

Union Calendar No. 116

113TH CONGRESS
1ST SESSION

H. R. 1874

[Report No. 113–161, Part I]

To amend the Congressional Budget Act of 1974 to provide for macroeconomic analysis of the impact of legislation.

IN THE HOUSE OF REPRESENTATIVES

MAY 8, 2013

Mr. PRICE of Georgia (for himself, Mr. RYAN of Wisconsin, Mrs. BLACK, Mr. CHAFFETZ, Mr. COLLINS of Georgia, Mr. COTTON, Mr. GARRETT, Mr. GOSAR, Mr. GRAVES of Georgia, Mr. HENSARLING, Mr. JOHNSON of Ohio, Mr. MARCHANT, Mr. MULVANEY, Mr. RADEL, Mr. REED, Mr. RIBBLE, Mr. ROSS, Mr. SCALISE, Mr. AUSTIN SCOTT of Georgia, Mr. WESTMORELAND, Mr. WILSON of South Carolina, Mr. WOODALL, Mr. JORDAN, Mr. BARR, Mr. TERRY, Mr. FRANKS of Arizona, Mr. BISHOP of Utah, Mr. PITTENGER, Mr. YODER, and Mr. FORTENBERRY) introduced the following bill; which was referred to the Committee on the Budget, and in addition to the Committee on Rules, 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

JULY 19, 2013

Additional sponsors: Mr. NUGENT, Mr. PAULSEN, Mr. BUCSHON, Mr. KLINE, Mr. TIBERI, Mr. PEARCE, Mr. KINGSTON, Mr. FORBES, Mr. MCCLINTOCK, Mrs. HARTZLER, Mr. HURT, Mr. MESSER, Mr. ROKITA, Mr. HUIZENGA of Michigan, Mr. HARPER, Mr. YOUNG of Indiana, Mr. SCHOCK, Mr. MEADOWS, Mr. BARLETTA, and Mr. KINZINGER of Illinois

JULY 19, 2013

Reported from the Committee on the Budget with amendments

[Omit the part struck through and insert the part printed in italic]

JULY 19, 2013

The Committee on Rules discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

To amend the Congressional Budget Act of 1974 to provide for macroeconomic analysis of the impact of legislation.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Pro-Growth Budgeting
5 Act of 2013”.

6 **SEC. 2. MACROECONOMIC IMPACT ANALYSES.**

7 (a) IN GENERAL.—Part A of title IV of the Congres-
8 sional Budget Act of 1974 is amended by adding at the
9 end the following new section:

10 “MACROECONOMIC IMPACT ANALYSIS OF MAJOR
11 LEGISLATION

12 “SEC. 407. (a) CONGRESSIONAL BUDGET OFFICE.—
13 The Congressional Budget Office shall, to the extent prac-
14 ticable, prepare for each major bill or resolution reported
15 by any committee of the House of Representatives or the
16 Senate (except the Committee on Appropriations of each
17 House), as a supplement to estimates prepared under sec-
18 tion 402, a macroeconomic impact analysis of the budg-
19 etary effects of such bill or resolution for the ten fiscal-
20 year period beginning with the first fiscal year for which
21 an estimate was prepared under section 402 and each of
22 the next three ten fiscal-year periods. ~~Such estimate shall~~
23 ~~be predicated upon the supplemental projection described~~
24 ~~in section 202(e)(4).~~ The Director shall submit to such
25 committee the macroeconomic impact analysis, together
26 with the basis for the analysis. As a supplement to esti-

1 mates prepared under section 402, all such information
2 so submitted shall be included in the report accompanying
3 such bill or resolution.

4 “(b) ECONOMIC IMPACT.—The analysis prepared
5 under subsection (a) shall describe the potential economic
6 impact of the applicable major bill or resolution on major
7 economic variables, including real gross domestic product,
8 business investment, the capital stock, employment, inter-
9 est rates, and labor supply. The analysis shall also de-
10 scribe the potential fiscal effects of the bill or resolution,
11 including any estimates of revenue increases or decreases
12 resulting from changes in gross domestic product. To the
13 extent practicable, the analysis should use a variety of eco-
14 nomic models in order to reflect the full range of possible
15 economic outcomes resulting from the bill or resolution.
16 The analysis (or a technical appendix to the analysis) shall
17 specify the economic and econometric models used, sources
18 of data, relevant data transformations, and shall include
19 such explanation as is necessary to make the models com-
20 prehensible to academic and public policy analysts.

21 “(c) DEFINITIONS.—As used in this section—

22 “(1) the term ‘macroeconomic impact analysis’
23 means—

24 “(A) an estimate of the changes in eco-
25 nomic output, employment, interest rates, cap-

1 ital stock, and tax revenues expected to result
2 from enactment of the proposal;

3 “(B) an estimate of revenue feedback ex-
4 pected to result from enactment of the proposal;
5 and

6 “(C) a statement identifying the critical
7 assumptions and the source of data underlying
8 that estimate;

9 “(2) the term ‘major bill or resolution’ means
10 any bill or resolution if the gross budgetary effects
11 of such bill or resolution for any fiscal year in the
12 period for which an estimate is prepared under sec-
13 tion 402 is estimated to be greater than .25 percent
14 of the current projected gross domestic product of
15 the United States for any such fiscal year;

16 “(3) the term ‘budgetary effect’, when applied
17 to a major bill or resolution, means the changes in
18 revenues, outlays, deficits, and debt resulting from
19 that measure; and

20 “(4) the term ‘revenue feedback’ means changes
21 in revenue resulting from changes in economic
22 growth as the result of the enactment of any major
23 bill or resolution.”.

24 (b) CONFORMING AMENDMENT.—The table of con-
25 tents set forth in section 1(b) of the ~~Congressional Budget~~

1 ~~Act of 1974~~ *Congressional Budget and Impoundment Con-*
2 *trol Act of 1974* is amended by inserting after the item
3 relating to section 406 the following new item:

“Sec. 407. Macroeconomic impact analysis of major legislation.”.

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