



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

January 26, 2009

**H.R. 1
American Recovery and Reinvestment Act of 2009**

As introduced in the House of Representatives on January 26, 2009

SUMMARY

H.R. 1 would specify appropriations for a wide range of federal programs and would increase or extend certain benefits payable under the Medicaid, unemployment compensation, and nutrition assistance programs. The legislation also would reduce individual and corporate income tax collections and make a variety of other changes to tax laws.

Assuming enactment in mid-February, CBO estimates that the bill would increase outlays by \$92 billion during the remaining several months of fiscal year 2009, by \$225 billion in fiscal year 2010 (which begins on October 1), by \$159 billion in 2011, and by a total of \$604 billion over the 2009-2019 period. That spending includes outlays from discretionary appropriations in Division A of the bill and direct spending resulting from Division B.

In addition, CBO and the Joint Committee on Taxation (JCT) estimate that enacting the provisions in Division B would reduce revenues by \$76 billion in fiscal year 2009, by \$131 billion in fiscal year 2010, and by a net of \$212 billion over the 2009-2019 period.

Combining the spending and revenue effects of H.R. 1, CBO estimates that enacting the bill would increase federal budget deficits by \$169 billion over the remaining months of fiscal year 2009, by \$356 billion in 2010, by \$174 billion in 2011, and by \$816 billion over the 2009-2019 period.

CBO anticipates that implementation of H.R. 1 would have a noticeable impact on economic growth and employment in the next few years. Following longstanding Congressional budget procedures, however, this estimate does not address the potential budgetary effects of such changes in the economic outlook.

CBO has reviewed the nontax provisions of the bill for mandates as defined in the Unfunded Mandates Reform Act (UMRA). Those provisions contain both private-sector and intergovernmental mandates, with costs that CBO estimates would likely exceed the annual threshold established in UMRA for the private sector (\$139 million in 2009, adjusted annually for inflation) and with costs that would be well below the annual threshold established for state, local, and tribal governments (\$69 million in 2009, adjusted annually for inflation).

JCT has reviewed the tax provisions of the bill and has determined that they contain no intergovernmental mandates as defined by UMRA; it has concluded that they contain one private-sector mandate and that the costs required to comply with the mandate would significantly exceed the annual threshold established for private-sector mandates for 2009 and each of the following five years.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

CBO and JCT estimate that enacting H.R. 1 would increase budget deficits by \$526 billion over the 2009-2010 period (about 19 months) and by a total of \$816 billion over the 2009-2019 period.

The following table summarizes CBO's and JCT's estimates of H.R. 1's budgetary effects; estimates for the legislation's major components (by division and title) are presented in a detailed table at the end of this cost estimate.

Some of the bill's provisions would affect cash flows for the Social Security trust funds and the Postal Service fund, both of which are classified as "off-budget." CBO and JCT estimate that enacting H.R. 1 would increase on-budget deficits by about \$817 billion over the 2009-2019 period and reduce off-budget deficits by about \$1 billion over that period (see the memorandum at the end of the attached detailed table for on-budget and off-budget effects by year).

The legislation would designate each amount provided as an emergency requirement under the Congressional Budget Resolution (S. Con. Res. 70), and would also designate all direct spending and revenue provisions as emergency requirements for pay-as-you-go purposes.

	By Fiscal Year, in Billions of Dollars											2009-
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2019
DIVISION A—APPROPRIATIONS ^a												
Estimated Budget Authority	274.1	66.5	4.1	3.6	2.8	1.4	1.4	1.4	1.4	0.9	0.4	358.2
Estimated Outlays	29.0	115.8	105.5	53.6	26.5	13.0	6.9	3.0	1.6	0.9	0.4	356.0
DIVISION B—DIRECT SPENDING												
Estimated Budget Authority	64.5	109.4	53.3	6.9	6.9	14.8	4.8	-4.7	-3.9	-2.2	-1.8	248.0
Estimated Outlays	64.1	108.8	54.0	7.1	6.9	14.8	4.8	-4.7	-3.9	-2.2	-1.8	248.0
DIVISION B—REVENUES												
Estimated Revenues	-76.5	-131.3	-14.5	12.2	8.1	4.0	0.6	-1.8	-3.5	-4.3	-4.8	-211.8
NET IMPACT ON THE DEFICIT												
Net Increase in the Deficit	169.5	356.0	173.9	48.6	25.3	23.9	11.0	0.1	1.2	2.9	3.4	815.8

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.

Note: Components may not sum to totals because of rounding.

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

BASIS OF ESTIMATE

About 55 percent of the budget authority that CBO estimates would be provided by H.R. 1 is specified in the legislation (primarily in Division A). CBO estimated the remaining amount of budget authority that the bill would provide for programs such as Medicaid, unemployment compensation, and supplemental nutrition assistance (formerly called Food Stamps).

The budgetary impact of the bill stems primarily from three types of transactions:

- Direct payments to individuals (for example, unemployment compensation or refundable tax credits), which would generally occur fairly rapidly during fiscal years 2009, 2010, and 2011;
- Reductions in federal taxes, which would have most of their effects on revenues in fiscal years 2009 and 2010; and

- Purchases of goods and services, either directly by the federal government or indirectly in the form of grants to state and local governments. Many of those involve construction or investment activity that would take several years to complete.

In estimating outlays for that third category, CBO expects that the rate of spending in 2009 for many programs funded in H.R. 1 would be considerably slower than historical rates of spending for a full year of funding because the bill would be enacted almost halfway into the fiscal year. Thus, it would not be appropriate in most cases to use the full-year rates that CBO typically employs for appropriations enacted near the start of the fiscal year. Moreover, under H.R. 1, some programs would receive funding that is significantly above (double, triple, or more) the amounts provided for existing or similar programs in recent years. Frequently in the past, in all types of federal programs, a noticeable lag has occurred between sharp increases in budget authority and the resulting increases in outlays. Based on such experiences, CBO expects that federal agencies, along with states and other recipients of that funding, would find it difficult to properly manage and oversee a rapid expansion of existing programs so as to expend the added funds as quickly as they expend the resources provided for their ongoing programs.

Lags in spending stem in part from the need to draft plans, solicit bids, enter into contracts, and conduct regulatory or environmental reviews. Spending can be further delayed because some activities are by their nature seasonal. For example, major school repairs are generally scheduled during the summer to avoid disrupting classes, and construction and highway work are difficult to carry out during the winter months in many parts of the country.

Brand new programs pose additional challenges. Developing procedures and criteria, issuing the necessary regulations, and reviewing plans and proposals would make distributing money quickly even more difficult—as can be seen, for example, in the lack of any disbursements to date under the loan programs established for automakers last summer to invest in producing energy-efficient vehicles. Throughout the federal government, spending for new programs has frequently been slower than expected and rarely been faster.

Major provisions of H.R. 1 and key factors affecting estimates of spending are summarized, by title, below. CBO's estimates of discretionary spending (for Division A) and CBO's and JCT's estimates of direct spending and revenue effects (for Division B) are presented in the detailed table attached at the end of this estimate.

Division A—Appropriation Provisions

Title I—General Provisions. Title I would appropriate \$248 million for Inspectors General for several agencies and the Government Accountability Office. CBO estimates that almost all of those funds would be spent by the end of fiscal year 2010.

Title II—Agriculture, Nutrition, and Rural Development. CBO estimates that title II would increase spending by the U.S. Department of Agriculture (USDA) by \$26.9 billion over the 2009-2019 period. That amount includes:

- An estimated \$20.0 billion over the next five years to temporarily increase the maximum benefit under the Supplemental Nutrition Assistance Program (SNAP, formerly known as the Food Stamp program);
- \$2.8 billion to expand broadband Internet service in rural areas; and
- About \$4 billion for programs to develop rural communities and improve infrastructure.

CBO expects that increased SNAP spending would begin soon after enactment of H.R. 1 and would largely span fiscal years 2009 through 2013. The proposed funding for USDA to help extend broadband Internet service to rural areas would significantly exceed the existing funding of roughly \$20 million in 2009. CBO expects that many of the larger projects initiated with funds provided by H.R. 1 would take up to five to seven years to complete.

Title III—Commerce, Justice, and Science. Title III of Division A would appropriate \$14.2 billion for science and criminal justice programs as well as initiatives to expand the commercial use of technology. That amount includes:

- \$3.0 billion for grants to improve the criminal justice system,
- \$3.0 billion for grants to fund science and technology research as well as \$1.0 billion for periodic censuses and programs,
- \$2.8 billion for grants to extend broadband Internet services;
- \$1.0 billion for programs of the National Oceanic and Atmospheric Administration;

- \$1.0 billion for the Community Oriented Policing Services program; and
- \$2.4 billion for other activities.

In general, CBO expects that funds appropriated under title III would be spent over the same number of years as would be typical for existing programs, with one primary exception. CBO anticipates that funds provided to the National Telecommunications and Information Administration (NTIA) to administer the broadband grant would take longer to spend—eight years—because the new appropriations would far exceed the agency's 2009 funding of \$17 million and the legislation would require grant recipients to deploy such services with technological features that are not widely available today. In total, about two-thirds of the funds provided in title III would be spent during fiscal years 2009 through 2011.

Title IV—Defense. Title IV of Division A would provide \$4.5 billion to the Department of Defense to repair, maintain, and renovate its facilities; for energy-efficiency projects, including the modernizing of heating/cooling and electrical systems; and for improving Army barracks. Title IV also would provide \$350 million for energy-related research and development. CBO expects that more than 80 percent of those funds would be spent in fiscal years 2009 and 2010.

Title V—Energy and Water. Title V of Division A would provide \$48.9 billion in budget authority over the 2009-2019 period for programs related to energy and water resources. That amount includes \$43.9 billion for the Department of Energy (DOE), \$4.5 billion for the Army Corps of Engineers, and \$500 million for the Bureau of Reclamation. Most of the funding provided to DOE would promote nondefense activities related to energy supply and conservation, including:

- \$18.5 billion for energy efficiency and renewable energy programs (including \$6.2 billion to expand existing weatherization activities and \$7.9 billion for energy-related grants to states);
- \$8.0 billion to cover the subsidy costs of federal loan guarantees for renewable energy systems and electric transmission projects;
- \$6.5 billion for capital investments by certain federal power marketing administrations in electric power transmission systems;
- \$4.5 billion to modernize the nation's electricity grid; and
- \$6.4 billion for various other activities.

CBO expects that most funds provided under title V would ultimately be spent within seven years—a cumulative rate that is largely consistent with spending patterns for existing energy and water programs. However, the amounts provided would be significantly higher than DOE’s current funding levels for related programs. (For example, the proposed \$18.5 billion appropriation for energy efficiency and renewable energy is nearly 10 times the current 2009 funding of roughly \$1.9 billion.) We therefore expect that the proportion of spending that would occur in the first few years would be lower than that for existing programs, reflecting the time it would take DOE to establish new programs and to ramp up its spending from current levels. CBO estimates that about three-quarters of these funds would be spent during fiscal years 2009 through 2013.

Title VI—Financial Services and General Government. Title VI would appropriate \$8.7 billion to promote energy efficiency and conservation at federal facilities and to support small businesses. Most of that amount—\$7.7 billion—would be appropriated to the General Services Administration’s Federal Buildings Fund to construct and repair federal facilities. That amount represents a significant increase relative to current funding levels, which have averaged about \$1.3 billion annually in recent years. CBO estimates that about three-quarters of those funds would be spent during fiscal years 2009 through 2013.

Title VII—Homeland Security. Title VII would appropriate \$1.1 billion for a variety of programs administered by the Department of Homeland Security. Largely based on historical spending patterns for affected programs, CBO estimates that most of those funds would be spent over the 2009-2011 period.

Title VIII—Interior and Environment. Title VIII would appropriate a total of nearly \$15 billion, including nearly \$8.4 billion for the Clean Water and Drinking Water State Revolving Funds (SRFs). Under both programs, EPA provides grants or "seed money" to all 50 states plus Puerto Rico to capitalize state loan funds used by local governments to build water infrastructure projects. For the past few years, the SRFs have received federal funding of about \$1.5 billion to about \$2 billion annually. Historically, money appropriated to the SRFs is spent slowly (about half is spent over the first three years), and we expect that a similar pattern would apply to the funds provided in title VIII. The remaining appropriation of about \$6.6 billion would fund various programs, including capital improvements and maintenance for the Forest Service and National Park Service, the Superfund program, and wildland fire management. Historically, those activities expend funds over about four years. Because the legislation would significantly increase resources for those programs, we expect that spending would be slower initially as agencies prepare to contract for new projects. Overall, CBO estimates that most of the funds provided in this title would be spent in fiscal years 2009 through 2012.

Title IX—Labor, Health and Human Services, and Education. CBO estimates that title IX would increase funding by \$92.3 billion over the 2009-2019 period for a variety of programs. That amount includes:

- \$20.4 billion for programs administered by the Department of Health and Human Services;
- \$4.6 billion for employment and training programs administered by the Department of Labor;
- \$20.0 billion to renovate elementary and secondary schools;
- \$17.6 billion for Pell grants and other student financial assistance and facilities at post-secondary institutions including federal student loan programs; and
- \$29.1 billion for other education programs aimed particularly at elementary and secondary education.

CBO expects that most of the funds provided by title IX would be spent within two and a half years—a cumulative rate that is largely consistent with spending patterns for existing programs administered by affected agencies. We expect that the initial rate of spending would be lower, however, reflecting the time it would take the agencies to establish new programs and to ramp up their spending from current levels.

Title X—Military Construction and Veterans Affairs. Title X would provide an additional \$6.0 billion in 2009 budget authority for military construction projects of the Department of Defense, an increase of 27 percent compared with appropriations provided for the current year to date. Those funds would primarily be used for constructing hospitals, barracks, and day care centers. The process of prioritizing and planning for those projects will take some time. For that reason, and because the funds would be provided later than is typical, CBO estimates that those funds will be spent at the same rate as regular appropriations, but with a six-month lag.

The title also includes \$1.0 billion for the Department of Veteran Affairs (VA) to maintain and repair VA medical facilities and cemeteries—an increase of about 20 percent over appropriations provided for those purposes in the current year. Those accounts have recently received significant increases in funding and most of those additional amounts have gone unspent in the year they were provided. Consequently, CBO estimates that VA would spend only 20 percent of those funds in 2009—rather than the usual first-year rate of 70 percent—but that spending would increase in the second

year so that, by the end of fiscal year 2010, we estimate that almost 80 percent of the funds would be spent.

Title XI—Department of State. Title XI would provide \$500 million to the Department of State. Of that amount, \$276 million would be provided to the Capital Investment Fund for specific information-technology (IT) projects, and \$224 million would be provided for construction requirements of the International Boundary and Water Commission, United States and Mexico. Because the IT projects are still in the planning stage, CBO estimates that only 15 percent of the funds for information technology—about half the normal rate—would be spent in the first year and that 50 percent would be spent by the end of fiscal year 2010.

Title XII—Transportation and Housing and Urban Development. Title XII would appropriate \$59.5 billion for programs administered by the Department of Transportation (DOT) and the Department of Housing and Urban Development (HUD). That amount includes:

- \$30.0 billion for highway construction;
- \$13.1 billion for other transportation programs administered by DOT;
- \$11.1 billion for housing assistance programs administered by HUD; and
- \$5.2 billion for grants to states and cities for activities related to community development.

For the programs funded in this title, projects often take several years to complete. CBO estimates that about 85 percent of the funds provided by title XII would be spent over the 2009-2013 period.

In fiscal year 2008 (and at an annualized rate under the continuing resolution for fiscal year 2009), state and local governments have been allocated \$41.2 billion per year for highway programs and \$10.4 billion per year for transit programs. The \$39 billion provided for those purposes in H.R. 1 would nearly double the recent funding levels. Grantees would be required to move quickly to obligate the new funds (that is, commit them for specific projects). After obligation of funds, grantees would need to muster significant staff and private-sector resources to undertake the projects. Simple projects typically take several months from the time the funds are obligated to the start of construction. Complicated projects can take significantly longer. Scheduling many projects during the warmer months (as would be necessary in some areas of the country) and ensuring that adequate traffic management measures are taken (such as nighttime

work hours) can also affect the pace of spending. Many projects funded under these programs take several years to complete. Historically, money appropriated for highways and transit is spent at a slow rate in the first year and has an extremely long “tail,” in that funds provided in a particular year are frequently spent over a six-to-eight-year period. As a result, when those programs have seen previous significant increases in budgetary resources, outlays have increased more slowly.

For this estimate, CBO consulted with transportation officials in nearly half of the states, accounting for roughly two-thirds of annual highway spending. CBO found that many states are anxious to receive additional funding and can probably begin some projects quickly, but that many states are also concerned about how quickly local governments can undertake new projects. In addition, concerns exist about how quickly state and local governments can adjust their contracting procedures to accommodate the significant increase in the amount of funding. On balance, CBO concludes that many states would probably move as rapidly as possible to obligate new funds, but that much of the construction and procurement work associated with highway and transit projects would occur over an extended period of time, leading to federal outlays over several years.

CBO estimates that funds provided to HUD for housing assistance programs would be spent over the next several years at rates consistent with historical spending patterns for the affected programs. HUD grants for community development would be spent similar to the slow pace of expenditure historically observed for the Community Development Block Grant program, CBO estimates.

Title XIII—State Fiscal Stabilization Fund. Title XIII would create a fiscal stabilization fund to provide grants-in-aid to states. The fund, to be administered by the Department of Education, would make \$39.5 billion available to states each year—on July 1, 2009, and July 1, 2010 (the last quarter of fiscal years 2009 and 2010, respectively). Of this total, about \$32 billion would be allotted by formula, of which at least 61 percent would be used for education and up to 39 percent for general government activities. An additional \$7.5 billion in each year would be reserved for incentive grants to be given to states on a competitive basis in fiscal year 2010, based on states meeting specified criteria in how they spent their initial allocations. States would have to allocate at least 50 percent of those funds to local education agencies.

Because funds would be available very late in the fiscal year, CBO estimates that spending in 2009 would be low. We estimate that the entire \$79 billion would be spent by 2013, with the bulk of those outlays occurring in the first three years.

Division B—Other Provisions

Division B of H.R. 1 contains provisions that would increase direct spending for unemployment insurance, health care, fiscal relief for states through the Medicaid program, and other programs. Division B also contains numerous tax provisions that would reduce federal revenues and increase outlays for certain grants and refundable tax credits. In total, CBO and JCT estimate that enacting the provisions in Division B would increase direct spending by \$64 billion in 2009 and \$248 billion over the 2009-2019 period, and would reduce revenues by \$76 billion in 2009 and \$212 billion over the 2009-2019 period.

Tax Provisions. Title I of Division B would make several changes to tax law that the Joint Committee on Taxation estimates would lower federal revenues by about \$63 billion in fiscal year 2009 and by about \$188 billion over the 2009-2019 period. Some of the changes in tax law would also affect outlays for payments of refundable tax credits. Those changes would increase outlays by about \$80 billion over the 2009-2019 period. In particular, the legislation would:

- For tax years 2009 and 2010, create a refundable tax credit of up to \$500 for a single taxpayer (\$1,000 for joint filers), to be phased out for taxpayers with income above certain thresholds. It is anticipated that the credit would be partially reflected in reduced income-tax withholding from paychecks. JCT estimates that the provisions would reduce revenues by \$99 billion and increase outlays by \$45 billion over the 2009-2011 period.
- Extend through 2009 provisions that allow businesses to partially expense (immediately deduct from taxable income) a portion of their investment in most equipment and extend the period for which unprofitable firms, excluding firms receiving certain injections of federal funds, can use losses in an unprofitable year to receive refunds of previous income taxes paid. JCT estimates that those and other business-related tax provisions would reduce revenues by \$90 billion over the 2009-2010 period and would increase revenues in subsequent years, for a net revenue loss of \$13 billion over the 2009-2019 period.

- Modify an existing nonrefundable tax credit for higher education expenses to increase the maximum credit allowed to \$2,500, lengthen the period for which the credit may be claimed to four years, expand the list of qualifying expenses, and make up to 40 percent of the credit refundable. JCT estimates that those provisions would reduce revenues by \$10 billion and increase outlays by \$3 billion over the 2009-2011 period.
- Expand the opportunities for state and local governments to issue tax-credit bonds and allow state and local governments to receive a refundable tax credit for specified interest expenses. JCT estimates that those and other provisions related to state and local government financing and contracting activity would reduce revenues by \$42 billion and increase outlays by \$9 billion over the 2009-2019 period. Over 90 percent of the estimated increases in the deficit would occur after 2010.
- Extend by three years the tax credit for renewable energy production from various qualifying facilities, including wind, biomass, geothermal, and hydropower facilities. JCT estimates that this and other energy-related tax provisions would reduce revenues by \$20 billion and increase outlays by \$0.2 billion over the 2009-2019 period. The estimated revenue reductions are about \$1 billion to \$2 billion per year over the period.
- For tax years 2009 and 2010, increase the earned-income tax credit for taxpayers with three or more qualifying children to 45 percent of their eligible earned income, and eliminate the limitation on the amount of earned income used to calculate the refundable portion of the \$1,000 child tax credit. JCT estimates that those provisions and others related to refundable credits would reduce revenues by \$3 billion over the 2009-2019 period and increase outlays by \$22 billion over the 2009-2011 period.

Unemployment Insurance and Other Provisions. Title II of Division B would increase direct spending for several programs. CBO estimates that those changes would increase outlays by about \$22 billion in 2009, \$21 billion in 2010, and small amounts in later years for a total of about \$46 billion over the 2009-2019 period. On net, those provisions would decrease revenues by \$0.6 billion from 2009 through 2019.

Unemployment Benefits. H.R. 1 would extend the date by which an individual must exhaust his or her regular unemployment benefits in order to qualify for emergency benefits from March 31, 2009, to December 31, 2009, boosting outlays by an estimated \$12 billion in 2009 and \$15 billion in 2010. Currently, Emergency Unemployment Compensation (EUC) is available to individuals who exhaust their regular unemployment

benefits by March 31, 2009. Such individuals are eligible for an additional 20 weeks of benefits, and 13 weeks more if they are in a state with "high unemployment" (defined as a total unemployment rate of 6 percent or higher or an insured unemployment rate of 4 percent or more). Effective January 25, 2009, 29 states had met the "high unemployment" measure. CBO estimates that, from its enactment in June 2008 through December 2009, 6.7 million people will collect EUC.

In addition, title II would temporarily raise the weekly benefit for recipients of unemployment compensation by \$25, increasing outlays by an estimated \$5 billion in 2009 and \$4 billion in 2010. Those benefits would be paid from general funds, rather than by state trust funds.

The legislation would also provide up to \$7.0 billion for incentive payments and \$0.5 billion for administrative costs to states that adopt certain provisions in law to provide benefits to individuals who may not qualify under existing criteria. (CBO estimates that about \$2.3 billion of the \$7.0 billion in incentive payments would ultimately go to states that meet the criteria. Those transferred amounts would result in lower state employment taxes in future years.) CBO estimates that outlays would increase by about \$1.8 billion over the 2009-2019 period, both as a result of expanded coverage and from the administrative funding.

Finally, there would be modest revenue effects from changing unemployment compensation. In addition to the net decrease in revenues as a result of the incentive payments, CBO estimates that state employment taxes would increase modestly to offset the cost of higher benefits. Overall, CBO estimates that federal revenues would decline by \$0.6 billion over the 2009-2019 period.

Supplemental Security Income (SSI). Section 2102 would require the Commissioner of Social Security to make a one-time payment to individuals currently entitled to SSI and to individuals whose SSI entitlement ended in the two previous months because their income exceeded the limit under the SSI program. The amount of the payment would equal the average federal benefit payable for the most recent month for which data are available. Based on information from the Social Security Administration, CBO expects that approximately 7.5 million individuals would receive a payment upon implementation, and another 0.3 million individuals would receive a payment later in 2009 after approval of their applications for benefits. CBO estimates that enacting this provision would increase SSI outlays by \$4.1 billion in 2009 and \$0.1 billion in 2010.

Emergency Fund for the TANF Program. Title II of this division would appropriate funds to any state whose spending in 2009 or 2010 on certain components of the Temporary Assistance for Needy Families (TANF) program exceeds the amounts spent in either 2007 or 2008, whichever is lower. Such emergency funds apply to TANF spending for basic assistance, nonrecurring expenses, or subsidized employment. Under H.R. 1, the federal government would provide funding to make up 80 percent of the difference between that 2009 or 2010 spending and either the 2007 or 2008 spending. Funds appropriated to this program each year for a state could not, in combination with any money received from the TANF contingency fund, exceed 25 percent of that state's family assistance grant.

CBO estimates that this provision would increase spending for TANF by about \$2.3 billion, most of which would occur before the beginning of 2012. (Under the legislation, the emergency funding would expire in 2010, though outlays would continue for a few years after 2010. At the direction of the House Committee on the Budget, CBO has assumed for this estimate that the emergency fund would not be continued in baseline projections beyond its expiration date; thus, the costs of such an extension would be attributed to any future legislation that enacted it, rather than to H.R. 1.)

Child Support Incentives. Title II also would reverse section 7309 of the Deficit Reduction Act of 2005 for fiscal years 2009 and 2010. By doing so, it would allow the federal government to resume matching state expenditures of federal child-support incentive payments costing about \$1 billion over those two years.

Health Insurance for Unemployed Workers. Section 3003 would allow states to extend Medicaid coverage to certain involuntarily separated, unemployed individuals and their families through December 31, 2010. The federal government would reimburse states for 100 percent of the costs incurred by individuals who enroll in Medicaid under this section. Eligible individuals would not be permitted to enroll in Medicaid if they are enrolled in another health insurance plan.

Some involuntarily separated individuals who do not enroll in Medicaid under this title would elect continuation of their employer's health insurance coverage as permitted under the Consolidated Omnibus Budget Reconciliation Act (COBRA). Under section 3002 of Division B, the federal government would in effect assume 65 percent of the cost of COBRA health insurance premiums for up to 12 months for individuals involuntarily separated from their employer after August 31, 2008, and before January 1, 2010. The affected individuals would make smaller payments to businesses of COBRA health insurance premiums, and businesses would be provided with an equivalent credit to allow them to reduce their remittances of income- and payroll-tax withholding. In turn, the bulk of the subsidy would result in a reduction in tax receipts. In some cases, businesses would

receive a federal payment if they could not use the withholding-tax-offset mechanism. The provision also would extend the COBRA eligibility period for some individuals. Those provisions would increase mandatory federal spending and decrease federal revenues, for a net increase in the deficit of an estimated \$40 billion over the 2009-2019 period, mostly in fiscal years 2009 and 2010.

Federal Medical Assistance Percentage. Title V of Division B (section 5001) would temporarily increase the federal medical assistance percentage (FMAP) used for the Medicaid program from October 1, 2008, through December 31, 2010. The Medicaid FMAP is the share of the total cost of Medicaid-covered medical services that the federal government pays and is based on a formula that assigns a higher federal matching rate to states that have lower income per capita (and vice versa) relative to the national average. The average FMAP that the federal government pays is 57 percent nationwide; states contribute the remaining 43 percent of the cost of services. Under current law, each state's FMAP is updated annually to reflect changes in per capita incomes.

The legislation would increase the FMAP in three ways during the period from October 1, 2008, to December 31, 2010, the "recession adjustment period." First, the bill would ensure that states do not face a reduction in their FMAP. It also would increase the FMAP rates for all states and the District of Columbia by 4.9 percentage points. Territories would receive a 20 percent increase in their annual Medicaid allotments. In addition, states and the District of Columbia that have experienced at least a 1.5 percentage point increase in their unemployment rate would be eligible for a further increase to their FMAP based on a tiered formula that provides larger increases in the FMAP to states with larger increases in their unemployment rates. Each of the changes described in this paragraph would apply for the recession adjustment period. This policy (excluding the extra funding for states with a large increase in the unemployment rate) also would apply to IV-E foster care and adoption assistance, which uses the FMAP to determine maintenance payment rates.

To receive any of the increased FMAP rates under the bill, states could not modify Medicaid eligibility standards or procedures during the period in a manner that would restrict eligibility. CBO estimates that the provision would increase Medicaid outlays by about \$87 billion over the 2009-2019 period, mostly in fiscal years 2009 and 2010. (Outlays for IV-E foster care and adoption would total about \$0.8 billion.)

Other Medicaid Provisions. Section 5003 (in title V of Division B) would extend transitional medical assistance (TMA) through December 30, 2010. This section would modify TMA by allowing individuals to receive benefits for a longer period of time and would waive the requirement that a family have three months of coverage before receiving TMA. Section 5004 of the bill would provide states with the option to offer

coverage for family-planning services to women who are not pregnant. To be eligible, women would have to have income that does not exceed eligibility levels established under each state's Medicaid or SCHIP state plan. The bill would also allow women to access family-planning services before their application is finalized, based on presumed eligibility for Medicaid. Section 5005 would not allow any cost-sharing requirements for items or services furnished to Indians through Indian health programs. (Cost sharing includes enrollment fees, deductibles, premiums and copayments.) CBO estimates that those provisions would increase federal spending by \$550 million over the 2009-2019 period, mostly in fiscal years 2009 through 2011.

Health Information Technology. H.R. 1 would establish payment incentives in the Medicare and Medicaid programs to encourage providers to adopt health information technology (health IT). Although adoption would be encouraged through financial incentives administered through those programs, all health care spending—both public and private—would be affected by the increased use of health IT. CBO expects that its adoption on a nationwide basis would reduce total spending on health care by diminishing the number of inappropriate tests and procedures, reducing paperwork and administrative overhead, and decreasing the number of adverse events resulting from medical errors.

CBO estimates that the payment incentives would increase spending for the Medicare and Medicaid programs by \$31.0 billion over the 2009-2019 period. The expanded use of health IT would reduce on-budget direct spending for health benefits by the Medicare, Medicaid, and Federal Employees Health Benefits (FEHB) programs by \$12.4 billion over the same period. Enacting the health IT provision also would reduce off-budget spending for FEHB by \$0.1 billion (most FEHB spending for retirees of the U.S. Postal Service is off-budget).

The bill also would accelerate spending from the Medicare Improvement Fund, provide funding for some costs incurred by the Centers for Medicare and Medicaid Services in administering the payment-incentive provisions, make other changes to the Medicare program, and provide funding for grants to states to encourage the adoption of health IT by nursing facilities. CBO estimates that those provisions would increase direct spending by \$1.8 billion over the 2009-2019 period.

Because accelerating the use of health IT would lower health care costs for private payers, it would result in lower health insurance premiums in the private sector. As a result, private employers would pay less of their employees' compensation in the form of tax-advantaged health insurance premiums and more in the form of taxable wages and salaries. Therefore, federal tax revenues would increase. CBO estimates that on-budget revenues (from income taxes and the Hospital Insurance payroll tax—for Medicare

Part A) would increase by \$2.1 billion over the 2011-2019 period. Higher receipts from Social Security payroll taxes, which are off-budget, would add another \$1.1 billion, resulting in an estimated increase in total tax revenues of \$3.2 billion over the 2011-2019 period.

As a result of the effects of the health IT provisions on direct spending and revenues, CBO estimates that enacting the bill would increase on-budget deficits by a total of \$18.3 billion over the 2009-2019 period; it would increase the unified budget deficit over that period by an estimated \$17 billion. Increased spending in the near term would be partially offset by Medicare savings in later years; as a result, those provisions would increase deficits by about \$30 billion through 2014 but would yield savings in later years, reducing the net 11-year impact to \$17 billion total through 2019.¹

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

CBO has reviewed the nontax provisions of H.R. 1 and determined that they contain both intergovernmental and private-sector mandates. Public and private entities that handle health information would be required to comply with new regulations related to the usage, disclosure, and privacy of such information. Those new regulations would impose intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). Provisions of the bill that modify the requirements and conditions of continued coverage under COBRA for certain employers who offer group health insurance also would impose a mandate on private-sector entities.

CBO estimates that the costs to the private sector of complying with H.R. 1's new requirements and conditions would likely exceed the annual threshold established in UMRA for private-sector mandates (\$139 million in 2009, adjusted annually for inflation).

The costs to state, local and tribal governments of complying with mandates in the nontax provisions of the bill would be well below the annual threshold established in UMRA for intergovernmental mandates (\$69 million in 2009, adjusted annually for inflation).

1. CBO transmitted a cost estimate on January 21, 2009, for the Health Information Technology for Economic and Clinical Health Act of 2009, as considered by the Committee on Ways and Means. The estimated increase in deficits over the 2009-2019 period is \$1.2 billion larger in the estimate for H.R. 1 than in the estimate provided to the Committee on Ways and Means on January 21, prior to the committee's approval of language for the introduced version of H.R. 1. The latter contains a more-generous formula for Medicare bonus payments and adds Medicaid grants to states. (CBO also provided a cost estimate on January 21 for a similar version of health IT language considered by the Committee on Energy and Commerce.)

JCT has reviewed the tax provisions of the bill and has determined that they contain no intergovernmental mandates as defined by UMRA, but that they contain one private-sector mandate: the clarification of regulations related to limitations on the use of certain business losses in unprofitable years following an ownership change. JCT estimates that the costs required to comply with the mandate would exceed the annual threshold established by UMRA for private-sector mandates in 2009 and each of the following five years.

ESTIMATED COST OF H.R. 1, THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009
AS INTRODUCED ON JANUARY 26, 2009

	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 - General Provisions												
Budget Authority	248	0	0	0	0	0	0	0	0	0	0	248
Estimated Outlays	116	118	13	1	0	0	0	0	0	0	0	248
Title II - Agriculture, Nutrition, and Rural Development												
Distance Learning, Telemedicine, and Broadband Program												
Budget Authority	2,825	0	0	0	0	0	0	0	0	0	0	2,825
Estimated Outlays	71	396	664	650	537	367	140	0	0	0	0	2,825
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	4,809	6,056	4,367	3,115	1,639	5	0	0	0	0	0	19,991
Other												
Budget Authority	3,463	38	55	60	64	69	75	80	85	90	95	4,174
Estimated Outlays	750	1,130	760	531	244	231	128	79	84	89	94	4,120
Subtotal, Title II												
Budget Authority	11,147	6,094	4,372	3,175	1,703	74	75	80	85	90	95	26,990
Estimated Outlays	5,630	7,582	5,791	4,296	2,420	603	268	79	84	89	94	26,936
Title III - Commerce, Justice, and Science												
Wireless and Broadband Deployment Grants												
Budget Authority	2,825	0	0	0	0	0	0	0	0	0	0	2,825
Estimated Outlays	10	240	570	850	755	230	90	80	0	0	0	2,825
State and Local Law Enforcement Assistance												
Budget Authority	3,000	0	0	0	0	0	0	0	0	0	0	3,000
Estimated Outlays	450	900	600	450	600	0	0	0	0	0	0	3,000
National Science Foundation												
Budget Authority	3,000	0	0	0	0	0	0	0	0	0	0	3,000
Estimated Outlays	342	1,265	793	349	162	63	12	0	0	0	0	2,986
Other												
Budget Authority	5,350	0	0	0	0	0	0	0	0	0	0	5,350
Estimated Outlays	1,432	2,073	767	524	279	37	0	0	0	0	0	5,112
Subtotal, Title III												
Budget Authority	14,175	0	0	0	0	0	0	0	0	0	0	14,175
Estimated Outlays	2,234	4,478	2,730	2,173	1,796	330	102	80	0	0	0	13,923
Title IV - Defense												
Budget Authority	4,850	0	0	0	0	0	0	0	0	0	0	4,850
Estimated Outlays	1,782	2,264	596	135	37	12	3	0	0	0	0	4,829
Title V - Energy and Water												
Energy Efficiency and Renewable Energy												
Budget Authority	18,500	0	0	0	0	0	0	0	0	0	0	18,500
Estimated Outlays	450	2,185	3,530	4,065	3,950	2,890	1,059	271	100	0	0	18,500
Innovative Technology Loan Guarantee Program												
Budget Authority	8,000	0	0	0	0	0	0	0	0	0	0	8,000
Estimated Outlays	80	1,600	2,000	2,000	1,600	720	0	0	0	0	0	8,000
Other Energy Programs												
Budget Authority	10,910	175	275	475	875	1,050	1,050	1,050	1,050	490	0	17,400
Estimated Outlays	840	2,548	3,181	3,077	2,296	1,643	1,225	1,050	1,050	470	-30	17,350

(continued)

ESTIMATED COST OF H.R. 1, THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009
(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	4,500	0	0	0	0	0	0	0	0	0	0	4,500
Estimated Outlays	1,128	1,664	975	365	268	100	0	0	0	0	0	4,500
Other, Title V												
Budget Authority	500	0	0	0	0	0	0	0	0	0	0	500
Estimated Outlays	100	250	100	50	0	0	0	0	0	0	0	500
Subtotal, Title V												
Budget Authority	42,410	175	275	475	875	1,050	1,050	1,050	1,050	490	0	48,900
Estimated Outlays	2,598	8,247	9,786	9,557	8,114	5,353	2,284	1,321	1,150	470	-30	48,850
Title VI - Financial Services and and General Government												
Federal Buildings Fund												
Budget Authority	7,700	0	0	0	0	0	0	0	0	0	0	7,700
Estimated Outlays	400	900	1,400	1,600	1,500	900	500	200	100	0	0	7,500
Other												
Budget Authority	1,030	0	0	0	0	0	0	0	0	0	0	1,030
Estimated Outlays	112	821	90	6	0	0	0	0	0	0	0	1,029
Subtotal, Title VI												
Budget Authority	8,730	0	0	0	0	0	0	0	0	0	0	8,730
Estimated Outlays	512	1,721	1,490	1,606	1,500	900	500	200	100	0	0	8,529
Title VII - Homeland Security												
Budget Authority	1,100	0	0	0	0	0	0	0	0	0	0	1,100
Estimated Outlays	340	215	320	135	70	20	0	0	0	0	0	1,100
Title VIII - Interior and Environment												
Clean Water and Drinking Water State Revolving Funds												
Budget Authority	8,400	0	0	0	0	0	0	0	0	0	0	8,400
Estimated Outlays	283	2,050	2,460	1,670	815	449	169	101	57	38	24	8,116
Other												
Budget Authority	6,575	0	0	0	0	0	0	0	0	0	0	6,575
Estimated Outlays	992	2,432	1,402	987	486	35	25	25	0	0	0	6,384
Subtotal, Title VIII												
Budget Authority	14,975	0	0	0	0	0	0	0	0	0	0	14,975
Estimated Outlays	1,275	4,482	3,862	2,657	1,301	484	194	126	57	38	24	14,500
Title IX - Labor, Health and Human Services, and Education												
Department of Health and Human Services												
Budget Authority	14,632	5,798	0	0	0	0	0	0	0	0	0	20,430
Estimated Outlays	3,080	9,006	4,492	2,076	1,187	355	0	0	0	0	0	20,196
Employment and Training Administration												
Budget Authority	4,620	0	0	0	0	0	0	0	0	0	0	4,620
Estimated Outlays	618	2,246	1,301	265	0	0	0	0	0	0	0	4,430
Department of Education Facilities Modernization, Renovation, and Repair												
Budget Authority	20,000	0	0	0	0	0	0	0	0	0	0	20,000
Estimated Outlays	1,400	7,120	7,900	3,140	440	0	0	0	0	0	0	20,000
Student Financial Assistance and Student Loans												
Budget Authority	15,854	266	-500	-75	270	280	295	305	300	310	325	17,630
Estimated Outlays	663	14,013	831	-126	130	225	240	250	250	260	270	17,006

(continued)

ESTIMATED COST OF H.R. 1, THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009
(Continued)

By Fiscal Year, Millions of Dollars												
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total 2009 - 2019
Discretionary Spending (Continued) 1/												
Division A (continued)												
Other Education												
Budget Authority	14,358	14,683	0	0	0	0	0	0	0	0	0	29,041
Estimated Outlays	569	8,611	13,329	5,842	690	0	0	0	0	0	0	29,041
Other, Title IX												
Budget Authority	600	0	0	0	0	0	0	0	0	0	0	600
Estimated Outlays	87	228	163	97	5	4	4	2	0	0	0	590
Subtotal, Title IX												
Budget Authority	70,064	20,747	-500	-75	270	280	295	305	300	310	325	92,321
Estimated Outlays	6,417	41,224	28,016	11,294	2,452	584	244	252	250	260	270	91,263
Title X - Military Construction and Veterans Affairs												
Budget Authority	7,000	0	0	0	0	0	0	0	0	0	0	7,000
Estimated Outlays	426	2,119	2,288	1,290	575	207	55	0	0	0	0	6,960
Title XI - Department of State												
Budget Authority	500	0	0	0	0	0	0	0	0	0	0	500
Estimated Outlays	52	142	150	108	48	0	0	0	0	0	0	500
Title XII - Transportation and Housing and Urban Development												
Highway Construction												
Budget Authority	30,000	0	0	0	0	0	0	0	0	0	0	30,000
Estimated Outlays	3,000	7,500	6,000	4,500	3,300	3,000	2,100	600	0	0	0	30,000
Other Transportation												
Budget Authority	13,100	0	0	0	0	0	0	0	0	0	0	13,100
Estimated Outlays	1,635	2,495	2,970	2,190	1,575	1,140	825	270	0	0	0	13,100
Housing Assistance												
Budget Authority	11,147	13	0	0	0	0	0	0	0	0	0	11,160
Estimated Outlays	403	2,814	3,464	2,197	1,616	330	275	30	0	0	0	11,129
Community Development Fund												
Budget Authority	5,190	0	0	0	0	0	0	0	0	0	0	5,190
Estimated Outlays	250	1,250	1,980	1,140	460	50	0	0	0	0	0	5,130
Subtotal, Title XII												
Budget Authority	59,437	13	0	0	0	0	0	0	0	0	0	59,450
Estimated Outlays	5,288	14,059	14,414	10,027	6,951	4,520	3,200	900	0	0	0	59,359
Title XIII - State Fiscal Stabilization Fund												
Budget Authority	39,500	39,500	0	0	0	0	0	0	0	0	0	79,000
Estimated Outlays	2,283	29,191	36,012	10,310	1,204	0	0	0	0	0	0	79,000
Total, Division A												
Budget Authority	274,136	66,529	4,147	3,575	2,848	1,404	1,420	1,435	1,435	890	420	358,239
Estimated Outlays	28,953	115,842	105,468	53,589	26,468	13,013	6,850	2,958	1,641	857	358	355,997
Direct Spending												
Division B												
Title I - Tax Provisions												
Estimated Budget Authority	4,113	36,325	35,199	571	562	553	545	536	528	520	511	79,964
Estimated Outlays	4,113	36,325	35,199	571	562	553	545	536	528	520	511	79,964
Title II - Assistance for Unemployed Workers and Struggling Families												
Extend Emergency Unemployment Benefits												
Estimated Budget Authority	11,740	15,310	0	0	0	0	0	0	0	0	0	27,050
Estimated Outlays	11,740	15,310	0	0	0	0	0	0	0	0	0	27,050

(continued)

ESTIMATED COST OF H.R. 1, THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009
(Continued)

	By Fiscal Year, Millions of Dollars											Total 2009 - 2019
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Direct Spending (Continued)												
Division B (continued)												
Title II (continued)												
Other Unemployment Compensation												
Estimated Budget Authority	5,045	4,395	315	295	140	135	140	145	150	155	160	11,075
Estimated Outlays	5,045	4,395	315	295	140	135	140	145	150	155	160	11,075
SSI, TANF, Child Support												
Estimated Budget Authority	5,304	2,284	-35	-12	-3	-1	0	0	0	0	0	7,537
Estimated Outlays	4,965	1,697	643	168	45	11	4	1	0	0	0	7,534
Subtotal, Title II												
Estimated Budget Authority	22,089	21,989	280	283	137	134	140	145	150	155	160	45,662
Estimated Outlays	21,750	21,402	958	463	185	146	144	146	150	155	160	45,659
Title III - Health Insurance Assistance for the Unemployed												
Estimated Budget Authority	4,860	7,070	1,195	185	30	0	0	0	0	0	0	13,340
Estimated Outlays	4,860	7,070	1,195	185	30	0	0	0	0	0	0	13,340
Title IV - Health Information Technology												
Estimated Budget Authority	398	138	4,002	5,900	6,260	14,248	4,183	-5,318	-4,428	-2,775	-2,370	20,238
Estimated Outlays	383	138	4,002	5,900	6,260	14,248	4,183	-5,310	-4,428	-2,775	-2,370	20,231
Title V - Medicaid Provisions												
Estimated Budget Authority	33,016	43,918	12,609	-17	-100	-95	-92	-87	-84	-103	-114	88,851
Estimated Outlays	33,016	43,918	12,609	-17	-100	-95	-92	-87	-84	-103	-114	88,851
Subtotal, Spending, Division B												
Estimated Budget Authority	64,476	109,440	53,285	6,922	6,889	14,840	4,776	-4,724	-3,834	-2,203	-1,813	248,055
Estimated Outlays	64,122	108,853	53,963	7,102	6,937	14,852	4,780	-4,715	-3,834	-2,203	-1,813	248,045
Revenues												
Title I - Tax Provisions	-62,617	-120,228	-12,033	11,974	7,757	3,636	223	-2,302	-3,923	-4,792	-5,386	-187,702
Title II - Assistance for Unemployed Workers and Struggling Families	0	-165	-155	-230	-195	-120	-70	40	65	105	115	-610
Title III - Health Insurance Assistance for the Unemployed	-13,843	-10,927	-2,412	171	144	91	58	22	4	0	0	-26,692
Title IV - Health Information Technology	0	0	115	240	350	400	410	405	400	435	430	3,185
Subtotal, Revenues, Division B												
	-76,460	-131,320	-14,485	12,155	8,056	4,007	621	-1,835	-3,454	-4,252	-4,841	-211,819
Net Impact on the Deficit, Division B												
	140,582	240,173	68,448	-5,053	-1,119	10,845	4,159	-2,880	-380	2,049	3,028	459,864
Net Impact on the Deficit												
Net Increase in the Deficit	169,535	356,015	173,916	48,536	25,349	23,858	11,009	78	1,261	2,906	3,386	815,861

(continued)

ESTIMATED COST OF H.R. 1, THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009
(Continued)

	By Fiscal Year, Millions of Dollars											Total 2009 - 2019
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Memorandum												
On-Budget												
Estimated Budget Authority	343,595	179,934	58,365	10,517	9,767	16,274	6,236	-3,249	-2,389	-1,303	-1,383	616,365
Estimated Outlays	98,058	228,660	160,364	60,711	33,435	27,895	11,670	-1,717	-2,183	-1,336	-1,445	614,113
Estimated Revenues	-71,477	-127,355	-13,602	12,070	7,936	3,867	481	-1,975	-3,589	-4,402	-4,986	-203,043
Net Impact on the Deficit	169,535	356,015	173,966	48,641	25,499	24,028	11,189	258	1,406	3,066	3,541	817,156
Off-Budget												
Estimated Budget Authority	-4,983	-3,965	-933	-20	-30	-30	-40	-40	-10	-10	-10	-10,071
Estimated Outlays	-4,983	-3,965	-933	-20	-30	-30	-40	-40	-10	-10	-10	-10,071
Estimated Revenues	-4,983	-3,965	-883	85	120	140	140	140	135	150	145	-8,776
Net Impact on the Deficit	0	0	-50	-105	-150	-170	-180	-180	-145	-160	-155	-1,295
Unified Budget												
Estimated Budget Authority	338,612	175,969	57,432	10,497	9,737	16,244	6,196	-3,289	-2,399	-1,313	-1,393	606,294
Estimated Outlays	93,075	224,695	159,431	60,691	33,405	27,865	11,630	-1,757	-2,193	-1,346	-1,455	604,042
Estimated Revenues	-76,460	-131,320	-14,485	12,155	8,056	4,007	621	-1,835	-3,454	-4,252	-4,841	-211,819
Net Impact on the Deficit	169,535	356,015	173,916	48,536	25,349	23,858	11,009	78	1,261	2,906	3,386	815,861

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

Notes: TANF = Temporary Assistance for Needy Families; SSI = Supplemental Security Income Program.

The 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.

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