

105TH CONGRESS
2D SESSION

S. 2423

To improve the accuracy of the budget and revenue estimates of the Congressional Budget Office by creating an independent CBO Economic Advisory Council and requiring full disclosure of the methodology and assumptions used by CBO in producing the estimates.

IN THE SENATE OF THE UNITED STATES

JULY 31, 1998

Mr. ABRAHAM introduced the following bill; which was read twice and referred jointly pursuant to the order of August 4, 1977, to the Committees on the Budget and Governmental Affairs, with instructions that if one committee reports, the other committee have thirty days to report or be discharged

A BILL

To improve the accuracy of the budget and revenue estimates of the Congressional Budget Office by creating an independent CBO Economic Advisory Council and requiring full disclosure of the methodology and assumptions used by CBO in producing the estimates.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Congressional Budget
5 Office Improvement Act of 1998”.

1 **SEC. 2. ESTABLISHMENT OF CBO CONGRESSIONAL BUDGET**

2 **BOARD AND ECONOMIC ADVISORY COUNCIL.**

3 (a) CONGRESSIONAL BUDGET BOARD AND ECO-
 4 NOMIC ADVISORY COUNCIL.—Title II of the Congressional
 5 Budget Act of 1974 (2 U.S.C. 601 et seq.) is amended
 6 by adding at the end thereof the following new sections:

7 “CONGRESSIONAL BUDGET BOARD

8 “SEC. 204. (a) ESTABLISHMENT AND FUNCTIONS.—

9 There shall be a Congressional Budget Office Board (re-
 10 ferred to as the ‘Board’), which shall—

11 “(1) provide general oversight of the operations
 12 of the Office, including monitoring, reviewing, and
 13 evaluating the performance of the Office;

14 “(2) approve in advance the undertaking by the
 15 Office of any studies and the publication of any re-
 16 ports in addition to those required by law that the
 17 Director may propose to undertake or publish as an
 18 appropriate undertaking in furtherance of the pur-
 19 poses for which the Office is established; and

20 “(3) provide general guidance to the Director in
 21 the formulation and implementation of procedures
 22 and policies for the Office.

23 “(b) MEMBERSHIP.—The Board shall consist of 13
 24 members as follows:

1 “(1) 6 Members of the Senate, appointed by the
2 President pro tempore of the Senate, 3 from the ma-
3 jority party and 3 from the minority party;

4 “(2) 6 Members of the House of Representa-
5 tives appointed by the Speaker of the House of Rep-
6 resentatives, 3 from the majority party and 3 from
7 the minority party; and

8 “(3) the Director, who shall not be a voting
9 member.

10 “(c) EXECUTION OF FUNCTIONS DURING VACAN-
11 CIES; FILLING OF VACANCIES.—Vacancies in the member-
12 ship of the Board shall not affect the power of the remain-
13 ing members to execute the functions of the Board and
14 shall be filled in the same manner as the original appoint-
15 ment.

16 “(d) CHAIRMAN AND VICE CHAIRMAN; SELECTION
17 PROCEDURE.—(1) The Board shall select a chairman and
18 vice chairman from among its members at the beginning
19 of each Congress.

20 “(2) The vice chairman shall act in the place and
21 stead of the chairman in the absence of the chairman.

22 “(3) The chairmanship and vice chairmanship shall
23 alternate between the Senate and the House of Represent-
24 atives with each Congress.

1 “(4) The chairman during each even-numbered Con-
2 gress shall be selected by the Members of the House of
3 Representatives on the Board from among their number.

4 “(5) The vice chairman during each Congress shall
5 be chosen in the same manner from that House of Con-
6 gress other than the House of Congress of which the chair-
7 man is a Member.

8 “(e) MEETINGS; POWERS OF BOARD.—(1) The
9 Board may sit and act at such places and times during
10 the sessions, recesses, and adjournment periods of Con-
11 gress, and upon a vote of a majority of its members, re-
12 quire by subpoena or otherwise the attendance of such wit-
13 nesses and the production of such books, papers, and doc-
14 uments, administer such oaths and affirmations, take such
15 testimony, procure such printing and binding, and make
16 such expenditures, as the Board deems advisable.

17 “(2) The Board may make such rules respecting its
18 organization and procedures as it deems necessary, except
19 that no recommendation shall be reported from the Board
20 unless a majority of the Board assent.

21 “(3) The chairman of the Board or any voting mem-
22 ber thereof may administer oaths or affirmations to wit-
23 nesses.

1 “ADVISORY COUNCIL

2 “SEC. 205. (a) ESTABLISHMENT; DUTIES.—The Of-
3 fice shall establish an Economic Advisory Council (re-
4 ferred to as the ‘Council’) which shall—

5 “(1) review and make recommendations to the
6 Board on activities undertaken by the Office;

7 “(2) evaluate the quality and objectivity of re-
8 search performed by the Office and the reports that
9 result from that research; and

10 “(3) undertake such additional related tasks as
11 the Board may direct.

12 “(b) COMPOSITION.—The Council shall be composed
13 of 12 members of the public, appointed by the Board, who
14 shall be persons eminent in the fields of—

15 “(1) public finance;

16 “(2) economics of taxation and microeconomics;
17 and

18 “(3) macroeconomics.

19 “(c) CHAIRMAN AND VICE CHAIRMAN; TERMS AND
20 CONDITIONS OF SERVICE.—(1) The Council, by majority
21 vote, shall elect from its members a chairman and vice
22 chairman, who shall serve for such time and under such
23 conditions as the Council may prescribe.

1 “(2) In the absence of the chairman, or in the event
2 of the chairman’s incapacity, the vice chairman shall act
3 as chairman.

4 “(d) TERMS OF OFFICE; REAPPOINTMENT.—(1) The
5 term of office of each member of the Council shall be 4
6 years, except that any such member appointed to fill a
7 vacancy occurring prior to the expiration of the term for
8 which the member’s predecessor was appointed shall be
9 appointed for the remainder of that term.

10 “(2) No person shall be appointed a member of the
11 Council more than twice.

12 “(3) Terms of the members of the Council shall be
13 staggered so as to establish a rotating membership accord-
14 ing to such method as the Board may devise.

15 “(e) COMPENSATION AND REIMBURSEMENT FOR
16 TRAVEL, SUBSISTENCE, AND OTHER NECESSARY EX-
17 PENSES.—The members of the Council shall receive com-
18 pensation for each day engaged in the actual performance
19 of duties vested in the Council at rates of pay not in excess
20 of the daily equivalent of the highest rate of basic pay
21 set forth in the General Schedule of section 5332(a) of
22 title 5, and shall be reimbursed for travel, subsistence, and
23 other necessary expenses incurred by them in the perform-
24 ance of duties vested in the Council, without regard to
25 subchapter 1 of chapter 57 and section 5731 of title 5.

1 “DISCLOSURE OF ASSUMPTIONS

2 “SEC. 205. Any report to Congress or to the public
3 made by the Office that contains an estimate of the effect
4 that legislation will have on revenues or expenditures shall
5 be accompanied by a written statement fully disclosing the
6 economic, technical, and behavioral assumptions that were
7 made in producing the estimate.”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) shall become effective January 1, 1999.

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