CONGRESSIONAL BUDGET OFFICE
U.S. Congress
Washington, DC 20515

Phillip L. Swagel, Director

May 30, 2023

Honorable Kevin McCarthy
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Re: CBO's Estimate of the Budgetary Effects of H.R. 3746, the Fiscal Responsibility Act of 2023

Dear Mr. Speaker:

As you requested, the Congressional Budget Office has estimated the budgetary effects of H.R. 3746, the Fiscal Responsibility Act of 2023, as posted on the website of the House Committee on Rules on May 28, 2023.

Overall Budgetary Effects of H.R. 3746

In CBO's estimation, if H.R. 3746 was enacted and appropriations that are subject to caps on discretionary funding for 2024 and 2025 were constrained by the limits specified in section 101(a) of the bill, the agency's projections of budget deficits would be reduced by about $1.5 trillion over the 2023–2033 period relative to its May 2023 baseline projections (see Table 1). Reductions in projected discretionary outlays would amount to $1.3 trillion over the 2024–2033 period (see Table 3). Mandatory spending would, on net, decrease by $10 billion, and revenues would, on net, decrease by $2 billion over the 2023–2033 period (see Table 4). As a consequence, interest on the public debt would decline by $188 billion.

At your request, the budgetary totals in this letter include information beyond that provided in CBO's cost estimates, which typically are used for budget enforcement and are prepared under long-standing principles agreed to by the legislative and executive branches. For the total deficit effects, this letter includes effects on projections of discretionary spending and interest on the public debt, measured relative to CBO's baseline, that ordinarily would not be part of a cost estimate. CBO provides such information when requested. CBO has not undertaken a dynamic analysis of this bill, which would account for changes in the total output of the economy and their effects on the budget.[1] The agency has also not analyzed the bill for intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The bill's effects on the deficit could differ from CBO's estimates because of future legislative, judicial, or executive actions. The effects on the deficit also could be larger or smaller than CBO has estimated because it is uncertain how individuals, businesses, states, and other affected parties would respond to the bill's provisions.

Description of the Bill

H.R. 3746 would impose caps on discretionary funding, make other changes affecting spending and revenues, and raise the debt ceiling. Specifically, the bill would:

- Establish statutory caps on discretionary funding for fiscal years 2024 and 2025 that would be enforced by sequestration;
- Set limits on most discretionary funding for each year from 2026 through 2029 that would be enforced using the Congress's procedures for considering budgetary legislation;
- Rescind certain funds provided to the Internal Revenue Service (IRS) and related agencies under Public Law 117-169 (an act to provide reconciliation pursuant to title II of S. Con. Res. 14; referred to here as the 2022 reconciliation act);
- Modify work requirements for the Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF);
- Rescind unobligated balances from specific accounts provided by six laws enacted between 2020 and 2022;
- Appropriate $22 billion for the Nonrecurring Expenses Fund of the Department of Commerce;

1. See Congressional Budget Office, *CBO Describes Its Cost-Estimating Process* (April 2023), www.cbo.gov/publication/59003.

- Appropriate $45 billion to the Toxic Exposures Fund for veterans' health care and associated expenses;[2]
- Amend provisions of current law that regulate permitting of certain proposed energy-related projects;
- Terminate the current suspension of payments, interest accrual, and collections on defaulted loans in the student loan program 60 days after June 30, 2023;
- Require the executive branch to follow administrative pay-as-you-go procedures before finalizing certain administrative actions; and
- Temporarily suspend the debt limit.

CBO's estimates of the budgetary effects of those provisions are detailed below. For the purposes of this letter, CBO has assumed that the bill will be enacted in June 2023.

Caps on Discretionary Funding

Title I of division A would impose limits on most discretionary funding (that is, budget authority provided in appropriation legislation). Current law specifies a number of adjustments or exceptions to the caps for certain types of funding and that funding would not be constrained by the imposed limits. Under the bill, certain other funding would not be subject to the caps.[3] For funding that is constrained by those limits, referred to hereafter as base funding, separate caps would be established for defense and nondefense funding.

Under section 101(a), the caps on base discretionary funding for 2024 would total $1.590 trillion ($886 billion for defense and $704 billion for nondefense

---

2. Because of the budgetary treatment that applies to the TEF under current law, the spending that would result from that fund under section 101 is not included in this estimate. That section would appropriate $20 billion for fiscal year 2024 and $24 billion for fiscal year 2025 to the TEF, which is classified as an appropriated mandatory account for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 and the Congressional Budget Act of 1974. Appropriations to that fund are treated as liquidating appropriations in the budget.

3. The caps would not apply to funding for certain programs under the 21st Century Cures Act or to certain funding from the Harbor Maintenance Trust Fund. In addition, under section 103 of the bill, the caps would not apply to certain previously enacted permanent and advance appropriations that were designated by the Congress as emergency requirements.

funding; see Table 2).[4] The caps on base discretionary funding in 2025 would equal $1.606 trillion ($895 billion for defense and $711 billion for nondefense).

Some funding would be limited either according to a formula or to specified amounts, funding designated as an emergency requirement or for overseas contingency operations would not be constrained, and certain other funding would not be subject to the caps. With those adjustments, and base funding constrained by amounts specified in section 101(a), CBO projects that total discretionary funding under the bill would amount to $1.795 trillion in 2024 and $1.818 trillion in 2025 (see Table 3).

A breach of those limits would be addressed by the Administration using sequestration procedures.[5] Under those procedures, automatic spending cuts, generally of a uniform percentage, would occur through the withdrawal of funding for some government programs to reach the amount needed to reduce funding by the amount of the breach.

CBO has compared its estimates of spending under the caps with amounts in its May 2023 baseline projections. As specified in the Balanced Budget and Emergency Deficit Control Act of 1985, CBO's baseline projections for discretionary appropriations are assumed to grow each year with inflation from the amounts provided for the most recent year, whereas CBO's projections under the bill reflect the assumption that funding would be constrained by the caps with authorized adjustments through 2025 and keep pace with inflation thereafter. Thus, relative to the baseline, under the caps established in section 101(a), budget authority would be $1.458 trillion lower and outlays would be $1.332 trillion lower over the 2024–2033 period.

The projected reductions in outlays are smaller than the projected reductions in budget authority partly because outlays generally lag behind budget authority (and thus some savings from the caps would occur beyond the 10-year budget window) and partly because some budget authority never results in outlays.

---

4. Because CBO's baseline projection of base defense funding for fiscal year 2024 amounts to $884 billion, $2 billion less than the cap under section 101(a), the agency's projections of base defense funding under the bill would not change.

5. See sections 251 and 254 of the Balanced Budget and Emergency Deficit Control Act of 1985, 2 U.S.C. §§ 901 and 904 (2023).

Section 101(f) of title I also sets limits on most discretionary funding for each year from 2026 through 2029. Those limits would be enforced using the Congress's procedures for considering budgetary legislation.[6] If future appropriations were provided at the amounts of the caps as specified, budget authority would be $632 billion lower and outlays would be $553 billion lower over the 2026–2033 period than the amounts CBO would project based on the caps specified in section 101(a) for 2024 and 2025.

Section 102 would establish temporary caps on funding if a continuing resolution is in place on January 1 of 2024 or 2025. Caps on defense funding would be lower and caps on nondefense funding would be higher relative to the caps in section 101(a). Once full-year appropriations were enacted, the caps would revert to the limits that were in place on December 31 of that fiscal year (that is, the caps established in section 101(a), with adjustments). If a continuing resolution were still in place on April 30 of either 2024 or 2025, a final sequestration order would be issued according to the cap amounts in section 102 (see Table 2).

Funding for the Internal Revenue Service and Related Agencies

Title II of division B would rescind certain unobligated funds provided to the IRS and other agencies in section 10301 of the 2022 reconciliation act. Most of those amounts are available to the IRS through 2031 for enforcement and related activities. CBO anticipates that rescinding those funds would result in fewer enforcement actions over the next decade and in a reduction in revenue collections. In total, CBO estimates, title II would decrease outlays by $1.4 billion and decrease revenues by $2.3 billion over the 2023–2033 period, resulting in a net increase in the deficit of $900 million over that period.

---

6. See section 302(a)(5) of the Congressional Budget and Impoundment Control Act of 1974, 2 U.S.C. 633(a).

Work Requirements

Division C of the bill would modify work requirements for SNAP and TANF. CBO estimates that those provisions would increase federal spending by about $2.1 billion over the 2023–2033 period, consisting of an increase of $2.1 billion for SNAP and a reduction of $5 *million* for TANF. Those estimates are informed by a 2022 CBO report that examined the effects of work requirements on enrollment and earnings for participants in means-tested programs.[7]

Supplemental Nutrition Assistance Program. To receive SNAP benefits for more than 3 months within a 36-month period under current law, able-bodied adults under the age of 50 who do not live with any dependent children must work or attend a training program for at least 80 hours a month. States can waive the SNAP work requirement for people who live in an area without sufficient jobs and, at the state's discretion, can use a limited number of monthly exemptions for people who otherwise would be subject to the requirement. Under current law, states can carry over any unused discretionary exemptions indefinitely.

H.R. 3746 would make several changes to work requirements. The requirement would be expanded first (in fiscal year 2024) to able-bodied adults ages 50 to 52 who do not live with dependent children and then (in fiscal years 2025 and later) to able-bodied adults up to age 54 who do not live with dependent children. Several groups would newly be exempt from work requirements: people experiencing homelessness, veterans, and people ages 18 to 24 who were in foster care when they turned 18. Those changes would terminate on October 1, 2030.

The bill also would permanently reduce the number of monthly discretionary exemptions that states can use for people who otherwise would be subject to work requirements, and it would prevent states from carrying over unused exemptions for more than one year.

CBO estimates that all of the changes to SNAP work requirements would increase direct spending by $2.1 billion over the 2023–2033 period. During the 2025–2030 period, when the group of people up to the age of 54 would be subject to the work requirement and the new exclusions were in effect,

---

7. Congressional Budget Office, *Work Requirements and Work Supports for Recipients of Means-Tested Benefits* (June 2022), www.cbo.gov/publication/57702.

approximately 78,000 people would gain benefits in an average month, on net (an increase of about 0.2 percent in the total number of people receiving SNAP benefits).

Those changes are the result of several offsetting effects, CBO estimates. First, on its own, expanding the work requirement to adults up to the age of 52 in 2024 and up to age 54 over the 2025–2030 period would reduce spending for SNAP by $6.5 billion over the 2023–2033 period. Second, on its own, the exclusion of several groups would lead to a spending increase of $6.8 billion over the same period.

CBO expects that additional increases in direct spending would occur because the provisions would be enacted simultaneously. The new exclusions would not only apply to some beneficiaries under age 50 who otherwise would be subject to the work requirement under current law, but also would apply to some beneficiaries ages 50 to 54 who otherwise would be subject to work requirements under the bill. As a result, CBO estimates, direct spending would increase by an additional $1.8 billion. CBO estimates that the changes to discretionary exemptions would reduce spending for SNAP by a negligible amount.

Temporary Assistance for Needy Families. Under current law, to receive the full federal block grant for TANF, a state must ensure that adult recipients in at least 50 percent of single-parent families and 90 percent of two-parent families are engaged in a work-related activity. The percentages are lower for states that have reduced their TANF caseloads since 2005 and for states that spend more than a required amount of state funds to support TANF recipients' activities. The Department of Health and Human Services (HHS) can reduce a state's grant for failure to meet the percentage requirements unless the agency determines that the state has an approved reason for not meeting the standard or the state is complying with a corrective plan.

Title I of division C would set the benchmark year for the caseload reduction to 2015 (rather than 2005) and would prevent people who receive less than $35 in state funding within a period determined by the Secretary of HHS from being included in a state's accounting for the work requirement. CBO estimates that HHS would reduce state grants slightly because some states would not meet the work requirement and would not comply with a corrective plan, and HHS would not approve their reason for not meeting the standard.

CBO estimates that the resulting reduction in block grants would reduce direct spending by $5 million over the 2023–2033 period.

Rescission of Unobligated Funds

Title I of division B would rescind funds that had been provided to 87 budget accounts during the 2020–2022 period as part of the federal response to the coronavirus pandemic and public health emergency. CBO estimates that title would permanently rescind $27.1 billion in budget authority, reducing outlays by $11.0 billion over the 2023–2033 period. (Those amounts include reductions in funding designated as an emergency requirement as well as reductions in funding not so designated.) A majority of the reductions would come from the Public Health and Social Service Emergency Fund and from certain infrastructure and disaster relief programs.

Appropriation for the Department of Commerce

Subsection 101(e) of division A would appropriate $22 billion in 2023 for the Nonrecurring Expenses Fund of the Department of Commerce to carry out activities in fiscal years 2024 and 2025. The fund is used to modernize information and business technology systems and improve infrastructure at the agency. Spending for that account totaled $27 *million* in 2022. Based on recent spending patterns, CBO estimates that this provision would increase spending by $100 million over the 2024–2033 period. In keeping with subsection 101(e) and at the direction of the House and Senate Committees on the Budget, subsection 101(e) is considered appropriation legislation, and the budget authority and outlays that stem from it are classified as discretionary.

Other Provisions

Several provisions of the bill would have a minimal effect on direct spending or revenues.

- The bill would require the executive branch to follow administrative pay-as-you-go procedures before finalizing certain administrative actions. Under those procedures, discretionary administrative actions that would increase direct spending by more than a certain threshold would be required to include additional proposed actions to fully offset the increase in direct spending. The Director of the Office of Management and Budget is allowed to waive the offset requirement if the Director concludes that the waiver is necessary for the delivery of essential services or for effective program delivery.

- Sixty days after June 30, 2023, the bill would terminate the current suspensions of federal student loan payments, interest accrual, and collections of loans in default. Based on the Department of Education's announcement in November 2022, CBO's baseline incorporates the assumption that the current suspension will end on August 30, 2023. As a result, CBO estimates that enacting this provision would have no effect on federal spending.
- The bill would amend provisions of current law that regulate permitting of certain proposed energy-related projects, require the Electric Reliability Organization (ERO) to study and report on the capability to transfer energy between utilities in neighboring regions, and require agencies to issue permits necessary to complete construction of the Mountain Valley Pipeline. Implementing those provisions would have an insignificant net effect on direct spending and revenues stemming from fees federal agencies would collect to issue permits and amounts the ERO would collect and spend to carry out the study. CBO has not evaluated potential economic effects from the bill's changes to federal permitting rules.

Suspend the Debt Limit

Division D of H.R. 3746 would suspend the debt limit through January 1, 2025. On January 2, the debt limit would be raised by the amount of obligations incurred up to that point.

I hope this information is useful to you. If you wish further details on this analysis, we would be pleased to provide them.

Sincerely,

Phillip L. Swagel
Director

cc: Honorable Hakeem Jeffries
Democratic Leader

Honorable Jodey Arrington
Chairman
House Committee on the Budget

Honorable Brendan F. Boyle
Ranking Member
House Committee on the Budget

Congressional Budget Office
Estimated Budgetary Effects

May 30, 2023

Table 1. Changes in CBO's Baseline Projections Under H.R. 3746, the Fiscal Responsibility Act of 2023, as Posted on the Website of the House Committee on Rules on May 28, 2023

https://rules.house.gov/bill/118/hr-fiscal-responsibility-act

	By Fiscal Year, Billions of Dollars											
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2023-2033
					Increases or Decreases (-) in the Projected Deficit							
Statutory Caps on Future Discretionary Funding[a]	0	-64.1	-106.7	-124.7	-133.7	-141.1	-145.1	-148.6	-152.2	-155.9	-159.7	-1,331.8
Funding for the Internal Revenue Service and Related Agencies	*	0.1	0.1	0.2	0.1	0.1	0.1	*	*	0.1	0.1	0.9
Work Requirements	0	0.2	0.2	0.3	0.3	0.3	0.4	0.3	0.1	*	*	2.1
Rescission of Unobligated Balances	-4.4	-4.4	-1.7	-0.4	-0.1	*	*	*	*	*	*	-11.0
Department of Commerce Nonrecurring Expenses Fund	0	*	*	*	*	*	0	0	0	0	0	0.1
Interest on the Public Debt	*	-1.3	-4.1	-7.4	-11.1	-15.2	-19.6	-24.5	-29.5	-34.8	-40.4	-188.0
Effect on the Deficit	-4.4	-69.5	-112.2	-132.0	-144.5	-155.9	-164.2	-172.8	-181.6	-190.6	-200.0	-1,527.7

Source: Congressional Budget Office.

Components may not sum to totals because of rounding. * = between -$50 million and $50 million.

Budgetary effects are relative to CBO's May 2023 baseline projections.

a. This estimate incorporates the assumption that future appropriations will be constrained by the proposed statutory caps, where applicable, and that funding (such as that designated as an emergency requirement) not constrained by the caps would match amounts in CBO's baseline projections. Changes to deficits could be larger or smaller, depending on whether the appropriated amounts are larger or smaller than the amounts that CBO projects in this analysis.

Table 2. CBO's Baseline Projections of Base Funding Compared With the Caps Specified in Sections 101 of H.R. 3746, the Fiscal Responsibilty Act of 2023, as Posted on the Website of the House Committee on Rules on May 28, 2023

https://rules.house.gov/bill/118/hr-fiscal-responsibility-act

	By Fiscal Year, Billions of Dollars		
	Enacted 2023	2024	2025
	Base Funding in CBO's May 2023 Baseline		
Budget Authority			
Defense	858.3	884.0	906.8
Nondefense	767.2	815.7	835.0
Total	1,625.5	1,699.8	1,741.8
	Base Discretionary Funding Under the Caps		
Section 101			
(Full-year appropriations enacted by January 1 each year)			
Budget Authority			
Defense	n.a.	886.3	895.2
Nondefense	n.a.	703.7	710.7
Total	n.a.	1,590.0	1,605.9
Section 102[a]			
(Continuing resolution in place on January 1 each year)			
Budget Authority			
Defense	n.a.	849.8	849.8
Nondefense	n.a.	736.4	736.4
Total	n.a.	1,586.2	1,586.2
	Differences Between the Baseline and Proposed Caps		
Section 101			
Budget Authority			
Defense	n.a.	2.3	-11.6
Nondefense	n.a.	-112.0	-124.3
Total	n.a.	-109.8	-135.9
Section 102			
Budget Authority			
Defense	n.a.	-34.2	-57.0
Nondefense	n.a.	-79.3	-98.6
Total	n.a.	-113.6	-155.6

Source: Congressional Budget Office.

Components may not sum to totals because of rounding; n.a. = not applicable.

See Notes for additional details.

Table 2. CBO's Baseline Projections of Base Funding Compared With the Caps Specified in Sections 101 of H.R. 3746, the Fiscal Responsibilty Act of 2023, as Posted on the Website of the House Committee on Rules on May 28, 2023

https://rules.house.gov/bill/118/hr-fiscal-responsibility-act

Notes

The funding that would be affected by the statutory caps in section 101(a) and section 102 is referred to here as base funding. Appropriations designated for certain categories of nonbase spending would result in adjustments to the caps, and limits would apply to some of those adjustments. The caps would not apply to funding for certain programs under the 21st Century Cures Act or to certain funding from the Harbor Maintenance Trust Fund. In addition, under section 103 of the bill, the caps would not apply to certain previously enacted permanent and advance appropriations that were designated by the Congress as emergency requirements.

a. Section 102 would establish temporary caps that differ from the amounts specified in section 101(a) if certain conditions are met. Specifically, the caps for either fiscal year 2024 or fiscal year 2025 would change if, on January 1, a law is in effect that provides continuing appropriations for any discretionary budget account. When full-year appropriations are enacted, the caps specified in section 101(a) would again take effect, including any adjustments to those caps that were in effect in December. If full-year appropriations are not enacted by April 30, sequestration would be ordered at the levels specified in section 102.

May 30, 2023

Table 3. CBO's Projections of Discretionary Spending Under the Caps Specified in Section 101 of H.R. 3746,* the Fiscal Responsibility Act of 2023, as Posted on the Website of the House Committee on Rules on May 28, 2023

https://rules.house.gov/bill/118/hr-fiscal-responsibility-act

	By Fiscal Year, Billions of Dollars											
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2023-2033
	Projections of Discretionary Spending											
CBO's May 2023 Baseline												
Budget Authority	1,826.5	1,907.7	1,953.9	1,996.7	2,044.5	2,092.1	2,141.5	2,192.8	2,244.7	2,297.2	2,352.5	23,050.1
Outlays	1,711.7	1,845.2	1,939.4	1,994.7	2,054.8	2,112.4	2,153.2	2,209.2	2,260.2	2,312.5	2,373.1	22,966.4
Changes Under H.R. 3746												
Effect of Caps Specified in Section 101(a)[a]												
Projected Budget Authority	0	-112.3	-135.9	0	0	0	0	0	0	0	0	-248.2
Outlays	0	-64.1	-106.7	-45.2	-16.5	-8.6	-4.3	0	0	0	0	-245.4
Updated Projections From Lower Funding[b]												
Projected Budget Authority	0	0	0	-139.1	-142.4	-145.6	-149.2	-152.8	-156.5	-160.2	-164.2	-1,209.9
Outlays	0	0	0	-79.6	-117.2	-132.5	-140.9	-148.6	-152.2	-155.9	-159.7	-1,086.4
Total Changes												
Projected Budget Authority	0	-112.3	-135.9	-139.1	-142.4	-145.6	-149.2	-152.8	-156.5	-160.2	-164.2	-1,458.2
Outlays	0	-64.1	-106.7	-124.7	-133.7	-141.1	-145.1	-148.6	-152.2	-155.9	-159.7	-1,331.8
CBO's May 2023 Baseline After Incorporating Satutory Caps on Future Discretionary Funding												
Budget Authority	1,826.5	1,795.3	1,817.9	1,857.7	1,902.2	1,946.5	1,992.4	2,040.0	2,088.2	2,137.0	2,188.3	21,591.9
Outlays	1,711.7	1,781.1	1,832.7	1,870.0	1,921.2	1,971.3	2,008.1	2,060.6	2,107.9	2,156.7	2,213.4	21,634.6
Memorandum:												
Additional Effects of Caps Specified in Section 101(f)[c]												
(Limits on most discretionary funding for each year over the 2026-2029 period)												
Projected Budget Authority	0	0	0	-22.7	-46.2	-69.4	-94.1	-96.3	-98.6	-100.9	-103.3	-631.5
Outlays	0	0	0	-13.0	-32.2	-53.3	-76.2	-87.5	-93.2	-97.1	-100.2	-552.6

Source: Congressional Budget Office.

Components may not sum to totals because of rounding.

See Notes for additional details.

* On May 31, 2023, CBO reposted this table to correct a typographical error in this table's title.

Table 3. CBO's Projections of Discretionary Spending Under the Caps Specified in Section 101 of H.R. 3746,*
the Fiscal Responsibility Act of 2023, as Posted on the Website of the House Committee on Rules on May 28, 2023

https://rules.house.gov/bill/118/hr-fiscal-responsibility-act

Notes

a. Section 101(a) specifies caps on most discretionary budget authority for fiscal years 2024 and 2025. Appropriations designated for certain categories of spending would result in adjustments, and limits would apply to some of those adjustments. The caps would not apply to funding for certain programs under the 21st Century Cures Act or to certain funding from the Harbor Maintenance Trust Fund. In addition, under section 103 of the bill, the caps would not apply to certain previously enacted permanent and advance appropriations that were designated by the Congress as emergency requirements.

The total effect on funding in 2024 in this table differs from the amounts shown in Table 2. The cap on defense funding established under section 101(a) for fiscal year 2024 is greater than the amount of defense funding projected for that year in CBO's May 2023 baseline. As a result, the implementation of the cap would not affect CBO's projections of defense funding. Additionally, the amounts for nondefense funding shown in Table 2 are smaller than the effects shown here because Table 2 does not include effects on disaster funding. Although disaster funding would be affected by changes made in section 101(b), the effects of those changes are small and included in the amounts in this table.

b. Caps on discretionary funding in fiscal years 2024 and 2025 would affect CBO's projections of discretionary funding in 2026 and beyond because of the way that CBO is required to project such funding. In CBO's projections for discretionary spending, funding in a future year generally is based on the projection (or amount provided) for the prior year. Because the caps would reduce CBO's projections of funding for fiscal year 2025, the projections for the following year (and each year thereafter) also would be reduced.

c. Section 101(f) of title I sets limits on most discretionary funding for each year from 2026 through 2029. Those limits would be enforced using Congress's procedures for considering budgetary legislation.

Table 4. Estimated Direct Spending, Discretionary Spending, and Revenue Effects of H.R. 3746, the Fiscal Responsibility Act of 2023, as Posted on the Website of the House Committee on Rules on May 28, 2023

https://rules.house.gov/bill/118/hr-fiscal-responsibility-act

	By Fiscal Year, Billions of Dollars												
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2023-2028	2023-2033
	Increases or Decreases (-) in Direct Spending												
Funding for the Internal Revenue Service and Related Agencies													
Estimated Budget Authority	-1.4	0	0	0	0	0	0	0	0	0	0	-1.4	-1.4
Estimated Outlays	*	*	-0.1	-0.1	-0.2	-0.2	-0.2	-0.3	-0.3	0	0	-0.6	-1.4
Work Requirements													
Supplemental Nutrition Assistance Program													
Estimated Budget Authority	0	0.2	0.2	0.3	0.3	0.3	0.4	0.3	0.1	*	*	1.3	2.1
Estimated Outlays	0	0.2	0.2	0.3	0.3	0.3	0.4	0.3	0.1	*	*	1.3	2.1
Temporary Assistance for Needy Families													
Estimated Budget Authority	0	0	0	0	0	0	*	*	*	*	*	0	*
Estimated Outlays	0	0	0	0	0	0	*	*	*	*	*	0	*
Subtotal, Work Requirements													
Estimated Budget Authority	0	0.2	0.2	0.3	0.3	0.3	0.4	0.3	0.1	*	*	1.3	2.1
Estimated Outlays	0	0.2	0.2	0.3	0.3	0.3	0.4	0.3	0.1	*	*	1.3	2.1
Rescission of Unobligated Balances[a]													
Estimated Budget Authority	-27.1	0	0	0	0	0	0	0	0	0	0	-27.1	-27.1
Estimated Outlays	-4.4	-4.4	-1.7	-0.4	-0.1	*	*	*	*	*	*	-11.0	-11.0
Total Change in Direct Spending													
Estimated Budget Authority	-28.5	0.2	0.2	0.3	0.3	0.3	0.4	0.3	0.1	*	*	-27.2	-26.4
Estimated Outlays	-4.4	-4.2	-1.6	-0.2	*	0.1	0.2	*	-0.2	*	*	-10.3	-10.3
	Increases in Discretionary Spending												
Department of Commerce Nonrecurring Expenses Fund[b]													
Budget Authority	22.0	0	0	0	0	0	0	0	0	0	0	22.0	22.0
Estimated Outlays	0	*	*	*	*	*	0	0	0	0	0	0.1	0.1

Table 4. Estimated Direct Spending, Discretionary Spending, and Revenue Effects of H.R. 3746, the Fiscal Responsibility Act of 2023, as Posted on the Website of the House Committee on Rules on May 28, 2023

https://rules.house.gov/bill/118/hr-fiscal-responsibility-act

	By Fiscal Year, Billions of Dollars												
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2023-2028	2023-2033
	Decreases (-) in Revenues												
Funding for the Internal Revenue Service and Related Agencies	*	-0.1	-0.2	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.1	-0.1	-1.2	-2.3
	Net Increases or Decreases (-) in the Deficit From Changes in Spending and Revenues												
Effect on the Deficit	-4.4	-4.1	-1.4	0.1	0.3	0.4	0.5	0.3	0.1	0.1	0.1	-9.0	-7.9

Source: Congressional Budget Office.

Components may not sum to totals because of rounding; * = between -$50 million and $50 million.

Budgetary effects are relative to CBO's May 2023 baseline projections.

a. Includes funding designated as an emergency requirement, as well as funding not so designated.

b. In keeping with section 101(e) and at the direction of the House and Senate Committees on the Budget, subsection 101(e) is considered appropriation legislation, and the budget authority and outlays that stem from that section are classified as discretionary.