

106TH CONGRESS  
2D SESSION

# H. R. 4866

To provide for reconciliation pursuant to section 103(b)(1) of the concurrent resolution on the budget for fiscal year 2001 to reduce the public debt and to decrease the statutory limit on the public debt.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 17, 2000

Mr. FLETCHER (for himself, Mr. NUSSLE, Mr. ARCHER, Mr. KASICH, Mr. TANCREDO, Mr. HAYWORTH, Mr. GREEN of Wisconsin, Mr. HERGER, Mr. RAMSTAD, Mr. PORTMAN, Mr. SAM JOHNSON of Texas, and Mr. KUYKENDALL) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

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## A BILL

To provide for reconciliation pursuant to section 103(b)(1) of the concurrent resolution on the budget for fiscal year 2001 to reduce the public debt and to decrease the statutory limit on the public debt.

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.**

4 This Act may be cited as the “Debt Relief Reconcili-  
5 ation Act for Fiscal Year 2001”.

1 **SEC. 2. FINDINGS AND PURPOSE.**

2 (a) FINDINGS.—The Congress finds that—

3 (1) fiscal discipline, resulting from the Bal-  
4 anced Budget Act of 1997, and strong economic  
5 growth have ended decades of deficit spending and  
6 have produced budget surpluses without using the  
7 social security surplus;

8 (2) fiscal pressures will mount in the future as  
9 the aging of the population increases budget obliga-  
10 tions;

11 (3) until Congress and the President agree to  
12 legislation that strengthens social security, the social  
13 security surplus should be used to reduce the debt  
14 held by the public;

15 (4) strengthening the Government’s fiscal posi-  
16 tion through public debt reduction increases national  
17 savings, promotes economic growth, reduces interest  
18 costs, and is a constructive way to prepare for the  
19 Government’s future budget obligations; and

20 (5) it is fiscally responsible and in the long-  
21 term national economic interest to use a portion of  
22 the nonsocial security surplus to reduce the debt  
23 held by the public.

24 (b) PURPOSE.—It is the purpose of this Act to—

25 (1) reduce the debt held by the public with the  
26 goal of eliminating this debt by 2013; and

1           (2) decrease the statutory limit on the public  
2       debt.

3 **SEC. 3. ESTABLISHMENT OF PUBLIC DEBT REDUCTION**  
4                                   **PAYMENT ACCOUNT.**

5       (a) IN GENERAL.—Subchapter I of chapter 31 of title  
6 31, United States Code, is amended by adding at the end  
7 the following new section:

8 **“§ 3114. Public debt reduction payment account**

9       “(a) There is established in the Treasury of the  
10 United States an account to be known as the Public Debt  
11 Reduction Payment Account (hereinafter in this section  
12 referred to as the ‘account’).

13       “(b) The Secretary of the Treasury shall use amounts  
14 in the account to pay at maturity, or to redeem or buy  
15 before maturity, any obligation of the Government held  
16 by the public and included in the public debt. Any obliga-  
17 tion which is paid, redeemed, or bought with amounts  
18 from the account shall be canceled and retired and may  
19 not be reissued. Amounts deposited in the account are ap-  
20 propriated and may only be expended to carry out this  
21 section.

22       “(c) There is hereby appropriated into the account  
23 on October 1, 2000, or the date of enactment of this Act,  
24 whichever is later, out of any money in the Treasury not  
25 otherwise appropriated, \$7,500,000,000 for the fiscal year

1 ending September 30, 2001. The funds appropriated to  
2 this account shall remain available until expended.

3 “(d) The appropriation made under subsection (c)  
4 shall not be considered direct spending for purposes of sec-  
5 tion 252 of Balanced Budget and Emergency Deficit Con-  
6 trol Act of 1985.

7 “(e) Establishment of and appropriations to the ac-  
8 count shall not affect trust fund transfers that may be  
9 authorized under any other provision of law.

10 “(f) The Secretary of the Treasury and the Director  
11 of the Office of Management and Budget shall each take  
12 such actions as may be necessary to promptly carry out  
13 this section in accordance with sound debt management  
14 policies.

15 “(g) Reducing the debt pursuant to this section shall  
16 not interfere with the debt management policies or goals  
17 of the Secretary of the Treasury.”

18 (b) CONFORMING AMENDMENT.—The chapter anal-  
19 ysis for chapter 31 of title 31, United States Code, is  
20 amended by inserting after the item relating to section  
21 3113 the following:

“3114. Public debt reduction payment account.”

22 **SEC. 4. REDUCTION OF STATUTORY LIMIT ON THE PUBLIC**  
23 **DEBT.**

24 Section 3101(b) of title 31, United States Code, is  
25 amended by inserting “minus the amount appropriated

1 into the Public Debt Reduction Payment Account pursu-  
2 ant to section 3114(c)” after “\$5,950,000,000,000”.

3 **SEC. 5. OFF-BUDGET STATUS OF PUBLIC DEBT REDUCTION**  
4 **PAYMENT ACCOUNT.**

5 Notwithstanding any other provision of law, the re-  
6 ceipts and disbursements of the Public Debt Reduction  
7 Payment Account established by section 3114 of title 31,  
8 United States Code, shall not be counted as new budget  
9 authority, outlays, receipts, or deficit or surplus for pur-  
10 poses of—

11 (1) the budget of the United States Govern-  
12 ment as submitted by the President,

13 (2) the congressional budget, or

14 (3) the Balanced Budget and Emergency Def-  
15 icit Control Act of 1985.

16 **SEC. 6. REMOVING PUBLIC DEBT REDUCTION PAYMENT AC-**  
17 **COUNT FROM BUDGET PRONOUNCEMENTS.**

18 (a) IN GENERAL.—Any official statement issued by  
19 the Office of Management and Budget, the Congressional  
20 Budget Office, or any other agency or instrumentality of  
21 the Federal Government of surplus or deficit totals of the  
22 budget of the United States Government as submitted by  
23 the President or of the surplus or deficit totals of the con-  
24 gressional budget, and any description of, or reference to,  
25 such totals in any official publication or material issued

1 by either of such Offices or any other such agency or in-  
2 strumentality, shall exclude the outlays and receipts of the  
3 Public Debt Reduction Payment Account established by  
4 section 3114 of title 31, United States Code.

5 (b) SEPARATE PUBLIC DEBT REDUCTION PAYMENT  
6 ACCOUNT BUDGET DOCUMENTS.—The excluded outlays  
7 and receipts of the Public Debt Reduction Payment Ac-  
8 count established by section 3114 of title 31, United  
9 States Code, shall be submitted in separate budget docu-  
10 ments.

11 **SEC. 7. REPORTS TO CONGRESS.**

12 (a) REPORTS OF THE SECRETARY OF THE TREAS-  
13 URY.—(1) Within 30 days after the appropriation is de-  
14 posited into the Public Debt Reduction Payment Account  
15 under section 3114 of title 31, United States Code, the  
16 Secretary of the Treasury shall submit a report to the  
17 Committee on Ways and Means of the House of Rep-  
18 resentatives and the Committee on Finance of the Senate  
19 confirming that such account has been established and the  
20 amount and date of such deposit. Such report shall also  
21 include a description of the Secretary's plan for using such  
22 money to reduce debt held by the public.

23 (2) Not later than October 31, 2002, the Secretary  
24 of the Treasury shall submit a report to the Committee  
25 on Ways and Means of the House of Representatives and

1 the Committee on Finance of the Senate setting forth the  
2 amount of money deposited into the Public Debt Reduc-  
3 tion Payment Account, the amount of debt held by the  
4 public that was reduced, and a description of the actual  
5 debt instruments that were redeemed with such money.

6 (b) REPORT OF THE COMPTROLLER GENERAL OF  
7 THE UNITED STATES.—Not later than November 15,  
8 2002, the Comptroller General of the United States shall  
9 submit a report to the Committee on Ways and Means  
10 of the House of Representatives and the Committee on  
11 Finance of the Senate verifying all of the information set  
12 forth in the reports submitted under subsection (a).

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