

H.R. 1300: Ms. FURSE.
 H.R. 1323: Mr. LUTHER.
 H.R. 1371: Mr. EDWARDS and Mr. SESSIONS.
 H.R. 1382: Mr. LEWIS of Georgia, Ms. HOOLEY of Oregon, and Mr. RUSH.
 H.R. 1398: Mr. BARTON of Texas.
 H.R. 1401: Ms. WOOLSEY.
 H.R. 1415: Mr. BLUNT, Mr. BERRY, Mr. RUSH, Mr. DICKS, Mr. MCGOVERN, and Mr. CRAPO.
 H.R. 1426: Mr. WAMP.
 H.R. 1450: Mr. ACKERMAN.
 H.R. 1456: Mr. FOX of Pennsylvania, Ms. GRANGER, and Mr. RODRIGUEZ.
 H.R. 1492: Mr. WICKER.
 H.R. 1519: Ms. KILPATRICK, Mr. RUSH, Mr. DELLUMS, and Mr. WATT of North Carolina.
 H.R. 1521: Mr. METCALF, Mr. MCKEON, Mr. SAXTON, and Mr. MARTINEZ.
 H.R. 1534: Mr. GOODLATTE, Mr. PASCARELL, Mr. LEWIS of California, Mr. SOLOMON, Mr. CONDIT, Mr. DREIER, Mr. FAZIO of California, Mr. HUTCHINSON, Mr. SHIMKUS, Mr. ENSIGN, Mr. CALVERT, Mr. DOOLITTLE, Mr. KOLBE, Mr. COX of California, Mr. MCCOLLUM, Mr. CANON, Mr. HALL of Texas, and Mr. CHENOWETH.
 H.R. 1542: Mr. BLILEY.
 H.R. 1585: Mr. WELLER, Mr. SAXTON, Mr. ACKERMAN, Mrs. MORELLA, Mr. MCHALE, Mr. COBURN, Mrs. KELLY, and Ms. MILLENDER-MCDONALD.
 H.R. 1670: Mr. GUTIERREZ.
 H.R. 1679: Mr. MCCOLLUM and Ms. SLAUGHTER.
 H.R. 1689: Mr. HOLDEN.
 H.R. 1712: Mr. ROHRBACHER and Mrs. EMERSON.
 H.R. 1719: Mr. HOLDEN, Mr. LEWIS of California, and Mr. NEY.
 H.R. 1733: Ms. RIVERS and Mr. STABENOW.
 H.R. 1748: Mr. CAPPS, Mr. CRAMER, and Mr. WATTS of Oklahoma.
 H.R. 1788: Mr. HINCHEY and Mr. GORDON.
 H.R. 1839: Mrs. CUBIN, Mr. BACHUS, Mr. PALLONE, Mr. LATOURETTE, Mr. GOODE, and Mr. COBURN.
 H.R. 1843: Mr. CRAPO.
 H.R. 1846: Mr. SAM JOHNSON and Mr. RAHALL.
 H.R. 1861: Mr. BROWN of California, Mr. CONYERS, Mr. DELLUMS, Mr. EVANS, Mr. FROST, Mr. NADLER, Mr. SANDERS, Mr. STARK, Mr. VENTO, and Mr. YATES.
 H.R. 1864: Ms. FURSE.
 H.R. 1883: Mr. ABERCROMBIE.
 H.R. 1912: Mr. ROGAN.
 H.R. 1968: Mr. TOWNS, Mrs. MORELLA, and Mr. WELLER.
 H.R. 1991: Mr. THORNBERRY and Mr. DICKEY.
 H.R. 2001: Mrs. CHENOWETH.
 H.R. 2003: Mr. COOK, Mrs. THURMAN, Mr. DICKEY, Mr. SESSIONS, Mr. DAVIS of Florida, Mr. SPENCE, Mr. SCHIFF, Mr. TAYLOR of Mississippi, and Mr. HORN.
 H.R. 2004: Mrs. EMERSON and Mr. HILLIARD.
 H.R. 2005: Mr. FRELINGHUYSEN, Mr. COSTELLO, and Mr. PICKERING.
 H.R. 2006: Mr. BALDACCI, Ms. VELAZQUEZ, Ms. WOOLSEY, and Mr. HEFNER.
 H.R. 2064: Mr. DICKS and Mr. WEXLER.
 H.R. 2120: Mr. HAMILTON.
 H.R. 2121: Mr. FROST, Mr. DEUTSCH, Ms. MOLINARI, Mr. BONIOR, Ms. WOOLSEY, and Mr. EVANS.
 H.R. 2122: Mr. PASCARELL.
 H.R. 2139: Mr. PETERSON of Minnesota, Mr. OBEY, and Mr. PETRI.
 H.R. 2143: Mr. FILNER and Mr. UNDERWOOD.
 H.R. 2163: Mr. BOB SCHAFFER.
 H.R. 2196: Mr. SMITH of New Jersey, Mr. SAM JOHNSON, and Mr. ROYCE.
 H.R. 2198: Mr. LUTHER and Mrs. MEEK of Florida.
 H.R. 2200: Mr. FROST, Ms. FURSE, and Mr. GILMAN.
 H. Con. Res. 80: Mr. FILNER, Mr. LEWIS of GEORGIA, Mr. ADAM SMITH of Washington, Mr. FROST, Mr. DAVIS of Illinois, Mr. CARDIN, Mr. GILLMOR, Mr. BROWN of California, and Mr. COLLINS.

H. Con. Res. 81: Mr. GOODE, Mr. MEEHAN, Mr. TALENT, Mr. YATES, Mr. DUNCAN, Mr. LEVIN, Mrs. ROUKEMA, Mr. FOLEY, Mr. STARK, Mr. SENSENBRENNER, Mr. DINGELL, Mr. FRANKS of New Jersey, Mr. HINCHEY, Mr. WEYGAND, and Mr. NADLER.

H. Con. Res. 91: Mr. MCGOVERN and Mr. LEWIS of Georgia.

H. Con. Res. 97: Mr. LEWIS of Georgia.

H. Con. Res. 99: Mr. KENNEDY of Massachusetts.

H. Con. Res. 100: Mr. WEXLER, Mr. DINGELL, and Mr. SMITH of New Jersey.

H. Res. 166: Mr. YATES.

H. Res. 173: Mr. LEWIS of Georgia, Ms. HARMAN, Ms. JACKSON-LEE, Mr. BERMAN, Mr. ACKERMAN, and Ms. MCCARTHY of Missouri.

H. Res. 191: Mr. HERGER, Mr. SNOWBARGER, Mr. LAMPSON, Mr. CUNNINGHAM, Mr. WATTS of Oklahoma, and Mr. HULSHOF.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2003: Mr. BERRY and Mrs. KENNELLY of Connecticut.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2003

OFFERED BY: Mr. BARTON OF TEXAS

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 1: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Balanced Budget Assurance Act of 1997”.

(b) TABLE OF CONTENTS.—

Sec. 1. Short title and table of contents.
 Sec. 2. Definitions.

Title I—Ensure That the Bipartisan Balanced Budget Agreement of 1997 Achieves Its Goal

Sec. 101. Timetable.

Sec. 102. Procedures to avoid sequestration or delay of new revenue reductions.

Sec. 103. Effect on Presidents' budget submissions; point of order.

Sec. 104. Deficit and revenue targets.

Sec. 105. Direct spending caps.

Sec. 106. Economic assumptions.

Sec. 107. Revisions to deficit and revenue targets and to the caps for entitlements and other mandatory spending.

Title II—Enforcement Provisions

Sec. 201. Reporting excess spending.

Sec. 202. Enforcing direct spending caps.

Sec. 203. Sequestration rules.

Sec. 204. Enforcing revenue targets.

Sec. 205. Exempt programs and activities.

Sec. 206. Special rules.

Sec. 207. The current law baseline.

Sec. 208. Limitations on emergency spending.

Title III—Use of Budget Surplus to Preserve Social Security Trust Fund

Sec. 301. Ending use of receipts of Social Security Trust Fund for other programs and activities.

SEC. 2. DEFINITIONS.

For purposes of this Act:

(1) ELIGIBLE POPULATION.—The term “eligible population” shall mean those individuals

to whom the United States is obligated to make a payment under the provisions of a law creating entitlement authority. Such term shall not include States, localities, corporations or other nonliving entities.

(2) SEQUESTER AND SEQUESTRATION.—The terms “sequester” and “sequestration” refer to or mean the cancellation of budgetary resources provided by discretionary appropriations or direct spending law.

(3) BREACH.—The term “breach” means, for any fiscal year, the amount (if any) by which outlays for that year (within a category of direct spending) is above that category's direct spending cap for that year.

(4) BASELINE.—The term “baseline” means the projection (described in section 207) of current levels of new budget authority, outlays, receipts, and the surplus or deficit into the budget year and the outyears.

(5) BUDGETARY RESOURCES.—The term “budgetary resources” means new budget authority, unobligated balances, direct spending authority, and obligation limitations.

(6) DISCRETIONARY APPROPRIATIONS.—The term “discretionary appropriations” means budgetary resources (except to fund direct spending programs) provided in appropriation Acts. If an appropriation Act alters the level of direct spending or offsetting collections, that effect shall be treated as direct spending. Classifications of new accounts or activities and changes in classifications shall be made in consultation with the Committees on Appropriations and the Budget of the House of Representatives and the Senate and with CBO and OMB.

(7) DIRECT SPENDING.—The term “direct spending” means—

(A) budget authority provided by law other than appropriation Acts, including entitlement authority;

(B) entitlement authority; and

(C) the food stamp program.

If a law other than an appropriation Act alters the level of discretionary appropriations or offsetting collections, that effect shall be treated as direct spending.

(8) ENTITLEMENT AUTHORITY.—The term “entitlement authority” means authority (whether temporary or permanent) to make payments (including loans and grants), the budget authority for which is not provided for in advance by appropriation Acts, to any person or government if, under the provisions of the law containing such authority, the United States is obligated to make such payments to persons or governments who meet the requirements established by such law.

(9) CURRENT.—The term “current” means, with respect to OMB estimates included with a budget submission under section 1105(a) of title 31 U.S.C., the estimates consistent with the economic and technical assumptions underlying that budget.

(10) ACCOUNT.—The term “account” means an item for which there is a designated budget account designation number in the President's budget.

(11) BUDGET YEAR.—The term “budget year” means the fiscal year of the Government that starts on the next October 1.

(12) CURRENT YEAR.—The term “current year” means, with respect to a budget year, the fiscal year that immediately precedes that budget year.

(13) OUTYEAR.—The term “outyear” means, with respect to a budget year, any of the fiscal years that follow the budget year.

(14) OMB.—The term “OMB” means the Director of the Office of Management and Budget.

(15) CBO.—The term “CBO” means the Director of the Congressional Budget Office.

(16) BUDGET OUTLAYS AND OUTLAYS.—The terms “budget outlays” and “outlays” mean,

with respect to any fiscal year, expenditures of funds under budget authority during such year.

(17) BUDGET AUTHORITY AND NEW BUDGET AUTHORITY.—The terms “budget authority” and “new budget authority” have the meanings given to them in section 3 of the Congressional Budget and Impoundment Control Act of 1974.

(18) APPROPRIATION ACT.—The term “appropriation Act” means an Act referred to in section 105 of title 1 of the United States Code.

(19) CONSOLIDATED DEFICIT.—The term “consolidated deficit” means, with respect to a fiscal year, the amount by which total outlays exceed total receipts during that year.

(20) SURPLUS.—The term “surplus” means, with respect to a fiscal year, the amount by which total receipts exceed total outlays during that year.

(21) DIRECT SPENDING CAPS.—The term “direct spending caps” means the nominal dollar limits for entitlements and other mandatory spending pursuant to section 105 (as modified by any revisions provided for in this Act).

TITLE I—ENSURE THAT THE BIPARTISAN BALANCED BUDGET AGREEMENT OF 1997 ACHIEVES ITS GOAL

SEC. 101. TIMETABLE.

On or before:	Action to be completed:
January 15	CBO economic and budget update.
First Monday in February.	President's budget update based on new assumptions.
August 1	CBO and OMB updates.
August 15	Preview report.
Not later than November 1 (and as soon as practical after the end of the fiscal).	OMB and CBO Analyses of Deficits, Revenues and Spending Levels and Projections for the Upcoming Year.
November 1–December 15	Congressional action to avoid sequestration.
December 15	OMB issues final (look back) report for prior year and preview for current year.
December 15	Presidential sequester order or order delaying new/additional revenues reductions scheduled to take effect pursuant to reconciliation legislation enacted in calendar year 1997.

SEC. 102. PROCEDURES TO AVOID SEQUESTRATION OR DELAY OF NEW REVENUE REDUCTIONS.

(a) SPECIAL MESSAGE.—If the OMB Analysis of Actual Spending Levels and Projections for the Upcoming Year indicates that—

(1) deficits in the most recently completed fiscal year exceeded, or the deficits in the budget year are projected to exceed, the deficit targets in section 104, as adjusted pursuant to section 107;

(2) revenues in the most recently completed fiscal year were less than, or revenues in the current year are projected to be less than, the revenue targets in section 104, as adjusted pursuant to section 107; or

(3) outlays in the most recently completed fiscal year exceeded, or outlays in the current year are projected to exceed, the caps in section 104, as adjusted pursuant to section 107;

the President shall submit to Congress with the OMB Analysis of Actual Spending Levels and Projections for the Upcoming Year a special message that includes proposed legislative changes to—

(A) offset all or part of net deficit or outlay excess;

(B) offset all or part of any revenue shortfall; or

(C) revise the deficit or revenue targets or the outlay caps contained in this Act;

through any combination of—

(i) reductions in outlays;

(ii) increases in revenues; or

(iii) increases in the deficit targets or expenditure caps, or reductions in the revenue targets, if the President submits a written determination that, because of economic or programmatic reasons, less than the entire amount of the variances from the balanced budget plan should be offset.

(b) INTRODUCTION OF THE PRESIDENT'S PACKAGE.—Not later than November 15, the message from the President required pursuant to subsection (a) shall be introduced as a joint resolution in the House of Representatives or the Senate by the chairman of its Committee on the Budget. If the chairman fails to do so, after November 15, the joint resolution may be introduced by any Member of that House of Congress and shall be referred to the Committee on the Budget of that House.

(c) HOUSE COMMITTEE ACTION.—The Committee on the Budget, in consultation with the committees of jurisdiction, or, in the case of revenue shortfalls, the Committee on Ways and Means of the House of Representatives shall, by November 15, report a joint resolution containing—

(1) the recommendations in the President's message, or different policies and proposed legislative changes than those contained in the message of the President, to ameliorate or eliminate any excess deficits or expenditures or any revenue shortfalls, or

(2) any changes to the deficit or revenue targets or expenditure caps contained in this Act, except that any changes to the deficit or revenue targets or expenditure caps cannot be greater than the changes recommended in the message submitted by the President.

(d) PROCEDURE IF THE APPROPRIATE COMMITTEE OF THE HOUSE OF REPRESENTATIVES FAILS TO REPORT REQUIRED RESOLUTION.—

(1) AUTOMATIC DISCHARGE OF COMMITTEES ON THE BUDGET OF THE HOUSE.—If the Committee on the Budget of the House of Representatives fails, by November 20, to report a resolution meeting the requirements of subsection (c), the committee shall be automatically discharged from further consideration of the joint resolution reflecting the President's recommendations introduced pursuant to subsection (a), and the joint resolution shall be placed on the appropriate calendar.

(2) CONSIDERATION OF DISCHARGE RESOLUTION IN THE HOUSE.—If the Committee has been discharged under paragraph (1) above, any Member may move that the House of Representatives consider the resolution. Such motion shall be highly privileged and not debatable. It shall not be in order to consider any amendment to the resolution except amendments which are germane and which do not change the net deficit impact of the resolution.

(e) CONSIDERATION OF JOINT RESOLUTIONS IN THE HOUSE.—Consideration of resolutions reported pursuant to subsection (c) or (d) shall be pursuant to the procedures set forth in section 305 of the Congressional Budget Act of 1974 and subsection (d). Notwithstanding subsection (d) and any other rule or order of the House of Representatives or the Senate, it shall be in order to consider amendments to ameliorate any excess spending or revenue shortfalls through different policies and proposed legislation and which do not change the net deficit impact of the resolution.

(f) TRANSMITTAL TO SENATE.—If a joint resolution passes the House of Representatives pursuant to subsection (e), the Clerk of the House of Representatives shall cause the resolution to be engrossed, certified, and transmitted to the Senate within 1 calendar day of the day on which the resolution is passed. The resolution shall be referred to the Senate Committee on the Budget.

(g) REQUIREMENTS FOR SPECIAL JOINT RESOLUTION IN THE SENATE.—The Committee on the Budget, in consultation with the committees of jurisdiction, or, in the case of revenue shortfalls, the Committee on Finance of the Senate shall report not later than December 1—

(1) a joint resolution reflecting the message of the President; or

(2) the joint resolution passed by the House of Representatives, with or without amendment; or

(3) a joint resolution containing different policies and proposed legislative changes than those contained in either the message of the President or the resolution passed by the House of Representatives, to eliminate all or part of any excess deficits or expenditures or any revenue shortfalls, or

(4) any changes to the deficit or revenue targets, or to the expenditure caps, contained in this Act, except that any changes to the deficit or revenue targets or expenditure caps cannot be greater than the changes recommended in the message submitted by the President.

(h) PROCEDURE IF THE APPROPRIATE COMMITTEE OF THE SENATE FAILS TO REPORT REQUIRED RESOLUTION.—(1) In the event that the Committee on the Budget of the Senate fails, by December 1, to report a resolution meeting the requirements of subsection (g), the committee shall be automatically discharged from further consideration of the joint resolution reflecting the President's recommendations introduced pursuant to subsection (a) and of the resolution passed by the House of Representatives, and both joint resolutions shall be placed on the appropriate calendar.

(2) Any member may move that the Senate consider the resolution passed by the House of Representatives or the resolution introduced pursuant to subsection (b).

(i) CONSIDERATION OF JOINT RESOLUTION IN THE SENATE.—Consideration of resolutions reported pursuant to subsections (c) or (d) shall be pursuant to the procedures set forth in section 305 of the Congressional Budget Act of 1974 and subsection (d).

(j) PROCEDURE IF JOINT RESOLUTION DOES NOT ELIMINATE DEFICIT EXCESS.—If the joint resolution reported by the Committee on the Budget, Way and Means, or Finance pursuant to subsection (c) or (g) or a joint resolution discharged in the House of Representatives or the Senate pursuant to subsection (d)(1) or (h) would eliminate less than—

(1) the entire amount by which actual or projected deficits exceed, or revenues fall short of, the targets in this Act; or

(2) the entire amount by which actual or projected outlays exceed the caps contained in this Act;

then the Committee on the Budget of the Senate shall report a joint resolution, raising the deficit targets or outlay caps, or reducing the revenue targets for any year in which actual or projected spending, revenues or deficits would not conform to the deficit and revenue targets or expenditure caps in this Act.

(k) CONFERENCE REPORTS SHALL FULLY ADDRESS DEFICIT EXCESS.—It shall not be in order in the House of Representatives or the Senate to consider a conference report on a joint resolution to eliminate all or part of any excess deficits or outlays or to eliminate all or part of any revenue shortfall compared to the deficit and revenue targets and the expenditure caps contained in this Act, unless—

(1) the joint resolution offsets the entire amount of any overage or shortfall; or

(2) the House of Representatives and Senate both pass the joint resolution reported pursuant to subsection (j)(2).

The vote on any resolution reported pursuant to subsection (j)(2) shall be solely on the subject of changing the deficit or revenue targets or the expenditure limits in this Act.

SEC. 103. EFFECT ON PRESIDENTS' BUDGET SUBMISSIONS; POINT OF ORDER.

(a) BUDGET SUBMISSION.—Any budget submitted by the President pursuant to section 1105(a) of title 31, United States Code, for each of fiscal years 1998 through 2002 shall be consistent with the spending, revenue, and deficit levels established in sections 104 and 105, as adjusted pursuant to section 107, or it shall recommend changes to those levels.

(b) POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget unless it is consistent with the spending, revenue, and deficit levels established in sections 104 and 105, as adjusted pursuant to section 107.

SEC. 104. DEFICIT AND REVENUE TARGETS.

(a) CONSOLIDATED DEFICIT (OR SURPLUS) TARGETS.—For purposes of sections 102 and 107, the consolidated deficit targets shall be—

- (1) for fiscal year 1998, \$90,500,000,000;
- (2) for fiscal year 1999, \$89,700,000,000;
- (3) for fiscal year 2000, \$83,000,000,000;
- (4) for fiscal year 2001, \$53,300,000,000; and
- (5) for fiscal year 2002, there shall be a surplus of not less than \$1,400,000,000.

(b) CONSOLIDATED REVENUE TARGETS.—For purposes of sections 102, 107, 201, and 204, the consolidated revenue targets shall be—

- (1) for fiscal year 1998, \$1,601,800,000,000;
- (2) for fiscal year 1999, \$1,664,200,000,000;
- (3) for fiscal year 2000, \$1,728,100,000,000;
- (4) for fiscal year 2001, \$1,805,100,000,000; and
- (5) for fiscal year 2002, \$1,890,400,000,000.

SEC. 105. DIRECT SPENDING CAPS.

(a) IN GENERAL.—Effective upon submission of the report by OMB pursuant to subsection (c), direct spending caps shall apply to all entitlement authority except for undistributed offsetting receipts and net interest outlays, subject to adjustments for changes in eligible populations and inflation pursuant to section 107. For purposes of enforcing direct spending caps under this Act, each separate program shown in the table set forth in subsection (d) shall be deemed to be a category.

(b) BUDGET COMMITTEE REPORTS.—Within 30 days after enactment of this Act, the Budget Committees of the House of Representatives and the Senate shall file with their respective Houses identical reports containing account numbers and spending levels for each specific category.

(c) REPORT BY OMB.—Within 30 days after enactment of this Act, OMB shall submit to the President and each House of Congress a report containing account numbers and spending limits for each specific category.

(d) CONTENTS OF REPORTS.—All direct spending accounts not included in these reports under separate categories shall be included under the heading "Other Entitlements and Mandatory Spending". These reports may include adjustments among the caps set forth in this Act as required below, however the aggregate amount available under the "Total Entitlements and Other Mandatory Spending" cap shall be identical in each such report and in this Act and shall be deemed to have been adopted as part of this Act. Each such report shall include the actual amounts of the caps for each year of fiscal years 1998 through 2002 consistent with the concurrent resolution on the budget for FY 1998 for each of the following categories:

- Earned Income Tax Credit,
- Family Support,
- Civilian and other Federal retirement:
- Military retirement,
- Food stamps,

- Medicaid,
- Medicare,
- Social security,
- Supplemental security income,
- Unemployment compensation,
- Veterans' benefits,
- Other entitlements and mandatory spending, and

Aggregate entitlements and other mandatory spending.

(e) ADDITIONAL SPENDING LIMITS.—Legislation enacted subsequent to this Act may include additional caps to limit spending for specific programs, activities, or accounts with these categories. Those additional caps (if any) shall be enforced in the same manner as the limits set forth in such joint explanatory statement.

SEC. 106. ECONOMIC ASSUMPTIONS.

Subject to periodic reestimation based on changed economic conditions or changes in eligible population, determinations of the direct spending caps under section 105, any breaches of such caps, and actions necessary to remedy such breaches shall be based upon the economic assumptions set forth in the joint explanatory statement of managers accompanying the concurrent resolution on the budget for fiscal year 1998 (House Concurrent Resolution 84, 105th Congress). At the same time as the submission of the report by OMB pursuant to section 104(c), OMB shall submit to the President and Congress a report setting forth the economic assumptions in the joint explanatory statement of managers accompanying the concurrent resolution on the budget for fiscal year 1998 and the assumptions regarding eligible populations used in preparing the report submitted pursuant to section 104(c).

SEC. 107. REVISIONS TO DEFICIT AND REVENUE TARGETS AND TO THE CAPS FOR ENTITLEMENTS AND OTHER MANDATORY SPENDING.

(a) AUTOMATIC ADJUSTMENTS TO DEFICIT AND REVENUE TARGETS AND TO CAPS FOR ENTITLEMENTS AND OTHER MANDATORY SPENDING.—When the President submits the budget under section 1105(a) of title 31, United States Code, and upon submission of the OMB report pursuant to section 201(a) for any year, OMB shall calculate (in the order set forth below), and the budget and reports shall include, adjustments to the deficit and revenue targets, and to the direct spending caps (and those limits as cumulatively adjusted) for the current year, the budget year, and each outyear, to reflect the following:

(1) CHANGES TO REVENUE TARGETS.—

(A) CHANGES IN GROWTH.—For Federal revenues and deficits under laws and policies enacted or effective before July 1, 1997, growth adjustment factors shall equal the ratio between the level of year-over-year Gross Domestic Product, as adjusted by the chain-weighted GDP deflator measured for the fiscal year most recently completed and the applicable estimated level for that year as described in section 106.

(B) CHANGES IN INFLATION.—For Federal revenues and deficits under laws and policies enacted or effective before July 1, 1997, inflation adjustment factors shall equal the ratio between the level of year-over-year change in the Consumer Price Index measured for the fiscal year most recently completed and the applicable estimated level for that year as described in section 106.

(2) ADJUSTMENTS TO DIRECT SPENDING CAPS.—

(A) CHANGES IN CONCEPTS AND DEFINITIONS.—The adjustments produced by changes in concepts and definitions shall equal the baseline levels of new budget authority and outlays using up-to-date concepts and definitions minus those levels using the concepts and definitions in effect before such changes. Such changes in con-

cepts and definitions may only be made in consultation with the Committees on Appropriations, the Budget, and Government Reform and Oversight and Governmental Affairs of the House of Representatives and the Senate.

(B) CHANGES IN NET OUTLAYS.—Changes in net outlays for all programs and activities exempt from sequestration under section 204.

(C) CHANGES IN INFLATION.—For direct spending under laws and policies enacted or effective on or before July 1, 1997, inflation adjustment factors shall equal the ratio between the level of year-over-year change in the Consumer Price Index measured for the fiscal year most recently completed and the applicable estimated level for that year as described in section 106 (relating to economic assumptions). For direct spending under laws and policies enacted or effective after July 1, 1997, there shall be no adjustment to the direct spending caps (for changes in economic conditions including inflation, nor for changes in numbers of eligible beneficiaries) unless—

(i) the Act or the joint explanatory statement of managers accompanying such Act providing new direct spending includes economic projections and projections of numbers of beneficiaries; and

(ii) such Act specifically provides for automatic adjustments to the direct spending caps in section 105 based on those projections.

(D) CHANGES IN ELIGIBLE POPULATIONS.—For direct spending under laws and policies enacted or effective on or before July 1, 1997, the direct spending caps shall be adjusted to reflect changes in eligible populations, based on the assumptions set forth in the OMB report submitted pursuant to section 106. In making such adjustments, OMB shall estimate the changes in spending resulting from the change in eligible populations. For direct spending under laws and policies enacted or effective after July 1, 1997, there shall be no adjustment to the direct spending caps for changes in numbers of eligible beneficiaries unless—

(i) the Act or the joint explanatory statement of managers accompanying such Act providing new direct spending includes economic projections and projections of numbers of beneficiaries; and

(ii) such Act specifically provides for automatic adjustments to the direct spending caps in section 105 based on those projections.

(E) INTRA-BUDGETARY PAYMENTS.—From discretionary accounts to mandatory accounts. The baseline and the discretionary spending caps shall be adjusted to reflect those changes.

(b) CHANGES TO DEFICIT TARGETS.—The deficit targets in section 104 shall be adjusted to reflect changes to the revenue targets or changes to the caps for entitlements and other mandatory spending pursuant to subsection (a).

(c) PERMISSIBLE REVISIONS TO DEFICIT AND REVENUE TARGETS AND DIRECT SPENDING CAPS.—Deficit and revenue targets and direct spending caps as enacted pursuant to sections 104 and 105 may be revised as follows: Except as required pursuant to subsection (a) and (b), deficit, revenue, and direct spending caps may only be adjusted by recorded vote. It shall be a matter of highest privilege in the House of Representatives and the Senate for a Member of the House of Representatives or the Senate to insist on a recorded vote solely on the question of amending such caps. It shall not be in order for the Committee on Rules of the House of Representatives to report a resolution waiving the provisions of this subsection. This subsection may be waived in the Senate

only by an affirmative vote of three-fifths of the Members duly chosen and sworn.

TITLE II—ENFORCEMENT PROVISIONS

SEC. 201. REPORTING EXCESS SPENDING.

(a) ANALYSIS OF ACTUAL DEFICIT, REVENUE, AND SPENDING LEVELS.—As soon as practicable after any fiscal year, OMB shall compile a statement of actual and projected deficits, revenues, and direct spending for that year and the current fiscal year. The statement shall identify such spending by categories contained in section 105.

(b) ESTIMATE OF NECESSARY SPENDING REDUCTION.—Based on the statement provided under subsection (a), the OMB shall issue a report to the President and the Congress on December 15 of any year in which such statement identifies actual or projected deficits, revenues, or spending in the current or immediately preceding fiscal years in violation of the revenue targets or direct spending caps in section 104 or 105, as adjusted pursuant to section 107, by more than one-tenth of one percent of the applicable total revenues or direct spending for such year. The report shall include:

(1) The amount, if any, that total direct spending exceeded, or is projected to exceed, the aggregate direct spending cap in section 105, as adjusted pursuant to section 107.

(2) All instances in which actual direct spending has exceeded the applicable direct spending cap.

(3) The difference between the amount of spending available under the direct spending caps for the current year and estimated actual spending for the categories associated with such caps.

(4) The amounts by which direct spending shall be reduced in the current fiscal year to offset the net amount that actual direct spending in the preceding fiscal year and projected direct spending in the current fiscal year exceeds the amounts available for each cap category.

SEC. 202. ENFORCING DIRECT SPENDING CAPS.

(a) PURPOSE.—This subtitle provides enforcement of the direct spending caps on categories of spending established pursuant to section 105. This section shall apply for any fiscal year in which the statement provided under section 201 identifies actual direct spending in the preceding fiscal year or projected direct spending in the current year in excess of the aggregate direct spending cap, as adjusted pursuant to section 107.

(b) GENERAL RULES.—

(1) ELIMINATING A BREACH.—Each non-exempt account within a category shall be reduced by a dollar amount calculated by multiplying the baseline level of sequestrable budgetary resources in that account at that time by the uniform percentage necessary to eliminate a breach within that category.

(2) PROGRAMS, PROJECTS, OR ACTIVITIES.—Except as otherwise provided, the same percentage sequestration shall apply to all programs, projects and activities within a budget account.

(3) INDEFINITE AUTHORITY.—Except as otherwise provided, sequestration in accounts for which obligations are indefinite shall be taken in a manner to ensure that obligations in the fiscal year of a sequestration and succeeding fiscal years are reduced, from the level that would actually have occurred, by the applicable sequestration percentage or percentages.

(4) CANCELLATION OF BUDGETARY RESOURCES.—Budgetary resources sequestered from any account other than an trust, special or revolving fund shall revert to the Treasury and be permanently canceled.

(5) IMPLEMENTING REGULATIONS.—Notwithstanding any other provision of law, administrative rules or similar actions implementing any sequestration shall take effect within 30 days after that sequestration.

SEC. 203. SEQUESTRATION RULES.

(a) GENERAL RULES.—For programs subject to direct spending caps:

(1) TRIGGERING OF SEQUESTRATION.—Sequestration is triggered if total direct spending subject to the caps in the preceding fiscal year and projected direct spending subject to the caps in the current fiscal year exceeds the total of aggregate caps for direct spending for the current and immediately preceding fiscal year.

(2) CALCULATION OF REDUCTIONS.—The amount to be sequestered from direct spending programs under each separate cap shall be determined by multiplying the total amount that direct spending in that category exceeded or is projected to exceed the direct spending cap for that category by—

(A) the net amount that total direct spending exceeded, or is projected to exceed, the aggregate spending caps, as identified pursuant to paragraph 201(b)(1); multiplied by

(B) the net amount that direct spending by which the category exceeded and is projected to exceed the direct spending cap for that category, divided by the net amount that total spending exceeded and is projected to exceed the applicable direct spending cap for all categories in which spending exceeds the applicable direct spending caps.

(3) UNIFORM PERCENTAGES.—In calculating the uniform percentage applicable to the sequestration of all spending programs or activities within each category, or the uniform percentage applicable to the sequestration of nonexempt direct spending programs or activities, the sequestrable base for direct spending programs and activities is the total level of outlays for the fiscal year for those programs or activities in the current law baseline.

(4) PERMANENT SEQUESTRATION OF DIRECT SPENDING.—Obligations in sequestered direct spending accounts shall be reduced in the fiscal year in which a sequestration occurs and in all succeeding fiscal years. Notwithstanding any other provision of this section, after the first direct spending sequestration, any later sequestration shall reduce direct spending by an amount in addition to, rather than in lieu of, the reduction in direct spending in place under the existing sequestration or sequestrations.

(5) SPECIAL RULE.—For any direct spending program in which—

(A) outlays pay for entitlement benefits;

(B) a current-year sequestration takes effect after the 1st day of the budget year;

(C) that delay reduces the amount of entitlement authority that is subject to sequestration in the budget; and

(D) the uniform percentage otherwise applicable to the budget-year sequestration of a program or activity is increased due to the delay;

then the uniform percentage shall revert to the uniform percentage calculated under paragraph (3) when the budget year is completed.

(6) INDEXED BENEFIT PAYMENTS.—If, under any entitlement program—

(A) benefit payments are made to persons or governments more frequently than once a year; and

(B) the amount of entitlement authority is periodically adjusted under existing law to reflect changes in a price index (commonly called "cost of living adjustments");

sequestration shall first be applied to the cost of living adjustment before reductions are made to the base benefit. For the first fiscal year to which a sequestration applies, the benefit payment reductions in such programs accomplished by the order shall take effect starting with the payment made at the beginning of January following a final sequester. For the purposes of this subsection,

veterans' compensation shall be considered a program that meets the conditions of the preceding sentence.

(7) LOAN PROGRAMS.—For all loans made, extended, or otherwise modified on or after any sequestration under loan programs subject to direct spending caps—

(A) the sequestrable base shall be total fees associated with all loans made extended or otherwise modified on or after the date of sequestration; and

(B) the fees paid by borrowers shall be increased by a uniform percentage sufficient to produce the dollar savings in such loan programs for the fiscal year or years of the sequestrations required by this section.

Notwithstanding any other provision of law, in any year in which a sequestration is in effect, all subsequent fees shall be increased by the uniform percentage and all proceeds from such fees shall be paid into the general fund of the Treasury.

(8) INSURANCE PROGRAMS.—Any sequestration of a Federal program that sells insurance contracts to the public (including the Federal Crop Insurance Fund, the National Insurance Development Fund, the National Flood Insurance fund, insurance activities of the Overseas Private Insurance Corporation, and Veterans' Life insurance programs) shall be accomplished by increasing premiums on contracts entered into extended or otherwise modified, after the date a sequestration order takes effect by the uniform sequestration percentage. Notwithstanding any other provision of law, for any year in which a sequestration affecting such programs is in effect, subsequent premiums shall be increased by the uniform percentage and all proceeds from the premium increase shall be paid from the insurance fund or account to the general fund of the Treasury.

(9) STATE GRANT FORMULAS.—For all State grant programs subject to direct spending caps—

(A) the total amount of funds available for all States shall be reduced by the amount required to be sequestered; and

(B) if States are projected to receive increased funding in the budget year compared to the immediately preceding fiscal year, sequestration shall first be applied to the estimated increases before reductions are made compared to actual payments to States in the previous year—

(i) the reductions shall be applied first to the total estimated increases for all States; then

(ii) the uniform reduction shall be made from each State's grant; and

(iii) the uniform reduction shall apply to the base funding levels available to states in the immediately preceding fiscal year only to the extent necessary to eliminate any remaining excess over the applicable direct spending cap.

(10) SPECIAL RULE FOR CERTAIN PROGRAMS.—Except matters exempted under section 205 and programs subject to special rules set forth under section 206 and notwithstanding any other provisions of law, any sequestration required under this Act shall reduce benefit levels by an amount sufficient to eliminate all excess spending identified in the report issued pursuant to section 201, while maintaining the same uniform percentage reduction in the monetary value of benefits subject to reduction under this subsection.

(b) WITHIN-SESSION SEQUESTER.—If a bill or resolution providing direct spending for the current year is enacted before July 1 of that fiscal year and causes a breach within any direct spending cap for that fiscal year, 15 days later there shall be a sequestration to eliminate that breach within that cap.

SEC. 204. ENFORCING REVENUE TARGETS.

(a) **PURPOSE.**—This section enforces the revenue targets established pursuant to section 104. This section shall apply for any year in which actual revenues in the preceding fiscal year or projected revenues in the current year are less than the applicable revenue target, as adjusted pursuant to section 107.

(b) **ESTIMATE OF NECESSITY TO SUSPEND NEW REVENUE REDUCTIONS.**—Based on the statement provided under section 201(a), OMB shall issue a report to the President and the Congress on December 15 of any year in which such statement identifies actual or projected revenues in the current or immediately preceding fiscal years lower than the applicable revenue target in section 104, as adjusted pursuant to section 107, by more than 0.1 percent of the applicable total revenue target for such year. The report shall include—

(1) all laws and policies described in subsection (c) which would cause revenues to decline in the calendar year which begins January 1 compared to the provisions of law in effect on December 15;

(2) the amounts by which revenues would be reduced by implementation of the provisions of law described in paragraph (1) compared to provisions of law in effect on December 15; and

(3) whether delaying implementation of the provisions of law described in paragraph (1) would cause the total for revenues in the current fiscal year and actual revenues in the immediately preceding fiscal year to equal or exceed the total of the targets for the applicable years.

(c) **NO CREDITS, DEDUCTIONS, EXCLUSIONS, PREFERENTIAL RATE OF TAX, ETC.**—(1) If any provision of the Internal Revenue Code of 1986 added by the Revenue Reconciliation Act of 1997 establishing or increasing any credit, deduction, exclusion, or eligibility limit or reducing any rate would (but for this section) first take effect in a tax benefit suspension year, and would reduce revenues over the 5-year period beginning with the tax benefit suspension year, such provision shall not take effect until the first calendar year which is not a tax benefit suspension year.

(2) **SUSPENSION OF INDEXATION.**—No new adjustment for inflation shall be made to any credit, deduction, or exclusion enacted as part of the Revenue Reconciliation Act of 1997 in a tax benefit suspension year.

(d) **END OF SESSION.**—If the OMB report issued under subsection (a) indicates that the total revenues projected in the current year and actual revenues in the immediately preceding year will equal or exceed the applicable targets, the President shall sign an order ending the delayed phase-in of new tax cuts effective January 1. Such order shall provide that the new tax cuts and adjustments for inflation shall take effect as if the provisions of this section had not taken effect.

(e) **SUSPENSION OF NEW BENEFITS BEING PHASED IN.**—If, under any provision of the Internal Revenue Code of 1986 added by the Revenue Reconciliation Act of 1997, there is an increase in any benefit which would (but for this section) take effect with respect to a tax benefit suspension year, in lieu of applying subsection (c)—

(1) any increase in the benefit under such section with respect to such year and each subsequent calendar year shall be delayed 1 calendar year, and

(2) the level of benefit under such section with respect to the prior calendar year shall apply to such tax benefit suspension year.

(f) **PERCENTAGE SUSPENSION WHERE FULL SUSPENSION UNNECESSARY TO ACHIEVE REVENUE TARGET.**—If the application of subsections (c), (d), and (e) to any tax benefit suspension year would result in total reve-

nuces in the current year to equal or exceed the targets described in section 104 such that the amount of each benefit which is denied is only the percentage of such benefit which is necessary to result in revenues equal to such target. Such percentage shall be determined by OMB, and the same percentage shall apply to such benefits.

(g) **TAX BENEFIT SUSPENSION YEAR.**—For purposes of this section, the term "tax benefit suspension year" means any calendar year if the statement issued under subsection (b) during the preceding calendar year indicates that—

(1) for the fiscal year ending in such preceding calendar year, actual revenues were lower than the applicable revenue target in section 104, as adjusted pursuant to section 106, for such fiscal year by more than 1 percent of such target, or

(2) for the fiscal year beginning in such preceding calendar year, projected revenues (determined without regard to this section) are estimated to be lower than the applicable revenue target in section 104, as adjusted pursuant to section 106, for such fiscal year by more than 0.1 percent of such target.

SEC. 205. EXEMPT PROGRAMS AND ACTIVITIES.

The following budget accounts, activities within accounts, or income shall be exempt from sequestration—

(1) net interest;

(2) all payments to trust funds from excise taxes or other receipts or collections properly creditable to those trust funds;

(3) offsetting receipts and collections;

(4) all payments from one Federal direct spending budget account to another Federal budget account;

(5) all intragovernmental funds including those from which funding is derived primarily from other Government accounts;

(6) expenses to the extent they result from private donations, bequests, or voluntary contributions to the Government;

(7) nonbudgetary activities, including but not limited to—

(A) credit liquidating and financing accounts;

(B) the Pension Benefit Guarantee Corporation Trust Funds;

(C) the Thrift Savings Fund;

(D) the Federal Reserve System; and

(E) appropriations for the District of Columbia to the extent they are appropriations of locally raised funds;

(8) payments resulting from Government insurance, Government guarantees, or any other form of contingent liability, to the extent those payments result from contractual or other legally binding commitments of the Government at the time of any sequestration;

(9) the following accounts, which largely fulfill requirements of the Constitution or otherwise make payments to which the Government is committed—

Bureau of Indian Affairs, miscellaneous trust funds, tribal trust funds (14-9973-0-7-999);

Claims, defense;

Claims, judgments and relief act (20-1895-0-1-806);

Compact of Free Association, economic assistance pursuant to Public Law 99-658 (14-0415-0-1-806);

Compensation of the President (11-0001-0-1-802);

Customs Service, miscellaneous permanent appropriations (20-9992-0-2-852);

Eastern Indian land claims settlement fund (14-2202-0-1-806);

Farm Credit System Financial Assistance Corporation, interest payments (20-1850-0-1-351);

Internal Revenue collections of Puerto Rico (20-5737-0-2-852);

Payments of Vietnam and USS Pueblo prisoner-of-war claims (15-0104-0-1-153);

Payments to copyright owners (03-5175-0-2-376);

Salaries of Article III judges (not including cost of living adjustments);

Soldier's and Airman's Home, payment of claims (84-8930-0-7-705);

Washington Metropolitan Area Transit Authority, interest payments (46-0300-0-1-401);

(10) the following noncredit special, revolving, or trust-revolving funds—

Exchange Stabilization Fund (20-4444-0-3-155); and

Foreign Military Sales trust fund (11-82232-0-7-155).

SEC. 206. SPECIAL RULES.

(a) **CHILD SUPPORT ENFORCEMENT PROGRAM.**—Any sequestration order shall accomplish the full amount of any required reduction in payments under sections 455 and 458 of the Social Security Act by reducing the Federal matching rate for State administrative costs under the program, as specified (for the fiscal year involved) in section 455(a) of such Act, to the extent necessary to reduce such expenditures by that amount.

(b) **COMMODITY CREDIT CORPORATION.**—

(1) **EFFECTIVE DATE.**—For the Commodity Credit Corporation, the date on which a sequestration order takes effect in a fiscal year shall vary for each crop of a commodity. In general, the sequestration order shall take effect when issued, but for each crop of a commodity for which 1-year contracts are issued as an entitlement, the sequestration order shall take effect with the start of the sign-up period for that crop that begins after the sequestration order is issued. Payments for each contract in such a crop shall be reduced under the same terms and conditions.

(2) **DAIRY PROGRAM.**—

(A) As the sole means of achieving any reduction in outlays under the milk price-support program, the Secretary of Agriculture shall provide for a reduction to be made in the price received by producers for all milk in the United States and marketed by producers for commercial use.

(B) That price reduction (measured in cents per hundred-weight of milk marketed) shall occur under subparagraph (A) of section 201(d)(2) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)(2)(A)), shall begin on the day any sequestration order is issued, and shall not exceed the aggregate amount of the reduction in outlays under the milk price-support program, that otherwise would have been achieved by reducing payments made for the purchase of milk or the products of milk under this subsection during that fiscal year.

(3) **CERTAIN AUTHORITY NOT TO BE LIMITED.**—Nothing in this Act shall restrict the Corporation in the discharge of its authority and responsibility as a corporation to buy and sell commodities in international trade, or limit or reduce in any way any appropriation that provides the Corporation with funds to cover its realized losses.

(c) **EARNED INCOME TAX CREDIT.**—

(1) The sequestrable base for earned income tax credit program is the dollar value of all current year benefits to the entire eligible population.

(2) In the event sequestration is triggered to reduce earned income tax credits, all earned income tax credits shall be reduced, whether or not such credits otherwise would result in cash payments to beneficiaries, by a uniform percentage sufficient to produce the dollar savings required by the sequestration.

(d) **REGULAR AND EXTENDED UNEMPLOYMENT COMPENSATION.**—

(1) A State may reduce each weekly benefit payment made under the regular and extended unemployment benefit programs for

any week of unemployment occurring during any period with respect to which payments are reduced under any sequestration order by a percentage not to exceed the percentage by which the Federal payment to the State is to be reduced for such week as a result of such order.

(2) A reduction by a State in accordance with paragraph (1) shall not be considered as a failure to fulfill the requirements of section 3304(a)(1) of the Internal Revenue Code of 1986.

(e) **FEDERAL EMPLOYEES HEALTH BENEFITS FUND.**—For the Federal Employees Health Benefits Fund, a sequestration order shall take effect with the next open season. The sequestration shall be accomplished by annual payments from that Fund to the General Fund of the Treasury. Those annual payments shall be financed solely by charging higher premiums. The sequestrable base for the Fund is the current-year level of gross outlays resulting from claims paid after the sequestration order takes effect.

(f) **FEDERAL HOUSING FINANCE BOARD.**—Any sequestration of the Federal Housing Board shall be accomplished by annual payments (by the end of each fiscal year) from that Board to the general fund of the Treasury, in amounts equal to the uniform sequestration percentage for that year times the gross obligations of the Board in that year.

(g) **FEDERAL PAY.**—

(1) **IN GENERAL.**—New budget authority to pay Federal personnel from direct spending accounts shall be reduced by the uniform percentage calculated under section 203(c)(3), as applicable, but no sequestration order may reduce or have the effect of reducing the rate of pay to which any individual is entitled under any statutory pay system as increased by any amount payable under section 5304 of title 5, United States Code, or any increase in rates of pay which is scheduled to take effect under section 5303 of title 5, United States Code, section 1109 of title 37, United States Code, or any other provision of law.

(2) **DEFINITIONS.**—For purposes of this subsection—

(A) the term "statutory pay system" shall have the meaning given that term in section 5302(1) of title 5, United States Code; term "elements of military pay" means—

(i) the elements of compensation of members of the uniformed services specified in section 1009 of title 37, United States Code;

(ii) allowances provided members of the uniformed services under sections 403(a) and 405 of such title; and

(iii) cadet pay and midshipman pay under section 203(c) of such title; and

(C) the term "uniformed services" shall have the same meaning given that term in section 101(3) of title 37, United States Code.

(h) **MEDICARE.**—

(1) **IN GENERAL.**—Any sequestration shall accomplish 90 percent of the required reduction by reductions in payments for services under title XVIII of the Social Security Act and 10 percent of the required reduction through increases in beneficiary premiums under part B of title XVIII of the Social Security Act.

(2) **TIMING OF APPLICATION OF REDUCTIONS.**—

(A) **IN GENERAL.**—Except as provided in subparagraph (B), if a reduction is made in payment amounts pursuant to sequestration order, the reduction shall be applied to payment for services furnished after the effective date of the order. For purposes of the previous sentence, in the case of inpatient services furnished for an individual, the services shall be considered to be furnished on the date of the individual's discharge from the inpatient facility.

(B) **PAYMENT ON THE BASIS OF COST REPORTING PERIODS.**—In the case in which payment

for services of a provider of services is made under title XVIII of the Social Security Act on a basis relating to the reasonable cost incurred for the services during a cost reporting period of the provider, if a reduction is made in payment amounts pursuant to a sequestration order, the reduction shall be applied to payment for costs for such services incurred at any time during each cost reporting period of the provider any part of which occurs after the effective date of order, but only (for each such cost reporting period) in the same proportion as the fraction of the cost reporting period that occurs after the effective date of the order.

(3) **NO INCREASE IN BENEFICIARY CHARGES IN ASSIGNMENT-RELATED CASES.**—If a reduction in payment amounts is made pursuant to a sequestration order for services for which payment under part B of title XVIII of the Social Security Act is made on the basis of an assignment described in section 1842(b)(3)(B)(ii), in accordance with section 1842(b)(6)(B), or under the procedure described in section 1870(f)(1) of such Act, the person furnishing the services shall be considered to have accepted payment of the reasonable charge for the services, less any reduction in payment amount made pursuant to a sequestration order, as payment in full.

(4) **PART B PREMIUMS.**—In computing the amount and method, part B premiums shall be increased by a percentage to be determined by dividing 10 percent of the amount that medicare spending exceeds the applicable cap by the total amount of all premium collections. All beneficiary premiums shall be increased by the percentage calculated pursuant to the preceding sentence, except that no increase in the premium shall result in a reduction in social security benefit payments to any beneficiary.

(5) **NO EFFECT ON COMPUTATION OF AAPCC.**—In computing the adjusted average per capita cost for purposes of section 1876(a)(4) of the Social Security Act, the Secretary of Health and Human Services shall not take into account any reductions in payment amounts which have been or may be effected under this part.

(i) **POSTAL SERVICE FUND.**—Any sequestration of the Postal Service Fund shall be accomplished by annual payments from that Fund to the General Fund of the Treasury, and the Postmaster General of the United States and shall have the duty to make those payments during the first fiscal year to which the sequestration order applies and each succeeding fiscal year. The amount of each annual payment shall be—

(1) the uniform sequestration percentage, times

(2) the estimated gross obligations of the Postal Service Fund in that year other than those obligations financed with an appropriation for revenue forgone that year.

Any such payment for a fiscal year shall be made as soon as possible during the fiscal year, except that it may be made in installments within that year if the payment schedule is approved by the Secretary of the Treasury. Within 30 days after the sequestration order is issued, the Postmaster General shall submit to the Postal Rate Commission a plan for financing the annual payment for that fiscal year and publish that plan in the Federal Register. The plan may assume efficiencies in the operation of the Postal Service, reductions in capital expenditures, increases in the prices of services, or any combination, but may not assume a lower Fund surplus or higher Fund deficit and shall follow the requirements of existing law governing the Postal Service in all other respects. Within 30 days of the receipt of that plan, the Postal Rate Commission shall approve the plan or modify it in the manner that

modifications are allowed under current law. If the Postal Rate Commission does not respond to the plan within 30 days, the plan submitted by the Postmaster General shall go into effect. Any plan may be later revised by the submission of a new plan to the Postal Rate Commission, which may approve or modify it.

(j) **POWER MARKETING ADMINISTRATIONS AND T.V.A.**—Any sequestration of the Department of Energy power marketing administration funds or the Tennessee Valley Authority fund shall be accomplished by annual payments from those funds to the General Fund of the Treasury, and the administrators of those funds shall have the duty to make those payments during the fiscal year to which the sequestration order applies and each succeeding fiscal year. The amount of each payment by a fund shall be—

(1) the direct spending uniform sequestration percentage, times

(2) the estimated gross obligations of the fund in that year other than those obligations financed from discretionary appropriations for that year.

Any such payment for a fiscal year shall be made as soon as possible during the fiscal year, except that it may be made in installments within that year if the payment schedule is approved by the Secretary of the Treasury. Annual payments by a fund may be financed by reductions in costs required to produce the pre-sequester amount of power (but those reductions shall not include reductions in the amount of power supplied by the fund), by reductions in capital expenditures, by increases in tax rates, or by any combination, but may not be financed by a lower fund surplus, a higher fund deficit, additional borrowing, delay in repayment of principal on outstanding debt and shall follow the requirements of existing law governing the fund in all other respects. The administrator of a fund or the TVA Board is authorized to take the actions specified in this subsection in order to make the annual payments to the Treasury.

(k) **BUSINESS-LIKE TRANSACTIONS.**—Notwithstanding any other provision of law, for programs which provide a business-like service in exchange for a fee, sequestration shall be accomplished through a uniform increase in fees (sufficient to produce the dollar savings in such programs for the fiscal year of the sequestration required by section 201(a)(2)), all subsequent fees shall be increased by the same percentage, and all proceeds from such fees shall be paid into the general fund of the Treasury, in any year for which a sequester affecting such programs are in effect.

SEC. 207. THE CURRENT LAW BASELINE.

(a) **SUBMISSION OF REPORTS.**—CBO and OMB shall submit to the President and the Congress reports setting forth the budget baselines for the budget year and the next nine fiscal years. The CBO report shall be submitted on or before January 15. The OMB report shall accompany the President's budget.

(b) **DETERMINATION OF THE BUDGET BASELINE.**—(1) The budget baseline shall be based on the common economic assumptions set forth in section 106, adjusted to reflect revisions pursuant to subsection (c).

(2) The budget baseline shall consist of a projection of current year levels of budget authority, outlays, revenues and the surplus or deficit into the budget year and the relevant outyears based on current enacted laws as of the date of the projection.

(3) For discretionary spending items, the baseline shall be the spending caps in effect pursuant to section 601(a)(2) of the Congressional Budget Act of 1974. For years for which there are no caps, the baseline for discretionary spending shall be the same as the

last year for which there were statutory caps.

(4) For all other expenditures and for revenues, the baseline shall be adjusted by comparing unemployment, inflation, interest rates, growth and eligible population for the most recent period for which actual data are available, compared to the assumptions contained in section 107.

(c) REVISIONS TO THE BASELINE.—The baseline shall be adjusted for up-to-date economic assumptions for all reports issued pursuant to section 107 of this Act and section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 208. LIMITATIONS ON EMERGENCY SPENDING.

(a) IN GENERAL.—(1) Within the discretionary caps for each fiscal year contained in this Act, an amount shall be withheld from allocation to the appropriate committees of the House of Representatives and of the Senate and reserved for natural disasters and other emergency purposes.

(2) Such amount for each such fiscal year shall not be less than 1 percent of total budget authority and outlays available within those caps for that fiscal year.

(3) No adjustments shall be made to the discretionary spending limits under section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985 unless the amount appropriated for discretionary accounts that have been designated as emergency requirements exceed the amount reserved pursuant to paragraph (1). Any adjustment shall be limited to the amount that total appropriations designated as emergency requirements for the fiscal year exceeds the amount reserved pursuant to paragraph (1).

(4) The amounts reserved pursuant to this subsection shall be made available for allocation to such committees only if—

(A) the President has made a request for such disaster funds;

(B) the programs to be funded are included in such request; and

(C) the projected obligations for unforeseen emergency needs exceed the 10-year rolling average annual expenditures for existing programs included in the Presidential request for the applicable fiscal year.

(5) Notwithstanding any other provision of law—

(A) States and localities shall be required to maintain effort and ensure that Federal assistance payments do not replace, subvert or otherwise have the effect of reducing regularly budgeted State and local expenditures for law enforcement, firefighting, road construction and maintenance, building construction and maintenance or any other category of regular government expenditure (to ensure that Federal disaster payments are made only for incremental costs directly attributable to unforeseen disasters, and do not replace or reduce regular State and local expenditures for the same purposes);

(B) the President may not take administrative action to waive any requirement for States or localities to make minimum matching payments as a condition or receiving Federal disaster assistance or take administrative action to waive all or part of any repayment of Federal loans for the State or local matching share required as a condition of receiving Federal disaster assistance. This clause shall apply to all matching share requirements and loans to meet matching share requirements under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) and any other Acts pursuant to which the President may declare a disaster or disasters and States and localities otherwise qualify for Federal disaster assistance; and

(C) a two-thirds vote in each House of Congress shall be required for each emergency to

reduce or waive the State matching requirement or to forgive all or part of loans for the State matching share as required under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

(b) EFFECT BUDGET RESOLUTIONS.—(1) All concurrent resolutions on the budget (including revisions) shall specify the amount of new budget authority and outlays within the discretionary spending cap that shall be withheld from allocation to the committees and reserved for natural disasters, and a procedure for releasing such funds for allocation to the appropriate committee. The amount withheld shall be equal to 1 percent of the total discretionary spending cap for fiscal year covered by the resolution, unless additional amounts are specified.

(2) The procedure for allocation of the amounts pursuant to paragraph (1) shall ensure that the funds are released for allocation only pursuant to the conditions contained in subsection (a)(3)(A) through (C).

(c) RESTRICTION ON USE OF FUNDS.—Notwithstanding any other provision of law, the amount reserved pursuant to subsection (a) shall not be available for other than emergency funding requirements for particular natural disasters or national security emergencies so designated by Acts of Congress.

(d) NEW POINT OF ORDER.—(1) Title IV of the Congressional Budget Act of 1974 is amended by adding at the end the following new section:

“POINT OF ORDER REGARDING EMERGENCIES

“SEC. 408. It shall not be in order in the House of Representatives or the Senate to consider any bill or joint resolution, or amendment thereto or conference report thereon, containing an emergency designation for purposes of section 251(b)(2)(D) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 or of section 208 of the Budget Enforcement Act of 1997 if it also provides an appropriation or direct spending for any other item or contains any other matter, but that bill or joint resolution, amendment, or conference report may contain rescissions of budget authority or reductions of direct spending, or that amendment may reduce amounts for that emergency.”.

(2) The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 407 the following new item:

“Sec. 408. Point of order regarding emergencies.”.

TITLE III—USE OF BUDGET SURPLUS TO PRESERVE SOCIAL SECURITY TRUST FUND

SEC. 301. ENDING USE OF RECEIPTS OF SOCIAL SECURITY TRUST FUND FOR OTHER PROGRAMS AND ACTIVITIES

(a) If, in any year, revenues are higher than the targets in section 104, as adjusted pursuant to section 107, or spending is lower than the caps in section 105, as adjusted, and the deficits are lower than the targets in section 105, as adjusted pursuant to section 107, those amounts shall be applied pursuant to subsection (b).

(b) All funds described in subsection (a) up to \$100 billion shall be used to reduce the consolidated budget deficit and, to the extent that funds are available to eliminate the consolidated budget deficit, to retire the outstanding debt of the United States Government held by the public.

(c) Any use of funds described in subsection (a) for any purpose other than provided in subsection (b) shall be subject to the requirements of section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985, and any reduction in the amounts described in subsection (a) shall be considered as an increase in the deficit.

(d) When the President submits the budget under section 1105(a) of title 31, United States Code, for any year, OMB shall adjust the Social Security Trust Fund surpluses for each year under this section, based on the most recent estimates of such surpluses to be provided to OMB by the Secretary of the Treasury.

H.R. 2003

OFFERED BY: MR. EVANS

AMENDMENT NO. 2: Page 17, strike line 2.

Page 36, after line 15, insert the following (and redesignate the succeeding paragraph accordingly):

(10) payments and expenses under programs, benefits, and activities of the Department of Veterans Affairs and, insofar as they relate to veterans, of the Department of Labor;

H.R. 2159

OFFERED BY: MR. BURTON OF INDIANA

AMENDMENT NO. 3: At the end of the bill, insert after the last section (preceding the short title) the following new section:

LIMITATION ON ASSISTANCE IN INDIA

SEC. 572. Not more than \$51,180,000 of the funds appropriated or otherwise made available in this Act under the heading “Development Assistance” may be made available for assistance in India.

H.R. 2159

OFFERED BY: MR. BURTON OF INDIANA

AMENDMENT NO. 38: At the end of the bill, insert after the last section (preceding the short title) the following new section:

LIMITATION ON ASSISTANCE IN INDIA

SEC. 572. Not more than \$41,775,000 of the funds appropriated or otherwise made available in this Act under the heading “Development Assistance” may be made available for assistance in India.

H.R. 2159

OFFERED BY: MR. BURTON OF INDIANA

AMENDMENT NO. 39: At the end of the bill, insert after the last section (preceding the short title) the following new section:

LIMITATION ON ASSISTANCE FOR INDIA

SEC. 572. None of the funds appropriated or otherwise made available in this Act under the heading “Development Assistance” may be made available for assistance to the Government of India.

H.R. 2159

OFFERED BY: MR. BURTON OF INDIANA

AMENDMENT NO. 40: At the end of the bill, insert after the last section (preceding the short title) the following new section:

LIMITATION ON ASSISTANCE FOR INDIA

SEC. 572. None of the funds appropriated or otherwise made available in this Act under the heading “Development Assistance” may be made available for assistance in India unless such funds are provided to nongovernmental organizations.

H.R. 2159

OFFERED BY: MR. FOX OF PENNSYLVANIA

AMENDMENT NO. 41: Page 94, after line 3, insert the following:

SEC. 572. None of the funds made available under the heading “DEVELOPMENT ASSISTANCE” may be used to directly support or promote trophy hunting or the international commercial trade in elephant ivory, elephant hides, or rhinoceros horns.

H.R. 2159

OFFERED BY: MS. HARMAN

AMENDMENT NO. 42: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SENSE OF THE CONGRESS REGARDING PROLIFERATION OF MISSILE TECHNOLOGY FROM RUSSIA TO IRAN

SEC. 572. (a) FINDINGS.—The Congress find the following:

(1) There is substantial evidence that missile technology and technical advice have been provided from Russia to Iran, in violation of the Missile Technology Control Regime.

(2) These violations include providing assistance to Iran in developing ballistic missiles, including the transfer of wind tunnel and rocket engine testing equipment.

(3) These technologies give Iran the capability to deploy a missile of sufficient range to threaten United States military installations in the Middle East and Persian Gulf, as well as the territory of Israel, and our North Atlantic Treaty Organization ally Turkey.

(4) President Clinton has raised with Russian President Boris Yeltsin United States concerns about these activities and the Russian response has to date been inadequate.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) The President should demand that the Government of Russia take concrete actions to stop governmental and nongovernmental entities in the Russian Federation from providing missile technology and technical advice to Iran, in violation of the Missile Technology Control Regime;

(2) if the Russian response is inadequate, the United States should impose sanctions on the responsible Russian entities in accordance with Executive Order 12938 on the Proliferation of Weapons of Mass Destruction, and reassess cooperative activities with Russia;

(3) the threshold under current law allowing for the waiver of the prohibition on the release of foreign assistance to Russia should be raised; and

(4) our European allies should be encouraged to take steps in accordance with their own laws to stop such proliferation.

H.R. 2159

OFFERED BY: MR. LAZIO

AMENDMENT NO. 43: At the end of the bill, insert after the last section (preceding the short title) the following new section:

LIMITATION ON ASSISTANCE FOR EGYPT

SEC. 572. Of the funds appropriated or otherwise made available in this Act under the heading "ECONOMIC SUPPORT FUND" not more than \$615,000,000 may be made available for Egypt.

H.R. 2159

OFFERED BY: MR. MENENDEZ

AMENDMENT NO. 44: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 572. None of the funds appropriated or otherwise made available by this Act under the heading "INTERNATIONAL ORGANIZATIONS AND PROGRAMS" that are made available for the International Atomic Energy Agency shall be made available for programs or projects of such Agency in Cuba.

H.R. 2159

OFFERED BY: MR. MICA

AMENDMENT NO. 45: Page 6, line 3, after "\$650,000,000" insert "(increased by \$19,400,000)".

Page 12, line 9, after "\$468,750,000" insert "(decreased by \$19,400,000)".

H.R. 2159

OFFERED BY: MR. SAXTON

AMENDMENT NO. 46: At the end of the bill, insert after the last section (preceding the short title) the following new section:

LIMITATION ON ASSISTANCE TO THE P.L.O., THE PALESTINIAN AUTHORITY, AND RELATED OR SUCCESSOR ENTITIES

SEC. 572. None of the funds appropriated or otherwise made available by this Act may be provided directly to the Palestine Liberation Organization (P.L.O.), the Palestinian Authority, or related or successor entities.

H.R. 2159

OFFERED BY: MR. SAXTON

AMENDMENT NO. 47: At the end of the bill, insert after the last section (preceding the short title) the following new section:

LIMITATION ON ASSISTANCE TO THE P.L.O. OR THE PALESTINIAN AUTHORITY

SEC. 572. None of the funds appropriated or otherwise made available by this Act may be provided directly to the Palestine Liberation Organization (P.L.O.), or the Palestinian Authority.

H.R. 2159,

OFFERED BY: MR. TAYLOR

AMENDMENT NO. 48: Page 22, after line 10, add the following:

(o) Funds appropriated under this heading may be made available to establish and carry out a pilot program to provide affordable housing in the Russian Federation. Provided, that none of the funds appropriated may be used for the purposes of providing Russian military housing.

H.R. 2159,

OFFERED BY: MR. YATES

AMENDMENT NO. 49: At the end of the bill, insert the following after the last section (preceding the short title):

LIMITATION ON ASSISTANCE TO THE GOVERNMENT OF CROATIA

SEC. 572. (a) LIMITATION.—None of the funds appropriated or otherwise made available by Title II of this Act may be made available to the Government of Croatia if that government relocates the remains of Croatian Ustashe soldiers, who participated during the Holocaust in the mass murder of Jews, Serbs, and Gypsies, at the site of the World War II concentration camp at Jasenovac, Croatia.

(b) NATIONAL INTEREST EXCEPTION.—Assistance restricted by subsection (a) may be furnished if the President determines that furnishing such assistance is important to the national interests of the United States.

(c) REPORT TO CONGRESS.—Whenever the President makes a determination under subsection (b), the President shall submit to the appropriate congressional committees a report with respect to the furnishing of assistance pursuant to the determination. Any such report shall include a detailed explanation of the assistance and how it furthers United States national interests.

H.R. 2159,

OFFERED BY: MR. YATES

AMENDMENT NO. 50: At the end of the bill, insert the following after the last section (preceding the short title):

LIMITATION ON ASSISTANCE TO THE GOVERNMENT OF CROATIA

SEC. 572. (a) LIMITATION.—None of the funds appropriated or otherwise made available by Title II of this Act may be made available to the Government of Croatia if that government relocates the remains of Croatian Ustashe soldiers, who participated during the Holocaust in the mass murder of Jews, Serbs, and Gypsies, at the site of the World War II concentration camp at Jasenovac, Croatia.

(b) TERMINATION OF PROHIBITION.—The prohibition under subsection (a) with respect to the Government of Croatia shall terminate after the Government of Croatia provides the Secretary of State with compelling proof that the historical symbolism of Jasenovac, and the remains of those who were murdered by the Nazis and their collaborators, will remain undisturbed and that no other remains will ever be added to the remains of the victims of Nazi tyranny buried at Jasenovac, Croatia.

(d) DEFINITIONS.—For purposes of this section, the term "appropriate congressional committees" means the Committees on Appropriations of the House of Representatives and Senate.

H.R. 2159

OFFERED BY: MR. YATES

AMENDMENT NO. 51: At the end of the bill, insert the following after the last section (preceding the short title):

LIMITATION OF ASSISTANCE TO THE GOVERNMENT OF CROATIA

SEC. 572. None of the funds appropriated or otherwise made available by title II of this Act may be made available to the Government of Croatia if that government relocates the remains of Croatian Ustashe soldiers, who participated during the Holocaust in the mass murder of Jews, Serbs, and Gypsies, at the site of the World War II concentration camp at Jasenovac, Croatia.

H.R. 2159

OFFERED BY: MR. YATES

AMENDMENT NO. 52: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 572. Of the funds appropriated or otherwise made available by this Act under the heading "DEVELOPMENT ASSISTANCE", not more than \$2,900,000 may be made available to the Administrator of the United States Agency for International Development for the Communal Areas Management Programme for Indigenous Resources (CAMPFIRE) in Zimbabwe: *Provided*, That none of the funds appropriated or otherwise made available by this Act to such Agency under the heading "DEVELOPMENT ASSISTANCE" may be used to directly finance the trophy hunting of elephants or other endangered species as defined in the Convention on International Trade in Endangered Species of Flora and Fauna (CITES) or the Endangered Species Act: *Provided further*, That funds appropriated or otherwise made available by this Act to such Agency under the heading "DEVELOPMENT ASSISTANCE" that are provided under the CAMPFIRE program may not be used for activities with the express intent to lobby or otherwise influence international conventions or treaties, or United States government decisionmakers: *Provided further*, That funds appropriated or otherwise made available by this Act to such Agency under the heading "DEVELOPMENT ASSISTANCE" that are made available for the CAMPFIRE program may be used only in Zimbabwe for the purpose of maximizing benefits to rural people while strengthening natural resources management institutions: *Provided further*, That not later than March 1, 1998, the Administrator of the United States Agency for International Development shall submit to the appropriate congressional committees a report describing the steps taken to implement the CAMPFIRE program, the impact of the program on the people and wildlife of CAMPFIRE districts, alternatives to trophy hunting as a means of generating income for CAMPFIRE districts, and a description of how funds made available for CAMPFIRE in fiscal year 1998 are to be used.

H.R. 2160

OFFERED BY: MR. MILLER OF FLORIDA

AMENDMENT NO. 21: Insert before the short title the following new section:

SEC. . . None of the funds appropriated or otherwise made available by this Act to the Department of Agriculture shall be used to pay the salaries and expenses of personnel who issue, under section 156 of the Agricultural Market Transition Act (7 U.S.C. 7272), any nonrecourse loans to sugar beet or sugar cane processors.

H.R. 2160

OFFERED BY: MR. CHABOT

AMENDMENT NO. 22: Insert before the short title the following new section:

SEC. . None of the funds appropriated or otherwise made available by this Act may be used to carry out section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) or to pay the salaries and expenses of personnel who carry out a market program under such section.

H.R. 2160

OFFERED BY: MR. POMBO

AMENDMENT NO. 23: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 728. None of the funds made available in title III of this Act may be used to provide any assistance (other than the servicing of loans made on or before September 30, 1997) under any program under title V of the Housing Act of 1949 relating to any housing or project located, or to be located, in the City of Galt, California.

H.R. 2160

OFFERED BY: MR. OBEY

AMENDMENT NO. 24: Page 54, after line 13, insert the following:

In addition, for the Food for Progress Act of 1985 (7 U.S.C. 1736o), in addition to the amounts and commodities made available in fiscal year 1997 under subsections (f)(3), (g), and (l)(1) of that Act, \$50,000,000 shall be available to furnish dairy products on a grant basis, to be derived by transfer from fiscal year 1997 unexpended balances for the Dairy Export Incentive Program. Products furnished under this provision shall not be subject to the existing commodity ceiling and funds made available under this provision shall not be subject to the caps under subsections (f)(3) and (l)(1).

H.R. 2160

OFFERED BY: MR. OBEY

AMENDMENT NO. 25: On page 67, line 6, after the dollar amount insert: "(reduced by \$155,000,000)".

H.R. 2160

OFFERED BY: MR. OBEY

AMENDMENT NO. 26: On page 67, line 6, after the dollar amount insert: "(reduced by \$105,000,000)".

H.R. 2160

OFFERED BY: MR. OBEY

AMENDMENT NO. 27: On page 67, line 6, after the dollar amount insert: "(reduced by \$80,000,000)".

H.R. 2160

OFFERED BY: MR. OBEY

AMENDMENT NO. 28: On page 67, line 6, after the dollar amount insert: "(reduced by \$55,000,000)".

H.R. 2160

OFFERED BY: MR. OBEY

AMENDMENT NO. 29: On page 67, line 6, after the dollar amount insert: "(reduced by \$30,000,000)".

H.R. 2160

OFFERED BY: MR. OBEY

AMENDMENT NO. 30: On page 67, line 6, after the dollar amount insert: "(reduced by \$5,000,000)".

H.R. 2160

OFFERED BY: MR. OBEY

AMENDMENT NO. 31: On page 67, strike lines 7 through 13.

H.R. 2160

OFFERED BY: MR. OBEY

AMENDMENT NO. 32: On page 67, strike lines 14 through 19.

H.R. 2160

OFFERED BY: MR. OBEY

AMENDMENT NO. 33: On page 67, strike lines 20 through 24.

H.R. 2160

OFFERED BY: MR. OBEY

AMENDMENT NO. 34: On page 68, strike lines 8 through 11.

H.R. 2160

OFFERED BY: MR. WYNN

AMENDMENT NO. 35: On page 68, after line 16, add the following new section:

"SEC. For an additional amount for the purposes provided for under the heading 'Departmental Administration' in Title I of this Act, \$1,500,000, and the amount provided under 'National Agricultural Statistics Service' is hereby reduced by \$1,500,000."

H.R. 2203

OFFERED BY: MR. SOLOMON

AMENDMENT NO. 1: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 502. None of the funds made available in this Act may be provided by contract or by grant (including a grant of funds to be available for student aid) to any institution of higher education, or subelement thereof, that is currently ineligible for contracts and grants pursuant to section 514 of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1997 (as contained in section 101(e) of division A of Public Law 104-208; 110 Stat. 3009-270).