CBO ESTIMATE FOR H.R. 3354—THE MAKE AMERICA SECURE AND PROSPEROUS APPROPRIATIONS ACT, 2018, AS PASSED BY THE HOUSE ON SEPTEMBER 14, 2017 (DISCRETIONARY SPENDING ONLY)

		Fiscal Year 2018 Appropriations, in Millions of Dollars							
		Constrained by the Caps[a]			Cap Adjustments[b]				Total[c]
Subcommittee		Defense	Nondefense	Total	OCO/GWOT	Disaster Relief	Program Integrity	Emergency Requirements[d]	
Interior and Environment (Division A)	BA:	0	31,442	31,442	0	0	0	0	31,442
	O:	0	32,090	32,090	0	0	0	0	32,090
Agriculture (Division B)[e]	BA:	0	20,001	20,001	0	0	0	0	20,001
	O:	0	21,459	21,459	0	0	0	0	21,459
Commerce, Justice, Science (Division C)	BA:	5,200	48,735	53,935	0	0	0	0	53,935
	O:	5,190	59,128	64,318	0	0	0	0	64,318
Financial Services (Division D)[d,f,g]	BA:	31	20,199	20,230	0	0	0	0	20,230
	O:	31	22,353	22,384	0	0	0	286	22,670
Homeland Security (Divisions E and M)[d,h]	BA:	1,878	43,318	45,196	0	6,793	0	0	51,989
	O:	1,810	46,537	48,347	0	340	0	2,960	51,647
Labor, HHS, Education (Division F)[e,i,j]	BA:	0	156,040	156,040	0	0	1,896	0	157,936
	O:	0	166,778	166,778	0	0	1,576	0	168,354
State, Foreign Operations (Division G)[k]	BA:	0	34,469	34,469	12,019	0	0	0	46,488
	O:	0	45,194	45,194	4,725	0	0	3	49,922
Transportation, HUD (Division H)[d]	BA:	300	56,212	56,512	0	0	0	0	56,512
	O:	300	120,614	120,914	0	0	0	160	121,074
Defense (Division I)	BA:	584,038	131	584,169	73,928	0	0	0	658,097
	O:	553,576	149	553,725	38,699	0	0	0	592,424
Legislative Branch (Division J)	BA:	0	3,580	3,580	0	0	0	0	3,580
	O:	0	3,697	3,697	0	0	0	0	3,697
Military Construction, VA (Division K)	BA:	9,585	78,581	88,166	638	0	0	0	88,804
	O:	7,944	76,649	84,593	6	0	0	0	84,599
Energy and Water (Division L)	BA:	20,456	17,106	37,562	0	0	0	0	37,562
	O:	19,982	18,933	38,915	0	0	0	0	38,915
Total	BA:	621,488	509,814	1,131,302	86,585	6,793	1,896	0	1,226,576
	O:	588,833	613,581	1,202,414	43,430	340	1,576	3,409	1,251,169

Source: Congressional Budget Office.

Notes: BA = budget authority; O = outlays; OCO/GWOT = Overseas Contingency Operations/Global War on Terrorism; HHS = Health and Human Services; HUD = Housing and Urban Development; VA = Veterans Affairs.

Divisions A-H of Make America Secure and Prosperous Appropriations Act, 2018 (H.R. 3354), contain eight of the twelve regular annual appropriations bills for fiscal year 2018. Divisions I-M contain the text of H.R. 3219, the Make America Secure Appropriations Act, 2017, as passed by the House of Representatives on July 27, 2017, which included the remaining four annual appropriations bills for fiscal year 2018 (Divisions I-L) and additional appropriations for fiscal year 2018 for the Department of Homeland Security for border security infrastructure construction (Division M).

a. In fiscal year 2018, most discretionary budget authority is subject to limits as described in the Budget Control Act of 2011 (P.L. 112-25). In its *Sequestration Update Report: August 2017* , CBO estimated that those limits would total $1,064,806 million—$549,057 million for defense programs and $515,749 million for nondefense programs.

b. Designated pursuant to section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Deficit Control Act); spending limits for fiscal year 2018 would be adjusted to accommodate these amounts.

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c. CBO estimates that if H.R. 3354 were enacted, the amount of discretionary budget authority provided for defense programs for fiscal year 2018 would exceed its limit by approximately $72 billion and therefore would require a sequestration. However, the authority to determine whether a sequestration is required and, if so, how to make the necessary cuts in budget authority rests with the Office of Management and Budget.

d. Includes estimates of fiscal year 2018 outlays resulting from $15,250 million in supplemental budget authority for fiscal year 2017. That budget authority was provided in the Supplemental Appropriations for Disaster Relief Requirements Act, 2017 (Division B of P.L. 115-56; enacted September 8, 2017), and designated as an emergency requirement pursuant to section 251 of the Deficit Control Act.

e. Pursuant to sections 1001-1004 of the 21st Century Cures Act (P.L. 114-255), certain funding provided to the Food and Drug Administration and the National Institutes of Health in 2017 through 2026 shall not count for the purposes of estimates under the Congressional Budget Act or the Deficit Control Act. For fiscal year 2018, the amounts shown in this report do not include $1,056 million in budget authority and $770 million in outlays: $60 million in budget authority and $22 million in outlays for Division B (Agriculture), and $996 million in budget authority and $748 million in outlays for Division F (Labor-HHS-Education).

f. Certain provisions included in Division D (Financial Services) would result in a change in revenues: Section 112 would prohibit the Internal Revenue Service (IRS) from using any funds to implement or enforce collection of individual responsibility payments levied under the Affordable Care Act and related reporting requirements; section 114 would prohibit the IRS from implementing or enforcing IRS Notice 2017-10; and section 116 would prohibit the IRS from making determinations that a church is not exempt from taxation for participating in political activities. At this time, CBO and JCT cannot complete an analysis of those provisions, but expect that section 112 would result in a significant (greater than $500,000) loss of revenue in each of fiscal years 2018 and 2019; that section 114 would result in a significant loss of revenue; and that section 116 would result in a loss of revenue of less than $1 million. Those amounts are not shown in this table.

g. Title IX of Division D (Financial Services) would: amend the Dodd-Frank Wall Street Reform and Consumer Protection Act and other laws governing regulation of the financial industry; allow financial institutions, under certain circumstances, to be exempt from a variety of regulations; make numerous other changes to the authorities of the agencies that regulate the financial industry; and change how the operations of various governmental regulatory agencies are funded. On net, CBO estimates that enacting Title IX would increase the federal deficit by $56 million in 2018 ($34 million in lower direct spending outlays, and revenue losses of $90 million). Over the 2018-2027 period, federal deficits would decline by $21.1 billion (a reduction in direct spending outlays of $14.3 billion, and an increase in revenues of $6.8 billion), CBO estimates. Those revenue losses are not shown in this table.

h. Division E (Homeland Security) would provide $437 million in budget authority for fiscal year 2018 to the Department of Homeland Security—Customs and Border Protection—Procurement, Construction, and Improvements account; Division M, the Department of Homeland Security Border Infrastructure Construction Appropriations Act, 2018, would provide an additional $1,571 million in budget authority to the same account for a total of $2,009 million between the two divisions.

i. Section 227 of Division F (Labor, HHS, Education) would delay implementation of the recommendations of the United States Preventive Services Task Force with respect to breast cancer screening, mammography, and prevention. CBO's preliminary estimate is that enacting the delay would increase direct spending (budget authority and outlays) by $14 million in fiscal year 2019 and by $6 million in fiscal year 2020. In addition, CBO estimates that section 227 would decrease revenues by $23 million in fiscal year 2019 (of which $6 million would be off-budget) and would decrease revenues by $9 million in fiscal year 2020 (of which $2 million would be off-budget).

j. Two provisions in Division F (Labor, HHS, Education), one in section 527 and one in the appropriation for the Centers for Medicare and Medicaid Services Program Management, would prohibit spending funds (either provided in the bill, or collected from fees associated with qualified health plans offered through the marketplaces) to implement, administer, enforce, or further the Affordable Care Act, with certain exceptions. At this time, CBO and JCT cannot complete an analysis of those provisions, but expect that such prohibitions would result in a significant reduction in direct spending and revenues in fiscal year 2018 and over the 2018-2027 period. A portion of the revenue decreases would come from off-budget revenues in fiscal year 2018 and over the 2018-2027 period. At the direction of the House Committee on the Budget, the budgetary effects of those provisions are considered to be direct spending and revenues, and would not count as discretionary spending for purposes of House consideration.

k. Section 7069(d) of Division G (State, Foreign Operations), would rescind almost $1,966 million from amounts provided in Public Law 110-329 for the Advanced Technology Vehicle Manufacturing Loan Program. Those amounts were originally designated as an emergency requirement pursuant to S.Con.Res. 21 and S.Con.Res. 70, the concurrent resolutions on the budget for fiscal years 2008 and 2009, respectively. By scoring convention, rescissions of amounts previously designated as emergency funds pursuant to a concurrent resolution on the budget generally do not offset regular appropriations. However, as directed by the House Committee on the Budget, CBO is counting the budgetary effects of the rescission as a reduction in regular, nondefense discretionary budget authority for fiscal year 2018.