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## TECHNICAL BUDGET ANALYSES

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## 23. CURRENT SERVICES ESTIMATES

Current services, or “baseline,” estimates are designed to provide a benchmark against which budget proposals can be measured. A baseline is not a prediction of the final outcome of the annual budget process, nor is it a proposed budget. It can be a useful tool in budgeting, however. It can be used as a benchmark against which to measure the magnitude of the policy changes in the President’s Budget or other budget proposals, and it can also be used to warn of future problems if policy is not changed, either for the Government’s overall fiscal health or for individual tax and spending programs.

Ideally, a current services baseline would provide a projection of estimated receipts, outlays, deficits or surpluses, and budget authority reflecting this year’s enacted policies and programs for each year in the future. Defining this baseline is challenging because funding for many programs in operation today expires within the 10-year budget window. Most significantly, funding for discretionary programs is provided one year at a time in annual

appropriations acts. Mandatory programs are not generally subject to annual appropriations, but many operate under multi-year authorizations that expire within the budget window. The framework used to construct the baseline must address whether and how to project forward the funding for these programs beyond their scheduled expiration dates.

Since the early 1970s, when the first requirements for the calculation of a “current services” baseline were enacted, the baseline has been constructed using a variety of concepts and measures. Throughout the 1990s, the baseline was calculated using a detailed set of rules enacted through amendments to the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA) made by the Budget Enforcement Act of 1990 (BEA). The BBEDCA baseline rules lapsed after the enforcement provisions of the BEA expired in 2002, but even after the lapse they were largely adhered to in practice until they were

**Table 23–1. CATEGORY TOTALS FOR THE ADJUSTED BASELINE**

(In billions of dollars)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Receipts .....	3,316	3,340	3,424	3,613	3,833	4,095	4,389	4,678	4,948	5,233	5,508	5,820
Outlays:												
Discretionary:												
Defense .....	590	611	637	668	678	690	705	719	737	755	774	793
Non-defense .....	610	661	656	659	670	669	676	689	705	721	738	756
Subtotal, discretionary .....	1,200	1,271	1,293	1,327	1,349	1,359	1,381	1,408	1,442	1,476	1,512	1,549
Mandatory:												
Social Security .....	939	987	1,047	1,109	1,174	1,245	1,319	1,398	1,480	1,566	1,656	1,752
Medicare .....	591	582	640	688	743	845	876	902	1,005	1,103	1,196	1,353
Medicaid and CHIP .....	391	415	426	445	469	496	524	555	588	630	667	706
Other mandatory .....	597	605	618	631	656	700	704	709	738	802	824	878
Subtotal, mandatory .....	2,519	2,588	2,731	2,873	3,042	3,286	3,423	3,564	3,811	4,100	4,343	4,689
Net interest .....	263	310	364	447	515	577	636	684	727	772	815	859
Total, outlays .....	3,982	4,170	4,388	4,647	4,906	5,222	5,439	5,656	5,980	6,348	6,670	7,098
Unified deficit(+)/surplus(–) .....	665	829	964	1,033	1,073	1,127	1,051	978	1,032	1,115	1,162	1,277
(On-budget) .....	(715)	(824)	(955)	(1,000)	(1,029)	(1,070)	(975)	(887)	(925)	(1,003)	(1,035)	(1,142)
(Off-budget) .....	(–49)	(5)	(9)	(33)	(44)	(57)	(76)	(91)	(107)	(112)	(127)	(135)
Memoranda:												
BBEDCA baseline deficit .....	665	829	964	1,033	1,073	1,139	1,067	996	1,052	1,026	954	1,052
Extension of expiring tax provisions .....										109	224	236
Assume Highway Trust Fund outlays conform to Highway Trust Fund revenues .....						–12	–16	–17	–18	–19	–20	–21
Related debt service .....						–*	–1	–1	–2	–1	4	10
Adjusted baseline deficit .....	665	829	964	1,033	1,073	1,127	1,051	978	1,032	1,115	1,162	1,277
Adjusted baseline totals with pre-policy economic assumptions:												
Receipts .....	3,316	3,340	3,419	3,597	3,804	4,051	4,329	4,600	4,850	5,115	5,366	5,650
Outlays .....	3,982	4,170	4,388	4,647	4,906	5,223	5,442	5,661	5,986	6,357	6,682	7,113
Deficit .....	665	829	969	1,049	1,103	1,173	1,114	1,061	1,136	1,242	1,316	1,462

\* Less than \$500 million.

officially reinstated through amendments to BBEDCA enacted in the Budget Control Act of 2011 (BCA).

The Administration believes adjustments to the BBEDCA baseline are needed to better represent the deficit outlook under current policy and to serve as a more appropriate benchmark against which to measure policy changes. These adjustments, which affect tax receipts and the Highway Trust Fund, allow the baseline to provide a more realistic outlook for receipts and for the highway program than a baseline following the BBEDCA rules. These baseline adjustments are discussed in more detail below. Table 23–1 shows estimates of receipts, outlays, and deficits under the Administration’s adjusted baseline for 2017 through 2028.<sup>1</sup> The table also shows the Administration’s estimates by major component of the budget. The estimates are based on the economic assumptions underlying the Budget, which, as discussed later in this chapter, were developed on the assumption that the Administration’s budget proposals will be enacted. A memorandum bank details the adjustments made to the BBEDCA baseline to produce the adjusted baseline, and also shows estimates of the adjusted baseline totals under “pre-policy” economic assumptions that do not include the economic impact of the Administration’s proposals.

### Conceptual Basis for Estimates

Receipts and outlays are divided into two categories that are important for calculating the baseline: those controlled by authorizing legislation (receipts and direct or mandatory spending) and those controlled through the annual appropriations process (discretionary spending). Different estimating rules apply to each category.

*Direct spending and receipts.*—Direct spending includes the major entitlement programs, such as Social Security, Medicare, Medicaid, Federal employee retirement, unemployment compensation, and the Supplemental Nutrition Assistance Program (SNAP). It also includes such programs as deposit insurance and farm price and income supports, where the Government is legally obligated to make payments under certain conditions. Taxes and other receipts are like direct spending in that they involve ongoing activities that generally operate under permanent or long-standing authority, and the underlying statutes generally specify the tax rates or benefit levels that must be collected or paid, and who must pay or who is eligible to receive benefits.

The baseline generally—but not always—assumes that receipts and direct spending programs continue in the future as specified by current law.<sup>2</sup> The budgetary effects of anticipated regulatory and administrative actions that are permissible under current law are also reflected in the estimates. BBEDCA requires several exemptions to this general rule, and the Administration’s adjusted baseline

also provides exceptions to produce a more realistic deficit outlook. Exceptions in BBEDCA and the Administration’s adjusted baseline are described below:

- Expiring excise taxes dedicated to a trust fund are assumed to be extended at the rates in effect at the time of expiration. During the projection period of 2018 through 2028, the taxes affected by this exception are:
  - taxes deposited in the Airport and Airway Trust Fund, which expire on March 31, 2018;
  - taxes deposited in the Patient-Centered Outcomes Research Trust Fund, which expire on September 30, 2019;
  - taxes deposited in the Sport Fish Restoration and Boating Resources Trust Fund, which expire on September 30, 2020; and
  - taxes deposited in the Highway Trust Fund and the Leaking Underground Storage Tank Trust Fund, which expire on September 30, 2022.
- While BBEDCA requires the extension of trust fund excise taxes, it otherwise bases the receipt estimates on current law. Individual income tax and estate tax provisions of the recently enacted Tax Cuts and Jobs Act that expire after tax year 2025 are assumed to expire according to current law in the BBEDCA baseline. However, the Administration’s adjusted baseline extends these provisions permanently. This results in a more realistic outlook for receipts and the deficit, reflecting the likely extension of these provisions.
- Expiring authorizations for direct spending programs that were enacted on or before the date of enactment of the Balanced Budget Act of 1997 are assumed to be extended if their current year outlays exceed \$50 million. For example, even though the Environmental Quality Incentives Program, which was authorized prior to the Balanced Budget Act of 1997, continues only through 2018 under current law, the baseline estimates assume continuation of this program through the projection period, because the program’s current year outlays exceed the \$50 million threshold.<sup>3</sup>

*Discretionary spending.*—Discretionary programs differ in one important aspect from direct spending programs: the Congress provides spending authority for almost all discretionary programs one year at a time. The spending authority is normally provided in the form of annual appropriations. Absent appropriations of additional funds in the future, discretionary programs would cease to operate after existing balances were spent. If the baseline were intended strictly to reflect current law, then a baseline would reflect only the expenditure of remaining balances from appropriations laws already enacted.

<sup>1</sup>The estimates are shown on a unified budget basis; i.e., the off-budget receipts and outlays of the Social Security trust funds and the Postal Service Fund are added to the on-budget receipts and outlays to calculate the unified budget totals.

<sup>2</sup>The Budget estimates were finalized prior to enactment of Public Law 115-120, so do not include the reauthorization of the Children’s Health Insurance Program and amendments to the tax code in that law.

<sup>3</sup>For programs enacted after the Balanced Budget Act of 1997, programs that are explicitly temporary in nature expire in the baseline as provided by current law even if their current year outlays exceed the \$50 million threshold.

Instead, the BBEDCA baseline provides a mechanical definition to reflect the continuing costs of discretionary programs. Under BBEDCA, the baseline estimates for discretionary programs in the current year are based on that year's enacted appropriations, or on the annualized levels provided by a continuing resolution if final full-year appropriations have not been enacted.<sup>4</sup> For the budget year and beyond, the spending authority in the current year is adjusted for inflation, using specified inflation rates.<sup>5</sup> The definition attempts to keep discretionary spending for each program roughly level in real terms.

BBEDCA also imposes caps through 2021 on budget authority for the defense function and for the aggregate of the non-defense functions. These caps were initially established by the BCA, and subsequent legislation later amended the caps through 2017. The baseline includes allowances that bring the inflated baseline calculated for individual discretionary accounts down to the level of the defense and non-defense caps. After 2021, these allowances assume that discretionary spending grows with inflation from the 2021 cap levels.

BBEDCA allows for adjustments to the discretionary caps for disaster relief spending, emergency requirements, Overseas Contingency Operations (OCO), and certain program integrity activities. The adjustments are permitted provided that such funding is designated in legislation by the Congress and, where appropriate, subsequently so by the President. Current adjustments include the following:

- **Disaster relief and emergency requirements.**—The BBEDCA baseline projects forward the \$6.7 billion of continuing disaster relief funding for disasters pursuant to Stafford Act declarations for the Department of Homeland Security in 2018. This funding is increased thereafter by the BBEDCA inflation rates but held at the projected funding ceiling for such appropriations determined by a formula included in BBEDCA. The baseline also inflates the \$23.6 billion of enacted emergency funding provided to the Departments of Agriculture, Defense, Homeland Security, and the Interior for missile defense and emergency response and recovery efforts to natural disasters, including Hurricanes Harvey, Irma, Maria, and the 2017 wildfires. The baseline does not reflect the pending request of \$44 billion that the Administra-

tion transmitted on November 17, 2017 for continuing response and recovery efforts.

- **OCO.**—The BBEDCA baseline reflects the annualized level of OCO appropriations included in the 2018 continuing resolution inflated at the BBEDCA inflation rates.
- **Program integrity activities.**—The baseline assumes annualized levels provided in the 2018 continuing resolution and full funding for the program integrity cap adjustments authorized in BBEDCA through 2021, and inflates those amounts after the cap adjustments expire in 2021. Additionally, the baseline assumes savings in mandatory benefit payments from enacting the program integrity cap adjustments at their full levels after 2018.

In addition to the cap adjustments specified in BBEDCA, the 21st Century CURES Act permitted funds to be appropriated each year and not count towards the discretionary caps so long as the appropriations were specified for the authorized purposes. These amounts are included in the baseline outside of the discretionary cap totals and adjusted for inflation in the budget year and beyond.

As noted above, the Administration believes an adjustment to the BBEDCA baseline for the Highway Trust Fund is needed to better represent the outlook for the program under current law. Under the BBEDCA baseline, obligation limitations for the Highway Trust Fund are inflated from the annualized level in the Continuing Appropriations Act, 2018 (Division D of PL, 115-56), as amended, resulting in outlays that exceed available balances in the fund starting in 2022. By contrast, the Administration's adjusted baseline assumes Highway Trust Fund outlays are limited starting in 2022 to levels that can be supported with existing Highway Trust Fund tax receipts. This presentation shows a reduction in total Highway Trust Fund outlays of \$121 billion over the 2022-2028 window as would be required by law.

*Joint Committee Enforcement.*—The Joint Select Committee process under the BCA stipulated that, absent intervening legislation, enforcement procedures would be invoked annually to reduce the levels of discretionary and mandatory spending to accomplish certain deficit reduction. The BBEDCA baseline includes the effects of the across-the-board reductions ("sequestration") already invoked by Joint Committee sequestration orders for 2013 through 2018, as well as the discretionary cap reductions and mandatory sequestration order for 2019 issued with the transmittal of the 2019 Budget.<sup>6</sup> Further Joint Committee enforcement—consisting of mandatory sequestration and discretionary cap reductions for 2020 and 2021—is reflected in the BBEDCA baseline in the form

<sup>4</sup>As of the preparation of the baseline for the 2019 Budget, most discretionary appropriations were operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56), as amended. See the note at the beginning of this volume for additional details.

<sup>5</sup>The Administration's baseline uses the same inflation rates for discretionary spending as required by BBEDCA, despite the fact that this allows for an overcompensation for Federal pay inherent in the BBEDCA definition. At the time the BEA was enacted, it failed to account for the nearly contemporaneous enactment of the Federal Employees Compensation Act of 1991 that shifted the effective date of Federal employee pay raises from October to January. This oversight was not corrected when the baseline definition was reinstated by the BCA amendments to BBEDCA. Correcting for this error would have only a small effect on the discretionary baseline.

<sup>6</sup>The effects of past sequestration reductions are reflected in the detailed schedules for the affected budget accounts, while the 2019 reductions are reflected in allowance accounts due to the timing of the preparation of the detailed budget estimates and the issuance of the 2019 sequestration order. See Chapter 10, "Budget Process," of this volume for a more thorough discussion of the Joint Committee sequestration procedures.

**Table 23–2. SUMMARY OF ECONOMIC ASSUMPTIONS**

(Fiscal years; in billions of dollars)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Gross Domestic Product (GDP):												
Levels, in billions of dollars:												
Current dollars .....	19,177	20,029	21,003	22,069	23,194	24,369	25,605	26,900	28,253	29,647	31,089	32,602
Real, chained (2009) dollars .....	16,986	17,467	18,015	18,585	19,154	19,729	20,321	20,930	21,550	22,167	22,788	23,426
Percent change, year over year:												
Current dollars .....	3.8	4.4	4.9	5.1	5.1	5.1	5.1	5.1	5.0	4.9	4.9	4.9
Real, chained (2009) dollars .....	2.1	2.8	3.1	3.2	3.1	3.0	3.0	3.0	3.0	2.9	2.8	2.8
Inflation measures (percent change, year over year):												
GDP chained price index .....	1.7	1.6	1.7	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Consumer price index (all urban) .....	2.1	2.1	1.9	2.1	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Unemployment rate, civilian (percent) .....	4.5	4.0	3.8	3.7	3.9	4.0	4.2	4.3	4.5	4.6	4.8	4.8
Interest rates (percent):												
91-day Treasury bills .....	0.7	1.4	2.1	2.8	3.0	3.0	2.9	2.9	2.9	2.9	2.9	2.9
10-year Treasury notes .....	2.3	2.5	3.0	3.3	3.6	3.7	3.7	3.7	3.7	3.6	3.6	3.6
MEMORANDUM:												
Related program assumptions:												
Automatic benefit increases (percent):												
Social security and veterans pensions .....	0.3	2.0	2.4	2.0	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Federal employee retirement .....	0.3	2.0	2.4	2.0	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Supplemental Nutrition Assistance Program .....	.....	.....	0.8	2.0	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Insured unemployment rate .....	1.4	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.4	1.4	1.4

of allowances in the amount of the required reductions. As with the allowances to reach the unreduced BBEDCA caps, after 2021, the allowances for the Joint Committee cap reductions assume that the reduced level of discretionary spending grows with inflation from the 2021 levels. Pursuant to subsequent legislation, the BBEDCA baseline also includes the extension of mandatory sequestration through 2025 at the rate required for 2021 by the BCA.<sup>7</sup>

### Economic Assumptions

As discussed above, an important purpose of the baseline is to serve as a benchmark against which policy proposals are measured. By convention, President's Budgets construct baseline and policy estimates under the same set of economic and technical assumptions. These assumptions are developed on the basis that the President's Budget proposals will be enacted.

While this estimating approach has the virtue of simplicity, it offers an incomplete view of the effects of proposals, because it fails to capture the fact that the economy and the budget interact. Government tax and spending policies can influence prices, economic growth, consumption, savings, and investment. In turn, changes

in economic conditions due to the enactment of proposals affect tax receipts and spending, including for unemployment benefits, entitlement payments that receive automatic cost-of-living adjustments (COLAs), income support programs for low-income individuals, and interest on the Federal debt.

Because of these interactions, it would be reasonable, from an economic perspective, to assume different economic paths for the baseline projection and the President's Budget. However, this would greatly complicate the process of producing the Budget, which normally includes a large number of proposals that could have potential economic feedback effects. Agencies would have to produce two sets of estimates for programs sensitive to economic assumptions even if those programs were not directly affected by any proposal in the Budget. Using different economic assumptions for baseline and policy estimates would also diminish the value of the baseline estimates as a benchmark for measuring proposed policy changes, because it would be difficult to separate the effects of proposed policy changes from the effects of different economic assumptions. Using the same economic assumptions for the baseline and the President's Budget eliminates this potential source of confusion.

The economic assumptions underlying the Budget and the Administration's baseline are summarized in Table 23–2. The economic outlook underlying these assumptions is discussed in greater detail in Chapter 2 of this volume.

<sup>7</sup>The Bipartisan Budget Act of 2013 (P.L. 113-67) extended mandatory sequestration through 2023, at the rate required for 2021 by the BCA. The Military Retired Pay Restoration Act (P.L. 113-82) extended mandatory sequestration through 2024. The Bipartisan Budget Act of 2015 (P.L. 114-74) further extended mandatory sequestration through 2025. This Act also specified for 2025 that the Medicare program should be reduced by 4.0 percent for the first half of the sequestration period and zero for the second half of the period.



**Table 23–3. BASELINE BENEFICIARY PROJECTIONS FOR MAJOR BENEFIT PROGRAMS**

(Annual average, in thousands)

	Actual 2017	Estimate										
		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Farmers receiving Federal payments .....	1,052	1,047	1,042	1,036	1,031	1,026	1,021	1,016	1,011	1,006	1,001	996
Federal direct student loans .....	8,696	8,785	8,884	8,955	8,999	9,041	9,084	9,167	9,220	9,273	9,314	9,364
Federal Pell Grants .....	7,168	7,399	7,544	7,705	7,894	8,064	8,217	8,358	8,503	8,649	8,796	8,940
Medicaid/Children's Health Insurance Program <sup>1</sup> .....	79,051	79,674	79,955	81,446	82,602	83,575	84,441	85,179	85,918	86,648	87,388	88,138
Medicare-eligible military retiree health benefits .....	2,358	2,380	2,400	2,419	2,438	2,461	2,484	2,508	2,532	2,532	2,532	2,532
Medicare: <sup>2</sup>												
Hospital insurance .....	57,636	59,096	60,708	62,460	64,245	66,047	67,823	69,551	71,292	73,019	74,676	76,274
Supplementary medical insurance:												
Part B .....	53,137	54,443	55,853	57,481	59,130	60,798	62,466	64,061	65,675	67,297	68,837	70,328
Part D .....	44,130	45,567	47,143	48,805	50,465	52,079	53,592	54,983	56,358	57,726	59,038	60,303
Prescription Drug Plans and Medicare:												
Advantage Prescription Drug Plans .....	42,403	44,129	45,974	47,857	49,550	51,138	52,626	53,991	55,342	56,685	57,973	59,216
Retiree Drug Subsidy .....	1,727	1,438	1,170	948	915	941	966	991	1,016	1,041	1,065	1,088
Managed Care Enrollment <sup>3</sup> .....	19,453	20,764	21,819	22,680	23,557	24,458	25,350	26,209	27,051	27,882	28,680	29,441
Railroad retirement .....	517	513	509	503	497	491	483	476	468	460	452	445
Federal civil service retirement .....	2,678	2,704	2,730	2,758	2,786	2,815	2,843	2,867	2,890	2,915	2,939	2,962
Military retirement .....	2,280	2,293	2,304	2,314	2,324	2,335	2,345	2,375	2,380	2,384	2,385	2,385
Unemployment insurance .....	5,828	5,592	5,843	5,946	6,071	6,207	6,288	6,374	6,468	6,557	6,662	6,693
Supplemental Nutrition Assistance Program (formerly Food Stamps) .....	42,165	42,164	40,818	39,187	38,879	38,675	38,489	38,320	38,168	38,083	38,026	37,697
Child nutrition .....	34,821	35,281	35,708	36,138	36,501	36,797	37,096	37,399	37,706	38,017	38,332	38,651
Foster care, Adoption Assistance and Guardianship Assistance .....	611	667	704	744	786	826	868	912	956	1,000	1,044	1,090
Supplemental security income (SSI):												
Aged .....	1,114	1,121	1,126	1,135	1,145	1,158	1,171	1,187	1,205	1,224	1,243	1,261
Blind/disabled .....	6,986	6,922	6,893	6,929	6,963	6,997	7,036	7,082	7,133	7,173	7,208	7,242
Total, SSI .....	8,100	8,042	8,019	8,064	8,108	8,154	8,208	8,269	8,338	8,397	8,451	8,503
Child care and development fund (CCDF) <sup>4</sup> .....	1,816	1,692	1,525	1,477	1,432	1,391	1,351	1,311	1,273	1,236	1,199	1,165
Social security (OASDI):												
Old age and survivors insurance .....	50,597	52,104	53,708	55,360	56,935	58,487	60,063	61,667	63,230	64,774	66,271	67,856
Disability insurance .....	10,563	10,463	10,421	10,437	10,519	10,622	10,711	10,786	10,892	11,000	11,112	11,140
Total, OASDI .....	61,161	62,567	64,129	65,797	67,454	69,109	70,774	72,453	74,122	75,774	77,383	78,996
Veterans compensation:												
Veterans .....	4,456	4,656	4,850	5,039	5,206	5,361	5,512	5,661	5,806	5,947	6,083	6,215
Survivors (non-veterans) .....	406	421	432	445	459	475	491	509	527	547	567	587
Total, Veterans compensation .....	4,862	5,077	5,283	5,485	5,665	5,835	6,003	6,169	6,333	6,493	6,650	6,802
Veterans pensions:												
Veterans .....	282	274	269	266	265	265	266	267	269	270	271	273
Survivors (non-veterans) .....	202	201	200	201	202	204	206	209	211	213	215	217
Total, Veterans pensions .....	483	474	469	467	468	470	473	476	479	483	486	490

<sup>1</sup> Medicaid enrollment excludes territories.<sup>2</sup> Medicare figures (Hospital Insurance, Part B, and Part D) do not sum to total Medicare enrollment due to enrollment in multiple programs.<sup>3</sup> Enrollment figures include only beneficiaries who receive both Part A and Part B services through managed care.<sup>4</sup> These levels include children served through CCDF (including Temporary Assistance for Needy Families (TANF) transfers) and through funds spent directly on child care in the Social Services Block Grant and TANF programs.

### Major Programmatic Assumptions

A number of programmatic assumptions must be made to calculate the baseline estimates. These include assumptions about annual cost-of-living adjustments in the indexed programs and the number of beneficiaries who will receive payments from the major benefit programs. Assumptions about various automatic cost-of-living-

adjustments are shown in Table 23–2, and assumptions about baseline caseload projections for the major benefit programs are shown in Table 23–3. These assumptions affect baseline estimates of direct spending for each of these programs, and they also affect estimates of the discretionary baseline for a limited number of programs. For the administrative expenses for Medicare, Railroad

**Table 23–5. RECEIPTS BY SOURCE IN THE PROJECTION OF ADJUSTED BASELINE**

(In billions of dollars)

	2017 Actual	Estimate										
		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Individual income taxes .....	1,587.1	1,660.1	1,687.0	1,789.7	1,917.2	2,050.5	2,197.9	2,347.9	2,504.3	2,700.0	2,882.8	3,062.1
Corporation income taxes .....	297.0	217.6	225.3	264.7	272.7	314.2	373.9	416.6	434.8	417.5	406.1	413.6
Social insurance and retirement receipts .....	1,161.9	1,169.8	1,237.7	1,286.1	1,357.7	1,429.9	1,502.4	1,584.8	1,668.2	1,762.2	1,850.9	1,961.6
(On-budget) .....	(311.3)	(317.5)	(332.4)	(344.8)	(363.0)	(380.6)	(399.4)	(420.5)	(442.0)	(466.3)	(490.0)	(519.8)
(Off-budget) .....	(850.6)	(852.3)	(905.3)	(941.3)	(994.7)	(1,049.4)	(1,103.1)	(1,164.3)	(1,226.2)	(1,295.9)	(1,361.0)	(1,441.8)
Excise taxes .....	83.8	108.2	107.9	111.8	118.3	121.3	124.4	127.9	131.6	135.6	140.2	145.5
Estate and gift taxes .....	22.8	24.7	16.8	18.0	19.4	20.7	22.8	24.4	26.1	27.6	29.1	30.9
Customs duties .....	34.6	40.4	44.2	47.1	48.2	50.0	51.0	51.9	53.2	54.7	56.4	58.4
Miscellaneous receipts .....	129.0	119.7	105.3	95.8	99.4	108.1	116.5	124.3	129.6	135.9	142.2	148.3
<b>Total, receipts .....</b>	<b>3,316.2</b>	<b>3,340.5</b>	<b>3,424.3</b>	<b>3,613.3</b>	<b>3,832.9</b>	<b>4,094.7</b>	<b>4,388.9</b>	<b>4,677.8</b>	<b>4,947.7</b>	<b>5,233.5</b>	<b>5,507.8</b>	<b>5,820.5</b>
(On-budget) .....	(2,465.6)	(2,488.1)	(2,519.0)	(2,671.9)	(2,838.3)	(3,045.3)	(3,285.8)	(3,513.6)	(3,721.5)	(3,937.6)	(4,146.8)	(4,378.7)
(Off-budget) .....	(850.6)	(852.3)	(905.3)	(941.3)	(994.7)	(1,049.4)	(1,103.1)	(1,164.3)	(1,226.2)	(1,295.9)	(1,361.0)	(1,441.8)

Retirement, and unemployment insurance, the discretionary baseline is increased (or decreased) for changes in the number of beneficiaries in addition to the adjustments for inflation described earlier. Although these adjustments are applied at the account level, they have no effect in the aggregate because discretionary baseline levels are constrained to the BBEDCA caps, as reduced for Joint Committee enforcement.

It is also necessary to make assumptions about the continuation of expiring programs and provisions. As explained above, in the baseline estimates provided here, expiring excise taxes dedicated to a trust fund are extended at current rates. In general, mandatory programs with spending of at least \$50 million in the current year are also assumed to continue, unless the programs are explicitly temporary in nature. Table 23–4, available on the Internet at <https://www.whitehouse.gov/omb/analytical-perspectives/> and on the Budget CD-ROM, provides a listing of mandatory programs and taxes assumed to continue in the baseline after their expiration.<sup>8</sup> Many other important assumptions must be made in order to calculate the baseline estimates. These include assumptions about the timing and substance of regulations that will be issued over the projection period, the use of administrative discretion provided under current law, and other assumptions about the way programs operate, including actions under OMB Memorandum M-05-13, “Budget Discipline for Agency Administrative Actions.” Table 23–4

<sup>8</sup>All discretionary programs with continuing or enacted appropriations in the current year, including costs for overseas contingency operations in Iraq and Afghanistan and other recurring international activities, are assumed to continue, and are therefore not presented in Table 23–4.

lists many of these assumptions and their effects on the baseline estimates. It is not intended to be an exhaustive listing; the variety and complexity of Government programs are too great to provide a complete list. Instead, some of the more important assumptions are shown.

### Current Services Receipts, Outlays, and Budget Authority

*Receipts.*—Table 23–5 shows the Administration’s baseline receipts by major source. Table 23–6 shows the scheduled increases in the Social Security taxable earnings base, which affect both payroll tax receipts for the program and the initial benefit levels for certain retirees.

*Outlays.*—Table 23–7 shows the growth from 2018 to 2019 and average annual growth over the five-year and ten-year periods for certain discretionary and major mandatory programs. Tables 23–8 and 23–9 show the Administration’s baseline outlays by function and by agency, respectively. A more detailed presentation of these outlays (by function, category, subfunction, and program) is available on the Internet as part of Table 23–12 at <https://www.whitehouse.gov/omb/analytical-perspectives/> and on the Budget CD-ROM.

*Budget authority.*—Tables 23–10 and 23–11 show estimates of budget authority in the Administration’s baseline by function and by agency, respectively. A more detailed presentation of this budget authority with program-level estimates is also available on the Internet as part of Table 23–12 at <https://www.whitehouse.gov/omb/analytical-perspectives/> and on the Budget CD-ROM.



**Table 23–6. EFFECT ON RECEIPTS OF CHANGES IN THE SOCIAL SECURITY TAXABLE EARNINGS BASE**

(In billions of dollars)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
<b>Social security (OASDI) taxable earnings base increases:</b>										
\$128,400 to \$132,300 on Jan. 1, 2019 .....	2.1	5.2	5.8	6.4	7.1	7.9	8.8	9.8	10.8	11.9
\$132,300 to \$135,900 on Jan. 1, 2020 .....		2.0	5.0	5.6	6.2	6.9	7.7	8.5	9.4	10.4
\$135,900 to \$140,700 on Jan. 1, 2021 .....			2.7	7.0	7.7	8.6	9.5	10.7	11.8	13.1
\$140,700 to \$146,700 on Jan. 1, 2022 .....				3.5	8.9	9.9	11.0	12.3	13.6	15.1
\$146,700 to \$153,600 on Jan. 1, 2023 .....					4.1	10.5	11.6	12.9	14.3	15.9
\$153,600 to \$161,400 on Jan. 1, 2024 .....						4.7	11.9	13.2	14.6	16.3
\$161,400 to \$169,500 on Jan. 1, 2025 .....							4.9	12.4	13.7	15.3
\$169,500 to \$177,900 on Jan. 1, 2026 .....								5.1	12.9	14.3
\$177,900 to \$186,900 on Jan. 1, 2027 .....									5.4	13.9
\$186,900 to \$196,500 on Jan. 1, 2028 .....										5.9

**Table 23–7. CHANGE IN OUTLAY ESTIMATES BY CATEGORY IN THE ADJUSTED BASELINE**

(In billions of dollars)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Change 2018 to 2019 <sup>1</sup>		Change 2018 to 2023 <sup>1</sup>		Change 2018 to 2028 <sup>1</sup>	
												Amount	Percent	Amount	Average annual rate	Amount	Average annual rate
<b>Outlays:</b>																	
Discretionary:																	
Defense .....	611	637	668	678	690	705	719	737	755	774	793	26	4.3%	94	2.9%	183	2.7%
Non-defense .....	661	656	659	670	669	676	689	705	721	738	756	-5	-0.7%	16	0.5%	95	1.4%
Subtotal, discretionary .....	1,271	1,293	1,327	1,349	1,359	1,381	1,408	1,442	1,476	1,512	1,549	22	1.7%	109	1.7%	278	2.0%
Mandatory:																	
Farm programs .....	20	15	14	18	18	18	17	17	17	17	17	-5	-22.9%	-2	-2.6%	-3	-1.8%
GSE support .....	-5	-22	-23	-23	-22	-21	-21	-21	-21	-21	-21	-17	367.8%	-16	34.7%	-16	16.0%
Medicaid .....	402	420	439	464	490	519	549	583	624	661	701	18	4.5%	117	5.2%	299	5.7%
Other health care .....	118	95	95	98	101	106	110	116	122	128	135	-23	-19.2%	-11	-2.0%	17	1.4%
Medicare .....	582	640	688	743	845	876	902	1,005	1,103	1,196	1,353	58	10.1%	294	8.5%	772	8.8%
Federal employee retirement and disability .....	140	149	154	159	169	169	169	180	185	191	202	9	6.6%	29	3.8%	63	3.8%
Unemployment compensation ..	29	29	30	31	33	35	37	39	42	45	47	*	-0.5%	6	3.5%	18	5.0%
Other income security programs .....	261	279	282	290	302	306	308	317	333	335	346	18	7.0%	45	3.2%	85	2.9%
Social Security .....	987	1,047	1,109	1,174	1,245	1,319	1,398	1,480	1,566	1,656	1,752	60	6.1%	333	6.0%	765	5.9%
Veterans programs .....	101	116	123	129	146	143	140	159	167	175	200	15	15.1%	43	7.3%	99	7.1%
Other mandatory programs ..	56	63	62	60	63	59	61	58	74	74	76	7	12.2%	3	1.0%	20	3.0%
Undistributed offsetting receipts .....	-102	-100	-100	-101	-104	-105	-107	-121	-112	-115	-118	2	-1.5%	-3	0.6%	-16	1.5%
Subtotal, mandatory .....	2,588	2,731	2,873	3,042	3,286	3,423	3,564	3,811	4,100	4,343	4,689	143	5.5%	835	5.8%	2,101	6.1%
Net interest .....	310	364	447	515	577	636	684	727	772	815	859	54	17.3%	325	15.4%	549	10.7%
Total, outlays .....	4,170	4,388	4,647	4,906	5,222	5,439	5,656	5,980	6,348	6,670	7,098	219	5.2%	1,270	5.5%	2,928	5.5%

\*Less than \$500 million.

<sup>1</sup>Not adjusted for timing shifts. Includes 11 benefit payments in 2018, 12 benefit payments in 2019 and 2023, and 13 benefit payments in 2023.

**Table 23–8. OUTLAYS BY FUNCTION IN THE ADJUSTED BASELINE**  
(In billions of dollars)

Function	2017 Actual	Estimate										
		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
National Defense:												
Department of Defense—Military .....	568.9	589.7	616.6	647.6	657.2	668.9	683.2	696.2	713.3	731.4	749.7	768.3
Other .....	29.8	30.3	30.7	31.7	32.6	32.8	32.9	33.6	34.3	35.1	35.8	36.1
Total, National Defense .....	598.7	620.0	647.4	679.3	689.8	701.7	716.1	729.7	747.6	766.5	785.6	804.5
International Affairs .....	46.3	47.3	70.9	63.8	64.4	66.2	64.1	66.8	65.0	70.6	70.5	73.3
General Science, Space, and Technology .....	30.4	31.7	33.7	32.9	34.0	34.4	35.3	35.0	36.2	36.9	37.8	38.6
Energy .....	3.9	4.0	3.9	4.0	3.9	2.8	2.3	2.0	1.9	4.3	4.5	4.8
Natural Resources and Environment .....	37.9	40.4	43.1	45.9	46.0	45.6	47.1	48.2	48.4	49.6	50.0	50.9
Agriculture .....	18.9	26.9	22.2	20.9	25.3	24.9	24.9	25.1	25.0	24.9	25.1	25.0
Commerce and Housing Credit .....	–26.8	4.9	–22.6	–20.2	–17.4	–15.3	–13.8	–12.4	–11.9	–10.3	–9.5	–8.5
(On-Budget) .....	(–24.6)	(2.4)	(–21.8)	(–20.7)	(–18.6)	(–15.6)	(–14.1)	(–12.6)	(–12.1)	(–11.5)	(–10.6)	(–9.7)
(Off-Budget) .....	(–2.3)	(2.5)	(–0.8)	(0.5)	(1.3)	(0.2)	(0.2)	(0.2)	(0.2)	(1.2)	(1.1)	(1.1)
Transportation .....	93.6	94.4	95.8	97.3	98.7	88.1	85.9	87.1	88.2	90.7	92.8	94.6
Community and Regional Development .....	24.9	54.3	39.2	39.0	40.2	37.3	36.8	37.1	37.4	38.2	39.0	40.0
Education, Training, Employment, and Social Services .....	144.0	98.6	111.3	117.2	119.0	126.3	128.7	131.2	133.5	135.5	137.5	139.9
Health .....	533.1	589.1	580.9	599.7	627.8	658.0	692.9	728.5	769.0	818.2	862.8	910.7
Medicare .....	597.3	588.3	646.4	694.6	749.8	852.4	882.8	909.1	1,012.7	1,110.5	1,204.5	1,361.4
Income Security .....	503.5	498.8	526.8	535.2	551.2	576.0	583.0	588.7	612.9	638.2	650.2	676.1
Social Security .....	944.9	992.5	1,052.6	1,114.7	1,180.2	1,250.9	1,325.6	1,404.3	1,486.2	1,572.3	1,662.5	1,758.8
(On-Budget) .....	(37.4)	(35.8)	(37.0)	(41.3)	(45.3)	(49.3)	(53.5)	(58.0)	(62.8)	(75.9)	(84.8)	(92.1)
(Off-Budget) .....	(907.5)	(956.7)	(1,015.6)	(1,073.4)	(1,134.9)	(1,201.5)	(1,272.1)	(1,346.3)	(1,423.4)	(1,496.4)	(1,577.7)	(1,666.7)
Veterans Benefits and Services .....	176.5	177.2	194.1	204.5	212.6	231.2	231.4	230.6	251.9	263.0	274.3	301.4
Administration of Justice .....	57.9	68.5	69.8	67.1	67.4	68.0	67.0	68.6	70.4	75.9	78.8	80.9
General Government .....	23.9	26.3	27.4	28.2	27.4	29.0	29.2	30.1	31.5	31.5	32.3	33.2
Net Interest .....	262.6	310.3	363.9	446.9	514.5	577.2	635.5	684.4	727.4	771.7	815.2	859.3
(On-Budget) .....	(349.1)	(394.0)	(445.6)	(526.5)	(592.1)	(651.2)	(707.3)	(753.1)	(794.4)	(836.9)	(880.5)	(923.6)
(Off-Budget) .....	(–86.5)	(–83.7)	(–81.7)	(–79.6)	(–77.6)	(–74.1)	(–71.8)	(–68.8)	(–67.0)	(–65.3)	(–65.3)	(–64.3)
Allowances .....	.....	–2.1	–18.4	–24.1	–27.5	–29.5	–30.2	–31.0	–31.8	–28.5	–29.2	–29.4
Undistributed Offsetting Receipts:												
Employer share, employee retirement (on-budget) .....	–67.5	–74.6	–73.8	–74.9	–76.9	–77.3	–78.4	–79.2	–79.9	–81.6	–83.4	–85.3
Employer share, employee retirement (off-budget) .....	–17.5	–18.3	–18.8	–19.5	–20.2	–21.1	–21.8	–22.5	–23.6	–24.5	–25.5	–26.7
Rents and royalties on the Outer Continental Shelf .....	–3.1	–4.1	–4.1	–4.2	–4.3	–5.2	–5.0	–5.2	–5.7	–5.6	–5.7	–5.9
Sale of major assets .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Other undistributed offsetting receipts .....	–1.8	–5.0	–3.7	–1.8	–0.1	.....	–0.1	–0.1	–12.3	.....	.....	.....
Total, Undistributed Offsetting Receipts .....	–89.8	–102.0	–100.5	–100.3	–101.5	–103.7	–105.2	–107.0	–121.4	–111.6	–114.6	–117.8
(On-Budget) .....	(–72.3)	(–83.7)	(–81.6)	(–80.8)	(–81.3)	(–82.6)	(–83.4)	(–84.5)	(–97.9)	(–87.1)	(–89.1)	(–91.1)
(Off-Budget) .....	(–17.5)	(–18.3)	(–18.8)	(–19.5)	(–20.2)	(–21.1)	(–21.8)	(–22.5)	(–23.6)	(–24.5)	(–25.5)	(–26.7)
<b>Total .....</b>	<b>3,981.6</b>	<b>4,169.6</b>	<b>4,388.1</b>	<b>4,646.5</b>	<b>4,905.6</b>	<b>5,221.5</b>	<b>5,439.5</b>	<b>5,656.2</b>	<b>5,980.0</b>	<b>6,348.1</b>	<b>6,670.0</b>	<b>7,097.6</b>
(On-Budget) .....	(3,180.4)	(3,312.3)	(3,473.8)	(3,671.7)	(3,867.2)	(4,114.9)	(4,260.7)	(4,400.9)	(4,646.9)	(4,940.3)	(5,182.1)	(5,520.7)
(Off-Budget) .....	(801.2)	(857.2)	(914.2)	(974.8)	(1,038.4)	(1,106.6)	(1,178.7)	(1,255.3)	(1,333.1)	(1,407.8)	(1,487.9)	(1,576.9)

**Table 23-9. OUTLAYS BY AGENCY IN THE ADJUSTED BASELINE**

(In billions of dollars)

Agency	2017 Actual	Estimate										
		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Legislative Branch .....	4.5	5.2	4.8	5.0	5.1	5.2	5.4	5.5	5.7	5.9	6.0	6.2
Judicial Branch .....	7.6	8.2	7.9	8.2	8.5	8.7	9.0	9.3	9.6	9.9	10.2	10.5
Agriculture .....	127.6	145.8	142.7	142.1	150.0	152.7	156.0	159.5	162.5	166.4	168.3	169.5
Commerce .....	10.3	9.9	11.2	11.6	11.6	11.8	10.7	10.9	11.2	11.5	11.8	12.1
Defense—Military Programs .....	568.9	591.1	618.4	650.3	660.3	672.3	687.1	700.3	717.9	736.3	755.3	774.5
Education .....	111.7	63.9	76.9	82.6	84.1	91.1	92.9	94.8	96.5	97.9	99.6	101.4
Energy .....	25.8	28.3	29.0	30.4	30.3	29.4	28.7	29.1	29.6	32.2	32.8	33.5
Health and Human Services .....	1,116.8	1,162.9	1,217.2	1,294.1	1,376.7	1,508.3	1,572.1	1,631.6	1,782.0	1,901.6	2,030.4	2,230.5
Homeland Security .....	50.5	83.1	64.5	65.9	69.3	67.6	69.3	71.2	73.0	79.7	83.1	85.5
Housing and Urban Development .....	55.5	54.9	43.0	42.3	42.4	42.3	42.2	42.9	43.5	44.6	45.5	46.4
Interior .....	12.2	14.4	15.1	15.5	15.8	15.9	16.3	16.5	16.6	16.9	17.2	17.6
Justice .....	31.0	38.5	41.3	38.4	38.1	38.2	36.4	37.3	38.3	39.2	40.2	41.2
Labor .....	40.1	39.4	39.7	40.7	43.7	46.5	49.0	52.0	52.6	62.8	63.4	66.2
State .....	27.1	30.6	34.3	35.0	35.3	35.4	34.4	35.1	36.0	36.8	37.7	38.5
Transportation .....	79.4	79.7	81.2	82.2	83.3	72.6	69.8	70.5	71.1	71.9	72.8	74.0
Treasury .....	546.4	606.6	657.3	742.4	813.8	882.2	947.8	1,002.7	1,050.2	1,093.6	1,160.6	1,210.9
Veterans Affairs .....	176.1	176.8	193.7	204.1	212.2	230.8	231.0	230.3	251.5	262.6	273.9	300.9
Corps of Engineers—Civil Works .....	6.5	6.8	7.7	8.1	7.8	7.9	7.9	8.1	8.2	8.2	7.8	7.7
Other Defense Civil Programs .....	58.7	55.9	62.3	62.9	64.5	71.8	68.7	65.6	74.0	78.7	78.4	86.5
Environmental Protection Agency .....	8.2	7.9	6.7	7.5	7.9	8.3	8.6	9.0	9.2	9.5	9.7	10.0
Executive Office of the President .....	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5
General Services Administration .....	-0.7	-0.1	0.6	0.6	-0.2	0.1	0.2	0.2	0.2	0.2	0.2	0.2
International Assistance Programs .....	18.9	16.3	36.0	28.0	28.0	29.6	28.5	30.4	27.6	32.4	31.4	33.3
National Aeronautics and Space Administration .....	18.7	19.3	21.5	20.2	20.7	21.1	21.6	22.1	22.6	23.1	23.6	24.2
National Science Foundation .....	7.2	7.3	7.4	7.8	8.2	8.2	8.5	7.8	8.4	8.5	8.7	8.9
Office of Personnel Management .....	95.5	99.7	103.7	107.6	111.7	115.9	120.3	125.1	129.6	135.0	140.2	146.3
Small Business Administration .....	0.4	-0.6	1.0	0.8	0.9	0.9	0.9	1.0	1.0	1.0	1.0	1.1
Social Security Administration .....	1,000.8	1,045.8	1,111.2	1,174.7	1,241.8	1,318.9	1,390.8	1,466.2	1,555.1	1,643.3	1,735.4	1,839.6
(On-Budget) .....	(93.3)	(89.1)	(95.6)	(101.3)	(106.9)	(117.4)	(118.7)	(119.9)	(131.7)	(146.9)	(157.8)	(172.9)
(Off-Budget) .....	(907.5)	(956.7)	(1,015.6)	(1,073.4)	(1,134.9)	(1,201.5)	(1,272.1)	(1,346.3)	(1,423.4)	(1,496.4)	(1,577.7)	(1,666.7)
Other Independent Agencies .....	12.5	20.9	21.0	23.3	27.8	29.1	31.0	32.4	33.2	35.1	36.2	36.8
(On-Budget) .....	(14.8)	(18.4)	(21.8)	(22.8)	(26.5)	(28.9)	(30.8)	(32.1)	(32.9)	(33.9)	(35.1)	(35.7)
(Off-Budget) .....	(-2.3)	(2.5)	(-0.8)	(0.5)	(1.3)	(0.2)	(0.2)	(0.2)	(0.2)	(1.2)	(1.1)	(1.1)
Allowances .....	.....	-3.6	-25.5	-41.3	-46.1	-50.0	-52.6	-54.5	-65.4	-38.9	-34.6	-35.6
Undistributed Offsetting Receipts .....	-236.9	-245.8	-243.9	-245.2	-248.1	-251.8	-253.5	-256.9	-272.0	-258.3	-277.5	-281.4
(On-Budget) .....	(-132.9)	(-143.7)	(-143.4)	(-146.1)	(-150.4)	(-156.6)	(-159.9)	(-165.7)	(-181.4)	(-168.5)	(-186.7)	(-190.5)
(Off-Budget) .....	(-104.0)	(-102.0)	(-100.6)	(-99.1)	(-97.8)	(-95.2)	(-93.6)	(-91.3)	(-90.5)	(-89.8)	(-90.8)	(-91.0)
<b>Total .....</b>	<b>3,981.6</b>	<b>4,169.5</b>	<b>4,388.1</b>	<b>4,646.5</b>	<b>4,905.6</b>	<b>5,221.6</b>	<b>5,439.5</b>	<b>5,656.2</b>	<b>5,980.0</b>	<b>6,348.1</b>	<b>6,670.0</b>	<b>7,097.6</b>
(On-Budget) .....	(4,181.2)	(4,358.1)	(4,585.1)	(4,846.4)	(5,108.9)	(5,433.8)	(5,651.5)	(5,867.1)	(6,202.0)	(6,583.6)	(6,917.6)	(7,360.3)
(Off-Budget) .....	(801.2)	(857.2)	(914.2)	(974.8)	(1,038.4)	(1,106.6)	(1,178.7)	(1,255.3)	(1,333.1)	(1,407.8)	(1,487.9)	(1,576.9)

Table 23-10. BUDGET AUTHORITY BY FUNCTION IN THE ADJUSTED BASELINE

(In billions of dollars)

Function	2017 Actual	Estimate										
		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
<b>National Defense:</b>												
Department of Defense—Military .....	626.2	616.3	632.2	647.8	662.9	679.2	695.6	712.6	730.2	748.4	766.9	785.9
Other .....	30.1	29.6	30.6	31.2	31.8	32.5	33.2	33.9	34.6	35.4	36.2	37.0
Total, National Defense .....	656.3	646.0	662.8	679.0	694.8	711.7	728.7	746.5	764.9	783.8	803.1	822.9
International Affairs .....	66.7	78.9	61.7	65.1	64.7	67.9	72.7	72.4	74.1	76.2	76.9	80.6
General Science, Space, and Technology .....	32.2	31.7	32.3	33.0	33.7	34.4	35.2	35.9	36.7	37.5	38.4	39.2
Energy .....	5.9	4.7	3.9	3.8	3.8	3.2	3.1	2.2	2.4	4.9	5.1	5.4
Natural Resources and Environment .....	44.4	41.7	42.6	43.3	44.3	44.4	46.2	47.3	47.9	49.2	50.4	51.5
Agriculture .....	14.2	20.7	24.4	24.8	25.1	24.8	25.0	24.9	24.9	25.1	25.1	25.1
Commerce and Housing Credit .....	−14.2	6.5	−3.2	−2.1	−1.8	0.7	3.7	4.5	5.1	6.0	6.9	7.9
(On-Budget) .....	(−14.5)	(6.3)	(−3.4)	(−2.3)	(−2.0)	(0.5)	(3.4)	(4.2)	(4.9)	(5.8)	(6.7)	(7.6)
(Off-Budget) .....	(0.3)	(0.3)	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Transportation .....	92.3	91.4	95.0	89.7	98.3	99.4	100.5	101.6	102.8	105.7	107.0	108.3
Community and Regional Development .....	43.2	42.7	37.9	38.8	39.7	40.9	42.0	42.9	43.9	44.9	45.8	47.0
Education, Training, Employment, and Social Services .....	148.4	100.7	112.7	119.5	124.5	129.5	131.5	134.0	136.2	138.3	140.4	142.8
Health .....	556.0	573.9	568.8	609.4	629.7	661.4	696.5	733.1	773.8	823.3	867.7	915.7
Medicare .....	607.1	623.7	688.3	694.6	749.6	852.2	882.9	908.2	1,009.8	1,116.3	1,204.7	1,361.6
Income Security .....	514.2	503.7	532.8	544.2	559.6	578.5	591.0	602.1	623.1	641.7	656.5	675.4
Social Security .....	946.2	997.1	1,057.7	1,120.1	1,185.9	1,257.0	1,332.0	1,411.0	1,493.3	1,579.7	1,670.4	1,767.0
(On-Budget) .....	(37.4)	(35.8)	(37.0)	(41.3)	(45.3)	(49.3)	(53.5)	(58.0)	(62.8)	(75.9)	(84.8)	(92.1)
(Off-Budget) .....	(908.8)	(961.3)	(1,020.7)	(1,078.7)	(1,140.6)	(1,207.6)	(1,278.5)	(1,353.1)	(1,430.5)	(1,503.8)	(1,585.6)	(1,674.9)
Veterans Benefits and Services .....	179.3	182.6	189.5	203.9	214.2	223.3	233.8	244.5	256.1	266.4	277.9	291.1
Administration of Justice .....	65.7	58.2	75.2	62.3	63.9	65.6	67.3	69.1	70.9	76.1	79.2	81.4
General Government .....	23.5	25.1	27.6	28.1	28.7	30.2	30.3	30.8	32.1	32.6	33.4	34.3
Net Interest .....	262.5	310.3	363.9	446.9	514.5	577.2	635.5	684.4	727.4	771.7	815.2	859.3
(On-Budget) .....	(349.0)	(394.0)	(445.6)	(526.5)	(592.1)	(651.2)	(707.3)	(753.1)	(794.4)	(836.9)	(880.5)	(923.6)
(Off-Budget) .....	(−86.5)	(−83.7)	(−81.7)	(−79.6)	(−77.6)	(−74.1)	(−71.8)	(−68.8)	(−67.0)	(−65.3)	(−65.3)	(−64.3)
Allowances .....	.....	−3.5	−29.1	−27.8	−29.7	−30.4	−31.1	−31.7	−32.4	−27.5	−29.2	−29.7
<b>Undistributed Offsetting Receipts:</b>												
Employer share, employee retirement (on- budget) .....	−67.5	−74.6	−73.8	−74.9	−76.9	−77.3	−78.4	−79.2	−79.9	−81.6	−83.4	−85.3
Employer share, employee retirement (off- budget) .....	−17.5	−18.3	−18.8	−19.5	−20.2	−21.1	−21.8	−22.5	−23.6	−24.5	−25.5	−26.7
Rents and royalties on the Outer Continental Shelf .....	−3.1	−4.1	−4.1	−4.2	−4.3	−5.2	−5.0	−5.2	−5.7	−5.6	−5.7	−5.9
Sale of major assets .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Other undistributed offsetting receipts .....	−1.8	−5.0	−3.7	−1.8	−0.1	.....	−0.1	−0.1	−12.3	.....	.....	.....
Total, Undistributed Offsetting Receipts .....	−89.8	−102.0	−100.5	−100.3	−101.5	−103.7	−105.2	−107.0	−121.4	−111.6	−114.6	−117.8
(On-Budget) .....	(−72.3)	(−83.7)	(−81.6)	(−80.8)	(−81.3)	(−82.6)	(−83.4)	(−84.5)	(−97.9)	(−87.1)	(−89.1)	(−91.1)
(Off-Budget) .....	(−17.5)	(−18.3)	(−18.8)	(−19.5)	(−20.2)	(−21.1)	(−21.8)	(−22.5)	(−23.6)	(−24.5)	(−25.5)	(−26.7)
<b>Total .....</b>	<b>4,153.9</b>	<b>4,234.0</b>	<b>4,444.1</b>	<b>4,676.1</b>	<b>4,942.0</b>	<b>5,268.2</b>	<b>5,521.7</b>	<b>5,756.6</b>	<b>6,071.5</b>	<b>6,440.2</b>	<b>6,760.1</b>	<b>7,169.1</b>
(On-Budget) .....	(3,348.9)	(3,374.5)	(3,523.8)	(3,696.2)	(3,898.9)	(4,155.4)	(4,336.5)	(4,494.6)	(4,731.3)	(5,025.9)	(5,265.1)	(5,584.9)
(Off-Budget) .....	(805.0)	(859.5)	(920.3)	(979.9)	(1,043.1)	(1,112.7)	(1,185.2)	(1,262.0)	(1,340.2)	(1,414.3)	(1,495.0)	(1,584.2)
<b>MEMORANDUM</b>												
<b>Discretionary Budget Authority:</b>												
National Defense .....	634.1	637.3	652.0	667.8	683.7	700.5	717.8	735.6	753.8	772.6	791.7	811.3
International Affairs .....	59.5	59.0	60.1	61.4	62.7	64.1	65.4	66.8	68.3	69.8	71.3	72.9
Domestic .....	526.4	505.9	520.4	532.5	545.3	559.2	573.5	588.2	603.3	618.8	634.7	650.9
Total, Discretionary .....	1,220.0	1,202.2	1,232.4	1,261.6	1,291.7	1,323.7	1,356.7	1,390.6	1,425.4	1,461.2	1,497.6	1,535.1

**Table 23–11. BUDGET AUTHORITY BY AGENCY IN THE ADJUSTED BASELINE**

(In billions of dollars)

Agency	2017 Actual	Estimate										
		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Legislative Branch .....	4.7	4.7	4.8	5.0	5.1	5.3	5.4	5.6	5.7	5.9	6.1	6.3
Judicial Branch .....	7.8	7.7	8.0	8.3	8.6	8.9	9.1	9.4	9.7	10.0	10.2	10.5
Agriculture .....	136.5	143.6	147.1	148.0	153.0	155.8	159.5	162.9	166.0	170.5	172.0	173.0
Commerce .....	9.5	9.4	9.8	10.0	10.3	10.5	10.8	11.1	11.4	11.7	12.0	12.3
Defense—Military Programs .....	626.2	618.6	634.5	650.0	666.1	682.8	699.6	717.0	735.1	753.7	772.9	792.5
Education .....	114.8	67.3	78.3	84.7	89.2	93.8	95.3	97.2	98.8	100.2	101.9	103.7
Energy .....	27.5	28.5	28.3	29.3	29.2	29.2	29.6	29.6	30.4	33.0	33.7	34.3
Health and Human Services .....	1,144.0	1,183.0	1,249.0	1,304.0	1,378.0	1,511.1	1,575.3	1,635.0	1,786.5	1,906.6	2,035.3	2,236.1
Homeland Security .....	62.3	72.2	68.1	69.7	71.6	73.6	75.7	77.7	79.7	86.8	90.1	92.6
Housing and Urban Development .....	60.7	47.9	47.6	49.0	50.2	51.2	52.3	53.5	54.6	55.7	56.6	57.6
Interior .....	13.9	14.2	14.9	15.2	15.4	15.7	16.0	16.1	16.5	16.8	17.3	17.8
Justice .....	37.0	31.6	46.3	33.8	34.7	35.6	36.5	37.4	38.4	39.3	40.4	41.5
Labor .....	44.9	43.8	43.8	45.0	46.8	48.3	50.6	53.0	55.9	59.1	62.6	65.1
State .....	31.5	31.6	32.2	32.9	33.6	34.3	35.1	35.9	36.7	37.5	38.4	39.2
Transportation .....	78.3	77.3	80.6	74.9	83.0	83.6	84.2	84.9	85.5	86.2	86.9	87.6
Treasury .....	548.9	599.0	657.7	742.7	814.8	883.8	949.4	1,004.3	1,051.6	1,095.4	1,162.4	1,212.8
Veterans Affairs .....	178.8	182.3	189.1	203.5	213.9	223.0	233.5	244.1	255.7	266.0	277.5	290.7
Corps of Engineers—Civil Works .....	7.1	5.9	6.1	6.2	6.3	6.5	6.6	6.8	6.9	7.1	7.3	7.4
Other Defense Civil Programs .....	58.7	60.1	62.5	63.1	64.7	66.9	68.9	71.0	74.3	79.0	78.7	80.7
Environmental Protection Agency .....	8.3	8.0	8.1	8.3	8.5	8.7	8.9	9.2	9.4	9.6	9.9	10.2
Executive Office of the President .....	0.4	0.4	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.6
General Services Administration .....	–1.3	–1.0	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3
International Assistance Programs .....	34.3	46.1	28.0	30.6	29.4	31.7	35.7	34.5	35.4	36.6	36.4	39.2
National Aeronautics and Space Administration .....	19.8	19.5	19.9	20.4	20.8	21.3	21.8	22.3	22.8	23.4	23.9	24.4
National Science Foundation .....	7.6	7.6	7.7	7.8	8.0	8.1	8.3	8.5	8.6	8.8	9.0	9.2
Office of Personnel Management .....	98.7	100.4	104.8	109.2	113.7	118.4	123.3	128.1	133.1	138.2	143.5	149.1
Small Business Administration .....	0.7	–0.8	0.8	0.9	0.9	0.9	0.9	1.0	1.0	1.0	1.1	1.1
Social Security Administration .....	1,001.5	1,047.9	1,115.7	1,180.1	1,247.5	1,324.8	1,397.3	1,473.3	1,562.3	1,650.8	1,743.4	1,847.5
(On-Budget) .....	(92.7)	(86.6)	(95.0)	(101.3)	(106.9)	(117.2)	(118.7)	(120.2)	(131.8)	(147.0)	(157.8)	(172.6)
(Off-Budget) .....	(908.8)	(961.3)	(1,020.7)	(1,078.7)	(1,140.6)	(1,207.6)	(1,278.5)	(1,353.1)	(1,430.5)	(1,503.8)	(1,585.6)	(1,674.9)
Other Independent Agencies .....	27.8	29.1	32.1	32.8	34.8	36.5	38.4	39.2	40.2	41.4	42.6	43.5
(On-Budget) .....	(27.5)	(28.9)	(31.9)	(32.5)	(34.6)	(36.2)	(38.2)	(38.9)	(39.9)	(41.2)	(42.4)	(43.3)
(Off-Budget) .....	(0.3)	(0.3)	(0.3)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Allowances .....	.....	–6.0	–38.1	–44.4	–48.4	–51.1	–53.7	–55.5	–69.4	–32.7	–35.1	–36.2
Undistributed Offsetting Receipts .....	–236.9	–245.8	–243.9	–245.2	–248.1	–251.8	–253.5	–256.9	–272.0	–258.3	–277.5	–281.4
(On-Budget) .....	(–132.9)	(–143.7)	(–143.4)	(–146.1)	(–150.4)	(–156.6)	(–159.9)	(–165.7)	(–181.4)	(–168.5)	(–186.7)	(–190.5)
(Off-Budget) .....	(–104.0)	(–102.0)	(–100.6)	(–99.1)	(–97.8)	(–95.2)	(–93.6)	(–91.3)	(–90.5)	(–89.8)	(–90.8)	(–91.0)
<b>Total .....</b>	<b>4,153.9</b>	<b>4,234.0</b>	<b>4,444.1</b>	<b>4,676.1</b>	<b>4,942.0</b>	<b>5,268.2</b>	<b>5,521.7</b>	<b>5,756.6</b>	<b>6,071.5</b>	<b>6,440.2</b>	<b>6,760.1</b>	<b>7,169.1</b>
(On-Budget) .....	(3,348.9)	(3,374.5)	(3,523.8)	(3,696.2)	(3,898.9)	(4,155.4)	(4,336.5)	(4,494.6)	(4,731.3)	(5,025.9)	(5,265.1)	(5,584.9)
(Off-Budget) .....	(805.0)	(859.5)	(920.3)	(979.9)	(1,043.1)	(1,112.7)	(1,185.2)	(1,262.0)	(1,340.2)	(1,414.3)	(1,495.0)	(1,584.2)



