

FUNCTION 650: SOCIAL SECURITY SENATE BUDGET RESOLUTION FOR 2001

Under current law, spending for Function 650, Social Security, will total \$405.0 billion in BA and \$405.0 billion in outlays for 2000. This function includes Social Security benefits and administrative expenses.

CHAIRMAN'S MARK (\$ Billions)

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|-------------------|-------|-------|-------|-------|-------|-------|
| <u>On-Budget:</u> | | | | | | |
| Budget Authority | 11.5 | 9.7 | 11.6 | 12.3 | 13.0 | 13.8 |
| Outlays | 11.5 | 9.7 | 11.6 | 12.3 | 13.0 | 13.8 |
| <u>Off-Budget</u> | | | | | | |
| Budget Authority | 393.4 | 413.1 | 431.5 | 451.5 | 473.0 | 496.3 |
| Outlays | 393.5 | 413.1 | 431.5 | 451.5 | 473.0 | 496.3 |
| <u>Total</u> | | | | | | |
| Budget Authority | 405.0 | 422.8 | 443.1 | 463.8 | 486.0 | 510.2 |
| Outlays | 405.0 | 422.8 | 443.1 | 463.8 | 486.0 | 510.1 |

Discretionary

The Chairman's mark assumes discretionary spending would total \$3.5 billion in BA and \$3.4 billion in outlays for 2001. This represents an increase of \$0.3 billion in BA and \$0.2 billion in outlays from the 2000 level. This increase will go to the Social Security Administration to improve services for Social Security beneficiaries.

Mandatory PAYGO

The Chairman's mark assumes no mandatory increases or decreases in this

function from current policies.

The Chairman's mark does **not** include the President's proposal to transfer general funds to the Social Security trust funds. These transfers would total approximately \$34 trillion over the period 2011 to 2050.

These transfers would substantially increase the public debt, including debt subject to the statutory limit. At a later date, as the Social Security trust funds drew down reserves, these transfers would force future taxpayer to pay higher income taxes than they would under current law to fund the Social Security program.

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COMPARISON OF CHAIRMAN'S MARK WITH PRESIDENT'S BUDGET AND SBC BASELINE (\$ Billions)

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|---------------------------|-------|-------|-------|-------|-------|-------|
| <u>Chairman's Mark</u> | | | | | | |
| Budget Authority | 405.0 | 422.8 | 443.1 | 463.8 | 486.0 | 510.2 |
| Outlays | 405.0 | 422.8 | 443.1 | 463.8 | 486.0 | 510.1 |
| <u>President's Budget</u> | | | | | | |
| Budget Authority | 405.0 | 422.8 | 443.2 | 463.9 | 486.2 | 510.4 |
| Outlays | 405.0 | 422.8 | 443.1 | 463.9 | 486.1 | 510.3 |
| <u>SBC Baseline</u> | | | | | | |
| Budget Authority | 405.0 | 422.6 | 442.8 | 463.4 | 485.6 | 509.7 |
| Outlays | 405.0 | 422.6 | 442.8 | 463.4 | 485.6 | 509.7 |
| <u>Mark compared to:</u> | | | | | | |
| <u>President's Budget</u> | | | | | | |
| Budget Authority | -- | -- | -0.1 | -0.1 | -0.2 | -0.2 |
| Outlays | -- | -- | -0.1 | -0.1 | -0.2 | -0.2 |
| <u>SBC Baseline</u> | | | | | | |
| Budget Authority | -- | 0.3 | 0.3 | 0.4 | 0.4 | 0.4 |
| Outlays | -- | 0.2 | 0.3 | 0.3 | 0.4 | 0.4 |

