Congressional Budget Office

JUNE 2018

The Accuracy of CBO's Outlay Projections for Fiscal Year 2017

The Congressional Budget Office regularly publishes baseline projections of federal revenues and outlays for the current fiscal year and the ensuing decade. Those projections, which reflect the assumption that current laws governing taxes and spending will generally remain unchanged over the period, typically underlie the budget resolutions prepared by the House and Senate Budget Committees and CBO's cost estimates for proposed legislation. After each fiscal year has ended, CBO undertakes a detailed review of actual spending, as reported by the Administration, to assess the quality of the agency's outlay projections. Such an evaluation helps CBO to improve the accuracy of its projections over time by identifying the factors that might have led to under- or overestimates of federal spending in particular categories.[1]

In March 2016, CBO projected that federal outlays for fiscal year 2017 would total $4.1 trillion—about $65 billion, or 1.6 percent, more than the actual amount reported by the Administration's Office of Management and Budget for 2017. (That $65 billion difference reflects an adjustment to take into account the estimated effects of legislation enacted after CBO's baseline was completed, and it excludes spending related to Fannie Mae and Freddie Mac; see Table 1.) That difference is smaller than the mean absolute error of 2.3 percent for projections made for 1993 to 2016.[2]

How CBO Conducted This Analysis

This analysis focuses on projections for 2017 from CBO's March 2016 baseline primarily because the budgetary effects of legislation considered by the Congress in that year typically were measured against that baseline. The report also briefly compares 2017 spending estimated in CBO's June 2017 baseline with actual 2017 outlays.[3]

Any comparison of CBO's projections with actual spending is complicated by legislation enacted after CBO completes its projections. CBO does not attempt to predict future legislative changes or their effects on outlays when it prepares its baseline budget projections; actual outlays invariably differ from CBO's projections as a result of changes in federal law.

For this retrospective analysis, therefore, CBO adjusted its projections to incorporate the estimated budgetary effects of subsequently enacted legislation. In addition, the agency removed outlays for the housing entities Fannie Mae and Freddie Mac from its projections and

1. CBO also regularly reviews the differences between its revenue projections and the actual amounts collected in a fiscal year, comparing total receipts with its baseline projections and considering additional details on tax liabilities that are available only after some time has passed. CBO is planning to describe the accuracy of its revenue projections in a future report.

2. The mean absolute error is the arithmetic average of the projection errors without regard to whether they are positive or negative, so errors in different directions do not offset one another.

3. For more on CBO's baseline process, see *How CBO Prepares Baseline Budget Projections* (February 2018), www.cbo.gov/publication/53532.

Note: Unless otherwise indicated, all years referred to are federal fiscal years, which run from October 1 to September 30 and are designated by the calendar year in which they end. Numbers may not sum to totals because of rounding.

Table 1.

Outlays Projected in CBO's March 2016 Adjusted Baseline for 2017, Compared With Actual Outlays

Billions of Dollars

	March 2016, Adjusted	2017 Actual	Difference	Percentage Difference[a]	Mean Absolute Error of Past Budget-Year Projections[b]
Mandatory					
Social Security	947	939	7	0.8	0.8
Medicare[c]	594	591	3	0.5	3.3
Medicaid	393	375	18	4.9	4.0
Other	609	642	-33	-5.1	8.5
Subtotal	2,543	2,548	-4	-0.2	2.9
Discretionary					
Defense	600	590	10	1.7	1.4
Nondefense	626	610	16	2.6	2.4
Subtotal	1,226	1,200	26	2.1	1.4
Net Interest	306	263	43	16.5	7.7
Total Outlays	**4,075**	**4,010**	**65**	**1.6**	**2.3**

Sources: Congressional Budget Office; Office of Management and Budget.

CBO adjusted projections for 2017 in its March 2016 baseline to take into account the estimated budgetary effects of legislation enacted after those projections were completed. For discretionary spending, the amounts reflect estimated outlays stemming from full-year appropriations provided for 2017. Those projections are generally consistent with the technical assumptions (such as how quickly appropriations will be spent) and the economic projections that underlie CBO's March 2016 baseline. Outlays related to the activities of Fannie Mae and Freddie Mac (which are classified as mandatory) are excluded from this table.

a. The percentage difference is the projected amount minus the actual amount divided by the actual amount.

b. The mean absolute error is the arithmetic average of the projection errors without regard to whether they are positive or negative, so errors in different directions do not offset one another. The budget year is the second year of the baseline projection period, which usually begins about six months after a spring baseline is released. The values in this column were reported in Congressional Budget Office, *An Evaluation of CBO's Past Outlay Projections* (November 2017), www.cbo.gov/publication/53328. Measures for defense and nondefense discretionary spending are based on budget-year projections for 1999 to 2016. Measures for all other categories are based on budget-year projections for 1993 to 2016. The data necessary to calculate the projection errors in earlier years are not available.

c. Includes the effects of Medicare premiums and other offsetting receipts.

from the actual amounts reported by the Administration because CBO and the Administration account differently for the transactions of those entities.[4]

4. Since 2008, when the federal government placed Fannie Mae and Freddie Mac into conservatorship, CBO and the House and Senate Budget Committees have considered those institutions' activities as governmental. Thus, in CBO's view, cash transactions between Fannie Mae or Freddie Mac and the Treasury should be considered intragovernmental. The Administration, by contrast, considers Fannie Mae and Freddie Mac to be outside the federal government for budgetary purposes, and it records their transactions as increases or decreases in federal outlays. Because the accounting for those two concepts is entirely different, comparing CBO's estimates with the actual amounts reported by the Administration would not contribute to a meaningful assessment of the quality of CBO's projections.

How CBO's March 2016 Projections Compared With Actual Outlays

In its baseline projections, CBO divides federal outlays into three broad categories—mandatory, discretionary, and net interest.[5] Relative to its adjusted March 2016 estimates, CBO has observed the following:

5. Mandatory spending consists of outlays for some federal benefit programs, such as Social Security, Medicare, and Medicaid, and certain other payments. It is governed by statutory criteria and is not normally controlled by the annual appropriation process. Discretionary spending is controlled by annual appropriation acts that specify the amounts that are to be provided for a broad array of government activities, including, for example, defense, law enforcement, and transportation. Net interest spending consists of the government's interest payments on debt held by the public minus interest income that the government receives.

Table 2.

Mandatory Outlays Projected in CBO's March 2016 Adjusted Baseline for 2017, Compared With Actual Mandatory Outlays

Billions of Dollars

	March 2016, Adjusted	2017 Actual	Difference	Percentage Difference[a]
Social Security	947	939	7	0.8
Major Health Care Programs				
Medicare[b]	594	591	3	0.5
Medicaid	393	375	18	4.9
Health insurance subsidies and related spending	59	48	11	22.3
Children's Health Insurance Program	13	16	-3	-20.3
Subtotal	1,059	1,030	29	2.8
Income Security Programs				
Earned income, child, and other tax credits[c]	89	83	5	6.4
Supplemental Nutrition Assistance Program	73	70	3	4.2
Other	142	140	2	1.4
Subtotal	304	294	10	3.5
Federal Civilian and Military Retirement	164	163	1	0.7
Veterans' Programs	108	107	2	1.7
Credit Subsidy Reestimates	0	49	-49	n.a.
Spectrum Auctions	-16	-2	-14	785.8
Agriculture Programs	19	13	6	41.2
Other	-42	-46	4	-8.8
Subtotal	234	284	-51	-17.8
Total Mandatory Outlays	**2,543**	**2,548**	**-4**	**-0.2**
Net Interest	306	263	43	16.5

Sources: Congressional Budget Office; Office of Management and Budget.

CBO adjusted projections for 2017 in its March 2016 baseline to take into account the estimated budgetary effects of legislation enacted after those projections were completed. Outlays related to the activities of Fannie Mae and Freddie Mac (which are classified as mandatory) are excluded from this table.

n.a. = not applicable.

a. The percentage difference is the projected amount minus the actual amount divided by the actual amount.

b. Includes the effects of Medicare premiums and other offsetting receipts.

c. Includes outlays for the American Opportunity Tax Credit and other credits.

- The agency's projection of mandatory outlays in 2017 was $4 billion (or 0.2 percent) less than the actual amount. Although CBO overestimated outlays for Social Security, Medicare, and Medicaid, those differences were more than offset by underestimates for other mandatory spending, particularly for credit programs.

- CBO's projection of discretionary outlays was $26 billion (or 2.1 percent) more than the actual amount recorded for 2017. CBO overestimated defense spending by $10 billion and nondefense spending by $16 billion.

- CBO's estimate of net interest outlays exceeded actual amounts by $43 billion (or 16.5 percent).

Mandatory Outlays

CBO's March 2016 estimate of total mandatory outlays in 2017 (after the adjustment for subsequent legislation and excluding spending for Fannie Mae and Freddie Mac) was $2,543 billion, only $4 billion (or 0.2 percent) less than the actual amount recorded in 2017 (see Table 2). That small overall difference occurred in part because some estimates were too high and others were too low. The most significant differences are discussed below.

Credit Subsidy Reestimates. Updated estimates by federal agencies (as reported in the President's budget in May 2017) of the subsidy costs of certain federal loans and loan guarantees made in previous years boosted outlays by $49 billion in 2017, accounting for the largest difference between CBO's projections of mandatory outlays and the actual amounts.[6] (Most of that increase was the result of a $39 billion increase for the Department of Education in the estimated cost of past student loans.) Those updated estimates were not available when CBO completed its March 2016 baseline projections, and CBO had no basis for predicting what revisions, if any, would be made in 2017 or in future years. Therefore, the agency did not include any such revisions in its March 2016 projections and did not adjust its most recent projections to account for the 2017 results. If not for the updated estimates in 2017, CBO's projection of mandatory outlays would have been too high by $45 billion.

Social Security. CBO's March 2016 estimate of outlays for Social Security in 2017 was $7 billion (or 0.8 percent) higher than actual outlays for the year, mainly because fewer people received disability benefits under Social Security than CBO had anticipated and because the average age at which people claimed retirement benefits was later than the agency had projected in March 2016. As a result, CBO has lowered its projection of Social Security outlays for the coming years.

Major Health Care Programs. In March 2016, the agency overestimated federal spending for the major health care programs by $29 billion, or 2.8 percent. (Those programs are Medicare; Medicaid; the subsidies offered through the marketplaces established under the Affordable Care Act and related spending; and the Children's Health Insurance Program, or CHIP.)

CBO's projection of Medicare outlays in 2017 (net of premiums and other offsetting receipts) was $3 billion (or 0.5 percent) above the actual amount.

The estimate of Medicaid spending, which was $18 billion (or 4.9 percent) above the actual amount, accounted for the largest difference. The March 2016 baseline estimate reflected a rapid expansion in Medicaid coverage in 2015 under the Affordable Care Act. Despite that increase, spending grew much more slowly than CBO had anticipated for the rest of 2016 and for 2017. Several factors contributed to the slowdown in growth, including an unexpected decline in per capita costs for newly eligible enrollees under the Affordable Care Act in 2017 as compared with 2016 and, outside the pool of Affordable Care Act enrollees, lower-than-projected growth in spending for people who are blind or disabled. Although the slowdown will not be fully understood until relevant data on spending and enrollment for 2017 become available, CBO has lowered its per capita cost projections for 2018 as a result of its analysis of actual outlays in 2017.

Similarly, CBO overestimated 2017 outlays for subsidies for health insurance purchased through the marketplaces and related spending by $11 billion (or 22.3 percent). In March 2016, CBO and the staff of the Joint Committee on Taxation (JCT) estimated that 12 million people would enroll in subsidized coverage through the health insurance marketplaces; the actual number turned out to be 8 million. At the time, CBO and JCT expected enrollment to rise in 2016 and 2017 because more people were expected to gain experience with the marketplaces and more employers were expected to respond to the availability of subsidies by declining to offer insurance to their employees. However, enrollment through the marketplaces changed little over those two years. As a result, CBO and JCT have significantly reduced their projections of enrollment through the marketplaces for 2018 and beyond.

In contrast to CBO's estimates for the other major health care programs, its estimate for CHIP was $3 billion (or 20.3 percent) below the actual amount, primarily because enrollment grew more rapidly in 2016 and 2017 than anticipated. In addition, some states appear to have accelerated spending because they were expecting the scheduled expiration of the program's funding at the end of 2017. As a result, spending in the final month of 2017 was significantly higher than it had been in the preceding

6. Under the Federal Credit Reform Act of 1990, a program's subsidy costs are calculated by subtracting the present value of the government's projected receipts from the present value of its projected payments. The estimated subsidy costs can be increased or decreased in subsequent years to reflect updated assessments of the payments and receipts associated with the program. Present value is a single number that expresses a flow of current and future income (or payments) in terms of an equivalent lump sum received or paid at a specific time. The present value depends on the rate of interest (the discount rate) that is used to translate future cash flows into current dollars.

months. (Funding for the program has since been reauthorized through 2027.) Based in part on this analysis of actual outlays in 2017, CBO lowered its estimate of spending in 2018 to account for the accelerated spending at the end of 2017 and boosted its projections of enrollment in the program for 2018 and future years.

Income Security Programs. CBO's March 2016 estimate of outlays in 2017 for income security programs—programs that make payments to certain people and government entities in order to assist the poor, the unemployed, and others in need—was higher than the actual amount by $10 billion (or 3.5 percent). Estimates of refundable tax credits account for about $5 billion of that difference.[7] CBO's projection of outlays for the Supplemental Nutrition Assistance Program was $3 billion above the actual amount. That difference occurred largely because projections of food prices in CBO's economic forecast were too high.

Receipts From Spectrum Auctions. Receipts from the Federal Communications Commission's auctions of licenses for commercial use of the electromagnetic spectrum are recorded in the budget as reductions in mandatory outlays. CBO's March 2016 projection of receipts was $14 billion higher than the actual amount in 2017. In that projection, on the basis of bids in previous auctions, CBO estimated that receipts collected from auctions held in 2017 would total $25 billion. However, the successful bids totaled only $9 billion, on net. Moreover, CBO anticipated that $16 billion out of the $25 billion for those bids would be recorded in 2017. However, the Administration recorded only $2 billion of the $9 billion total in that year. CBO now expects the remaining $7 billion from last year's auctions to be recorded in 2018. The characteristics of each auction are unique, therefore CBO has not adjusted its projections beyond 2018 because of the results of the 2017 auctions.

Agriculture Programs. In March 2016, CBO estimated that mandatory agriculture spending would total $19 billion in 2017, about $6 billion more than the actual outlays for that year. An overestimate of outlays for crop insurance accounts for roughly two-thirds of the difference. Favorable weather led to higher crop yields and smaller losses than CBO had anticipated in its March 2016 projections. CBO's baseline reflects an assumption that more typical weather patterns will prevail in future years, therefore CBO has not adjusted its projections for 2018 and beyond because of actual results in 2017.

Other Mandatory Programs. Estimates for all other mandatory programs exceeded actual amounts for those programs by $7 billion (or 3.1 percent). CBO's March 2016 estimate of outlays for federal civilian and military retirement in 2017 was too high by $1 billion (or 0.7 percent) and the agency's estimate for veterans' programs was too high by $2 billion (or 1.7 percent).

Discretionary Outlays

To evaluate its discretionary projections, CBO updated the funding amounts in its March 2016 baseline to reflect the full-year appropriations provided for 2017, which were enacted into law for most programs in May 2017. To update its projection of discretionary outlays, CBO generally applied the technical assumptions (such as how quickly appropriations will be spent) and the economic projections that underlie the March 2016 baseline to the updated amounts of funding. On that basis, CBO overestimated discretionary outlays for 2017 by $26 billion, or 2.1 percent (see Table 3). The late enactment of the full-year appropriations, which occurred about seven months after the start of the fiscal year, probably contributed to that overestimate because agencies had significantly less time to spend the funding provided. Estimating errors vary by agency, but most were within $2 billion of actual amounts. The largest differences were the following:

- CBO's estimate of spending for military programs of the Department of Defense was $10 billion (or 1.8 percent) higher than the actual amount recorded. That difference consists mostly of CBO's overestimates of $4 billion for operation and maintenance spending and $4 billion for procurement spending. Those results, along with other factors, led CBO to reduce its estimate of how quickly funding provided to the Department of Defense would be spent in 2018 and future years.

7. Refundable tax credits reduce a filer's income tax liability overall; if the credit exceeds the rest of the filer's income tax liability, the government pays all or some portion of that excess to the taxpayer.

Table 3.

Discretionary Outlays Projected in CBO's March 2016 Adjusted Baseline, Compared With Actual Discretionary Outlays

Billions of Dollars

	March 2016, Adjusted	Actual	Difference	Percentage Difference[a]
Department of Defense—Military	573	562	10	1.8
Department of Housing and Urban Development	43	37	6	14.9
Department of Veterans Affairs	74	72	2	3.5
Department of State	29	26	2	8.8
Department of Education	69	67	2	2.6
Department of Health and Human Services	86	84	2	2.0
Social Security Administration	11	10	1	11.0
Department of Energy	29	29	1	3.1
Environmental Protection Agency	9	8	1	10.5
Department of Agriculture	25	24	1	3.4
National Aeronautics and Space Administration	19	19	1	2.9
Department of Commerce	9	9	*	4.9
International Assistance Programs	23	23	*	1.6
Department of the Interior	13	13	*	2.3
Department of Labor	12	12	*	-0.3
Department of Treasury	13	13	*	-0.5
Department of Justice	28	29	*	-1.4
Department of Transportation	78	79	-1	-1.7
Department of Homeland Security	48	51	-2	-4.9
Other Agencies	36	35	1	1.5
Total Discretionary Outlays	**1,226**	**1,200**	**26**	**2.1**

Sources: Congressional Budget Office; Office of Management and Budget.

CBO adjusted projections for 2017 in its March 2016 baseline to take into account the estimated budgetary effects of legislation enacted after those projections were completed. The amounts reflect estimated outlays stemming from full-year appropriations provided for 2017. Those projections are generally consistent with the technical assumptions (such as how quickly appropriations will be spent) and the economic projections that underlie CBO's March 2016 baseline.

* = between -$500 million and $500 million.

a. The percentage difference is the projected amount minus the actual amount divided by the actual amount.

- CBO's estimate of spending by the Department of Housing and Urban Development in 2017 exceeded the actual amount by about $6 billion (or 14.9 percent). Much of the difference occurred because receipts credited to the Federal Housing Administration's single-family mortgage guarantee program were nearly $4 billion higher than CBO had projected (such receipts are recorded as reductions in discretionary outlays). About 80 percent of that difference was the result of higher loan volume than CBO had estimated. CBO's projections of loan volume reflect the relationship between interest rates and the amount of mortgages issued each year. Because interest rates in 2017 rose more gradually than CBO expected and were significantly lower than it projected in its January 2016 economic forecast, CBO's estimates of loan volume and of receipts were significantly below the actual amounts. Because the agency's loan volume estimates are closely tied to its interest rate forecasts, CBO made no adjustments to its outlay projections for 2018 and subsequent years to account for results in 2017.

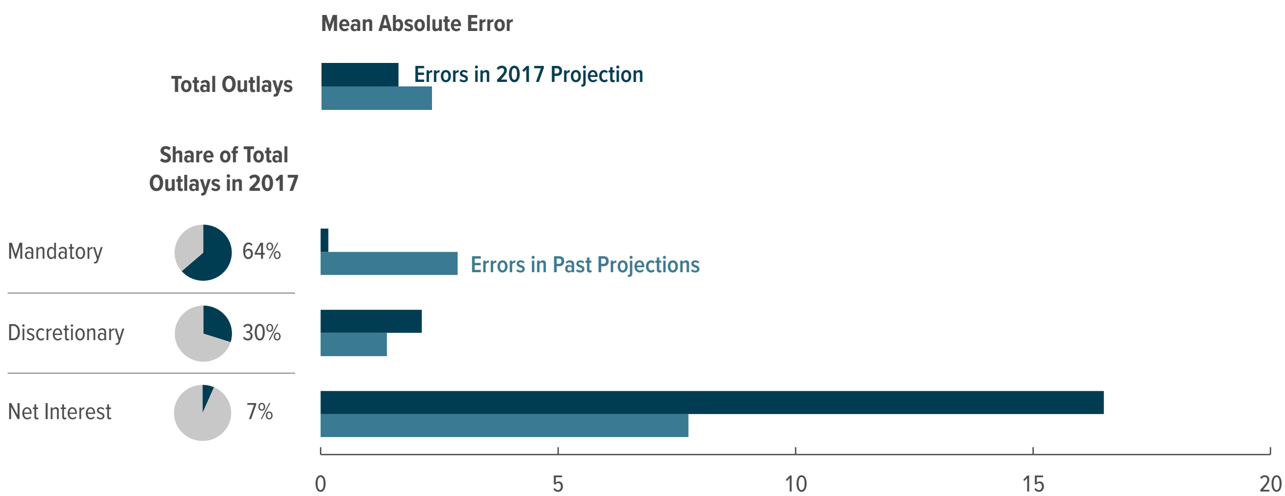
Net Interest Outlays

In March 2016, CBO estimated that outlays for net interest would total $306 billion in 2017, $43 billion (or 16.5 percent) more than the actual amount (see Table 1 on page 2). Most of the difference is attributable to overestimates in CBO's interest rate forecast. For example, in its January 2016 economic forecast, CBO projected that between the end of fiscal year 2015 and the end of fiscal year 2017, interest rates on 3-month Treasury bills would rise from 0.1 percent to 1.7 percent. Although rates rose, the increase was much smaller

Figure 1.

Projection Errors for Total Outlays and the Share of Total Outlays, by Category of Spending

Percent



Source: Congressional Budget Office.

The mean absolute error is the arithmetic average of the projection errors without regard to whether they are positive or negative, so errors in different directions do not offset one another.

"Errors in Past Projections" are the mean absolute errors for budget years 1993 to 2016, made between 1992 and 2015. The 2017 projection was in the March 2016 baseline. The budget year is the second year of the baseline projection period, which usually begins about six months after a spring baseline is released.

The estimated budgetary effects of legislation enacted after the projections were produced and outlays related to the activities of Fannie Mae and Freddie Mac are excluded from the errors.

than anticipated; at the end of 2017, the actual rate on 3-month Treasury bills was 1.0 percent.

How the Quality of CBO's March 2016 Projections Compares With Its Past Outlay Projections

In budget-year projections that CBO made for 1993 to 2016, the agency was more likely to overestimate total outlays than to underestimate them, and in March 2016, the agency again overestimated total outlays for the budget year.[8] CBO's estimate of total outlays for 2017 exceeded the actual amount by 1.6 percent—a difference that is smaller than the mean absolute error of 2.3 percent for budget-year projections made for the 1993–2016 period (see Figure 1). For some categories of spending, however, the error for 2017 was larger than the mean absolute error recorded for those categories between 1993 and 2016.

Although CBO often has overestimated mandatory outlays over the period, in its March 2016 projections, it underestimated such outlays for 2017 by 0.2 percent. Between 1993 and 2016, the mean absolute error for mandatory spending was much larger—2.9 percent. The error for Medicare for 2017 was smaller than the mean absolute error for that program for 1993 to 2016, but the error for Medicaid was larger, and the error for Social Security equaled its mean absolute error for the period. The errors for those three programs were all overestimates; for all other mandatory spending, CBO underestimated outlays for 2017, on net.

The agency overestimated discretionary spending for 2017 by 2.1 percent, about three-quarters of a percentage point more than the mean absolute error recorded for the 1993–2016 period. CBO's overestimate of net interest outlays for 2017 was significantly larger than the average overestimate in projections made for 1993 to 2016. Over that period, the mean absolute error for CBO's projections of net interest was 7.7 percent, nearly 9 percentage points less than CBO's error in 2017.

8. The budget year is the second year of the baseline projection period, which usually begins about six months after a spring baseline is released. For a more detailed discussion of the quality of CBO's past outlay projections, see Congressional Budget Office, *An Evaluation of CBO's Past Outlay Projections* (November 2017), www.cbo.gov/publication/53328.

Table 4.

Outlays Projected in CBO's June 2017 Baseline for 2017, Compared With Actual Outlays

Billions of Dollars

	June 2017	Actual	Difference	Percentage Difference[a]
Mandatory				
Social Security	939	939	*	**
Medicare[b]	590	591	-2	-0.3
Medicaid	385	375	11	2.8
Other	650	642	8	1.2
Subtotal	2,564	2,548	17	0.7
Discretionary				
Defense	589	590	-2	-0.3
Nondefense	615	610	5	0.8
Subtotal	1,203	1,200	3	0.3
Net Interest	269	263	6	2.4
Total Outlays	**4,037**	**4,010**	**26**	**0.7**

Sources: Congressional Budget Office; Office of Management and Budget.

Outlays related to the activities of Fannie Mae and Freddie Mac (which are classified as mandatory) are excluded from this table.

* = between -$500 million and zero; ** between -0.05 percent and zero.

a. The percentage difference is the projected amount minus the actual amount divided by the actual amount.

b. Includes the effects of Medicare premiums and other offsetting receipts.

CBO's June 2017 Baseline Projections, Compared With Actual Outlays

CBO updated its projections for fiscal year 2017 three times after publishing its March 2016 baseline; the final set of projections was completed in June 2017. A review of those estimates compared with actual spending shows that CBO's June estimate of $4,037 billion in total outlays (excluding spending for Fannie Mae and Freddie Mac) was $26 billion, or 0.7 percent, higher than the actual amount (see Table 4). As might be expected because of the shorter time horizon, CBO's estimate of total outlays—as well as its estimates for most categories of spending in June 2017—was significantly closer to actual spending than was its adjusted estimate from March 2016.

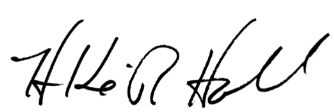
CBO's June estimate of mandatory spending for 2017 was $17 billion (or 0.7 percent) higher than the actual amount. Medicaid outlays accounted for $11 billion of that overestimate, primarily because of slower-than-anticipated growth in enrollment. In addition, one large state returned a significant amount of money to the federal government as a result of accounting adjustments to spending in prior years.

All told, the agency's estimate of discretionary outlays was $3 billion (or 0.3 percent) higher than the actual amount reported for 2017. CBO underestimated defense spending by $2 billion but overestimated nondefense spending by $5 billion. That overestimate resulted from small errors for a variety of agencies.

Finally, outlays for net interest were $6 billion (or 2.4 percent) higher than CBO projected in June 2017, mostly because of a lower rate of inflation than CBO had expected. As a result, smaller adjustments were made to the principal of inflation-protected securities issued by the Treasury Department.

In response to a request from the House and Senate Committees on the Budget, the Congressional Budget Office has prepared this report concerning the accuracy of the spending projections in CBO's March 2016 baseline. The agency regularly evaluates the accuracy of its budget projections by comparing them with actual outcomes. Such evaluations help guide CBO's efforts to improve the quality of its projections, and they are offered as background information to assist Members of Congress in their use of the agency's estimates. In keeping with CBO's mandate to provide objective, impartial analysis, the report makes no recommendations.

Barry Blom prepared the report with contributions from many members of CBO's Budget Analysis Division and with guidance from Theresa Gullo, Christina Hawley Anthony, Leo Lex, and Sam Papenfuss. Wendy Edelberg, Mark Hadley, Jeffrey Kling, and Robert Sunshine reviewed the report; Kate Kelly edited it; and Casey Labrack prepared it for publication. An electronic version is available on CBO's website (www.cbo.gov/publication/53923).



Keith Hall
Director