104TH CONGRESS
1ST SESSION
S. 1290
To reduce the deficit.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 29 (legislative day, SEPTEMBER 25), 1995
Mr. KERRY introduced the following bill; which was read twice and referred
to the Committee on the Budget

A BILL
To reduce the deficit.

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

SECTION 1. SHORT TITLE.
This Act may be cited as the “Responsible Deficit
Reduction Act of 1995”.

SEC. 2. LOCKBOX TO INSURE SAVINGS GO TO DEFICIT REDUCTION.
(a) IN GENERAL.—Section 201(a) of House Concur-
rent Resolution 67 (104th Congress, 1st Session) is
amended to read as follows:
“(a) DEFINITION.—As used in this section and for
the purposes of allocations made pursuant to section
302(a) or 602(a) of the Congressional Budget Act of 1974, for the discretionary category, the term ‘discretionary spending limit’ means—

“(1) with respect to fiscal year 1996—

“(A) for the defense category

$257,196,000,000 in new budget authority and
$258,543,000,000 in outlays; and

“(B) for the nondefense category

$216,058,000,000 in new budget authority and
$265,610,000,000 in outlays;

“(2) with respect to fiscal year 1997—

“(A) for the defense category

$261,252,000,000 in new budget authority and
$261,884,000,000 in outlays; and

“(B) for the nondefense category

$210,477,000,000 in new budget authority and
$251,080,000,000 in outlays;

“(3) with respect to fiscal year 1998—

“(A) for the defense category

$263,641,000,000 in new budget authority and
$260,151,000,000 in outlays; and

“(B) for the nondefense category

$216,400,000,000 in new budget authority and
$243,690,000,000;
“(4) with respect to fiscal year 1999, for the discretionary category $465,602,000,000 in new budget authority and $495,637,000,000 in outlays; and

“(5) with respect to fiscal year 2000, for the discretionary category $466,545,000,000 in new budget authority and $492,740,000,000 in outlays; as adjusted for changes in concepts and definitions and emergency appropriations.”.

(b) REVISED ALLOCATIONS.—The chair of the Committee on the Budget of the Senate shall file with the Senate revised allocations, aggregates, and discretionary spending limits under section 201 of House Concurrent Resolution 67, as amended by this section, decreasing budget authority and decreasing outlays accordingly.

SEC. 3. DISCRETIONARY SPENDING ASSUMPTIONS WITH RESPECT TO THE BUDGET RESOLUTION.

(a) IN GENERAL.—The assumptions included in the conference report on House Concurrent Resolution 67 with respect to deficit reduction are amended to reflect the total reductions provided in section 2(b).

(b) DEFENSE DISCRETIONARY.—The assumptions included in the conference report on House Concurrent Resolution 67 with respect to reductions in defense discretionary spending shall be assumed to include the following:
(1) Limit defense spending in fiscal year 1996 to $244,000,000,000, in fiscal year 1997 to $241,000,000,000, in fiscal year 1998 to $248,000,000,000, in fiscal year 1999 to $254,000,000,000, and in fiscal year 2000 to $261,000,000,000.

(2) Terminate production of Trident D5 submarine launched ballistic missiles after 1996.

(3) Phase out over five years the equivalent of two Army light divisions.

(4) Deny unemployment compensation to service members who voluntarily leave the service.

(5) Close the Uniformed Services University of the Health Sciences, with the last class admitted in 1995 and all activities halted on that class’ graduation in 1999.

(6) Rather than replacing or revitalizing existing Department of Defense Housing Stock, increase reliance on private-sector housing for military families by making service personnel eligible for a cash housing allowance regardless of whether they live in Department of Defense or private-sector units and charging market-driven rent for Department of Defense housing.

(8) Encourage private ownership of industrial assets used in defense production by granting the General Services Administration clear authority to negotiate sale of equipment to the holding contractor in situations in which continued Department of Defense ownership is not necessary, and by requiring contractors in the future to rent or lease such equipment from the Department of Defense if they demonstrate it is in the Department of Defense's interest to provide the equipment.

(9) Increase burdensharing by the Republic of Korea by requiring it to increase its contribution to include all payments of Korean won-based labor costs of local employees working for the United States military and support services contracts.

(10) Procure the most cost-effective mix of C-17's and commercial airlifters.

(11) Cancel the Army's Tank Upgrade Program and lay-away production facilities, deactivating but preserving the Government-owned tank manufacturing facilities.
(12) While retaining the number of nuclear warheads permitted by the Strategic Arms Reduction Treaty II (START II), reduce the strategic delivery system structure to 300 Minuteman III ICBM's, 10 Trident submarines each carrying 24 missiles with 7 warheads; 66 B-52H bombers, each carrying 16 warheads; and 20 B-2 bombers, each carrying 16 warheads.

(13) Repeal the Civilian Marksmanship Program.

(14) Terminate all funding for the Selective Service System except to terminate the program.

(15) Limit the mission of the Ballistic Missile Defense Organization to Theater Missile Defense and Terminate its other projects.

(16) Terminate the National Aerospace Plane Program.

(17) Scale back weapons production and maintenance activities at the Department of Energy to support an arsenal of 4,000 warheads.

(c) Nondefense Discretionary.—The assumptions included in the conference report on House Concurrent Resolution 67 with respect to reductions in non-defense discretionary spending shall be assumed to include the following:
(1) Terminate NASA’s support for producers of commercial airlines.

(2) Consolidate and downsize Overseas Broadcasting by capping funding to Radio Free Europe and Radio Liberty at the level of $75 million per year.

(3) Terminate funding for the Puget Sound Naval Shipyard Recreational Facility and rescind all unobligated prior appropriations.

(4) Terminate the International Space Station Program.

(5) Terminate the High-Temperature Gas Reactor Program, also known as the Gas Turbine-Modular Helium Reactor.

(6) Phase in over five years a reduction of 25 percent of fiscal year 1995 appropriations for research and development programs for fossil, nuclear, and fusion energy.

(7) Allow private producers to build and operate co-generation facilities at Federal civilian installations, paying all construction costs and assuming all financial risks.

(8) Reduce electrification and telephone credit subsidies to rural utilities services to levels calculated to result in electricity and telephone
consumer costs equivalent to those for consumers in
the service areas of unsubsidized electric and tele-
phone companies.

(9) Offer for sale the Naval Petroleum Reserve
Number 1, located at Elk Hills, California.

(10) Prohibit the sale of timber from national
forests at a price insufficient to recover fully the
Forest Service’s associated costs for timber manage-
ment, reforestation, construction, and maintenance
of logging roads, payments to States, and other tim-
ber program costs.

(11) Limit the level of Federal support for agri-
cultural research and extension activities to 90 per-
cent of the fiscal year 1995 level for fiscal years

(12) Terminate the Interstate Commerce Com-
misson and transfer its motor carrier safety respon-
sibilities to the Department of Transportation.

(13) Terminate the U.S. Travel and Tourism
Administration in 1997.

(14) Terminate the Pennsylvania Avenue Devel-
opment Corporation.

(15) Align the method of computing cost-of-liv-
ing adjustment of the compensation for members of
Congress with compensation for civil servants.
(16) Limit the number of days Senior Executive Service employees may accrue as annual leave to 30.

(17) Permanently reduce the number of political appointees to 2,000.

SEC. 4. DIRECT SPENDING REDUCTIONS.

(a) SALES OF ELECTRIC POWER BY THE POWER MARKETING ADMINISTRATIONS.—Notwithstanding any other law governing sales of electric power by the Alaska Power Marketing Administration, Bonneville Power Marketing Administration, Southern Power Marketing Administration, Southeastern Power Marketing Administration, or Western Area Power Marketing Administration (each of which is referred to in this subsection as the “Administration”)—

(1) offers of sales of electric power by the Administration shall be made on a nonpreferential basis to public bodies and cooperatives and private persons;

(2) sales of electric power by the Administration shall be made to the persons offering the highest price for the power; and

(3) the Administration shall not be required to acquire for sale to any public body or cooperative or any other person any amount of electric power in ex-
cess of that generated by the projects from which
the Administration sells power.

(b) Spent Nuclear Waste Storage Fees.—Section 136(a)(3) of the Nuclear Waste Policy Act of 1982
(42 U.S.C. 10156(a)(3)) is amended—

(1) by striking ``(3) Fees'' and inserting the fol-
lowing:

``(3) Fees.—

``(A) In general.—Fees''; and

(2) by adding at the end the following:

``(B) Adjustment for inflation.—On

and after the date of enactment of this sub-
paragraph, the amount of the storage fees es-
established under subparagraph (A) shall be ad-
justed annually on October 1 to account for in-
flation since the date of enactment of this Act.

``(C) Deadline for payment.—The

principal amount of all storage fees established
under subparagraph (A) shall be paid by Sep-
tember 30, 1997, and all of the interest accrued
or all storage fees shall be paid by September
30, 1998.''.

(c) Expansion and Extension of Authority to
Use Competitive Bidding.—
(1) Licenses and permits subject to competitive bidding.—Subsection (j) of section 309 of the Communications Act of 1934 (47 U.S.C. 309) is amended—

(A) in paragraph (1), by striking out “described in paragraph (2)”; and

(B) by striking out paragraph (2).

(2) Permanent authority.—Such subsection is further amended by striking out paragraph (11).

(3) Conforming repeal of random selection authority.—Such section is further amended by striking out subsection (i).

(d) Termination of Price Support and Production Adjustment Programs for Sugar Beets and Sugarcane.—

(1) Termination of price support program.—

(A) Price support levels for designated nonbasic agricultural commodities.—Section 201(a) of the Agricultural Act of 1949 (7 U.S.C. 1446(a)) is amended by striking “milk, sugar beets, and sugarcane” and inserting “and milk”.

(B) Sugar price support.—Section 206 of the Act (7 U.S.C. 1446g) is repealed.
(C) Benefits.—Section 401(e) of the Act (7 U.S.C. 1421(e)) is amended—

(i) in paragraph (1), by striking "(1)"; and

(ii) by striking paragraph (2).

(D) Personal Liability of Producers for Deficiencies.—Section 405 of the Act (7 U.S.C. 1425) is amended—

(i) in subsection (a), by striking "(a)"; and

(ii) by striking subsection (b).

(E) Powers of Commodity Credit Corporation.—Section 5(a) of the Commodity Credit Corporation Charter Act (7 U.S.C. 714c(a)) is amended by inserting "(except for sugar beets and sugarcane)" after "agricultural commodities".

(2) Termination of Acreage Allotments and Marketing Quotas.—

(A) Termination.—Part VII of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359aa et seq.) is repealed.

(B) Conforming Amendment.—Section 344(f)(2) of the Act (7 U.S.C. 1344(f)(2)) is
amended by striking "sugar cane for sugar, sugar beets for sugar,"

(3) **Conforming Amendments Regarding Prevention of Government Accumulation of Sugar.**—Section 902 of the Food Security Act of 1985 (7 U.S.C. 1446g note) is amended—

(A) by striking subsection (a); and

(B) by redesignating subsections (b) and (c) as subsections (a) and (b), respectively.

(4) **Conforming Amendment Regarding Section 32 Activities.**—The second sentence of the first paragraph of section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) is amended by inserting "(other than sugar beets and sugarcane)" after "commodity" the last place it appears.

(5) **Prohibition on Subsequent Provision of Price Support.**—

(A) **Prohibition.**—After the effective date of this subsection, the Secretary of Agriculture may not make price support available, whether in the form of loans, payments, purchases, or other operations, for crops of sugar beets or sugarcane by using the funds of the Commodity Credit Corporation or under the authority of any law.
(B) Exception.—Notwithstanding subparagraph (A), the Secretary shall settle any outstanding loans under section 206 of the Agricultural Act of 1949 (7 U.S.C. 1446g) made before the effective date of this subsection.

(6) Effect on existing liability.—The amendments made by this subsection shall not affect the liability of any person under any provision of law as in effect before the effective date of this subsection.

(7) Effective date.—This subsection and the amendments made by this subsection shall become effective on October 1, 1996.

(e) Elimination of Market Promotion Program.—

(1) In general.—Section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) is repealed.

(2) Conforming amendments.—

(A) Section 211 of the Act (7 U.S.C. 5641) is amended by striking subsection (c).

(B) Section 402(a)(1) of the Act (7 U.S.C. 5662(a)(1)) is amended by striking “203,”.
(C) Section 1302 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103-66; 7 U.S.C. 5623 note) is repealed.

(f) Elimination of Export Enhancement Program.—

(1) In general.—Section 301 of the Agricultural Trade Act of 1978 (7 U.S.C. 5651) is repealed.

(2) Conforming amendments.—

(A) Section 103(d)(2) of the Act (7 U.S.C. 5603(d)(2)) is amended by striking ``(as amended) and the program under section 301''.

(B) The title heading of title III of the Act (7 U.S.C. prec. 5651) is amended to read as follows:

“TITLE III—RELIEF FROM UNFAIR TRADE PRACTICES”.

(C) Section 303 of the Act (7 U.S.C. 5653) is amended by striking ‘‘, such as that established under section 301,’’.

(D) Section 401 of the Act (7 U.S.C. 5661) is amended by striking ‘‘sections 201, 202, and 301’’ each place it appears in subsections (a) and (b) and inserting ‘‘sections 201 and 202’’. 
(E) Section 402(a)(1) of the Act (7 U.S.C. 5662(a)(1)) (as amended by section 301(b)(2)) is further amended by striking “sections 201, 202, and 301” and inserting “sections 201 and 202”.