



AMERICA'S
CONGRESSIONAL BLACK CAUCUS
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CONGRESSIONAL BLACK CAUCUS ALTERNATIVE BUDGET FISCAL YEAR 2014

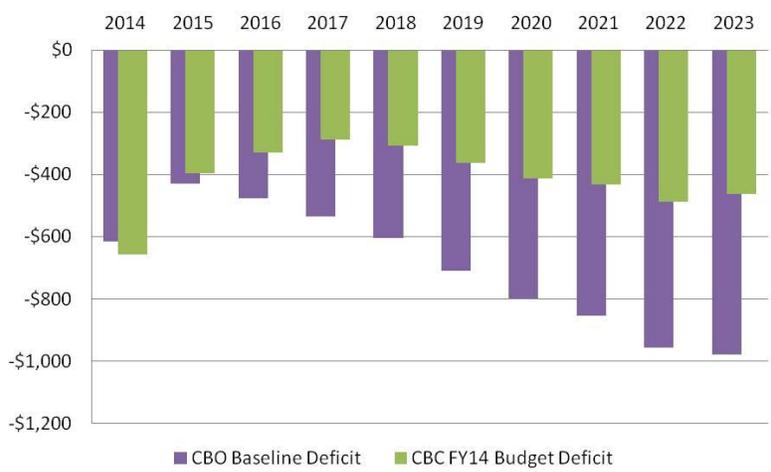
Pro-Growth. Pro-People. Pro-America.

EXECUTIVE SUMMARY

America is at a fiscal crossroads. As Congress debates the budget for Fiscal Year 2014, many difficult but necessary choices will have to be made. But the proposals put forth by the Republicans highlight the wrong priorities by deeply cutting vital programs like Medicare, Medicaid, education, job training, and transportation to pay for tax cuts that greatly benefit the wealthy. The most vulnerable in our nation have been hit hardest by the Great Recession and the House Republican Majority's proposals do little to address this problem.

The Congressional Black Caucus (CBC) has a long history of submitting fiscally sound and morally responsible alternatives to budgets proposed by both Republican and Democratic presidents and House majorities. The CBC Alternative Budget for Fiscal Year 2014 continues this tradition by putting forth a plan that reduces the deficit and alleviates harm inflicted by austerity measures in a responsible and fiscally sound manner. Furthermore, this budget increases economic opportunities by investing in education, infrastructure, housing, job training and through modernization of our military. In addition, the CBC Budget protects and enhances the social safety net that continues to save millions from poverty. The CBC Budget proposes significant investments in these functions to accelerate our economic recovery and to ensure our recovery is felt in every community in America.

CBC Budget Saves \$2.8 Trillion on the Deficit Over 10 years Compared to CBO's Baseline

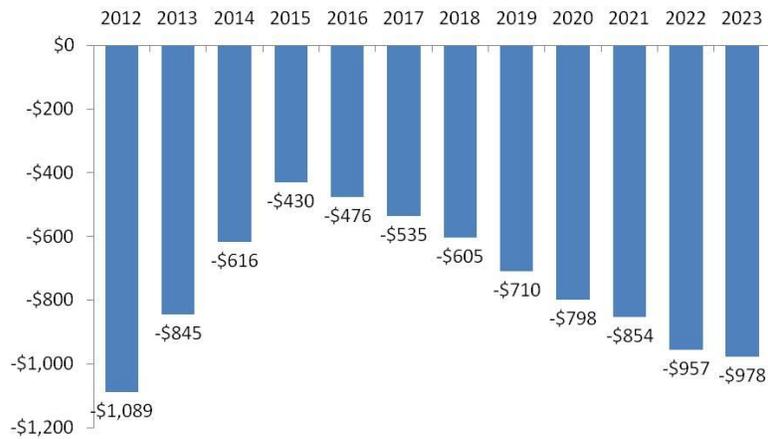


Source: Congressional Budget Office, The Budget and Economic Outlook: Fiscal Years 2013 to 2023; House Budget Committee Democrats

BASELINE

The CBC Budget uses the Congressional Budget Office's current law baseline, as adjusted in February 2013, which includes the Budget Control Act's spending caps and sequestration. However, the CBC Budget proposes enough deficit reduction to cancel the sequester and uses the pre-sequester Budget Control Act caps as its discretionary spending baseline. These policies are addressed later in this document.

CBO's Baseline Budget Deficits

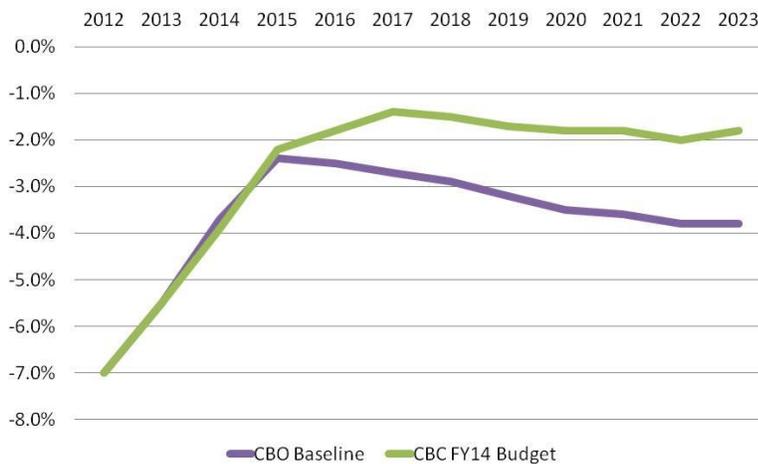


Source: Congressional Budget Office, The Budget and Economic Outlook: Fiscal Years 2013 to 2023

Over the next decade, CBO projects the deficit to dip to \$430 billion in Fiscal Year 2015, but steadily climb to \$978 billion in Fiscal Year 2023. The biggest contributor to these deficits is the American Taxpayer Relief Act, the "fiscal cliff" deal passed by Congress on January 1, 2013. The fiscal cliff deal made permanent a majority of the Bush-era tax cuts but allowed those tax cuts to expire for that portion of an individual's income above \$400,000 a year (\$450,000 for married couples). Additionally, the fiscal cliff deal indexed the estate tax to inflation and only delayed sequestration until March 1, 2013. Compared to CBO's August 2012 baseline, the American Taxpayer Relief Act increases the deficit \$3.9 trillion over the next decade.

CBC Budget Puts Nation on Sustainable Fiscal Path

(Annual Deficit as a Percent of GDP as compared to CBO's February 2013 Baseline)



Source: Congressional Budget Office, The Budget and Economic Outlook: Fiscal Years 2013 to 2023; House Budget Committee Democrats

The President's Fiscal Commission, commonly referred to as the Simpson-Bowles Commission, set a \$4 trillion, 10-year deficit reduction goal. The CBC Budget does not endorse any specific recommendations of Simpson-Bowles, but most experts agree this level of deficit reduction will be sufficient to get our nation's fiscal house in order. The CBC Budget supports this budgetary goal.

Based on analysis by the Center for American Progress, since the

start of fiscal year 2011, Congress has passed and President Obama has signed into law approximately \$2.4 trillion in deficit reduction for the fiscal years 2013 through 2022. To reach the Simpson-Bowles deficit reduction goal, Congress needs to only come up with another \$1.6 trillion in deficit reduction to put the nation on a more sustainable fiscal path. As discussed later in this document, the CBC Budget includes several options by which Congress can reach this number.

Table 1. CBC FY2014 Budget

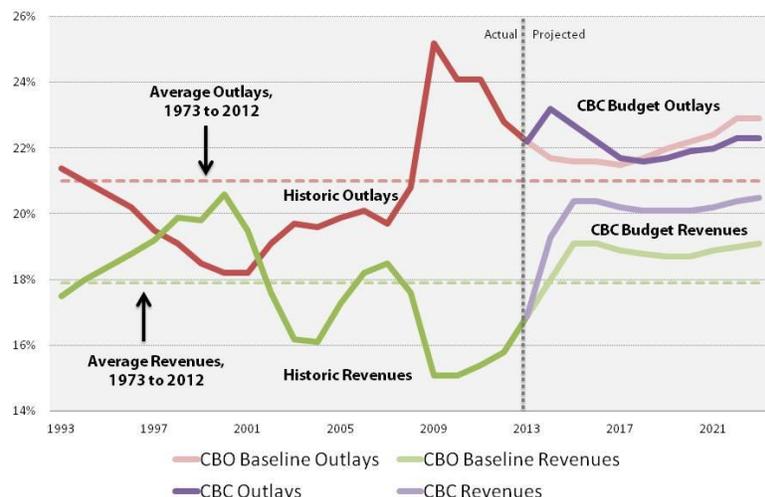
CBC Budget (in billions of dollars)	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY14-23
CBO Baseline Deficit	-616	-430	-476	-535	-605	-710	-798	-854	-957	-978	-6958
Levels											
Revenues	3217	3602	3837	4033	4216	4393	4584	4813	5065	5305	43064
Outlays	3872	3998	4167	4321	4523	4756	4997	5246	5552	5766	47200
Deficit	-656	-396	-330	-289	-307	-363	-413	-433	-488	-462	-4137
Savings Over CBO Baseline	-40	34	146	246	298	347	385	421	469	516	2822
As Percent of GDP											
Revenues	19.3%	20.4%	20.4%	20.2%	20.1%	20.1%	20.1%	20.2%	20.4%	20.5%	
Outlays	23.3%	22.7%	22.2%	21.7%	21.6%	21.7%	21.9%	22.0%	22.3%	22.3%	
Deficit	-3.9%	-2.2%	-1.8%	-1.4%	-1.5%	-1.7%	-1.8%	-1.8%	-2.0%	-1.8%	
Gross Domestic Product (CBO Baseline)	16646	17632	18792	19959	20943	21890	22854	23842	24858	25910	
Debt Held by the Public	13019	13511	13927	14298	14674	15104	15583	16082	16638	17164	
Debt Held by the Public (as a % of GDP)	78.8%	76.6%	74.1%	71.6%	70.1%	68.9%	68.2%	67.5%	66.9%	66.2%	

MAKING THE TAX CODE FAIRER TO MEET THE NEEDS OF THE NATION

Even with the small revenue enhancements enacted through the American Taxpayer Relief Act, revenues as a percentage of the nation's gross domestic product will still fall far short of the demands of the nation over the coming decade.

The CBC Budget proposes several options to make our tax code fairer and more able to meet the needs of the nation. All together, these options total approximately \$4.2 trillion in revenue enhancements over the next decade. However, the CBC Budget only directs the House Committee on Ways and Means and the Senate Committee on Finance to find \$2.7 trillion in revenue enhancements – \$1 trillion to

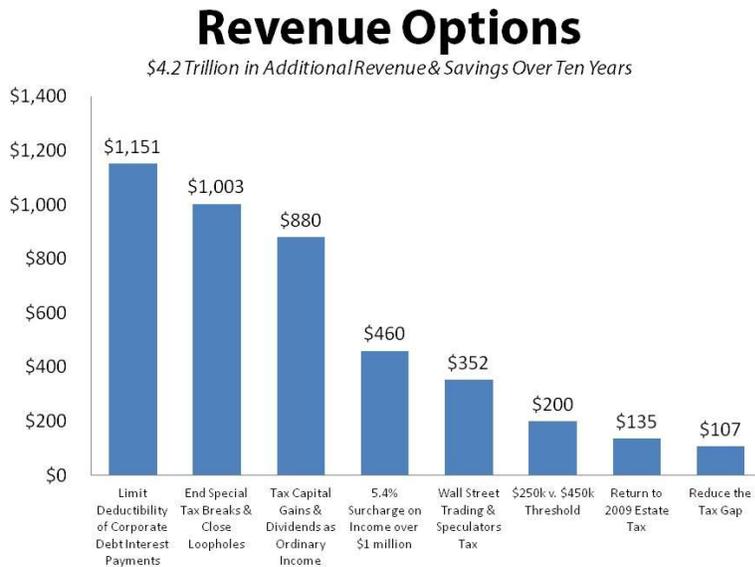
Projected Outlays and Revenues Under the CBC Budget
(Percentage of Gross Domestic Product)



Source: Congressional Budget Office, The Budget and Economic Outlook: Fiscal Years 2013 to 2023; House Budget Committee Democrats

cancel sequestration, \$500 billion for a jobs program to accelerate the nation's economic recovery, \$362 billion for targeted investments in our long-term economy, \$138 billion for the Medicare Doc Fix, and the remainder for deficit reduction.

Below is an explanation of \$4.2 trillion revenue enhancement options Congress *could* use to reach the CBC Budget's revenue enhancement goal.



Limit Deductibility of Corporate Debt Interest Payments: \$1.151 Trillion over 10-years

Under current law, corporations can take advantage of a tax preference that encourages debt-financed projects over projects financed by other means, such as equity financing. Interest payments on this debt are counted as a business expense and are paid from pre-tax income thus reducing a corporation's taxable income. According to the Economic Policy Institute,

corporate financing achieved through debt becomes tax deductible whereas corporate financing through equity is not. There is no rational basis for this difference. This proposal does not eliminate corporate interest deductions. It only limits the use of debt financing by one-third to 25%, down from 35%, and making the preference an after-tax credit of 25% rather than a pre-tax expense. It should be noted that if this tax preference for corporate debt is completely eliminated, it would raise at least three times as much revenue than just limiting it to a 25% after-tax credit. Ultimately, limiting this tax preference would decrease systemic financial risk and free up additional capital for more productive, less speculative investment.

End Special Tax Breaks and Close Tax Loopholes: \$1 Trillion over 10-years

In a report released on January 22, 2013, the Center for American Progress identified numerous special tax breaks and tax loopholes that could save \$1 trillion over the next decade.

Some of the special tax breaks and loopholes identified include limiting extra deductions enjoyed by the wealthiest Americans (\$520 billion); closing international tax loopholes and other incentives that move American jobs overseas (\$168 billion); ending special tax breaks for inventory (\$67 billion); closing loopholes in estate and gift taxes (\$24 billion); closing the "carried interest" loophole for hedge funds and private equity fund managers (\$21 billion); eliminating the "S-Corporation" loophole (\$11 billion); denying the mortgage deduction for

vacation homes and yachts (\$10 billion); closing the tax loophole for derivatives traders (\$3 billion); and eliminating the corporate jet loophole (\$3 billion).

Ending these tax breaks alone would be enough to cancel the economically devastating sequester and save the jobs of millions of hard-working Americans.

Tax Capital Gains and Dividends as Ordinary Income: \$880 Billion over 10-years

The tax code has long favored investment income over the money you get in your paycheck, but this hasn't always been the case. In the 1960s, when the top tax rate for earned income was 50%, capital gains and dividends were taxed at a top rate of 70%. However, today when a shareholder of a stock is paid a dividend, the most they are taxed is 20%. When that shareholder decides to sell the stock and cash out, they still only pay 20% on their profits — the capital gains. A recent study conducted by Thomas Hungerford of the Congressional Research Service states that "[t]he single greatest driver of income inequality over a recent 15 year period was runaway income from capital gains and dividends." Wall Street investment bankers and hedge fund managers should pay the same tax rates on their income as the soldier fighting in Afghanistan or a public school teacher in Ohio pay on their income. The CBC Budget proposes ending this tax disparity to make the tax code fairer while also including safeguards that will still encourage average Americans to invest and save for their retirement.

5.4% Surcharge on Top Earners: \$460 Billion over 10-years

The wealthiest Americans disproportionately benefited the most from the Bush-era tax cuts and the federal government's 2008 bailout of some of the largest banks, investment firms, and corporations on Wall Street. According to the Congressional Budget Office, multi-millionaires have seen their average income rise much faster than the rest of the population. The average after-tax income of the top 1% of income earners has skyrocketed 275% between 1979 and 2007, while the average after-tax income for the middle class grew just under 40% during the same period. A family earning \$451,000 pays the same tax rate as a family earning \$10 million annually. That doesn't seem right or fair.

Enacting a surcharge of 5.4% of joint filers' adjusted gross income for that portion of their income exceeding \$1 million, similar to one included in the House-passed version of the America's Affordable Health Choices Act (H.R. 3962) in the 111th Congress, would generate approximately \$460 billion in additional revenue over the next decade.

Financial Speculation Tax: \$352 Billion over 10-years

Rampant and aggressive speculation on Wall Street helped create the Great Recession and is partially responsible for the significant increases in gas prices American families are facing today. While this small 0.25% financial speculation tax will not eliminate speculation or stave off a future financial crisis, it will, however, be an important disincentive to reel in short-term speculating and help build a more resilient financial sector. For example, on a \$10,000 stock transaction, the tax would only cost the investor an additional \$25 for the transaction. This modest tax would help our nation recoup from the devastating fiscal ramifications of the 2008

financial crisis by enhancing revenue that can be used to invest in our economy, accelerate our recovery and reduce our federal budget deficit.

The CBC Budget projects that a modest financial speculation tax of 0.25% on stock transactions would raise at least \$352 billion over the next decade.

\$250K v. \$450K Threshold: \$200 Billion over 10-years

A compromise in the American Taxpayer Relief Act retained the Bush-era tax cuts for that portion of a household's income greater than \$250,000 and up to \$450,000. Most Americans and the CBC Budget believe that the \$250,000 threshold is the more responsible cap for the Bush-era tax cuts. Lowering this threshold would enhance revenues by approximately \$200 billion over the next decade.

Return to 2009 Estate Tax: \$135 Billion over 10-years

The American Taxpayer Relief Act permanently fixed the federal estate tax at a 40% rate with an exemption of \$5 million per individual estate (\$10 million for joint estates). The exemption was also indexed to inflation saving multi-million dollar estates more and more each year. Many in Congress advocated for returning to the 2009 estate tax of 45 percent with an exemption, not indexed to inflation, of \$3.5 million per individual estate (\$7 million for joint estates). Returning to the 2009 estate tax will enhance revenues by approximately \$135 billion over the next decade.

Reduce the "tax gap" through better enforcement: \$107 Billion over 10-years

In 2005, the U.S. Department of the Treasury estimated that the gross tax gap – the difference between taxes owed and taxes paid – totaled nearly \$345 billion, of which only \$55 billion was expected to be collected as late payments or from tax enforcement. The National Treasury Employees Union estimated that \$31 in lost tax revenue can be collected for every \$1 invested in the IRS enforcement and collections apparatus. The CBC budget would invest \$325 million in the IRS enforcement and collections account annually with a net return to the Federal treasury of \$10.7 billion annually and \$107 billion over the next decade.

CANCEL THE ECONOMICALLY DAMAGING SEQUESTER

The Republican House Majority's refusal to govern responsibly by raising the nation's debt ceiling in 2011 led to the enactment of the Budget Control Act of 2011. In order to force Congress to act on a long-term deficit reduction package, and to hopefully encourage Republicans to stop protecting tax breaks for corporations and millionaires, the Budget Control Act included a trigger of automatic across-the-board spending cuts through a process known as "sequestration." Opposition to the sequester is nearly unanimous in across the country, yet the Republican Majority has refused to take sequestration off the table. Sequestration was delayed until March 1, 2013 by the American Taxpayer Relief Act, but it should be outright cancelled so that it does not continue to loom over our economy. According to economist Stephen Fuller at

George Mason University, sequestration will cost 2.14 million jobs. This self-inflicted economic disaster will needlessly threaten our recovery.

Of the \$2.7 trillion in revenue enhancements called for by the CBC Budget, \$1 trillion should be used to cancel sequestration. As previously discussed, the easiest method would be to end the special tax breaks and close the tax loopholes that riddle our tax code. When interest savings on the national debt is factored in, this will achieve the same level of deficit reduction as the sequester without the severe economic consequences.

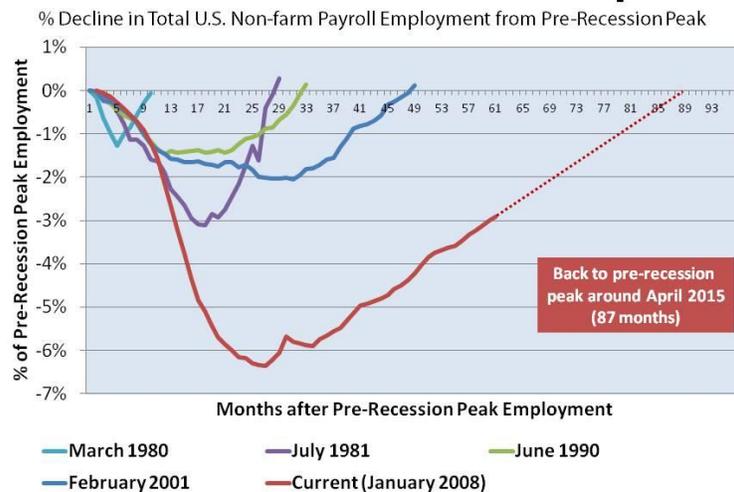
A JOBS BILL THAT WILL ACCELERATE OUR ECONOMIC RECOVERY

Our nation is still reeling from the effects of the worst economic recession since the Great Depression. The American Recovery and Reinvestment Act of 2009 was critical in turning our economy around. In the last 34 months, more than 5.8 million jobs in the private sector have been created and the national unemployment has slowly come down. Now, Congressional gridlock is threatening to reverse our modest economic gains.

Further complicating our economic outlook, the recovery is not reaching every community at the same levels. The unemployment rate in the African American community remains incredibly high at 13.8% – nearly twice that of whites. Even in times of economic growth Blacks are more likely to be unemployed than the overall population across all levels of educational attainment. In the face of this, there are those in Congress who are relentlessly driving an austerity agenda that is holding back our recovery and hurting communities across America. Their actions will lead us back into full recession unless action is taken to avert the sequester.

The CBC Budget proposes a comprehensive jobs program totaling \$500 billion over three years that will accelerate our economic recovery and ensure that it reaches every community in America, while also investing in what we know will guarantee America's long-term economic competitiveness.

The 2007-2009 Recession in Perspective



National Direct Job Creation Program (\$100 billion)

The CBC Budget also calls for a \$100 billion investment in a national direct job creation program administered by the Department of Labor. As proposed in Representative Conyers' "Humphrey-Hawkins 21st Century Full Employment and Training Act," this program would put Americans to work restoring our communities through projects like painting and repairing schools and community centers, renovating parks and playgrounds, improving the energy efficiency of our homes and businesses, tutoring children, and expanding access to high-speed Internet services.

Funds will be distributed by formula through the Department of Labor to larger cities, and to states to be passed through to smaller localities and rural areas. Local elected officials, who are closest to our communities and needs on the ground, would work with community groups and labor leaders to identify critical projects and connect workers to projects right away. This \$100 billion investment would directly create 2 million jobs and also indirectly create over 800,000 private sector jobs.

School Modernization (\$50 billion)

Many of our nation's public schools were built decades ago and are in desperate need of repair and modernization. Many school districts, especially in poorer rural and urban areas simply have not been able to afford to make these improvements, especially considering ongoing budget cuts that states and localities are still being forced to make. The CBC Budget sets aside \$50 billion targeted at our nation's poorest school district to help repair and modernizes tens of thousands of schools. Funds could be used for a range of emergency repair and renovation projects, greening and energy efficiency upgrades, asbestos abatement and removal, and modernization efforts to build new science and computer labs and to upgrade technology in our schools.

Preserving Teacher, Law Enforcement and First Responder Jobs (\$50 billion)

While the private sector has produced more than 5.8 million jobs in the last 34 months, budget cuts at the state and local government have been a persistent fiscal drag on our economy. The CBC Budget sets aside \$50 billion to help state and local government prevent any additional layoffs of teachers and first responders. These funds can also be used to allow localities to hire additional teachers and first responders. Teachers are critical to educating the next generation of American leaders in government, science, medicine and technology. The federal government should do everything in its power to ensure that students are afforded the individual attention and small classroom sizes that help foster strong educational outcomes. Additionally, local law enforcement and first responders keep our communities safe and preventing any additional layoffs must be a top priority of the federal government.

Immediate Investments in our nation's crumbling Infrastructure (\$230 billion)

The American Society of Civil Engineers has given our nation's infrastructure a D in their most recent report card. The recent Surface Transportation Act reauthorization was dramatically underfunded when it comes to addressing our nation's infrastructure needs. Increasing infrastructure spending to help modernize our nation's roads, bridges, and tunnels, as well as to

build new and improve existing commuter/ public transportation systems will help put back to work hundreds of thousands of American construction workers.

Also, the American Recovery Act included a significant down payment on an American high speed rail network. Unfortunately, investments in high speed rail have tapered off and the paltry level of funding that has been made available pushes off the availability of a true American high speed rail network for decades. Another large investment in high speed rail will help create jobs and make these networks available sooner and foster economic development along these high speed rail corridors.

Rebuilding America's Neighborhoods (\$50 billion)

The housing foreclosure crisis continues to decimate neighborhoods across the nation. The CBC Budget includes significant funding to help these communities rebuild and to help families facing foreclosure stay in their homes.

Job Training Programs (\$13 billion)

The long-term unemployment rate remains relatively high compared to previous recessions. Ensuring that these Americans have access to technical training, career services, graduate and certificate programs, and other job training programs so that they can be competitive in the workforce again is critical to solving the long-term unemployment problem. The CBC Budget proposes an additional \$13 billion towards these job training programs.

Summer Jobs Program (\$7 billion)

Temporary summer jobs have been a proven method of bringing down unemployment and infusing the economy with additional economic activity. Many of these jobs will be filled by young people who will immediately put the money back into the economy through consumer spending. This will also have the added benefit that these young people are staying out of trouble and contributing to their communities.

TARGETING RESOURCES THROUGH THE 10-20-30 FORMULA

To be more efficient in the use of our federal resources, the Congressional Black Caucus advocates for the use of the 10-20-30 policy for federal spending. This language requires that at least 10 percent of the federal funds in certain accounts be directed to certain areas that have had a poverty rate of 20 percent for the last 30 years. This non-partisan proposal will ensure that federal resources are actually reaching communities most in need to improve the economic and social conditions in these distressed communities that have long struggled with persistent poverty.

PROTECTING & STRENGTHENING SOCIAL SECURITY, MEDICARE AND THE SOCIAL SAFETY NET

During an economic downturn, the importance of having a “Social Safety Net” net cannot be overstated. For communities of color, these programs prevent a recession from being an economic disaster. While many associate the social safety net programs with Social Security, Medicaid and Medicare there are quite a few other programs that are just as essential. The Supplemental Nutrition Assistance Program (SNAP), Child Health Insurance Program (CHIP), Temporary Assistance to Needy Families (TANF) and Head Start are among the other federally funded programs that are critical to struggling communities.

Protecting and Strengthening Social Security and Medicare. Social Security and Medicare are two of the nation's most important and essential programs giving millions of senior citizens piece of mind in their retirement. Before Social Security was signed into law by President Franklin D. Roosevelt in 1935, over half of America's seniors lacked sufficient income to be self-supporting. And before Medicare was signed into law by President Lyndon B. Johnson in 1965, only 50 percent of seniors had health insurance and 35 percent lived in poverty. These programs combined have improved the lives of America's seniors and have kept millions out of poverty.

The CBC opposes any changes to these programs that would end these guaranteed benefits or dramatically alter their commitment to America's seniors. The CBC strongly believes any savings derived from changes to these programs should be used to extend their solvency – not to reduce the deficit or pay for tax cuts for millionaires and billionaires. The CBC strongly believes that the focus should not be on how can we cut Social Security and Medicare, but how can we improve these programs.

For example, calculating Social Security cost-of-living-adjustments (COLA) using the Consumer Price Index for the Elderly (CPI-E) would be a significant improvement to Social Security. CPI-E would be a more accurate assessment of the changing costs of products and services utilized more by senior citizen consumers. Under the current CPI-W formula, the purchasing power of a senior's Social Security check is essentially chipped away each year since it doesn't keep pace with medical costs, prescription drug costs, or energy costs. According to the Bureau of Labor Statistics, from December 1982 through December 2011, CPI-E rose at an annual average rate of 3.1 percent, compared with increases of 2.9 percent for CPI-W. This could potentially be paid for by reforming how Social Security is financed. Approximately 82% of income (the first \$113,700 of earned income) is currently taxed for the purposes of financing Social Security, down from 90% in 1982. Reforming Social Security financing to capture more income could both offset the cost of improving benefits and extend the solvency of the Social Security Trust Fund.

There are clearly ways we can protect seniors, improve benefits and also extend the solvency of these vital programs.

Protecting SNAP. The CBC strongly supports protecting and strengthening SNAP and opposes any proposals to cap or reduce funding, restrict eligibility or reduce benefits. For four decades, SNAP has received strong bipartisan support and is the nation's first line of defense against hunger and alleviating poverty, helping to ensure that vulnerable families in our nation have a stable source of food. SNAP is an important cornerstone of the nation's nutrition safety net. It reaches key vulnerable populations – in an average month in FY 2011, 76 percent of SNAP households included a child, an elderly person, or a disabled person, and those households received 83 percent of the benefits. Research has long shown and lines at food pantries have long demonstrated that benefit levels for SNAP are too low, and a recent report by the prestigious Institute of Medicine (IOM) reaffirmed that point. Rather than weaken this proven-successful program, the CBC supports ensuring that benefit levels are sufficient for qualifying households to purchase a nutritionally adequate diet.

The CBC sees the importance of supporting the "Social Safety Net" programs more than ever. One of the most important parts of the CBC Budget is that it protects all the safety net programs from the hysteria of debt reduction. By eliminating the sequester and widening the tax base, reforms can be done in a sensible and targeted way that does not devastate the programs or greatly decrease benefits. The other effective and efficient safety net programs are simply protected from the harsh cuts that follow the calls for austerity. The CBC Budget continues to prove that the dilemma between economic security assistance and our nation's fiscal health is a false choice.

NATIONAL STRATEGY TO ERADICATE POVERTY & INCREASE OPPORTUNITY

The CBC supports the goal of developing a national strategy to eliminate poverty, with the initial goal of cutting poverty in half in ten years, and to extend equitable access to economic opportunity to all Americans.

The 112th Congress has already made massive cuts to critical domestic programs that millions of American families rely on to get by and making even more cuts on the backs of our most vulnerable will not reduce our deficits, create new jobs, or grow our economy. Rather, priority must be given to creating a national poverty strategy to maximize effective coordination and oversight across agencies and achieve a true unity of programs under a "whole of government" approach to shared goals. Improving coordination and streamlining benefit and service delivery will improve and extend the reach of every federal dollar to fight poverty. We must remove the obstacles that may prevent the most vulnerable Americans from taking advantage of economic and educational opportunities and moving up the economic ladder of opportunity to join the middle class and reach for the American Dream.

The CBC Budget protects these programs from any additional budget cuts and increases spending on these programs above the spending caps enacted by the Budget Control Act.

ADDRESSING HEALTH DISPARITIES

Despite ongoing efforts to reduce health disparities in the United States, racial and ethnic disparities in both health and health care persist. Even when income, health insurance and access to care are accounted for, disparities remain. Low performance on a range of health indicators—such as infant mortality, life expectancy, prevalence of chronic disease, and insurance coverage—reveal differences between racial and ethnic minority populations and their white counterparts. The Affordable Care Act attempts to reduce these health disparities by increasing access to care, investing in prevention and wellness, and giving patients more control over their own care. To assist the ACA in addressing these disparities, the CBC budget fully funds the ACA to ensure that individual programs are not set up for failure and that the overall system functions as it was intended. Additionally, the CBC Budget continues to strongly support the National Institutes of Health and their critical research on debilitating diseases such as sickle cell and diabetes.

The CBC Budget also proposes the creation of a public health insurance option in the Affordable Care Act health insurance exchanges, which has consistently scored as a savings for the American taxpayer. The original House version of the Affordable Care Act included a public option that would be based on Medicare's current reimbursement rates plus 5%. The Congressional Budget Office (CBO) estimates that the public option's premiums would be 5-7% lower, on average, than the premiums of private plans offered in the exchanges. Those differences in premiums would reflect the net impact of differences in administrative costs as well as the rates paid to providers. CBO estimates that roughly one-third of the estimated 38 million people that would obtain coverage through the exchanges would enroll in the public option. CBO estimates a public insurance option would save nearly \$88 billion over the next decade.

INCREASING ACCESS TO EDUCATION

Improving educational resources for high school completion is a priority for the Congressional Black Caucus. African American, Latino and some Asian American and Pacific Islander students are grossly overrepresented among our nation's dropouts. In addition, students of color are far more likely to attend schools with highly concentrated poverty where high school graduation is not always the norm. To counter these issues, the CBC budget provides robust funding for programs such as TRIO, High School Graduation Initiative and teacher training programs

The CBC also is invested in increasing access to higher education. The cost of attending college has tripled since the 1980s, according to the Pew Center. Too many students are forced to either forgo a college education or take on enormous sums of debt. The benefits of a college education cannot be overstated. According to the Bureau of Labor Statistics, the median weekly income for an individual with a bachelor's degree was \$1,038 in 2010 whereas the median weekly income for an individual with only a high school diploma was \$626 a week. No

American child should be denied the opportunity to go to college and the Federal Pell Grant is the single largest source of federal grant aid supporting students in college. To ensure the Pell Grant can assist more students and cover more of the cost burden placed on students and their families, the CBC Budget continues to increase the maximum Pell Grant award to \$6,500 per student. The CBC budget projects that this will cost approximately \$6 billion above the proposed discretionary base for the Pell Grant program in FY2014. The CBC Budget also increases funding for strengthening Historically Black Colleges and Universities (HBCUs) and their graduate programs.

PROTECTING THE RIGHT TO VOTE

In the wake of the 2010 elections, an explosion of states considered or passed election laws that disproportionately disenfranchise minorities, seniors, students, and low-income individuals. It is of paramount importance that the Department of Justice retains sufficient resources to ensure that our historic protections under the Voting Rights Act of 1965 and the Constitution remain protected. The CBC Budget ensures that the Department has the resources to protect the primary right in a democracy: the right to vote.

THANKING AMERICA'S FEDERAL WORKFORCE

Federal employees have shown their commitment to our country through their everyday work and through the \$103 billion they have already contributed towards deficit reduction. While some on the right unfairly target them in their efforts to reduce the size of the government, the CBC budget is committed to supporting our nation's federal workforce.

The CBC budget ensures that federal employees will be compensated fairly after years of living under a pay freeze. The budget also includes resources for the federal workforce to be properly trained and for them to do their job effectively. Many Americans know little about the contributions of our dedicated civil servants in keeping our nation safe, healthy and moving forward. The Congressional Black Caucus is well aware and the CBC budget reflects our gratitude.

The CBC Budget sets aside approximately \$41 billion over ten years to provide federal employees with their first significant pay increase in almost three years

AGGREGATE FUNCTION INCREASES

All numbers are plus-ups to the pre-sequester Budget Control Act (BCA) spending caps for security and non-security spending. The CBC Budget directs that these caps be adjusted to account for these increases to avoid a sequester of these programs. These numbers are over a 10-year period. See Table 2 for full on-budget function totals and Table 3 for year-by-year increases.

Function 050: National Defense**Matches Democratic Budget**

The CBC Budget matches the Democratic Budget Alternative with regard to spending for National Defense.

The United States faces serious challenges at home and abroad – but Americans know that we have the courage, ingenuity, and resolve to overcome them. The CBC envisions a 21st-Century in which the United States plays a critical role in helping to create a peaceful and prosperous world.

In the ten years after the 9/11 attacks, spending on defense and security increased 96% and totaled almost \$8 trillion. The wars in Iraq and Afghanistan have cost \$1.43 trillion, and have taken the lives of over 6,600 brave American men and women in uniform while leaving over 40,000 thirty thousand wounded.

We do not support the cuts mandated by sequestration. However, the CBC Budget recognizes that significant savings can be achieved by adopting a modern global security strategy that would allow the United States to reduce the federal budget deficit and also invests in our underlying economic strength – the true foundation of our security. As the former Chairman of the Joint Chiefs of Staff Adm. Mike Mullen has pointed out, "The single greatest threat to national security is from the national debt."

There are multiple reforms proposed that would save hundreds of billions of dollars over the next decade. The Simpson-Bowles commission outlined \$750 billion in suggested defense savings over the next decade. President Reagan's former Assistant Secretary of Defense Lawrence Korb has proposed \$1 trillion in savings at the Pentagon over the next decade as well.

The CBC Budget is not urging reductions that in any way would cut resources and supplies necessary to protect American troops in the field. Similarly, while we are not opposed to an honest look at efforts at reforming the way that the Department of Defense provides health care and other services to personnel, we are opposed to cuts in services and increased fees for our veterans and military retirees.

Bringing our defense spending in line with our legitimate security needs must be considered along with other measures to regain our economic footing. Whatever savings can be achieved, a substantial portion should be directed to increasing support for Veteran's health, access to mental health services, increased support for research and treatment for Traumatic Brain Injury, significantly increased support for the HUD-Department of Veterans Affairs Supportive Housing (HUD-VASH), Vocational Rehabilitation and Employment (VR&E) Program and the Post-9/11 GI Bill and the Survivors & Dependents Assistance (DEA) to increase employment, educational attainment, and to help our nation's veterans navigate the health care, physical and mental therapy services, job training and other programs that exist but are not fully utilized by eligible beneficiaries.

Audit the Pentagon:

As the only federal agency not subject to an audit, the Pentagon has lost tens of billions of dollars to waste, fraud, and abuse. The Defense Department has already saved an estimated \$89 billion between FY01 and FY09 by implementing 1682 of the GAO's recommendations. Auditing the Pentagon and encouraging DoD to implement the remaining GAO recommendations would likely lead to tens of billions in cost savings by bringing a culture of financial accountability to the Pentagon.

As in previous CBC Budgets, the CBC invests the \$300 million of the savings from cuts to the Ballistic Missile Defense program to be used by the Defense Department to implement the remaining GAO recommendations to save the American taxpayer billions of dollars.

Finally, while military personnel accounts were exempted from sequestration by President Obama, our men and women in uniform are nevertheless being harmed through cuts to the Military Tuition Assistance Program. The CBC Budget restores these harmful cuts to this important program through the cancellation of the sequester and other savings contained in this budget.

Function 150: International Affairs

+\$8,500,000,000

The CBC supports additional funding for this function in order to increase funding for the Global Fund to Fight AIDS, Tuberculosis and Malaria; the U.S. President's Emergency Plan For AIDS Relief (PEPFAR); the McGovern-Dole Global Food Aid program; the U.S. Institute of Peace (Gandhi-King Scholarly Exchange Initiative Act); Global Health and Child Survival Programs at USAID for family planning, malaria, tuberculosis, HIV/AIDs, and maternal health efforts; Iraqi and Afghanistan humanitarian assistance; migration and refugee assistance; peacekeeping efforts in Darfur; education, healthcare and cultural exchange programs; child survival and health programs; development assistance; USAID Donald Payne Fellowship Program; Office of Civil Rights and Diversity, USAID; Racial and Ethnic and Equality Empowerment Office, USAID; The Donald Payne Commission; The Charles B. Rangel International Affairs Program; Office of Civil Rights, U.S. State Department; Western Hemisphere - Race, Ethnicity, and Social Include Unit; Race and Ethnicity Experts and Programming for Europe and Eurasia (EUR), Democracy, Rights, and Labor (DRL), and Populations, Refugees, and Migrants (PRM) Bureaus; Western Hemisphere -100,000 Strong in the Americas; International Organizations - United Nations Slave Memorial; and Racial and Ethnic Equality and Empowerment Office in the Civilian Security, Democracy, and Human Rights Bureau. Programs in the 150 Account provide vital development and humanitarian assistance, commercial diplomacy and tools to combat the horrors of drug and human trafficking and nuclear proliferation. In the area of global development, the United States has made strong commitments as part of a global effort to achieve an AIDS-Free Generation, the Millennium Development Goals (MDGs) and other poverty reduction targets.

Function 250: General Science, Space and Technology **+\$14,500,000,000**

The CBC Budget proposes that the additional funding for this function will apply towards NASA; Noyce Scholarships; the National Science Foundation; the America COMPETES Act (Summer Institutes and Outreach and Experiential-based Programs for Minority Students); the ADVANCE Women’s program; Graduate Research Fellowships; and other research related programs. The CBC believes these additional investments in Science, Space and Technology will create new jobs, lead to the development of new technologies, and help ensure that America retains its global competitiveness.

Function 270: Energy **+\$6,500,000,000**

Building on the significant investments made by the American Recovery and Reinvestment Act, the CBC Budget invests additional funding for this function to apply towards the Advanced Research Projects Agency at the Department of Energy; the Weatherization Assistance Program; Energy Efficiency and Renewable Energy Programs; State and Tribal Assistance Grants; and investments in clean energy technologies.

Function 300: Natural Resources and Environment **+\$5,500,000,000**

The CBC Budget invests additional funding for this function to apply towards increased funding for the Clean Water State Revolving Fund; the Great Lakes Restoration Initiative; Chesapeake Bay Restoration; the Environmental Protection Agency; the HBCU Historic Preservation Program; the National Park Service Underground Railroad Network to Freedom; Army Corps of Engineers; the National Oceanic Atmospheric Administration; and Environmental Justice related programs.

Function 350: Agriculture **+\$5,500,000,000**

The CBC Budget invests additional funding for this function to apply towards the Black/Minority Farmer Initiative, 1890 Land-Grant HBCUs, and other programs that support America's family-owned farms.

Function 400: Transportation **+\$255,000,000,000**

The CBC Budget provides additional funding for this function to apply towards NASA Aeronautics Research; the Grants-in-Aid for Airports program; the National Infrastructure Bank; Bus and Rail State of Good Repair; Urbanized Area Transit Formula Grants, Amtrak; Public Transit, Highways, Aviation, Ports, Railroads, Bridges and other infrastructure investments. The CBC Budget also invests a significant portion of this increase towards the President's goal of a nationwide high speed rail network. Increased and sustained investments in transportation and infrastructure projects will create jobs and accelerate our economic recovery.

Function 450: Community & Regional Development **+\$57,000,000,000**

The CBC Budget restores harmful cuts to the Community Development Block Grant which provides for affordable housing development, infrastructure improvements and other community development needs.

The CBC Budget provides additional funding to this function for Empowerment Zones, Homeless Assistance Grants, Home Funds, Section 108 Loans, Brownfield Redevelopment, Lead Hazard Reduction, Rural Housing and Economic Development, Fair Housing Initiatives Program, and funding for Elderly Housing, the Neighborhood Stabilization Program, and the Community Development Financial Institutions Fund (CDFIs).

Function 500: Education, Training, Employment & Social Services **+\$240,000,000,000**

The CBC Budget supports the President's targeted investments towards education programs. However, the CBC Budget restores the proposed cuts to the Community Services Block Grant and increases the maximum Pell Grant award to \$6500.

The CBC Budget invests the additional funding for this function to apply towards continued and sustained increases in education funding, especially for Title I and IDEA. Even though Congress is to consider the reauthorization of the No Child Left Behind Act this year, this additional funding should help address the huge shortfalls of this program over the last eight years. The American Recovery and Reinvestment Act made substantial increases in education and job training programs, but the CBC Budget helps sustains many of these new investments.

This additional allocation should also be applied towards increases in funding for Head Start; GEAR UP; TRIO; Youth Build; Science, Technology, Engineering, and Mathematics (STEM) education programs; Teacher Quality Grants; Arts in Education; Impact AID; Thurgood Marshall Legal Fund; Education for Homeless Children and Youth; Promise Neighborhoods; Reading is Fundamental; Graduate Science, Technology, Engineering, and Mathematics Fellows in the K-12 program within National Science Foundation (NSF); Children's Hospital Graduate Medical Education Payment; the National Underground Railroad Network to Freedom; the Early Learning Challenge Fund; the Workforce Investment Act Adult Program; Employment and Training Services; Dislocated Workers Program; Youth Activities; Transitional Jobs; Job Corps; Reintegration of Ex-Offenders; at-risk youth and juvenile crime and gang prevention programs and services; Children and Families Services' Job Demonstration Program; Legal Assistance Loan Repayment; the Senior Community Service Employment Program; expanding the Work Share Program; Trade Adjustment Assistance; vocational education programs and Green Jobs programs.

The CBC Budget also accounts for funding many of the historic increases in funding for Historically Black Colleges and Universities and Minority Serving Institutions as authorized in the Higher Education Opportunity Act of 2008.

Function 550: Health**+\$32,500,000,000**

The CBC Budget includes additional funding to enhance and expand vital health care programs. The CBC Budget accounts for increased funding for AIDS Drug Assistance Programs; the Racial and Ethnic Approaches to Community Health (REACH) Program; the Office of Minority Health; Preventative Health and Health Services Block Grant; Title X; Healthy Communities; the Minority AIDS Initiative; the Ryan White CARE Act; implementation of the National HIV/AIDS Strategy; CDC Prevention activities for HIV, STDs, TB and Viral Hepatitis; Housing for people living with HIV/AIDS; comprehensive sex education programs; Healthcare Facilities and Construction; the Adolescent Family Life Program; Mentoring Children of Prisoners; Alternative Dental Demonstration Projects; Oral Health; Community Health Centers; the National Institute on Minority Health and Health Disparities; Physician Scientist Training Program; NMAETC; Center for Disease Control (Buildings and Facilities); National Family Caregiver Support Services; the Health Equity Fund; Nursing Programs; Substance Abuse and Mental Health Services; Rural Health; Universal Newborn Screening Program; Maternal and Child Health Block Grants; Maternal and Child Health Special Projects, the National Cord Blood Stem Cell Bank; Public Health Training Program; and additional investments in Health Information Technology. Additionally, the CBC Budget maintains language that allows the use of local funds for syringe exchange programs in the District of Columbia.

Creation of a Public Health Insurance Option in the State Health Insurance Exchanges

The CBC Budget also proposes the creation of a Public Insurance Option to be made available in the state health insurance exchanges. The public health insurance option has consistently scored as a savings for the American taxpayer. The original House version of the Affordable Care Act included a public option that would be based on Medicare's current reimbursement rates plus 5%. The Congressional Budget Office (CBO) estimates that the public option's premiums would be 5-7% lower, on average, than the premiums of private plans offered in the exchanges. Those differences in premiums would reflect the net impact of differences in administrative costs as well as the rates paid to providers. CBO estimates that roughly one-third of the estimated 38 million people that would obtain coverage through the exchanges would enroll in the public option. CBO estimates a public option would save nearly \$88 billion over the next decade.

Function 600: Income Security**+\$55,000,000,000**

As the economy continues to emerge from the worst recession in generations, the CBC understands the increased need for income security programs such as SNAP, Unemployment Insurance, Medicaid, and COBRA. The CBC Budget rejects the harmful cuts to Medicaid and SNAP included in the proposed Republican Budget and supports the President's budget proposal to restore SNAP benefits used to help pay for the Child Nutrition Reauthorization to help ensure that benefit levels are sufficient for qualifying households to purchase a nutritionally adequate diet. The CBC Budget also restores full funding to LIHEAP and invests additional funding for the Special Supplemental Nutrition Program for Women, Infants, and

Children (WIC) to continue to improve at-risk children’s health, growth and development and to reduce the impact of harmful cuts to the program due to sequestration which could result in the loss of benefits for 600,000 women and children currently participating in the program. The American Recovery and Reinvestment Act (ARRA) made substantial investments in ensuring that more Americans have access to these programs during times of economic hardship. The CBC supports restoring the ARRA Temporary Assistance to Needy Families (TANF) Emergency Contingency Fund (ECF), which states have used to provide subsidized jobs, mostly in the private sector, for nearly 250,000 otherwise unemployed parents and youth. The CBC Budget includes \$2.5 billion for TANF-ECF.

The CBC Budget also supports the restoration of emergency unemployment benefits for all Americans up to 99 weeks. Millions of Americans have exhausted their unemployment benefits. Restoring critical unemployment benefits will provide these families with a vital lifeline while job growth continues to improve. Furthermore, this is a direct investment into the economy; these families will reinvest these dollars immediately back into the economy to take care of their most basic needs.

The CBC Budget invests the additional funding for this function towards Child Support Enforcement; the Low Income Home Energy Assistance Program; Public Housing (Operating and Capital Funds); HOPE VI; Homeless Assistance; Supportive Housing programs for the Disabled and Elderly; the Child Care and Development Block Grant; the Community Supplemental Food Program; the Social Services Block Grant; Child Welfare Services; Adoption Opportunities; Independent Living and Training Vouchers; Women, Infants and Children Program (WIC); Child Nutrition programs; the Supplemental Nutrition Assistance Program; Section 8; Rural Housing Programs; and the HOME Investment Partnerships Program.

Function 700: Veterans Benefits and Services **+\$50,000,000,000**

The CBC believes it is vitally important to provide for the care and benefits that our Veterans rightly earned and deserve. The CBC Budget matches the Independent Budget for the Department of Veterans Affairs as recommended by a coalition of veterans groups. This additional funding for this function is directed towards important V.A. programs, including: Mental Health and PTDS initiatives; local clinic initiatives for non-urban areas; TBI/Polytrauma; Traumatic Brain Injury; V.A. Mental Health Services; Vet Center expansion and improvements; V.A. Substance Abuse Treatment Programs; Medical and Prosthetic Programs; V.A. Workload Increases; Homeless Veterans Programs; Priority 8; Veterans’ Employment and Training Services; Construction of States Extended Care Facilities; and V.A. construction projects (major upgrades and modernizations).

Function 750: Administration of Justice **+\$27,000,000,000**

The CBC Budget invests the additional funding for this function towards the Justice Assistance Grant Program; Juvenile Justice Programs; Community Oriented Policing Services (COPS); Legal Services Corporation; the Equal Opportunity Commission; Civil Rights Enforcement; Office of

Justice Programs/Regional Information Sharing System; Office of Violence Against Women; Byrne Grants; State and Local Law Enforcement Assistance Grants; the Residential Substance Abuse Treatment Program; Boys and Girls Clubs; the Prisoner Reentry Program; Youth Gang Intervention and Prevention Programs; and fully funding the Second Chance Act and the Emmett Till Unsolved Civil Rights Crime Act. The CBC Budget also assumes passage of the Youth PROMISE Act and includes funding for this new program. The funding in this function also includes money to protect law enforcement and first responder jobs.

Function 800: General Government **+\$24,250,000,000**

The CBC Budget provides additional funding for this function for the Internal Revenue Service's Enforcement and Collections division. This investment will yield \$10.7 billion in recovered tax revenue each fiscal year. The CBC Budget also rolls back the harmful cuts to Federal employees and provides necessary funding for a long overdue pay increase. The CBC also supports the continuance of six day delivery by the United States Postal Service as they recognize and affirmatively pursue savings through other measures. The CBC Budget supports the USPS pursuing plans that will maintain the efficiency and effectiveness of current service standards.

Function 970: Overseas Contingency Operations **Matches Democratic Budget**

Like the Democratic Budget Alternative, the CBC Budget reduces funding for the Overseas Contingency Operations account for 2014 and eliminates it for 2015 through 2023 to reflect the goal of redeploying all combat troops from Afghanistan by the end of 2014.

Table 2: CBC Budget On-Budget Function Totals

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2014-2018	2014-2023
Budget Authority	2954.195	3325.280	3188.007	3291.567	3442.524	3623.964	3820.306	4017.742	4190.085	4421.398	4575.518	16,871.342	37,896.391
Outlays	2952.345	3155.063	3235.190	3354.518	3457.686	3608.488	3787.194	3966.920	4152.140	4389.918	4531.318	16,810.945	37,638.435
Revenue	2038.311	2485.132	2835.492	3025.191	3170.973	3307.451	3441.437	3588.909	3774.309	3980.999	4175.445	14,824.239	33,785.338
Surplus (+)/Deficit (-)	-914.034	-669.928	-399.697	-329.329	-286.712	-301.036	-345.756	-378.011	-377.831	-408.918	-355.873	-1,986.702	-3,853.091
Debt Held by the Public	12271	13019	13511	13927	14298	14674	15104	15583	16082	16638	17164		
Debt Subject to Limit	17088	17946	18528	19045	19571	20128	20723	21355	21990	22647	23273		
Revenue Delta	---	214.200	228.900	246.300	267.300	278.500	292.200	304.300	317.300	330.300	343.300	1,235.200	2,822.600
050 National Defense													
Budget authority	559.477	560.243	560.377	567.574	577.839	588.142	598.961	612.296	626.112	639.937	654.717	2,854.175	5,986.198
Outlays	610.390	572.903	561.758	567.443	569.830	573.817	588.374	600.383	613.415	632.154	641.132	2,845.751	5,921.209
150 International Affairs													
Budget authority	47.222	51.883	46.867	48.021	49.166	50.331	51.504	52.694	53.398	54.917	56.164	246.268	514.945
Outlays	45.650	46.386	46.023	45.986	46.842	47.582	48.107	49.159	50.256	51.665	52.685	232.819	484.691
250 General Science, Space													
Budget authority	29.154	37.675	32.301	32.019	32.249	33.008	33.764	34.530	35.295	36.090	36.896	167.252	343.827
Outlays	28.949	33.435	33.286	32.513	32.277	32.894	33.229	33.919	34.562	35.340	36.132	164.405	337.587
270 Energy													
Budget authority	6.243	6.469	4.718	4.844	4.971	5.155	5.291	5.476	5.552	5.680	5.756	26.157	53.912
Outlays	9.122	6.409	5.031	4.312	4.464	4.797	4.967	5.197	5.361	5.531	5.586	25.013	51.655
300 Natural Resources and Environment													
Budget authority	44.150	49.932	48.006	47.206	46.167	47.935	48.747	50.329	50.924	52.092	53.536	239.246	494.874
Outlays	41.682	46.589	47.779	48.244	47.758	48.420	49.103	50.268	50.813	51.612	52.469	238.790	493.055
350 Agriculture													
Budget authority	22.373	22.731	22.359	23.016	22.750	22.892	23.326	23.656	24.031	24.319	24.697	113.748	233.777
Outlays	28.777	20.880	22.109	22.594	22.247	22.365	22.689	23.129	23.529	23.816	24.210	110.195	227.568
370 Commerce and Housing Credit													
Budget authority	-30.498	16.268	11.033	11.537	12.377	14.774	17.435	17.534	17.649	21.576	21.684	65.989	161.867
Outlays	-24.504	4.480	-2.097	-3.686	-5.074	-3.388	-5.933	-5.688	-0.431	2.346	1.318	-9.765	-18.153
400 Transportation													
Budget authority	100.501	226.861	158.939	114.139	99.306	98.555	99.747	97.973	99.230	100.546	101.894	697.800	1,197.190
Outlays	93.489	163.900	169.966	143.646	120.816	113.910	108.344	105.477	106.052	107.314	109.033	712.238	1,248.458
450 Community and Regional Development													
Budget authority	51.911	42.804	28.030	18.296	14.564	14.350	14.222	14.527	14.846	15.170	15.494	118.044	192.303
Outlays	38.409	43.383	40.845	30.768	23.197	18.620	15.720	14.887	14.696	14.733	14.895	156.813	231.744
500 Education, Training, Employment and Social Services													
Budget authority	77.536	197.949	148.293	121.086	123.937	124.754	120.329	121.651	123.541	125.792	128.190	716.019	1,335.522
Outlays	82.279	146.873	160.216	138.654	130.663	132.478	122.399	121.604	122.776	124.488	126.798	708.884	1,326.949
550 Health													
Budget authority	365.206	429.462	502.656	557.280	614.808	651.773	688.979	735.629	768.134	811.326	860.454	2,755.979	6,620.501
Outlays	361.960	420.123	497.464	563.313	617.163	652.143	687.987	724.222	766.611	809.418	858.599	2,750.206	6,597.043
570 Medicare													
Budget authority	511.692	524.031	526.976	581.414	599.410	624.422	685.561	735.048	786.326	862.941	894.656	2,856.253	6,820.785
Outlays	511.240	523.502	526.678	581.203	599.000	624.122	685.341	734.631	786.260	862.592	894.227	2,854.505	6,817.556
600 Income Security													
Budget authority	544.106	538.349	532.151	542.496	541.783	544.969	549.588	562.308	576.550	595.538	603.269	2,699.748	5,587.001
Outlays	543.010	530.912	528.373	541.468	536.584	535.708	544.881	557.788	572.051	595.857	598.661	2,673.045	5,542.283
650 Social Security													
Budget authority	52.803	27.504	30.231	33.367	36.689	40.003	43.419	46.951	50.471	54.232	58.438	167.794	421.305
Outlays	52.883	27.614	30.306	33.405	36.689	40.003	43.419	46.951	50.471	54.232	58.438	168.017	421.528
700 Veterans													
Budget authority	140.646	149.837	154.547	166.800	165.689	164.161	175.764	180.399	184.304	196.006	192.651	801.034	1,730.158
Outlays	138.860	147.441	153.083	165.755	164.565	163.218	174.786	179.426	183.285	194.967	191.499	794.062	1,718.025
750 Administration of Justice													
Budget authority	53.094	78.433	62.473	61.934	60.937	62.747	64.704	66.668	68.836	74.870	77.591	326.524	679.193
Outlays	57.120	61.461	64.304	66.686	67.245	65.147	65.192	66.172	68.221	74.220	76.916	324.843	675.564
800 General Government													
Budget authority	24.000	26.041	26.686	27.428	28.078	28.940	29.825	30.663	31.547	32.460	33.369	137.173	295.037
Outlays	27.263	25.746	26.450	26.801	27.525	28.430	29.120	29.921	30.843	31.765	32.721	134.952	289.322
900 Net Interest													
Budget authority	331.259	342.387	369.800	417.006	499.379	594.921	664.007	725.547	773.662	820.096	861.941	2,223.493	6,068.746
Outlays	331.259	342.387	369.800	417.006	499.379	594.921	664.007	725.547	773.662	820.096	861.941	2,223.493	6,068.746
920 Non-Security Allowances													
Budget authority	-0.132	2.367	2.428	2.495	2.562	2.635	2.707	2.779	2.854	2.927	3.006	12.487	26.760
Outlays	0.070	1.196	1.947	2.313	2.466	2.564	2.636	2.708	2.780	2.854	2.927	10.486	24.391
950 Undistributed Offsetting Receipts													
Budget authority	-76.489	-75.946	-80.864	-86.391	-90.137	-90.503	-97.574	-98.916	-103.177	-105.117	-108.885	-423.841	-937.510
Outlays	-76.489	-75.946	-80.864	-86.391	-90.137	-90.503	-97.574	-98.916	-103.177	-105.117	-108.885	-423.841	-937.510
970 Overseas Contingency Operations													
Budget authority	99.941	70.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	70.000	70.000
Outlays	50.926	65.387	32.732	12.488	4.186	1.239	0.399	0.133	0.104	0.033	0.016	116.032	116.717

Table 3: Aggregate Function-By-Function Spending Adjustments, FY14-FY23

Function	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY14-23
050: National Defense	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget
150: International Affairs	\$4,000,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$8,500,000,000
250: General Sciences	\$8,000,000,000	\$2,000,000,000	\$1,000,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$14,500,000,000
270: Energy	\$2,000,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$6,500,000,000
300: Natural Resources	\$7,000,000,000	\$5,000,000,000	\$3,000,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$18,500,000,000
350: Agriculture	\$1,000,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$500,000,000	\$5,500,000,000
370: Commerce and Housing Credit	No Change	No Change	No Change	No Change	No Change	No Change	No Change	No Change	No Change	No Change	No Change
400: Transportation	\$138,000,000,000	\$69,000,000,000	\$23,000,000,000	\$7,000,000,000	\$5,000,000,000	\$5,000,000,000	\$2,000,000,000	\$2,000,000,000	\$2,000,000,000	\$2,000,000,000	\$255,000,000,000
450: Community and Regional Development	\$30,000,000,000	\$15,000,000,000	\$5,000,000,000	\$1,000,000,000	\$1,000,000,000	\$1,000,000,000	\$1,000,000,000	\$1,000,000,000	\$1,000,000,000	\$1,000,000,000	\$57,000,000,000
500: Education, Job Training & Social Services	\$120,000,000,000	\$60,000,000,000	\$20,000,000,000	\$10,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$240,000,000,000
550: Health	\$10,000,000,000	\$2,500,000,000	\$2,500,000,000	\$2,500,000,000	\$2,500,000,000	\$2,500,000,000	\$2,500,000,000	\$2,500,000,000	\$2,500,000,000	\$2,500,000,000	\$32,500,000,000
570: Medicare	No Change	No Change	No Change	No Change	No Change	No Change	No Change	No Change	No Change	No Change	No Change
600: Income Security	\$10,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$55,000,000,000
650: Social Security	No Change	No Change	No Change	No Change	No Change	No Change	No Change	No Change	No Change	No Change	No Change
700: Veterans Benefits and Services	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$5,000,000,000	\$50,000,000,000
750: Administration of Justice	\$12,000,000,000	\$6,000,000,000	\$2,000,000,000	\$1,000,000,000	\$1,000,000,000	\$1,000,000,000	\$1,000,000,000	\$1,000,000,000	\$1,000,000,000	\$1,000,000,000	\$27,000,000,000
800: General Government	\$2,425,000,000	\$2,425,000,000	\$2,425,000,000	\$2,425,000,000	\$2,425,000,000	\$2,425,000,000	\$2,425,000,000	\$2,425,000,000	\$2,425,000,000	\$2,425,000,000	\$24,250,000,000
920: Allowances	No Change	No Change	No Change	No Change	No Change	No Change	No Change	No Change	No Change	No Change	No Change
970: Overseas Deployment and Related Activities	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget	Match Van Hollen Budget
TOTAL ADDITIONAL INVESTMENT	\$349,425,000,000	\$173,425,000,000	\$70,425,000,000	\$36,425,000,000	\$29,425,000,000	\$29,425,000,000	\$26,425,000,000	\$26,425,000,000	\$26,425,000,000	\$26,425,000,000	\$794,250,000,000