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1st Session

SENATE

{ REPORT
106-12

BIENNIAL BUDGETING AND
APPROPRIATIONS ACT

REPORT

OF THE

COMMITTEE ON GOVERNMENTAL AFFAIRS
UNITED STATES SENATE

together with

ADDITIONAL AND MINORITY VIEWS

TO ACCOMPANY

S. 92

TO PROVIDE FOR A BIENNIAL BUDGET PROCESS AND A BIENNIAL
APPROPRIATIONS PROCESS AND TO ENHANCE OVERSIGHT AND
THE PERFORMANCE OF THE FEDERAL GOVERNMENT



MARCH 10, 1999.—Ordered to be printed

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Mr. THOMPSON, from the Committee on Governmental Affairs,
submitted the following

REPORT

together with

ADDITIONAL AND MINORITY VIEWS

[To accompany S. 92]

I. PURPOSE

The purpose of S. 92, the Biennial Budgeting and Appropriations Act, is to increase Congressional control of the budget process by reducing the amount of time spent on budget matters while improving the quality of those deliberations. Enactment of a two-year budget cycle will better provide for agency long-term planning and careful Congressional oversight while increasing stability and coherence in the collection and disbursement of Federal funds.

II. SUMMARY OF S. 92

S. 92 converts the annual budget, appropriations, and authorization process to a biennial or two-year cycle. Under the bill, the timetable for the two years is as follows:

FIRST YEAR: BUDGET AND APPROPRIATIONS

The legislation requires the President to submit a two-year budget at the beginning of the first session of Congress. This budget would cover each year in the biennium and planning levels for the four out-years. Converts the “Mid-session Review” into a “Mid-biennium Review.” The President would submit his “Mid-biennium Review” at the beginning of the second year.

Requires Congress to adopt a two-year budget resolution and a two-year reconciliation bill (if necessary). Instead of enforcing the first fiscal year and the sum of the five years set out in the budget

resolution, the bill provides that the budget resolution establish binding levels for each year in the biennium and the sum of the six-year period. The bill modifies the time frames in the Senate ten-year pay-as-you-go point of order to provide that legislation could not increase the deficit for the biennium, the sum of the first six years, and the sum of the last 4 years.

Requires Congress to enact a two-year appropriations bill during the first session of each Congress. The bill provides a new majority point of order against appropriations bills that fail to cover two years. This point of order would not apply to supplemental appropriations bills to fund unanticipated needs such as emergencies.

Makes budgeting and appropriating the priority for the first session of a Congress. The bill provides a majority point of order against consideration of authorization and revenue legislation until the completion of the biennial budget resolution, reconciliation legislation (if necessary) and the thirteen biennial appropriations bills. An exception is made for certain “must do” measures.

SECOND YEAR: AUTHORIZATION LEGISLATION AND ENHANCED OVERSIGHT

Devotes the second session of a Congress to consideration of biennial or multi-year authorization bills and oversight of federal programs. The bill provides a majority point of order against authorization and revenue legislation that covers less than two years except those measures limited to temporary programs or activities lasting less than two years.

Modifies the Government Performance and Results Act (GPRA) to fit the government performance planning and reporting process into the two-year budget cycle to enhance oversight of federal programs.

III. BACKGROUND AND NEED FOR LEGISLATION

The current congressional budget process is rooted in the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344, Title 2 of U.S. Code). While the 1974 reforms have enabled the Congress to participate more fully in the development of fiscal policy, the design of the current process has led to a situation in which repetitive votes on the budget consume a large percentage of the Congress’ time. This has had two negative results: a decrease in the time available for systematic oversight of federal programs and delays in legislation necessary to fund the government. Since 1974, the Congress has regularly failed to complete action on the 13 appropriations bills before the start of the fiscal year. The failure to enact regular appropriation bills prior to the beginning of the fiscal year results in the need for the Congress and the President to agree on a continuing resolution to fund the Federal government’s operations.

TABLE 1.—APPROPRIATIONS, FISCAL YEARS 1974–99

	Regular appro- priations bills enacted by the start of the fis- cal year	Continuing reso- lutions enacted for the fiscal year
Fiscal year:		
1974	3	7
1975	7	4
1976	2	3
1977	¹ 13	2
1978	9	3
1979	5	1
1980	3	2
1981	1	2
1982	0	5
1983	1	2
1984	4	4
1985	4	4
1986	0	5
1987	0	5
1988	0	5
1989	² 13	0
1990	1	3
1991	0	5
1992	3	4
1993	1	1
1994	2	3
1995	13	0
1996	0	5
1997	³ 13	0
1998	1	6
1999	1	6

¹ While 13 bills were enacted, certain health programs were not funded and required a continuing resolution.

² Six bills were enacted on October 1.

³ Six bills were enacted as one Omnibus bill on September 30.

Sources: Congressional Research Service (Reports 98–800 GOV, 96–224 GOV and 94–799 GOV).

As Table 1 illustrates, only rarely does Congress complete action on all 13 regular appropriations bills to fully fund the government by the beginning of the fiscal year.

While policy disagreements between Congress and the Executive Branch have contributed to the budgetary delays evidenced in Table 1, the complexity of the congressional budget process is also a contributing factor. The Committee believes that a biennial budget cycle will greatly improve the budget process by reducing multiple decisions on individual budget items. This, in turn, would greatly increase the likelihood that deadlines will be met and provide stability to Federal activities. Providing agencies with this increased predictability is especially important at a time when Congress and the taxpayers are demanding that agencies provide strategic and annual performance plans and more systematically link resources to results. Additionally, for agencies which are downsizing, multi-year planning increases the probability that downsizing will be well managed and reduces the negative impact on the quality of those programs remaining.

The repetitive nature of budget votes and the amount of time consumed by them has also served to reduce the time available for members to spend on systematic oversight of the design and implementation of federal programs. Such oversight has always been important, but a number of Members have suggested that the requirements of the Government Performance and Results Act and

the pressure placed on resources by the need to achieve and maintain a balanced budget make oversight even more critical. Further, the kind of oversight needed requires the investment of Members' time to look below the surface and see what is really happening. Members need to consider whether and what legislative changes might be required to improve the functioning of federal programs or, when warranted, to discontinue them. This kind of time is in increasingly short supply.

In reporting S. 92, it is the Committee's view that while biennial budgeting will not solve all of the problems which have developed relating to the budget process, it will substantially improve the process, and will create a greater presumption in favor of carefully considered, timely decisions and of careful, systematic program oversight.

i. The Budget Act of 1974

Currently, Congress completes at least four separate budget processes annually following Presidential submission of the Administration's budget: (1) the concurrent budget resolution, (2) program authorizations, (3) budget reconciliation, and (4) consideration of 13 individual appropriation bills. S. 92 would not eliminate any of these processes, but it would require their consideration biennially instead of annually. S. 92 would divide the process into two separate stages over a two year Congress: (1) consideration of the concurrent budget resolution, reconciliation and all 13 individual two-year appropriation bills in the first year; and (2) consideration of multi-year authorizing legislation and program oversight in the second year.

As such, S. 92 builds upon the Budget Act of 1974. That Act completely overhauled the Congressional budget process, asserting the legislative branch's participation in the fiscal policy of the nation. Battles with President Nixon over the impoundment of funds in the early 1970's, combined with the lack of an institutional system for developing budget policy, prompted the Congress to enact these reforms.

The Budget Act established budget committees in the House and in the Senate, created the Congressional Budget Office to provide independent budget information and analysis to the Congress, and established a timetable for the consideration of the Federal budget and procedures for consideration of presidential rescissions and impoundments.

The 1974 reforms also established the concurrent budget resolution which serves as a blueprint for spending and tax policy for the next fiscal year—a statement of the Congress' fiscal policy and priorities. Prior to the Budget Act, Members of Congress expressed great frustration with congressional inability to determine the impact of individual appropriation bills within the framework of the entire Federal budget. The budget resolution satisfies this concern by providing a means for Congress to formulate a fiscal blueprint, which is then used as a tool for measuring the impact of individual spending bills on the overall Federal budget.

While the 1974 reforms greatly enhanced the role of the Congress in forming national fiscal policy, the complexity of the budget process has contributed to missed deadlines and inefficient decision

making. This problem has grown as the complexity of the process has grown. For example, in the original budget act, reconciliation was not envisioned as a major part of the process. Then in 1980, Congress first used reconciliation to make major changes in the Federal budget. The reconciliation process directs the authorizing committees of the Congress to change existing entitlement and revenue laws for deficit reduction purposes, and is initiated through instructions in the budget resolution. Reconciliation has now become a regular part of the process: the Congress has considered a reconciliation measure eleven times over the sixteen years from 1981 to 1997.

Rapidly escalating Federal budget deficits in the mid-1980's led Congress to add a fifth step to the budget process. In 1985, the Congress passed the Balanced Budget and Emergency Deficit Control Act, and in 1987, the Congress passed the Balanced Budget and Emergency Deficit Reduction Reaffirmation Act of 1987. These laws sought to establish procedures for enforcing maximum deficit amounts for fiscal years 1988 through 1993. In 1987, the Congress and the President added another, albeit non-statutory, layer of budget procedure—the summit. The Congress and the administration agreed to a two-year Budget Summit Agreement, which set enforceable spending and tax guidelines for fiscal year 1988 and 1989. The Budget Summit approach was also adopted during the start of the 101st Congress, but produced spending and tax guidelines for only one fiscal year.

In 1990 it was clear that achieving the fiscal year 1991 deficit targets would be nearly impossible. Again the President and the Congress turned to a Budget Summit. Out of this summit came both a deficit reduction package and a process for enforcing budget agreements—the Budget Enforcement Act of 1990 (BEA). The Budget Enforcement Act represented a shift from regulating the only effect of governmental actions to regulating the actions themselves. It contained real expenditure limits: a series of limits on annual appropriated spending enforceable by sequesters. Direct spending (i.e. spending not regulated by the appropriations process) was governed by new pay-as-you-go rules. These required that the total of all new spending or tax legislation from authorizing committees could not increase the deficit. The Budget Enforcement Act also extended the time horizon of the budget process; coverage of the budget resolution was lengthened from 3 to 5 years and the basis of several enforcement points of order was expanded from one year to 5 fiscal years.

Further, the original BEA set discretionary spending limits through 1995. These limits were extended in 1993 to go through 1998. The 1997 Balanced Budget Act extended these limits to 2002.

ii. Benefits of biennial budgeting—reducing repetition

Although each step of the budget process was designed to make the allocation of Federal resources more efficient and effective, the combined result has been frequently missed budget deadlines and repetitive roll call votes on budget issues. The congressional response to the increasingly complex process has been to budget year round. Furthermore, these repetitive votes are extremely confusing

to the public which seeks to understand the actions of their elected representatives.

While budget delays are frequently the consequence of policy differences between the Executive branch and Congress or between two Parties within the Congress, the ability of the Congress to execute a fiscal plan is unnecessarily slowed by the existing process. It is the Committee's view that two-year budgeting can be a successful tool to assist both the Congress and the Executive branch in more efficiently managing the budget.

The Committee believes S. 92 could help achieve this. By dedicating an entire year to the authorization and oversight process, the Congress will have much more time to consider underlying authorizations carefully. Members should be free from congressional action on the budget, except for action on supplemental appropriation bills or revised concurrent resolutions, during the second session of each Congress, enabling them to focus on the work of the authorizing committees.

In 1993 both the House and Senate members of the Joint Committee on the Organization of Congress made similar arguments in recommending a shift to biennial budgeting. The report of the House members said, "The move to biennial budgeting will reduce the number of redundant budget-related votes during each Congress * * *." The report of the Senate members was as forceful:

With biennial budgeting, the budget process should be less complicated, less repetitious, and instead be more understandable and meaningful. The Congress is now dominated by budget activity. But for all the time spent on the budget, Members complain that their votes are redundant and meaningless. And, it is a process the public cannot readily comprehend.

As Table 2 indicates, the percentage of budget related votes in the United States Senate increased dramatically since 1955. This increase can be tied to the increase in the number of layers in the budget process.

TABLE 2.—BUDGET RELATED ROLL CALL VOTES IN THE SENATE, 1955–1998

	Budget related rollcall votes	Total rollcall votes	Budget related votes as percent of total
Calendar year:			
1955	33	87	38
1960	86	207	42
1970	108	258	42
1975	254	602	42
1980	280	531	53
1981	335	483	69
1982	286	465	62
1983	244	371	66
1984	164	275	60
1985	230	381	60
1986	189	354	53
1987	185	420	44
1988	124	379	33
1989	148	312	47
1990	123	326	38
1991	134	280	48

TABLE 2.—BUDGET RELATED ROLL CALL VOTES IN THE SENATE, 1955–1998—Continued

	Budget related rollcall votes	Total rollcall votes	Budget related votes as percent of total
1992	162	270	60
1993	252	395	64
1994	165	329	50
1995	328	613	54
1996	222	306	73
1997	193	298	65
1998	159	314	51

Source: Congressional Quarterly Almanacs, 1955–1996, and Congressional Weekly Reports, 1987, 1996, 1997, and 1998.

iii. Benefits of biennial budgeting—improved oversight

The Committee views one of the major benefits of reducing the number of repetitious budget-related votes will be the freeing up of time for systematic program oversight.

Chairman Fred Thompson, in his opening statement at the January 27, 1999 joint hearing with the Budget Committee commented:

What a biennial budget can do is give us time for the important tasks that often get short shrift these days, such as conducting oversight and long-range planning, and spending more time at home. * * *

The Committee's Ranking Member, Senator Joseph Lieberman, in his opening statement at the joint hearing, reiterated his support for the legislation and cited this benefit, as well:

* * * I support (S. 92) as a common-sense reform which will * * * free up more time for Congress to do oversight and management of federal programs to assure, in a time of surplus, that nonetheless, we are careful about how we are spending taxpayer money. * * *

Program oversight was one of the benefits cited by both the House and Senate members of the Joint Committee on the Organization of the Congress in 1993. The report of the Senate members proposed that “In even-numbered years, Congress should consider substantive legislative proposals, conduct meaningful oversight, monitor and evaluate legislation. * * *” They noted further that “although a great deal of time is spent on the budget, little time is spent in long-term planning, overseeing programs, and finding waste and abuse. In short, the Congress spends too much time on budgetary issues that do not matter and not enough time on those that do.” A 2-year cycle, they argued could permit Members to “spend more time overseeing programs to make certain that taxpayer money is spend wisely.”

The House report linked the biennial cycle to its recommendation for a formal oversight schedule and plan by each committee.

Members of the Committee noted that they—and their colleagues—feel there is inadequate time available for serious examination of how federal programs function and how policy is implemented. Congress and the President have put in place a legislative framework—the Government Performance and Results Act—requiring strategic plans and annual performance plans and reports. Congress must have the time to be involved actively in the develop-

ment of strategic plans and in oversight of the plans for this Act to offer the American people the kind of government they deserve.

iv. Benefits of biennial budgeting—greater stability and predictability in Federal funding

When he introduced S. 92 in the 106th Congress, Senator Pete Domenici, Chairman of the Budget Committee, commented:

* * * (T)he more predictable category of the budget are these appropriated, or discretionary, accounts of the federal government. I recently asked CBO to update an analysis of discretionary spending to determine those programs that had unpredictable or volatile funding needs. CBO found that only 4 percent of total discretionary funding fell into this category. Most of this spending is associated with international activities or emergencies. Because most of this funding cannot be predicted on an annual basis, a biennial budget is no less deficient than the current annual process. (January 19, 1999 Congressional Record)

If funding is provided for a two-year period, recipients of these funds will be better able to administer those funds. These sentiments were brought to the Committee's attention as far back as the 100th Congress when Richard Helm, then the Comptroller of the Department of Defense, testified at the June 7, 1988 Committee hearing on the Defense Department's experience with biennial budgeting. Mr. Helm highlighted the management benefits of biennial budgeting, especially for procurement, "for being able to give program managers their funding up front so that they can pursue, in the most efficient fashion, the best type of defense procurement management that we should all expect for taxpayers money." The annual process, Mr. Helm testified, is inefficient from the managers' perspective because of the delays in obligating funds.

The Director of the Office of Management and Budget, Jacob J. Lew, testified at his nomination hearing before the Committee on June 22, 1998 regarding the many potential benefits of biennial budgeting. He noted:

* * * (A) biennial budget would be a really good change. The budget season used to be part of the year. It has become all of the year and there is virtually no space between beginning and ending the process, which makes it very difficult to focus on the kinds of long-term management issues that many of the questions you are asking today are really all about. We think it would be a much more constructive use of both the Legislative and the Executive Branch's time if we had a cycle that was every two years, not every year, on the appropriations side.

The 1993 report of the Senate members of the Joint Committee on the Organization of Congress also noted this point in their support for biennial budgeting:

Two-year cycles will also permit executive branch agencies to plan for the longer term, a failure of the current system. * * * The 2-year funding cycle gives agencies de-

gree of certainty in policy planning that they have never had, and will minimize the constant budget planning process that has accompanied the 2-year appropriations cycle.

Two-year appropriations bills offer those depending on federal funds—both federal agencies and, increasingly, activities run by state and local governments—a longer planning horizon. If agencies know their funding for two years rather than for a single year, they can plan better; and they can make more efficient use of resources. For an agency that is downsizing, a two-year period can reduce the disruption to both personnel and taxpayers who deal with that agency. For a state or local government seeking to create well-designed programs, even a two-year time period may seem too short; but it is infinitely preferable to a single year. Indeed, for both federal agencies and other levels of government the improvement could be even greater since the Committee believes the appropriate comparison is between a one-year appropriation enacted late and biennial appropriations enacted timely.

As former Director of the Office of Management and Budget, Franklin Raines, said before the Committee on April 23, 1997:

One of the more compelling advantages of biennial appropriations is that it could provide greater stability and predictability for those served and involved in Federal Government programs, such as individuals receiving Federal benefits or State and non-profits receiving Federal grants.

v. State experience with biennial budgeting

Although there are significant differences between State budgets and that of the Federal government, the Committee believes that an examination of state experiences could prove useful.

States' budget cycles have fluctuated over the nation's history. The original 13 states relied on an annual cycle. In the 1840s, states began to move to biennial legislative sessions and biennial budget cycles. By 1940, only four state legislatures were meeting annually. With the growth of government programs, and particularly with the growth of Federal grant programs, states began to move to annual legislative sessions and annual budget cycles. More recently, states have begun to return to a biennial budget cycle. Since 1980, four states have switched from an annual cycle to a biennial cycle or a partial biennial cycle. Only one state has moved from a biennial cycle to an annual cycle. Today, twenty states have a biennial budget cycle and two states have a split annual and biennial cycle.

vi. Additional issues

A number of issues with regard to biennial budgeting have been raised during the Committee's consideration. These issues include: (1) whether biennial budgeting would lead to greater use of supplemental appropriations; (2) whether the uncertainty of economic projections would make it very difficult to budget two years in advance; (3) how the Congress would respond to new national needs or emergencies during the second year; (4) the timing of authoriza-

tions in a biennial budget; and (5) whether a biennial appropriations cycle cedes too much authority to the Executive branch.

First, concern was expressed about the impact of biennial budgeting in creating an incentive for more supplemental appropriations. In particular, some noted that the stability and predictability of funding cited as a major benefit of biennial appropriations would be lessened if major adjustments became routine in the “off years.” As Table 3 indicates, the Congress already enacts at least one supplemental each fiscal year.

TABLE 3.—SUPPLEMENTAL APPROPRIATIONS, FISCAL YEARS 1974–98
[Dollar amounts in millions]

Fiscal year:	Number of supplemental bills	Amount of budget authority
1974	5	\$14,796
1975	7	27,587
1976	5	24,636
1977	5	49,482
1978	8	8,219
1979	2	13,784
1980	5	19,575
1981	3	12,461
1982	4	21,020
1983	2	22,654
1984	4	16,357
1985	3	14,804
1986	3	8,191
1987	2	9,370
1988	2	1,310
1989	1	3,295
1990	2	2,039
1991	3	19,786
1992	1	2,806
1993	3	9,848
1994	2	7,822
1995	2	— ¹ 9,847
1996	6	— 1,523
1997	1	1,670
1998	5	3,409

¹ This negative amount reflects the net amount of new budget authority as offset by rescissions included in the bills. Rescissions cancel previously enacted budget authority.

Source: U.S. Congress, Senate, Appropriations, Budget Estimates, Etc., S Doc., 94th Con., 2nd sess., prepared by Senate and House Appropriations Committees, (Washington: GPO 1996–1993); House Appropriations Committee data, 1994–1998.

The Committee believes that it would be more efficient to consider several supplementals annually than to go through the entire budget process as the Congress does currently. By retaining the enforcement mechanisms set forth in the Budget Enforcement Act as amended (commonly referred to as BEA), the Congress can assure that supplementals do not break budget discipline. The Committee believes that supplementals should and can continue to be seen as exceptions considered when changes in condition warrant a change in spending decisions. While it is possible that in the early years some agencies may seek changes in the funding provided in the biennial appropriation bill, the Committee believes that the attitude of the OMB and the Congress can prevent such attempts from becoming routine. In addition, all decisions would still have to comply with the spending limits established in the BEA.

Second, concern was expressed about the uncertainty of economic assumptions which would be required for two years in advance instead of one. However, the Committee noted that the Congressional Budget Office and the Office of Management and Budget currently project economic assumptions for the budget year and the following five years. Further, the Committee notes that nothing in this legislation prevents consideration of a revised budget resolution if the changes in the underlying economic assumptions are great enough to demand it. The budget process will be neither more nor less dependent on accurate forecasting under biennial budgeting. This is especially the case since the enactment of binding discretionary spending limits for a multi-year period already binds the appropriations process.

Third, concern was also expressed regarding the need for congressional flexibility to react to emergencies like Hurricane Andrew in 1992 and the 1997 floods in North Dakota or to the emergence of new issues. The Committee believes that S. 92 should have no impact on the ability of the Congress to deal with emergencies—which, even under the current annual cycle require mid-cycle adjustments. Although the Committee believes that the benefits of a biennial cycle will be the greatest if mid-cycle adjustments are the exception rather than the rule, S. 92 does not limit the Congress' ability either to respond to emergencies or to make adjustments where Congress believes a new issue demands a mid-cycle reallocation of funds.

Fourth, concern was expressed about the timing of authorizations and appropriations in a two-year budget process. Some experts have suggested that authorization should be in the first session of the Congress, with the budget resolution and appropriation bills in the second session of each Congress. However, this approach would mean that a newly elected Congress and a newly elected President would have to wait a full year before they could start to work on a budget reflecting their priorities. The Joint Committee on the Reorganization of Congress accepted this view—also shared by other observers including the General Accounting Office—and recommended that Congress appropriate in the first year of a biennium. The Committee adopted this recommendation.

Fifth, concern has been raised that a shift from an annual appropriations cycle to a biennial cycle cedes too much authority from Congress to the Executive branch. Proponents of this position argue that the annual appropriations cycle provides Congress with the opportunity to annually review the operations of the agencies and programs. However, the appropriations process is not designed for extensive investigations and oversight. Reserving the second year of the biennium for the authorizing committees to perform their oversight and authorizations work more than compensates for any loss of oversight performed through the appropriations process.

IV. LEGISLATIVE HISTORY OF BIENNIAL BUDGETING

1974 (93rd Congress).—The Congressional Budget Act of 1974 required the Congressional Budget Office (CBO) to issue a report on the “feasibility and advisability” of budgeting and appropriating a full year in advance.

1977 (95th Congress).—In response to 1974 directive, CBO issued “Advance Budgeting: A Report to Congress.” This included a study of two-year appropriations, and concluded that if “committees did not have to spend so much time each year on routine ‘budgetary’ matters, they would in fact have more time for their oversight work * * *.”

A parallel report made in 1977 by the Office of Management and Budget, entitled “A Study of the Advisability of Submitting the President’s Budget and Enacting Budget Authority in Advance of the Current Timetable,” also advocated the concept of multi-year budgeting, on the grounds that, “Both the President and Congress will reap significantly greater benefits from multi year budgeting * * *.”

Also in 1977, Representative Panetta introduced the first legislation to establish a biennial budget process. Panetta’s legislation, the Biennial Budget Act, sought to create a two-year budget process devoted in the first year to oversight of Executive branch agencies.

1979 (96th Congress).—Representative Panetta again introduced a biennial budget bill. In the Senate, Senator Bumpers introduced a resolution directing a study of the feasibility of a biennial budget. No action was taken on either bill.

1981–82 (97th Congress).—Four bills (Ford, Roth, Cochran, and Quayle) to establish a biennial budget process were introduced in the Senate. Representative Panetta again sponsored a House bill. In 1981, biennial budgeting was discussed during Government Affairs Committee hearings on the Congressional Budget and Impoundment Act of 1974. Separate hearings on Senator Roth’s biennial budget bill also were held by the Committee.

1983–84 (98th Congress).—Several biennial budget bills were again introduced. Governmental Affairs held hearings on Senator Roth’s bill.

1984.—The Temporary Select Committee to Study the Senate Committee System recommended that a select committee be established to study the feasibility of biennial budgeting. No committee was formed.

1985–86 (99th Congress).—The FY 1986 Defense Authorization bill included an amendment proposed by Senator Nunn to, among other things, require the President to submit two-year budget proposals for the Defense Department. The provision was retained through conference, and the conferees expressed their belief that a biennial budget would “substantially improve DOD management and congressional oversight.” They further indicated that it was preferable for all Federal spending to be under a two-year system. While DOD submits a two-year budget, Congress continues with the annual cycle—so the long-term planning benefit is still not realized.

1987–88 (100th Congress).—President Reagan and congressional leadership approved the Budget Summit Agreement, setting specific funding totals for domestic, international, and defense discretionary spending for FY 1988 and VY 1989. Longstanding supporters of biennial budgeting note that the “biennial character” of the summit agreement demonstrates that the time had come to move to a two-year budget cycle. The Balanced Budget and Emer-

agency Deficit Control Act of 1987 directed the appropriate congressional committees to develop a plan to experiment with multi-year authorization and appropriations.

1989–90 (101st Congress).—As Chairman of the Governmental Affairs Committee, Senator John Glenn held hearings and ordered favorable reported S. 29 (sponsored by Senators Ford, Roth and Domenici) providing for a two-year budget resolution and appropriations. The bill was not taken up by the full Senate.

1993–94 (103rd Congress).—Senators Boren and Domenici in 1994 introduced S. 1824 to implement the recommendations of the Joint Committee on the Organization of Congress, which included a provision to shift to a biennial budget cycle. The bill reported by the Rules Committee as an outgrowth of the Joint Committee's included the provision for biennial budget and appropriations. Senator Domenici offered the Joint Committee's legislative recommendations as an amendment to the District of Columbia Appropriations bill. Senator Byrd raised a point of order under section 306 of the Budget Act, and the Senate voted 58 to 41 in favor of the motion to waive the Budget Act with respect to consideration of the amendment. Since the motion did not gain the 60 votes necessary, the amendment failed.

1995–96 (104th Congress).—Four bills providing for a biennial cycle were introduced. In July 1996, Senator Fred Thompson, Chairman of the Financial Management and Accountability Subcommittee of the Governmental Affairs Committee, held a hearing on biennial budgeting. In September 1996, Senator Thompson introduced a biennial budget bill (S. 2049), emphasizing the need to provide Members of Congress with time for increased legislative oversight and time at home.

1997–1998 (105th Congress).—One bill, S. 261, was introduced by Senator Domenici on February 4, 1997. On February 13, 1997 the Budget Committee held a hearing on S. 261. On April 23, 1997 Senator Thompson held a full Governmental Affairs Committee Hearing on S. 261. On May 22, 1997, the Governmental Affairs Committee ordered to be reported S. 261, with an amendment in the nature of a substitute, and the bill was reported to the Senate on September 4, 1997. On October 6, 1997 the Senate Committee on Budget discharged S. 261 and it was placed on Senate Legislative Calendar under General Orders. No further action was taken.

V. LEGISLATIVE HISTORY OF S. 92

1999 (106th Congress)—Senator Domenici, along with Senators Thompson and Lieberman, introduced S. 92 on January 19, 1999. The bill converts the annual appropriations, authorizations and budget process to a two-year, or biennial cycle. The text of S. 92 was also included as Title I of S. 93, the Budget Enforcement Act of 1999, introduced by Senator Domenici.

i. Hearings

January 27, 1999—Joint Budget and Governmental Affairs Committee Hearing.

Governmental Affairs Committee Chairman Thompson and Budget Committee Chairman Domenici shared a joint hearing on S. 92 and S. 93, the Budget Enforcement Act of 1999. The purpose

of the hearing was to review proposals for a biennial budget, as well as other budget process reforms.

There were three panels of witnesses:

Panel I

The Honorable John McCain, United States Senator from Arizona. Senator McCain testified in favor of the biennial budget legislation, as well as other budget process reforms. He noted that:

* * * Annual budgeting encourages budgeting by brinkmanship, where we scramble at the end of each fiscal year to complete a new budget and avoid a government shutdown. Biennial budgeting would avoid the annual show-down over spending priorities and provide needed predictability and stability for government agencies and programs. Two-year budgeting would also allow us to focus attention on fiscal matters during the first full year of a Congress, then turn to other pressing matters of national policy the second year.

Panel II

The Honorable Benjamin L. Cardin, a Representative from Maryland and the Honorable Jim Nussle, a Representative from Iowa. Representative Nussle acknowledged the challenges facing biennial budgeting legislation in the House. This “institutional bias” is rooted in the two-year term and election cycle that each House member faces.

Panel III

Timothy J. Muris, professor, George Mason University School of Law; Van Doorn Ooms, Senior Vice President and Director of Research, Committee for Economic Research; and Martha Phillips, Executive Director, the Concord Coalition.

Ms. Phillips represented the views of the Concord Coalition, a nationwide, grassroots organization dedicated to strengthening the nation’s long-term economic prospects through prudent fiscal policy. She supported the legislation:

* * * We think a two-year budget process is a great idea. For one thing, it would cut in half, literally in half, the opportunities for fiscal mischief. Some previous opponents of two-year budgeting suggested that if you had a budget only every two years you would give up half your opportunities to reduce the deficit. Now that the situation has changed, you give up half your opportunities to reduce the deficit. Now that the situation has changed, you give up half your opportunities to reduce the surplus. And we think that is a good idea.

ii. Committee action

On March 4, 1999, the Committee held a business meeting at which S. 92 was considered. Senator Domenici offered an amendment in the nature of a substitute, which was approved by voice vote.

Senator Durbin offered two amendments to S. 92, as amended. The first amendment would have retained the annual appropriations cycle in the budget process. The amendment failed on a roll call vote of 6 Yeas (Stevens, Gregg, Akaka, Durbin, Cleland, and Edwards by proxy) and 9 Nays (Roth by proxy, Collins, Voinovich, Domenici, Cochran, Specter by proxy, Lieberman, Levin and Thompson).

Senator Durbin's second amendment would have provided for a joint resolution on the budget that required the President's signature, rather than a concurrent resolution. The amendment failed on a roll call vote of 6 Yeas (Stevens, Collins, Specter, Akaka, Durbin and Cleland) and 9 Nays (Roth by proxy, Voinovich, Domenici, Cochran, Gregg, Lieberman, Levin, Edwards by proxy, and Thompson).

With no other amendments being offered, Chairman Thompson moved adoption of S. 92, as amended. The bill was ordered to be favorably reported by a vote of 9 Yeas (Collins, Voinovich, Domenici, Cochran, Specter, Lieberman, Levin, Akaka, and Thompson) and 4 Nays (Stevens, Gregg, Durbin, and Cleland). Senator Roth indicated by proxy his position in favor of the legislation. Senator Edwards indicated by proxy his opposition to the legislation.

VI. SECTION-BY-SECTION ANALYSIS

Section 1 states the title of the legislation—the “Biennial Budgeting and Appropriations Act”.

Section 2 amends section 300 of the Congressional Budget and Impoundment Control Act to revise the timetable to reflect a biennial budget process. In general, the revised timetable is similar to the current timetable except that most of the milestones only apply to the first session of a Congress. The timetable is modified to extend the deadline for competition of the budget resolution to May 15th and to extend the deadline for completion of reconciliation legislation to August 1st. The revised timetable contains two milestones in the second session: a February 15th reporting requirement for the CBO annual report on the budget and an end of session deadline for completion of action on authorization legislation. This section also amends the timetable to provide a special schedule in years a new President is elected. Generally, deadlines are extended by 6 weeks to give a new President more time to prepare and submit his budget.

Section 3 includes most of the other amendments made the Congressional Budget and Impoundment Control Act.

Section 3(a) amends section 2 of the Act to make a conforming change to the statement of the purposes of the Act. Section 3(b) adds a definition for “biennium” and makes a conforming change to the definition of a budget resolution.

Section 3(c) amends section 301 to require the Congress to complete action on a biennial budget resolution by May 15th of each odd-numbered year; to required the budget resolution to cover the biennium, and each of the ensuing four years; to make conforming changes regarding requirements for hearings and reports on budgets; to add a requirement that the Budget Committees report a biennial budget resolution by April 1st of each year; and to make

other conforming changes to the section; and, to make conforming changes to the section heading and the table of contents of the Act.

Section 3(d) amends section 302 of the Budget Act, regarding committee allocations, to require the conference report on a budget resolution to include an allocation of budget authority and outlays to each committee for each year in the biennium and the total of all fiscal years covered by the resolution. This subsection also makes conforming change to subsections (f) and (g) of section 302.

Section 3(e) amends section 303 of the Budget Act, regarding the point of order against spending and revenue legislation affecting future fiscal years to make a conforming change to provide that such legislation cannot be considered until the budget resolution for a biennium is adopted.

Section 3(f) makes conforming changes to section 304 of the Budget Act, regarding revisions of budget resolutions. This subsection maintains current law which allows Congress to revise the budget resolution at any time.

Section 3(g) amends section 305 to make a conforming change regarding a reference to the budget resolution.

Section 3(h) and (i) amend sections 307 and 309 to make conforming changes regarding the deadlines for completion of appropriations bills.

Section 3(j) amends section 310 to make conforming changes regarding reconciliation.

Section 3(k) amends section 311 to provide that a point of order will lie against any legislation that would cause the total budget authority, outlay, Social Security surplus or deficit levels to be breached in either fiscal year of the biennium or that would cause revenue, Social Security surplus or deficit levels to be breached for the sum of all the fiscal years covered by the resolution. Currently, budget authority and outlay levels are enforced for the sum of all fiscal years covered by the budget resolution and Social Security surplus or deficit levels and total revenues are enforced for the first fiscal year and the total of all fiscal years covered by the budget resolution.

Section 3(l) amends section 312(c) to make conforming changes.

Section 4 amends the Senate pay-as-you-go point of order that prohibits consideration of legislation that would increase the deficit over a ten year period. The current Senate pay-as-you-go point of order prohibits consideration of legislation that would increase the deficit in the first year, the sum of the first five years, or the sum of the last five years. Section 4 modifies this point of order to prohibit consideration of legislation that would increase the deficit for the sum of the first two years (the biennium), the sum of the first six years, or the sum of the last four years.

Section 5 amends the relevant sections of Title 31 of the U.S. Code regarding materials the President's budget submission and related documents.

Section 5(a) amends section 1101 to add a definition of "biennium".

Section 5(b) amends section 1105 to require the President to submit the budget no later than the first Monday of February in every odd-numbered year (note: the schedule in section 300(b) of the Budget Act applies for years in which a new President is elected).

Section 5(b) also amends a number of requirements in section 1105 to conform the President's budget to a biennial budget. This includes a requirement that the President's budget propose levels for each fiscal year in the biennium and projections for the four succeeding years.

Section 5(c) amends section 1105(b), regarding estimated expenditures and proposed appropriations for the legislative and judicial branches, to require the submittal of these proposals to the President by October 16th of even-number years.

Subsections (d) and (e) of section 5 make conforming changes to section 1105 regarding the President's recommendations if there is a proposed deficit or surplus and regarding capitol investment analyses.

Section 5(f) amends section 1106 to change requirements regarding the President's "Mid-session Review". Current law requires the President to submit the Mid-session Review before July 16 of each year. Section 5(f) requires the President to submit a "Mid-biennium Review" before February 15 of each even-numbered year. With this modification, the President will submit his biennial budget at the beginning of each odd-numbered year and provide updated information on the budget at the beginning of each even-numbered year.

Section 5(g) amends section 1109 to make conforming changes to require the President to submit current services estimates for the upcoming biennium and to require the Joint Economic Committee to submit an economic evaluation to the Budget Committee as part of its views and estimates report. This subsection also makes two technical corrections to require the President to submit the current services information with his budget submission and to require the Joint Economic Committee to submit its economic evaluation within 6 weeks of the President's budget submission.

Section 5(h) makes amendments to provisions regarding a requirement that the President make year-ahead requests on authorization legislation to require the President to submit requests for authorization legislation by March 31st of even-numbered years.

Section 6 amends section 105 of Title I of the U.S. Code regarding the form and style of appropriations Acts to require that they cover two years.

Section 7 adds a new section 316 to the Budget Act that establishes two new points of order in the Congress against authorization legislation. The first point of order prohibits consideration of authorization legislation that covers less than 2 years except for temporary activities. The second point of order prohibits consideration of authorization or revenue legislation until the Congress has completed action on the biennial budget resolution, biennial appropriation bills, and all reconciliation bills. These two points of order do not apply to appropriations measures, reconciliation bills, privileged matters, treaties or nominations. Both points of order can be waived by a simple majority.

Section 8 amends the Government and Performance and Results Act of 1993 (the Results Act) to incorporate GPRA into the biennial budget cycle.

The Results Act requires federal agencies to develop strategic plans, performance plans, and performance reports. Strategic plans set out the agencies' missions and general goals. Performance plans

lay out the specific quantifiable goals and measures. Performance reports compare actual performance with the goals of past performance plans.

The Results Act currently requires federal agencies to consult with congressional committees as they develop their strategic plans. The Results Act requires all federal agencies to submit their strategic and performance plans to the Office of Management and Budget, along with their budget submissions, by September 30 of each year. Finally, the Results Act requires the President to include a performance plan for the entire government.

Subsections (a) through (g) of section 8 amend section 306 of title 5, sections 1105, 1119 and 9703 of title 31, and sections 2802 and 2803 of title 39 of require agencies to prepare strategic and performance plans every two years, in conjunction with the President's development of a biennial budget. In addition, these amendments make other changes to conform strategic and performance plans to the biennial budget.

Section 8(h) amends section 301(d) of the Budget Act to require Congressional committees to review the strategic plans, performance plans, and performance reports of agencies in their jurisdiction. Committees may then provide their views on the agency's plans or reports as part of their views and estimates report submitted to the Budget Committee.

Section 8(i) provides that the amendments by this section shall take effect on the date of enactment.

Section 9 amends the Budget Act to add a new section 315 that provides a majority point of order against consideration in any odd-numbered year of a regular appropriations bill that fails to fund both years of the biennium. This point of order does not apply to supplemental or continuing resolutions.

Section 10 requires OMB to conduct a study within 6 months of enactment of the feasibility of converting the fiscal year to a two year period.

Section 11(a) provides an effective date for the Act and a transition period and generally provides that the Act takes effect on January 1, 2001. Section 11(b) requires the authorizing committees to begin considering two year authorization legislation beginning with calendar year 2000. This section. The result is that the authorizing committees will act on legislation for the fiscal year 2002–2003 biennium in calendar year 2000. The budget and appropriations committees will then follow by developing a budget resolution and 13 appropriations bills for the fiscal year 2002–2003 biennium in calendar year 2001.

VII. REGULATORY IMPACT OF LEGISLATION

Paragraph 11(b)(1) of rule XXVI of the Standing Rules of the Senate requires that each report accompanying a bill evaluate “the regulatory impact which would be incurred in carrying out this bill.”

The enactment of this legislation will not have significant regulatory impact. S. 92 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would have no impact on state, local or tribal governments.

VIII. CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 5, 1999.

Hon. FRED THOMPSON,
Chairman, Committee on Governmental Affairs,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 92, the Biennial Budgeting and Appropriations Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Mary Maginniss.

Sincerely,

BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

S. 92—Biennial Budgeting and Appropriations Act

Summary: CBO estimates that shifting the federal budgetary and appropriations process from an annual to a biennial cycle, as required by S. 92, would not result in any significant cost or savings to the federal government. Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply. S. 92 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would have no impact on state, local, or tribal governments.

Description of the bill's major provisions: Under S. 92, the Congress and the President would act on budgetary matters every other year. The first session of each Congress would be devoted to budgetary actions—the President's budget, the budget resolution, and appropriation and reconciliation acts—under a schedule that parallels the current annual timetable. The second session would generally be reserved for nonbudgetary activities, including planning, oversight, and authorizing legislation, and for any needed adjustments in budget laws enacted in the first session or in earlier years. CBO and the Office of Management and Budget would be required to prepare reports of updated budget estimates during this second session.

A biennium composed of two separate fiscal years would become the standard fiscal period. The fiscal biennium would begin on October 1 of each odd-numbered year, and end on September 30 two years later. The first biennium would begin October 1, 2001 (the start of fiscal year 2002). Budgets would cover two-year periods. The President's budget and the Congressional budget resolution would cover three successive bienniums (a six-year period), and regular appropriation acts would be required to provide funds for a full biennium. Various rules and procedures in the Senate and the House would be established to enforce the biennial budget process. S. 92 also would conform the Government Performance and Results Act of 1993 to the two-year budget cycle.

Estimated cost to the Federal government: In many respects, the proposed budget process would not differ significantly from current practice. The President now prepares multiyear revenue and

spending estimates in his annual budget, and budget resolutions include recommended revenue and spending levels for the next five fiscal years. Further, most revenue and spending law is permanent and would not be affected by any changes that S. 92 would trigger in the annual appropriations process. Relative to current law and practices, it is the annual appropriation process—in which lawmakers both act on and provide funds one year at a time—the biennial budgeting would affect most significantly.

Biennial budgeting has the potential to streamline the budget process, thereby freeing up time for the Congress to conduct oversight reviews of programs and for executive branch agencies to focus more on long-range planning and program management. Overtime, some costs for staff and other resources used to prepare an annual budget might decrease by moving to a biennial cycle. Initially, however, S. 92 would likely increase federal costs. In fiscal year 2002, preparing precise budget estimates for two years instead of one would probably necessitate an increase in agency effort. Although the first year of the biennium would be expected to continue to consume the larger portion of the workload associated with budget preparation, costs in the first year of the biennium should decline somewhat after 2002.

In the second year of the biennium, Congressional and federal agencies would continue to monitor, and in some cases, revise budgetary estimates and requests in order to respond to changes in the economy and to fund emergencies and other unanticipated events. Based on a study analyzing the experiences in states with budgeting, concrete estimates of time savings in the second year are hard to substantiate. CBO cannot quantify the precise budgetary impact of adopting biennial budgeting at the federal level, but we expect that any such impact would not be significant. Costs or savings in the preparation or execution of the budget would primarily affect discretionary spending and thus would be subject to appropriation action.

CBO assumes that enacting S. 92 would not change the period of availability or the amount of appropriated funds. In recent years, annual appropriations have already included multiple-year or no-year funding for about two-thirds of the accounts within the jurisdiction of the appropriations committees. In some cases, advance appropriations are made available. If, for example, the Congress were to change its procedures to allow agencies to use funds not spent in the first year of the biennium in the second year, total spending could increase, and the timing of outlays could shift. However, we have no basis for assuming that the Congress would change the period of time for which funds would be made available to agencies under the biennial budgeting process. If the discretionary spending caps are in place and enforced, such control would effectively limit the total of any such spending, regardless of the year in which the authority was provided.

Pay-as-you-go-considerations: None.

Intergovernmental and private-sector impact: S. 92 contains no intergovernmental or private-sector mandates as defined in UMRA and would have no impact on state, local, or tribal governments.

Estimate prepared by: Mary Maginniss.

Estimate approved by: Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.

IX. ADDITIONAL VIEWS OF SENATOR STEVENS

These additional comments are submitted to accompany the Committee on Governmental Affairs Report on the Biennial Budgeting and Appropriations Act of 1999 and to provide for the record my objection to the provision that requires a biennial Appropriation.

The stated purpose of S. 92 is, "to increase Congressional control of the budget process by reducing the amount of time spent on budget matters while improving the quality of those deliberations." The bill also states, "Enactment of a two-year budget cycle will better provide for agency long-term planning and careful Congressional oversight while increasing stability and coherence in the collection and disbursement of Federal funds."

S. 92 does just the opposite of increasing Congressional control. I am primarily opposed to the two-year appropriation because it takes away a very key Constitutional mandate over the budget and spending authority. The framers of the Constitution intended that the Congress provide oversight on spending. The two-year appropriation provision of the bill is inconsistent with that intent. A two-year process places too much authority in the hands of the Executive and reduces Congress' authority over the purse. Throughout the year, we experience instances where spending by the Administration is not in compliance with Congressional intent. Annual appropriations give the Congress the ability to fulfill its oversight responsibilities annually and make adjustments to ensure the intent is being carried out.

I am not opposed to a biennial budget. Although the budget process is very cumbersome and slow, it can be made more responsive. However, I do not believe that extending appropriations does anything to make that process more responsive.

Some believe that biennial appropriations will improve the budget process by facilitating the completion of appropriations on time. A biennial appropriation bill would not settle any of the budget process problems. The process remains intact and problematic. The needed changes must occur in the front-end of the budget process. The problem lies in trying to reach bipartisan agreements on Budget Resolutions and Debt limits. Changes to this process must occur to solve the underlying problem.

During the Committee Executive Session, some argued that the appropriation process needs to be changed because too much of the calendar year is taken up by roll call votes on appropriations issues. A supporter of S. 92 asserted that in a recent year, votes on appropriations measures accounted for about 80 percent of all roll call votes.

This is simply not the case. In 1996, budget-related roll call votes accounted for 73 percent of all roll call votes in the Senate. According to the attached chart which was provided by the Congressional

Research Service, the roll call votes on the 13 appropriations bills accounted for only 26 percent of the total number of roll call votes in 1996, only 28 percent in 1997, and 24 percent in 1998. These appropriations roll call votes obviously have included votes on authorizing and other proposals not necessarily relevant to the appropriations process. It is also worth noting that in some years, the roll call votes on the budget resolution have comprised more than 10 percent of the total roll call votes.

On average only about 22 percent of roll call votes in the Senate are related to the 13 appropriations bills. The number of budget-related roll call votes in the Senate between 1955 and 1996 are indicated in the attached table. In addition, the number of roll call votes for appropriations also include votes on non-germane issues that have little or nothing to do with the bills but end up being very time-consuming.

I believe there are ways to make the annual appropriations process move more quickly without undermining Congress' Constitutional responsibilities with respect to expenditures from the Treasury. I strongly oppose a biennial process.

TED STEVENS.

X. MINORITY VIEWS OF SENATOR DURBIN

To the extent that this bill would replace the present annual appropriations cycle with a biennial process, I must respectfully state my objections.

This bill aims to reduce the amount of time spent on the budget process and provide more time for evaluation and review of Federal agency program performance. The budget process is complex and time-consuming, and it is important that we scrutinize Federal programs to ensure Federal funds are being spent properly.

Yet, by limiting the frequency of the appropriations process, this measure would sacrifice one of the most valuable oversight mechanisms we have available.

There is no more effective way to focus the attention of Federal program administrators than to have their budgets at stake. Requiring agencies to justify and defend their programs and budgets every year is a critical element of our effort to evaluate how Federal programs are functioning and how funds are expended. Under the existing annual structure, if agency expenditures are inconsistent with Congressional intent, Congress can address the situation within the year in the next appropriation. Under biennial appropriations, Congress would frequently have to do without its strongest tool.

Why would we want to diminish our authority to control spending? Curtailing the amount and frequency of oversight by appropriators directly contradicts one of the declared objectives of this bill—to increase opportunities for agency oversight. The ultimate oversight is the power of the purse. To restrain and weaken that process under the guise of expanding oversight misapprehends the critical role that appropriations committees play in oversight. Cutting back on that control of spending, in my estimation, would be a serious mistake.

Some proponents suggest that a biennial appropriations process would offer greater flexibility in fund availability. Congress already has and routinely exercises its authority to provide multi-year money or advance money where the program cycle requires or where it is sensible to do so. Use of this authority is demonstrated in a host of program accounts, including title I and other education programs, the Corporation for Public Broadcasting, the Low Income Home Energy Assistance Program, State grants for Medicaid, and various defense procurement programs. The fact that Congress currently accommodates needs in this way, and could broaden its use of that authority where appropriate, underscores that it is not necessary to change the decision cycle in order to change how long money is available.

Even under an annual appropriations system, making precise projections about agency needs is difficult. Under the current annual cycle, the formulation of the President's budget begins 15 to

18 months prior to the beginning of the fiscal year for which funding decisions will be made. In its Economic and Budget Outlook: Fiscal Years 1998–2007, the Congressional Budget Office compares actual budget totals and the first budget resolution estimates. The discrepancies between these figures clearly illustrate how, even on an annual basis, projections of outlays, revenues, and estimates can miss the mark.

Since the time lag between initial forecasts and actual budget execution creates difficulties even in an annual environment, it is hard to conceive how extending the budget lead time to 27 or 30 months would enhance the reliability or quality of the estimates, improve the capacity of the executive branch to foresee future needs, or eliminate unanticipated funding requirements. Increased difficulty in forecasting was a primary reason several States gave for switching from biennial to annual budget cycles. The federal government is not immune from this problem.

Advocates suggest that biennial appropriations could provide agencies with greater stability and certainty about the level of available resources. However, as former OMB Director Franklin Raines has testified, the potential for that stability is dependent on whether second year appropriations remain unchanged by supplemental bills.

Many proponents of comprehensive biennial budgeting acknowledge that an increase in supplementals can be expected under a biennial environment. Given that supplemental spending bills have already become almost routine under the present appropriations process, it appears clear that we would ultimately be engaged in appropriation decisions annually even if Congress adopted a biennial appropriations process. However, the supplemental bills would become more elaborate and comprehensive, and the ‘biennial’ nature of the appropriations cycle would be, for all practical purposes, one in name only.

I am skeptical that a shift to biennial appropriations would actually reduce the time and attention Congress would need to devote to spending decisions. In fact, it is possible that the appropriations process would become more contentious and protracted as Congress fought over what programs should be cut—despite their biennial appropriation—to offset unanticipated spending increases needed in the so-called “off-year.”

Finally, it is not necessary to abandon annual appropriations in order to invigorate the authorizing committees and help them engage in more focused and deliberative oversight. Retaining annual appropriations will not interfere with more intensive oversight by the authorizing committees. In fact, the oversight function will be more effective if the regular annual appropriations process remains available to accommodate the needs identified through enhanced oversight by authorizing committees.

Biennial budgeting may have its merits, but those merits do not extend to the appropriations process. I hope my colleagues will recognize the distinctions, and leave the annual appropriations process intact.

DICK DURBIN.

XI. CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported are shown as follows:

Congressional Budget And Impoundment Control Act of 1974

SHORT TITLES; TABLE OF CONTENTS

SEC. 1(a). * * *

(b) TABLE OF CONTENTS.—

	*	*	*	*	*	*	*
Sec. 300.	Timetable						
Sec. 301.	<i>Biennial</i> Adoption of concurrent resolution on the budget						
Sec. 302.	Committee Allocations						
Sec. 303.	Concurrent resolution on the budget must be adopted before budget-related legislation is considered.						
Sec. 304.	Permissible revisions of concurrent resolutions of the budget.						
Sec. 305.	Provisions relating to the consideration of concurrent resolutions on the budget.						
	*	*	*	*	*	*	*
Sec. 307.	House Committee action on all appropriation bills to be completed by June 10.						
	*	*	*	*	*	*	*
Sec. 309.	House approval of regular appropriation bills.						
Sec. 310.	Reconciliation						
Sec. 311.	Budget-related legislation must be within appropriate levels.						
Sec. 312.	Determination and points of order.						
	*	*	*	*	*	*	*
Sec. 316.	<i>Authorization of appropriation.</i>						
Sec. 317.	<i>Consideration of biennial appropriations bills.</i>						
	*	*	*	*	*	*	*

DECLARATION OF PURPOSES

SEC. 2. The Congress declares that it is essential—

- (1) to assure effective congressional control over the budgetary process;
- (2) to provide for the congressional determination [each year] *biennially* of the appropriate level of Federal revenues and expenditures;
- (3) to provide a system of impoundment control;
- (4) to establish national budget priorities; and
- (5) to provide for the furnishing of information by the executive branch in a manner that will assist the Congress in discharging its duties.

* * * * *

SEC. 3. IN GENERAL.—For purposes of this Act—

(1) The terms “budget outlays” and “outlays” mean, with respect to any fiscal year, expenditures and net lending of funds under budget authority during such year.

(2) BUDGET AUTHORITY AND NEW BUDGET AUTHORITY.—

(A) IN GENERAL.—The term “budget authority” means the authority provided by Federal law to incur financial obligations, as follows:

(i) provisions of law that make funds available for obligation and expenditure (other than borrowing authority), including the authority to obligate and expend the proceeds of offsetting receipts and collections;

(ii) borrowing authority, which means authority granted to a Federal entity to borrow and obligate and expend the borrowed funds, including through the issuance of promissory notes or other monetary credits;

(iii) contract authority, which means the making of funds available for obligation but not for expenditure; and

(iv) offsetting receipts and collections as negative budget authority, and the reduction thereof as positive budget authority.

(B) LIMITATIONS ON BUDGET AUTHORITY.—With respect to the Federal Hospital Insurance Trust Fund, the Supplementary Medical Insurance Trust Fund, the Unemployment Trust Fund, and the railroad retirement account, any amount that is precluded from obligation in a fiscal year by a provision of law (such as a limitation or a benefit formula) shall not be budget authority in that year.

(C) NEW BUDGET AUTHORITY.—The term “new budget authority” means, with respect to a fiscal year—

(i) budget authority that first becomes available for obligation in that year, including budget authority that becomes available in that year as a result of a re-appropriation; or

(ii) a change in any account in the availability of unobligated balances of budget authority carried over from a prior year, resulting from a provision of law first effective in that year;

and includes a change in the estimated level of new budget authority provided in indefinite amounts by existing law.

(3) The term “tax expenditures” means those revenue losses attributable to provisions of the Federal tax laws which allow a special exclusion, exemption, or deduction from gross income or which provide a special credit, a preferential rate of tax, or a deferral of tax liability, and the term “tax expenditures budget” means an enumeration of such tax expenditures.

(4) The term “concurrent resolution on the budget” means—

(A) a concurrent resolution setting forth the congressional budget for the United States Government for a [fiscal year] *biennium* as provided in section 301; and

(B) any other concurrent resolution revising the congressional budget for the United States Government for a [fiscal year] *biennium* as described in section 304.

(5) The term “appropriation Act” means an Act referred to in section 105 of title 1, United States Code.

(6) The term “deficit” means, with respect to a fiscal year, the amount by which outlays exceeds receipts during that year.

(7) The term “surplus” means, with respect to a fiscal year, the amount by which receipts exceeds outlays during that year.

(8) The term “government-sponsored enterprise” means a corporate entity created by a law of the United States that—

(A)(i) has a Federal charter authorized by law;

(ii) is privately owned, as evidenced by capital stock owned by private entities or individuals;

(iii) is under the direction of a board of directors, a majority of which is elected by private owners;

(iv) is a financial institution with power to—

(I) make loans or loan guarantees for limited purposes such as to provide credit for specific borrowers or one sector; and

(II) raise funds by borrowing (which does not carry the full faith and credit of the Federal Government) or to guarantee the debt of others in unlimited amounts; and

(B)(i) does not exercise powers that are reserved to the Government as sovereign (such as the power to tax or to regulate interstate commerce);

(ii) does not have the power to commit the Government financially (but it may be a recipient of a loan guarantee commitment made by the Government); and

(iii) has employees whose salaries and expenses are paid by the enterprise and are not Federal employees subject to title 5 of the United States Code.

(9) The term “entitlement authority” means—

(A) the authority to make payments (including loans and grants), the budget authority for which is not provided for in advance by appropriation Acts, to any person or government if, under the provisions of the law containing that authority, the United States is obligated to make such payments to persons or governments who meet the requirements established by that law; and

(B) the food stamp program.

(10) The term “credit authority” means authority to incur direct loan obligations or to incur primary loan guarantee commitments.

(11) *The term “biennium” means the period of 2 consecutive fiscal years beginning on October 1 of any odd-numbered year.*

* * * * *

TITLE III—CONGRESSIONAL BUDGET PROCESS

TIMETABLE

SEC. 300. [The timetable with respect to the congressional budget process for any fiscal year is as follows:] (a) *IN GENERAL.—Except as provided by subsection(b), the timetable with respect to the*

congressional budget process for any Congress (beginning with the One Hundredth Seventh Congress) is as follows:

On or before—	Action to be completed—
<i>First Session</i>	
First Monday in February	President submits his budget recommendations.
February 15	Congressional Budget Office submits report to Budget Committees.
Not later than 6 weeks after [President submits] budget submission.	Committees submit views and estimates to Budget Committees.
April 1	[Senate] Budget Committees report concurrent resolution on the <i>biennial</i> budget.
[April] May 15	Congress completes action on concurrent resolution on the biennial budget.
May 15	[Annual] <i>Biennial</i> appropriation bills may be considered in the House.
June 10	House Appropriations Committee reports last [annual] <i>biennial</i> appropriation bill.
[June 15]	[Congress completes action on reconciliation legislation.]
June 30	House completes action on [annual] <i>biennial</i> appropriation bills.
August 1	Congress Completes action on reconciliation legislation.
October 1	[Fiscal year] <i>Biennium</i> begins.
<i>Second Session</i>	
February 15	President submits budget review.
Not later than 6 weeks after President submits budget re- view.	Congressional Budget Office submits report to Budget Committee.
The last day of the session	Congress completes action on bills and resolutions authorizing new budget authority for the succeeding biennium.

(b) *SPECIAL RULE.*—In the case of any first session of Congress that begins in any year immediately following a leap year and during which the term of a President (except a President who succeeds himself) begins, the following dates shall supersede those set forth in subsection (a):

<i>On or before—</i>	<i>Action to be completed—</i>
<i>First Session</i>	
<i>First Monday in April</i>	<i>President submits budget recommendations.</i>
<i>April 20</i>	<i>Committees submit views and estimates to Budget Committee.</i>
<i>May 15</i>	<i>Budget Committees report concurrent resolution on the biennial budget.</i>
<i>June 1</i>	<i>Congress completes action on concurrent resolution on the biennial budget.</i>
<i>July 1</i>	<i>Biennial appropriation bills may be considered in the House.</i>
<i>July 20</i>	<i>House completes action on biennial appropriation bills.</i>
<i>August 1</i>	<i>Congress completes action on reconciliation legislation.</i>
<i>October 1</i>	<i>Biennium begins.</i>

[ANNUAL] BIENNIAL ADOPTION OF CONCURRENT RESOLUTION ON THE BUDGET

SEC. 301. (a) CONTENT OF CONCURRENT RESOLUTION ON THE BUDGET.—On or before **[April 15 of each year]** *May 15 of each odd-numbered year*, the Congress shall complete action on a concurrent resolution on the budget for **[the fiscal year beginning on October 1 of such year]** *the biennium beginning on October 1 of such year*. The concurrent resolution shall set forth appropriate levels for **[the fiscal year beginning on October 1 of such year]** *each fiscal year in such period* and for at least each of the 4 ensuing fiscal years for the following—

- (1) totals of new budget authority and outlays;
- (2) total Federal revenues and the amount, if any, by which the aggregate level of Federal revenues should be increased or decreased by bills and resolutions to be reported by the appropriate committees;
- (3) the surplus or deficit in the budget;
- (4) new budget authority and outlays for each major functional category, based on allocations of the total levels set forth pursuant to paragraph (1);
- (5) the public debt;
- (6) For purposes of Senate enforcement under this title, outlays of the old-age, survivors, and disability insurance program established under title II of the Social Security Act **[for the fiscal year]** *for each fiscal year in the biennium* of the resolution and for each of the 4 succeeding fiscal years; and
- (7) For purposes of Senate enforcement under this title, revenues of the old-age, survivors, and disability insurance program established under title II of the Social Security Act (and the related provisions of the Internal Revenue Code of 1986)

for [the fiscal year] *each fiscal year in the biennium* of the resolution and for each of the 4 succeeding fiscal years.

The concurrent resolution shall not include the outlays and revenue totals of the old age, survivors, and disability insurance program established under title II of the Social Security Act or the related provisions of the Internal Revenue Code of 1986 in the surplus or deficit totals required by this subsection or in any other surplus or deficit totals required by this title.

(b) ADDITIONAL MATTERS IN CONCURRENT RESOLUTION.—The concurrent resolution on the budget may—

(1) set forth, if required by subsection (f), the calendar year in which, in the opinion of the Congress, the goals for reducing unemployment set forth in section 4(b) of the Employment Act of 1946 should be achieved;

(2) include reconciliation directives described in section 310;

(3) require a procedure under which all or certain bills or resolutions providing new budget authority or new entitlement authority [for such fiscal year] *for either fiscal year in such biennium* shall not be enrolled until the Congress has completed action on any reconciliation bill or reconciliation resolution or both required by such concurrent resolution to be reported in accordance with section 310(b);

(4) set forth such other matters, and require such other procedures, relating to the budget, as may be appropriate to carry out the purposes of this Act;

(5) include a heading entitled “Debt Increase as Measure of Deficit” in which the concurrent resolution shall set forth the amounts by which the debt subject to limit (in section 3101 of title 31 of the United States Code) has increased or would increase in each of the relevant fiscal years;

(6) include a heading entitled “Display of Federal Retirement Trust Fund Balances” in which the concurrent resolution shall set forth the balances of the Federal retirement trust funds;

(7) set forth procedures in the Senate whereby committee allocations, aggregates, and other levels can be revised for legislation if that legislation would not increase the deficit, or would not increase the deficit when taken with other legislation enacted after the adoption of the resolution, for the first fiscal year or the total period of fiscal years covered by the resolution;

(8) set forth procedures to effectuate pay-as-you-go in the House of Representatives; and

(9) set forth direct loan obligation and primary loan guarantee commitment levels.

(c) CONSIDERATION OF PROCEDURES OR MATTERS WHICH HAVE THE EFFECT OF CHANGING ANY RULE OF THE HOUSE OF REPRESENTATIVES.—If the Committee on the Budget of the House of Representatives reports any concurrent resolution on the budget which includes any procedure or matter which has the effect of changing any rule of the House of Representatives, such concurrent resolution shall then be referred to the Committee on Rules with instructions to report it within five calendar days (not counting any day on which the House is not in session). The Committee on Rules shall have jurisdiction to report any concurrent resolution referred

to it under this paragraph with an amendment or amendments changing or striking out any such procedure or matter.

(d) VIEWS AND ESTIMATES OF OTHER COMMITTEES.—Within 6 weeks after the President submits a budget under section 1105(a) of title 31, United States Code (*or, if applicable, as provided by section 300(b)*), or at such time as may be requested by the Committee on the Budget, each committee of the House of Representatives having legislative jurisdiction shall submit to the Committee on the Budget of the House and each committee of the Senate having legislative jurisdiction shall submit to the Committee on the Budget of the Senate its views and estimates (as determined by the committee making such submission) with respect to all matters set forth in subsections (a) and (b) which relate to matters within the jurisdiction or functions of such committee. The Joint Economic Committee shall submit to the Committees on the Budget of both Houses its recommendations as to the fiscal policy appropriate to the goals of the Employment Act of 1946. Any other committee of the House of Representatives or the Senate may submit to the Committee on the Budget of its House, and any joint committee of the Congress may submit to the Committees on the Budget of both Houses, its views and estimates with respect to all matters set forth in subsections (a) and (b) which relate to matters within its jurisdiction or functions. Any Committee of the House of Representatives or the Senate that anticipates that the committee will consider any proposed legislation establishing, amending, or reauthorizing any Federal program likely to have a significant financial impact on the private sector, including any legislative proposal submitted by the executive branch likely to have such a budgetary or financial impact, shall include its views and estimates on that proposal to the Committee on the Budget of the applicable House. *Each committee of the Senate or the House of Representatives shall review the strategic plans, performance plans, and performance reports, required under section 306 of title 5, United States Code, and sections 1115 and 1116 of title 31, United States Code, of all agencies under the jurisdiction of the committee. Each committee may provide its views on such plans or reports to the Committee on the Budget of the applicable House.*

(e) HEARINGS AND REPORT.—

(1) IN GENERAL.—In developing the concurrent resolution on the budget referred to in subsection (a) for each **[fiscal year]** *biennium*, the Committee on the Budget of each House shall hold hearings and shall receive testimony from Members of Congress and such appropriate representatives of Federal departments and agencies, the general public, and national organizations as the committee deems desirable. Each of the recommendations as to short-term and medium-term goal set forth in the report submitted by the members of the Joint Economic Committee under subsection (d) may be considered by the Committee on the Budget of each House as part of its consideration of such concurrent resolution, and its report may reflect its views thereon, including its views on how the estimates of revenues and levels of budget authority and outlays set forth in such concurrent resolution are designed to achieve any goals it is recommending. *On or before April 1 of each odd-*

numbered year (or, if applicable, as provided by section 300 (b)), the Committee on the Budget of each House shall report to its House the concurrent resolution on the budget referred to in subsection (a) for the biennium beginning on October 1 of that year.

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

(A) a comparison of the levels of total new budget authority, total outlays, total revenues, and the surplus or deficit for each fiscal year set forth in the resolution with those requested in the budget submitted by the President;

(B) with respect to each major functional category, an estimate of total new budget authority and total outlays, with the estimates divided between discretionary and mandatory amounts;

(C) the economic assumptions that underlie each of the matters set forth in the resolution and any alternative economic assumptions and objectives the committee considered;

(D) information, data, and comparisons indicating the manner in which, and the basis on which, the committee determined each of the matters set forth in the resolution;

(E) the estimated levels of tax expenditures (the tax expenditures budget) by major items and functional categories for the President's budget and in the resolution; and

(F) allocations described in section 302(a).

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

(A) a statement of any significant changes in the proposed levels of Federal assistance to State and local governments;

(B) an allocation of the level of Federal revenues recommended in the resolution among the major sources of such revenues;

(C) information, data, and comparisons on the share of total Federal budget outlays and of gross domestic product devoted to investment in the budget submitted by the President and in the resolution;

(D) the assumed levels of budget authority and outlays for public buildings, with a division between amounts for construction and repair and for rental payments; and

(E) other matters, relating to the budget and to fiscal policy, that the committee deems appropriate.

(f) ACHIEVEMENT OF GOALS FOR REDUCING UNEMPLOYMENT.—

(1) If, pursuant to section 4(c) of the Employment Act of 1946, the President recommends in the Economic Report that the goals for reducing unemployment set forth in section 4(b) of such Act be achieved in a year after the close of the five-year period prescribed by such subsection, the concurrent resolution on the budget for the [fiscal year] *biennium* beginning after the date on which such Economic Report is received by the Congress may set forth the year in which, in the opinion of the Congress, such goals can be achieved.

(2) After the Congress has expressed its opinion pursuant to paragraph (1) as to the year in which the goals for reducing unemployment set forth in section 4(b) of the Employment Act of 1946 can be achieved, if, pursuant to section 4(e) of such Act, the President recommends in the Economic Report that such goals be achieved in a year which is different from the year in which the Congress has expressed its opinion that such goals should be achieved, either in its action pursuant to paragraph (1) or in its most recent action pursuant to this paragraph, the concurrent resolution on the budget for the [fiscal year] *biennium* beginning after the date on which such Economic Report is received by the Congress may set forth the year in which, in the opinion of the Congress, such goals can be achieved.

(3) It shall be in order to amend the provision of such resolution setting forth such year only if the amendment thereto also proposes to alter the estimates, amounts, and levels (as described in subsection (a)) set forth in such resolution in germane fashion in order to be consistent with the economic goals (as described in sections 3(a)(2) and (4)(b) of the Employment Act of 1946) which such amendment proposes can be achieved by the year specified in such amendment.

(g) ECONOMIC ASSUMPTIONS.—

(1) It shall not be in order in the Senate to consider any concurrent resolution on the budget [for a fiscal year] *for a biennium*, or any amendment thereto, or any conference report thereon, that sets forth amounts and levels that are determined on the basis of more than one set of economic and technical assumptions.

(2) The joint explanatory statement accompanying a conference report on a concurrent resolution on the budget shall set forth the common economic assumptions upon which such joint statement and conference report are based, or upon which any amendment could in the joint explanatory statement to be proposed by the conferees in the case of technical disagreement, is based.

(3) Subject to periodic reestimation based on changed economic conditions or technical estimates, determinations under title III and IV of the Congressional Budget Act of 1974 shall be based upon such common economic and technical assumptions.

(h) BUDGET COMMITTEES CONSULTATION WITH COMMITTEES.—The Committee on the Budget of the House of Representatives shall consult with the committees of its House having legislative jurisdiction during the preparation, consideration, and enforcement of the concurrent resolution on the budget with respect to all matters which relate to the jurisdiction or functions of such committees.

(i) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider any concurrent resolution on the budget (or amendment, motion, or conference report on the resolution) that would decrease the excess of social security revenues over social security outlays in any of the fiscal years covered by the concurrent resolution. No change in chapter I of the Internal Revenue Code of

1986 shall be treated as affecting the amount of social security revenues unless such provision changes the income tax treatment of social security benefits.

COMMITTEE ALLOCATIONS

SEC. 302. (a) COMMITTEE SPENDING ALLOCATIONS.—

(1) ALLOCATION AMONG COMMITTEES.—The joint explanatory statement accompanying a conference report on a concurrent resolution on the budget shall include an allocation, consistent with the resolution recommended in the conference report, of the levels ~~for the fiscal year of the resolution~~ *for each fiscal year in the biennium*, for the least each of the ensuing 4 fiscal years, and a total ~~for that period of fiscal years~~ *for all fiscal years covered by the resolution* (except in the case of the Committee on Appropriations only ~~for the fiscal year of that resolution~~ *for each fiscal year of the biennium*) of—

- (A) total new budget authority; and
- (B) total outlays;

among each committee of the House of Representatives or the Senate that has jurisdiction over legislation providing or creating such amounts.

(2) NO DOUBLE COUNTING.—In the House of Representatives, any item allocated to one committee may not be allocated to another committee.

(3) FURTHER DIVISION OF AMOUNTS.—

(A) IN THE SENATE.—In the Senate, the amount allocated to the Committee on Appropriations shall be further divided among the categories specified in section 250(c)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 and shall not exceed the limits for each category set forth in section 251(c) of that Act.

(B) IN THE HOUSE.—In the House of Representatives, the amounts allocated to each committee for each fiscal year, other than the Committee on Appropriations, shall be further divided between amounts provided or required by law on the date of filing of that conference report and amounts not so provided or required. The amounts allocated to the Committee on Appropriations shall be further divided—

- (i) between discretionary and mandatory amounts or programs, as appropriate; and
- (ii) consistent with the categories specified in section 250(c)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(4) AMOUNTS NOT ALLOCATED.—In the House of Representatives or the Senate, if a committee receives no allocation of new budget authority or outlays, that committee shall be deemed to have received an allocation equal to zero for new budget authority or outlays.

(5) ADJUSTING ALLOCATION OF DISCRETIONARY SPENDING IN THE HOUSE OF REPRESENTATIVES.—(A) If a concurrent resolution on the budget is not adopted by April 15, the chairman of the Committee on the Budget of the House of Representatives shall submit to the House, as soon as practicable, an allocation under paragraph (1) to the Committee on Appropriations con-

sistent with the discretionary spending levels in the most recently agreed to concurrent resolution on the budget for the appropriate fiscal year covered by that resolution.

(B) As soon as practicable after an allocation under paragraph (1) is submitted under this section, the Committee on Appropriations shall make suballocations and report those suballocations to the House of Representatives.

(b) SUBALLOCATIONS BY APPROPRIATIONS COMMITTEES.—As soon as practicable after a concurrent resolution on the budget is agreed to, the Committee on Appropriations of each House (after consulting with the Committee on Appropriations of the other House) shall suballocate each amount allocated to it for the budget year under section (a) among its subcommittees. Each Committee on Appropriations shall promptly report to its House suballocations made or revised under this subsection. The Committee on Appropriations of the House of Representatives shall further divide among its subcommittees the divisions made under subsection (a)(3)(B) and promptly report those divisions to the House.

(c) POINT OF ORDER.—After the Committee on appropriations has received an allocation pursuant to subsection (a) for a fiscal year, it shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report within the jurisdiction of that committee providing new budget authority for that fiscal year, until that committee makes the suballocations required by subsection (b).

(d) SUBSEQUENT CONCURRENT RESOLUTIONS.—In the case of a concurrent resolution on the budget referred to in section 304, the allocations under subsection (a) and the subdivisions under subsection (b) shall be required only to the extent necessary to take into account revisions made in the most recently agreed to concurrent resolution on the budget.

(e) ALTERATION OF ALLOCATIONS.—At any time after a committee reports the allocations required to be made under subsection (b), such committee may report to its House an alteration of such allocations. Any alteration of such allocations must be consistent with any actions already taken by its House on legislation within the committee's jurisdiction.

(f) LEGISLATION SUBJECT TO POINT OF ORDER.—

(1) IN THE HOUSE OF REPRESENTATIVES.—After the Congress has completed action on a concurrent resolution on the budget **for a fiscal year** *for a biennium*, it shall not be in order in the House of Representatives to consider any bill, joint resolution, or amendment providing new budget authority for any fiscal year, or any conference report on any such bill or joint resolution, if—

(A) the enactment of such bill or resolution as reported;

(B) the adoption and enactment of such amendment; or

(C) the enactment of such bill or resolution in the form recommended in such conference report,

would cause the applicable allocation of new budget authority made under subsection (a) for (b) **the first fiscal year** *each fiscal year of the biennium* or the total of fiscal years to be exceeded.

(2) IN THE SENATE.—After a concurrent resolution on the budget is agreed to it shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would cause—

(A) in the case of any committee except the Committee on Appropriations, the applicable allocation of new budget authority or outlays under subsection (a) for ~~the first fiscal year~~ *each fiscal year of the biennium* or ~~the total of fiscal years~~ *the total of all fiscal years to be covered by the resolution* to be exceeded; or

(B) in the case of the Committee on Appropriations, the applicable suballocation of new budget authority or outlays under subsection (b) to be exceeded.

(g) PAY-AS-YOU-GO EXCEPTION IN THE HOUSE.—

(1) IN GENERAL.—(A) Subsection (f)(1) and, after ~~April~~ *May 15*, section 303(a) shall not apply to any bill or joint resolution, as reported, amendment thereto, or conference report thereon if, for each fiscal year covered by the most recently agreed to concurrent resolution on the budget—

- (i) the enactment of that bill or resolution as reported;
- (ii) the adoption and enactment of that amendment; or
- (iii) the enactment of that bill or resolution in the form

recommended in that conference report,

Would not increase the deficit, and, if the sum of any revenue increases provided in legislation already enacted during the current session (when added to revenue increases, if any, in excess of any outlay increase provided by the legislation proposed for consideration) is at least as great as the sum of the amount, if any, by which the aggregate level of Federal revenues should be increased as set forth in that concurrent resolution and the amount, if any, by which revenues are to be increased pursuant to pay-as-you-go procedures under section 301(b)(8), if included in that concurrent resolution.

(B) Section 311(a), as that section applies to revenues, shall not apply to any bill, joint resolution, amendment thereto, or conference report thereon if, for each fiscal year covered by the most recently agreed to concurrent resolution on the budget—

- (i) the enactment of that bill or resolution as reported;
- (ii) the adoption and enactment of that amendment; or
- (iii) the enactment of that bill or resolution in the form

recommended in that conference report,

would not increase the deficit, and, if the sum of any outlay reductions provided in legislation already enacted during the current session (when added to outlay reductions, if any, in excess of any revenue reduction provided by the legislation proposed for consideration) is at least as great as the sum of the amount, if any, by which the aggregate level of Federal outlays should be reduced as required by that concurrent resolution and the amount, if any, by which outlays are to be reduced pursuant to pay-as-you-go procedures under section 301(b)(8), if included in that concurrent resolution.

(2) REVISED ALLOCATIONS.—(A) As soon as practicable after Congress agrees to a bill or joint resolution that would have been subject to a point of order under subsection (f)(1) but for

the exception provided in paragraph (1)(A) or would have been subject to a point of order under section 311(a) but for the exception provided in paragraph (1)(B), the chairman of the committee¹ on the Budget of the House of Representatives shall file with the House appropriately revised allocations under section 302(a) and revised functional levels and budget aggregates to reflect that bill.

(B) Such revised allocations, functional levels, and budget aggregates shall be considered for the purposes of this Act as allocations, functional levels, and budget aggregates contained in the most recently agreed to concurrent resolution on the budget.

CONCURRENT RESOLUTION ON THE BUDGET MUST BE ADOPTED
BEFORE BUDGET-RELATED LEGISLATION IS CONSIDERED

SEC. 303. (a) IN GENERAL.—Until the concurrent resolution on the budget for a fiscal year has been agreed to, it shall not be in order in the House of Representatives, with respect to the [first fiscal year] *each fiscal year of the biennium* covered by that resolution, or the Senate, will respect to any fiscal year covered by that resolution, to consider any bill or joint resolution, amendment or motion thereto, or conference report thereon that—

- (1) first provides new budget authority for that fiscal year;
- (2) first provides an increase or decrease in revenues during that fiscal year;
- (3) provides an increase or decrease in the public debt limit to become effective during that fiscal year;
- (4) in the Senate only, first provides new entitlement authority for that fiscal year; or
- (5) in the Senate only, first provides for an increase or decrease in outlays for that fiscal year.

(b) EXCEPTIONS IN THE HOUSE.—In the House of Representatives, subsection (a) does not apply—

(1)(A) to any bill or joint resolution, as reported, providing advance discretionary new budget authority that first becomes available for the first or second fiscal year after [the budget year] *the biennium*; or

(B) to any bill or joint resolution, as reported, first increasing or decreasing revenues in a fiscal year following [the fiscal year] *the biennium* to which the concurrent resolution applies;

(2) after May 15, to any general appropriation bill or amendment thereto; or

(3) to any bill or joint resolution unless it is reported by a committee.

(c) APPLICATION TO APPROPRIATION MEASURES IN THE SENATE.—

(1) IN GENERAL.—Until the concurrent resolution on the budget for a [fiscal year] *biennium* has been agreed to and an allocation has been made to the Committee on Appropriations of the Senate under section 302(a) for [that year] *each fiscal year of that biennium*, it shall not be in order in the Senate to consider any appropriation bill or joint resolution, amendment

¹ So in law. Probably should read “Committee”.

or motion thereto, or conference report thereon for that year or any subsequent year.

(2) EXCEPTION.—Paragraph (1) does not apply to appropriations legislation making advance appropriations for the first or second fiscal year after the year the allocation referred to in that paragraph is made.

PERMISSIBLE REVISIONS OF CONCURRENT RESOLUTIONS ON THE
BUDGET

SEC. 304. At any time after the concurrent resolution on the budget for a [fiscal year] *biennium* has been agreed to pursuant to section 301, and before the end of such [fiscal year] *biennium*, the two Houses may adopt a concurrent resolution on the budget which revises or reaffirms the concurrent resolution on the budget [for such fiscal year] most recently agreed to *for such biennium*.

PROVISIONS RELATING TO THE CONSIDERATION OF CONCURRENT
RESOLUTIONS ON THE BUDGET

SEC. 305. (a) PRECEDURE IN HOUSE OF REPRESENTATIVES AFTER REPORT OF COMMITTEE; DEBATE.—

(1) When a concurrent resolution on the budget has been reported by the Committee on the Budget of the House of Representatives and has been referred to the appropriate calendar of the House, it shall be in order on any day thereafter, subject to clause 2(1)(6) of rule XI of the Rules of the House of Representatives, to move to proceed to the consideration of the current resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) General debate on any concurrent resolution on the budget in the House of Representatives shall be limited to not more than 10 hours, which shall be divided equally between the majority and minority parties, plus such additional hours of debate as are consumed pursuant to paragraph (3). A motion further to limit debate is not debatable. A motion to recommit the concurrent resolution is not in order, and it is not in order to move or reconsider the vote by which the concurrent resolution is agreed to or disagreed to.

(3) Following the presentation of opening statements on the concurrent resolution on the budget for a [fiscal year] *biennium* by the chairman and ranking minority member of the Committee on the Budget of the House, there shall be a period of up to four hours for debate on economic goals and policies.

(4) Only if a concurrent resolution on the budget reported by the Committee on the Budget of the House sets forth the economic goals (as described in sections 3(a)(2) and (4)(b) of the Full Employment Act of 1946) which the estimates, amounts, and levels (as described in section 301(a) set forth in such resolution are designed to achieve, shall it be in order to offer to such resolution an amendment relating to such goals, and such amendment shall be in order only if it also proposes to alter such estimates, amounts, and levels in germane fashion in

order to be consistent with the goals proposed in such amendment.

(5) Consideration of any concurrent resolution on the budget by the House of Representatives shall be in the Committee of the Whole, and the resolution shall be considered for amendment under the five-minute rule in accordance with the applicable provisions of rule XXIII of the Rules of the House of Representatives. After the Committee rises and reports the resolution back to the House, the previous question shall be considered as ordered on the resolution and any amendments thereto to final passage without intervening motion; except that it shall be in order at any time prior to final passage (notwithstanding any other rule or provision of law) to adopt an amendment (or a series of amendments) changing any figure or figures in the resolution as so reported to the extent necessary to achieve mathematical consistency.

(6) Debate in the House of Representatives on the conference report on any concurrent resolution on the budget shall be limited to not more than 5 hours, which shall be divided equally between the majority and minority parties. A motion further a limit debate is not debatable. A motion to recommit the conference report is not in order, and it is not in order to move to reconsider the vote by which the conference report is agreed to or disagreed to.

(7) Appeals from decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to any concurrent resolution on the budget shall be decided without debate.

(b) PROCEDURE IN SENATE AFTER REPORT OF COMMITTEE; DEBATE; AMENDMENTS.—

(1) Debate in the Senate on any concurrent resolution on the budget, and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 50 hours, except that with respect to any concurrent resolution referred to in section 304(a) all such debate shall be limited to not more than 15 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(2) Debate in the Senate on any amendment to a concurrent resolution on the budget shall be limited to 2 hours, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution, and debate on any amendment to an amendment, debatable motion, or appeal shall be limited to 1 hour, to be equally divided between, and controlled by the mover and the manager of the concurrent resolution, except that in the event the manager of the concurrent resolution is in favor of any such amendment, motion, of appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. No amendment that is not germane to the provisions of such concurrent resolution shall be received. Such leaders, or either of them, may, from the time under their control on the passage of the concurrent resolution, allot additional time to any Senator during the consideration of any amendment, debatable motion, or appeal.

(3) Following the presentation opening statements on the concurrent resolution on the budget for fiscal year by the chairman and ranking minority member of the Committee on the Budget of the Senate, there shall be a period of up to four hours for debate on economic goals and policies.

(4) Subject to the other limitations of this Act, only if a concurrent resolution on the budget reported by the Committee on the Budget of the Senate sets forth the economic goals (as described in sections 3(a)(2) and 4(b) of the Employment Act of 1946) which the estimates, amounts, and levels (as described in section 301(a)) set forth in such resolution are designed to achieve, shall it be in order to offer to such resolution an amendment relating to such goals, and such amendment shall be in order only if it also proposes to alter such estimates, amounts, and levels in germane fashion in order to be consistent with the goals proposed in such amendment.

(5) A motion to further limit debate is not debatable. A motion to recommit (except a motion to recommit with instructions to report back within a specified number of days, not to exceed 3, not counting any day on which the Senate is not in session) is not in order. Debate on any such motion to recommit shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution.

(6) Notwithstanding any other rule, an amendment or series of amendments to a concurrent resolution on the budget proposed in the Senate shall always be in order if such amendment or series of amendments proposes to change any figure or figures then contained in such concurrent resolution so as to make such concurrent resolution mathematically consistent or so as to maintain such consistency.

(c) ACTION ON CONFERENCE REPORTS IN THE SENATE.—

(1) A motion to proceed to the consideration of the conference report on any concurrent resolution on the budget (or a reconciliation bill or resolution) may be made even though a previous motion to the same effect has been disagreed to.

(2) During the consideration in the Senate of the conference report (or a message between Houses) on any concurrent resolution on the budget, and all amendments in disagreement, and all amendments thereto, and debatable motions and appeals in connection therewith, debate shall be limited to 10 hours, to be equally divided between, and controlled by, the majority leader and minority leader or their designees. Debate on any debatable motion or appeal related to the conference report (or a message between Houses) shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the conference report (or a message between Houses).

(3) Should the conference report be defeated, debate on any request for a new conference and the appointment of conferees shall be limited to 1 hour, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee, and should any motion be made to instruct the conferees before the conferees are named, de-

bate on such motion shall be limited to one-half hours, to be equally divided between, and controlled by, the mover and the manager of the conference report. Debate on any amendment to any such instructions shall be limited to 20 minutes, to be equally divided between and controlled by the mover and the manager of the conference report. In all cases when the manager of the conference report is in favor of any motion, appeal, or amendment, the time in opposition shall be under the control of the minority leader or his designee.

(4) In any case in which there are amendments in disagreement, time on each amendment shall be limited to 30 minutes, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee. No amendment that is not germane to the provisions of such amendments shall be received.

(d) CONCURRENT RESOLUTION MUST BE CONSISTENT IN THE SENATE.—It shall not be in order in the Senate to vote on the question of agreeing to—

(1) a concurrent resolution on the budget unless the figures then contained in such resolution are mathematically consistent; or

(2) a conference report on a concurrent resolution on the budget unless the figures contained in such resolution, as recommended in such conference report, are mathematically consistent.

HOUSE COMMITTEE ACTION ON ALL APPROPRIATION BILLS TO BE COMPLETED BY JUNE 10

SEC. 307. On or before June 10 of [each year] *each odd-numbered year*, the Committee on Appropriations of the House of Representatives shall report [annual] *biennial* appropriation bills providing new budget authority under the jurisdiction of all of its subcommittees for the [fiscal year] *biennium* which begins on October 1 of [that year] *each odd-numbered year*.

* * * * *

HOUSE APPROVAL OF REGULAR APPROPRIATION BILLS

SEC. 309. It shall not be in order in the House of Representatives to consider any resolution providing for an adjournment period of more than three calendar days during the month of July of *any odd-numbered calendar year* until the House of Representatives has approved [annual] *biennial* appropriation bills providing new budget authority under the jurisdiction of all the subcommittees of the Committee on Appropriations for the [fiscal year] *biennium* beginning on October 1 of such year. For purposes of this section, the chairman of the Committee on Appropriations of the House of Representatives shall periodically advise the Speaker as to changes in jurisdiction among its various subcommittees.

RECONCILIATION

SEC. 310. (a) INCLUSION OF RECONCILIATION DIRECTIVES IN CONCURRENT RESOLUTIONS ON THE BUDGET.—A concurrent resolution on the budget for [any fiscal year] *any biennium*, to the extent

necessary to effectuate the provisions and requirements of such resolution, shall—

(1) specify the total amount by which—

(A) new budget authority for **【such fiscal year】** *any fiscal year covered by such resolution*;

(B) budget authority initially provided for prior fiscal year;

(C) new entitlement authority which is to become effective during **【such fiscal year】** *any fiscal year covered by such resolution*; and

(D) credit authority for **【such fiscal year】** *any fiscal year covered by such resolution*,

contained in laws, bills, and resolutions within the jurisdiction of a committee is to be changed and direct that committee to determine and recommend changes to accomplish a change of such total amount;

(2) specify the total amount by which revenues are to be changed and direct that the committees having jurisdiction to determine and recommend changes in the revenue laws, bills, and resolutions to accomplish a change of such total amount;

(3) specify the amounts by which the statutory limit on the public debt is to be changed and direct the committee having jurisdiction to recommend such change; or

(4) specify and direct any combination of the matters described in paragraphs (1), (2), and (3) (including a direction to achieve deficit reduction.)

(b) **LEGISLATIVE PROCEDURE.**—If a concurrent resolution containing directives to one or more committees to determine and recommend changes in laws, bills, or resolutions is agreed to in accordance with subsection (a), and—

(1) only one committee of the House or the Senate is directed to determine and recommend changes, that committee shall promptly make such determination and recommendations and report to its House reconciliation legislation containing such recommendations; or

(2) more than one committee of the House or the Senate is directed to determine and recommend changes, each such committee so directed shall promptly make such determination and recommendations and submit such recommendations to the Committee on the Budget of its House, which upon receiving all such recommendations, shall report to its House reconciliation legislation carrying out all such recommendations without any substantive revision.

For purposes of this subsection, a reconciliation resolution is a concurrent resolution directing the Clerk of the House of Representatives or the Secretary of the Senate, as the case may be, to make specified changes in bills and resolutions which have not been enrolled.

(c) **COMPLIANCE WITH RECONCILIATION DIRECTIONS.**—(1) Any committee of the House of Representatives or the Senate that is directed, pursuant to a concurrent resolution on the budget, to determine and recommend changes of the type described in paragraphs (1) and (2) of subsection (a) with respect to laws within its jurisdiction, shall be deemed to have complied with such directions—

(A) if—

(i) the amount of the changes of the type described in paragraph (1) of such subsection recommended by such committee do not exceed or fall below the amount of changes such committee was directed by such concurrent resolution to recommend under that paragraph by more than—¹

(I) in the Senate, 20 percent of the total of the amounts of the changes such committee was directed to make under paragraphs (1) and (2) of such subsection; or

(II) in the House of Representatives, 20 percent of the sum of the absolute value of the changes the committee was directed to make under paragraph (1) and the absolute value of the changes the committee was directed to make under paragraph (2); and

(ii) the amount of the changes of the type described in paragraph (2) of such subsection recommended by such committee do not exceed or fall below the amount of the changes such committee was directed by such concurrent resolution to recommend under that paragraph by more than—

(I) in the Senate, 20 percent of the total of the amounts of the changes such committee was directed to make under paragraphs (1) and (2) of such subsection; or

(II) in the House of Representatives, 20 percent of the sum of the absolute value of the changes the committee was directed to make under paragraph (1) and the absolute value of the changes the committee was directed to make under paragraph (2); and

(B) if the total amount of the changes recommended by such committee is not less than the total of the amounts of the changes such committee was directed to make under paragraphs (1) and (2) of such subsection.

(2)(A) Upon the reporting to the Committee on the Budget of the Senate of a recommendation that shall be deemed to have complied with such directions solely by virtue of this subsection, the chairman of that committee may file with the Senate appropriately revised allocations under section 302(a) and revised functional levels and aggregates to carry out this subsection.

(B) Upon the submission to the Senate of a conference report recommending a reconciliation bill or resolution in which a committee shall be deemed to have complied with such directions solely by virtue of this subsection, the chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under section 302(a) and revised functional levels and aggregates to carry out this subsection.

(C) Allocations, functional levels, and aggregates revised pursuant to this paragraph shall be considered to be allocations, func-

¹A dash was inadvertently omitted as a result of the amendment made by section 10111 of Public Law 105-33 (111 Stat. 685).

tional levels, and aggregates contained in the concurrent resolution on the budget pursuant to section 301.

(D) Upon the filing of revised allocations pursuant to this paragraph, the reporting committee shall report revised allocations pursuant to section 302(b) to carry out this subsection.

(d) LIMITATION ON AMENDMENTS TO RECONCILIATION BILLS AND RESOLUTIONS.—

(1) It shall not be in order in the House of Representatives to consider any amendment to a reconciliation bill or reconciliation resolution if such amendment would have the effect of increasing any specific budget outlays above the level of such outlays provided in the bill or resolution (for the fiscal years covered by the reconciliation instructions set forth in the most recently agreed to concurrent resolution on the budget), or would have the effect of reducing any specific Federal revenues below the level of such revenues provided in the bill or resolution (for such fiscal years), unless such amendment makes at least an equivalent reduction in other specific budget outlays, an equivalent increase in other specific Federal revenues, or an equivalent combination thereof (for such fiscal years), except that a motion to strike a provision providing new budget authority or new entitlement authority may be in order.

(2) It shall not be in order in the Senate to consider any amendment to a reconciliation bill or reconciliation resolution if such amendment would have the effect of decreasing any specific budget outlay reductions below the level of such outlay reductions provided (for the fiscal years covered) in the reconciliation instructions which relate to such bill or resolution set forth in a resolution providing for reconciliation, or would have the effect of reducing Federal revenue increases below the level of such revenue increases provided (for such fiscal years) in such instructions relating to such bill or resolution, unless such amendment makes a reduction in other specific budget outlays, an increase in other specific Federal revenues, or a combination thereof (for such fiscal years) at least equivalent to any increase in outlays or decrease in revenues provided by such amendment, except that a motion to strike a provision shall always be in order.

(3) Paragraphs (1) and (2) shall not apply if a declaration of war by the Congress is in effect.

(4) For purposes of this section, the levels of budget outlays and Federal revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the House of Representatives or of the Senate, as the case may be.

(5) The Committee on Rules of the House of Representatives may make in order amendments to achieve changes specified by reconciliation directives contained in a concurrent resolution on the budget if a committee or committees of the House fail to submit recommended changes to its Committee on the Budget pursuant to its instruction.

(e) PROCEDURE IN THE SENATE.—

(1) Except as provided in paragraph (2), the provisions of section 305 for the consideration in the Senate of concurrent reso-

lutions on the budget and conference reports thereon shall also apply to the consideration in the Senate of reconciliation bills reported under subsection (b) and conference reports thereon.

(2) Debate in the Senate on any reconciliation bill reported under subsection (b), and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours.

(f) COMPLETION OF RECONCILIATION PROCESS.—It shall not be in order in the House of Representatives to consider any resolution providing for an adjournment period of more than three calendar days during the month of July until the House of Representatives has completed action on the reconciliation legislation for the fiscal year beginning on October 1 of the calendar year to which the adjournment resolution pertains, if reconciliation legislation is required to be reported by the concurrent resolution on the budget for such fiscal year.

(g) LIMITATION ON CHANGES TO THE SOCIAL SECURITY ACT.—Notwithstanding any other provision of law, it shall not be in order in the Senate or the House of Representatives to consider any reconciliation bill or reconciliation resolution reported pursuant to a concurrent resolution on the budget agreed to under section 301 or 304, or a joint resolution pursuant to section 258C of the Balanced Budget and Emergency Deficit Control Act of 1985, or any amendment thereto or conference report thereon, that contains recommendations with respect to the old-age, survivors, and disability insurance program established under title II of the Social Security Act.

BUDGET-RELATED LEGISLATION MUST BE WITHIN APPROPRIATE LEVELS

SEC. 311. (a) ENFORCEMENT OF BUDGET AGGREGATES.—

(1) IN THE HOUSE OF REPRESENTATIVES.—Except as provided by subsection (c), after the Congress has completed action on a concurrent resolution on the budget [or a fiscal year] *for a biennium*, it shall not be in order in the House of Representatives to consider any bill, joint resolution, amendment, motion, or conference report providing new budget authority or reducing revenues, if—

- (A) the enactment of that bill or resolution as reported;
- (B) the adoption and enactment of that amendment; or
- (C) the enactment of that bill or resolution in the form recommended in that conference report;

would cause the level of total new budget authority or total outlays set forth in the applicable concurrent resolution on the budget for [the first fiscal year] *either fiscal year of the biennium* to be exceeded, or would cause revenues to be less than the level of total revenues set forth in that concurrent resolution for [the first fiscal year] *either fiscal year of the biennium* or for the total of [that first fiscal year] *each fiscal year in the biennium* and the ensuing fiscal years for which allocations are provided under section 302(a), except when a declaration of war by the Congress is in effect.

(2) IN THE SENATE.—After a concurrent resolution on the budget is agreed to, it shall not be in order in the Senate to

consider any bill, joint resolution, amendment, motion, or conference report that—

(A) would cause the level of total new budget authority or total outlays set forth **for the first fiscal year** *for either fiscal year of the biennium* in the applicable resolution to be exceeded;

(B) would cause revenues to be less than the level of total revenues set forth for **that first fiscal year** *each fiscal year in the biennium* or for the total of **that first fiscal year and the ensuing fiscal years** *all fiscal years* in the applicable resolution for which allocations are provided under section 302(a).

(3) ENFORCEMENT OF SOCIAL SECURITY LEVELS IN THE SENATE.—After a concurrent resolution on the budget is agreed to, it shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would cause a decrease in social security surpluses or an increase in social security deficits relative to the levels set forth in the applicable resolution **for the first fiscal year** *each fiscal year in the biennium* or for the total **that fiscal year and the ensuing fiscal years** *all fiscal years* for which allocations are provided under section 302(a).

(b) SOCIAL SECURITY LEVELS.—

(1) IN GENERAL.—For purposes of subsection (a)(3), social security surpluses equal the excess of social security revenues over social security outlays in a fiscal year or years with such an excess and social security deficits equal the excess of social security outlays over social security revenues in a fiscal year or years with such an excess.

(2) TAX TREATMENT.—For purposes of subsection (a)(3), no provision of any legislation involving a change in chapter 1 of the Internal Revenue Code of 1986 shall be treated as affecting the amount of social security revenues or outlays unless that provision changes the income tax treatment of social security benefits.

(c) EXCEPTION IN THE HOUSE OF REPRESENTATIVES.—Subsection (a)(1) shall not apply in the House of Representatives to any bill, joint resolution, or amendment that provides new budget authority for a fiscal year or to any conference report on any such bill or resolution, if—

(1) the enactment of that bill or resolution as reported;

(2) the adoption and enactment of that amendment; or

(3) the enactment of that bill or resolution in the form recommended in that conference report;

would not cause the appropriate allocation of new budget authority made pursuant to section 302(a) for that fiscal year to be exceeded.

DETERMINATIONS AND POINTS OF ORDER

SEC. 312. (a) BUDGET COMMITTEE DETERMINATIONS.—For purposes of this title and title IV, the levels of new budget authority, outlays, direct spending, new entitlement authority, and revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the House of Representatives or the Senate, as applicable.

(b) DISCRETIONARY SPENDING POINT OF ORDER IN THE SENATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, it shall not be in order in the Senate to consider any bill or resolution (or amendment, motion, or conference report on that bill or resolution) that would exceed any of the discretionary spending limits in section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) EXCEPTIONS.—This subsection shall not apply if a declaration of war by the Congress is in effect or if a joint resolution pursuant to section 258 of the Balanced Budget and Emergency Deficit Control Act of 1985 has been enacted.

(c) MAXIMUM DEFICIT AMOUNT POINT OF ORDER IN THE SENATE.—It shall not be in order in the Senate to consider any concurrent resolution on the budget [for a fiscal year] *for a biennium*, or to consider any amendment to that concurrent resolution, or to consider a conference report on that concurrent resolution, if—

(1) the level of total outlays for the [first fiscal year] *either fiscal year in the biennium* set forth in that concurrent resolution or conference report exceeds; or

(2) the adoption of that amendment would result in a level of total outlays for [that fiscal year] *either fiscal year in the biennium* that exceeds;

the recommended level of Federal revenues for that fiscal year, by an amount that is greater than the maximum deficit amount, if any, specified in the Balanced Budget and Emergency Deficit Control Act of 1985 for [that fiscal year] *the applicable fiscal year*.

(d) TIMING OF POINTS OF ORDER IN THE SENATE.—A point of order under this Act may not be raised against a bill, resolution, amendment, motion, or conference report while an amendment or motion, the adoption of which would remedy the violation of this Act, is pending before the Senate.

(e) POINTS OF ORDER IN THE SENATE AGAINST AMENDMENTS BETWEEN THE HOUSES.—Each provision of this Act that establishes a point of order against an amendment also establishes a point of order in the Senate against an amendment between the Houses. If a point of order under this Act is raised in the Senate against an amendment between the Houses and the point of order is sustained, the effect shall be the same as if the Senate had disagreed to the amendment.

(f) EFFECT OF A POINT OF ORDER IN THE SENATE.—In the Senate, if a point of order under this Act against a bill or resolution is sustained, the Presiding Officer shall then recommit the bill or resolution to the committee of appropriate jurisdiction for further consideration.

* * * * *

SEC. 326. (a) POINT OF ORDER.—*It shall not be in order in the House of Representatives or the Senate to consider—*

(1) any bill, joint resolution, amendment, motion, or conference report that authorizes appropriations for a period of less than 2 fiscal years, unless the program, project, or activity for which the appropriations are authorized will require no further appropriations and will be completed or terminated after the appropriations have been expended; and

(2) in any odd-numbered year, and authorization or revenue bill or joint resolution until Congress completes action on the biennial budget resolution, all regular biennial appropriations bills and all reconciliation bills.

(b) *APPLICABILITY.*—In the Senate, subsection (a) shall not apply to—

(1) any measure that is privileged for consideration pursuant to a rule or statute;

(2) any matter considered in Executive Session; or

(3) an appropriations measure or reconciliation bill.

SEC. 317. It shall not be in order in the House of Representatives or the Senate in any odd-numbered year to consider any regular bill providing new budget authority or a limitation on obligations under the jurisdiction of any of the subcommittees of the Committees on Appropriations for only the first fiscal year of a biennium, unless the program, project, or activity for which the new budget authority or obligation limitation is provided will require no additional authority beyond 1 year and will be completed or terminated after the amount provided has been expended.

TITLE 31—MONEY AND FINANCE

CHAPTER 11—THE BUDGET AND FISCAL BUDGET, AND PROGRAM INFORMATION

1101. DEFINITIONS

In this chapter—

* * * * *

(3) “biennium” has the meaning given to such term in paragraph (11) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(11)).

* * * * *

1105. BUDGET CONTENTS AND SUBMISSION TO CONGRESS

(a) [On or after the first Monday in January but not later the first Monday in February of each year the President shall submit a budget of the United States Government for the following fiscal year. Each budget shall include a budget message and summary and supporting information. The President shall include in each budget the following:] *On or before the first Monday in February of each odd-numbered year (or, if applicable, as provided by section 300(b) of the Congressional Budget Act of 1974), beginning with the One Hundred Seventh Congress, the President shall transmit to the Congress, the budget for the biennium beginning on October 1 of such calendar year. The budget transmitted under this subsection shall include a budget message and summary and supporting information. The President shall include in each budget the following:*

(1) information on activities and functions of the Government.

(2) when practicable, information on costs and achievements of Government programs.

(3) other desirable classifications of information.

(4) a reconciliation of the summary information on expenditures with proposed appropriations.

(5) except as provided in subsection (b) of this section, estimated expenditures and proposed appropriations the President decides are necessary to support the Government in **the fiscal year for which the budget is submitted and the 4 fiscal years after that year** *each fiscal year in the biennium for which the budget is submitted and in the succeeding 4 years.*

(6) estimated receipts of the Government in **the fiscal year for which the budget is submitted and the 4 fiscal years after that year** *each fiscal year in the biennium for which the budget is submitted and in the succeeding 4 years* under—

(A) laws in effect when the budget is submitted; and

(B) proposals in the budget to increase revenues.

(7) appropriations, expenditures, and receipts of the Government in the prior fiscal year.

(8) estimated expenditures and receipts, and appropriations and proposed appropriations, of the Government for the current fiscal year.

(9) balanced statement of the—

(A) condition of the Treasury at the end of the prior fiscal year.

(B) estimated condition of the Treasury at the end of the current fiscal year; and

(C) estimated condition of the Treasury at the end of **the fiscal year** *each fiscal year in the biennium for which the budget is submitted if financial proposals in the budget are adopted.*

(10) essential information about the debt of the Government.

(11) other financial information the President decides is desirable to explain in practicable detail the financial condition of the Government.

(12) for each proposal in the budget for legislation that would establish or expand a Government activity or function, a table showing—

(A) the amount proposed in the budget fiscal for appropriation and for expenditure because of the proposal in **the fiscal year** *each fiscal year in the biennium for which the budget is submitted; and*

(B) the estimated appropriation required because of the proposal for each of the 4 fiscal years after that year that the proposal will be in effect.

(13) an allowance for additional estimated expenditures and proposed appropriations for **the fiscal year** *each fiscal year in the biennium for which the budget is submitted.*

(14) an allowance for unanticipated uncontrollable expenditures for **that year** *each fiscal year in the biennium for which the budget is submitted.*

(15) a separate statement on each of the items referred to in section 301(a)(1)–(5) of the Congressional Budget Act of 1974 (2 U.S.C. 632(a)(1)–(5)).

(16) the level of tax expenditures under existing law in the tax expenditures budget (as defined in section 3(a)(3) of the Congressional Budget Act of 1974 (2 U.S.C. 622(a)(3)) for **the**

fiscal year] *each fiscal year in the biennium* for which the budget is submitted, considering projected economic factors and changes in the existing levels based on proposals in the budget.

(17) information on estimates of appropriations for [the fiscal year following the fiscal year] *each fiscal year in the biennium following the biennium* for which the budget is submitted for grants, contracts, and other payments under each program for which there is an authorization of appropriations for [that following fiscal year] *each such fiscal year* when the appropriations are authorized to be included in an appropriation law for the [fiscal year before the fiscal year] *biennium before the biennium* in which the appropriation is to be available for obligation.

(18) a comparison of the total amount of budget outlays for [for prior fiscal year] *each of the 2 most recently completed fiscal years*, estimated in the budget submitted [for that year] *with respect to those fiscal years*, for each major program having relatively uncontrollable outlays with the total amount of outlays for that program [in that year] *in those fiscal years*.

(19) a comparison of the total amount of receipts for [for prior fiscal year] *each of the 2 most recently completed fiscal years*, estimated in the budget submitted [for that year] *with respect to those fiscal years*, with receipts received [in that year] *in those fiscal years*, and for each major source of receipts, a comparison of the amount of receipts estimated in that budget with the amount of receipts from that source [in that year] *in those fiscal years*.

(20) an analysis and explanation of the differences between each amount compared under clauses (18) and (19) of this subsection.

(21) a horizontal budget showing—

(A) the programs for meteorology and of the National Climate Program established under section 5 of the National Climate Program Act (15 U.S.C. 2904);

(B) specific aspects of the program of, and appropriations for, each agency; and

(C) estimated goals and financial requirements.

(22) a statement of budget authority, proposed budget authority, budget outlays, and proposed budget outlays, and descriptive information in terms of—

(A) a detailed structure of national needs that refers to the missions and programs of agencies (as defined in section 101 of this title); and

(B) the missions and basic programs.

(23) separate appropriation accounts for appropriations under the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.) and the Federal Mine Safety and Health Act of 1977 (30 U.S.C. 801 et seq.).

(24) recommendations on the return of Government capital to the Treasury by a mixed-ownership corporation (as defined in section 9101(2) of this title) that the President decides are desirable.

(25) a separate appropriation account for appropriations for each Office of Inspector General of an establishment defined under section 11(2) of the Inspector General Act of 1978.

(26) a separate statement of the amount of appropriations requested for the Office of National Drug Control Policy and each program of the National Drug Control Program.

(27) a separate statement of the amount of appropriations requested for the Office of Federal Financial Management.

(28) **beginning with fiscal year 1999** *beginning with fiscal year 2002, a biennial*, a Federal Government performance plan for the overall budget as provided for under section 1115.

(29) information about the Violent Crime Reduction Trust Fund, including a separate statement of amounts in that Trust Fund.

(30) an analysis displaying, by agency, proposed reductions in full-time equivalent positions compared to the current year's level in order to comply with section 5 of the Federal Workforce Restructuring act of 1994.¹

Section 13501(a) of such Act defines "GSE" as follows:

(a) DEFINITION.—For purposes of this section, the terms "Government-sponsored enterprise" and "GSE" mean the Farm Credit System (including the Farm Credit Banks, Banks for Cooperatives, and Federal Agricultural Mortgage Corporation), the Federal Home Loan Bank System, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, and the Student Loan Marketing Association.

(32) a statement of the levels of budget authority and outlays for each program assumed to be extended in the baseline as provided in section 257(b)(2)(A) and for excise taxes assumed to be extended under section 257(b)(2)(C) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) Estimated expenditures and proposed appropriations for the legislative branch and the judicial branch to be included in each budget under subsection (a)(5) of this section shall be submitted to the President before October 16 of **each year** *each even-numbered year* and included in the budget by the President without change.

(c) The President shall recommend in the budget appropriate action to meet an estimated deficiency when the estimated receipts for **the fiscal year for** *each fiscal year in the biennium* for which the budget is submitted (under laws in effect when the budget is submitted) and the estimated amounts in the Treasury at the end of the current fiscal year available for expenditure in **the fiscal year for** *each fiscal year in the biennium, as the case may be*, which the budget is submitted, are less than the estimated expenditures for **that year** *for each year of the biennium*. The President shall make recommendations required by the public interest when the estimated receipts and estimated amounts in the Treasury are more than the estimated expenditures.

(d) When the President submits a budget or supporting information about a budget, the President shall include a statement on all

¹ Section 13501(f) of the Budget Enforcement Act of 1990 provides as follows:

(f) PRESIDENT'S BUDGET.—The President's annual budget submission shall include an analysis of the financial condition of the GSEs and the financial exposure of the Government, if any, posed by GSEs.

changes about the current fiscal year that were made before the budget or information was submitted.

(e)(1) The President shall submit with materials related to each budget transmitted under subsection (a) on or after January 1, 1985, an analysis for the [ensuing fiscal year] *biennium to which such budget relates* that shall identify requested appropriations or new obligational authority and outlays for each major program that may be classified as a public civilian capital investment program and for each major program that may be classified as a military capital investment program, and shall contain summaries of the total amount of such appropriations or new obligational authority and outlays for public civilian capital investment programs and summaries of the total amount of such appropriations or new obligational authority and outlays for military capital investment programs. In addition, the analysis under this paragraph shall contain—

(A) an estimate of the current service levels of public civilian capital investment and of military capital investment and alternative high and low levels of such investments over a period of ten years in current dollars and over a period of five years in constant dollars;

(B) the most recent assessment analysis and summary, in a standard format, of public civilian capital investment needs in each major program area over a period of ten years;

(C) an identification and analysis of the principal policy issues that affect estimated public civilian capital investment needs for each major program; and

(D) an identification and analysis of factors that affect estimated public civilian capital investment needs for each major program, including but not limited to the following factors:

(i) economic assumptions;

(ii) engineering standards;

(iii) estimates of spending for operation and maintenance;

(iv) estimates of expenditures for similar investments by State and local governments; and

(v) estimates of demand for public services derived from such capital investments and estimates of the service capacity of such investments.

To the extent that any analysis required by this paragraph relates to any program for which Federal financial assistance is distributed under a formula prescribed by law, such analysis shall be organized by State and within each State by major metropolitan area if data are available.

(2) For purposes of this subsection, any appropriation, new obligational authority, or outlay shall be classified as a public civilian capital investment to the extent that such appropriation, authority, or outlay will be used for the construction, acquisition, or rehabilitation of any physical asset that is capable of being used to produce services or other benefits for a number of years and is not classified as a military capital investment under paragraph (3). Such assets shall include (but not be limited to)—

(A) roadways or bridges,

(B) airports or airway facilities,

- (C) mass transportation systems,
- (D) wastewater treatment or related facilities,
- (E) water resources projects,
- (F) hospitals,
- (G) resource recovery facilities,
- (H) public buildings,
- (I) space or communications facilities,
- (J) railroads, and
- (K) federally assisted housing.

(3) For purposes of this subsection, any appropriation, new obligational authority, or outlay shall be classified as a military capital investment to the extent that such appropriation, authority, or outlay will be used for the construction, acquisition, or rehabilitation of any physical asset that is capable of being used to produce services or other benefits for purposes of national defense and security for a number of years. Such assets shall include military bases, posts, installations, and facilities.

(4) Criteria and guidelines for use in the identification of public civilian and military capital investments, for distinguishing between public civilian and military capital investments, and for distinguishing between major and nonmajor capital investment programs shall be issued by the Director of the Office of Management and Budget after consultation with the Comptroller General and the Congressional Budget Office. The analysis submitted under this subsection shall be accompanied by an explanation of such criteria and guidelines.

(5) For purposes of this subsection—

(A) the term “construction” includes the design, planning, and erection of new structures and facilities, the expansion of existing structures and facilities, the reconstruction of a project at an existing site or adjacent to an existing site, and the installation of initial and replacement equipment for such structures and facilities;

(B) the term “acquisition” includes the addition of land, sites, equipment, structures, facilities, or rolling stock by purchase, lease-purchase, trade or donation; and

(C) the term “rehabilitation” includes the alteration of or correction of deficiencies in an existing structure or facility so as to extend the useful life or improve the effectiveness of the structure or facility, the modernization or replacement of equipment at an existing structure or facility, and the modernization of, or replacement of parts for, rolling stock.

(f) The budget transmitted pursuant to subsection (a) for a fiscal year shall be prepared in a manner consistent with the requirements of the Balanced Budget and Emergency Deficit Control Act of 1985 that apply to that and subsequent fiscal years.

(g)(1) The Director of the Office of Management and Budget shall establish the funding for advisory and assistance services for each department and agency as a separate object class in each budget annually submitted to the Congress under this section.

(2)(A) In paragraph (1), except as provided in subparagraph (B), the term “advisory and assistance services” means the following services when provided by nongovernmental sources:

- (i) Management and professional support services.

- (ii) Studies, analyses, and evaluations.
- (iii) Engineering and technical services.
- (B) In paragraph (1), the term “advisory and assistance services” does not include the following services:
 - (i) Routine automated data processing and telecommunications services unless such services are an integral part of a contract for the procurement of advisory and assistance services.
 - (ii) Architectural and engineering services, as defined in section 901 of the Brooks Architect-Engineers Act (40 U.S.C. 541).
 - (iii) Research on basic mathematics or medical, biological, physical, social, psychological, or other phenomena.

1106. SUPPLEMENTAL BUDGET ESTIMATES AND CHANGES

(a) **Before July 16 of each year** *Before February 15 of each even-numbered year*, the President shall submit to Congress a supplemental summary of the budget for the **[fiscal year]** *biennium* for which the budget is submitted under section 1105(a) of this title. The summary shall include—

(1) for **[that fiscal year]** *each fiscal year in such biennium*—

(A) substantial changes in or reappraisals of estimates of expenditures and receipts;

(B) substantial obligations imposed on the budget after its submission;

(C) current information on matters referred to in section 1105(a)(8) and (9)(B) and (C) of this title; and

(D) additional information the President decides is advisable to provide Congress with complete and current information about the budget and current estimates of the functions, obligations, requirements, and financial condition of the United States Government;

(2) for the **[4 fiscal years following the fiscal year]** *4 fiscal years following the biennium* for which the budget is submitted, information on estimated expenditures for programs authorized to continue in future years, or that are considered mandatory, under law; and

(3) for future fiscal years, information on estimated expenditures of balances carried over from the **[fiscal year]** *biennium* for which the budget is submitted.

(b) **Before [July 16 of each year]** *February 15 of each even-numbered year*, the President shall submit to Congress a statement of changes in budget authority requested, estimated budget outlays, and estimated receipts for **[the fiscal year]** *each fiscal year in the biennium* for which the budget is submitted (including prior changes proposed for the executive branch of the Government) that the President decides are necessary and appropriate based on current information. The statement shall include the effect of those changes on the information submitted under section 1105(a)(1)–(14) and (b) of this title and shall include supporting information as practicable. The statement submitted before *February 15 of each even-numbered year* may be included in the information submitted under subsection (a)(1) of this section.

(c) Subsection (f) of section 1105 shall apply to revisions and supplemental summaries submitted under this section to the same ex-

tent that such subsection applies to the budget submitted under section 1105(a) to which such revisions and summaries relate.

* * * * *

1109. CURRENT PROGRAMS AND ACTIVITIES ESTIMATES

(a) *At the same time for budget required by section 1105 is submitted for a biennium*, the President shall submit to both Houses of Congress the estimated budget outlays and proposed budget authority that would be included in the budget for *each fiscal year of such period* if programs and activities of the United States Government were carried on during that year at the same level as the current fiscal year without a change in policy. The President shall state the estimated budget outlays and proposed budget authority by function and subfunction under the classifications in the budget summary table under the heading “Budget Authority and Outlays by Function and Agency”, by major programs in each function, and by agency. The President also shall include a statement of the economic and program assumptions on which those budget outlays and budget authority are based, including inflation, real economic growth, and unemployment rates, program caseloads, and pay increases.

(b) The Joint Economic Committee shall review the estimated budget outlays and proposed budget authority and submit an economic evaluation of the budget outlays and budget authority to the Committees on the Budget of both Houses before *within 6 weeks of the President’s budget submission for each odd-numbered year (or, if applicable, as provided by section 300(b) of the Congressional Budget Act of 1974)*.

SECTION 1110: YEAR-AHEAD REQUESTS FOR AUTHORIZING LEGISLATION

A request to enact legislation authorizing new budget authority to continue a program or activity for a fiscal year shall be submitted to Congress before *March 31 of the calendar year preceding the calendar year in which the biennium begins*. If a new program or activity will continue for more than one year, the request must be submitted for at least the first and 2d fiscal years.

* * * * *

SECTION 1115: PERFORMANCE PLANS

(a) In carrying out the provisions of *section 1105(a)(28)*, the Director of the Office of Management and Budget shall require each agency to prepare *a biennial* performance plan covering each program activity set forth in the budget of such agency. Such plans shall—

- (1) establish performance goals to define the level of performance to be achieved by a program activity *for both years 1 and 2 of the biennial plan*;
- (2) express such goals in an objective, quantifiable, and measurable from unless authorized to be in an alternative from under subsection (b);

(3) briefly describe the operational processes, skills and technology, and the human, capital, information, or other resources required to meet the performance goals;

(4) establish performance indicators to be used in measuring or assessing the relevant outputs, service levels, and outcomes of each program activity;

(5) provide a basis for comparing actual program results with the established performance goals;

(6) describe the means to be used to verify and validate measured value; *and*

(7) *cover a 2-year period beginning with the first fiscal year of the next biennial budget cycle.*

* * * * *

SECTION 1115(d) OF THAT TITLE

(d) An agency may submit with its *biennial* performance plan as appendix covering any period of the plan that—

(1) is specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy; and

(2) is properly classified pursuant to such Executive order.

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SECTION 1115(f)(6) of that title

(f)(6) “program activity” means a specific activity or project as listed in the program and financing schedules of the *biennial* budget of the United States Government;

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SECTION 1119: PILOT PROJECTS FOR PERFORMANCE BUDGETING

* * * * *

(d) No later than March 31, 2001, the Director of the Office of Management and Budget shall transmit a report to the President and to the Congress on the performance budgeting pilot projects which shall—

(1) assess the feasibility and advisability of including a performance budget as a part of the **annual** *biennial* budget submitted under section 1105;

* * * * *

(e) After receipt of the report required under subsection (d), the Congress may specify that a performance budget be submitted as part of the **annual** *biennial* budget submitted under section 1105.

* * * * *

SECTION 9703(a) OF THAT TITLE

(a) Beginning with fiscal year 1999, the performance plans required under section 1115 may include proposals to waive administrative procedural requirements and controls, including specification of personnel staffing levels, limitations on compensation or remuneration, and prohibitions or restrictions on funding transfers among budget object classification 20 and subclassifications 11, 12,

31, and 32 of each [annual] budget submitted under section 1105, in return for specific individual or organization accountability to achieve a performance goal. In preparing and submitting the performance plan under section [1105(a)(29)] *1105(a)(28)*, the Director of the Office of Management and Budget shall review and may approve any proposed waivers. A waiver shall take effect at the beginning of the fiscal year for which the waiver is approved.

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TITLE 31—MONEY AND FINANCE

CHAPTER 97—MISCELLANEOUS

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SECTION 9703(e) OF THAT TITLE

(e) A waiver shall be in effect for [one or] two years as specified by the Director of the Office of Management and Budget in approving the waiver. A waiver may be renewed for a [subsequent year] *a subsequent 2-year period*. After a waiver has been in effect for [three] *four* consecutive years, the performance plan prepared under section 1115, may propose that a waiver, other than a waiver of limitations on compensation or remuneration, be made permanent.

TITLE 39—UNITED STATES CODE: POSTAL SERVICE

CHAPTER 28—STRATEGIC PLANNING AND PERFORMANCE MANAGEMENT

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SEC. 2802. STRATEGIC PLANS

(a) No later than [September 30, 1997] *September 30, 2000*, the Postal Service shall submit to the President and the Congress a strategic plan for its program activities. Such plan shall contain—

(1) a comprehensive mission statement covering the major functions and operations of the Postal Service;

(2) general goals and objectives, including outcome-related goals and objectives, for the major functions and operations of the Postal Service;

(3) a description of how the goals and objectives are to be achieved, including a description of how the operational processes, skills and technology, and the human capital, information, and other resources required to meet those goals and objectives;

(4) a description of how the performance goals included in the plan required under section 2803 shall be related to the general goals and objectives in the strategic plan;

(5) an identification of those key factors external to the Postal Service and beyond its control that could significantly affect the achievement of the general goals and objectives; and

(6) a description of how the program evaluations used in establishing or revising general goals and objectives, with a schedule for future program evaluations.

(b) The strategic plan shall cover a period of not less than **five years forward** *six years forward* from the fiscal year in which it is submitted, and shall be updated and revised **at least every three years** *at least every four years*.

(c) The performance plan required under section 2803 shall be consistent with the Postal Service's strategic plan. A performance plan may not be submitted for a fiscal year not covered by a current strategic plan under this section, *including a strategic plan submitted by September 30, 1997 meeting the requirements of subsection (a)*.

(d) When developing a strategic plan, the Postal Service shall solicit and consider the views and suggestions of those entities potentially affected by or interested in such a plan, and shall advise the Congress of the contents of the plan.

SEC. 2803(a). PERFORMANCE PLANS

(a) The Postal Service shall prepare **an annual** *a biennial* performance plan covering each program activity *for both years 1 and 2 of the biennial plan* set forth in the Postal Service budget, which shall be included in the comprehensive statement presented under section 2401(g) of this title. Such plan shall—

(1) establish performance goals to define the level of performance to be achieved by a program activity;

(2) express such goals in an objective, quantifiable, and measurable form unless an alternative form is used under subsection (b);

(3) briefly describe the operational processes, skills, and technology, and the human, capital, information, or other resources required to meet the performance goals;

(4) establish performance indicators to be used in measuring or assessing the relevant outputs, service levels, and outcomes of each program activity;

(5) provide a basis for comparing actual program results with the established performance goals;

(6) describe the means to be used to verify and validate measured values; and

(7) cover a 2-year period beginning with the first fiscal year of the next biennial budget cycle.

TITLE 5—GOVERNMENT ORGANIZATION AND EMPLOYEES

CHAPTER 3—POWERS

SECTION 306 OF THAT TITLE

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§ 306 Strategic plans

(a) No later than **September 30, 1997** *September 30, 2000*, the head of each agency shall submit to the Director of the Office of Management and Budget and to the Congress a strategic plan for program activities. Such plan shall contain—

(1) a comprehensive mission statement covering the major functions and operations of the agency;

(2) general goals and objectives, including outcome-related goals and objectives, for the major functions and operations of the agency;

(3) a description of how the goals and objectives are to be achieved, including a description of the operational processes, skills and technology, and the human, capital, information, and other resources required to meet those goals and objectives;

(4) a description of how the performance goals included in the plan required by section 1115(a) of title 31 shall be related to the general goals and objectives strategic plan;

(5) an identification of those key factors external to the agency and beyond its control that could significantly affect the achievement of the general goals and objectives; and

(6) a description of the program evaluations used in establishing or revising general goals and objectives, with a schedule for future program evaluations.

(b) The strategic plan shall cover a period of not less than **five** *six* years forward from the fiscal year in which it is submitted, and shall be updated and revised **at least every three years** *at least every 4 years*.

(c) The performance plan required by section 1115 of title 31 shall be consistent with the agency's strategic plan. A performance plan may not be submitted for a fiscal year not covered by a current strategic plan under this section, *including a strategic plan submitted by September 30, 1997 meeting the requirements of subsection (a)*.

* * * * *

H. Con. Res. 67, 104th Congress

SECTION 202(b)(2) of that title

(2) APPLICABLE TIME PERIODS.—For purposes of this subsection the term “applicable time period” means any one of the three following periods.

(A) **The first year covered by the most recently adopted concurrent resolution on the budget.** *The period of the biennium covered by the most recently adopted concurrent resolution on the budget.*

(B) The period of the first **five** *six* fiscal years covered by the most recently adopted concurrent resolution on the budget.

(C) The period of the **five** *four* fiscal years following the first **five** *six* fiscal years covered **in** *by* the most recently adopted concurrent resolution on the budget.

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TITLE 1—UNITED STATES CODE

SECTION 105 OF THAT TITLE

§ 105. Title and style of appropriation acts

[The style and title of all Acts making appropriations for the support of Government shall be as follows: “An Act making appropriations (here insert the object) for the year ending September 30 (here insert the calendar year).”]

(a) The style and title of all Acts making appropriations for the support of the Government shall be as follows: "An Act making appropriations (here insert the object) for each fiscal year in the biennium of fiscal years (here insert the fiscal years of the biennium).

(b) All Acts making regular appropriations for the support of the Government shall be enacted for a biennium and shall specify the amount of appropriations provided for each fiscal year in such period.

(c) For purposes of this section, the term "biennium" has the same meaning as in section 3(11) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(11)).

