

Union Calendar No. 178

106<sup>TH</sup> CONGRESS  
1<sup>ST</sup> Session

**H. R. 853**

**[Report No. 106-198, Parts I, II, and III]**

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**A BILL**

To amend the Congressional Budget Act of 1974 to provide for joint resolutions on the budget, reserve funds for emergency spending, strengthened enforcement of budgetary decisions, increased accountability for Federal spending, aerial budgeting for Federal insurance programs, mitigation of the bias in the budget process toward higher spending, modifications in paygo requirements when there is an on-budget surplus, and for other purposes.

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August 5, 1999

Reported from the Committee on the Budget with an amendment

August 5, 1999

Reported from the Committee on Rules with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 1999

Mr. NUSSLE (for himself, Mr. CARDIN, Mr. KASICH, Mr. DREIER, Mr. GOSS, Mr. MINGE, Mr. SUNUNU, Mr. RADANOVICH, and Mr. STENHOLM) introduced the following bill; which was referred to the Committee on the Budget, and in addition to the Committees on Rules, and Appropriations, 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

JUNE 24, 1999

Reported with an amendment, adversely, from the Committee on  
Appropriations

[Omit the part in bold brackets and struck through]

AUGUST 5, 1999

Reported from the Committee on the Budget with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

AUGUST 5, 1999

Additional sponsors: Mr. BARTON of Texas, Mr. CASTLE, Mr. ENGLISH, Mr. GREENWOOD, Mr. HASTINGS of Washington, Mrs. JOHNSON of Connecticut, Ms. PRYCE of Ohio, Mr. RAMSTAD, Mr. SESSIONS, Mr. SHAYS, Mrs. MYRICK, Mr. REYNOLDS, Mr. GUTKNECHT, Mr. UPTON, Mr. CAMPBELL, Mr. BURR of North Carolina, Mr. LINDER, Mr. BARR of Georgia,

Mr. ROYCE, Mr. HALL of Texas, Mr. CONDIT, Mr. GEKAS, Mr. RYAN of Wisconsin, and Mr. TOOMEY

Deleted sponsors: Mr. REGULA (added March 3, 1999; deleted May 27, 1999), and Mr. HOBSON (added April 26, 1999; deleted June 18, 1999)

AUGUST 5, 1999

Reported from the Committee on Rules with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in boldface roman]

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## A BILL

To amend the Congressional Budget Act of 1974 to provide for joint resolutions on the budget, reserve funds for emergency spending, strengthened enforcement of budgetary decisions, increased accountability for Federal spending, accrual budgeting for Federal insurance programs, mitigation of the bias in the budget process toward higher spending, modifications in paygo requirements when there is an on-budget surplus, 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 “Comprehensive Budget Process Reform Act of 1999”.

6 (b) ~~TABLE OF CONTENTS.~~—

Sec. 1. Short title; table of contents.

Sec. 2. Purpose.

Sec. 3. Effective date.

Sec. 4. Declaration of purposes for the Budget Act.

### TITLE I—BUDGET WITH FORCE OF LAW

Sec. 101. Purposes.

- Sec. 102. The timetable.
- Sec. 103. Annual joint resolutions on the budget.
- Sec. 104. Budget required before spending bills may be considered; fall-back procedures if President vetoes joint budget resolution.
- Sec. 105. Reaffirming special budgetary status of social security.
- Sec. 106. Conforming amendments to effectuate joint resolutions on the budget.

#### TITLE H—RESERVE FUNDS FOR EMERGENCIES

- Sec. 201. Purpose.
- Sec. 202. Repeal of adjustments for emergencies.
- Sec. 203. OMB emergency criteria.
- Sec. 204. Development of guidelines for application of emergency definition.
- Sec. 205. Reserve funds for emergencies in President's budget.
- Sec. 206. Adjustments and reserve funds for emergencies in joint budget resolutions.
- Sec. 207. Committee notification of emergency legislation.
- Sec. 208. Application of section 306 to emergencies in excess of amounts in reserve funds.
- Sec. 209. Up-to-date tabulations.
- Sec. 210. Report of Committees on the Budget.
- Sec. 211. Prohibition on amendments to emergency reserve funds.
- Sec. 312. Effective active date.

#### TITLE III—ENFORCEMENT OF BUDGETARY DECISIONS

- Sec. 301. Purposes:

##### Subtitle A—Application of Points of Order to Unreported Legislation

- Sec. 311. Application of Budget Act points of order to unreported legislation.

##### Subtitle B—Compliance with Budget Resolution

- Sec. 321. Budget compliance statements.

##### Subtitle C—Justification for Budget Act Waivers

- Sec. 331. Justification for Budget Act waivers in the House of Representatives.

##### Subtitle D—CBO Scoring of Conference Reports

- Sec. 341. CBO scoring of conference reports.

#### TITLE IV—ACCOUNTABILITY FOR FEDERAL SPENDING

- Sec. 401. Purposes:

##### Subtitle A—Prohibitions on Indefinite Spending

- Sec. 411. Fixed-year authorizations required for new programs.
- Sec. 412. Amendments to subject new entitlements to annual appropriations.

##### Subtitle B—Enhanced Congressional Oversight Responsibilities

- Sec. 421. Ten-year congressional review requirement of permanent budget authority.
- Sec. 422. Justifications of direct spending.
- Sec. 423. Survey of activity reports of House committees.

Sec. 424. Continuing study of additional budget process reforms.  
 Sec. 425. GAO reports.

Subtitle C—Strengthened Accountability

Sec. 431. Ten-year CBO estimates.  
 Sec. 432. Repeal of rule XXIII of the Rules of the House of Representatives.

TITLE V—BUDGETING FOR UNFUNDED LIABILITIES AND OTHER  
 LONG-TERM OBLIGATIONS

Sec. 501. Purposes.

Subtitle A—Budgetary Treatment of Federal Insurance Programs

Sec. 511. Federal insurance programs.

Subtitle B—Reports on Long-Term Budgetary Trends

Sec. 521. Reports on long-term budgetary trends.

TITLE VI—BASELINE, BYRD RULE, LOCK-BOX, AND AUTOMATIC  
 CONTINUING RESOLUTION

Sec. 601. Purpose.

Subtitle A—The Baseline

Sec. 611. The President's budget.  
 Sec. 612. The congressional budget.  
 Sec. 613. Congressional Budget Office reports to committees.  
 Sec. 614. Outyear assumptions for discretionary spending.

Subtitle B—The Byrd Rule

Sec. 621. Limitation on Byrd rule.

Subtitle C—Spending Accountability Lock-Box

Sec. 631. Short title.  
 Sec. 632. Spending accountability lock-box ledger.  
 Sec. 633. Downward adjustment of section 302(a) allocations and section  
 302(b) suballocations.  
 Sec. 634. Periodic reporting of ledger statements.  
 Sec. 635. Downward adjustment of discretionary spending limits.

Subtitle D—Automatic Continuing Resolution

Sec. 641. Automatic continuing resolution.

TITLE VII—BUDGETING IN AN ERA OF SURPLUSES

Sec. 701. Paygo requirements and the on-budget surplus.

1 **SEC. 2. PURPOSE.**

2 The purposes of this Act are to—

3 (1) give the budget the force of law;

- 1           (2) budget for emergencies;
- 2           (3) display the unfunded liabilities of Federal  
3 insurance programs;
- 4           (4) strengthen enforcement of budgetary deci-  
5 sions;
- 6           (5) increase accountability for Federal spend-  
7 ing;
- 8           (6) mitigate the bias in the budget process to-  
9 ward higher spending; and
- 10          (7) modify paygo requirements when there is an  
11 on-budget surplus.

12 **SEC. 3. EFFECTIVE DATE.**

13        Except as otherwise specifically provided, this Act  
14 and the amendments made by this Act shall become effec-  
15 tive on the date of enactment of this Act and shall apply  
16 with respect to fiscal years beginning after September 30,  
17 2000.

18 **SEC. 4. DECLARATION OF PURPOSES FOR THE BUDGET**  
19 **ACT.**

20        Paragraphs (1) and (2) of section 2 of the Congres-  
21 sional Budget and Impoundment Control Act of 1974 are  
22 amended to read as follows:

23           “(1) to assure effective control over the budg-  
24 etary process;

1           “(2) to facilitate the determination each year of  
2           the appropriate level of Federal revenues and ex-  
3           penditures by the Congress and the President;”-

## 4   **TITLE I—BUDGET WITH FORCE** 5                                   **OF LAW**

### 6   **SEC. 101. PURPOSES.**

7           The purposes of this title are to—

8           (1) focus initial budgetary deliberations on ag-  
9           gregate levels of Federal spending and taxation;

10           (2) encourage cooperation between Congress  
11           and the President in developing overall budgetary  
12           priorities; and

13           (3) reach budgetary decisions early in the legis-  
14           lative cycle.

### 15   **SEC. 102. THE TIMETABLE.**

16           Section 300 of the Congressional Budget Act of 1974  
17           is amended to read as follows:

18                                   “TIMETABLE

19           “SEC. 300. The timetable with respect to the congres-  
20           sional budget process for any fiscal year is as follows:

#### **“On or before:**

First Monday in February .....

February 15 .....

Not later than 6 weeks after Presi-  
dent submits budget.

April 1 .....

April 15 .....

June 10 .....

#### **Action to be completed:**

President submits his budget.

Congressional Budget Office submits  
report to Budget Committees.

Committees submit views and esti-  
mates to Budget Committees.

Senate Budget Committee reports  
joint resolution on the budget.

Congress completes action on joint  
resolution on the budget.

House Appropriations Committee re-  
ports last annual appropriation bill.

<b>“On or before:</b>	<b>Action to be completed:</b>
June 15 .....	Congress completes action on reconciliation legislation.
June 30 .....	House completes action on annual appropriation bills.
October 1 .....	Fiscal year begins.”

1 **SEC. 103. ANNUAL JOINT RESOLUTIONS ON THE BUDGET.**

2 (a) ANNUAL JOINT RESOLUTIONS ON THE BUDGET  
3 ET.—(1) Section 301 of the Congressional Budget Act of  
4 1974 is amended to read as follows:

5 “ANNUAL JOINT RESOLUTIONS ON THE BUDGET  
6 “SEC. 301. (a) CONTENT OF JOINT RESOLUTION ON  
7 THE BUDGET.—On or before April 15 of each year, the  
8 Congress shall complete action on a joint resolution on the  
9 budget for the fiscal year beginning on October 1 of such  
10 year. The joint resolution shall set forth appropriate levels  
11 for the fiscal year beginning on October 1 of such year  
12 and for at least each of the 4 ensuing fiscal years for the  
13 following—

14 “(1) totals of new budget authority and outlays;

15 “(2) total Federal revenues and the amount, if  
16 any, by which the aggregate level of Federal revenues  
17 should be increased or decreased by bills and  
18 resolutions to be reported by the appropriate committees;  
19

20 “(3) the surplus or deficit in the budget;

21 “(4) subtotals of new budget authority and outlays  
22 for nondefense discretionary spending, defense



1 discretionary spending, and direct spending, and, if  
2 deemed necessary, other subsets of discretionary  
3 spending and of direct spending;

4 “(5) the level of the statutory limit on the pub-  
5 lie debt;

6 “(6) for fiscal years to which the amendments  
7 made by title II of the Comprehensive Budget Proc-  
8 ess Reform Act of 1999 apply, subtotals of new  
9 budget authority and outlays for emergencies, in-  
10 cluding subtotals for direct spending and discre-  
11 tionary spending;

12 “(7) For purposes of Senate enforcement under  
13 this title, outlays of the old-age, survivors, and dis-  
14 ability insurance program established under title II  
15 of the Social Security Act for the fiscal year of the  
16 resolution and for each of the 4 succeeding fiscal  
17 years; and

18 “(8) For purposes of Senate enforcement under  
19 this title, revenues of the old-age, survivors, and dis-  
20 ability insurance program established under title II  
21 of the Social Security Act (and the related provisions  
22 of the Internal Revenue Code of 1986) for the fiscal  
23 year of the resolution and for each of the 4 suc-  
24 ceeding fiscal years.

1       “(b) ADDITIONAL MATTERS IN JOINT RESOLU-  
2 TION.—The joint resolution on the budget may—

3           “(1) include a heading entitled ‘Debt Increase  
4 as Measure of Deficit’ in which the joint resolution  
5 shall set forth the amounts by which the debt sub-  
6 ject to limit (in section 3101 of title 31, United  
7 States Code) has increased or would increase in each  
8 of the relevant fiscal years;

9           “(2) if submitted by the Committee on Ways  
10 and Means of the House of Representatives or the  
11 Committee on Finance of the Senate to the Com-  
12 mittee on the Budget of that House of Congress,  
13 amend section 3101 of title 31, United States Code,  
14 to change the statutory limit on the public debt;

15           “(3) require a procedure under which all or cer-  
16 tain bills or resolutions providing new budget au-  
17 thority or new entitlement authority for such fiscal  
18 year shall not be enrolled until the Congress has  
19 completed action on any reconciliation bill or rec-  
20 onciliation resolution or both required by such con-  
21 current resolution to be reported in accordance with  
22 section 310(b);

23           “(4) require such other congressional proce-  
24 dures, relating to the budget, as may be appropriate  
25 to carry out the purposes of this Act; and

1           “(5) set forth procedures in the Senate whereby  
2           committee allocations, aggregates, and other levels  
3           can be revised for legislation if that legislation would  
4           not increase the deficit, or would not increase the  
5           deficit when taken with other legislation enacted  
6           after the adoption of the resolution, for the first fis-  
7           cal year or the total period of fiscal years covered by  
8           the resolution.

9           “(c) CONSIDERATION OF PROCEDURES OR MATTERS  
10          WHICH HAVE THE EFFECT OF CHANGING ANY RULE OF  
11          THE HOUSE OF REPRESENTATIVES.—If the Committee  
12          on the Budget of the House of Representatives reports  
13          any joint resolution on the budget which includes any pro-  
14          cedure or matter which has the effect of changing any rule  
15          of the House of Representatives, such joint resolution shall  
16          then be referred to the Committee on Rules with instruc-  
17          tions to report it within five calendar days (not counting  
18          any day on which the House is not in session). The Com-  
19          mittee on Rules shall have jurisdiction to report any joint  
20          resolution referred to it under this paragraph with an  
21          amendment or amendments changing or striking any such  
22          procedure or matter.

23          “(d) VIEWS AND ESTIMATES OF OTHER COMMIT-  
24          TEES.—Within 6 weeks after the President submits a  
25          budget under section 1105(a) of title 31, United States

1 Code, or at such time as may be requested by the chair-  
2 man of the Committee on the Budget, each committee of  
3 the House of Representatives having legislative jurisdic-  
4 tion shall submit to the Committee on the Budget of the  
5 House and each committee of the Senate having legislative  
6 jurisdiction shall submit to the Committee on the Budget  
7 of the Senate its views and estimates (as determined by  
8 the committee making such submission) with respect to  
9 all matters set forth in subsections (a) and (b) which re-  
10 late to matters within the jurisdiction or functions of such  
11 committee. The Joint Economic Committee shall submit  
12 to the Committees on the Budget of both Houses its rec-  
13 ommendations as to the fiscal policy appropriate to the  
14 goals of the Employment Act of 1946. Any other com-  
15 mittee of the House of Representatives or the Senate may  
16 submit to the Committee on the Budget of its House, and  
17 any joint committee of the Congress may submit to the  
18 Committees on the Budget of both Houses, its views and  
19 estimates with respect to all matters set forth in sub-  
20 sections (a) and (b) which relate to matters within its ju-  
21 risdiction or functions. Any other committee of the House  
22 of Representatives or the Senate that anticipates that the  
23 committee will consider legislation establishing, amending,  
24 or reauthorizing any Federal program likely to have a sig-  
25 nificant budgetary impact on any State, local, or tribal

1 government, or likely to have a significant financial impact  
2 on the private sector, including any legislative proposal  
3 submitted by the executive branch likely to have such a  
4 budgetary or financial impact, shall include its views and  
5 estimates on that proposal to the Committee on the Budget  
6 of the applicable House.

7 “(e) HEARINGS AND REPORT.—

8 “(1) IN GENERAL.—In developing the joint res-  
9 olution on the budget referred to in subsection (a)  
10 for each fiscal year, the Committee on the Budget  
11 of each House shall hold hearings and shall receive  
12 testimony from Members of Congress and such ap-  
13 propriate representatives of Federal departments  
14 and agencies, the general public, and national orga-  
15 nizations as the committee deems desirable. Each of  
16 the recommendations as to short-term and medium-  
17 term goal set forth in the report submitted by the  
18 members of the Joint Economic Committee under  
19 subsection (d) may be considered by the Committee  
20 on the Budget of each House as part of its consider-  
21 ation of such concurrent resolution, and its report  
22 may reflect its views thereon, including its views on  
23 how the estimates of revenues and levels of budget  
24 authority and outlays set forth in such concurrent

1 resolution are designed to achieve any goals it is rec-  
2 ommending.

3 “(2) REQUIRED CONTENTS OF REPORT.—The  
4 report accompanying the resolution shall include—

5 “(A) new budget authority and outlays for  
6 each major functional category, based on alloca-  
7 tions of the total levels set forth pursuant to  
8 subsection (a)(1);

9 “(B) a comparison of the levels of total  
10 new budget authority, total outlays, total reve-  
11 nues, and the surplus or deficit for each fiscal  
12 year set forth in the resolution with those re-  
13 quested in the budget submitted by the Presi-  
14 dent;

15 “(C) with respect to each major functional  
16 category, an estimate of total new budget au-  
17 thority and total outlays, with the estimates di-  
18 vided between discretionary and direct spending  
19 amounts;

20 “(D) a measure, as a percentage of gross  
21 domestic product, of total outlays, total Federal  
22 revenues, the surplus or deficit, and new out-  
23 lays for nondefense discretionary spending, de-  
24 fense spending, and direct spending as set forth  
25 in such resolution;

1           “(E) the economic assumptions that un-  
2           derlie each of the matters set forth in the reso-  
3           lution and any alternative economic assump-  
4           tions and objectives the committee considered;

5           “(F) information, data, and comparisons  
6           indicating the manner in which, and the basis  
7           on which, the committee determined each of the  
8           matters set forth in the resolution;

9           “(G) a justification for allocating any new  
10          budget authority and outlays for any new pro-  
11          gram, project, or activity to a committee for  
12          which such new budget authority and outlays  
13          would not be subject to discretionary appropria-  
14          tions;

15          “(H) allocations described in section  
16          302(a);

17          “(I) the estimated levels of tax expendi-  
18          tures (the tax expenditures budget) by major  
19          items and functional categories for the Presi-  
20          dent’s budget and in the resolution; and

21          “(J) if the joint resolution on the budget  
22          includes any allocation to a committee (other  
23          than the Committee on Appropriations) of levels  
24          in excess of current law levels, a justification  
25          for not subjecting any program, project, or ac-

1           tivity (for which the allocation is made) to an-  
2           nual discretionary appropriation.”.

3           ~~“(3) ADDITIONAL CONTENTS OF REPORT.—~~The  
4           report accompanying the resolution may include—

5                   ~~“(A) reconciliation directives described in~~  
6                   ~~section 310;~~

7                   ~~“(B) a statement of any significant~~  
8                   ~~changes in the proposed levels of Federal assist-~~  
9                   ~~ance to State and local governments;~~

10                   ~~“(C) an allocation of the level of Federal~~  
11                   ~~revenues recommended in the resolution among~~  
12                   ~~the major sources of such revenues; and~~

13                   ~~“(D) other matters, relating to the budget~~  
14                   ~~and to fiscal policy, that the committee deems~~  
15                   ~~appropriate.~~

16           ~~“(f) ACHIEVEMENT OF GOALS FOR REDUCING UN-~~  
17           ~~EMPLOYMENT.—~~

18                   ~~(1) If, pursuant to section 4(c) of the Employ-~~  
19                   ~~ment Act of 1946, the President recommends in the~~  
20                   ~~Economic Report that the goals for reducing unem-~~  
21                   ~~ployment set forth in section 4(b) of such Act be~~  
22                   ~~achieved in a year after the close of the five-year pe-~~  
23                   ~~riod prescribed by such subsection, the concurrent~~  
24                   ~~resolution on the budget for the fiscal year begin-~~  
25                   ~~ning after the date on which such Economic Report~~



1 is received by the Congress may set forth the year  
2 in which, in the opinion of the Congress, such goals  
3 can be achieved.

4 “(2) After the Congress has expressed its opin-  
5 ion pursuant to paragraph (1) as to the year in  
6 which the goals for reducing unemployment set forth  
7 in section 4(b) of the Employment Act of 1946 can  
8 be achieved, if, pursuant to section 4(e) of such Act,  
9 the President recommends in the Economic Report  
10 that such goals be achieved in a year which is dif-  
11 ferent from the year in which the Congress has ex-  
12 pressed its opinion that such goals should be  
13 achieved, either in its action pursuant to paragraph  
14 (1) or in its most recent action pursuant to this  
15 paragraph, the concurrent resolution on the budget  
16 for the fiscal year beginning after the date on which  
17 such Economic Report is received by the Congress  
18 may set forth the year in which, in the opinion of  
19 the Congress, such goals can be achieved.

20 “(3) It shall be in order to amend the provision  
21 of such resolution setting forth such year only if the  
22 amendment thereto also proposes to alter the esti-  
23 mates, amounts, and levels (as described in sub-  
24 section (a)) set forth in such resolution in germane  
25 fashion in order to be consistent with the economic

1 goals (as described in sections 3(a)(2) and (4)(b) of  
2 the Employment Act of 1946) which such amend-  
3 ment proposes can be achieved by the year specified  
4 in such amendment.

5 “(g) ECONOMIC ASSUMPTIONS.—

6 “(1) It shall not be in order in the Senate to  
7 consider any joint resolution on the budget for a fis-  
8 cal year, or any amendment thereto, or any con-  
9 ference report thereon, that sets forth amounts and  
10 levels that are determined on the basis of more than  
11 one set of economic and technical assumptions.

12 “(2) The joint explanatory statement accom-  
13 panying a conference report on a joint resolution on  
14 the budget shall set forth the common economic as-  
15 sumptions upon which such joint statement and con-  
16 ference report are based, or upon which any amend-  
17 ment contained in the joint explanatory statement to  
18 be proposed by the conferees in the case of technical  
19 disagreement, is based.

20 “(3) Subject to periodic reestimation based on  
21 changed economic conditions or technical estimates,  
22 determinations under titles III and IV of the Con-  
23 gressional Budget Act of 1974 shall be based upon  
24 such common economic and technical assumptions.

1       “(h) BUDGET COMMITTEES CONSULTATION WITH  
2 COMMITTEES.—The Committee on the Budget of the  
3 House of Representatives shall consult with the commit-  
4 tees of its House having legislative jurisdiction during the  
5 preparation, consideration, and enforcement of the joint  
6 resolution on the budget with respect to all matters which  
7 relate to the jurisdiction or functions of such committees.

8       “(i) SOCIAL SECURITY POINT OF ORDER.—It shall  
9 not be in order in the Senate to consider any concurrent  
10 resolution on the budget (or amendment, motion, or con-  
11 ference report on the resolution) that would decrease the  
12 excess of social security revenues over social security out-  
13 lays in any of the fiscal years covered by the concurrent  
14 resolution. No change in chapter 1 of the Internal Revenue  
15 Code of 1986 shall be treated as affecting the amount of  
16 social security revenues unless such provision changes the  
17 income tax treatment of social security benefits.”.

18       (b) PRESIDENT’S BUDGET SUBMISSION TO THE CON-  
19 GRESS.—(1) The first two sentences of section 1105(a)  
20 of title 31, United States Code, are amended to read as  
21 follows:

22       “On or after the first Monday in January but not later  
23 than the first Monday in February of each year the Presi-  
24 dent shall submit a budget of the United States Govern-

1 ment for the following fiscal year which shall set forth the  
2 following levels:

3           ~~“(A) totals of new budget authority and out-~~  
4           ~~lays;~~

5           ~~“(B) total Federal revenues and the amount, if~~  
6           ~~any, by which the aggregate level of Federal reve-~~  
7           ~~nuces should be increased or decreased by bills and~~  
8           ~~resolutions to be reported by the appropriate com-~~  
9           ~~mittees;~~

10           ~~“(C) the surplus or deficit in the budget;~~

11           ~~“(D) subtotals of new budget authority and~~  
12           ~~outlays for nondefense discretionary spending, de-~~  
13           ~~fense discretionary spending, and direct spending,~~  
14           ~~and, if deemed necessary, other subsets of discre-~~  
15           ~~tionary spending and of direct spending;~~

16           ~~“(E) the level of the statutory limit on the pub-~~  
17           ~~lie debt; and~~

18           ~~“(F) for fiscal years to which the amendments~~  
19           ~~made by title II of the Comprehensive Budget Proc-~~  
20           ~~ess Reform Act of 1999 apply, subtotals of new~~  
21           ~~budget authority and outlays for emergencies, in-~~  
22           ~~cluding subtotals for direct spending and discre-~~  
23           ~~tionary spending.~~

24 Each budget submission shall include a budget message  
25 and summary and supporting information and, as a sepa-

1 rately delineated statement, the levels required in the pre-  
2 ceding sentence for at least each of the 4 ensuing fiscal  
3 years.”.

4 (2) The third sentence of section 1105(a) of title 31,  
5 United States Code, is amended by inserting “submission”  
6 after “budget”.

7 (c) LIMITATION ON CONTENTS OF BUDGET RESOLU-  
8 TIONS.—Section 305 of the Congressional Budget Act of  
9 1974 is amended by adding at the end the following new  
10 subsection:

11 “(e) LIMITATION ON CONTENTS.—(1) Any joint reso-  
12 lution on the budget or any amendment thereto or con-  
13 ference report thereon that contains any matter not speci-  
14 fied in section 301(a) or (b) shall not be treated in the  
15 House of Representatives or the Senate as a budget reso-  
16 lution under subsection (a) or (b) or as a conference report  
17 on a budget resolution under subsection (c) of this section.

18 “(2) It shall not be in order in the House of Rep-  
19 resentatives or in the Senate to consider any joint resolu-  
20 tion on the budget or any amendment thereto or con-  
21 ference report thereon that contains any matter referred  
22 to in paragraph (1).”.

1 **SEC. 104. BUDGET REQUIRED BEFORE SPENDING BILLS**  
 2 **MAY BE CONSIDERED; FALL-BACK PROCE-**  
 3 **DURES IF PRESIDENT VETOES JOINT BUDG-**  
 4 **ET RESOLUTION.**

5 (a) ~~AMENDMENTS TO SECTION 303 AND CON-~~  
 6 ~~FORMING AMENDMENTS.~~—(1) Section 303 of the Con-  
 7 gressional Budget Act of 1974 is amended—

8 (A) in subsection (b), by striking paragraph  
 9 (2), by inserting “or” at the end of paragraph (1),  
 10 and by redesignating paragraph (3) as paragraph  
 11 (2); and

12 (B) by striking its section heading and inserting  
 13 the following new section heading: “CONSIDERATION  
 14 OF BUDGET-RELATED LEGISLATION BEFORE BUDG-  
 15 ET BECOMES LAW”.

16 (2) Section 302(g)(1) of the Congressional Budget  
 17 Act of 1974 is amended by striking “April 15” and insert-  
 18 ing the following: “the date upon which a joint resolution  
 19 on the budget for a fiscal year is enacted”.

20 (3) Section 3 of the Congressional Budget and Im-  
 21 poundment Control Act of 1974 is amended by adding at  
 22 the end the following new paragraph:

23 “(11) The term ‘vetoes’ means, when referring  
 24 to a joint resolution on the budget for a fiscal year,  
 25 whenever the President returns such resolution with  
 26 his objections to the House in which it originated

1 within ten days after receiving the resolution or does  
 2 not sign the resolution and cannot return it due to  
 3 a congressional adjournment that occurs before the  
 4 ten-day time limit.”.

5 (4)(A) Section 904(e)(1) of the Congressional Budget  
 6 Act of 1974 is amended by inserting “303(a),” before  
 7 “305(b)(2),”.

8 (B) Section 904(d)(2) of the Congressional Budget  
 9 Act of 1974 is amended by inserting “303(a),” before  
 10 “305(b)(2),”.

11 (b) EXPEDITED PROCEDURES UPON VETO OF JOINT  
 12 RESOLUTION ON THE BUDGET.—(1) Title III of the Con-  
 13 gressional Budget Act of 1974 is amended by adding at  
 14 the end the following new section:

15 “EXPEDITED PROCEDURES UPON VETO OF JOINT  
 16 RESOLUTION ON THE BUDGET

17 “SEC. 316. (a) SPECIAL RULE.—If the President ve-  
 18 toes a joint resolution on the budget for a fiscal year, the  
 19 chairman of the Committee on Budget of the House of  
 20 Representatives or Senate may introduce a concurrent res-  
 21 olution on the budget or joint resolution on the budget  
 22 for such fiscal year. If the Committee on the Budget of  
 23 either House fails to report such concurrent or joint reso-  
 24 lution referred to it within three legislative days after the  
 25 date of such referral, the committee shall be automatically  
 26 discharged from further consideration of such resolution

1 and such resolution shall be placed on the appropriate cal-  
 2 endar.

3       “(b) ~~PROCEDURE IN THE HOUSE OF REPRESENTA-~~  
 4 ~~TIVES AND THE SENATE.—~~

5               “(1) Except as provided in paragraph (2), the  
 6 provisions of section 305 for the consideration in the  
 7 House of Representatives and in the Senate of joint  
 8 resolutions on the budget and conference reports  
 9 thereon shall also apply to the consideration of con-  
 10 current resolutions on the budget introduced under  
 11 subsection (a) and conference reports thereon.

12               “(2) Debate in the Senate on any concurrent  
 13 resolution on the budget or joint resolution on the  
 14 budget introduced under subsection (a), and all  
 15 amendments thereto and debatable motions and ap-  
 16 peals in connection therewith, shall be limited to not  
 17 more than 10 hours and in the House such debate  
 18 shall be limited to not more than 3 hours.

19       “(c) ~~CONTENTS OF CONCURRENT RESOLUTIONS.—~~  
 20 The contents of any concurrent resolution on the budget  
 21 introduced under subsection (a) shall be in compliance  
 22 with sections 301 and 305.

23       “(d) ~~EFFECT OF CONCURRENT RESOLUTION ON THE~~  
 24 ~~BUDGET.—~~Notwithstanding any other provision of this  
 25 title, whenever a concurrent resolution on the budget de-



1 scribed in subsection (a) is agreed to, then the aggregates,  
 2 allocations, and reconciliation directives (if any) contained  
 3 in the accompanying report to such concurrent resolution  
 4 shall be considered to be the aggregates, allocations, and  
 5 reconciliation directives for all purposes of this title for  
 6 the applicable fiscal years and such concurrent resolution  
 7 shall be deemed to be a joint resolution for all purposes  
 8 of this title and the Rules of the House of Representatives  
 9 and any reference to the date of enactment of a joint reso-  
 10 lution on the budget shall be deemed to be a reference  
 11 to the date agreed to when applied to such concurrent res-  
 12 olution.”.

13 (2) The table of contents set forth in section 1(b) of  
 14 the Congressional Budget and Impoundment Control Act  
 15 of 1974 is amended by inserting after the item relating  
 16 to section 315 the following new item:

“Sec. 316. Expedited procedures upon veto of joint resolution on the budget.”.

17 **SEC. 105. REAFFIRMING SPECIAL BUDGETARY STATUS OF**  
 18 **SOCIAL SECURITY.**

19 (a) IN GENERAL.—Title III of the Congressional  
 20 Budget Act of 1974 (as amended by section 104(b)) is  
 21 further amended by adding at the end the following new  
 22 section:

23 “SOCIAL SECURITY

24 “SEC. 317. (a) IN GENERAL.—The joint resolution  
 25 on the budget shall not include the outlays and revenue

1 totals of the old age, survivors, and disability insurance  
2 program established under title II of the Social Security  
3 Act or the related provisions of the Internal Revenue Code  
4 of 1986 in the surplus or deficit totals required by section  
5 301(a), in any other surplus or deficit totals required by  
6 this Act, or in any other surplus or deficit totals required  
7 by chapter 11 of title 31, United States Code.

8       “(b) LIMITATION ON CHANGES TO THE SOCIAL SE-  
9 CURITY ACT.—Notwithstanding any other provision of  
10 law, it shall not be in order in the Senate or the House  
11 of Representatives to consider any reconciliation bill or  
12 reconciliation resolution reported pursuant to a joint reso-  
13 lution on the budget agreed to under section 301 or 304,  
14 or a joint resolution pursuant to section 258C of the Bal-  
15 anced Budget and Emergency Deficit Control Act of 1985,  
16 or any amendment thereto or conference report thereon,  
17 that contains recommendations with respect to the old-  
18 age, survivors, and disability insurance program estab-  
19 lished under title II of the Social Security Act.

20       “(c) EXCLUSION OF SOCIAL SECURITY FROM ALL  
21 BUDGETS.—Notwithstanding any other provision of law,  
22 the receipts and disbursements of the Federal Old-Age  
23 and Survivors Insurance Trust Fund and the Federal Dis-  
24 ability Insurance Trust Fund shall not be counted as new

1 budget authority, outlays, receipts, or deficit or surplus  
2 for purposes of—

3           ~~“(1) the budget of the United States Govern-~~  
4           ~~ment as submitted by the President,~~

5           ~~“(2) the congressional budget, or~~

6           ~~“(3) the Balanced Budget and Emergency Def-~~  
7           ~~icit Control Act of 1985.~~

8           ~~“(d) PROTECTION OF OASDI TRUST FUNDS IN THE~~  
9           ~~HOUSE OF REPRESENTATIVES.—(1) It shall not be in~~  
10           ~~order in the House of Representatives to consider any bill~~  
11           ~~or joint resolution, as reported, or any amendment thereto~~  
12           ~~or conference report thereon, if, upon enactment—~~

13           ~~“(A)(i) such legislation under consideration~~  
14           ~~would provide for a net increase in OASDI benefits~~  
15           ~~of at least 0.02 percent of the present value of fu-~~  
16           ~~ture taxable payroll for the 75-year period utilized in~~  
17           ~~the most recent annual report of the Board of~~  
18           ~~Trustees provided pursuant to section 201(c)(2) of~~  
19           ~~the Social Security Act, and (ii) such legislation~~  
20           ~~under consideration does not provide at least a net~~  
21           ~~increase, for such 75-year period, in OASDI taxes of~~  
22           ~~the amount by which the net increase in such bene-~~  
23           ~~fits exceeds 0.02 percent of the present value of fu-~~  
24           ~~ture taxable payroll for such 75-year period,~~

1           “(B)(i) such legislation under consideration  
2 would provide for a net increase in OASDI benefits  
3 (for the 5-year estimating period for such legislation  
4 under consideration); (ii) such net increase, together  
5 with the net increases in OASDI benefits resulting  
6 from previous legislation enacted during that fiscal  
7 year or any of the previous 4 fiscal years (as esti-  
8 mated at the time of enactment) which are attrib-  
9 utable to those portions of the 5-year estimating pe-  
10 riods for such previous legislation that fall within  
11 the 5-year estimating period for such legislation  
12 under consideration, exceeds \$250,000,000; and (iii)  
13 such legislation under consideration does not provide  
14 at least a net increase; for the 5-year estimating pe-  
15 riod for such legislation under consideration, in  
16 OASDI taxes which, together with net increases in  
17 OASDI taxes resulting from such previous legisla-  
18 tion which are attributable to those portions of the  
19 5-year estimating periods for such previous legisla-  
20 tion that fall within the 5-year estimating period for  
21 such legislation under consideration, equals the  
22 amount by which the net increase derived under  
23 clause (ii) exceeds \$250,000,000;

24           “(C)(i) such legislation under consideration  
25 would provide for a net decrease in OASDI taxes of

1 at least 0.02 percent of the present value of future  
2 taxable payroll for the 75-year period utilized in the  
3 most recent annual report of the Board of Trustees  
4 provided pursuant to section 201(c)(2) of the Social  
5 Security Act, and (ii) such legislation under consid-  
6 eration does not provide at least a net decrease, for  
7 such 75-year period, in OASDI benefits of the  
8 amount by which the net decrease in such taxes ex-  
9 ceeds 0.02 percent of the present value of future  
10 taxable payroll for such 75-year period, or

11 “(D)(i) such legislation under consideration  
12 would provide for a net decrease in OASDI taxes  
13 (for the 5-year estimating period for such legislation  
14 under consideration), (ii) such net decrease, together  
15 with the net decreases in OASDI taxes resulting  
16 from previous legislation enacted during that fiscal  
17 year or any of the previous 4 fiscal years (as esti-  
18 mated at the time of enactment) which are attrib-  
19 utable to those portions of the 5-year estimating pe-  
20 riods for such previous legislation that fall within  
21 the 5-year estimating period for such legislation  
22 under consideration, exceeds \$250,000,000, and (iii)  
23 such legislation under consideration does not provide  
24 at least a net decrease, for the 5-year estimating pe-  
25 riod for such legislation under consideration, in

1 OASDI benefits which, together with net decreases  
2 in OASDI benefits resulting from such previous leg-  
3 islation which are attributable to those portions of  
4 the 5-year estimating periods for such previous legis-  
5 lation that fall within the 5-year estimating period  
6 for such legislation under consideration, equals the  
7 amount by which the net decrease derived under  
8 clause (ii) exceeds \$250,000,000.

9 “(2) APPLICATION.—In applying subparagraph (C)  
10 or (D) of paragraph (1), any provision of any bill or joint  
11 resolution, as reported, or any amendment thereto, or con-  
12 ference report thereon, the effect of which is to provide  
13 for a net decrease for any period in taxes described in  
14 paragraph (3)(B)(i) shall be disregarded if such bill, joint  
15 resolution, amendment, or conference report also includes  
16 a provision the effect of which is to provide for a net in-  
17 crease of at least an equivalent amount for such period  
18 in medicare taxes.

19 “(3) DEFINITIONS.—For purposes of this subsection:

20 “(A) The term ‘OASDI benefits’ means the  
21 benefits under the old-age, survivors, and disability  
22 insurance programs under title II of the Social Secu-  
23 rity Act.

24 “(B) The term ‘OASDI taxes’ means—

1           “(i) the taxes imposed under sections  
2           1401(a), 3101(a), and 3111(a) of the Internal  
3           Revenue Code of 1986, and

4           “(ii) the taxes imposed under chapter 1 of  
5           such Code (to the extent attributable to section  
6           86 of such Code).

7           “(C) The term ‘medicare taxes’ means the taxes  
8           imposed under sections 1401(b), 3101(b), and  
9           3111(b) of the Internal Revenue Code of 1986.

10          “(D) The term ‘previous legislation’ shall not  
11          include legislation enacted before fiscal year 1991.

12          “(E) The term ‘5-year estimating period’  
13          means, with respect to any legislation, the fiscal year  
14          in which such legislation becomes or would become  
15          effective and the next 4 fiscal years.

16          “(F) No provision of any bill or resolution, or  
17          any amendment thereto or conference report there-  
18          on, involving a change in chapter 1 of the Internal  
19          Revenue Code of 1986 shall be treated as affecting  
20          the amount of OASDI taxes referred to in subpara-  
21          graph (B)(ii) unless such provision changes the in-  
22          come tax treatment of OASDI benefits.

23          “(e) PRESENTATION OF BUDGETARY AGGRE-  
24          GATES.—For purposes of chapter 11 of title 31, United  
25          States Code, or this Act, tables and other displays of

1 budgetary aggregates for the United States Government  
 2 of the Director of the Office of Management and Budget  
 3 or the Director of the Congressional Budget Office shall  
 4 not include social security revenues or outlays.”.

5 (b) AMENDMENT TO TABLE OF CONTENTS.—The  
 6 table of contents set forth in section 1(b) of the Congres-  
 7 sional Budget and Impoundment Control Act of 1974 is  
 8 amended by inserting after the item relating to section  
 9 316 the following new item:

“Sec. 317. Social security.”.

10 **SEC. 106. CONFORMING AMENDMENTS TO EFFECTUATE**  
 11 **JOINT RESOLUTIONS ON THE BUDGET.**

12 (a) CONFORMING AMENDMENTS TO THE CONGRES-  
 13 SIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF  
 14 1974.—(1)(A) Sections 300, 302, 303, 304, 305, 308,  
 15 310, 311, 312, 314, 405, and 904 of the Congressional  
 16 Budget Act of 1974 (2 U.S.C. 621 et seq.) are amended  
 17 by striking “concurrent” each place it appears and by in-  
 18 serting “joint”.

19 (B)(i) Sections 302(d), 302(g), 308(a)(1)(A), and  
 20 310(d)(1) of the Congressional Budget Act of 1974 are  
 21 amended by striking “most recently agreed to concurrent  
 22 resolution on the budget” each place it occurs and insert-  
 23 ing “most recently enacted joint resolution on the budget  
 24 or agreed to concurrent resolution on the budget (as appli-  
 25 eable)”.



1       (ii) Section 304 of such Act is amended by striking  
 2 “concurrent resolution on the budget for such fiscal year  
 3 most recently agreed to” and inserting “most recently en-  
 4 acted joint resolution on the budget or agreed to concur-  
 5 rent resolution on the budget (as applicable) for such  
 6 year”.

7       (C) Sections 302, 303, 304, 308, 310, 311, and 401  
 8 of such Act are amended by striking “agreed to” each  
 9 place it appears and by inserting “enacted”.

10       (2)(A) Paragraph (4) of section 3 of the Congres-  
 11 sional Budget and Impoundment Control Act of 1974 is  
 12 amended by striking “concurrent” each place it appears  
 13 and by inserting “joint”.

14       (B) The table of contents set forth in section 1(b)  
 15 of such Act is amended—

16           (i) in the item relating to section 301 by strik-  
 17 ing “Adoption of Concurrent Resolution” and insert-  
 18 ing “Joint Resolutions”;

19           (ii) by striking the item relating to section 303  
 20 and inserting the following:

“Sec. 303. Consideration of budget-related legislation before budget becomes  
 law.”; and

21           (iii) by striking “concurrent” and inserting  
 22 “joint” in the items relating to sections 304 and  
 23 305.

1 (b) CONFORMING AMENDMENTS TO THE RULES OF  
 2 THE HOUSE OF REPRESENTATIVES.—(1) Clauses 1(e)(1),  
 3 4(a)(4), 4(b)(2), 4(f)(1)(A), and 4(f)(2) of rule X, clause  
 4 10 of rule XVIII, and clause 10 of rule XX of the Rules  
 5 of the House of Representatives are amended by striking  
 6 “concurrent” each place it appears and by inserting  
 7 “joint”.

8 (2) Clause 10 of rule XVIII of the Rules of the House  
 9 of Representatives is amended—

10 (A) in paragraph (b)(2), by striking “(5)” and  
 11 inserting “(6)”; and

12 (B) by striking paragraph (c).

13 (c) CONFORMING AMENDMENTS TO THE BALANCED  
 14 BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF  
 15 1985.—Section 258C(b)(1) of the Balanced Budget and  
 16 Emergency Deficit Control Act of 1985 (2 U.S.C.  
 17 907d(b)(1)) is amended by striking “concurrent” and by  
 18 inserting “joint”.

19 (d) CONFORMING AMENDMENTS TO SECTION 310  
 20 REGARDING RECONCILIATION DIRECTIVES.—(1) The side  
 21 heading of section 310(a) of the Congressional Budget Act  
 22 of 1974 (as amended by section 106(a)) is further amend-  
 23 ed by inserting “JOINT EXPLANATORY STATEMENT AC-  
 24 COMPANING CONFERENCE REPORT ON” before “JOINT”.

1       (2) Section 310(a) of such Act is amended by striking  
2 “A” and inserting “The joint explanatory statement ac-  
3 companying the conference report on a”.

4       (3) The first sentence of section 310(b) of such Act  
5 is amended by striking “If” and inserting “If the joint  
6 explanatory statement accompanying the conference re-  
7 port on”.

8       (4) Section 310(e)(1) of such Act is amended by in-  
9 serting “the joint explanatory statement accompanying  
10 the conference report on” after “pursuant to”.

11       (5) Subsection (g) of section 310 of such Act is re-  
12 pealed.

13       (e) CONFORMING AMENDMENTS TO SECTION 3 RE-  
14 GARDING DIRECT SPENDING.—Section 3 of the Congres-  
15 sional Budget and Impoundment Control Act of 1974 (as  
16 amended by section 104(a)(3)) is further amended by add-  
17 ing at the end the following new paragraph:

18               “(12) The term ‘direct spending’ has the mean-  
19 ing given to such term in section 250(e)(8) of the  
20 Balanced Budget and Emergency Deficit Control  
21 Act of 1985.”.

22       (f) TECHNICAL AMENDMENT REGARDING REVISED  
23 SUBALLOCATIONS.—Section 314(d) of the Congressional  
24 Budget Act of 1974 is amended by—

1           (1) striking “REPORTING” in the side heading;  
 2           by inserting “the chairmen of” before “the Commit-  
 3           tees”, and by striking “may report” and inserting  
 4           “shall make and have published in the Congressional  
 5           Record”; and

6           (2) adding at the end the following new sen-  
 7           tence: “For purposes of considering amendments  
 8           (other than for amounts for emergencies covered by  
 9           subsection (b)(1)), suballocations shall be deemed to  
 10          be so adjusted.”.

## 11   **TITLE II—RESERVE FUNDS FOR** 12                                   **EMERGENCIES**

### 13   **SEC. 201. PURPOSE.**

14          The purposes of this title are to—

15           (1) develop budgetary and fiscal procedures for  
 16           emergencies;

17           (2) subject spending for emergencies to budg-  
 18           etary procedures and controls; and

19           (3) establish criteria for determining compliance  
 20           with emergency requirements.

### 21   **SEC. 202. REPEAL OF ADJUSTMENTS FOR EMERGENCIES.**

22          (a) DISCRETIONARY SPENDING LIMITS.—Section  
 23   251(b)(2)(A) of the Balanced Budget and Emergency  
 24   Deficit Control Act of 1985 is repealed.

1 (b) DIRECT SPENDING.—Sections 252(e) and  
 2 252(d)(4)(B) of the Balanced Budget and Emergency  
 3 Deficit Control Act of 1985 are repealed.

4 (c) EMERGENCY DESIGNATION.—Clause 2 of rule  
 5 XXI of the Rules of the House of Representatives is  
 6 amended by repealing paragraph (e) and by redesignating  
 7 paragraph (f) as paragraph (e).

8 **SEC. 203. OMB EMERGENCY CRITERIA.**

9 Section 3 of the Congressional Budget and Impound-  
 10 ment Control Act of 1974 (as amended by sections  
 11 104(a)(3) and 106(e)) is further amended by adding at  
 12 the end the following new paragraph:

13 “(13)(A) The term ‘emergency’ means a situa-  
 14 tion that—

15 “(i) requires new budget authority and  
 16 outlays (or new budget authority and the out-  
 17 lays flowing therefrom) for the prevention or  
 18 mitigation of, or response to, loss of life or  
 19 property, or a threat to national security; and

20 “(ii) is unanticipated.

21 “(B) As used in subparagraph (A), the term  
 22 ‘unanticipated’ means that the underlying situation  
 23 is—

24 “(i) sudden, which means quickly coming  
 25 into being or not building up over time;

1           “(ii) urgent, which means a pressing and  
2           compelling need requiring immediate action;

3           “(iii) unforeseen, which means not pre-  
4           dicted or anticipated as an emerging need; and

5           “(iv) temporary, which means not of a per-  
6           manent duration.”.

7 **SEC. 204. DEVELOPMENT OF GUIDELINES FOR APPLICA-**  
8 **TION OF EMERGENCY DEFINITION.**

9           Not later than 5 months after the date of enactment  
10 of this Act, the chairmen of the Committees on the Budget  
11 (in consultation with the President) shall, after consulting  
12 with the chairmen of the Committees on Appropriations  
13 and applicable authorizing committees of their respective  
14 Houses and the Directors of the Congressional Budget Of-  
15 fice and the Office of Management and Budget, jointly  
16 publish in the Congressional Record guidelines for applica-  
17 tion of the definition of emergency set forth in section  
18 ~~3(13)~~ of the Congressional Budget and Impoundment  
19 Control Act of 1974.

20 **SEC. 205. RESERVE FUNDS FOR EMERGENCIES IN PRESI-**  
21 **DENT'S BUDGET.**

22           Section 1105(f) of title 31, United States Code is  
23 amended by adding at the end the following new sentence:  
24 “Such budget shall also comply with the requirements of  
25 section 314(f) of the Congressional Budget Act of 1974.”.

1 **SEC. 206. ADJUSTMENTS AND RESERVE FUNDS FOR EMER-**  
2 **GENCIES IN JOINT BUDGET RESOLUTIONS.**

3 (a) ADJUSTMENTS FOR EMERGENCIES.—(1) Section  
4 314(a) of the Congressional Budget Act of 1974 is amend-  
5 ed to read as follows:

6 “(a) ADJUSTMENTS.—

7 “(1) IN GENERAL.—After the reporting of a bill  
8 or joint resolution, the offering of an amendment  
9 thereto, or the submission of a conference report  
10 thereon, the chairman of the Committee on the  
11 Budget of the House of Representatives or the Sen-  
12 ate shall make the adjustments set forth in para-  
13 graph (2) for the amount of new budget authority  
14 (or outlays) in that measure (if that measure meets  
15 the requirements set forth in subsection (b)) and the  
16 outlays flowing from that budget authority.

17 “(2) MATTERS TO BE ADJUSTED.—The adjust-  
18 ments referred to in paragraph (1) are to be made  
19 to—

20 “(A) the discretionary spending limits in  
21 the Senate, if any, set forth in the appropriate  
22 joint resolution on the budget;

23 “(B) the allocations made pursuant to the  
24 appropriate joint resolution on the budget pur-  
25 suant to section 302(a); and

1           “(C) the budgetary aggregates as set forth  
2           in the appropriate joint resolution on the bud-  
3           get;

4           but in the case of subsection (b)(1), the adjustments  
5           shall only be made to the allocations.”.

6           (2) Section 314(b)(1) of the Congressional Budget  
7           Act of 1974 is amended to read as follows:

8           “(1) an amount not to exceed the amount re-  
9           served for emergencies pursuant to the requirements  
10          of subsection (f);”.

11          (b) ESTABLISHMENT OF RESERVE FUNDS.—Section  
12          314 of the Congressional Budget Act of 1974 is amended  
13          by adding at the end the following new subsections:

14          “(f) RESERVE FUNDS FOR EMERGENCIES.—

15                  “(1) RESERVE FUND FOR DISCRETIONARY  
16                  BUDGET AUTHORITY AND OUTLAYS.—

17                          “(A) AMOUNTS.—The amount set forth in  
18                          the reserve fund for emergencies for discre-  
19                          tionary budget authority and outlays for a fiscal  
20                          year pursuant to section 301(a)(6) shall  
21                          equal—

22                                  “(i) the average of the enacted levels  
23                                  of discretionary budget authority for emer-  
24                                  gencies in the 5 fiscal years preceding the  
25                                  current year; and



1           “(ii) the average of the levels of out-  
2           lays in such 5 preceding fiscal years for  
3           emergencies flowing from enacted levels of  
4           discretionary budget authority.

5           “(B) AVERAGE DISCRETIONARY LEVELS.—

6           For purposes of subparagraph (A), the amount  
7           used for a fiscal year to calculate the average  
8           of the enacted levels when one or more of such  
9           5 preceding fiscal years is any of fiscal years  
10          1994 through 1998 is as follows: the amount of  
11          enacted levels of discretionary budget authority  
12          and the amount of outlays flowing therefrom  
13          for emergencies, which shall be determined by  
14          the Committees on the Budget of the House of  
15          Representatives and the Senate after receipt of  
16          a report on such matter transmitted to such  
17          committees by the Director of the Congressional  
18          Budget Office 6 months after the date of enact-  
19          ment of this subsection and thereafter in Feb-  
20          ruary of each calendar year.

21          “(2) RESERVE FUND FOR DIRECT SPENDING  
22          BUDGET AUTHORITY AND OUTLAYS.—

23                 “(A) AMOUNTS.—The amount set forth in  
24                 the reserve fund for emergencies for direct

1 spending for a fiscal year pursuant to section  
2 301(a)(6) shall equal—

3 “(i) the average annual enacted levels  
4 of direct spending budget authority for  
5 emergencies in the 5 fiscal years preceding  
6 the current year; and

7 “(ii) the average annual level of out-  
8 lays in such 5 preceding fiscal years for  
9 emergencies flowing from enacted levels of  
10 direct spending.

11 “(B) AVERAGE DIRECT SPENDING LEV-  
12 ELS.—For purposes of subparagraph (A), the  
13 amount used for a fiscal year to calculate the  
14 average of the enacted levels when one or more  
15 of such 5 preceding fiscal years is any of fiscal  
16 years 1994 through 1998 is as follows: the  
17 amount of enacted levels of direct spending  
18 budget authority and the amount of outlays  
19 flowing therefrom for emergencies, which shall  
20 be determined by the Committees on the Budget  
21 of the House of Representatives and the Sen-  
22 ate after receipt of a report on such matter  
23 transmitted to such committees by the Director  
24 of the Congressional Budget Office 6 months  
25 after the date of enactment of this subsection

1           and thereafter in February of each calendar  
2           year.

3           ~~“(3) INCREASED ALLOCATIONS.—~~In the case of  
4           legislation that provides budget authority for any  
5           emergency pursuant to subsection (h), the chairman  
6           of the Committee on the Budget shall make an ad-  
7           justment under subsection (a)(1) only to the applica-  
8           ble allocation if the chairman determines and cer-  
9           tifies that such outlays or budget authority and the  
10          resulting outlays are for an emergency within the  
11          meaning of section ~~3(13)~~.

12          ~~“(g) EMERGENCIES IN EXCESS OF AMOUNTS IN RE-~~  
13          ~~SERVE FUNDS.—~~Whenever the Committee on Appropria-  
14          tions or any other committee reports any bill or joint reso-  
15          lution that provides budget authority for any emergency  
16          and the report accompanying that bill or joint resolution,  
17          pursuant to subsection (h), identifies any provision that  
18          increases outlays or provides budget authority (and the  
19          outlays flowing therefrom) for such emergency, the enact-  
20          ment of which would cause the total amount provided for  
21          emergencies in the joint resolution on the budget (pursu-  
22          ant to section ~~301(a)(6)~~) to be exceeded and that emer-  
23          gency is certified as an emergency pursuant to section  
24          ~~(f)(3)~~.

1           “(1) Such bill or joint resolution shall be re-  
2           ferred to the Committee on the Budget of the House  
3           or the Senate, as the case may be, with instructions  
4           to report it without amendment, other than that  
5           specified in paragraph (2), within 3 legislative days  
6           of the day in which it is reported from the origi-  
7           nating committee. If the Committee on the Budget  
8           of either House fails to report a bill or joint resolu-  
9           tion referred to it under this paragraph within such  
10          3-day period, the committee shall be automatically  
11          discharged from further consideration of such bill or  
12          joint resolution and such bill or joint resolution shall  
13          be placed on the appropriate calendar.

14           “(2) An amendment to such a bill or joint reso-  
15          lution referred to in this subsection shall only consist  
16          of an exemption from section 251 or 252 (as appli-  
17          cable) of the Balanced Budget and Emergency Def-  
18          icit Control Act of 1985 of all or any part of the  
19          provisions that provide budget authority (and the  
20          outlays flowing therefrom) for such emergency if the  
21          committee determines that such emergency meets  
22          the criteria set forth in subsection (f).

23           “(3) If such a bill or joint resolution is reported  
24          with an amendment specified in paragraph (2) by  
25          the Committee on the Budget of the House of Rep-

1 representatives or the Senate, then the budget authority  
 2 and resulting outlays that are the subject of such  
 3 amendment shall not be included in any determina-  
 4 tions under section 302(f) or 311(a) for any bill,  
 5 joint resolution, amendment, motion, or conference  
 6 report.”.

7 (e) CONFORMING AMENDMENTS.—(1) The section  
 8 heading of section 314 of the Congressional Budget Act  
 9 of 1974 is amended to read as follows:

10 “ADJUSTMENTS; RESERVE FUNDS FOR EMERGENCIES”.

11 (2) The item relating to section 314 in the table of  
 12 contents set forth in section 1(b) of the Congressional  
 13 Budget and Impoundment Control Act of 1974 is amend-  
 14 ed to read as follows:

“Sec. 314. Adjustments; reserve funds for emergencies.”.

15 **SEC. 207. COMMITTEE NOTIFICATION OF EMERGENCY LEG-**  
 16 **ISLATION.**

17 Section 314 of the Congressional Budget Act of 1974  
 18 (as amended by section 206) is further amended by adding  
 19 at the end the following new subsection:

20 “(h) COMMITTEE NOTIFICATION OF EMERGENCY  
 21 LEGISLATION.—Whenever the Committee on Appropria-  
 22 tions or any other committee of either House (including  
 23 a committee of conference) reports any bill or joint resolu-  
 24 tion that provides budget authority for any emergency, the  
 25 report accompanying that bill or joint resolution (or the

1 joint explanatory statement of managers in the case of a  
2 conference report on any such bill or joint resolution) shall  
3 identify all provisions that provide budget authority and  
4 the outlays flowing therefrom for such emergency.”.

5 **SEC. 208. APPLICATION OF SECTION 306 TO EMERGENCIES**  
6 **IN EXCESS OF AMOUNTS IN RESERVE FUNDS.**

7 Section 306 of the Congressional Budget Act of 1974  
8 is amended by inserting at the end the following new sen-  
9 tence: “No amendment reported by the Committee on the  
10 Budget (or from the consideration of which such com-  
11 mittee has been discharged) pursuant to section 314(g)  
12 may be amended.”.

13 **SEC. 209. UP-TO-DATE TABULATIONS.**

14 Section 308(b)(2) of the Congressional Budget Act  
15 of 1974 is amended by striking “and” at the end of sub-  
16 paragraph (B), by striking the period at the end of sub-  
17 paragraph (C) and inserting “; and”, and by adding at  
18 the end the following new subparagraph:

19 “(D) shall include an up-to-date tabulation  
20 of amounts remaining in the reserve funds for  
21 emergencies.”.

22 **SEC. 210. REPORT OF COMMITTEES ON THE BUDGET.**

23 Section 301(e)(2) of the Congressional Budget Act  
24 of 1974 (as amended by section 103(b)) is further amend-  
25 ed by striking “and” after subparagraph (F), by striking

1 the period at the end of subparagraph (G) and inserting  
 2 “; and”, and by adding at the end the following new sub-  
 3 paragraph:

4 “(H) the average annual enacted levels  
 5 of—

6 “(i) discretionary budget authority  
 7 and the resulting outlays for emergencies;  
 8 and

9 “(ii) direct spending budget authority  
 10 and the resulting outlays for emergencies;  
 11 for the 5 fiscal years preceding the fiscal year  
 12 of such resolution.”.

13 **SEC. 211. PROHIBITION ON AMENDMENTS TO EMERGENCY**  
 14 **RESERVE FUNDS.**

15 (a) POINT OF ORDER.—Section 305 of the Congres-  
 16 sional Budget Act of 1974 (as amended by section 103(c))  
 17 is further amended by adding at the end the following new  
 18 subsection:

19 “(f) It shall not be in order in the House of Rep-  
 20 resentatives or in the Senate to consider an amendment  
 21 to a joint resolution on the budget which changes the  
 22 amount of budget authority and outlays set forth in sec-  
 23 tion 301(a)(6) for emergency reserve funds.”.

24 (b) TECHNICAL AMENDMENT.—(1) Section 904(c)(1)  
 25 of the Congressional Budget Act of 1974 is amended by

1 inserting “section 305(e), section 305(f),” after “section  
2 305(e)(4),”.

3 (2) Section 904(d)(2) of the Congressional Budget  
4 Act of 1974 is amended by inserting “section 305(e), sec-  
5 tion 305(f),” after “section 305(e)(4),”.

6 **SEC. 212. EFFECTIVE DATE.**

7 The amendments made by this title shall take effect  
8 only after the enactment of legislation changing or extend-  
9 ing for any fiscal year any of the discretionary spending  
10 limits set forth in section 251 of the Balanced Budget and  
11 Emergency Deficit Control Act of 1985 and such amend-  
12 ments shall apply to fiscal years determined as follows:

13 (1) Fiscal years beginning after the fiscal year  
14 in which such effective date occurs if such effective  
15 date occurs on or before April 15 of such fiscal year.

16 (2) Fiscal years beginning after the first fiscal  
17 year after the fiscal year in which such effective date  
18 occurs if such effective date occurs after April 15 of  
19 the fiscal year in which such effective date occurs.

20 **TITLE III—ENFORCEMENT OF**  
21 **BUDGETARY DECISIONS**

22 **SEC. 301. PURPOSES.**

23 The purposes of this title are to—

24 (1) close loopholes in the enforcement of budget  
25 resolutions;



1           (2) require committees of the House of Rep-  
2       representatives to include budget compliance statements  
3       in reports accompanying all legislation;

4           (3) require committees of the House of Rep-  
5       representatives to justify the need for waivers of the  
6       Congressional Budget Act of 1974; and

7           (4) provide cost estimates of conference reports.

8       **Subtitle A—Application of Points of**  
9       **Order to Unreported Legislation**

10       **SEC. 311. APPLICATION OF BUDGET ACT POINTS OF ORDER**  
11                       **TO UNREPORTED LEGISLATION.**

12       (a) Section 315 of the Congressional Budget Act of  
13       1974 is amended by striking “reported” the first place it  
14       appears.

15       (b) Section 303(b) of the Congressional Budget Act  
16       of 1974 (as amended by section 104(a)(1)) is further  
17       amended—

18           (1) in paragraph (1), by striking “(A)” and by  
19       redesignating subparagraph (B) as paragraph (2)  
20       and by striking the semicolon at the end of such new  
21       paragraph (2) and inserting a period; and

22           (2) by striking paragraph (2) (as redesignated  
23       by such section 104(a)(1)).

1           **Subtitle B—Compliance with**  
2                           **Budget Resolution**

3   **SEC. 321. BUDGET COMPLIANCE STATEMENTS.**

4           Clause 3(d) of rule XIII of the Rules of the House  
5 of Representatives is amended by adding at the end the  
6 following new subparagraph:

7                   “(4) A budget compliance statement prepared  
8 by the chairman of the Committee on the Budget,  
9 if timely submitted prior to the filing of the report,  
10 which shall be comprised of an assessment by such  
11 chairman as to whether the bill or joint resolution  
12 complies with the requirements of sections 302, 303,  
13 311, and 401 of the Congressional Budget Act of  
14 1974 and may include the budgetary implications of  
15 that bill or joint resolution under section 251 or 252  
16 of the Balanced Budget and Emergency Deficit Con-  
17 trol Act of 1985, as applicable.”.

18           **Subtitle C—Justification for**  
19                           **Budget Act Waivers**

20   **SEC. 331. JUSTIFICATION FOR BUDGET ACT WAIVERS IN**  
21                           **THE HOUSE OF REPRESENTATIVES.**

22           Clause 6 of rule XIII of the Rules of the House of  
23 Representatives is amended by adding at the end the fol-  
24 lowing new paragraph:

1       “(h) It shall not be in order to consider any resolution  
 2 from the Committee on Rules for the consideration of any  
 3 reported bill or joint resolution which waives section 302,  
 4 303, 311, or 401 of the Congressional Budget Act of  
 5 1974, unless the report accompanying such resolution in-  
 6 cludes a description of the provision proposed to be  
 7 waived, an identification of the section being waived, the  
 8 reasons why such waiver should be granted, and an esti-  
 9 mated cost of the provisions to which the waiver applies.”.

## 10                   **Subtitle D—CBO Scoring of** 11                   **Conference Reports**

### 12 **SEC. 341. CBO SCORING OF CONFERENCE REPORTS.**

13       (a) The first sentence of section 402 of the Congres-  
 14 sional Budget Act of 1974 is amended as follows:

15               (1) Insert “or conference report thereon,” be-  
 16 fore “and submit”.

17               (2) In paragraph (1), strike “bill or resolution”  
 18 and insert “bill, resolution, or conference report”.

19               (3) At the end of paragraph (2) strike “and”,  
 20 at the end of paragraph (3) strike the period and in-  
 21 sert “; and”, and after such paragraph (3) add the  
 22 following new paragraph:

23               “(4) A determination of whether such bill, joint  
 24 resolution, or conference report provides indefinite  
 25 spending authority.”.

1           (b) The second sentence of section 402 of the Con-  
2 gressional Budget Act of 1974 is amended by inserting  
3 before the period the following: “; or in the case of a con-  
4 ference report, shall be included in the joint explanatory  
5 statement of managers accompanying such conference re-  
6 port if timely submitted before such report is filed”.

## 7           **TITLE IV—ACCOUNTABILITY** 8           **FOR FEDERAL SPENDING**

### 9           **SEC. 401. PURPOSES.**

10           The purposes of this title are to—

11                   (1) require committees to develop a schedule for  
12 reauthorizing all programs within their jurisdictions;

13                   (2) facilitate amendments to subject new enti-  
14 tlement programs to annual discretionary appropria-  
15 tions;

16                   (3) require the Committee on the Budget to  
17 justify any allocation to an authorizing committee  
18 for legislation that would not be subject to annual  
19 discretionary appropriation;

20                   (4) provide estimates of the long-term impact of  
21 spending and tax legislation;

22                   (5) provide a point of order for legislation cre-  
23 ating a new entitlement program that does not ex-  
24 pire within 10 years; and

1           (6) require a vote in the House of Representa-  
2           tives on any measure that increases the statutory  
3           limit on the public debt.

4           **Subtitle A—Prohibitions on**  
5           **Indefinite Spending**

6           **SEC. 411. FIXED-YEAR AUTHORIZATIONS REQUIRED FOR**  
7           **NEW PROGRAMS.**

8           (a) IN GENERAL.—Section 401 of the Congressional  
9           Budget Act of 1974 is amended—

10           (1) by striking subsections (a) and (b) and in-  
11           serting the following new subsection:

12           “(a) PROHIBITION ON INDEFINITE AUTHORIZA-  
13           TIONS.—It shall not be in order in the House of Rep-  
14           resentatives or in the Senate to consider a bill or joint  
15           resolution, or an amendment, motion, or conference report  
16           that provides direct spending for a new program, unless  
17           such spending is limited to a period of 10 or fewer fiscal  
18           years.”;

19           (2) by redesignating subsection (c) as sub-  
20           section (b) and by striking “Subsections (a) and (b)  
21           each place it appears and inserting “Subsection (a)”  
22           in such redesignated subsection (b); and

23           (3) by amending the section heading to read as  
24           follows:



1 of the Committee on the Budget (or his designee) or the  
 2 chairman of the Committee of Appropriations (or his des-  
 3 igned), may be precluded from consideration only by the  
 4 specific terms of a special order of the House. Any such  
 5 amendment, if offered, shall be debatable for twenty min-  
 6 utes equally divided and controlled by the proponent of  
 7 the amendment and a Member opposed and shall not be  
 8 subject to amendment.

9 “(2) As used in subparagraph (1), the term ‘direct  
 10 spending’ has the meaning given such term in section  
 11 3(12) of the Congressional Budget and Impoundment  
 12 Control Act of 1974.”.

13 (b) ADJUSTMENT OF DISCRETIONARY SPENDING  
 14 LIMITS FOR DISCRETIONARY APPROPRIATIONS OFFSET  
 15 BY MANDATORY SAVINGS.—

16 (1) PURPOSE.—The purpose of the amend-  
 17 ments made by this subsection is to hold the discre-  
 18 tionary spending limits and the allocations made to  
 19 the Committee on Appropriations under section  
 20 302(a) of the Congressional Budget Act of 1974  
 21 harmless for legislation that offsets a new discre-  
 22 tionary program with a designated reduction in di-  
 23 rect spending.

24 (2) DESIGNATING ENTITLEMENT SAVINGS IN  
 25 AUTHORIZATION LEGISLATION FOR NEW DISCRE-

1       TIONARY PROGRAMS.—Section 252 of the Balanced  
2       Budget and Emergency Deficit Control Act of 1985  
3       (as amended by section 202) is further amended by  
4       adding at the end the following new subsection:

5       “(e) OFFSETS.—If a provision of direct spending leg-  
6       islation is enacted that—

7               “(1) decreases direct spending for any fiscal  
8       year; and

9               “(2) is designated as an offset pursuant to this  
10       subsection and such designation specifically identi-  
11       fies an authorization of discretionary appropriations  
12       (contained in such legislation) for a new program,  
13       then the reductions in new budget authority and outlays  
14       in all fiscal years resulting from that provision shall be  
15       designated as an offset in the reports required under sub-  
16       section (d).”.

17       (3) EXEMPTING SUCH DESIGNATED ENTITLE-  
18       MENT SAVINGS FROM PAYGO SCORECARD.—Section  
19       252(d)(4) of the Balanced Budget and Emergency  
20       Deficit Control Act of 1985 (as amended by section  
21       202(b)) is further amended by adding at the end the  
22       following new subparagraph:

23               “(B) offset provisions as designated under  
24       subsection (e).”.



1           (4) ADJUSTMENT IN DISCRETIONARY SPENDING  
2           LIMITS.—Section 251(b)(2) of the Balanced Budget  
3           and Emergency Deficit Control Act of 1985 is  
4           amended by adding at the end the following new  
5           subparagraph:

6                   “(H) DISCRETIONARY AUTHORIZATION  
7           OFFSETS.—If an authorization Act includes one  
8           or more provisions reducing direct spending and  
9           specifically identifies those provisions as offsets  
10          pursuant to section 252(e), the adjustments  
11          shall be an increase in the budget authority and  
12          outlay caps in each fiscal year equal to the  
13          amount of the budget authority and outlay re-  
14          ductions, respectively, achieved by the specified  
15          offsets in that fiscal year, except that the ad-  
16          justments for the first fiscal year in which the  
17          offsetting provisions take effect shall not exceed  
18          the amount of discretionary new budget author-  
19          ity enacted for the new program (authorized in  
20          that Act) in an Act making discretionary appro-  
21          priations, and the outlays flowing therefrom.”.

22          (5) ADJUSTMENT IN APPROPRIATION COMMIT-  
23          TEE’S ALLOCATIONS.—Section 314(b) of the Con-  
24          gressional Budget Act of 1974 is amended by strik-  
25          ing “; or” at the end of paragraph (5), by striking

1 the period and inserting “; or” at the end of para-  
2 graph (6), and by adding at the end the following  
3 new paragraph:

4 “(7) the amount appropriated for the program  
5 for which an offset was designated pursuant to sec-  
6 tion 252(e) of the Balanced Budget and Emergency  
7 Deficit Control Act of 1985 and any outlays flowing  
8 therefrom, but not to exceed the amount of the des-  
9 ignated decrease in direct spending for that year for  
10 that program in a prior law.”.

11 (6) ADJUSTMENT IN AUTHORIZING COMMIT-  
12 TEE’S ALLOCATIONS.—Section 314 of the Congres-  
13 sional Budget Act of 1974 (as amended by sections  
14 206 and 207) is further amended by adding at the  
15 end the following new subsection:

16 “(i) ADJUSTMENT IN AUTHORIZING COMMITTEE’S  
17 ALLOCATIONS BY AMOUNT OF DIRECT SPENDING OFF-  
18 SET.—After the reporting of a bill or joint resolution (by  
19 a committee other than the Committee on Appropria-  
20 tions), or the offering of an amendment thereto or the sub-  
21 mission of a conference report thereon, that contains a  
22 provision that decreases direct spending for any fiscal year  
23 and that is designated as an offset pursuant to section  
24 252(e) of the Balanced Budget and Emergency Deficit  
25 Control Act of 1985, the chairman of the Committee on

1 the Budget shall reduce the allocations of new budget au-  
 2 thority and outlays made to such committee under section  
 3 302(a)(1) by the amount so designated.”.

4 **Subtitle B—Enhanced Congressional Oversight Responsibilities**  
 5  
 6

7 **SEC. 421. TEN-YEAR CONGRESSIONAL REVIEW REQUIRE-**  
 8 **MENT OF PERMANENT BUDGET AUTHORITY.**

9 (a) **TIMETABLE FOR REVIEW.**—Clause 2(d)(1) of  
 10 rule X of the Rules of the House of Representatives is  
 11 amended by striking subdivisions (B) and (C) and insert-  
 12 ing the following new subdivision:

13 “(B) provide in its plans a specific timetable for  
 14 its review of those laws, programs, or agencies with-  
 15 in its jurisdiction, including those that operate under  
 16 permanent budget authority or permanent statutory  
 17 authority. Such timetable shall demonstrate that  
 18 each law, program, or agency within the committee’s  
 19 jurisdiction will be reauthorized at least once every  
 20 ten years.”.

21 (b) **REVIEW OF PERMANENT BUDGET AUTHORITY**  
 22 **BY THE COMMITTEE ON APPROPRIATIONS.**—Clause 4(a)  
 23 of rule X of the Rules of the House of Representatives  
 24 is amended—

25 (1) by striking subparagraph (2); and

1           (2) by redesignating subparagraph (3) as sub-  
2           paragraph (2) and by striking “from time to time”  
3           and inserting “at least once each Congress” in sub-  
4           paragraph (2) (as redesignated).

5           (e) CONFORMING AMENDMENT.—Clause 4(e)(2) of  
6 rule X of the Rules of the House of Representatives is  
7 amended by striking “from time to time” and inserting  
8 “at least once every ten years”.

9 **SEC. 422. JUSTIFICATIONS OF DIRECT SPENDING.**

10          (a) SECTION 302 ALLOCATIONS.—Section 302(a) of  
11 the Congressional Budget Act of 1974 is amended by add-  
12 ing at the end the following new paragraph:

13                 “(6) JUSTIFICATION OF CERTAIN SPENDING AL-  
14                 LOCATIONS.—The joint explanatory statement ac-  
15                 companying a conference report on a joint resolution  
16                 on the budget that includes any allocation to a com-  
17                 mittee (other than the Committee on Appropria-  
18                 tions) of levels in excess of current law levels shall  
19                 set forth a justification for not subjecting any pro-  
20                 gram, project, or activity (for which the allocation is  
21                 made) to annual discretionary appropriation.”.

22          (b) PRESIDENTS’ BUDGET SUBMISSIONS.—Section  
23 1105(a) of title 31, United States Code, is amended by  
24 adding at the end the following new paragraph:

1           ~~“(33) a justification for not subjecting each~~  
 2           ~~new program to discretionary appropriations.”.~~

3           ~~(c) COMMITTEE JUSTIFICATION FOR DIRECT SPEND-~~  
 4           ~~ING.—The first sentence of clause 4(e)(1) of rule X of the~~  
 5           ~~Rules of the House of Representatives is amended by in-~~  
 6           ~~serting before the period the following: “, and will provide~~  
 7           ~~specific information in any report accompanying such bills~~  
 8           ~~and joint resolutions to justify why the programs and ac-~~  
 9           ~~tivities involved would not be subject to annual appropria-~~  
 10           ~~tion”.~~

11           **SEC. 423. SURVEY OF ACTIVITY REPORTS OF HOUSE COM-**  
 12           **MITTEES.**

13           Clause 1(d) of rule XI of the Rules of the House of  
 14           Representatives is amended by redesignating paragraph  
 15           (4) as paragraph (5) and by inserting after paragraph (3)  
 16           the following new paragraph:

17           ~~“(4) Such report shall include a summary of and jus-~~  
 18           ~~tifications for all bills and joint resolutions reported by~~  
 19           ~~such committee that—~~

20           ~~“(A) were considered before the adoption of the~~  
 21           ~~appropriate budget resolution and did not fall within~~  
 22           ~~an exception set forth in section 303(b) of the Con-~~  
 23           ~~gressional Budget Act of 1974;~~

1           “(B) exceeded its allocation under section  
2           302(a) of such Act or breached an aggregate level  
3           in violation of section 311 of such Act; or

4           “(C) contained provisions in violation of section  
5           401(a) of such Act pertaining to indefinite direct  
6           spending authority.

7 Such report shall also specify the total amount by which  
8 legislation reported by that committee exceeded its alloca-  
9 tion under section 302(a) or breached the revenue floor  
10 under section 311(a) of such Act for each fiscal year dur-  
11 ing that Congress.”.

12 **SEC. 424. CONTINUING STUDY OF ADDITIONAL BUDGET**  
13 **PROCESS REFORMS.**

14           Section 703 of the Congressional Budget Act of 1974  
15 is amended as follows:

16           (1) In subsection (a), strike “and” at the end  
17           of paragraph (3), strike the period at the end of  
18           paragraph (4) and insert “; and”, and at the end  
19           add the following new paragraph:

20           “(5) evaluating whether existing programs  
21           should be subject to discretionary appropriations and  
22           establishing guidelines for subjecting new or ex-  
23           panded programs to annual appropriation and rec-  
24           ommend any necessary changes in statutory enforce-

1       ment mechanisms and scoring conventions to effec-  
2       tuate such changes.”.

3           (2) In subsection (b), strike “from time to  
4       time” and insert “during the One Hundred Sixth  
5       Congress”.

6       **SEC. 425. GAO REPORTS.**

7           The last sentence of section 404 of the Congres-  
8       sional Budget Act of 1974 is amended to read as follows:  
9       “Such report shall be revised at least once every five  
10      years.”.

11                           **Subtitle C—Strengthened**  
12                           **Accountability**

13       **SEC. 431. TEN-YEAR CBO ESTIMATES.**

14       (a) CBO REPORTS ON LEGISLATION.—Section  
15       308(a)(1)(B) of the Congressional Budget Act of 1974 is  
16       amended by striking “four” and inserting “nine”.

17       (b) ANALYSIS BY CBO.—Section 402(1) of the Con-  
18       gressional Budget Act of 1974 is amended by striking “4”  
19       and inserting “nine”.

20       (c) COST ESTIMATES.—Clause 3(d)(2)(A) of rule  
21       XIII of the Rules of the House of Representatives is  
22       amended by striking “five” each place it appears and in-  
23       serting “10”.

1 **SEC. 432. REPEAL OF RULE XXIII OF THE RULES OF THE**  
2 **HOUSE OF REPRESENTATIVES.**

3 Rule XXIII of the Rules of the House of Representa-  
4 tives (relating to the establishment of the statutory limit  
5 on the public debt) is repealed.

6 **TITLE V—BUDGETING FOR UN-**  
7 **FUNDED LIABILITIES AND**  
8 **OTHER LONG-TERM OBLIGA-**  
9 **TIONS**

10 **SEC. 501. PURPOSES.**

11 The purposes of this title are to—

12 (1) budget for the long-term costs of Federal  
13 insurance programs;

14 (2) improve congressional control of those costs;  
15 and

16 (3) periodically report on long-term budgetary  
17 trends.

18 **Subtitle A—Budgetary Treatment**  
19 **of Federal Insurance Programs**

20 **SEC. 511. FEDERAL INSURANCE PROGRAMS.**

21 (a) **IN GENERAL.**—The Congressional Budget Act of  
22 1974 is amended by adding after title V the following new  
23 title:



1       “TITLE VI—BUDGETARY TREATMENT OF FEDERAL  
2                                   INSURANCE PROGRAMS

3   **“SEC. 601. SHORT TITLE.**

4       “‘This title may be cited as the ‘Federal Insurance  
5 Budgeting Act of 1999’.

6   **“SEC. 602. BUDGETARY TREATMENT.**

7       “(a) **PRESIDENT’S BUDGET.**—Beginning with fiscal  
8 year 2006, the budget of the Government pursuant to sec-  
9 tion 1105(a) of title 31, United States Code, shall be  
10 based on the risk-assumed cost of Federal insurance pro-  
11 grams.

12       “(b) **BUDGET ACCOUNTING.**—For any Federal insur-  
13 ance program—

14               “(1) the program account shall—

15                       “(A) pay the risk-assumed cost borne by  
16 the taxpayer to the financing account, and

17                       “(B) pay actual insurance program admin-  
18 istrative costs;

19               “(2) the financing account shall—

20                       “(A) receive premiums and other income,

21                       “(B) pay all claims for insurance and re-  
22 ceive all recoveries;

23                       “(C) transfer to the program account on  
24 not less than an annual basis amounts nec-

1           essary to pay insurance program administrative  
2           costs;

3           ~~“(3) a negative risk-assumed cost shall be~~  
4           ~~transferred from the financing account to the pro-~~  
5           ~~gram account, and shall be transferred from the pro-~~  
6           ~~gram account as a nonexpenditure transfer to the~~  
7           ~~general fund; and~~

8           ~~“(4) all payments by or receipts of the financ-~~  
9           ~~ing accounts shall be treated in the budget as a~~  
10          ~~means of financing.~~

11          ~~“(e) APPROPRIATIONS REQUIRED.—(1) Notwith-~~  
12          ~~standing any other provision of law, insurance commit-~~  
13          ~~ments may be made for fiscal year 2006 and thereafter~~  
14          ~~only to the extent that new budget authority to cover their~~  
15          ~~risk-assumed cost is provided in advance in an appropria-~~  
16          ~~tion Act.~~

17          ~~“(2) An outstanding insurance commitment shall not~~  
18          ~~be modified in a manner that increases its risk-assumed~~  
19          ~~cost unless budget authority for the additional cost has~~  
20          ~~been provided in advance in an appropriation Act.~~

21          ~~“(3) Paragraphs (1) and (2) shall not apply to Fed-~~  
22          ~~eral insurance programs that constitute entitlements.~~

23          ~~“(d) REESTIMATES.—The risk-assumed cost for a~~  
24          ~~fiscal year shall be reestimated in each subsequent year.~~  
25          ~~Such reestimate can equal zero. In the case of a positive~~

1 reestimate, the amount of the reestimate shall be paid  
2 from the program account to the financing account. In  
3 the case of a negative reestimate, the amount of the reesti-  
4 mate shall be paid from the financing account to the pro-  
5 gram account, and shall be transferred from the program  
6 account to the general fund as a nonexpenditure transfer.  
7 Reestimates shall be displayed as a distinct and separately  
8 identified subaccount in the program account.

9       “(e) ADMINISTRATIVE EXPENSES.—All funding for  
10 an agency’s administration of a Federal insurance pro-  
11 gram shall be displayed as a distinct and separately identi-  
12 fied subaccount in the program account.

13 **“SEC. 603. TIMETABLE FOR IMPLEMENTATION OF ACCRUAL**  
14                   **BUDGETING FOR FEDERAL INSURANCE PRO-**  
15                   **GRAMS.**

16       “(a) AGENCY REQUIREMENTS.—Agencies with re-  
17 sponsibility for Federal insurance programs shall develop  
18 models to estimate their risk-assumed cost by year  
19 through the budget horizon and shall submit those models,  
20 all relevant data, a justification for critical assumptions,  
21 and the annual projected risk-assumed costs to OMB with  
22 their budget requests each year starting with the request  
23 for fiscal year 2002. Agencies will likewise provide OMB  
24 with annual estimates of modifications, if any, and reesti-  
25 mates of program costs.

1       “(b) DISCLOSURE.—When the President submits a  
2 budget of the Government pursuant to section 1105(a) of  
3 title 31, United States Code, for fiscal year 2002, OMB  
4 shall publish a notice in the Federal Register advising in-  
5 terested persons of the availability of information describ-  
6 ing the models, data (including sources), and critical as-  
7 sumptions (including explicit or implicit discount rate as-  
8 sumptions) that it or other executive branch entities would  
9 use to estimate the risk-assumed cost of Federal insurance  
10 programs and giving such persons an opportunity to sub-  
11 mit comments. At the same time, the chairman of the  
12 Committee on the Budget shall publish a notice for CBO  
13 in the Federal Register advising interested persons of the  
14 availability of information describing the models, data (in-  
15 cluding sources), and critical assumptions (including ex-  
16 plicit or implicit discount rate assumptions) that it would  
17 use to estimate the risk-assumed cost of Federal insurance  
18 programs and giving such interested persons an oppor-  
19 tunity to submit comments.

20       “(c) REVISION.—(1) After consideration of comments  
21 pursuant to subsection (b), and in consultation with the  
22 Committees on the Budget of the House of Representa-  
23 tives and the Senate, OMB and CBO shall revise the mod-  
24 els, data, and major assumptions they would use to esti-

1 mate the risk-assumed cost of Federal insurance pro-  
2 grams.

3       “(2) When the President submits a budget of the  
4 Government pursuant to section 1105(a) of title 31,  
5 United States Code, for fiscal year 2003, OMB shall pub-  
6 lish a notice in the Federal Register advising interested  
7 persons of the availability of information describing the  
8 models, data (including sources), and critical assumptions  
9 (including explicit or implicit discount rate assumptions)  
10 that it or other executive branch entities used to estimate  
11 the risk-assumed cost of Federal insurance programs.

12       “(d) DISPLAY.—

13               “(1) IN GENERAL.—For fiscal years 2003,  
14 2004, and 2005 the budget submissions of the Presi-  
15 dent pursuant to section 1105(a) of title 31, United  
16 States Code, and CBO’s reports on the economic  
17 and budget outlook pursuant to section 202(e)(1)  
18 and the President’s budgets, shall for display pur-  
19 poses only, estimate the risk-assumed cost of exist-  
20 ing or proposed Federal insurance programs.

21               “(2) OMB.—The display in the budget submis-  
22 sions of the President for fiscal years 2003, 2004,  
23 and 2005 shall include—

1           “(A) a presentation for each Federal insur-  
2           ance program in budget-account level detail of  
3           estimates of risk-assumed cost;

4           “(B) a summary table of the risk-assumed  
5           costs of Federal insurance programs; and

6           “(C) an alternate summary table of budget  
7           functions and aggregates using risk-assumed  
8           rather than cash-based cost estimates for Fed-  
9           eral insurance programs.

10          “(3) CBO.—In the second session of the 108th  
11          Congress and the 109th Congress, CBO shall in-  
12          clude in its estimates under section 308, for display  
13          purposes only, the risk-assumed cost of existing Fed-  
14          eral programs, or legislation that CBO, in consulta-  
15          tion with the Committees on the Budget of the  
16          House of Representatives and the Senate, deter-  
17          mines would create a new Federal insurance pro-  
18          gram.

19          “(e) OMB, CBO, AND GAO EVALUATIONS.—(1) Not  
20          later than 6 months after the budget submission of the  
21          President pursuant to section 1105(a) of title 31, United  
22          States Code, for fiscal year 2005, OMB, CBO, and GAO  
23          shall each submit to the Committees on the Budget of the  
24          House of Representatives and the Senate a report that

1 evaluates the advisability and appropriate implementation  
2 of this title.

3       ~~“(2) Each report made pursuant to paragraph (1)~~  
4 shall address the following:

5           ~~“(A) The adequacy of risk-assumed estimation~~  
6           ~~models used and alternative modeling methods.~~

7           ~~“(B) The availability and reliability of data or~~  
8           ~~information necessary to carry out this title.~~

9           ~~“(C) The appropriateness of the explicit or im-~~  
10          ~~PLICIT discount rate used in the various risk-assumed~~  
11          ~~estimation models.~~

12          ~~“(D) The advisability of specifying a statutory~~  
13          ~~discount rate (such as the Treasury rate) for use in~~  
14          ~~risk-assumed estimation models.~~

15          ~~“(E) The ability of OMB, CBO, or GAO, as ap-~~  
16          ~~plicable, to secure any data or information directly~~  
17          ~~from any Federal agency necessary to enable it to~~  
18          ~~carry out this title.~~

19          ~~“(F) The relationship between risk-assumed ac-~~  
20          ~~crual budgeting for Federal insurance programs and~~  
21          ~~the specific requirements of the Balanced Budget~~  
22          ~~and Emergency Deficit Control Act of 1985.~~

23          ~~“(G) Whether Federal budgeting is improved by~~  
24          ~~the inclusion of risk-assumed cost estimates for Fed-~~  
25          ~~eral insurance programs.~~

1           “(H) The advisability of including each of the  
2           programs currently estimated on a risk-assumed cost  
3           basis in the Federal budget on that basis.

4 **“SEC. 604. DEFINITIONS.**

5           “For purposes of this title:

6           “(1) The term ‘Federal insurance program’  
7           means a program that makes insurance commit-  
8           ments and includes the list of such programs in-  
9           cluded in the joint explanatory statement of man-  
10          agers accompanying the conference report on the  
11          Comprehensive Budget Process Reform Act of 1999.

12          “(2) The term ‘insurance commitment’ means  
13          an agreement in advance by a Federal agency to in-  
14          demnify a nonfederal entity against specified losses.  
15          This term does not include loan guarantees as de-  
16          fined in title V or benefit programs such as social  
17          security, medicare, and similar existing social insur-  
18          ance programs.

19          “(3)(A) The term ‘risk-assumed cost’ means the  
20          net present value of the estimated cash flows to and  
21          from the Government resulting from an insurance  
22          commitment or modification thereof.

23          “(B) The cash flows associated with an insur-  
24          ance commitment include—



1           “(i) expected claims payments inherent in  
2           the Government’s commitment;

3           “(ii) net premiums (expected premium col-  
4           lections received from or on behalf of the in-  
5           sured less expected administrative expenses);

6           “(iii) expected recoveries; and

7           “(iv) expected changes in claims, pre-  
8           miums, or recoveries resulting from the exercise  
9           by the insured of any option included in the in-  
10          surance commitment.

11          “(C) The cost of a modification is the difference  
12          between the current estimate of the net present  
13          value of the remaining cash flows under the terms  
14          of the insurance commitment, and the current esti-  
15          mate of the net present value of the remaining cash  
16          flows under the terms of the insurance commitment  
17          as modified.

18          “(D) The cost of a reestimate is the difference  
19          between the net present value of the amount cur-  
20          rently required by the financing account to pay esti-  
21          mated claims and other expenditures and the  
22          amount currently available (whether in cash or other  
23          marketable asset) in the financing account. The cost  
24          of a reestimate shall be accounted for in the current

1 year in the budget of the Government pursuant to  
2 section 1105(a) of title 31, United States Code.

3 “(E) For purposes of this definition, expected  
4 administrative expenses shall be construed as the  
5 amount estimated to be necessary for the proper ad-  
6 ministration of the insurance program. This amount  
7 may differ from amounts actually appropriated or  
8 otherwise made available for the administration of  
9 the program.

10 “(4) The term ‘program account’ means the  
11 budget account for the risk-assumed cost, and for all  
12 costs of administering the insurance program, and is  
13 the account from which the risk-assumed cost is dis-  
14 bursed to the financing account.

15 “(5) The term ‘financing account’ means the  
16 nonbudget account that is associated with each pro-  
17 gram account which receives payments from or  
18 makes payments to the program account, receives  
19 premiums and other payments from the public, pays  
20 insurance claims, and holds balances.

21 “(6) The term ‘modification’ means any Gov-  
22 ernment action that alters the risk-assumed cost of  
23 an existing insurance commitment from the current  
24 estimate of cash flows. This includes any action re-  
25 sulting from new legislation, or from the exercise of

1 administrative discretion under existing law, that di-  
2 rectly or indirectly alters the estimated cost of exist-  
3 ing insurance commitments.

4 “(7) The term ‘model’ means any actuarial, fi-  
5 nancial, econometric, probabilistic, or other method-  
6 ology used to estimate the expected frequency and  
7 magnitude of loss-producing events, expected pre-  
8 miums or collections from or on behalf of the in-  
9 sured, expected recoveries, and administrative ex-  
10 penses.

11 “(8) The term ‘current’ has the same meaning  
12 as in section 250(c)(9) of the Balanced Budget and  
13 Emergency Deficit Control Act of 1985.

14 “(9) The term ‘OMB’ means the Director of  
15 the Office of Management and Budget.

16 “(10) The term ‘CBO’ means the Director of  
17 the Congressional Budget Office.

18 “(11) The term ‘GAO’ means the Comptroller  
19 General of the United States.

20 **“SEC. 605. AUTHORIZATIONS TO ENTER INTO CONTRACTS;**  
21 **ACTUARIAL COST ACCOUNT.**

22 “(a) AUTHORIZATION OF APPROPRIATIONS.—There  
23 is authorized to be appropriated \$600,000 for each of fis-  
24 cal years 2000 through 2005 to the Director of the Office  
25 of Management and Budget and each agency responsible

1 for administering a Federal program to carry out this  
2 title.

3       “(b) ~~TREASURY TRANSACTIONS WITH THE FINANC-~~  
4 ~~ING ACCOUNTS.~~—The Secretary of the Treasury shall bor-  
5 row from, receive from, lend to, or pay the insurance fi-  
6 nancing accounts such amounts as may be appropriate.  
7 The Secretary of the Treasury may prescribe forms and  
8 denominations, maturities, and terms and conditions for  
9 the transactions described above. The authorities de-  
10 scribed above shall not be construed to supersede or over-  
11 ride the authority of the head of a Federal agency to ad-  
12 minister and operate an insurance program. All the trans-  
13 actions provided in this subsection shall be subject to the  
14 provisions of subchapter II of chapter 15 of title 31,  
15 United States Code. Cash balances of the financing ac-  
16 counts in excess of current requirements shall be main-  
17 tained in a form of uninvested funds, and the Secretary  
18 of the Treasury shall pay interest on these funds.

19       “(c) ~~APPROPRIATION OF AMOUNT NECESSARY TO~~  
20 ~~COVER RISK-ASSUMED COST OF INSURANCE COMMIT-~~  
21 ~~MENTS AT TRANSITION DATE.~~—(1) A financing account  
22 is established on September 30, 2005, for each Federal  
23 insurance program.

24       “(2) There is appropriated to each financing account  
25 the amount of the unfunded risk-assumed cost of Federal

1 insurance commitments outstanding for that program as  
 2 of the close of September 30, 2005.

3 “(3) These financing accounts shall be used in imple-  
 4 menting the budget accounting required by this title.

5 **“SEC. 606. EFFECTIVE DATE.**

6 “This title shall take effect immediately and shall ex-  
 7 pire on September 30, 2007.”.

8 (b) **CONFORMING AMENDMENT.**—The table of con-  
 9 tents set forth in section 1(b) of the Congressional Budget  
 10 and Impoundment Control Act of 1974 is amended by in-  
 11 serting after the item relating to section 507 the following  
 12 new items:

“TITLE VI—BUDGETARY TREATMENT OF FEDERAL INSURANCE  
 PROGRAMS

“Sec. 601. Short title.

“Sec. 602. Budgetary treatment.

“Sec. 603. Timetable for implementation of accrual budgeting for Federal insur-  
 ance programs.

“Sec. 604. Definitions.

“Sec. 605. Authorizations to enter into contracts; actuarial cost account.

“Sec. 606. Effective date.”.

13 **Subtitle B—Reports on Long-Term**  
 14 **Budgetary Trends**

15 **SEC. 521. REPORTS ON LONG-TERM BUDGETARY TRENDS.**

16 (a) **THE PRESIDENT’S BUDGET.**—Section 1105(a) of  
 17 title 31, United States Code (as amended by section 404),  
 18 is further amended by adding at the end the following new  
 19 paragraph:

20 “(34) an analysis based upon current law and  
 21 an analysis based upon the policy assumptions un-

1       derlying the budget submission for every fifth year  
2       of the period of 75 fiscal years beginning with such  
3       fiscal year; of the estimated levels of total new budget  
4       et authority and total budget outlays; estimated revenues,  
5       estimated surpluses and deficits; and, for  
6       each major Federal entitlement program; estimated  
7       levels of total new budget authority and total budget  
8       outlays; and a specification of its underlying assumptions  
9       and a sensitivity analysis of factors that  
10      have a significant effect on the projections made in  
11      each analysis; and a comparison of the effects of  
12      each of the two analyses on the economy, including  
13      such factors as inflation, foreign investment, interest  
14      rates, and economic growth.”.

15      (b) CBO REPORTS.—Section 202(e)(1) of the Con-  
16      gressional Budget Act of 1974 is amended by adding at  
17      the end the following new sentences: “Such report shall  
18      also include an analysis based upon current law for every  
19      fifth year of the period of 75 fiscal years beginning with  
20      such fiscal year; of the estimated levels of total new budget  
21      authority and total budget outlays; estimated revenues; es-  
22      timated surpluses and deficits; and, for each major Fed-  
23      eral entitlement program; estimated levels of total new  
24      budget authority and total budget outlays. The report de-  
25      scribed in the preceding sentence shall also specify its un-

1 derlying assumptions and set forth a sensitivity analysis  
 2 of factors that have a significant effect on the projections  
 3 made in the report.”.1

## 4 **TITLE VI—BASELINES, BYRD** 5 **RULE, AND LOCK-BOX**

### 6 **SEC. 601. PURPOSE.**

7 The purposes of this title are to—

8 (1) require budgetary comparisons to prior year  
 9 levels;

10 (2) restrict the application of the Byrd rule to  
 11 measures other than conference reports; and

12 (3) establish a procedure to allow savings from  
 13 spending cuts in appropriation measures to be  
 14 locked-in to increase the surplus or reduce the def-  
 15 icit.

## 16 **Subtitle A—The Baseline**

### 17 **SEC. 611. THE PRESIDENT’S BUDGET.**

18 (a) Paragraph (5) of section 1105(a) of title 31,  
 19 United States Code, is amended to read as follows:

20 “(5) except as provided in subsection (b) of this  
 21 section, estimated expenditures and appropriations  
 22 for the current year and estimated expenditures and  
 23 proposed appropriations the President decides are  
 24 necessary to support the Government in the fiscal  
 25 year for which the budget is submitted and the 4 fis-

1 eal years following that year, and, except for detailed  
2 budget estimates, the percentage change from the  
3 current year to the fiscal year for which the budget  
4 is submitted for estimated expenditures and for ap-  
5 propriations.”.

6 (b) Section 1105(a)(6) of title 31, United States  
7 Code, is amended to read as follows:

8 “(6) estimated receipts of the Government in  
9 the current year and the fiscal year for which the  
10 budget is submitted and the 4 fiscal years after that  
11 year under—

12 “(A) laws in effect when the budget is sub-  
13 mitted; and

14 “(B) proposals in the budget to increase  
15 revenues,

16 and the percentage change (in the case of each cat-  
17 egory referred to in subparagraphs (A) and (B)) be-  
18 tween the current year and the fiscal year for which  
19 the budget is submitted and between the current  
20 year and each of the 4 fiscal years after the fiscal  
21 year for which the budget is submitted.”.

22 (c) Section 1105(a)(12) of title 31, United States  
23 Code, is amended to read as follows:



1           “(12) for each proposal in the budget for legis-  
2           lation that would establish or expand a Government  
3           activity or function, a table showing—

4                   “(A) the amount proposed in the budget  
5                   for appropriation and for expenditure because  
6                   of the proposal in the fiscal year for which the  
7                   budget is submitted;

8                   “(B) the estimated appropriation required  
9                   because of the proposal for each of the 4 fiscal  
10                  years after that year that the proposal will be  
11                  in effect; and

12                  “(C) the estimated amount for the same  
13                  activity or function, if any, in the current fiscal  
14                  year,

15           and, except for detailed budget estimates, the per-  
16           centage change (in the case of each category re-  
17           ferred to in subparagraphs (A), (B), and (C)) be-  
18           tween the current year and the fiscal year for which  
19           the budget is submitted.”.

20           (d) Section 1105(a)(18) of title 31, United States  
21           Code, is amended by inserting “new budget authority  
22           and” before “budget outlays”.

23           (e) Section 1105(a) of title 31, United States Code,  
24           (as amended by sections 412(b) and 521(a)) is further

1 amended by adding at the end the following new para-  
2 graphs:

3           ~~“(35) a comparison of levels of estimated ex-~~  
4           ~~penditures and proposed appropriations for each~~  
5           ~~function and subfunction in the current fiscal year~~  
6           ~~and the fiscal year for which the budget is sub-~~  
7           ~~mitted, along with the proposed increase or decrease~~  
8           ~~of spending in percentage terms for each function~~  
9           ~~and subfunction.~~

10           ~~“(36) a table on sources of growth in total di-~~  
11           ~~rect spending under current law and as proposed in~~  
12           ~~this budget submission for the budget year and the~~  
13           ~~ensuing 4 fiscal years, which shall include changes~~  
14           ~~in outlays attributable to the following: cost-of-living~~  
15           ~~adjustments; changes in the number of program re-~~  
16           ~~ipients; increases in medical care prices; utilization~~  
17           ~~and intensity of medical care; and residual factors.”.~~

18           ~~(f) Section 1109(a) of title 31, United States Code,~~  
19           ~~is amended by inserting after the first sentence the fol-~~  
20           ~~lowing new sentence: “For discretionary spending, these~~  
21           ~~estimates shall assume the levels set forth in the discre-~~  
22           ~~tionary spending limits under section 251(e) of the Bal-~~  
23           ~~anced Budget and Emergency Deficit Control Act of 1985,~~  
24           ~~as adjusted, for the appropriate fiscal years (and if no~~  
25           ~~such limits are in effect, these estimates shall assume the~~

1 adjusted levels for the most recent fiscal year for which  
2 such levels were in effect).”.

3 **SEC. 612. THE CONGRESSIONAL BUDGET.**

4 Section 301(e) of the Congressional Budget Act of  
5 1974 (as amended by section 103) is further amended—

6 (1) in paragraph (1), by inserting at the end  
7 the following: “The basis of deliberations in devel-  
8 oping such joint resolution shall be the estimated  
9 budgetary levels for the preceding fiscal year. Any  
10 budgetary levels pending before the committee and  
11 the text of the joint resolution shall be accompanied  
12 by a document comparing such levels or such text to  
13 the estimated levels of the prior fiscal year. Any  
14 amendment offered in the committee that changes a  
15 budgetary level and is based upon a specific policy  
16 assumption for a program, project, or activity shall  
17 be accompanied by a document indicating the esti-  
18 mated amount for such program, project, or activity  
19 in the current year.”; and

20 (2) in paragraph (2), by striking “and” at the  
21 end of subparagraph (H), by striking the period and  
22 inserting “; and” at the end of subparagraph (I),  
23 and by adding at the end the following new subpara-  
24 graph:

1           “(J) a comparison of levels for the current  
2           fiscal year with proposed spending and revenue  
3           levels for the subsequent fiscal years along with  
4           the proposed increase or decrease of spending  
5           in percentage terms for each function.”.

6 **SEC. 613. CONGRESSIONAL BUDGET OFFICE REPORTS TO**  
7           **COMMITTEES.**

8           (a) The first sentence of section 202(e)(1) of the Con-  
9           gressional Budget Act of 1974 is amended by inserting  
10          “compared to comparable levels for the current year” be-  
11          fore the comma at the end of subparagraph (A) and before  
12          the comma at the end of subparagraph (B).

13          (b) Section 202(e)(1) of the Congressional Budget  
14          Act of 1974 is amended by inserting after the first sen-  
15          tence the following new sentence: “Such report shall also  
16          include a table on sources of spending growth in total di-  
17          rect spending for the budget year and the ensuing 4 fiscal  
18          years, which shall include changes in outlays attributable  
19          to the following: cost-of-living adjustments; changes in the  
20          number of program recipients; increases in medical care  
21          prices; utilization and intensity of medical care; and resid-  
22          ual factors.”.

23          (c) Section 308(a)(1)(B) of the Congressional Budget  
24          Act of 1974 is amended by inserting “and shall include

1 a comparison of those levels to comparable levels for the  
 2 current fiscal year” before “if timely submitted”.

3 **SEC. 614. OUTYEAR ASSUMPTIONS FOR DISCRETIONARY**  
 4 **SPENDING.**

5 For purposes of chapter 11 of title 31 of the United  
 6 States Code, or the Congressional Budget Act of 1974,  
 7 unless otherwise expressly provided, in making budgetary  
 8 projections for years for which there are no discretionary  
 9 spending limits, the Director of the Office of Management  
 10 and Budget and the Director of the Congressional Budget  
 11 Office shall assume discretionary spending levels at the  
 12 levels for the last fiscal year for which such levels were  
 13 in effect.

14 **Subtitle B—The Byrd Rule**

15 **SEC. 621. LIMITATION ON BYRD RULE.**

16 (a) PROTECTION OF CONFERENCE REPORTS.—Sec-  
 17 tion 313 of the Congressional Budget Act of 1974 is  
 18 amended—

19 (1) in subsection (e), by striking “and again  
 20 upon the submission of a conference report on such  
 21 a reconciliation bill or resolution,”;

22 (2) by striking subsection (d);

23 (3) by redesignating subsection (e) as sub-  
 24 section (d); and

25 (4) in subsection (e), as redesignated—

1 (A) by striking “, motion, or conference re-  
 2 port” the first place it appears and inserting “,  
 3 or motion”; and

4 (B) by striking “, motion, or conference re-  
 5 port” the second and third places it appears  
 6 and inserting “or motion”.

7 (b) CONFORMING AMENDMENT.—The first sentence  
 8 of section 312(e) of the Congressional Budget Act of 1974  
 9 is amended by inserting “, except for section 313,” after  
 10 “Act”.

## 11 **Subtitle C—Spending** 12 **Accountability Lock-box**

### 13 **SEC. 631. SHORT TITLE.**

14 This subtitle may be cited as the “Spending Account-  
 15 ability Lock-box Act of 1999”.

### 16 **SEC. 632. SPENDING ACCOUNTABILITY LOCK-BOX LEDGER.**

17 (a) ESTABLISHMENT OF LEDGER.—Title III of the  
 18 Congressional Budget Act of 1974 (as amended by sec-  
 19 tions 104(b) and 105(a)) is further amended by adding  
 20 after section 317 the following new section:

21 “SPENDING ACCOUNTABILITY LOCK-BOX LEDGER

22 “SEC. 318. (a) ESTABLISHMENT OF LEDGER.—The  
 23 chairman of the Committee on the Budget of the House  
 24 of Representatives and the chairman of the Committee on  
 25 the Budget of the Senate shall each maintain a ledger to  
 26 be known as the ‘Spending Accountability Lock-box Ledg-

1 er'. The Ledger shall be divided into entries corresponding  
 2 to the subcommittees of the Committees on Appropria-  
 3 tions. Each entry shall consist of three components: the  
 4 'House Lock-box Balance'; the 'Senate Lock-box Balance';  
 5 and the 'Joint House-Senate Lock-box Balance'.

6       “(b) COMPONENTS OF LEDGER.—Each component in  
 7 an entry shall consist only of amounts credited to it under  
 8 subsection (c). No entry of a negative amount shall be  
 9 made.

10       “(c) CREDIT OF AMOUNTS TO LEDGER.—(1) In the  
 11 House of Representatives or the Senate, whenever a Mem-  
 12 ber offers an amendment to an appropriation bill to reduce  
 13 new budget authority in any account, that Member may  
 14 state the portion of such reduction that shall be—

15               “(A) credited to the House or Senate Lock-box  
 16 Balance, as applicable; or

17               “(B) used to offset an increase in new budget  
 18 authority in any other account;

19               “(C) allowed to remain within the applicable  
 20 section 302(b) suballocation.

21 If no such statement is made, the amount of reduction  
 22 in new budget authority resulting from the amendment  
 23 shall be credited to the House or Senate Lock-box Bal-  
 24 ance, as applicable, if the amendment is agreed to.

1       “(2)(A) Except as provided by subparagraph (B), the  
2 chairmen of the Committees on the Budget shall, upon  
3 the engrossment of any appropriation bill by the House  
4 of Representatives and upon the engrossment of that bill  
5 by the Senate, credit to the applicable entry balance of  
6 that House amounts of new budget authority and outlays  
7 equal to the net amounts of reductions in new budget au-  
8 thority and in outlays resulting from amendments agreed  
9 to by that House to that bill.

10       “(B) When computing the net amounts of reductions  
11 in new budget authority and in outlays resulting from  
12 amendments agreed to by the House of Representatives  
13 or the Senate to an appropriation bill, the chairmen of  
14 the Committees on the Budget shall only count those por-  
15 tions of such amendments agreed to that were so des-  
16 ignated by the Members offering such amendments as  
17 amounts to be credited to the House or Senate Lock-box  
18 Balance, as applicable, or that fall within the last sentence  
19 of paragraph (1).

20       “(3) The chairmen of the Committees on the Budget  
21 shall, upon the engrossment of Senate amendments to any  
22 appropriation bill, credit to the applicable Joint House-  
23 Senate Lock-box Balance the amounts of new budget au-  
24 thority and outlays equal to—



1           “(A) an amount equal to one-half of the sum of  
2           (i) the amount of new budget authority in the House  
3           Lock-box Balance plus (ii) the amount of new budget  
4           et authority in the Senate Lock-box Balance for that  
5           bill; and

6           “(B) an amount equal to one-half of the sum  
7           of (i) the amount of outlays in the House Lock-box  
8           Balance plus (ii) the amount of outlays in the Sen-  
9           ate Lock-box Balance for that bill.

10          “(4) CALCULATION OF LOCK-BOX SAVINGS IN SEN-  
11          ATE.—For purposes of calculating under this section the  
12          net amounts of reductions in new budget authority and  
13          in outlays resulting from amendments agreed to by the  
14          Senate on an appropriation bill, the amendments reported  
15          to the Senate by its Committee on Appropriations shall  
16          be considered to be part of the original text of the bill.

17          “(d) DEFINITION.—As used in this section, the term  
18          ‘appropriation bill’ means any general or special appro-  
19          priation bill, and any bill or joint resolution making sup-  
20          plemental, deficiency, or continuing appropriations  
21          through the end of a fiscal year.

22          “(e) TALLY DURING HOUSE CONSIDERATION.—The  
23          chairman of the Committee on the Budget of the House  
24          of Representatives shall maintain a running tally of the  
25          amendments adopted reflecting increases and decreases of

1 budget authority in the bill as reported. This tally shall  
 2 be available to Members in the House of Representatives  
 3 during consideration of any appropriations bill by the  
 4 House.”.

5 (b) CONFORMING AMENDMENT.—The table of con-  
 6 tents set forth in section 1(b) of the Congressional Budget  
 7 and Impoundment Control Act of 1974 is amended by in-  
 8 serting after the item relating to section 317 the following  
 9 new item:

“Sec. 318. Spending accountability lock-box ledger.”.

10 **SEC. 633. DOWNWARD ADJUSTMENT OF SECTION 302(A) AL-**  
 11 **LOCATIONS AND SECTION 302(B) SUBALLOCA-**  
 12 **TIONS.**

13 (a) ALLOCATIONS.—Section 302(a) of the Congres-  
 14 sional Budget Act of 1974 (as amended by section 422)  
 15 is further amended by adding at the end the following new  
 16 paragraph:

17 “(7) ADJUSTMENT OF ALLOCATIONS.—Upon  
 18 the engrossment of Senate amendments to any ap-  
 19 propriation bill (as defined in section 318(d)) for a  
 20 fiscal year, the amounts allocated under paragraph  
 21 (1) or (2) to the Committee on Appropriations of  
 22 each House upon the adoption of the most recent  
 23 joint resolution on the budget for that fiscal year  
 24 shall be adjusted downward by the amounts credited  
 25 to the applicable Joint House-Senate Lock-box Bal-

1       ance under section 318(c)(2). The revised levels of  
2       new budget authority and outlays shall be submitted  
3       to each House by the chairman of the Committee on  
4       the Budget of that House and shall be printed in the  
5       Congressional Record.”.

6       (b) SUBALLOCATIONS.—Section 302(b) of the Con-  
7       gressional Budget Act of 1974 is amended by adding at  
8       the end the following new sentence: “Whenever an adjust-  
9       ment is made under subsection (a)(7) to an allocation  
10      under that subsection, the Committee on Appropriations  
11      of each House shall make downward adjustments in the  
12      most recent suballocations of new budget authority and  
13      outlays under this subparagraph to the appropriate sub-  
14      committees of that committee in the total amounts of  
15      those adjustments under section 318(c)(2). The revised  
16      suballocations shall be submitted to each House by the  
17      chairman of the Committee on Appropriations of that  
18      House and shall be printed in the Congressional Record.”.

19      **SEC. 634. PERIODIC REPORTING OF LEDGER STATEMENTS.**

20      Section 308(b)(1) of the Congressional Budget Act  
21      of 1974 is amended by adding at the end the following  
22      new sentence: “Such reports shall also include an up-to-  
23      date tabulation of the amounts contained in the ledger and  
24      each entry established by section 318(a).”.

1 **SEC. 635. DOWNWARD ADJUSTMENT OF DISCRETIONARY**  
2 **SPENDING LIMITS.**

3       The discretionary spending limits for new budget au-  
4 thority and outlays for any fiscal year set forth in section  
5 251(e) of the Balanced Budget and Emergency Deficit  
6 Control Act of 1985, shall be reduced by the amounts set  
7 forth in the final regular appropriation bill for that fiscal  
8 year or joint resolution making continuing appropriations  
9 through the end of that fiscal year. Those amounts shall  
10 be the sums of the Joint House-Senate Lock-box Balances  
11 for that fiscal year, as calculated under section 302(a)(7)  
12 of the Congressional Budget Act of 1974. That bill or joint  
13 resolution shall contain the following statement of law:  
14 “As required by section 636 of the Spending Account-  
15 ability Lock-box Act of 1999, for fiscal year [insert appro-  
16 priate fiscal year] and each outyear, the adjusted discre-  
17 tionary spending limit for new budget authority shall be  
18 reduced by \$ [insert appropriate amount of reduction] and  
19 the adjusted discretionary limit for outlays shall be re-  
20 duced by \$ [insert appropriate amount of reduction] for  
21 the fiscal year and each outyear.”. Notwithstanding sec-  
22 tion 904(e) of the Congressional Budget Act of 1974, sec-  
23 tion 306 as it applies to this statement shall not apply.  
24 This adjustment shall be reflected in reports under sec-  
25 tions 254(f) and 254(g) of the Balanced Budget and  
26 Emergency Deficit Control Act of 1985.

1 **[Subtitle D—Automatic Continuing**  
 2 **Resolution**

3 **[SEC. 641. AUTOMATIC CONTINUING RESOLUTION.**

4 ~~[(a) AMENDMENT TO TITLE 31.—Chapter 13 of title~~  
 5 ~~31, United States Code, is amended by inserting after sec-~~  
 6 ~~tion 1310 the following new section:~~

7 **[“§ 1311. Continuing appropriations**

8 ~~[(a)(1) If any regular appropriation bill for a fiscal~~  
 9 ~~year does not become law prior to the beginning of such~~  
 10 ~~fiscal year or a joint resolution making continuing appro-~~  
 11 ~~priations is not in effect, there is appropriated, out of any~~  
 12 ~~moneys in the Treasury not otherwise appropriated, and~~  
 13 ~~out of applicable corporate or other revenues, receipts, and~~  
 14 ~~funds, such sums as may be necessary to continue any~~  
 15 ~~project or activity for which funds were provided in the~~  
 16 ~~preceding fiscal year—~~

17 ~~[(A) in the corresponding regular appropria-~~  
 18 ~~tion Act for such preceding fiscal year; or~~

19 ~~[(B) if the corresponding regular appropria-~~  
 20 ~~tion bill for such preceding fiscal year did not be-~~  
 21 ~~come law, then in a joint resolution making con-~~  
 22 ~~tinuing appropriations for such preceding fiscal year.~~

23 ~~[(2) Appropriations and funds made available, and~~  
 24 ~~authority granted, for a project or activity for any fiscal~~  
 25 ~~year pursuant to this section shall be at a rate of oper-~~

1 ations not in excess of the rate of operations provided for  
2 in the regular appropriation Act providing for such project  
3 or activity for the preceding fiscal year, or in the absence  
4 of such an Act, the rate of operations provided for such  
5 project or activity pursuant to a joint resolution making  
6 continuing appropriations for such preceding fiscal year.

7       ~~“(3) Appropriations and funds made available, and~~  
8 ~~authority granted, for any fiscal year pursuant to this sec-~~  
9 ~~tion for a project or activity shall be available for the pe-~~  
10 ~~riod beginning with the first day of a lapse in appropria-~~  
11 ~~tions and ending with the earlier of—~~

12           ~~“(A) the date on which the applicable regular~~  
13 ~~appropriation bill for such fiscal year becomes law~~  
14 ~~(whether or not such law provides for such project~~  
15 ~~or activity) or a continuing resolution making appro-~~  
16 ~~priations becomes law, as the case may be, or~~

17           ~~“(B) the last day of such fiscal year.~~

18       ~~“(b) An appropriation or funds made available, or~~  
19 ~~authority granted, for a project or activity for any fiscal~~  
20 ~~year pursuant to this section shall be subject to the terms~~  
21 ~~and conditions imposed with respect to the appropriation~~  
22 ~~made or funds made available for the preceding fiscal~~  
23 ~~year, or authority granted for such project or activity~~  
24 ~~under current law.~~

1       ~~“(c)~~ Appropriations and funds made available, and  
2 authority granted, for any project or activity for any fiscal  
3 year pursuant to this section shall cover all obligations or  
4 expenditures incurred for such project or activity during  
5 the portion of such fiscal year for which this section ap-  
6 plies to such project or activity.

7       ~~“(d)~~ Expenditures made for a project or activity for  
8 any fiscal year pursuant to this section shall be charged  
9 to the applicable appropriation, fund, or authorization  
10 whenever a regular appropriation bill or a joint resolution  
11 making continuing appropriations until the end of a fiscal  
12 year providing for such project or activity for such period  
13 becomes law.

14       ~~“(e)~~ This section shall not apply to a project or ac-  
15 tivity during a fiscal year if any other provision of law  
16 (other than an authorization of appropriations)—

17               ~~“(1)~~ makes an appropriation, makes funds  
18 available, or grants authority for such project or ac-  
19 tivity to continue for such period; or

20               ~~“(2)~~ specifically provides that no appropriation  
21 shall be made; no funds shall be made available; or  
22 no authority shall be granted for such project or ac-  
23 tivity to continue for such period; or

24       ~~“(f)~~ For purposes of this section, the term ‘regular  
25 appropriation bill’ means any annual appropriation bill

1 making appropriations, otherwise making funds available,  
2 or granting authority, for any of the following categories  
3 of projects and activities:

4            ¶“(1) Agriculture, rural development, and re-  
5 lated agencies programs.

6            ¶“(2) The Departments of Commerce, Justice,  
7 and State, the judiciary, and related agencies.

8            ¶“(3) The Department of Defense.

9            ¶“(4) The government of the District of Colum-  
10 bia and other activities chargeable in whole or in  
11 part against the revenues of the District.

12           ¶“(5) The Departments of Labor, Health and  
13 Human Services, and Education, and related agen-  
14 cies.

15           ¶“(6) The Department of Housing and Urban  
16 Development, and sundry independent agencies,  
17 boards, commissions, corporations, and offices.

18           ¶“(7) Energy and water development.

19           ¶“(8) Foreign assistance and related programs.

20           ¶“(9) The Department of the Interior and re-  
21 lated agencies.

22           ¶“(10) Military construction.

23           ¶“(11) The Department of Transportation and  
24 related agencies.



1           ~~“(12) The Treasury Department, the U.S.~~  
 2           ~~Postal Service, the Executive Office of the President,~~  
 3           ~~and certain independent agencies.~~

4           ~~“(13) The legislative branch.”.~~

5           ~~[(b) CONFORMING AMENDMENT.—Section 202(e)(3)~~  
 6           ~~of the Congressional Budget Act of 1974 is amended by~~  
 7           ~~inserting “and on or before September 30” before “of each~~  
 8           ~~year”.~~

9           ~~[(e) CHAPTER ANALYSIS.—The analysis of chapter~~  
 10          ~~13 of title 31, United States Code, is amended by inserting~~  
 11          ~~after the item relating to section 1310 the following new~~  
 12          ~~item:~~

~~“1311. Continuing appropriations.”.~~

13          ~~[(d) EFFECT OF AMENDMENTS.—Nothing in the~~  
 14          ~~amendments made by this subsection shall be construed~~  
 15          ~~to affect Government obligations mandated by other law,~~  
 16          ~~including obligations with respect to social security, medi-~~  
 17          ~~care, and medicaid.]~~

18                   **TITLE VII—BUDGETING IN AN**  
 19                   **ERA OF SURPLUSES**

20           **SEC. 701. PAYGO REQUIREMENTS AND THE ON-BUDGET**  
 21                   **SURPLUS.**

22           ~~(a) Section 252(a) of the Balanced Budget and~~  
 23           ~~Emergency Deficit Control Act of 1985 is amended to~~  
 24           ~~read as follows:~~

1       “(a) PURPOSE.—The purpose of this section is to as-  
2       sure that direct spending or receipts legislation does not  
3       increase the deficit or exceed the on-budget surplus.”.

4       (b) SEQUESTRATION.—(1) Section 252(b)(1) of the  
5       Balanced Budget and Emergency Deficit Control Act of  
6       1985 is amended by inserting “minus the amount for the  
7       budget year, if any, estimated under paragraph (3)” after  
8       “as calculated under paragraph (2)”.

9       (2) Section 252(b) of such Act is amended by adding  
10      at the end the following new paragraph:

11           “(3) ESTIMATE OF ON-BUDGET SURPLUS.—  
12      OMB estimates for the budget year of the excess of  
13      receipts over outlays (if any) as set forth in the  
14      OMB sequestration update report as calculated pur-  
15      suant to section 254(e)(3). These estimates shall not  
16      include outlays and receipts of the Federal Old-Age  
17      and Survivors Insurance Trust Fund, the Federal  
18      Disability Insurance Trust Fund, or any other off-  
19      budget entity.”.

20      (c) CLARIFICATION OF EXISTING LAW.—Section 252  
21      of the Balanced Budget and Emergency Deficit Control  
22      Act of 1985 (as amended by section 412(b)) is further  
23      amended by adding at the end the following new sub-  
24      section:

1       “(f) MEANING OF NET DEFICIT INCREASE.—For  
2 purposes of this section, a net deficit is the amount by  
3 which decreases in revenues plus increases in outlays ex-  
4 ceeds increases in revenues plus decreases in outlays.”.

5       (d) REPORTS.—

6           (1) PREVIEW.—Section 254(e)(3) of the Bal-  
7 anced Budget and Emergency Deficit Control Act of  
8 1985 is amended by adding at the end the following  
9 new subparagraph:

10           “(D) The estimated excess of receipts over  
11 outlays for the budget year (if any) (assuming  
12 the levels appropriated if all regular appropri-  
13 ations (or a continuing appropriation) are en-  
14 acted minus any amounts sequestered for that  
15 year under section 251, but if that is not the  
16 case, then assuming compliance with the ad-  
17 justed discretionary spending limits set forth in  
18 section 251(e)) (but if no such limits are in ef-  
19 fect for such year, then assume compliance with  
20 such limits for the last fiscal year for which  
21 such limits were in effect) without taking into  
22 account the effect of direct spending and re-  
23 ceipts legislation for such year calculated under  
24 section 252(d) enacted after the date of enact-  
25 ment of this subparagraph.”.

1           (2) FINAL.—Section 254(f)(3) of the Balanced  
 2           Budget and Emergency Deficit Control Act of 1985  
 3           is amended by adding at the end the following new  
 4           sentence: “Notwithstanding subsection (j), actual  
 5           levels of enacted discretionary appropriations or up-  
 6           to-date adjusted discretionary spending limits (but if  
 7           no such limits are in effect for such year, then as-  
 8           sume such limits for the last fiscal year for which  
 9           such limits were in effect), as applicable, shall be  
 10          used in the final pay-as-you go report regarding in-  
 11          formation required by subsection (e)(3)(D) to be in-  
 12          cluded in the pay-as-you go sequestration preview re-  
 13          port.”.

14 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

15           (a) *SHORT TITLE.*—*This Act may be cited as the*  
 16 *“Comprehensive Budget Process Reform Act of 1999”.*

17           (b) *TABLE OF CONTENTS.*—

*Sec. 1. Short title; table of contents.*

*Sec. 2. Purpose.*

*Sec. 3. Effective date.*

*Sec. 4. Declaration of purposes for the Budget Act.*

**TITLE I—BUDGET WITH FORCE OF LAW**

*Sec. 101. Purposes.*

*Sec. 102. The timetable.*

*Sec. 103. Annual joint resolutions on the budget.*

*Sec. 104. Budget required before spending bills may be considered; fall-back proce-  
 dures if President vetoes joint budget resolution.*

*Sec. 105. Conforming amendments to effectuate joint resolutions on the budget.*

**TITLE II—RESERVE FUND FOR EMERGENCIES**

*Sec. 201. Purpose.*

*Sec. 202. Repeal of adjustments for emergencies.*

*Sec. 203. OMB emergency criteria.*

- Sec. 204. Development of guidelines for application of emergency definition.*  
*Sec. 205. Reserve fund for emergencies in President's budget.*  
*Sec. 206. Adjustments and reserve fund for emergencies in joint budget resolutions.*  
*Sec. 207. Application of section 306 to emergencies in excess of amounts in reserve fund.*  
*Sec. 208. Up-to-date tabulations.*  
*Sec. 209. Prohibition on amendments to emergency reserve fund.*  
*Sec. 210. Effective date.*

**TITLE III—ENFORCEMENT OF BUDGETARY DECISIONS**

- Sec. 301. Purposes.*

*Subtitle A—Application of Points of Order to Unreported Legislation*

- Sec. 311. Application of Budget Act points of order to unreported legislation.*

*Subtitle B—Compliance with Budget Resolution*

- Sec. 321. Budget compliance statements.*

*Subtitle C—Justification for Budget Act Waivers*

- Sec. 331. Justification for Budget Act waivers in the House of Representatives.*

*Subtitle D—CBO Scoring of Conference Reports*

- Sec. 341. CBO scoring of conference reports.*

**TITLE IV—ACCOUNTABILITY FOR FEDERAL SPENDING**

- Sec. 401. Purposes.*

*Subtitle A—Limitations on Direct Spending*

- Sec. 411. Fixed-year authorizations required for new programs.*  
*Sec. 412. Amendments to subject new direct spending to annual appropriations.*

*Subtitle B—Enhanced Congressional Oversight Responsibilities*

- Sec. 421. Ten-year congressional review requirement of permanent budget authority.*  
*Sec. 422. Justifications of direct spending.*  
*Sec. 423. Survey of activity reports of House committees.*  
*Sec. 424. Continuing study of additional budget process reforms.*  
*Sec. 425. GAO reports.*

*Subtitle C—Strengthened Accountability*

- Sec. 431. Ten-year CBO estimates.*  
*Sec. 432. Repeal of rule XXIII of the Rules of the House of Representatives.*

**TITLE V—BUDGETING FOR UNFUNDED LIABILITIES AND OTHER LONG-TERM OBLIGATIONS**

- Sec. 501. Purposes.*

*Subtitle A—Budgetary Treatment of Federal Insurance Programs**Sec. 511. Federal insurance programs.**Subtitle B—Reports on Long-Term Budgetary Trends**Sec. 521. Reports on long-term budgetary trends.**TITLE VI—BASELINE, BYRD RULE, LOCK-BOX, AND AUTOMATIC CONTINUING RESOLUTION**Sec. 601. Purpose.**Subtitle A—The Baseline**Sec. 611. The President’s budget.**Sec. 612. The congressional budget.**Sec. 613. Congressional Budget Office reports to committees.**Sec. 614. Outyear assumptions for discretionary spending.**Subtitle B—The Byrd Rule**Sec. 621. Limitation on Byrd rule.**Subtitle C—Spending Accountability Lock-Box**Sec. 631. Short title.**Sec. 632. Spending accountability lock-box ledger.**Sec. 633. Downward adjustment of section 302(a) allocations and section 302(b) suballocations.**Sec. 634. Periodic reporting of ledger statements.**Sec. 635. Downward adjustment of discretionary spending limits.**Subtitle D—Automatic Continuing Resolution**Sec. 641. Automatic continuing resolution.**TITLE VII—BUDGETING IN AN ERA OF SURPLUSES**Sec. 701. Paygo requirements and the on-budget surplus.***1 SEC. 2. PURPOSE.****2       *The purposes of this Act are to—*****3               (1) *give the budget the force of law;*****4               (2) *budget for emergencies;*****5               (3) *strengthen enforcement of budgetary deci-***  
**6               *sions;*****7               (4) *increase accountability for Federal spending;***

1           (5) *display the unfunded liabilities of Federal*  
2           *insurance programs;*

3           (6) *mitigate the bias in the budget process to-*  
4           *ward higher spending; and*

5           (7) *modify paygo requirements when there is an*  
6           *on-budget surplus.*

7   **SEC. 3. EFFECTIVE DATE.**

8           *Except as otherwise specifically provided, this Act and*  
9           *the amendments made by this Act shall become effective on*  
10          *the date of enactment of this Act and shall apply with re-*  
11          *spect to fiscal years beginning after September 30, 2000.*

12   **SEC. 4. DECLARATION OF PURPOSES FOR THE BUDGET**  
13                   **ACT.**

14          *Paragraphs (1) and (2) of section 2 of the Congres-*  
15          *sional Budget and Impoundment Control Act of 1974 are*  
16          *amended to read as follows:*

17                 *“(1) to assure effective control over the budgetary*  
18                 *process;*

19                 *“(2) to facilitate the determination each year of*  
20                 *the appropriate level of Federal revenues and expendi-*  
21                 *tures by the Congress and the President;”.*

22   **TITLE I—BUDGET WITH FORCE**  
23                   **OF LAW**

24   **SEC. 101. PURPOSES.**

25          *The purposes of this title are to—*

1           (1) *focus initial budgetary deliberations on ag-*  
2           *gregate levels of Federal spending and taxation;*

3           (2) *encourage cooperation between Congress and*  
4           *the President in developing overall budgetary prior-*  
5           *ities; and*

6           (3) *reach budgetary decisions early in the legis-*  
7           *lative cycle.*

8 **SEC. 102. THE TIMETABLE.**

9           *Section 300 of the Congressional Budget Act of 1974*  
10 *is amended to read as follows:*

11                                        “TIMETABLE

12           “SEC. 300. *The timetable with respect to the congres-*  
13 *sional budget process for any fiscal year is as follows:*

<b>“On or before:</b>	<b>Action to be completed:</b>
<i>First Monday in February .....</i>	<i>President submits his budget.</i>
<i>February 15 .....</i>	<i>Congressional Budget Office submits report to Budget Committees.</i>
<i>Not later than 6 weeks after Presi-</i> <i>dent submits budget.</i>	<i>Committees submit views and esti-</i> <i>mates to Budget Committees.</i>
<i>April 1 .....</i>	<i>Senate Budget Committee reports joint resolution on the budget.</i>
<i>April 15 .....</i>	<i>Congress completes action on joint res-</i> <i>olution on the budget.</i>
<i>June 10 .....</i>	<i>House Appropriations Committee re-</i> <i>ports last annual appropriation</i> <i>bill.</i>
<i>June 15 .....</i>	<i>Congress completes action on reconcili-</i> <i>ation legislation.</i>
<i>June 30 .....</i>	<i>House completes action on annual ap-</i> <i>propriation bills.</i>
<i>October 1 .....</i>	<i>Fiscal year begins.”.</i>

14 **SEC. 103. ANNUAL JOINT RESOLUTIONS ON THE BUDGET.**

15           (a) *CONTENT OF ANNUAL JOINT RESOLUTIONS ON THE*  
16 *BUDGET.—Section 301(a) of the Congressional Budget Act*  
17 *of 1974 is amended as follows:*



1           (1) *Strike paragraph (4) and insert the following*  
2           *new paragraph:*

3           “*(4) subtotals of new budget authority and out-*  
4           *lays for nondefense discretionary spending, defense*  
5           *discretionary spending, direct spending (excluding in-*  
6           *terest), and interest; and for fiscal years to which the*  
7           *amendments made by title II of the Comprehensive*  
8           *Budget Process Reform Act of 1999 apply, subtotals*  
9           *of new budget authority and outlays for emer-*  
10          *gencies;”.*

11          (2) *Strike the last sentence of such subsection.*

12          (b) *ADDITIONAL MATTERS IN JOINT RESOLUTION.—*  
13          *Section 301(b) of the Congressional Budget Act of 1974 is*  
14          *amended as follows:*

15          (1) *Strike paragraphs (2), (4), and (6) through*  
16          *(9).*

17          (2) *After paragraph (1), insert the following new*  
18          *paragraph:*

19          “*(2) if submitted by the Committee on Ways and*  
20          *Means of the House of Representatives or the Com-*  
21          *mittee on Finance of the Senate to the Committee on*  
22          *the Budget of that House of Congress, amend section*  
23          *3101 of title 31, United States Code, to change the*  
24          *statutory limit on the public debt;”.*

1           (3) *After paragraph (3), insert the following new*  
2 *paragraph:*

3           “(4) *require such other congressional procedures,*  
4 *relating to the budget, as may be appropriate to carry*  
5 *out the purposes of this Act;”*; and

6           (4) *After paragraph (5), insert the following new*  
7 *paragraph:*

8           “(6) *set forth procedures in the Senate whereby*  
9 *committee allocations, aggregates, and other levels can*  
10 *be revised for legislation if that legislation would not*  
11 *increase the deficit, or would not increase the deficit*  
12 *when taken with other legislation enacted after the*  
13 *adoption of the resolution, for the first fiscal year or*  
14 *the total period of fiscal years covered by the resolu-*  
15 *tion.”*.

16       (c) *REQUIRED CONTENTS OF REPORT.*—Section  
17 *301(e)(2) of the Congressional Budget Act of 1974 is amend-*  
18 *ed as follows:*

19           (1) *Redesignate subparagraphs (A), (B), (C),*  
20 *(D), (E), and (F) as subparagraphs (B), (C), (E),*  
21 *(F), (H), and (I), respectively.*

22           (2) *Before subparagraph (B) (as redesignated),*  
23 *insert the following new subparagraph:*

24           “(A) *new budget authority and outlays for*  
25 *each major functional category, based on alloca-*

1            *tions of the total levels set forth pursuant to sub-*  
2            *section (a)(1);”.*

3            *(3) In subparagraph (C) (as redesignated), strike*  
4            *“mandatory” and insert “direct spending”.*

5            *(4) After subparagraph (C) (as redesignated), in-*  
6            *sert the following new subparagraph:*

7                    *“(D) a measure, as a percentage of gross do-*  
8                    *mestic product, of total outlays, total Federal*  
9                    *revenues, the surplus or deficit, and new outlays*  
10                   *for nondefense discretionary spending, defense*  
11                   *spending, and direct spending as set forth in*  
12                   *such resolution;”.*

13           *(5) After subparagraph (F) (as redesignated), in-*  
14           *sert the following new subparagraph:*

15                   *“(G) if the joint resolution on the budget in-*  
16                   *cludes any allocation to a committee (other than*  
17                   *the Committee on Appropriations) of levels in*  
18                   *excess of current law levels, a justification for*  
19                   *not subjecting any program, project, or activity*  
20                   *(for which the allocation is made) to annual dis-*  
21                   *cretionary appropriations;”.*

22           *(d) ADDITIONAL CONTENTS OF REPORT.—Section*  
23           *301(e)(3) of the Congressional Budget Act of 1974 is amend-*  
24           *ed as follows:*

1           (1) *Redesignate subparagraphs (A) and (B) as*  
2           *subparagraphs (B) and (C), respectively, strike sub-*  
3           *paragraphs (C) and (D), and redesignate subpara-*  
4           *graph (E) as subparagraph (D).*

5           (2) *Before subparagraph (B), insert the following*  
6           *new subparagraph:*

7                     *“(A) reconciliation directives described in*  
8                     *section 310;”.*

9           (e) *PRESIDENT’S BUDGET SUBMISSION TO THE CON-*  
10          *GRESS.—(1) The first two sentences of section 1105(a) of*  
11          *title 31, United States Code, are amended to read as follows:*  
12          *“On or after the first Monday in January but not later*  
13          *than the first Monday in February of each year the Presi-*  
14          *dent shall submit a budget of the United States Government*  
15          *for the following fiscal year which shall set forth the fol-*  
16          *lowing levels:*

17                     *“(A) totals of new budget authority and outlays;*

18                     *“(B) total Federal revenues and the amount, if*  
19                     *any, by which the aggregate level of Federal revenues*  
20                     *should be increased or decreased by bills and resolu-*  
21                     *tions to be reported by the appropriate committees;*

22                     *“(C) the surplus or deficit in the budget;*

23                     *“(D) subtotals of new budget authority and out-*  
24                     *lays for nondefense discretionary spending, defense*  
25                     *discretionary spending, direct spending, and interest;*

1        *and for fiscal years to which the amendments made*  
2        *by title II of the Comprehensive Budget Process Re-*  
3        *form Act of 1999 apply, subtotals of new budget au-*  
4        *thority and outlays for emergencies; and*

5                *“(E) the public debt.*

6        *Each budget submission shall include a budget message and*  
7        *summary and supporting information and, as a separately*  
8        *delineated statement, the levels required in the preceding*  
9        *sentence for at least each of the 9 ensuing fiscal years.”.*

10        *(2) The third sentence of section 1105(a) of title 31,*  
11        *United States Code, is amended by inserting “submission”*  
12        *after “budget”.*

13        *(f) LIMITATION ON CONTENTS OF BUDGET RESOLU-*  
14        *TIONS.—Section 305 of the Congressional Budget Act of*  
15        *1974 is amended by adding at the end the following new*  
16        *subsection:*

17                *“(e) LIMITATION ON CONTENTS.—(1) It shall not be*  
18        *in order in the House of Representatives or in the Senate*  
19        *to consider any joint resolution on the budget or any*  
20        *amendment thereto or conference report thereon that con-*  
21        *tains any matter referred to in paragraph (2).*

22                *“(2) Any joint resolution on the budget or any amend-*  
23        *ment thereto or conference report thereon that contains any*  
24        *matter not permitted in section 301(a) or (b) shall not be*  
25        *treated in the House of Representatives or the Senate as*

1 *a budget resolution under subsection (a) or (b) or as a con-*  
2 *ference report on a budget resolution under subsection (c)*  
3 *of this section.”.*

4 **SEC. 104. BUDGET REQUIRED BEFORE SPENDING BILLS**  
5 **MAY BE CONSIDERED; FALL-BACK PROCE-**  
6 **DURES IF PRESIDENT VETOES JOINT BUDGET**  
7 **RESOLUTION.**

8 *(a) AMENDMENTS TO SECTION 302.—Section 302(a)*  
9 *of the Congressional Budget Act of 1974 is amended by*  
10 *striking paragraph (5).*

11 *(b) AMENDMENTS TO SECTION 303 AND CONFORMING*  
12 *AMENDMENTS.—(1) Section 303 of the Congressional Budg-*  
13 *et Act of 1974 is amended—*

14 *(A) in subsection (b), by striking paragraph (2),*  
15 *by inserting “or” at the end of paragraph (1), and*  
16 *by redesignating paragraph (3) as paragraph (2);*  
17 *and*

18 *(B) by striking its section heading and inserting*  
19 *the following new section heading: “CONSIDERATION*  
20 *OF BUDGET-RELATED LEGISLATION BEFORE BUDGET*  
21 *BECOMES LAW”.*

22 *(2) Section 302(g)(1) of the Congressional Budget Act*  
23 *of 1974 is amended by striking “and, after April 15, section*  
24 *303(a)”.*

1       (3)(A) *Section 904(c)(1) of the Congressional Budget*  
2 *Act of 1974 is amended by inserting “303(a),” before*  
3 *“305(b)(2),”.*

4       (B) *Section 904(d)(2) of the Congressional Budget Act*  
5 *of 1974 is amended by inserting “303(a),” before*  
6 *“305(b)(2),”.*

7       (c) *EXPEDITED PROCEDURES UPON VETO OF JOINT*  
8 *RESOLUTION ON THE BUDGET.—(1) Title III of the Con-*  
9 *gressional Budget Act of 1974 is amended by adding after*  
10 *section 315 the following new section:*

11           *“EXPEDITED PROCEDURES UPON VETO OF JOINT*  
12                           *RESOLUTION ON THE BUDGET*

13           *“SEC. 316. (a) SPECIAL RULE.—If the President ve-*  
14 *toes a joint resolution on the budget for a fiscal year, the*  
15 *majority leader of the House of Representatives or Senate*  
16 *(or his designee) may introduce a concurrent resolution on*  
17 *the budget or joint resolution on the budget for such fiscal*  
18 *year. If the Committee on the Budget of either House fails*  
19 *to report such concurrent or joint resolution referred to it*  
20 *within five calendar days (excluding Saturdays, Sundays,*  
21 *or legal holidays except when that House of Congress is in*  
22 *session) after the date of such referral, the committee shall*  
23 *be automatically discharged from further consideration of*  
24 *such resolution and such resolution shall be placed on the*  
25 *appropriate calendar.*

1       “(b) *PROCEDURE IN THE HOUSE OF REPRESENTA-*  
2 *TIVES AND THE SENATE.*—

3               “(1) *Except as provided in paragraph (2), the*  
4 *provisions of section 305 for the consideration in the*  
5 *House of Representatives and in the Senate of joint*  
6 *resolutions on the budget and conference reports there-*  
7 *on shall also apply to the consideration of concurrent*  
8 *resolutions on the budget introduced under subsection*  
9 *(a) and conference reports thereon.*

10              “(2) *Debate in the Senate on any concurrent res-*  
11 *olution on the budget or joint resolution on the budget*  
12 *introduced under subsection (a), and all amendments*  
13 *thereto and debatable motions and appeals in connec-*  
14 *tion therewith, shall be limited to not more than 10*  
15 *hours and in the House such debate shall be limited*  
16 *to not more than 3 hours.*

17              “(c) *CONTENTS OF CONCURRENT RESOLUTIONS.*—*Any*  
18 *concurrent resolution on the budget introduced under sub-*  
19 *section (a) shall be in compliance with section 301.*

20              “(d) *EFFECT OF CONCURRENT RESOLUTION ON THE*  
21 *BUDGET.*—*Notwithstanding any other provision of this*  
22 *title, whenever a concurrent resolution on the budget de-*  
23 *scribed in subsection (a) is agreed to, then the aggregates,*  
24 *allocations, and reconciliation directives (if any) contained*  
25 *in the report accompanying such concurrent resolution or*



1 *in such concurrent resolution shall be considered to be the*  
 2 *aggregates, allocations, and reconciliation directives for all*  
 3 *purposes of sections 302, 303, and 311 for the applicable*  
 4 *fiscal years and such concurrent resolution shall be deemed*  
 5 *to be a joint resolution for all purposes of this title and*  
 6 *the Rules of the House of Representatives and any reference*  
 7 *to the date of enactment of a joint resolution on the budget*  
 8 *shall be deemed to be a reference to the date agreed to when*  
 9 *applied to such concurrent resolution.”.*

10       (2) *The table of contents set forth in section 1(b) of*  
 11 *the Congressional Budget and Impoundment Control Act of*  
 12 *1974 is amended by inserting after the item relating to sec-*  
 13 *tion 315 the following new item:*

*“Sec. 316. Expedited procedures upon veto of joint resolution on the budget.”.*

14 **SEC. 105. CONFORMING AMENDMENTS TO EFFECTUATE**  
 15 **JOINT RESOLUTIONS ON THE BUDGET.**

16       (a) *CONFORMING AMENDMENTS TO THE CONGRES-*  
 17 *SIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF*  
 18 *1974.—(1)(A) Sections 301, 302, 303, 305, 308, 310, 311,*  
 19 *312, 314, 405, and 904 of the Congressional Budget Act*  
 20 *of 1974 (2 U.S.C. 621 et seq.) are amended by striking “con-*  
 21 *current” each place it appears and by inserting “joint”.*

22       (B)(i) *Sections 302(d), 302(g), 308(a)(1)(A), and*  
 23 *310(d)(1) of the Congressional Budget Act of 1974 are*  
 24 *amended by striking “most recently agreed to concurrent*  
 25 *resolution on the budget” each place it occurs and inserting*

1 “most recently enacted joint resolution on the budget or  
2 agreed to concurrent resolution on the budget (as applica-  
3 ble)”.

4 (ii) The section heading of section 301 is amended by  
5 striking “adoption of concurrent resolution” and inserting  
6 “joint resolutions”;

7 (iii) Section 304 of such Act is amended to read as  
8 follows:

9 “PERMISSIBLE REVISIONS OF BUDGET RESOLUTIONS

10 “SEC. 304. At any time after the joint resolution on  
11 the budget for a fiscal year has been enacted pursuant to  
12 section 301, and before the end of such fiscal year, the two  
13 Houses and the President may enact a joint resolution on  
14 the budget which revises or reaffirms the joint resolution  
15 on the budget for such fiscal year most recently enacted.  
16 If a concurrent resolution on the budget has been agreed  
17 to pursuant to section 316, then before the end of such fiscal  
18 year, the two Houses may adopt a concurrent resolution  
19 on the budget which revises or reaffirms the concurrent reso-  
20 lution on the budget for such fiscal year most recently  
21 agreed to.”.

22 (C) Sections 302, 303, 310, and 311, of such Act are  
23 amended by striking “agreed to” each place it appears and  
24 by inserting “enacted”.

25 (2)(A) Paragraph (4) of section 3 of the Congressional  
26 Budget and Impoundment Control Act of 1974 is amended

1 *by striking “concurrent” each place it appears and by in-*  
 2 *serting “joint”.*

3 *(B) The table of contents set forth in section 1(b) of*  
 4 *such Act is amended—*

5 *(i) in the item relating to section 301, by strik-*  
 6 *ing “adoption of concurrent resolution” and inserting*  
 7 *“joint resolutions”;*

8 *(ii) by striking the item relating to section 303*  
 9 *and inserting the following:*

*“Sec. 303. Consideration of budget-related legislation before budget becomes law.”;*

10 *(iii) in the item relating to section 304, by strik-*  
 11 *ing “concurrent” and inserting “budget” the first*  
 12 *place it appears and by striking “on the budget”; and*

13 *(iv) by striking “concurrent” and inserting*  
 14 *“joint” in the item relating to section 305.*

15 *(b) CONFORMING AMENDMENTS TO THE RULES OF*  
 16 *THE HOUSE OF REPRESENTATIVES.—(1) Clauses 1(e)(1),*  
 17 *4(a)(4), 4(b)(2), 4(f)(1)(A), and 4(f)(2) of rule X, clause 10*  
 18 *of rule XVIII, and clause 10 of rule XX of the Rules of*  
 19 *the House of Representatives are amended by striking “con-*  
 20 *current” each place it appears and inserting “joint”.*

21 *(2) Clause 10 of rule XVIII of the Rules of the House*  
 22 *of Representatives is amended—*

23 *(A) in paragraph (b)(2), by striking “(5)” and*  
 24 *inserting “(6)”;* and

25 *(B) by striking paragraph (c).*

1           (c) *CONFORMING AMENDMENTS TO THE BALANCED*  
2 *BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF*  
3 *1985.—Section 258C(b)(1) of the Balanced Budget and*  
4 *Emergency Deficit Control Act of 1985 (2 U.S.C.*  
5 *907d(b)(1)) is amended by striking “concurrent” and in-*  
6 *serting “joint”.*

7           (d) *CONFORMING AMENDMENTS TO SECTION 310 RE-*  
8 *GARDING RECONCILIATION DIRECTIVES.—(1) The side*  
9 *heading of section 310(a) of the Congressional Budget Act*  
10 *of 1974 (as amended by section 105(a)) is further amended*  
11 *by inserting “JOINT EXPLANATORY STATEMENT ACCOM-*  
12 *PANYING CONFERENCE REPORT ON” before “JOINT”.*

13           (2) *Section 310(a) of such Act is amended by striking*  
14 *“A” and inserting “The joint explanatory statement accom-*  
15 *panying the conference report on a”.*

16           (3) *The first sentence of section 310(b) of such Act is*  
17 *amended by striking “If” and inserting “If the joint explan-*  
18 *atory statement accompanying the conference report on”.*

19           (4) *Section 310(c)(1) of such Act is amended by insert-*  
20 *ing “the joint explanatory statement accompanying the con-*  
21 *ference report on” after “pursuant to”.*

22           (5) *Subsection (g) of section 310 of such Act is re-*  
23 *pealed.*

24           (e) *CONFORMING AMENDMENTS TO SECTION 3 RE-*  
25 *GARDING DIRECT SPENDING.—Section 3 of the Congres-*

1 *sional Budget and Impoundment Control Act of 1974 is*  
 2 *amended by adding at the end the following new paragraph:*

3           “(11) The term ‘direct spending’ has the mean-  
 4           ing given to such term in section 250(c)(8) of the Bal-  
 5           anced Budget and Emergency Deficit Control Act of  
 6           1985.”.

7           (f) *TECHNICAL AMENDMENT REGARDING REVISED*  
 8 *SUBALLOCATIONS.—Section 314(d) of the Congressional*  
 9 *Budget Act of 1974 is amended by—*

10           (1) *striking “REPORTING” in the side heading,*  
 11 *by inserting “the chairmen of” before “the Commit-*  
 12 *tees”, and by striking “may report” and inserting*  
 13 *“shall make and have published in the Congressional*  
 14 *Record”; and*

15           (2) *adding at the end the following new sentence:*  
 16 *“For purposes of considering amendments (other than*  
 17 *for amounts for emergencies covered by subsection*  
 18 *(b)(1)), suballocations shall be deemed to be so ad-*  
 19 *justed.”.*

20           ***TITLE II—RESERVE FUND FOR***  
 21                                   ***EMERGENCIES***

22           ***SEC. 201. PURPOSE.***

23           *The purposes of this title are to—*

24           (1) *develop budgetary and fiscal procedures for*  
 25 *emergencies;*

1           (2) *subject spending for emergencies to budgetary*  
2           *procedures and controls; and*

3           (3) *establish criteria for determining compliance*  
4           *with emergency requirements.*

5 **SEC. 202. REPEAL OF ADJUSTMENTS FOR EMERGENCIES.**

6           (a) *DISCRETIONARY SPENDING LIMITS.*—(1) *Section*  
7 *251(b)(2)(A) of the Balanced Budget and Emergency Def-*  
8 *icit Control Act of 1985 is repealed.*

9           (2) *Such section 251(b)(2) is further amended by redес-*  
10 *ignating subparagraphs (B) through (G) as subparagraphs*  
11 *(A) through (F).*

12          (b) *DIRECT SPENDING.*—*Sections 252(e) and*  
13 *252(d)(4)(B) of the Balanced Budget and Emergency Def-*  
14 *icit Control Act of 1985 are repealed.*

15          (c) *EMERGENCY DESIGNATION.*—*Clause 2 of rule XXI*  
16 *of the Rules of the House of Representatives is amended by*  
17 *repealing paragraph (e) and by redesignating paragraph*  
18 *(f) as paragraph (e).*

19          (d) *AMOUNT OF ADJUSTMENTS.*—*Section 314(b) of the*  
20 *Congressional Budget Act of 1974 is amended by striking*  
21 *paragraph (1) and by redesignating paragraphs (2)*  
22 *through (6) as paragraphs (1) through (5), respectively.*

23 **SEC. 203. OMB EMERGENCY CRITERIA.**

24           *Section 3 of the Congressional Budget and Impound-*  
25 *ment Control Act of 1974 (as amended by section 105(e))*

1 *is further amended by adding at the end the following new*  
2 *paragraph:*

3           “(12)(A) *The term ‘emergency’ means a situation*  
4           *that—*

5                   “(i) *requires new budget authority and out-*  
6                   *lays (or new budget authority and the outlays*  
7                   *flowing therefrom) for the prevention or mitiga-*  
8                   *tion of, or response to, loss of life or property, or*  
9                   *a threat to national security; and*

10                   “(ii) *is unanticipated.*

11           “(B) *As used in subparagraph (A), the term ‘un-*  
12           *anticipated’ means that the situation is—*

13                   “(i) *sudden, which means quickly coming*  
14                   *into being or not building up over time;*

15                   “(ii) *urgent, which means a pressing and*  
16                   *compelling need requiring immediate action;*

17                   “(iii) *unforeseen, which means not predicted*  
18                   *or anticipated as an emerging need; and*

19                   “(iv) *temporary, which means not of a per-*  
20                   *manent duration.”.*

21 **SEC. 204. DEVELOPMENT OF GUIDELINES FOR APPLICA-**  
22 **TION OF EMERGENCY DEFINITION.**

23           *Not later than 5 months after the date of enactment*  
24 *of this Act, the chairmen of the Committees on the Budget*  
25 *(in consultation with the President) shall, after consulting*

1 *with the chairmen of the Committees on Appropriations*  
2 *and applicable authorizing committees of their respective*  
3 *Houses and the Directors of the Congressional Budget Office*  
4 *and the Office of Management and Budget, jointly publish*  
5 *in the Congressional Record guidelines for application of*  
6 *the definition of emergency set forth in section 3(12) of the*  
7 *Congressional Budget and Impoundment Control Act of*  
8 *1974.*

9 **SEC. 205. RESERVE FUND FOR EMERGENCIES IN PRESI-**  
10 **DENT'S BUDGET.**

11 *Section 1105(f) of title 31, United States Code is*  
12 *amended by adding at the end the following new sentences:*  
13 *“Such budget submission shall also comply with the re-*  
14 *quirements of section 317(b) of the Congressional Budget*  
15 *Act of 1974 and, in the case of any budget authority re-*  
16 *quested for an emergency, such submission shall include a*  
17 *detailed justification of why such emergency is an emer-*  
18 *gency within the meaning of section 3(12) of the Congres-*  
19 *sional Budget Act of 1974.”.*

20 **SEC. 206. ADJUSTMENTS AND RESERVE FUND FOR EMER-**  
21 **GENCIES IN JOINT BUDGET RESOLUTIONS.**

22 *(a) EMERGENCIES.—Title III of the Congressional*  
23 *Budget Act of 1974 (as amended by section 104(c)) is fur-*  
24 *ther amended by adding at the end the following new sec-*  
25 *tion:*



*“EMERGENCIES*

1  
2 *“SEC. 317. (a) ADJUSTMENTS.—*

3 *“(1) IN GENERAL.—After the reporting of a bill*  
4 *or joint resolution or the submission of a conference*  
5 *report thereon that provides budget authority for any*  
6 *emergency as identified pursuant to subsection (d)—*

7 *“(A) the chairman of the Committee on the*  
8 *Budget of the House of Representatives or the*  
9 *Senate shall determine and certify, pursuant to*  
10 *the guidelines referred to in section 204 of the*  
11 *Comprehensive Budget Process Reform Act of*  
12 *1999, the portion (if any) of the amount so spec-*  
13 *ified that is for an emergency within the mean-*  
14 *ing of section 3(12); and*

15 *“(B) such chairman shall make the adjust-*  
16 *ment set forth in paragraph (2) for the amount*  
17 *of new budget authority (or outlays) in that*  
18 *measure and the outlays flowing from that budg-*  
19 *et authority.*

20 *“(2) MATTERS TO BE ADJUSTED.—The adjust-*  
21 *ments referred to in paragraph (1) are to be made to*  
22 *the allocations made pursuant to the appropriate*  
23 *joint resolution on the budget pursuant to section*  
24 *302(a) and shall be in an amount not to exceed the*

1 *amount reserved for emergencies pursuant to the re-*  
2 *quirements of subsection (b).*

3 *“(b) RESERVE FUND FOR EMERGENCIES.—*

4 *“(1) AMOUNTS.—The amount set forth in the re-*  
5 *serve fund for emergencies for budget authority and*  
6 *outlays for a fiscal year pursuant to section 301(a)(4)*  
7 *shall equal—*

8 *“(A) the average of the enacted levels of*  
9 *budget authority for emergencies in the 5 fiscal*  
10 *years preceding the current year; and*

11 *“(B) the average of the levels of outlays for*  
12 *emergencies in the 5 fiscal years preceding the*  
13 *current year flowing from the budget authority*  
14 *referred to in subparagraph (A), but only in the*  
15 *fiscal year for which such budget authority first*  
16 *becomes available for obligation.*

17 *“(2) AVERAGE LEVELS.—For purposes of para-*  
18 *graph (1), the amount used for a fiscal year to cal-*  
19 *culate the average of the enacted levels when one or*  
20 *more of such 5 preceding fiscal years is any of fiscal*  
21 *years 1994 through 1998 is as follows: the amount of*  
22 *enacted levels of budget authority and the amount of*  
23 *new outlays flowing therefrom for emergencies, but*  
24 *only in the fiscal year for which such budget author-*  
25 *ity first becomes available for obligation for each of*

1       *such 5 fiscal years, which shall be determined by the*  
2       *Committees on the Budget of the House of Representa-*  
3       *tives and the Senate after receipt of a report on such*  
4       *matter transmitted to such committees by the Director*  
5       *of the Congressional Budget Office 6 months after the*  
6       *date of enactment of this section and thereafter in*  
7       *February of each calendar year.*

8       “(c) *EMERGENCIES IN EXCESS OF AMOUNTS IN RE-*  
9       *SERVE FUND.*—*Whenever the Committee on Appropriations*  
10      *or any other committee reports any bill or joint resolution*  
11      *that provides budget authority for any emergency and the*  
12      *report accompanying that bill or joint resolution, pursuant*  
13      *to subsection (d), identifies any provision that increases*  
14      *outlays or provides budget authority (and the outlays flow-*  
15      *ing therefrom) for such emergency, the enactment of which*  
16      *would cause—*

17             “(1) *in the case of the Committee on*  
18      *Appropriations, the total amount of budget authority*  
19      *or outlays provided for emergencies for the budget*  
20      *year; or*

21             “(2) *in the case of any other committee, the total*  
22      *amount of budget authority or outlays provided for*  
23      *emergencies for the budget year or the total of the fis-*  
24      *cal years;*

1 *in the joint resolution on the budget (pursuant to section*  
2 *301(a)(4)) to be exceeded:*

3           “(A) *Such bill or joint resolution shall be re-*  
4 *ferred to the Committee on the Budget of the House*  
5 *or the Senate, as the case may be, with instructions*  
6 *to report it without amendment, other than that spec-*  
7 *ified in subparagraph (B), within 5 legislative days*  
8 *of the day in which it is reported from the origi-*  
9 *nating committee. If the Committee on the Budget of*  
10 *either House fails to report a bill or joint resolution*  
11 *referred to it under this subparagraph within such 5-*  
12 *day period, the committee shall be automatically dis-*  
13 *charged from further consideration of such bill or*  
14 *joint resolution and such bill or joint resolution shall*  
15 *be placed on the appropriate calendar.*

16           “(B) *An amendment to such a bill or joint reso-*  
17 *lution referred to in this subsection shall only consist*  
18 *of an exemption from section 251 or 252 (as applica-*  
19 *ble) of the Balanced Budget and Emergency Deficit*  
20 *Control Act of 1985 of all or any part of the provi-*  
21 *sions that provide budget authority (and the outlays*  
22 *flowing therefrom) for such emergency if the com-*  
23 *mittee determines, pursuant to the guidelines referred*  
24 *to in section 204 of the Comprehensive Budget Process*

1       *Reform Act of 1999, that such budget authority is for*  
2       *an emergency within the meaning of section 3(12).*

3             “(C) *If such a bill or joint resolution is reported*  
4       *with an amendment specified in subparagraph (B) by*  
5       *the Committee on the Budget of the House of Rep-*  
6       *resentatives or the Senate, then the budget authority*  
7       *and resulting outlays that are the subject of such*  
8       *amendment shall not be included in any determina-*  
9       *tions under section 302(f) or 311(a) for any bill, joint*  
10       *resolution, amendment, motion, or conference report.*

11       “(d) *COMMITTEE NOTIFICATION OF EMERGENCY LEG-*  
12       *ISLATION.—Whenever the Committee on Appropriations or*  
13       *any other committee of either House (including a committee*  
14       *of conference) reports any bill or joint resolution that pro-*  
15       *vides budget authority for any emergency, the report accom-*  
16       *panying that bill or joint resolution (or the joint explana-*  
17       *tory statement of managers in the case of a conference re-*  
18       *port on any such bill or joint resolution) shall identify all*  
19       *provisions that provide budget authority and the outlays*  
20       *flowing therefrom for such emergency and include a state-*  
21       *ment of the reasons why such budget authority meets the*  
22       *definition of an emergency pursuant to the guidelines re-*  
23       *ferred to in section 204 of the Comprehensive Budget Proc-*  
24       *ess Reform Act of 1999.”.*

1           (b) *CONFORMING AMENDMENT.*—*The table of contents*  
 2 *set forth in section 1(b) of the Congressional Budget and*  
 3 *Impoundment Control Act of 1974 is amended by inserting*  
 4 *after the item relating to section 316 the following new item:*  
       “*Sec. 317. Emergencies.*”.

5   **SEC. 207. APPLICATION OF SECTION 306 TO EMERGENCIES**  
 6                               **IN EXCESS OF AMOUNTS IN RESERVE FUND.**

7           Section 306 of the Congressional Budget Act of 1974  
 8 *is amended by inserting at the end the following new sen-*  
 9 *tence: “No amendment reported by the Committee on the*  
 10 *Budget (or from the consideration of which such committee*  
 11 *has been discharged) pursuant to section 317(c) may be*  
 12 *amended.”.*

13   **SEC. 208. UP-TO-DATE TABULATIONS.**

14           Section 308(b)(2) of the Congressional Budget Act of  
 15 1974 *is amended by striking “and” at the end of subpara-*  
 16 *graph (B), by striking the period at the end of subpara-*  
 17 *graph (C) and inserting “; and”, and by adding at the end*  
 18 *the following new subparagraph:*

19                               “(D) *shall include an up-to-date tabulation*  
 20                               *of amounts remaining in the reserve fund for*  
 21                               *emergencies.”.*

22   **SEC. 209. PROHIBITION ON AMENDMENTS TO EMERGENCY**  
 23                               **RESERVE FUND.**

24           (a) *POINT OF ORDER.*—*Section 305 of the Congres-*  
 25 *sional Budget Act of 1974 (as amended by section 103(c))*

1 *is further amended by adding at the end the following new*  
2 *subsection:*

3       “(f) *POINT OF ORDER REGARDING EMERGENCY RE-*  
4 *SERVE FUND.*—*It shall not be in order in the House of Rep-*  
5 *resentatives or in the Senate to consider an amendment to*  
6 *a joint resolution on the budget which changes the amount*  
7 *of budget authority and outlays set forth in section*  
8 *301(a)(4) for emergency reserve fund.”.*

9       (b) *TECHNICAL AMENDMENT.*—(1) *Section 904(c)(1) of*  
10 *the Congressional Budget Act of 1974 is amended by insert-*  
11 *ing “305(e), 305(f),” after “305(c)(4),”.*

12       (2) *Section 904(d)(2) of the Congressional Budget Act*  
13 *of 1974 is amended by inserting “305(e), 305(f),” after*  
14 *“305(c)(4),”.*

15 **SEC. 210. EFFECTIVE DATE.**

16       *The amendments made by this title shall apply to fis-*  
17 *cal year 2001 and subsequent fiscal years, but such amend-*  
18 *ments shall take effect only after the enactment of legislation*  
19 *changing or extending for any fiscal year the discretionary*  
20 *spending limits set forth in section 251 of the Balanced*  
21 *Budget and Emergency Deficit Control Act of 1985 or legis-*  
22 *lation reducing the amount of any sequestration under sec-*  
23 *tion 252 of such Act by the amount of any reserve for any*  
24 *emergencies.*

1       **TITLE III—ENFORCEMENT OF**  
2               **BUDGETARY DECISIONS**

3       **SEC. 301. PURPOSES.**

4           *The purposes of this title are to—*

5               (1) *close loopholes in the enforcement of budget*  
6               *resolutions;*

7               (2) *require committees of the House of Represent-*  
8               *atives to include budget compliance statements in re-*  
9               *ports accompanying all legislation; and*

10              (3) *require committees of the House of Represent-*  
11              *atives to justify the need for waivers of the Congres-*  
12              *sional Budget Act of 1974;*

13              (4) *provide cost estimates of conference reports.*

14       **Subtitle A—Application of Points of**  
15               **Order to Unreported Legislation**

16       **SEC. 311. APPLICATION OF BUDGET ACT POINTS OF ORDER**  
17                       **TO UNREPORTED LEGISLATION.**

18           (a) *Section 315 of the Congressional Budget Act of*  
19           *1974 is amended by striking “reported” the first place it*  
20           *appears.*

21           (b) *Section 303(b) of the Congressional Budget Act of*  
22           *1974 (as amended by section 104(b)(1)) is further*  
23           *amended—*

24                       (1) *in paragraph (1), by striking “(A)” and by*  
25                       *redesignating subparagraph (B) as paragraph (2)*



1 *and by striking the semicolon at the end of such new*  
2 *paragraph (2) and inserting a period; and*

3 *(2) by striking paragraph (2) (as redesignated*  
4 *by such section 104(b)(1)).*

5 ***Subtitle B—Compliance with***  
6 ***Budget Resolution***

7 ***SEC. 321. BUDGET COMPLIANCE STATEMENTS.***

8 *Clause 3(d) of rule XIII of the Rules of the House of*  
9 *Representatives is amended by adding at the end the fol-*  
10 *lowing new subparagraph:*

11 *“(4) A budget compliance statement prepared by*  
12 *the chairman of the Committee on the Budget, if*  
13 *timely submitted prior to the filing of the report,*  
14 *which shall include assessment by such chairman as*  
15 *to whether the bill or joint resolution complies with*  
16 *the requirements of sections 302, 303, 306, 311, and*  
17 *401 of the Congressional Budget Act of 1974 and may*  
18 *include the budgetary implications of that bill or*  
19 *joint resolution under section 251 or 252 of the Bal-*  
20 *anced Budget and Emergency Deficit Control Act of*  
21 *1985, as applicable.”.*

1 ***Subtitle C—Justification for Budget***  
2 ***Act Waivers***

3 ***SEC. 331. JUSTIFICATION FOR BUDGET ACT WAIVERS IN***  
4 ***THE HOUSE OF REPRESENTATIVES.***

5 *Clause 6 of rule XIII of the Rules of the House of Rep-*  
6 *resentatives is amended by adding at the end the following*  
7 *new paragraph:*

8 *“(h) It shall not be in order to consider any resolution*  
9 *from the Committee on Rules for the consideration of any*  
10 *reported bill or joint resolution which waives section 302,*  
11 *303, 311, or 401 of the Congressional Budget Act of 1974,*  
12 *unless the report accompanying such resolution includes a*  
13 *description of the provision proposed to be waived, an iden-*  
14 *tification of the section being waived, the reasons why such*  
15 *waiver should be granted, and an estimated cost of the pro-*  
16 *visions to which the waiver applies.”.*

17 ***Subtitle D—CBO Scoring of***  
18 ***Conference Reports***

19 ***SEC. 341. CBO SCORING OF CONFERENCE REPORTS.***

20 *(a) The first sentence of section 402 of the Congres-*  
21 *sional Budget Act of 1974 is amended as follows:*

22 *(1) Insert “or conference report thereon,” before*  
23 *“and submit”.*

1           (2) *In paragraph (1), strike “bill or resolution”*  
2           *and insert “bill, joint resolution, or conference re-*  
3           *port”.*

4           (3) *At the end of paragraph (2) strike “and”, at*  
5           *the end of paragraph (3) strike the period and insert*  
6           *“; and”, and after such paragraph (3) add the fol-*  
7           *lowing new paragraph:*

8           *“(4) A determination of whether such bill, joint*  
9           *resolution, or conference report provides direct spend-*  
10          *ing.”.*

11          (b) *The second sentence of section 402 of the Congres-*  
12          *sional Budget Act of 1974 is amended by inserting before*  
13          *the period the following: “, or in the case of a conference*  
14          *report, shall be included in the joint explanatory statement*  
15          *of managers accompanying such conference report if timely*  
16          *submitted before such report is filed”.*

17          ***TITLE IV—ACCOUNTABILITY FOR***  
18                                ***FEDERAL SPENDING***

19          ***SEC. 401. PURPOSES.***

20                *The purposes of this title are to—*

21                   (1) *require committees to develop a schedule for*  
22                   *reauthorizing all programs within their jurisdictions;*

23                   (2) *facilitate amendments to subject new entitle-*  
24                   *ment programs to annual discretionary appropri-*  
25                   *ations;*

1           (3) *require the Committee on the Budget to justify any allocation to an authorizing committee for legislation that would not be subject to annual discretionary appropriation;*

5           (4) *provide estimates of the long-term impact of spending and tax legislation;*

7           (5) *provide a point of order for legislation creating a new direct spending program that does not expire within 10 years; and*

10          (6) *require a vote in the House of Representatives on any measure that increases the statutory limit on the public debt.*

13       ***Subtitle A—Limitations on Direct***  
14                                   ***Spending***

15       ***SEC. 411. FIXED-YEAR AUTHORIZATIONS REQUIRED FOR***  
16                                   ***NEW PROGRAMS.***

17          (a) *IN GENERAL.*—*Section 401 of the Congressional Budget Act of 1974 is amended—*

19               (1) *by striking subsections (a) and (b) and inserting the following new subsection:*

21          “(a) *LIMITATION ON DIRECT SPENDING.*—*It shall not*  
22 *be in order in the House of Representatives or in the Senate*  
23 *to consider a bill or joint resolution, or an amendment, motion,*  
24 *or conference report that provides direct spending for*

1 *a new program, unless such spending is limited to a period*  
2 *of 10 or fewer fiscal years.”;*

3 *(2) by redesignating subsection (c) as subsection*  
4 *(b) and by striking “Subsections (a) and (b) each*  
5 *place it appears and inserting “Subsection (a)” in*  
6 *such redesignated subsection (b); and*

7 *(3) by amending the section heading to read as*  
8 *follows:*

9 *“FIXED-YEAR AUTHORIZATIONS REQUIRED FOR DIRECT*  
10 *SPENDING”.*

11 *(b) CONFORMING AMENDMENT.—The item relating to*  
12 *section 401 in the table of contents set forth in section 1(b)*  
13 *of the Congressional Budget and Impoundment Control Act*  
14 *of 1974 is amended to read as follows:*

*“Sec. 401. Fixed-year authorizations required for direct spending.”.*

15 *(c) LIMITATION ON AUTHORIZATION OF DISCRE-*  
16 *TIONARY APPROPRIATIONS.—Rule XXI of the Rules of the*  
17 *House of Representatives is amended by adding at the end*  
18 *the following new clause:*

19 *“6. It shall not be in order to consider any bill, joint*  
20 *resolution, amendment, or conference report that authorizes*  
21 *the appropriation of new budget authority (as defined in*  
22 *section 3(2)(C) of the Congressional Budget and Impound-*  
23 *ment Control Act of 1974) for a new program, unless such*  
24 *authorization is specifically provided for a period of 10 or*  
25 *fewer fiscal years.”.*

1 **SEC. 412. AMENDMENTS TO SUBJECT NEW DIRECT SPEND-**  
2 **ING TO ANNUAL APPROPRIATIONS.**

3 (a) *HOUSE PROCEDURES.*—*Clause 5 of rule XVIII of*  
4 *the Rules of the House of Representatives is amended by*  
5 *adding at the end the following new paragraph:*

6 “(c)(1) *In the Committee of the Whole, an amendment*  
7 *only to subject a new program which provides direct spend-*  
8 *ing to discretionary appropriations, if offered by the chair-*  
9 *man of the Committee on the Budget (or his designee) or*  
10 *the chairman of the Committee of Appropriations (or his*  
11 *designee), may be precluded from consideration only by the*  
12 *specific terms of a special order of the House. Any such*  
13 *amendment, if offered, shall be debatable for twenty minutes*  
14 *equally divided and controlled by the proponent of the*  
15 *amendment and a Member opposed and shall not be subject*  
16 *to amendment.*

17 “(2) *As used in subparagraph (1), the term ‘direct*  
18 *spending’ has the meaning given such term in section 3(11)*  
19 *of the Congressional Budget and Impoundment Control Act*  
20 *of 1974.”.*

21 (b) *ADJUSTMENT OF DISCRETIONARY SPENDING LIM-*  
22 *ITS FOR DISCRETIONARY APPROPRIATIONS OFFSET BY DI-*  
23 *RECT SPENDING SAVINGS.*—

24 (1) *PURPOSE.*—*The purpose of the amendments*  
25 *made by this subsection is to hold the discretionary*  
26 *spending limits and the allocations made to the Com-*

1        *mittee on Appropriations under section 302(a) of the*  
2        *Congressional Budget Act of 1974 harmless for legis-*  
3        *lation that offsets a new discretionary program with*  
4        *a designated reduction in direct spending.*

5                (2) *DESIGNATING DIRECT SPENDING SAVINGS IN*  
6        *AUTHORIZATION LEGISLATION FOR NEW DISCRE-*  
7        *TIONARY PROGRAMS.—Section 252 of the Balanced*  
8        *Budget and Emergency Deficit Control Act of 1985*  
9        *(as amended by section 202) is further amended by*  
10        *adding at the end the following new subsection:*

11        *“(e) OFFSETS.—If a provision of direct spending legis-*  
12        *lation is enacted that—*

13                *“(1) decreases direct spending for any fiscal*  
14        *year; and*

15                *“(2) is designated as an offset pursuant to this*  
16        *subsection and such designation specifically identifies*  
17        *an authorization of discretionary appropriations*  
18        *(contained in such legislation) for a new program,*

19        *then the reductions in new budget authority and outlays*  
20        *in all fiscal years resulting from that provision shall be des-*  
21        *ignated as an offset in the reports required under subsection*  
22        *(d).”.*

23                (3) *EXEMPTING SUCH DESIGNATED DIRECT*  
24        *SPENDING SAVINGS FROM PAYGO SCORECARD.—Sec-*  
25        *tion 252(d)(4) of the Balanced Budget and Emer-*

1        *gency Deficit Control Act of 1985 (as amended by sec-*  
2        *tion 202(b)) is further amended by adding at the end*  
3        *the following new subparagraph:*

4                *“(B) offset provisions as designated under*  
5                *subsection (e).”.*

6                *(4) ADJUSTMENT IN DISCRETIONARY SPENDING*  
7        *LIMITS.—Section 251(b)(2) of the Balanced Budget*  
8        *and Emergency Deficit Control Act of 1985 (as*  
9        *amended by section 202(a)(2)) is further amended by*  
10        *adding at the end the following new subparagraph:*

11                *“(G) DISCRETIONARY AUTHORIZATION OFF-*  
12                *SETS.—If an Act other than an appropriation*  
13                *Act includes any provision reducing direct*  
14                *spending and specifically identifies any such*  
15                *provision as an offset pursuant to section 252(e),*  
16                *the adjustments shall be an increase in the dis-*  
17                *cretionary spending limits for budget authority*  
18                *and outlays in each fiscal year equal to the*  
19                *amount of the budget authority and outlay re-*  
20                *ductions, respectively, achieved by the specified*  
21                *offset in that fiscal year, except that the adjust-*  
22                *ments for the budget year in which the offsetting*  
23                *provision takes effect shall not exceed the amount*  
24                *of discretionary new budget authority provided*  
25                *for the new program (authorized in that Act) in*



1           *an Act making discretionary appropriations and*  
2           *the outlays flowing therefrom.”.*

3           (5) *ADJUSTMENT IN APPROPRIATION COMMIT-*  
4           *TEE’S ALLOCATIONS.—Section 314(b) of the Congres-*  
5           *sional Budget Act of 1974 (as amended by section*  
6           *202(d)) is further amended by striking “; or” at the*  
7           *end of paragraph (4), by striking the period and in-*  
8           *serting “; or” at the end of paragraph (5), and by*  
9           *adding at the end the following new paragraph:*

10           *“(6) the amount provided in an Act making dis-*  
11           *cretionary appropriations for the program for which*  
12           *an offset was designated pursuant to section 252(e) of*  
13           *the Balanced Budget and Emergency Deficit Control*  
14           *Act of 1985 and any outlays flowing therefrom, but*  
15           *not to exceed the amount of the designated decrease in*  
16           *direct spending for that year for that program in a*  
17           *prior law.”.*

18           (6) *ADJUSTMENT IN AUTHORIZING COMMITTEE’S*  
19           *ALLOCATIONS.—Section 314 of the Congressional*  
20           *Budget Act of 1974 is amended by adding at the end*  
21           *the following new subsection:*

22           “(f) *ADJUSTMENT IN AUTHORIZING COMMITTEE’S AL-*  
23           *LOCATIONS BY AMOUNT OF DIRECT SPENDING OFFSET.—*  
24           *After the reporting of a bill or joint resolution (by a com-*  
25           *mittee other than the Committee on Appropriations), or the*

1 offering of an amendment thereto or the submission of a  
 2 conference report thereon, that contains a provision that de-  
 3 creases direct spending for any fiscal year and that is des-  
 4 ignated as an offset pursuant to section 252(e) of the Bal-  
 5 anced Budget and Emergency Deficit Control Act of 1985,  
 6 the chairman of the Committee on the Budget shall reduce  
 7 the allocations of new budget authority and outlays made  
 8 to such committee under section 302(a)(1) by the amount  
 9 so designated.”.

10 **Subtitle B—Enhanced Congressional**  
 11 **oversight Responsibilities**

12 **SEC. 421. TEN-YEAR CONGRESSIONAL REVIEW REQUIRE-**  
 13 **MENT OF PERMANENT BUDGET AUTHORITY.**

14 (a) *TIMETABLE FOR REVIEW.*—Clause 2(d)(1) of rule  
 15 X of the Rules of the House of Representatives is amended  
 16 by striking subdivisions (B) and (C) and inserting the fol-  
 17 lowing new subdivision:

18 “(B) provide in its plans a specific timetable for  
 19 its review of those laws, programs, or agencies within  
 20 its jurisdiction, including those that operate under  
 21 permanent budget authority or permanent statutory  
 22 authority.”.

23 (b) *REVIEW OF PERMANENT BUDGET AUTHORITY BY*  
 24 *THE COMMITTEE ON APPROPRIATIONS.*—Clause 4(a) of rule  
 25 X of the Rules of the House of Representatives is amended—

1           (1) *by striking subparagraph (2); and*  
2           (2) *by redesignating subparagraphs (3) and (4)*  
3           *as subparagraphs (2) and (3) and by striking “from*  
4           *time to time” and inserting “at least once each Con-*  
5           *gress” in subparagraph (2) (as redesignated).*

6           (c) *CONFORMING AMENDMENT.*—*Clause 4(e)(2) of rule*  
7           *X of the Rules of the House of Representatives is amended*  
8           *by striking “from time to time” and inserting “at least once*  
9           *every ten years”.*

10 **SEC. 422. JUSTIFICATIONS OF DIRECT SPENDING.**

11           (a) *SECTION 302 ALLOCATIONS.*—*Section 302(a) of the*  
12           *Congressional Budget Act of 1974 (as amended by section*  
13           *104(a)) is further amended by adding at the end the fol-*  
14           *lowing new paragraph:*

15                   “(5) *JUSTIFICATION OF CERTAIN SPENDING AL-*  
16                   *LOCATIONS.*—*The joint explanatory statement accom-*  
17                   *panying a conference report on a joint resolution on*  
18                   *the budget that includes any allocation to a com-*  
19                   *mittee (other than the Committee on Appropriations)*  
20                   *of levels in excess of current law levels shall set forth*  
21                   *a justification for not subjecting any program,*  
22                   *project, or activity (for which the allocation is made)*  
23                   *to annual discretionary appropriation.”.*

1       (b) *PRESIDENTS' BUDGET SUBMISSIONS.*—Section  
 2 *1105(a) of title 31, United States Code, is amended by add-*  
 3 *ing at the end the following new paragraph:*

4               “(33) a justification for not subjecting each pro-  
 5 posed new direct spending program, project, or activ-  
 6 ity to discretionary appropriations.”.

7       (c) *COMMITTEE JUSTIFICATION FOR DIRECT SPEND-*  
 8 *ING.*—Clause 4(e)(2) of rule X of the Rules of the House  
 9 of Representatives is amended by inserting before the period  
 10 the following: “, and will provide specific information in  
 11 any report accompanying such bills and joint resolutions  
 12 to the greatest extent practicable to justify why the pro-  
 13 grams, projects, and activities involved would not be subject  
 14 to annual appropriation”.

15 **SEC. 423. SURVEY OF ACTIVITY REPORTS OF HOUSE COM-**  
 16 **MITTEES.**

17       Clause 1(d) of rule XI of the Rules of the House of  
 18 Representatives is amended by redesignating paragraph (4)  
 19 as paragraph (5) and by inserting after paragraph (3) the  
 20 following new paragraph:

21               “(4) Such report shall include a summary of and jus-  
 22 tifications for all bills and joint resolutions reported by such  
 23 committee that—

24                       “(A) were considered before the adoption of the  
 25 appropriate budget resolution and did not fall within

1 *an exception set forth in section 303(b) of the Con-*  
2 *gressional Budget Act of 1974;*

3 *“(B) exceeded its allocation under section 302(a)*  
4 *of such Act or breached an aggregate level in violation*  
5 *of section 311 of such Act; or*

6 *“(C) contained provisions in violation of section*  
7 *401(a) of such Act pertaining to indefinite direct*  
8 *spending authority.*

9 *Such report shall also specify the total amount by which*  
10 *legislation reported by that committee exceeded its alloca-*  
11 *tion under section 302(a) or breached the revenue floor*  
12 *under section 311(a) of such Act for each fiscal year during*  
13 *that Congress.”.*

14 **SEC. 424. CONTINUING STUDY OF ADDITIONAL BUDGET**  
15 **PROCESS REFORMS.**

16 *Section 703 of the Congressional Budget Act of 1974*  
17 *is amended as follows:*

18 *(1) In subsection (a), strike “and” at the end of*  
19 *paragraph (3), strike the period at the end of para-*  
20 *graph (4) and insert “; and”, and at the end add the*  
21 *following new paragraph:*

22 *“(5) evaluating whether existing programs,*  
23 *projects, and activities should be subject to discre-*  
24 *tionary appropriations.”.*

1           (2) *In subsection (b), strike “from time to time”*  
2           *and insert “during the One Hundred Sixth Con-*  
3           *gress”.*

4           (3) *Add at the end the following new subsection:*

5           *“(d) The Committee on the Budget of each House shall*  
6           *establish guidelines for subjecting new or expanded pro-*  
7           *grams, projects, and activities to annual appropriation and*  
8           *recommend any necessary changes in statutory enforcement*  
9           *mechanisms and scoring conventions to effectuate such*  
10          *changes.”.*

11          **SEC. 425. GAO REPORTS.**

12           *The last sentence of section 404 of the Congressional*  
13          *Budget Act of 1974 is amended to read as follows: “Such*  
14          *report shall be revised at least once every five years and*  
15          *shall be transmitted to the chairman and ranking minority*  
16          *member of each committee of the House of Representatives*  
17          *and the Senate.”.*

18                            **Subtitle C—Strengthened**  
19                            **Accountability**

20          **SEC. 431. TEN-YEAR CBO ESTIMATES.**

21           (i) *CBO REPORTS ON LEGISLATION.—Section*  
22          *308(a)(1)(B) of the Congressional Budget Act of 1974 is*  
23          *amended by striking “four” and inserting “nine”.*

1       (b) *ANALYSIS BY CBO.*—Section 402(1) of the Congres-  
2       sional Budget Act of 1974 is amended by striking “4” and  
3       inserting “nine”.

4       (c) *COST ESTIMATES.*—Clause 3(d)(2)(A) of rule XIII  
5       of the Rules of the House of Representatives is amended by  
6       striking “five” each place it appears and inserting “10”.

7       **SEC. 432. REPEAL OF RULE XXIII OF THE RULES OF THE**  
8                                   **HOUSE OF REPRESENTATIVES.**

9       Rule XXIII of the Rules of the House of Representa-  
10       tives (relating to the establishment of the statutory limit  
11       on the public debt) is repealed.

12       **TITLE V—BUDGETING FOR UN-**  
13                                   **FUNDED LIABILITIES AND**  
14                                   **OTHER LONG-TERM OBLIGA-**  
15                                   **TIONS**

16       **SEC. 501. PURPOSES.**

17       The purposes of this title are to—

18                   (1) budget for the long-term costs of Federal in-  
19       surance programs;

20                   (2) improve congressional control of those costs;  
21       and

22                   (3) periodically report on long-term budgetary  
23       trends.

1 ***Subtitle A—Budgetary Treatment of***  
 2 ***Federal Insurance Programs***

3 ***SEC. 511. FEDERAL INSURANCE PROGRAMS.***

4 *(a) IN GENERAL.—The Congressional Budget Act of*  
 5 *1974 is amended by adding after title V the following new*  
 6 *title:*

7 ***“TITLE VI—BUDGETARY TREAT-***  
 8 ***MENT OF FEDERAL INSUR-***  
 9 ***ANCE PROGRAMS***

10 ***“SEC. 601. SHORT TITLE.***

11 *“This title may be cited as the ‘Federal Insurance*  
 12 *Budgeting Act of 1999’.*

13 ***“SEC. 602. BUDGETARY TREATMENT.***

14 *“(a) PRESIDENT’S BUDGET.—Beginning with fiscal*  
 15 *year 2006, the budget of the Government pursuant to section*  
 16 *1105(a) of title 31, United States Code, shall be based on*  
 17 *the risk-assumed cost of Federal insurance programs.*

18 *“(b) BUDGET ACCOUNTING.—For any Federal insur-*  
 19 *ance program—*

20 *“(1) the program account shall—*

21 *“(A) pay the risk-assumed cost borne by the*  
 22 *taxpayer to the financing account, and*

23 *“(B) pay actual insurance program admin-*  
 24 *istrative costs;*

25 *“(2) the financing account shall—*



1           “(A) receive premiums and other income,

2           “(B) pay all claims for insurance and re-  
3           ceive all recoveries,

4           “(C) transfer to the program account on not  
5           less than an annual basis amounts necessary to  
6           pay insurance program administrative costs;

7           “(3) a negative risk-assumed cost shall be trans-  
8           ferred from the financing account to the program ac-  
9           count, and shall be transferred from the program ac-  
10          count to the general fund; and

11          “(4) all payments by or receipts of the financing  
12          accounts shall be treated in the budget as a means of  
13          financing.

14          “(c) *APPROPRIATIONS REQUIRED.*—(1) *Notwith-*  
15          *standing any other provision of law, insurance commit-*  
16          *ments may be made for fiscal year 2006 and thereafter only*  
17          *to the extent that new budget authority to cover their risk-*  
18          *assumed cost is provided in advance in an appropriation*  
19          *Act.*

20          “(2) *An outstanding insurance commitment shall not*  
21          *be modified in a manner that increases its risk-assumed*  
22          *cost unless budget authority for the additional cost has been*  
23          *provided in advance.*

24          “(3) *Paragraph (1) shall not apply to Federal insur-*  
25          *ance programs that constitute entitlements.*

1       “(d) *REESTIMATES.*—*The risk-assumed cost for a fis-*  
2 *cal year shall be reestimated in each subsequent year. Such*  
3 *reestimate can equal zero. In the case of a positive reesti-*  
4 *mate, the amount of the reestimate shall be paid from the*  
5 *program account to the financing account. In the case of*  
6 *a negative reestimate, the amount of the reestimate shall*  
7 *be paid from the financing account to the program account,*  
8 *and shall be transferred from the program account to the*  
9 *general fund. Reestimates shall be displayed as a distinct*  
10 *and separately identified subaccount in the program ac-*  
11 *count.*

12       “(e) *ADMINISTRATIVE EXPENSES.*—*All funding for an*  
13 *agency’s administration of a Federal insurance program*  
14 *shall be displayed as a distinct and separately identified*  
15 *subaccount in the program account.*

16       **“SEC. 603. TIMETABLE FOR IMPLEMENTATION OF ACCRUAL**  
17                               **BUDGETING FOR FEDERAL INSURANCE PRO-**  
18                               **GRAMS.**

19       “(a) *AGENCY REQUIREMENTS.*—*Agencies with respon-*  
20 *sibility for Federal insurance programs shall develop mod-*  
21 *els to estimate their risk-assumed cost by year through the*  
22 *budget horizon and shall submit those models, all relevant*  
23 *data, a justification for critical assumptions, and the an-*  
24 *nual projected risk-assumed costs to OMB with their budget*  
25 *requests each year starting with the request for fiscal year*

1 2002. Agencies will likewise provide OMB with annual esti-  
2 mates of modifications, if any, and reestimates of program  
3 costs.

4       “(b) *DISCLOSURE.*—When the President submits a  
5 budget of the Government pursuant to section 1105(a) of  
6 title 31, United States Code, for fiscal year 2002, OMB shall  
7 publish a notice in the Federal Register advising interested  
8 persons of the availability of information describing the  
9 models, data (including sources), and critical assumptions  
10 (including explicit or implicit discount rate assumptions)  
11 that it or other executive branch entities would use to esti-  
12 mate the risk-assumed cost of Federal insurance programs  
13 and giving such persons an opportunity to submit com-  
14 ments. At the same time, the chairman of the Committee  
15 on the Budget shall publish a notice for CBO in the Federal  
16 Register advising interested persons of the availability of  
17 information describing the models, data (including sources),  
18 and critical assumptions (including explicit or implicit dis-  
19 count rate assumptions) that it would use to estimate the  
20 risk-assumed cost of Federal insurance programs and giv-  
21 ing such interested persons an opportunity to submit com-  
22 ments.

23       “(c) *REVISION.*—(1) After consideration of comments  
24 pursuant to subsection (b), and in consultation with the  
25 Committees on the Budget of the House of Representatives

1 *and the Senate, OMB and CBO shall revise the models,*  
2 *data, and major assumptions they would use to estimate*  
3 *the risk-assumed cost of Federal insurance programs.*

4       “(2) *When the President submits a budget of the Gov-*  
5 *ernment pursuant to section 1105(a) of title 31, United*  
6 *States Code, for fiscal year 2003, OMB shall publish a no-*  
7 *tice in the Federal Register advising interested persons of*  
8 *the availability of information describing the models, data*  
9 *(including sources), and critical assumptions (including ex-*  
10 *PLICIT or implicit discount rate assumptions) that it or other*  
11 *executive branch entities used to estimate the risk-assumed*  
12 *cost of Federal insurance programs.*

13       “(d) *DISPLAY.—*

14               “(1) *IN GENERAL.—For fiscal years 2003, 2004,*  
15 *and 2005 the budget submissions of the President pur-*  
16 *suant to section 1105(a) of title 31, United States*  
17 *Code, and CBO’s reports on the economic and budget*  
18 *outlook pursuant to section 202(e)(1) and the Presi-*  
19 *dent’s budgets, shall for display purposes only, esti-*  
20 *mate the risk-assumed cost of existing or proposed*  
21 *Federal insurance programs.*

22               “(2) *OMB.—The display in the budget submis-*  
23 *sions of the President for fiscal years 2003, 2004, and*  
24 *2005 shall include—*

1           “(A) a presentation for each Federal insur-  
2           ance program in budget-account level detail of  
3           estimates of risk-assumed cost;

4           “(B) a summary table of the risk-assumed  
5           costs of Federal insurance programs; and

6           “(C) an alternate summary table of budget  
7           functions and aggregates using risk-assumed  
8           rather than cash-based cost estimates for Federal  
9           insurance programs.

10          “(3) CBO.—In the second session of the 107th  
11          Congress and the 108th Congress, CBO shall include  
12          in its estimates under section 308, for display pur-  
13          poses only, the risk-assumed cost of existing Federal  
14          insurance programs, or legislation that CBO, in con-  
15          sultation with the Committees on the Budget of the  
16          House of Representatives and the Senate, determines  
17          would create a new Federal insurance program.

18          “(e) OMB, CBO, AND GAO EVALUATIONS.—(1) Not  
19          later than 6 months after the budget submission of the  
20          President pursuant to section 1105(a) of title 31, United  
21          States Code, for fiscal year 2005, OMB, CBO, and GAO  
22          shall each submit to the Committees on the Budget of the  
23          House of Representatives and the Senate a report that eval-  
24          uates the advisability and appropriate implementation of  
25          this title.

1       “(2) *Each report made pursuant to paragraph (1)*  
2 *shall address the following:*

3           “(A) *The adequacy of risk-assumed estimation*  
4 *models used and alternative modeling methods.*

5           “(B) *The availability and reliability of data or*  
6 *information necessary to carry out this title.*

7           “(C) *The appropriateness of the explicit or im-*  
8 *PLICIT discount rate used in the various risk-assumed*  
9 *estimation models.*

10          “(D) *The advisability of specifying a statutory*  
11 *discount rate (such as the Treasury rate) for use in*  
12 *risk-assumed estimation models.*

13          “(E) *The ability of OMB, CBO, or GAO, as ap-*  
14 *plicable, to secure any data or information directly*  
15 *from any Federal agency necessary to enable it to*  
16 *carry out this title.*

17          “(F) *The relationship between risk-assumed ac-*  
18 *crual budgeting for Federal insurance programs and*  
19 *the specific requirements of the Balanced Budget and*  
20 *Emergency Deficit Control Act of 1985.*

21          “(G) *Whether Federal budgeting is improved by*  
22 *the inclusion of risk-assumed cost estimates for Fed-*  
23 *eral insurance programs.*

1           “(H) *The advisability of including each of the*  
2           *programs currently estimated on a risk-assumed cost*  
3           *basis in the Federal budget on that basis.*

4   **“SEC. 604. DEFINITIONS.**

5           *“For purposes of this title:*

6           “(1) *The term ‘Federal insurance program’*  
7           *means a program that makes insurance commitments*  
8           *and includes the list of such programs included in the*  
9           *joint explanatory statement of managers accom-*  
10           *panying the conference report on the Comprehensive*  
11           *Budget Process Reform Act of 1999.*

12           “(2) *The term ‘insurance commitment’ means an*  
13           *agreement in advance by a Federal agency to indem-*  
14           *nify a nonfederal entity against specified losses. This*  
15           *term does not include loan guarantees as defined in*  
16           *title V or benefit programs such as social security,*  
17           *medicare, and similar existing social insurance pro-*  
18           *grams.*

19           “(3)(A) *The term ‘risk-assumed cost’ means the*  
20           *net present value of the estimated cash flows to and*  
21           *from the Government resulting from an insurance*  
22           *commitment or modification thereof.*

23           “(B) *The cash flows associated with an insur-*  
24           *ance commitment include—*

1           “(i) expected claims payments inherent in  
2           the Government’s commitment;

3           “(ii) net premiums (expected premium col-  
4           lections received from or on behalf of the insured  
5           less expected administrative expenses);

6           “(iii) expected recoveries; and

7           “(iv) expected changes in claims, premiums,  
8           or recoveries resulting from the exercise by the  
9           insured of any option included in the insurance  
10          commitment.

11          “(C) The cost of a modification is the difference  
12          between the current estimate of the net present value  
13          of the remaining cash flows under the terms of the in-  
14          surance commitment, and the current estimate of the  
15          net present value of the remaining cash flows under  
16          the terms of the insurance commitment as modified.

17          “(D) The cost of a reestimate is the difference be-  
18          tween the net present value of the amount currently  
19          required by the financing account to pay estimated  
20          claims and other expenditures and the amount cur-  
21          rently available in the financing account. The cost of  
22          a reestimate shall be accounted for in the current year  
23          in the budget of the Government pursuant to section  
24          1105(a) of title 31, United States Code.



1           “(E) For purposes of this definition, expected ad-  
2           ministrative expenses shall be construed as the  
3           amount estimated to be necessary for the proper ad-  
4           ministration of the insurance program. This amount  
5           may differ from amounts actually appropriated or  
6           otherwise made available for the administration of the  
7           program.

8           “(4) The term ‘program account’ means the  
9           budget account for the risk-assumed cost, and for pay-  
10          ing all costs of administering the insurance program,  
11          and is the account from which the risk-assumed cost  
12          is disbursed to the financing account.

13          “(5) The term ‘financing account’ means the  
14          nonbudget account that is associated with each pro-  
15          gram account which receives payments from or makes  
16          payments to the program account, receives premiums  
17          and other payments from the public, pays insurance  
18          claims, and holds balances.

19          “(6) The term ‘modification’ means any Govern-  
20          ment action that alters the risk-assumed cost of an ex-  
21          isting insurance commitment from the current esti-  
22          mate of cash flows. This includes any action resulting  
23          from new legislation, or from the exercise of adminis-  
24          trative discretion under existing law, that directly or

1 *indirectly alters the estimated cost of existing insur-*  
2 *ance commitments.*

3 “(7) *The term ‘model’ means any actuarial, fi-*  
4 *nancial, econometric, probabilistic, or other method-*  
5 *ology used to estimate the expected frequency and*  
6 *magnitude of loss-producing events, expected pre-*  
7 *miums or collections from or on behalf of the insured,*  
8 *expected recoveries, and administrative expenses.*

9 “(8) *The term ‘current’ has the same meaning as*  
10 *in section 250(c)(9) of the Balanced Budget and*  
11 *Emergency Deficit Control Act of 1985.*

12 “(9) *The term ‘OMB’ means the Director of the*  
13 *Office of Management and Budget.*

14 “(10) *The term ‘CBO’ means the Director of the*  
15 *Congressional Budget Office.*

16 “(11) *The term ‘GAO’ means the Comptroller*  
17 *General of the United States.*

18 **“SEC. 605. AUTHORIZATIONS TO ENTER INTO CONTRACTS;**

19 **ACTUARIAL COST ACCOUNT.**

20 “(a) *AUTHORIZATION OF APPROPRIATIONS.—There is*  
21 *authorized to be appropriated \$600,000 for each of fiscal*  
22 *years 2000 through 2005 to the Director of the Office of*  
23 *Management and Budget and each agency responsible for*  
24 *administering a Federal program to carry out this title.*

1           “(b) *TREASURY TRANSACTIONS WITH THE FINANCING*  
2 *ACCOUNTS.*—*The Secretary of the Treasury shall borrow*  
3 *from, receive from, lend to, or pay the insurance financing*  
4 *accounts such amounts as may be appropriate. The Sec-*  
5 *retary of the Treasury may prescribe forms and denomina-*  
6 *tions, maturities, and terms and conditions for the trans-*  
7 *actions described above. The authorities described above*  
8 *shall not be construed to supersede or override the authority*  
9 *of the head of a Federal agency to administer and operate*  
10 *an insurance program. All the transactions provided in this*  
11 *subsection shall be subject to the provisions of subchapter*  
12 *II of chapter 15 of title 31, United States Code. Cash bal-*  
13 *ances of the financing accounts in excess of current require-*  
14 *ments shall be maintained in a form of uninvested funds,*  
15 *and the Secretary of the Treasury shall pay interest on these*  
16 *funds.*

17           “(c) *APPROPRIATION OF AMOUNT NECESSARY TO*  
18 *COVER RISK-ASSUMED COST OF INSURANCE COMMITMENTS*  
19 *AT TRANSITION DATE.*—(1) *A financing account is estab-*  
20 *lished on September 30, 2005, for each Federal insurance*  
21 *program.*

22           “(2) *There is appropriated to each financing account*  
23 *the amount of the risk-assumed cost of Federal insurance*  
24 *commitments outstanding for that program as of the close*  
25 *of September 30, 2005.*

1       “(3) *These financing accounts shall be used in imple-*  
2 *menting the budget accounting required by this title.*

3       **“SEC. 606. EFFECTIVE DATE.**

4       “(a) *IN GENERAL.—This title shall take effect imme-*  
5 *diately and shall expire on September 30, 2007.*

6       “(b) *SPECIAL RULE.—If this title is not reauthorized*  
7 *by September 30, 2007, then the accounting structure and*  
8 *budgetary treatment of Federal insurance programs shall*  
9 *revert to the accounting structure and budgetary treatment*  
10 *in effect immediately before the date of enactment of this*  
11 *title.”.*

12       (b) *CONFORMING AMENDMENT.—The table of contents*  
13 *set forth in section 1(b) of the Congressional Budget and*  
14 *Impoundment Control Act of 1974 is amended by inserting*  
15 *after the item relating to section 507 the following new*  
16 *items:*

*“TITLE VI—BUDGETARY TREATMENT OF FEDERAL INSURANCE  
PROGRAMS*

*“Sec. 601. Short title.*

*“Sec. 602. Budgetary treatment.*

*“Sec. 603. Timetable for implementation of accrual budgeting for Federal insur-*  
*ance programs.*

*“Sec. 604. Definitions.*

*“Sec. 605. Authorizations to enter into contracts; actuarial cost account.*

*“Sec. 606. Effective date.”.*

17       ***Subtitle B—Reports on Long-Term***  
18                                   ***Budgetary Trends***

19       ***SEC. 521. REPORTS ON LONG-TERM BUDGETARY TRENDS.***

20       (a) *THE PRESIDENT’S BUDGET.—Section 1105(a) of*  
21 *title 31, United States Code (as amended by section 404),*

1 *is further amended by adding at the end the following new*  
2 *paragraph:*

3           “(34) *an analysis based upon current law and*  
4 *an analysis based upon the policy assumptions un-*  
5 *derlying the budget submission for every fifth year of*  
6 *the period of 75 fiscal years beginning with such fis-*  
7 *cal year, of the estimated levels of total new budget*  
8 *authority and total budget outlays, estimated reve-*  
9 *nuues, estimated surpluses and deficits, and, for social*  
10 *security, medicare, medicaid, and all other direct*  
11 *spending, estimated levels of total new budget author-*  
12 *ity and total budget outlays; and a specification of its*  
13 *underlying assumptions and a sensitivity analysis of*  
14 *factors that have a significant effect on the projections*  
15 *made in each analysis; and a comparison of the ef-*  
16 *fects of each of the two analyses on the economy, in-*  
17 *cluding such factors as inflation, foreign investment,*  
18 *interest rates, and economic growth.”.*

19       **(b) CBO REPORTS.**—*Section 202(e)(1) of the Congres-*  
20 *sional Budget Act of 1974 is amended by adding at the*  
21 *end the following new sentences: “Such report shall also in-*  
22 *clude an analysis based upon current law for every fifth*  
23 *year of the period of 75 fiscal years beginning with such*  
24 *fiscal year, of the estimated levels of total new budget au-*  
25 *thority and total budget outlays, estimated revenues, esti-*

1 mated surpluses and deficits, and, for social security, medi-  
 2 care, medicaid, and all other direct spending, estimated lev-  
 3 els of total new budget authority and total budget outlays.  
 4 The report described in the preceding sentence shall also  
 5 specify its underlying assumptions and set forth a sensi-  
 6 tivity analysis of factors that have a significant effect on  
 7 the projections made in the report.”.

8 **TITLE VI—BASELINES, BYRD**  
 9 **RULE, AND LOCK-BOX**

10 **SEC. 601. PURPOSE.**

11 *The purposes of this title are to—*

12 *(1) require budgetary comparisons to prior year*  
 13 *levels;*

14 *(2) restrict the application of the Byrd rule to*  
 15 *measures other than conference reports; and*

16 *(3) establish a procedure to allow savings from*  
 17 *spending cuts in appropriation measures to be locked-*  
 18 *in to increase the surplus or reduce the deficit.*

19 **Subtitle A—The Baseline**

20 **SEC. 611. THE PRESIDENT’S BUDGET.**

21 *(a) Paragraph (5) of section 1105(a) of title 31, United*  
 22 *States Code, is amended to read as follows:*

23 *“(5) except as provided in subsection (b) of this*  
 24 *section, estimated expenditures and appropriations*  
 25 *for the current year and estimated expenditures and*

1       *proposed appropriations the President decides are*  
2       *necessary to support the Government in the fiscal*  
3       *year for which the budget is submitted and the 4 fis-*  
4       *cal years following that year, and, except for detailed*  
5       *budget estimates, the percentage change from the cur-*  
6       *rent year to the fiscal year for which the budget is*  
7       *submitted for estimated expenditures and for appro-*  
8       *priations.”.*

9       *(b) Section 1105(a)(6) of title 31, United States Code,*  
10     *is amended to read as follows:*

11             *“(6) estimated receipts of the Government in the*  
12             *current year and the fiscal year for which the budget*  
13             *is submitted and the 4 fiscal years after that year*  
14             *under—*

15                     *“(A) laws in effect when the budget is sub-*  
16                     *mitted; and*

17                     *“(B) proposals in the budget to increase*  
18                     *revenues,*

19             *and the percentage change (in the case of each cat-*  
20             *egory referred to in subparagraphs (A) and (B)) be-*  
21             *tween the current year and the fiscal year for which*  
22             *the budget is submitted and between the current year*  
23             *and each of the 9 fiscal years after the fiscal year for*  
24             *which the budget is submitted.”.*

1       (c) Section 1105(a)(12) of title 31, United States Code,  
2 is amended to read as follows:

3           “(12) for each proposal in the budget for legisla-  
4 tion that would establish or expand a Government ac-  
5 tivity or function, a table showing—

6           “(A) the amount proposed in the budget for  
7 appropriation and for expenditure because of the  
8 proposal in the fiscal year for which the budget  
9 is submitted;

10           “(B) the estimated appropriation required  
11 because of the proposal for each of the 4 fiscal  
12 years after that year that the proposal will be in  
13 effect; and

14           “(C) the estimated amount for the same ac-  
15 tivity or function, if any, in the current fiscal  
16 year,

17 and, except for detailed budget estimates, the percent-  
18 age change (in the case of each category referred to in  
19 subparagraphs (A), (B), and (C)) between the current  
20 year and the fiscal year for which the budget is sub-  
21 mitted.”.

22       (d) Section 1105(a)(18) of title 31, United States Code,  
23 is amended by inserting “new budget authority and” before  
24 “budget outlays”.



1       (e) Section 1105(a) of title 31, United States Code, (as  
2 amended by sections 412(b) and 521(a)) is further amended  
3 by adding at the end the following new paragraphs:

4           “(35) a comparison of levels of estimated expend-  
5 itures and proposed appropriations for each function  
6 and subfunction in the current fiscal year and the fis-  
7 cal year for which the budget is submitted, along with  
8 the proposed increase or decrease of spending in per-  
9 centage terms for each function and subfunction.

10          “(36) a table on sources of growth in total direct  
11 spending under current law and as proposed in this  
12 budget submission for the budget year and the ensuing  
13 9 fiscal years, which shall include changes in outlays  
14 attributable to the following: cost-of-living adjust-  
15 ments; changes in the number of program recipients;  
16 increases in medical care prices, utilization and in-  
17 tensity of medical care; and residual factors.”.

18       (f) Section 1109(a) of title 31, United States Code, is  
19 amended by inserting after the first sentence the following  
20 new sentence: “For discretionary spending, these estimates  
21 shall assume the levels set forth in the discretionary spend-  
22 ing limits under section 251(c) of the Balanced Budget and  
23 Emergency Deficit Control Act of 1985, as adjusted, for the  
24 appropriate fiscal years (and if no such limits are in effect,

1 *these estimates shall assume the adjusted levels for the most*  
2 *recent fiscal year for which such levels were in effect).”.*

3 **SEC. 612. THE CONGRESSIONAL BUDGET.**

4 *Section 301(e) of the Congressional Budget Act of 1974*  
5 *(as amended by section 103) is further amended—*

6 *(1) in paragraph (1), by inserting at the end the*  
7 *following: “The basis of deliberations in developing*  
8 *such joint resolution shall be the estimated budgetary*  
9 *levels for the preceding fiscal year. Any budgetary lev-*  
10 *els pending before the committee and the text of the*  
11 *joint resolution shall be accompanied by a document*  
12 *comparing such levels or such text to the estimated*  
13 *levels of the prior fiscal year. Any amendment offered*  
14 *in the committee that changes a budgetary level and*  
15 *is based upon a specific policy assumption for a pro-*  
16 *gram, project, or activity shall be accompanied by a*  
17 *document indicating the estimated amount for such*  
18 *program, project, or activity in the current year.”;*  
19 *and*

20 *(2) in paragraph (2), by striking “and” at the*  
21 *end of subparagraph (H) (as redesignated), by strik-*  
22 *ing the period and inserting “; and” at the end of*  
23 *subparagraph (I) (as redesignated), and by adding at*  
24 *the end the following new subparagraph:*

1           “(J) a comparison of levels for the current  
2           fiscal year with proposed spending and revenue  
3           levels for the subsequent fiscal years along with  
4           the proposed increase or decrease of spending in  
5           percentage terms for each function.”.

6 **SEC. 613. CONGRESSIONAL BUDGET OFFICE REPORTS TO**  
7           **COMMITTEES.**

8           (a) *The first sentence of section 202(e)(1) of the Con-*  
9           *gressional Budget Act of 1974 is amended by inserting*  
10          *“compared to comparable levels for the current year” before*  
11          *the comma at the end of subparagraph (A) and before the*  
12          *comma at the end of subparagraph (B).*

13          (b) *Section 202(e)(1) of the Congressional Budget Act*  
14          *of 1974 is amended by inserting after the first sentence the*  
15          *following new sentence: “Such report shall also include a*  
16          *table on sources of spending growth in total direct spending*  
17          *for the budget year and the ensuing 4 fiscal years, which*  
18          *shall include changes in outlays attributable to the fol-*  
19          *lowing: cost-of-living adjustments; changes in the number*  
20          *of program recipients; increases in medical care prices, uti-*  
21          *lization and intensity of medical care; and residual fac-*  
22          *tors.”.*

23          (c) *Section 308(a)(1)(B) of the Congressional Budget*  
24          *Act of 1974 is amended by inserting “and shall include a*

1 *comparison of those levels to comparable levels for the cur-*  
 2 *rent fiscal year” before “if timely submitted”.*

3 **SEC. 614. OUTYEAR ASSUMPTIONS FOR DISCRETIONARY**  
 4 **SPENDING.**

5 *For purposes of chapter 11 of title 31 of the United*  
 6 *States Code, or the Congressional Budget Act of 1974, unless*  
 7 *otherwise expressly provided, in making budgetary projec-*  
 8 *tions for years for which there are no discretionary spend-*  
 9 *ing limits, the Director of the Office of Management and*  
 10 *Budget and the Director of the Congressional Budget Office*  
 11 *shall assume discretionary spending levels at the levels for*  
 12 *the last fiscal year for which such levels were in effect.*

13 ***Subtitle B—The Byrd Rule***

14 **SEC. 621. LIMITATION ON BYRD RULE.**

15 *(a) PROTECTION OF CONFERENCE REPORTS.—Section*  
 16 *313 of the Congressional Budget Act of 1974 is amended—*

17 *(1) in subsection (c), by striking “and again*  
 18 *upon the submission of a conference report on such a*  
 19 *reconciliation bill or resolution,”;*

20 *(2) by striking subsection (d);*

21 *(3) by redesignating subsection (e) as subsection*  
 22 *(d); and*

23 *(4) in subsection (e), as redesignated—*

1           (A) by striking “, motion, or conference re-  
2           port” the first place it appears and inserting “,  
3           or motion”; and

4           (B) by striking “, motion, or conference re-  
5           port” the second and third places it appears and  
6           inserting “or motion”.

7           (b) *CONFORMING AMENDMENT.*—The first sentence of  
8           section 312(e) of the Congressional Budget Act of 1974 is  
9           amended by inserting “, except for section 313,” after  
10          “Act”.

## 11                           **Subtitle C—Spending** 12                           **Accountability Lock-box**

### 13          **SEC. 631. SHORT TITLE.**

14           This subtitle may be cited as the “Spending Account-  
15          ability Lock-box Act of 1999”.

### 16          **SEC. 632. SPENDING ACCOUNTABILITY LOCK-BOX LEDGER.**

17           (a) *ESTABLISHMENT OF LEDGER.*—Title III of the  
18          Congressional Budget Act of 1974 (as amended by sections  
19          104(c) and 206(a)) is further amended by adding after sec-  
20          tion 317 the following new section:

21                   “SPENDING ACCOUNTABILITY LOCK-BOX LEDGER

22                   “SEC. 318. (a) *ESTABLISHMENT OF LEDGER.*—The  
23          chairman of the Committee on the Budget of the House of  
24          Representatives and the chairman on the Committee on the  
25          Budget of the Senate shall each maintain a ledger to be  
26          known as the ‘Spending Accountability Lock-box Ledger’.

1 *The Ledger shall be divided into entries corresponding to*  
2 *the subcommittees of the Committees on Appropriations.*  
3 *Each entry shall consist of three components: the ‘House*  
4 *Lock-box Balance’; the ‘Senate Lock-box Balance’; and the*  
5 *‘Joint House-Senate Lock-box Balance’.*

6       “(b) *COMPONENTS OF LEDGER.—Each component in*  
7 *an entry shall consist only of amounts credited to it under*  
8 *subsection (c). No entry of a negative amount shall be made.*

9       “(c) *CREDIT OF AMOUNTS TO LEDGER.—(1) In the*  
10 *House of Representatives or the Senate, whenever a Member*  
11 *offers an amendment to an appropriation bill to reduce new*  
12 *budget authority in any account, that Member may state*  
13 *the portion of such reduction that shall be—*

14               “(A) *credited to the House or Senate Lock-box*  
15 *Balance, as applicable; or*

16               “(B) *used to offset an increase in new budget au-*  
17 *thority in any other account;*

18               “(C) *allowed to remain within the applicable*  
19 *section 302(b) suballocation.*

20 *If no such statement is made, the amount of reduction in*  
21 *new budget authority resulting from the amendment shall*  
22 *be credited to the House or Senate Lock-box Balance, as*  
23 *applicable, if the amendment is agreed to.*

24       “(2)(A) *Except as provided by subparagraph (B), the*  
25 *chairmen of the Committees on the Budget shall, upon the*

1 *engrossment of any appropriation bill by the House of Rep-*  
2 *resentatives and upon the engrossment of Senate amend-*  
3 *ments to that bill, credit to the applicable entry balance*  
4 *of that House amounts of new budget authority and outlays*  
5 *equal to the net amounts of reductions in new budget au-*  
6 *thority and in outlays resulting from amendments agreed*  
7 *to by that House to that bill.*

8       “(B) *When computing the net amounts of reductions*  
9 *in new budget authority and in outlays resulting from*  
10 *amendments agreed to by the House of Representatives or*  
11 *the Senate to an appropriation bill, the chairmen of the*  
12 *Committees on the Budget shall only count those portions*  
13 *of such amendments agreed to that were so designated by*  
14 *the Members offering such amendments as amounts to be*  
15 *credited to the House or Senate Lock-box Balance, as appli-*  
16 *cable, or that fall within the last sentence of paragraph (1).*

17       “(3) *The chairmen of the Committees on the Budget*  
18 *shall, upon the engrossment of Senate amendments to any*  
19 *appropriation bill, credit to the applicable Joint House-*  
20 *Senate Lock-box Balance the amounts of new budget author-*  
21 *ity and outlays equal to—*

22               “(A) *an amount equal to one-half of the sum of*  
23       *(i) the amount of new budget authority in the House*  
24       *Lock-box Balance plus (ii) the amount of new budget*

1       *authority in the Senate Lock-box Balance for that*  
2       *subcommittee; and*

3             “(B) *an amount equal to one-half of the sum of*  
4       *(i) the amount of outlays in the House Lock-box Bal-*  
5       *ance plus (ii) the amount of outlays in the Senate*  
6       *Lock-box Balance for that subcommittee.*

7       “(4) *CALCULATION OF LOCK-BOX SAVINGS IN SEN-*  
8       *ATE.—For purposes of calculating under this section the net*  
9       *amounts of reductions in new budget authority and in out-*  
10       *lays resulting from amendments agreed to by the Senate*  
11       *on an appropriation bill, the amendments reported to the*  
12       *Senate by its Committee on Appropriations shall be consid-*  
13       *ered to be part of the original text of the bill.*

14       “(d) *DEFINITION.—As used in this section, the term*  
15       *‘appropriation bill’ means any general or special appro-*  
16       *priation bill, and any bill or joint resolution making sup-*  
17       *plemental, deficiency, or continuing appropriations*  
18       *through the end of a fiscal year.*

19       “(e) *TALLY DURING HOUSE CONSIDERATION.—The*  
20       *chairman of the Committee on the Budget of the House of*  
21       *Representatives shall maintain a running tally of the*  
22       *amendments adopted reflecting increases and decreases of*  
23       *budget authority in the bill as reported. This tally shall*  
24       *be available to Members in the House of Representatives*



1 *during consideration of any appropriations bill by the*  
 2 *House.”.*

3 (b) *CONFORMING AMENDMENT.—The table of contents*  
 4 *set forth in section 1(b) of the Congressional Budget and*  
 5 *Impoundment Control Act of 1974 is amended by inserting*  
 6 *after the item relating to section 317 the following new item:*  
*“Sec. 318. Spending accountability lock-box ledger.”.*

7 **SEC. 633. DOWNWARD ADJUSTMENT OF SECTION 302(a) AL-**  
 8 **LOCATIONS AND SECTION 302(b) SUBALLOCA-**  
 9 **TIONS.**

10 (a) *ALLOCATIONS.—Section 302(a) of the Congres-*  
 11 *sional Budget Act of 1974 (as amended by section 422) is*  
 12 *further amended by adding at the end the following new*  
 13 *paragraph:*

14 “(6) *ADJUSTMENT OF ALLOCATIONS.—Upon the*  
 15 *engrossment of Senate amendments to any appropria-*  
 16 *tion bill (as defined in section 318(d)) for a fiscal*  
 17 *year, the amounts allocated under paragraph (1) to*  
 18 *the Committee on Appropriations of each House upon*  
 19 *the adoption of the most recent joint resolution on the*  
 20 *budget for that fiscal year shall be adjusted downward*  
 21 *by the amounts credited to the applicable Joint*  
 22 *House-Senate Lock-box Balance under section*  
 23 *318(c)(2). The revised levels of new budget authority*  
 24 *and outlays shall be submitted to each House by the*  
 25 *chairman of the Committee on the Budget of that*

1       *House and shall be printed in the Congressional*  
2       *Record.”.*

3       **(b) SUBALLOCATIONS.**—*Section 302(b) of the Congres-*  
4       *sional Budget Act of 1974 is amended by adding at the*  
5       *end the following new sentence: “Whenever an adjustment*  
6       *is made under subsection (a)(6) to an allocation under that*  
7       *subsection, the Committee on Appropriations of each House*  
8       *shall make downward adjustments in the most recent sub-*  
9       *allocations of new budget authority and outlays under this*  
10       *subparagraph to the appropriate subcommittees of that*  
11       *committee in the total amounts of those adjustments under*  
12       *section 318(c)(2). The revised suballocations shall be sub-*  
13       *mitted to each House by the chairman of the Committee*  
14       *on Appropriations of that House and shall be printed in*  
15       *the Congressional Record.”.*

16       **SEC. 634. PERIODIC REPORTING OF LEDGER STATEMENTS.**

17       *Section 308(b)(1) of the Congressional Budget Act of*  
18       *1974 is amended by adding at the end the following new*  
19       *sentence: “Such reports shall also include an up-to-date tab-*  
20       *ulation of the amounts contained in the ledger and each*  
21       *entry established by section 318(a).”.*

22       **SEC. 635. DOWNWARD ADJUSTMENT OF DISCRETIONARY**  
23       **SPENDING LIMITS.**

24       *The discretionary spending limits for new budget au-*  
25       *thority and outlays for any fiscal year set forth in section*

1 *251(c) of the Balanced Budget and Emergency Deficit Con-*  
2 *trol Act of 1985, shall be reduced by the amounts set forth*  
3 *in the final regular appropriation bill for that fiscal year*  
4 *or joint resolution making continuing appropriations*  
5 *through the end of that fiscal year. Those amounts shall*  
6 *be the sums of the Joint House-Senate Lock-box Balances*  
7 *for that fiscal year, as calculated under section 302(a)(6)*  
8 *of the Congressional Budget Act of 1974. That bill or joint*  
9 *resolution shall contain the following statement of law: “As*  
10 *required by section 635 of the Spending Accountability*  
11 *Lock-box Act of 1999, for fiscal year [insert appropriate*  
12 *fiscal year] and each outyear, the adjusted discretionary*  
13 *spending limit for new budget authority is reduced by \$*  
14 *[insert appropriate amount of reduction] and the adjusted*  
15 *discretionary limit for outlays is reduced by \$ [insert ap-*  
16 *propriate amount of reduction] for the fiscal year and each*  
17 *outyear.”. Section 306 shall not apply to any bill or joint*  
18 *resolution because of such statement. This adjustment shall*  
19 *be reflected in reports under sections 254(f) and 254(g) of*  
20 *the Balanced Budget and Emergency Deficit Control Act*  
21 *of 1985.*

1     ***Subtitle D—Automatic Continuing***  
2                                     ***Resolution***

3     **SEC. 641. AUTOMATIC CONTINUING RESOLUTION.**

4             (a) *AMENDMENT TO TITLE 31.—Chapter 13 of title 31,*  
5 *United States Code, is amended by inserting after section*  
6 *1310 the following new section:*

7     **“§ 1311. Continuing appropriations**

8             “(a)(1) *If any regular appropriation bill for a fiscal*  
9 *year does not become law prior to the beginning of such*  
10 *fiscal year and a joint resolution making continuing appro-*  
11 *priations (other than pursuant to this subsection) is not*  
12 *in effect, there is appropriated, out of any moneys in the*  
13 *Treasury not otherwise appropriated, and out of applicable*  
14 *corporate or other revenues, receipts, and funds, such sums*  
15 *as may be necessary to continue any program, project, or*  
16 *activity for which funds were provided in the preceding fis-*  
17 *cal year—*

18             “(A) *in the corresponding regular appropriation*  
19 *Act for such preceding fiscal year; or*

20             “(B) *if the corresponding regular appropriation*  
21 *bill for such preceding fiscal year did not become law,*  
22 *then in a joint resolution making continuing appro-*  
23 *priations for such preceding fiscal year.*

24             “(2)(A) *Except as provided by subparagraphs (B), (C),*  
25 *and (D), appropriations and funds made available, and au-*

1 *thority granted, for a program, project, or activity for any*  
2 *fiscal year pursuant to this section shall be at a rate of*  
3 *operations not in excess of the rate of operations provided*  
4 *for in the regular appropriation Act providing for such pro-*  
5 *gram, project, or activity for the preceding fiscal year, or*  
6 *in the absence of such an Act, the rate of operations pro-*  
7 *vided for such program, project, or activity pursuant to a*  
8 *joint resolution making continuing appropriations for such*  
9 *preceding fiscal year.*

10       “(B) *The applicable rate of operations for a program,*  
11 *project, or activity for any fiscal year pursuant to this sec-*  
12 *tion shall exclude amounts—*

13               “(i) *for which any adjustment was made under*  
14 *section 251(b)(2)(A) or section 252(e) of the Balanced*  
15 *Budget and Emergency Deficit Control Act of 1985*  
16 *before the date of enactment of this section;*

17               “(ii) *provided for emergencies for which an ex-*  
18 *emption from section 251 or 252 of such Act is grant-*  
19 *ed under section 317(c) of the Congressional Budget*  
20 *Act of 1974; or*

21               “(iii) *for which any adjustment is made under*  
22 *section 251(b)(2) (C) or (D) of such Act.*

23       “(C) *The applicable rate of operations for a program,*  
24 *project, or activity for any fiscal year pursuant to this sec-*  
25 *tion shall include amounts provided and rescinded for such*

1 *program, project, or activity in any supplemental or special*  
2 *appropriations Act and in any rescission bill for that year*  
3 *that is enacted into law.*

4       “(D) *The applicable rate of operations for a program,*  
5 *project, or activity for any fiscal year pursuant to this sec-*  
6 *tion shall be reduced by the amount of budgetary resources*  
7 *cancelled in any such program, project, or activity resulting*  
8 *from the prior year’s sequestration under section 251 of the*  
9 *Balanced Budget and Emergency Deficit Control Act of*  
10 *1985 as published in OMB’s final sequestration report for*  
11 *the prior fiscal year.*

12       “(3) *Appropriations and funds made available, and*  
13 *authority granted, for any fiscal year pursuant to this sec-*  
14 *tion for a program, project, or activity shall be available*  
15 *for the period beginning with the first day of a lapse in*  
16 *appropriations and ending with the earlier of—*

17               “(A) *the date on which the applicable regular*  
18 *appropriation bill for such fiscal year becomes law*  
19 *(whether or not such law provides for such program,*  
20 *project, or activity) or a continuing resolution mak-*  
21 *ing appropriations becomes law, as the case may be,*  
22 *or*

23               “(B) *the last day of such fiscal year.*

24       “(b) *An appropriation or funds made available, or au-*  
25 *thority granted, for a program, project, or activity for any*

1 *fiscal year pursuant to this section shall be subject to the*  
2 *terms and conditions imposed with respect to the appro-*  
3 *priation made or funds made available for the preceding*  
4 *fiscal year, or authority granted for such program, project,*  
5 *or activity under current law.*

6       “(c) *Appropriations and funds made available, and*  
7 *authority granted, for any program, project, or activity for*  
8 *any fiscal year pursuant to this section shall cover all obli-*  
9 *gations or expenditures incurred for such program, project,*  
10 *or activity during the portion of such fiscal year for which*  
11 *this section applies to such program, project, or activity.*

12       “(d) *Expenditures made for a program, project, or ac-*  
13 *tivity for any fiscal year pursuant to this section shall be*  
14 *charged to the applicable appropriation, fund, or authoriza-*  
15 *tion whenever a regular appropriation bill or a joint resolu-*  
16 *tion making continuing appropriations until the end of a*  
17 *fiscal year providing for such program, project, or activity*  
18 *for such period becomes law.*

19       “(e) *This section shall not apply to a program, project,*  
20 *or activity during a fiscal year if any other provision of*  
21 *law (other than an authorization of appropriations)—*

22               “(1) *makes an appropriation, makes funds avail-*  
23 *able, or grants authority for such program, project, or*  
24 *activity to continue for such period, or*

1           “(2) specifically provides that no appropriation  
2           shall be made, no funds shall be made available, or  
3           no authority shall be granted for such program,  
4           project, or activity to continue for such period; or

5           “(f) For purposes of this section, the term ‘regular ap-  
6           propriation bill’ means any annual appropriation bill  
7           making appropriations, otherwise making funds available,  
8           or granting authority, for any of the following categories  
9           of programs, projects, and activities:

10           “(1) Agriculture, rural development, and related  
11           agencies programs.

12           “(2) The Departments of Commerce, Justice, and  
13           State, the judiciary, and related agencies.

14           “(3) The Department of Defense.

15           “(4) The government of the District of Columbia  
16           and other activities chargeable in whole or in part  
17           against the revenues of the District.

18           “(5) The Departments of Labor, Health and  
19           Human Services, and Education, and related agen-  
20           cies.

21           “(6) The Department of Housing and Urban De-  
22           velopment, and sundry independent agencies, boards,  
23           commissions, corporations, and offices.

24           “(7) Energy and water development.

25           “(8) Foreign assistance and related programs.



1           “(9) *The Department of the Interior and related*  
2           *agencies.*”

3           “(10) *Military construction.*”

4           “(11) *The Department of Transportation and re-*  
5           *lated agencies.*”

6           “(12) *The Treasury Department, the U.S. Postal*  
7           *Service, the Executive Office of the President, and cer-*  
8           *tain independent agencies.*”

9           “(13) *The legislative branch.*”.

10          (b) *CONFORMING AMENDMENT.*—Section 202(e)(3) of  
11 *the Congressional Budget Act of 1974 is amended by insert-*  
12 *ing “and on or before September 30” before “of each year”.*

13          (c) *CHAPTER ANALYSIS.*—*The analysis of chapter 13*  
14 *of title 31, United States Code, is amended by inserting*  
15 *after the item relating to section 1310 the following new*  
16 *item:*

          “1311. *Continuing appropriations.*”.

17          (d) *EFFECT OF AMENDMENTS.*—*Nothing in the*  
18 *amendments made by this section shall be construed to af-*  
19 *fect Government obligations mandated by other law, includ-*  
20 *ing obligations with respect to social security, medicare,*  
21 *and medicaid.*

1       **TITLE VII—BUDGETING IN AN**  
2                   **ERA OF SURPLUSES**

3       **SEC. 701. PAYGO REQUIREMENTS AND THE ON-BUDGET**  
4                   **SURPLUS.**

5           (a) *Section 252(a) of the Balanced Budget and Emer-*  
6 *gency Deficit Control Act of 1985 is amended to read as*  
7 *follows:*

8           “(a) *PURPOSE.—The purpose of this section is to trig-*  
9 *ger an offsetting sequestration in the amount by which any*  
10 *excess of decreases in receipts and increases in direct spend-*  
11 *ing over increases in receipts and decreases in direct spend-*  
12 *ing, caused by all direct spending and receipts legislation*  
13 *enacted prior to October 1, 2002, exceeds estimates of the*  
14 *on-budget surplus.”.*

15           (b) *TIMING AND CALCULATION OF SEQUESTRATION.—*  
16 *Section 252(b) of the Balanced Budget and Emergency Def-*  
17 *icit Control Act of 1985 is amended to read as follows:*

18           “(b) *SEQUESTRATION.—*

19                   “(1) *TIMING.—Not later than 15 calendar days*  
20 *after the date Congress adjourns to end a session and*  
21 *on the same day as a sequestration (if any) under*  
22 *section 251, there shall be a sequestration to offset an*  
23 *amount equal to—*

24                                   “(A) *any excess of decreases in receipts and*  
25 *increases in direct spending over increases in re-*

1           *ceipts and decreases in direct spending for legis-*  
2           *lation enacted prior to October 1, 2002; minus*  
3           *“(B) the estimated on-budget surplus (which*  
4           *shall not be less than zero),*  
5           *as calculated under paragraph (2).*

6           “(2) *CALCULATION OF SEQUESTRATION.—OMB*  
7           *shall calculate the amount of the sequestration by*  
8           *adding—*

9           *“(A) all OMB estimates for the budget year*  
10           *of direct spending and receipts legislation trans-*  
11           *mitted under subsection (d) for legislation en-*  
12           *acted prior to October 1, 2002;*

13           *“(B) the estimated amount of savings in di-*  
14           *rect spending programs applicable to the budget*  
15           *year resulting from the prior year’s sequestration*  
16           *under this section, if any, as published in OMB’s*  
17           *final sequestration report for that prior year;*  
18           *and*

19           *“(C) all OMB estimates for the current year*  
20           *that were not reflected in the final OMB seques-*  
21           *tration report for that year; and*

22           *then by subtracting from such sum the OMB estimate*  
23           *for the budget year of the on-budget surplus (if any)*  
24           *as set forth in the OMB final sequestration report in-*  
25           *creased by the amount of budgetary resources can-*

1        *celled in any such program, project, or activity result-*  
2        *ing from a sequestration for the budget year on the*  
3        *same day under section 251 as published in OMB's*  
4        *final sequestration report.”.*

5        *(c) PREVIEW REPORTS.—Section 254(c)(3) of the Bal-*  
6        *anced Budget and Emergency Deficit Control Act of 1985*  
7        *is amended by redesignating subparagraph (C) as subpara-*  
8        *graph (D) and by adding after subparagraph (B) the fol-*  
9        *lowing new subparagraph:*

10                *“(C)(i) MANDATORY.—In projecting the on-*  
11                *budget surplus (if any) for the budget year, di-*  
12                *rect spending and receipts shall be calculated*  
13                *consistent with the assumptions under section*  
14                *257(b) but shall exclude all estimates of direct*  
15                *spending and receipts legislation for such year*  
16                *enacted after the date of enactment of this sub-*  
17                *paragraph (as estimated by OMB when such leg-*  
18                *islation was originally enacted).*

19                *“(ii) DISCRETIONARY.—Except as provided*  
20                *by the preceding sentence, the following assump-*  
21                *tions shall apply to the calculation of such esti-*  
22                *mated surplus:*

23                        *“(I) For programs, projects, and ac-*  
24                        *tivities for which a regular appropriation*  
25                        *Act or a joint resolution (other than pursu-*

1            *ant to section 1311 of title 31, United*  
2            *States Code) continuing appropriations*  
3            *through the end of the budget year is en-*  
4            *acted, budgetary resources other than unob-*  
5            *ligated balances shall be at the level pro-*  
6            *vided by that Act with the following adjust-*  
7            *ments:*

8                    *“(aa) Include amounts of budget*  
9                    *authority provided and rescinded for*  
10                   *such year in any supplemental or spe-*  
11                   *cial appropriation Act or rescission*  
12                   *bill that is enacted into law.*

13                   *“(bb) Reduce the level by the*  
14                   *amount of budgetary resources canceled*  
15                   *in any such program, project, or activ-*  
16                   *ity by a sequestration under section*  
17                   *251 as published in OMB’s final se-*  
18                   *questration report for such year.*

19            *Substantive changes to or restrictions on en-*  
20            *titlement law or other mandatory spending*  
21            *law in an appropriation Act shall be count-*  
22            *ed in determining the level of direct spend-*  
23            *ing and receipts for purposes of calculating*  
24            *the on-budget surplus under this section.*

1           “(II) For programs, projects, and ac-  
2           tivities for which a regular appropriation  
3           Act or a joint resolution (other than pursu-  
4           ant to section 1311 of title 31, United  
5           States Code) continuing appropriations  
6           through the end of the budget year is not en-  
7           acted, budgetary resources other than unob-  
8           ligated balances shall be at the level pro-  
9           vided for the current year in regular appro-  
10          prietation Acts or a joint resolution (other  
11          than pursuant to section 1311 of title 31,  
12          United States Code) continuing appropri-  
13          ations through the end of the current year  
14          with the following adjustments:

15               “(aa) Include amounts of budget  
16               authority provided and rescinded for  
17               such year in any supplemental or spe-  
18               cial appropriation Act or rescission  
19               bill that is enacted into law.

20               “(bb) Reduce the level by the  
21               amount of budgetary resources canceled  
22               in any such program, project, or activ-  
23               ity by a sequestration under section  
24               251 as published in OMB’s final se-  
25               questration report for such year.

1            *Substantive changes to or restrictions on en-*  
2            *titlement law or other mandatory spending*  
3            *law in an appropriation Act shall be count-*  
4            *ed in determining the level of direct spend-*  
5            *ing and receipts for purposes of calculating*  
6            *the on-budget surplus under this section.*  
7            *After making such adjustments, further ad-*  
8            *just such amount using the assumptions set*  
9            *forth in section 257(c) (1)–(5).”.*

10            *(d) DEFINITION OF ON-BUDGET SURPLUS.—Section*  
11            *250(c) of the Balanced Budget and Emergency Deficit Con-*  
12            *trol Act of 1985 is amended by adding at the end the fol-*  
13            *lowing new paragraph:*

14            *“(20) The term ‘on-budget surplus’ means, with*  
15            *respect to a fiscal year, the amount by which receipts*  
16            *exceed outlays for all spending and receipt accounts*  
17            *of the United States Government that are designated*  
18            *as on-budget. Such term does not include outlays and*  
19            *receipts of the Federal Old-Age and Survivors Insur-*  
20            *ance Trust Fund, the Federal Disability Insurance*  
21            *Trust Fund, or any other off-budget entity.”.*

22            *(e) EXPEDITED RECONCILIATION PROCESS.—Section*  
23            *258C of the Balanced Budget and Emergency Deficit Con-*  
24            *trol Act of 1985 is amended as follows:*

1           (1) *The side heading of subsection (a) is amend-*  
 2           *ed by inserting “OR IN THE HOUSE OF REPRESENTA-*  
 3           *TIVES” after “SENATE”.*

4           (2) *In paragraphs (1), (2), (3), and (4) of sub-*  
 5           *section (a), insert “or House” after “Senate” each*  
 6           *place it appears.*

7           (3) *In subsection (a)(7), strike “For” and insert*  
 8           *“In the Senate, for”.*

9           (4) *In subsection (b)(1), insert “or House” after*  
 10          *“Senate”.*

11          (5) *In the side heading of subsection (b)(4), in-*  
 12          *sert “OTHER” after “THE”.*

13          (6) *In subsection (b)(4), strike “in the Senate*  
 14          *from the House” and insert “in the Senate or House*  
 15          *of Representatives from the other House”, strike “Sen-*  
 16          *ate” the second place it appears and insert “Senate*  
 17          *or House of Representatives, as the case may be,”*  
 18          *and strike “Senate” the third place it appears and*  
 19          *insert “in the applicable House”.*

20 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

21          **(a) SHORT TITLE.—This Act may be cited as**  
 22 **the “Comprehensive Budget Process Reform**  
 23 **Act of 1999”.**

24          **(b) TABLE OF CONTENTS.—**

**Sec. 1. Short title; table of contents.**

**Sec. 2. Purpose.**

**Sec. 3. Effective date.**



**Sec. 4. Declaration of purposes for the Budget Act.****TITLE I—BUDGET WITH FORCE OF LAW****Sec. 101. Purposes.****Sec. 102. The timetable.****Sec. 103. Annual joint resolutions on the budget.****Sec. 104. Budget required before spending bills may be considered; fall-back procedures if President vetoes joint budget resolution.****Sec. 105. Conforming amendments to effectuate joint resolutions on the budget.****TITLE II—RESERVE FUND FOR EMERGENCIES****Sec. 201. Purpose.****Sec. 202. Repeal of adjustments for emergencies.****Sec. 203. OMB emergency criteria.****Sec. 204. Development of guidelines for application of emergency definition.****Sec. 205. Reserve fund for emergencies in President's budget.****Sec. 206. Adjustments and reserve fund for emergencies in joint budget resolutions.****Sec. 207. Up-to-date tabulations.****Sec. 208. Prohibition on amendments to emergency reserve fund.****Sec. 209. Effective date.****TITLE III—ENFORCEMENT OF BUDGETARY DECISIONS****Sec. 301. Purposes.****Subtitle A—Application of Points of Order to Unreported Legislation****Sec. 311. Application of Budget Act points of order to unreported legislation.****Subtitle B—Compliance with Budget Resolution****Sec. 321. Budget compliance statements.****Subtitle C—Justification for Budget Act Waivers****Sec. 331. Justification for Budget Act waivers in the House of Representatives.****Subtitle D—CBO Scoring of Conference Reports****Sec. 341. CBO scoring of conference reports.****TITLE IV—ACCOUNTABILITY FOR FEDERAL SPENDING****Sec. 401. Purposes.****Subtitle A—Limitations on Direct Spending****Sec. 411. Fixed-year authorizations required for new programs.**

**Sec. 412. Amendments to subject new direct spending to annual appropriations.**

**Subtitle B—Enhanced Congressional Oversight Responsibilities**

**Sec. 421. Ten-year congressional review requirement of permanent budget authority.**

**Sec. 422. Justifications of direct spending.**

**Sec. 423. Survey of activity reports of House committees.**

**Sec. 424. Continuing study of additional budget process reforms.**

**Sec. 425. GAO reports.**

**Subtitle C—Strengthened Accountability**

**Sec. 431. Ten-year CBO estimates.**

**Sec. 432. Repeal of rule XXIII of the Rules of the House of Representatives.**

**TITLE V—BUDGETING FOR UNFUNDED LIABILITIES AND OTHER LONG-TERM OBLIGATIONS**

**Sec. 501. Purposes.**

**Subtitle A—Budgetary Treatment of Federal Insurance Programs**

**Sec. 511. Federal insurance programs.**

**Subtitle B—Reports on Long-Term Budgetary Trends**

**Sec. 521. Reports on long-term budgetary trends.**

**TITLE VI—BASELINE, BYRD RULE, LOCK-BOX, AND AUTOMATIC CONTINUING RESOLUTION**

**Sec. 601. Purpose.**

**Subtitle A—The Baseline**

**Sec. 611. The President's budget.**

**Sec. 612. The congressional budget.**

**Sec. 613. Congressional Budget Office reports to committees.**

**Sec. 614. Outyear assumptions for discretionary spending.**

**Subtitle B—The Byrd Rule**

**Sec. 621. Limitation on Byrd rule.**

**Subtitle C—Spending Accountability Lock-Box**

**Sec. 631. Short title.**

**Sec. 632. Spending accountability lock-box ledger.**

**Sec. 633. Downward adjustment of section 302(a) allocations and section 302(b) suballocations.**

**Sec. 634. Periodic reporting of ledger statements.**

**Sec. 635. Downward adjustment of discretionary spending limits.**

**Subtitle D—Automatic Continuing Resolution****Sec. 641. Automatic continuing resolution.****TITLE VII—BUDGETING IN AN ERA OF SURPLUSES****Sec. 701. Paygo requirements and the on-budget surplus.**1 **SEC. 2. PURPOSE.**2 **The purposes of this Act are to—**3 **(1) give the budget the force of law;**4 **(2) budget for emergencies;**5 **(3) display the unfunded liabilities of**  
6 **Federal insurance programs;**7 **(4) strengthen enforcement of budg-**  
8 **etary decisions;**9 **(5) increase accountability for Fed-**  
10 **eral spending;**11 **(6) mitigate the bias in the budget**  
12 **process toward higher spending; and**13 **(7) modify paygo requirements when**  
14 **there is an on-budget surplus.**15 **SEC. 3. EFFECTIVE DATE.**16 **Except as otherwise specifically provided,**  
17 **this Act and the amendments made by this**  
18 **Act shall become effective on the date of en-**  
19 **actment of this Act and shall apply with re-**  
20 **spect to fiscal years beginning after Sep-**  
21 **tember 30, 2000.**

1 SEC. 4. DECLARATION OF PURPOSES FOR THE BUDGET  
2 ACT.

3 Paragraphs (1) and (2) of section 2 of the  
4 Congressional Budget and Impoundment Con-  
5 trol Act of 1974 are amended to read as fol-  
6 lows:

7 “(1) to assure effective control over  
8 the budgetary process;

9 “(2) to facilitate the determination  
10 each year of the appropriate level of Fed-  
11 eral revenues and expenditures by the  
12 Congress and the President;”.

13 **TITLE I—BUDGET WITH FORCE**  
14 **OF LAW**

15 SEC. 101. PURPOSES.

16 The purposes of this title are to—

17 (1) focus initial budgetary delibera-  
18 tions on aggregate levels of Federal  
19 spending and taxation;

20 (2) encourage cooperation between  
21 Congress and the President in developing  
22 overall budgetary priorities; and

23 (3) reach budgetary decisions early in  
24 the legislative cycle.

1 SEC. 102. THE TIMETABLE.

2 Section 300 of the Congressional Budget  
 3 Act of 1974 is amended to read as follows:

4 "TIMETABLE

5 "SEC. 300. The timetable with respect to  
 6 the congressional budget process for any fis-  
 7 cal year is as follows:

"On or before:	Action to be completed:
First Monday in February ..	President submits his budget.
February 15 .....	Congressional Budget Office submits report to Budget Committees.
Not later than 6 weeks after President submits budget.	Committees submit views and estimates to Budget Committees.
April 1 .....	Senate Budget Committee reports joint resolution on the budget.
April 15 .....	Congress completes action on joint resolution on the budget.
June 10 .....	House Appropriations Committee reports last annual appropriation bill.
June 15 .....	Congress completes action on reconciliation legislation.
June 30 .....	House completes action on annual appropriation bills.
October 1 .....	Fiscal year begins."

8 SEC. 103. ANNUAL JOINT RESOLUTIONS ON THE BUDGET.

9 (a) CONTENT OF ANNUAL JOINT RESOLU-  
 10 TIONS ON THE BUDGET.—Section 301(a) of the  
 11 Congressional Budget Act of 1974 is amended  
 12 as follows:

13 (1) Strike paragraph (4) and insert  
 14 the following new paragraph:

1           **“(4) subtotals of new budget authority**  
2           **and outlays for nondefense discretionary**  
3           **spending, defense discretionary spend-**  
4           **ing, direct spending (excluding interest),**  
5           **and interest; and for fiscal years to which**  
6           **the amendments made by title II of the**  
7           **Comprehensive Budget Process Reform**  
8           **Act of 1999 apply, subtotals of new budg-**  
9           **et authority and outlays for emer-**  
10           **gencies;”.**

11           **(2) Strike the last sentence of such**  
12           **subsection.**

13           **(b) ADDITIONAL MATTERS IN JOINT RESOLU-**  
14           **TION.—Section 301(b) of the Congressional**  
15           **Budget Act of 1974 is amended as follows:**

16           **(1) Strike paragraphs (2), (4), (6), (8),**  
17           **and (9) and redesignate paragraph (7) as**  
18           **paragraph (6).**

19           **(2) After paragraph (1), insert the fol-**  
20           **lowing new paragraph:**

21           **“(2) if submitted by the Committee on**  
22           **Ways and Means of the House of Rep-**  
23           **resentatives or the Committee on Fi-**  
24           **nance of the Senate to the Committee on**  
25           **the Budget of that House of Congress,**

1       **amend section 3101 of title 31, United**  
2       **States Code, to change the statutory limit**  
3       **on the public debt;”.**

4               **(3) After paragraph (3), insert the fol-**  
5       **lowing new paragraph:**

6               **“(4) require such other congressional**  
7       **procedures, relating to the budget, as**  
8       **may be appropriate to carry out the pur-**  
9       **poses of this Act;”.**

10       **(c) REQUIRED CONTENTS OF REPORT.—Sec-**  
11       **tion 301(e)(2) of the Congressional Budget Act**  
12       **of 1974 is amended as follows:**

13               **(1) Redesignate subparagraphs (A),**  
14       **(B), (C), (D), (E), and (F) as subpara-**  
15       **graphs (B), (C), (E), (F), (H), and (I), re-**  
16       **spectively.**

17               **(2) Before subparagraph (B) (as re-**  
18       **designated), insert the following new sub-**  
19       **paragraph:**

20               **“(A) new budget authority and**  
21       **outlays for each major functional cat-**  
22       **egory, based on allocations of the**  
23       **total levels set forth pursuant to sub-**  
24       **section (a)(1);”.**

1           **(3) In subparagraph (C) (as redesignated), strike “mandatory” and insert “direct spending”.**

2  
3  
4           **(4) After subparagraph (C) (as redesignated), insert the following new subparagraph:**

5                   **“(D) a measure, as a percentage of**  
6                   **gross domestic product, of total out-**  
7                   **lays, total Federal revenues, the sur-**  
8                   **plus or deficit, and new outlays for**  
9                   **nondefense discretionary spending,**  
10                   **defense spending, and direct spend-**  
11                   **ing as set forth in such resolution;”.**

12  
13  
14           **(5) After subparagraph (F) (as redesignated), insert the following new subparagraph:**

15                   **“(G) if the joint resolution on the**  
16                   **budget includes any allocation to a**  
17                   **committee (other than the Committee**  
18                   **on Appropriations) of levels in excess**  
19                   **of current law levels, a justification**  
20                   **for not subjecting any program,**  
21                   **project, or activity (for which the al-**  
22                   **location is made) to annual discre-**  
23                   **tionary appropriations;”.**



1       **(d) ADDITIONAL CONTENTS OF REPORT.—**  
2 **Section 301(e)(3) of the Congressional Budget**  
3 **Act of 1974 is amended as follows:**

4           **(1) Redesignate subparagraphs (A)**  
5 **and (B) as subparagraphs (B) and (C), re-**  
6 **spectively, strike subparagraphs (C) and**  
7 **(D), and redesignate subparagraph (E) as**  
8 **subparagraph (D).**

9           **(2) Before subparagraph (B), insert**  
10 **the following new subparagraph:**

11                   **“(A) reconciliation directives de-**  
12 **scribed in section 310;”.**

13       **(e) PRESIDENT’S BUDGET SUBMISSION TO THE**  
14 **CONGRESS.—(1) The first two sentences of sec-**  
15 **tion 1105(a) of title 31, United States Code, are**  
16 **amended to read as follows:**

17 **“On or after the first Monday in January but**  
18 **not later than the first Monday in February**  
19 **of each year the President shall submit a**  
20 **budget of the United States Government for**  
21 **the following fiscal year which shall set forth**  
22 **the following levels:**

23                   **“(A) totals of new budget authority**  
24 **and outlays;**

1           **“(B) total Federal revenues and the**  
2           **amount, if any, by which the aggregate**  
3           **level of Federal revenues should be in-**  
4           **creased or decreased by bills and resolu-**  
5           **tions to be reported by the appropriate**  
6           **committees;**

7           **“(C) the surplus or deficit in the**  
8           **budget;**

9           **“(D) subtotals of new budget author-**  
10          **ity and outlays for nondefense discre-**  
11          **tionary spending, defense discretionary**  
12          **spending, direct spending, and interest;**  
13          **and for fiscal years to which the amend-**  
14          **ments made by title II of the Comprehen-**  
15          **sive Budget Process Reform Act of 1999**  
16          **apply, subtotals of new budget authority**  
17          **and outlays for emergencies; and**

18          **“(E) the public debt.**

19 **Each budget submission shall include a budg-**  
20 **et message and summary and supporting in-**  
21 **formation and, as a separately delineated**  
22 **statement, the levels required in the pre-**  
23 **ceding sentence for at least each of the 9 ensu-**  
24 **ing fiscal years.”.**

1       **(2) The third sentence of section 1105(a) of**  
2 **title 31, United States Code, is amended by in-**  
3 **serting “submission” after “budget”.**

4       **(f) LIMITATION ON CONTENTS OF BUDGET**  
5 **RESOLUTIONS.—Section 305 of the Congres-**  
6 **sional Budget Act of 1974 is amended by add-**  
7 **ing at the end the following new subsection:**

8       **“(e) LIMITATION ON CONTENTS.—(1) It shall**  
9 **not be in order in the House of Representa-**  
10 **tives or in the Senate to consider any joint**  
11 **resolution on the budget or any amendment**  
12 **thereto or conference report thereon that**  
13 **contains any matter referred to in paragraph**  
14 **(2).**

15       **“(2) Any joint resolution on the budget or**  
16 **any amendment thereto or conference report**  
17 **thereon that contains any matter not per-**  
18 **mitted in section 301(a) or (b) shall not be**  
19 **treated in the House of Representatives or the**  
20 **Senate as a budget resolution under sub-**  
21 **section (a) or (b) or as a conference report on**  
22 **a budget resolution under subsection (c) of**  
23 **this section.”.**

1 SEC. 104. BUDGET REQUIRED BEFORE SPENDING BILLS  
2 MAY BE CONSIDERED; FALL-BACK PROCE-  
3 DURES IF PRESIDENT VETOES JOINT BUDG-  
4 ET RESOLUTION.

5 (a) AMENDMENTS TO SECTION 302.—Section  
6 302(a) of the Congressional Budget Act of 1974  
7 is amended by striking paragraph (5).

8 (b) AMENDMENTS TO SECTION 303 AND CON-  
9 FORMING AMENDMENTS.—(1) Section 303 of the  
10 Congressional Budget Act of 1974 is  
11 amended—

12 (A) in subsection (b), by striking para-  
13 graph (2), by inserting “or” at the end of  
14 paragraph (1), and by redesignating para-  
15 graph (3) as paragraph (2); and

16 (B) by striking its section heading  
17 and inserting the following new section  
18 heading: “CONSIDERATION OF BUDGET-RE-  
19 LATED LEGISLATION BEFORE BUDGET BE-  
20 COMES LAW”.

21 (2) Section 302(g)(1) of the Congressional  
22 Budget Act of 1974 is amended by striking  
23 “and, after April 15, section 303(a)”.

24 (3)(A) Section 904(c)(1) of the Congres-  
25 sional Budget Act of 1974 is amended by in-  
26 serting “303(a),” before “305(b)(2),”.

1       **(B) Section 904(d)(2) of the Congressional**  
 2 **Budget Act of 1974 is amended by inserting**  
 3 **“303(a),” before “305(b)(2),”.**

4       **(c) EXPEDITED PROCEDURES UPON VETO OF**  
 5 **JOINT RESOLUTION ON THE BUDGET.—(1) Title**  
 6 **III of the Congressional Budget Act of 1974 is**  
 7 **amended by adding after section 315 the fol-**  
 8 **lowing new section:**

9       **“EXPEDITED PROCEDURES UPON VETO OF JOINT**  
 10                                   **RESOLUTION ON THE BUDGET**

11       **“SEC. 316. (a) SPECIAL RULE.—If the Presi-**  
 12 **dent vetoes a joint resolution on the budget**  
 13 **for a fiscal year, the majority leader of the**  
 14 **House of Representatives or Senate (or his**  
 15 **designee) may introduce a concurrent resolu-**  
 16 **tion on the budget or joint resolution on the**  
 17 **budget for such fiscal year. If the Committee**  
 18 **on the Budget of either House fails to report**  
 19 **such concurrent or joint resolution referred**  
 20 **to it within five calendar days (excluding Sat-**  
 21 **urdays, Sundays, or legal holidays except**  
 22 **when that House of Congress is in session)**  
 23 **after the date of such referral, the committee**  
 24 **shall be automatically discharged from fur-**  
 25 **ther consideration of such resolution and**

1 such resolution shall be placed on the appro-  
2 priate calendar.

3 **“(b) PROCEDURE IN THE HOUSE OF REP-**  
4 **RESENTATIVES AND THE SENATE.—**

5 **“(1) Except as provided in paragraph**  
6 **(2), the provisions of section 305 for the**  
7 **consideration in the House of Represent-**  
8 **atives and in the Senate of joint resolu-**  
9 **tions on the budget and conference re-**  
10 **ports thereon shall also apply to the con-**  
11 **sideration of concurrent resolutions on**  
12 **the budget introduced under subsection**  
13 **(a) and conference reports thereon.**

14 **“(2) Debate in the Senate on any con-**  
15 **current resolution on the budget or joint**  
16 **resolution on the budget introduced**  
17 **under subsection (a), and all amendments**  
18 **thereto and debatable motions and ap-**  
19 **peals in connection therewith, shall be**  
20 **limited to not more than 10 hours and in**  
21 **the House such debate shall be limited to**  
22 **not more than 3 hours.**

23 **“(c) CONTENTS OF CONCURRENT RESOLU-**  
24 **TIONS.—Any concurrent resolution on the**

1 budget introduced under subsection (a) shall  
2 be in compliance with section 301.

3       “(d) **EFFECT OF CONCURRENT RESOLUTION**  
4 **ON THE BUDGET.**—Notwithstanding any other  
5 provision of this title, whenever a concurrent  
6 resolution on the budget described in sub-  
7 section (a) is agreed to, then the aggregates,  
8 allocations, and reconciliation directives (if  
9 any) contained in the report accompanying  
10 such concurrent resolution or in such concur-  
11 rent resolution shall be considered to be the  
12 aggregates, allocations, and reconciliation di-  
13 rectives for all purposes of sections 302, 303,  
14 and 311 for the applicable fiscal years and  
15 such concurrent resolution shall be deemed to  
16 be a joint resolution for all purposes of this  
17 title and the Rules of the House of Represent-  
18 atives and any reference to the date of enact-  
19 ment of a joint resolution on the budget shall  
20 be deemed to be a reference to the date  
21 agreed to when applied to such concurrent  
22 resolution.”.

23       (2) The table of contents set forth in sec-  
24 tion 1(b) of the Congressional Budget and Im-  
25 poundment Control Act of 1974 is amended by

1 **inserting after the item relating to section 315**  
2 **the following new item:**

**“Sec. 316. Expedited procedures upon veto of joint resolution  
on the budget.”.**

3 **SEC. 105. CONFORMING AMENDMENTS TO EFFECTUATE**  
4 **JOINT RESOLUTIONS ON THE BUDGET.**

5 **(a) CONFORMING AMENDMENTS TO THE CON-**  
6 **GRESSIONAL BUDGET AND IMPOUNDMENT CON-**  
7 **TROL ACT OF 1974.—(1)(A) Sections 301, 302,**  
8 **303, 305, 308, 310, 311, 312, 314, 405, and 904**  
9 **of the Congressional Budget Act of 1974 (2**  
10 **U.S.C. 621 et seq.) are amended by striking**  
11 **“concurrent” each place it appears and by in-**  
12 **serting “joint”.**

13 **(B)(i) Sections 302(d), 302(g), 308(a)(1)(A),**  
14 **and 310(d)(1) of the Congressional Budget Act**  
15 **of 1974 are amended by striking “most re-**  
16 **cently agreed to concurrent resolution on the**  
17 **budget” each place it occurs and inserting**  
18 **“most recently enacted joint resolution on the**  
19 **budget or agreed to concurrent resolution on**  
20 **the budget (as applicable)”.**

21 **(ii) The section heading of section 301 is**  
22 **amended by striking “adoption of concurrent**  
23 **resolution” and inserting “joint resolutions”;**



1       **(iii) Section 304 of such Act is amended to**  
2 **read as follows:**

3           **“PERMISSIBLE REVISIONS OF BUDGET**

4                           **RESOLUTIONS**

5       **“SEC. 304. At any time after the joint reso-**  
6 **lution on the budget for a fiscal year has been**  
7 **enacted pursuant to section 301, and before**  
8 **the end of such fiscal year, the two Houses**  
9 **and the President may enact a joint resolu-**  
10 **tion on the budget which revises or reaffirms**  
11 **the joint resolution on the budget for such fis-**  
12 **cal year most recently enacted. If a concur-**  
13 **rent resolution on the budget has been agreed**  
14 **to pursuant to section 316, then before the**  
15 **end of such fiscal year, the two Houses may**  
16 **adopt a concurrent resolution on the budget**  
17 **which revises or reaffirms the concurrent res-**  
18 **olution on the budget for such fiscal year**  
19 **most recently agreed to.”.**

20       **(C) Sections 302, 303, 310, and 311, of such**  
21 **Act are amended by striking “agreed to” each**  
22 **place it appears and by inserting “enacted”.**

23       **(2)(A) Paragraph (4) of section 3 of the**  
24 **Congressional Budget and Impoundment Con-**  
25 **trol Act of 1974 is amended by striking “con-**

1 **current” each place it appears and by insert-**  
2 **ing “joint”.**

3 **(B) The table of contents set forth in sec-**  
4 **tion 1(b) of such Act is amended—**

5 **(i) in the item relating to section 301,**  
6 **by striking “adoption of concurrent reso-**  
7 **lution” and inserting “joint resolutions”;**

8 **(ii) by striking the item relating to**  
9 **section 303 and inserting the following:**

**“Sec. 303. Consideration of budget-related legislation before  
budget becomes law.”;**

10 **(iii) in the item relating to section**  
11 **304, by striking “concurrent” and insert-**  
12 **ing “budget” the first place it appears**  
13 **and by striking “on the budget”; and**

14 **(iv) by striking “concurrent” and in-**  
15 **serting “joint” in the item relating to sec-**  
16 **tion 305.**

17 **(b) CONFORMING AMENDMENTS TO THE**  
18 **RULES OF THE HOUSE OF REPRESENTATIVES.—(1)**  
19 **Clauses 1(e)(1), 4(a)(4), 4(b)(2), 4(f)(1)(A), and**  
20 **4(f)(2) of rule X, clause 10 of rule XVIII, and**  
21 **clause 10 of rule XX of the Rules of the House**  
22 **of Representatives are amended by striking**  
23 **“concurrent” each place it appears and insert-**  
24 **ing “joint”.**

1       **(2) Clause 10 of rule XVIII of the Rules of**  
2 **the House of Representatives is amended—**

3           **(A) in paragraph (b)(2), by striking**  
4 **“(5)” and inserting “(6)”;** and

5           **(B) by striking paragraph (c).**

6       **(c) CONFORMING AMENDMENTS TO THE BAL-**  
7 **ANCED BUDGET AND EMERGENCY DEFICIT CON-**  
8 **TROL ACT OF 1985.—Section 258C(b)(1) of the**  
9 **Balanced Budget and Emergency Deficit Con-**  
10 **trol Act of 1985 (2 U.S.C. 907d(b)(1)) is amend-**  
11 **ed by striking “concurrent” and inserting**  
12 **“joint”.**

13       **(d) CONFORMING AMENDMENTS TO SECTION**  
14 **310 REGARDING RECONCILIATION DIRECTIVES.—**  
15 **(1) The side heading of section 310(a) of the**  
16 **Congressional Budget Act of 1974 (as amend-**  
17 **ed by section 105(a)) is further amended by in-**  
18 **serting “JOINT EXPLANATORY STATEMENT AC-**  
19 **COMPANYING CONFERENCE REPORT ON” before**  
20 **“JOINT”.**

21       **(2) Section 310(a) of such Act is amended**  
22 **by striking “A” and inserting “The joint ex-**  
23 **planatory statement accompanying the con-**  
24 **ference report on a”.**

1       **(3) The first sentence of section 310(b) of**  
2 **such Act is amended by striking “If” and in-**  
3 **serting “If the joint explanatory statement ac-**  
4 **companying the conference report on”.**

5       **(4) Section 310(c)(1) of such Act is amend-**  
6 **ed by inserting “the joint explanatory state-**  
7 **ment accompanying the conference report**  
8 **on” after “pursuant to”.**

9       **(5) Subsection (g) of section 310 of such**  
10 **Act is repealed.**

11       **(e) CONFORMING AMENDMENTS TO SECTION 3**  
12 **REGARDING DIRECT SPENDING.—Section 3 of**  
13 **the Congressional Budget and Impoundment**  
14 **Control Act of 1974 is amended by adding at**  
15 **the end the following new paragraph:**

16               **“(11) The term ‘direct spending’ has**  
17 **the meaning given to such term in sec-**  
18 **tion 250(c)(8) of the Balanced Budget and**  
19 **Emergency Deficit Control Act of 1985.”.**

20       **(f) TECHNICAL AMENDMENT REGARDING RE-**  
21 **vised SUBALLOCATIONS.—Section 314(d) of the**  
22 **Congressional Budget Act of 1974 is amended**  
23 **by—**

24               **(1) striking “REPORTING” in the side**  
25 **heading, by inserting “the chairmen of”**

1 before “the Committees”, and by striking  
2 “may report” and inserting “shall make  
3 and have published in the Congressional  
4 Record”; and

5 (2) adding at the end the following  
6 new sentence: “For purposes of consid-  
7 ering amendments (other than for  
8 amounts for emergencies covered by sub-  
9 section (b)(1)), suballocations shall be  
10 deemed to be so adjusted.”.

## 11 **TITLE II—RESERVE FUND FOR** 12 **EMERGENCIES**

### 13 **SEC. 201. PURPOSE.**

14 **The purposes of this title are to—**

15 (1) develop budgetary and fiscal pro-  
16 cedures for emergencies;

17 (2) subject spending for emergencies  
18 to budgetary procedures and controls;  
19 and

20 (3) establish criteria for determining  
21 compliance with emergency require-  
22 ments.

### 23 **SEC. 202. REPEAL OF ADJUSTMENTS FOR EMERGENCIES.**

24 (a) **DISCRETIONARY SPENDING LIMITS.—(1)**  
25 **Section 251(b)(2)(A) of the Balanced Budget**

1 and Emergency Deficit Control Act of 1985 is  
2 repealed.

3 (2) Such section 251(b)(2) is further  
4 amended by redesignating subparagraphs (B)  
5 through (G) as subparagraphs (A) through (F).

6 (b) DIRECT SPENDING.—Sections 252(e) and  
7 252(d)(4)(B) of the Balanced Budget and  
8 Emergency Deficit Control Act of 1985 are re-  
9 pealed.

10 (c) EMERGENCY DESIGNATION.—Clause 2 of  
11 rule XXI of the Rules of the House of Rep-  
12 resentatives is amended by repealing para-  
13 graph (e) and by redesignating paragraph (f)  
14 as paragraph (e).

15 (d) AMOUNT OF ADJUSTMENTS.—Section  
16 314(b) of the Congressional Budget Act of 1974  
17 is amended by striking paragraph (1) and by  
18 redesignating paragraphs (2) through (6) as  
19 paragraphs (1) through (5), respectively.

20 SEC. 203. OMB EMERGENCY CRITERIA.

21 Section 3 of the Congressional Budget and  
22 Impoundment Control Act of 1974 (as amend-  
23 ed by section 105(e)) is further amended by  
24 adding at the end the following new para-  
25 graph:

1           **“(12)(A) The term ‘emergency’ means**  
2           **a situation that—**

3                   **“(i) requires new budget author-**  
4                   **ity and outlays (or new budget au-**  
5                   **thority and the outlays flowing there-**  
6                   **from) for the prevention or mitiga-**  
7                   **tion of, or response to, loss of life or**  
8                   **property, or a threat to national secu-**  
9                   **rity; and**

10                   **“(ii) is unanticipated.**

11           **“(B) As used in subparagraph (A), the**  
12           **term ‘unanticipated’ means that the situ-**  
13           **ation is—**

14                   **“(i) sudden, which means quickly**  
15                   **coming into being or not building up**  
16                   **over time;**

17                   **“(ii) urgent, which means a press-**  
18                   **ing and compelling need requiring**  
19                   **immediate action;**

20                   **“(iii) unforeseen, which means**  
21                   **not predicted or anticipated as an**  
22                   **emerging need; and**

23                   **“(iv) temporary, which means not**  
24                   **of a permanent duration.”.**

1 SEC. 204. DEVELOPMENT OF GUIDELINES FOR APPLICA-  
2 TION OF EMERGENCY DEFINITION.

3 Not later than 5 months after the date of  
4 enactment of this Act, the chairmen of the  
5 Committees on the Budget (in consultation  
6 with the President) shall, after consulting  
7 with the chairmen of the Committees on Ap-  
8 propriations and applicable authorizing com-  
9 mittees of their respective Houses and the Di-  
10 rectors of the Congressional Budget Office  
11 and the Office of Management and Budget,  
12 jointly publish in the Congressional Record  
13 guidelines for application of the definition of  
14 emergency set forth in section 3(12) of the  
15 Congressional Budget and Impoundment Con-  
16 trol Act of 1974.

17 SEC. 205. RESERVE FUND FOR EMERGENCIES IN PRESI-  
18 DENT'S BUDGET.

19 Section 1105(f) of title 31, United States  
20 Code is amended by adding at the end the fol-  
21 lowing new sentences: "Such budget submis-  
22 sion shall also comply with the requirements  
23 of section 317(b) of the Congressional Budget  
24 Act of 1974 and, in the case of any budget au-  
25 thority requested for an emergency, such sub-  
26 mission shall include a detailed justification



1 of why such emergency is an emergency with-  
2 in the meaning of section 3(12) of the Congres-  
3 sional Budget Act of 1974.”.

4 SEC. 206. ADJUSTMENTS AND RESERVE FUND FOR EMER-  
5 GENCIES IN JOINT BUDGET RESOLUTIONS.

6 (a) EMERGENCIES.—Title III of the Congres-  
7 sional Budget Act of 1974 (as amended by sec-  
8 tion 104(c)) is further amended by adding at  
9 the end the following new section:

10 “EMERGENCIES

11 “SEC. 317. (a) ADJUSTMENTS.—

12 “(1) IN GENERAL.—After the reporting  
13 of a bill or joint resolution or the submis-  
14 sion of a conference report thereon that  
15 provides budget authority for any emer-  
16 gency as identified pursuant to sub-  
17 section (c), the Committee on the Budget  
18 of the House of Representatives or the  
19 Senate shall—

20 “(A) determine and certify, pursu-  
21 ant to the guidelines referred to in  
22 section 204 of the Comprehensive  
23 Budget Process Reform Act of 1999,  
24 the portion (if any) of the amount so  
25 specified that is for an emergency

1           **within the meaning of section 3(12);**  
2           **and**

3           **“(B) make the adjustment set**  
4           **forth in paragraph (2) for the amount**  
5           **of new budget authority (or outlays)**  
6           **in that measure and the outlays flow-**  
7           **ing from that budget authority.**

8           **“(2) MATTERS TO BE ADJUSTED.—The**  
9           **adjustments referred to in paragraph (1)**  
10          **are to be made to the allocations made**  
11          **pursuant to the appropriate joint resolu-**  
12          **tion on the budget (or concurrent resolu-**  
13          **tion on the budget, as the case may be)**  
14          **pursuant to section 302(a) and shall be in**  
15          **an amount not to exceed the amount re-**  
16          **served for emergencies pursuant to the**  
17          **requirements of subsection (b).**

18          **“(b) RESERVE FUND FOR EMERGENCIES.—**

19               **“(1) AMOUNTS.—The amount set forth**  
20               **in the reserve fund for emergencies for**  
21               **budget authority and outlays for a fiscal**  
22               **year pursuant to section 301(a)(4) shall**  
23               **equal—**

24                       **“(A) the average of the enacted**  
25                       **levels of budget authority for emer-**

1           **gencies in the 5 fiscal years preceding**  
2           **the current year; and**

3           **“(B) the average of the levels of**  
4           **outlays for emergencies in the 5 fiscal**  
5           **years preceding the current year**  
6           **flowing from the budget authority re-**  
7           **ferred to in subparagraph (A), but**  
8           **only in the fiscal year for which such**  
9           **budget authority first becomes avail-**  
10          **able for obligation.**

11          **“(2) AVERAGE LEVELS.—For purposes**  
12          **of paragraph (1), the amount used for a**  
13          **fiscal year to calculate the average of the**  
14          **enacted levels when one or more of such**  
15          **5 preceding fiscal years is any of fiscal**  
16          **years 1994 through 1998 is as follows: the**  
17          **amount of enacted levels of budget au-**  
18          **thority and the amount of new outlays**  
19          **flowing therefrom for emergencies, but**  
20          **only in the fiscal year for which such**  
21          **budget authority first becomes available**  
22          **for obligation for each of such 5 fiscal**  
23          **years, which shall be determined by the**  
24          **Committees on the Budget of the House**  
25          **of Representatives and the Senate after**

1 receipt of a report on such matter trans-  
2 mitted to such committees by the Direc-  
3 tor of the Congressional Budget Office 6  
4 months after the date of enactment of  
5 this section and thereafter in February of  
6 each calendar year.

7 “(c) COMMITTEE NOTIFICATION OF EMER-  
8 GENCY LEGISLATION.—Whenever any com-  
9 mittee of either House (including a committee  
10 of conference) reports any bill or joint resolu-  
11 tion that provides budget authority for any  
12 emergency, the report accompanying that bill  
13 or joint resolution (or the joint explanatory  
14 statement of managers in the case of a con-  
15 ference report on any such bill or joint resolu-  
16 tion) shall identify all provisions that provide  
17 budget authority and the outlays flowing  
18 therefrom for such emergency and include a  
19 statement of the reasons why such budget au-  
20 thority meets the definition of an emergency  
21 pursuant to the guidelines referred to in sec-  
22 tion 204 of the Comprehensive Budget Proc-  
23 ess Reform Act of 1999.”.

24 (b) CONFORMING AMENDMENT.—The table of  
25 contents set forth in section 1(b) of the Con-

1 **gressional Budget and Impoundment Control**  
2 **Act of 1974 is amended by inserting after the**  
3 **item relating to section 316 the following new**  
4 **item:**

“Sec. 317. Emergencies.”.

5 **SEC. 207. UP-TO-DATE TABULATIONS.**

6 **Section 308(b)(2) of the Congressional**  
7 **Budget Act of 1974 is amended by striking**  
8 **“and” at the end of subparagraph (B), by**  
9 **striking the period at the end of subpara-**  
10 **graph (C) and inserting “; and”, and by adding**  
11 **at the end the following new subparagraph:**

12 **“(D) shall include an up-to-date**  
13 **tabulation of amounts remaining in**  
14 **the reserve fund for emergencies.”.**

15 **SEC. 208. PROHIBITION ON AMENDMENTS TO EMERGENCY**  
16 **RESERVE FUND.**

17 **(a) POINT OF ORDER.—Section 305 of the**  
18 **Congressional Budget Act of 1974 (as amend-**  
19 **ed by section 103(c)) is further amended by**  
20 **adding at the end the following new sub-**  
21 **section:**

22 **“(f) POINT OF ORDER REGARDING EMER-**  
23 **GENCY RESERVE FUND.—It shall not be in order**  
24 **in the House of Representatives or in the Sen-**  
25 **ate to consider an amendment to a joint reso-**

1 lution on the budget (or concurrent resolu-  
2 tion on the budget, as the case may be) which  
3 changes the amount of budget authority and  
4 outlays set forth in section 301(a)(4) for emer-  
5 gency reserve fund.”.

6 (b) TECHNICAL AMENDMENT.—(1) Section  
7 904(c)(1) of the Congressional Budget Act of  
8 1974 is amended by inserting “305(e), 305(f),”  
9 after “305(c)(4),”.

10 (2) Section 904(d)(2) of the Congressional  
11 Budget Act of 1974 is amended by inserting  
12 “305(e), 305(f),” after “305(c)(4),”.

13 SEC. 209. EFFECTIVE DATE.

14 The amendments made by this title shall  
15 apply to fiscal year 2001 and subsequent fiscal  
16 years, but such amendments shall take effect  
17 only after the enactment of legislation chang-  
18 ing or extending for any fiscal year the budg-  
19 etary procedures set forth in sections 251 and  
20 252 of the Balanced Budget and Emergency  
21 Deficit Control Act of 1985.

## 22 TITLE III—ENFORCEMENT OF 23 BUDGETARY DECISIONS

24 SEC. 301. PURPOSES.

25 The purposes of this title are to—

1           (1) close loopholes in the enforcement  
2 of budget resolutions;

3           (2) require committees of the House  
4 of Representatives to include budget  
5 compliance statements in reports accom-  
6 panying all legislation; and

7           (3) require committees of the House  
8 of Representatives to justify the need for  
9 waivers of the Congressional Budget Act  
10 of 1974;

11           (4) provide cost estimates of con-  
12 ference reports.

### 13 **Subtitle A—Application of Points of** 14 **Order to Unreported Legislation**

#### 15 **SEC. 311. APPLICATION OF BUDGET ACT POINTS OF ORDER** 16 **TO UNREPORTED LEGISLATION.**

17           (a) Section 315 of the Congressional Budg-  
18 et Act of 1974 is amended by striking “re-  
19 ported” the first place it appears.

20           (b) Section 303(b) of the Congressional  
21 Budget Act of 1974 (as amended by section  
22 104(b)(1)) is further amended—

23           (1) in paragraph (1), by striking “(A)”  
24 and by redesignating subparagraph (B)  
25 as paragraph (2) and by striking the

1       semicolon at the end of such new para-  
2       graph (2) and inserting a period; and

3               (2) by striking paragraph (2) (as re-  
4       designated by such section 104(b)(1)).

5               **Subtitle B—Compliance with**  
6               **Budget Resolution**

7       SEC. 321. BUDGET COMPLIANCE STATEMENTS.

8               **Clause 3(d) of rule XIII of the Rules of the**  
9       **House of Representatives is amended by add-**  
10      **ing at the end the following new subpara-**  
11      **graph:**

12              “(4) A budget compliance statement  
13      prepared by the chairman of the Com-  
14      mittee on the Budget, if timely submitted  
15      prior to the filing of the report, which  
16      shall include assessment by such chair-  
17      man as to whether the bill or joint resolu-  
18      tion complies with the requirements of  
19      sections 302, 303, 306, 311, and 401 of the  
20      Congressional Budget Act of 1974 and  
21      may include the budgetary implications  
22      of that bill or joint resolution under sec-  
23      tion 251 or 252 of the Balanced Budget  
24      and Emergency Deficit Control Act of  
25      1985, as applicable.”.



1           **Subtitle C—Justification for**  
2                           **Budget Act Waivers**

3   **SEC. 331. JUSTIFICATION FOR BUDGET ACT WAIVERS IN**  
4                           **THE HOUSE OF REPRESENTATIVES.**

5           **Clause 6 of rule XIII of the Rules of the**  
6   **House of Representatives is amended by add-**  
7   **ing at the end the following new paragraph:**

8           **“(h) It shall not be in order to consider**  
9   **any resolution from the Committee on Rules**  
10 **for the consideration of any reported bill or**  
11 **joint resolution which waives section 302, 303,**  
12 **311, or 401 of the Congressional Budget Act of**  
13 **1974, unless the report accompanying such**  
14 **resolution includes a description of the provi-**  
15 **sion proposed to be waived, an identification**  
16 **of the section being waived, the reasons why**  
17 **such waiver should be granted, and an esti-**  
18 **mated cost of the provisions to which the**  
19 **waiver applies.”.**

20           **Subtitle D—CBO Scoring of**  
21                           **Conference Reports**

22   **SEC. 341. CBO SCORING OF CONFERENCE REPORTS.**

23           **(a) The first sentence of section 402 of the**  
24 **Congressional Budget Act of 1974 is amended**  
25 **as follows:**

1           (1) Insert “or conference report there-  
2           on,” before “and submit”.

3           (2) In paragraph (1), strike “bill or  
4           resolution” and insert “bill, joint resolu-  
5           tion, or conference report”.

6           (3) At the end of paragraph (2) strike  
7           “and”, at the end of paragraph (3) strike  
8           the period and insert “; and”, and after  
9           such paragraph (3) add the following new  
10          paragraph:

11          “(4) A determination of whether such  
12          bill, joint resolution, or conference report  
13          provides direct spending.”.

14          (b) The second sentence of section 402 of  
15          the Congressional Budget Act of 1974 is  
16          amended by inserting before the period the  
17          following: “, or in the case of a conference re-  
18          port, shall be included in the joint explana-  
19          tory statement of managers accompanying  
20          such conference report if timely submitted be-  
21          fore such report is filed”.

22           **TITLE IV—ACCOUNTABILITY**  
23           **FOR FEDERAL SPENDING**

24          SEC. 401. PURPOSES.

25          The purposes of this title are to—

1           **(1) require committees to develop a**  
2           **schedule for reauthorizing all programs**  
3           **within their jurisdictions;**

4           **(2) facilitate amendments to subject**  
5           **new entitlement programs to annual dis-**  
6           **cretionary appropriations;**

7           **(3) require the Committee on the**  
8           **Budget to justify any allocation to an au-**  
9           **thorizing committee for legislation that**  
10          **would not be subject to annual discre-**  
11          **tionary appropriation;**

12          **(4) provide estimates of the long-term**  
13          **impact of spending and tax legislation;**

14          **(5) provide a point of order for legis-**  
15          **lation creating a new direct spending**  
16          **program that does not expire within 10**  
17          **years; and**

18          **(6) require a vote in the House of**  
19          **Representatives on any measure that in-**  
20          **creases the statutory limit on the public**  
21          **debt.**

1     **Subtitle A—Limitations on Direct**  
2                     **Spending**

3     **SEC. 411. FIXED-YEAR AUTHORIZATIONS REQUIRED FOR**  
4                     **NEW PROGRAMS.**

5             **(a) IN GENERAL.—Section 401 of the Con-**  
6     **gressional Budget Act of 1974 is amended—**

7                     **(1) by striking subsections (a) and (b)**  
8             **and inserting the following new sub-**  
9             **section:**

10             **“(a) LIMITATION ON DIRECT SPENDING.—It**  
11     **shall not be in order in the House of Rep-**  
12     **resentatives or in the Senate to consider a bill**  
13     **or joint resolution, or an amendment, motion,**  
14     **or conference report that provides direct**  
15     **spending for a new program, unless such**  
16     **spending is limited to a period of 10 or fewer**  
17     **fiscal years.”;**

18                     **(2) by redesignating subsection (c) as**  
19             **subsection (b) and by striking “Sub-**  
20             **sections (a) and (b) each place it appears**  
21             **and inserting “Subsection (a)” in such re-**  
22             **designated subsection (b); and**

23                     **(3) by amending the section heading**  
24             **to read as follows:**

1     **“FIXED-YEAR AUTHORIZATIONS REQUIRED FOR**  
2                                   **DIRECT SPENDING”.**

3           **(b) CONFORMING AMENDMENT.—The item**  
4 **relating to section 401 in the table of contents**  
5 **set forth in section 1(b) of the Congressional**  
6 **Budget and Impoundment Control Act of 1974**  
7 **is amended to read as follows:**

**“Sec. 401. Fixed-year authorizations required for direct spend-**  
   **ing.”.**

8           **(c) LIMITATION ON AUTHORIZATION OF DIS-**  
9 **CRETIONARY APPROPRIATIONS.—Rule XXI of the**  
10 **Rules of the House of Representatives is**  
11 **amended by adding at the end the following**  
12 **new clause:**

13           **“6. It shall not be in order to consider any**  
14 **bill, joint resolution, amendment, or con-**  
15 **ference report that authorizes the appropria-**  
16 **tion of new budget authority (as defined in**  
17 **section 3(2)(C) of the Congressional Budget**  
18 **and Impoundment Control Act of 1974) for a**  
19 **new program, unless such authorization is**  
20 **specifically provided for a period of 10 or**  
21 **fewer fiscal years.”.**

1 SEC. 412. AMENDMENTS TO SUBJECT NEW DIRECT SPEND-  
2 ING TO ANNUAL APPROPRIATIONS.

3 (a) HOUSE PROCEDURES.—Clause 5 of rule  
4 XVIII of the Rules of the House of Representa-  
5 tives is amended by adding at the end the fol-  
6 lowing new paragraph:

7 “(c)(1) In the Committee of the Whole, an  
8 amendment only to subject a new program  
9 which provides direct spending to discre-  
10 tionary appropriations, if offered by the  
11 chairman of the Committee on the Budget (or  
12 his designee) or the chairman of the Com-  
13 mittee of Appropriations (or his designee),  
14 may be precluded from consideration only by  
15 the specific terms of a special order of the  
16 House. Any such amendment, if offered, shall  
17 be debatable for twenty minutes equally di-  
18 vided and controlled by the proponent of the  
19 amendment and a Member opposed and shall  
20 not be subject to amendment.

21 “(2) As used in subparagraph (1), the term  
22 ‘direct spending’ has the meaning given such  
23 term in section 3(11) of the Congressional  
24 Budget and Impoundment Control Act of  
25 1974.”.

1       **(b) ADJUSTMENT OF DISCRETIONARY SPEND-**  
2 **ING LIMITS FOR DISCRETIONARY APPROPRIA-**  
3 **TIONS OFFSET BY DIRECT SPENDING SAVINGS.—**

4           **(1) PURPOSE.—**The purpose of the  
5 amendments made by this subsection is  
6 to hold the discretionary spending limits  
7 and the allocations made to the Com-  
8 mittee on Appropriations under section  
9 302(a) of the Congressional Budget Act of  
10 1974 harmless for legislation that offsets  
11 a new discretionary program with a des-  
12 ignated reduction in direct spending.

13           **(2) DESIGNATING DIRECT SPENDING SAV-**  
14 **INGS IN AUTHORIZATION LEGISLATION FOR**  
15 **NEW DISCRETIONARY PROGRAMS.—**Section  
16 252 of the Balanced Budget and Emer-  
17 gency Deficit Control Act of 1985 (as  
18 amended by section 202) is further  
19 amended by adding at the end the fol-  
20 lowing new subsection:

21       **“(e) OFFSETS.—**If a provision of direct  
22 spending legislation is enacted that—

23           **“(1) decreases direct spending for any**  
24 **fiscal year; and**

1           “(2) is designated as an offset pursu-  
2           ant to this subsection and such designa-  
3           tion specifically identifies an authoriza-  
4           tion of discretionary appropriations (con-  
5           tained in such legislation) for a new pro-  
6           gram,  
7           then the reductions in new budget authority  
8           and outlays in all fiscal years resulting from  
9           that provision shall be designated as an offset  
10          in the reports required under subsection (d).”.

11           (3) EXEMPTING SUCH DESIGNATED DI-  
12          RECT SPENDING SAVINGS FROM PAYGO  
13          SCORECARD.—Section 252(d)(4) of the Bal-  
14          anced Budget and Emergency Deficit  
15          Control Act of 1985 (as amended by sec-  
16          tion 202(b)) is further amended by adding  
17          at the end the following new subpara-  
18          graph:

19                   “(B) offset provisions as des-  
20                   ignated under subsection (e).”.

21           (4) ADJUSTMENT IN DISCRETIONARY  
22          SPENDING LIMITS.—Section 251(b)(2) of the  
23          Balanced Budget and Emergency Deficit  
24          Control Act of 1985 (as amended by sec-  
25          tion 202(a)(2)) is further amended by add-



1       **ing at the end the following new subpara-**  
2       **graph:**

3               **“(G) DISCRETIONARY AUTHORIZA-**  
4               **TION OFFSETS.—If an Act other than an**  
5               **appropriation Act includes any provi-**  
6               **sion reducing direct spending and**  
7               **specifically identifies any such provi-**  
8               **sion as an offset pursuant to section**  
9               **252(e), the adjustments shall be an in-**  
10              **crease in the discretionary spending**  
11              **limits for budget authority and out-**  
12              **lays in each fiscal year equal to the**  
13              **amount of the budget authority and**  
14              **outlay reductions, respectively,**  
15              **achieved by the specified offset in**  
16              **that fiscal year, except that the ad-**  
17              **justments for the budget year in**  
18              **which the offsetting provision takes**  
19              **effect shall not exceed the amount of**  
20              **discretionary new budget authority**  
21              **provided for the new program (au-**  
22              **thorized in that Act) in an Act mak-**  
23              **ing discretionary appropriations and**  
24              **the outlays flowing therefrom.”.**

1           **(5) ADJUSTMENT IN APPROPRIATION**  
2           **COMMITTEE’S ALLOCATIONS.—Section 314(b)**  
3           **of the Congressional Budget Act of 1974**  
4           **(as amended by section 202(d)) is further**  
5           **amended by striking “; or” at the end of**  
6           **paragraph (4), by striking the period and**  
7           **inserting “; or” at the end of paragraph**  
8           **(5), and by adding at the end the fol-**  
9           **lowing new paragraph:**

10           **“(6) the amount provided in an Act**  
11           **making discretionary appropriations for**  
12           **the program for which an offset was des-**  
13           **ignated pursuant to section 252(e) of the**  
14           **Balanced Budget and Emergency Deficit**  
15           **Control Act of 1985 and any outlays flow-**  
16           **ing therefrom, but not to exceed the**  
17           **amount of the designated decrease in di-**  
18           **rect spending for that year for that pro-**  
19           **gram in a prior law.”.**

20           **(6) ADJUSTMENT IN AUTHORIZING COM-**  
21           **MITTEE’S ALLOCATIONS.—Section 314 of the**  
22           **Congressional Budget Act of 1974 is**  
23           **amended by adding at the end the fol-**  
24           **lowing new subsection:**

1       “(f) **ADJUSTMENT IN AUTHORIZING COMMIT-**  
2 **TEE’S ALLOCATIONS BY AMOUNT OF DIRECT**  
3 **SPENDING OFFSET.**—After the reporting of a  
4 bill or joint resolution (by a committee other  
5 than the Committee on Appropriations), or  
6 the offering of an amendment thereto or the  
7 submission of a conference report thereon,  
8 that contains a provision that decreases di-  
9 rect spending for any fiscal year and that is  
10 designated as an offset pursuant to section  
11 252(e) of the Balanced Budget and Emergency  
12 Deficit Control Act of 1985, the chairman of  
13 the Committee on the Budget shall reduce the  
14 allocations of new budget authority and out-  
15 lays made to such committee under section  
16 302(a)(1) by the amount so designated.”.

17 **Subtitle B—Enhanced Congressional Oversight Responsibilities**  
18  
19

20 **SEC. 421. TEN-YEAR CONGRESSIONAL REVIEW REQUIRE-**  
21 **MENT OF PERMANENT BUDGET AUTHORITY.**

22       **(a) TIMETABLE FOR REVIEW.**—Clause 2(d)(1)  
23 of rule X of the Rules of the House of Rep-  
24 resentatives is amended by striking subdivi-

1 sions (B) and (C) and inserting the following  
2 new subdivision:

3           “(B) provide in its plans a specific  
4 timetable for its review of those laws,  
5 programs, or agencies within its jurisdic-  
6 tion, including those that operate under  
7 permanent budget authority or perma-  
8 nent statutory authority and such time-  
9 table shall demonstrate that each law,  
10 program, or agency within the commit-  
11 tee’s jurisdiction will be reauthorized at  
12 least once every ten years.”.

13           (b) REVIEW OF PERMANENT BUDGET AU-  
14 THORITY BY THE COMMITTEE ON APPROPRIA-  
15 TIONS.—Clause 4(a) of rule X of the Rules of  
16 the House of Representatives is amended—

17                   (1) by striking subparagraph (2); and

18                   (2) by redesignating subparagraphs  
19 (3) and (4) as subparagraphs (2) and (3)  
20 and by striking “from time to time” and  
21 inserting “at least once each Congress” in  
22 subparagraph (2) (as redesignated).

23           (c) CONFORMING AMENDMENT.—Clause  
24 4(e)(2) of rule X of the Rules of the House of  
25 Representatives is amended by striking “from

1 **time to time” and inserting “at least once**  
2 **every ten years”.**

3 **SEC. 422. JUSTIFICATIONS OF DIRECT SPENDING.**

4 **(a) SECTION 302 ALLOCATIONS.—Section**  
5 **302(a) of the Congressional Budget Act of 1974**  
6 **(as amended by section 104(a)) is further**  
7 **amended by adding at the end the following**  
8 **new paragraph:**

9 **“(5) JUSTIFICATION OF CERTAIN SPEND-**  
10 **ING ALLOCATIONS.—The joint explanatory**  
11 **statement accompanying a conference re-**  
12 **port on a joint resolution on the budget**  
13 **that includes any allocation to a com-**  
14 **mittee (other than the Committee on Ap-**  
15 **propriations) of levels in excess of cur-**  
16 **rent law levels shall set forth a justifica-**  
17 **tion for not subjecting any program,**  
18 **project, or activity (for which the alloca-**  
19 **tion is made) to annual discretionary ap-**  
20 **propriation.”.**

21 **(b) PRESIDENTS’ BUDGET SUBMISSIONS.—**  
22 **Section 1105(a) of title 31, United States Code,**  
23 **is amended by adding at the end the following**  
24 **new paragraph:**

1           **“(33) a justification for not subjecting**  
2           **each new program, project, or activity to**  
3           **discretionary appropriations.”.**

4           **(c) COMMITTEE JUSTIFICATION FOR DIRECT**  
5           **SPENDING.—Clause 4(e)(2) of rule X of the**  
6           **Rules of the House of Representatives is**  
7           **amended by inserting before the period the**  
8           **following: “, and will provide specific informa-**  
9           **tion in any report accompanying such bills**  
10           **and joint resolutions to the greatest extent**  
11           **practicable to justify why the programs,**  
12           **projects, and activities involved would not be**  
13           **subject to annual appropriation”.**

14           **SEC. 423. SURVEY OF ACTIVITY REPORTS OF HOUSE COM-**  
15           **MITTEES.**

16           **Clause 1(d) of rule XI of the Rules of the**  
17           **House of Representatives is amended by re-**  
18           **designating paragraph (4) as paragraph (5)**  
19           **and by inserting after paragraph (3) the fol-**  
20           **lowing new paragraph:**

21           **“(4) Such report shall include a summary**  
22           **of and justifications for all bills and joint res-**  
23           **olutions reported by such committee that—**

24           **“(A) were considered before the adop-**  
25           **tion of the appropriate budget resolution**

1       **and did not fall within an exception set**  
2       **forth in section 303(b) of the Congres-**  
3       **sional Budget Act of 1974;**

4               **“(B) exceeded its allocation under**  
5       **section 302(a) of such Act or breached an**  
6       **aggregate level in violation of section 311**  
7       **of such Act; or**

8               **“(C) contained provisions in violation**  
9       **of section 401(a) of such Act pertaining to**  
10       **indefinite direct spending authority.**

11 **Such report shall also specify the total**  
12 **amount by which legislation reported by that**  
13 **committee exceeded its allocation under sec-**  
14 **tion 302(a) or breached the revenue floor**  
15 **under section 311(a) of such Act for each fis-**  
16 **cal year during that Congress.”.**

17 **SEC. 424. CONTINUING STUDY OF ADDITIONAL BUDGET**  
18               **PROCESS REFORMS.**

19       **Section 703 of the Congressional Budget**  
20 **Act of 1974 is amended as follows:**

21               **(1) In subsection (a), strike “and” at**  
22       **the end of paragraph (3), strike the pe-**  
23       **riod at the end of paragraph (4) and in-**  
24       **sert “; and”, and at the end add the fol-**  
25       **lowing new paragraph:**

1           **“(5) evaluating whether existing pro-**  
2           **grams, projects, and activities should be**  
3           **subject to discretionary appropriations**  
4           **and establishing guidelines for subjecting**  
5           **new or expanded programs, projects, and**  
6           **activities to annual appropriation and**  
7           **recommend any necessary changes in**  
8           **statutory enforcement mechanisms and**  
9           **scoring conventions to effectuate such**  
10          **changes.”.**

11           **(2) In subsection (b), strike “from**  
12          **time to time” and insert “during the One**  
13          **Hundred Sixth Congress”.**

14          **SEC. 425. GAO REPORTS.**

15           **The last sentence of section 404 of the**  
16          **Congressional Budget Act of 1974 is amended**  
17          **to read as follows: “Such report shall be re-**  
18          **vised at least once every five years and shall**  
19          **be transmitted to the chairman and ranking**  
20          **minority member of each committee of the**  
21          **House of Representatives and the Senate.”.**



1           **Subtitle C—Strengthened**  
2                           **Accountability**

3   **SEC. 431. TEN-YEAR CBO ESTIMATES.**

4           **(a) CBO REPORTS ON LEGISLATION.—Sec-**  
5   **tion 308(a)(1)(B) of the Congressional Budget**  
6   **Act of 1974 is amended by striking “four” and**  
7   **inserting “nine”.**

8           **(b) ANALYSIS BY CBO.—Section 402(1) of**  
9   **the Congressional Budget Act of 1974 is**  
10   **amended by striking “4” and inserting “nine”.**

11           **(c) COST ESTIMATES.—Clause 3(d)(2)(A) of**  
12   **rule XIII of the Rules of the House of Rep-**  
13   **resentatives is amended by striking “five”**  
14   **each place it appears and inserting “10”.**

15   **SEC. 432. REPEAL OF RULE XXIII OF THE RULES OF THE**  
16                           **HOUSE OF REPRESENTATIVES.**

17           **Rule XXIII of the Rules of the House of**  
18   **Representatives (relating to the establish-**  
19   **ment of the statutory limit on the public debt)**  
20   **is repealed.**

1 **TITLE V—BUDGETING FOR UN-**  
2 **FUNDED LIABILITIES AND**  
3 **OTHER LONG-TERM OBLIGA-**  
4 **TIONS**

5 **SEC. 501. PURPOSES.**

6 **The purposes of this title are to—**

7 **(1) budget for the long-term costs of**  
8 **Federal insurance programs;**

9 **(2) improve congressional control of**  
10 **those costs; and**

11 **(3) periodically report on long-term**  
12 **budgetary trends.**

13 **Subtitle A—Budgetary Treatment**  
14 **of Federal Insurance Programs**

15 **SEC. 511. FEDERAL INSURANCE PROGRAMS.**

16 **(a) IN GENERAL.—The Congressional Budg-**  
17 **et Act of 1974 is amended by adding after title**  
18 **V the following new title:**

19 **“TITLE VI—BUDGETARY TREAT-**  
20 **MENT OF FEDERAL INSUR-**  
21 **ANCE PROGRAMS**

22 **“SEC. 601. SHORT TITLE.**

23 **“This title may be cited as the ‘Federal In-**  
24 **surance Budgeting Act of 1999’.**

1 **“SEC. 602. BUDGETARY TREATMENT.**

2 **“(a) PRESIDENT’S BUDGET.—Beginning with**  
3 **fiscal year 2006, the budget of the Govern-**  
4 **ment pursuant to section 1105(a) of title 31,**  
5 **United States Code, shall be based on the risk-**  
6 **assumed cost of Federal insurance programs.**

7 **“(b) BUDGET ACCOUNTING.—For any Fed-**  
8 **eral insurance program—**

9 **“(1) the program account shall—**

10 **“(A) pay the risk-assumed cost**  
11 **borne by the taxpayer to the financ-**  
12 **ing account, and**

13 **“(B) pay actual insurance pro-**  
14 **gram administrative costs;**

15 **“(2) the financing account shall—**

16 **“(A) receive premiums and other**  
17 **income,**

18 **“(B) pay all claims for insurance**  
19 **and receive all recoveries,**

20 **“(C) transfer to the program ac-**  
21 **count on not less than an annual**  
22 **basis amounts necessary to pay insur-**  
23 **ance program administrative costs;**

24 **“(3) a negative risk-assumed cost**  
25 **shall be transferred from the financing**  
26 **account to the program account, and**

1 shall be transferred from the program ac-  
2 count to the general fund; and

3 “(4) all payments by or receipts of the  
4 financing accounts shall be treated in the  
5 budget as a means of financing.

6 “(c) APPROPRIATIONS REQUIRED.—(1) Not-  
7 withstanding any other provision of law, in-  
8 surance commitments may be made for fiscal  
9 year 2006 and thereafter only to the extent  
10 that new budget authority to cover their risk-  
11 assumed cost is provided in advance in an ap-  
12 propriation Act.

13 “(2) An outstanding insurance commit-  
14 ment shall not be modified in a manner that  
15 increases its risk-assumed cost unless budget  
16 authority for the additional cost has been pro-  
17 vided in advance.

18 “(3) Paragraph (1) shall not apply to Fed-  
19 eral insurance programs that constitute enti-  
20 tlements.

21 “(d) REESTIMATES.—The risk-assumed cost  
22 for a fiscal year shall be reestimated in each  
23 subsequent year. Such reestimate can equal  
24 zero. In the case of a positive reestimate, the  
25 amount of the reestimate shall be paid from

1 the program account to the financing ac-  
2 count. In the case of a negative reestimate,  
3 the amount of the reestimate shall be paid  
4 from the financing account to the program ac-  
5 count, and shall be transferred from the pro-  
6 gram account to the general fund. Reesti-  
7 mates shall be displayed as a distinct and sep-  
8 arately identified subaccount in the program  
9 account.

10 “(e) ADMINISTRATIVE EXPENSES.—All fund-  
11 ing for an agency’s administration of a Fed-  
12 eral insurance program shall be displayed as  
13 a distinct and separately identified sub-  
14 account in the program account.

15 “SEC. 603. TIMETABLE FOR IMPLEMENTATION OF ACCRUAL  
16 BUDGETING FOR FEDERAL INSURANCE PRO-  
17 GRAMS.

18 “(a) AGENCY REQUIREMENTS.—Agencies  
19 with responsibility for Federal insurance pro-  
20 grams shall develop models to estimate their  
21 risk-assumed cost by year through the budget  
22 horizon and shall submit those models, all rel-  
23 evant data, a justification for critical assump-  
24 tions, and the annual projected risk-assumed  
25 costs to OMB with their budget requests each

1 year starting with the request for fiscal year  
2 2002. Agencies will likewise provide OMB  
3 with annual estimates of modifications, if any,  
4 and reestimates of program costs.

5       “(b) DISCLOSURE.—When the President  
6 submits a budget of the Government pursuant  
7 to section 1105(a) of title 31, United States  
8 Code, for fiscal year 2002, OMB shall publish  
9 a notice in the Federal Register advising in-  
10 terested persons of the availability of infor-  
11 mation describing the models, data (including  
12 sources), and critical assumptions (including  
13 explicit or implicit discount rate assump-  
14 tions) that it or other executive branch enti-  
15 ties would use to estimate the risk-assumed  
16 cost of Federal insurance programs and giv-  
17 ing such persons an opportunity to submit  
18 comments. At the same time, the chairman of  
19 the Committee on the Budget shall publish a  
20 notice for CBO in the Federal Register advis-  
21 ing interested persons of the availability of in-  
22 formation describing the models, data (in-  
23 cluding sources), and critical assumptions (in-  
24 cluding explicit or implicit discount rate as-  
25 sumptions) that it would use to estimate the

1 **risk-assumed cost of Federal insurance pro-**  
2 **grams and giving such interested persons an**  
3 **opportunity to submit comments.**

4 **“(c) REVISION.—(1) After consideration of**  
5 **comments pursuant to subsection (b), and in**  
6 **consultation with the Committees on the**  
7 **Budget of the House of Representatives and**  
8 **the Senate, OMB and CBO shall revise the**  
9 **models, data, and major assumptions they**  
10 **would use to estimate the risk-assumed cost**  
11 **of Federal insurance programs.**

12 **“(2) When the President submits a budget**  
13 **of the Government pursuant to section**  
14 **1105(a) of title 31, United States Code, for fis-**  
15 **cal year 2003, OMB shall publish a notice in**  
16 **the Federal Register advising interested per-**  
17 **sons of the availability of information describ-**  
18 **ing the models, data (including sources), and**  
19 **critical assumptions (including explicit or im-**  
20 **plicit discount rate assumptions) that it or**  
21 **other executive branch entities used to esti-**  
22 **mate the risk-assumed cost of Federal insur-**  
23 **ance programs.**

24 **“(d) DISPLAY.—**

1           **“(1) IN GENERAL.—For fiscal years**  
2           **2003, 2004, and 2005 the budget submis-**  
3           **sions of the President pursuant to section**  
4           **1105(a) of title 31, United States Code,**  
5           **and CBO’s reports on the economic and**  
6           **budget outlook pursuant to section**  
7           **202(e)(1) and the President’s budgets,**  
8           **shall for display purposes only, estimate**  
9           **the risk-assumed cost of existing or pro-**  
10          **posed Federal insurance programs.**

11          **“(2) OMB.—The display in the budget**  
12          **submissions of the President for fiscal**  
13          **years 2003, 2004, and 2005 shall include—**

14               **“(A) a presentation for each Fed-**  
15               **eral insurance program in budget-ac-**  
16               **count level detail of estimates of risk-**  
17               **assumed cost;**

18               **“(B) a summary table of the risk-**  
19               **assumed costs of Federal insurance**  
20               **programs; and**

21               **“(C) an alternate summary table**  
22               **of budget functions and aggregates**  
23               **using risk-assumed rather than cash-**  
24               **based cost estimates for Federal in-**  
25               **surance programs.**



1           **“(3) CBO.—In the second session of**  
2           **the 107th Congress and the 108th Con-**  
3           **gress, CBO shall include in its estimates**  
4           **under section 308, for display purposes**  
5           **only, the risk-assumed cost of existing**  
6           **Federal insurance programs, or legisla-**  
7           **tion that CBO, in consultation with the**  
8           **Committees on the Budget of the House**  
9           **of Representatives and the Senate, deter-**  
10          **mines would create a new Federal insur-**  
11          **ance program.**

12          **“(e) OMB, CBO, AND GAO EVALUATIONS.—**

13         **(1) Not later than 6 months after the budget**  
14         **submission of the President pursuant to sec-**  
15         **tion 1105(a) of title 31, United States Code, for**  
16         **fiscal year 2005, OMB, CBO, and GAO shall**  
17         **each submit to the Committees on the Budget**  
18         **of the House of Representatives and the Sen-**  
19         **ate a report that evaluates the advisability**  
20         **and appropriate implementation of this title.**

21           **“(2) Each report made pursuant to para-**  
22         **graph (1) shall address the following:**

23           **“(A) The adequacy of risk-assumed es-**  
24         **timation models used and alternative**  
25         **modeling methods.**

1           **“(B) The availability and reliability of**  
2 **data or information necessary to carry**  
3 **out this title.**

4           **“(C) The appropriateness of the ex-**  
5 **PLICIT or implicit discount rate used in**  
6 **the various risk-assumed estimation mod-**  
7 **els.**

8           **“(D) The advisability of specifying a**  
9 **statutory discount rate (such as the**  
10 **Treasury rate) for use in risk-assumed es-**  
11 **timation models.**

12           **“(E) The ability of OMB, CBO, or**  
13 **GAO, as applicable, to secure any data or**  
14 **information directly from any Federal**  
15 **agency necessary to enable it to carry out**  
16 **this title.**

17           **“(F) The relationship between risk-as-**  
18 **sumed accrual budgeting for Federal in-**  
19 **surance programs and the specific re-**  
20 **quirements of the Balanced Budget and**  
21 **Emergency Deficit Control Act of 1985.**

22           **“(G) Whether Federal budgeting is**  
23 **improved by the inclusion of risk-as-**  
24 **sumed cost estimates for Federal insur-**  
25 **ance programs.**

1           **“(H) The advisability of including**  
2           **each of the programs currently estimated**  
3           **on a risk-assumed cost basis in the Fed-**  
4           **eral budget on that basis.**

5 **“SEC. 604. DEFINITIONS.**

6           **“For purposes of this title:**

7           **“(1) The term ‘Federal insurance pro-**  
8           **gram’ means a program that makes insur-**  
9           **ance commitments and includes the list**  
10          **of such programs included in the joint ex-**  
11          **planatory statement of managers accom-**  
12          **panying the conference report on the**  
13          **Comprehensive Budget Process Reform**  
14          **Act of 1999.**

15          **“(2) The term ‘insurance commitment’**  
16          **means an agreement in advance by a**  
17          **Federal agency to indemnify a nonfederal**  
18          **entity against specified losses. This term**  
19          **does not include loan guarantees as de-**  
20          **finied in title V or benefit programs such**  
21          **as social security, medicare, and similar**  
22          **existing social insurance programs.**

23          **“(3)(A) The term ‘risk-assumed cost’**  
24          **means the net present value of the esti-**  
25          **mated cash flows to and from the Govern-**

1       **ment resulting from an insurance com-**  
2       **mitment or modification thereof.**

3           **“(B) The cash flows associated with**  
4       **an insurance commitment include—**

5           **“(i) expected claims payments in-**  
6       **herent in the Government’s commit-**  
7       **ment;**

8           **“(ii) net premiums (expected pre-**  
9       **mium collections received from or on**  
10       **behalf of the insured less expected**  
11       **administrative expenses);**

12           **“(iii) expected recoveries; and**

13           **“(iv) expected changes in claims,**  
14       **premiums, or recoveries resulting**  
15       **from the exercise by the insured of**  
16       **any option included in the insurance**  
17       **commitment.**

18           **“(C) The cost of a modification is the**  
19       **difference between the current estimate**  
20       **of the net present value of the remaining**  
21       **cash flows under the terms of the insur-**  
22       **ance commitment, and the current esti-**  
23       **mate of the net present value of the re-**  
24       **maining cash flows under the terms of**  
25       **the insurance commitment as modified.**

1           **“(D) The cost of a reestimate is the**  
2           **difference between the net present value**  
3           **of the amount currently required by the**  
4           **financing account to pay estimated**  
5           **claims and other expenditures and the**  
6           **amount currently available in the financ-**  
7           **ing account. The cost of a reestimate**  
8           **shall be accounted for in the current year**  
9           **in the budget of the Government pursu-**  
10          **ant to section 1105(a) of title 31, United**  
11          **States Code.**

12          **“(E) For purposes of this definition,**  
13          **expected administrative expenses shall**  
14          **be construed as the amount estimated to**  
15          **be necessary for the proper administra-**  
16          **tion of the insurance program. This**  
17          **amount may differ from amounts actually**  
18          **appropriated or otherwise made avail-**  
19          **able for the administration of the pro-**  
20          **gram.**

21          **“(4) The term ‘program account’**  
22          **means the budget account for the risk-as-**  
23          **sumed cost, and for paying all costs of ad-**  
24          **ministering the insurance program, and**  
25          **is the account from which the risk-as-**

1       sumed cost is disbursed to the financing  
2       account.

3           “(5) The term ‘financing account’  
4       means the nonbudget account that is as-  
5       sociated with each program account  
6       which receives payments from or makes  
7       payments to the program account, re-  
8       ceives premiums and other payments  
9       from the public, pays insurance claims,  
10      and holds balances.

11          “(6) The term ‘modification’ means  
12      any Government action that alters the  
13      risk-assumed cost of an existing insur-  
14      ance commitment from the current esti-  
15      mate of cash flows. This includes any ac-  
16      tion resulting from new legislation, or  
17      from the exercise of administrative dis-  
18      cretion under existing law, that directly  
19      or indirectly alters the estimated cost of  
20      existing insurance commitments.

21          “(7) The term ‘model’ means any actu-  
22      arial, financial, econometric, prob-  
23      abilistic, or other methodology used to es-  
24      timate the expected frequency and mag-  
25      nitude of loss-producing events, expected

1        **premiums or collections from or on be-**  
2        **half of the insured, expected recoveries,**  
3        **and administrative expenses.**

4            **“(8) The term ‘current’ has the same**  
5        **meaning as in section 250(c)(9) of the Bal-**  
6        **anced Budget and Emergency Deficit**  
7        **Control Act of 1985.**

8            **“(9) The term ‘OMB’ means the Direc-**  
9        **tor of the Office of Management and**  
10       **Budget.**

11           **“(10) The term ‘CBO’ means the Direc-**  
12       **tor of the Congressional Budget Office.**

13           **“(11) The term ‘GAO’ means the**  
14       **Comptroller General of the United States.**

15       **“SEC. 605. AUTHORIZATIONS TO ENTER INTO CONTRACTS;**

16                            **ACTUARIAL COST ACCOUNT.**

17           **“(a) AUTHORIZATION OF APPROPRIATIONS.—**

18       **There is authorized to be appropriated**  
19       **\$600,000 for each of fiscal years 2000 through**  
20       **2005 to the Director of the Office of Manage-**  
21       **ment and Budget and each agency respon-**  
22       **sible for administering a Federal program to**  
23       **carry out this title.**

24           **“(b) TREASURY TRANSACTIONS WITH THE FI-**  
25       **NANCING ACCOUNTS.—The Secretary of the**

1 Treasury shall borrow from, receive from,  
2 lend to, or pay the insurance financing ac-  
3 counts such amounts as may be appropriate.  
4 The Secretary of the Treasury may prescribe  
5 forms and denominations, maturities, and  
6 terms and conditions for the transactions de-  
7 scribed above. The authorities described  
8 above shall not be construed to supersede or  
9 override the authority of the head of a Fed-  
10 eral agency to administer and operate an in-  
11 surance program. All the transactions pro-  
12 vided in this subsection shall be subject to the  
13 provisions of subchapter II of chapter 15 of  
14 title 31, United States Code. Cash balances of  
15 the financing accounts in excess of current re-  
16 quirements shall be maintained in a form of  
17 uninvested funds, and the Secretary of the  
18 Treasury shall pay interest on these funds.

19       “(c) APPROPRIATION OF AMOUNT NECESSARY  
20 TO COVER RISK-ASSUMED COST OF INSURANCE  
21 COMMITMENTS AT TRANSITION DATE.—(1) A fi-  
22 nancing account is established on September  
23 30, 2005, for each Federal insurance program.

24       “(2) There is appropriated to each financ-  
25 ing account the amount of the risk-assumed



1 **cost of Federal insurance commitments out-**  
2 **standing for that program as of the close of**  
3 **September 30, 2005.**

4 **“(3) These financing accounts shall be**  
5 **used in implementing the budget accounting**  
6 **required by this title.**

7 **“SEC. 606. EFFECTIVE DATE.**

8 **“(a) IN GENERAL.—This title shall take ef-**  
9 **fect immediately and shall expire on Sep-**  
10 **tember 30, 2007.**

11 **“(b) SPECIAL RULE.—If this title is not re-**  
12 **authorized by September 30, 2007, then the**  
13 **accounting structure and budgetary treat-**  
14 **ment of Federal insurance programs shall re-**  
15 **vert to the accounting structure and budg-**  
16 **etary treatment in effect immediately before**  
17 **the date of enactment of this title.”.**

18 **(b) CONFORMING AMENDMENT.—The table of**  
19 **contents set forth in section 1(b) of the Con-**  
20 **gressional Budget and Impoundment Control**  
21 **Act of 1974 is amended by inserting after the**  
22 **item relating to section 507 the following new**  
23 **items:**

**“TITLE VI—BUDGETARY TREATMENT OF FEDERAL  
INSURANCE PROGRAMS**

**“Sec. 601. Short title.**

**“Sec. 602. Budgetary treatment.**

“Sec. 603. Timetable for implementation of accrual budgeting for Federal insurance programs.

“Sec. 604. Definitions.

“Sec. 605. Authorizations to enter into contracts; actuarial cost account.

“Sec. 606. Effective date.”.

1 **Subtitle B—Reports on Long-Term**  
2 **Budgetary Trends**

3 **SEC. 521. REPORTS ON LONG-TERM BUDGETARY TRENDS.**

4 **(a) THE PRESIDENT’S BUDGET.—Section**  
5 **1105(a) of title 31, United States Code (as**  
6 **amended by section 404), is further amended**  
7 **by adding at the end the following new para-**  
8 **graph:**

9 **“(34) an analysis based upon current**  
10 **law and an analysis based upon the pol-**  
11 **icy assumptions underlying the budget**  
12 **submission for every fifth year of the pe-**  
13 **riod of 75 fiscal years beginning with**  
14 **such fiscal year, of the estimated levels of**  
15 **total new budget authority and total**  
16 **budget outlays, estimated revenues, esti-**  
17 **mated surpluses and deficits, and, for so-**  
18 **cial security, medicare, medicaid, and all**  
19 **other direct spending, estimated levels of**  
20 **total new budget authority and total**  
21 **budget outlays; and a specification of its**  
22 **underlying assumptions and a sensitivity**

1        **analysis of factors that have a significant**  
2        **effect on the projections made in each**  
3        **analysis; and a comparison of the effects**  
4        **of each of the two analyses on the econ-**  
5        **omy, including such factors as inflation,**  
6        **foreign investment, interest rates, and**  
7        **economic growth.”.**

8        **(b) CBO REPORTS.—Section 202(e)(1) of the**  
9        **Congressional Budget Act of 1974 is amended**  
10       **by adding at the end the following new sen-**  
11       **tences: “Such report shall also include an**  
12       **analysis based upon current law for every**  
13       **fifth year of the period of 75 fiscal years be-**  
14       **ginning with such fiscal year, of the estimated**  
15       **levels of total new budget authority and total**  
16       **budget outlays, estimated revenues, estimated**  
17       **surpluses and deficits, and, for social security,**  
18       **medicare, medicaid, and all other direct**  
19       **spending, estimated levels of total new budget**  
20       **authority and total budget outlays. The report**  
21       **described in the preceding sentence shall also**  
22       **specify its underlying assumptions and set**  
23       **forth a sensitivity analysis of factors that**  
24       **have a significant effect on the projections**  
25       **made in the report.”.**

1       **TITLE VI—BASELINES, BYRD**  
2               **RULE, AND LOCK-BOX**

3   **SEC. 601. PURPOSE.**

4   **The purposes of this title are to—**

5               **(1) require budgetary comparisons to**  
6               **prior year levels;**

7               **(2) restrict the application of the**  
8               **Byrd rule to measures other than con-**  
9               **ference reports; and**

10              **(3) establish a procedure to allow sav-**  
11              **ings from spending cuts in appropriation**  
12              **measures to be locked-in to increase the**  
13              **surplus or reduce the deficit.**

14              **Subtitle A—The Baseline**

15   **SEC. 611. THE PRESIDENT'S BUDGET.**

16              **(a) Paragraph (5) of section 1105(a) of title**  
17              **31, United States Code, is amended to read as**  
18              **follows:**

19                      **“(5) except as provided in subsection**  
20                      **(b) of this section, estimated expendi-**  
21                      **tures and appropriations for the current**  
22                      **year and estimated expenditures and pro-**  
23                      **posed appropriations the President de-**  
24                      **cides are necessary to support the Gov-**  
25                      **ernment in the fiscal year for which the**

1       **budget is submitted and the 4 fiscal years**  
2       **following that year, and, except for de-**  
3       **tailed budget estimates, the percentage**  
4       **change from the current year to the fiscal**  
5       **year for which the budget is submitted**  
6       **for estimated expenditures and for ap-**  
7       **propriations.”.**

8       **(b) Section 1105(a)(6) of title 31, United**  
9       **States Code, is amended to read as follows:**

10           **“(6) estimated receipts of the Govern-**  
11           **ment in the current year and the fiscal**  
12           **year for which the budget is submitted**  
13           **and the 4 fiscal years after that year**  
14           **under—**

15                   **“(A) laws in effect when the budg-**  
16                   **et is submitted; and**

17                   **“(B) proposals in the budget to in-**  
18                   **crease revenues,**

19           **and the percentage change (in the case of**  
20           **each category referred to in subpara-**  
21           **graphs (A) and (B)) between the current**  
22           **year and the fiscal year for which the**  
23           **budget is submitted and between the cur-**  
24           **rent year and each of the 9 fiscal years**

1       **after the fiscal year for which the budget**  
2       **is submitted.”.**

3       **(c) Section 1105(a)(12) of title 31, United**  
4       **States Code, is amended to read as follows:**

5               **“(12) for each proposal in the budget**  
6       **for legislation that would establish or ex-**  
7       **pand a Government activity or function,**  
8       **a table showing—**

9               **“(A) the amount proposed in the**  
10       **budget for appropriation and for ex-**  
11       **penditure because of the proposal in**  
12       **the fiscal year for which the budget is**  
13       **submitted;**

14               **“(B) the estimated appropriation**  
15       **required because of the proposal for**  
16       **each of the 4 fiscal years after that**  
17       **year that the proposal will be in ef-**  
18       **fect; and**

19               **“(C) the estimated amount for the**  
20       **same activity or function, if any, in**  
21       **the current fiscal year,**

22       **and, except for detailed budget estimates,**  
23       **the percentage change (in the case of**  
24       **each category referred to in subpara-**  
25       **graphs (A), (B), and (C)) between the cur-**

1        **rent year and the fiscal year for which**  
2        **the budget is submitted.”.**

3        **(d) Section 1105(a)(18) of title 31, United**  
4        **States Code, is amended by inserting “new**  
5        **budget authority and” before “budget out-**  
6        **lays”.**

7        **(e) Section 1105(a) of title 31, United**  
8        **States Code, (as amended by sections 412(b)**  
9        **and 521(a)) is further amended by adding at**  
10       **the end the following new paragraphs:**

11            **“(35) a comparison of levels of esti-**  
12            **ated expenditures and proposed appro-**  
13            **priations for each function and subfunc-**  
14            **tion in the current fiscal year and the fis-**  
15            **cal year for which the budget is sub-**  
16            **mitted, along with the proposed increase**  
17            **or decrease of spending in percentage**  
18            **terms for each function and subfunction.**

19            **“(36) a table on sources of growth in**  
20            **total direct spending under current law**  
21            **and as proposed in this budget submis-**  
22            **sion for the budget year and the ensuing**  
23            **9 fiscal years, which shall include**  
24            **changes in outlays attributable to the fol-**  
25            **lowing:        cost-of-living        adjustments;**

1       **changes in the number of program recipi-**  
2       **ents; increases in medical care prices,**  
3       **utilization and intensity of medical care;**  
4       **and residual factors.”.**

5       **(f) Section 1109(a) of title 31, United States**  
6       **Code, is amended by inserting after the first**  
7       **sentence the following new sentence: “For dis-**  
8       **cretionary spending, these estimates shall as-**  
9       **sume the levels set forth in the discretionary**  
10       **spending limits under section 251(c) of the**  
11       **Balanced Budget and Emergency Deficit Con-**  
12       **trol Act of 1985, as adjusted, for the appro-**  
13       **priate fiscal years (and if no such limits are**  
14       **in effect, these estimates shall assume the ad-**  
15       **justed levels for the most recent fiscal year**  
16       **for which such levels were in effect).”.**

17       **SEC. 612. THE CONGRESSIONAL BUDGET.**

18       **Section 301(e) of the Congressional Budg-**  
19       **et Act of 1974 (as amended by section 103) is**  
20       **further amended—**

21               **(1) in paragraph (1), by inserting at**  
22       **the end the following: “The basis of delib-**  
23       **erations in developing such joint resolu-**  
24       **tion shall be the estimated budgetary lev-**  
25       **els for the preceding fiscal year. Any**



1        **budgetary levels pending before the com-**  
2        **mittee and the text of the joint resolution**  
3        **shall be accompanied by a document**  
4        **comparing such levels or such text to the**  
5        **estimated levels of the prior fiscal year.**  
6        **Any amendment offered in the committee**  
7        **that changes a budgetary level and is**  
8        **based upon a specific policy assumption**  
9        **for a program, project, or activity shall**  
10       **be accompanied by a document indi-**  
11       **cating the estimated amount for such**  
12       **program, project, or activity in the cur-**  
13       **rent year.”; and**

14                **(2) in paragraph (2), by striking “and”**  
15        **at the end of subparagraph (H) (as redes-**  
16        **ignated), by striking the period and in-**  
17        **serting “; and” at the end of subpara-**  
18        **graph (I) (as redesignated), and by add-**  
19        **ing at the end the following new subpara-**  
20        **graph:**

21                **“(J) a comparison of levels for the**  
22                **current fiscal year with proposed**  
23                **spending and revenue levels for the**  
24                **subsequent fiscal years along with**  
25                **the proposed increase or decrease of**

1           **spending in percentage terms for**  
2           **each function.”.**

3 **SEC. 613. CONGRESSIONAL BUDGET OFFICE REPORTS TO**  
4           **COMMITTEES.**

5           **(a) The first sentence of section 202(e)(1)**  
6 **of the Congressional Budget Act of 1974 is**  
7 **amended by inserting “compared to com-**  
8 **parable levels for the current year” before the**  
9 **comma at the end of subparagraph (A) and be-**  
10 **fore the comma at the end of subparagraph**  
11 **(B).**

12           **(b) Section 202(e)(1) of the Congressional**  
13 **Budget Act of 1974 is amended by inserting**  
14 **after the first sentence the following new sen-**  
15 **tence: “Such report shall also include a table**  
16 **on sources of spending growth in total direct**  
17 **spending for the budget year and the ensuing**  
18 **9 fiscal years, which shall include changes in**  
19 **outlays attributable to the following: cost-of-**  
20 **living adjustments; changes in the number of**  
21 **program recipients; increases in medical care**  
22 **prices, utilization and intensity of medical**  
23 **care; and residual factors.”.**

24           **(c) Section 308(a)(1)(B) of the Congres-**  
25 **sional Budget Act of 1974 is amended by in-**

1 serring “and shall include a comparison of  
2 those levels to comparable levels for the cur-  
3 rent fiscal year” before “if timely submitted”.

4 SEC. 614. OUTYEAR ASSUMPTIONS FOR DISCRETIONARY  
5 SPENDING.

6 For purposes of chapter 11 of title 31 of  
7 the United States Code, or the Congressional  
8 Budget Act of 1974, unless otherwise ex-  
9 pressly provided, in making budgetary projec-  
10 tions for years for which there are no discre-  
11 tionary spending limits, the Director of the  
12 Office of Management and Budget and the Di-  
13 rector of the Congressional Budget Office  
14 shall assume discretionary spending levels at  
15 the levels for the last fiscal year for which  
16 such levels were in effect.

## 17 Subtitle B—The Byrd Rule

18 SEC. 621. LIMITATION ON BYRD RULE.

19 (a) PROTECTION OF CONFERENCE RE-  
20 PORTS.—Section 313 of the Congressional  
21 Budget Act of 1974 is amended—

22 (1) in subsection (c), by striking “and  
23 again upon the submission of a con-  
24 ference report on such a reconciliation  
25 bill or resolution,”;

1           **(2) by striking subsection (d);**

2           **(3) by redesignating subsection (e) as**  
 3 **subsection (d); and**

4           **(4) in subsection (e), as**  
 5 **redesignated—**

6           **(A) by striking “, motion, or con-**  
 7 **ference report” the first place it ap-**  
 8 **pears and inserting “, or motion”; and**

9           **(B) by striking “, motion, or con-**  
 10 **ference report” the second and third**  
 11 **places it appears and inserting “or**  
 12 **motion”.**

13       **(b) CONFORMING AMENDMENT.—The first**  
 14 **sentence of section 312(e) of the Congres-**  
 15 **sional Budget Act of 1974 is amended by in-**  
 16 **serting “, except for section 313,” after “Act”.**

17                   **Subtitle C—Spending**  
 18                   **Accountability Lock-box**

19 **SEC. 631. SHORT TITLE.**

20       **This subtitle may be cited as the “Spend-**  
 21 **ing Accountability Lock-box Act of 1999”.**

22 **SEC. 632. SPENDING ACCOUNTABILITY LOCK-BOX LEDGER.**

23       **(a) ESTABLISHMENT OF LEDGER.—Title III of**  
 24 **the Congressional Budget Act of 1974 (as**  
 25 **amended by sections 104(c) and 206(a)) is fur-**

1 **ther amended by adding after section 317 the**  
2 **following new section:**

3 **“SPENDING ACCOUNTABILITY LOCK-BOX LEDGER**

4 **“SEC. 318. (a) ESTABLISHMENT OF LEDGER.—**

5 **The chairman of the Committee on the Budget**  
6 **of the House of Representatives and the chair-**  
7 **man on the Committee on the Budget of the**  
8 **Senate shall each maintain a ledger to be**  
9 **known as the ‘Spending Accountability Lock-**  
10 **box Ledger’. The Ledger shall be divided into**  
11 **entries corresponding to the subcommittees**  
12 **of the Committees on Appropriations. Each**  
13 **entry shall consist of three components: the**  
14 **‘House Lock-box Balance’; the ‘Senate Lock-**  
15 **box Balance’; and the ‘Joint House-Senate**  
16 **Lock-box Balance’.**

17 **“(b) COMPONENTS OF LEDGER.—Each com-**  
18 **ponent in an entry shall consist only of**  
19 **amounts credited to it under subsection (c).**  
20 **No entry of a negative amount shall be made.**

21 **“(c) CREDIT OF AMOUNTS TO LEDGER.—(1) In**  
22 **the House of Representatives or the Senate,**  
23 **whenever a Member offers an amendment to**  
24 **an appropriation bill to reduce new budget**  
25 **authority in any account, that Member may**

1 state the portion of such reduction that shall  
2 be—

3           “(A) credited to the House or Senate  
4       Lock-box Balance, as applicable; or

5           “(B) used to offset an increase in new  
6       budget authority in any other account;

7           “(C) allowed to remain within the ap-  
8       plicable section 302(b) suballocation.

9 If no such statement is made, the amount of  
10 reduction in new budget authority resulting  
11 from the amendment shall be credited to the  
12 House or Senate Lock-box Balance, as appli-  
13 cable, if the amendment is agreed to.

14       “(2)(A) Except as provided by subpara-  
15 graph (B), the chairmen of the Committees on  
16 the Budget shall, upon the engrossment of  
17 any appropriation bill by the House of Rep-  
18 resentatives and upon the engrossment of  
19 Senate amendments to that bill, credit to the  
20 applicable entry balance of that House  
21 amounts of new budget authority and outlays  
22 equal to the net amounts of reductions in new  
23 budget authority and in outlays resulting  
24 from amendments agreed to by that House to  
25 that bill.

1       **“(B) When computing the net amounts of**  
2 **reductions in new budget authority and in**  
3 **outlays resulting from amendments agreed to**  
4 **by the House of Representatives or the Senate**  
5 **to an appropriation bill, the chairmen of the**  
6 **Committees on the Budget shall only count**  
7 **those portions of such amendments agreed to**  
8 **that were so designated by the Members offer-**  
9 **ing such amendments as amounts to be cred-**  
10 **ited to the House or Senate Lock-box Balance,**  
11 **as applicable, or that fall within the last sen-**  
12 **tence of paragraph (1).**

13       **“(3) The chairmen of the Committees on**  
14 **the Budget shall, upon the engrossment of**  
15 **Senate amendments to any appropriation bill,**  
16 **credit to the applicable Joint House-Senate**  
17 **Lock-box Balance the amounts of new budget**  
18 **authority and outlays equal to—**

19               **“(A) an amount equal to one-half of**  
20 **the sum of (i) the amount of new budget**  
21 **authority in the House Lock-box Balance**  
22 **plus (ii) the amount of new budget au-**  
23 **thority in the Senate Lock-box Balance**  
24 **for that subcommittee; and**

1           “(B) an amount equal to one-half of  
2           the sum of (i) the amount of outlays in  
3           the House Lock-box Balance plus (ii) the  
4           amount of outlays in the Senate Lock-box  
5           Balance for that subcommittee.

6           “(4) CALCULATION OF LOCK-BOX SAVINGS IN  
7           SENATE.—For purposes of calculating under  
8           this section the net amounts of reductions in  
9           new budget authority and in outlays resulting  
10          from amendments agreed to by the Senate on  
11          an appropriation bill, the amendments re-  
12          ported to the Senate by its Committee on Ap-  
13          propriations shall be considered to be part of  
14          the original text of the bill.

15          “(d) DEFINITION.—As used in this section,  
16          the term ‘appropriation bill’ means any gen-  
17          eral or special appropriation bill, and any bill  
18          or joint resolution making supplemental, defi-  
19          ciency, or continuing appropriations through  
20          the end of a fiscal year.

21          “(e) TALLY DURING HOUSE CONSIDER-  
22          ATION.—The chairman of the Committee on  
23          the Budget of the House of Representatives  
24          shall maintain a running tally of the amend-  
25          ments adopted reflecting increases and de-



1 **creases of budget authority in the bill as re-**  
2 **ported. This tally shall be available to Mem-**  
3 **bers in the House of Representatives during**  
4 **consideration of any appropriations bill by**  
5 **the House.”.**

6 **(b) CONFORMING AMENDMENT.—The table of**  
7 **contents set forth in section 1(b) of the Con-**  
8 **gressional Budget and Impoundment Control**  
9 **Act of 1974 is amended by inserting after the**  
10 **item relating to section 317 the following new**  
11 **item:**

“Sec. 318. Spending accountability lock-box ledger.”.

12 **SEC. 633. DOWNWARD ADJUSTMENT OF SECTION 302(a) AL-**  
13 **LOCATIONS AND SECTION 302(b) SUBALLOCA-**  
14 **TIONS.**

15 **(a) ALLOCATIONS.—Section 302(a) of the**  
16 **Congressional Budget Act of 1974 (as amend-**  
17 **ed by section 422) is further amended by add-**  
18 **ing at the end the following new paragraph:**

19 **“(6) ADJUSTMENT OF ALLOCATIONS.—**  
20 **Upon the engrossment of Senate amend-**  
21 **ments to any appropriation bill (as de-**  
22 **finied in section 318(d)) for a fiscal year,**  
23 **the amounts allocated under paragraph**  
24 **(1) or (2) to the Committee on Appropria-**  
25 **tions of each House upon the adoption of**

1       the most recent joint resolution on the  
2       budget for that fiscal year shall be ad-  
3       justed downward by the amounts cred-  
4       ited to the applicable Joint House-Senate  
5       Lock-box Balance under section 318(c)(2).  
6       The revised levels of new budget author-  
7       ity and outlays shall be submitted to each  
8       House by the chairman of the Committee  
9       on the Budget of that House and shall be  
10      printed in the Congressional Record.”.

11      **(b) SUBALLOCATIONS.**—Section 302(b) of the  
12      Congressional Budget Act of 1974 is amended  
13      by adding at the end the following new sen-  
14      tence: “Whenever an adjustment is made  
15      under subsection (a)(7) to an allocation under  
16      that subsection, the Committee on Appropria-  
17      tions of each House shall make downward ad-  
18      justments in the most recent suballocations of  
19      new budget authority and outlays under this  
20      subparagraph to the appropriate subcommit-  
21      tees of that committee in the total amounts of  
22      those adjustments under section 318(c)(2).  
23      The revised suballocations shall be submitted  
24      to each House by the chairman of the Com-  
25      mittee on Appropriations of that House and

1 shall be printed in the Congressional  
2 Record.”.

3 SEC. 634. PERIODIC REPORTING OF LEDGER STATEMENTS.

4 Section 308(b)(1) of the Congressional  
5 Budget Act of 1974 is amended by adding at  
6 the end the following new sentence: “Such re-  
7 ports shall also include an up-to-date tabula-  
8 tion of the amounts contained in the ledger  
9 and each entry established by section 318(a).”.

10 SEC. 635. DOWNWARD ADJUSTMENT OF DISCRETIONARY  
11 SPENDING LIMITS.

12 The discretionary spending limits for new  
13 budget authority and outlays for any fiscal  
14 year set forth in section 251(c) of the Balanced  
15 Budget and Emergency Deficit Control Act of  
16 1985, shall be reduced by the amounts set  
17 forth in the final regular appropriation bill  
18 for that fiscal year or joint resolution making  
19 continuing appropriations through the end of  
20 that fiscal year. Those amounts shall be the  
21 sums of the Joint House-Senate Lock-box Bal-  
22 ances for that fiscal year, as calculated under  
23 section 302(a)(6) of the Congressional Budget  
24 Act of 1974. That bill or joint resolution shall  
25 contain the following statement of law: “As re-

1 required by section 636 of the Spending Ac-  
2 countability Lock-box Act of 1999, for fiscal  
3 year [insert appropriate fiscal year] and each  
4 outyear, the adjusted discretionary spending  
5 limit for new budget authority shall be re-  
6 duced by \$ [insert appropriate amount of re-  
7 duction] and the adjusted discretionary limit  
8 for outlays shall be reduced by \$ [insert ap-  
9 propriate amount of reduction] for the fiscal  
10 year and each outyear.”. Notwithstanding sec-  
11 tion 904(c) of the Congressional Budget Act of  
12 1974, section 306 as it applies to this state-  
13 ment shall not apply. This adjustment shall be  
14 reflected in reports under sections 254(f) and  
15 254(g) of the Balanced Budget and Emergency  
16 Deficit Control Act of 1985.

17 **Subtitle D—Automatic Continuing**  
18 **Resolution**

19 SEC. 641. AUTOMATIC CONTINUING RESOLUTION.

20 (a) AMENDMENT TO TITLE 31.—Chapter 13  
21 of title 31, United States Code, is amended by  
22 inserting after section 1310 the following new  
23 section:

1 **“§ 1311. Continuing appropriations**

2 **“(a)(1) If any regular appropriation bill**  
3 **for a fiscal year does not become law prior to**  
4 **the beginning of such fiscal year or a joint**  
5 **resolution making continuing appropriations**  
6 **is not in effect, there is appropriated, out of**  
7 **any moneys in the Treasury not otherwise ap-**  
8 **propriated, and out of applicable corporate or**  
9 **other revenues, receipts, and funds, such**  
10 **sums as may be necessary to continue any**  
11 **program, project, or activity for which funds**  
12 **were provided in the preceding fiscal year—**

13 **“(A) in the corresponding regular ap-**  
14 **propriation Act for such preceding fiscal**  
15 **year; or**

16 **“(B) if the corresponding regular ap-**  
17 **propriation bill for such preceding fiscal**  
18 **year did not become law, then in a joint**  
19 **resolution making continuing appropri-**  
20 **tions for such preceding fiscal year.**

21 **“(2)(A) Except as provided by subpara-**  
22 **graph (B), appropriations and funds made**  
23 **available, and authority granted, for a pro-**  
24 **gram, project, or activity for any fiscal year**  
25 **pursuant to this section shall be at a rate of**  
26 **operations not in excess of the rate of oper-**

1 ations provided for in the regular appropria-  
2 tion Act providing for such program, project,  
3 or activity for the preceding fiscal year, or in  
4 the absence of such an Act, the rate of oper-  
5 ations provided for such program, project, or  
6 activity pursuant to a joint resolution making  
7 continuing appropriations for such preceding  
8 fiscal year (but not including amounts for  
9 such program, project, or activity designated  
10 as an emergency for that fiscal year before  
11 the date of enactment of this section).

12       “(B) The applicable rate of operations for  
13 a program, project, or activity pursuant to  
14 this section shall exclude amounts—

15               “(i) for which any adjustment was  
16 made under section 251(b)(2)(A) or sec-  
17 tion 252(e) of the Balanced Budget and  
18 Emergency Deficit Control Act of 1985 be-  
19 fore the date of enactment of this section;  
20 or

21               “(ii) for which any adjustment is  
22 made under section 251(b)(2) (D) or (E) of  
23 such Act.

24       “(3) Appropriations and funds made avail-  
25 able, and authority granted, for any fiscal

1 year pursuant to this section for a program,  
2 project, or activity shall be available for the  
3 period beginning with the first day of a lapse  
4 in appropriations and ending with the earlier  
5 of—

6           “(A) the date on which the applicable  
7 regular appropriation bill for such fiscal  
8 year becomes law (whether or not such  
9 law provides for such program, project,  
10 or activity) or a continuing resolution  
11 making appropriations becomes law, as  
12 the case may be, or

13           “(B) the last day of such fiscal year.

14           “(b) An appropriation or funds made  
15 available, or authority granted, for a pro-  
16 gram, project, or activity for any fiscal year  
17 pursuant to this section shall be subject to the  
18 terms and conditions imposed with respect to  
19 the appropriation made or funds made avail-  
20 able for the preceding fiscal year, or authority  
21 granted for such program, project, or activity  
22 under current law.

23           “(c) Appropriations and funds made avail-  
24 able, and authority granted, for any program,  
25 project, or activity for any fiscal year pursu-

1 ant to this section shall cover all obligations  
2 or expenditures incurred for such program,  
3 project, or activity during the portion of such  
4 fiscal year for which this section applies to  
5 such program, project, or activity.

6 “(d) Expenditures made for a program,  
7 project, or activity for any fiscal year pursu-  
8 ant to this section shall be charged to the ap-  
9 plicable appropriation, fund, or authorization  
10 whenever a regular appropriation bill or a  
11 joint resolution making continuing appro-  
12 priations until the end of a fiscal year pro-  
13 viding for such program, project, or activity  
14 for such period becomes law.

15 “(e) This section shall not apply to a pro-  
16 gram, project, or activity during a fiscal year  
17 if any other provision of law (other than an  
18 authorization of appropriations)—

19 “(1) makes an appropriation, makes  
20 funds available, or grants authority for  
21 such program, project, or activity to con-  
22 tinue for such period, or

23 “(2) specifically provides that no ap-  
24 propriation shall be made, no funds shall  
25 be made available, or no authority shall



1       **be granted for such program, project, or**  
2       **activity to continue for such period; or**

3       **“(f) For purposes of this section, the term**  
4       **‘regular appropriation bill’ means any annual**  
5       **appropriation bill making appropriations,**  
6       **otherwise making funds available, or grant-**  
7       **ing authority, for any of the following cat-**  
8       **egories of programs, projects, and activities:**

9               **“(1) Agriculture, rural development,**  
10              **and related agencies programs.**

11              **“(2) The Departments of Commerce,**  
12              **Justice, and State, the judiciary, and re-**  
13              **lated agencies.**

14              **“(3) The Department of Defense.**

15              **“(4) The government of the District of**  
16              **Columbia and other activities chargeable**  
17              **in whole or in part against the revenues**  
18              **of the District.**

19              **“(5) The Departments of Labor,**  
20              **Health and Human Services, and Edu-**  
21              **cation, and related agencies.**

22              **“(6) The Department of Housing and**  
23              **Urban Development, and sundry inde-**  
24              **pendent agencies, boards, commissions,**  
25              **corporations, and offices.**

1           **“(7) Energy and water development.**

2           **“(8) Foreign assistance and related**  
3 **programs.**

4           **“(9) The Department of the Interior**  
5 **and related agencies.**

6           **“(10) Military construction.**

7           **“(11) The Department of Transpor-**  
8 **tation and related agencies.**

9           **“(12) The Treasury Department, the**  
10 **U.S. Postal Service, the Executive Office**  
11 **of the President, and certain independent**  
12 **agencies.**

13           **“(13) The legislative branch.”.**

14       **(b) CONFORMING AMENDMENT.—Section**  
15 **202(e)(3) of the Congressional Budget Act of**  
16 **1974 is amended by inserting “and on or be-**  
17 **fore September 30” before “of each year”.**

18       **(c) CHAPTER ANALYSIS.—The analysis of**  
19 **chapter 13 of title 31, United States Code, is**  
20 **amended by inserting after the item relating**  
21 **to section 1310 the following new item:**

**“1311. Continuing appropriations.”.**

22       **(d) EFFECT OF AMENDMENTS.—Nothing in**  
23 **the amendments made by this section shall be**  
24 **construed to affect Government obligations**  
25 **mandated by other law, including obligations**

1 with respect to social security, medicare, and  
2 medicaid.

3 **TITLE VII—BUDGETING IN AN**  
4 **ERA OF SURPLUSES**

5 **SEC. 701. PAYGO REQUIREMENTS AND THE ON-BUDGET**  
6 **SURPLUS.**

7 (a) Section 252(a) of the Balanced Budget  
8 and Emergency Deficit Control Act of 1985 is  
9 amended to read as follows:

10 “(a) **PURPOSE.**—The purpose of this section  
11 is to trigger an offsetting sequestration in the  
12 amount by which any excess of decreases in  
13 receipts and increases in direct spending over  
14 increases in receipts and decreases in direct  
15 spending, caused by all direct spending and  
16 receipts legislation enacted prior to October  
17 1, 2002, exceeds estimates of the on-budget  
18 surplus.”.

19 (b) **TIMING AND CALCULATION OF SEQUES-**  
20 **TRATION.**—Section 252(b) of the Balanced  
21 Budget and Emergency Deficit Control Act of  
22 1985 is amended to read as follows:

23 “(b) **SEQUESTRATION.**—

24 “(1) **TIMING.**—Not later than 15 cal-  
25 endar days after the date Congress ad-

1        **journals to end a session and on the same**  
2        **day as a sequestration (if any) under sec-**  
3        **tion 251, there shall be a sequestration to**  
4        **offset an amount equal to—**

5                **“(A) any excess of decreases in re-**  
6                **ceipts and increases in direct spend-**  
7                **ing over increases in receipts and de-**  
8                **creases in direct spending for legisla-**  
9                **tion enacted prior to October 1, 2002;**  
10              **minus**

11              **“(B) the estimated on-budget sur-**  
12              **plus,**  
13        **as calculated under paragraph (2).**

14              **“(2) CALCULATION OF SEQUESTRATION.—**  
15        **OMB shall calculate the amount of the se-**  
16        **questration by adding—**

17              **“(A) all OMB estimates for the**  
18              **budget year of direct spending and**  
19              **receipts legislation transmitted under**  
20              **subsection (d) for legislation enacted**  
21              **prior to October 1, 2002;**

22              **“(B) the estimated amount of sav-**  
23              **ings in direct spending programs ap-**  
24              **plicable to the budget year resulting**  
25              **from the prior year’s sequestration**

1 under this section, if any, as pub-  
2 lished in OMB's final sequestration  
3 report for that prior year; and

4 “(C) all OMB estimates for the  
5 current year that were not reflected  
6 in the final OMB sequestration report  
7 for that year; and

8 then by subtracting from such sum the  
9 OMB estimate for the budget year of the  
10 on-budget surplus (if any) as set forth in  
11 the OMB sequestration update report.”.

12 (c) **PREVIEW REPORTS.**—Section 254(c)(3) of  
13 the Balanced Budget and Emergency Deficit  
14 Control Act of 1985 is amended by redesign-  
15 ating subparagraph (C) as subparagraph (D)  
16 and by adding after subparagraph (B) the fol-  
17 lowing new subparagraph:

18 “(C) The estimated on-budget sur-  
19 plus for the budget year (if any) shall  
20 exclude all estimates of direct spend-  
21 ing and receipts legislation for such  
22 year enacted after the date of enact-  
23 ment of this subparagraph (as esti-  
24 mated by OMB when such legislation  
25 was originally enacted). Except as

1 provided by the preceding sentence,  
2 the following assumptions shall apply  
3 to the calculation of such estimated  
4 surplus: Budgetary resources other  
5 than unobligated balances shall be at  
6 the level provided for the budget year  
7 in a regular appropriation Act or a  
8 joint resolution (other than pursuant  
9 to section 1311 of title 31, United  
10 States Code) continuing appropri-  
11 ations through the end of the budget  
12 year, but if for any account a full-  
13 year appropriation has not yet been  
14 enacted, budgetary resources other  
15 than unobligated balances shall be at  
16 the level available in the current  
17 year, adjusted using the assumptions  
18 set forth in section 257(c).”.

19 (d) FINAL SEQUESTRATION REPORT.—Sec-  
20 tion 254(f)(3) of the Balanced Budget and  
21 Emergency Deficit Control Act of 1985 is  
22 amended by adding at the end the following  
23 new sentence: “In calculating the estimated  
24 on-budget surplus pursuant to section  
25 252(b)(2), notwithstanding section 254(j), OMB

1 shall use economic and technical assumptions  
2 that are up-to-date as of the date of issuance  
3 of the sequestration preview reports.”.

4 (e) DEFINITION OF ON-BUDGET SURPLUS.—  
5 Section 250(c) of the Balanced Budget and  
6 Emergency Deficit Control Act of 1985 is  
7 amended by adding at the end the following  
8 new paragraph:

9 “(20) The term ‘on-budget surplus’  
10 means, with respect to a fiscal year, the  
11 amount by which receipts exceed outlays  
12 for all spending and receipt accounts of  
13 the United States Government that are  
14 designated as on-budget. Such term does  
15 not include outlays and receipts of the  
16 Federal Old-Age and Survivors Insurance  
17 Trust Fund, the Federal Disability Insur-  
18 ance Trust Fund, or any other off-budget  
19 entity.”.

20 (f) EXPEDITED RECONCILIATION PROCESS.—  
21 Section 258C of the Balanced Budget and  
22 Emergency Deficit Control Act of 1985 is  
23 amended as follows:

1           **(1) The side heading of subsection (a)**  
2           **is amended by inserting “OR IN THE HOUSE**  
3           **OF REPRESENTATIVES” after “SENATE”.**

4           **(2) In paragraphs (1), (2), (3), and (4)**  
5           **of subsection (a), insert “or House” after**  
6           **“Senate” each place it appears.**

7           **(3) In subsection (a)(7), strike “For”**  
8           **and insert “In the Senate, for”.**

9           **(4) In subsection (b)(1), insert “or**  
10          **House” after “Senate”.**

11          **(5) In the side heading of subsection**  
12          **(b)(4), insert “OTHER” after “THE”.**

13          **(6) In subsection (b)(4), strike “in the**  
14          **Senate from the House” and insert “in the**  
15          **Senate or House of Representatives from**  
16          **the other House”, strike “Senate” the sec-**  
17          **ond place it appears and insert “Senate**  
18          **or House of Representatives, as the case**  
19          **may be,”, and strike “Senate” the third**  
20          **place it appears and insert “in the appli-**  
21          **cable House”.**