103D CONGRESS 2D Session

To amend the Congressional Budget and Impoundment Control Act of 1974 to reform the budget process, and for other purposes.

**S. 1955** 

### IN THE SENATE OF THE UNITED STATES

MARCH 22 (legislative day, FEBRUARY 22), 1994

Mr. LOTT (for himself, Mr. SHELBY, Mr. HATCH, Mr. BROWN, Mr. BURNS, Mr. COATS, Mr. COVERDELL, Mr. DOLE, Mr. GRASSLEY, Mr. GREGG, Mr. HELMS, Mrs. KASSEBAUM, Mr. MACK, Mr. MCCAIN, Mr. NICKLES, Mr. SIMPSON, and Mr. SMITH) introduced the following bill; which was read twice and referred jointly pursuant to the order of August 4, 1977, to the Committees on the Budget and Governmental Affairs, with instructions that if one committee reports, the other committee have thirty days to report or be discharged

### A BILL

- To amend the Congressional Budget and Impoundment Control Act of 1974 to reform the budget process, and for other purposes.
  - 1 Be it enacted by the Senate and House of Representa-
  - 2 tives of the United States of America in Congress assembled,

### **3** SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

- 4 (a) SHORT TITLE.—This Act may be cited as the
- 5 "Budget Process Reform Act".
- 6 (b) TABLE OF CONTENTS.—The table of contents for
- 7 this Act is as follows:

Sec. 1. Short title; table of contents.

### TITLE I-STATEMENT OF CONGRESSIONAL PURPOSE

- Sec. 101. Improvement in decisionmaking process.
- Sec. 102. Reform of fiscal management.
- Sec. 103. Safeguards against delay and inaction.

### TITLE II-BINDING BUDGET LAW

- Sec. 201. Joint resolution establishing binding budget law.
- Sec. 202. Budget required before spending bills may be considered.
- Sec. 203. "baseline" budgeting prohibited; unadjusted year-to-year comparisons required in budget law.
- Sec. 204. President's budget submissions.

#### **TITLE III-ENFORCEMENT MECHANICS**

#### Subtitle A-Supermajority Required to Break Budget Law

- Sec. 301. Three-fifths requirement for all spending bills in absence of budget law.
- Sec. 302. Three-fifths requirement for over-budget spending bills.
- Sec. 303. Three-fifths requirement for waiver of this Act.

#### Subtitle B-Limited Enhanced Rescission Authority

- Sec. 304. Rescission authority limited to spending above limits of congressional budget law.
- Sec. 305. Application.

#### Subtitle C—"Blank Check" Appropriations Prohibited

- Sec. 306. Intent of Senate.
- Sec. 307. Fixed-dollar appropriations required.
- Sec. 308. Agency-adjusted benefits.
- Sec. 309. Budget authority and entitlement authority may cover only a single fiscal period.

### Subtitle D—"Pay As You Go" Requirement for New Spending

- Sec. 310. Spending offsets required.
- Sec. 311. Three-fifths vote required to waive point of order.

### TITLE IV—SUSTAINING MECHANISM

- Sec. 401. Automatic continuing resolution.
- Sec. 402. Contingency regulations.
- Sec. 403. Unauthorized appropriations prohibited.

#### TITLE V-PROTECTION OF SOCIAL SECURITY

- Sec. 501. Benefits protected against deficit reduction.
- Sec. 502. Conforming amendment.

#### TITLE VI—TIMETABLE

Sec. 601. Revision of timetable.

### **TITLE VII—CONFORMING AMENDMENTS**

- Sec. 701. Conforming and technical amendments changing "concurrent" to "joint" resolutions.
- Sec. 702. Further conforming and technical amendments.
- Sec. 703. Conforming amendments to the Impoundment Control Act of 1974.
- Sec. 704. Conforming amendment to title 31, United States Code.

### TITLE VIII—DEFINITIONS AND RULES OF INTERPRETATION

- Sec. 801. Definitions.
- Sec. 802. Amendments to Congressional Budget and Impoundment Control Act of 1974.
- Sec. 803. Use of terms.

### TITLE IX—EFFECTIVE DATE

Sec. 901. General provision. Sec. 902. Fiscal year 1993.

### 1 TITLE I—STATEMENT OF 2 CONGRESSIONAL PURPOSE

### 3 SEC. 101. IMPROVEMENT IN DECISIONMAKING PROCESS.

Because the Federal budget process is the principal vehicle by which many of the most fundamental policy choices in Government are made, the purpose of this Act is to facilitate rational, informed, and timely decisions by the Congress in the course of that process.

### 9 SEC. 102. REFORM OF FISCAL MANAGEMENT.

It is the sense of the Congress that a properly functioning Federal budget process should focus the attention of policymakers and the public on the aggregate impact of Federal spending on the economy, and on the tradeoffs that must be made among priorities in order to control overall levels of spending. To this end, the Act is intended to establish a budget process that, in each fiscal period—

| 1  | (1) requires the adoption of a budget before,              |
|----|--|
| 2  | not after, any spending begins;                            |
| 3  | (2) produces decisions on that budget early in             |
| 4  | the budgeting cycle;                                       |
| 5  | (3) encourages cooperation between Congress                |
| 6  | and the President in adopting the budget;                  |
| 7  | (4) ties each subsequent spending decision to              |
| 8  | an overall, binding budget total;                          |
| 9  | (5) requires regular, periodic decisions on ap-            |
| 10 | propriate spending levels for all Federal programs,        |
| 11 | not just those arbitrarily deemed ''controllable''; and    |
| 12 | (6) produces a bias in favor of fiscal respon-             |
| 13 | sibility that can be overcome only if the Congress ex-     |
| 14 | pressly determines to do so.                               |
| 15 | SEC. 103. SAFEGUARDS AGAINST DELAY AND INACTION.           |
| 16 | The Congress further finds that a properly function-       |
| 17 | ing budget process should contain safeguards against       |
| 18 | delay and inaction, so that temporary shut-downs of the    |
| 19 | Federal Government may be avoided when the President       |
| 20 | and the Congress fail to complete work on the budget prior |
| 21 | to the beginning of a fiscal period. Accordingly, this Act |
| 22 | is intended to provide an enforcement mechanism that       |
| 23 | gives meaning and importance to the timely adoption of     |
| 24 | a budget, and a sustaining mechanism that ensures a con-   |

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tinuation of the Government should the political process
 produce deadlock or a failure to act in a timely fashion.
 **TITLE II—BINDING BUDGET LAW** sec. 201. JOINT RESOLUTION ESTABLISHING BINDING
 BUDGET LAW.

6 To encourage early consultation and cooperation be-7 tween the Congress and the President on decisions concerning overall spending levels for all Federal programs, 8 9 the Congress shall enact a binding budget law, in the form 10 of a joint resolution, by April 15 of the calendar year before that in which the fiscal period commences. The tech-11 nical amendments contained in title VI and section 701 12 of this Act are intended to assist in the establishment of 13 this requirement. The budget law itself shall fit on a single 14 15 page, which sets forth specific budget ceilings in the following 19 major functional categories, which together 16 comprise the entire Federal budget. 17

- 18 Function 050: National Defense
- 19 Function 150: International Affairs
- 20 Function 250: General Science, Space and
- 21 Technology
- 22 Function 270: Energy
- 23 Function 300: Natural Resources and Environ-
- 24 ment
- 25 Function 350: Agriculture

| 1  | Function 400: Transportation                                  |
|----|---|
| 2  | Function 450: Community and Regional Devel-                   |
| 3  | opment  |
| 4  | Function 500: Education, Training, Employ-                    |
| 5  | ment and Social Services                                      |
| 6  | Function 550: Health  |
| 7  | Function 570: Medicare  |
| 8  | Function 600: Income Security                                 |
| 9  | Function 650: Social Security                                 |
| 10 | Function 700: Veterans Benefits and Services                  |
| 11 | Function 750: Administration of Justice                       |
| 12 | Function 800: General Government                              |
| 13 | Function 900: Net Interest                                    |
| 14 | Function 920: Allowances                                      |
| 15 | Function 950: Undistributed Offsetting Re-                    |
| 16 | ceipts.   |
| 17 | By thus requiring that the budget process begin with          |
| 18 | highly generalized macroeconomic decisions about spend-       |
| 19 | ing in 19 overall categories, this section is intended to fa- |

20 cilitate agreement within Congress itself, and between

21 Congress and the President, on how much the Federal

22 Government should spend in the ensuing fiscal period.

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### 1SEC. 202. BUDGET REQUIRED BEFORE SPENDING BILLS2MAY BE CONSIDERED.

3 Unless and until a joint resolution on the budget is enacted with respect to any major functional category for 4 5 a fiscal period, it shall not be in order in either the House of Representatives or the Senate, or any committee or sub-6 7 committee thereof, to consider any spending bill affecting 8 spending in that category, except as provided in Title III 9 of this Act. The purpose of this provision is to ensure that until the budget is signed into law, no authorization or 10 appropriations bill shall be considered in the Congress. 11

12 SEC.203."BASELINE"BUDGETINGPROHIBITED;13UNADJUSTEDYEAR-TO-YEARCOMPARISONS14REQUIRED IN BUDGET LAW.

15 Section 301(e) of the Congressional Budget Act of16 1974 is amended by—

17 (1) inserting after the second sentence the following: "The starting point for any deliberations in 18 19 the Committee on the Budget of each House on the 20 joint resolution on the budget for the next fiscal pe-21 riod shall be the estimated level of outlays for the 22 current period in each function and subfunction. 23 Any increases or decreases in the Congressional 24 budget for the next fiscal period shall be from such 25 estimated levels.";

1 (2) striking paragraphs (2) and (3) and insert-2 ing the following:

"(2) a comparison of levels for the current fiscal period with proposed spending for the subsequent fiscal periods along with the proposed increase
or decrease of spending in percentage terms for each
function and subfunction;

8 "(3) information, data, and comparisons indi-9 cating the manner in which, and the basis on which, 10 the committee determined each of the matters set 11 forth in the joint resolution, including information 12 on outlays for the current fiscal period and the deci-13 sions reached to set funding for the subsequent fis-14 cal years;";

(3) inserting "and" after the semicolon in para-graph (7);

17 (4) striking paragraph (8); and

18 (5) redesignating paragraph (9) as paragraph19 (8).

The technical amendments contained in sections The technical amendments contained in sections and 702(g) and 704(b) of this Act are intended to apply the same prohibition against "baseline" budgeting to the budgets prepared by the President and the Congressional Budget Office reports to the Budget Committees.

### 1 SEC. 204. PRESIDENT'S BUDGET SUBMISSIONS.

2 On or before the fifteenth day after a joint resolution 3 on the budget is enacted, the President shall submit to 4 the Congress a detailed budget for the fiscal period begin-5 ning on October 1 of the current calendar year, including 6 all summaries and explanations required under section 7 1105(a) of title 31, United States Code.

# 8 TITLE III—ENFORCEMENT 9 MECHANICS 10 Subtitle A—Supermajority 11 Required to Break Budget Law

12 SEC. 301. THREE-FIFTHS REQUIREMENT FOR ALL SPEND-

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### ING BILLS IN ABSENCE OF BUDGET LAW.

Unless and until a joint resolution on the budget is enacted with respect to any major functional category for a fiscal period, it shall not be in order in the Senate or any committee or subcommittee thereof, to consider any spending bill affecting spending in that category unless it is approved by the affirmative vote of three-fifths of the Members voting, a quorum being present.

### 21 SEC. 302. THREE-FIFTHS REQUIREMENT FOR OVER-BUDG22 ET SPENDING BILLS.

(a) DETERMINATION OF BUDGET EFFECT OF ALL
PROPOSED SPENDING BILLS.—The Congressional Budget
Office shall provide to the Senate (or the appropriate committee, subcommittee, or conference thereof) as soon as
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practicable after the introduction of any spending bill, its 1 estimate of the costs in each major functional category 2 attributable to that bill during the fiscal period in which 3 4 it is to become effective and in each of the next 4 fiscal years, together with the basis for such estimate. The Con-5 gressional Budget Office report shall not be required, how-6 7 ever, if the Congressional Budget Office certifies that a spending bill will likely result in applicable costs of less 8 9 than \$10,000,000. For purposes of estimating the costs attributable to any spending bill that includes new credit 10 authority, the report shall deem the market value of any 11 loan (if it were sold by the Federal Government) or the 12 assumption cost of any guarantee (if it were assumed at 13 market rates) to be the costs attributable to such loan or 14 15 guarantee in the fiscal period in which it is made.

16 (b) CBO REPORT REQUIRED BEFORE CONSIDER-17 ATION OF SPENDING BILLS.—It shall not be in order in 18 the Senate, or in any committee thereof, to consider any 19 spending bill, unless and until the report referred to in 20 subsection (a) has been made available to the Senate or 21 the appropriate committee or subcommittee thereof.

(c) THREE-FIFTHS REQUIREMENT FOR ALL OVERBUDGET SPENDING BILLS.—It shall not be in order in
the Senate (or in any committee, subcommittee, or conference) to consider any spending bill for a fiscal period

that the report referred to in subsection (a) indicates
 would in such fiscal period exceed a budget ceiling, unless
 such bill is approved by the affirmative vote of three-fifths
 of the Members voting, a quorum being present.

5 (d) DETERMINATION OF SPENDING IN A CAT6 EGORY.—A spending bill shall be deemed to break a budg7 et ceiling if—

8 (1) its cost in any major functional category as 9 estimated in the report referred to in subsection (a); 10 and

(2) all other budget authority, budget outlays,
and entitlement authority, if any, in that major
functional category for the relevant fiscal period contained in any previously enacted legislation for the
fiscal period; and

16 (3) to the extent that new budget authority or 17 entitlement authority for the relevant fiscal period has not been granted (or modified from the level of 18 19 the previous fiscal period) in any other enacted legis-20 lation for any program within such major functional category, the amounts of budget authority and enti-21 22 tlement authority for such major functional category 23 (or part thereof) for the previous fiscal period; 24 exceed the budget ceiling for such major functional cat-25 egory.

3 No waiver of any provision of this Act, including the calendar deadlines for completion of Congressional action 4 5 and the provisions concerning over-budget spending, shall be effective unless approved by the affirmative vote of 6 7 three-fifths of the Members of the Senate, a quorum being 8 present. No committee of the Senate shall have jurisdic-9 tion to report a rule governing procedures for consider-10 ation of spending bills covered by this Act, if such rule would violate the provisions of this section. Nothing in this 11 provision shall be deemed to require a supermajority vote 12 to amend this Act. 13

### Subtitle B—Limited Enhanced Rescission Authority

16 SEC. 304. RESCISSION AUTHORITY LIMITED TO SPENDING
17 ABOVE LIMITS OF CONGRESSIONAL BUDGET
18 LAW.

The Impoundment Control Act of 1974 (2 U.S.C.
681 et seq.) is amended by redesignating sections 1013
through 1017 as sections 1014 through 1018, respectively,
and inserting after section 1012 the following new section:
"RESCISSION OF SPENDING ABOVE LIMITS OF
CONGRESSIONAL BUDGET LAW
"SEC. 1013. (a) TRANSMITTAL OF SPECIAL MES-

25 "SEC. 1013. (a) TRANSMITTAL OF SPECIAL MES-26 SAGE.—The President may transmit to both Houses of

Congress for consideration in accordance with this section 1 one or more special messages to rescind (in whole or in 2 part) items of budget authority or entitlement authority 3 4 sufficient to ensure that the levels of budget authority, entitlement authority, and outlays in a functional category 5 do not exceed the levels stated in the budget law for the 6 7 applicable fiscal period (or, in the absence of a budget law, do not exceed such levels in the previous fiscal period). 8

9 "(b) LIMITATIONS.—For purposes of this section—
10 "(1) continuing appropriations made pursuant
11 to section 1311 of title 31, United States Code, shall
12 be treated as continuing appropriations for an entire
13 fiscal period; and

''(2) the levels of budget authority, entitlement
authority, and outlays shall be determined on the
basis of the reports made by the Congressional
Budget Office pursuant to section 202 of the Budget
Process Reform Act of 1990.

"(c) CONTENTS OF SPECIAL MESSAGE.—Each special message transmitted under subsection (a) shall specify, with respect to each item of budget authority to be
rescinded, the matters referred to in paragraphs (1)
through (5) of section 1012(a).

24 "(d) REQUIREMENT NOT TO MAKE AVAILABLE FOR25 OBLIGATION.—Any item of budget authority to be re-

scinded as set forth in such special message shall not be
 made available for obligation unless, within the prescribed
 45-day period, Congress completes action on a rescission
 bill disapproving the rescission of the amount to be re scinded. Funds made available for obligation under this
 procedure may not be included in a special message again.

"(e) Procedures.—

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8 "(1)(A) Before the close of the third day begin-9 ning after the day on which a special message to rescind an item of budget authority is transmitted to 10 11 the House of Representatives and the Senate under subsection (a), a bill may be introduced (by request) 12 by the majority leader or minority leader of the 13 14 House of the Congress in which the appropriation 15 Act providing the budget authority originated to dis-16 approve the rescission set forth in the special mes-17 sage. If such House is not in session on the day on 18 which a special message is transmitted, the bill may 19 be introduced in such House, as provided in the pre-20 ceding sentence, on the first day thereafter on which 21 such House is in session.

"(B) A bill introduced in the House of Representatives or the Senate pursuant to subparagraph
(A) shall be referred to the Committee on Appropriations of such House. The Committee shall report

the bill without substantive revision (and with or 1 2 without recommendation) not later than 15 calendar days of continuous session of the Congress after the 3 4 date on which the bill is introduced. A committee failing to report a bill within the 15-day period re-5 ferred to in the preceding sentence shall be auto-6 7 matically discharged from consideration of the bill and the bill shall be placed on the appropriate cal-8 endar. 9

"(C) A vote on final passage of a bill intro-10 11 duced in a House of the Congress pursuant to subparagraph (A) shall be taken on or before the close 12 of the 25th calendar day of continuous session of the 13 14 Congress after the date of the introduction of the 15 bill in such House. If the bill is agreed to, the Clerk 16 of the House of Representatives (in the case of a bill 17 agreed to in the House of Representatives) or the 18 Secretary of the Senate (in the case of a bill agreed 19 to in the Senate) shall cause the bill to be engrossed, 20 certified, and transmitted to the other House of the Congress on the same calendar day on which the bill 21 22 is agreed to.

23 "(2)(A) A bill transmitted to the House of Rep24 resentatives or the Senate pursuant to paragraph
25 (1)(C) shall be referred to the Committee on Appro-

priations of such House. The committee shall report 1 2 the bill without substantive revision (and with or without recommendation) not later than 10 calendar 3 4 days of continuous session of the Congress after the bill is transmitted to such House. A committee fail-5 ing to report the bill within the 10-day period re-6 7 ferred to in the preceding sentence shall be automatically discharged from consideration of the bill 8 and the bill shall be placed upon the appropriate cal-9 10 endar.

"(B) A vote on the final passage of a bill trans-11 mitted to a House of the Congress pursuant to para-12 graph (1)(C) shall be taken on or before the close 13 14 of the 10th calendar day of continuous session of the 15 Congress after the date on which the bill is trans-16 mitted to such House. If the bill is agreed to in such 17 House, the Clerk of the House of Representatives 18 (in the case of a bill agreed to in the House of Rep-19 resentatives) or the Secretary of the Senate (in the 20 case of a bill agreed to in the Senate) shall cause the 21 engrossed bill to be returned to the House in which 22 the bill originated, together with a statement of the 23 action taken by the House acting under this para-24 graph.

"(3)(A) A motion in the House of Representatives to proceed to the consideration of a bill under this section shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(B) Debate in the House of Representatives 8 9 on a bill under this section shall be limited to not more than 2 hours, which shall be divided equally 10 between those favoring and those opposing the bill. 11 A motion further to limit debate shall not be debat-12 able and shall require an affirmative vote of two-13 14 thirds of the Members voting, a quorum being 15 present. It shall not be in order to move to recommit a bill under this section or to move to reconsider the 16 17 vote by which the bill is agreed to or disagreed to. 18 "(C) All appeals from the decisions of the Chair

relating to the application of the Rules of the House of Representatives to the procedure relating to a bill under this section shall be decided without debate.

22 "(D) Except to the extent specifically provided
23 in the preceding provisions of this subsection, con24 sideration of a bill under this section shall be gov-

| 1  | erned by the Rules of the House of Representatives      |
|----|---|
| 2  | applicable to other bills in similar circumstances.     |
| 3  | "(4)(A) A motion in the Senate to proceed to            |
| 4  | the consideration of a bill under this section shall be |
| 5  | privileged and not debatable. An amendment to the       |
| б  | motion shall not be in order, nor shall it be in order  |
| 7  | to move to reconsider the vote by which the motion      |
| 8  | is agreed to or disagreed to.                           |
| 9  | "(B) Debate in the Senate on a bill under this          |
| 10 | section, and all debatable motions and appeals in       |
| 11 | connection therewith, shall be limited to not more      |
| 12 | than 2 hours. The time shall be equally divided be-     |
| 13 | tween, and controlled by, the majority leader and the   |
| 14 | minority leader or their designees.                     |
| 15 | "(C) Debate in the Senate on any debatable              |
| 16 | motion or appeal in connection with a bill under this   |
| 17 | section shall be limited to not more than 1 hour, to    |
| 18 | be equally divided between, and controlled by, the      |
| 19 | mover and the manager of the bill except that in the    |
| 20 | event the manager of the bill is in favor of any such   |
| 21 | motion or appeal, the time in opposition thereto        |
| 22 | shall be controlled by the minority leader or his des-  |

ignee. Such leaders, or either of them, may, from

time under their control on the passage of a bill,

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3 "(D) A motion in the Senate to further limit
4 debate on a bill under this section is not debatable.
5 A motion to recommit a bill under this section is not
6 in order.

"(f) AMENDMENTS PROHIBITED.—No amendment to 7 8 a bill considered under this section shall be in order in either the House of Representatives or the Senate. No mo-9 tion to suspend the application of this subsection shall be 10 in order in either House, not shall it be in order in either 11 House for the presiding officer to entertain a request to 12 suspend the application of this subsection by unanimous 13 consent.". 14

15 SEC. 305. APPLICATION.

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The amendments made by section 304 shall apply to items of budget authority (as defined in subsection (g)(1) of section 1013, as added by section 103(b) of this Act) provided by appropriation Acts (as defined in subsection (g)(3) of such section) that become law after the date of enactment of this Act.

### Subtitle C—"Blank Check" Appropriations Prohibited

### 3 SEC. 306. INTENT OF SENATE.

4 It is the intent of the Senate, by this provision, to put an end to open-ended, "blank check" appropriations, 5 which typically authorize the spending of "such sums as 6 may be necessary." By requiring explicit decisions con-7 cerning the desired level of spending for each federal pro-8 9 gram (except social security and interest on the debt), it is intended that currently uncontrolled programs will be 10 brought within the discipline of an overall budget. 11

### 12 SEC. 307. FIXED-DOLLAR APPROPRIATIONS REQUIRED.

(a) FIXED-DOLLAR APPROPRIATIONS.—For every account except social security and interest on the debt, every
appropriation for a fiscal period for any program, project,
or activity shall be for a specific, fixed dollar amount. Any
appropriations of "such sums as may be necessary" (except with respect to the automatic continuing resolution
provided for by section 401 of this Act) are hereby prohibited.

(b) POINT OF ORDER.—It shall not be in order in
the Senate (or in any committee, subcommittee, or conference) to consider any appropriation that is in violation
of subsection (a).

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### 1 SEC. 308. AGENCY-ADJUSTED BENEFITS.

2 The head of each Executive agency that administers 3 any entitlement program is authorized to adjust benefit levels and eligibility requirements, or both, with respect 4 to the program such that aggregate outlays for a fiscal 5 period do not exceed the fixed-dollar appropriation pro-6 7 vided pursuant to this title for such fiscal period. Such 8 adjustment shall be made by rule or, pending adoption of 9 appropriate rules, informal guideline. The purpose of any such rule or guideline shall be to ensure that the fixed-10 dollar appropriations for the program authorized by Con-11 gress are not exceeded. 12

## 13 SEC. 309. BUDGET AUTHORITY AND ENTITLEMENT AU14 THORITY MAY COVER ONLY A SINGLE FISCAL 15 PERIOD.

16 Chapter 13 of title 31, United States Code, is amend-17 ed by inserting after section 1312 the following new sec-18 tion:

### 19 "§1313. Budget authority and entitlement authority 20 must cover single fiscal period

21 "(a) Notwithstanding any other provision of law and
22 except as provided by subsection (b), no budget authority
23 or entitlement authority—

24 "(1) enacted on or after the date of enactment
25 of this section shall be effective for more than one
26 fiscal period; or

"(2) enacted before the date of enactment of
 this section shall continue in effect beyond the end
 of the first fiscal period beginning after the date of
 enactment of this section.

5 "(b) Subsection (a) does not apply with respect to 6 appropriations for the repayment of indebtedness incurred 7 under chapter 31 or benefits payable under the old-age, 8 survivors, and disability insurance program established 9 under title II of the Social Security Act.".

### 10 Subtitle D—"Pay As You Go" Requirement for 11 New Spending

### 12 SEC. 310. SPENDING OFFSETS REQUIRED.

13 It shall not be in order in the Senate to consider any supplemental appropriation measure, or any other bill, 14 15 resolution, or amendment which authorizes, requires, or provides new entitlements/mandatory spending as defined 16 in section 3 (12)(A) of the Congressional Budget and Im-17 poundment Control Act of 1974, or which authorizes 18 spending for a fiscal period that the report referred to in 19 section 302(a) of this Act indicates would in such fiscal 20 period exceed a budget ceiling, unless any such increased 21 22 spending called for therein is offset fully in each such fiscal period in such measure, bill, resolution or amendment 23 24 by an equal amount of reductions in existing spending.

The point of order established by this subtitle may be waived or suspended in the Senate, and an appeal of the ruling of the Chair on a point of order raised under this section may be sustained, only by the affirmative vote of three-fifths of the Members voting, a quorum being present.

### 9 TITLE IV—SUSTAINING 10 MECHANISM

11 SEC. 401. AUTOMATIC CONTINUING RESOLUTION.

12 Chapter 13 of title 31, United States Code, is amend-13 ed by inserting after section 1310 the following new sec-14 tion:

### 15 "§1311. Continuing appropriation

16 "(a) If for any account an appropriation for a fiscal period does not become law before the beginning of such 17 fiscal period, there are hereby appropriated, out of any 18 moneys in the Treasury not otherwise appropriated, and 19 20 out of applicable corporate or other revenues, receipts, and funds, such sums as may be necessary to continue any 21 22 program, project, or activity provide for in the most recent 23 appropriation Act at a rate of operations not in excess of 24 the rate of operations provided for such program, project, 25 or activity in such Act. In no case shall the total dollar 26 amount of appropriations for any program, project or activity pursuant to this section exceed the appropriation for
 such program, project, or activity in the most recent ap propriation Act, determined on a fiscal-period basis.

4 "(b) Amounts appropriated pursuant to subsection
5 (a) for a program, project, or activity shall be available
6 during a fiscal period until the earlier of—

"(1) the day on which the appropriation bill for
such fiscal period which would include the program,
project, or activity takes effect; or

10 "(2) the last day of such fiscal period.".

### 11 SEC. 402. CONTINGENCY REGULATIONS.

12 Chapter 13 of title 31, United States Code, is amend-13 ed by inserting after section 1311 the following new 14 section:

### 15 **"§1312. Contingency regulations**

"(a) Notwithstanding any other provisions of law and 16 except as provided by subsection (b), the head of each Ex-17 ecutive agency that administers any entitlement program 18 shall, by rule, (or informal guideline, pending adoption of 19 appropriate rules), provide for the adjustments of benefit 20levels or eligibility requirements, or both, with respect to 21 22 the program such that aggregate outlays for a fiscal period do not exceed the fixed-dollar appropriation provided pur-23 24 suant to section 314 (requiring fixed-dollar appropriations) or section 401 (providing for an Automatic Continu ing Resolution) of this Act for such fiscal period.

3 "(b) In the case of social safety net programs, the 4 rules shall provide each State the option of receiving an aggregate amount for the fiscal period for such programs 5 equal to the amount it received for the preceding fiscal 6 7 period for such programs (in which case such State could, in its discretion, allocate the benefits among such pro-8 9 grams to best meet the needs of recipients in its State) or the amounts it received for each such program for such 10 preceding fiscal period. 11

12 "(c) As used in this section—

13 ''(1) the term 'Executive agency' has the mean14 ing given such term in section 105 of title 5, United
15 States Code;

16 ''(2) the term 'entitlement program' means any
17 spending authority as defined in section
18 401(c)(2)(C) of the Congressional Budget Act of
19 1974; and

"(3) the term 'social safety net programs'
means the following programs: family support payments, adoption assistance, child support enforcement, food stamps, foster care, medicaid, child nutrition programs, social services block grant, and
supplemental security income (SSI).".

2 Section 401(b) is amended to read as follows:

3 "(b) Controls on Legislation Providing Fund-ING.—(1) It shall not be in order in either the House of 4 5 Representatives or the Senate to consider any bill, resolution, or conference report that provides budget authority 6 7 or spending authority described in subsection (c)(2)(C) ex-8 cept a bill or resolution reported by the Committee on Ap-9 propriations of that House or a conference report made by a committee or conference all of whose conferees are 10 members of the Committee on Appropriations. 11

"(2) Paragraph (1) shall not apply to benefits payable under the old-age, survivors, and disability insurance
program established under title II of the Social Security
Act.".

### 16 TITLE V—PROTECTION OF 17 SOCIAL SECURITY

18 SEC. 501. BENEFITS PROTECTED AGAINST DEFICIT REDUC-

### 19 **TION.**

20 Nothing in this Act shall be construed to require or 21 permit reductions in Social Security benefits otherwise 22 payable pursuant to applicable law or regulations.

### 23 SEC. 502. CONFORMING AMENDMENT.

Chapter 13 of title 31, United States Code, is
amended by inserting after section 1313 the following new
section:

27

"No reductions in benefits payable under the old-age, 3 survivors, and disability insurance program established 4 under title II of the Social Security Act shall be made as 5 a consequence of the Budget Process Reform Act". 6

#### **TITLE VI—TIMETABLE** 7

#### 8 **SEC. 601. REVISION OF TIMETABLE.**

9 Section 300 (2 U.S.C. 631) is amended to read as 10 follows:

"TIMETABLE 11

"SEC. 300. The timetable with respect to the Con-12 gressional budget process for any Congress (beginning 13

### 14 with the One Hundred Third Congress) is as follows:

| "On or before:   | Action to be completed:   |
|--|---|
| First Monday in February   | President submits short-form budget recommendations.  |
| February 15  | Congressional Budget Office submits report to Budget Committees.  |
| February 25  | Committees submit views and esti-<br>mates to Budget Committees.  |
| March 31   | Budget Committees report joint reso-<br>lution on the budget.   |
| April 15   | Congress completes action on joint<br>resolution on the budget and trans-<br>mits it to the President for signa-<br>ture or veto. |
| President signs joint resolution, or<br>Congress overrides veto. | Authorization and appropriations bills may be considered in the Congress.   |
| 15th day after enactment of joint budget resolution.             | President submits complete budget<br>and support documents.   |
| June 10  | Appropriations Committees report<br>last of annual appropriation bills.   |
| September 30   | Congress completes action on rec-<br>onciliation legislation and annual<br>appropriation bills.                                   |

| "On or before: | Action to be completed:              |
|----------------|--------------------------------------|
| October 1      | Fiscal period begins. Congress com-  |
|                | pletes all necessary action on budg- |
|                | et, authorizations and appropria-    |
|                | tions, or automatic continuing reso- |
|                | lution takes effect.".               |
| 1 TITLE VII—   | CONFORMING                           |

### 1**TITLE VII—CONFORMING**2**AMENDMENTS**

3 SEC. 701. CONFORMING AND TECHNICAL AMENDMENTS
4 CHANGING "CONCURRENT" TO "JOINT" RESO5 LUTIONS.

(a) Sections 300, 301, 302, 303, 304, 305, 308, 310,
7 and 311 (2 U.S.C. 631 et seq.) are amended by striking
8 "concurrent resolutions" each place it appears and by in9 serting "joint resolution".

10 (b) The table of contents set forth in section 1(b) is 11 amended by striking "Concurrent" in the items relating 12 to sections 301, 303, and 304 and inserting "Joint".

(c) Clauses 4(a)(2), 4(b)(2), 4(g), and 4(h) of rule
X, clause 8 of rule XXIII, and rule XLIX of the Rules
of the House of Representatives are amended by striking
"concurrent" and by inserting in its place "joint".

17 (d) Section 258C(b)(1) of the Deficit Control Action
18 of 1985 is amended by striking "concurrent" and by in19 serting "joint".

20 SEC. 702. FURTHER CONFORMING AND TECHNICAL AMEND-

21 MENTS.

22 (a) Section 302(f) (2 U.S.C. 633(f)) is amended—

| 1  | (1) in paragraph (1) by striking ''(1) IN THE            |
|----|--|
| 2  | House of Representatives.—", by striking "new            |
| 3  | budget authority for such fiscal year, new entitle-      |
| 4  | ment authority effective during such fiscal year, or"    |
| 5  | and by striking ''new discretionary budget authority,    |
| 6  | new entitlement authority, or''; and                     |
| 7  | (2) by striking paragraph (2).                           |
| 8  | (b) Section 303 is amended—                              |
| 9  | (1) in its heading by striking "NEW BUDGET               |
| 10 | AUTHORITY, NEW SPENDING AUTHORITY," and the              |
| 11 | comma before "OR CHANGES";                               |
| 12 | (2) in subsection (a) by striking paragraphs             |
| 13 | (1), (4) and (5) and by redesignating paragraphs         |
| 14 | (2), (3), and (6) as paragraphs (1), (2), and (3), re-   |
| 15 | spectively; and  |
| 16 | (3) in subsection (b) by striking paragraph              |
| 17 | (1)(A), by striking "(B)", by striking the dash after    |
| 18 | "resolution", and by striking the last sentence.         |
| 19 | (c) The table of contents set forth in section 1(b) is   |
| 20 | amended by striking ''new budget authority, new spending |
| 21 | authority," and the comma before "or changes" in the     |
| 22 | item relating to section 303.                            |
| 23 | (d) Section 311 is amended—                              |
| 24 | (1) in its heading by striking ''NEW BUDGET              |
| 25 | AUTHORITY, NEW SPENDING AUTHORITY, AND";                 |

1 (2) in subsection (a)(1) by striking "providing 2 new budget authority for such fiscal year, providing 3 new entitlement authority effective during such fis-4 cal year, or"; by striking "the appropriate level of 5 total new budget authority or total budget outlays 6 set forth in the most recently agreed to concurrent 7 resolution on the budget to be exceeded, or";

(3) by repealing subsection (b); and

8

9 (4) by redesignating subsection (c) as sub-10 section (b), and by striking "new budget authority, 11 budget outlays, new entitlement authority, and" in 12 subsection (c) (as redesignated).

(e) The table of contents set forth in section 1(b) is
amended by striking "new budget authority, new spending
authority, and" in the item relating to section 311.

(f) The last sentence of clause 4(b) of rule XI of the
Rules of the House of Representatives is amended by inserting before the period at the end of the following: ";
nor shall it report any rule or order which would waive
any point of order set forth in title III of the Budget Process Reform Act".

(g) The first sentence of section 202(f)(1) of the Congressional Budget Act of 1974 is amended to read as follows: "On or before February 15 of each year, the Director shall submit to the Committees on the Budget of the

House of Representatives and the Senate a report, for the 1 fiscal year commencing on October 1 of that year, with 2 respect to fiscal policy, including (A) estimated budget 3 4 outlays in all functions and subfunctions for appropriated accounts for the current fiscal year and estimated budget 5 outlays under current law for all entitlement programs for 6 7 the next fiscal year, (B) alternative levels of total revenues, total new budget authority, and total outlays (in-8 cluding related surpluses and deficits), and (C) the levels 9 of tax expenditures under existing law, taking into account 10 projected economic factors and any changes in such levels 11 based on proposals in the budget submitted by the Presi-12 dent for such fiscal year.". 13

### 14 SEC. 703. CONFORMING AMENDMENTS TO THE IMPOUND-

15

### MENT CONTROL ACT OF 1974.

(a) Section 1011(5) (2 U.S.C. 682(5)) is amended—
(1) by striking "1012, and" and inserting
"1012, the 20-day periods referred to in paragraphs
(1)(b) and (2)(A) of section 1013(c), the 45-day period referred to in section 1013(b), and";

21 (2) by striking "1012 during" and inserting
22 "1012 or 1013 during";

23 (3) by striking "of 45" and inserting "of the24 applicable number of"; and

| 1  | (4) by striking "45-day period referred to in       |
|----|---|
| 2  | paragraph (3) of this section and in section 1012'' |
| 3  | and inserting "period or periods of time applicable |
| 4  | under such section".                                |
| 5  | (b) Section 1011 is further amended—                |
| 6  | (1) in paragraph (4) by striking ''1013'' and in-   |
| 7  | serting ''1014''; and                               |
| 8  | (2) in paragraph (5)—                               |
| 9  | (A) by striking ''1016'' and inserting              |
| 10 | ''1017''; and                                       |
| 11 | (B) by striking $(1017(b)(1))$ and inserting        |
| 12 | "1018(b)(1)".                                       |
| 13 | (c) Section 1015 (as redesignated) is amended—      |
| 14 | (1) by striking ''1012 or 1013'' each place it      |
| 15 | appears and inserting ''1012, 1013, or 1014'';      |
| 16 | (2) in subsection (b)(1) by striking " $1012$ " and |
| 17 | inserting ''1012 or 1013'';                         |
| 18 | (3) in subsection (b)(2) by striking "1013" and     |
| 19 | inserting "1014"; and                               |
| 20 | (4) in subsection (e)(1)—                           |
| 21 | (A) by striking "and" at the end of sub-            |
| 22 | paragraph (A),                                      |
| 23 | (B) by redesignating subparagraph (B) as            |
| 24 | subparagraph (C),                                   |

| 1  | (C) by striking ''1013'' in subparagraph                                       |
|----|--|
| 2  | (C) (as redesignated), and   |
| 3  | (D) by inserting after subparagraph (A)  |
| 4  | the following new subparagraph:  |
| 5  | ''(B) he has transmitted a special message                                     |
| 6  | under section 1013 with respect to a proposed                                  |
| 7  | rescission; and".  |
| 8  | (d) Section 1016 (as redesignated) is amended by                               |
| 9  | striking "1012 or 1013" each place it appears and insert-                      |
| 10 | ing ''1012, 1013, or 1014''.   |
| 11 | (e) Section 1012(b) is amended by inserting before                             |
| 12 | the last sentence the following new sentence: "The preced-                     |
| 13 | ing sentence shall not apply to any item of budget author-                     |
| 14 | ity proposed by the President to be rescinded under this                       |
| 15 | section that the President has also proposed to rescind                        |
| 16 | under section 1013 and with respect to which the 45-day                        |
| 17 | period referred to in subsection (e) of such section has                       |
| 18 | not expired.".   |
| 19 | (f) The table of sections set forth in section 1(b) is                         |
| 20 | amended—   |
| 21 | (1) by redesignating the items relating to sec-                                |
| 22 | tions 1013 through 1017 as items relating to sec-                              |
| 23 | tions through 1018, respectively; and  |
| 24 | (2) by inserting after the item relating to sec-                               |
| 25 | tion 1012 the following new item:  |
|    | "Sec. 1013. Rescission of spending above limits of congressional budget law.". |

33

| 1  | SEC. 704. CONFORMING AMENDMENT TO TITLE 31, UNITED  |
|----|---|
| 2  | STATES CODE.  |
| 3  | (a) The analysis of chapter 13 of title 31, United  |
| 4  | States Code, is amended by inserting after the item relat-  |
| 5  | ing to section 1310 the following new items:  |
|    | <ul> <li>"Sec. 1311. Continuing appropriation.</li> <li>"Sec. 1312. Contingency regulations.</li> <li>"Sec. 1313. Budget authority and entitlement authority must cover single fiscal period.</li> <li>"Sec. 1314. Protection of Social Security from budget deficit reduction meas-</li> </ul> |
| 6  | ures.".<br>(b) Paragraph (5) of section 1105(a) of title 31,  |
| 7  | United States Code, is amended to read as follows:  |
| 8  | "(5) except as provided in subsection (b) of this   |
| 9  | section—  |
| 10 | "(A) estimated expenditures and proposed  |
| 11 | appropriations for each function and  |
| 12 | subfunction in the current fiscal year;   |
| 13 | "(B) estimated expenditures and proposed  |
| 14 | appropriations the President decides are nec-   |
| 15 | essary to support the Government for each   |
| 16 | function and subfunction in the fiscal year for   |
| 17 | which the budget is submitted; and  |
| 18 | "(C) a comparison of levels of estimated  |
| 19 | expenditures and proposed appropriations for  |
| 20 | each function and subfunction in the current  |
| 21 | fiscal year and the fiscal year for which the   |
| 22 | budget is submitted, along with the proposed  |

terms for each function and subfunction;".(c) Section 1105(a) of title 31, United States Code,

4 is amended—

1

2

3

5 (1) in the first sentence, by inserting "on a sin-6 gle page, which sets forth specific budget ceilings for 7 that fiscal period in the nineteen major functional 8 categories described in section 201 of the Budget 9 Process Reform Act" before the period; and

(2) by repealing the second sentence and all of 10 11 the third sentence preceding the colon and inserting the following: "On or before the fifteenth day after 12 a joint resolution on the budget for that budget pe-13 riod is enacted, the President shall submit a detailed 14 budget for that fiscal period, including a budget 15 16 message and summary and supporting information, 17 as follows".

### 18 TITLE VIII—DEFINITIONS AND

### 19 **RULES OF INTERPRETATION**

### 20 SEC. 801. DEFINITIONS.

(a) DEFINITION OF BUDGET LAW.—Section 3(4) (2
U.S.C. 622(4)), containing general definitions under the
Budget Act is amended to read as follows:

24 ''(4) The term 'budget law' or 'joint resolution
25 on the budget' means—

increase or decrease of spending in percentage

| 1  | "(A) a joint resolution setting forth the                 |
|----|---|
| 2  | simplified budget for the United States Govern-           |
| 3  | ment for a fiscal period as provided in section           |
| 4  | 301; and  |
| 5  | ''(B) any other joint resolution revising the             |
| 6  | budget for the United States Government for a             |
| 7  | fiscal period as described in section 304.".              |
| 8  | (b) OTHER DEFINITIONS.—Section 3 (2 U.S.C. 622)           |
| 9  | is further amended by adding at the end the following new |
| 10 | paragraphs:   |
| 11 | "(11) The term 'major functional category' re-            |
| 12 | fers to the groupings of budget authority, budget         |
| 13 | outlays, and credit authority (including continuing       |
| 14 | appropriations pursuant to section 1331 of title 31,      |
| 15 | United States Code) into any one of the following:        |
| 16 | "Function 050: National Defense                           |
| 17 | "Function 150: International Affairs                      |
| 18 | ''Function 250: General Science, Space                    |
| 19 | and Technology  |
| 20 | "Function 270: Energy                                     |
| 21 | ''Function 300: Natural Resources and                     |
| 22 | Environment   |
| 23 | "Function 350: Agriculture                                |
| 24 | "Function 400: Transportation                             |

| 1  | "Function 450: Community and Regional              |
|----|--|
| 2  | Development  |
| 3  | "Function 500: Education, Training, Em-            |
| 4  | ployment and Social Services                       |
| 5  | "Function 550: Health                              |
| 6  | "Function 570: Medicare                            |
| 7  | "Function 600: Income Security                     |
| 8  | "Function 650: Social Security                     |
| 9  | ''Function 700: Veterans Benefits and              |
| 10 | Services   |
| 11 | "Function 750: Administration of Justice           |
| 12 | <b>''Function 800: General Government</b>          |
| 13 | "Function 900: Net Interest                        |
| 14 | "Function 920: Allowances                          |
| 15 | "Function 950: Undistributed Offsetting            |
| 16 | Receipts.".  |
| 17 | "(12) The term 'budget ceiling' means the dol-     |
| 18 | lar amount set forth in a budget law for a major   |
| 19 | functional category.                               |
| 20 | "(13) The term 'spending bill' means any bill or   |
| 21 | resolution, or amendment thereto or conference re- |
| 22 | port thereon, which provides budget authority,     |
| 23 | spending authority, credit authority, or outlays.  |
| 24 | "(14) The term 'fiscal period' means the twelve-   |
| 25 | month fiscal year beginning October 1 currently in |
|    |  |

use, or any other fiscal period (such as a biennial
 period) that may subsequently be adopted for the
 management of the budget of the United States.".

### 4 SEC. 802. AMENDMENTS TO CONGRESSIONAL BUDGET AND

### IMPOUNDMENT CONTROL ACT OF 1974.

6 Except as otherwise expressly provided, whenever any 7 provision of this Act is expressed as an amendment to a 8 section or other provision, the reference shall be deemed 9 to be made to a section or other provision of the Congres-10 sional Budget and Impoundment Control Act of 1974.

### 11 SEC. 803. USE OF TERMS.

5

Whenever any term is used in this Act which is defined in section 3 of the Congressional Budget Impoundment Control Act of 1974, the term shall have the meaning given to such term in that Act.

### 16 **TITLE IX—EFFECTIVE DATE**

### 17 SEC. 901. GENERAL PROVISION.

Except as provided in section 902, this Act and the amendments made by it shall become effective January 1, 1995, and shall apply to fiscal periods beginning after September 30, 1995.

### 22 SEC. 902. FISCAL YEAR 1993.

Notwithstanding subsection (a), the provisions of—
(1) the Congressional Budget Impoundment
Control Act of 1974,

(2) title 31, United States Code, and
 (3) the Balanced Budget and Emergency Defi cit Control Act of 1985, (as such provisions were in
 effect on the day before the effective date of this
 Act) shall apply to the fiscal year beginning on Octo ber 1, 1994.

0

S 1955 RIS—2

S 1955 RIS----3