

Calendar No. 55

105TH CONGRESS
1ST Session

S. CON. RES. 27

CONCURRENT RESOLUTION

Setting forth the congressional budget for the
United States Government for fiscal years 1998,
1999, 2000, 2001, and 2002.

MAY 19, 1997

Placed on the calendar

Calendar No. 55

105TH CONGRESS
1ST SESSION

S. CON. RES. 27

Setting forth the congressional budget for the United States Government
for fiscal years 1998, 1999, 2000, 2001, and 2002.

IN THE SENATE OF THE UNITED STATES

MAY 19, 1997

Mr. DOMENICI, from the Committee on the Budget, submitted the following
original concurrent resolution; which was placed on the calendar

CONCURRENT RESOLUTION

Setting forth the congressional budget for the United States
Government for fiscal years 1998, 1999, 2000, 2001,
and 2002.

1 *Resolved by the Senate (the House of Representatives*
2 *concurring),*

3 **SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET**
4 **FOR FISCAL YEAR 1998.**

5 (a) DECLARATION.—The Congress determines and
6 declares that this resolution is the concurrent resolution
7 on the budget for fiscal year 1998 including the appro-
8 priate budgetary levels for fiscal years 1999, 2000, 2001,

1 and 2002 as required by section 301 of the Congressional
 2 Budget Act of 1974.

3 (b) TABLE OF CONTENTS.—The table of contents for
 4 this concurrent resolution is as follows:

Sec. 1. Concurrent resolution on the budget for fiscal year 1998.

TITLE I—LEVELS AND AMOUNTS

Sec. 101. Recommended levels and amounts.

Sec. 102. Social Security.

Sec. 103. Major functional categories.

Sec. 104. Reconciliation.

TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

Sec. 201. Discretionary spending limits.

Sec. 202. Allowance in the Senate.

Sec. 203. Allowance in the Senate for section 8 housing assistance.

Sec. 204. Environmental reserve.

Sec. 205. Federal land acquisition reserve.

Sec. 206. Allowance in the Senate for arrearages.

Sec. 207. Intercity passenger rail reserve fund for fiscal years 1998–2002.

Sec. 208. Mass transit reserve fund for fiscal years 1998–2002.

Sec. 209. Exercise of rulemaking powers.

TITLE III—SENSE OF THE SENATE

Sec. 301. Sense of the Senate on long term entitlement reforms, including accu-
 racy in determining changes in the cost of living.

Sec. 302. Sense of the Senate on tactical fighter aircraft programs.

Sec. 303. Sense of the Senate regarding children's health coverage.

Sec. 304. Sense of the Senate on a Medicaid per capita cap.

Sec. 305. Sense of the Senate that added savings go to deficit reduction.

Sec. 306. Sense of the Senate on fairness in Medicare.

Sec. 307. Sense of the Senate regarding assistance to Lithuania and Latvia.

Sec. 308. Sense of the Senate regarding a national commission on higher edu-
 cation.

Sec. 309. Sense of the Senate on lockbox.

Sec. 310. Sense of the Senate on the earned income credit.

5 **TITLE I—LEVELS AND AMOUNTS**

6 **SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.**

7 The following budgetary levels are appropriate for the
 8 fiscal years 1998, 1999, 2000, 2001, and 2002:

9 (1) FEDERAL REVENUES.—For purposes of the en-
 10 forcement of this resolution—

1 (A) The recommended levels of Federal reve-
 2 nues are as follows:

3 Fiscal year 1998: \$1,199,000,000,000.

4 Fiscal year 1999: \$1,241,900,000,000.

5 Fiscal year 2000: \$1,285,600,000,000.

6 Fiscal year 2001: \$1,343,600,000,000.

7 Fiscal year 2002: \$1,407,600,000,000.

8 (B) The amounts by which the aggregate levels
 9 of Federal revenues should be changed are as fol-
 10 lows:

11 Fiscal year 1998: \$ - 7,400,000,000.

12 Fiscal year 1999: \$ - 11,100,000,000.

13 Fiscal year 2000: \$ - 22,000,000,000.

14 Fiscal year 2001: \$ - 22,800,000,000.

15 Fiscal year 2002: \$ - 19,900,000,000.

16 (C) The amounts for Federal Insurance Con-
 17 tributions Act revenues for hospital insurance within
 18 the recommended levels of Federal revenues are as
 19 follows:

20 Fiscal year 1998: \$113,500,000,000.

21 Fiscal year 1999: \$119,100,000,000.

22 Fiscal year 2000: \$125,100,000,000.

23 Fiscal year 2001: \$130,700,000,000.

24 Fiscal year 2002: \$136,800,000,000.

1 (2) NEW BUDGET AUTHORITY.—For purposes of the
 2 enforcement of this resolution, the appropriate levels of
 3 total new budget authority are as follows:

4 Fiscal year 1998: \$1,384,900,000,000.

5 Fiscal year 1999: \$1,440,200,000,000.

6 Fiscal year 2000: \$1,486,400,000,000.

7 Fiscal year 2001: \$1,520,400,000,000.

8 Fiscal year 2002: \$1,551,900,000,000.

9 (3) BUDGET OUTLAYS.—For purposes of the enforce-
 10 ment of this resolution, the appropriate levels of total
 11 budget outlays are as follows:

12 Fiscal year 1998: \$1,372,000,000,000.

13 Fiscal year 1999: \$1,424,300,000,000.

14 Fiscal year 2000: \$1,468,900,000,000.

15 Fiscal year 2001: \$1,500,900,000,000.

16 Fiscal year 2002: \$1,516,300,000,000.

17 (4) DEFICITS.—For purposes of the enforcement of
 18 this resolution, the amounts of the deficits are as follows:

19 Fiscal year 1998: \$—173,000,000,000.

20 Fiscal year 1999: \$—182,400,000,000.

21 Fiscal year 2000: \$—183,300,000,000.

22 Fiscal year 2001: \$—157,300,000,000.

23 Fiscal year 2002: \$—108,700,000,000.

24 (5) PUBLIC DEBT.—The appropriate levels of the
 25 public debt are as follows:

1 Fiscal year 1998: \$5,593,500,000,000.

2 Fiscal year 1999: \$5,836,200,000,000.

3 Fiscal year 2000: \$6,082,400,000,000.

4 Fiscal year 2001: \$6,301,200,000,000.

5 Fiscal year 2002: \$6,473,500,000,000.

6 (6) DIRECT LOAN OBLIGATIONS.—The appropriate
7 levels of total new direct loan obligations are as follows:

8 Fiscal year 1998: \$34,000,000,000.

9 Fiscal year 1999: \$33,400,000,000.

10 Fiscal year 2000: \$34,900,000,000.

11 Fiscal year 2001: \$36,100,000,000.

12 Fiscal year 2002: \$37,400,000,000.

13 (7) PRIMARY LOAN GUARANTEE COMMITMENTS.—
14 The appropriate levels of new primary loan guarantee
15 commitments are as follows:

16 Fiscal year 1998: \$315,700,000,000.

17 Fiscal year 1999: \$324,900,000,000.

18 Fiscal year 2000: \$328,200,000,000.

19 Fiscal year 2001: \$332,200,000,000.

20 Fiscal year 2002: \$335,300,000,000.

21 **SEC. 102. SOCIAL SECURITY.**

22 (a) SOCIAL SECURITY REVENUES.—For purposes of
23 Senate enforcement under sections 302, 602, and 311 of
24 the Congressional Budget Act of 1974, the amounts of
25 revenues of the Federal Old-Age and Survivors Insurance

1 Trust Fund and the Federal Disability Insurance Trust
 2 Fund are as follows:

3 Fiscal year 1998: \$402,800,000,000.

4 Fiscal year 1999: \$422,300,000,000.

5 Fiscal year 2000: \$442,600,000,000.

6 Fiscal year 2001: \$461,600,000,000.

7 Fiscal year 2002: \$482,800,000,000.

8 (b) SOCIAL SECURITY OUTLAYS.—For purposes of
 9 Senate enforcement under sections 302, 602, and 311 of
 10 the Congressional Budget Act of 1974, the amounts of
 11 outlays of the Federal Old-Age and Survivors Insurance
 12 Trust Fund and the Federal Disability Insurance Trust
 13 Fund are as follows:

14 Fiscal year 1998: \$317,600,000,000.

15 Fiscal year 1999: \$330,600,000,000.

16 Fiscal year 2000: \$343,600,000,000.

17 Fiscal year 2001: \$358,100,000,000.

18 Fiscal year 2002: \$372,500,000,000.

19 **SEC. 103. MAJOR FUNCTIONAL CATEGORIES.**

20 The Congress determines and declares that the ap-
 21 propriate levels of new budget authority, budget outlays,
 22 new direct loan obligations, and new primary loan guaran-
 23 tee commitments for fiscal years 1998 through 2002 for
 24 each major functional category are:

25 (1) National Defense (050):

1 Fiscal year 1998:

2 (A) New budget authority,
3 \$268,200,000,000.

4 (B) Outlays, \$266,000,000,000.

5 (C) New direct loan obligations, \$0.

6 (D) New primary loan guarantee commit-
7 ments, \$600,000,000.

8 Fiscal year 1999:

9 (A) New budget authority,
10 \$270,800,000,000.

11 (B) Outlays, \$265,800,000,000.

12 (C) New direct loan obligations, \$0.

13 (D) New primary loan guarantee commit-
14 ments, \$800,000,000.

15 Fiscal year 2000:

16 (A) New budget authority,
17 \$274,800,000,000.

18 (B) Outlays, \$268,400,000,000.

19 (C) New direct loan obligations, \$0.

20 (D) New primary loan guarantee commit-
21 ments, \$1,100,000,000.

22 Fiscal year 2001:

23 (A) New budget authority,
24 \$281,300,000,000.

25 (B) Outlays, \$270,100,000,000.

1 (C) New direct loan obligations, \$0.

2 (D) New primary loan guarantee commit-
3 ments, \$1,100,000,000.

4 Fiscal year 2002:

5 (A) New budget authority,
6 \$289,100,000,000.

7 (B) Outlays, \$272,600,000,000.

8 (C) New direct loan obligations, \$0.

9 (D) New primary loan guarantee commit-
10 ments, \$1,100,000,000.

11 (2) International Affairs (150):

12 Fiscal year 1998:

13 (A) New budget authority,
14 \$15,900,000,000.

15 (B) Outlays, \$14,600,000,000.

16 (C) New direct loan obligations,
17 \$2,000,000,000.

18 (D) New primary loan guarantee commit-
19 ments, \$12,800,000,000.

20 Fiscal year 1999:

21 (A) New budget authority,
22 \$14,900,000,000.

23 (B) Outlays, \$14,600,000,000.

24 (C) New direct loan obligations,
25 \$2,000,000,000.

1 (D) New primary loan guarantee commit-
2 ments, \$13,100,000,000.

3 Fiscal year 2000:

4 (A) New budget authority,
5 \$15,800,000,000.

6 (B) Outlays, \$15,000,000,000.

7 (C) New direct loan obligations,
8 \$2,100,000,000.

9 (D) New primary loan guarantee commit-
10 ments, \$13,400,000,000.

11 Fiscal year 2001:

12 (A) New budget authority,
13 \$16,100,000,000.

14 (B) Outlays, \$14,800,000,000.

15 (C) New direct loan obligations,
16 \$2,100,000,000.

17 (D) New primary loan guarantee commit-
18 ments, \$13,800,000,000.

19 Fiscal year 2002:

20 (A) New budget authority,
21 \$16,400,000,000.

22 (B) Outlays, \$14,800,000,000.

23 (C) New direct loan obligations,
24 \$2,200,000,000.

1 (D) New primary loan guarantee commit-
 2 ments, \$14,200,000,000.

3 (3) General Science, Space, and Technology (250):
 4 Fiscal year 1998:

5 (A) New budget authority,
 6 \$16,200,000,000.

7 (B) Outlays, \$16,900,000,000.

8 (C) New direct loan obligations, \$0.

9 (D) New primary loan guarantee commit-
 10 ments, \$0.

11 Fiscal year 1999:

12 (A) New budget authority,
 13 \$16,200,000,000.

14 (B) Outlays, \$16,500,000,000.

15 (C) New direct loan obligations, \$0.

16 (D) New primary loan guarantee commit-
 17 ments, \$0.

18 Fiscal year 2000:

19 (A) New budget authority,
 20 \$15,900,000,000.

21 (B) Outlays, \$16,000,000,000.

22 (C) New direct loan obligations, \$0.

23 (D) New primary loan guarantee commit-
 24 ments, \$0.

25 Fiscal year 2001:

1 (A) New budget authority,
2 \$15,800,000,000.

3 (B) Outlays, \$15,900,000,000.

4 (C) New direct loan obligations, \$0.

5 (D) New primary loan guarantee commit-
6 ments, \$0.

7 Fiscal year 2002:

8 (A) New budget authority,
9 \$15,600,000,000.

10 (B) Outlays, \$15,700,000,000.

11 (C) New direct loan obligations, \$0.

12 (D) New primary loan guarantee commit-
13 ments, \$0.

14 (4) Energy (270):

15 Fiscal year 1998:

16 (A) New budget authority,
17 \$3,100,000,000.

18 (B) Outlays, \$2,200,000,000.

19 (C) New direct loan obligations,
20 \$1,100,000,000.

21 (D) New primary loan guarantee commit-
22 ments, \$0.

23 Fiscal year 1999:

24 (A) New budget authority,
25 \$3,500,000,000.

1 (B) Outlays, \$2,400,000,000.

2 (C) New direct loan obligations,
3 \$1,100,000,000.

4 (D) New primary loan guarantee commit-
5 ments, \$0.

6 Fiscal year 2000:

7 (A) New budget authority,
8 \$3,200,000,000.

9 (B) Outlays, \$2,300,000,000.

10 (C) New direct loan obligations,
11 \$1,100,000,000.

12 (D) New primary loan guarantee commit-
13 ments, \$0.

14 Fiscal year 2001:

15 (A) New budget authority,
16 \$2,900,000,000.

17 (B) Outlays, \$2,000,000,000.

18 (C) New direct loan obligations,
19 \$1,100,000,000.

20 (D) New primary loan guarantee commit-
21 ments, \$0.

22 Fiscal year 2002:

23 (A) New budget authority,
24 \$2,800,000,000.

25 (B) Outlays, \$1,900,000,000.

1 (C) New direct loan obligations,
2 \$1,200,000,000.

3 (D) New primary loan guarantee commit-
4 ments, \$0.

5 (5) Natural Resources and Environment (300):

6 Fiscal year 1998:

7 (A) New budget authority,
8 \$23,900,000,000.

9 (B) Outlays, \$22,400,000,000.

10 (C) New direct loan obligations,
11 \$100,000,000.

12 (D) New primary loan guarantee commit-
13 ments, \$0.

14 Fiscal year 1999:

15 (A) New budget authority,
16 \$23,200,000,000.

17 (B) Outlays, \$22,700,000,000.

18 (C) New direct loan obligations,
19 \$100,000,000.

20 (D) New primary loan guarantee commit-
21 ments, \$0.

22 Fiscal year 2000:

23 (A) New budget authority,
24 \$22,600,000,000.

25 (B) Outlays, \$23,000,000,000.

1 (C) New direct loan obligations,
2 \$100,000,000.

3 (D) New primary loan guarantee commit-
4 ments, \$0.

5 Fiscal year 2001:

6 (A) New budget authority,
7 \$22,200,000,000.

8 (B) Outlays, \$22,700,000,000.

9 (C) New direct loan obligations,
10 \$100,000,000.

11 (D) New primary loan guarantee commit-
12 ments, \$0.

13 Fiscal year 2002:

14 (A) New budget authority,
15 \$22,100,000,000.

16 (B) Outlays, \$22,300,000,000.

17 (C) New direct loan obligations,
18 \$100,000,000.

19 (D) New primary loan guarantee commit-
20 ments, \$0.

21 (6) Agriculture (350):

22 Fiscal year 1998:

23 (A) New budget authority,
24 \$13,100,000,000.

25 (B) Outlays, \$11,900,000,000.

1 (C) New direct loan obligations,
2 \$9,600,000,000.

3 (D) New primary loan guarantee commit-
4 ments, \$6,400,000,000.

5 Fiscal year 1999:

6 (A) New budget authority,
7 \$12,800,000,000.

8 (B) Outlays, \$11,300,000,000.

9 (C) New direct loan obligations,
10 \$11,000,000,000.

11 (D) New primary loan guarantee commit-
12 ments, \$6,400,000,000.

13 Fiscal year 2000:

14 (A) New budget authority,
15 \$12,200,000,000.

16 (B) Outlays, \$10,700,000,000.

17 (C) New direct loan obligations,
18 \$11,100,000,000.

19 (D) New primary loan guarantee commit-
20 ments, \$6,500,000,000.

21 Fiscal year 2001:

22 (A) New budget authority,
23 \$11,000,000,000.

24 (B) Outlays, \$9,500,000,000.

1 (C) New direct loan obligations,
2 \$11,000,000,000.

3 (D) New primary loan guarantee commit-
4 ments, \$6,600,000,000.

5 Fiscal year 2002:

6 (A) New budget authority,
7 \$10,700,000,000.

8 (B) Outlays, \$9,100,000,000.

9 (C) New direct loan obligations,
10 \$11,000,000,000.

11 (D) New primary loan guarantee commit-
12 ments, \$6,700,000,000.

13 (7) Commerce and Housing Credit (370):

14 Fiscal year 1998:

15 (A) New budget authority,
16 \$6,600,000,000.

17 (B) Outlays, —\$900,000,000.

18 (C) New direct loan obligations,
19 \$4,700,000,000.

20 (D) New primary loan guarantee commit-
21 ments, \$245,500,000,000.

22 Fiscal year 1999:

23 (A) New budget authority,
24 \$11,100,000,000.

25 (B) Outlays, \$4,300,000,000.

1 (C) New direct loan obligations,
2 \$1,900,000,000.

3 (D) New primary loan guarantee commit-
4 ments, \$253,500,000,000.

5 Fiscal year 2000:

6 (A) New budget authority,
7 \$15,200,000,000.

8 (B) Outlays, \$9,800,000,000.

9 (C) New direct loan obligations,
10 \$2,200,000,000.

11 (D) New primary loan guarantee commit-
12 ments, \$255,200,000,000.

13 Fiscal year 2001:

14 (A) New budget authority,
15 \$16,100,000,000.

16 (B) Outlays, \$12,100,000,000.

17 (C) New direct loan obligations,
18 \$2,600,000,000.

19 (D) New primary loan guarantee commit-
20 ments, \$258,000,000,000.

21 Fiscal year 2002:

22 (A) New budget authority,
23 \$16,700,000,000.

24 (B) Outlays, \$12,500,000,000.

1 (C) New direct loan obligations,
2 \$2,700,000,000.

3 (D) New primary loan guarantee commit-
4 ments, \$259,900,000,000.

5 (8) Transportation (400):

6 Fiscal year 1998:

7 (A) New budget authority,
8 \$44,600,000,000.

9 (B) Outlays, \$40,900,000,000.

10 (C) New direct loan obligations,
11 \$200,000,000.

12 (D) New primary loan guarantee commit-
13 ments, \$0.

14 Fiscal year 1999:

15 (A) New budget authority,
16 \$46,600,000,000.

17 (B) Outlays, \$41,300,000,000.

18 (C) New direct loan obligations,
19 \$100,000,000.

20 (D) New primary loan guarantee commit-
21 ments, \$0.

22 Fiscal year 2000:

23 (A) New budget authority,
24 \$47,100,000,000.

25 (B) Outlays, \$41,400,000,000.

1 (C) New direct loan obligations,
2 \$100,000,000.

3 (D) New primary loan guarantee commit-
4 ments, \$0.

5 Fiscal year 2001:

6 (A) New budget authority,
7 \$48,100,000,000.

8 (B) Outlays, \$41,300,000,000.

9 (C) New direct loan obligations,
10 \$100,000,000.

11 (D) New primary loan guarantee commit-
12 ments, \$0.

13 Fiscal year 2002:

14 (A) New budget authority,
15 \$49,200,000,000.

16 (B) Outlays, \$41,200,000,000.

17 (C) New direct loan obligations,
18 \$100,000,000.

19 (D) New primary loan guarantee commit-
20 ments, \$0.

21 (9) Community and Regional Development (450):

22 Fiscal year 1998:

23 (A) New budget authority,
24 \$8,800,000,000.

25 (B) Outlays, \$10,400,000,000.

1 (C) New direct loan obligations,
2 \$2,900,000,000.

3 (D) New primary loan guarantee commit-
4 ments, \$2,400,000,000.

5 Fiscal year 1999:

6 (A) New budget authority,
7 \$8,500,000,000.

8 (B) Outlays, \$10,900,000,000.

9 (C) New direct loan obligations,
10 \$2,900,000,000.

11 (D) New primary loan guarantee commit-
12 ments, \$2,400,000,000.

13 Fiscal year 2000:

14 (A) New budget authority,
15 \$7,800,000,000.

16 (B) Outlays, \$11,000,000,000.

17 (C) New direct loan obligations,
18 \$3,000,000,000.

19 (D) New primary loan guarantee commit-
20 ments, \$2,400,000,000.

21 Fiscal year 2001:

22 (A) New budget authority,
23 \$7,800,000,000.

24 (B) Outlays, \$11,400,000,000.

1 (C) New direct loan obligations,
2 \$3,100,000,000.

3 (D) New primary loan guarantee commit-
4 ments, \$2,500,000,000.

5 Fiscal year 2002:

6 (A) New budget authority,
7 \$7,800,000,000.

8 (B) Outlays, \$8,400,000,000.

9 (C) New direct loan obligations,
10 \$3,200,000,000.

11 (D) New primary loan guarantee commit-
12 ments, \$2,500,000,000.

13 (10) Education, Training, Employment, and Social
14 Services (500):

15 Fiscal year 1998:

16 (A) New budget authority,
17 \$60,000,000,000.

18 (B) Outlays, \$56,100,000,000.

19 (C) New direct loan obligations,
20 \$12,300,000,000.

21 (D) New primary loan guarantee commit-
22 ments, \$20,700,000,000.

23 Fiscal year 1999:

24 (A) New budget authority,
25 \$60,500,000,000.

1 (B) Outlays, \$59,300,000,000.

2 (C) New direct loan obligations,
3 \$13,100,000,000.

4 (D) New primary loan guarantee commit-
5 ments, \$21,900,000,000.

6 Fiscal year 2000:

7 (A) New budget authority,
8 \$61,700,000,000.

9 (B) Outlays, \$60,700,000,000.

10 (C) New direct loan obligations,
11 \$13,900,000,000.

12 (D) New primary loan guarantee commit-
13 ments, \$23,300,000,000.

14 Fiscal year 2001:

15 (A) New budget authority,
16 \$63,000,000,000.

17 (B) Outlays, \$61,900,000,000.

18 (C) New direct loan obligations,
19 \$14,700,000,000.

20 (D) New primary loan guarantee commit-
21 ments, \$24,500,000,000.

22 Fiscal year 2002:

23 (A) New budget authority,
24 \$63,300,000,000.

25 (B) Outlays, \$62,300,000,000.

1 (C) New direct loan obligations,
2 \$15,400,000,000.

3 (D) New primary loan guarantee commit-
4 ments, \$25,700,000,000.

5 (11) Health (550):

6 Fiscal year 1998:

7 (A) New budget authority,
8 \$137,800,000,000.

9 (B) Outlays, \$137,800,000,000.

10 (C) New direct loan obligations, \$0.

11 (D) New primary loan guarantee commit-
12 ments, \$100,000,000.

13 Fiscal year 1999:

14 (A) New budget authority,
15 \$144,900,000,000.

16 (B) Outlays, \$144,900,000,000.

17 (C) New direct loan obligations, \$0.

18 (D) New primary loan guarantee commit-
19 ments, \$0.

20 Fiscal year 2000:

21 (A) New budget authority,
22 \$154,000,000,000.

23 (B) Outlays, \$153,900,000,000.

24 (C) New direct loan obligations, \$0.

1 (D) New primary loan guarantee commit-
 2 ments, \$0.

3 Fiscal year 2001:

4 (A) New budget authority,
 5 \$163,400,000,000.

6 (B) Outlays, \$163,100,000,000.

7 (C) New direct loan obligations, \$0.

8 (D) New primary loan guarantee commit-
 9 ments, \$0.

10 Fiscal year 2002:

11 (A) New budget authority,
 12 \$172,100,000,000.

13 (B) Outlays, \$171,700,000,000.

14 (C) New direct loan obligations, \$0.

15 (D) New primary loan guarantee commit-
 16 ments, \$0.

17 (12) Medicare (570):

18 Fiscal year 1998:

19 (A) New budget authority,
 20 \$201,600,000,000.

21 (B) Outlays, \$201,800,000,000.

22 (C) New direct loan obligations, \$0.

23 (D) New primary loan guarantee commit-
 24 ments, \$0.

25 Fiscal year 1999:

1 (A) New budget authority,
2 \$212,100,000,000.

3 (B) Outlays, \$211,500,000,000.

4 (C) New direct loan obligations, \$0.

5 (D) New primary loan guarantee commit-
6 ments, \$0.

7 Fiscal year 2000:

8 (A) New budget authority,
9 \$225,500,000,000.

10 (B) Outlays, \$225,500,000,000.

11 (C) New direct loan obligations, \$0.

12 (D) New primary loan guarantee commit-
13 ments, \$0.

14 Fiscal year 2001:

15 (A) New budget authority,
16 \$239,600,000,000.

17 (B) Outlays, \$238,800,000,000.

18 (C) New direct loan obligations, \$0.

19 (D) New primary loan guarantee commit-
20 ments, \$0.

21 Fiscal year 2002:

22 (A) New budget authority,
23 \$251,500,000,000.

24 (B) Outlays, \$250,800,000,000.

25 (C) New direct loan obligations, \$0.

1 (D) New primary loan guarantee commit-
 2 ments, \$0.

3 (13) Income Security (600):

4 Fiscal year 1998:

5 (A) New budget authority,
 6 \$239,000,000,000.

7 (B) Outlays, \$247,800,000,000.

8 (C) New direct loan obligations,
 9 \$100,000,000.

10 (D) New primary loan guarantee commit-
 11 ments, \$100,000,000.

12 Fiscal year 1999:

13 (A) New budget authority,
 14 \$254,100,000,000.

15 (B) Outlays, \$258,100,000,000.

16 (C) New direct loan obligations,
 17 \$100,000,000.

18 (D) New primary loan guarantee commit-
 19 ments, \$100,000,000.

20 Fiscal year 2000:

21 (A) New budget authority,
 22 \$269,600,000,000.

23 (B) Outlays, \$268,200,000,000.

24 (C) New direct loan obligations,
 25 \$100,000,000.

1 (D) New primary loan guarantee commit-
2 ments, \$100,000,000.

3 Fiscal year 2001:

4 (A) New budget authority,
5 \$275,100,000,000.

6 (B) Outlays, \$277,300,000,000.

7 (C) New direct loan obligations,
8 \$100,000,000.

9 (D) New primary loan guarantee commit-
10 ments, \$100,000,000.

11 Fiscal year 2002:

12 (A) New budget authority,
13 \$286,900,000,000.

14 (B) Outlays, \$285,200,000,000.

15 (C) New direct loan obligations,
16 \$200,000,000.

17 (D) New primary loan guarantee commit-
18 ments, \$100,000,000.

19 (14) Social Security (650):

20 Fiscal year 1998:

21 (A) New budget authority,
22 \$11,400,000,000.

23 (B) Outlays, \$11,500,000,000.

24 (C) New direct loan obligations, \$0.

1 (D) New primary loan guarantee commit-
 2 ments, \$0.

3 Fiscal year 1999:

4 (A) New budget authority,
 5 \$12,100,000,000.

6 (B) Outlays, \$12,200,000,000.

7 (C) New direct loan obligations, \$0.

8 (D) New primary loan guarantee commit-
 9 ments, \$0.

10 Fiscal year 2000:

11 (A) New budget authority,
 12 \$12,800,000,000.

13 (B) Outlays, \$12,900,000,000.

14 (C) New direct loan obligations, \$0.

15 (D) New primary loan guarantee commit-
 16 ments, \$0.

17 Fiscal year 2001:

18 (A) New budget authority,
 19 \$13,000,000,000.

20 (B) Outlays, \$13,000,000,000.

21 (C) New direct loan obligations, \$0.

22 (D) New primary loan guarantee commit-
 23 ments, \$0.

24 Fiscal year 2002:

1 (A) New budget authority,
2 \$14,400,000,000.

3 (B) Outlays, \$14,400,000,000.

4 (C) New direct loan obligations, \$0.

5 (D) New primary loan guarantee commit-
6 ments, \$0.

7 (15) Veterans Benefits and Services (700):

8 Fiscal year 1998:

9 (A) New budget authority,
10 \$40,500,000,000.

11 (B) Outlays, \$41,300,000,000.

12 (C) New direct loan obligations,
13 \$1,000,000,000.

14 (D) New primary loan guarantee commit-
15 ments, \$27,100,000,000.

16 Fiscal year 1999:

17 (A) New budget authority,
18 \$41,700,000,000.

19 (B) Outlays, \$41,900,000,000.

20 (C) New direct loan obligations,
21 \$1,100,000,000.

22 (D) New primary loan guarantee commit-
23 ments, \$26,700,000,000.

24 Fiscal year 2000:

1 (A) New budget authority,
2 \$42,000,000,000.

3 (B) Outlays, \$42,200,000,000.

4 (C) New direct loan obligations,
5 \$1,200,000,000.

6 (D) New primary loan guarantee commit-
7 ments, \$26,200,000,000.

8 Fiscal year 2001:

9 (A) New budget authority,
10 \$42,400,000,000.

11 (B) Outlays, \$42,500,000,000.

12 (C) New direct loan obligations,
13 \$1,200,000,000.

14 (D) New primary loan guarantee commit-
15 ments, \$25,600,000,000.

16 Fiscal year 2002:

17 (A) New budget authority,
18 \$42,600,000,000.

19 (B) Outlays, \$42,700,000,000.

20 (C) New direct loan obligations,
21 \$1,300,000,000.

22 (D) New primary loan guarantee commit-
23 ments, \$25,100,000,000.

24 (16) Administration of Justice (750):

25 Fiscal year 1998:

1 (A) New budget authority,
2 \$24,800,000,000.

3 (B) Outlays, \$22,600,000,000.

4 (C) New direct loan obligations, \$0.

5 (D) New primary loan guarantee commit-
6 ments, \$0.

7 Fiscal year 1999:

8 (A) New budget authority,
9 \$25,100,000,000.

10 (B) Outlays, \$24,500,000,000.

11 (C) New direct loan obligations, \$0.

12 (D) New primary loan guarantee commit-
13 ments, \$0.

14 Fiscal year 2000:

15 (A) New budget authority,
16 \$24,200,000,000.

17 (B) Outlays, \$25,200,000,000.

18 (C) New direct loan obligations, \$0.

19 (D) New primary loan guarantee commit-
20 ments, \$0.

21 Fiscal year 2001:

22 (A) New budget authority,
23 \$24,400,000,000.

24 (B) Outlays, \$25,900,000,000.

25 (C) New direct loan obligations, \$0.

1 (D) New primary loan guarantee commit-
 2 ments, \$0.

3 Fiscal year 2002:

4 (A) New budget authority,
 5 \$24,900,000,000.

6 (B) Outlays, \$24,900,000,000.

7 (C) New direct loan obligations, \$0.

8 (D) New primary loan guarantee commit-
 9 ments, \$0.

10 (17) General Government (800):

11 Fiscal year 1998:

12 (A) New budget authority,
 13 \$14,700,000,000.

14 (B) Outlays, \$14,000,000,000.

15 (C) New direct loan obligations, \$0.

16 (D) New primary loan guarantee commit-
 17 ments, \$0.

18 Fiscal year 1999:

19 (A) New budget authority,
 20 \$14,400,000,000.

21 (B) Outlays, \$14,400,000,000.

22 (C) New direct loan obligations, \$0.

23 (D) New primary loan guarantee commit-
 24 ments, \$0.

25 Fiscal year 2000:

1 (A) New budget authority,
2 \$14,000,000,000.

3 (B) Outlays, \$14,700,000,000.

4 (C) New direct loan obligations, \$0.

5 (D) New primary loan guarantee commit-
6 ments, \$0.

7 Fiscal year 2001:

8 (A) New budget authority,
9 \$13,700,000,000.

10 (B) Outlays, \$14,100,000,000.

11 (C) New direct loan obligations, \$0.

12 (D) New primary loan guarantee commit-
13 ments, \$0.

14 Fiscal year 2002:

15 (A) New budget authority,
16 \$13,100,000,000.

17 (B) Outlays, \$13,100,000,000.

18 (C) New direct loan obligations, \$0.

19 (D) New primary loan guarantee commit-
20 ments, \$0.

21 (18) Net Interest (900):

22 Fiscal year 1998:

23 (A) New budget authority,
24 \$296,500,000,000.

25 (B) Outlays, \$296,500,000,000.

1 (C) New direct loan obligations, \$0.

2 (D) New primary loan guarantee commit-
3 ments, \$0.

4 Fiscal year 1999:

5 (A) New budget authority,
6 \$304,600,000,000.

7 (B) Outlays, \$304,600,000,000.

8 (C) New direct loan obligations, \$0.

9 (D) New primary loan guarantee commit-
10 ments, \$0.

11 Fiscal year 2000:

12 (A) New budget authority,
13 \$304,900,000,000.

14 (B) Outlays, \$304,900,000,000.

15 (C) New direct loan obligations, \$0.

16 (D) New primary loan guarantee commit-
17 ments, \$0.

18 Fiscal year 2001:

19 (A) New budget authority,
20 \$303,700,000,000.

21 (B) Outlays, \$303,700,000,000.

22 (C) New direct loan obligations, \$0.

23 (D) New primary loan guarantee commit-
24 ments, \$0.

25 Fiscal year 2002:

1 (A) New budget authority,
2 \$303,800,000,000.

3 (B) Outlays, \$303,800,000,000.

4 (C) New direct loan obligations, \$0.

5 (D) New primary loan guarantee commit-
6 ments, \$0.

7 (19) Allowances (920):

8 Fiscal year 1998:

9 (A) New budget authority, -\$0.

10 (B) Outlays, -\$0.

11 (C) New direct loan obligations, \$0.

12 (D) New primary loan guarantee commit-
13 ments, \$0.

14 Fiscal year 1999:

15 (A) New budget authority, -\$0.

16 (B) Outlays, -\$0.

17 (C) New direct loan obligations, \$0.

18 (D) New primary loan guarantee commit-
19 ments, \$0.

20 Fiscal year 2000:

21 (A) New budget authority, -\$0.

22 (B) Outlays, -\$0.

23 (C) New direct loan obligations, \$0.

24 (D) New primary loan guarantee commit-
25 ments, \$0.

1 Fiscal year 2001:

2 (A) New budget authority, — \$0.

3 (B) Outlays, — \$0.

4 (C) New direct loan obligations, \$0.

5 (D) New primary loan guarantee commit-
6 ments, \$0.

7 Fiscal year 2002:

8 (A) New budget authority, — \$0.

9 (B) Outlays, — \$0.

10 (C) New direct loan obligations, \$0.

11 (D) New primary loan guarantee commit-
12 ments, \$0.

13 (20) Undistributed Offsetting Receipts (950):

14 Fiscal year 1998:

15 (A) New budget authority,
16 — \$41,800,000,000.

17 (B) Outlays, — \$41,800,000,000.

18 (C) New direct loan obligations, \$0.

19 (D) New primary loan guarantee commit-
20 ments, \$0.

21 Fiscal year 1999:

22 (A) New budget authority,
23 — \$36,900,000,000.

24 (B) Outlays, — \$36,900,000,000.

25 (C) New direct loan obligations, \$0.

1 (D) New primary loan guarantee commit-
2 ments, \$0.

3 Fiscal year 2000:

4 (A) New budget authority,
5 — \$36,900,000,000.

6 (B) Outlays, — \$36,900,000,000.

7 (C) New direct loan obligations, \$0.

8 (D) New primary loan guarantee commit-
9 ments, \$0.

10 Fiscal year 2001:

11 (A) New budget authority,
12 — \$39,200,000,000.

13 (B) Outlays, — \$39,200,000,000.

14 (C) New direct loan obligations, \$0.

15 (D) New primary loan guarantee commit-
16 ments, \$0.

17 Fiscal year 2002:

18 (A) New budget authority,
19 — \$51,100,000,000.

20 (B) Outlays, — \$51,100,000,000.

21 (C) New direct loan obligations, \$0.

22 (D) New primary loan guarantee commit-
23 ments, \$0.

1 **SEC. 104. RECONCILIATION.**

2 (a) RECONCILIATION OF SPENDING REDUCTIONS.—

3 Not later than June 20, 1997, the committees named in
 4 this subsection shall submit their recommendations to the
 5 Committee on the Budget of the Senate. After receiving
 6 those recommendations, the Committee on the Budget
 7 shall report to the Senate a reconciliation bill carrying out
 8 all such recommendations without any substantive revi-
 9 sion.

10 (1) COMMITTEE ON AGRICULTURE, NUTRITION,
 11 AND FORESTRY.—The Senate Committee on Agri-
 12 culture, Nutrition, and Forestry shall report changes
 13 in laws within its jurisdiction that increase outlays
 14 by \$300,000,000 in fiscal year 2002 and
 15 \$1,500,000,000 for the period of fiscal years 1998
 16 through 2002.

17 (2) COMMITTEE ON BANKING, HOUSING, AND
 18 URBAN AFFAIRS.—The Senate Committee on Bank-
 19 ing, Housing, and Urban Affairs shall report
 20 changes in laws within its jurisdiction that reduce
 21 the deficit \$434,000,000 in fiscal year 2002 and
 22 \$1,590,000,000 for the period of fiscal years 1998
 23 through 2002.

24 (3) COMMITTEE ON COMMERCE, SCIENCE, AND
 25 TRANSPORTATION.—The Senate Committee on Com-
 26 merce, Science, and Transportation shall report

1 changes in laws within its jurisdiction that provide
2 direct spending (as defined in section 250(c)(8) of
3 the Balanced Budget and Emergency Deficit Control
4 Act of 1985) to reduce outlays \$14,849,000,000 in
5 fiscal year 2002 and \$26,496,000,000 for the period
6 of fiscal years 1998 through 2002.

7 (4) COMMITTEE ON ENERGY AND NATURAL RE-
8 SOURCES.—The Senate Committee on Energy and
9 Natural Resources shall report changes in laws with-
10 in its jurisdiction that provide direct spending (as
11 defined in section 250(c)(8) of the Balanced Budget
12 and Emergency Deficit Control Act of 1985) to re-
13 duce outlays \$6,000,000 in fiscal year 2002 and
14 \$13,000,000 for the period of fiscal years 1998
15 through 2002.

16 (5) COMMITTEE ON FINANCE.—The Senate
17 Committee on Finance shall report to the Senate
18 changes in laws within its jurisdiction—

19 (A) that provide direct spending (as de-
20 fined in section 250(c)(8) of the Balanced
21 Budget and Emergency Deficit Control Act of
22 1985) to reduce outlays \$40,946,000,000 in fis-
23 cal year 2002 and \$100,721,000,000 for the pe-
24 riod of fiscal years 1998 through 2002; and

1 (B) to increase the statutory limit on the
2 public debt to not more than
3 \$5,950,000,000,000.

4 (6) COMMITTEE ON GOVERNMENTAL AF-
5 FAIRS.—The Senate Committee on Governmental
6 Affairs shall report changes in laws within its juris-
7 diction that reduce the deficit \$1,769,000,000 in fis-
8 cal year 2002 and \$5,467,000,000 for the period of
9 fiscal years 1998 through 2002.

10 (7) COMMITTEE ON LABOR AND HUMAN RE-
11 SOURCES.—The Senate Committee on Labor and
12 Human Resources shall report changes in laws with-
13 in its jurisdiction that provide direct spending (as
14 defined in section 250(c)(8) of the Balanced Budget
15 and Emergency Deficit Control Act of 1985) to re-
16 duce outlays \$1,057,000,000 in fiscal year 2002 and
17 \$1,792,000,000 for the period of fiscal years 1998
18 through 2002.

19 (8) COMMITTEE ON VETERANS' AFFAIRS.—The
20 Senate Committee on Veterans' Affairs shall report
21 changes in laws within its jurisdiction that provide
22 direct spending (as defined in section 250(c)(8) of
23 the Balanced Budget and Emergency Deficit Control
24 Act of 1985) to reduce outlays \$681,000,000 in fis-

1 cal year 2002 and \$2,733,000,000 for the period of
2 fiscal years 1998 through 2002.

3 (b) RECONCILIATION OF REVENUE REDUCTIONS.—

4 Not later than June 27, 1997, the Senate Committee on
5 Finance shall report to the Senate a reconciliation bill pro-
6 posing changes in laws within its jurisdiction necessary to
7 reduce revenues by not more than \$20,500,000,000 in fis-
8 cal year 2002 and \$85,000,000,000 for the period of fiscal
9 years 1998 through 2002.

10 (c) TREATMENT OF CONGRESSIONAL PAY-AS-YOU-

11 GO.—For purposes of section 202 of House Concurrent
12 Resolution 67 (104th Congress), legislation which reduces
13 revenues pursuant to a reconciliation instruction contained
14 in subsection (b) shall be taken together with all other
15 legislation enacted pursuant to the reconciliation instruc-
16 tions contained in this resolution when determining the
17 deficit effect of such legislation.

18 (d) ADJUSTMENTS.—

19 (1) DEFICIT NEUTRAL ADJUSTMENTS.—Upon

20 the reporting of reconciliation legislation pursuant to
21 subsection (a), or upon the submission of a con-
22 ference report thereon, and if the Committee on Fi-
23 nance reduces the deficit by an amount equal to or
24 greater than the outlay reduction that would be
25 achieved pursuant to subsection (a)(5)(A), the

1 Chairman of the Committee on the Budget, with the
2 concurrence and agreement of the ranking minority
3 member, may submit appropriately revised reconcili-
4 ation instructions to the Committee on Finance to
5 reduce the deficit, allocations, limits, and aggregates
6 if such revisions do not cause an increase in the def-
7 icit for fiscal year 1998 and for the period of fiscal
8 years 1998 through 2002.

9 (2) FLEXIBILITY ON ADJUSTMENTS.—

10 (A) IN GENERAL.—If the adjustments au-
11 thorized by paragraph (1) involve a reduction in
12 the revenue aggregates set forth in this resolu-
13 tion, in lieu of revenue reductions, the Chair-
14 man of the Committee on the Budget may
15 make upward adjustments to the discretionary
16 spending limits in this resolution, or any com-
17 bination thereof.

18 (B) LIMIT.—The adjustments made pursu-
19 ant to this subsection shall not exceed
20 \$2,300,000,000 in fiscal year 1998 and
21 \$16,000,000,000 for the period of fiscal years
22 1998 through 2002.

1 **TITLE II—BUDGETARY**
2 **RESTRAINTS AND RULEMAKING**

3 **SEC. 201. DISCRETIONARY SPENDING LIMITS.**

4 (a) DISCRETIONARY LIMITS.—In this section and for
5 the purposes of allocations made for the discretionary cat-
6 egory pursuant to section 302(a) or 602(a) of the Con-
7 gressional Budget Act of 1974, the term “discretionary
8 spending limit” means—

9 (1) with respect to fiscal year 1998—

10 (A) for the defense category
11 \$269,000,000,000 in new budget authority and
12 \$266,823,000,000 in outlays; and

13 (B) for the nondefense category
14 \$257,857,000,000 in new budget authority and
15 \$286,445,000,000 in outlays;

16 (2) with respect to fiscal year 1999—

17 (A) for the defense category
18 \$271,500,000,000 in new budget authority and
19 \$266,518,000,000 in outlays; and

20 (B) for the nondefense category
21 \$261,499,000,000 in new budget authority and
22 \$292,803,000,000 in outlays;

23 (3) with respect to fiscal year 2000, for the dis-
24 cretionary category \$537,193,000,000 in new budget
25 authority and \$564,265,000,000 in outlays;

1 (4) with respect to fiscal year 2001, for the dis-
 2 cretionary category \$542,032,000,000 in new budget
 3 authority and \$564,396,000,000 in outlays; and

4 (5) with respect to fiscal year 2002, for the dis-
 5 cretionary category \$551,074,000,000 in new budget
 6 authority and \$560,799,000,000 in outlays;

7 as adjusted for changes in concepts and definitions and
 8 emergency appropriations.

9 (b) POINT OF ORDER IN THE SENATE.—

10 (1) IN GENERAL.—Except as provided in para-
 11 graph (2), it shall not be in order in the Senate to
 12 consider—

13 (A) a revision of this resolution or any con-
 14 current resolution on the budget for fiscal years
 15 1999, 2000, 2001, and 2002 (or amendment,
 16 motion, or conference report on such a resolu-
 17 tion) that provides discretionary spending in ex-
 18 cess of the discretionary spending limit or limits
 19 for such fiscal year; or

20 (B) any bill or resolution (or amendment,
 21 motion, or conference report on such bill or res-
 22 olution) for fiscal year 1998, 1999, 2000, 2001,
 23 or 2002 that would cause any of the limits in
 24 this section (or suballocations of the discre-
 25 tionary limits made pursuant to section 602(b)

1 of the Congressional Budget Act of 1974) to be
 2 exceeded.

3 (2) EXCEPTION.—

4 (A) IN GENERAL.—This section shall not
 5 apply if a declaration of war by the Congress is
 6 in effect or if a joint resolution pursuant to sec-
 7 tion 258 of the Balanced Budget and Emer-
 8 gency Deficit Control Act of 1985 has been en-
 9 acted.

10 (B) ENFORCEMENT OF DISCRETIONARY
 11 LIMITS IN FY 1998.—Until the enactment of rec-
 12 onciliation legislation pursuant to subsections
 13 (a) and (b) of section 104 of this resolution—

14 (i) subparagraph (A) of paragraph (1)
 15 shall not apply; and

16 (ii) subparagraph (B) of paragraph
 17 (1) shall apply only with respect to fiscal
 18 year 1998.

19 (c) WAIVER.—This section may be waived or sus-
 20 pended in the Senate only by the affirmative vote of three-
 21 fifths of the Members, duly chosen and sworn.

22 (d) APPEALS.—Appeals in the Senate from the deci-
 23 sions of the Chair relating to any provision of this section
 24 shall be limited to 1 hour, to be equally divided between,
 25 and controlled by, the appellant and the manager of the

1 concurrent resolution, bill, or joint resolution, as the case
 2 may be. An affirmative vote of three-fifths of the Members
 3 of the Senate, duly chosen and sworn, shall be required
 4 in the Senate to sustain an appeal of the ruling of the
 5 Chair on a point of order raised under this section.

6 (e) DETERMINATION OF BUDGET LEVELS.—For pur-
 7 poses of this section, the levels of new budget authority,
 8 outlays, new entitlement authority, revenues, and deficits
 9 for a fiscal year shall be determined on the basis of esti-
 10 mates made by the Committee on the Budget of the Sen-
 11 ate.

12 **SEC. 202. ALLOWANCE IN THE SENATE.**

13 (a) ADJUSTMENTS.—In the Senate, for fiscal year
 14 1998, 1999, 2000, 2001, or 2002, upon the reporting of
 15 an appropriations measure (or the submission of a con-
 16 ference report thereon) that includes an appropriation
 17 with respect to paragraph (1) or (2), the chairman of the
 18 Committee on the Budget shall increase the appropriate
 19 allocations, budgetary aggregates, and discretionary limits
 20 by the amount of budget authority in that measure that
 21 is the dollar equivalent, in terms of Special Drawing
 22 Rights, of—

23 (1) an increase in the United States quota as
 24 part of the International Monetary Fund Eleventh
 25 General Review of Quotas (United States Quota); or

1 (2) any increase in the maximum amount avail-
 2 able to the Secretary of the Treasury pursuant to
 3 section 17 of the Bretton Woods Agreement Act, as
 4 amended from time to time (New Arrangements to
 5 Borrow).

6 (b) COMMITTEE SUBALLOCATIONS.—The Committee
 7 on Appropriations of the Senate may report appropriately
 8 revised suballocations pursuant to sections 302(b)(1) and
 9 602(b)(1) of the Congressional Budget Act of 1974 follow-
 10 ing the adjustments made pursuant to subsection (a).

11 **SEC. 203. ALLOWANCE IN THE SENATE FOR SECTION 8**
 12 **HOUSING ASSISTANCE.**

13 (a) ADJUSTMENT FOR DISCRETIONARY SPENDING.—
 14 In the Senate, for fiscal year 1998, upon the reporting
 15 of an appropriations measure (or upon the submission of
 16 a conference report thereon) that includes an appropria-
 17 tion for Section 8 Housing Assistance which fully funds
 18 all contract renewal obligations during that fiscal year, the
 19 Chairman of the Committee on the Budget may increase
 20 the appropriate allocations in this resolution by an amount
 21 that does not exceed \$9,200,000,000 in budget authority
 22 and the amount of outlays flowing from such budget au-
 23 thority.

24 (b) COMMITTEE SUBALLOCATIONS.—The Committee
 25 on Appropriations of the Senate may report appropriately

1 revised suballocations pursuant to sections 302(b)(1) and
 2 602(b)(1) of the Congressional Budget Act of 1974 follow-
 3 ing the adjustments made pursuant to subsection (a).

4 **SEC. 204. ENVIRONMENTAL RESERVE.**

5 (a) ADJUSTMENTS FOR MANDATORY SPENDING.—

6 (1) ALLOCATIONS.—In the Senate, upon the re-
 7 porting of legislation (or upon the submission of a
 8 conference report thereon) pursuant to subsection
 9 (b), the Chairman of the Committee on the Budget
 10 may increase the allocation pursuant to sections
 11 302(a) and 602(a) of the Congressional Budget Act
 12 of 1974 to the Committee on Environment and Pub-
 13 lic Works by an amount that does not exceed—

14 (A) \$200,000,000 in budget authority and
 15 \$200,000,000 in outlays for fiscal year 1998;
 16 and

17 (B) \$1,000,000,000 in budget authority
 18 and \$1,000,000,000 in outlays for the period of
 19 fiscal years 1998 through 2002.

20 (2) PRIOR SURPLUS.—For the purposes of sec-
 21 tion 202 of House Concurrent Resolution 67 (104th
 22 Congress), legislation reported (or the submission of
 23 a conference report thereon) pursuant to paragraph
 24 (1) shall be taken together with all other legislation
 25 enacted pursuant to section 104 of this resolution.

1 (b) LIMITATIONS.—The adjustments made pursuant
 2 to this section shall only be made for legislation that pro-
 3 vides funding to reform the Superfund program to facili-
 4 tate the cleanup of hazardous waste sites.

5 **SEC. 205. PRIORITY FEDERAL LAND ACQUISITIONS AND EX-**
 6 **CHANGES.**

7 (a) ADJUSTMENT FOR DISCRETIONARY SPENDING.—
 8 In the Senate, for fiscal year 1998, upon the reporting
 9 of an appropriations measure (or upon the submission of
 10 a conference report thereon) that includes an appropria-
 11 tion for the National Park Service's Land Acquisition and
 12 State Assistance account at the fiscal year 1998 request
 13 level (as submitted on February 6, 1997) and up to an
 14 additional \$700,000,000 in budget authority for priority
 15 Federal land acquisitions and exchanges during that fiscal
 16 year, the Chairman of the Committee on the Budget may
 17 increase the appropriate allocations by an amount that
 18 does not exceed \$700,000,000 in budget authority and the
 19 amount of outlays flowing from such budget authority.

20 (b) COMMITTEE SUBALLOCATIONS.—The Committee
 21 on Appropriations of the Senate may report appropriately
 22 revised suballocations pursuant to sections 302(b)(1) and
 23 602(b)(1) of the Congressional Budget Act of 1974 follow-
 24 ing the adjustments made pursuant to subsection (a).

1 **SEC. 206. ALLOWANCE IN THE SENATE FOR ARREARAGES.**

2 (a) **ADJUSTMENT FOR DISCRETIONARY SPENDING.—**

3 In the Senate, for fiscal year 1998, 1999, and 2000, upon
 4 the reporting of an appropriations measure (or upon the
 5 submission of a conference report thereon) that includes
 6 an appropriation for arrearages for international organiza-
 7 tions, international peacekeeping, and multilateral devel-
 8 opment banks during that fiscal year, the Chairman of
 9 the Committee on the Budget may increase the appro-
 10 priate allocations, aggregates, and discretionary spending
 11 limits in this resolution by an amount that does not ex-
 12 ceed—

13 (1) \$415,000,000 in budget authority and the
 14 amount of outlays flowing from such budget author-
 15 ity for fiscal year 1998;

16 (2) \$1,227,000,000 in budget authority and the
 17 amount of outlays flowing from such budget author-
 18 ity for fiscal year 1999; and

19 (3) \$242,000,000 in budget authority and the
 20 amount of outlays flowing from such budget author-
 21 ity for fiscal year 2000.

22 (b) **COMMITTEE SUBALLOCATIONS.—**The Committee
 23 on Appropriations of the Senate may report appropriately
 24 revised suballocations pursuant to sections 302(b)(1) and
 25 602(b)(1) of the Congressional Budget Act of 1974 follow-
 26 ing the adjustments made pursuant to subsection (a).

1 **SEC. 207. INTERCITY PASSENGER RAIL RESERVE FUND FOR**
2 **FISCAL YEARS 1998–2002.**

3 (a) IN GENERAL.—If legislation is enacted which
4 generates revenue increases or direct spending reductions
5 to finance an intercity passenger rail fund and to the ex-
6 tent that such increases or reductions are not included in
7 this concurrent resolution on the budget, the appropriate
8 budgetary levels and limits may be adjusted if such adjust-
9 ments do not cause an increase in the deficit in this resolu-
10 tion.

11 (b) ESTABLISHING A RESERVE.—

12 (1) REVISIONS.—After the enactment of legisla-
13 tion described in subsection (a), the Chairman of the
14 Committee on the Budget may submit revisions to
15 the appropriate allocations and aggregates by the
16 amount that provisions in such legislation generates
17 revenue increases or direct spending reductions.

18 (2) REVENUE INCREASES OR DIRECT SPENDING
19 REDUCTIONS.—Upon the submission of such revi-
20 sions, the Chairman of the Committee on the Budg-
21 et shall also submit the amount of revenue increases
22 or direct spending reductions such legislation gen-
23 erates and the maximum amount available each year
24 for adjustments pursuant to subsection (c).

25 (c) ADJUSTMENTS FOR DISCRETIONARY SPEND-
26 ING.—

(1) REVISIONS TO ALLOCATIONS AND AGGREGATES.—Upon either—

(A) the reporting of an appropriations measure, or when a conference committee submits a conference report thereon, that appropriates funds for the National Railroad Passenger Corporation and funds from the intercity passenger rail fund; or

(B) the reporting of an appropriations measure, or when a conference committee submits a conference report thereon, that appropriates funds from the intercity passenger rail fund (funds having previously been appropriated for the National Railroad Passenger Corporation for that same fiscal year),

the Chairman of the Budget Committee shall submit increased budget authority allocations, aggregates, and discretionary limits for the amount appropriated for authorized expenditures from the intercity passenger rail fund and the outlays flowing from such budget authority.

(2) REVISIONS TO SUBALLOCATIONS.—The Committee on Appropriations may submit appropriately revised suballocations pursuant to sections

1 302(b)(1) and 602(b)(1) of the Congressional Budg-
 2 et Act of 1974.

3 (d) LIMITATIONS.—

4 (1) IN GENERAL.—The revisions made pursu-
 5 ant to subsection (b) shall not be made—

6 (A) with respect to direct spending reduc-
 7 tions, unless the committee that generates the
 8 direct spending reductions is within its alloca-
 9 tions under sections 302(a) and 602(a) of the
 10 Budget Act in this resolution (not including the
 11 direct spending reductions envisioned in sub-
 12 section (b)); and

13 (B) with respect to revenue increases, un-
 14 less revenues are at or above the revenue aggre-
 15 gates in this resolution (not including the reve-
 16 nue increases envisioned in subsection (b)).

17 (2) BUDGET AUTHORITY.—The budget author-
 18 ity adjustments made pursuant to subsection (c)
 19 shall not exceed the amounts specified in subsection
 20 (b)(2) for a fiscal year.

21 **SEC. 208. MASS TRANSIT RESERVE FUND FOR FISCAL**
 22 **YEARS 1998–2002.**

23 (a) IN GENERAL.—If legislation is enacted which
 24 generates revenue increases or direct spending reductions
 25 to finance mass transit and to the extent that such in-

1 creases or reductions are not included in this concurrent
 2 resolution on the budget, the appropriate budgetary levels
 3 and limits may be adjusted if such adjustments do not
 4 cause an increase in the deficit in this resolution.

5 (b) ESTABLISHING A RESERVE.—

6 (1) REVISIONS.—After the enactment of legisla-
 7 tion described in subsection (a), the Chairman of the
 8 Committee on the Budget may submit revisions to
 9 the appropriate allocations and aggregates by the
 10 amount that provisions in such legislation generates
 11 revenue increases or direct spending reductions.

12 (2) REVENUE INCREASES OR DIRECT SPENDING
 13 REDUCTIONS.—Upon the submission of such revi-
 14 sions, the Chairman of the Committee on the Budg-
 15 et shall also submit the amount of revenue increases
 16 or direct spending reductions such legislation gen-
 17 erates and the maximum amount available each year
 18 for adjustments pursuant to subsection (c).

19 (c) ADJUSTMENTS FOR DISCRETIONARY SPEND-
 20 ING.—

21 (1) REVISIONS TO ALLOCATIONS AND AGGRE-
 22 GATES.—Upon the reporting of an appropriations
 23 measure, or when a conference committee submits a
 24 conference report thereon, that appropriates funds
 25 for mass transit, the Chairman of the Budget Com-

1 mittee shall submit increased budget authority allo-
 2 cations, aggregates, and discretionary limits for the
 3 amount appropriated for authorized expenditures
 4 from the mass transit fund and the outlays flowing
 5 from such budget authority.

6 (2) REVISIONS TO SUBALLOCATIONS.—The
 7 Committee on Appropriations may submit appro-
 8 priately revised suballocations pursuant to sections
 9 302(b)(1) and 602(b)(1) of the Congressional Budg-
 10 et Act of 1974.

11 (d) LIMITATIONS.—

12 (1) IN GENERAL.—The revisions made pursu-
 13 ant to subsection (b) shall not be made—

14 (A) with respect to direct spending reduc-
 15 tions, unless the committee that generates the
 16 direct spending reductions is within its alloca-
 17 tions under sections 302(a) and 602(a) of the
 18 Budget Act in this resolution (not including the
 19 direct spending reductions envisioned in sub-
 20 section (b)); and

21 (B) with respect to revenue increases, un-
 22 less revenues are at or above the revenue aggre-
 23 gates in this resolution (not including the reve-
 24 nue increases envisioned in subsection (b)).

1 (2) BUDGET AUTHORITY.—The budget author-
 2 ity adjustments made pursuant to subsection (c)
 3 shall not exceed the amounts specified in subsection
 4 (b)(2) for a fiscal year.

5 **SEC. 209. HIGHWAY RESERVE FUND FOR FISCAL YEARS**
 6 **1998–2002.**

7 (a) IN GENERAL.—If legislation is enacted which
 8 generates revenue increases or direct spending reductions
 9 to finance highways and to the extent that such increases
 10 or reductions are not included in this concurrent resolu-
 11 tion on the budget, the appropriate budgetary levels and
 12 limits may be adjusted if such adjustments do not cause
 13 an increase in the deficit in this resolution.

14 (b) ESTABLISHING A RESERVE.—

15 (1) REVISIONS.—After the enactment of legisla-
 16 tion described in subsection (a), the Chairman of the
 17 Committee on the Budget may submit revisions to
 18 the appropriate allocations and aggregates by the
 19 amount that provisions in such legislation generates
 20 revenue increases or direct spending reductions.

21 (2) REVENUE INCREASES OR DIRECT SPENDING
 22 REDUCTIONS.—Upon the submission of such revi-
 23 sions, the Chairman of the Committee on the Budg-
 24 et shall also submit the amount of revenue increases
 25 or direct spending reductions such legislation gen-

1 erates and the maximum amount available each year
 2 for adjustments pursuant to subsection (c).

3 (c) ADJUSTMENTS FOR DISCRETIONARY SPEND-
 4 ING.—

5 (1) REVISIONS TO ALLOCATIONS AND AGGREGATES.—Upon the reporting of an appropriations
 6 measure, or when a conference committee submits a
 7 conference report thereon, that appropriates funds
 8 for highways, the Chairman of the Budget Committee shall submit increased budget authority allocations,
 9 aggregates, and discretionary limits for the
 10 amount appropriated for authorized expenditures
 11 from the highway fund and the outlays flowing from
 12 such budget authority.

13 (2) REVISIONS TO SUBALLOCATIONS.—The
 14 Committee on Appropriations may submit appropriately revised suballocations pursuant to sections
 15 302(b)(1) and 602(b)(1) of the Congressional Budget Act of 1974.

16 (d) LIMITATIONS.—

17 (1) IN GENERAL.—The revisions made pursuant to subsection (b) shall not be made—

18 (A) with respect to direct spending reductions, unless the committee that generates the
 19 direct spending reductions is within its allocation

1 tions under sections 302(a) and 602(a) of the
 2 Budget Act in this resolution (not including the
 3 direct spending reductions envisioned in sub-
 4 section (b)); and

5 (B) with respect to revenue increases, un-
 6 less revenues are at or above the revenue aggre-
 7 gates in this resolution (not including the reve-
 8 nue increases envisioned in subsection (b)).

9 (2) BUDGET AUTHORITY.—The budget author-
 10 ity adjustments made pursuant to subsection (c)
 11 shall not exceed the amounts specified in subsection
 12 (b)(2) for a fiscal year.

13 **SEC. 210. EXERCISE OF RULEMAKING POWERS.**

14 The Congress adopts the provisions of this title—

15 (1) as an exercise of the rulemaking power of
 16 the Senate and the House of Representatives, re-
 17 spectively, and as such they shall be considered as
 18 part of the rules of each House, or of that House
 19 to which they specifically apply, and such rules shall
 20 supersede other rules only to the extent that they
 21 are inconsistent therewith; and

22 (2) with full recognition of the constitutional
 23 right of either House to change those rules (so far
 24 as they relate to that House) at any time, in the

1 same manner, and to the same extent as in the case
 2 of any other rule of that House.

3 **TITLE III—SENSE OF THE** 4 **SENATE**

5 **SEC. 301. SENSE OF THE SENATE ON LONG TERM ENTITLE-** 6 **MENT REFORMS, INCLUDING ACCURACY IN** 7 **DETERMINING CHANGES IN THE COST OF** 8 **LIVING.**

9 (a) FINDINGS.—

10 (1) ENTITLEMENT REFORMS.—The Senate
 11 finds that with respect to long term entitlement re-
 12 forms—

13 (A) entitlement spending continues to grow
 14 dramatically as a percent of total federal spend-
 15 ing, rising from fifty-six percent of the budget
 16 in 1987 to an estimated seventy-three percent
 17 of the budget in 2007;

18 (B) this growth in mandatory spending
 19 poses a long-term threat to the U.S. economy
 20 because it crowds out spending for investments
 21 in education, infrastructure, defense, law en-
 22 forcement and other programs that enhance
 23 economic growth;

24 (C) in 1994, the Bipartisan Commission
 25 on Entitlement and Tax Reform concluded that

1 if no changes are made to current entitlement
2 laws, all federal revenues will be spent on enti-
3 tlement programs and interest on the debt by
4 the year 2012;

5 (D) the Congressional Budget Office has
6 also recently issued a report that found that
7 pressure on the budget from demographics and
8 rising health care costs will increase dramati-
9 cally after 2002; and

10 (E) making significant entitlement changes
11 will significantly benefit the economy, and will
12 forestall the need for more drastic tax and
13 spending decisions in future years.

14 (2) CPI.—The Senate finds that with respect to
15 accuracy in determining changes in the cost of liv-
16 ing—

17 (A) the Final Report of the Senate Fi-
18 nance Committee's Advisory Commission to
19 study the CPI has concluded that the Consumer
20 Price Index overstates the cost of living in the
21 United States by 1.1 percentage points;

22 (B) the overstatement of the cost of living
23 by the Consumer Price Index has been recog-
24 nized by economists since at least 1961, when
25 a report noting the existence of the overstate-

1 ment was issued by a National Bureau of Eco-
2 nomic Research Committee, chaired by Profes-
3 sor George J. Stigler;

4 (C) Congress and the President, through
5 the indexing of federal tax brackets, Social Se-
6 curity benefits, and other federal program bene-
7 fits, have undertaken to protect taxpayers and
8 beneficiaries of such programs from the erosion
9 of purchasing power due to inflation; and

10 (D) the overstatement of the cost of living
11 increases the deficit and undermines the equi-
12 table administration of federal benefits and tax
13 policies.

14 (b) SENSE OF THE SENATE.—It is the sense of the
15 Senate that the provisions in this resolution assume
16 that—

17 (1) Congress and the President should continue
18 working to enact structural entitlement reforms in
19 the 1997 budget agreement and in subsequent legis-
20 lation;

21 (2) Congress and the President must find the
22 most accurate measure of the change in the cost of
23 living in the United States, and should work in a bi-
24 partisan manner to implement any changes that are
25 necessary to achieve an accurate measure; and

1 (3) Congress and the President must work to
 2 ensure that the 1997 budget agreement not only
 3 keeps the unified budget in balance after 2002, but
 4 that additional measures should be taken to begin to
 5 achieve substantial surpluses which will improve the
 6 economy and allow our nation to be ready for the re-
 7 tirement of the baby boom generation in the year
 8 2012.

9 **SEC. 302. SENSE OF THE SENATE ON TACTICAL FIGHTER**
 10 **AIRCRAFT PROGRAMS.**

11 (a) FINDINGS.—The Senate finds that—

12 (1) the Department of Defense has proposed to
 13 modernize the United States tactical fighter aircraft
 14 force through three tactical fighter procurement pro-
 15 grams, including the F/A–18 E/F aircraft program
 16 of the Navy, the F–22 aircraft program of the Air
 17 Force, and the Joint Strike Fighter aircraft pro-
 18 gram for the Navy, Air Force, and Marine Corps;

19 (2) the General Accounting Office, the Congres-
 20 sional Budget Office, the Chairman of the Joint
 21 Chiefs of Staff, the Under Secretary of Defense for
 22 Acquisition and Technology, and several Members of
 23 Congress have publicly stated that, given the current
 24 Department of Defense budget for procurement, the
 25 Department of Defense’s original plan to buy over

1 4,400 F/A-18 E/F aircraft, F-22 aircraft, and Joint
2 Strike Fighter aircraft at a total program cost in ex-
3 cess of \$350,000,000,000 was not affordable;

4 (3) the F/A-18 E/F, F-22, and the Joint
5 Strike Fighter tactical fighter programs will be com-
6 peting for a limited amount of procurement funding
7 with numerous other aircraft acquisition programs,
8 including the Comanche helicopter program, the V-
9 22 Osprey aircraft program, and the C-17 aircraft
10 program, as well as for the necessary replacement of
11 other aging aircraft such as the KC-135, the C-5A,
12 the F-117, and the EA-6B aircraft; and

13 (4) the 1997 Department of Defense Quadren-
14 nial Defense Review has recommended reducing the
15 F/A-18 E/F program buy from 1,000 aircraft to
16 548, and reducing the F-22 program buy from 438
17 to 339.

18 (b) SENSE OF THE SENATE.—It is the sense of the
19 Senate that the provisions of this resolution assume that,
20 within 30 days, the Department of Defense should trans-
21 mit to Congress detailed information pertaining to the im-
22 plementation of this revised acquisition strategy so that
23 the Congress can adequately evaluate the extent to which
24 the revised acquisition strategy is tenable and affordable

1 given the projected spending levels contained in this budg-
2 et resolution.

3 **SEC. 303. SENSE OF THE SENATE REGARDING CHILDREN'S**
4 **HEALTH COVERAGE.**

5 (a) FINDINGS.—The Senate finds that—

6 (1) of the estimated 10 million uninsured chil-
7 dren in the United States, over 1.3 million have at
8 least one parent who is self-employed and all other
9 uninsured children are dependents of persons who
10 are employed by another, or unemployed;

11 (2) these 1.3 million uninsured kids comprise
12 approximately 22 percent of all children with self-
13 employed parents, and they are a significant 13 per-
14 cent of all uninsured children;

15 (3) the remaining uninsured children are in
16 families where neither parent is self-employed and
17 comprise 13 percent of all children in families where
18 neither parent is self-employed;

19 (4) children in families with a self-employed
20 parent are therefore more likely to be uninsured
21 than children in families where neither parent is
22 self-employed; and

23 (5) the current disparity in the tax law reduces
24 the affordability of health insurance for the self-em-
25 ployed and their families, hindering the ability of

1 children to receive essential primary and preventive
2 care services.

3 (b) SENSE OF THE SENATE.—It is the sense of the
4 Senate that the provisions of this resolution assume that
5 from resources available in this budget resolution, a por-
6 tion should be set aside for an immediate 100 percent de-
7 ductibility of health insurance costs for the self-employed.
8 Full-deductibility of health expenses for the self-employed
9 would make health insurance more attractive and afford-
10 able, resulting in more dependents being covered. The gov-
11 ernment should not encourage parents to forgo private in-
12 surance for a government-run program.

13 **SEC. 304. SENSE OF THE SENATE ON A MEDICAID PER CAP-**
14 **ITA CAP.**

15 It is the sense of the Senate that in order to meet
16 deficit reduction targets in this resolution with respect to
17 Medicaid—

18 (1) the per capita cap will not be used as a
19 method for meeting spending targets; and

20 (2) the per capita cap represents a significant
21 structural change that could jeopardize the quality
22 of care for children, the disabled, and senior citizens.

23 **SEC. 305. SENSE OF THE SENATE THAT ADDED SAVINGS GO**
24 **TO DEFICIT REDUCTION.**

25 (a) FINDINGS.—The Congress finds that—

1 (1) balancing the budget will bring numerous
2 economic benefits for the United States economy
3 and American workers and families, including im-
4 proved economic growth and lower interest rates;

5 (2) the FY 1998 budget resolution crafted pur-
6 suant to an agreement reached between the Con-
7 gress and the Administration purports to achieve
8 balance in the year 2002;

9 (3) the deficit estimates contained in this reso-
10 lution may not conform to the actual deficits in sub-
11 sequent years, which make it imperative that any
12 additional savings are realized be devoted to deficit
13 reduction;

14 (4) the Senate’s “pay-as-you-go” point of order
15 prohibits crediting savings from updated economic or
16 technical data as an offset for legislation that in-
17 creases the deficit, and ensures these savings are de-
18 voted to deficit reduction; and

19 (5) Congress and the Administration must en-
20 sure that the deficit levels contained in this budget
21 are met and, if actual deficits prove to be lower than
22 projected, the additional savings are used to balance
23 the budget on or before the year 2002.

1 (b) SENSE OF THE SENATE.—It is the sense of the
 2 Senate that the provisions of this resolution assume
 3 that—

4 (1) legislation enacted pursuant to this resolu-
 5 tion must ensure that the goal of a balanced budget
 6 is achieved on or before fiscal year 2002; and

7 (2) if the actual deficit is lower than the pro-
 8 jected deficit in any upcoming fiscal year, the added
 9 savings should be devoted to further deficit reduc-
 10 tion.

11 **SEC. 306. SENSE OF THE SENATE ON FAIRNESS IN MEDI-**
 12 **CARE.**

13 (a) FINDINGS.—The Congress finds that—

14 (1) the Trustees of the Medicare Trust Funds
 15 recently announced that Medicare’s Hospital Insur-
 16 ance (HI) trust fund is headed for bankruptcy in
 17 2001, and in 1997, HI will run a deficit of \$26 bil-
 18 lion and add \$56 billion annually to the federal defi-
 19 cit by 2001;

20 (2) the Trustees also project that Supple-
 21 mentary Medical Insurance (SMI), will grow twice
 22 as fast as the economy and the taxpayers’ subsidy
 23 to keep the SMI from bankruptcy will grow from
 24 \$58 billion to \$89 billion annually from 1997
 25 through 2001;

1 (3) the Congressional Budget Office reports
2 that when the baby-boom generation begins to re-
3 ceive Social Security benefits and is eligible for Med-
4 icare in 2008, the federal budget will face intense
5 pressure, resulting in mounting deficits and erosion
6 of future economic growth;

7 (4) long-term solutions to address the financial
8 and demographic problems of Medicare are urgently
9 needed to preserve and protect the Medicare trust
10 funds;

11 (5) these solutions to address the financial and
12 demographic problems of Medicare are urgently
13 needed to preserve and protect the Medicare trust
14 funds;

15 (6) reform of the Medicare program should en-
16 sure equity and fairness for all Medicare bene-
17 ficiaries, and offer beneficiaries more choice of pri-
18 vate health plans, to promote efficiency and enhance
19 the quality of health care;

20 (7) all Americans pay the same payroll tax of
21 2.9 percent to the Medicare Trust Funds, and they
22 deserve the same choices and services regardless of
23 where they retire;

24 (8) however, under the currently adjusted-aver-
25 age-per-capita cost (AAPCC), some counties receive

1 2.5 times more in Medicare reimbursements than
2 others;

3 (9) this inequity in Medicare reimbursement
4 jeopardizes the quality of Medicare services of rural
5 beneficiaries and penalizes the most efficient and ef-
6 fective Medicare service providers;

7 (10) in some states, the result has been the ab-
8 sence of health care choices beyond traditional, fee-
9 for-service medicine for Medicare beneficiaries,
10 which in other counties and states plan providers
11 may be significantly over-compensated, adding to
12 Medicare's fiscal instability; and

13 (11) ending the practice of basing payments to
14 risk contract plans on local fee-for-service medical
15 costs will help correct these inequities, mitigate un-
16 necessary cost in the program, and begin the seri-
17 ous, long-term restructuring of Medicare.

18 (b) SENSE OF THE SENATE.—It is the sense of the
19 Senate that the provisions of this resolution assume that
20 the Finance Committee should strongly consider the fol-
21 lowing elements for Medicare reform—

22 (1) any Medicare reform package should include
23 measures to address the inequity in Medicare reim-
24 bursement to risk contract plans;

1 (2) Medicare should use a national update
 2 framework rather than local fee-for-service spending
 3 increases to determine the annual changes in risk
 4 plan payment rates;

5 (3) an adequate minimum payment rate should
 6 be provided for health plans participating in Medi-
 7 care risk contract programs;

8 (4) the geographic variation in Medicare pay-
 9 ment rates must be reduced over time to raise the
 10 lower payment areas closer to the average while tak-
 11 ing into account actual differences in input costs
 12 that exist from region to regional;

13 (5) Medicare managers in consultation with
 14 plan providers and patient advocates should pursue
 15 competitive bidding programs in communities where
 16 data indicate risk contract payments are substan-
 17 tially excessive and when plan choices would not di-
 18 minish by such a bidding process; and

19 (6) Medicare should phase in the use of risk ad-
 20 justers which take account of health status so as to
 21 address overpayment to some plans.

22 **SEC. 307. SENSE OF THE SENATE REGARDING ASSISTANCE**
 23 **TO LITHUANIA AND LATVIA.**

24 (a) FINDINGS.—The Senate finds that—

1 (1) Lithuania and Latvia reestablished democ-
2 racy and free market economies when they regained
3 their freedom from the Soviet Union;

4 (2) Lithuania and Latvia, which have made sig-
5 nificant progress since regaining their freedom, are
6 still struggling to recover from the devastation of 50
7 years of communist domination;

8 (3) the United States, which never recognized
9 the illegal incorporation of Lithuania and Latvia
10 into the Soviet Union, has provided assistance to
11 strengthen democratic institutions and free market
12 reforms in Lithuania and Latvia since 1991;

13 (4) the people of the United States enjoy close
14 and friendly relations with the people of Lithuania
15 and Latvia;

16 (5) the success of democracy and free market
17 reform in Lithuania and Latvia is important to the
18 security and economic progress of the United States;
19 and

20 (6) the United States as well as Lithuania and
21 Latvia would benefit from the continuation of assist-
22 ance which helps Lithuania and Latvia to implement
23 commercial and trade law reform, sustain private
24 sector development, and establish well-trained judi-
25 ciaries.

1 (b) SENSE OF THE SENATE.—It is the sense of the
 2 Senate that the provisions of this resolution assume
 3 that—

4 (1) adequate assistance should be provided to
 5 Lithuania and Latvia in fiscal year 1998 to continue
 6 the progress they have made; and

7 (2) assistance to Lithuania and Latvia should
 8 be continued beyond fiscal year 1998 as they con-
 9 tinue to build democratic and free market institu-
 10 tions.

11 **SEC. 308. SENSE OF THE SENATE REGARDING A NATIONAL**
 12 **COMMISSION ON HIGHER EDUCATION.**

13 It is the sense of the Senate that the provisions of
 14 this resolution assure that a national commission should
 15 be established to study and make specific recommenda-
 16 tions regarding the extent to which increases in student
 17 financial aid, and the extent to which Federal, State, and
 18 local laws and regulations, contribute to increases in col-
 19 lege and university tuition.

20 **SEC. 309. SENSE OF THE SENATE ON LOCKBOX.**

21 It is the Sense of the Senate that the provisions of
 22 this resolution assume that to ensure all savings from
 23 Medicare reform are used to keep the Medicare program
 24 solvent, the Treasury Secretary should credit the Medicare
 25 Hospital Insurance Trust Fund (Part A) with government

1 securities equal to any savings from Medicare Supple-
 2 mental Medical Insurance (Part B) reforms enacted pur-
 3 suant to the reconciliation instructions contained in this
 4 budget resolution.

5 **SEC. 310. SENSE OF THE SENATE ON THE EARNED INCOME**
 6 **CREDIT.**

7 (a) FINDINGS.—The Senate finds that—

8 (1) an April 1997 study by the Internal Reve-
 9 nue Service of Earned Income Credit (EIC) filers
 10 for tax year 1994 revealed that over \$4 billion of the
 11 \$17 billion spent on the EIC for that year was erro-
 12 neously claimed and paid by the IRS, resulting in a
 13 fraud and error rate of 25.8%;

14 (2) the IRS study further concluded that EIC
 15 reforms enacted by the 104th Congress will only
 16 lower the fraud error rate to 20.7%, meaning over
 17 \$23 billion will be wasted over the next five years;
 18 and

19 (3) the President's recent proposals to combat
 20 EIC fraud and error contained within this budget
 21 resolution are estimated to save \$124 million in
 22 scoreable savings over the next five years and addi-
 23 tional savings from deterrent effects.

24 (b) SENSE OF THE SENATE.—It is the sense of the
 25 Senate that the provisions of this resolution assume that

1 the President should propose and Congress should enact
2 additional programmatic changes sufficient to ensure that
3 the primary purpose of the EIC to encourage work over
4 welfare is achieved without wasting billions of taxpayer
5 dollars on fraud and error.