommodate legislation that makes college more affordable.

Conference Agreement

The conference agreement includes $93.9 billion in BA and $91.0 billion in outlays in 2008 as well as $2.0 billion in advance 2009 funding, and $492.3 billion in BA and $480.1 billion in outlays over five years. For 2008, the conference agreement provides $7.5 billion above the President in discretionary BA, plus the additional $2.0 billion in advance BA for 2009. The conference report rejects the President's program eliminations and cuts. Additional funding is provided for investments in educational opportunities, social services, and job training.

The conference agreement recognizes that funding for education programs has been insufficient to meet the mandates created by federal laws, and, even more important, to ensure that every child receives a world-class education. The agreement envisions significant investments in this area.

The conference agreement recognizes that early childhood education programs provide a sound return on investment. Despite efforts to increase preschool programs at the state level, the conference agreement acknowledges that many preschool children do not have access to early childhood education programs and further investments should be considered at the federal level. The conference agreement also contains a reserve fund to accommodate legislation that makes college more affordable.

HEALTH: FUNCTION 550

Function Summary

The Health function includes most direct health care service programs as well as funding for anti-bioterrorism activities, national biomedical research, protecting the health of the general population and workers in their places of employment, providing health services for under-served populations, and promoting training for the health care workforce. The major programs in this function include Medicaid, the State Children's Health Insurance Program (SCHIP), health benefits for federal workers and retirees, the National Institutes of Health (NIH), the Food and Drug Administration (FDA), the Health Resources and Services Administration (HRSA), the Centers for Disease Control and Prevention (CDC), the Substance Abuse and Mental Health Services Administration (SAMHSA), the Indian Health Service (IHS), and the Agency for Healthcare Research and Quality.

Senate Resolution

The Senate resolution calls for a total of $291.3 billion in BA and $290.2 billion in outlays for 2008, and $1.7 trillion in BA and $1.7 trillion in outlays over five years. The Senate resolution includes increases above the

2007 enacted level adjusted for inflation for NIH, HRSA, CDC, FDA, and IHS. Significant increases for Community Health Centers and health professions within HRSA are also included. The Senate resolution assumes funding for the last phase of HHS' National Strategy for Pandemic Influenza. The resolution rejects the President's proposed $146 million cut for Rural Health Activities in HRSA. The resolution also supports funding demonstration programs to provide patient navigator services as authorized in the Patient Navigator, Outreach, and Chronic Disease Prevention Act under HRSA. In addition, the Senate resolution contains various health care related deficit-neutral reserve funds, including a reserve fund for SCHIP legislation.

House Amendment

The House amendment calls for a total of $286.8 billion in BA and $286.3 billion in outlays for 2008 and $1.6 trillion in BA and outlays over five years. The discretionary resources for Function 550 for 2008 represent an increase over both the 2007 level and the President's request. The House amendment increases resources for public health programs to provide for advances in science, improvements in health, access to quality health care for underserved populations, and other critical programs.

Programs in Function 550 are also addressed in the House amendment's deficit-neutral reserve funds for SCHIP and for Transitional Medical Assistance.

Conference Agreement

The conference agreement includes a total of $287.5 billion in BA and $286.4 billion in outlays for 2008, and $1.6 trillion in BA and $1.6 trillion in outlays over five years. In addition to increases for other health agencies, the conference agreement includes significant increases for Community Health Centers and the National Health Service Corps within HRSA as well as funding for patient navigator services. The conference agreement also contains several health care related deficit-neutral reserve funds, including a reserve fund for SCHIP legislation.

MEDICARE: FUNCTION 570

Function Summary

The Medicare function includes funding to administer and to provide benefits under the Medicare program. Medicare is a federal health insurance program that currently covers 43 million Americans aged 65 and older, as well as younger adults who are disabled or suffer from end-stage renal disease.

Congress provides an annual appropriation for the costs of administering Medicare, including resources to conduct program integrity activities to guard against improper payments, fraud, and abuse. The remainder of spending in this function is mandatory and reflects payments to health care providers and private insurance plans, as well as beneficiary premiums and other receipts and payments to the Medicare trust funds, under the Part A Hospital Insurance (HI) program, the Part B Supplementary Medical Insurance (SMI) program, the Part C Medicare Advantage program, and the Part D Prescription Drug program.

Senate Resolution

The Senate resolution calls for a total of $390.0 billion in BA and $390.0 billion in outlays for 2008, and $2.2 trillion in BA and $2.2 trillion in outlays over five years. For 2008, the discretionary funding levels in this function include a discretionary cap adjustment of up to $383 million for program integrity activities of the Health Care Fraud and Abuse Control (HCFAC program) to address improper payments, fraud, and abuse in the Medicare program. In addition, the mandatory funding levels in this function assume Medicare savings of $15.0 billion over five years from reducing certain overpayments to health care providers. Specific policies to enact these savings will be determined by the Senate Finance Committee. The function also assumes an additional savings of $400 million over five years to offset SCHIP shortfall legislation.

House Amendment

The House amendment reflects a total of $389.6 billion in BA and $389.7 billion in outlays in 2008, and $2.2 trillion in BA and $2.2 trillion in outlays over five years. It assumes the extension of Medicare premium assistance for qualified individuals with incomes between 120 and 135 percent of the federal poverty level and limited financial resources. The amendment assumes that savings from Medicare program efficiency improvements will offset the costs of extending the premium assistance program as well as other initiatives to improve the Medicare program for beneficiaries.

The House amendment assumes targeted assistance to hospitals with 100 beds or more that have faced a reduction in Medicare disproportionate share hospital payments due to assignment to a Micropolitan area.

The amendment accommodates a discretionary cap adjustment of $183 million for additional activities aimed at detecting and preventing Medicare fraud. The Health Care Fraud and Abuse Control program—a joint effort of the Department of Health and Human Services, the HHS Office of Inspector General, and the Department of Justice—generated roughly $4 in program savings for every dollar spent in 2004 and 2005.

The House amendment also contains a reserve fund to accommodate legislation for Medicare program improvements.

Conference Agreement

The conference agreement reflects a total of $389.6 billion in BA and $389.7 billion in outlays in 2008, and $2.2 trillion in BA and $2.2 trillion in outlays over five years. Discretionary and mandatory spending levels in this function are consistent with the CBO baseline funding levels.

For fiscal year 2008, the discretionary funding levels in Function 920 include a discretionary cap adjustment of up to $383 million for program integrity activities of the Health Care Fraud and Abuse Control (HCFAC) program, to address improper payments, fraud and abuse in the Medicare program.

INCOME SECURITY: FUNCTION 600

Function Summary

The Income Security function contains a range of income security programs including: (1) major cash and in-kind means-tested entitlements; (2) general retirement, disability, and pension programs excluding Social Security and veterans' compensation programs; (3) federal and military retirement programs; (4) unemployment compensation; (5) low-income housing programs; and (6) other low-income support programs. Major federal entitlement programs in this function include unemployment insurance, food stamps, child nutrition, Temporary Assistance to Needy Families (TANF), foster care, child support enforcement, child care, Supplemental Security Income, and spending for the refundable portion of the Earned Income Credit.

Senate Resolution

The Senate resolution calls for a total of $379.8 billion in BA and $383.6 billion in outlays for 2008, and $2.0 trillion in BA and $2.0 trillion in outlays over five years. The Senate resolution includes increases for the Low-Income Home Energy Assistance Program to continue providing heating and cooling assistance to over five million low income households, including the working poor, disabled persons, elderly, and families with young children. The Senate resolution also includes a deficit-neutral reserve fund to provide up to an additional $5.0 billion in mandatory child care funding.

House Amendment

The House amendment calls for a total of $379.9 billion in BA and $383.5 billion in outlays for 2008 and $2.0 trillion in BA and outlays over five years. The House amendment provides increased funding that could be used to meet urgent needs related to Hurricane Katrina recovery and to begin addressing long-ignored challenges facing children and families, including large backlogs in the Social Security disability system. The amendment also includes a deficit-neutral reserve fund to facilitate the reauthorization of the Farm Bill, providing resources for such objectives as to secure an economic safety net for agricultural producers, conserve our natural resources, and address nutrition needs.

Conference Agreement

The conference agreement includes a total of $380.8 billion in BA and $384.3 billion in outlays for 2008, and $2.0 trillion in BA and $2.0 trillion in outlays over five years. The total includes increased funding for the Low-Income Home Energy Assistance Program, critical Hurricane Katrina recovery efforts, and other challenges, including a reduction of Social Security disability backlogs. The total Income Security funding level in the conference report (including Function 920) also assumes the President's full request for a cap adjustment for program integrity efforts, including additional funding for in-person reemployment and eligibility assessments and unemployment insurance improper payment reviews, but does not assume enactment of proposals which would adversely affect workers who have received unemployment benefits. The conference agreement also includes a deficit-neutral reserve fund to provide up to an additional $5.0 billion in mandatory child care funding and a farm bill reserve fund which accommodates nutrition needs.

SOCIAL SECURITY: FUNCTION 650

Function Summary

The Social Security function includes funding for the Old-Age, Survivors, and Disability Insurance (OASDI) programs, which provide earned Social Security benefits to nearly 50 million eligible retired workers, disabled persons, and their spouses and survivors. In addition, this function provides funding to the Social Security Administration (SSA) and the Office of the Inspector General (OIG) to administer the Social Security program and ensure program integrity.

Under provisions of the Congressional Budget Act and the Budget Enforcement Act, the Old-Age and Survivors Insurance (OASI) trust fund and the Disability Insurance (DI) trust fund are off-budget and do not appear in the budget resolution totals. A small portion of spending in Function 650, the general fund transfer of income taxes on Social Security benefits to the trust funds, is considered on-budget and appears in the budget resolution totals.

Senate Resolution

The Senate resolution calls for $19.6 billion in on-budget BA and outlays for 2008, and $121.8 billion in on-budget BA and outlays over five years. (The corresponding figures on a unified basis are $615.3 billion in BA and $612.8 billion in outlays for 2008 and $3.4 trillion in BA and outlays over five years.) This spending reflects the general fund transfer of

income taxes on Social Security benefits to the trust funds.

For 2008, the Senate resolution provides $5.1 billion in BA and $5.1 billion in outlays for SSA administrative expenses, as outlined in section 102(c) of the resolution, which represents a $297 million increase over the President's request. The additional funding is intended to help address the serious and growing backlog of Social Security disability claims and hearings.

House Amendment

The House amendment reflects $19.6 billion in on-budget BA and outlays for 2008, and $121.8 billion in on-budget BA and outlays over five years. (The corresponding figures on a unified basis are $615.0 billion in BA and $612.6 billion in outlays for 2008 and $3.4 trillion in BA and outlays over five years.) It rejects the President's private account proposal for Social Security.

The administrative budget for the Social Security Administration (SSA) includes resources in Function 570 (Medicare) and Function 600 (Income Security) as well as Function 650. The House amendment assumes a $9.9 billion discretionary funding level for SSA. The additional resources will prevent increases in the backlogs of disability decisions and hearings that would occur under the President's budget. The House amendment will enable SSA to address the significant number of individuals waiting for disability and hearing decisions.

The House amendment also accommodates an additional $213 million through a discretionary cap adjustment for program integrity initiatives. The cap adjustment allows the agency to conduct an increasing number of Continuing Disability Reviews (CDRs) and Supplemental Security Income redeterminations.

Conference Agreement

The conference agreement includes $19.6 billion in on-budget BA and outlays for 2008, and $121.8 billion in on-budget BA and outlays over five years. (The corresponding figures on a unified basis are $615.0 billion in BA and $612.6 billion in outlays for 2008 and $3.4 trillion in BA and outlays over five years.) The discretionary and mandatory funding levels in this function are consistent with the CBO baseline.

For 2008, the conference agreement provides total net resources for the administrative expenses of SSA and the OIG (across all relevant functions) of $10.1 billion, $430 million above the President's requested level. The total SSA funding level in the conference agreement assumes both the President's full request for a cap adjustment in Function 920 for program integrity efforts (including continuing disability reviews (CDRs) and SSI redeterminations) as well as additional resources in Function 600 to address the disability hearings and claims backlog.

VETERANS BENEFITS AND SERVICES: FUNCTION 700

Function Summary

The Veterans Benefits and Services function covers the programs of the Department of Veterans Affairs (VA), including veterans' medical care, compensation and pensions, education and rehabilitation benefits, and housing programs. It also includes the Department of Labor's Veterans' Employment and Training Service, the United States Court of Appeals for Veterans Claims, and the American Battle Monuments Commission.

Senate Resolution

The Senate resolution calls for a total of $85.3 billion in BA and $84.4 billion in outlays for 2008, and $448.4 billion in BA and $446.8 billion in outlays over five years. The Senate resolution provides $43.1 billion in BA in 2008 for discretionary veterans' programs, including medical care. This amount is $3.6 billion more than the President's proposed funding level and represents 98 percent of the level requested in The Independent Budget, a plan developed by four leading veterans' groups. The funding in the Senate resolution will ensure that the Veterans Health Administration within VA can provide the highest quality health care for all veterans.

In 2005, the President's budget underfunded the Veterans Health Administration, and VA was forced to ask Congress for two supplemental funding requests. The Senate resolution provides full funding to ensure that VA can meet its obligations to veterans.

The Senate supports the determination that robust resources are needed by VA to address the backlog and delay in the disability evaluation and claims process, and that funding should be dedicated to address and improve this process.

House Amendment

The House amendment reflects a total of $85.2 billion in BA and $82.8 billion in outlays for 2008, and $452.8 billion in BA and $448.2 billion in outlays over five years. For 2008, the House amendment provides $6.6 billion of discretionary BA over the 2007 level, for a level that is $3.5 billion above the 2008 funding in the President's budget. The amendment reflects the high priority of adequately funding veterans programs. It rejects the veterans' health care enrollment fees and copayment increases that were imposed by the President's budget.

The House amendment provides full funding to support excellent health care for veterans and current service members. In particular, the House amendment provides funding to begin implementing future recommendations of the President's Commission on Care for America's Returning Wounded Warriors (the bi-partisan ''Walter Reed Commission'') and other United States Government investigations into military and veterans' health care facilities and services.

The House amendment provides additional funding in Function 700 above the President's requested levels for 2008 to address important priorities including veterans' mental health, post-traumatic stress disorder, traumatic brain injury, and spinal cord injury. The amendment also has additional funding for disability compensation claims processing so that VA can significantly reduce the inventory of pending claims.

Conference Agreement

The conference agreement provides a total of $85.3 billion in BA and $84.4 billion in outlays for 2008 and $452.8 billion in BA and $450.9 billion in outlays over five years. The conference agreement provides $43.1 billion in 2008 for discretionary veterans' programs, including medical care. This amount is $6.7 billion more than the 2007 enacted level and $3.6 billion more than the President's proposed funding level for 2008. This level is consistent with the Independent Budget, a plan developed by four leading veterans' groups, and recommendations of the American Legion.

ADMINISTRATION OF JUSTICE: FUNCTION 750

Function Summary

The Administration of Justice function includes funding for federal law enforcement activities at the Department of Justice (DOJ) including criminal investigations by the Federal Bureau of Investigation (FBI) and the Drug Enforcement Agency (DEA). The function also includes funding for border enforcement by the Department of Homeland Security (DHS). Additionally, the function includes funding for civil rights enforcement and prosecution; federal block, categorical, and formula law enforcement grant programs to state and local governments; prison construction and operation; the United States Attorneys; and the federal judiciary.

Senate Resolution

The Senate resolution calls for a total of $48.8 billion in BA and $47.1 billion in outlays for 2008, and $242.8 billion in BA and $242.9 billion in outlays over five years. This level restores cuts proposed in the President's budget and provides additional resources for several law enforcement grant programs such as COPS, including meth hotspot grants, and the Edward Byrne Memorial Justice Assistance Grant program. In addition, the Senate resolution restores cuts and provides additional resources to the State Criminal Alien Assistance Program. The Senate resolution also includes increases in funding proposed in the President's budget for border security.

House Amendment

The House amendment reflects a total of $46.9 billion in BA and $46.2 billion in outlays in 2008, and $238.2 billion in BA and $238.3 billion outlays over five years. The House amendment rejects the cuts to local law enforcement and first responders in the President's budget, including cuts to the Edward Byrne Memorial Justice Assistance Grant program. The amendment provides funding above the President's budget level for 2008 for that purpose and for purposes such as protecting the borders and funding the 9/11 Commission recommendations.

Conference Agreement

The conference agreement includes a total of $48.0 billion in BA and $47.1 billion in outlays for 2008, and $246.8 billion in BA and $246.4 billion in outlays over five years. The agreement continues funding for local law enforcement, including Edward Byrne Memorial Justice Assistance Grants and COPS grants. In addition, the agreement also provides resources to help meet the 9/11 Commission recommendations and to protect the borders.

GENERAL GOVERNMENT: FUNCTION 800

Function Summary

The General Government function consists of the activities of the Legislative Branch, the Executive Office of the President, general tax collection and fiscal operations of the Department of the Treasury (including the IRS), the Office of Personnel Management, the property and personnel costs of the General Services Administration, and general purpose fiscal assistance to states, localities, the District of Columbia, and U.S. territories.

Senate Resolution

The Senate resolution calls for $18.8 billion in BA and $19.1 billion in outlays for 2008 and $98.6 billion in BA and $98.6 billion in outlays over five years. The Senate resolution fully funds the President's budget request for the IRS, including additional resources available through a discretionary cap adjustment that directs $406 million to IRS enforcement activities. The Senate resolution includes reserve funds to accommodate legislation to reduce the deficit by reducing improper payments and requiring recovery audits. It also includes a deficit-neutral reserve fund to accommodate legislation that reauthorizes the Secure Rural Schools and Community Self-Determination Act of 2000. The expiration of this law would have a significant impact on rural communities. The Senate resolution also includes funding for a Commission on Budgetary Accountability and Review of Federal Agencies.

House Amendment

The House amendment reflects a total of $18.6 billion in BA and $19.0 billion in outlays

for 2008 and $99.8 billion in BA and $99.7 billion in outlays over five years. The House amendment includes a program integrity initiative to increase Internal Revenue Service tax compliance efforts to collect unpaid taxes from those who are not paying what they owe. The funding in this function is adequate to provide for the reestablishment of the Office of Technology Assessment. The amendment also includes a deficit-neutral reserve fund to accommodate legislation that reauthorizes the Secure Rural Schools and Community Self-Determination Act of 2000.

Conference Agreement

The conference agreement includes $18.6 billion in BA and $19.0 billion in outlays for 2008, and $99.7 billion in BA and $99.6 billion in outlays over five years. It fully funds the President's budget request for the IRS, including additional resources available through a discretionary cap adjustment (included in Function 920) that directs $406 million to IRS enforcement activities. The conference agreement includes a deficit-neutral reserve fund to accommodate legislation that provides for the reauthorization of the Secure Rural Schools and Community Self-Determination Act of 2000, or makes changes to the Payments in Lieu of Taxes Act of 1976, or both.

NET INTEREST: FUNCTION 900

Function Summary

The Net Interest function is entirely mandatory with no discretionary components. It consists primarily of the interest paid by the federal government to private and foreign government holders of U.S. Treasury securities. It includes the interest on the public debt after deducting the interest income received by the federal government from trust fund investments, loans and cash balances, and earnings of the National Railroad Retirement Investment Trust.

The Federal government's net interest payments on its debt increased by 48 percent between 2003 and 2006 and is now one of the largest components of the federal budget.

Senate Resolution

The Senate resolution calls for BA and outlays of $255.5 billion in unified net interest payments in 2008 and a total of $1.4 trillion over five years.

House Amendment

The House amendment calls for BA and outlays of $254.6 billion in unified net interest payments in 2008 and a total of $1.4 trillion over five years.

Conference Agreement

The conference agreement includes BA and outlays of $255.7 billion in unified net interest payments in 2008 and a total of $1.4 trillion over five years.

ALLOWANCES: FUNCTION 920

Function Summary

The Allowances function is used for planning purposes to address the budgetary effects of proposals or assumptions that cross several budget functions. Once such changes are enacted, the budgetary effects are distributed to the appropriate budget function.

Senate Resolution

The Senate resolution calls for a total of −$16.7 billion in BA and −$7.5 billion in outlays for 2008, and −$46.5 billion in BA and −$38.1 billion in outlays over five years.

House Amendment

The House amendment did not include any spending or cuts in Function 920.

Conference Agreement

The conference agreement includes a total of −$6.4 billion in BA and −$2.2 billion in outlays for 2008, and −$35.2 billion in BA and −$30.0 billion in outlays over five years. These funding levels reflect adjustments for program integrity and other non-security adjustments.

UNDISTRIBUTED OFFSETTING RECEIPTS: FUNCTION 950

Function Summary

The Undistributed Offsetting Receipts function includes major offsetting receipt items that would distort the funding levels of other functional categories if they were distributed to them. Examples of such items include the employer share of federal employee retirement benefits, outer continental shelf rents and royalties, and the sale of major assets.

Senate Resolution

The Senate resolution calls for unified undistributed offsetting receipts of −$84.7 billion in BA and outlays for 2008 and −$422.1 billion over five years. That amount generally matches CBO's baseline estimate of undistributed offsetting receipts, with the exception that it assumes −$775 million in 2008 and −$3.1 billion over the 2008–2012 period in additional offsetting receipts from legislation to provide a remedy for errors in certain oil and gas leases.

House Amendment

The House amendment represents CBO's baseline estimate of unified undistributed offsetting receipts of −$83.9 billion in BA and outlays for 2008 and −$419.0 billion over five years.

Conference Agreement

The conference agreement includes a total of unified undistributed offsetting receipts of −$83.9 billion in BA and outlays for 2008 and −$419.0 billion over five years.

OVERSEAS DEPLOYMENTS AND OTHER ACTIVITIES: FUNCTION 970

Function Summary

This is a new function included in the House amendment, consisting of funding for overseas deployments and other activities.

Senate Resolution

The Senate resolution did not include Function 970.

House Amendment

The House amendment includes the House-passed supplemental for 2007 (H.R. 1591) in Function 970 and, as a placeholder, accommodates up to the President's funding levels for overseas deployments and related activities in 2008 and 2009.

Conference Agreement

The Senate recedes to the House amendment to include Function 970. As a placeholder, the conference agreement's levels accommodate the President's requests for overseas deployments and other activities for 2008 and 2009, as well as the conference agreement for H.R. 1591, the supplemental appropriations bill for 2007 (excluding outyear changes in mandatory programs).

BUDGET ENFORCEMENT

Senate Resolution

Sec. 201. Paygo

Section 201 of the Senate-passed resolution would restore the strong paygo, or pay-as-you-go, rule in the Senate. The paygo rule requires that new mandatory spending and tax cuts be offset or get 60 votes. Reinstating a strong paygo rule represents a crucial first step in restoring fiscal discipline. Paygo was instrumental in our turning deficits into surpluses in the 1990s.

Paygo does not prohibit new mandatory spending or new tax cuts. It simply says that they should be paid for so that the deficit isn't worsened. Paygo ensures that if something is not paid for, it can only pass if it has broad bipartisan support.

The current paygo rule, which expires on September 30, 2008, includes a loophole that exempts all legislation assumed in any budget resolution. The Senate resolution would eliminate this loophole and apply paygo to all new mandatory spending and revenue legislation. It would extend the stronger paygo rule through 2017 and effectively repeal the current, weaker version of the paygo rule. Consistent with ending this loophole, the Senate resolution assumes that all existing balances on the Congressional pay-as-you-go ledger would be eliminated, and the scorecard reset to zero for all time periods.

The Senate resolution also clarifies language in the paygo rule which prohibits any net savings enacted in any bill pursuant to a reconciliation instruction from being made available on the paygo ledger. In 1993, the Senate originally created the paygo rule as a provision in the FY1994 budget resolution (H. Con. Res. 64), specifically for the purpose of preventing the deficit reduction expected to be achieved in a subsequent reconciliation bill from being used to offset the costs of any new mandatory spending or revenue legislation. The Senate resolution restores this original intent, by clarifying that savings enacted in any reconciliation bill shall never be placed on the paygo ledger and used as offsets for another reconciliation bill (even if enacted pursuant to reconciliation instructions in the same budget resolution) or as offsets for any other legislation. For paygo purposes, all net savings enacted pursuant to reconciliation are to be dedicated solely to deficit reduction.

Sec. 202. Point of Order Against Reconciliation Legislation That Would Increase the Deficit or Reduce a Surplus

Section 202 of the Senate resolution creates a new 60-vote point of order against reconciliation measures that would cause or increase an on-budget deficit or decrease an on-budget surplus. Reconciliation is a fast-track process that was intended to be used for deficit reduction. Unfortunately, in recent years the reconciliation process has been abused, as a fast-track means of enacting legislation that has dramatically worsened deficits and increased our debt.

Sec. 203. Point of Order Against Long-Term Deficit Increases

Section 203 of the Senate resolution establishes a 60-vote point of order against legislation that would cause a net deficit increase in excess of $5.0 billion (including changes in revenues and mandatory spending, but excluding debt service) in any of the four ten-year periods 2018–2027, 2028–2037, 2038–2047, or 2048–2057. The provision sunsets at the end of 2017, and effectively repeals the long-term spending point of order in Section 407 of H. Con. Res. 95, the fiscal year 2006 budget resolution conference report.

Sec. 204. Point of Order Against Emergency Designations

Under Section 204 of the Senate resolution, all emergency designations would be subject to an emergency designation point of order, which can only be waived with 60 votes.

Sec. 205. Extension of 60-Vote Enforcement

Section 205 of the Senate resolution extends the current 60-vote enforcement of existing budgetary points of order through 2017.

Sec. 206. Advance Appropriations

Section 206 of the Senate resolution would provide a supermajority point of order against appropriations in fiscal year 2008 bills that would first become effective in any year after fiscal year 2008, and against appropriations in fiscal year 2009 bills that would first become effective in any year after 2009. It does not apply against appropriations for

the Corporation for Public Broadcasting, nor does it apply against changes in mandatory programs or deferrals of mandatory budget authority from one year to the next. There is an exemption for each of fiscal years 2008 and 2009 of up to $25.2 billion for the following:

Labor, HHS:

Employment and Training Administration

Education for the Disadvantaged

School Improvement

Children and Family Services (Head Start)

Special Education

Vocational and Adult Education

Financial Services and General Government: Payment to Postal Service

Transportation, Housing and Urban Development: Section 8 Renewals

Sec. 207. Discretionary Spending Caps

Currently, there are no discretionary spending limits for any fiscal year. Section 207 of the Senate resolution would strengthen fiscal responsibility by establishing discretionary spending limits for 2007 and 2008, and enforce them with a point of order in the Senate that could only be waived with 60 votes.

Section 207 of the Senate resolution permits adjustments to the discretionary spending limits in 2008 for program integrity initiatives, including Social Security Administration continuing disability reviews and Supplemental Security Income redeterminations, enhanced Internal Revenue Service tax enforcement to address the tax gap, appropriations for Health Care Fraud and Abuse Control (HCFAC) program at the Department of Health and Human Services, and unemployment insurance improper payment reviews. It also provides for adjustments in 2008 and 2009 for war-related expenses.

Sec. 208. Inapplicability of Previous Allocations

Because the Senate resolution establishes new discretionary spending limits for 2007 and 2008 and new committee spending allocations pursuant to section 302(a) of the Congressional Budget Act of 1974, Section 208 of the Senate resolution clarifies that the ''deeming'' provisions of last year's emergency supplemental in Section 7035 of Public Law 109–234 shall no longer apply in the Senate.

Sec. 209. Point of Order To Save Social Security First

Section 209 of the Senate resolution creates a 60-vote point of order requiring the President to submit a legislative proposal to Congress and requiring Congress to enact legislation that would ensure the long-term solvency of Social Security, before Congress considers any legislation that would worsen budget deficits and weaken the solvency of Social Security.

Sec. 210. Point of Order Against Legislation That Raises Income Tax Rates

Section 210 of the Senate resolution would create a 60-vote point of order against any legislation that includes a Federal income tax rate increase.

Sec. 211. Circuit Breaker To Protect Social Security

Section 211 of the Senate resolution would create a 60-vote point of order, in any year in which CBO projects an on-budget deficit for the budget year or any subsequent fiscal year, against a budget resolution for that year (and amendments thereto) which would fail to reduce on-budget deficits relative to CBO's projections and put the budget on a path to achieve on-budget balance within five years. There is an exception during times of war and low economic growth.

Sec. 212. Point of Order—20% Limit on New Direct Spending in Reconciliation Legislation

Section 212 of the Senate resolution would create a 60-vote point of order against provisions of any reconciliation legislation (and provisions of any amendment thereto) that would increase outlays if the effect of all the provisions in any committee's jurisdiction would create gross new direct spending exceeding 20% of the total savings instruction to that committee.

Sec. 213. Point of Order Against Legislation That Raises Income Tax Rates for Small Businesses, Family Farms, or Family Ranches

Section 213 of the Senate resolution would create a 60-vote point of order against legislation that includes a Federal income tax rate increase on incomes generated by small businesses, family farms, or family ranches.

Sec. 214. Point of Order Against Provisions of Appropriations Legislation That Constitute Changes in Mandatory Programs With Net Costs

Section 214 of the Senate resolution would create a 60–vote point of order against provisions of appropriations legislation that would have been estimated as affecting direct spending or receipts were they included in legislation other than appropriations legislation, if such provision has a net cost over the total of the period of the current year, the budget year, and all fiscal years covered under the most recently-adopted concurrent resolution on the budget.

Sec. 215. Disclosure of Interest Costs

Section 215 of the Senate resolution is a 60–vote point of order against direct spending and revenue legislation that fails to include a CBO estimate of the cost of the debt servicing that would be caused by such legislation.

Sec. 325. Application and Effect of Changes in Allocations and Aggregates

Section 325 of the Senate resolution details the adjustment procedures required to accommodate legislation provided for in this resolution. This section provides that the adjustments shall apply while the legislation is under consideration and take effect upon enactment of the legislation. In addition, the section requires the adjustments to be printed in the Congressional Record.

The section also notes that, for purposes of enforcement, aggregate and allocation levels resulting from adjustments made pursuant to this resolution will have the same effect as if adopted in the original levels of Title I of this resolution. This section also provides that the Committee on the Budget shall determine the budgetary levels and estimates which are required to enforce points of order under the Congressional Budget Act.

Sec. 326. Adjustments To Reflect Changes in Concepts and Definitions

Section 326 of the Senate resolution requires the chairman of the Committee on the Budget to adjust levels and allocations in this resolution upon enactment of legislation that changes concepts or definitions.

Sec. 327. Exercise of Rulemaking Powers

Section 327 of the Senate resolution provides that, once adopted, the provisions of the resolution are incorporated into the rules of the Senate and shall supersede inconsistent rules. The section recognizes the constitutional right of the Senate to change those rules at any time.

House Amendment

Sec. 301. Program Integrity Initiatives

Section 301 of the House amendment provides for specific allocation adjustments for the Committee on Appropriations when the Committee reports legislation that includes increased appropriations for the following four program integrity initiatives: (1) continuing disability reviews and Supplemental Security Income redeterminations for the Social Security Administration; (2) improved compliance with the provisions of the Internal Revenue Code; (3) the Health Care Fraud and Abuse Control program at the Department of Health and Human Services; and (4) unemployment insurance improper payment reviews.

The adjustments under this section are intended to do no more than provide additional administrative funding for current program integrity activities to eliminate errors or fraud in the operation of a number of federal programs and compliance with federal tax laws. For example, the adjustment for unemployment compensation programs is provided to increase limited administrative funding for current program integrity activities, and not to finance other proposals that would adversely affect workers who have received unemployment benefits.

The section outlines procedures for these allocation adjustments. In addition, the section directs committees of the House of Representatives to include recommendations for improved governmental performance in views and estimates submitted to the Committee on the Budget pursuant to section 301(d) of the Congressional Budget Act.

Sec. 302. Advance Appropriations

Section 302 of the House amendment limits the amount and type of advance appropriations for 2009 and 2010. Under this section, advance appropriations for 2009 or 2010 are restricted to $25.6 billion for programs, projects, activities, or accounts identified in the joint explanatory statement of managers that will accompany this resolution. This total reflects an increase of $2.0 billion over the previous limit. The section defines advance appropriations as any new discretionary budget authority provided in a bill or joint resolution making general or continuing appropriations for 2008 that first becomes available for any fiscal year after 2008.

Sec. 303. Overseas Deployments and Emergency Needs

Section 303 of the House amendment establishes a procedure whereby provisions or measures reported by the Committee on Appropriations will be exempt from the restrictions under titles III and IV of the Congressional Budget Act of 1974. The exemption will apply if: (1) the Committee determines and designates that amounts appropriated are necessary for overseas deployments and related activities; or, (2) the Committee provides nondefense discretionary appropriations and designates those amounts as necessary to meet emergency needs.

Sec. 304. Application and Effect of Changes in Allocations and Aggregates

Section 304 of the House amendment details the allocation and aggregate adjustment procedures that are required to accommodate legislation for the reserve funds and program integrity initiatives in this resolution. This section provides that the adjustments shall apply while the legislation is under consideration and take effect upon enactment of the legislation. In addition, the section requires the adjustments to be printed in the Congressional Record.

The section also notes that, for purposes of enforcement, aggregate and allocation levels resulting from adjustments made pursuant to this resolution will have the same effect as if adopted in the original levels of Title I of this budget resolution. This section also provides that the Committee on the Budget shall determine the budgetary levels and estimates which are required to enforce points of order under the Congressional Budget Act.

Sec. 305. Adjustments To Reflect Changes in Concepts and Definitions

Section 305 of the House amendment requires the chairman of the Committee on the Budget to adjust levels and allocations in this budget resolution upon enactment of legislation that changes concepts or definitions.

Sec. 306. Compliance With Section 13301 of the Budgetary Enforcement Act of 1990

Section 306 of the House amendment provides that administrative expenses of the Social Security Administration shall be part of the annual appropriations process by including those expenses in the Committee on Appropriations' allocation pursuant to Section 302 of the Congressional Budget Act.

Sec. 307. Exercise of Rulemaking Powers

Section 307 of the House amendment provides that, once adopted, the provisions of the budget resolution are incorporated into the rules of the House of Representatives and shall supersede inconsistent rules. The section recognizes the constitutional right of the House of Representatives to change those rules at any time.

Conference Agreement

In January, the House of Representatives adopted the first-ever House of Representatives pay-as-you-go (paygo) rule—specifying that any legislative changes to mandatory spending or revenues would have to be done in a deficit-neutral way. Given the serious long-term fiscal challenges including a growing burden of national debt facing our nation, a rigorous enforcement of paygo is especially critical. The House has aggressively enforced the paygo requirement since its passage, and in this resolution the House and Senate reaffirm a commitment to a strict enforcement of the pay-as-you-go rules. The House's commitment to paygo is also reinforced by the tough trigger mechanism contained in Section 321 of the conference agreement and further described in Section 321 of this Statement of Managers.

The following are the concrete steps the conference report takes to reinforce and extend this commitment to fiscal responsibility:

First, Section 201 of the conference report toughens the Senate paygo rule, restoring it to the form that existed in the 1990s. This session of Congress will mark the first time ever that both the House and the Senate will be governed by internal rules implementing the pay-as-you-go principle. To ensure that these rules are more effectively enforced, the Senate paygo rule included in this resolution matches the enforcement windows established in the House rule.

Second, Section 508 of the conference report expresses Congress's commitment to an additional paygo enforcement mechanism: reinstating the statutory paygo rule that was in place in the 1990s and that is widely credited with helping bring the budget from then-record deficits in the early 1990s to the budget surpluses achieved by the end of that decade. Because the conference agreement is a concurrent resolution, separate legislation will be required to implement this policy, but the conference report gives this policy a strong and clear endorsement.

Third, Section 203 of the conference report contains a Senate point of order that would be imposed against legislation that has a significant deficit impact in any of the four decades (2018–2057) following the ten-year period covered by the House and Senate paygo rules.

Fourth, Section 321 of the conference report includes a House trigger mechanism to ensure that legislation is fiscally responsible or faces a second procedural hurdle in the House in addition to the paygo rule.

In all, this conference report implements policies and rules consistent with fiscal responsibility and the pay-as-you-go principle, ensuring that they apply to the actions of the entire Congress. The goal is to bring the budget back to balance, something that this conference report achieves in 2012.

Sec. 201. Pay-As-You-Go Point of Order in the Senate

In Section 201 of the conference agreement, which applies only in the Senate, the Senate insists on, and the House recedes from its disagreement with, Section 201 of the Senate resolution, the paygo point of order in the Senate, with a technical amendment to enforce points of order over two time periods: (1) the period of the current fiscal year, the budget year, and the total of the ensuing four fiscal years following the budget year, and (2) the period of the current fiscal year, the budget year, and the total of the ensuing nine fiscal years following the budget year. These are the time periods for which paygo is enforced in the House.

As in the past, the paygo rule embodied in Section 201 of the conference agreement requires that new mandatory spending and tax cuts be offset or get 60 votes to waive the point of order. Section 201 strengthens paygo enforcement by eliminating a loophole that previously exempted from the point of order all deficit increases assumed in any budget resolution. Under Section 201, paygo will be applied to all new mandatory spending and revenue legislation that would worsen the deficit in either of the two relevant time periods. It would extend this stronger paygo rule through 2017 and effectively repeal the current, weaker version of the paygo rule.

Consistent with ending this loophole, the Senate resolution assumes that all existing balances on the Congressional pay-as-you-go ledger would be eliminated, and the scorecard reset to zero for all time periods.

Section 201 of the conference agreement also clarifies language in the paygo rule which prohibits any net savings enacted in any bill pursuant to a reconciliation instruction from being made available on the paygo ledger. In 1993, the Senate originally created the paygo rule as a provision in the FY1994 budget resolution (H. Con. Res. 64), specifically for the purpose of preventing the deficit reduction expected to be achieved in a subsequent reconciliation bill from being used to offset the costs of any new mandatory spending or revenue legislation. Section 201 of the conference agreement restores this original intent, by clarifying that savings enacted in any reconciliation bill shall never be placed on the paygo ledger and used as offsets for another reconciliation bill (even if enacted pursuant to reconciliation instructions in the same budget resolution) or as offsets for any other legislation. For paygo purposes, all net savings enacted pursuant to reconciliation are to be dedicated solely to deficit reduction.

Sec. 202. Senate Point of Order Against Reconciliation Legislation That Would Increase the Deficit or Reduce a Surplus

The Senate insists on, and the House recedes from its disagreement with, Section 202 of the Senate resolution, with a technical amendment to enforce the point of order over two time periods: (1) the period of the current fiscal year, the budget year, and the total of the ensuing four fiscal years following the budget year, and (2) the period of the current fiscal year, the budget year, and the total of the ensuing nine fiscal years following the budget year. Section 202 creates a new point of order against reconciliation measures that would cause or increase an on-budget deficit or decrease an on-budget surplus. It can be waived with 60 votes.

Sec. 203. Senate Point of Order Against Legislation Increasing Long-Term Deficits

The Senate insists on, and the House recedes from its disagreement with, Section 203 of the Senate resolution. It establishes a point of order in the Senate against legislation that would cause a net deficit increase in excess of $5.0 billion (including changes in revenues and mandatory spending, but excluding debt service) in any of the four ten-year periods 2018–2027, 2028–2037, 2038–2047, or 2048–2057. The point of order can be waived with 60 votes. The provision sunsets at the end of fiscal year 2017, and effectively repeals the long-term spending point of order in Section 407 of H. Con. Res. 95, the fiscal year 2006 budget resolution conference report.

Sec. 204. Emergency Legislation

In subsection (a) of Section 204 of the conference agreement, which applies only in the Senate, the Senate insists on Section 204 of the Senate resolution with an amendment. Under Section 204(a), emergency designations will be subject to an emergency designation point of order in the Senate, which can be waived with 60 votes. The amendment deleted an exception adopted to the Senate resolution in Amendment 534 offered by Senator DeMint.

In subsection (b) of Section 204 of the conference agreement, which applies only in the House, the House recedes from its position in Section 303 of the House amendment and concurs with a further amendment, and the Senate agrees to the same. In the House, discretionary appropriations that are designated as emergencies shall not count for the purposes of Titles III and IV of the Congressional Budget Act of 1974. In the House, any provisions designated as emergencies under rules in effect for 2007 will be accommodated under Section 204 in this resolution.

Sec. 205. Extension of Enforcement of Budgetary Points of Order in the Senate

In Section 205 of the conference agreement, which applies only in the Senate, the Senate insists on Section 205 of the Senate resolution with an amendment, and the House agrees to the same. Section 205 extends 60–vote enforcement of budgetary points of order in the Senate, other than those pursuant to Sections 425 and 303 of the Budget Act, through 2017.

Sec. 206. Point of Order Against Advance Appropriations

In subsection (a) of Section 206 of the conference agreement, which applies only in the Senate, the Senate insists on, and the House recedes from its disagreement with, Section 206 of the Senate resolution. It provides a supermajority point of order in the Senate against appropriations in fiscal year 2009 bills that would first become effective in any year after fiscal year 2008, and against appropriations in fiscal year 2009 bills that would first become effective in any year after fiscal year 2009. It does not apply against appropriations for the Corporation for Public Broadcasting, nor does it apply against changes in mandatory programs or deferrals of mandatory budget authority from one year to the next. There is an exemption for each of fiscal years 2008 and 2009 of up to $25.2 billion for the following:

Accounts identified for Advance Appropriations in the Senate

Labor, HHS:
- Employment and Training Administration
- Education for the Disadvantaged
- School Improvement
- Children and Family Services (Head Start)
- Special Education
- Vocational and Adult Education

Financial Services and General Government:
Payment to Postal Service Transportation,

Housing and Urban Development: Section 8 Renewals

In subsection (b) of Section 206 of the conference agreement, which applies only in the House, the House insists on Section 302 of the House amendment. It defines advance appropriations, and restricts advance appropriations for fiscal years 2009 or 2010 to a total of $25.6 billion for the following accounts:

Accounts Identified for Advance Appropriations in the House

Advance Appropriations for Fiscal Year 2009

Employment and Training Administration
Education for the Disadvantaged
School Improvement
Children and Family Services (Head Start)
Special Education
Vocational and Adult Education
Payment to Postal Service
Section 8 Renewals

Advance Appropriations for Fiscal Year 2010

Corporation for Public Broadcasting

Sec. 207. Discretionary Spending Limits, Program Integrity Initiatives, and Other Adjustments

In subsection (a), (b), and (c) of Section 207 of the conference agreement, which apply only in the Senate, the Senate insists on Section 207 of the Senate resolution with an amendment in the nature of a substitute. Currently, there are no discretionary spending limits for any fiscal year. Section 207 will strengthen fiscal responsibility by establishing discretionary spending limits in the Senate for fiscal years 2007 and 2008, and enforce them with a Senate point of order that can only be waived with 60 votes. It permits adjustments to the discretionary spending limits in the Senate for fiscal year 2008 for program integrity initiatives, including Social Security Administration continuing disability reviews and Supplemental Security Income redeterminations, enhanced Internal Revenue Service tax enforcement to address the tax gap, appropriations for Health Care Fraud and Abuse Control (HCFAC) program at the Department of Health and Human Services, and in-person reemployment and eligibility assessments and unemployment insurance improper payment reviews.

In subsection (d) of Section 207 of the conference agreement, which applies only in the House, the House insists on Section 301 of the House amendment with an amendment. The House amendment provides for several program integrity adjustments for 2008 in the same areas as in the Senate resolution, including for Social Security Administration continuing disability reviews and Supplemental Security Income redeterminations, enhanced Internal Revenue Service tax enforcement to address the tax gap, appropriations for the Health Care Fraud and Abuse Control (HCFAC) program at the Department of Health and Human Services, and in-person reemployment and eligibility assessments and unemployment insurance improper payment reviews.

The conference agreement allows for adjustments to be made to the discretionary spending limits in the Senate, aggregates, and 302(a) allocations of the House and Senate Appropriations Committees up to the total budget authority shown in Section 103 (21) for overseas deployments and related activities (and the new outlays flowing therefrom). In the Senate, if additional funding is required beyond the level specified in Section 103 (21), such funding would be provided pursuant to Section 204. In the House, if additional appropriations are required beyond this level, and such additional amounts are specifically designated as necessary for overseas deployments and related activities, then new budget authority, outlays or receipts resulting therefrom shall not count for the purposes of titles III and IV of the Congressional Budget Act of 1974.

Subsection (e) of Section 207 of the conference agreement, which applies in the House and Senate, directs all House and Senate Committees to include recommendations for improved governmental performance in the views and estimates that they submit to the respective Committees on the Budget under section 301(d) of the Congressional Budget Act.

Subsection (f) of Section 207 of the conference agreement, which applies in both the House and Senate, allows adjustments to the levels and limits in this resolution to reflect differences between the levels assumed in this resolution and the levels that may ultimately be enacted in 2007 supplemental appropriations legislation currently under consideration in Congress. Similar language was included in the conference report on the fiscal year 2004 budget resolution (H. Con. Res. 95, 108th Congress) regarding 2003 supplemental appropriations.

Sec. 208. Inapplicability of Previous Allocations in the Senate

In Section 208 of the conference agreement, which applies only in the Senate, the Senate insists on, and the House recedes from its disagreement with, Section 208 of the Senate resolution. Because this concurrent resolution on the budget for fiscal year 2008 establishes new discretionary spending limits for fiscal years 2007 and 2008 and new committee spending allocations pursuant to section 302(a) of the Congressional Budget Act of 1974, Section 208 of the Senate resolution clarifies that the ''deeming'' provisions of last year's emergency supplemental in Section 7035 of Public Law 109–234 shall no longer apply in the Senate.

Sec. 209. Senate Point of Order Against Provisions of Appropriations Legislation That Constitute Changes in Mandatory Programs With Net Costs

In Section 209 of the conference agreement, which applies only in the Senate, the Senate insists on Section 214 of the Senate resolution with a substitute, and the House agrees to the same. Section 209 would create a 60–vote point of order against provisions of appropriations legislation constituting Changes in Mandatory Programs (ChIMPs) that would have been estimated as affecting direct spending or receipts were they included in legislation other than appropriations legislation, if all three of the following conditions are met:

(1) the provision would increase BA in—

(a) at least one of the nine fiscal years that follow the budget year, and

(b) over the period of the total of the budget year and the nine fiscal years following the budget year;

(2) the provision would increase net outlays over the period of the total of the nine fiscal years following the budget year; and

(3) the sum total of all changes in mandatory programs in the legislation would increase net outlays as measured over the period of the total of the nine fiscal years following the budget year.

The point of order does not apply against legislation making supplemental appropriations for fiscal year 2007. Nor does it apply against any ChIMPs that were enacted in each of the three fiscal years prior to the budget year (including those done as a result of the year-long funding resolution enacted for 2007). The point of order works like the Byrd rule in that it applies against individual provisions of legislation rather than against an entire bill, amendment, or conference report. If the point of order is not waived then the offending provision is stricken.

Sec. 210. Compliance With Section 13301 of the Budget Enforcement Act of 1990

In Section 210 of the conference agreement, the House recedes from its position in Section 306 of the House amendment and concurs with a further amendment, and the Senate agrees to the same. Subsection (a) of Section 210 applies in both the House and Senate. Subsection (b) of Section 210 applies only in the House.

Sec. 211. Application and Effect of Changes in Allocations and Aggregates

In Section 211 of the conference agreement, the House insists on, and the Senate recedes from its disagreement with, Section 304 of the House amendment.

Sec. 212. Adjustments to Reflect Changes in Concepts and Definitions

In Section 212 of the conference agreement, the House insists on, and the Senate recedes from its disagreement with, Section 305 of the House amendment.

Sec. 213. Exercise of Rulemaking Powers

In Section 213 of the conference agreement, the House recedes from its position in Section 307 of the House amendment and concurs with a further amendment, and the Senate agrees to the same.

RESERVE FUNDS

Senate Resolution

Sec. 301. Deficit-Neutral Reserve Fund for SCHIP Legislation

Section 301 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution by up to $20.0 billion for SCHIP reauthorization legislation of up to $50.0 billion, so long as the legislation is deficit-neutral over the total of 2007–2012.

Sec. 302. Deficit-Neutral Reserve Fund for Care of Wounded Service Members

Section 302 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that improves the medical care of or disability benefits for wounded or disabled military personnel or veterans (including the elimination of the offset between Survivor Benefit Plan annuities and veterans' dependency and indemnity compensation), including improvements to the physical disability evaluation system of the Department of Defense to expedite the claims process, provided the legislation is deficit-neutral over the total of 2007–2012.

Sec. 303. Deficit-Neutral Reserve Fund for Tax Relief

Section 303 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of tax relief legislation, including refundable tax relief and extensions of expiring tax relief, such as enhanced charitable giving from IRAs and the reauthorization of the new markets tax credit under section 45D of the Internal Revenue Code of 1986 for an additional five years, provided the legislation is deficit-neutral over the total of 2007–2012.

Sec. 304. Deficit-Neutral Reserve Fund for Comparative Effectiveness Research

Section 304 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation to establish a new federal or public-private initiative for comparative effectiveness research, provided the legislation is deficit-neutral over the total of 2007–2012.

Sec. 305. Deficit-Neutral Reserve Fund for Higher Education

Section 305 of the Senate resolution allows the Chairman of the Budget Committee to

revise the levels in the resolution for legislation—including tax legislation—that would make higher education more accessible and affordable, provided the legislation is deficit-neutral over the total of 2007–2012.

Sec. 306. Deficit-Neutral Reserve Fund for the Farm Bill

Section 306 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution by up to $15.0 billion for legislation which is deficit-neutral over the total of 2007–2012 that would do one or more of the following: reauthorize the Food Security and Rural Investment Act of 2002; strengthen agriculture and rural economies and critical nutrition programs; provide agriculture-related tax relief and rural development investment incentives for counties impacted by high rates of out-migration; or improve the environment by reducing dependence on foreign sources of energy through expanded production and use of alternative fuels. This section anticipates that the Farm Bill will ultimately be comprised of titles from more than one committee, and would therefore allow the Chairman to revise multiple committee allocations, and revenue and spending aggregates, to accommodate the legislation.

Sec. 307. Deficit-Neutral Reserve Fund for Energy Legislation

Section 307 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for one or more pieces of legislation—including tax legislation—that would reduce our nation's dependence on foreign sources of energy, expand production and use of alternative fuels and alternative fuel vehicles, promote renewable energy development, improve electricity transmission, encourage responsible development of domestic oil and natural gas resources, or reward conservation and efficiency; provided the legislation is deficit-neutral over the total of 2007–2012.

Sec. 308. Deficit-Neutral Reserve Fund for Medicare

Section 308 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for:

Prescription drug price negotiation legislation under Medicare Part D, to repeal the non-interference clause in Section 1860D–11(i)(1) of the Social Security Act, while preserving access to prescription drugs and price competition without requiring a particular formulary or instituting a price structure for reimbursement of covered Part D drugs, provided that the legislation is deficit-neutral over 2007–2012 and that all savings from the measure must be used either to improve the Part D benefit or to reduce the deficit;

Legislation to increase the reimbursement rate for physician services under Medicare Part B and that includes financial incentives for physicians to improve the quality and efficiency of items and services furnished to Medicare beneficiaries through the use of consensus-based quality measures, provided that it is deficit-neutral over 2007–2012; and

Legislation making improvements of up to $5.0 billion to the prescription drug benefit under Medicare Part D, so long as the legislation is deficit-neutral over 2007–2012.

Sec. 309. Deficit-Neutral Reserve Fund for Small Business Health Insurance

Section 309 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that makes health insurance coverage more affordable or available to small businesses and their employees, without weakening rating rules or reducing covered benefits, provided the legislation is deficit-neutral over the total of 2007–2012.

Sec. 310. Deficit-Neutral Reserve Fund for County Payments

Section 310 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution by up to $440 million in 2008 and up to $2.2 billion over the total of 2008–2012 for county payments legislation that reauthorizes the Secure Rural Schools and Community Self-Determination Act of 2000, provided the legislation is deficit-neutral over the total of 2007–2012. The expiration of this law would have a significant impact on rural communities.

Sec. 311. Deficit-Neutral Reserve Fund for Terrorism Risk Insurance Reauthorization

Section 311 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that provides for a continuing federal role in ensuring that terrorism risk insurance remains available after the expiration of the Terrorism Risk Insurance Extension Act, provided the legislation is deficit-neutral over the total of 2007–2012.

Sec. 312. Deficit-Neutral Reserve Fund for Affordable Housing

Section 312 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would establish an affordable housing fund financed by the housing government-sponsored enterprises, provided the legislation is deficit-neutral over the total of 2007–2012.

Sec. 313. Deficit-Neutral Reserve Fund for Receipts From Bonneville Power Administration

Section 313 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that prohibits the Bonneville Power Administration from making early payments on its federal bond debt, provided the legislation is deficit-neutral over the total of 2007–2012. The proposal in the President's budget would have a detrimental impact on electricity rates in the Northwest.

Sec. 314. Deficit-Neutral Reserve Fund for Indian Claims Settlement

Section 314 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation to provide a statutory settlement for Indian trust fund litigation involving the accounting and management of individual Indian trust monies and assets, including the Cobell v. Kempthorne litigation, as well as provisions to offset the cost of the settlement, provided that the legislation is deficit-neutral over the total of 2007–2012.

Sec. 315. Deficit-Neutral Reserve Fund for Food and Drug Administration

Section 315 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for certain legislation affecting the regulatory authority of the Food and Drug Administration (FDA) and authorizing the assessment of user fees, provided that the legislation is deficit-neutral over the total of 2007–2012.

Sec. 316. Deficit-Neutral Reserve Fund for Health Care Reform

Section 316 of the Senate resolution provides that if an SCHIP bill is enacted, the Chairman of the Budget Committee may revise the levels in the resolution for legislation to improve health care, provide quality health insurance for the uninsured and underinsured, and protect individuals with current health coverage, provided the legislation is deficit-neutral over the total of 2007–2012.

Sec. 317. Deficit-Neutral Reserve Fund for Enhancement of Veterans' Benefits

Section 317 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation to enhance benefits for veterans, including GI educational benefits and services for low-vision and blinded veterans, provided the legislation is deficit-neutral over the total of 2007–2012.

Sec. 318. Deficit-Neutral Reserve Fund for Long-Term Care

Section 318 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation to improve long-term care, provided the legislation is deficit-neutral over the total of 2007–2012.

Sec. 319. Deficit-Neutral Reserve Fund for Health Information Technology

Section 319 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation providing incentives or other support for adoption of modern information technology to improve quality and protect privacy in health care, and for legislation providing for payments based on adherence to accepted clinical protocols identified as best practices, provided the legislation is deficit-neutral over the total of 2007–2012.

Sec. 320. Deficit-Neutral Reserve Fund for Child Care

Section. 320 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation to provide up to $5.0 billion to States for child care, provided the legislation is deficit-neutral over the total of 2007–2012.

Sec. 321. Deficit-Neutral Reserve Fund for Comprehensive Immigration Reform

Section 321 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for comprehensive immigration reform legislation, provided the legislation is deficit-neutral in 2008 and over the total of 2008–2012.

Sec. 322. Deficit-Neutral Reserve Fund for Mental Health Parity

Section 322 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that provides parity between health insurance coverage of mental health benefits and benefits for medical and surgical services, provided the legislation is deficit-neutral in 2008 and over the total of 2008–2012.

Sec. 323. Deficit-Neutral Reserve Fund for Preschool Opportunities

Section 323 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation to provide assistance to States for offering or expanding preschool to children of low-income families, provided the legislation is deficit-neutral over the total of 2007–2012.

Sec. 324. Deficit-neutral Reserve Fund for the Safe Importation of FDA-Approved Prescription Drugs

Section 324 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation to permit the safe importation of prescription drugs approved by the FDA from a specified list of countries, provided the legislation is deficit-neutral over the total of 2007–2012.

Sec. 328. Deficit-Neutral Reserve Fund for Expansion of Above-the-Line Deduction for Teacher Classroom Supplies

Section 328 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation to permanently extend and increase to

$400 the above-the-line deduction for teacher classroom supplies and expand the deduction to include qualified professional development expenses, provided the legislation is deficit-neutral over the total of 2007–2012.

Sec. 329. Adjustment for Smithsonian Institution Salaries and Expenses

Section 329 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation appropriating up to $17 million for 2008 if the Comptroller General makes certain certifications to Congress regarding the Smithsonian Institution.

Sec. 330. Deficit-Reduction Reserve Fund for Reduction of Improper Payments

Section 330 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that achieves savings by eliminating or reducing improper payments by agencies and uses such savings to reduce the deficit, provided the legislation would not increase the deficit over the total of 2007–2012.

Sec. 331. Deficit-Neutral Reserve Fund for Extension of the Deduction for State and Local Sales Taxes

Section 331 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would extend the deduction for State and local sales taxes, provided the legislation would not increase the deficit over the total of 2007–2012.

Sec. 332. Deficit-Neutral Reserve Fund for Extension of Certain Energy Tax Incentives

Section 332 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would extend energy tax incentives through 2015, provided the legislation would not increase the deficit over the total of 2007–2012.

Sec. 333. Reserve Fund To Provide Additional Training for Physicians and Attract More Physicians in States That Face a Shortage of Physicians in Training

Section 333 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would provide additional training for physicians and attract more physicians in States with a shortage of physicians in training, provided the legislation would not increase the deficit over the total of 2007–2012.

Sec. 334. Deficit-Neutral Reserve Fund for Repeal of the 1993 Increase in the Income Tax on Social Security Benefits

Section 334 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would repeal the 1993 increase in the income tax on Social Security benefits, provided the legislation would not increase the deficit over the total of 2007–2012.

Sec. 336. Deficit-Neutral Reserve Fund for Eliminating Military Retirement and Disability Offset

Section 336 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that would expand eligibility for Combat-Related Special Compensation to permit additional disabled retirees to receive both disability compensation and retired pay, provided the legislation would not increase the deficit over the total of 2007–2012.

Sec. 337. Deficit-Neutral Reserve for Asbestos Reform Legislation

Section 337 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for asbestos reform legislation, provided the legislation would not increase the deficit over the total of 2007–2057.

Sec. 338. Deficit-Neutral Reserve Fund for Manufacturing Initiatives

Section 338 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation, including tax legislation, that would revitalize the United States manufacturing sector, provided the legislation would not increase the deficit over the total of 2007–2012.

Sec. 339. Deficit-Reduction Reserve Fund for Increased Use of Recovery Audits

Section 339 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that achieves savings by requiring that agencies increase their use of recovery audits and use such savings to reduce the deficit, provided the legislation would not increase the deficit over the total of 2007–2012.

Sec. 340. Deficit-Neutral Reserve Fund for a Delay in the Implementation of a Proposed Rule Relating to the Federal-State Financial Partnerships Under Medicaid and SCHIP

Section 340 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation that provides for a delay in the implementation of a proposed rule relating to the Federal-State financial partnerships under Medicaid and SCHIP, provided the legislation would not increase the deficit over the total of 2007–2012.

Sec. 341. Reserve Fund To Improve the Health Care System

If the Finance Committee is within its 302(a) allocation, Section 341 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation reported by the Finance Committee that creates a framework for using Medicare data to evaluate health care, if it protects privacy and prevents disclosure of proprietary or trade secret information, provided the legislation would not increase the deficit in 2008 or over the total of 2008–2012.

Sec. 342. Reserve Fund to Improve Medicare Hospital Payment Accuracy

If the Finance Committee is within its 302(a) allocation, Section 342 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation reported by the Finance Committee to improve Medicare hospital payment accuracy, provided the legislation would not increase the deficit over the total of 2008–2012.

Sec. 343. Deficit-Neutral Reserve Fund to Improve Health Insurance

Section 343 of the Senate resolution allows the Chairman of the Budget Committee to revise the levels in the resolution for legislation to improve health insurance, provided the legislation would not increase the deficit over the total of 2007–2012.

House Amendment

Sec. 201. Reserve Fund for the State Children's Health Insurance Program

The reserve fund accommodates the Committee on Energy and Commerce reporting legislation of up to $50.0 billion in additional outlays to improve children's health through reauthorization of the State Children's Health Program (SCHIP) as long as the authorizing legislation placed before the House complies with the pay-as-you-go principle. These additional resources will sustain current caseloads, expand coverage, and reduce the number of uninsured children. Of the over nine million uninsured children in this nation, around six million are eligible for SCHIP or Medicaid but do not receive coverage.

Sec. 202. Reserve Fund for Reform of the Alternative Minimum Tax

The reserve fund for Alternative Minimum Tax (AMT) relief accommodates legislation that reforms the tax code to shield middle-income families from the AMT as long as it adheres to the pay-as-you-go principle. Without reform, the number of taxpayers subject to the AMT will rise from 4.2 million in 2006 to 23.2 million in 2007 and to 25.7 million in 2008, according to the Joint Committee on Taxation.

Sec. 203. Reserve Fund to Provide for Middle-Income Tax Relief and Economic Equity

The reserve fund for middle-income tax relief supports legislation to reduce tax burdens on middle-income families and taxpayers that complies with the pay-as-you-go principle. This includes legislation such as the extension of the 10 percent individual income tax rate, marriage penalty relief, the child tax credit, the research and experimentation tax credit, the deduction for small business expensing, and the deduction for State and local sales taxes. It also accommodates elimination of estate taxes on all but a minute fraction of estates, and a tax credit for school construction.

Sec. 204. Reserve Fund for Agriculture

The reserve fund accommodates legislation that reauthorizes the Farm Security and Rural Investment Act of 2002 (Public Law 107–171) or prior farm support acts, or authorizes similar programs, or both, to the extent that such legislation complies with the pay-as-you-go principle. The section also provides for an increase in budget authority up to $20.0 billion over six years (2007–2012) above the Congressional Budget Office's current estimate of spending for these programs if the funding increases are appropriately offset. The resolution allows for the House to continue to address a number of priorities, such as maintaining a strong farm safety net for our nation's agricultural producers; delivering natural resource conservation measures on private lands; investing in energy research; and rural development projects that strengthen our rural economies; and enhancing food nutrition assistance to help fight hunger. The reserve fund could also facilitate a new Farm Bill that provides enhanced conservation, research, and marketing assistance to crops that have not received traditional commodity support.

Sec. 205. Reserve Fund for Higher Education

The reserve fund accommodates reforms to the student loan programs that increase benefits to students, consistent with the pay-as-you-go principle adopted by the House. The Higher Education Act is scheduled to be reauthorized this year, and this reserve fund will provide committees maximum flexibility in finding offsets to make college more affordable for students.

Sec. 206. Reserve Fund for Improvements in Medicare

The reserve fund accommodates additional mandatory spending for Medicare program improvements such as increasing the Medicare reimbursement rate for physicians while holding beneficiaries harmless from associated premium increases, as long as the legislation is consistent with the House pay-as-you-go principle. Current law calls for Medicare payment rates to physicians to be cut by nearly 40 percent over the next eight years. The House supports Federal investments in health information technology that will improve the quality and efficiency of not only Medicare, but also the health sector as a whole. Another possible area for program improvement is the Part D prescription drug benefit.

Sec. 207. Reserve Fund for Creating Long-Term Energy Alternatives

The reserve fund accommodates legislation consistent with H.R. 6 that invests in renewable or alternative energy resources, promotes new emerging energy technologies, or develops greater energy efficiency, to the extent that such legislation complies with the pay-as-you-go principle.

Sec. 208. Reserve Fund for Affordable Housing

The reserve fund accommodates legislation that creates an affordable housing fund, offset by savings from reforming the regulation of certain government-sponsored entities, such as Fannie Mae and Freddie Mac, to the extent that such legislation complies with the pay-as-you-go principle.

Sec. 209. Reserve Fund for Equitable Benefits for Filipino Veterans of World War II

The reserve fund accommodates additional mandatory spending to provide equitable benefits for all Filipino veterans of World War II and their survivors and dependents, consistent with the pay-as-you-go principle. Most Filipino veterans who fought alongside American troops, and their families, are currently not eligible for equitable federal benefits.

Sec. 210. Reserve Fund for Secure Rural Schools and Community Self-Determination Act Reauthorization

The reserve fund accommodates any legislation that reauthorizes the Secure Rural Schools and Community Self-Determination Act (Public Law 106–393), to the extent that such legislation complies with the pay-as-you-go principle. That law provides economic assistance for roads and schools in rural communities affected by the loss of receipts from sales on federal lands in their communities. The assistance is intended to compensate local governments for the tax-exempt status of the national forests and other federal lands.

Sec. 211. Reserve Fund for Receipts from the Bonneville Power Administration

The resolution includes a reserve fund to accommodate legislation to reject the Administration's acceleration of Bonneville Power Administration's (BPA) debt repayment and to prohibit BPA from applying secondary sales revenue in excess of $500 million towards additional federal debt repayment, to the extent that such legislation complies with the pay-as-you-go principle.

Sec. 212. Reserve Fund for Transitional Medical Assistance

The reserve fund accommodates extension of Transitional Medical Assistance (TMA) through 2008, as long as it complies with the pay-as-you-go principle. TMA provides temporary Medicaid assistance for families transitioning to the workforce.

Conference Agreement

Sec. 301. Deficit-Neutral Reserve Fund for SCHIP Legislation

The House recedes to the Senate with a substitute. Subsection (a) retains the language of Section 301 of the Senate resolution with an amendment. This subsection applies only in the Senate. Subsection (b) retains the language of Section 201 of the House amendment with an amendment. This subsection applies only in the House.

Sec. 302. Deficit-Neutral Reserve Fund for Veterans and Wounded Servicemembers

The House recedes to the Senate with an amendment which incorporates Sections 302, 317, and 336 of the Senate resolution as well as Section 209 of the House amendment. The combined reserve fund would accommodate legislation consistent with the pay-as-you-go principle that improves services and benefits to wounded or disabled military personnel and retirees, veterans, and their survivors and dependents, which may include enhancing medical care and disability benefits, expanding eligibility to receive both disability compensation and retired pay (for combat-disabled retirees), eliminating the offset between survivor benefit annuities and dependency and indemnity compensation, improving disability evaluations, enhancing educational benefits, or increasing benefits to Filipino veterans of World War II and their survivors and dependents.

Sec. 303. Deficit-Neutral Reserve Fund for Tax Relief

In subsection (a) of Section 303 of the conference agreement, which applies only in the Senate, the Senate insists on Section 303 of the Senate resolution with an amendment. In subsection (b) of Section 303 of the conference agreement, which applies only in the House, the House insists on Sections 202 and 203 of the House amendment with an amendment.

Sec. 304. Deficit-Neutral Reserve Fund for Medicare Improvements

The House recedes to the Senate with a substitute. Subsection (a) retains the language of Section 206 of the House amendment. This subsection applies only in the House of Representatives. Subsection (b) retains the language of Section 308 and Section 342 of the Senate resolution. This subsection applies only in the Senate. Subsection (c) retains the language of Section 333 of the Senate resolution with an amendment. This subsection applies in the Senate and in the House of Representatives.

Sec. 305. Deficit-Neutral Reserve Fund for Health Care Quality, Effectiveness, Efficiency, and Transparency

The House recedes to the Senate with an amendment. Subsection (a) retains the language of Section 319 of the Senate resolution with an amendment. This subsection applies in the Senate and in the House of Representatives. Subsection (b) retains the language of Section 304 of the Senate resolution. This subsection applies in the Senate and in the House of Representatives. Subsection (c) retains the language in Section 341 of the Senate resolution. This subsection applies in the Senate only.

Sec. 306. Deficit-Neutral Reserve Fund for Higher Education

The House recedes to the Senate with a substitute. The reserve funds for higher education in the House and Senate have identical goals and the identical effect of accommodating deficit-neutral legislation to make higher education more accessible and more affordable. The conference agreement could facilitate legislation that would enhance benefits for post-secondary students, including, but not limited to, reductions in interest rates on student loans, significant increases in grant aid for students, or tax benefits.

Sec. 307. Deficit-Neutral Reserve Fund for the Farm Bill

The Senate recedes to the House with a substitute. Section 307 provides for an increase in budget authority of up to $20.0 billion over six years (2007–2012) if the funding increases are appropriately offset. Subsection (a) retains the language of Section 306 in the Senate resolution with an amendment. This subsection applies only in the Senate. Subsection (b) retains the language of Section 204 in the House resolution. This subsection applies only in the House.

Sec. 308. Deficit-Neutral Reserve Fund for Energy Legislation

The House recedes to the Senate with a substitute. Section 308 of the conference agreement is a deficit-neutral energy reserve fund with two parts. Subsection (a) combines language similar to the reserve funds included in Section 307 and Section 332 of the Senate resolution and would apply only to the Senate. This subsection allows the Senate's discretionary spending limits to be adjusted in addition to the aggregates and allocations. Subsection (b) is similar to Section 207 of the House amendment and would apply only to the House.

Sec. 309. Deficit-Neutral Reserve Fund for County Payments Legislation

The Senate recedes to the House with an amendment. The amendment clarifies that the reserve fund could accommodate legislation that provides for the reauthorization of the Secure Rural Schools and Community Self-Determination Act of 2000 (Public Law 106–393), or makes changes to the Payments in Lieu of Taxes Act of 1976 (Public Law 94–565), or both. The reserve fund would accommodate deficit-neutral legislation in the House and the Senate, and allows the Senate's discretionary spending limits to be adjusted in addition to the aggregates and allocations.

Sec. 310. Deficit-Neutral Reserve Fund for Terrorism Risk Insurance Reauthorization

The House recedes to Section 311 of the Senate resolution with a technical amendment to accommodate legislation in the House and Senate consistent with House and Senate pay-as-you-go rules. The reserve fund accommodates legislation in both bodies for a continuing federal role in ensuring that terrorism risk insurance remains available after the expiration of the Terrorism Risk Insurance Act.

Sec. 311. Deficit-Neutral Reserve Fund for Affordable Housing

The House recedes to Section 312 of the Senate resolution with a technical amendment to accommodate legislation in the House and Senate consistent with House and Senate pay-as-you-go rules. The reserve fund accommodates legislation in both bodies to establish an affordable housing fund financed by housing government-sponsored enterprises.

Sec. 312. Deficit-Neutral Reserve Fund for Receipts from Bonneville Power Administration

The House recedes to Section 313 of the Senate resolution with a substitute. The reserve fund included in Section 312 of the conference agreement is similar to the language included in both the House and Senate budget resolutions. The reserve fund would accommodate deficit-neutral legislation in the House and the Senate, and allows the Senate's discretionary spending limits to be adjusted in addition to the aggregates and allocations.

Sec. 313. Deficit-Neutral Reserve Fund for Indian Claims Settlement

The House recedes to Section 314 of the Senate resolution with an amendment to accommodate similar House legislation and, as in the Senate, provisions to ensure its cost is offset.

Sec. 314. Deficit-Neutral Reserve Fund for Improvements in Health

The House recedes to the Senate with an amendment which incorporates Sections 318 and 322 of the Senate resolution. The conference agreement consolidates Sections 309, 316, and 343 of the Senate resolution into two subsections, 314(a) and 314(b), with amendments. This reserve fund applies in the Senate and in the House of Representatives.

Sec. 315. Deficit-Neutral Reserve Fund for Child Care

The House recedes to Section 320 of the Senate resolution with an amendment to accommodate similar legislation in the House.

Sec. 316. Deficit-Neutral Reserve Fund for Immigration Reform

The House recedes to Section 321 of the Senate resolution with an amendment. This reserve fund applies only in the Senate.

Sec. 317. Deficit-Reduction Reserve Fund

The House recedes to the Senate with an amendment. The amendment combines reserve funds included in Section 330 and Section 339 of the Senate resolution. Section 317 applies to both the House and the Senate, and allows the Senate's discretionary spending limits to be adjusted in addition to the aggregates and allocations.

Sec. 318. Deficit-Neutral Reserve Fund for Manufacturing Initiatives in the Senate

The Senate insists on Section 338 of the Senate resolution, which applies only in the Senate, with an amendment.

Sec. 319. Deficit-Neutral Reserve Fund for the Food and Drug Administration in the Senate

Section 319 of the conference agreement consists of two subsections, 319(a) and 319(b). Subsection (a) allows the Chairman of the Senate Budget Committee to revise the levels in the resolution for legislation authorizing the Food and Drug Administration to regulate products and assess user fees on manufacturers and importers of these products to cover the cost of the Food and Drug Administration's regulatory activities. Subsection (b) retains the language of Section 324 of the Senate resolution. The reserve fund applies only to the Senate.

Sec. 320. Deficit-Neutral Reserve Fund for Medicaid

The House recedes to the Senate with a substitute. Subsection (a) retains the language of Section 340 of the Senate resolution with an amendment. Subsection (b) accommodates legislation for a demonstration project regarding Medicaid coverage of low-income HIV-infected individuals. Subsection (c) retains the language of Section 212 of the House amendment with an amendment. This reserve fund applies in the Senate and in the House of Representatives.

Sec. 321. House Reserve Fund Adjustment for Revenue Measures

Section 321 of the conference agreement creates a reserve fund to consider any revenue measure (including a conference report) in the House. It applies to bills that would reduce revenues below the sum of aggregate revenue levels for a five-year period as measured against the Congressional Budget Office baseline for the most recent concurrent resolution of the budget. The revenue measure can only become effective upon certification by the Secretary of the Treasury and the Director of the Office of Management and Budget that the reduction in revenues due to the measure for the period comprising fiscal years through 2012 will not exceed the lesser of $179.8 billion or 80 percent of the fiscal year 2012 unified budget surplus, as estimated by them within six months prior to the first day of the first taxable year affected, said taxable year in no case earlier than 2010. If this provision is not included, the Chairman of the House Budget Committee will adjust aggregate revenue levels in the resolution to create a point of order in the House against the measure under Section 311 of the Budget Act. The Chairman would readjust the levels upon disposition of any measure considered in violation of this section. This point of order would be in addition to a House paygo point of order, which lies against any bill that is not deficit-neutral, notwithstanding any other provisions of this conference agreement.

Any measure, including a conference report, decreasing total revenues, would have the point of order against it in the House, unless it contains a provision consistent with the following:

''None of the provisions of this Act or amendments made by it, shall have legal force or effect unless within six months prior to the first day of the first taxable year affected, said taxable year in no case earlier than 2010, the Secretary of the Treasury and the Director of the Office of Management and Budget project a unified budget surplus for the fiscal year 2012, estimate the budgetary impact of this Act, and certify by issuance of a joint communication, to be published in the Federal Register, that the estimated reduction in revenues for the period comprising fiscal years through 2012 resulting from this Act (including amendments made by this Act) will not exceed the lesser of $179.8 billion or 80 percent of the projected fiscal year 2012 unified budget surplus.''

Section 321 is a reserve fund that applies in the House only. It does not apply in the Senate. Its inclusion in this conference report, and the inclusion of the above language by the House of Representatives in this joint statement regarding the operation of this section in the House, is not to be construed as setting any procedural precedent in the Senate and does not reflect the Senate's agreement to any provisions in any conference agreement on revenue measures that are affected in the House by the requirements of this reserve fund.

Sec. 322. Deficit-Neutral Reserve Fund for San Joaquin River Restoration and Navajo Nation Water Rights Settlements

Section 322 is a deficit-neutral reserve fund for legislation that would fulfill the purposes of the San Joaquin River Restoration Settlement Act, implement a Navajo Nation water rights settlement as authorized by the Northwestern New Mexico Rural Water Projects Act, or both. The reserve fund would accommodate deficit-neutral legislation in both the House and the Senate.

Sec. 323. Deficit-Neutral Reserve Fund for Selected Tax Relief Policies in the Senate

The Senate insists on Sections 303, 328, and 331 of the Senate resolution with an amendment. This section applies only in the Senate.

POLICY

Senate Resolution

Unlike Title IV of the House amendment, the Senate resolution did not contain a policy statement title.

House Amendment

Title IV of the House amendment contains the following policy sections.

Sec. 401. Policy on middle-income tax relief.

Sec. 402. Policy on defense priorities.

Sec. 403. Policy on college affordability.

Conference Agreement

Sec. 401. Policy on Middle-Income Tax Relief

The Senate recedes to Section 401 of the House amendment with a substitute. Subsection (a) retains the language of Section 401 of the House amendment, with amendments. This subsection applies only in the House. Subsection (b) applies only in the Senate.

Sec. 402. Policy on Defense Priorities

In Section 402 of the conference agreement, the Senate recedes to Section 402 of the House amendment with an amendment. The House Budget Committee report (H. Rept. 110–69) discussed key priorities to be funded within the defense allocation and the need for the Department of Defense to root out wasteful spending (such as the continued funding of some Cold War-era weapons systems, which may not be as effective in protecting the nation from today's threats). The conference agreement reaffirms these priorities.

Sec. 403. Policy on College Affordability

The Senate recedes to the House with a substitute. The conferees intend that nothing in the budget resolution should be construed as indicating support for cuts in college aid to students, including but not limited to assistance provided by non-profit state agencies.

SENSES OF THE HOUSE AND CONGRESS

Senate Resolution

Section 335 of the Senate resolution expresses the sense of Congress on the State Criminal Alien Assistance Program.

House Amendment

Title V of the House amendment contains the following Sense of the House sections:

Sec. 501. Sense of the House on servicemembers' and veterans' health care and other priorities.

Sec. 502. Sense of the House on the Innovation Agenda: A commitment to competitiveness to keep America #1.

Sec. 503. Sense of the House on homeland security.

Sec. 504. Sense of the House regarding the ongoing need to respond to Hurricanes Katrina and Rita.

Sec. 505. Sense of the House regarding long-term sustainability of entitlements.

Sec. 506. Sense of the House regarding the need to maintain and build upon efforts to fight hunger.

Sec. 507. Sense of the House regarding affordable health coverage.

Sec. 508. Sense of the House regarding extension of the statutory pay-as-you-go rule.

Sec. 509. Sense of the House on long-term budgeting.

Sec. 510. Sense of the House regarding pay parity.

Sec. 511. Sense of the House regarding waste, fraud, and abuse.

Sec. 512. Sense of the House regarding the importance of child support enforcement.

Sec. 513. Sense of the House on state veterans cemeteries.

Conference Agreement

In Title V of the conference agreement, the Senate recedes to Sections 501 through 513 of the House amendment, and the House recedes to Section 335 of the Senate resolution, with minor technical, clarifying, and conforming amendments. Title V includes the following sense of the House and sense of Congress provisions:

Sec. 501. Sense of Congress on Servicemembers' and Veterans' Health Care and Other Priorities.

Sec. 502. Sense of Congress on the Innovation Agenda: A Commitment to Competitiveness to Keep America #1.

Sec. 503. Sense of Congress on Homeland Security.

Sec. 504. Sense of Congress Regarding the Ongoing Need to Respond to Hurricanes Katrina and Rita.

Sec. 505. Sense of Congress Regarding Long-Term Sustainability of Entitlements.

Sec. 506. Sense of Congress Regarding the Need to Maintain and Build Upon Efforts to Fight Hunger.

Sec. 507. Sense of Congress Regarding Affordable Health Coverage.

Sec. 508. Sense of Congress Regarding Extension of the Statutory Pay-As-You-Go Rule.

Sec. 509. Sense of the Congress on Long-Term Budgeting.

Sec. 510. Sense of Congress Regarding Pay Parity.

Sec. 511. Sense of Congress Regarding Waste, Fraud, and Abuse.

Sec. 512. Sense of Congress Regarding the Importance of Child Support Enforcement.

Sec. 513. Sense of the House on State Veterans Cemeteries.

Sec. 514. Sense of the Congress on the State Criminal Alien Assistance Program.

RECONCILIATION

Senate Resolution

The Senate resolution did not include any reconciliation instructions.

House Amendment

Section 601 of the House amendment, which was included at the request of the Committee on Education and Labor, instructs that committee to report changes in law to the House to reduce the deficit by $75 million over six years, no later than September 10, 2007. Section 403 of the House

amendment includes policy language stating that the provision shall not be construed to require reductions in assistance that makes college more affordable for students.

Conference Agreement

The Senate recedes to the House with a substitute. The conference agreement provides instructions to the Education and Labor Committee in the House and to the Health, Education, Labor and Pensions Committee in the Senate to report legislation by September 10, 2007, to reduce the deficit by $750 million over six years.

ECONOMIC ASSUMPTIONS

Section 301(g)(2) of the Congressional Budget Act requires that the joint explanatory statement accompanying a conference report on a budget resolution set forth the common economic assumptions upon which the joint statement and conference report are based. The conference agreement is built upon the economic forecasts developed by the Congressional Budget Office and presented in CBO's ''The Budget and Economic Outlook: Fiscal Years 2008–2017'' (January 2007).

Senate Resolution

CBO's economic assumptions were used.

House Amendment

CBO's economic assumptions were used.

Conference Agreement

CBO's economic assumptions were used.

ECONOMIC ASSUMPTIONS OF THE BUDGET RESOLUTION

[Calendar years]

	2007	2008	2009	2010	2011	2012
Real GDP, Percent Change, Year Over Year	2.3	3.0	3.1	3.0	2.7	2.7
GDP Price Index, Percent Change, Year Over Year	1.9	1.8	1.8	1.8	1.8	1.8
Consumer Prices, Percent Change, Year Over Year	1.9	2.3	2.2	2.2	2.2	2.2
Unemployment Rate, Percent, Yearly Average	4.7	4.9	5.0	5.0	5.0	5.0
3-Month Treasury Bill Rate, Percent, Yearly Average	4.8	4.5	4.4	4.4	4.4	4.4
10-Year Treasury Bond Rate, Percent, Yearly Average	4.8	5.0	5.1	5.2	5.2	5.2

ALLOCATIONS

As required in Section 302 of the Congressional Budget Act, the joint statement of managers includes an allocation, based on the conference agreement, of total budget authority and total budget outlays among each of the appropriate committees. The allocations are as follows:

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT
BUDGET YEAR TOTAL 2007
(in millions of dollars)

	Direct spending legislation		Entitlements funded in annual appropriations acts	
Committee	Budget Authority	Outlays	Budget Authority	Outlays
Appropriations				
General Purpose Discretionary	950,504	1,029,465		
Memo: off-budget	4,692	4,727		
on-budget	945,812	1,024,738		
Mandatory	551,683	535,462		
Total	1,502,187	1,564,927		
Agriculture, Nutrition, and Forestry	14,284	14,056	69,157	53,045
Armed Services	98,717	98,252	102	112
Banking, Housing, and Urban Affairs	11,641	-1,788	1	1
Commerce, Science, and Transportation	16,278	8,257	1,060	1,026
Energy and Natural Resources	5,016	5,484	54	59
Environment and Public Works	42,426	1,687	0	0
Finance	1,011,528	1,017,818	417,759	417,995
Foreign Relations	15,769	15,763	164	164
Homeland Security and Governmental Affairs	102,150	98,545	20,656	20,657
Judiciary	6,811	6,945	617	611
Health, Education, Labor, and Pensions	12,922	13,144	4,371	4,224
Rules and Administration	67	39	121	121
Intelligence	256	256	0	0
Veterans' Affairs	304	354	37,621	37,447
Indian Affairs	451	448	0	0
Small Business	-78	-78	0	0
Unassigned to Committee	-580,291	-570,736	0	0
TOTAL	2,260,438	2,273,373	551,683	535,462

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT
BUDGET YEAR TOTAL 2008
(in millions of dollars)

	Direct spending legislation		Entitlements funded in annual appropriations acts	
Committee	Budget Authority	Outlays	Budget Authority	Outlays
Appropriations				
General Purpose Discretionary	953,052	1,028,397		
Memo: off-budget	4,850	4,859		
on-budget	948,202	1,023,538		
Mandatory	588,759	575,066		
Total	1,541,811	1,603,463		
Agriculture, Nutrition, and Forestry	13,464	12,939	69,055	55,661
Armed Services	102,125	102,153	105	114
Banking, Housing, and Urban Affairs	13,296	-1,878	1	1
Commerce, Science, and Transportation	14,547	9,906	1,069	1,063
Energy and Natural Resources	5,071	4,757	54	55
Environment and Public Works	43,535	1,753	0	0
Finance	1,078,880	1,079,886	450,848	450,814
Foreign Relations	14,688	14,690	159	159
Homeland Security and Governmental Affairs	87,956	85,389	20,869	20,869
Judiciary	8,617	7,504	638	629
Health, Education, Labor, and Pensions	10,608	10,024	4,451	4,346
Rules and Administration	70	215	126	126
Intelligence	263	263	0	0
Veterans' Affairs	1,219	1,300	41,384	41,229
Indian Affairs	452	441	0	0
Small Business	0	0	0	0
Unassigned to Committee	-582,534	-574,753	0	0
TOTAL	2,354,068	2,358,052	588,759	575,066

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT
5-YEAR TOTAL: 2008-2012
(in millions of dollars)

	Direct spending legislation		Entitlements funded in annual appropriations acts	
Committee	Budget Authority	Outlays	Budget Authority	Outlays
Agriculture, Nutrition, and Forestry	67,878	65,557	353,820	292,096
Armed Services	546,992	546,679	268	325
Banking, Housing, and Urban Affairs	64,093	-18,543	5	5
Commerce, Science, and Transportation	75,198	48,684	5,878	5,855
Energy and Natural Resources	25,838	24,730	264	265
Environment and Public Works	181,487	9,668	0	0
Finance	6,018,150	6,022,475	2,587,343	2,587,228
Foreign Relations	69,077	65,798	698	698
Homeland Security and Governmental Affairs	483,868	470,496	107,903	107,903
Judiciary	37,630	37,363	3,281	3,257
Health, Education, Labor, and Pensions	56,565	54,185	23,399	22,836
Rules and Administration	343	532	683	683
Intelligence	1,415	1,415	0	0
Veterans' Affairs	5,900	6,449	220,335	219,343
Indian Affairs	1,748	1,835	0	0
Small Business	0	0	0	0

Allocation of Spending Authority to House Committee on Appropriations
(In millions of dollars)

		2007 1/	2008
Discretionary Action	BA	950,504	953,052
	OT	1,029,465	1,028,397
Current Law Mandatory	BA	549,102	548,676
	OT	533,495	536,972

1/ Revision to amounts deemed for 2007. Includes emergencies incorporated into the Congressional Budget Office March baseline.

ALLOCATIONS OF SPENDING AUTHORITY TO HOUSE COMMITTEES OTHER THAN APPROPRIATIONS

(In millions of dollars)

	2007 1/	2008	Total 2008-2012
Committee on Agriculture			
Current Law			
BA	14,455	13,241	29,392
OT	14,270	13,054	29,398
Reauthorizations			
BA	--	36,547	225,550
OT	--	34,665	221,808
Total			
BA	14,455	49,788	254,942
OT	14,270	47,719	251,206
Committee on Armed Services			
Current Law			
BA	98,705	102,178	547,417
OT	98,241	102,207	547,105
Resolution Change			
BA	--	-50	-410
OT	--	-50	-410
Total			
BA	98,705	102,128	547,007
OT	98,241	102,157	546,695
Committee on Education and Labor			
Current Law			
BA	7,498	5,100	27,795
OT	7,665	4,937	25,692
Reauthorizations			
BA	2,837	2,874	16,586
OT	2,223	2,769	15,951
Resolution Change			
BA	--	-150	-750
OT	--	-150	-750
Total			
BA	10,335	7,824	43,631
OT	9,888	7,556	40,893
Committee on Energy and Commerce			
Current Law			
BA	240,383	248,708	1,415,559
OT	241,746	251,778	1,420,084
Reauthorizations			
BA	--	5,040	25,200
OT	--	2,675	23,507

ALLOCATIONS OF SPENDING AUTHORITY TO HOUSE COMMITTEES OTHER THAN APPROPRIATIONS

(In millions of dollars)

	2007 1/	2008	Total 2008-2012
Total			
BA	240,383	253,748	1,440,759
OT	241,746	254,453	1,443,591
Committee on Financial Services			
Current Law			
BA	3,929	4,924	19,988
OT	-1,237	-1,377	-16,331
Committee on Foreign Affairs			
Current Law			
BA	15,769	14,688	69,077
OT	15,763	14,690	65,798
Committee on Homeland Security			
Current Law			
BA	1,416	1,211	6,639
OT	1,364	1,396	6,962
Committee on House Administration			
Current Law			
BA	67	70	343
OT	39	215	532
Committee on the Judiciary			
Current Law			
BA	5,824	7,573	31,796
OT	5,963	6,466	31,560
Committee on Natural Resources			
Current Law			
BA	5,465	5,563	28,014
OT	5,209	5,093	26,513
Committee on Oversight and Government Reform			
Current Law			
BA	101,410	87,280	480,831
OT	97,813	84,705	467,426
Committee on Science and Technology			
Current Law			
BA	117	121	605
OT	115	133	637
Committee on Small Business			
Current Law			
BA	-78	--	--
OT	-78	--	--

ALLOCATIONS OF SPENDING AUTHORITY TO HOUSE COMMITTEES OTHER THAN APPROPRIATIONS

(In millions of dollars)

	2007 1/	2008	Total 2008-2012
Committee on Transportation and Infrastructure			
Current Law			
BA	66,656	65,299	166,780
OT	12,734	13,454	71,501
Reauthorizations			
BA	--	3,675	148,629
OT	--	--	1,164
Resolution Change			
BA	--	125	1,525
OT	--	--	--
Total			
BA	66,656	69,099	316,934
OT	12,734	13,454	72,665
Committee on Veterans Affairs			
Current Law			
BA	304	1,219	5,900
OT	354	1,300	6,449
Reauthorizations			
BA	--	406	9,533
OT	--	373	9,302
Total			
BA	304	1,625	15,433
OT	354	1,673	15,751
Committee on Ways and Means			
Current Law			
BA	775,774	823,345	4,486,527
OT	778,373	823,463	4,493,238
Reauthorizations			
BA	--	958	44,753
OT	--	711	38,149
Total			
BA	775,774	824,303	4,531,280
OT	778,373	824,174	4,531,387

1/ Revision to amounts deemed for 2007.

PAY-AS-YOU-GO SCORECARD FOR THE SENATE REFLECTING LEVELS FOR THE CONFERENCE AGREEMENT

Period of the current fiscal year, the budget year, and the four fiscal years following the budget year: $0.

Period of the current fiscal year, the budget year, and the nine fiscal years following the budget year: $0.

HOUSE RULE XXVII

The adoption of this conference agreement by the two houses would result in the engrossment of a House Joint Resolution changing the statutory limit on the public debt pursuant to House Rule XXVII, clause 3. The rule requires a joint resolution in the following form:

Resolved, by the Senate and the House of Representatives of the United States in Congress assembled, that subsection (b) of section 3101 of title 31, United States Code, is amended by striking out the dollar limitation contained in such subsection and inserting in lieu thereof $9,815,000,000,000.

Legislative jurisdiction over the public debt remains with the Finance Committee in the Senate and the Committee on Ways and Means in the House.

KENT CONRAD,
PATTY MURRAY,
RON WYDEN,
Managers on the Part of the Senate.

JOHN M. SPRATT, JR.,
ROSA DELAURO,
CHET EDWARDS,
Managers on the Part of the House.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1593

Mr. CONAWAY. Madam Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor on H.R. 1593, the Second Chance Act of 2007.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2008

The SPEAKER pro tempore. Pursuant to House Resolution 403 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the bill, H.R. 1585.

□ 1301

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 1585) to authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2008, and for other purposes, with Mr. ROSS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered read the first time.

The gentleman from Missouri (Mr. SKELTON) and the gentleman from California (Mr. HUNTER) each will control 45 minutes.

The Chair recognizes the gentleman from Missouri.

Mr. SKELTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today the House begins consideration of H.R. 1585, the National Defense Authorization Act for Fiscal Year 2008. This bill is a collective effort in the bipartisan tradition of the House Armed Services Committee, which approved the bill in markup last week by a vote of 58–0.

I want to thank our committee members, particularly our subcommittee chairmen and ranking members, for their outstanding work. And special thanks go to the ranking member, DUNCAN HUNTER, and I appreciate his working so hard in a very bipartisan manner to make this bill come to the floor. He's been a partner in this, and I appreciate it. I am proud that we're always able to work together in our efforts to enhance our Nation's defense.

Mr. Chairman, the polestar of this year's Defense authorization is readiness. Continued reports on the state of readiness for our ground forces, particularly our nondeployed and next-to-deploy forces, are of deep concern. To restore readiness and ensure our forces will be ready if they are called upon for the next fight, this bill fully funds the budget request for the Army and Marine Corps reset of equipment at $13.6 billion and $8.4 billion respectively.

They add some $1 billion in a strategic readiness fund to meet critical readiness requirements identified by a new Defense Readiness Production Board.

It increases training by $250 million so that our units may get more training time.

It requires a plan and a timeline for replenishing prepositioned stocks.

And it strengthens the National Guard by adding $1 billion for National Guard and Reserve equipment from their unfunded requirements list, ensuring that the National Guard is able to meet its homeland and civil support missions, and also adding a range of authorities through the National Guard Empowerment Act.

This bill looks out for our troops in harm's way by dedicating substantial resources to improve protection, including $4.6 billion for Mine Resistant Ambush Protected vehicles, known as MRAPs, and providing funds for personal body armor and up-armored Humvees.

To reduce the strain on our force and in keeping with the House Armed Services Committee's long advocacy of the need to boost end strength, that is, the number of troops, the bill has authorized an increase in the size of the Army by 36,000 Army troops and Marines by 9,000.

Our servicemembers and their families make countless sacrifices and our pride in them knows no bounds. We express our thanks to them through a 3.5 percent pay raise, by blocking TRICARE and pharmacy program fee increases, by expanding special compensation for combat-related disabled retirees, and establishing a special survivor indemnity allowance to begin to address the offset to the survivor benefit plan and the dependents indemnity plan.

Provisions also include the Wounded Warrior Assistance Act, which addresses many of the problems identified at Walter Reed Army Medical Center; and, Mr. Chairman, you will recall we passed that as a stand-alone bill just a few weeks ago.

Accountability with respect to our own ongoing operations in Iraq and Afghanistan is also an important component of the measure. The bill requires General Petraeus and Ambassador Crocker to report on the implementation of the Joint Campaign Plan for Iraq, as well as on efforts made by the Iraqi Government to achieve political reconciliation.

Secretary Gates is also required to report on the proposed force levels for the 6 months following September, to discuss the missions of our forces, and to inform Congress about contingency planning. The information from this report will help us ask the right questions, the tough questions, and make frank judgments about how we are going to pass the baton on to the Iraqis. I am convinced that the sectarian violence will only be overcome by Iraqi political progress, and thus far, I haven't seen much of that since then.

September's report will be an opportunity for General Petraeus and Ambassador Crocker to lay out the straight facts. Time is short with the American people, and the Iraqis must act soon. This report will provide real and substantial information.

Calling attention to the forgotten war in Afghanistan, the bill provides funds for the Afghanistan security forces and requires a long-term sustainment plan so that the Afghans can build the logistics and other capabilities they need for long-term security.

The bill establishes a new Special Inspector General for Afghan Reconstruction to ensure accountability in contracting there and extends the authority of the Special Inspector General for Iraq Reconstruction.

The bill also brings more contracting accountability to both Afghanistan and Iraq by forcing the Departments of Defense and State to work together in assigning responsibility for overseeing the thousands of contractors in these places, particularly those who do carry weapons.

And finally, Mr. Chairman, the bill requires that the Secretary of Defense undertake an analysis of the Department's roles and missions. In 1947, a similar effort helped shape the Pentagon through the National Security Act. After 60 years, it is time for a new analysis to help eliminate duplication among the services, identify core competencies, and strengthen the Department of Defense and the military while helping us spend money much more wisely.