

106TH CONGRESS
2^D SESSION

H. R. 4866

IN THE SENATE OF THE UNITED STATES

JULY 19, 2000

Received; read twice and referred to the Committee on Finance

AN ACT

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,*

1 **SECTION 1. SHORT TITLE.**

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

4 **SEC. 2. FINDINGS AND PURPOSE.**

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

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

11 (2) fiscal pressures will mount in the future as
12 the aging of the population increases budget obliga-
13 tions;

14 (3) until Congress and the President agree to
15 legislation that strengthens Social Security, the so-
16 cial security surplus should be used to reduce the
17 debt held by the public;

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

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

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

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

4 (2) decrease the statutory limit on the public
5 debt.

6 **SEC. 3. ESTABLISHMENT OF PUBLIC DEBT REDUCTION**
7 **PAYMENT ACCOUNT.**

8 (a) IN GENERAL.—Subchapter I of chapter 31 of title
9 31, United States Code, is amended by adding at the end
10 the following new section:

11 **“§ 3114. Public debt reduction payment account**

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

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

1 “(c) There is hereby appropriated into the account
2 on October 1, 2000, or the date of enactment of this Act,
3 whichever is later, out of any money in the Treasury not
4 otherwise appropriated, \$25,000,000,000 for the fiscal
5 year ending September 30, 2001. The funds appropriated
6 to this account shall remain available until expended.

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

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

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

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

22 (b) CONFORMING AMENDMENT.—The chapter anal-
23 ysis for chapter 31 of title 31, United States Code, is
24 amended by inserting after the item relating to section
25 3113 the following:

“3114. Public debt reduction payment account.”.

1 **SEC. 4. REDUCTION OF STATUTORY LIMIT ON THE PUBLIC**
2 **DEBT.**

3 Section 3101(b) of title 31, United States Code, is
4 amended by inserting “minus the amount appropriated
5 into the Public Debt Reduction Payment Account pursu-
6 ant to section 3114(c)” after “\$5,950,000,000,000”.

7 **SEC. 5. OFF-BUDGET STATUS OF PUBLIC DEBT REDUCTION**
8 **PAYMENT ACCOUNT.**

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

- 15 (1) the budget of the United States Govern-
16 ment as submitted by the President;
- 17 (2) the congressional budget; or
- 18 (3) the Balanced Budget and Emergency Def-
19 icit Control Act of 1985.

20 **SEC. 6. REMOVING PUBLIC DEBT REDUCTION PAYMENT AC-**
21 **COUNT FROM BUDGET PRONOUNCEMENTS.**

22 (a) IN GENERAL.—Any official statement issued by
23 the Office of Management and Budget, the Congressional
24 Budget Office, or any other agency or instrumentality of
25 the Federal Government of surplus or deficit totals of the
26 budget of the United States Government as submitted by

1 the President or of the surplus or deficit totals of the con-
2 gressional budget, and any description of, or reference to,
3 such totals in any official publication or material issued
4 by either of such Offices or any other such agency or in-
5 strumentality, shall exclude the outlays and receipts of the
6 Public Debt Reduction Payment Account established by
7 section 3114 of title 31, United States Code.

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

14 **SEC. 7. REPORTS TO CONGRESS.**

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

1 (2) Not later than October 31, 2002, the Secretary
2 of the Treasury shall submit a report to the Committee
3 on Ways and Means of the House of Representatives and
4 the Committee on Finance of the Senate setting forth the
5 amount of money deposited into the Public Debt Reduc-
6 tion Payment Account, the amount of debt held by the
7 public that was reduced, and a description of the actual
8 debt instruments that were redeemed with such money.

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

Passed the House of Representatives July 18, 2000.

Attest:

JEFF TRANDAHL,

Clerk.