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115TH CONGRESS
1ST SESSION

H. R. 4361

To require the use of macroeconomic analysis in estimating the budgetary effects of major revenue legislation.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 9, 2017

Mr. MESSER introduced the following bill; which was referred to the Committee on the Budget, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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A BILL

To require the use of macroeconomic analysis in estimating the budgetary effects of major revenue legislation.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Accurate Budgeting Act''.

SEC. 2. MACROECONOMIC IMPACT ANALYSES FOR MAJOR REVENUE LEGISLATION.

(a) DEFINITIONS.—Section 3 of the Congressional Budget Act of 1974 (2 U.S.C. 622) is amended by adding at the end the following:

"(12)(A) The term 'macroeconomic impact analysis' means—

"(i) an estimate of the changes in economic output, employment, interest rates, capital stock, and tax revenues expected to result from the revenue provisions in a major revenue bill or resolution;

"(ii) an estimate of revenue feedback expected to result from those revenue provisions; and

"(iii) a statement identifying the critical assumptions and the source of data underlying that estimate, to the extent necessary to make the models comprehensible to academic and public policy analysts.

"(B) The term 'major revenue bill or resolution' means a bill, resolution, conference report, or amendment between the Houses for which—

"(i) either—

"(I) the sum of the positive changes in revenues resulting from such measure (not including the impact of any timing shifts for the due date for estimated corporate income tax payments) for any fiscal year in the period for which an estimate is prepared under section 201(f); or

"(II) the absolute value of the sum of the negative changes in revenues resulting from such measure (not including the impact of any timing shifts for the due date for estimated corporate income tax payments) for any fiscal year for which such an estimate is prepared,

is greater than

"(ii) 0.25 percent of the current projected gross domestic product of the United States (as determined by the Bureau of Economic Analysis of the Department of Commerce) for such fiscal year.

"(C) The term 'revenue feedback' means changes in revenue resulting from changes in economic growth as the result of the enactment of any major revenue bill or resolution.".

(b) MACROECONOMIC IMPACT ANALYSIS OF MAJOR REVENUE LEGISLATION.—

(1) IN GENERAL.—Section 201(f) of the Congressional Budget Act of 1974 (2 U.S.C. 601(f)) is amended—

(A) by striking ‘‘For the purposes’’ and inserting the following:

‘‘(1) For the purposes’’; and

(B) by adding at the end the following:

‘‘(2) To the extent practicable, a revenue estimate prepared by the Joint Committee on Taxation for a major revenue bill or resolution shall incorporate a macroeconomic impact analysis of the budgetary effects of the major revenue bill or resolution.’’.

(2) PAYGO.—Section 3(4) of the Statutory Pay-As-You-Go Act of 2010 (2 U.S.C. 932(4)) is amended by adding at the end the following:

‘‘(D)(i) In this subparagraph, the terms ‘macroeconomic impact analysis’ and ‘major revenue bill or resolution’ have the meanings given such terms in section 3 of the Congressional Budget Act of 1974 (2 U.S.C. 622).

‘‘(ii) To the extent practicable, an estimate of the budgetary effects of a major revenue bill or resolution prepared for purposes of this Act shall incorporate a macroeconomic impact analysis of the budgetary effects of the major revenue bill or resolution.''.

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