

Calendar No. 258

104TH CONGRESS
1ST Session
S. 1452

A BILL

To establish procedures to provide for a taxpayer protection lock-box and related downward adjustment of discretionary spending limits and to provide for additional deficit reduction with funds resulting from the stimulative effect of revenue reductions.

DECEMBER 7, 1995

Read the second time and placed on the calendar

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IN THE SENATE OF THE UNITED STATES

DECEMBER 6, 1995

Mr. GRAMS (for himself, Mr. MCCAIN and Mr. COATS) introduced the following bill; which was read the first time

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A BILL

To establish procedures to provide for a taxpayer protection lock-box and related downward adjustment of discretionary spending limits and to provide for additional deficit reduction with funds resulting from the stimulative effect of revenue reductions.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Taxpayer Protection
3 Lock-box Act of 1995”.

4 **SEC. 2. TAXPAYER PROTECTION LOCK-BOX LEDGER.**

5 (a) ESTABLISHMENT OF LEDGER.—Title III of the
6 Congressional Budget Act of 1974 is amended by adding
7 at the end the following new section:

8 “TAXPAYER PROTECTION LOCK-BOX LEDGER

9 “SEC. 314. (a) ESTABLISHMENT OF LEDGER.—The
10 Director of the Congressional Budget Office (hereinafter
11 in this section referred to as the ‘Director’) shall maintain
12 a ledger to be known as the ‘Taxpayer Protection Lock-
13 box Ledger’. The Ledger shall be divided into entries cor-
14 responding to the subcommittees of the Committees on
15 Appropriations. Each entry shall consist of three parts:
16 the ‘House Lock-box Balance’; the ‘Senate Lock-box Bal-
17 ance’; and the ‘Joint House-Senate Lock-box Balance’.

18 “(b) COMPONENTS OF LEDGER.—Each component in
19 an entry shall consist only of amounts credited to it under
20 subsection (c). No entry of a negative amount shall be
21 made.

22 “(c) CREDIT OF AMOUNTS TO LEDGER.—(1) The Di-
23 rector shall, upon the engrossment of any appropriation
24 bill by the House of Representatives and upon the engross-
25 ment of that bill by the Senate, credit to the applicable
26 entry balance of that House amounts of new budget au-

1 thority and outlays equal to the net amounts of reductions
2 in new budget authority and in outlays resulting from
3 amendments agreed to by that House to that bill.

4 “(2) The Director shall, upon the engrossment of
5 Senate amendments to any appropriation bill, credit to the
6 applicable Joint House-Senate Lock-box Balance the
7 amounts of new budget authority and outlays equal to—

8 “(A) an amount equal to one-half of the sum of
9 (i) the amount of new budget authority in the House
10 Lock-box Balance plus (ii) the amount of new budg-
11 et authority in the Senate Lock-box Balance for that
12 bill; and

13 “(B) an amount equal to one-half of the sum
14 of (i) the amount of outlays in the House Lock-box
15 Balance plus (ii) the amount of outlays in the Sen-
16 ate Lock-box Balance for that bill.

17 “(3) For purposes of calculating under this section
18 the net amounts of reductions in new budget authority and
19 in outlays resulting from amendments agreed to by the
20 Senate on an appropriation bill, the amendments reported
21 to the Senate by its Committee on Appropriations shall
22 be considered to be part of the original text of the bill.

23 “(d) DEFINITION.—As used in this section, the term
24 ‘appropriation bill’ means any general or special appro-
25 priation bill, and any bill or joint resolution making sup-

1 plemental, deficiency, or continuing appropriations
2 through the end of a fiscal year.”.

3 (b) CONFORMING AMENDMENT.—The table of con-
4 tents set forth in section 1(b) of the Congressional Budget
5 and Impoundment Control Act of 1974 is amended by in-
6 serting after the item relating to section 313 the following
7 new item:

“Sec. 314. Taxpayer protection lock-box ledger.”.

8 **SEC. 3. TALLY DURING HOUSE OR SENATE CONSIDER-**
9 **ATION.**

10 There shall be available to Members in the House of
11 Representatives and the Senate during consideration of
12 any appropriations bill by the House and the Senate a
13 running tally of the amendments adopted reflecting in-
14 creases and decreases of budget authority in the bill as
15 reported.

16 **SEC. 4. DOWNWARD ADJUSTMENT OF 602(a) ALLOCATIONS**
17 **AND SECTION 602(b) SUBALLOCATIONS.**

18 (a) ALLOCATIONS.—Section 602(a) of the Congres-
19 sional Budget Act of 1974 is amended by adding at the
20 end the following new paragraph:

21 “(5) Upon the engrossment of Senate amend-
22 ments to any appropriation bill (as defined in section
23 314(d)) for a fiscal year, the amounts allocated
24 under paragraph (1) or (2) to the Committee on Ap-
25 propriations of each House upon the adoption of the

1 most recent concurrent resolution on the budget for
2 that fiscal year shall be adjusted downward by the
3 amounts credited to the applicable Joint House-Sen-
4 ate Lock-box Balance under section 314(c)(2). The
5 revised levels of budget authority and outlays shall
6 be submitted to each House by the chairman of the
7 Committee on the Budget of that House and shall
8 be printed in the Congressional Record.”.

9 (b) SUBALLOCATIONS.—Section 602(b)(1) of the
10 Congressional Budget Act of 1974 is amended by adding
11 at the end the following new sentence: “Whenever an ad-
12 justment is made under subsection (a)(5) to an allocation
13 under that subsection, the chairman of the Committee on
14 Appropriations of each House shall make downward ad-
15 justments in the most recent suballocations of new budget
16 authority and outlays under subparagraph (A) to the ap-
17 propriate subcommittees of that committee in the total
18 amounts of those adjustments under section 314(c)(2).
19 The revised suballocations shall be submitted to each
20 House by the chairman of the Committee on Appropria-
21 tions of that House and shall be printed in the Congres-
22 sional Record.”.

23 **SEC. 5. PERIODIC REPORTING OF LEDGER STATEMENTS.**

24 Section 308(b)(1) of the Congressional Budget Act
25 of 1974 is amended by adding at the end the following

1 new sentence: “Such reports shall also include an up-to-
2 date tabulation of the amounts contained in the ledger and
3 each entry established by section 314(a).”.

4 **SEC. 6. DOWNWARD ADJUSTMENT OF DISCRETIONARY**
5 **SPENDING LIMITS.**

6 The discretionary spending limits for new budget au-
7 thority and outlays for any fiscal year set forth in section
8 601(a)(2) of the Congressional Budget Act of 1974, as
9 adjusted in strict conformance with section 251 of the Bal-
10 anced Budget and Emergency Deficit Control Act of 1985,
11 shall be reduced by the amounts set forth in the final regu-
12 lar appropriation bill for that fiscal year or joint resolution
13 making continuing appropriations through the end of that
14 fiscal year. Those amounts shall be the sums of the Joint
15 House-Senate Lock-box Balances for that fiscal year, as
16 calculated under section 602(a)(5) of the Congressional
17 Budget Act of 1974. That bill or joint resolution shall con-
18 tain the following statement of law: “As required by sec-
19 tion 6 of the Taxpayer Protection Lock-box Act of 1995,
20 for fiscal year [insert appropriate fiscal year] and each
21 outyear, the adjusted discretionary spending limit for new
22 budget authority shall be reduced by \$ [insert appropriate
23 amount of reduction] and the adjusted discretionary limit
24 for outlays shall be reduced by \$ [insert appropriate
25 amount of reduction] for the budget year and each out-

1 year.” Notwithstanding section 904(c) of the Congress-
2 sional Budget Act of 1974, section 306 of that Act as it
3 applies to this statement shall be waived. This adjustment
4 shall be reflected in reports under sections 254(g) and
5 254(h) of the Balanced Budget and Emergency Deficit
6 Control Act of 1985.

7 **SEC. 7. EFFECTIVE DATE.**

8 (a) IN GENERAL.—The provisions of sections 1
9 through 6 of this Act shall apply to all appropriation bills
10 making appropriations for fiscal year 1996 or any subse-
11 quent fiscal year.

12 (b) FY96 APPLICATION.—In the case of any appro-
13 priation bill for fiscal year 1996 engrossed by the House
14 of Representatives after August 4, 1995, and before the
15 date of enactment of this Act, the Director of the Congress-
16 sional Budget Office, the Director of the Office of Man-
17 agement and Budget, and the Committees on Appropria-
18 tions and the Committees on the Budget of the House of
19 Representatives and of the Senate shall, within 10 cal-
20 endar days after that date of enactment of this Act, carry
21 out the duties required by this Act and amendments made
22 by it that occur after the date this Act was engrossed by
23 the House of Representatives.

24 (c) FY96 ALLOCATIONS.—The duties of the Director
25 of the Congressional Budget Office and of the Committees

1 on the Budget and on Appropriations of the House of Rep-
2 resentatives pursuant to this Act and the amendments
3 made by it regarding appropriation bills for fiscal year
4 1996 shall be based upon the revised section 602(a) alloca-
5 tions in effect on August 4, 1995.

6 (d) DEFINITION.—As used in this section, the term
7 “appropriation bill” means any general or special appro-
8 priation bill, and any bill or joint resolution making sup-
9 plemental, deficiency, or continuing appropriations
10 through the end of a fiscal year.

11 **SEC. 8. ADJUSTMENT FOR STIMULATIVE EFFECT OF REVE-**
12 **NUE REDUCTIONS.**

13 (a) AMOUNT OF ADJUSTMENT.—

14 (1) OMB.—Effective in 1996 and not later
15 than October 15 of each year, the Director of OMB
16 shall calculate stimulative effect by determining the
17 amount by which actual revenues exceed the pro-
18 jected level of revenues set forth in paragraph (2)
19 and then estimating the amount of the excess (fiscal
20 dividend excess) attributable to provisions of the
21 Balanced Budget Act of 1995 reducing revenues.

22 (2) PROJECTED LEVEL OF REVENUES.—The
23 projected level of revenues referred to in paragraph
24 (1) are as follows:

25 (A) For fiscal year 1996, \$1,416,000,000.

1 (B) For fiscal year 1997, \$1,450,000,000.

2 (C) For fiscal year 1998, \$1,518,000,000.

3 (D) For fiscal year 1999, \$1,587,000,000.

4 (E) For fiscal year 2000, \$1,667,000,000.

5 (F) For fiscal year 2001, \$1,757,000,000.

6 (G) For fiscal year 2002, \$1,853,000,000.

7 (3) CBO CERTIFICATION.—Not later than Oc-
8 tober 20, the Director of the CBO shall certify the
9 estimates and projections of the Director of OMB
10 made under this subsection. If the Director of CBO
11 cannot certify the estimates and projections, the Di-
12 rector shall notify Congress and the President of the
13 disagreement and submit revised estimates.

14 (b) REDUCTION OF DEFICIT.—If the Director of
15 OMB determines that a fiscal dividend excess exists under
16 subsection (a) and on November 1, the President may—

17 (1) direct the Secretary of the Treasury to pay
18 an amount not to exceed the level of excess to retire
19 debt obligations of the United States; or

20 (2) submit a legislative proposal to Congress for
21 reducing taxes by the amount of excess not dedi-
22 cated to deficit reduction to be considered by Con-
23 gress as provided in subsection (c).

24 (c) EXPEDITED PROCEDURE.—

1 (1) INTRODUCTION.—Not later than 3 days
2 after the President submits a legislative proposal
3 under subsection (b)(2), the Majority Leaders of the
4 Senate and the House of Representatives shall intro-
5 duce the proposal in their respective Houses as a
6 bill. If the bill described in the preceding sentence is
7 not introduced as provided in the preceding sen-
8 tence, then, on the 4th day after the submission of
9 the legislative proposal by the President, any Mem-
10 ber of that House may introduce the bill.

11 (2) REFERRAL TO COMMITTEE.—A bill de-
12 scribed in paragraph (1) introduced in the House of
13 Representatives shall be referred to the Committee
14 on Ways and Means of the House of Representa-
15 tives. A bill described in paragraph (1) introduced in
16 the Senate shall be referred to the Committee on Fi-
17 nance of the Senate. If more than 1 bill is intro-
18 duced as provided in paragraph (1), the committee
19 shall consider and report the first bill introduced.
20 Amendments to the bill in committee may not re-
21 duce revenues in the bill below the amount proposed
22 by the President. Such a bill may not be reported
23 before the 8th day after its introduction.

24 (3) DISCHARGE OF COMMITTEE.—If the com-
25 mittee to which is referred a bill described in para-

1 graph (1) has not reported such bill at the end of
2 15 calendar days after its introduction, such com-
3 mittee shall be deemed to be discharged from further
4 consideration of such bill and such bill shall be
5 placed on the appropriate calendar of the House in-
6 volved.

7 (4) FLOOR CONSIDERATION.—

8 (A) IN GENERAL.—When the committee to
9 which a bill is referred has reported, or has
10 been deemed to be discharged (under paragraph
11 (3)) from further consideration of, a bill de-
12 scribed in paragraph (1), it is at any time
13 thereafter in order (even though a previous mo-
14 tion to the same effect has been disagreed to)
15 for any Member of the respective House to
16 move to proceed to the consideration of the bill,
17 and all points of order against the bill (and
18 against consideration of the bill) are waived.
19 The motion is highly privileged in the House of
20 Representatives and is privileged in the Senate
21 and is not debatable. The motion is not subject
22 to amendment, or to a motion to postpone, or
23 to a motion to proceed to the consideration of
24 other business. A motion to reconsider the vote
25 by which the motion is agreed to or disagreed

1 to shall not be in order. If a motion to proceed
2 to the consideration of the bill is agreed to, the
3 bill shall remain the unfinished business of the
4 respective House until disposed of.

5 (B) DEBATE.—Consideration of the bill,
6 and on all debatable motions and appeals in
7 connection therewith, shall be limited to not
8 more than 20 hours, which shall be divided
9 equally between those favoring and those oppos-
10 ing the bill. A motion further to limit debate is
11 in order and not debatable. A motion to post-
12 pone, or a motion to proceed to the consider-
13 ation of other business, or a motion to recom-
14 mit the bill is not in order. A motion to recon-
15 sider the vote by which the bill is agreed to or
16 disagreed to is not in order. Debate on amend-
17 ments to the bill shall be limited to 30 minutes
18 equally divided. Amendments to the bill may
19 not reduce revenues in the bill below the
20 amount proposed by the President.

21 (C) VOTE ON FINAL PASSAGE.—Imme-
22 diately following the conclusion of the debate on
23 a bill described in paragraph (1), and a single
24 quorum call at the conclusion of the debate if
25 requested in accordance with the rules of the

1 appropriate House, the vote on final passage of
2 the bill shall occur.

3 (D) RULINGS OF THE CHAIR ON PROCE-
4 DURE.—Appeals from the decisions of the Chair
5 relating to the application of the rules of the
6 Senate or the House of Representatives, as the
7 case may be, to the procedure relating to a bill
8 described in paragraph (1) shall be decided
9 without debate.

10 (5) COORDINATION WITH ACTION BY OTHER
11 HOUSE.—If, before the passage by one House of a
12 bill of that House described in paragraph (1), that
13 House receives from the other House a bill described
14 in paragraph (1), then the following procedures shall
15 apply:

16 (A) The bill of the other House shall not
17 be referred to a committee.

18 (B) With respect to a bill described in
19 paragraph (1) of the House receiving the bill—

20 (i) the procedure in that House shall
21 be the same as if no bill had been received
22 from the other House; but

23 (ii) the vote on final passage shall be
24 on the bill of the other House.

1 (6) RULES OF HOUSE OF REPRESENTATIVES
2 AND SENATE.—This subsection is enacted by Con-
3 gress—

4 (A) as an exercise of the rulemaking power
5 of the Senate and House of Representatives, re-
6 spectively, and as such it is deemed a part of
7 the rules of each House, respectively, but appli-
8 cable only with respect to the procedure to be
9 followed in that House in the case of a bill de-
10 scribed in paragraph (1), and it supersedes
11 other rules only to the extent that it is incon-
12 sistent with such rules; and

13 (B) with full recognition of the constitu-
14 tional right of either House to change the rules
15 (so far as relating to the procedure of that
16 House) at any time, in the same manner and
17 to the same extent as in the case of any other
18 rule of that House.

19 (d) DEFICIT REDUCTION IF TAX REDUCTIONS NOT
20 ENACTED.—If tax reductions are not enacted by Decem-
21 ber 31 of the year of the submission of a legislative pro-
22 posal under subsection (b)(2), the President shall pay an
23 amount equal to the amount by which revenues are not
24 reduced to deficit reduction as provided in subsection
25 (b)(1).

1 (e) DEFINITION.—For purposes of this section, the
2 term “stimulative economic effect of any laws reducing
3 revenues” refers to laws that have the effect of stimulating
4 savings, investment, job creation, and economic growth.

5 (f) MAXIMUM DEFICIT AMOUNT.—

6 (1) LEVELS.—Section 601(a)(1) of the Con-
7 gressional Budget Act of 1974 is amended to read
8 as follows:

9 “(1) MAXIMUM DEFICIT AMOUNT.—The term
10 ‘maximum deficit amount’ means—

11 “(A) with respect to fiscal year 1996,
12 \$166,000,000,000;

13 “(B) with respect to fiscal year 1997,
14 \$168,000,000,000;

15 “(C) with respect to fiscal year 1998,
16 \$135,000,000,000;

17 “(D) with respect to fiscal year 1999,
18 \$133,000,000,000;

19 “(E) with respect to fiscal year 2000,
20 \$88,000,000,000;

21 “(F) with respect to fiscal year 2001,
22 \$32,000,000,000;

23 “(E) with respect to fiscal year 2002, a
24 surplus of \$13,000,000,000; and

1 “(F) with respect to fiscal year 2003 and
2 fiscal years thereafter, zero.”.

3 (2) MDA POINT OF ORDER.—Section 605(b) of
4 the Congressional Budget Act of 1974 is amended to
5 read as follows:

6 “(b) MAXIMUM DEFICIT POINT OF ORDER.—

7 “(1) IN GENERAL.—It shall not be in order in
8 the House of Representatives or the Senate to con-
9 sider any bill, joint resolution, amendment, or con-
10 ference report that includes any provision that would
11 result in a deficit for a fiscal year that exceeds the
12 maximum deficit amount for such fiscal year.

13 “(2) WAIVER OR SUSPENSION.—This subsection
14 may be waived or suspended in the House of Rep-
15 resentatives or the Senate only by the affirmative
16 vote of three-fifths of the Members, duly chosen and
17 sworn.”.

18 (3) SIXTY VOTE POINT OF ORDER.—Section
19 904 of the Congressional Budget Act of 1974 is
20 amended—

21 (A) in the second sentence of subsection (c) by
22 inserting “605(b),” after “601(b), ”; and

23 (B) in the third sentence of subsection (d) by
24 inserting “605(b),” after “601(b), ”.

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