

105TH CONGRESS
1ST SESSION

S. 1394

To establish procedures to ensure a balanced Federal budget by fiscal year 2002 and to create a tax cut reserve fund to protect revenues generated by economic growth.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 6, 1997

Mr. BROWNBACK introduced the following bill; which was read twice and referred jointly pursuant to the order of August 4, 1977, as modified by the order of April 11, 1986, to the Committees on the Budget and Governmental Affairs, with instructions that if one committee reports, the other committee have thirty days to report or be discharged

A BILL

To establish procedures to ensure a balanced Federal budget by fiscal year 2002 and to create a tax cut reserve fund to protect revenues generated by economic growth.

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; PURPOSE.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Economic Growth and Debt Reduction Act”.

6 (b) PURPOSE.—The purpose of this Act is—

7 (1) to ensure a balanced Federal budget by fis-
8 cal year 2002;

1 (2) to create a mechanism to monitor total
 2 costs of direct spending programs, and, in the event
 3 that actual or projected costs exceed targeted levels,
 4 to require the President and Congress to address ad-
 5 justments in direct spending; and

6 (3) to ensure that windfall revenues are used to
 7 promote economic growth through lower taxes.

8 **SEC. 2. ESTABLISHMENT OF DIRECT SPENDING AND REVE-**
 9 **NUE TARGETS.**

10 For purposes of this Act—

11 (1) the initial direct spending targets for each
 12 of fiscal years 1998 through 2002 shall equal total
 13 outlays for all direct spending except net interest as
 14 provided in H. Con. Res. 84, the concurrent resolu-
 15 tion on the budget for fiscal year 1998; and

16 (2) the revenue targets are the revenue
 17 amounts provided in H. Con. Res. 84, the concur-
 18 rent resolution on the budget for fiscal year 1998.

19 **SEC. 3. ANNUAL REVIEW OF DIRECT SPENDING AND RE-**
 20 **CEIPTS BY PRESIDENT.**

21 As part of each budget submitted under section
 22 1105(a) of title 31, United States Code, the President
 23 shall provide an annual review of direct spending and re-
 24 ceipts, which shall include—

1 (1) information on total outlays for programs
 2 covered by the direct spending targets, including ac-
 3 tual outlays for the prior fiscal year and projected
 4 outlays for the current fiscal year and the 5 succeed-
 5 ing fiscal years; and

6 (2) any amount by which revenues for a budget
 7 year and any outyears through fiscal year 2002 ex-
 8 ceed the revenue target in section 2(2).

9 **SEC. 4. ECONOMIC GROWTH PROTECTION.**

10 (a) INCLUSION ON SCORECARD.—The Office of Man-
 11 agement and Budget shall include the amount of any
 12 changes in revenues determined pursuant to section 3(2)
 13 as a deficit decrease under the estimates and reports re-
 14 quired by section 252(b) and section 254 of the Balanced
 15 Budget and Emergency Deficit Control Act of 1985.

16 (b) USE OF REVENUES EXCEEDING TARGET.—Any
 17 amount not to exceed the amount of deficit decrease deter-
 18 mined under section 3(2) may only be offset by legislation
 19 decreasing revenues.

20 **SEC. 5. SPECIAL DIRECT SPENDING MESSAGE BY PRESI-**
 21 **DENT.**

22 (a) TRIGGER.—If the information submitted by the
 23 President under section 3(1) indicates—

1 (1) that actual outlays for direct spending in
2 the prior fiscal year exceeded the applicable direct
3 spending target; or

4 (2) that outlays for direct spending for the cur-
5 rent or budget year are projected to exceed the ap-
6 plicable direct spending targets,

7 the President shall include in his budget a special direct
8 spending message meeting the requirements of subsection
9 (b).

10 (b) CONTENTS.—The special direct spending message
11 shall include—

12 (1) an analysis of the variance in direct spend-
13 ing over the direct spending targets; and

14 (2) the President’s recommendations for elimi-
15 nating overages, if any, in the prior, current, or
16 budget year.

17 (c) PROPOSED SPECIAL DIRECT SPENDING RESOLU-
18 TION.—The special direct spending message shall include
19 the text of a special direct spending resolution implement-
20 ing the President’s recommendations through reconcili-
21 ation directives instructing the appropriate committees of
22 the House of Representatives and Senate to determine and
23 recommend changes in laws within their jurisdictions.

1 **SEC. 6. REQUIRED RESPONSE BY CONGRESS.**

2 (a) IN GENERAL.—It shall not be in order in the
3 House of Representatives or the Senate to consider a con-
4 current resolution on the budget unless that concurrent
5 resolution fully eliminates the entirety of any overage con-
6 tained in the applicable report of the President under sec-
7 tion 5 through reconciliation directives.

8 (b) WAIVER AND SUSPENSION.—This section may be
9 waived or suspended in the Senate only by the affirmative
10 vote of three-fifths of the Members, duly chosen and
11 sworn. This section shall be subject to the provisions of
12 section 258 of the Balanced Budget and Emergency Defi-
13 cit Control Act of 1985.

14 (c) APPEALS.—Appeals in the Senate from the deci-
15 sions of the Chair relating to any provision of this section
16 shall be limited to 1 hour, to be equally divided between,
17 and controlled by, the appellant and the manager of the
18 bill or joint resolution, as the case may be. An affirmative
19 vote of three-fifths of the Members of the Senate, duly
20 chosen and sworn, shall be required in the Senate to sus-
21 tain an appeal of the ruling of the Chair on a point of
22 order raised under this section.

23 **SEC. 7. RELATIONSHIP TO BALANCED BUDGET AND EMER-**
24 **GENCY DEFICIT CONTROL ACT.**

25 Reductions in outlays resulting from legislation re-
26 ported pursuant to section 6 or reductions in revenues re-

1 ported pursuant to section 4(b) shall not be taken into
2 account for purposes of any budget enforcement proce-
3 dures under the Balanced Budget and Emergency Deficit
4 Control Act of 1985 and the Congressional Budget Act
5 of 1974.

6 **SEC. 8. ESTIMATING MARGIN.**

7 For any fiscal year for which the overage is less than
8 one-half of 1 percent of the direct spending target for that
9 year, the procedures set forth in sections 5 and 6 shall
10 not apply.

11 **SEC. 9. EFFECTIVE DATE.**

12 This Act shall apply to direct spending targets and
13 revenues for fiscal years 1998 through 2002 and shall ex-
14 pire at the end of fiscal year 2002.

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