

# ~~Pay-Go~~ Swiss-Cheese-Go

Real pay-go  
violations

Emergency  
Declarations

Gimmicks  
to get around  
pay-go

\$110 bil

\$343 bil

\$90 bil

**\$543 Bil**

## Swiss-Cheese-Go - \$543 billion over 10 years

Real pay-go violations	10-yr deficit impact	Comments
Tax Increase Prevention Act of 2007	\$50.6 bil	H.R. 3996 – <b>enacted</b> Bill to patch the AMT for 2007 reduced revenues and was not offset.
Immigration Reform	\$30.3 bil	S. 1348 – SA 1150, Democrats’ substitute amendment considered in Senate Bill increased direct spending by \$21.5 bil and reduced revenues by \$8.8 bil over ten years.
Foreclosure Prevention Act of 2008	\$20.8 bil	H.R. 3221 – <b>enacted</b> Bill increased non-emergency direct spending by \$37.5 bil and increased revenues by \$16.8 bil over ten years. (See next section for emergency spending increase.)
Energy Act of 2007	\$4.2 bil	Senate Democrats’ substitute amendment to HR 6 (SA 1502) – adopted by UC in Senate Bill increased direct spending by \$2.5 bil and reduced revenues by \$1.7 bil over ten years.
Mental Health Parity	\$2.8 bil	S. 558 – Senate-passed Bill increased direct spending by \$790 mil and reduced revenues by \$1.97 bil over ten years.
Heroes Earnings Assistance & Relief Tax Act of 2008	\$572 mil	H.R. 6081 – <b>enacted</b> Bill reduced on-budget revenues by \$98 million and increased on-budget spending by \$474 million over ten years.
Prescription Drug User Fee Amendments	\$171 mil	S. 1082 – Senate-passed Bill increased direct spending by \$150 mil and reduced revenues by \$21 mil over ten years.
Intelligence Authorization Act for FY2008	\$96 mil	S. 1538/H.R. 2082 – Senate-passed Bill increased direct spending by \$96 million and was not offset.
Revenue losses related to minimum wage increase	\$50 mil	H.R. 2206, 2007 Emergency Supplemental – <b>enacted</b> The supplemental included an increase in the minimum wage, as well as tax relief meant to mitigate the impact on businesses. The tax relief in the bill was not fully offset.
Water Resources Development Act	\$4 mil	H.R. 1495 – Senate-passed Spending offsets did not fully cover spending increases.
<b>Subtotal – real violations</b>	<b>\$109.6 bil</b>	

<b>Emergency declarations</b>	<b>10-yr deficit impact</b>	<b>Comments</b>
Stimulus rebate checks	\$125.5 bil	H.R. 5140 – Economic Stimulus Act of 2008 - <b>enacted</b> Bill increased outlays by \$41.9 billion and reduced revenues by \$83.5 billion. Was declared an “emergency,” which made the measure exempt from paygo enforcement.
EESA – Division C – AMT and extenders	\$98.6 bil	H.R. 1424 – Emergency Economic Stabilization Act of 2008 – <b>enacted</b> Division C patched the AMT for 2008, extended many other expiring tax provisions, and provided special tax benefits for areas affected by disasters, reducing revenues by \$99.5 billion. Was attached to the financial rescue bill and was declared an “emergency.”
Veterans educational assistance	\$62.8 bil	H.R. 2642 - 2008 Supplemental Appropriations Act – <b>enacted</b> Bill expanded veterans educational benefits. Increased spending by \$62.8 billion with no offsets. Was declared an “emergency,” which made the measure exempt from pay-go enforcement.
Reid/Byrd stimulus II	\$31.4 bil	S. 3604 – Economic Recovery Act, 2008 – considered in the Senate Bill provided \$31.4 billion in mandatory spending (and \$24.8 billion discretionary spending). Mandatory spending was for FMAP, UI extensions, food stamps and national park centennial fund. Was declared an “emergency,” which made the measure exempt from pay-go enforcement.
Unemployment insurance extension	\$8.2 bil	H.R. 2642 - 2008 Supplemental Appropriations Act – <b>enacted</b> Bill extended UI benefits for 13 weeks. Increased spending by \$11.5 billion and increased revenues by \$3.3 billion for a net deficit increase of \$8.2 billion. Was declared an “emergency,” which made the measure exempt from pay-go enforcement.
Foreclosure Prevention Act of 2008	\$4.2 bil	H.R. 3221 - <b>enacted</b> Bill included spending for CDBG block grants, housing counseling, and veterans housing benefits, declared “emergency,” therefore exempt from pay-go enforcement.
EESA – Division C – Mental Health Parity	\$3.9 bil	H.R. 1424 – Emergency Economic Stabilization Act of 2008 – <b>enacted</b> Division C legislated the Paul Wellstone/Pete Domenici Mental Health Parity and Addiction Equity Act of 2008. Reduced revenues by \$3.2 billion and increased spending by \$700 million. Was attached to the financial rescue bill and was declared an “emergency.”
EESA – Division C – County payments	\$3.3 bil	H.R. 1424 – Emergency Economic Stabilization Act of 2008 – <b>enacted</b> Division C extended county payments and PILT. Reduced revenues by \$229 million and increased spending by \$3.1 billion. Was attached to the financial rescue bill and was declared an “emergency.”
EESA – Division C – refundable child credit	\$3.1 bil	H.R. 1424 – Emergency Economic Stabilization Act of 2008 – <b>enacted</b> Division C increased the refundability income threshold for the child tax credit, increasing spending by \$3.1 billion. Was attached to the financial rescue bill and was declared an “emergency.”
Mandatory spending for MILC	\$2.4 bil	H.R. 2206 - 2007 Emergency Supplemental – <b>enacted</b> The supplemental included mandatory spending and a baseline adjustment for the mandatory MILC program. It was declared an “emergency.”
<b>Subtotal – direct spending and taxes declared emergencies</b>	<b>\$343.4 bil</b>	

<b>Gimmicks to avoid pay-go</b>	<b>10-yr deficit impact</b>	<b>Comments</b>
SCHIP reauthorization	\$45.0 bil	H.R. 3963, Conference report passed, vetoed (not overridden) The Congress sent the President a bill to extend SCHIP, and reduced funding from \$14 billion to \$3.5 billion in the last year (2012). The out-year baseline only includes \$3.5 billion per year for this program.
Student loan interest rate snap-back and mandatory Pell Grant spending	\$26.0 bil	H.R. 2669 – HELP reconciliation bill – <b>enacted</b> Student loan interest rates are phased down to 3.4% in 2011, then snap back to 6.8% in 2012. Maintaining the 3.4% interest rate on loans taken out after 2011 would cost an additional \$17 billion over the 10-year period covered in the reconciliation bill. This gimmick was used to comply with the Byrd rule and to avoid violating paygo. The bill also includes a gimmick to comply with the section of the Byrd rule that disallows an out-year deficit increase. If the gimmick were not used, the bill would increase the deficit and violate paygo. The gimmick turns off a mandatory appropriation in one of the 10 years. With the gimmick, \$9 billion in mandatory Pell Grant outlays are hidden.
Farm bill hidden future costs and spending after 2017	\$11.1 bil	H.R. 2419 – <b>enacted</b> Used early sunsets of programs to artificially reduce costs by \$6.5 billion in the 2 <sup>nd</sup> 5 years. Pushes \$4.6 bil in farm bill spending to fiscal years after 2017, escaping paygo enforcement.
Highway trust fund transfer	\$8.0 bil	H.R. 6532 – <b>enacted</b> Transferred \$8.017 billion from the general fund to the highway trust fund. There was no score attached to the bill so no paygo point of order could be raised, but enactment of the bill will result in \$8.017 billion in unoffset additional spending.
<b>Subtotal – gimmicks</b>	<b>\$90.1 bil</b>	
<b>TOTAL</b>	<b>\$543.1 bil</b>	