Union Calendar No. 178

106TH CONGRESS
1ST SESSION

H. R. 853

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

A BILL

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

AUGUST 5, 1999

Reported from the Committee on the Budget with an amendment

AUGUST 5, 1999

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

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IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 1999

Mr. NUSSLE (for himself, Mr. CARDIN, Mr. KASICH, Mr. DREIER, Mr. GOSS, Mr. MINGE, Mr. SUNUNU, Mr. RADANOVICH, and Mr. STENHOLM) introduced the following bill; which was referred to the Committee on the Budget, and in addition to the Committees on Rules, and Appropriations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

JUNE 24, 1999

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

[Omit the part in bold brackets and struck through]

AUGUST 5, 1999

Reported from the Committee on the Budget with an amendment

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

AUGUST 5, 1999

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

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

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

AUGUST 5, 1999

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

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

A BILL

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

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

~~SECTION 1. SHORT TITLE; TABLE OF CONTENTS.~~

~~(a) SHORT TITLE.—This Act may be cited as the "Comprehensive Budget Process Reform Act of 1999".~~

~~(b) TABLE OF CONTENTS.—~~

~~Sec. 1. Short title; table of contents.~~
~~Sec. 2. Purpose.~~
~~Sec. 3. Effective date.~~
~~Sec. 4. Declaration of purposes for the Budget Act.~~

~~TITLE I—BUDGET WITH FORCE OF LAW~~

~~Sec. 101. Purposes.~~

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

~~TITLE II—RESERVE FUNDS FOR EMERGENCIES~~

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

~~TITLE III—ENFORCEMENT OF BUDGETARY DECISIONS~~

~~Sec. 301. Purposes.~~

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

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

~~Subtitle B—Compliance with Budget Resolution~~

~~Sec. 321. Budget compliance statements.~~

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

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

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

~~Sec. 341. CBO scoring of conference reports.~~

~~TITLE IV—ACCOUNTABILITY FOR FEDERAL SPENDING~~

~~Sec. 401. Purposes.~~

~~Subtitle A—Prohibitions on Indefinite Spending~~

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

~~Subtitle B—Enhanced Congressional Oversight Responsibilities~~

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

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

~~Subtitle C—Strengthened Accountability~~

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

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

~~Sec. 501. Purposes.~~

~~Subtitle A—Budgetary Treatment of Federal Insurance Programs~~

~~Sec. 511. Federal insurance programs.~~

~~Subtitle B—Reports on Long-Term Budgetary Trends~~

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

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

~~Sec. 601. Purpose.~~

~~Subtitle A—The Baseline~~

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

~~Subtitle B—The Byrd Rule~~

~~Sec. 621. Limitation on Byrd rule.~~

~~Subtitle C—Spending Accountability Lock-Box~~

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

~~Subtitle D—Automatic Continuing Resolution~~

~~Sec. 641. Automatic continuing resolution.~~

~~TITLE VII—BUDGETING IN AN ERA OF SURPLUSES~~

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

1 **~~SEC. 2. PURPOSE.~~**

2 ~~The purposes of this Act are to—~~

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

~~(2) budget for emergencies;~~

~~(3) display the unfunded liabilities of Federal insurance programs;~~

~~(4) strengthen enforcement of budgetary decisions;~~

~~(5) increase accountability for Federal spending;~~

~~(6) mitigate the bias in the budget process toward higher spending; and~~

~~(7) modify paygo requirements when there is an on-budget surplus.~~

~~SEC. 3. EFFECTIVE DATE.~~

~~Except as otherwise specifically provided, this Act and the amendments made by this Act shall become effective on the date of enactment of this Act and shall apply with respect to fiscal years beginning after September 30, 2000.~~

~~SEC. 4. DECLARATION OF PURPOSES FOR THE BUDGET ACT.~~

~~Paragraphs (1) and (2) of section 2 of the Congressional Budget and Impoundment Control Act of 1974 are amended to read as follows:~~

~~"(1) to assure effective control over the budgetary process;~~

~~"(2) to facilitate the determination each year of the appropriate level of Federal revenues and expenditures by the Congress and the President;".~~

~~TITLE I—BUDGET WITH FORCE OF LAW~~

~~SEC. 101. PURPOSES.~~

~~The purposes of this title are to—~~

~~(1) focus initial budgetary deliberations on aggregate levels of Federal spending and taxation;~~

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

~~(3) reach budgetary decisions early in the legislative cycle.~~

~~SEC. 102. THE TIMETABLE.~~

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

~~"TIMETABLE~~

~~"SEC. 300. The timetable with respect to the congressional budget process for any fiscal year is as follows:~~

~~"On or before:~~	**~~Action to be completed:~~**
~~First Monday in February~~	~~President submits his budget.~~
~~February 15~~	~~Congressional Budget Office submits report to Budget Committees.~~
~~Not later than 6 weeks after President submits budget.~~	~~Committees submit views and estimates to Budget Committees.~~
~~April 1~~	~~Senate Budget Committee reports joint resolution on the budget.~~
~~April 15~~	~~Congress completes action on joint resolution on the budget.~~
~~June 10~~	~~House Appropriations Committee reports last annual appropriation bill.~~

~~"On or before:~~	~~Action to be completed:~~
~~June 15~~	~~Congress completes action on reconciliation legislation.~~
~~June 30~~	~~House completes action on annual appropriation bills.~~
~~October 1~~	~~Fiscal year begins.".~~

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

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

5 ~~"ANNUAL JOINT RESOLUTIONS ON THE BUDGET~~

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

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

15 ~~"(2) total Federal revenues and the amount, if~~
16 ~~any, by which the aggregate level of Federal reve-~~
17 ~~nues should be increased or decreased by bills and~~
18 ~~resolutions to be reported by the appropriate com-~~
19 ~~mittees;~~

20 ~~"(3) the surplus or deficit in the budget;~~

21 ~~"(4) subtotals of new budget authority and out-~~
22 ~~lays for nondefense discretionary spending, defense~~

~~discretionary spending, and direct spending, and, if deemed necessary, other subsets of discretionary spending and of direct spending;~~

~~"(5) the level of the statutory limit on the public debt;~~

~~"(6) for fiscal years to which the amendments made by title II of the Comprehensive Budget Process Reform Act of 1999 apply, subtotals of new budget authority and outlays for emergencies, including subtotals for direct spending and discretionary spending;~~

~~"(7) 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 of the resolution and for each of the 4 succeeding fiscal years; and~~

~~"(8) 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 of the resolution and for each of the 4 succeeding fiscal years.~~

~~"(b) ADDITIONAL MATTERS IN JOINT RESOLUTION.—The joint resolution on the budget may—~~

~~"(1) include a heading entitled 'Debt Increase as Measure of Deficit' in which the joint resolution shall set forth the amounts by which the debt subject to limit (in section 3101 of title 31, United States Code) has increased or would increase in each of the relevant fiscal years;~~

~~"(2) if submitted by the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate to the Committee on the Budget of that House of Congress, amend section 3101 of title 31, United States Code, to change the statutory limit on the public debt;~~

~~"(3) require a procedure under which all or certain bills or resolutions providing new budget authority or new entitlement authority for such fiscal year 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) require such other congressional procedures, relating to the budget, as may be appropriate to carry out the purposes of this Act; and~~

~~"(5) 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.~~

~~"(e) 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 joint resolution on the budget which includes any procedure or matter which has the effect of changing any rule of the House of Representatives, such joint 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 joint resolution referred to it under this paragraph with an amendment or amendments changing or striking 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 at such time as may be requested by the chairman of 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 other committee of the House of Representatives or the Senate that anticipates that the committee will consider legislation establishing, amending, or reauthorizing any Federal program likely to have a significant budgetary impact on any State, local, or tribal~~

~~government, or 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.~~

~~"(c) HEARINGS AND REPORT.—~~

~~"(1) IN GENERAL.—In developing the joint resolution on the budget referred to in subsection (a) for each fiscal year, 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.~~

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

~~"(A) new budget authority and outlays for each major functional category, based on allocations of the total levels set forth pursuant to subsection (a)(1);~~

~~"(B) 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;~~

~~"(C) with respect to each major functional category, an estimate of total new budget authority and total outlays, with the estimates divided between discretionary and direct spending amounts;~~

~~"(D) a measure, as a percentage of gross domestic product, of total outlays, total Federal revenues, the surplus or deficit, and new outlays for nondefense discretionary spending, defense spending, and direct spending as set forth in such resolution;~~

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

~~"(F) 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;~~

~~"(G) a justification for allocating any new budget authority and outlays for any new program, project, or activity to a committee for which such new budget authority and outlays would not be subject to discretionary appropriations;~~

~~"(H) allocations described in section 302(a);~~

~~"(I) 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~~

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

~~tivity (for which the allocation is made) to annual discretionary appropriation.''.~~

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

~~''(A) reconciliation directives described in section 310;~~

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

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

~~''(D) 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 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(c) 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 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 joint resolution on the budget for a fiscal year, 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 joint 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 contained 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 titles 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 joint 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 1 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.".~~

~~(b) PRESIDENT'S BUDGET SUBMISSION TO THE CONGRESS.—(1) The first two sentences of section 1105(a) of title 31, United States Code, are amended to read as follows:~~

~~"On or after the first Monday in January but not later than the first Monday in February of each year the President shall submit a budget of the United States Govern-~~

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

~~"(A) totals of new budget authority and outlays;~~

~~"(B) 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;~~

~~"(C) the surplus or deficit in the budget;~~

~~"(D) subtotals of new budget authority and outlays for nondefense discretionary spending, defense discretionary spending, and direct spending, and, if deemed necessary, other subsets of discretionary spending and of direct spending;~~

~~"(E) the level of the statutory limit on the public debt; and~~

~~"(F) for fiscal years to which the amendments made by title II of the Comprehensive Budget Process Reform Act of 1999 apply, subtotals of new budget authority and outlays for emergencies, including subtotals for direct spending and discretionary spending.~~

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

~~rately delineated statement, the levels required in the preceding sentence for at least each of the 4 ensuing fiscal years.''.~~

~~(2) The third sentence of section 1105(a) of title 31, United States Code, is amended by inserting ''submission'' after ''budget''.~~

~~(c) LIMITATION ON CONTENTS OF BUDGET RESOLUTIONS.—Section 305 of the Congressional Budget Act of 1974 is amended by adding at the end the following new subsection:~~

~~''(e) LIMITATION ON CONTENTS.—(1) Any joint resolution on the budget or any amendment thereto or conference report thereon that contains any matter not specified in section 301(a) or (b) shall not be treated in the House of Representatives or the Senate as a budget resolution under subsection (a) or (b) or as a conference report on a budget resolution under subsection (c) of this section.~~

~~''(2) It shall not be in order in the House of Representatives or in the Senate to consider any joint resolution on the budget or any amendment thereto or conference report thereon that contains any matter referred to in paragraph (1).''.~~

~~SEC. 104. BUDGET REQUIRED BEFORE SPENDING BILLS MAY BE CONSIDERED; FALL-BACK PROCEDURES IF PRESIDENT VETOES JOINT BUDGET RESOLUTION.~~

~~(a) AMENDMENTS TO SECTION 303 AND CONFORMING AMENDMENTS.—(1) Section 303 of the Congressional Budget Act of 1974 is amended—~~

~~(A) in subsection (b), by striking paragraph (2), by inserting "or" at the end of paragraph (1), and by redesignating paragraph (3) as paragraph (2); and~~

~~(B) by striking its section heading and inserting the following new section heading: "CONSIDERATION OF BUDGET-RELATED LEGISLATION BEFORE BUDGET BECOMES LAW".~~

~~(2) Section 302(g)(1) of the Congressional Budget Act of 1974 is amended by striking "April 15" and inserting the following: "the date upon which a joint resolution on the budget for a fiscal year is enacted".~~

~~(3) Section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding at the end the following new paragraph:~~

~~"(11) The term 'vetoes' means, when referring to a joint resolution on the budget for a fiscal year, whenever the President returns such resolution with his objections to the House in which it originated~~

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

~~(4)(A) Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting ''303(a),'' before ''305(b)(2),''.~~

~~(B) Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting ''303(a),'' before ''305(b)(2),''.~~

~~(b) EXPEDITED PROCEDURES UPON VETO OF JOINT RESOLUTION ON THE BUDGET.—(1) Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following new section:~~

~~''EXPEDITED PROCEDURES UPON VETO OF JOINT RESOLUTION ON THE BUDGET~~

~~''SEC. 316. (a) SPECIAL RULE.—If the President vetoes a joint resolution on the budget for a fiscal year, the chairman of the Committee on Budget of the House of Representatives or Senate may introduce a concurrent resolution on the budget or joint resolution on the budget for such fiscal year. If the Committee on the Budget of either House fails to report such concurrent or joint resolution referred to it within three legislative days after the date of such referral, the committee shall be automatically discharged from further consideration of such resolution~~

~~and such resolution shall be placed on the appropriate calendar.~~

~~"(b) PROCEDURE IN THE HOUSE OF REPRESENTATIVES AND THE SENATE.—~~

~~"(1) Except as provided in paragraph (2), the provisions of section 305 for the consideration in the House of Representatives and in the Senate of joint resolutions on the budget and conference reports thereon shall also apply to the consideration of concurrent resolutions on the budget introduced under subsection (a) and conference reports thereon.~~

~~"(2) Debate in the Senate on any concurrent resolution on the budget or joint resolution on the budget introduced under subsection (a), and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours and in the House such debate shall be limited to not more than 3 hours.~~

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

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

~~scribed in subsection (a) is agreed to, then the aggregates, allocations, and reconciliation directives (if any) contained in the accompanying report to such concurrent resolution shall be considered to be the aggregates, allocations, and reconciliation directives for all purposes of this title for the applicable fiscal years and such concurrent resolution shall be deemed to be a joint resolution for all purposes of this title and the Rules of the House of Representatives and any reference to the date of enactment of a joint resolution on the budget shall be deemed to be a reference to the date agreed to when applied to such concurrent resolution.''.~~

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

~~''Sec. 316. Expedited procedures upon veto of joint resolution on the budget.''.~~

~~SEC. 105. REAFFIRMING SPECIAL BUDGETARY STATUS OF SOCIAL SECURITY.~~

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

~~''SOCIAL SECURITY~~

~~''SEC. 317. (a) IN GENERAL.—The joint resolution on the budget 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 section 301(a), in any other surplus or deficit totals required by this Act, or in any other surplus or deficit totals required by chapter 11 of title 31, United States Code.

"(b) 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 joint 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.

"(c) EXCLUSION OF SOCIAL SECURITY FROM ALL BUDGETS.—Notwithstanding any other provision of law, the receipts and disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall not be counted as new

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

~~"(1) the budget of the United States Government as submitted by the President,~~

~~"(2) the congressional budget, or~~

~~"(3) the Balanced Budget and Emergency Deficit Control Act of 1985.~~

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

~~"(A)(i) such legislation under consideration would provide for a net increase in OASDI benefits of at least 0.02 percent of the present value of future taxable payroll for the 75-year period utilized in the most recent annual report of the Board of Trustees provided pursuant to section 201(c)(2) of the Social Security Act, and (ii) such legislation under consideration does not provide at least a net increase, for such 75-year period, in OASDI taxes of the amount by which the net increase in such benefits exceeds 0.02 percent of the present value of future taxable payroll for such 75-year period,~~

~~"(B)(i) such legislation under consideration would provide for a net increase in OASDI benefits (for the 5-year estimating period for such legislation under consideration), (ii) such net increase, together with the net increases in OASDI benefits resulting from previous legislation enacted during that fiscal year or any of the previous 4 fiscal years (as estimated at the time of enactment) which are attributable to those portions of the 5-year estimating periods for such previous legislation that fall within the 5-year estimating period for such legislation under consideration, exceeds $250,000,000, and (iii) such legislation under consideration does not provide at least a net increase, for the 5-year estimating period for such legislation under consideration, in OASDI taxes which, together with net increases in OASDI taxes resulting from such previous legislation which are attributable to those portions of the 5-year estimating periods for such previous legislation that fall within the 5-year estimating period for such legislation under consideration, equals the amount by which the net increase derived under clause (ii) exceeds $250,000,000;~~

~~"(C)(i) such legislation under consideration would provide for a net decrease in OASDI taxes of~~

~~at least 0.02 percent of the present value of future taxable payroll for the 75-year period utilized in the most recent annual report of the Board of Trustees provided pursuant to section 201(c)(2) of the Social Security Act, and (ii) such legislation under consideration does not provide at least a net decrease, for such 75-year period, in OASDI benefits of the amount by which the net decrease in such taxes exceeds 0.02 percent of the present value of future taxable payroll for such 75-year period, or~~

~~"(D)(i) such legislation under consideration would provide for a net decrease in OASDI taxes (for the 5-year estimating period for such legislation under consideration), (ii) such net decrease, together with the net decreases in OASDI taxes resulting from previous legislation enacted during that fiscal year or any of the previous 4 fiscal years (as estimated at the time of enactment) which are attributable to those portions of the 5-year estimating periods for such previous legislation that fall within the 5-year estimating period for such legislation under consideration, exceeds $250,000,000, and (iii) such legislation under consideration does not provide at least a net decrease, for the 5-year estimating period for such legislation under consideration, in~~

~~OASDI benefits which, together with net decreases in OASDI benefits resulting from such previous legislation which are attributable to those portions of the 5-year estimating periods for such previous legislation that fall within the 5-year estimating period for such legislation under consideration, equals the amount by which the net decrease derived under clause (ii) exceeds $250,000,000.~~

~~"(2) APPLICATION.—In applying subparagraph (C) or (D) of paragraph (1), any provision of any bill or joint resolution, as reported, or any amendment thereto, or conference report thereon, the effect of which is to provide for a net decrease for any period in taxes described in paragraph (3)(B)(i) shall be disregarded if such bill, joint resolution, amendment, or conference report also includes a provision the effect of which is to provide for a net increase of at least an equivalent amount for such period in medicare taxes.~~

~~"(3) DEFINITIONS.—For purposes of this subsection:~~

~~"(A) The term 'OASDI benefits' means the benefits under the old-age, survivors, and disability insurance programs under title II of the Social Security Act.~~

~~"(B) The term 'OASDI taxes' means—~~

~~"(i) the taxes imposed under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1986, and~~

~~"(ii) the taxes imposed under chapter 1 of such Code (to the extent attributable to section 86 of such Code).~~

~~"(C) The term 'medicare taxes' means the taxes imposed under sections 1401(b), 3101(b), and 3111(b) of the Internal Revenue Code of 1986.~~

~~"(D) The term 'previous legislation' shall not include legislation enacted before fiscal year 1991.~~

~~"(E) The term '5-year estimating period' means, with respect to any legislation, the fiscal year in which such legislation becomes or would become effective and the next 4 fiscal years.~~

~~"(F) No provision of any bill or resolution, or any amendment thereto or conference report thereon, involving a change in chapter 1 of the Internal Revenue Code of 1986 shall be treated as affecting the amount of OASDI taxes referred to in subparagraph (B)(ii) unless such provision changes the income tax treatment of OASDI benefits.~~

~~"(e) PRESENTATION OF BUDGETARY AGGREGATES.—For purposes of chapter 11 of title 31, United States Code, or this Act, tables and other displays of~~

budgetary aggregates for the United States Government of the Director of the Office of Management and Budget or the Director of the Congressional Budget Office shall not include social security revenues or outlays.''.

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

''Sec. 317. Social security.''.

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

(a) CONFORMING AMENDMENTS TO THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974.—(1)(A) Sections 300, 302, 303, 304, 305, 308, 310, 311, 312, 314, 405, and 904 of the Congressional Budget Act of 1974 (2 U.S.C. 621 et seq.) are amended by striking ''concurrent'' each place it appears and by inserting ''joint''.

(B)(i) Sections 302(d), 302(g), 308(a)(1)(A), and 310(d)(1) of the Congressional Budget Act of 1974 are amended by striking ''most recently agreed to concurrent resolution on the budget'' each place it occurs and inserting ''most recently enacted joint resolution on the budget or agreed to concurrent resolution on the budget (as applicable)''.

~~(ii) Section 304 of such Act is amended by striking "concurrent resolution on the budget for such fiscal year most recently agreed to" and inserting "most recently enacted joint resolution on the budget or agreed to concurrent resolution on the budget (as applicable) for such year".~~

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

~~(2)(A) Paragraph (4) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking "concurrent" each place it appears and by inserting "joint".~~

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

~~(i) in the item relating to section 301 by striking "Adoption of Concurrent Resolution" and inserting "Joint Resolutions";~~

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

~~"Sec. 303. Consideration of budget-related legislation before budget becomes law."; and~~

~~(iii) by striking "concurrent" and inserting "joint" in the items relating to sections 304 and 305.~~

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

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

~~(A) in paragraph (b)(2), by striking "(5)" and inserting "(6)"; and~~

~~(B) by striking paragraph (c).~~

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

~~(d) CONFORMING AMENDMENTS TO SECTION 310 REGARDING RECONCILIATION DIRECTIVES.—(1) The side heading of section 310(a) of the Congressional Budget Act of 1974 (as amended by section 106(a)) is further amended by inserting "JOINT EXPLANATORY STATEMENT ACCOMPANYING CONFERENCE REPORT ON" before "JOINT".~~

~~(2) Section 310(a) of such Act is amended by striking "A" and inserting "The joint explanatory statement accompanying the conference report on a".~~

~~(3) The first sentence of section 310(b) of such Act is amended by striking "If" and inserting "If the joint explanatory statement accompanying the conference report on".~~

~~(4) Section 310(c)(1) of such Act is amended by inserting "the joint explanatory statement accompanying the conference report on" after "pursuant to".~~

~~(5) Subsection (g) of section 310 of such Act is repealed.~~

~~(e) CONFORMING AMENDMENTS TO SECTION 3 REGARDING DIRECT SPENDING.—Section 3 of the Congressional Budget and Impoundment Control Act of 1974 (as amended by section 104(a)(3)) is further amended by adding at the end the following new paragraph:~~

~~"(12) The term 'direct spending' has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985.".~~

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

~~(1) striking "REPORTING" in the side heading, by inserting "the chairmen of" before "the Committees", and by striking "may report" and inserting "shall make and have published in the Congressional Record"; and~~

~~(2) adding at the end the following new sentence: "For purposes of considering amendments (other than for amounts for emergencies covered by subsection (b)(1)), suballocations shall be deemed to be so adjusted.".~~

~~TITLE II—RESERVE FUNDS FOR EMERGENCIES~~

~~SEC. 201. PURPOSE.~~

~~The purposes of this title are to—~~

~~(1) develop budgetary and fiscal procedures for emergencies;~~

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

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

~~SEC. 202. REPEAL OF ADJUSTMENTS FOR EMERGENCIES.~~

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

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

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

~~SEC. 203. OMB EMERGENCY CRITERIA.~~

~~Section 3 of the Congressional Budget and Impoundment Control Act of 1974 (as amended by sections 104(a)(3) and 106(e)) is further amended by adding at the end the following new paragraph:~~

~~"(13)(A) The term 'emergency' means a situation that—~~

~~"(i) requires new budget authority and outlays (or new budget authority and the outlays flowing therefrom) for the prevention or mitigation of, or response to, loss of life or property, or a threat to national security; and~~

~~"(ii) is unanticipated.~~

~~"(B) As used in subparagraph (A), the term 'unanticipated' means that the underlying situation is—~~

~~"(i) sudden, which means quickly coming into being or not building up over time;~~

~~"(ii) urgent, which means a pressing and compelling need requiring immediate action;~~

~~"(iii) unforeseen, which means not predicted or anticipated as an emerging need; and~~

~~"(iv) temporary, which means not of a permanent duration.".~~

~~SEC. 204. DEVELOPMENT OF GUIDELINES FOR APPLICATION OF EMERGENCY DEFINITION.~~

~~Not later than 5 months after the date of enactment of this Act, the chairmen of the Committees on the Budget (in consultation with the President) shall, after consulting with the chairmen of the Committees on Appropriations and applicable authorizing committees of their respective Houses and the Directors of the Congressional Budget Office and the Office of Management and Budget, jointly publish in the Congressional Record guidelines for application of the definition of emergency set forth in section 3(13) of the Congressional Budget and Impoundment Control Act of 1974.~~

~~SEC. 205. RESERVE FUNDS FOR EMERGENCIES IN PRESIDENT'S BUDGET.~~

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

~~SEC. 206. ADJUSTMENTS AND RESERVE FUNDS FOR EMERGENCIES IN JOINT BUDGET RESOLUTIONS.~~

~~(a) ADJUSTMENTS FOR EMERGENCIES.—(1) Section 314(a) of the Congressional Budget Act of 1974 is amended to read as follows:~~

~~"(a) ADJUSTMENTS.—~~

~~"(1) IN GENERAL.—After the reporting of a bill or joint resolution, the offering of an amendment thereto, or the submission of a conference report thereon, the chairman of the Committee on the Budget of the House of Representatives or the Senate shall make the adjustments set forth in paragraph (2) for the amount of new budget authority (or outlays) in that measure (if that measure meets the requirements set forth in subsection (b)) and the outlays flowing from that budget authority.~~

~~"(2) MATTERS TO BE ADJUSTED.—The adjustments referred to in paragraph (1) are to be made to—~~

~~"(A) the discretionary spending limits in the Senate, if any, set forth in the appropriate joint resolution on the budget;~~

~~"(B) the allocations made pursuant to the appropriate joint resolution on the budget pursuant to section 302(a); and~~

~~"(C) the budgetary aggregates as set forth in the appropriate joint resolution on the budget;~~

~~but in the case of subsection (b)(1), the adjustments shall only be made to the allocations.".~~

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

~~"(1) an amount not to exceed the amount reserved for emergencies pursuant to the requirements of subsection (f);".~~

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

~~"(f) RESERVE FUNDS FOR EMERGENCIES.—~~

~~"(1) RESERVE FUND FOR DISCRETIONARY BUDGET AUTHORITY AND OUTLAYS.—~~

~~"(A) AMOUNTS.—The amount set forth in the reserve fund for emergencies for discretionary budget authority and outlays for a fiscal year pursuant to section 301(a)(6) shall equal—~~

~~"(i) the average of the enacted levels of discretionary budget authority for emergencies in the 5 fiscal years preceding the current year; and~~

~~"(ii) the average of the levels of outlays in such 5 preceding fiscal years for emergencies flowing from enacted levels of discretionary budget authority.~~

~~"(B) AVERAGE DISCRETIONARY LEVELS.—For purposes of subparagraph (A), the amount used for a fiscal year to calculate the average of the enacted levels when one or more of such 5 preceding fiscal years is any of fiscal years 1994 through 1998 is as follows: the amount of enacted levels of discretionary budget authority and the amount of outlays flowing therefrom for emergencies, which shall be determined by the Committees on the Budget of the House of Representatives and the Senate after receipt of a report on such matter transmitted to such committees by the Director of the Congressional Budget Office 6 months after the date of enactment of this subsection and thereafter in February of each calendar year.~~

~~"(2) RESERVE FUND FOR DIRECT SPENDING BUDGET AUTHORITY AND OUTLAYS.—~~

~~"(A) AMOUNTS.—The amount set forth in the reserve fund for emergencies for direct~~

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

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

~~"(ii) the average annual level of outlays in such 5 preceding fiscal years for emergencies flowing from enacted levels of direct spending.~~

~~"(B) AVERAGE DIRECT SPENDING LEVELS.—For purposes of subparagraph (A), the amount used for a fiscal year to calculate the average of the enacted levels when one or more of such 5 preceding fiscal years is any of fiscal years 1994 through 1998 is as follows: the amount of enacted levels of direct spending budget authority and the amount of outlays flowing therefrom for emergencies, which shall be determined by the Committees on the Budget of the House of Representatives and the Senate after receipt of a report on such matter transmitted to such committees by the Director of the Congressional Budget Office 6 months after the date of enactment of this subsection~~

~~and thereafter in February of each calendar year.~~

~~"(3) INCREASED ALLOCATIONS.—In the case of legislation that provides budget authority for any emergency pursuant to subsection (h), the chairman of the Committee on the Budget shall make an adjustment under subsection (a)(1) only to the applicable allocation if the chairman determines and certifies that such outlays or budget authority and the resulting outlays are for an emergency within the meaning of section 3(13).~~

~~"(g) EMERGENCIES IN EXCESS OF AMOUNTS IN RESERVE FUNDS.—Whenever the Committee on Appropriations or any other committee reports any bill or joint resolution that provides budget authority for any emergency and the report accompanying that bill or joint resolution, pursuant to subsection (h), identifies any provision that increases outlays or provides budget authority (and the outlays flowing therefrom) for such emergency, the enactment of which would cause the total amount provided for emergencies in the joint resolution on the budget (pursuant to section 301(a)(6)) to be exceeded and that emergency is certified as an emergency pursuant to section (f)(3).~~

~~"(1) Such bill or joint resolution shall be referred to the Committee on the Budget of the House or the Senate, as the case may be, with instructions to report it without amendment, other than that specified in paragraph (2), within 3 legislative days of the day in which it is reported from the originating committee. If the Committee on the Budget of either House fails to report a bill or joint resolution referred to it under this paragraph within such 3-day period, the committee shall be automatically discharged from further consideration of such bill or joint resolution and such bill or joint resolution shall be placed on the appropriate calendar.~~

~~"(2) An amendment to such a bill or joint resolution referred to in this subsection shall only consist of an exemption from section 251 or 252 (as applicable) of the Balanced Budget and Emergency Deficit Control Act of 1985 of all or any part of the provisions that provide budget authority (and the outlays flowing therefrom) for such emergency if the committee determines that such emergency meets the criteria set forth in subsection (f).~~

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

~~resentatives or the Senate, then the budget authority and resulting outlays that are the subject of such amendment shall not be included in any determinations under section 302(f) or 311(a) for any bill, joint resolution, amendment, motion, or conference report.''.~~

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

~~''ADJUSTMENTS; RESERVE FUNDS FOR EMERGENCIES''.~~

~~(2) The item relating to section 314 in the table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended to read as follows:~~

~~''Sec. 314. Adjustments; reserve funds for emergencies.''.~~

~~SEC. 207. COMMITTEE NOTIFICATION OF EMERGENCY LEGISLATION.~~

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

~~''(h) COMMITTEE NOTIFICATION OF EMERGENCY LEGISLATION.—Whenever the Committee on Appropriations or any other committee of either House (including a committee of conference) reports any bill or joint resolution that provides budget authority for any emergency, the report accompanying that bill or joint resolution (or the~~

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

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

Section 306 of the Congressional Budget Act of 1974 is amended by inserting at the end the following new sentence: ''No amendment reported by the Committee on the Budget (or from the consideration of which such committee has been discharged) pursuant to section 314(g) may be amended.''.

SEC. 209. UP-TO-DATE TABULATIONS.

Section 308(b)(2) of the Congressional Budget Act of 1974 is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting ''; and'', and by adding at the end the following new subparagraph:

''(D) shall include an up-to-date tabulation of amounts remaining in the reserve funds for emergencies.''.

SEC. 210. REPORT OF COMMITTEES ON THE BUDGET.

Section 301(e)(2) of the Congressional Budget Act of 1974 (as amended by section 103(b)) is further amended by striking ''and'' after subparagraph (F), by striking

~~the period at the end of subparagraph (G) and inserting "; and", and by adding at the end the following new subparagraph:~~

~~"(H) the average annual enacted levels of—~~

~~"(i) discretionary budget authority and the resulting outlays for emergencies; and~~

~~"(ii) direct spending budget authority and the resulting outlays for emergencies; for the 5 fiscal years preceding the fiscal year of such resolution.".~~

~~SEC. 211. PROHIBITION ON AMENDMENTS TO EMERGENCY RESERVE FUNDS.~~

~~(a) POINT OF ORDER.—Section 305 of the Congressional Budget Act of 1974 (as amended by section 103(c)) is further amended by adding at the end the following new subsection:~~

~~"(f) It shall not be in order in the House of Representatives or in the Senate to consider an amendment to a joint resolution on the budget which changes the amount of budget authority and outlays set forth in section 301(a)(6) for emergency reserve funds.".~~

~~(b) TECHINICAL AMENDMENT.—(1) Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by~~

~~inserting "section 305(e), section 305(f)," after "section 305(e)(4),".~~

~~(2) Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "section 305(e), section 305(f)," after "section 305(e)(4),".~~

~~SEC. 212. EFFECTIVE DATE.~~

~~The amendments made by this title shall take effect only after the enactment of legislation changing or extending for any fiscal year any of the discretionary spending limits set forth in section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 and such amendments shall apply to fiscal years determined as follows:~~

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

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

~~TITLE III—ENFORCEMENT OF BUDGETARY DECISIONS~~

~~SEC. 301. PURPOSES.~~

~~The purposes of this title are to—~~

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

~~(2) require committees of the House of Representatives to include budget compliance statements in reports accompanying all legislation;~~

~~(3) require committees of the House of Representatives to justify the need for waivers of the Congressional Budget Act of 1974; and~~

~~(4) provide cost estimates of conference reports.~~

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

~~SEC. 311. APPLICATION OF BUDGET ACT POINTS OF ORDER TO UNREPORTED LEGISLATION.~~

~~(a) Section 315 of the Congressional Budget Act of 1974 is amended by striking "reported" the first place it appears.~~

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

~~(1) in paragraph (1), by striking "(A)" and by redesignating subparagraph (B) as paragraph (2) and by striking the semicolon at the end of such new paragraph (2) and inserting a period; and~~

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

~~Subtitle B—Compliance with Budget Resolution~~

~~SEC. 321. BUDGET COMPLIANCE STATEMENTS.~~

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

~~"(4) A budget compliance statement prepared by the chairman of the Committee on the Budget, if timely submitted prior to the filing of the report, which shall be comprised of an assessment by such chairman as to whether the bill or joint resolution complies with the requirements of sections 302, 303, 311, and 401 of the Congressional Budget Act of 1974 and may include the budgetary implications of that bill or joint resolution under section 251 or 252 of the Balanced Budget and Emergency Deficit Control Act of 1985, as applicable.".~~

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

~~SEC. 331. JUSTIFICATION FOR BUDGET ACT WAIVERS IN THE HOUSE OF REPRESENTATIVES.~~

~~Clause 6 of rule XIII of the Rules of the House of Representatives is amended by adding at the end the following new paragraph:~~

~~"(h) It shall not be in order to consider any resolution from the Committee on Rules for the consideration of any reported bill or joint resolution which waives section 302, 303, 311, or 401 of the Congressional Budget Act of 1974, unless the report accompanying such resolution includes a description of the provision proposed to be waived, an identification of the section being waived, the reasons why such waiver should be granted, and an estimated cost of the provisions to which the waiver applies.".~~

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

~~SEC. 341. CBO SCORING OF CONFERENCE REPORTS.~~

~~(a) The first sentence of section 402 of the Congressional Budget Act of 1974 is amended as follows:~~

~~(1) Insert "or conference report thereon," before "and submit".~~

~~(2) In paragraph (1), strike "bill or resolution" and insert "bill, resolution, or conference report".~~

~~(3) At the end of paragraph (2) strike "and", at the end of paragraph (3) strike the period and insert "; and", and after such paragraph (3) add the following new paragraph:~~

~~"(4) A determination of whether such bill, joint resolution, or conference report provides indefinite spending authority.".~~

~~(b) The second sentence of section 402 of the Congressional Budget Act of 1974 is amended by inserting before the period the following: ", or in the case of a conference report, shall be included in the joint explanatory statement of managers accompanying such conference report if timely submitted before such report is filed".~~

~~TITLE IV—ACCOUNTABILITY FOR FEDERAL SPENDING~~

~~SEC. 401. PURPOSES.~~

~~The purposes of this title are to—~~

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

~~(2) facilitate amendments to subject new entitlement programs to annual discretionary appropriations;~~

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

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

~~(5) provide a point of order for legislation creating a new entitlement program that does not expire within 10 years; and~~

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

~~Subtitle A—Prohibitions on Indefinite Spending~~

~~SEC. 411. FIXED-YEAR AUTHORIZATIONS REQUIRED FOR NEW PROGRAMS.~~

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

~~(1) by striking subsections (a) and (b) and inserting the following new subsection:~~

~~"(a) PROHIBITION ON INDEFINITE AUTHORIZATIONS.—It shall not be in order in the House of Representatives or in the Senate to consider a bill or joint resolution, or an amendment, motion, or conference report that provides direct spending for a new program, unless such spending is limited to a period of 10 or fewer fiscal years.";~~

~~(2) by redesignating subsection (c) as subsection (b) and by striking "Subsections (a) and (b) each place it appears and inserting "Subsection (a)" in such redesignated subsection (b); and~~

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

~~"FIXED-YEAR AUTHORIZATIONS REQUIRED FOR DIRECT SPENDING".~~

~~(b) CONFORMING AMENDMENT.—The item relating to section 401 in the table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended to read as follows:~~

~~"Sec. 401. Fixed-year authorizations required for direct spending.".~~

~~(c) PROHIBITION ON INDEFINITE AUTHORIZATION OF DISCRETIONARY APPROPRIATIONS.—Rule XXI of the Rules of the House of Representatives is amended by adding at the end the following new clause:~~

~~"6. It shall not be in order to consider any bill, joint resolution, amendment, or conference report that authorizes the appropriation of new budget authority, as defined in section 3(2)(C) of the Congressional Budget and Impoundment Control Act of 1974, unless such authorization is specifically provided for a period of 10 or fewer fiscal years.".~~

~~SEC. 412. AMENDMENTS TO SUBJECT NEW ENTITLEMENTS TO ANNUAL APPROPRIATIONS.~~

~~(a) HOUSE PROCEDURES.—Clause 5 of rule XVIII of the Rules of the House of Representatives is amended by adding at the end the following new paragraph:~~

~~"(e)(1) In the Committee of the Whole, an amendment to subject a new program providing direct spending to discretionary appropriations, if offered by the chairman~~

~~of the Committee on the Budget (or his designee) or the chairman of the Committee of Appropriations (or his designee), may be precluded from consideration only by the specific terms of a special order of the House. Any such amendment, if offered, shall be debatable for twenty minutes equally divided and controlled by the proponent of the amendment and a Member opposed and shall not be subject to amendment.~~

~~"(2) As used in subparagraph (1), the term 'direct spending' has the meaning given such term in section 3(12) of the Congressional Budget and Impoundment Control Act of 1974.".~~

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

~~(1) PURPOSE.—The purpose of the amendments made by this subsection is to hold the discretionary spending limits and the allocations made to the Committee on Appropriations under section 302(a) of the Congressional Budget Act of 1974 harmless for legislation that offsets a new discretionary program with a designated reduction in direct spending.~~

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

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

~~"(e) OFFSETS.—If a provision of direct spending legislation is enacted that—~~

~~"(1) decreases direct spending for any fiscal year; and~~

~~"(2) is designated as an offset pursuant to this subsection and such designation specifically identifies an authorization of discretionary appropriations (contained in such legislation) for a new program,~~

~~then the reductions in new budget authority and outlays in all fiscal years resulting from that provision shall be designated as an offset in the reports required under subsection (d).".~~

~~(3) EXEMPTING SUCH DESIGNATED ENTITLEMENT SAVINGS FROM PAYGO SCORECARD.—Section 252(d)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by section 202(b)) is further amended by adding at the end the following new subparagraph:~~

~~"(B) offset provisions as designated under subsection (e).".~~

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

~~"(H) DISCRETIONARY AUTHORIZATION OFFSETS.—If an authorization Act includes one or more provisions reducing direct spending and specifically identifies those provisions as offsets pursuant to section 252(e), the adjustments shall be an increase in the budget authority and outlay caps in each fiscal year equal to the amount of the budget authority and outlay reductions, respectively, achieved by the specified offsets in that fiscal year, except that the adjustments for the first fiscal year in which the offsetting provisions take effect shall not exceed the amount of discretionary new budget authority enacted for the new program (authorized in that Act) in an Act making discretionary appropriations, and the outlays flowing therefrom.".~~

~~(5) ADJUSTMENT IN APPROPRIATION COMMITTEE'S ALLOCATIONS.—Section 314(b) of the Congressional Budget Act of 1974 is amended by striking "; or" at the end of paragraph (5), by striking~~

~~the period and inserting "; or" at the end of paragraph (6), and by adding at the end the following new paragraph:~~

~~"(7) the amount appropriated for the program for which an offset was designated pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 and any outlays flowing therefrom, but not to exceed the amount of the designated decrease in direct spending for that year for that program in a prior law.".~~

~~(6) ADJUSTMENT IN AUTHORIZING COMMITTEE'S ALLOCATIONS.—Section 314 of the Congressional Budget Act of 1974 (as amended by sections 206 and 207) is further amended by adding at the end the following new subsection:~~

~~"(i) ADJUSTMENT IN AUTHORIZING COMMITTEE'S ALLOCATIONS BY AMOUNT OF DIRECT SPENDING OFFSET.—After the reporting of a bill or joint resolution (by a committee other than the Committee on Appropriations), or the offering of an amendment thereto or the submission of a conference report thereon, that contains a provision that decreases direct spending for any fiscal year and that is designated as an offset pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the chairman of the Committee on~~

~~the Budget shall reduce the allocations of new budget authority and outlays made to such committee under section 302(a)(1) by the amount so designated.''.~~

~~Subtitle B—Enhanced Congressional Oversight Responsibilities~~

~~SEC. 421. TEN-YEAR CONGRESSIONAL REVIEW REQUIREMENT OF PERMANENT BUDGET AUTHORITY.~~

~~(a) TIMETABLE FOR REVIEW.—Clause 2(d)(1) of rule X of the Rules of the House of Representatives is amended by striking subdivisions (B) and (C) and inserting the following new subdivision:~~

~~''(B) provide in its plans a specific timetable for its review of those laws, programs, or agencies within its jurisdiction, including those that operate under permanent budget authority or permanent statutory authority. Such timetable shall demonstrate that each law, program, or agency within the committee's jurisdiction will be reauthorized at least once every ten years.''.~~

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

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

~~(2) by redesignating subparagraph (3) as subparagraph (2) and by striking "from time to time" and inserting "at least once each Congress" in subparagraph (2) (as redesignated).~~

~~(c) CONFORMING AMENDMENT.—Clause 4(e)(2) of rule X of the Rules of the House of Representatives is amended by striking "from time to time" and inserting "at least once every ten years".~~

~~SEC. 422. JUSTIFICATIONS OF DIRECT SPENDING.~~

~~(a) SECTION 302 ALLOCATIONS.—Section 302(a) of the Congressional Budget Act of 1974 is amended by adding at the end the following new paragraph:~~

~~"(6) JUSTIFICATION OF CERTAIN SPENDING ALLOCATIONS.—The joint explanatory statement accompanying a conference report on a joint resolution on the budget that includes any allocation to a committee (other than the Committee on Appropriations) of levels in excess of current law levels shall set forth a justification for not subjecting any program, project, or activity (for which the allocation is made) to annual discretionary appropriation.".~~

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

~~"(33) a justification for not subjecting each new program to discretionary appropriations.".~~

~~(c) COMMITTEE JUSTIFICATION FOR DIRECT SPENDING.—The first sentence of clause 4(e)(1) of rule X of the Rules of the House of Representatives is amended by inserting before the period the following: ", and will provide specific information in any report accompanying such bills and joint resolutions to justify why the programs and activities involved would not be subject to annual appropriation".~~

~~SEC. 423. SURVEY OF ACTIVITY REPORTS OF HOUSE COMMITTEES.~~

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

~~"(4) Such report shall include a summary of and justifications for all bills and joint resolutions reported by such committee that—~~

~~"(A) were considered before the adoption of the appropriate budget resolution and did not fall within an exception set forth in section 303(b) of the Congressional Budget Act of 1974;~~

~~"(B) exceeded its allocation under section 302(a) of such Act or breached an aggregate level in violation of section 311 of such Act; or~~

~~"(C) contained provisions in violation of section 401(a) of such Act pertaining to indefinite direct spending authority.~~

~~Such report shall also specify the total amount by which legislation reported by that committee exceeded its allocation under section 302(a) or breached the revenue floor under section 311(a) of such Act for each fiscal year during that Congress.".~~

~~SEC. 424. CONTINUING STUDY OF ADDITIONAL BUDGET PROCESS REFORMS.~~

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

~~(1) In subsection (a), strike "and" at the end of paragraph (3), strike the period at the end of paragraph (4) and insert "; and", and at the end add the following new paragraph:~~

~~"(5) evaluating whether existing programs should be subject to discretionary appropriations and establishing guidelines for subjecting new or expanded programs to annual appropriation and recommend any necessary changes in statutory enforce-~~

~~ment mechanisms and scoring conventions to effectuate such changes.''.~~

~~(2) In subsection (b), strike ''from time to time'' and insert ''during the One Hundred Sixth Congress''.~~

~~SEC. 425. GAO REPORTS.~~

~~The last sentence of section 404 of the Congressional Budget Act of 1974 is amended to read as follows: ''Such report shall be revised at least once every five years.''.~~

~~Subtitle C—Strengthened Accountability~~

~~SEC. 431. TEN-YEAR CBO ESTIMATES.~~

~~(a) CBO REPORTS ON LEGISLATION.—Section 308(a)(1)(B) of the Congressional Budget Act of 1974 is amended by striking ''four'' and inserting ''nine''.~~

~~(b) ANALYSIS BY CBO.—Section 402(1) of the Congressional Budget Act of 1974 is amended by striking ''4'' and inserting ''nine''.~~

~~(c) COST ESTIMATES.—Clause 3(d)(2)(A) of rule XIII of the Rules of the House of Representatives is amended by striking ''five'' each place it appears and inserting ''10''.~~

SEC. 432. REPEAL OF RULE XXIII OF THE RULES OF THE HOUSE OF REPRESENTATIVES.

Rule XXIII of the Rules of the House of Representatives (relating to the establishment of the statutory limit on the public debt) is repealed.

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

SEC. 501. PURPOSES.

The purposes of this title are to—

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

(2) improve congressional control of those costs; and

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

Subtitle A—Budgetary Treatment of Federal Insurance Programs

SEC. 511. FEDERAL INSURANCE PROGRAMS.

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

~~"TITLE VI—BUDGETARY TREATMENT OF FEDERAL INSURANCE PROGRAMS~~

~~"SEC. 601. SHORT TITLE.~~

~~"This title may be cited as the 'Federal Insurance Budgeting Act of 1999'.~~

~~"SEC. 602. BUDGETARY TREATMENT.~~

~~"(a) PRESIDENT'S BUDGET.—Beginning with fiscal year 2006, the budget of the Government pursuant to section 1105(a) of title 31, United States Code, shall be based on the risk-assumed cost of Federal insurance programs.~~

~~"(b) BUDGET ACCOUNTING.—For any Federal insurance program—~~

~~"(1) the program account shall—~~

~~"(A) pay the risk-assumed cost borne by the taxpayer to the financing account, and~~

~~"(B) pay actual insurance program administrative costs;~~

~~"(2) the financing account shall—~~

~~"(A) receive premiums and other income,~~

~~"(B) pay all claims for insurance and receive all recoveries,~~

~~"(C) transfer to the program account on not less than an annual basis amounts nec-~~

~~essary to pay insurance program administrative costs;~~

~~"(3) a negative risk-assumed cost shall be transferred from the financing account to the program account, and shall be transferred from the program account as a nonexpenditure transfer to the general fund; and~~

~~"(4) all payments by or receipts of the financing accounts shall be treated in the budget as a means of financing.~~

~~"(c) APPROPRIATIONS REQUIRED.—(1) Notwithstanding any other provision of law, insurance commitments may be made for fiscal year 2006 and thereafter only to the extent that new budget authority to cover their risk-assumed cost is provided in advance in an appropriation Act.~~

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

~~"(3) Paragraphs (1) and (2) shall not apply to Federal insurance programs that constitute entitlements.~~

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

~~reestimate, the amount of the reestimate shall be paid from the program account to the financing account. In the case of a negative reestimate, the amount of the reestimate shall be paid from the financing account to the program account, and shall be transferred from the program account to the general fund as a nonexpenditure transfer. Reestimates shall be displayed as a distinct and separately identified subaccount in the program account.~~

~~"(c) ADMINISTRATIVE EXPENSES.—All funding for an agency's administration of a Federal insurance program shall be displayed as a distinct and separately identified subaccount in the program account.~~

~~"SEC. 603. TIMETABLE FOR IMPLEMENTATION OF ACCRUAL BUDGETING FOR FEDERAL INSURANCE PROGRAMS.~~

~~"(a) AGENCY REQUIREMENTS.—Agencies with responsibility for Federal insurance programs shall develop models to estimate their risk-assumed cost by year through the budget horizon and shall submit those models, all relevant data, a justification for critical assumptions, and the annual projected risk-assumed costs to OMB with their budget requests each year starting with the request for fiscal year 2002. Agencies will likewise provide OMB with annual estimates of modifications, if any, and reestimates of program costs.~~

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

~~mate the risk-assumed cost of Federal insurance programs.~~

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

~~"(d) DISPLAY.—~~

~~"(1) IN GENERAL.—For fiscal years 2003, 2004, and 2005 the budget submissions of the President pursuant to section 1105(a) of title 31, United States Code, and CBO's reports on the economic and budget outlook pursuant to section 202(e)(1) and the President's budgets, shall for display purposes only, estimate the risk-assumed cost of existing or proposed Federal insurance programs.~~

~~"(2) OMB.—The display in the budget submissions of the President for fiscal years 2003, 2004, and 2005 shall include—~~

~~"(A) a presentation for each Federal insurance program in budget-account level detail of estimates of risk-assumed cost;~~

~~"(B) a summary table of the risk-assumed costs of Federal insurance programs; and~~

~~"(C) an alternate summary table of budget functions and aggregates using risk-assumed rather than cash-based cost estimates for Federal insurance programs.~~

~~"(3) CBO.—In the second session of the 108th Congress and the 109th Congress, CBO shall include in its estimates under section 308, for display purposes only, the risk-assumed cost of existing Federal programs, or legislation that CBO, in consultation with the Committees on the Budget of the House of Representatives and the Senate, determines would create a new Federal insurance program.~~

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

~~evaluates the advisability and appropriate implementation of this title.~~

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

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

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

~~"(C) The appropriateness of the explicit or implicit discount rate used in the various risk-assumed estimation models.~~

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

~~"(E) The ability of OMB, CBO, or GAO, as applicable, to secure any data or information directly from any Federal agency necessary to enable it to carry out this title.~~

~~"(F) The relationship between risk-assumed accrual budgeting for Federal insurance programs and the specific requirements of the Balanced Budget and Emergency Deficit Control Act of 1985.~~

~~"(G) Whether Federal budgeting is improved by the inclusion of risk-assumed cost estimates for Federal insurance programs.~~

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

~~"SEC. 604. DEFINITIONS.~~

~~"For purposes of this title:~~

~~"(1) The term 'Federal insurance program' means a program that makes insurance commitments and includes the list of such programs included in the joint explanatory statement of managers accompanying the conference report on the Comprehensive Budget Process Reform Act of 1999.~~

~~"(2) The term 'insurance commitment' means an agreement in advance by a Federal agency to indemnify a nonfederal entity against specified losses. This term does not include loan guarantees as defined in title V or benefit programs such as social security, medicare, and similar existing social insurance programs.~~

~~"(3)(A) The term 'risk-assumed cost' means the net present value of the estimated cash flows to and from the Government resulting from an insurance commitment or modification thereof.~~

~~"(B) The cash flows associated with an insurance commitment include—~~

~~"(i) expected claims payments inherent in the Government's commitment;~~

~~"(ii) net premiums (expected premium collections received from or on behalf of the insured less expected administrative expenses);~~

~~"(iii) expected recoveries; and~~

~~"(iv) expected changes in claims, premiums, or recoveries resulting from the exercise by the insured of any option included in the insurance commitment.~~

~~"(C) The cost of a modification is the difference between the current estimate of the net present value of the remaining cash flows under the terms of the insurance commitment, and the current estimate of the net present value of the remaining cash flows under the terms of the insurance commitment as modified.~~

~~"(D) The cost of a reestimate is the difference between the net present value of the amount currently required by the financing account to pay estimated claims and other expenditures and the amount currently available (whether in cash or other marketable asset) in the financing account. The cost of a reestimate shall be accounted for in the current~~

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

~~"(E) For purposes of this definition, expected administrative expenses shall be construed as the amount estimated to be necessary for the proper administration of the insurance program. This amount may differ from amounts actually appropriated or otherwise made available for the administration of the program.~~

~~"(4) The term 'program account' means the budget account for the risk-assumed cost, and for all costs of administering the insurance program, and is the account from which the risk-assumed cost is disbursed to the financing account.~~

~~"(5) The term 'financing account' means the nonbudget account that is associated with each program account which receives payments from or makes payments to the program account, receives premiums and other payments from the public, pays insurance claims, and holds balances.~~

~~"(6) The term 'modification' means any Government action that alters the risk-assumed cost of an existing insurance commitment from the current estimate of cash flows. This includes any action resulting from new legislation, or from the exercise of~~

administrative discretion under existing law, that directly or indirectly alters the estimated cost of existing insurance commitments.

"(7) The term 'model' means any actuarial, financial, econometric, probabilistic, or other methodology used to estimate the expected frequency and magnitude of loss-producing events, expected premiums or collections from or on behalf of the insured, expected recoveries, and administrative expenses.

"(8) The term 'current' has the same meaning as in section 250(c)(9) of the Balanced Budget and Emergency Deficit Control Act of 1985.

"(9) The term 'OMB' means the Director of the Office of Management and Budget.

"(10) The term 'CBO' means the Director of the Congressional Budget Office.

"(11) The term 'GAO' means the Comptroller General of the United States.

"SEC. 605. AUTHORIZATIONS TO ENTER INTO CONTRACTS; ACTUARIAL COST ACCOUNT.

"(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $600,000 for each of fiscal years 2000 through 2005 to the Director of the Office of Management and Budget and each agency responsible

~~for administering a Federal program to carry out this title.~~

~~"(b) TREASURY TRANSACTIONS WITH THE FINANCING ACCOUNTS.—The Secretary of the Treasury shall borrow from, receive from, lend to, or pay the insurance financing accounts such amounts as may be appropriate. The Secretary of the Treasury may prescribe forms and denominations, maturities, and terms and conditions for the transactions described above. The authorities described above shall not be construed to supersede or override the authority of the head of a Federal agency to administer and operate an insurance program. All the transactions provided in this subsection shall be subject to the provisions of subchapter II of chapter 15 of title 31, United States Code. Cash balances of the financing accounts in excess of current requirements shall be maintained in a form of uninvested funds, and the Secretary of the Treasury shall pay interest on these funds.~~

~~"(c) APPROPRIATION OF AMOUNT NECESSARY TO COVER RISK-ASSUMED COST OF INSURANCE COMMITMENTS AT TRANSITION DATE.—(1) A financing account is established on September 30, 2005, for each Federal insurance program.~~

~~"(2) There is appropriated to each financing account the amount of the unfunded risk-assumed cost of Federal~~

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

~~"(3) These financing accounts shall be used in implementing the budget accounting required by this title.~~

~~"SEC. 606. EFFECTIVE DATE.~~

~~"This title shall take effect immediately and shall expire on September 30, 2007.".~~

~~(b) CONFORMING AMENDMENT.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 507 the following new items:~~

~~"TITLE VI—BUDGETARY TREATMENT OF FEDERAL INSURANCE PROGRAMS~~

~~"Sec. 601. Short title.~~
~~"Sec. 602. Budgetary treatment.~~
~~"Sec. 603. Timetable for implementation of accrual budgeting for Federal insurance programs.~~
~~"Sec. 604. Definitions.~~
~~"Sec. 605. Authorizations to enter into contracts; actuarial cost account.~~
~~"Sec. 606. Effective date.".~~

~~Subtitle B—Reports on Long-Term Budgetary Trends~~

~~SEC. 521. REPORTS ON LONG-TERM BUDGETARY TRENDS.~~

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

~~"(34) an analysis based upon current law and an analysis based upon the policy assumptions un-~~

derlying the budget submission for every fifth year of the period of 75 fiscal years beginning with such fiscal year, of the estimated levels of total new budget authority and total budget outlays, estimated revenues, estimated surpluses and deficits, and, for each major Federal entitlement program, estimated levels of total new budget authority and total budget outlays; and a specification of its underlying assumptions and a sensitivity analysis of factors that have a significant effect on the projections made in each analysis; and a comparison of the effects of each of the two analyses on the economy, including such factors as inflation, foreign investment, interest rates, and economic growth.''.

(b) CBO REPORTS.—Section 202(e)(1) of the Congressional Budget Act of 1974 is amended by adding at the end the following new sentences: ''Such report shall also include an analysis based upon current law for every fifth year of the period of 75 fiscal years beginning with such fiscal year, of the estimated levels of total new budget authority and total budget outlays, estimated revenues, estimated surpluses and deficits, and, for each major Federal entitlement program, estimated levels of total new budget authority and total budget outlays. The report described in the preceding sentence shall also specify its un-

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

TITLE VI—BASELINES, BYRD RULE, AND LOCK-BOX

SEC. 601. PURPOSE.

The purposes of this title are to—

(1) require budgetary comparisons to prior year levels;

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

(3) establish a procedure to allow savings from spending cuts in appropriation measures to be locked-in to increase the surplus or reduce the deficit.

Subtitle A—The Baseline

SEC. 611. THE PRESIDENT'S BUDGET.

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

''(5) except as provided in subsection (b) of this section, estimated expenditures and appropriations for the current year and 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 fis-

~~cal years following that year, and, except for detailed budget estimates, the percentage change from the current year to the fiscal year for which the budget is submitted for estimated expenditures and for appropriations.''.~~

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

~~''(6) estimated receipts of the Government in the current year and the fiscal year for which the budget is submitted and the 4 fiscal years after that year under—~~

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

~~''(B) proposals in the budget to increase revenues,~~

~~and the percentage change (in the case of each category referred to in subparagraphs (A) and (B)) between the current year and the fiscal year for which the budget is submitted and between the current year and each of the 4 fiscal years after the fiscal year for which the budget is submitted.''.~~

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

~~"(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 for appropriation and for expenditure because of the proposal in the fiscal year for which the budget is submitted;~~

~~"(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; and~~

~~"(C) the estimated amount for the same activity or function, if any, in the current fiscal year,~~

~~and, except for detailed budget estimates, the percentage change (in the case of each category referred to in subparagraphs (A), (B), and (C)) between the current year and the fiscal year for which the budget is submitted.".~~

~~(d) Section 1105(a)(18) of title 31, United States Code, is amended by inserting "new budget authority and" before "budget outlays".~~

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

amended by adding at the end the following new paragraphs:

"(35) a comparison of levels of estimated expenditures and proposed appropriations for each function and subfunction in the current fiscal year and the fiscal year for which the budget is submitted, along with the proposed increase or decrease of spending in percentage terms for each function and subfunction.

"(36) a table on sources of growth in total direct spending under current law and as proposed in this budget submission for the budget year and the ensuing 4 fiscal years, which shall include changes in outlays attributable to the following: cost-of-living adjustments; changes in the number of program recipients; increases in medical care prices, utilization and intensity of medical care; and residual factors.".

(f) Section 1109(a) of title 31, United States Code, is amended by inserting after the first sentence the following new sentence: "For discretionary spending, these estimates shall assume the levels set forth in the discretionary spending limits under section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985, as adjusted, for the appropriate fiscal years (and if no such limits are in effect, these estimates shall assume the

~~adjusted levels for the most recent fiscal year for which such levels were in effect).''.~~

~~SEC. 612. THE CONGRESSIONAL BUDGET.~~

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

~~(1) in paragraph (1), by inserting at the end the following: ''The basis of deliberations in developing such joint resolution shall be the estimated budgetary levels for the preceding fiscal year. Any budgetary levels pending before the committee and the text of the joint resolution shall be accompanied by a document comparing such levels or such text to the estimated levels of the prior fiscal year. Any amendment offered in the committee that changes a budgetary level and is based upon a specific policy assumption for a program, project, or activity shall be accompanied by a document indicating the estimated amount for such program, project, or activity in the current year.''; and~~

~~(2) in paragraph (2), by striking ''and'' at the end of subparagraph (H), by striking the period and inserting ''; and'' at the end of subparagraph (I), and by adding at the end the following new subparagraph:~~

~~"(J) a comparison of levels for the current fiscal year with proposed spending and revenue levels for the subsequent fiscal years along with the proposed increase or decrease of spending in percentage terms for each function.".~~

~~SEC. 613. CONGRESSIONAL BUDGET OFFICE REPORTS TO COMMITTEES.~~

~~(a) The first sentence of section 202(e)(1) of the Congressional Budget Act of 1974 is amended by inserting "compared to comparable levels for the current year" before the comma at the end of subparagraph (A) and before the comma at the end of subparagraph (B).~~

~~(b) Section 202(e)(1) of the Congressional Budget Act of 1974 is amended by inserting after the first sentence the following new sentence: "Such report shall also include a table on sources of spending growth in total direct spending for the budget year and the ensuing 4 fiscal years, which shall include changes in outlays attributable to the following: cost-of-living adjustments; changes in the number of program recipients; increases in medical care prices, utilization and intensity of medical care; and residual factors.".~~

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

~~a comparison of those levels to comparable levels for the current fiscal year'' before ''if timely submitted''.~~

~~SEC. 614. OUTYEAR ASSUMPTIONS FOR DISCRETIONARY SPENDING.~~

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

~~Subtitle B—The Byrd Rule~~

~~SEC. 621. LIMITATION ON BYRD RULE.~~

~~(a) PROTECTION OF CONFERENCE REPORTS.—Section 313 of the Congressional Budget Act of 1974 is amended—~~

~~(1) in subsection (c), by striking ''and again upon the submission of a conference report on such a reconciliation bill or resolution,'';~~

~~(2) by striking subsection (d);~~

~~(3) by redesignating subsection (e) as subsection (d); and~~

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

(A) by striking ", motion, or conference report" the first place it appears and inserting ", or motion"; and

(B) by striking ", motion, or conference report" the second and third places it appears and inserting "or motion".

(b) CONFORMING AMENDMENT.—The first sentence of section 312(c) of the Congressional Budget Act of 1974 is amended by inserting ", except for section 313," after "Act".

Subtitle C—Spending Accountability Lock-box

SEC. 631. SHORT TITLE.

This subtitle may be cited as the "Spending Accountability Lock-box Act of 1999".

SEC. 632. SPENDING ACCOUNTABILITY LOCK-BOX LEDGER.

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

"SPENDING ACCOUNTABILITY LOCK-BOX LEDGER

"SEC. 318. (a) ESTABLISHMENT OF LEDGER.—The chairman of the Committee on the Budget of the House of Representatives and the chairman of the Committee on the Budget of the Senate shall each maintain a ledger to be known as the 'Spending Accountability Lock-box Ledg-

~~er'. The Ledger shall be divided into entries corresponding to the subcommittees of the Committees on Appropriations. Each entry shall consist of three components: the 'House Lock-box Balance'; the 'Senate Lock-box Balance'; and the 'Joint House-Senate Lock-box Balance'.~~

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

~~''(c) CREDIT OF AMOUNTS TO LEDGER.—(1) In the House of Representatives or the Senate, whenever a Member offers an amendment to an appropriation bill to reduce new budget authority in any account, that Member may state the portion of such reduction that shall be—~~

~~''(A) credited to the House or Senate Lock-box Balance, as applicable; or~~

~~''(B) used to offset an increase in new budget authority in any other account;~~

~~''(C) allowed to remain within the applicable section 302(b) suballocation.~~

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

~~"(2)(A) Except as provided by subparagraph (B), the chairmen of the Committees on the Budget shall, upon the engrossment of any appropriation bill by the House of Representatives and upon the engrossment of that bill by the Senate, credit to the applicable entry balance of that House amounts of new budget authority and outlays equal to the net amounts of reductions in new budget authority and in outlays resulting from amendments agreed to by that House to that bill.~~

~~"(B) When computing the net amounts of reductions in new budget authority and in outlays resulting from amendments agreed to by the House of Representatives or the Senate to an appropriation bill, the chairmen of the Committees on the Budget shall only count those portions of such amendments agreed to that were so designated by the Members offering such amendments as amounts to be credited to the House or Senate Lock-box Balance, as applicable, or that fall within the last sentence of paragraph (1).~~

~~"(3) The chairmen of the Committees on the Budget shall, upon the engrossment of Senate amendments to any appropriation bill, credit to the applicable Joint House-Senate Lock-box Balance the amounts of new budget authority and outlays equal to—~~

~~"(A) an amount equal to one-half of the sum of (i) the amount of new budget authority in the House Lock-box Balance plus (ii) the amount of new budget authority in the Senate Lock-box Balance for that bill; and~~

~~"(B) an amount equal to one-half of the sum of (i) the amount of outlays in the House Lock-box Balance plus (ii) the amount of outlays in the Senate Lock-box Balance for that bill.~~

~~"(4) CALCULATION OF LOCK-BOX SAVINGS IN SENATE.—For purposes of calculating under this section the net amounts of reductions in new budget authority and in outlays resulting from amendments agreed to by the Senate on an appropriation bill, the amendments reported to the Senate by its Committee on Appropriations shall be considered to be part of the original text of the bill.~~

~~"(d) DEFINITION.—As used in this section, the term 'appropriation bill' means any general or special appropriation bill, and any bill or joint resolution making supplemental, deficiency, or continuing appropriations through the end of a fiscal year.~~

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

~~budget authority in the bill as reported. This tally shall be available to Members in the House of Representatives during consideration of any appropriations bill by the House.''.~~

~~(b) CONFORMING AMENDMENT.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 317 the following new item:~~

~~''Sec. 318. Spending accountability lock-box ledger.''.~~

~~SEC. 633. DOWNWARD ADJUSTMENT OF SECTION 302(A) ALLOCATIONS AND SECTION 302(B) SUBALLOCATIONS.~~

~~(a) ALLOCATIONS.—Section 302(a) of the Congressional Budget Act of 1974 (as amended by section 422) is further amended by adding at the end the following new paragraph:~~

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

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

~~(b) SUBALLOCATIONS.—Section 302(b) of the Congressional Budget Act of 1974 is amended by adding at the end the following new sentence: ''Whenever an adjustment is made under subsection (a)(7) to an allocation under that subsection, the Committee on Appropriations of each House shall make downward adjustments in the most recent suballocations of new budget authority and outlays under this subparagraph to the appropriate subcommittees of that committee in the total amounts of those adjustments under section 318(c)(2). The revised suballocations shall be submitted to each House by the chairman of the Committee on Appropriations of that House and shall be printed in the Congressional Record.''.~~

~~SEC. 634. PERIODIC REPORTING OF LEDGER STATEMENTS.~~

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

~~SEC. 635. DOWNWARD ADJUSTMENT OF DISCRETIONARY SPENDING LIMITS.~~

~~The discretionary spending limits for new budget authority and outlays for any fiscal year set forth in section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985, shall be reduced by the amounts set forth in the final regular appropriation bill for that fiscal year or joint resolution making continuing appropriations through the end of that fiscal year. Those amounts shall be the sums of the Joint House-Senate Lock-box Balances for that fiscal year, as calculated under section 302(a)(7) of the Congressional Budget Act of 1974. That bill or joint resolution shall contain the following statement of law: ''As required by section 636 of the Spending Accountability Lock-box Act of 1999, for fiscal year [insert appropriate fiscal year] and each outyear, the adjusted discretionary spending limit for new budget authority shall be reduced by $ [insert appropriate amount of reduction] and the adjusted discretionary limit for outlays shall be reduced by $ [insert appropriate amount of reduction] for the fiscal year and each outyear.''. Notwithstanding section 904(c) of the Congressional Budget Act of 1974, section 306 as it applies to this statement shall not apply. This adjustment shall be reflected in reports under sections 254(f) and 254(g) of the Balanced Budget and Emergency Deficit Control Act of 1985.~~

[Subtitle D—Automatic Continuing Resolution

[SEC. 641. AUTOMATIC CONTINUING RESOLUTION.

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

["§ 1311. Continuing appropriations

["(a)(1) If any regular appropriation bill for a fiscal year does not become law prior to the beginning of such fiscal year or a joint resolution making continuing appropriations is not in effect, there is appropriated, out of any moneys in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such sums as may be necessary to continue any project or activity for which funds were provided in the preceding fiscal year—

["(A) in the corresponding regular appropriation Act for such preceding fiscal year; or

["(B) if the corresponding regular appropriation bill for such preceding fiscal year did not become law, then in a joint resolution making continuing appropriations for such preceding fiscal year.

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

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

~~[“(3) Appropriations and funds made available, and authority granted, for any fiscal year pursuant to this section for a project or activity shall be available for the period beginning with the first day of a lapse in appropriations and ending with the earlier of—~~

~~[“(A) the date on which the applicable regular appropriation bill for such fiscal year becomes law (whether or not such law provides for such project or activity) or a continuing resolution making appropriations becomes law, as the case may be, or~~

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

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

[“(c) Appropriations and funds made available, and authority granted, for any project or activity for any fiscal year pursuant to this section shall cover all obligations or expenditures incurred for such project or activity during the portion of such fiscal year for which this section applies to such project or activity.

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

[“(e) This section shall not apply to a project or activity during a fiscal year if any other provision of law (other than an authorization of appropriations)—

[“(1) makes an appropriation, makes funds available, or grants authority for such project or activity to continue for such period, or

[“(2) specifically provides that no appropriation shall be made, no funds shall be made available, or no authority shall be granted for such project or activity to continue for such period; or

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

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

~~[“(1) Agriculture, rural development, and related agencies programs.~~

~~[“(2) The Departments of Commerce, Justice, and State, the judiciary, and related agencies.~~

~~[“(3) The Department of Defense.~~

~~[“(4) The government of the District of Columbia and other activities chargeable in whole or in part against the revenues of the District.~~

~~[“(5) The Departments of Labor, Health and Human Services, and Education, and related agencies.~~

~~[“(6) The Department of Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices.~~

~~[“(7) Energy and water development.~~

~~[“(8) Foreign assistance and related programs.~~

~~[“(9) The Department of the Interior and related agencies.~~

~~[“(10) Military construction.~~

~~[“(11) The Department of Transportation and related agencies.~~

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

[“(13) The legislative branch.”.

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

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

[“1311. Continuing appropriations.”.

[(d) EFFECT OF AMENDMENTS.—Nothing in the amendments made by this subsection shall be construed to affect Government obligations mandated by other law, including obligations with respect to social security, medicare, and medicaid.]

TITLE VII—BUDGETING IN AN ERA OF SURPLUSES

SEC. 701. PAYGO REQUIREMENTS AND THE ON-BUDGET SURPLUS.

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

~~"(a) PURPOSE.—The purpose of this section is to assure that direct spending or receipts legislation does not increase the deficit or exceed the on-budget surplus.".~~

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

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

~~"(3) ESTIMATE OF ON-BUDGET SURPLUS.—OMB estimates for the budget year of the excess of receipts over outlays (if any) as set forth in the OMB sequestration update report as calculated pursuant to section 254(c)(3). These estimates shall not include outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, or any other off-budget entity.".~~

~~(c) CLARIFICATION OF EXISTING LAW.—Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by section 412(b)) is further amended by adding at the end the following new subsection:~~

~~"(f) MEANING OF NET DEFICIT INCREASE.—For purposes of this section, a net deficit is the amount by which decreases in revenues plus increases in outlays exceeds increases in revenues plus decreases in outlays.".~~

~~(d) REPORTS.—~~

~~(1) PREVIEW.—Section 254(e)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following new subparagraph:~~

~~"(D) The estimated excess of receipts over outlays for the budget year (if any) (assuming the levels appropriated if all regular appropriations (or a continuing appropriation) are enacted minus any amounts sequestered for that year under section 251, but if that is not the case, then assuming compliance with the adjusted discretionary spending limits set forth in section 251(e)) (but if no such limits are in effect for such year, then assume compliance with such limits for the last fiscal year for which such limits were in effect) without taking into account the effect of direct spending and receipts legislation for such year calculated under section 252(d) enacted after the date of enactment of this subparagraph.".~~

~~(2) FINAL.—Section 254(f)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following new sentence: "Notwithstanding subsection (j), actual levels of enacted discretionary appropriations or up-to-date adjusted discretionary spending limits (but if no such limits are in effect for such year, then assume such limits for the last fiscal year for which such limits were in effect), as applicable, shall be used in the final pay-as-you go report regarding information required by subsection (c)(3)(D) to be included in the pay-as-you-go sequestration preview report.".~~

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Comprehensive Budget Process Reform Act of 1999".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Purpose.
Sec. 3. Effective date.
Sec. 4. Declaration of purposes for the Budget Act.

TITLE I—BUDGET WITH FORCE OF LAW

Sec. 101. Purposes.
Sec. 102. The timetable.
Sec. 103. Annual joint resolutions on the budget.
Sec. 104. Budget required before spending bills may be considered; fall-back procedures if President vetoes joint budget resolution.
Sec. 105. Conforming amendments to effectuate joint resolutions on the budget.

TITLE II—RESERVE FUND FOR EMERGENCIES

Sec. 201. Purpose.
Sec. 202. Repeal of adjustments for emergencies.
Sec. 203. OMB emergency criteria.

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

TITLE III—ENFORCEMENT OF BUDGETARY DECISIONS

Sec. 301. Purposes.

Subtitle A—Application of Points of Order to Unreported Legislation

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

Subtitle B—Compliance with Budget Resolution

Sec. 321. Budget compliance statements.

Subtitle C—Justification for Budget Act Waivers

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

Subtitle D—CBO Scoring of Conference Reports

Sec. 341. CBO scoring of conference reports.

TITLE IV—ACCOUNTABILITY FOR FEDERAL SPENDING

Sec. 401. Purposes.

Subtitle A—Limitations on Direct Spending

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

Subtitle B—Enhanced Congressional Oversight Responsibilities

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

Subtitle C—Strengthened Accountability

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

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

Sec. 501. Purposes.

Subtitle A—Budgetary Treatment of Federal Insurance Programs

Sec. 511. Federal insurance programs.

Subtitle B—Reports on Long-Term Budgetary Trends

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

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

Sec. 601. Purpose.

Subtitle A—The Baseline

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

Subtitle B—The Byrd Rule

Sec. 621. Limitation on Byrd rule.

Subtitle C—Spending Accountability Lock-Box

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

Subtitle D—Automatic Continuing Resolution

Sec. 641. Automatic continuing resolution.

TITLE VII—BUDGETING IN AN ERA OF SURPLUSES

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

1 ***SEC. 2. PURPOSE.***

2 *The purposes of this Act are to—*

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

4 *(2) budget for emergencies;*

5 *(3) strengthen enforcement of budgetary deci-*

6 *sions;*

7 *(4) increase accountability for Federal spending;*

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

(6) mitigate the bias in the budget process toward higher spending; and

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

SEC. 3. EFFECTIVE DATE.

Except as otherwise specifically provided, this Act and the amendments made by this Act shall become effective on the date of enactment of this Act and shall apply with respect to fiscal years beginning after September 30, 2000.

SEC. 4. DECLARATION OF PURPOSES FOR THE BUDGET ACT.

Paragraphs (1) and (2) of section 2 of the Congressional Budget and Impoundment Control Act of 1974 are amended to read as follows:

"(1) to assure effective control over the budgetary process;

"(2) to facilitate the determination each year of the appropriate level of Federal revenues and expenditures by the Congress and the President;".

TITLE I—BUDGET WITH FORCE OF LAW

SEC. 101. PURPOSES.

The purposes of this title are to—

(1) focus initial budgetary deliberations on aggregate levels of Federal spending and taxation;

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

(3) reach budgetary decisions early in the legislative cycle.

SEC. 102. THE TIMETABLE.

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

"TIMETABLE

"SEC. 300. The timetable with respect to the congressional budget process for any fiscal year is as follows:

"On or before:	***Action to be completed:***
First Monday in February	*President submits his budget.*
February 15	*Congressional Budget Office submits report to Budget Committees.*
Not later than 6 weeks after President submits budget.	*Committees submit views and estimates to Budget Committees.*
April 1	*Senate Budget Committee reports joint resolution on the budget.*
April 15	*Congress completes action on joint resolution on the budget.*
June 10	*House Appropriations Committee reports last annual appropriation bill.*
June 15	*Congress completes action on reconciliation legislation.*
June 30	*House completes action on annual appropriation bills.*
October 1	*Fiscal year begins.".*

SEC. 103. ANNUAL JOINT RESOLUTIONS ON THE BUDGET.

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

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

"(4) subtotals of new budget authority and outlays for nondefense discretionary spending, defense discretionary spending, direct spending (excluding interest), and interest; and for fiscal years to which the amendments made by title II of the Comprehensive Budget Process Reform Act of 1999 apply, subtotals of new budget authority and outlays for emergencies;".

(2) Strike the last sentence of such subsection.

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

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

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

"(2) if submitted by the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate to the Committee on the Budget of that House of Congress, amend section 3101 of title 31, United States Code, to change the statutory limit on the public debt;".

(3) After paragraph (3), insert the following new paragraph:

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

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

"(6) 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.".

(c) REQUIRED CONTENTS OF REPORT.—Section 301(e)(2) of the Congressional Budget Act of 1974 is amended as follows:

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

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

"(A) new budget authority and outlays for each major functional category, based on alloca-

tions of the total levels set forth pursuant to subsection (a)(1);".

(3) In subparagraph (C) (as redesignated), strike "mandatory" and insert "direct spending".

(4) After subparagraph (C) (as redesignated), insert the following new subparagraph:

"(D) a measure, as a percentage of gross domestic product, of total outlays, total Federal revenues, the surplus or deficit, and new outlays for nondefense discretionary spending, defense spending, and direct spending as set forth in such resolution;".

(5) After subparagraph (F) (as redesignated), insert the following new subparagraph:

"(G) if the joint resolution on the budget includes any allocation to a committee (other than the Committee on Appropriations) of levels in excess of current law levels, a justification for not subjecting any program, project, or activity (for which the allocation is made) to annual discretionary appropriations;".

(d) ADDITIONAL CONTENTS OF REPORT.—Section 301(e)(3) of the Congressional Budget Act of 1974 is amended as follows:

(1) Redesignate subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively, strike subparagraphs (C) and (D), and redesignate subparagraph (E) as subparagraph (D).

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

"(A) reconciliation directives described in section 310;".

(e) PRESIDENT'S BUDGET SUBMISSION TO THE CONGRESS.—(1) The first two sentences of section 1105(a) of title 31, United States Code, are amended to read as follows: "On or after the first Monday in January but not later than the first Monday in February of each year the President shall submit a budget of the United States Government for the following fiscal year which shall set forth the following levels:

"(A) totals of new budget authority and outlays;

"(B) 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;

"(C) the surplus or deficit in the budget;

"(D) subtotals of new budget authority and outlays for nondefense discretionary spending, defense discretionary spending, direct spending, and interest;

and for fiscal years to which the amendments made by title II of the Comprehensive Budget Process Reform Act of 1999 apply, subtotals of new budget authority and outlays for emergencies; and

"(E) the public debt.

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

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

(f) LIMITATION ON CONTENTS OF BUDGET RESOLUTIONS.—Section 305 of the Congressional Budget Act of 1974 is amended by adding at the end the following new subsection:

"(e) LIMITATION ON CONTENTS.—(1) It shall not be in order in the House of Representatives or in the Senate to consider any joint resolution on the budget or any amendment thereto or conference report thereon that contains any matter referred to in paragraph (2).

"(2) Any joint resolution on the budget or any amendment thereto or conference report thereon that contains any matter not permitted in section 301(a) or (b) shall not be treated in the House of Representatives or the Senate as

a budget resolution under subsection (a) or (b) or as a conference report on a budget resolution under subsection (c) of this section.".

SEC. 104. BUDGET REQUIRED BEFORE SPENDING BILLS MAY BE CONSIDERED; FALL-BACK PROCEDURES IF PRESIDENT VETOES JOINT BUDGET RESOLUTION.

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

(b) AMENDMENTS TO SECTION 303 AND CONFORMING AMENDMENTS.—(1) Section 303 of the Congressional Budget Act of 1974 is amended—

(A) in subsection (b), by striking paragraph (2), by inserting "or" at the end of paragraph (1), and by redesignating paragraph (3) as paragraph (2); and

(B) by striking its section heading and inserting the following new section heading: "CONSIDERATION OF BUDGET-RELATED LEGISLATION BEFORE BUDGET BECOMES LAW".

(2) Section 302(g)(1) of the Congressional Budget Act of 1974 is amended by striking "and, after April 15, section 303(a)".

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

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

(c) EXPEDITED PROCEDURES UPON VETO OF JOINT RESOLUTION ON THE BUDGET.—(1) Title III of the Congressional Budget Act of 1974 is amended by adding after section 315 the following new section:

"EXPEDITED PROCEDURES UPON VETO OF JOINT RESOLUTION ON THE BUDGET

"SEC. 316. (a) SPECIAL RULE.—If the President vetoes a joint resolution on the budget for a fiscal year, the majority leader of the House of Representatives or Senate (or his designee) may introduce a concurrent resolution on the budget or joint resolution on the budget for such fiscal year. If the Committee on the Budget of either House fails to report such concurrent or joint resolution referred to it within five calendar days (excluding Saturdays, Sundays, or legal holidays except when that House of Congress is in session) after the date of such referral, the committee shall be automatically discharged from further consideration of such resolution and such resolution shall be placed on the appropriate calendar.

"(b) PROCEDURE IN THE HOUSE OF REPRESENTATIVES AND THE SENATE.—

"(1) Except as provided in paragraph (2), the provisions of section 305 for the consideration in the House of Representatives and in the Senate of joint resolutions on the budget and conference reports thereon shall also apply to the consideration of concurrent resolutions on the budget introduced under subsection (a) and conference reports thereon.

"(2) Debate in the Senate on any concurrent resolution on the budget or joint resolution on the budget introduced under subsection (a), and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours and in the House such debate shall be limited to not more than 3 hours.

"(c) CONTENTS OF CONCURRENT RESOLUTIONS.—Any concurrent resolution on the budget introduced under subsection (a) shall be in compliance with section 301.

"(d) EFFECT OF CONCURRENT RESOLUTION ON THE BUDGET.—Notwithstanding any other provision of this title, whenever a concurrent resolution on the budget described in subsection (a) is agreed to, then the aggregates, allocations, and reconciliation directives (if any) contained in the report accompanying such concurrent resolution or

in such concurrent resolution shall be considered to be the aggregates, allocations, and reconciliation directives for all purposes of sections 302, 303, and 311 for the applicable fiscal years and such concurrent resolution shall be deemed to be a joint resolution for all purposes of this title and the Rules of the House of Representatives and any reference to the date of enactment of a joint resolution on the budget shall be deemed to be a reference to the date agreed to when applied to such concurrent resolution.".

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

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

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

(a) CONFORMING AMENDMENTS TO THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974.—(1)(A) Sections 301, 302, 303, 305, 308, 310, 311, 312, 314, 405, and 904 of the Congressional Budget Act of 1974 (2 U.S.C. 621 et seq.) are amended by striking "concurrent" each place it appears and by inserting "joint".

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

"most recently enacted joint resolution on the budget or agreed to concurrent resolution on the budget (as applicable)".

(ii) The section heading of section 301 is amended by striking "adoption of concurrent resolution" and inserting "joint resolutions";

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

"PERMISSIBLE REVISIONS OF BUDGET RESOLUTIONS

"SEC. 304. At any time after the joint resolution on the budget for a fiscal year has been enacted pursuant to section 301, and before the end of such fiscal year, the two Houses and the President may enact a joint resolution on the budget which revises or reaffirms the joint resolution on the budget for such fiscal year most recently enacted. If a concurrent resolution on the budget has been agreed to pursuant to section 316, then before the end of such fiscal year, 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.".

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

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

by striking "concurrent" each place it appears and by inserting "joint".

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

(i) in the item relating to section 301, by striking "adoption of concurrent resolution" and inserting "joint resolutions";

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

"Sec. 303. Consideration of budget-related legislation before budget becomes law.";

(iii) in the item relating to section 304, by striking "concurrent" and inserting "budget" the first place it appears and by striking "on the budget"; and

(iv) by striking "concurrent" and inserting "joint" in the item relating to section 305.

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

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

(A) in paragraph (b)(2), by striking "(5)" and inserting "(6)"; and

(B) by striking paragraph (c).

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

(d) CONFORMING AMENDMENTS TO SECTION 310 REGARDING RECONCILIATION DIRECTIVES.—(1) The side heading of section 310(a) of the Congressional Budget Act of 1974 (as amended by section 105(a)) is further amended by inserting "JOINT EXPLANATORY STATEMENT ACCOMPANYING CONFERENCE REPORT ON" before "JOINT".

(2) Section 310(a) of such Act is amended by striking "A" and inserting "The joint explanatory statement accompanying the conference report on a".

(3) The first sentence of section 310(b) of such Act is amended by striking "If" and inserting "If the joint explanatory statement accompanying the conference report on".

(4) Section 310(c)(1) of such Act is amended by inserting "the joint explanatory statement accompanying the conference report on" after "pursuant to".

(5) Subsection (g) of section 310 of such Act is repealed.

(e) CONFORMING AMENDMENTS TO SECTION 3 REGARDING DIRECT SPENDING.—Section 3 of the Congres-

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

"(11) The term 'direct spending' has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985.".

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

(1) striking "REPORTING" in the side heading, by inserting "the chairmen of" before "the Committees", and by striking "may report" and inserting "shall make and have published in the Congressional Record"; and

(2) adding at the end the following new sentence: "For purposes of considering amendments (other than for amounts for emergencies covered by subsection (b)(1)), suballocations shall be deemed to be so adjusted.".

TITLE II—RESERVE FUND FOR EMERGENCIES

SEC. 201. PURPOSE.

The purposes of this title are to—

(1) develop budgetary and fiscal procedures for emergencies;

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

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

SEC. 202. REPEAL OF ADJUSTMENTS FOR EMERGENCIES.

(a) DISCRETIONARY SPENDING LIMITS.—(1) Section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 is repealed.

(2) Such section 251(b)(2) is further amended by redesignating subparagraphs (B) through (G) as subparagraphs (A) through (F).

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

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

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

SEC. 203. OMB EMERGENCY CRITERIA.

Section 3 of the Congressional Budget and Impoundment Control Act of 1974 (as amended by section 105(e))

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

"(12)(A) The term 'emergency' means a situation that—

"(i) requires new budget authority and outlays (or new budget authority and the outlays flowing therefrom) for the prevention or mitigation of, or response to, loss of life or property, or a threat to national security; and

"(ii) is unanticipated.

"(B) As used in subparagraph (A), the term 'unanticipated' means that the situation is—

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

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

"(iii) unforeseen, which means not predicted or anticipated as an emerging need; and

"(iv) temporary, which means not of a permanent duration.".

SEC. 204. DEVELOPMENT OF GUIDELINES FOR APPLICATION OF EMERGENCY DEFINITION.

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

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

SEC. 205. RESERVE FUND FOR EMERGENCIES IN PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code is amended by adding at the end the following new sentences: "Such budget submission shall also comply with the requirements of section 317(b) of the Congressional Budget Act of 1974 and, in the case of any budget authority requested for an emergency, such submission shall include a detailed justification of why such emergency is an emergency within the meaning of section 3(12) of the Congressional Budget Act of 1974.".

SEC. 206. ADJUSTMENTS AND RESERVE FUND FOR EMERGENCIES IN JOINT BUDGET RESOLUTIONS.

(a) EMERGENCIES.—Title III of the Congressional Budget Act of 1974 (as amended by section 104(c)) is further amended by adding at the end the following new section:

"EMERGENCIES

"SEC. 317. (a) ADJUSTMENTS.—

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

"(A) the chairman of the Committee on the Budget of the House of Representatives or the Senate shall determine and certify, pursuant to the guidelines referred to in section 204 of the Comprehensive Budget Process Reform Act of 1999, the portion (if any) of the amount so specified that is for an emergency within the meaning of section 3(12); and

"(B) such chairman shall make the adjustment set forth in paragraph (2) for the amount of new budget authority (or outlays) in that measure and the outlays flowing from that budget authority.

"(2) MATTERS TO BE ADJUSTED.—The adjustments referred to in paragraph (1) are to be made to the allocations made pursuant to the appropriate joint resolution on the budget pursuant to section 302(a) and shall be in an amount not to exceed the

amount reserved for emergencies pursuant to the requirements of subsection (b).

"(b) RESERVE FUND FOR EMERGENCIES.—

"(1) AMOUNTS.—The amount set forth in the reserve fund for emergencies for budget authority and outlays for a fiscal year pursuant to section 301(a)(4) shall equal—

"(A) the average of the enacted levels of budget authority for emergencies in the 5 fiscal years preceding the current year; and

"(B) the average of the levels of outlays for emergencies in the 5 fiscal years preceding the current year flowing from the budget authority referred to in subparagraph (A), but only in the fiscal year for which such budget authority first becomes available for obligation.

"(2) AVERAGE LEVELS.—For purposes of paragraph (1), the amount used for a fiscal year to calculate the average of the enacted levels when one or more of such 5 preceding fiscal years is any of fiscal years 1994 through 1998 is as follows: the amount of enacted levels of budget authority and the amount of new outlays flowing therefrom for emergencies, but only in the fiscal year for which such budget authority first becomes available for obligation for each of

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

"(c) EMERGENCIES IN EXCESS OF AMOUNTS IN RESERVE FUND.—Whenever the Committee on Appropriations or any other committee reports any bill or joint resolution that provides budget authority for any emergency and the report accompanying that bill or joint resolution, pursuant to subsection (d), identifies any provision that increases outlays or provides budget authority (and the outlays flowing therefrom) for such emergency, the enactment of which would cause—

"(1) in the case of the Committee on Approrpiations, the total amount of budget authority or outlays provided for emergencies for the budget year; or

"(2) in the case of any other committee, the total amount of budget authority or outlays provided for emergencies for the budget year or the total of the fiscal years;

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

"(A) Such bill or joint resolution shall be referred to the Committee on the Budget of the House or the Senate, as the case may be, with instructions to report it without amendment, other than that specified in subparagraph (B), within 5 legislative days of the day in which it is reported from the originating committee. If the Committee on the Budget of either House fails to report a bill or joint resolution referred to it under this subparagraph within such 5-day period, the committee shall be automatically discharged from further consideration of such bill or joint resolution and such bill or joint resolution shall be placed on the appropriate calendar.

"(B) An amendment to such a bill or joint resolution referred to in this subsection shall only consist of an exemption from section 251 or 252 (as applicable) of the Balanced Budget and Emergency Deficit Control Act of 1985 of all or any part of the provisions that provide budget authority (and the outlays flowing therefrom) for such emergency if the committee determines, pursuant to the guidelines referred to in section 204 of the Comprehensive Budget Process

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

"(C) If such a bill or joint resolution is reported with an amendment specified in subaragraph (B) by the Committee on the Budget of the House of Representatives or the Senate, then the budget authority and resulting outlays that are the subject of such amendment shall not be included in any determinations under section 302(f) or 311(a) for any bill, joint resolution, amendment, motion, or conference report.

"(d) COMMITTEE NOTIFICATION OF EMERGENCY LEGISLATION.—Whenever the Committee on Appropriations or any other committee of either House (including a committee of conference) reports any bill or joint resolution that provides budget authority for any emergency, the report accompanying that bill or joint resolution (or the joint explanatory statement of managers in the case of a conference report on any such bill or joint resolution) shall identify all provisions that provide budget authority and the outlays flowing therefrom for such emergency and include a statement of the reasons why such budget authority meets the definition of an emergency pursuant to the guidelines referred to in section 204 of the Comprehensive Budget Process Reform Act of 1999.".

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

"Sec. 317. Emergencies.".

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

Section 306 of the Congressional Budget Act of 1974 is amended by inserting at the end the following new sentence: "No amendment reported by the Committee on the Budget (or from the consideration of which such committee has been discharged) pursuant to section 317(c) may be amended.".

SEC. 208. UP-TO-DATE TABULATIONS.

Section 308(b)(2) of the Congressional Budget Act of 1974 is amended by striking "and" at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting "; and", and by adding at the end the following new subparagraph:

"(D) shall include an up-to-date tabulation of amounts remaining in the reserve fund for emergencies.".

SEC. 209. PROHIBITION ON AMENDMENTS TO EMERGENCY RESERVE FUND.

(a) POINT OF ORDER.—Section 305 of the Congressional Budget Act of 1974 (as amended by section 103(c))

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

"(f) POINT OF ORDER REGARDING EMERGENCY RESERVE FUND.—It shall not be in order in the House of Representatives or in the Senate to consider an amendment to a joint resolution on the budget which changes the amount of budget authority and outlays set forth in section 301(a)(4) for emergency reserve fund.".

(b) TECHNICAL AMENDMENT.—(1) Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "305(e), 305(f)," after "305(c)(4),".

(2) Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "305(e), 305(f)," after "305(c)(4),".

SEC. 210. EFFECTIVE DATE.

The amendments made by this title shall apply to fiscal year 2001 and subsequent fiscal years, but such amendments shall take effect only after the enactment of legislation changing or extending for any fiscal year the discretionary spending limits set forth in section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 or legislation reducing the amount of any sequestration under section 252 of such Act by the amount of any reserve for any emergencies.

TITLE III—ENFORCEMENT OF BUDGETARY DECISIONS

SEC. 301. PURPOSES.

The purposes of this title are to—

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

(2) require committees of the House of Representatives to include budget compliance statements in reports accompanying all legislation; and

(3) require committees of the House of Representatives to justify the need for waivers of the Congressional Budget Act of 1974;

(4) provide cost estimates of conference reports.

Subtitle A—Application of Points of Order to Unreported Legislation

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

(a) Section 315 of the Congressional Budget Act of 1974 is amended by striking "reported" the first place it appears.

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

(1) in paragraph (1), by striking "(A)" and by redesignating subparagraph (B) as paragraph (2)

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

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

Subtitle B—Compliance with Budget Resolution

SEC. 321. BUDGET COMPLIANCE STATEMENTS.

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

"(4) A budget compliance statement prepared by the chairman of the Committee on the Budget, if timely submitted prior to the filing of the report, which shall include assessment by such chairman as to whether the bill or joint resolution complies with the requirements of sections 302, 303, 306, 311, and 401 of the Congressional Budget Act of 1974 and may include the budgetary implications of that bill or joint resolution under section 251 or 252 of the Balanced Budget and Emergency Deficit Control Act of 1985, as applicable.".

Subtitle C—Justification for Budget Act Waivers

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

Clause 6 of rule XIII of the Rules of the House of Representatives is amended by adding at the end the following new paragraph:

"(h) It shall not be in order to consider any resolution from the Committee on Rules for the consideration of any reported bill or joint resolution which waives section 302, 303, 311, or 401 of the Congressional Budget Act of 1974, unless the report accompanying such resolution includes a description of the provision proposed to be waived, an identification of the section being waived, the reasons why such waiver should be granted, and an estimated cost of the provisions to which the waiver applies.".

Subtitle D—CBO Scoring of Conference Reports

SEC. 341. CBO SCORING OF CONFERENCE REPORTS.

(a) The first sentence of section 402 of the Congressional Budget Act of 1974 is amended as follows:

(1) Insert "or conference report thereon," before "and submit".

(2) In paragraph (1), strike "bill or resolution" and insert "bill, joint resolution, or conference report".

(3) At the end of paragraph (2) strike "and", at the end of paragraph (3) strike the period and insert "; and", and after such paragraph (3) add the following new paragraph:

"(4) A determination of whether such bill, joint resolution, or conference report provides direct spending.".

(b) The second sentence of section 402 of the Congressional Budget Act of 1974 is amended by inserting before the period the following: ", or in the case of a conference report, shall be included in the joint explanatory statement of managers accompanying such conference report if timely submitted before such report is filed".

TITLE IV—ACCOUNTABILITY FOR FEDERAL SPENDING

SEC. 401. PURPOSES.

The purposes of this title are to—

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

(2) facilitate amendments to subject new entitlement programs to annual discretionary appropriations;

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

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

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

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

Subtitle A—Limitations on Direct Spending

SEC. 411. FIXED-YEAR AUTHORIZATIONS REQUIRED FOR NEW PROGRAMS.

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

(1) by striking subsections (a) and (b) and inserting the following new subsection:

"(a) LIMITATION ON DIRECT SPENDING.—It shall not be in order in the House of Representatives or in the Senate to consider a bill or joint resolution, or an amendment, motion, or conference report that provides direct spending for

a new program, unless such spending is limited to a period of 10 or fewer fiscal years.";

(2) by redesignating subsection (c) as subsection (b) and by striking "Subsections (a) and (b) each place it appears and inserting "Subsection (a)" in such redesignated subsection (b); and

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

"FIXED-YEAR AUTHORIZATIONS REQUIRED FOR DIRECT SPENDING".

(b) CONFORMING AMENDMENT.—The item relating to section 401 in the table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended to read as follows:

"Sec. 401. Fixed-year authorizations required for direct spending.".

(c) LIMITATION ON AUTHORIZATION OF DISCRETIONARY APPROPRIATIONS.—Rule XXI of the Rules of the House of Representatives is amended by adding at the end the following new clause:

"6. It shall not be in order to consider any bill, joint resolution, amendment, or conference report that authorizes the appropriation of new budget authority (as defined in section 3(2)(C) of the Congressional Budget and Impoundment Control Act of 1974) for a new program, unless such authorization is specifically provided for a period of 10 or fewer fiscal years.".

SEC. 412. AMENDMENTS TO SUBJECT NEW DIRECT SPENDING TO ANNUAL APPROPRIATIONS.

(a) HOUSE PROCEDURES.—Clause 5 of rule XVIII of the Rules of the House of Representatives is amended by adding at the end the following new paragraph:

"(c)(1) In the Committee of the Whole, an amendment only to subject a new program which provides direct spending to discretionary appropriations, if offered by the chairman of the Committee on the Budget (or his designee) or the chairman of the Committee of Appropriations (or his designee), may be precluded from consideration only by the specific terms of a special order of the House. Any such amendment, if offered, shall be debatable for twenty minutes equally divided and controlled by the proponent of the amendment and a Member opposed and shall not be subject to amendment.

"(2) As used in subparagraph (1), the term 'direct spending' has the meaning given such term in section 3(11) of the Congressional Budget and Impoundment Control Act of 1974.".

(b) ADJUSTMENT OF DISCRETIONARY SPENDING LIMITS FOR DISCRETIONARY APPROPRIATIONS OFFSET BY DIRECT SPENDING SAVINGS.—

(1) PURPOSE.—The purpose of the amendments made by this subsection is to hold the discretionary spending limits and the allocations made to the Com-

mittee on Appropriations under section 302(a) of the Congressional Budget Act of 1974 harmless for legislation that offsets a new discretionary program with a designated reduction in direct spending.

(2) DESIGNATING DIRECT SPENDING SAVINGS IN AUTHORIZATION LEGISLATION FOR NEW DISCRETIONARY PROGRAMS.—Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by section 202) is further amended by adding at the end the following new subsection:

"(e) OFFSETS.—If a provision of direct spending legislation is enacted that—

"(1) decreases direct spending for any fiscal year; and

"(2) is designated as an offset pursuant to this subsection and such designation specifically identifies an authorization of discretionary appropriations (contained in such legislation) for a new program,

then the reductions in new budget authority and outlays in all fiscal years resulting from that provision shall be designated as an offset in the reports required under subsection (d).".

(3) EXEMPTING SUCH DESIGNATED DIRECT SPENDING SAVINGS FROM PAYGO SCORECARD.—Section 252(d)(4) of the Balanced Budget and Emer-

gency Deficit Control Act of 1985 (as amended by section 202(b)) is further amended by adding at the end the following new subparagraph:

"(B) offset provisions as designated under subsection (e).".

(4) ADJUSTMENT IN DISCRETIONARY SPENDING LIMITS.—Section 251(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by section 202(a)(2)) is further amended by adding at the end the following new subparagraph:

"(G) DISCRETIONARY AUTHORIZATION OFFSETS.—If an Act other than an appropriation Act includes any provision reducing direct spending and specifically identifies any such provision as an offset pursuant to section 252(e), the adjustments shall be an increase in the discretionary spending limits for budget authority and outlays in each fiscal year equal to the amount of the budget authority and outlay reductions, respectively, achieved by the specified offset in that fiscal year, except that the adjustments for the budget year in which the offsetting provision takes effect shall not exceed the amount of discretionary new budget authority provided for the new program (authorized in that Act) in

an Act making discretionary appropriations and the outlays flowing therefrom.".

(5) ADJUSTMENT IN APPROPRIATION COMMITTEE'S ALLOCATIONS.—Section 314(b) of the Congressional Budget Act of 1974 (as amended by section 202(d)) is further amended by striking "; or" at the end of paragraph (4), by striking the period and inserting "; or" at the end of paragraph (5), and by adding at the end the following new paragraph:

"(6) the amount provided in an Act making discretionary appropriations for the program for which an offset was designated pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 and any outlays flowing therefrom, but not to exceed the amount of the designated decrease in direct spending for that year for that program in a prior law.".

(6) ADJUSTMENT IN AUTHORIZING COMMITTEE'S ALLOCATIONS.—Section 314 of the Congressional Budget Act of 1974 is amended by adding at the end the following new subsection:

"(f) ADJUSTMENT IN AUTHORIZING COMMITTEE'S ALLOCATIONS BY AMOUNT OF DIRECT SPENDING OFFSET.—After the reporting of a bill or joint resolution (by a committee other than the Committee on Appropriations), or the

offering of an amendment thereto or the submission of a conference report thereon, that contains a provision that decreases direct spending for any fiscal year and that is designated as an offset pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the chairman of the Committee on the Budget shall reduce the allocations of new budget authority and outlays made to such committee under section 302(a)(1) by the amount so designated.''.

Subtitle B—Enhanced Congressional Oversight Responsibilities

SEC. 421. TEN-YEAR CONGRESSIONAL REVIEW REQUIREMENT OF PERMANENT BUDGET AUTHORITY.

(a) TIMETABLE FOR REVIEW.—Clause 2(d)(1) of rule X of the Rules of the House of Representatives is amended by striking subdivisions (B) and (C) and inserting the following new subdivision:

> *''(B) provide in its plans a specific timetable for its review of those laws, programs, or agencies within its jurisdiction, including those that operate under permanent budget authority or permanent statutory authority.''.*

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

(1) by striking subparagraph (2); and

(2) by redesignating subparagraphs (3) and (4) as subparagraphs (2) and (3) and by striking "from time to time" and inserting "at least once each Congress" in subparagraph (2) (as redesignated).

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

SEC. 422. JUSTIFICATIONS OF DIRECT SPENDING.

(a) SECTION 302 ALLOCATIONS.—Section 302(a) of the Congressional Budget Act of 1974 (as amended by section 104(a)) is further amended by adding at the end the following new paragraph:

"(5) JUSTIFICATION OF CERTAIN SPENDING ALLOCATIONS.—The joint explanatory statement accompanying a conference report on a joint resolution on the budget that includes any allocation to a committee (other than the Committee on Appropriations) of levels in excess of current law levels shall set forth a justification for not subjecting any program, project, or activity (for which the allocation is made) to annual discretionary appropriation.".

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

"(33) a justification for not subjecting each proposed new direct spending program, project, or activity to discretionary appropriations.".

(c) COMMITTEE JUSTIFICATION FOR DIRECT SPENDING.—Clause 4(e)(2) of rule X of the Rules of the House of Representatives is amended by inserting before the period the following: ", and will provide specific information in any report accompanying such bills and joint resolutions to the greatest extent practicable to justify why the programs, projects, and activities involved would not be subject to annual appropriation".

SEC. 423. SURVEY OF ACTIVITY REPORTS OF HOUSE COMMITTEES.

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

"(4) Such report shall include a summary of and justifications for all bills and joint resolutions reported by such committee that—

"(A) were considered before the adoption of the appropriate budget resolution and did not fall within

an exception set forth in section 303(b) of the Congressional Budget Act of 1974;

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

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

Such report shall also specify the total amount by which legislation reported by that committee exceeded its allocation under section 302(a) or breached the revenue floor under section 311(a) of such Act for each fiscal year during that Congress.".

SEC. 424. CONTINUING STUDY OF ADDITIONAL BUDGET PROCESS REFORMS.

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

(1) In subsection (a), strike "and" at the end of paragraph (3), strike the period at the end of paragraph (4) and insert "; and", and at the end add the following new paragraph:

"(5) evaluating whether existing programs, projects, and activities should be subject to discretionary appropriations.".

(2) In subsection (b), strike "from time to time" and insert "during the One Hundred Sixth Congress".

(3) Add at the end the following new subsection: "(d) The Committee on the Budget of each House shall establish guidelines for subjecting new or expanded programs, projects, and activities to annual appropriation and recommend any necessary changes in statutory enforcement mechanisms and scoring conventions to effectuate such changes.".

SEC. 425. GAO REPORTS.

The last sentence of section 404 of the Congressional Budget Act of 1974 is amended to read as follows: "Such report shall be revised at least once every five years and shall be transmitted to the chairman and ranking minority member of each committee of the House of Representatives and the Senate.".

Subtitle C—Strengthened Accountability

SEC. 431. TEN-YEAR CBO ESTIMATES.

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

(b) ANALYSIS BY CBO.—Section 402(1) of the Congressional Budget Act of 1974 is amended by striking "4" and inserting "nine".

(c) COST ESTIMATES.—Clause 3(d)(2)(A) of rule XIII of the Rules of the House of Representatives is amended by striking "five" each place it appears and inserting "10".

SEC. 432. REPEAL OF RULE XXIII OF THE RULES OF THE HOUSE OF REPRESENTATIVES.

Rule XXIII of the Rules of the House of Representatives (relating to the establishment of the statutory limit on the public debt) is repealed.

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

SEC. 501. PURPOSES.

The purposes of this title are to—

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

(2) improve congressional control of those costs; and

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

Subtitle A—Budgetary Treatment of Federal Insurance Programs

SEC. 511. FEDERAL INSURANCE PROGRAMS.

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

"TITLE VI—BUDGETARY TREATMENT OF FEDERAL INSURANCE PROGRAMS

"SEC. 601. SHORT TITLE.

"This title may be cited as the 'Federal Insurance Budgeting Act of 1999'.

"SEC. 602. BUDGETARY TREATMENT.

"(a) PRESIDENT'S BUDGET.—Beginning with fiscal year 2006, the budget of the Government pursuant to section 1105(a) of title 31, United States Code, shall be based on the risk-assumed cost of Federal insurance programs.

"(b) BUDGET ACCOUNTING.—For any Federal insurance program—

"(1) the program account shall—

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

"(B) pay actual insurance program administrative costs;

"(2) the financing account shall—

"(A) receive premiums and other income,

"(B) pay all claims for insurance and receive all recoveries,

"(C) transfer to the program account on not less than an annual basis amounts necessary to pay insurance program administrative costs;

"(3) a negative risk-assumed cost shall be transferred from the financing account to the program account, and shall be transferred from the program account to the general fund; and

"(4) all payments by or receipts of the financing accounts shall be treated in the budget as a means of financing.

"(c) APPROPRIATIONS REQUIRED.—(1) Notwithstanding any other provision of law, insurance commitments may be made for fiscal year 2006 and thereafter only to the extent that new budget authority to cover their risk-assumed cost is provided in advance in an appropriation Act.

"(2) An outstanding insurance commitment shall not be modified in a manner that increases its risk-assumed cost unless budget authority for the additional cost has been provided in advance.

"(3) Paragraph (1) shall not apply to Federal insurance programs that constitute entitlements.

"(d) REESTIMATES.—The risk-assumed cost for a fiscal year shall be reestimated in each subsequent year. Such reestimate can equal zero. In the case of a positive reestimate, the amount of the reestimate shall be paid from the program account to the financing account. In the case of a negative reestimate, the amount of the reestimate shall be paid from the financing account to the program account, and shall be transferred from the program account to the general fund. Reestimates shall be displayed as a distinct and separately identified subaccount in the program account.

"(e) ADMINISTRATIVE EXPENSES.—All funding for an agency's administration of a Federal insurance program shall be displayed as a distinct and separately identified subaccount in the program account.

"SEC. 603. TIMETABLE FOR IMPLEMENTATION OF ACCRUAL BUDGETING FOR FEDERAL INSURANCE PROGRAMS.

"(a) AGENCY REQUIREMENTS.—Agencies with responsibility for Federal insurance programs shall develop models to estimate their risk-assumed cost by year through the budget horizon and shall submit those models, all relevant data, a justification for critical assumptions, and the annual projected risk-assumed costs to OMB with their budget requests each year starting with the request for fiscal year

2002. Agencies will likewise provide OMB with annual estimates of modifications, if any, and reestimates of program costs.

"(b) DISCLOSURE.—When the President submits a budget of the Government pursuant to section 1105(a) of title 31, United States Code, for fiscal year 2002, OMB shall publish a notice in the Federal Register advising interested persons of the availability of information describing the models, data (including sources), and critical assumptions (including explicit or implicit discount rate assumptions) that it or other executive branch entities would use to estimate the risk-assumed cost of Federal insurance programs and giving such persons an opportunity to submit comments. At the same time, the chairman of the Committee on the Budget shall publish a notice for CBO in the Federal Register advising interested persons of the availability of information describing the models, data (including sources), and critical assumptions (including explicit or implicit discount rate assumptions) that it would use to estimate the risk-assumed cost of Federal insurance programs and giving such interested persons an opportunity to submit comments.

"(c) REVISION.—(1) After consideration of comments pursuant to subsection (b), and in consultation with the Committees on the Budget of the House of Representatives

and the Senate, OMB and CBO shall revise the models, data, and major assumptions they would use to estimate the risk-assumed cost of Federal insurance programs.

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

"(d) DISPLAY.—

"(1) IN GENERAL.—For fiscal years 2003, 2004, and 2005 the budget submissions of the President pursuant to section 1105(a) of title 31, United States Code, and CBO's reports on the economic and budget outlook pursuant to section 202(e)(1) and the President's budgets, shall for display purposes only, estimate the risk-assumed cost of existing or proposed Federal insurance programs.

"(2) OMB.—The display in the budget submissions of the President for fiscal years 2003, 2004, and 2005 shall include—

"(A) a presentation for each Federal insurance program in budget-account level detail of estimates of risk-assumed cost;

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

"(C) an alternate summary table of budget functions and aggregates using risk-assumed rather than cash-based cost estimates for Federal insurance programs.

"(3) CBO.—In the second session of the 107th Congress and the 108th Congress, CBO shall include in its estimates under section 308, for display purposes only, the risk-assumed cost of existing Federal insurance programs, or legislation that CBO, in consultation with the Committees on the Budget of the House of Representatives and the Senate, determines would create a new Federal insurance program.

"(e) OMB, CBO, AND GAO EVALUATIONS.—(1) Not later than 6 months after the budget submission of the President pursuant to section 1105(a) of title 31, United States Code, for fiscal year 2005, OMB, CBO, and GAO shall each submit to the Committees on the Budget of the House of Representatives and the Senate a report that evaluates the advisability and appropriate implementation of this title.

"(2) Each report made pursuant to paragraph (1) shall address the following:

"(A) The adequacy of risk-assumed estimation models used and alternative modeling methods.

"(B) The availability and reliability of data or information necessary to carry out this title.

"(C) The appropriateness of the explicit or implicit discount rate used in the various risk-assumed estimation models.

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

"(E) The ability of OMB, CBO, or GAO, as applicable, to secure any data or information directly from any Federal agency necessary to enable it to carry out this title.

"(F) The relationship between risk-assumed accrual budgeting for Federal insurance programs and the specific requirements of the Balanced Budget and Emergency Deficit Control Act of 1985.

"(G) Whether Federal budgeting is improved by the inclusion of risk-assumed cost estimates for Federal insurance programs.

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

"SEC. 604. DEFINITIONS.

"For purposes of this title:

"(1) The term 'Federal insurance program' means a program that makes insurance commitments and includes the list of such programs included in the joint explanatory statement of managers accompanying the conference report on the Comprehensive Budget Process Reform Act of 1999.

"(2) The term 'insurance commitment' means an agreement in advance by a Federal agency to indemnify a nonfederal entity against specified losses. This term does not include loan guarantees as defined in title V or benefit programs such as social security, medicare, and similar existing social insurance programs.

"(3)(A) The term 'risk-assumed cost' means the net present value of the estimated cash flows to and from the Government resulting from an insurance commitment or modification thereof.

"(B) The cash flows associated with an insurance commitment include—

"(i) expected claims payments inherent in the Government's commitment;

"(ii) net premiums (expected premium collections received from or on behalf of the insured less expected administrative expenses);

"(iii) expected recoveries; and

"(iv) expected changes in claims, premiums, or recoveries resulting from the exercise by the insured of any option included in the insurance commitment.

"(C) The cost of a modification is the difference between the current estimate of the net present value of the remaining cash flows under the terms of the insurance commitment, and the current estimate of the net present value of the remaining cash flows under the terms of the insurance commitment as modified.

"(D) The cost of a reestimate is the difference between the net present value of the amount currently required by the financing account to pay estimated claims and other expenditures and the amount currently available in the financing account. The cost of a reestimate shall be accounted for in the current year in the budget of the Government pursuant to section 1105(a) of title 31, United States Code.

"(E) For purposes of this definition, expected administrative expenses shall be construed as the amount estimated to be necessary for the proper administration of the insurance program. This amount may differ from amounts actually appropriated or otherwise made available for the administration of the program.

"(4) The term 'program account' means the budget account for the risk-assumed cost, and for paying all costs of administering the insurance program, and is the account from which the risk-assumed cost is disbursed to the financing account.

"(5) The term 'financing account' means the nonbudget account that is associated with each program account which receives payments from or makes payments to the program account, receives premiums and other payments from the public, pays insurance claims, and holds balances.

"(6) The term 'modification' means any Government action that alters the risk-assumed cost of an existing insurance commitment from the current estimate of cash flows. This includes any action resulting from new legislation, or from the exercise of administrative discretion under existing law, that directly or

indirectly alters the estimated cost of existing insurance commitments.

"(7) The term 'model' means any actuarial, financial, econometric, probabilistic, or other methodology used to estimate the expected frequency and magnitude of loss-producing events, expected premiums or collections from or on behalf of the insured, expected recoveries, and administrative expenses.

"(8) The term 'current' has the same meaning as in section 250(c)(9) of the Balanced Budget and Emergency Deficit Control Act of 1985.

"(9) The term 'OMB' means the Director of the Office of Management and Budget.

"(10) The term 'CBO' means the Director of the Congressional Budget Office.

"(11) The term 'GAO' means the Comptroller General of the United States.

"SEC. 605. AUTHORIZATIONS TO ENTER INTO CONTRACTS; ACTUARIAL COST ACCOUNT.

"(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $600,000 for each of fiscal years 2000 through 2005 to the Director of the Office of Management and Budget and each agency responsible for administering a Federal program to carry out this title.

"(b) TREASURY TRANSACTIONS WITH THE FINANCING ACCOUNTS.—The Secretary of the Treasury shall borrow from, receive from, lend to, or pay the insurance financing accounts such amounts as may be appropriate. The Secretary of the Treasury may prescribe forms and denominations, maturities, and terms and conditions for the transactions described above. The authorities described above shall not be construed to supersede or override the authority of the head of a Federal agency to administer and operate an insurance program. All the transactions provided in this subsection shall be subject to the provisions of subchapter II of chapter 15 of title 31, United States Code. Cash balances of the financing accounts in excess of current requirements shall be maintained in a form of uninvested funds, and the Secretary of the Treasury shall pay interest on these funds.

"(c) APPROPRIATION OF AMOUNT NECESSARY TO COVER RISK-ASSUMED COST OF INSURANCE COMMITMENTS AT TRANSITION DATE.—(1) A financing account is established on September 30, 2005, for each Federal insurance program.

"(2) There is appropriated to each financing account the amount of the risk-assumed cost of Federal insurance commitments outstanding for that program as of the close of September 30, 2005.

"(3) These financing accounts shall be used in implementing the budget accounting required by this title.

"SEC. 606. EFFECTIVE DATE.

"(a) IN GENERAL.—This title shall take effect immediately and shall expire on September 30, 2007.

"(b) SPECIAL RULE.—If this title is not reauthorized by September 30, 2007, then the accounting structure and budgetary treatment of Federal insurance programs shall revert to the accounting structure and budgetary treatment in effect immediately before the date of enactment of this title.".

(b) CONFORMING AMENDMENT.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 507 the following new items:

"TITLE VI—BUDGETARY TREATMENT OF FEDERAL INSURANCE PROGRAMS

"Sec. 601. Short title.
"Sec. 602. Budgetary treatment.
"Sec. 603. Timetable for implementation of accrual budgeting for Federal insurance programs.
"Sec. 604. Definitions.
"Sec. 605. Authorizations to enter into contracts; actuarial cost account.
"Sec. 606. Effective date.".

Subtitle B—Reports on Long-Term Budgetary Trends

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

(a) THE PRESIDENT'S BUDGET.—Section 1105(a) of title 31, United States Code (as amended by section 404),

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

"(34) an analysis based upon current law and an analysis based upon the policy assumptions underlying the budget submission for every fifth year of the period of 75 fiscal years beginning with such fiscal year, of the estimated levels of total new budget authority and total budget outlays, estimated revenues, estimated surpluses and deficits, and, for social security, medicare, medicaid, and all other direct spending, estimated levels of total new budget authority and total budget outlays; and a specification of its underlying assumptions and a sensitivity analysis of factors that have a significant effect on the projections made in each analysis; and a comparison of the effects of each of the two analyses on the economy, including such factors as inflation, foreign investment, interest rates, and economic growth.".

(b) CBO REPORTS.—Section 202(e)(1) of the Congressional Budget Act of 1974 is amended by adding at the end the following new sentences: "Such report shall also include an analysis based upon current law for every fifth year of the period of 75 fiscal years beginning with such fiscal year, of the estimated levels of total new budget authority and total budget outlays, estimated revenues, esti-

mated surpluses and deficits, and, for social security, medicare, medicaid, and all other direct spending, estimated levels of total new budget authority and total budget outlays. The report described in the preceding sentence shall also specify its underlying assumptions and set forth a sensitivity analysis of factors that have a significant effect on the projections made in the report.".

TITLE VI—BASELINES, BYRD RULE, AND LOCK-BOX

SEC. 601. PURPOSE.

The purposes of this title are to—

(1) require budgetary comparisons to prior year levels;

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

(3) establish a procedure to allow savings from spending cuts in appropriation measures to be locked-in to increase the surplus or reduce the deficit.

Subtitle A—The Baseline

SEC. 611. THE PRESIDENT'S BUDGET.

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

"(5) except as provided in subsection (b) of this section, estimated expenditures and appropriations for the current year and 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 following that year, and, except for detailed budget estimates, the percentage change from the current year to the fiscal year for which the budget is submitted for estimated expenditures and for appropriations.".

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

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

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

"(B) proposals in the budget to increase revenues,

and the percentage change (in the case of each category referred to in subparagraphs (A) and (B)) between the current year and the fiscal year for which the budget is submitted and between the current year and each of the 9 fiscal years after the fiscal year for which the budget is submitted.".

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

"(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 for appropriation and for expenditure because of the proposal in the fiscal year for which the budget is submitted;

"(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; and

"(C) the estimated amount for the same activity or function, if any, in the current fiscal year,

and, except for detailed budget estimates, the percentage change (in the case of each category referred to in subparagraphs (A), (B), and (C)) between the current year and the fiscal year for which the budget is submitted.".

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

(e) Section 1105(a) of title 31, United States Code, (as amended by sections 412(b) and 521(a)) is further amended by adding at the end the following new paragraphs:

"(35) a comparison of levels of estimated expenditures and proposed appropriations for each function and subfunction in the current fiscal year and the fiscal year for which the budget is submitted, along with the proposed increase or decrease of spending in percentage terms for each function and subfunction.

"(36) a table on sources of growth in total direct spending under current law and as proposed in this budget submission for the budget year and the ensuing 9 fiscal years, which shall include changes in outlays attributable to the following: cost-of-living adjustments; changes in the number of program recipients; increases in medical care prices, utilization and intensity of medical care; and residual factors.".

(f) Section 1109(a) of title 31, United States Code, is amended by inserting after the first sentence the following new sentence: "For discretionary spending, these estimates shall assume the levels set forth in the discretionary spending limits under section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985, as adjusted, for the appropriate fiscal years (and if no such limits are in effect,

these estimates shall assume the adjusted levels for the most recent fiscal year for which such levels were in effect).".

SEC. 612. THE CONGRESSIONAL BUDGET.

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

(1) in paragraph (1), by inserting at the end the following: "The basis of deliberations in developing such joint resolution shall be the estimated budgetary levels for the preceding fiscal year. Any budgetary levels pending before the committee and the text of the joint resolution shall be accompanied by a document comparing such levels or such text to the estimated levels of the prior fiscal year. Any amendment offered in the committee that changes a budgetary level and is based upon a specific policy assumption for a program, project, or activity shall be accompanied by a document indicating the estimated amount for such program, project, or activity in the current year."; and

(2) in paragraph (2), by striking "and" at the end of subparagraph (H) (as redesignated), by striking the period and inserting "; and" at the end of subparagraph (I) (as redesignated), and by adding at the end the following new subparagraph:

"(J) a comparison of levels for the current fiscal year with proposed spending and revenue levels for the subsequent fiscal years along with the proposed increase or decrease of spending in percentage terms for each function.".

SEC. 613. CONGRESSIONAL BUDGET OFFICE REPORTS TO COMMITTEES.

(a) The first sentence of section 202(e)(1) of the Congressional Budget Act of 1974 is amended by inserting "compared to comparable levels for the current year" before the comma at the end of subparagraph (A) and before the comma at the end of subparagraph (B).

(b) Section 202(e)(1) of the Congressional Budget Act of 1974 is amended by inserting after the first sentence the following new sentence: "Such report shall also include a table on sources of spending growth in total direct spending for the budget year and the ensuing 4 fiscal years, which shall include changes in outlays attributable to the following: cost-of-living adjustments; changes in the number of program recipients; increases in medical care prices, utilization and intensity of medical care; and residual factors.".

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

comparison of those levels to comparable levels for the current fiscal year" before "if timely submitted".

SEC. 614. OUTYEAR ASSUMPTIONS FOR DISCRETIONARY SPENDING.

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

Subtitle B—The Byrd Rule

SEC. 621. LIMITATION ON BYRD RULE.

(a) PROTECTION OF CONFERENCE REPORTS.—Section 313 of the Congressional Budget Act of 1974 is amended—

(1) in subsection (c), by striking "and again upon the submission of a conference report on such a reconciliation bill or resolution,";

(2) by striking subsection (d);

(3) by redesignating subsection (e) as subsection (d); and

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

(A) by striking ", motion, or conference report" the first place it appears and inserting ", or motion"; and

(B) by striking ", motion, or conference report" the second and third places it appears and inserting "or motion".

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

Subtitle C—Spending Accountability Lock-box

SEC. 631. SHORT TITLE.

This subtitle may be cited as the "Spending Accountability Lock-box Act of 1999".

SEC. 632. SPENDING ACCOUNTABILITY LOCK-BOX LEDGER.

(a) ESTABLISHMENT OF LEDGER.—Title III of the Congressional Budget Act of 1974 (as amended by sections 104(c) and 206(a)) is further amended by adding after section 317 the following new section:

"SPENDING ACCOUNTABILITY LOCK-BOX LEDGER

"SEC. 318. (a) ESTABLISHMENT OF LEDGER.—The chairman of the Committee on the Budget of the House of Representatives and the chairman on the Committee on the Budget of the Senate shall each maintain a ledger to be known as the 'Spending Accountability Lock-box Ledger'.

The Ledger shall be divided into entries corresponding to the subcommittees of the Committees on Appropriations. Each entry shall consist of three components: the 'House Lock-box Balance'; the 'Senate Lock-box Balance'; and the 'Joint House-Senate Lock-box Balance'.

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

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

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

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

"(C) allowed to remain within the applicable section 302(b) suballocation.

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

"(2)(A) Except as provided by subparagraph (B), the chairmen of the Committees on the Budget shall, upon the

engrossment of any appropriation bill by the House of Representatives and upon the engrossment of Senate amendments to that bill, credit to the applicable entry balance of that House amounts of new budget authority and outlays equal to the net amounts of reductions in new budget authority and in outlays resulting from amendments agreed to by that House to that bill.

"(B) When computing the net amounts of reductions in new budget authority and in outlays resulting from amendments agreed to by the House of Representatives or the Senate to an appropriation bill, the chairmen of the Committees on the Budget shall only count those portions of such amendments agreed to that were so designated by the Members offering such amendments as amounts to be credited to the House or Senate Lock-box Balance, as applicable, or that fall within the last sentence of paragraph (1).

"(3) The chairmen of the Committees on the Budget shall, upon the engrossment of Senate amendments to any appropriation bill, credit to the applicable Joint House-Senate Lock-box Balance the amounts of new budget authority and outlays equal to—

"(A) an amount equal to one-half of the sum of (i) the amount of new budget authority in the House Lock-box Balance plus (ii) the amount of new budget

authority in the Senate Lock-box Balance for that subcommittee; and

"(B) an amount equal to one-half of the sum of (i) the amount of outlays in the House Lock-box Balance plus (ii) the amount of outlays in the Senate Lock-box Balance for that subcommittee.

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

"(d) DEFINITION.—As used in this section, the term 'appropriation bill' means any general or special appropriation bill, and any bill or joint resolution making supplemental, deficiency, or continuing appropriations through the end of a fiscal year.

"(e) TALLY DURING HOUSE CONSIDERATION.—The chairman of the Committee on the Budget of the House of Representatives shall maintain a running tally of the amendments adopted reflecting increases and decreases of budget authority in the bill as reported. This tally shall be available to Members in the House of Representatives

during consideration of any appropriations bill by the House.".

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

"Sec. 318. Spending accountability lock-box ledger.".

SEC. 633. DOWNWARD ADJUSTMENT OF SECTION 302(a) ALLOCATIONS AND SECTION 302(b) SUBALLOCATIONS.

(a) ALLOCATIONS.—Section 302(a) of the Congressional Budget Act of 1974 (as amended by section 422) is further amended by adding at the end the following new paragraph:

"(6) ADJUSTMENT OF ALLOCATIONS.—Upon the engrossment of Senate amendments to any appropriation bill (as defined in section 318(d)) for a fiscal year, the amounts allocated under paragraph (1) to the Committee on Appropriations of each House upon the adoption of the most recent joint resolution on the budget for that fiscal year shall be adjusted downward by the amounts credited to the applicable Joint House-Senate Lock-box Balance under section 318(c)(2). The revised levels of new budget authority and outlays shall be submitted to each House by the chairman of the Committee on the Budget of that

House and shall be printed in the Congressional Record.".

(b) SUBALLOCATIONS.—Section 302(b) of the Congressional Budget Act of 1974 is amended by adding at the end the following new sentence: "Whenever an adjustment is made under subsection (a)(6) to an allocation under that subsection, the Committee on Appropriations of each House shall make downward adjustments in the most recent suballocations of new budget authority and outlays under this subparagraph to the appropriate subcommittees of that committee in the total amounts of those adjustments under section 318(c)(2). The revised suballocations shall be submitted to each House by the chairman of the Committee on Appropriations of that House and shall be printed in the Congressional Record.".

SEC. 634. PERIODIC REPORTING OF LEDGER STATEMENTS.

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

SEC. 635. DOWNWARD ADJUSTMENT OF DISCRETIONARY SPENDING LIMITS.

The discretionary spending limits for new budget authority and outlays for any fiscal year set forth in section

251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985, shall be reduced by the amounts set forth in the final regular appropriation bill for that fiscal year or joint resolution making continuing appropriations through the end of that fiscal year. Those amounts shall be the sums of the Joint House-Senate Lock-box Balances for that fiscal year, as calculated under section 302(a)(6) of the Congressional Budget Act of 1974. That bill or joint resolution shall contain the following statement of law: "As required by section 635 of the Spending Accountability Lock-box Act of 1999, for fiscal year [insert appropriate fiscal year] and each outyear, the adjusted discretionary spending limit for new budget authority is reduced by $ [insert appropriate amount of reduction] and the adjusted discretionary limit for outlays is reduced by $ [insert appropriate amount of reduction] for the fiscal year and each outyear.". Section 306 shall not apply to any bill or joint resolution because of such statement. This adjustment shall be reflected in reports under sections 254(f) and 254(g) of the Balanced Budget and Emergency Deficit Control Act of 1985.

Subtitle D—Automatic Continuing Resolution

SEC. 641. AUTOMATIC CONTINUING RESOLUTION.

(a) AMENDMENT TO TITLE 31.—Chapter 13 of title 31, United States Code, is amended by inserting after section 1310 the following new section:

"§ 1311. Continuing appropriations

"(a)(1) If any regular appropriation bill for a fiscal year does not become law prior to the beginning of such fiscal year and a joint resolution making continuing appropriations (other than pursuant to this subsection) is not in effect, there is appropriated, out of any moneys in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such sums as may be necessary to continue any program, project, or activity for which funds were provided in the preceding fiscal year—

"(A) in the corresponding regular appropriation Act for such preceding fiscal year; or

"(B) if the corresponding regular appropriation bill for such preceding fiscal year did not become law, then in a joint resolution making continuing appropriations for such preceding fiscal year.

"(2)(A) Except as provided by subparagraphs (B), (C), and (D), appropriations and funds made available, and au-

thority granted, for a program, project, or activity for any fiscal year pursuant to this section shall be at a rate of operations not in excess of the rate of operations provided for in the regular appropriation Act providing for such program, project, or activity for the preceding fiscal year, or in the absence of such an Act, the rate of operations provided for such program, project, or activity pursuant to a joint resolution making continuing appropriations for such preceding fiscal year.

"(B) The applicable rate of operations for a program, project, or activity for any fiscal year pursuant to this section shall exclude amounts—

"(i) for which any adjustment was made under section 251(b)(2)(A) or section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 before the date of enactment of this section;

"(ii) provided for emergencies for which an exemption from section 251 or 252 of such Act is granted under section 317(c) of the Congressional Budget Act of 1974; or

"(iii) for which any adjustment is made under section 251(b)(2) (C) or (D) of such Act.

"(C) The applicable rate of operations for a program, project, or activity for any fiscal year pursuant to this section shall include amounts provided and rescinded for such

program, project, or activity in any supplemental or special appropriations Act and in any rescission bill for that year that is enacted into law.

"(D) The applicable rate of operations for a program, project, or activity for any fiscal year pursuant to this section shall be reduced by the amount of budgetary resources cancelled in any such program, project, or activity resulting from the prior year's sequestration under section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 as published in OMB's final sequestration report for the prior fiscal year.

"(3) Appropriations and funds made available, and authority granted, for any fiscal year pursuant to this section for a program, project, or activity shall be available for the period beginning with the first day of a lapse in appropriations and ending with the earlier of—

"(A) the date on which the applicable regular appropriation bill for such fiscal year becomes law (whether or not such law provides for such program, project, or activity) or a continuing resolution making appropriations becomes law, as the case may be, or

"(B) the last day of such fiscal year.

"(b) An appropriation or funds made available, or authority granted, for a program, project, or activity for any

fiscal year pursuant to this section shall be subject to the terms and conditions imposed with respect to the appropriation made or funds made available for the preceding fiscal year, or authority granted for such program, project, or activity under current law.

"(c) Appropriations and funds made available, and authority granted, for any program, project, or activity for any fiscal year pursuant to this section shall cover all obligations or expenditures incurred for such program, project, or activity during the portion of such fiscal year for which this section applies to such program, project, or activity.

"(d) Expenditures made for a program, project, or activity for any fiscal year pursuant to this section shall be charged to the applicable appropriation, fund, or authorization whenever a regular appropriation bill or a joint resolution making continuing appropriations until the end of a fiscal year providing for such program, project, or activity for such period becomes law.

"(e) This section shall not apply to a program, project, or activity during a fiscal year if any other provision of law (other than an authorization of appropriations)—

"(1) makes an appropriation, makes funds available, or grants authority for such program, project, or activity to continue for such period, or

"(2) specifically provides that no appropriation shall be made, no funds shall be made available, or no authority shall be granted for such program, project, or activity to continue for such period; or

"(f) For purposes of this section, the term 'regular appropriation bill' means any annual appropriation bill making appropriations, otherwise making funds available, or granting authority, for any of the following categories of programs, projects, and activities:

"(1) Agriculture, rural development, and related agencies programs.

"(2) The Departments of Commerce, Justice, and State, the judiciary, and related agencies.

"(3) The Department of Defense.

"(4) The government of the District of Columbia and other activities chargeable in whole or in part against the revenues of the District.

"(5) The Departments of Labor, Health and Human Services, and Education, and related agencies.

"(6) The Department of Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices.

"(7) Energy and water development.

"(8) Foreign assistance and related programs.

"(9) The Department of the Interior and related agencies.

"(10) Military construction.

"(11) The Department of Transportation and related agencies.

"(12) The Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies.

"(13) The legislative branch.".

(b) CONFORMING AMENDMENT.—Section 202(e)(3) of the Congressional Budget Act of 1974 is amended by inserting "and on or before September 30" before "of each year".

(c) CHAPTER ANALYSIS.—The analysis of chapter 13 of title 31, United States Code, is amended by inserting after the item relating to section 1310 the following new item:

"1311. Continuing appropriations.".

(d) EFFECT OF AMENDMENTS.—Nothing in the amendments made by this section shall be construed to affect Government obligations mandated by other law, including obligations with respect to social security, medicare, and medicaid.

TITLE VII—BUDGETING IN AN ERA OF SURPLUSES

SEC. 701. PAYGO REQUIREMENTS AND THE ON-BUDGET SURPLUS.

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

"(a) PURPOSE.—The purpose of this section is to trigger an offsetting sequestration in the amount by which any excess of decreases in receipts and increases in direct spending over increases in receipts and decreases in direct spending, caused by all direct spending and receipts legislation enacted prior to October 1, 2002, exceeds estimates of the on-budget surplus.".

(b) TIMING AND CALCULATION OF SEQUESTRATION.—Section 252(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:

"(b) SEQUESTRATION.—

"(1) TIMING.—Not later than 15 calendar days after the date Congress adjourns to end a session and on the same day as a sequestration (if any) under section 251, there shall be a sequestration to offset an amount equal to—

"(A) any excess of decreases in receipts and increases in direct spending over increases in re-

ceipts and decreases in direct spending for legislation enacted prior to October 1, 2002; minus

"(B) the estimated on-budget surplus (which shall not be less than zero),

as calculated under paragraph (2).

"(2) CALCULATION OF SEQUESTRATION.—OMB shall calculate the amount of the sequestration by adding—

"(A) all OMB estimates for the budget year of direct spending and receipts legislation transmitted under subsection (d) for legislation enacted prior to October 1, 2002;

"(B) the estimated amount of savings in direct spending programs applicable to the budget year resulting from the prior year's sequestration under this section, if any, as published in OMB's final sequestration report for that prior year; and

"(C) all OMB estimates for the current year that were not reflected in the final OMB sequestration report for that year; and

then by subtracting from such sum the OMB estimate for the budget year of the on-budget surplus (if any) as set forth in the OMB final sequestration report increased by the amount of budgetary resources can-

celled in any such program, project, or activity resulting from a sequestration for the budget year on the same day under section 251 as published in OMB's final sequestration report.".

(c) PREVIEW REPORTS.—Section 254(c)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by redesignating subparagraph (C) as subparagraph (D) and by adding after subparagraph (B) the following new subparagraph:

"(C)(i) MANDATORY.—In projecting the on-budget surplus (if any) for the budget year, direct spending and receipts shall be calculated consistent with the assumptions under section 257(b) but shall exclude all estimates of direct spending and receipts legislation for such year enacted after the date of enactment of this subparagraph (as estimated by OMB when such legislation was originally enacted).

"(ii) DISCRETIONARY.—Except as provided by the preceding sentence, the following assumptions shall apply to the calculation of such estimated surplus:

"(I) For programs, projects, and activities for which a regular appropriation Act or a joint resolution (other than pursu-

ant to section 1311 of title 31, United States Code) continuing appropriations through the end of the budget year is enacted, budgetary resources other than unobligated balances shall be at the level provided by that Act with the following adjustments:

"(aa) Include amounts of budget authority provided and rescinded for such year in any supplemental or special appropriation Act or rescission bill that is enacted into law.

"(bb) Reduce the level by the amount of budgetary resources canceled in any such program, project, or activity by a sequestration under section 251 as published in OMB's final sequestration report for such year.

Substantive changes to or restrictions on entitlement law or other mandatory spending law in an appropriation Act shall be counted in determining the level of direct spending and receipts for purposes of calculating the on-budget surplus under this section.

"(II) For programs, projects, and activities for which a regular appropriation Act or a joint resolution (other than pursuant to section 1311 of title 31, United States Code) continuing appropriations through the end of the budget year is not enacted, budgetary resources other than unobligated balances shall be at the level provided for the current year in regular appropriation Acts or a joint resolution (other than pursuant to section 1311 of title 31, United States Code) continuing appropriations through the end of the current year with the following adjustments:

"(aa) Include amounts of budget authority provided and rescinded for such year in any supplemental or special appropriation Act or rescission bill that is enacted into law.

"(bb) Reduce the level by the amount of budgetary resources canceled in any such program, project, or activity by a sequestration under section 251 as published in OMB's final sequestration report for such year.

Substantive changes to or restrictions on entitlement law or other mandatory spending law in an appropriation Act shall be counted in determining the level of direct spending and receipts for purposes of calculating the on-budget surplus under this section. After making such adjustments, further adjust such amount using the assumptions set forth in section 257(c) (1)–(5).".

(d) DEFINITION OF ON-BUDGET SURPLUS.—Section 250(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following new paragraph:

"(20) The term 'on-budget surplus' means, with respect to a fiscal year, the amount by which receipts exceed outlays for all spending and receipt accounts of the United States Government that are designated as on-budget. Such term does not include outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, or any other off-budget entity.".

(e) EXPEDITED RECONCILIATION PROCESS.—Section 258C of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended as follows:

(1) The side heading of subsection (a) is amended by inserting "OR IN THE HOUSE OF REPRESENTATIVES" after "SENATE".

(2) In paragraphs (1), (2), (3), and (4) of subsection (a), insert "or House" after "Senate" each place it appears.

(3) In subsection (a)(7), strike "For" and insert "In the Senate, for".

(4) In subsection (b)(1), insert "or House" after "Senate".

(5) In the side heading of subsection (b)(4), insert "OTHER" after "THE".

(6) In subsection (b)(4), strike "in the Senate from the House" and insert "in the Senate or House of Representatives from the other House", strike "Senate" the second place it appears and insert "Senate or House of Representatives, as the case may be,", and strike "Senate" the third place it appears and insert "in the applicable House".

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Comprehensive Budget Process Reform Act of 1999".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Purpose.
Sec. 3. Effective date.

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

TITLE I—BUDGET WITH FORCE OF LAW

Sec. 101. Purposes.
Sec. 102. The timetable.
Sec. 103. Annual joint resolutions on the budget.
Sec. 104. Budget required before spending bills may be considered; fall-back procedures if President vetoes joint budget resolution.
Sec. 105. Conforming amendments to effectuate joint resolutions on the budget.

TITLE II—RESERVE FUND FOR EMERGENCIES

Sec. 201. Purpose.
Sec. 202. Repeal of adjustments for emergencies.
Sec. 203. OMB emergency criteria.
Sec. 204. Development of guidelines for application of emergency definition.
Sec. 205. Reserve fund for emergencies in President's budget.
Sec. 206. Adjustments and reserve fund for emergencies in joint budget resolutions.
Sec. 207. Up-to-date tabulations.
Sec. 208. Prohibition on amendments to emergency reserve fund.
Sec. 209. Effective date.

TITLE III—ENFORCEMENT OF BUDGETARY DECISIONS

Sec. 301. Purposes.

Subtitle A—Application of Points of Order to Unreported Legislation

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

Subtitle B—Compliance with Budget Resolution

Sec. 321. Budget compliance statements.

Subtitle C—Justification for Budget Act Waivers

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

Subtitle D—CBO Scoring of Conference Reports

Sec. 341. CBO scoring of conference reports.

TITLE IV—ACCOUNTABILITY FOR FEDERAL SPENDING

Sec. 401. Purposes.

Subtitle A—Limitations on Direct Spending

Sec. 411. Fixed-year authorizations required for new programs.

Sec. 412. Amendments to subject new direct spending to annual appropriations.

Subtitle B—Enhanced Congressional Oversight Responsibilities

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

Subtitle C—Strengthened Accountability

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

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

Sec. 501. Purposes.

Subtitle A—Budgetary Treatment of Federal Insurance Programs

Sec. 511. Federal insurance programs.

Subtitle B—Reports on Long-Term Budgetary Trends

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

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

Sec. 601. Purpose.

Subtitle A—The Baseline

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

Subtitle B—The Byrd Rule

Sec. 621. Limitation on Byrd rule.

Subtitle C—Spending Accountability Lock-Box

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

Subtitle D—Automatic Continuing Resolution

Sec. 641. Automatic continuing resolution.

TITLE VII—BUDGETING IN AN ERA OF SURPLUSES

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

SEC. 2. PURPOSE.

The purposes of this Act are to—

(1) give the budget the force of law;

(2) budget for emergencies;

(3) display the unfunded liabilities of Federal insurance programs;

(4) strengthen enforcement of budgetary decisions;

(5) increase accountability for Federal spending;

(6) mitigate the bias in the budget process toward higher spending; and

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

SEC. 3. EFFECTIVE DATE.

Except as otherwise specifically provided, this Act and the amendments made by this Act shall become effective on the date of enactment of this Act and shall apply with respect to fiscal years beginning after September 30, 2000.

SEC. 4. DECLARATION OF PURPOSES FOR THE BUDGET ACT.

Paragraphs (1) and (2) of section 2 of the Congressional Budget and Impoundment Control Act of 1974 are amended to read as follows:

"(1) to assure effective control over the budgetary process;

"(2) to facilitate the determination each year of the appropriate level of Federal revenues and expenditures by the Congress and the President;".

TITLE I—BUDGET WITH FORCE OF LAW

SEC. 101. PURPOSES.

The purposes of this title are to—

(1) focus initial budgetary deliberations on aggregate levels of Federal spending and taxation;

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

(3) reach budgetary decisions early in the legislative cycle.

1 **SEC. 102. THE TIMETABLE.**

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

4 **"TIMETABLE**

5 **"SEC. 300. The timetable with respect to**
6 **the congressional budget process for any fis-**
7 **cal year is as follows:**

"On or before:	Action to be completed:
First Monday in February ..	President submits his budget.
February 15	Congressional Budget Office submits report to Budget Committees.
Not later than 6 weeks after President submits budget.	Committees submit views and estimates to Budget Committees.
April 1	Senate Budget Committee reports joint resolution on the budget.
April 15	Congress completes action on joint resolution on the budget.
June 10	House Appropriations Committee reports last annual appropriation bill.
June 15	Congress completes action on reconciliation legislation.
June 30	House completes action on annual appropriation bills.
October 1	Fiscal year begins.".

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

9 **(a) CONTENT OF ANNUAL JOINT RESOLU-**
10 **TIONS ON THE BUDGET.—Section 301(a) of the**
11 **Congressional Budget Act of 1974 is amended**
12 **as follows:**

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

"(4) subtotals of new budget authority and outlays for nondefense discretionary spending, defense discretionary spending, direct spending (excluding interest), and interest; and for fiscal years to which the amendments made by title II of the Comprehensive Budget Process Reform Act of 1999 apply, subtotals of new budget authority and outlays for emergencies;".

(2) Strike the last sentence of such subsection.

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

(1) Strike paragraphs (2), (4), (6), (8), and (9) and redesignate paragraph (7) as paragraph (6).

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

"(2) if submitted by the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate to the Committee on the Budget of that House of Congress,

amend section 3101 of title 31, United States Code, to change the statutory limit on the public debt;".

(3) After paragraph (3), insert the following new paragraph:

"(4) require such other congressional procedures, relating to the budget, as may be appropriate to carry out the purposes of this Act;".

(c) REQUIRED CONTENTS OF REPORT.—Section 301(e)(2) of the Congressional Budget Act of 1974 is amended as follows:

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

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

"(A) new budget authority and outlays for each major functional category, based on allocations of the total levels set forth pursuant to subsection (a)(1);".

(3) In subparagraph (C) (as redesignated), strike "mandatory" and insert "direct spending".

(4) After subparagraph (C) (as redesignated), insert the following new subparagraph:

"(D) a measure, as a percentage of gross domestic product, of total outlays, total Federal revenues, the surplus or deficit, and new outlays for nondefense discretionary spending, defense spending, and direct spending as set forth in such resolution;".

(5) After subparagraph (F) (as redesignated), insert the following new subparagraph:

"(G) if the joint resolution on the budget includes any allocation to a committee (other than the Committee on Appropriations) of levels in excess of current law levels, a justification for not subjecting any program, project, or activity (for which the allocation is made) to annual discretionary appropriations;".

(d) ADDITIONAL CONTENTS OF REPORT.—Section 301(e)(3) of the Congressional Budget Act of 1974 is amended as follows:

(1) Redesignate subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively, strike subparagraphs (C) and (D), and redesignate subparagraph (E) as subparagraph (D).

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

"(A) reconciliation directives described in section 310;".

(e) PRESIDENT'S BUDGET SUBMISSION TO THE CONGRESS.—(1) The first two sentences of section 1105(a) of title 31, United States Code, are amended to read as follows:

"On or after the first Monday in January but not later than the first Monday in February of each year the President shall submit a budget of the United States Government for the following fiscal year which shall set forth the following levels:

"(A) totals of new budget authority and outlays;

"(B) 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;

"(C) the surplus or deficit in the budget;

"(D) subtotals of new budget authority and outlays for nondefense discretionary spending, defense discretionary spending, direct spending, and interest; and for fiscal years to which the amendments made by title II of the Comprehensive Budget Process Reform Act of 1999 apply, subtotals of new budget authority and outlays for emergencies; and

"(E) the public debt.

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

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

(f) LIMITATION ON CONTENTS OF BUDGET RESOLUTIONS.—Section 305 of the Congressional Budget Act of 1974 is amended by adding at the end the following new subsection:

"(e) LIMITATION ON CONTENTS.—(1) It shall not be in order in the House of Representatives or in the Senate to consider any joint resolution on the budget or any amendment thereto or conference report thereon that contains any matter referred to in paragraph (2).

"(2) Any joint resolution on the budget or any amendment thereto or conference report thereon that contains any matter not permitted in section 301(a) or (b) shall not be treated in the House of Representatives or the Senate as a budget resolution under subsection (a) or (b) or as a conference report on a budget resolution under subsection (c) of this section.".

SEC. 104. BUDGET REQUIRED BEFORE SPENDING BILLS MAY BE CONSIDERED; FALL-BACK PROCEDURES IF PRESIDENT VETOES JOINT BUDGET RESOLUTION.

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

(b) AMENDMENTS TO SECTION 303 AND CONFORMING AMENDMENTS.—(1) Section 303 of the Congressional Budget Act of 1974 is amended—

(A) in subsection (b), by striking paragraph (2), by inserting "or" at the end of paragraph (1), and by redesignating paragraph (3) as paragraph (2); and

(B) by striking its section heading and inserting the following new section heading: "CONSIDERATION OF BUDGET-RELATED LEGISLATION BEFORE BUDGET BECOMES LAW".

(2) Section 302(g)(1) of the Congressional Budget Act of 1974 is amended by striking "and, after April 15, section 303(a)".

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

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

(c) EXPEDITED PROCEDURES UPON VETO OF JOINT RESOLUTION ON THE BUDGET.—(1) Title III of the Congressional Budget Act of 1974 is amended by adding after section 315 the following new section:

"EXPEDITED PROCEDURES UPON VETO OF JOINT RESOLUTION ON THE BUDGET

"SEC. 316. (a) SPECIAL RULE.—If the President vetoes a joint resolution on the budget for a fiscal year, the majority leader of the House of Representatives or Senate (or his designee) may introduce a concurrent resolution on the budget or joint resolution on the budget for such fiscal year. If the Committee on the Budget of either House fails to report such concurrent or joint resolution referred to it within five calendar days (excluding Saturdays, Sundays, or legal holidays except when that House of Congress is in session) after the date of such referral, the committee shall be automatically discharged from further consideration of such resolution and

such resolution shall be placed on the appropriate calendar.

"(b) PROCEDURE IN THE HOUSE OF REPRESENTATIVES AND THE SENATE.—

"(1) Except as provided in paragraph (2), the provisions of section 305 for the consideration in the House of Representatives and in the Senate of joint resolutions on the budget and conference reports thereon shall also apply to the consideration of concurrent resolutions on the budget introduced under subsection (a) and conference reports thereon.

"(2) Debate in the Senate on any concurrent resolution on the budget or joint resolution on the budget introduced under subsection (a), and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours and in the House such debate shall be limited to not more than 3 hours.

"(c) CONTENTS OF CONCURRENT RESOLUTIONS.—Any concurrent resolution on the

budget introduced under subsection (a) shall be in compliance with section 301.

"(d) EFFECT OF CONCURRENT RESOLUTION ON THE BUDGET.—Notwithstanding any other provision of this title, whenever a concurrent resolution on the budget described in subsection (a) is agreed to, then the aggregates, allocations, and reconciliation directives (if any) contained in the report accompanying such concurrent resolution or in such concurrent resolution shall be considered to be the aggregates, allocations, and reconciliation directives for all purposes of sections 302, 303, and 311 for the applicable fiscal years and such concurrent resolution shall be deemed to be a joint resolution for all purposes of this title and the Rules of the House of Representatives and any reference to the date of enactment of a joint resolution on the budget shall be deemed to be a reference to the date agreed to when applied to such concurrent resolution.".

(2) The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by

inserting after the item relating to section 315 the following new item:

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

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

(a) CONFORMING AMENDMENTS TO THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974.—(1)(A) Sections 301, 302, 303, 305, 308, 310, 311, 312, 314, 405, and 904 of the Congressional Budget Act of 1974 (2 U.S.C. 621 et seq.) are amended by striking "concurrent" each place it appears and by inserting "joint".

(B)(i) Sections 302(d), 302(g), 308(a)(1)(A), and 310(d)(1) of the Congressional Budget Act of 1974 are amended by striking "most recently agreed to concurrent resolution on the budget" each place it occurs and inserting "most recently enacted joint resolution on the budget or agreed to concurrent resolution on the budget (as applicable)".

(ii) The section heading of section 301 is amended by striking "adoption of concurrent resolution" and inserting "joint resolutions";

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

"PERMISSIBLE REVISIONS OF BUDGET RESOLUTIONS

"SEC. 304. At any time after the joint resolution on the budget for a fiscal year has been enacted pursuant to section 301, and before the end of such fiscal year, the two Houses and the President may enact a joint resolution on the budget which revises or reaffirms the joint resolution on the budget for such fiscal year most recently enacted. If a concurrent resolution on the budget has been agreed to pursuant to section 316, then before the end of such fiscal year, 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.".

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

(2)(A) Paragraph (4) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking "con-

current" each place it appears and by inserting "joint".

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

(i) in the item relating to section 301, by striking "adoption of concurrent resolution" and inserting "joint resolutions";

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

"Sec. 303. Consideration of budget-related legislation before budget becomes law.";

(iii) in the item relating to section 304, by striking "concurrent" and inserting "budget" the first place it appears and by striking "on the budget"; and

(iv) by striking "concurrent" and inserting "joint" in the item relating to section 305.

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

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

(A) in paragraph (b)(2), by striking "(5)" and inserting "(6)"; and

(B) by striking paragraph (c).

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

(d) CONFORMING AMENDMENTS TO SECTION 310 REGARDING RECONCILIATION DIRECTIVES.—(1) The side heading of section 310(a) of the Congressional Budget Act of 1974 (as amended by section 105(a)) is further amended by inserting "JOINT EXPLANATORY STATEMENT ACCOMPANYING CONFERENCE REPORT ON" before "JOINT".

(2) Section 310(a) of such Act is amended by striking "A" and inserting "The joint explanatory statement accompanying the conference report on a".

(3) The first sentence of section 310(b) of such Act is amended by striking "If" and inserting "If the joint explanatory statement accompanying the conference report on".

(4) Section 310(c)(1) of such Act is amended by inserting "the joint explanatory statement accompanying the conference report on" after "pursuant to".

(5) Subsection (g) of section 310 of such Act is repealed.

(e) CONFORMING AMENDMENTS TO SECTION 3 REGARDING DIRECT SPENDING.—Section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding at the end the following new paragraph:

"(11) The term 'direct spending' has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985.".

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

(1) striking "REPORTING" in the side heading, by inserting "the chairmen of"

before "the Committees", and by striking "may report" and inserting "shall make and have published in the Congressional Record"; and

(2) adding at the end the following new sentence: "For purposes of considering amendments (other than for amounts for emergencies covered by subsection (b)(1)), suballocations shall be deemed to be so adjusted.".

TITLE II—RESERVE FUND FOR EMERGENCIES

SEC. 201. PURPOSE.

The purposes of this title are to—

(1) develop budgetary and fiscal procedures for emergencies;

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

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

SEC. 202. REPEAL OF ADJUSTMENTS FOR EMERGENCIES.

(a) DISCRETIONARY SPENDING LIMITS.—(1) Section 251(b)(2)(A) of the Balanced Budget

and Emergency Deficit Control Act of 1985 is repealed.

(2) Such section 251(b)(2) is further amended by redesignating subparagraphs (B) through (G) as subparagraphs (A) through (F).

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

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

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

SEC. 203. OMB EMERGENCY CRITERIA.

Section 3 of the Congressional Budget and Impoundment Control Act of 1974 (as amended by section 105(e)) is further amended by adding at the end the following new paragraph:

"(12)(A) The term 'emergency' means a situation that—

"(i) requires new budget authority and outlays (or new budget authority and the outlays flowing therefrom) for the prevention or mitigation of, or response to, loss of life or property, or a threat to national security; and

"(ii) is unanticipated.

"(B) As used in subparagraph (A), the term 'unanticipated' means that the situation is—

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

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

"(iii) unforeseen, which means not predicted or anticipated as an emerging need; and

"(iv) temporary, which means not of a permanent duration.".

SEC. 204. DEVELOPMENT OF GUIDELINES FOR APPLICATION OF EMERGENCY DEFINITION.

Not later than 5 months after the date of enactment of this Act, the chairmen of the Committees on the Budget (in consultation with the President) shall, after consulting with the chairmen of the Committees on Appropriations and applicable authorizing committees of their respective Houses and the Directors of the Congressional Budget Office and the Office of Management and Budget, jointly publish in the Congressional Record guidelines for application of the definition of emergency set forth in section 3(12) of the Congressional Budget and Impoundment Control Act of 1974.

SEC. 205. RESERVE FUND FOR EMERGENCIES IN PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code is amended by adding at the end the following new sentences: "Such budget submission shall also comply with the requirements of section 317(b) of the Congressional Budget Act of 1974 and, in the case of any budget authority requested for an emergency, such submission shall include a detailed justification

of why such emergency is an emergency within the meaning of section 3(12) of the Congressional Budget Act of 1974.".

SEC. 206. ADJUSTMENTS AND RESERVE FUND FOR EMERGENCIES IN JOINT BUDGET RESOLUTIONS.

(a) EMERGENCIES.—Title III of the Congressional Budget Act of 1974 (as amended by section 104(c)) is further amended by adding at the end the following new section:

"EMERGENCIES

"SEC. 317. (a) ADJUSTMENTS.—

"(1) IN GENERAL.—After the reporting of a bill or joint resolution or the submission of a conference report thereon that provides budget authority for any emergency as identified pursuant to subsection (c), the Committee on the Budget of the House of Representatives or the Senate shall—

"(A) determine and certify, pursuant to the guidelines referred to in section 204 of the Comprehensive Budget Process Reform Act of 1999, the portion (if any) of the amount so specified that is for an emergency

within the meaning of section 3(12); and

"(B) make the adjustment set forth in paragraph (2) for the amount of new budget authority (or outlays) in that measure and the outlays flowing from that budget authority.

"(2) MATTERS TO BE ADJUSTED.—The adjustments referred to in paragraph (1) are to be made to the allocations made pursuant to the appropriate joint resolution on the budget (or concurrent resolution on the budget, as the case may be) pursuant to section 302(a) and shall be in an amount not to exceed the amount reserved for emergencies pursuant to the requirements of subsection (b).

"(b) RESERVE FUND FOR EMERGENCIES.—

"(1) AMOUNTS.—The amount set forth in the reserve fund for emergencies for budget authority and outlays for a fiscal year pursuant to section 301(a)(4) shall equal—

"(A) the average of the enacted levels of budget authority for emer-

gencies in the 5 fiscal years preceding the current year; and

"(B) the average of the levels of outlays for emergencies in the 5 fiscal years preceding the current year flowing from the budget authority referred to in subparagraph (A), but only in the fiscal year for which such budget authority first becomes available for obligation.

"(2) AVERAGE LEVELS.—For purposes of paragraph (1), the amount used for a fiscal year to calculate the average of the enacted levels when one or more of such 5 preceding fiscal years is any of fiscal years 1994 through 1998 is as follows: the amount of enacted levels of budget authority and the amount of new outlays flowing therefrom for emergencies, but only in the fiscal year for which such budget authority first becomes available for obligation for each of such 5 fiscal years, which shall be determined by the Committees on the Budget of the House of Representatives and the Senate after

receipt of a report on such matter transmitted to such committees by the Director of the Congressional Budget Office 6 months after the date of enactment of this section and thereafter in February of each calendar year.

"(c) COMMITTEE NOTIFICATION OF EMERGENCY LEGISLATION.—Whenever any committee of either House (including a committee of conference) reports any bill or joint resolution that provides budget authority for any emergency, the report accompanying that bill or joint resolution (or the joint explanatory statement of managers in the case of a conference report on any such bill or joint resolution) shall identify all provisions that provide budget authority and the outlays flowing therefrom for such emergency and include a statement of the reasons why such budget authority meets the definition of an emergency pursuant to the guidelines referred to in section 204 of the Comprehensive Budget Process Reform Act of 1999.".

(b) CONFORMING AMENDMENT.—The table of contents set forth in section 1(b) of the Con-

gressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 316 the following new item:

"Sec. 317. Emergencies.".

SEC. 207. UP-TO-DATE TABULATIONS.

Section 308(b)(2) of the Congressional Budget Act of 1974 is amended by striking "and" at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting "; and", and by adding at the end the following new subparagraph:

"(D) shall include an up-to-date tabulation of amounts remaining in the reserve fund for emergencies.".

SEC. 208. PROHIBITION ON AMENDMENTS TO EMERGENCY RESERVE FUND.

(a) POINT OF ORDER.—Section 305 of the Congressional Budget Act of 1974 (as amended by section 103(c)) is further amended by adding at the end the following new subsection:

"(f) POINT OF ORDER REGARDING EMERGENCY RESERVE FUND.—It shall not be in order in the House of Representatives or in the Senate to consider an amendment to a joint reso-

lution on the budget (or concurrent resolution on the budget, as the case may be) which changes the amount of budget authority and outlays set forth in section 301(a)(4) for emergency reserve fund.".

(b) TECHNICAL AMENDMENT.—(1) Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "305(e), 305(f)," after "305(c)(4),".

(2) Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "305(e), 305(f)," after "305(c)(4),".

SEC. 209. EFFECTIVE DATE.

The amendments made by this title shall apply to fiscal year 2001 and subsequent fiscal years, but such amendments shall take effect only after the enactment of legislation changing or extending for any fiscal year the budgetary procedures set forth in sections 251 and 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

TITLE III—ENFORCEMENT OF BUDGETARY DECISIONS

SEC. 301. PURPOSES.

The purposes of this title are to—

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

(2) require committees of the House of Representatives to include budget compliance statements in reports accompanying all legislation; and

(3) require committees of the House of Representatives to justify the need for waivers of the Congressional Budget Act of 1974;

(4) provide cost estimates of conference reports.

Subtitle A—Application of Points of Order to Unreported Legislation

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

(a) Section 315 of the Congressional Budget Act of 1974 is amended by striking "reported" the first place it appears.

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

(1) in paragraph (1), by striking "(A)" and by redesignating subparagraph (B) as paragraph (2) and by striking the

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

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

Subtitle B—Compliance with Budget Resolution

SEC. 321. BUDGET COMPLIANCE STATEMENTS.

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

"(4) A budget compliance statement prepared by the chairman of the Committee on the Budget, if timely submitted prior to the filing of the report, which shall include assessment by such chairman as to whether the bill or joint resolution complies with the requirements of sections 302, 303, 306, 311, and 401 of the Congressional Budget Act of 1974 and may include the budgetary implications of that bill or joint resolution under section 251 or 252 of the Balanced Budget and Emergency Deficit Control Act of 1985, as applicable.".

Subtitle C—Justification for Budget Act Waivers

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

Clause 6 of rule XIII of the Rules of the House of Representatives is amended by adding at the end the following new paragraph:

"(h) It shall not be in order to consider any resolution from the Committee on Rules for the consideration of any reported bill or joint resolution which waives section 302, 303, 311, or 401 of the Congressional Budget Act of 1974, unless the report accompanying such resolution includes a description of the provision proposed to be waived, an identification of the section being waived, the reasons why such waiver should be granted, and an estimated cost of the provisions to which the waiver applies.".

Subtitle D—CBO Scoring of Conference Reports

SEC. 341. CBO SCORING OF CONFERENCE REPORTS.

(a) The first sentence of section 402 of the Congressional Budget Act of 1974 is amended as follows:

(1) Insert "or conference report thereon," before "and submit".

(2) In paragraph (1), strike "bill or resolution" and insert "bill, joint resolution, or conference report".

(3) At the end of paragraph (2) strike "and", at the end of paragraph (3) strike the period and insert "; and", and after such paragraph (3) add the following new paragraph:

"(4) A determination of whether such bill, joint resolution, or conference report provides direct spending.".

(b) The second sentence of section 402 of the Congressional Budget Act of 1974 is amended by inserting before the period the following: ", or in the case of a conference report, shall be included in the joint explanatory statement of managers accompanying such conference report if timely submitted before such report is filed".

TITLE IV—ACCOUNTABILITY FOR FEDERAL SPENDING

SEC. 401. PURPOSES.

The purposes of this title are to—

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

(2) facilitate amendments to subject new entitlement programs to annual discretionary appropriations;

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

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

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

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

Subtitle A—Limitations on Direct Spending

SEC. 411. FIXED-YEAR AUTHORIZATIONS REQUIRED FOR NEW PROGRAMS.

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

(1) by striking subsections (a) and (b) and inserting the following new subsection:

"(a) LIMITATION ON DIRECT SPENDING.—It shall not be in order in the House of Representatives or in the Senate to consider a bill or joint resolution, or an amendment, motion, or conference report that provides direct spending for a new program, unless such spending is limited to a period of 10 or fewer fiscal years.";

(2) by redesignating subsection (c) as subsection (b) and by striking "Subsections (a) and (b) each place it appears and inserting "Subsection (a)" in such redesignated subsection (b); and

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

"FIXED-YEAR AUTHORIZATIONS REQUIRED FOR DIRECT SPENDING".

(b) CONFORMING AMENDMENT.—The item relating to section 401 in the table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended to read as follows:

"Sec. 401. Fixed-year authorizations required for direct spending.".

(c) LIMITATION ON AUTHORIZATION OF DISCRETIONARY APPROPRIATIONS.—Rule XXI of the Rules of the House of Representatives is amended by adding at the end the following new clause:

"6. It shall not be in order to consider any bill, joint resolution, amendment, or conference report that authorizes the appropriation of new budget authority (as defined in section 3(2)(C) of the Congressional Budget and Impoundment Control Act of 1974) for a new program, unless such authorization is specifically provided for a period of 10 or fewer fiscal years.".

SEC. 412. AMENDMENTS TO SUBJECT NEW DIRECT SPENDING TO ANNUAL APPROPRIATIONS.

(a) HOUSE PROCEDURES.—Clause 5 of rule XVIII of the Rules of the House of Representatives is amended by adding at the end the following new paragraph:

"(c)(1) In the Committee of the Whole, an amendment only to subject a new program which provides direct spending to discretionary appropriations, if offered by the chairman of the Committee on the Budget (or his designee) or the chairman of the Committee of Appropriations (or his designee), may be precluded from consideration only by the specific terms of a special order of the House. Any such amendment, if offered, shall be debatable for twenty minutes equally divided and controlled by the proponent of the amendment and a Member opposed and shall not be subject to amendment.

"(2) As used in subparagraph (1), the term 'direct spending' has the meaning given such term in section 3(11) of the Congressional Budget and Impoundment Control Act of 1974.".

(b) ADJUSTMENT OF DISCRETIONARY SPENDING LIMITS FOR DISCRETIONARY APPROPRIATIONS OFFSET BY DIRECT SPENDING SAVINGS.—

(1) PURPOSE.—The purpose of the amendments made by this subsection is to hold the discretionary spending limits and the allocations made to the Committee on Appropriations under section 302(a) of the Congressional Budget Act of 1974 harmless for legislation that offsets a new discretionary program with a designated reduction in direct spending.

(2) DESIGNATING DIRECT SPENDING SAVINGS IN AUTHORIZATION LEGISLATION FOR NEW DISCRETIONARY PROGRAMS.—Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by section 202) is further amended by adding at the end the following new subsection:

"(e) OFFSETS.—If a provision of direct spending legislation is enacted that—

"(1) decreases direct spending for any fiscal year; and

"(2) is designated as an offset pursuant to this subsection and such designation specifically identifies an authorization of discretionary appropriations (contained in such legislation) for a new program,

then the reductions in new budget authority and outlays in all fiscal years resulting from that provision shall be designated as an offset in the reports required under subsection (d).".

(3) EXEMPTING SUCH DESIGNATED DIRECT SPENDING SAVINGS FROM PAYGO SCORECARD.—Section 252(d)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by section 202(b)) is further amended by adding at the end the following new subparagraph:

"(B) offset provisions as designated under subsection (e).".

(4) ADJUSTMENT IN DISCRETIONARY SPENDING LIMITS.—Section 251(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by section 202(a)(2)) is further amended by add-

ing at the end the following new subparagraph:

"(G) DISCRETIONARY AUTHORIZATION OFFSETS.—If an Act other than an appropriation Act includes any provision reducing direct spending and specifically identifies any such provision as an offset pursuant to section 252(e), the adjustments shall be an increase in the discretionary spending limits for budget authority and outlays in each fiscal year equal to the amount of the budget authority and outlay reductions, respectively, achieved by the specified offset in that fiscal year, except that the adjustments for the budget year in which the offsetting provision takes effect shall not exceed the amount of discretionary new budget authority provided for the new program (authorized in that Act) in an Act making discretionary appropriations and the outlays flowing therefrom.".

(5) ADJUSTMENT IN APPROPRIATION COMMITTEE'S ALLOCATIONS.—Section 314(b) of the Congressional Budget Act of 1974 (as amended by section 202(d)) is further amended by striking "; or" at the end of paragraph (4), by striking the period and inserting "; or" at the end of paragraph (5), and by adding at the end the following new paragraph:

"(6) the amount provided in an Act making discretionary appropriations for the program for which an offset was designated pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 and any outlays flowing therefrom, but not to exceed the amount of the designated decrease in direct spending for that year for that program in a prior law.".

(6) ADJUSTMENT IN AUTHORIZING COMMITTEE'S ALLOCATIONS.—Section 314 of the Congressional Budget Act of 1974 is amended by adding at the end the following new subsection:

"(f) ADJUSTMENT IN AUTHORIZING COMMITTEE'S ALLOCATIONS BY AMOUNT OF DIRECT SPENDING OFFSET.—After the reporting of a bill or joint resolution (by a committee other than the Committee on Appropriations), or the offering of an amendment thereto or the submission of a conference report thereon, that contains a provision that decreases direct spending for any fiscal year and that is designated as an offset pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the chairman of the Committee on the Budget shall reduce the allocations of new budget authority and outlays made to such committee under section 302(a)(1) by the amount so designated.".

Subtitle B—Enhanced Congressional Oversight Responsibilities

SEC. 421. TEN-YEAR CONGRESSIONAL REVIEW REQUIREMENT OF PERMANENT BUDGET AUTHORITY.

(a) TIMETABLE FOR REVIEW.—Clause 2(d)(1) of rule X of the Rules of the House of Representatives is amended by striking subdivi-

sions (B) and (C) and inserting the following new subdivision:

"(B) provide in its plans a specific timetable for its review of those laws, programs, or agencies within its jurisdiction, including those that operate under permanent budget authority or permanent statutory authority and such timetable shall demonstrate that each law, program, or agency within the committee's jurisdiction will be reauthorized at least once every ten years.".

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

(1) by striking subparagraph (2); and

(2) by redesignating subparagraphs (3) and (4) as subparagraphs (2) and (3) and by striking "from time to time" and inserting "at least once each Congress" in subparagraph (2) (as redesignated).

(c) CONFORMING AMENDMENT.—Clause 4(e)(2) of rule X of the Rules of the House of Representatives is amended by striking "from

time to time" and inserting "at least once every ten years".

SEC. 422. JUSTIFICATIONS OF DIRECT SPENDING.

(a) SECTION 302 ALLOCATIONS.—Section 302(a) of the Congressional Budget Act of 1974 (as amended by section 104(a)) is further amended by adding at the end the following new paragraph:

"(5) JUSTIFICATION OF CERTAIN SPENDING ALLOCATIONS.—The joint explanatory statement accompanying a conference report on a joint resolution on the budget that includes any allocation to a committee (other than the Committee on Appropriations) of levels in excess of current law levels shall set forth a justification for not subjecting any program, project, or activity (for which the allocation is made) to annual discretionary appropriation.".

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

"(33) a justification for not subjecting each new program, project, or activity to discretionary appropriations.".

(c) COMMITTEE JUSTIFICATION FOR DIRECT SPENDING.—Clause 4(e)(2) of rule X of the Rules of the House of Representatives is amended by inserting before the period the following: ", and will provide specific information in any report accompanying such bills and joint resolutions to the greatest extent practicable to justify why the programs, projects, and activities involved would not be subject to annual appropriation".

SEC. 423. SURVEY OF ACTIVITY REPORTS OF HOUSE COMMITTEES.

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

"(4) Such report shall include a summary of and justifications for all bills and joint resolutions reported by such committee that—

"(A) were considered before the adoption of the appropriate budget resolution

and did not fall within an exception set forth in section 303(b) of the Congressional Budget Act of 1974;

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

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

Such report shall also specify the total amount by which legislation reported by that committee exceeded its allocation under section 302(a) or breached the revenue floor under section 311(a) of such Act for each fiscal year during that Congress.".

SEC. 424. CONTINUING STUDY OF ADDITIONAL BUDGET PROCESS REFORMS.

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

(1) In subsection (a), strike "and" at the end of paragraph (3), strike the period at the end of paragraph (4) and insert "; and", and at the end add the following new paragraph:

"(5) evaluating whether existing programs, projects, and activities should be subject to discretionary appropriations and establishing guidelines for subjecting new or expanded programs, projects, and activities to annual appropriation and recommend any necessary changes in statutory enforcement mechanisms and scoring conventions to effectuate such changes.".

(2) In subsection (b), strike "from time to time" and insert "during the One Hundred Sixth Congress".

SEC. 425. GAO REPORTS.

The last sentence of section 404 of the Congressional Budget Act of 1974 is amended to read as follows: "Such report shall be revised at least once every five years and shall be transmitted to the chairman and ranking minority member of each committee of the House of Representatives and the Senate.".

Subtitle C—Strengthened Accountability

SEC. 431. TEN-YEAR CBO ESTIMATES.

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

(b) ANALYSIS BY CBO.—Section 402(1) of the Congressional Budget Act of 1974 is amended by striking "4" and inserting "nine".

(c) COST ESTIMATES.—Clause 3(d)(2)(A) of rule XIII of the Rules of the House of Representatives is amended by striking "five" each place it appears and inserting "10".

SEC. 432. REPEAL OF RULE XXIII OF THE RULES OF THE HOUSE OF REPRESENTATIVES.

Rule XXIII of the Rules of the House of Representatives (relating to the establishment of the statutory limit on the public debt) is repealed.

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

SEC. 501. PURPOSES.

The purposes of this title are to—

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

(2) improve congressional control of those costs; and

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

Subtitle A—Budgetary Treatment of Federal Insurance Programs

SEC. 511. FEDERAL INSURANCE PROGRAMS.

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

"TITLE VI—BUDGETARY TREATMENT OF FEDERAL INSURANCE PROGRAMS

"SEC. 601. SHORT TITLE.

"This title may be cited as the 'Federal Insurance Budgeting Act of 1999'.

"SEC. 602. BUDGETARY TREATMENT.

"(a) PRESIDENT'S BUDGET.—Beginning with fiscal year 2006, the budget of the Government pursuant to section 1105(a) of title 31, United States Code, shall be based on the risk-assumed cost of Federal insurance programs.

"(b) BUDGET ACCOUNTING.—For any Federal insurance program—

"(1) the program account shall—

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

"(B) pay actual insurance program administrative costs;

"(2) the financing account shall—

"(A) receive premiums and other income,

"(B) pay all claims for insurance and receive all recoveries,

"(C) transfer to the program account on not less than an annual basis amounts necessary to pay insurance program administrative costs;

"(3) a negative risk-assumed cost shall be transferred from the financing account to the program account, and

shall be transferred from the program account to the general fund; and

"(4) all payments by or receipts of the financing accounts shall be treated in the budget as a means of financing.

"(c) APPROPRIATIONS REQUIRED.—(1) Notwithstanding any other provision of law, insurance commitments may be made for fiscal year 2006 and thereafter only to the extent that new budget authority to cover their risk-assumed cost is provided in advance in an appropriation Act.

"(2) An outstanding insurance commitment shall not be modified in a manner that increases its risk-assumed cost unless budget authority for the additional cost has been provided in advance.

"(3) Paragraph (1) shall not apply to Federal insurance programs that constitute entitlements.

"(d) REESTIMATES.—The risk-assumed cost for a fiscal year shall be reestimated in each subsequent year. Such reestimate can equal zero. In the case of a positive reestimate, the amount of the reestimate shall be paid from

the program account to the financing account. In the case of a negative reestimate, the amount of the reestimate shall be paid from the financing account to the program account, and shall be transferred from the program account to the general fund. Reestimates shall be displayed as a distinct and separately identified subaccount in the program account.

"(e) ADMINISTRATIVE EXPENSES.—All funding for an agency's administration of a Federal insurance program shall be displayed as a distinct and separately identified subaccount in the program account.

"SEC. 603. TIMETABLE FOR IMPLEMENTATION OF ACCRUAL BUDGETING FOR FEDERAL INSURANCE PROGRAMS.

"(a) AGENCY REQUIREMENTS.—Agencies with responsibility for Federal insurance programs shall develop models to estimate their risk-assumed cost by year through the budget horizon and shall submit those models, all relevant data, a justification for critical assumptions, and the annual projected risk-assumed costs to OMB with their budget requests each

year starting with the request for fiscal year 2002. Agencies will likewise provide OMB with annual estimates of modifications, if any, and reestimates of program costs.

"(b) DISCLOSURE.—When the President submits a budget of the Government pursuant to section 1105(a) of title 31, United States Code, for fiscal year 2002, OMB shall publish a notice in the Federal Register advising interested persons of the availability of information describing the models, data (including sources), and critical assumptions (including explicit or implicit discount rate assumptions) that it or other executive branch entities would use to estimate the risk-assumed cost of Federal insurance programs and giving such persons an opportunity to submit comments. At the same time, the chairman of the Committee on the Budget shall publish a notice for CBO in the Federal Register advising interested persons of the availability of information describing the models, data (including sources), and critical assumptions (including explicit or implicit discount rate assumptions) that it would use to estimate the

risk-assumed cost of Federal insurance programs and giving such interested persons an opportunity to submit comments.

"(c) REVISION.—(1) After consideration of comments pursuant to subsection (b), and in consultation with the Committees on the Budget of the House of Representatives and the Senate, OMB and CBO shall revise the models, data, and major assumptions they would use to estimate the risk-assumed cost of Federal insurance programs.

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

"(d) DISPLAY.—

"(1) IN GENERAL.—For fiscal years 2003, 2004, and 2005 the budget submissions of the President pursuant to section 1105(a) of title 31, United States Code, and CBO's reports on the economic and budget outlook pursuant to section 202(e)(1) and the President's budgets, shall for display purposes only, estimate the risk-assumed cost of existing or proposed Federal insurance programs.

"(2) OMB.—The display in the budget submissions of the President for fiscal years 2003, 2004, and 2005 shall include—

"(A) a presentation for each Federal insurance program in budget-account level detail of estimates of risk-assumed cost;

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

"(C) an alternate summary table of budget functions and aggregates using risk-assumed rather than cash-based cost estimates for Federal insurance programs.

"(3) CBO.—In the second session of the 107th Congress and the 108th Congress, CBO shall include in its estimates under section 308, for display purposes only, the risk-assumed cost of existing Federal insurance programs, or legislation that CBO, in consultation with the Committees on the Budget of the House of Representatives and the Senate, determines would create a new Federal insurance program.

"(e) OMB, CBO, AND GAO EVALUATIONS.—(1) Not later than 6 months after the budget submission of the President pursuant to section 1105(a) of title 31, United States Code, for fiscal year 2005, OMB, CBO, and GAO shall each submit to the Committees on the Budget of the House of Representatives and the Senate a report that evaluates the advisability and appropriate implementation of this title.

"(2) Each report made pursuant to paragraph (1) shall address the following:

"(A) The adequacy of risk-assumed estimation models used and alternative modeling methods.

"(B) The availability and reliability of data or information necessary to carry out this title.

"(C) The appropriateness of the explicit or implicit discount rate used in the various risk-assumed estimation models.

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

"(E) The ability of OMB, CBO, or GAO, as applicable, to secure any data or information directly from any Federal agency necessary to enable it to carry out this title.

"(F) The relationship between risk-assumed accrual budgeting for Federal insurance programs and the specific requirements of the Balanced Budget and Emergency Deficit Control Act of 1985.

"(G) Whether Federal budgeting is improved by the inclusion of risk-assumed cost estimates for Federal insurance programs.

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

"SEC. 604. DEFINITIONS.

"For purposes of this title:

"(1) The term 'Federal insurance program' means a program that makes insurance commitments and includes the list of such programs included in the joint explanatory statement of managers accompanying the conference report on the Comprehensive Budget Process Reform Act of 1999.

"(2) The term 'insurance commitment' means an agreement in advance by a Federal agency to indemnify a nonfederal entity against specified losses. This term does not include loan guarantees as defined in title V or benefit programs such as social security, medicare, and similar existing social insurance programs.

"(3)(A) The term 'risk-assumed cost' means the net present value of the estimated cash flows to and from the Govern-

ment resulting from an insurance commitment or modification thereof.

"(B) The cash flows associated with an insurance commitment include—

"(i) expected claims payments inherent in the Government's commitment;

"(ii) net premiums (expected premium collections received from or on behalf of the insured less expected administrative expenses);

"(iii) expected recoveries; and

"(iv) expected changes in claims, premiums, or recoveries resulting from the exercise by the insured of any option included in the insurance commitment.

"(C) The cost of a modification is the difference between the current estimate of the net present value of the remaining cash flows under the terms of the insurance commitment, and the current estimate of the net present value of the remaining cash flows under the terms of the insurance commitment as modified.

"(D) The cost of a reestimate is the difference between the net present value of the amount currently required by the financing account to pay estimated claims and other expenditures and the amount currently available in the financing account. The cost of a reestimate shall be accounted for in the current year in the budget of the Government pursuant to section 1105(a) of title 31, United States Code.

"(E) For purposes of this definition, expected administrative expenses shall be construed as the amount estimated to be necessary for the proper administration of the insurance program. This amount may differ from amounts actually appropriated or otherwise made available for the administration of the program.

"(4) The term 'program account' means the budget account for the risk-assumed cost, and for paying all costs of administering the insurance program, and is the account from which the risk-as-

sumed cost is disbursed to the financing account.

"(5) The term 'financing account' means the nonbudget account that is associated with each program account which receives payments from or makes payments to the program account, receives premiums and other payments from the public, pays insurance claims, and holds balances.

"(6) The term 'modification' means any Government action that alters the risk-assumed cost of an existing insurance commitment from the current estimate of cash flows. This includes any action resulting from new legislation, or from the exercise of administrative discretion under existing law, that directly or indirectly alters the estimated cost of existing insurance commitments.

"(7) The term 'model' means any actuarial, financial, econometric, probabilistic, or other methodology used to estimate the expected frequency and magnitude of loss-producing events, expected

premiums or collections from or on behalf of the insured, expected recoveries, and administrative expenses.

"(8) The term 'current' has the same meaning as in section 250(c)(9) of the Balanced Budget and Emergency Deficit Control Act of 1985.

"(9) The term 'OMB' means the Director of the Office of Management and Budget.

"(10) The term 'CBO' means the Director of the Congressional Budget Office.

"(11) The term 'GAO' means the Comptroller General of the United States.

"SEC. 605. AUTHORIZATIONS TO ENTER INTO CONTRACTS; ACTUARIAL COST ACCOUNT.

"(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $600,000 for each of fiscal years 2000 through 2005 to the Director of the Office of Management and Budget and each agency responsible for administering a Federal program to carry out this title.

"(b) TREASURY TRANSACTIONS WITH THE FINANCING ACCOUNTS.—The Secretary of the

Treasury shall borrow from, receive from, lend to, or pay the insurance financing accounts such amounts as may be appropriate. The Secretary of the Treasury may prescribe forms and denominations, maturities, and terms and conditions for the transactions described above. The authorities described above shall not be construed to supersede or override the authority of the head of a Federal agency to administer and operate an insurance program. All the transactions provided in this subsection shall be subject to the provisions of subchapter II of chapter 15 of title 31, United States Code. Cash balances of the financing accounts in excess of current requirements shall be maintained in a form of uninvested funds, and the Secretary of the Treasury shall pay interest on these funds.

"(c) APPROPRIATION OF AMOUNT NECESSARY TO COVER RISK-ASSUMED COST OF INSURANCE COMMITMENTS AT TRANSITION DATE.—(1) A financing account is established on September 30, 2005, for each Federal insurance program.

"(2) There is appropriated to each financing account the amount of the risk-assumed

cost of Federal insurance commitments outstanding for that program as of the close of September 30, 2005.

"(3) These financing accounts shall be used in implementing the budget accounting required by this title.

"SEC. 606. EFFECTIVE DATE.

"(a) IN GENERAL.—This title shall take effect immediately and shall expire on September 30, 2007.

"(b) SPECIAL RULE.—If this title is not reauthorized by September 30, 2007, then the accounting structure and budgetary treatment of Federal insurance programs shall revert to the accounting structure and budgetary treatment in effect immediately before the date of enactment of this title.".

(b) CONFORMING AMENDMENT.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 507 the following new items:

"TITLE VI—BUDGETARY TREATMENT OF FEDERAL INSURANCE PROGRAMS

"Sec. 601. Short title.
"Sec. 602. Budgetary treatment.

"Sec. 603. Timetable for implementation of accrual budgeting for Federal insurance programs.
"Sec. 604. Definitions.
"Sec. 605. Authorizations to enter into contracts; actuarial cost account.
"Sec. 606. Effective date.".

Subtitle B—Reports on Long-Term Budgetary Trends

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

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

"(34) an analysis based upon current law and an analysis based upon the policy assumptions underlying the budget submission for every fifth year of the period of 75 fiscal years beginning with such fiscal year, of the estimated levels of total new budget authority and total budget outlays, estimated revenues, estimated surpluses and deficits, and, for social security, medicare, medicaid, and all other direct spending, estimated levels of total new budget authority and total budget outlays; and a specification of its underlying assumptions and a sensitivity

analysis of factors that have a significant effect on the projections made in each analysis; and a comparison of the effects of each of the two analyses on the economy, including such factors as inflation, foreign investment, interest rates, and economic growth.".

(b) CBO REPORTS.—Section 202(e)(1) of the Congressional Budget Act of 1974 is amended by adding at the end the following new sentences: "Such report shall also include an analysis based upon current law for every fifth year of the period of 75 fiscal years beginning with such fiscal year, of the estimated levels of total new budget authority and total budget outlays, estimated revenues, estimated surpluses and deficits, and, for social security, medicare, medicaid, and all other direct spending, estimated levels of total new budget authority and total budget outlays. The report described in the preceding sentence shall also specify its underlying assumptions and set forth a sensitivity analysis of factors that have a significant effect on the projections made in the report.".

TITLE VI—BASELINES, BYRD RULE, AND LOCK-BOX

SEC. 601. PURPOSE.

The purposes of this title are to—

(1) require budgetary comparisons to prior year levels;

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

(3) establish a procedure to allow savings from spending cuts in appropriation measures to be locked-in to increase the surplus or reduce the deficit.

Subtitle A—The Baseline

SEC. 611. THE PRESIDENT'S BUDGET.

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

"(5) except as provided in subsection (b) of this section, estimated expenditures and appropriations for the current year and 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 following that year, and, except for detailed budget estimates, the percentage change from the current year to the fiscal year for which the budget is submitted for estimated expenditures and for appropriations.".

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

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

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

"(B) proposals in the budget to increase revenues,

and the percentage change (in the case of each category referred to in subparagraphs (A) and (B)) between the current year and the fiscal year for which the budget is submitted and between the current year and each of the 9 fiscal years

after the fiscal year for which the budget is submitted.".

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

"(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 for appropriation and for expenditure because of the proposal in the fiscal year for which the budget is submitted;

"(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; and

"(C) the estimated amount for the same activity or function, if any, in the current fiscal year,

and, except for detailed budget estimates, the percentage change (in the case of each category referred to in subparagraphs (A), (B), and (C)) between the cur-

rent year and the fiscal year for which the budget is submitted.".

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

(e) Section 1105(a) of title 31, United States Code, (as amended by sections 412(b) and 521(a)) is further amended by adding at the end the following new paragraphs:

"(35) a comparison of levels of estimated expenditures and proposed appropriations for each function and subfunction in the current fiscal year and the fiscal year for which the budget is submitted, along with the proposed increase or decrease of spending in percentage terms for each function and subfunction.

"(36) a table on sources of growth in total direct spending under current law and as proposed in this budget submission for the budget year and the ensuing 9 fiscal years, which shall include changes in outlays attributable to the following: cost-of-living adjustments;

changes in the number of program recipients; increases in medical care prices, utilization and intensity of medical care; and residual factors.".

(f) Section 1109(a) of title 31, United States Code, is amended by inserting after the first sentence the following new sentence: "For discretionary spending, these estimates shall assume the levels set forth in the discretionary spending limits under section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985, as adjusted, for the appropriate fiscal years (and if no such limits are in effect, these estimates shall assume the adjusted levels for the most recent fiscal year for which such levels were in effect).".

SEC. 612. THE CONGRESSIONAL BUDGET.

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

(1) in paragraph (1), by inserting at the end the following: "The basis of deliberations in developing such joint resolution shall be the estimated budgetary levels for the preceding fiscal year. Any

budgetary levels pending before the committee and the text of the joint resolution shall be accompanied by a document comparing such levels or such text to the estimated levels of the prior fiscal year. Any amendment offered in the committee that changes a budgetary level and is based upon a specific policy assumption for a program, project, or activity shall be accompanied by a document indicating the estimated amount for such program, project, or activity in the current year."; and

(2) in paragraph (2), by striking "and" at the end of subparagraph (H) (as redesignated), by striking the period and inserting "; and" at the end of subparagraph (I) (as redesignated), and by adding at the end the following new subparagraph:

"(J) a comparison of levels for the current fiscal year with proposed spending and revenue levels for the subsequent fiscal years along with the proposed increase or decrease of

spending in percentage terms for each function.".

SEC. 613. CONGRESSIONAL BUDGET OFFICE REPORTS TO COMMITTEES.

(a) The first sentence of section 202(e)(1) of the Congressional Budget Act of 1974 is amended by inserting "compared to comparable levels for the current year" before the comma at the end of subparagraph (A) and before the comma at the end of subparagraph (B).

(b) Section 202(e)(1) of the Congressional Budget Act of 1974 is amended by inserting after the first sentence the following new sentence: "Such report shall also include a table on sources of spending growth in total direct spending for the budget year and the ensuing 9 fiscal years, which shall include changes in outlays attributable to the following: cost-of-living adjustments; changes in the number of program recipients; increases in medical care prices, utilization and intensity of medical care; and residual factors.".

(c) Section 308(a)(1)(B) of the Congressional Budget Act of 1974 is amended by in-

serting "and shall include a comparison of those levels to comparable levels for the current fiscal year" before "if timely submitted".

SEC. 614. OUTYEAR ASSUMPTIONS FOR DISCRETIONARY SPENDING.

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

Subtitle B—The Byrd Rule

SEC. 621. LIMITATION ON BYRD RULE.

(a) PROTECTION OF CONFERENCE REPORTS.—Section 313 of the Congressional Budget Act of 1974 is amended—

(1) in subsection (c), by striking "and again upon the submission of a conference report on such a reconciliation bill or resolution,";

(2) by striking subsection (d);

(3) by redesignating subsection (e) as subsection (d); and

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

(A) by striking ", motion, or conference report" the first place it appears and inserting ", or motion"; and

(B) by striking ", motion, or conference report" the second and third places it appears and inserting "or motion".

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

Subtitle C—Spending Accountability Lock-box

SEC. 631. SHORT TITLE.

This subtitle may be cited as the "Spending Accountability Lock-box Act of 1999".

SEC. 632. SPENDING ACCOUNTABILITY LOCK-BOX LEDGER.

(a) ESTABLISHMENT OF LEDGER.—Title III of the Congressional Budget Act of 1974 (as amended by sections 104(c) and 206(a)) is fur-

ther amended by adding after section 317 the following new section:

"SPENDING ACCOUNTABILITY LOCK-BOX LEDGER

"SEC. 318. (a) ESTABLISHMENT OF LEDGER.—The chairman of the Committee on the Budget of the House of Representatives and the chairman on the Committee on the Budget of the Senate shall each maintain a ledger to be known as the 'Spending Accountability Lock-box Ledger'. The Ledger shall be divided into entries corresponding to the subcommittees of the Committees on Appropriations. Each entry shall consist of three components: the 'House Lock-box Balance'; the 'Senate Lock-box Balance'; and the 'Joint House-Senate Lock-box Balance'.

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

"(c) CREDIT OF AMOUNTS TO LEDGER.—(1) In the House of Representatives or the Senate, whenever a Member offers an amendment to an appropriation bill to reduce new budget authority in any account, that Member may

state the portion of such reduction that shall be—

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

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

"(C) allowed to remain within the applicable section 302(b) suballocation.

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

"(2)(A) Except as provided by subparagraph (B), the chairmen of the Committees on the Budget shall, upon the engrossment of any appropriation bill by the House of Representatives and upon the engrossment of Senate amendments to that bill, credit to the applicable entry balance of that House amounts of new budget authority and outlays equal to the net amounts of reductions in new budget authority and in outlays resulting from amendments agreed to by that House to that bill.

"(B) When computing the net amounts of reductions in new budget authority and in outlays resulting from amendments agreed to by the House of Representatives or the Senate to an appropriation bill, the chairmen of the Committees on the Budget shall only count those portions of such amendments agreed to that were so designated by the Members offering such amendments as amounts to be credited to the House or Senate Lock-box Balance, as applicable, or that fall within the last sentence of paragraph (1).

"(3) The chairmen of the Committees on the Budget shall, upon the engrossment of Senate amendments to any appropriation bill, credit to the applicable Joint House-Senate Lock-box Balance the amounts of new budget authority and outlays equal to—

"(A) an amount equal to one-half of the sum of (i) the amount of new budget authority in the House Lock-box Balance plus (ii) the amount of new budget authority in the Senate Lock-box Balance for that subcommittee; and

"(B) an amount equal to one-half of the sum of (i) the amount of outlays in the House Lock-box Balance plus (ii) the amount of outlays in the Senate Lock-box Balance for that subcommittee.

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

"(d) DEFINITION.—As used in this section, the term 'appropriation bill' means any general or special appropriation bill, and any bill or joint resolution making supplemental, deficiency, or continuing appropriations through the end of a fiscal year.

"(e) TALLY DURING HOUSE CONSIDERATION.—The chairman of the Committee on the Budget of the House of Representatives shall maintain a running tally of the amendments adopted reflecting increases and de-

creases of budget authority in the bill as reported. This tally shall be available to Members in the House of Representatives during consideration of any appropriations bill by the House.".

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

"Sec. 318. Spending accountability lock-box ledger.".

SEC. 633. DOWNWARD ADJUSTMENT OF SECTION 302(a) ALLOCATIONS AND SECTION 302(b) SUBALLOCATIONS.

(a) ALLOCATIONS.—Section 302(a) of the Congressional Budget Act of 1974 (as amended by section 422) is further amended by adding at the end the following new paragraph:

"(6) ADJUSTMENT OF ALLOCATIONS.—Upon the engrossment of Senate amendments to any appropriation bill (as defined in section 318(d)) for a fiscal year, the amounts allocated under paragraph (1) or (2) to the Committee on Appropriations of each House upon the adoption of

the most recent joint resolution on the budget for that fiscal year shall be adjusted downward by the amounts credited to the applicable Joint House-Senate Lock-box Balance under section 318(c)(2). The revised levels of new budget authority and outlays shall be submitted to each House by the chairman of the Committee on the Budget of that House and shall be printed in the Congressional Record.".

(b) SUBALLOCATIONS.—Section 302(b) of the Congressional Budget Act of 1974 is amended by adding at the end the following new sentence: "Whenever an adjustment is made under subsection (a)(7) to an allocation under that subsection, the Committee on Appropriations of each House shall make downward adjustments in the most recent suballocations of new budget authority and outlays under this subparagraph to the appropriate subcommittees of that committee in the total amounts of those adjustments under section 318(c)(2). The revised suballocations shall be submitted to each House by the chairman of the Committee on Appropriations of that House and

shall be printed in the Congressional Record.".

SEC. 634. PERIODIC REPORTING OF LEDGER STATEMENTS.

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

SEC. 635. DOWNWARD ADJUSTMENT OF DISCRETIONARY SPENDING LIMITS.

The discretionary spending limits for new budget authority and outlays for any fiscal year set forth in section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985, shall be reduced by the amounts set forth in the final regular appropriation bill for that fiscal year or joint resolution making continuing appropriations through the end of that fiscal year. Those amounts shall be the sums of the Joint House-Senate Lock-box Balances for that fiscal year, as calculated under section 302(a)(6) of the Congressional Budget Act of 1974. That bill or joint resolution shall contain the following statement of law: "As re-

quired by section 636 of the Spending Accountability Lock-box Act of 1999, for fiscal year [insert appropriate fiscal year] and each outyear, the adjusted discretionary spending limit for new budget authority shall be reduced by $ [insert appropriate amount of reduction] and the adjusted discretionary limit for outlays shall be reduced by $ [insert appropriate amount of reduction] for the fiscal year and each outyear.". Notwithstanding section 904(c) of the Congressional Budget Act of 1974, section 306 as it applies to this statement shall not apply. This adjustment shall be reflected in reports under sections 254(f) and 254(g) of the Balanced Budget and Emergency Deficit Control Act of 1985.

Subtitle D—Automatic Continuing Resolution

SEC. 641. AUTOMATIC CONTINUING RESOLUTION.

(a) AMENDMENT TO TITLE 31.—Chapter 13 of title 31, United States Code, is amended by inserting after section 1310 the following new section:

"§ 1311. Continuing appropriations

"(a)(1) If any regular appropriation bill for a fiscal year does not become law prior to the beginning of such fiscal year or a joint resolution making continuing appropriations is not in effect, there is appropriated, out of any moneys in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such sums as may be necessary to continue any program, project, or activity for which funds were provided in the preceding fiscal year—

"(A) in the corresponding regular appropriation Act for such preceding fiscal year; or

"(B) if the corresponding regular appropriation bill for such preceding fiscal year did not become law, then in a joint resolution making continuing appropriations for such preceding fiscal year.

"(2)(A) Except as provided by subparagraph (B), appropriations and funds made available, and authority granted, for a program, project, or activity for any fiscal year pursuant to this section shall be at a rate of operations not in excess of the rate of oper-

ations provided for in the regular appropriation Act providing for such program, project, or activity for the preceding fiscal year, or in the absence of such an Act, the rate of operations provided for such program, project, or activity pursuant to a joint resolution making continuing appropriations for such preceding fiscal year (but not including amounts for such program, project, or activity designated as an emergency for that fiscal year before the date of enactment of this section).

"(B) The applicable rate of operations for a program, project, or activity pursuant to this section shall exclude amounts—

"(i) for which any adjustment was made under section 251(b)(2)(A) or section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 before the date of enactment of this section; or

"(ii) for which any adjustment is made under section 251(b)(2) (D) or (E) of such Act.

"(3) Appropriations and funds made available, and authority granted, for any fiscal

year pursuant to this section for a program, project, or activity shall be available for the period beginning with the first day of a lapse in appropriations and ending with the earlier of—

"(A) the date on which the applicable regular appropriation bill for such fiscal year becomes law (whether or not such law provides for such program, project, or activity) or a continuing resolution making appropriations becomes law, as the case may be, or

"(B) the last day of such fiscal year.

"(b) An appropriation or funds made available, or authority granted, for a program, project, or activity for any fiscal year pursuant to this section shall be subject to the terms and conditions imposed with respect to the appropriation made or funds made available for the preceding fiscal year, or authority granted for such program, project, or activity under current law.

"(c) Appropriations and funds made available, and authority granted, for any program, project, or activity for any fiscal year pursu-

ant to this section shall cover all obligations or expenditures incurred for such program, project, or activity during the portion of such fiscal year for which this section applies to such program, project, or activity.

"(d) Expenditures made for a program, project, or activity for any fiscal year pursuant to this section shall be charged to the applicable appropriation, fund, or authorization whenever a regular appropriation bill or a joint resolution making continuing appropriations until the end of a fiscal year providing for such program, project, or activity for such period becomes law.

"(e) This section shall not apply to a program, project, or activity during a fiscal year if any other provision of law (other than an authorization of appropriations)—

"(1) makes an appropriation, makes funds available, or grants authority for such program, project, or activity to continue for such period, or

"(2) specifically provides that no appropriation shall be made, no funds shall be made available, or no authority shall

be granted for such program, project, or activity to continue for such period; or

"(f) For purposes of this section, the term 'regular appropriation bill' means any annual appropriation bill making appropriations, otherwise making funds available, or granting authority, for any of the following categories of programs, projects, and activities:

"(1) Agriculture, rural development, and related agencies programs.

"(2) The Departments of Commerce, Justice, and State, the judiciary, and related agencies.

"(3) The Department of Defense.

"(4) The government of the District of Columbia and other activities chargeable in whole or in part against the revenues of the District.

"(5) The Departments of Labor, Health and Human Services, and Education, and related agencies.

"(6) The Department of Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices.

"(7) Energy and water development.

"(8) Foreign assistance and related programs.

"(9) The Department of the Interior and related agencies.

"(10) Military construction.

"(11) The Department of Transportation and related agencies.

"(12) The Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies.

"(13) The legislative branch.".

(b) CONFORMING AMENDMENT.—Section 202(e)(3) of the Congressional Budget Act of 1974 is amended by inserting "and on or before September 30" before "of each year".

(c) CHAPTER ANALYSIS.—The analysis of chapter 13 of title 31, United States Code, is amended by inserting after the item relating to section 1310 the following new item:

"1311. Continuing appropriations.".

(d) EFFECT OF AMENDMENTS.—Nothing in the amendments made by this section shall be construed to affect Government obligations mandated by other law, including obligations

with respect to social security, medicare, and medicaid.

TITLE VII—BUDGETING IN AN ERA OF SURPLUSES

SEC. 701. PAYGO REQUIREMENTS AND THE ON-BUDGET SURPLUS.

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

"(a) PURPOSE.—The purpose of this section is to trigger an offsetting sequestration in the amount by which any excess of decreases in receipts and increases in direct spending over increases in receipts and decreases in direct spending, caused by all direct spending and receipts legislation enacted prior to October 1, 2002, exceeds estimates of the on-budget surplus.".

(b) TIMING AND CALCULATION OF SEQUESTRATION.—Section 252(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:

"(b) SEQUESTRATION.—

"(1) TIMING.—Not later than 15 calendar days after the date Congress ad-

journs to end a session and on the same day as a sequestration (if any) under section 251, there shall be a sequestration to offset an amount equal to—

"(A) any excess of decreases in receipts and increases in direct spending over increases in receipts and decreases in direct spending for legislation enacted prior to October 1, 2002; minus

"(B) the estimated on-budget surplus,

as calculated under paragraph (2).

"(2) CALCULATION OF SEQUESTRATION.—OMB shall calculate the amount of the sequestration by adding—

"(A) all OMB estimates for the budget year of direct spending and receipts legislation transmitted under subsection (d) for legislation enacted prior to October 1, 2002;

"(B) the estimated amount of savings in direct spending programs applicable to the budget year resulting from the prior year's sequestration

under this section, if any, as published in OMB's final sequestration report for that prior year; and

"(C) all OMB estimates for the current year that were not reflected in the final OMB sequestration report for that year; and

then by subtracting from such sum the OMB estimate for the budget year of the on-budget surplus (if any) as set forth in the OMB sequestration update report.".

(c) PREVIEW REPORTS.—Section 254(c)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by redesignating subparagraph (C) as subparagraph (D) and by adding after subparagraph (B) the following new subparagraph:

"(C) The estimated on-budget surplus for the budget year (if any) shall exclude all estimates of direct spending and receipts legislation for such year enacted after the date of enactment of this subparagraph (as estimated by OMB when such legislation was originally enacted). Except as

provided by the preceding sentence, the following assumptions shall apply to the calculation of such estimated surplus: Budgetary resources other than unobligated balances shall be at the level provided for the budget year in a regular appropriation Act or a joint resolution (other than pursuant to section 1311 of title 31, United States Code) continuing appropriations through the end of the budget year, but if for any account a full-year appropriation has not yet been enacted, budgetary resources other than unobligated balances shall be at the level available in the current year, adjusted using the assumptions set forth in section 257(c).".

(d) FINAL SEQUESTRATION REPORT.—Section 254(f)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following new sentence: "In calculating the estimated on-budget surplus pursuant to section 252(b)(2), notwithstanding section 254(j), OMB

shall use economic and technical assumptions that are up-to-date as of the date of issuance of the sequestration preview reports.".

(e) DEFINITION OF ON-BUDGET SURPLUS.—Section 250(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following new paragraph:

"(20) The term 'on-budget surplus' means, with respect to a fiscal year, the amount by which receipts exceed outlays for all spending and receipt accounts of the United States Government that are designated as on-budget. Such term does not include outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, or any other off-budget entity.".

(f) EXPEDITED RECONCILIATION PROCESS.—Section 258C of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended as follows:

(1) The side heading of subsection (a) is amended by inserting "OR IN THE HOUSE OF REPRESENTATIVES" after "SENATE".

(2) In paragraphs (1), (2), (3), and (4) of subsection (a), insert "or House" after "Senate" each place it appears.

(3) In subsection (a)(7), strike "For" and insert "In the Senate, for".

(4) In subsection (b)(1), insert "or House" after "Senate".

(5) In the side heading of subsection (b)(4), insert "OTHER" after "THE".

(6) In subsection (b)(4), strike "in the Senate from the House" and insert "in the Senate or House of Representatives from the other House", strike "Senate" the second place it appears and insert "Senate or House of Representatives, as the case may be,", and strike "Senate" the third place it appears and insert "in the applicable House".