

104TH CONGRESS
1ST SESSION

S. 207

To provide a fair, nonpolitical process that will achieve \$45,000,000,000 in budget outlay reductions each fiscal year until a balanced budget is reached.

IN THE SENATE OF THE UNITED STATES

JANUARY 11 (legislative day, JANUARY 10), 1995

Mr. MACK (for himself, Mrs. HUTCHISON, and Mr. LOTT) 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 provide a fair, nonpolitical process that will achieve \$45,000,000,000 in budget outlay reductions each fiscal year until a balanced budget is reached.

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 AND PURPOSE.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Spending Reduction Enforcement Act”.

6 (b) PURPOSE.—The purpose of this Act is to provide
7 a fair, nonpolitical process that will achieve at least
8 \$45,000,000,000 in budget outlay reductions each fiscal

★(Star Print)

1 year until a balanced budget is reached (but in the year
2 in which the balanced budget is reached, only the amount
3 necessary to achieve a balance).

4 **SEC. 2. THE COMMISSION.**

5 (a) ESTABLISHMENT.—There is established an inde-
6 pendent commission to be known as the “Spending Reduc-
7 tion Commission” (referred to as the “Commission”).

8 (b) DUTIES.—The Commission shall propose cost
9 savings and changes in law to achieve at least
10 \$45,000,000,000 of budget outlay reductions for the
11 budget year and each outyear until a balanced budget is
12 reached subject to the following guidelines. It should
13 attempt to:

14 (1) Eliminate redundant and outdated pro-
15 grams, as well as those whose missions can be effec-
16 tively accomplished by the private sector.

17 (2) Reduce those programs with excessive ad-
18 ministrative costs or which can be consolidated with
19 other programs.

20 (3) Eliminate programs that provide subsidies
21 that benefit narrow special interest groups at the ex-
22 pense of the national interest.

23 (4) Reduce or eliminate those programs that
24 have low priority in meeting a national interest
25 criterion.

1 (c) APPOINTMENT.—(1)(A) The Commission shall be
2 composed of 7 members appointed by the President, by
3 and with the advice and consent of the Senate.

4 (B) The President shall transmit to the Senate the
5 nominations for appointment to the Commission by no
6 later than January 15th for each fiscal year.

7 (2) In selecting individuals for nominations for ap-
8 pointments to the Commission, the President shall se-
9 lect—

10 (A) 4 of the members from a list of 10 individ-
11 uals submitted by the Speaker of the House of Rep-
12 resentatives and the majority leader of the Senate;
13 and

14 (B) 3 of the members from a list of 10 individ-
15 uals submitted by the minority leader of the House
16 of Representatives and the minority leader of the
17 Senate.

18 (3) At the time the President nominates individuals
19 for appointment to the Commission, the President shall
20 designate one such individual who shall serve as Chairman
21 of the Commission.

22 (4) No current Member of Congress, employee of the
23 executive branch, or current or former registered lobbyist
24 may serve on the Commission.

1 (d) TERMS.—(1) Except as provided in paragraph
2 (2), each member of the Commission shall serve until No-
3 vember 1st of the calendar year in which the member is
4 appointed.

5 (2) The Chairman of the Commission shall serve until
6 the confirmation of a successor.

7 (e) MEETINGS.—(1) Each meeting of the Commis-
8 sion, other than meetings in which classified information
9 is to be discussed, shall be open to the public.

10 (2) All the proceedings, information, and delibera-
11 tions of the Commission shall be open, upon request, to
12 the Chairman and the ranking minority member of the
13 Budget and Appropriations Committees of each House.

14 (f) VACANCIES.—A vacancy in the Commission shall
15 be filled in the same manner as the original appointment.

16 (g) PAY AND TRAVEL EXPENSES.—(1)(A) Each
17 member, other than the Chairman, shall be paid at a rate
18 not to exceed the daily equivalent of the minimum annual
19 rate of basic pay payable for level IV of the Executive
20 Schedule under section 5315 of title 5, United States
21 Code, for each day (including travel time) during vested
22 in the Commission.

23 (B) The Chairman shall be paid for each day referred
24 to in subparagraph (A) at a rate not to exceed to the daily
25 equivalent of the minimum annual rate of basic pay pay-

1 able for level III of the Executive Schedule under section
2 5314 of title 5, United States Code.

3 (2) Members shall receive travel expenses, including
4 per diem in lieu of subsistence, in accordance with sections
5 5702 and 5703 of title 5, United States Code.

6 (h) DIRECTOR OF STAFF.—(1) The Commission
7 shall, without regard to section 5311(b) of title 5, United
8 States Code, appoint a Director who has not been em-
9 ployed by the Federal Government during the 1-year pe-
10 riod preceding the date of such appointment and who is
11 not a former Member of Congress or registered lobbyist.

12 (2) The Director shall be paid at a rate not to exceed
13 the rate of basic pay payable for level IV of the Executive
14 Schedule under section 5315 of title 5, United States
15 Code.

16 (i) STAFF.—(1) Subject to paragraphs (2) and (3),
17 the Director, with the approval of the Commission, may
18 appoint and fix pay of additional personnel.

19 (2) The Director may take such appointments with-
20 out regard to the provisions of title 5, United States Code,
21 governing appointment in the competitive service, and any
22 personnel so appointed may be paid without regard to the
23 provisions of chapter 51 and subchapter III of chapter 53
24 of that title relating to classification and General Schedule
25 pay rates, except that an individual so appointed may not

1 receive pay in excess of the annual rate of basic pay pay-
2 able for GS-18 of the General Schedule.

3 (3) Not more than one-third of the personnel em-
4 ployed by or detailed to the Commission may be on detail
5 from any Government agency.

6 (4) Upon request of the Director, the head of any
7 Federal department or agency may detail any of the per-
8 sonnel of that department or agency to the Commission
9 to assist the Commission in carrying out its duties under
10 this Act.

11 (5) The Comptroller General of the United States
12 shall provide assistance, including the detailing of employ-
13 ees, to the Commission in accordance with an agreement
14 entered into with the Commission.

15 (j) OTHER AUTHORITY.—(1) The Commission may
16 procure by contract, to the extent funds are available, the
17 temporary or intermittent services of experts or consult-
18 ants pursuant to section 3109 of title 5, United States
19 Code.

20 (2) The Commission may lease space and acquire per-
21 sonal property to the extent funds are available.

22 (k) FUNDING.—Each department and agency shall
23 transfer necessary funding to the Commission on a pro
24 rata basis based on that agency's or departments funding
25 percentage of the total Executive budget.

1 (l) TERMINATION.—Each Commission shall termi-
2 nate on November 1st of the year in which the Commis-
3 sion is appointed.

4 **SEC. 3. PROCEDURE FOR MAKING RECOMMENDATION FOR**
5 **PROPOSED CUTS.**

6 (a) SELECTION CRITERIA.—(1) OMB shall, by no
7 later than January 1st of each year, publish in the Federal
8 Register and transmit to the Budget and Appropriations
9 committees of each House the criteria proposed to be used
10 by OMB in making budget outlay reduction recommenda-
11 tions required by section 2(b). OMB shall provide an op-
12 portunity for public comment on the proposed criteria for
13 a period of at least 10 days and shall include notice of
14 that opportunity in the publication required under the pre-
15 ceding sentence.

16 (2)(A) OMB shall, by no later than January 15th,
17 publish in the Federal Register and transmit to the con-
18 gressional budget and appropriations committees the final
19 criteria to be used in making recommendations for pro-
20 gram cuts. Except as provided in subparagraph (B), such
21 criteria shall be the final criteria to be used in making
22 such recommendations unless disapproved by a joint reso-
23 lution of Congress enacted on or before February 1st.

24 (B) OMB shall amend such criteria, but such amend-
25 ments may not become effective until they have been pub-

1 lished in the Federal Register, opened to public comment
2 for at least 10 days, and then transmitted to the Budget
3 and Appropriations committees of each House in final
4 form by no later than February 1st. Such amended cri-
5 teria shall be the final criteria to be used in making such
6 recommendations unless disapproved by a joint resolution
7 of Congress enacted on or before February 15th.

8 (b) OMB RECOMMENDATIONS.—(1) OMB may, by
9 no later than April 1st, publish in the Federal Register
10 and transmit to the congressional budget and appropria-
11 tions committees and to the Commission OMB's rec-
12 ommendations for budget outlay reductions.

13 (2) OMB shall include, with the list of recommenda-
14 tions published and transmitted pursuant to paragraph
15 (1), a summary of the selection process that resulted in
16 the recommendation.

17 (3) In considering such outlay reductions, OMB shall
18 consider all programs without regard to whether such pro-
19 grams have previously been considered or proposed for
20 elimination.

21 (4) OMB shall make available to the Commission and
22 the Comptroller General of the United States all informa-
23 tion used by OMB in making its recommendations.

24 (c) REVIEW AND RECOMMENDATIONS BY THE COM-
25 MISSION.—(1) After receiving the recommendations from

1 OMB pursuant to subsection (b), the Commission shall
2 conduct public hearings on the recommendations.

3 (2) The Director of the Congressional Budget Office
4 shall notify the Commission on August 1st of any savings
5 that have been enacted into law for the upcoming fiscal
6 year. The year's target for such fiscal year shall be re-
7 duced by the amount of such savings.

8 (3)(A) The Commission shall, by no later than Au-
9 gust 15th, transmit to the President a report containing
10 the Commission's findings and conclusions based on a re-
11 view and analysis of the recommendations.

12 (B) In making its recommendations, the Commission
13 may make changes in any of the recommendations made
14 by OMB.

15 (4) The Commission shall explain and justify in its
16 report submitted to the President pursuant to paragraph
17 (2) any recommendation made by the Commission that is
18 different from the recommendations made by OMB pursu-
19 ant to subsection (b). The Commission shall transmit a
20 copy of such report to the Budget and Appropriations
21 committees of each House on the same date on which it
22 transmits its recommendations to the President under
23 paragraph (2).

24 (5) After August 15th, the Commission shall prompt-
25 ly provide, upon request, to any Member of Congress in-

1 formation used by the Commission in making its
2 recommendations.

3 (6) The Congressional Budget Office shall—

4 (A) assist the Commission, to the extent re-
5 quested, in the Commission's review and analysis of
6 the recommendations made by OMB pursuant to
7 subsection (b); and

8 (B) by no later than June 1st, transmit to the
9 Congress and to the Commission a report containing
10 a detailed analysis of OMB's recommendations and
11 selection process.

12 (d) REVIEW BY THE PRESIDENT.—(1) The President
13 shall, by no later than September 1st, transmit to the
14 Commission and to the Congress, a report containing the
15 President's approval or disapproval of the Commission's
16 recommendations.

17 (2) If the President approves all the recommenda-
18 tions of the Commission, the President shall transmit a
19 copy of such recommendations to the Congress, together
20 with a certification of such approval and legislative lan-
21 guage implementing such recommendations.

22 (3) If the President disapproves the recommendations
23 of the Commission, in whole or in part, the President shall
24 transmit to the Commission and the Congress the reasons
25 for that disapproval. The Commission shall then transmit

1 to the President, by no later than September 5th, a revised
2 list of recommendations.

3 (4) If the President approves all of the revised rec-
4 ommendations of the Commission transmitted to the
5 President under paragraph (3), the President shall trans-
6 mit a copy of such revised recommendation to the Con-
7 gress, together with a certification of such approval.

8 (5) If the President does not transmit to the Con-
9 gress an approval and certification described in paragraph
10 (2) or (4) by September 10th, the process by which budget
11 outlay reductions may occur under this Act with respect
12 to that year shall be terminated.

13 **SEC. 4. BUDGET OUTLAY REDUCTIONS.**

14 (a) IN GENERAL.—The President shall submit rec-
15 ommendations to Congress together with a joint resolution
16 containing legislative language implementing such rec-
17 ommendations not later than September 10th, as provided
18 in section 3.

19 (b) CONGRESSIONAL CONSIDERATION OF PRESI-
20 DENT’S RECOMMENDATIONS.—

21 (1) TERMS OF THE RESOLUTION.—For the pur-
22 poses of subsection (a), the term “joint resolution”
23 means a joint resolution that—

24 (A) is introduced within the 2-day period
25 beginning on the date on which the President

1 transmits a report to the Congress under sec-
2 tion 3(d);

3 (B) does not have a preamble;

4 (C) states after the resolving clause “That
5 Congress approves the recommendations of the
6 Spending Reduction Commission submitted by
7 the President on _____”, the blank space
8 being filled in with the appropriate date and
9 contains the President’s legislative language de-
10 scribed in subsection (a); and

11 (D) is entitled a “Joint resolution approv-
12 ing the recommendations of the Spending
13 Reduction Commission.”.

14 (2) REFERRAL.—(A) A resolution described in
15 paragraph (1) that is introduced in the House of
16 Representatives shall be referred to the Committee
17 on Government Operations of the House of
18 Representatives.

19 (B) A resolution described in paragraph (1)
20 that is introduced in the Senate shall be referred to
21 the Committee on Governmental Affairs of the
22 Senate.

23 (3) DISCHARGE.—If the committee to which a
24 resolution described in paragraph (1) is referred has
25 not reported the resolution (or an identical resolu-

1 tion) by the end of the 5-day period beginning on
2 the date on which the President transmits the report
3 to the Congress, such committee shall, at the end of
4 that period, be discharged from further consider-
5 ation of the resolution, and the resolution shall be
6 placed on the appropriate calendar of the House of
7 Representatives or the Senate, as the case may be.

8 (4) CONSIDERATION.—(A)(i) On or after the
9 first day after the date on which the committee to
10 which a joint resolution described in paragraph (1)
11 is referred has reported, or has been discharged
12 (under paragraph (3)) from further consideration of,
13 such a resolution, it is in order (even though a pre-
14 vious motion to the same effect has been disagreed
15 to) for any member of the House of Representatives
16 or the Senate, respectively, to move to proceed to the
17 consideration of the resolution (but only on the date
18 after the calendar day on which the member an-
19 nounces to the House concerned the member’s inten-
20 tion to do so).

21 (ii) All points of order against a resolution de-
22 scribed in paragraph (1) (and against consideration
23 of the resolution) are waived.

24 (iii)(I) A motion to proceed to the consideration
25 of a joint resolution described in paragraph (1) is

1 highly privileged in the House of Representatives
2 and is privileged in the Senate and is not debatable.

3 (II) A motion described in subclause (I) is not
4 subject to amendment, to a motion to postpone con-
5 sideration of the resolution, or to a motion to pro-
6 ceed to the consideration of other business.

7 (III) A motion to reconsider the vote by which
8 a motion described in subclause (I) is agreed to or
9 not agreed to shall not be in order.

10 (IV) If a motion described in subclause (I) is
11 agreed to, the House of Representatives or the Sen-
12 ate, as the case may be, shall immediately proceed
13 to consideration of the joint resolution without inter-
14 vening motion, order, or other business, and the res-
15 olution shall remain the unfinished business of the
16 House of Representatives or the Senate, as the case
17 may be, until disposed of.

18 (B)(i) Debate on a joint resolution described in
19 paragraph (1) and on all debatable motions and ap-
20 peals in connection therewith shall be limited to not
21 more than 5 hours, which shall be divided equally
22 between those favoring and those opposing the
23 resolution.

24 (ii) An amendment to a joint resolution de-
25 scribed in paragraph (1) is not in order.

1 (iii) A motion further to limit debate on a joint
2 resolution described in paragraph (1) is in order and
3 not debatable.

4 (iv) A motion to postpone consideration of a
5 joint resolution described in paragraph (1), a motion
6 to proceed to the consideration of other business, or
7 a motion to recommit the resolution is not in order.

8 (v) A motion to reconsider the vote by which a
9 resolution described in paragraph (1) is agreed to or
10 not agreed to is not in order.

11 (C) Immediately following the conclusion of the
12 debate on a joint resolution described in paragraph
13 (1) and a single quorum call at the conclusion of the
14 debate if requested in accordance with the rules of
15 the House of Representatives or the Senate, as the
16 case may be, the vote on final passage of the resolu-
17 tion shall occur.

18 (D) Appeals from the decisions of the Chair re-
19 lating to the application of the rules of the House
20 of Representatives or of the Senate, as the case may
21 be, to the procedure relating to a joint resolution de-
22 scribed in paragraph (1) shall be decided without
23 debate.

24 (5) CONSIDERATION BY OTHER HOUSE.—(A) If,
25 before the passage by one House of a joint resolu-

1 tion described in paragraph (1) that was introduced
2 in that House, that House receives from the other
3 House a joint resolution described in paragraph
4 (1)—

5 (i) the resolution of the other House shall
6 not be referred to a committee and may not be
7 considered in the House that receives it other-
8 wise than on final passage under clause (ii)(II);
9 and

10 (ii)(I) the procedure in the House that re-
11 ceives such a resolution with respect to such a
12 resolution that was introduced in that House
13 shall be the same as if no resolution had been
14 received from the other House; but

15 (II) the vote on final passage shall be on
16 the resolution of the other House.

17 (B) Upon disposition of a joint resolution de-
18 scribed in paragraph (1) that is received by one
19 House from the other House, it shall no longer be
20 in order to consider such a resolution that was intro-
21 duced in the receiving House.

22 (6) DATE CERTAIN.—If the Senate and the
23 House of Representatives have not acted upon the
24 joint resolution by September 30th, then on that day
25 or the next day of session thereafter the joint resolu-

1 tion shall be called up by the Presiding Officer of
2 each House upon convening and a roll call vote shall
3 be conducted on passage. If the joint resolution
4 passes one House a vote on final passage shall be
5 immediately conducted in the other House.

6 (7) RULES OF THE SENATE AND HOUSE OF
7 REPRESENTATIVES.—This subsection is enacted by
8 Congress—

9 (A) as an exercise of the rulemaking power
10 of the Senate and House of Representatives, re-
11 spectively, and is deemed to be part of the rules
12 of each House, respectively, but applicable only
13 with respect to the procedure to be followed in
14 that House in the case of a joint resolution de-
15 scribed in paragraph (1), and it supersedes
16 other rules only to the extent that it is incon-
17 sistent with such rules; and

18 (B) with full recognition of the constitu-
19 tional right of either House to change the rules
20 (so far as they relate to the procedure of that
21 House) at any time, in the same manner, and
22 to the same extent as in the case of any other
23 rule of that House.

1 **SEC. 5. BUDGET OUTLAY REDUCTIONS PERMANENT.**

2 All obligational authority reduced pursuant to this
3 Act shall be done in a manner that shall make such reduc-
4 tions permanent.

5 **SEC. 6. ADDITIONAL ENFORCEMENT PROVISIONS.**

6 (a) SEQUESTER.—

7 (1) If the full amount of savings required by
8 this Act have not been achieved in a session of Con-
9 gress, the Director of the Congressional Budget Of-
10 fice shall notify the Director of the Office of Man-
11 agement and Budget within 10 calendar days after
12 the end of the session of Congress of the amount of
13 savings that has not been achieved as required by
14 this Act.

15 (2) Within 15 calendar days after the Congress
16 adjourns and on the same day as any sequestration
17 under the Balanced Budget and Emergency Deficit
18 Control Act of 1985, there shall be a sequestration
19 of the amount of additional required savings identi-
20 fied under paragraph (1). The sequestration shall be
21 achieved by sequestering one-half the amount pursu-
22 ant to section 251 of the Balanced Budget and
23 Emergency Deficit Control Act of 1985 and one-half
24 the amount pursuant to section 252 of the Balanced
25 Budget and Emergency Deficit Control Act of 1985.

1 (b) PAYGO SCORECARD.—No reductions in direct
2 spending pursuant to this Act shall be treated as a net
3 deficit decrease for purposes of section 252 of the Bal-
4 anced Budget and Emergency Deficit Control Act of 1985.

5 (c) DISCRETIONARY SPENDING LIMITS.—When
6 OMB submits a sequestration report under section 254
7 (g) or (h) of the Balanced Budget and Emergency Deficit
8 Control Act of 1985, OMB shall include downward adjust-
9 ments to discretionary spending limits (in new budget au-
10 thority and outlays) for the budget year and each outyear
11 to take full account of all reductions in discretionary
12 spending pursuant to this Act for that fiscal year.

13 **SEC. 7. DEFINITIONS.**

14 As used in this Act, the terms “budget outlay”, “out-
15 lay”, “new budget authority”, “direct spending”, and
16 “OMB” have the meanings given to such terms by section
17 250(c) of the Balanced Budget and Emergency Deficit
18 Control Act of 1985.

®

S 207 RIS1S—2