I

103D CONGRESS
1ST SESSION

H. R. 1885

To amend the Internal Revenue Code of 1986 to provide tax incentives for job creation and economic growth, to expand Individual Retirement Accounts to encourage savings and investment, to restrain Federal spending, to require a cost analysis of new regulations, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 28, 1993

Mr. DREIER (for himself and Mr. KING) introduced the following bill; which was referred jointly to the Committees on Ways and Means, the Budget, the Judiciary, and Government Operations

A BILL

To amend the Internal Revenue Code of 1986 to provide tax incentives for job creation and economic growth, to expand Individual Retirement Accounts to encourage savings and investment, to restrain Federal spending, to require a cost analysis of new regulations, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Private Sector Job Creation and Economic Growth Act''.

SEC. 2. TABLE OF CONTENTS.

SEC. 3. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

TITLE I—REDUCING THE COST OF CAPITAL BY REDUCING CAPITAL GAINS TAX RATES AND INDEXING THE BASIS OF CERTAIN ASSETS

SEC. 101. REDUCTION IN INDIVIDUAL CAPITAL GAINS RATE.

(a) GENERAL RULE.—Subsection (h) of section 1 (relating to maximum capital gains rate) is amended to read as follows:

''(h) MAXIMUM CAPITAL GAINS RATE.—If a taxpayer has a net capital gain for any taxable year, then the tax imposed by this section shall not exceed the sum of—

''(1) a tax computed at the rates and in the same manner as if this subsection had not been enacted on the taxable income reduced by the net capital gain, plus

''(2) a tax equal to the sum of—

''(A) 7.5 percent of so much of the net capital gain as does not exceed—

''(i) the maximum amount of taxable income to which the 15-percent rate applies under the table applicable to the taxpayer, reduced by ''(ii) the taxable income to which paragraph (1) applies, plus

''(iii) 15 percent of the net capital gain in excess of the net capital gain to which clause (i) applies.''.

(b) PHASEOUT OF PERSONAL EXEMPTIONS AND LIMITATION ON DEDUCTION OF ITEMIZED DEDUCTIONS NOT TO RESULT FROM NET CAPITAL GAIN.—

(1)(A) Subparagraph (A) and (B) of section 151(d)(3) (relating to phaseout of exemption amount) are each amended by inserting ''modified'' before ''adjusted gross income''.

(B) Paragraph (3) of section 151(d) of such Code is amended by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively, and by inserting after subparagraph (C) the following new subparagraph:

''(D) MODIFIED ADJUSTED GROSS INCOME.—For purposes of this paragraph, the term 'modified adjusted gross income' means adjusted gross income reduced by net capital gain.''.

(2) Subsection (a) of section 68 (relating to overall limitation on itemized deductions) is amended by inserting ''(reduced by net capital gain (deter-

mined in accordance with section 151(d)(3)(D)))'' after ''adjusted gross income''.

(c) TECHNICAL AMENDMENTS.—

(1) Paragraph (1) of section 170(e) is amended by inserting after ''such contribution)'' in the last sentence of subparagraph (B) the words '', minus the product of such gain multiplied by the ratio of 15 percent over the highest rate of taxation that the taxpayer is subject to without such contribution (with a minimum taxation rate for this calculation of 15 percent).''

(2)(A) The second sentence of section 7518(g)(6)(A) is amended by striking ''28 percent (34 percent in the case of a corporation)'' and inserting ''15 percent''.

(B) The second sentence of section 607(h)(6)(A) of the Merchant Marine Act, 1936, is amended by striking ''28 percent (34 percent in the case of a corporation)'' and inserting ''15 percent''.

SEC. 102. REDUCTION IN CORPORATE CAPITAL GAINS RATE.

(a) GENERAL RULE.—Section 1201 (relating to alternative tax for corporations) is amended by redesignating subsection (b) as subsection (c), and by striking subsection (a) and inserting the following:

‘‘(a) GENERAL RULE.—If for any taxable year a corporation has a net capital gain, then, in lieu of the tax imposed by sections 11, 511, or 831(a) (whichever applies), there is hereby imposed a tax (if such tax is less than the tax imposed by such section) which shall consist of the sum of—

‘‘(1) a tax computed on the taxable income reduced by the net capital gain, at the same rates and in the same manner as if this subsection had not been enacted, plus

‘‘(2) a tax of 15 percent of the net capital gain.

‘‘(b) TRANSITIONAL RULE.—In the case of a taxable year which includes December 31, 1993, the amount of the net capital gain for purposes of subsection (a) shall not exceed the net capital gain determined by only taking into account gains and losses properly taken into account for the portion of the taxable year on or after such date.’’.

(b) TECHNICAL AMENDMENTS.—

(1) Clause (iii) of section 852(b)(3)(D) is amended by striking ‘‘66 percent’’ and inserting ‘‘85 percent’’.

(2) Paragraphs (1) and (2) of section 1445(e) are each amended by striking ‘‘34 percent’’ and inserting ‘‘15 percent’’.

SEC. 103. REDUCTION OF MINIMUM TAX RATE ON CAPITAL GAINS.

Subparagraph (A) of section 55(b)(1) (relating to tentative minimum tax) is amended to read as follows:

''(A) the sum of—

''(i) 15 percent of the lesser of—

''(I) the net capital gain (determined with the adjustments provided in this part and (to the extent applicable) the limitations of sections 1(h)(2) and 1201(b)), or

''(II) so much of the alternative minimum taxable income for the taxable year as exceeds the exemption amount, plus

''(ii) 20 percent (24 percent in the case of a taxpayer other than a corporation) of the amount (if any) by which the excess referred to in clause (i)(II) exceeds the net capital gain (as so determined), reduced by''.

SEC. 104. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

(a) IN GENERAL.—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

"(a) GENERAL RULE.—

"(1) INDEXED BASIS SUBSTITUTED FOR ADJUSTED BASIS.—Except as provided in paragraph (2), if an indexed asset which has been held for more than 1 year is sold or otherwise disposed of, for purposes of this title the indexed basis of the asset shall be substituted for its adjusted basis.

"(2) EXCEPTION FOR DEPRECIATION, ETC.—The deduction for depreciation, depletion, and amortization shall be determined without regard to the application of paragraph (1) to the taxpayer or any other person.

"(b) INDEXED ASSET.—

"(1) IN GENERAL.—For purposes of this section, the term 'indexed asset' means—

"(A) stock in a corporation, and

"(B) tangible property (or any interest therein), which is a capital asset of property used in the trade or business (as defined in section 1231(b)).

"(2) CERTAIN PROPERTY EXCLUDED.—For purposes of this section, the term 'indexed asset' does not include—

"(A) CREDITOR'S INTEREST.—Any interest in property which is in the nature of a creditor's interest.

"(B) OPTIONS.—Any option or other right to acquire an interest in property.

"(C) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (h)(1)).

"(D) CERTAIN PREFERRED STOCK.—Stock which is fixed and preferred as to dividends and does not participate in corporate growth to any significant extent.

"(E) STOCK IN CERTAIN CORPORATIONS.—Stock in—

"(i) an S corporation (within the meaning of section 1361),

"(ii) a personal holding company (as defined in section 542), and

"(iii) a foreign corporation.

"(3) EXCEPTION FOR STOCK IN FOREIGN CORPORATION WHICH IS REGULARLY TRADED ON NATIONAL OR REGIONAL EXCHANGE.—Clause (iii) of paragraph (2)(E) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis other than—

“(A) stock of a foreign investment company (within the meaning of section 1246(b)), and

“(B) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

“(c) INDEXED BASIS.—For purposes of this section—

“(1) INDEXED BASIS.—The indexed basis for any asset is—

“(A) the adjusted basis of the asset, multiplied by

“(B) the applicable inflation ratio.

“(2) APPLICATION INFLATION RATIO.—The applicable inflation ratio for any asset is the percentage arrived at by dividing—

“(A) the gross national product deflator for the calendar quarter in which the disposition takes place, by

“(B) the gross national product deflator for the calendar quarter in which the asset was acquired by the taxpayer (or, if later, the calendar quarter ending December 31, 1993).

The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest one-tenth of 1 percent.

‘‘(3) GROSS NATIONAL PRODUCT DEFLATOR.—The gross national product deflator for any calendar quarter is the implicit price deflator for the gross national product for such quarter (as shown in the first revision thereof).

‘‘(4) SECRETARY TO PUBLISH TABLES.—The Secretary shall publish tables specifying the applicable inflation ratios for each calendar quarter.

‘‘(d) SPECIAL RULES.—For purposes of this section—

‘‘(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

‘‘(A) a substantial improvement to property,

‘‘(B) in the case of stock of a corporation, a substantial contribution to capital, and

‘‘(C) any other portion of an asset to the extent that separate treatment of such portion is appropriate to carry out the purposes of this section.

''(2) Assets which are not indexed assets throughout holding period.—

''(A) In general.—The applicable inflation ratio shall be appropriately reduced for calendar months at any time during which the asset was not an indexed asset.

''(B) Certain short sales.—For purposes of applying subparagraph (A), an asset shall be treated as not an indexed asset for any short sale period during which the taxpayer or the taxpayer's spouse sells short property substantially identical to the asset. For purposes of the preceding sentence, the short sale period begins on the day after the substantially identical property is sold and ends on the closing date for the sale.

''(3) Treatment of certain distributions.—A distribution with respect to stock in a corporation which is not a dividend shall be treated as a disposition.

''(4) Section cannot increase ordinary loss.—To the extent that (but for this paragraph) this section would create or increase a net ordinary loss to which section 1231(a)(2) applies or an ordinary loss to which any other provision of this title applies, such provision shall not apply. The taxpayer shall be treated as having a long-term capital loss in an amount equal to the amount of the ordinary loss to which the preceding sentence applies.

''(5) ACQUISITION DATE WHERE THERE HAS BEEN PRIOR APPLICATION OF SUBSECTION (A)(1) WITH RESPECT TO THE TAXPAYER.—If there has been a prior application of subsection (a)(1) to an asset while such asset was held by the taxpayer, the date of acquisition of such asset by the taxpayer shall be treated as not earlier than the date of the most recent such prior application.

''(6) COLLAPSIBLE CORPORATIONS.—The application of section 341(a) (relating to collapsible corporations) shall be determined without regard to this section.

''(e) CERTAIN CONDUIT ENTITIES.—

''(1) REGULATED INVESTMENT COMPANIES; REAL ESTATE INVESTMENT TRUSTS; COMMON TRUST FUNDS.—

''(A) IN GENERAL.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

"(B) RATIO OF 90 PERCENT OR MORE.—If the ratio for any calendar month determined under subparagraph (A) would (but for the subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

"(C) RATIO OF 10 PERCENT OR LESS.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

"(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.—Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

“(E) QUALIFIED INVESTMENT ENTITY.—For purposes of this paragraph, the term ‘qualified investment entity’ means—

“(i) a regulated investment company (within the meaning of section 851),

“(ii) a real estate investment trust (within the meaning of section 856), and

“(iii) a common trust fund (within the meaning of section 584).

“(2) PARTNERSHIPS.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners.

“(3) SUBCHAPTER S CORPORATIONS.—In the case of an electing small business corporation, the adjustment under subsection (a) at the corporate level shall be passed through to the shareholders.

“(f) DISPOSITIONS BETWEEN RELATED PERSONS.—

“(1) IN GENERAL.—This section shall not apply to any sale or other disposition of property between related persons except to the extent that the basis of such property in the hands of the transferee is a substituted basis.

"(2) RELATED PERSONS DEFINED.—For purposes of this section, the term 'related persons' means—

"(A) persons bearing a relationship set forth in section 267(b), and

"(B) persons treated as single employer under subsection (b) or (c) of section 414.

"(g) TRANSFERS TO INCREASE INDEXING ADJUSTMENT OR DEPRECIATION ALLOWANCE.—If any person transfers cash, debt, or any other property to another person and the principal purpose of such transfer is—

"(1) to secure or increase an adjustment under subsection (a), or

"(2) to increase (by reason of an adjustment under subsection (a)) a deduction for depreciation, depletion, or amortization, the Secretary may disallow part or all of such adjustment or increase.

"(h) DEFINITIONS.—For purposes of this section—

"(1) NET LEASE PROPERTY DEFINED.—The term 'net lease property' means leased real property where—

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

''(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property.

''(2) STOCK INCLUDES INTEREST IN COMMON TRUST FUND.—The term 'stock in a corporation' includes any interest in a common fund (as defined in section 584(a)).

''(i) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.''.

''(b) CLERICAL AMENDMENT.—This table of sections for part II of subchapter O of such chapter 1 is amended by inserting after the item relating to section 1021 the following new item:

''Sec. 1022. Indexing of certain assets for purposes of determining gain or loss.''.

''(c) ADJUSTMENT TO APPLY FOR PURPOSES OF DETERMINING EARNINGS AND PROFITS.—Subsection (f) of section 312 (relating to effect on earnings and profits of gain or loss and of receipt of tax-free distributions) is amended by adding at the end thereof the following new paragraph:

"(3) EFFECT ON EARNINGS AND PROFITS OF INDEXED BASIS.—For substitution of indexed basis for adjusted basis in the case of the disposition of certain assets after December 31, 1993, see section 1022(a)(1).".

SEC. 105. INDEXING OF LIMITATION ON CAPITAL LOSSES OF INDIVIDUALS.

Section 1211 (relating to limitation on capital losses) is amended by adding at the end thereof the following new subsection:

"(c) INDEXATION OF LIMITATION ON NONCORPORATE TAXPAYERS.—

"(1) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 1993, the $3,000 and $1,500 amounts under subsection (b)(1) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the applicable inflation adjustment for the calendar year in which the taxable year begins.

"(2) APPLICABLE INFLATION ADJUSTMENT.—For purposes of paragraph (1), the applicable inflation adjustment for any calendar year is the percentage (if any) by which—

"(A) the gross national product deflator for the last calendar quarter of the preceding calendar year, exceeds

"(B) the gross national product deflator for the last calendar quarter of 1992. For purposes of this paragraph, the term 'gross national product deflator' has the meaning given such term by section 1022(c)(3).".

SEC. 106. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this title shall apply to sales or exchanges occurring after December 31, 1993, in taxable years ending after such date.

(b) INDEXING OF LOSS LIMITATION.—The amendments made by section 205 shall apply to taxable years beginning after December 31, 1993.

TITLE II—ADJUSTING DEPRECIATION RATES TO REFLECT INFLATION

SEC. 201. DEPRECIATION ADJUSTMENT FOR CERTAIN PROPERTY PLACED IN SERVICE IN TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1993.

(a) IN GENERAL.—Section 168 (relating to accelerated cost recovery system) is amended by adding at the end thereof the following new subsection:

"(j) DEDUCTION ADJUSTMENT TO ALLOW EQUIVALENT OF EXPENSING FOR CERTAIN PROPERTY PLACED IN SERVICE IN TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1993.—

"(1) IN GENERAL.—In the case of tangible property (other than residential rental property and nonresidential real property) placed in service in a taxable year beginning after December 31, 1993, the deduction allowable under this section with respect to such property for any taxable year (after the taxable year during which the property is placed in service) shall be—

"(A) the amount so allowable for such taxable year without regard to this subsection, multiplied by

''(B) the applicable neutral cost recovery adjustment.

''(2) APPLICABLE NEUTRAL COST RECOVERY ADJUSTMENT.—For purposes of paragraph (1), the applicable neutral cost recovery adjustment for any calendar year is the number determined by—

''(A) dividing—'(i) the gross national product deflator for the calendar quarter of the preceding calendar year which corresponds to the calendar quarter during which the property was placed in service by the taxpayer', by '(ii) the gross national product deflator for the calendar quarter during which the property was placed in service by the taxpayer', and

''(B) then multiplying the number determined under subparagraph (A) by the number equal to 1.035 to the nth power where 'n' is the number of calendar years after the calendar year in which the property was placed in service by the taxpayer and before the 1st calendar year beginning with or within the taxable year for which the deduction under this subsection is being determined.

''(3) GROSS NATIONAL PRODUCT DEFLATOR.—For purposes of paragraph (2), the term 'gross national product deflator' has the meaning given such term by section 1022(c)(3).''.

(b) CORRESPONDING MODIFICATION TO DEPRECIATION SCHEDULES.—Paragraphs (1)(A) and (2) of section 168(b) (relating to applicable depreciation method) are each amended by striking ''200 percent'' and inserting ''125 percent''.

(c) AMENDMENTS TO ALTERNATIVE MINIMUM TAXABLE INCOME.—

(1) NO INCREASE DUE TO INDEXING.—Subsections (a)(1)(A)(i) and (g)(4)(A) of section 56 (relating to adjustments in computing alternative minimum taxable income) are each amended by inserting ''(as adjusted by section 168(j))'' after ''section 168(g)'' each place it appears.

(2) PHASE-OUT OF ALTERNATIVE MINIMUM TAX DEPRECIATION DEDUCTION.—Section 56 is amended by adding at the end thereof the following new subsection:

''(i) PHASE-IN OF FULL DEPRECIATION DEDUCTION.—

''(1) IN GENERAL.—The depreciation deduction with respect to any property determined under subsections (a)(1) and (g)(4) for each taxable year shall be increased by the applicable percentage of the depreciation differential for such taxable year.

"(2) APPLICABLE PERCENTAGE.—The applicable percentage for any taxable year shall be determined in accordance with the following table:

"In the case of a taxable year which begins: After January 1 of	And on or before January 1 of	The applicable percentage is:
1994	1995	20
1995	1996	30
1996	1997	40
1997	1998	50
1998	1999	60
1999	2000	70
2000	2001	80
2001	2002	90
2002		100.

"(3) DEPRECIATION DEDUCTION DIFFERENTIAL.—With respect to any property, the depreciation deduction differential for any taxable year is equal to the excess of—

"(A) the depreciation deduction applicable for purposes of computing the regular tax for such taxable year, over

"(B) the depreciation deduction determined under subsections (a)(1) and (g)(4) for such taxable year.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1993.

SEC. 202. PHASE-IN OF EXPENSING FOR PROPERTY PLACED IN SERVICE IN TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1999.

(a) IN GENERAL.—Section 168 (relating to accelerated cost recovery system) is amended by adding at the end thereof the following new subsection:

"(k) PHASE-IN OF EXPENSING.—

"(1) IN GENERAL.—In the case of tangible property placed in service in a taxable year beginning after December 31, 1999—

"(A) the phase-in deductions with respect to such property shall be allowable under this section for the taxable year in which such property is placed in service, and

"(B) the applicable recovery period with respect to such property shall be reduced by the phase-in number of years.

"(2) PHASE-IN DEDUCTIONS AND YEARS.—For purposes of this subsection—

"(A) IN GENERAL.—The phase-in deductions with respect to any property are the aggregate deductions allowable under this section (determined without regard to this subsection and subsection (j)) for the first phase-in number of years in the applicable recovery period.

''(B) PHASE-IN NUMBER OF YEARS.—The phase-in number of years with respect to any property is the number of calendar years after 1999 and before the calendar year in which the property is placed in service.

''(3) ELECTION.—This subsection shall not apply to any property if the taxpayer elects not to apply this subsection to such property. Such an election, once made, shall be irrevocable.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1996.

TITLE III—EXPANSION OF INDIVIDUAL RETIREMENT ACCOUNTS

SEC. 301. RESTORATION OF IRA DEDUCTION.

(a) IN GENERAL.—Section 219 (relating to deduction for retirement savings) is amended by striking subsection (g).

(b) RESTORATION OF DEDUCTION FOR QUALIFIED VOLUNTARY EMPLOYEE CONTRIBUTIONS.—Subsection (e) of section 219 is amended to read as follows:

"(e) QUALIFIED RETIREMENT CONTRIBUTION; QUALIFIED VOLUNTARY EMPLOYEE CONTRIBUTION.—For purposes of this section:

"(1) QUALIFIED RETIREMENT CONTRIBUTION.—The term 'qualified retirement contribution' means—

"(A) any qualified voluntary employee contribution paid in cash by the individual for the taxable year,

"(B) any amount paid in cash for the taxable year by or on behalf of such individual to an individual retirement plan for such individual's benefit, and

"(C) any amount contributed on behalf of any individual to a plan described in section 501(c)(18).

"(2) QUALIFIED VOLUNTARY EMPLOYEE CONTRIBUTION.—

"(A) IN GENERAL.—The term 'qualified voluntary employee contribution' means any voluntary contribution—

"(i) which is made by an individual as an employee under a qualified employer plan or government plan, which plan allows an employee to make contributions which may be treated as qualified voluntary employee contributions under this section, and

"(ii) with respect to which the individual has not designated such contribution as a contribution which should not be taken into account under this section.

"(B) VOLUNTARY CONTRIBUTION.—For purposes of subparagraph (A), the term 'voluntary contribution' means any contribution which is not a mandatory contribution (within the meaning of section 411(c)(2)(C)).

"(C) DESIGNATION.—For purposes of determining whether or not an individual has made a designation described in subparagraph (A)(ii) with respect to any contribution during any calendar year under a qualified employer plan or government plan, such individual shall be treated as having made such designation if he notifies the plan administrator of such plan, not later than the earlier of—

"(i) April 15 of the succeeding calendar year, or

"(ii) the time prescribed by the plan administrator, that the individual does not want such contribution taken into account under this section. Any designation or notification referred to in the preceding sentence shall be made in such manner as the Secretary shall be regulations prescribe and, after the last date on which such designation or notification may be made, shall be irrevocable for such taxable year.

''(D) QUALIFIED EMPLOYER PLAN.—The term 'qualified employer plan' has the meaning given such term by section 72(p)(3)(A)(i).

''(E) GOVERNMENT PLAN.—The term 'government plan' has the meaning given such term by section 72(p)(3)(B).

''(3) PAYMENTS FOR CERTAIN PLANS.—The term 'amounts paid to an individual retirement plan' includes amounts paid for an individual retirement annuity.''

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Subsection (b) of section 219 is amended by adding at the end thereof the following new paragraph:

''(4) SPECIAL RULE FOR INDIVIDUAL RETIREMENT PLANS.—If the individual has paid any qualified voluntary employee contributions for the taxable year, the amount of qualified retirement contributions which are paid for the taxable year to an individual retirement plan and which are allowable as a deduction under subsection (a) for such taxable year shall not exceed—

''(A) the amount determined under paragraph (1) for such taxable year, reduced by

''(B) the amount of the qualified voluntary employee contributions for the taxable year''

''(2) Paragraph (3) of section 219(f) is amended to read as follows:

''(3) TIME WHEN CONTRIBUTIONS DEEMED MADE.—For purposes of this section—

''(A) INDIVIDUAL RETIREMENT PLANS.—A taxpayer shall be deemed to have had a contribution to an individual retirement plan on the last day of the preceding taxable year if the contribution is made on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (not including extensions thereof).

''(B) QUALIFIED EMPLOYER OR GOVERNMENT PLANS.—If a qualified employer or government plan elects to have the provisions of this subparagraph apply, a taxpayer shall be deemed to have made a voluntary contribution to such plan on the last day of the preceding calendar year (if, without regard to this paragraph, such contribution may be made on such date) if the contribution is made on account of the taxable year which includes such last day and by April 15 of the calendar year or such earlier time as is provided by the plan administrator.''

(3) Subsection (f) of section 219 is amended by striking paragraph (7).

(4) Subparagraph (A) of section 72(o)(5) is amended to read as follows:

''(A) DEDUCTIBLE EMPLOYEE CONTRIBUTIONS.—The term 'deductible employee contributions' means any qualified voluntary employee contribution (as defined in section 219(e)(2))—

''(i) which is made—

''(I) after December 31, 1981, in a taxable year beginning after such date and for a taxable year beginning before January 1, 1987, or

“(II) after December 31, 1993, in a taxable year beginning after such date, and

“(ii) which is allowable as a deduction under section 219(a) for such taxable year.”

(5) Section 408 is amended by striking subsection (o) and by redesignating subsection (p) as subsection (o).

(6) Subsection (b) of section 4973 is amended by striking the last sentence.

(7) Paragraph (5) of section 408(d) is amended by striking the last sentence.

(8)(A) Section 6693 is amended by striking subsection (b) and by redesignating subsection (c) as subsection (b).

(B) The heading of section 6693 is amended by striking “; overstatement of designated nondeductible contributions”.

(C) The table of sections for part I of subchapter B of chapter 68 is amended by striking “; overstatement of designated nondeductible contributions” in the item relating to section 6693.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1993.

SEC. 302. INCREASE IN MAXIMUM IRA DEDUCTION; INFLATION ADJUSTMENT OF MAXIMUM IRA DEDUCTION.

(a) INCREASE IN MAXIMUM IRA DEDUCTION.—

(1) IN GENERAL.—The following provisions of the Internal Revenue Code of 1986 are each amended by striking ‘‘$2,000’’ and inserting ‘‘$4,000’’:

(A) Subsections (b)(1)(A) and (c)(2) of section 219.

(B) Subsections (a)(1), (b), and (j) of section 408.

(2) CONFORMING AMENDMENT.—Sections 219(c)(2) and 408(d)(5) are each amended by striking ‘‘$2,250’’ and inserting ‘‘$4,250’’.

(b) INFLATION ADJUSTMENT OF MAXIMUM IRA DEDUCTION.—Section 219 of such Code, as amended by section 401, is amended by inserting after subsection (f) the following new subsection:

‘‘(g) INFLATION ADJUSTMENT OF MAXIMUM IRA DEDUCTION.—

‘‘(1) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 1994, each applicable dollar amount shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 1994' for 'calendar year 1989' in subparagraph (B) thereof.

''(2) APPLICABLE DOLLAR AMOUNT.—For purposes of paragraph (1), the term 'applicable dollar amount' means—

''(A) the $4,000 amount in subsections (b)(1)(A) and (c)(2) of this section and in subsections (a)(1), (b), and (j) of section 408, and

''(B) the $4,250 amount in subsection (c)(2) of this section and in section 408(d)(5).

''(3) ROUNDING.—If any amount as adjusted under paragraph (1) is not a multiple of $50, such amount shall be rounded to the nearest multiple of $50 (or, if such amount is a multiple of $25 and not of $50, such amount shall be rounded to the next highest multiple of $50).

''(4) ADJUSTED MAXIMUM IRA DEDUCTION.—The adjusted maximum IRA deduction for each year shall be the applicable dollar amount as increased and rounded by this subsection.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1993.

SEC. 303. HUMAN CAPITAL INVESTMENT ACCOUNTS.

(a) DISTRIBUTIONS FROM IRA'S MAY BE USED WITHOUT PENALTY TO PURCHASE FIRST HOMES OR TO PAY HIGHER EDUCATION OR FINANCIALLY DEVASTATING MEDICAL EXPENSES.—Paragraph (2) of section 72(t) (relating to exceptions to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end thereof the following new subparagraph:

''(D) Distributions from individual retirement plans for first home purchases or educational expenses.—

''(i) IN GENERAL.—Distributions to an individual from an individual retirement plan—

''(I) which are qualified first-time homebuyer distributions (as defined in paragraph (6)), or

''(II) to the extent such distributions do not exceed the qualified higher education expenses (as defined in paragraph (7)) of the taxpayer for the taxable year.

"(ii) LIMITATION.—Notwithstanding clause (i) and paragraph (3)(A), the tax imposed by paragraph (1) shall apply to distributions described in clause (i) or paragraph (3)(A) from an individual retirement plan to the extent that the aggregate of such distributions exceed the sum of—

"(I) the aggregate contributions to such plans for taxable years beginning after December 31, 1993, taking into account only contributions for a taxable year to the extent such contributions exceed the adjusted maximum IRA deduction (as defined by section 219(g)) for that year, plus

"(II) the earnings on contributions taken into account under subclause (I).".

(b) FINANCIALLY DEVASTATING MEDICAL EXPENSES.—Section 72(t)(3)(A) is amended by striking ", (B),".

(c) DEFINITIONS.—Section 72(t) is amended by adding at the end thereof the following new paragraphs:

"(6) QUALIFIED FIRST-TIME HOMEBUYER DISTRIBUTIONS.—For purposes of paragraph (2)(D)(i)—

"(A) IN GENERAL.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by an individual to the extent such payment or distribution is used by the individual before the close of the sixtieth day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence of a first-time homebuyer who is such individual or the child or grandchild of such individual.

"(B) QUALIFIED ACQUISITION COSTS.—For purposes of this paragraph, the term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financing, or other closing costs.

"(C) FIRST-TIME HOMEBUYER; OTHER DEFINITIONS.—For purposes of this paragraph—

"(i) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 2-year period ending on the date of acquisition of the principal residence to which this paragraph applies.

"(ii) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(iii) Date of acquisition.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is commenced.

"(D) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If—

''(i) any amount is paid or distributed from an individual retirement plan to an individual for purposes of being used as provided in subparagraph (A), and

''(ii) by reason of a delay in the acquisition of the residence, the requirements of subparagraph (A) cannot be met,

the amount so paid or distributed may be paid into an individual retirement plan as provided in section 408(d)(3)(A)(i) without regard to section 408(d)(3)(B), and, if so paid into such other plan, such amount shall not be taken into account in determining whether section 408(d)(3)(A)(i) applies to any other amount.

''(7) QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of paragraph (2)(D)(i)—

''(A) IN GENERAL.—The term 'qualified higher education expenses' means tuition, fees, books, supplies, and equipment required for the enrollment or attendance of—

''(i) the taxpayer,

''(ii) the taxpayer's spouse, or

''(iii) the taxpayer's child (as defined in section 151(c)(3)) or grandchild, at an eligible educational institution (as defined in section 135(c)(3)).

''(B) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135.''

(d) CONFORMING AMENDMENTS.—

(1) Section 401(k)(2)(B)(i) is amended by striking ''or'' at the end of subclause (III), by striking ''and'' at the end of subclause (IV) and inserting ''or'', and by inserting after subclause (IV) the following new subclause:

''(V) the date on which qualified first-time homebuyer distributions (as defined in section 72(t)(6)) or distributions for qualified higher education expenses (as defined in section 72(t)(7)) are made, and''.

(2) Section 403(b)(11) is amended by striking ''or'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', or'', and by inserting after subparagraph (B) the following new subparagraph:

"(C) for qualified first-time homebuyer distributions (as defined in section 72(t)(6)) or for the payment of qualified higher education expenses (as defined in section 72(t)(7))."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to payments and distributions after the date of the enactment of this Act.

TITLE IV—2 PERCENT CAP ON INCREASES IN ALL FEDERAL SPENDING THROUGH 1998

SEC. 401. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1994.

The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1994, including the appropriate budgetary levels for fiscal years 1995, 1996, 1997, and 1998, as required by section 301 of the Congressional Budget Act of 1974 (as amended by the Budget Enforcement Act of 1990).

SEC. 402. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1993, October 1, 1994, October 1, 1995, October 1, 1996, and October 1, 1997:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1994: $1,214,400,000,000.

Fiscal year 1995: $1,289,800,000,000.

Fiscal year 1996: $1,355,300,000,000.

Fiscal year 1997: $1,412,700,000,000.

Fiscal year 1998: $1,480,500,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1994: $0.

Fiscal year 1995: $0.

Fiscal year 1996: $0.

Fiscal year 1997: $0.

Fiscal year 1998: $0.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1994: $87,500,000,000.

Fiscal year 1995: $92,700,000,000.

Fiscal year 1996: $97,800,000,000.

Fiscal year 1997: $102,300,000,000.

Fiscal year 1998: $106,800,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1994: $1,489,000,000,000.

Fiscal year 1995: $1,521,400,000,000.

Fiscal year 1996: $1,550,800,000,000.

Fiscal year 1997: $1,581,000,000,000.

Fiscal year 1998: $1,614,600,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1994: $1,464,100,000,000.

Fiscal year 1995: $1,498,100,000,000.

Fiscal year 1996: $1,511,600,000,000.

Fiscal year 1997: $1,532,900,000,000.

Fiscal year 1998: $1,571,700,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1994: $249,700,000,000.

Fiscal year 1995: $208,300,000,000.

Fiscal year 1996: $156,200,000,000.

Fiscal year 1997: $120,300,000,000.

Fiscal year 1998: $91,300,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1994: $4,711,000,000,000.

Fiscal year 1995: $5,026,000,000,000.

Fiscal year 1996: $5,295,000,000,000.

Fiscal year 1997: $5,528,000,000,000.

Fiscal year 1998: $5,729,000,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on Octo-

ber 1, 1993, October 1, 1994, October 1, 1995, October 1, 1996, and October 1, 1997, are as follows:

Fiscal year 1994:

(A) New direct loan obligations, $19,920,000,000.

(B) New primary loan guarantee commitments, $218,700,000,000.

Fiscal year 1995:

(A) New direct loan obligations, $10,800,000,000.

(B) New primary loan guarantee commitments, $49,200,000,000.

Fiscal year 1996:

(A) New direct loan obligations, $11,200,000,000.

(B) New primary loan guarantee commitments, $50,900,000,000.

Fiscal year 1997:

(A) New direct loan obligations, $10,900,000,000.

(B) New primary loan guarantee commitments, $52,900,000,000.

Fiscal year 1998:

(A) New direct loan obligations, $10,900,000,000.

(B) New primary loan guarantee commitments, $53,800,000,000.

SEC. 403. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1994 through 1998 for each major functional category are:

(1) National Defense (050):

Fiscal year 1994:

(A) New budget authority, $282,500,000,000.

(B) Outlays, $279,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $284,700,000,000.

(B) Outlays, $280,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $286,600,000,000.

(B) Outlays, $284,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $291,000,000,000.

(B) Outlays, $288,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $296,700,000,000.

(B) Outlays, $291,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1994:

(A) New budget authority, $19,900,000,000.

(B) Outlays, $19,000,000,000.

(C) New direct loan obligations, $2,800,000,000.

(D) New primary loan guarantee commitments, $16,900,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $20,100,000,000.

(B) Outlays, $18,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $20,200,000,000.

(B) Outlays, $18,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $20,500,000,000.

(B) Outlays, $19,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $20,900,000,000.

(B) Outlays, $19,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):

Fiscal year 1994:

(A) New budget authority, $17,600,000,000.

(B) Outlays, $17,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $17,900,000,000.

(B) Outlays, $17,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $18,300,000,000.

(B) Outlays, $18,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $18,700,000,000.

(B) Outlays, $18,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $19,000,000,000.

(B) Outlays, $18,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(4) Energy (270):

Fiscal year 1994:

(A) New budget authority, $5,200,000,000.

(B) Outlays, $4,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $5,300,000,000.

(B) Outlays, $3,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $5,400,000,000.

(B) Outlays, $4,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $5,500,000,000.

(B) Outlays, $4,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $5,500,000,000.

(B) Outlays, $4,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

Fiscal year 1994:

(A) New budget authority, $21,800,000,000.

(B) Outlays, $21,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $22,200,000,000.

(B) Outlays, $21,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $22,700,000,000.

(B) Outlays, $22,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $23,100,000,000.

(B) Outlays, $22,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $23,600,000,000.

(B) Outlays, $22,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):

Fiscal year 1994:

(A) New budget authority, $15,600,000,000.

(B) Outlays, $14,700,000,000.

(C) New direct loan obligations, $9,400,000,000.

(D) New primary loan guarantee commitments, $6,600,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $14,300,000,000.

(B) Outlays, $12,900,000,000.

(C) New direct loan obligations, $7,500,000,000.

(D) New primary loan guarantee commitments, $5,000,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $13,900,000,000.

(B) Outlays, $11,900,000,000.

(C) New direct loan obligations, $7,800,000,000.

(D) New primary loan guarantee commitments, $5,000,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $14,200,000,000.

(B) Outlays, $12,300,000,000.

(C) New direct loan obligations, $7,400,000,000.

(D) New primary loan guarantee commitments, $5,000,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $14,400,000,000.

(B) Outlays, $12,800,000,000.

(C) New direct loan obligations, $7,400,000,000.

(D) New primary loan guarantee commitments, $5,000,000,000.

(E) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):

Fiscal year 1994:

(A) New budget authority, $20,800,000,000.

(B) Outlays, $11,000,000,000.

(C) New direct loan obligations, $2,300,000,000.

(D) New primary loan guarantee commitments, $145,800,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $17,700,000,000.

(B) Outlays, $13,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $14,000,000,000.

(B) Outlays, $1,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $10,400,000,000.

(B) Outlays, −$11,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $10,600,000,000.

(B) Outlays, −$6,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(8) Transportation (400):

Fiscal year 1994:

(A) New budget authority, $40,800,000,000.

(B) Outlays, $36,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $41,100,000,000.

(B) Outlays, $37,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $42,000,000,000.

(B) Outlays, $38,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $42,800,000,000.

(B) Outlays, $38,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $43,700,000,000.

(B) Outlays, $39,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(9) Community and Regional Development (450):

Fiscal year 1994:

(A) New budget authority, $8,700,000,000.

(B) Outlays, $8,700,000,000.

(C) New direct loan obligations, $1,900,000,000.

(D) New primary loan guarantee commitments, $2,300,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $8,700,000,000.

(B) Outlays, $8,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $8,900,000,000.

(B) Outlays, $8,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $9,000,000,000.

(B) Outlays, $8,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $9,200,000,000.

(B) Outlays, $8,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1994:

(A) New budget authority, $52,500,000,000.

(B) Outlays, $50,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $21,700,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $52,900,000,000.

(B) Outlays, $51,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $22,200,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $53,600,000,000.

(B) Outlays, $47,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $22,600,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $54,600,000,000.

(B) Outlays, $52,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $23,100,000,000.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $55,700,000,000.

(B) Outlays, $54,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $23,500,000,000.

(E) New secondary loan guarantee commitments, $0.

(11) Health (550):

Fiscal year 1994:

(A) New budget authority, $107,900,000,000.

(B) Outlays, $107,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $110,100,000,000.

(B) Outlays, $109,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $112,300,000,000.

(B) Outlays, $111,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $114,500,000,000.

(B) Outlays, $113,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $116,800,000.

(B) Outlays, $116,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(12) Medicare (570):

Fiscal year 1994:

(A) New budget authority, $138,100,000,000.

(B) Outlays, $136,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $140,900,000,000.

(B) Outlays, $136,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $143,700,000,000.

(B) Outlays, $142,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $146,600,000,000.

(B) Outlays, $145,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $149,500,000,000.

(B) Outlays, $148,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(13) Income Security (600):

Fiscal year 1994:

(A) New budget authority, $210,000,000,000.

(B) Outlays, $210,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $214,200,000,000.

(B) Outlays, $215,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $218,400,000,000.

(B) Outlays, $213,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $222,800,000,000.

(B) Outlays, $215,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $227,300,000,000.

(B) Outlays, $222,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(14) Social Security (650):

Fiscal year 1994:

(A) New budget authority, $312,400,000,000.

(B) Outlays, $311,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $318,700,000,000.

(B) Outlays, $317,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $325,100,000,000.

(B) Outlays, $323,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $331,600,000,000.

(B) Outlays, $330,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $338,200,000,000.

(B) Outlays, $336,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(15) Veterans Benefits and Services (700):

Fiscal year 1994:

(A) New budget authority, $35,000,000,000.

(B) Outlays, $36,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $35,700,000,000.

(B) Outlays, $35,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $36,400,000,000.

(B) Outlays, $34,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $37,200,000,000.

(B) Outlays, $37,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $37,900,000,000.

(B) Outlays, $37,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(16) Administration of Justice (750):

Fiscal year 1994:

(A) New budget authority, $15,200,000,000.

(B) Outlays, $15,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $15,500,000,000.

(B) Outlays, $15,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $15,900,000,000.

(B) Outlays, $15,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $16,200,000,000.

(B) Outlays, $16,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $16,500,000,000.

(B) Outlays, $16,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(17) General Government (800):

Fiscal year 1994:

(A) New budget authority, $13,600,000,000.

(B) Outlays, $13,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $13,900,000,000.

(B) Outlays, $14,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $14,200,000,000.

(B) Outlays, $14,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $14,500,000,000.

(B) Outlays, $14,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $14,800,000,000.

(B) Outlays, $14,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(18) Net Interest (900):

Fiscal year 1994:

(A) New budget authority, $209,600,000,000.

(B) Outlays, $209,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $226,600,000,000.

(B) Outlays, $226,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $239,900,000,000.

(B) Outlays, $239,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $249,800,000,000.

(B) Outlays, $249,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $257,800,000,000.

(B) Outlays, $257,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(19) Allowances (920):

Fiscal year 1994:

(A) New budget authority, $0.

(B) Outlays, $0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $0.

(B) Outlays, $0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $0.

(B) Outlays, $0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $0.

(B) Outlays, $0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $0.

(B) Outlays, $0.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

(20) Undistributed Offsetting Receipts (950):

Fiscal year 1994:

(A) New budget authority, −$38,500,000,000.

(B) Outlays, −$38,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, −$39,300,000,000.

(B) Outlays, −$39,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, −$40,400,000,000.

(B) Outlays, −$40,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, −$41,900,000,000.

(B) Outlays, −$41,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, −$43,500,000,000.

(B) Outlays, −$43,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.

SEC. 404. RECONCILIATION.

(a) IN GENERAL.—Not later than May 14, 1993, the House committees named in subsections (b) through (r) of this section shall submit their recommendations to the Committee on the Budget of the House. After receiving those recommendations, the Committee on the Budget shall report to the House a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

(b) The House Committee on Agriculture shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce outlays, or (3) any combination thereof, as follows: $0 in outlays in fiscal year 1994, $0 in outlays in fiscal year 1995, $0 in outlays in fiscal year 1996, $0 in outlays in fiscal year 1997, and $0 in outlays in fiscal year 1998.

(b) The House Committee on Armed Services shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section

401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce outlays, or (3) any combination thereof, as follows: $823,000,000 in outlays in fiscal year 1994, $1,205,000,000 in outlays in fiscal year 1995, $1,656,000,000 in outlays in fiscal year 1996, $2,172,000,000 in outlays in fiscal year 1997, and $2,651,000,000 in outlays in fiscal year 1998.

(c) The House Committee on Banking, Finance and Urban Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce outlays, or (3) any combination thereof, as follows: $35,000,000 in outlays in fiscal year 1994, $86,000,000 in outlays in fiscal year 1995, $151,000,000 in outlays in fiscal year 1996, $173,000,000 in outlays in fiscal year 1997, and $124,000,000 in outlays in fiscal year 1998.

(d) The House Committee on the District of Columbia shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce outlays, or (3) any combination thereof, as follows: $1,000,000 in outlays in fiscal year 1994, $2,000,000 in outlays in fiscal year 1995, $4,000,000 in outlays in fiscal year 1996, $6,000,000 in outlays in fiscal year 1997, and $7,000,000 in outlays in fiscal year 1998.

(e) The House Committee on Education and Labor shall report changes in laws within its jurisdiction sufficient to reduce the deficit as follows: $0 in fiscal year 1994, $0 in fiscal year 1995, $0 in fiscal year 1996, $3,860,000,000 in fiscal year 1997, and $4,301,000,000 in fiscal year 1998.

(f) The House Committee on Energy and Commerce shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce outlays, or (3) any combination thereof, as follows: $335,000,000 in outlays in fiscal year 1994,

$449,000,000 in outlays in fiscal year 1995, $582,000,000 in outlays in fiscal year 1996, $582,000,000 in outlays in fiscal year 1997, and $584,000,000 in outlays in fiscal year 1998.

(g) The House Committee on Foreign Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce outlays, or (3) any combination thereof, as follows: $6,000,000 in outlays in fiscal year 1994, $0 in outlays in fiscal year 1995, $0 in outlays in fiscal year 1996, $0 in outlays in fiscal year 1997, and $0 in outlays in fiscal year 1998.

(h) The House Committee on Government Operations shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce outlays, or (3) any combination thereof, as follows: $3,000,000 in outlays in fiscal year 1994,

$90,000,000 in outlays in fiscal year 1995, $96,000,000 in outlays in fiscal year 1996, $96,000,000 in outlays in fiscal year 1997, and $97,000,000 in outlays in fiscal year 1998.

(i) The House Committee on House Administration shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce outlays, or (3) any combination thereof, as follows: $0 in outlays in fiscal year 1994, $24,000,000 in outlays in fiscal year 1995, $93,000,000 in outlays in fiscal year 1996, $3,000,000 in outlays in fiscal year 1997, and $0 in outlays in fiscal year 1998.

(j) The House Committee on Judiciary shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce outlays, or (3) any combination thereof, as follows: $250,000,000 in outlays in fiscal year 1994, $0 in outlays in fiscal year

1995, $0 in outlays in fiscal year 1996, $28,000,000 in outlays in fiscal year 1997, and $30,000,000 in outlays in fiscal year 1998.

(k) The House Committee on Merchant Marine and Fisheries shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce outlays, or (3) any combination thereof, as follows: $21,000,000 in outlays in fiscal year 1994, $0 in outlays in fiscal year 1995, $25,000,000 in outlays in fiscal year 1996, $21,000,000 in outlays in fiscal year 1997, and $0 in outlays in fiscal year 1998.

(l) The House Committee on Natural Resources shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce outlays, or (3) any combination thereof, as follows: $0 in outlays in fiscal year 1994, $199,000,000 in outlays in fiscal year 1995, $355,000,000 in outlays in fiscal year 1996, $404,000,000 in outlays in fiscal year 1997, and $238,000,000 in outlays in fiscal year 1998.

(m) The House Committee on Post Office and Civil Service shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce outlays, or (3) any combination thereof, as follows: $1,349,000,000 in outlays in fiscal year 1994, $0 in outlays in fiscal year 1995, $2,643,000,000 in outlays in fiscal year 1996, $5,910,000,000 in outlays in fiscal year 1997, and $8,742,000,000 in outlays in fiscal year 1998.

(n) The House Committee on Public Works and Transportation shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce outlays, or (3) any combination thereof, as follows: $0 in outlays in fiscal year 1994, $166,000,000 in outlays in fiscal year 1995, $84,000,000 in outlays in fiscal year 1996, $0 in outlays in fiscal year 1997, and $0 in outlays in fiscal year 1998.

(o) The House Committee on Science, Space, and Technology shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce outlays, or (3) any combination thereof, as follows: $0 in outlays in fiscal year 1994, $0 in outlays in fiscal year 1995, $0 in outlays in fiscal year 1996, $0 in outlays in fiscal year 1997, and $0 in outlays in fiscal year 1998.

(p) The House Committee on Small Business shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce outlays, or (3) any combination thereof, as follows: $75,000,000 in outlays in fiscal year 1994, $119,000,000 in outlays in fiscal year 1995, $135,000,000 in outlays in fiscal year 1996,

$166,000,000 in outlays in fiscal year 1997, and $204,000,000 in outlays in fiscal year 1998.

(q) The House Committee on Veterans' Affairs shall report (1) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays, (2) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce outlays, or (3) any combination thereof, as follows: $52,000,000 in outlays in fiscal year 1994, $0 in outlays in fiscal year 1995, $0 in outlays in fiscal year 1996, $0 in outlays in fiscal year 1997, and $0 in outlays in fiscal year 1998.

(r)(1) The House Committee on Ways and Means shall report (A) changes in laws within its jurisdiction which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays, (B) changes in laws within its jurisdiction which provide spending authority other than as defined in section 401(c)(2)(C) of the Act, sufficient to reduce outlays, or (C) any combination thereof, as follows: $14,134,000,000 in outlays in fiscal year 1994, $44,702,000,000 in outlays in fiscal year 1995, $73,013,000,000 in outlays in fiscal year 1996,

$103,437,000,000 in outlays in fiscal year 1997, and $136,144,000,000 in outlays in fiscal year 1998.

(2) The House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to increase revenues as follows: $0 in fiscal year 1994, $0 in fiscal year 1995, $0 in fiscal year 1996, $0 in fiscal year 1997, and $0 in fiscal year 1998.

(3) In addition to the instructions in paragraphs (1) and (2), the House Committee on Ways and Means shall report changes in laws within its jurisdiction sufficient to reduce the deficit as follows: $0 in fiscal year 1994, $0 in fiscal year 1995, $0 in fiscal year 1996, $0 in fiscal year 1997, and $0 in fiscal year 1998.

TITLE V—REDUCTION IN UNNECESSARY AND BURDENSOME REGULATIONS

SEC. 501. FINDINGS.

The Congress makes the following findings:

(1) The level of Federal regulation of the private sector has dramatically increased in recent years and there are over 50 Federal regulatory agencies and nearly 5,000 new regulations are currently being promulgated;

(2) The Federal Government spends approximately $11 billion per year on the regulatory program and employs over 122,000 regulators;

(3) The estimated cost of Federal regulation to the private sector is $400,000,000,000 per year, or over $4,000 per household;

(4) Increasing Federal regulations require private enterprises to expend a growing level of resources to meet regulatory mandates, rather than investing in new capital of expanding operations, therefore inhibiting the creation of new jobs;

(5) Excessive Federal regulations have slowed job creation and economic expansion in the United States;

(6) Increased costs to business of Federal regulations has generally led to an increase in the costs of products to consumers;

(7) The increased level of Federal regulations of private enterprises and the costs associated with these regulations have hindered the ability of American businesses to compete effectively in the international marketplace;

(8) Past moratorium on unnecessary Federal regulations were ordered to help spur economic activity.

SEC. 502. CONCURRENT RESOLUTION OF THE HOUSE.

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President should extend for a period of one year the provisions of the 90-day moratorium on new unnecessary regulations ordered in the President's ‘‘Memorandum on Reducing the Burden of Government Regulations’’ dated January 28, 1992.

SEC. 503. LEGISLATIVE AND REGULATORY ANALYSIS.

(a) Section 403(a) of the Congressional Budget Act of 1974 (2 U.S.C. 653(a)) is amended in subsection (a)(1) by striking ‘‘of the costs’’, and inserting ‘‘of the economic costs to both the Federal Government and the private sector, including adjustments in employment levels,’’.

(b) Section 553(b) of the Government Organization and Employees Act (5 U.S.C. 553(b)) is amended—

(1) in paragraph (2), after the phrase ‘‘is proposed;’’ by striking ‘‘and’’;

(2) in paragraph (3), by striking ‘‘involved.’’ and inserting ‘‘involved; and’’;

(3) by inserting after paragraph (3) the following new paragraph:

‘‘(4) an economic impact statement, as set forth in subsection (f).’’.

(c) Section 553(b) of the Government Organization and Employees Act (5 U.S.C. 553(b)) is further amended by inserting after subsection (e) the following new section:

"(f) ECONOMIC IMPACT STATEMENT.—

"(1) An economic impact statement shall be required in conjunction with the general notice of any proposed rule making published in the Federal Register, as set forth in subsection (b), whenever practicable, or where in the judgment of the head of the rule making agency or the Director of the Office of Management and Budget, the proposed rule will result in an annual combined cost to State and local governments and the private sector in excess of $200,000,000, or is likely to have exceptional fiscal consequences for a particular geographic region or level of government.

"(2) The economic impact statement shall be prepared by the agency in coordination with the Office of Management and Budget, and shall include an estimation of the costs of the proposed rule that would be incurred in carrying out such rule in the fiscal year in which it is to become effective and in each of the 4 fiscal years following such fiscal year, together with the basis for such estimate, including the—

"(A) economic cost to the private sector of the proposed rule,

"(B) resulting impact on employment levels, and

"(C) costs incurred by the State and local governments in carrying out or complying with such rule.

"(3) This section shall become effective six months after the date of enactment.".

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