



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

February 13, 2009

Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

Dear Madam Speaker:

The Congressional Budget Office has reviewed the conference agreement for H.R. 1, the American Recovery and Reinvestment Act of 2009, as posted on the Web site of the House Committee on Rules. We have enclosed two tables with this letter: one that summarizes the estimated budgetary impacts of the legislation and another, more detailed table that shows the budgetary effects by title. Combining both spending and revenue effects, CBO estimates that enacting the conference agreement for H.R. 1 would increase federal budget deficits by \$185 billion over the remaining months of fiscal year 2009, by \$399 billion in 2010, by \$134 billion in 2011, and by \$787 billion over the 2009-2019 period.

I hope this information is helpful to you. If you would like further details about this estimate, the CBO staff contact is Janet Airis.

Sincerely,

A handwritten signature in cursive script that reads "Douglas W. Elmendorf".

Douglas W. Elmendorf
Director

Enclosures

cc: Honorable John Boehner
Republican Leader

Honorable Steny Hoyer
Majority Leader

Honorable Nancy Pelosi
Page 2

Honorable John M. Spratt Jr.
Chairman
Committee on the Budget

Honorable Paul Ryan
Ranking Member

Honorable David R. Obey
Chairman
Committee on Appropriations

Honorable Jerry Lewis
Ranking Member

Honorable Charles B. Rangel
Chairman
Committee on Ways and Means

Honorable Dave Camp
Ranking Member

Honorable Henry A. Waxman
Chairman
Committee on Energy and Commerce

Honorable Joe Barton
Ranking Member

Identical letter sent to the Honorable Harry Reid.

TABLE 1. SUMMARY OF ESTIMATED COST OF THE CONFERENCE AGREEMENT FOR H.R. 1, THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009, AS POSTED ON THE WEB SITE OF THE HOUSE COMMITTEE ON RULES

	By Fiscal Year, in Billions of Dollars											2009- 2019
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
DIVISION A—APPROPRIATIONS ^a												
Estimated Budget Authority	288.7	7.1	4.6	3.6	2.5	1.1	1.1	1.1	1.1	0.5	0	311.2
Estimated Outlays	34.8	110.7	76.3	38.1	22.9	12.8	7.0	3.1	1.6	0.8	0.1	308.3
DIVISION A—REVENUES												
Estimated Revenues	*	*	*	*	*	*	*	*	*	*	*	-0.1
DIVISION B—DIRECT SPENDING												
Estimated Budget Authority	90.3	107.6	49.0	7.6	7.3	15.1	4.7	-4.7	-4.1	-1.9	-1.4	269.5
Estimated Outlays	85.3	108.6	49.9	8.1	7.4	15.1	4.7	-4.7	-4.1	-1.9	-1.4	267.0
DIVISION B—REVENUES												
Estimated Revenues	-64.8	-180.1	-8.2	10.0	2.7	5.5	7.1	5.8	5.1	5.0	0.1	-211.8
NET IMPACT ON THE DEFICIT												
Net Increase or Decrease (-) in the Deficit	184.9	399.4	134.4	36.1	27.6	22.4	4.7	-7.3	-7.5	-6.1	-1.4	787.2

a. Most of the spending for Division A would stem from discretionary appropriations. The totals include about \$29 billion in 2009-2019 changes to mandatory programs that are contained in Division A.

Notes: Components may not sum to totals because of rounding. * = revenue reductions of less than \$50 million.

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

Table 2. ESTIMATED COST OF THE CONFERENCE AGREEMENT FOR H.R. 1, THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009, AS POSTED ON THE WEBSITE OF THE HOUSE COMMITTEE ON RULES

	By Fiscal Year, Millions of Dollars											Total 2009 - 2019
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Discretionary Spending 1/												
Division A												
Title I - Agriculture, Rural Development, Food and Drug Administration, and Related Agencies												
Distance Learning, Telemedicine, and Broadband Program												
Budget Authority	2,500	0	0	0	0	0	0	0	0	0	0	2,500
Estimated Outlays	63	350	587	575	475	325	125	0	0	0	0	2,500
Supplemental Nutrition Assistance Program												
Estimated Budget Authority	4,859	6,056	4,317	3,115	1,639	5	0	0	0	0	0	19,991
Estimated Outlays	4,812	6,058	4,362	3,115	1,639	5	0	0	0	0	0	19,991
Other												
Budget Authority	3,971	4	0	0	0	0	0	0	0	0	0	3,975
Estimated Outlays	816	1,623	736	421	172	138	34	0	0	0	0	3,940
Subtotal, Title I												
Budget Authority	11,330	6,060	4,317	3,115	1,639	5	0	0	0	0	0	26,466
Estimated Outlays	5,691	8,031	5,685	4,111	2,286	468	159	0	0	0	0	26,431
Title II - Commerce, Justice, Science and Related Agencies												
Broadband Technology Opportunities Program												
Budget Authority	4,700	0	0	0	0	0	0	0	0	0	0	4,700
Estimated Outlays	84	756	860	1,250	1,210	390	150	0	0	0	0	4,700
State and Local Law Enforcement Assistance												
Budget Authority	2,765	0	0	0	0	0	0	0	0	0	0	2,765
Estimated Outlays	415	830	553	415	552	0	0	0	0	0	0	2,765
National Science Foundation												
Budget Authority	3,002	0	0	0	0	0	0	0	0	0	0	3,002
Estimated Outlays	342	1,266	794	349	162	63	12	0	0	0	0	2,988
Other												
Budget Authority	5,455	0	0	0	0	0	0	0	0	0	0	5,455
Estimated Outlays	1,697	2,148	654	521	298	39	0	0	0	0	0	5,357
Subtotal, Title II												
Budget Authority	15,922	0	0	0	0	0	0	0	0	0	0	15,922
Estimated Outlays	2,538	5,000	2,861	2,535	2,222	492	162	0	0	0	0	15,810
Title III - Department of Defense												
Budget Authority	4,555	0	0	0	0	0	0	0	0	0	0	4,555
Estimated Outlays	1,679	2,122	551	129	36	11	3	0	0	0	0	4,531
Title IV - Energy and Water Development												
Energy Efficiency and Renewable Energy												
Budget Authority	16,800	0	0	0	0	0	0	0	0	0	0	16,800
Estimated Outlays	445	2,045	3,340	3,715	3,300	2,540	1,048	267	100	0	0	16,800
Innovative Technology Loan Guarantee Program												
Budget Authority	6,000	0	0	0	0	0	0	0	0	0	0	6,000
Estimated Outlays	60	1,200	1,500	1,500	1,200	540	0	0	0	0	0	6,000
Other Energy Programs												
Budget Authority	15,935	175	275	475	875	1,050	1,050	1,050	1,050	490	0	22,425
Estimated Outlays	1,303	3,943	5,043	4,275	2,175	1,910	1,186	1,050	1,050	470	-30	22,375

(continued)

Table 2. ESTIMATED COST OF THE CONFERENCE AGREEMENT FOR H.R. 1, THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009,
AS POSTED ON THE WEBSITE OF THE HOUSE COMMITTEE ON RULES
(Continued)

	By Fiscal Year, Millions of Dollars											Total 2009 - 2019
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Discretionary Spending (continued) 1/												
Division A (continued)												
Corps of Engineers												
Budget Authority	4,600	0	0	0	0	0	0	0	0	0	0	4,600
Estimated Outlays	1,171	1,701	980	378	270	100	0	0	0	0	0	4,600
Other, Title IV												
Budget Authority	1,000	0	0	0	0	0	0	0	0	0	0	1,000
Estimated Outlays	180	500	200	120	0	0	0	0	0	0	0	1,000
Subtotal, Title IV												
Budget Authority	44,335	175	275	475	875	1,050	1,050	1,050	1,050	490	0	50,825
Estimated Outlays	3,159	9,389	11,063	9,988	6,945	5,090	2,234	1,317	1,150	470	-30	50,775
Title V - Financial Services and and General Government												
Federal Buildings Fund												
Budget Authority	5,550	0	0	0	0	0	0	0	0	0	0	5,550
Estimated Outlays	400	900	1,000	1,100	1,000	500	300	150	50	0	0	5,400
Other												
Budget Authority	1,308	0	0	0	0	0	0	0	0	0	0	1,308
Estimated Outlays	220	662	339	67	19	0	0	0	0	0	0	1,307
Subtotal, Title V												
Budget Authority	6,858	0	0	0	0	0	0	0	0	0	0	6,858
Estimated Outlays	620	1,562	1,339	1,167	1,019	500	300	150	50	0	0	6,707
Title VI - Homeland Security												
Budget Authority	2,755	0	0	0	0	0	0	0	0	0	0	2,755
Estimated Outlays	506	591	857	457	230	93	10	0	0	0	0	2,744
Title VII - Interior, Environment, and Related Agencies												
Clean Water and Drinking Water State Revolving Funds												
Budget Authority	6,000	0	0	0	0	0	0	0	0	0	0	6,000
Estimated Outlays	180	1,380	1,800	1,240	600	320	120	68	36	42	0	5,786
Other												
Budget Authority	4,950	0	0	0	0	0	0	0	0	0	0	4,950
Estimated Outlays	988	2,118	897	531	183	9	9	9	9	6	0	4,759
Subtotal, Title VII												
Budget Authority	10,950	0	0	0	0	0	0	0	0	0	0	10,950
Estimated Outlays	1,168	3,498	2,697	1,771	783	329	129	77	45	48	0	10,545
Title VIII - Departments of Labor, Health and Human Services, and Education, and Related Agencies												
National Institutes of Health												
Budget Authority	10,000	0	0	0	0	0	0	0	0	0	0	10,000
Estimated Outlays	855	3,286	3,703	1,505	249	118	27	0	0	0	0	9,743
National Coordinator for Health Information Technology												
Budget Authority	2,000	0	0	0	0	0	0	0	0	0	0	2,000
Estimated Outlays	300	1,280	360	40	0	0	0	0	0	0	0	1,980
Other Department of Health and Human Services												
Budget Authority	9,897	0	0	0	0	0	0	0	0	0	0	9,897
Estimated Outlays	2,173	3,009	2,358	1,612	593	65	0	0	0	0	0	9,810

(continued)

Table 2. ESTIMATED COST OF THE CONFERENCE AGREEMENT FOR H.R. 1, THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009,
AS POSTED ON THE WEBSITE OF THE HOUSE COMMITTEE ON RULES
(Continued)

	By Fiscal Year, Millions of Dollars											Total 2009 - 2019
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Discretionary Spending (Continued) 1/												
Division A (continued)												
Employment and Training Administration												
Budget Authority	4,470	0	0	0	0	0	0	0	0	0	0	4,470
Estimated Outlays	613	2,226	1,224	242	0	0	0	0	0	0	0	4,305
Department of Education												
Education for the Disadvantaged												
Budget Authority	13,000	0	0	0	0	0	0	0	0	0	0	13,000
Estimated Outlays	494	6,210	5,776	520	0	0	0	0	0	0	0	13,000
Special Education												
Budget Authority	12,200	0	0	0	0	0	0	0	0	0	0	12,200
Estimated Outlays	732	5,734	5,124	610	0	0	0	0	0	0	0	12,200
Student Financial Assistance												
Budget Authority	16,483	831	0	0	0	0	0	0	0	0	0	17,314
Estimated Outlays	917	14,572	1,056	15	0	0	0	0	0	0	0	16,560
Other Education												
Budget Authority	2,124	0	0	0	0	0	0	0	0	0	0	2,124
Estimated Outlays	207	1,078	624	203	12	0	0	0	0	0	0	2,124
Other, Title VIII												
Budget Authority	1,559	0	0	0	0	0	0	0	0	0	0	1,559
Estimated Outlays	540	324	283	237	155	4	4	2	0	0	0	1,549
Subtotal, Title VIII												
Budget Authority	71,733	831	0	0	0	0	0	0	0	0	0	72,564
Estimated Outlays	6,831	37,719	20,508	4,984	1,009	187	31	2	0	0	0	71,271
Title IX - Legislative Branch												
Budget Authority	25	0	0	0	0	0	0	0	0	0	0	25
Estimated Outlays	8	15	2	0	0	0	0	0	0	0	0	25
Title X - Military Construction and Veterans Affairs and Related Agencies												
Budget Authority	4,281	0	0	0	0	0	0	0	0	0	0	4,281
Estimated Outlays	448	1,564	1,229	638	241	93	33	0	0	0	0	4,246
Title XI - State, Foreign Operations and Related Programs												
Budget Authority	602	0	0	0	0	0	0	0	0	0	0	602
Estimated Outlays	96	180	162	114	50	0	0	0	0	0	0	602
Title XII - Transportation and Housing and Urban Development												
Highway Construction												
Budget Authority	27,500	0	0	0	0	0	0	0	0	0	0	27,500
Estimated Outlays	2,750	6,875	5,500	4,125	3,025	2,750	1,925	550	0	0	0	27,500
Other Transportation												
Budget Authority	20,620	0	0	0	0	0	0	0	0	0	0	20,620
Estimated Outlays	2,232	2,511	3,285	2,910	3,027	2,672	1,987	1,051	400	320	160	20,555
Public Housing Capital Fund												
Budget Authority	4,000	0	0	0	0	0	0	0	0	0	0	4,000
Estimated Outlays	80	1,200	1,200	800	640	40	40	0	0	0	0	4,000
Other Housing Assistance												
Budget Authority	9,662	13	0	0	0	0	0	0	0	0	0	9,675
Estimated Outlays	446	2,068	3,316	1,973	1,109	62	22	0	0	0	0	8,996
Subtotal, Title XII												
Budget Authority	61,782	13	0	0	0	0	0	0	0	0	0	61,795
Estimated Outlays	5,508	12,654	13,301	9,808	7,801	5,524	3,974	1,601	400	320	160	61,051

(continued)

Table 2. ESTIMATED COST OF THE CONFERENCE AGREEMENT FOR H.R. 1, THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009,
AS POSTED ON THE WEBSITE OF THE HOUSE COMMITTEE ON RULES
(Continued)

	By Fiscal Year, Millions of Dollars											Total 2009 - 2019
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Discretionary Spending (continued) 1/												
Division A (continued)												
Title XIV - State Fiscal Stabilization Fund												
Budget Authority	53,600	0	0	0	0	0	0	0	0	0	0	53,600
Estimated Outlays	6,540	28,377	16,070	2,363	250	0	0	0	0	0	0	53,600
Subtotal, Division A												
Budget Authority	288,728	7,079	4,592	3,590	2,514	1,055	1,050	1,050	1,050	490	0	311,198
Estimated Outlays	34,792	110,702	76,325	38,065	22,872	12,787	7,035	3,147	1,645	838	130	308,338
Division A - Revenues												
Title XII - Transportation and Housing and Urban Development HOME, Low-income Housing Tax Credit Program												
	-1	-3	-8	-12	-14	-16	-17	-18	-18	-18	-18	-143
Net Increase or Decrease (-) in the Deficit, Division A												
	34,793	110,705	76,333	38,077	22,886	12,803	7,052	3,165	1,663	856	148	308,481
Direct Spending												
Division B												
Title I - Tax Provisions												
Refundable Tax Credits												
Estimated Budget Authority	1,528	32,027	30,105	726	706	686	666	646	634	622	610	68,955
Estimated Outlays	1,528	32,027	30,105	726	706	686	666	646	634	622	610	68,955
Other Provisions												
Estimated Budget Authority	3,580	844	434	21	10	0	0	0	0	0	0	4,889
Estimated Outlays	3,250	696	553	244	62	3	0	0	0	0	0	4,808
Subtotal, Title I												
Estimated Budget Authority	5,108	32,871	30,539	747	716	686	666	646	634	622	610	73,844
Estimated Outlays	4,778	32,723	30,658	970	768	689	666	646	634	622	610	73,763
Title II - Assistance for Unemployed Workers and Struggling Families												
Unemployment Compensation												
Estimated Budget Authority	16,981	20,460	470	295	140	135	140	145	150	155	160	39,231
Estimated Outlays	16,976	20,465	470	295	140	135	140	145	150	155	160	39,231
Economic Recovery Payments, TANF, and Child Support												
Estimated Budget Authority	19,530	962	-30	-12	-3	-1	0	0	0	0	0	20,447
Estimated Outlays	14,942	2,125	713	187	49	14	4	1	0	0	0	18,033
Subtotal, Title II												
Estimated Budget Authority	36,511	21,422	440	283	137	134	140	145	150	155	160	59,677
Estimated Outlays	31,918	22,590	1,183	482	189	149	144	146	150	155	160	57,264
Title III - Health Insurance Assistance												
Estimated Budget Authority	14,302	9,206	1,493	67	0	0	0	0	0	0	0	25,069
Estimated Outlays	14,302	9,206	1,493	67	0	0	0	0	0	0	0	25,069
Title IV - Health Information Technology												
Estimated Budget Authority	438	178	4,741	6,469	6,463	14,231	3,848	-5,546	-4,990	-2,780	-2,233	20,819
Estimated Outlays	417	178	4,741	6,469	6,463	14,231	3,848	-5,535	-4,980	-2,780	-2,233	20,819
Title V - State Fiscal Relief												
Estimated Budget Authority	33,955	43,920	11,802	67	-8	33	44	56	57	59	59	90,044
Estimated Outlays	33,881	43,923	11,847	88	-6	35	44	56	57	59	59	90,042
Subtotal, Direct Spending												
Estimated Budget Authority	90,314	107,597	49,015	7,633	7,308	15,084	4,698	-4,699	-4,149	-1,944	-1,404	269,454
Estimated Outlays	85,295	108,619	49,922	8,076	7,414	15,104	4,702	-4,687	-4,139	-1,944	-1,404	266,958

(continued)

Table 2. ESTIMATED COST OF THE CONFERENCE AGREEMENT FOR H.R. 1, THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009,
AS POSTED ON THE WEBSITE OF THE HOUSE COMMITTEE ON RULES
(Continued)

	By Fiscal Year, Millions of Dollars											Total 2009 - 2019
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Division B - Revenues												
Division B (continued)												
Title I - Tax Provisions	-64,792	-179,893	-8,194	9,949	2,506	5,228	6,670	5,313	4,562	4,495	-408	-214,576
Title II - Assistance for Unemployed Workers and Struggling Families	-44	-261	-186	-263	-225	-139	-81	34	65	105	115	-879
Title III - Health Insurance Assistance	0	52	86	93	75	46	29	10	1	0	0	392
Title IV - Health Information Technology	0	0	120	250	360	410	435	435	425	415	410	3,260
Subtotal, Revenues	-64,836	-180,102	-8,174	10,029	2,716	5,545	7,053	5,792	5,053	5,015	117	-211,803
Net Increase or Decrease (-) in the Deficit, Division B	150,131	288,722	58,096	-1,953	4,698	9,558	-2,351	-10,480	-9,192	-6,959	-1,521	478,761
Net Impact on the Deficit												
Net Increase or Decrease (-) in the Deficit	184,924	399,427	134,429	36,124	27,584	22,361	4,701	-7,315	-7,529	-6,103	-1,373	787,242
Memorandum												
On-Budget												
Estimated Budget Authority	379,042	114,676	53,618	11,248	9,857	16,176	5,787	-3,609	-3,086	-1,440	-1,391	580,879
Estimated Outlays	120,087	219,321	126,258	46,166	30,321	27,928	11,776	-1,500	-2,481	-1,092	-1,261	575,523
Revenues	-64,821	-180,075	-8,218	9,927	2,577	5,389	6,886	5,624	4,890	4,857	-41	-213,017
Net Impact on the Deficit	184,908	399,396	134,476	36,239	27,744	22,539	4,890	-7,124	-7,371	-5,949	-1,220	788,540
Off-Budget												
Estimated Budget Authority	0	0	-11	-25	-35	-37	-39	-40	-13	-14	-13	-227
Estimated Outlays	0	0	-11	-25	-35	-37	-39	-40	-13	-14	-13	-227
Revenues	-16	-30	36	90	125	140	150	150	145	140	140	1,071
Net Impact on the Deficit	16	30	-47	-115	-160	-177	-189	-190	-158	-154	-153	-1,298
Unified Budget												
Estimated Budget Authority	379,042	114,676	53,607	11,223	9,822	16,139	5,748	-3,649	-3,099	-1,454	-1,404	580,652
Estimated Outlays	120,087	219,321	126,247	46,141	30,286	27,891	11,737	-1,540	-2,494	-1,106	-1,274	575,296
Revenues	-64,837	-180,105	-8,182	10,017	2,702	5,529	7,036	5,774	5,035	4,997	99	-211,946
Net Impact on the Deficit	184,924	399,427	134,429	36,124	27,584	22,361	4,701	-7,315	-7,529	-6,103	-1,373	787,242

Source: Congressional Budget Office and Joint Committee on Taxation.

Notes: TANF = Temporary Assistance for Needy Families.

Estimates in this table reflect an assumed enactment date in mid-February, 2009. Outlays projected for 2009 would occur over a 7 1/2 month period.

Positive revenue numbers reflect decreases in the deficit; negative revenue numbers reflect increases in the deficit.

Positive numbers for "net impact on the deficit" reflect an increase in the deficit; negative numbers reflect a decrease in the deficit.

Components may not sum to totals because of rounding.

1. Includes estimates for changes to mandatory programs contained in Division A.