

Mr. TORRICELLI. Mr. President, I rise today together with Senators THOMAS, REED, HELMS, WELLSTONE, COVERDELL, and KERRY, to submit a resolution on Indonesia's upcoming Parliamentary elections. These are both exciting and troubling times in Indonesia. The elections scheduled for June 7th could be the beginning of a new, democratic Indonesia. At the same time, though, we receive almost daily reports of increased social unrest and a bleak economic future.

While inflation and interest rates have fallen, the Indonesian economy remains unstable. Recent clashes between Muslims and Christians in Ambon remind us that Indonesia's ethnic tensions could overwhelm the country at any minute. The status of East Timor is an ongoing issue for the people of Indonesia, although President Habibie has vowed to come to resolution by the end of the year. Depending upon the outcome of the vote on autonomy, the Parliament elected in June could have a direct influence on East Timor's future.

The upcoming June elections are a critical benchmark for Indonesia's efforts to pursue democratic reform. A freely elected Parliament will further distance Indonesia from its past and help instill a democratic culture. If these elections are proven to be free, fair and transparent, Indonesia will be well on its way to having a government with popular legitimacy.

I applaud the Administration's efforts to ensure that the elections on June 7th are open and transparent. U.S. support for a fair election process will send a strong message to the participants. The pledge of \$30 million to help Indonesia realize its goal of free and fair elections demonstrates an understanding of how important June 7th is, not only in Indonesia, but in Southeast Asia as a whole. While Indonesia's new election laws provide for monitors at the national, provincial and district levels, we must ensure that monitors are properly trained and educated. We must move quickly to maximize the interim period before the elections and encourage other nations to actively support our efforts to promote a free and fair process.

Producing transparent and legitimate election results is a responsibility that cannot be overlooked. However, we must look forward at the same time. The economic and social problems Indonesia is currently facing will be with the country past the election, and they need continued attention from this Congress and the Administration. The country's future will be uncertain if the pressing issues of today are ignored.

For this reason, I have introduced a resolution that supports Indonesia's efforts to hold free and fair elections. It calls upon all political, military and ethnic leaders to refrain from violence and work toward a peaceful campaign period. In addition, it urges all candidates to address some of these social

problems and incorporate possible solutions into their election platforms. This Congress can have a positive impact on democracy in Indonesia by helping to keep its future leaders focused on achieving long term social and economic stability.

AMENDMENTS SUBMITTED ON APRIL 23, 1999

LEGISLATION TO PROVIDE GUIDANCE FOR THE DESIGNATION OF EMERGENCIES AS A PART OF THE BUDGET PROCESS

LOTT AMENDMENTS NOS. 256-264

(Ordered to lie on the table.)

Mr. LOTT submitted nine amendments intended to be proposed by him to the bill (S. 557) a bill to provide guidance for the designation of emergencies as a part of the budget process; as follows:

AMENDMENT NO. 256

At the end of the instructions add the following:

with an amendment as follows:

TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the "Social Security Surplus Preservation and Debt Reduction Act".

SEC. 202. FINDINGS.

Congress finds that—

(1) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security trust funds will reduce the debt held by the public by a total of \$1,723,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.—

(1) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

"(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

"(k) DEBT HELD BY THE PUBLIC POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would—

"(1) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

"(2) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

"(l) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

"(1) IN GENERAL.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

"(2) EXCEPTION.—Paragraph (1) shall not apply if—

"(A) the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is suspended; or

"(B) the deficit for a fiscal year results solely from the enactment of—

"(i) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

"(ii) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985."

"(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking "305(b)(2)," and inserting "301(k), 301(l), 305(b)(2), 318."

"(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

"(c) EXCEPTION FOR DEFENSE SPENDING.—Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category."

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(1) in section 3, by adding at the end the following:

"(1)(A) The term 'debt held by the public' means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

"(B) For the purpose of this paragraph, the term 'face amount', for any month, of any debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

"(i) the original issue price of the obligation; plus

"(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

"(12) The term 'social security surplus' means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.";

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(B) inserting after paragraph (5) the following:

“(6) the debt held by the public; and”;

(3) in section 310(a) by—

(A) striking “or” at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph:

“(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or”.

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 250, by striking subsection (b) and inserting the following:

“(b) GENERAL STATEMENT OF PURPOSE.—This part provides for the enforcement of—

“(1) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

“(2) a limit on the debt held by the public to ensure that social security surpluses are used for social security reform or to reduce debt held by the public and are not spent on other programs.”;

(2) in section 250(c)(1), by inserting “‘ debt held by the public’, ‘social security surplus’ after ‘outlays’,”; and

(3) by inserting after section 253 the following:

“SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.

“(a) LIMIT.—The debt held by the public shall not exceed—

“(1) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

“(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

“(3) for the period beginning May 1, 2002 through April 30, 2004, \$3,383,000,000,000;

“(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

“(5) for the period beginning May 1, 2006 through April 30, 2008, \$2,775,000,000,000; and,

“(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUS LEVELS.—

(1) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

“(A) for fiscal year 1999, \$127,000,000,000;

“(B) for fiscal year 2000, \$137,000,000,000;

“(C) for fiscal year 2001, \$145,000,000,000;

“(D) for fiscal year 2002, \$153,000,000,000;

“(E) for fiscal year 2003, \$162,000,000,000;

“(F) for fiscal year 2004, \$171,000,000,000;

“(G) for fiscal year 2005, \$184,000,000,000;

“(H) for fiscal year 2006, \$193,000,000,000;

“(I) for fiscal year 2007, \$204,000,000,000;

“(J) for fiscal year 2008, \$212,000,000,000; and

“(K) for fiscal year 2009, \$218,000,000,000.

(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (1) and subtract that actual level.

(B) ADJUSTMENT.—

(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

“(II) each subsequent limit.

(ii) 2004 THROUGH 2010.—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

“(II) each subsequent limit.

(c) ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.—

(I) ESTIMATE OF LEGISLATION.—

(A) CALCULATION.—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision’s effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

(2) ADJUSTMENT.—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

(ii) each subsequent limit; and

(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

(ii) each subsequent limit.

(3) EXCEPTION.—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year are less than the on-budget surplus for the year before the current year.

(d) ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.—

(1) SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce’s advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

(B) WAR.—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

(2) RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

(A) RESTORATION OF LIMIT.—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the

level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (1).

(B) ADJUSTMENT.—

(i) CALCULATION.—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

(ii) ADJUSTMENT.—The Secretary shall add the amount calculated under clause (i) to—

(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

(II) each subsequent limit.

(e) ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.—

(I) ESTIMATE OF LEGISLATION.—

(A) CALCULATION.—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation’s effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

(2) ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

(e) DEFINITIONS.—In this section:

(1) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

(2) SOCIAL SECURITY REFORM LEGISLATION.—The term ‘social security reform legislation’ means a bill or joint resolution that is enacted into law and includes a provision stating the following:

() SOCIAL SECURITY REFORM LEGISLATION.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.’

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

(3) SOCIAL SECURITY REFORM PROVISIONS.—The term ‘social security reform provisions’ means a provision or provisions identified in social security reform legislation stating the following:

() SOCIAL SECURITY REFORM PROVISIONS.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, _____ of this Act constitutes or constitute social security reform provisions.’, with a list of specific provisions in that bill or joint resolution specified in the blank space.”.

SEC. 205. PRESIDENT’S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking “in a manner consistent” and inserting “in compliance”.

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on April 30, 2010.

AMENDMENT NO. 257

At the end of the instructions add the following:

with an amendment as follows:

At the end of the bill add the following:

TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the “Social Security Surplus Preservation and Debt Reduction Act”.

SEC. 202. FINDINGS.

Congress finds that—

(1) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security trust funds will reduce the debt held by the public by a total of \$1,723,000,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.—

(1) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

“(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

(k) DEBT HELD BY THE PUBLIC POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would—

“(I) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(2) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

(l) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

“(I) IN GENERAL.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

“(2) EXCEPTION.—Paragraph (1) shall not apply if—

“(A) the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is suspended; or

“(B) the deficit for a fiscal year results solely from the enactment of—

“(i) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(ii) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.”.

(c) SUPERMAJORITY WAIVER AND APPEAL.—

Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking “305(b)(2),” and inserting “301(k), 301(l), 305(b)(2), 318.”.

(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

“(c) EXCEPTION FOR DEFENSE SPENDING.—Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category.”.

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(1) in section 3, by adding at the end the following:

“(11)(A) The term ‘debt held by the public’ means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

“(B) For the purpose of this paragraph, the term ‘face amount’, for any month, of any debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

“(i) the original issue price of the obligation; plus

“(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

“(12) The term ‘social security surplus’ means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.”;

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(B) inserting after paragraph (5) the following:

“(6) the debt held by the public; and”;

(3) in section 310(a) by—

(A) striking “or” at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph;

“(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or”.

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 250, by striking subsection (b) and inserting the following:

“(b) GENERAL STATEMENT OF PURPOSE.—This part provides for the enforcement of—

“(I) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

“(2) a limit on the debt held by the public to ensure that social security surpluses are used for social security reform or to reduce debt held by the public and are not spent on other programs.”;

(2) in section 250(c)(1), by inserting “‘debt held by the public’, ‘social security surplus’” after “outlays”; and

(3) by inserting after section 253 the following:

SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.

(a) LIMIT.—The debt held by the public shall not exceed—

“(1) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

“(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

“(3) for the period beginning May 1, 2002 through April 30, 2004, \$3,383,000,000,000;

“(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

“(5) for the period beginning May 1, 2006 through April 30, 2008, \$2,775,000,000,000; and,

“(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUS LEVELS.—

(1) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

“(A) for fiscal year 1999, \$127,000,000,000;

“(B) for fiscal year 2000, \$137,000,000,000;

“(C) for fiscal year 2001, \$145,000,000,000;

“(D) for fiscal year 2002, \$153,000,000,000;

“(E) for fiscal year 2003, \$162,000,000,000;

“(F) for fiscal year 2004, \$171,000,000,000;

“(G) for fiscal year 2005, \$184,000,000,000;

“(H) for fiscal year 2006, \$193,000,000,000;

“(I) for fiscal year 2007, \$204,000,000,000;

“(J) for fiscal year 2008, \$212,000,000,000; and,

“(K) for fiscal year 2009, \$218,000,000,000.

(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (1) and subtract that actual level.

(B) ADJUSTMENT.—

(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

(II) each subsequent limit.

(ii) 2004 THROUGH 2010.—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

(II) each subsequent limit.

(c) ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.—

(I) ESTIMATE OF LEGISLATION.—

(A) CALCULATION.—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision’s effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

“(2) ADJUSTMENT.—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

“(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

“(ii) each subsequent limit; and

“(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

“(ii) each subsequent limit.

“(3) EXCEPTION.—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year are less than the on-budget surplus for the year before the current year.

“(d) ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.—

“(I) SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce's advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

“(B) WAR.—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

“(2) RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) RESTORATION OF LIMIT.—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (1).

“(B) ADJUSTMENT.—

“(i) CALCULATION.—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

“(ii) ADJUSTMENT.—The Secretary shall add the amount calculated under clause (i) to—

“(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

“(II) each subsequent limit.

“(e) ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.—

“(I) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation's ef-

fect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

“(2) ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

“(e) DEFINITIONS.—In this section:

“(I) SECRETARY.—The term 'Secretary' means the Secretary of the Treasury.

“(2) SOCIAL SECURITY REFORM LEGISLATION.—The term 'social security reform legislation' means a bill or joint resolution that is enacted into law and includes a provision stating the following:

“() SOCIAL SECURITY REFORM LEGISLATION.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

“(3) SOCIAL SECURITY REFORM PROVISIONS.—The term 'social security reform provisions' means a provision or provisions identified in social security reform legislation stating the following:

“() SOCIAL SECURITY REFORM PROVISIONS.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, _____ of this Act constitutes or constitutes social security reform provisions, with a list of specific provisions in that bill or joint resolution specified in the blank space.”.

SEC. 205. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking “in a manner consistent” and inserting “in compliance”.

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on April 30, 2010.

AMENDMENT NO. 258

At the end of the instructions add the following:

with an amendment as follows:

At the end of the bill add the following:
TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the “Social Security Surplus Preservation and Debt Reduction Act”.

SEC. 202. FINDINGS.

Congress finds that—

(I) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security

trust funds will reduce the debt held by the public by a total of \$1,723,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.—

(I) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

(k) DEBT HELD BY THE PUBLIC POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would—

(I) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

(2) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

(l) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

(I) IN GENERAL.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

(2) EXCEPTION.—Paragraph (1) shall not apply if—

(A) the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is suspended; or

(B) the deficit for a fiscal year results solely from the enactment of—

(i) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

(ii) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.”.

(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking “305(b)(2),” and inserting “301(k), 301(l), 305(b)(2), 318.”.

(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

(c) EXCEPTION FOR DEFENSE SPENDING.—Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category.”.

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(1) in section 3, by adding at the end the following:

“(11)(A) The term ‘debt held by the public’ means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

“(B) For the purpose of this paragraph, the term ‘face amount’, for any month, of any debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

“(i) the original issue price of the obligation; plus

“(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

“(12) The term ‘social security surplus’ means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.”;

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(B) inserting after paragraph (5) the following:

“(6) the debt held by the public; and”; and

(3) in section 310(a) by—

(A) striking “or” at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph:

“(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or”.

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 250, by striking subsection (b) and inserting the following:

“(b) GENERAL STATEMENT OF PURPOSE.—This part provides for the enforcement of—

“(I) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

“(2) a limit on the debt held by the public to ensure that social security surpluses are used for social security reform or to reduce debt held by the public and are not spent on other programs.”;

(2) in section 250(c)(1), by inserting “‘debt held by the public’, ‘social security surplus’” after “outlays”; and

(3) by inserting after section 253 the following:

SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.

(a) LIMIT.—The debt held by the public shall not exceed—

“(1) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

“(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

“(3) for the period beginning May 1, 2002 through April 30, 2004, \$3,383,000,000,000;

“(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

“(5) for the period beginning May 1, 2006 through April 30, 2008, \$2,775,000,000,000; and,

“(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUS LEVELS.—

“(1) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

“(A) for fiscal year 1999, \$127,000,000,000;
“(B) for fiscal year 2000, \$137,000,000,000;
“(C) for fiscal year 2001, \$145,000,000,000;
“(D) for fiscal year 2002, \$153,000,000,000;
“(E) for fiscal year 2003, \$162,000,000,000;
“(F) for fiscal year 2004, \$171,000,000,000;
“(G) for fiscal year 2005, \$184,000,000,000;
“(H) for fiscal year 2006, \$193,000,000,000;
“(I) for fiscal year 2007, \$204,000,000,000;
“(J) for fiscal year 2008, \$212,000,000,000; and
“(K) for fiscal year 2009, \$218,000,000,000.

“(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

“(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (1) and subtract that actual level.

“(B) ADJUSTMENT.—

“(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

“(II) each subsequent limit.

“(ii) 2004 THROUGH 2010.—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

“(II) each subsequent limit.

“(c) ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.—

“(I) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision’s effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

“(2) ADJUSTMENT.—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

“(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

“(ii) each subsequent limit; and

“(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

“(ii) each subsequent limit.

“(3) EXCEPTION.—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year are less than the on-budget surplus for the year before the current year.

“(d) ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.—

“(1) SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce’s advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

“(B) WAR.—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

“(2) RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) RESTORATION OF LIMIT.—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (1).

“(B) ADJUSTMENT.—

“(i) CALCULATION.—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

“(ii) ADJUSTMENT.—The Secretary shall add the amount calculated under clause (i) to—

“(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

“(II) each subsequent limit.

“(e) ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.—

“(I) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation’s effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

“(2) ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

“(e) DEFINITIONS.—In this section:

“(I) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(2) SOCIAL SECURITY REFORM LEGISLATION.—The term ‘social security reform legislation’ means a bill or joint resolution that

is enacted into law and includes a provision stating the following:

“() SOCIAL SECURITY REFORM LEGISLATION.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.’

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

“(3) SOCIAL SECURITY REFORM PROVISIONS.—The term ‘social security reform provisions’ means a provision or provisions identified in social security reform legislation stating the following:

“() SOCIAL SECURITY REFORM PROVISIONS.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, _____ of this Act constitutes or constitutes social security reform provisions,’ with a list of specific provisions in that bill or joint resolution specified in the blank space.”.

SEC. 205. PRESIDENT’S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking “in a manner consistent” and inserting “in compliance”.

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on April 30, 2010.

AMENDMENT No. 259

In the pending amendment strike all after the word “following” and insert the following:

TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the “Social Security Surplus Preservation and Debt Reduction Act”.

SEC. 202. FINDINGS.

Congress finds that—

(1) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security trust funds will reduce the debt held by the public by a total of \$1,723,000,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.

(1) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

“(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

“(k) DEBT HELD BY THE PUBLIC POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would—

“(l) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(m) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

“(l) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

“(l) IN GENERAL.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

“(l) EXCEPTION.—Paragraph (l) shall not apply if—

“(l) the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is suspended; or

“(l) the deficit for a fiscal year results solely from the enactment of—

“(l) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(l) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.”.

(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking “305(b)(2),” and inserting “301(k), 301(l), 305(b)(2), 318.”.

(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

“(c) EXCEPTION FOR DEFENSE SPENDING.—Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category.”.

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(1) in section 3, by adding at the end the following:

“(l)(A) The term ‘debt held by the public’ means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

“(B) For the purpose of this paragraph, the term ‘face amount’, for any month, of any debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

“(l)(i) the original issue price of the obligation; plus

“(l)(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

“(l)(D) The term ‘social security surplus’ means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.”;

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(B) inserting after paragraph (5) the following:

“(6) the debt held by the public; and”;

(3) in section 310(a) by—

(A) striking “or” at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph;

“(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or”.

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 250, by striking subsection (b) and inserting the following:

“(b) GENERAL STATEMENT OF PURPOSE.—

This part provides for the enforcement of—

“(l) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

“(2) a limit on the debt held by the public to ensure that social security surpluses are used for social security reform or to reduce debt held by the public and are not spent on other programs.”;

(2) in section 250(c)(1), by inserting “‘debt held by the public’, ‘social security surplus’” after “outlays”; and

(3) by inserting after section 253 the following:

SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.

(a) LIMIT.—The debt held by the public shall not exceed—

“(l) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

“(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

“(3) for the period beginning May 1, 2002 through April 30, 2004, \$3,383,000,000,000;

“(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

“(5) for the period beginning May 1, 2006 through April 30, 2008, \$2,775,000,000,000; and,

“(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUS LEVELS.—

(l) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

“(A) for fiscal year 1999, \$127,000,000,000;

“(B) for fiscal year 2000, \$137,000,000,000;

“(C) for fiscal year 2001, \$145,000,000,000;

“(D) for fiscal year 2002, \$153,000,000,000;

“(E) for fiscal year 2003, \$162,000,000,000;

“(F) for fiscal year 2004, \$171,000,000,000;

“(G) for fiscal year 2005, \$184,000,000,000;

“(H) for fiscal year 2006, \$193,000,000,000;

“(I) for fiscal year 2007, \$204,000,000,000;

“(J) for fiscal year 2008, \$212,000,000,000; and,

“(K) for fiscal year 2009, \$218,000,000,000.

(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (1) and subtract that actual level.

(B) ADJUSTMENT.—

(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

AMENDMENT NO. 260

In the pending amendment strike all after the word "following" and insert the following:

TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT**SEC. 201. SHORT TITLE.**

This title may be cited as the "Social Security Surplus Preservation and Debt Reduction Act".

SEC. 202. FINDINGS.

Congress finds that—

(1) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security trust funds will reduce the debt held by the public by a total of \$1,723,000,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.**(a) PROTECTION BY CONGRESS.**

(1) **REAFFIRMATION OF SUPPORT.**—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) **PROTECTION OF SOCIAL SECURITY BENEFITS.**—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) **POINTS OF ORDER.**—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

"(j) **SOCIAL SECURITY POINT OF ORDER.**—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

"(k) **DEBT HELD BY THE PUBLIC POINT OF ORDER.**—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would—

"(1) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

"(2) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

"(l) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

"(1) **IN GENERAL.**—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

"(2) **EXCEPTION.**—Paragraph (1) shall not apply if—

"(A) the limit on the debt held by the public in section 253A(a) of the Balanced Budget

"(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

"(II) each subsequent limit.

"(ii) **2004 THROUGH 2010.**—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

"(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

"(II) each subsequent limit.

"(c) **ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.**—

"(1) **ESTIMATE OF LEGISLATION.**—

"(A) **CALCULATION.**—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

"(B) **BASELINE LEVELS.**—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

"(C) **ESTIMATE.**—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

"(2) **ADJUSTMENT.**—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

"(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

"(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

"(ii) each subsequent limit; and

"(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

"(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

"(ii) each subsequent limit.

"(3) **EXCEPTION.**—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year are less than the on-budget surplus for the year before the current year.

"(d) **ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.**—

"(1) **SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.**—

"(A) **LOW ECONOMIC GROWTH.**—If the most recent of the Department of Commerce's advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

"(B) **WAR.**—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

"(2) **RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.**—

"(A) **RESTORATION OF LIMIT.**—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the

level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (1).

"(B) **ADJUSTMENT.**—

"(i) **CALCULATION.**—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

"(ii) **ADJUSTMENT.**—The Secretary shall add the amount calculated under clause (i) to—

"(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

"(II) each subsequent limit.

"(e) **ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.**—

"(1) **ESTIMATE OF LEGISLATION.**—

"(A) **CALCULATION.**—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

"(B) **BASELINE LEVELS.**—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

"(C) **ESTIMATE.**—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

"(2) **ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.**—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

"(e) **DEFINITIONS.**—In this section:

"(1) **SECRETARY.**—The term 'Secretary' means the Secretary of the Treasury.

"(2) **SOCIAL SECURITY REFORM LEGISLATION.**—The term 'social security reform legislation' means a bill or joint resolution that is enacted into law and includes a provision stating the following:

"() **SOCIAL SECURITY REFORM LEGISLATION.**—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.'

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

"(3) **SOCIAL SECURITY REFORM PROVISIONS.**—

The term 'social security reform provisions' means a provision or provisions identified in social security reform legislation stating the following:

"() **SOCIAL SECURITY REFORM PROVISIONS.**—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, _____ of this Act constitutes or constitute social security reform provisions., with a list of specific provisions in that bill or joint resolution specified in the blank space."

SEC. 205. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking "in a manner consistent" and inserting "in compliance".

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on May 1, 2010.

and Emergency Deficit Control Act of 1985 is suspended; or

“(B) the deficit for a fiscal year results solely from the enactment of—

“(i) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(ii) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.”.

(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking “305(b)(2),” and inserting “301(k), 301(l), 305(b)(2), 318.”.

(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

“(c) EXCEPTION FOR DEFENSE SPENDING.—Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category.”.

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(1) in section 3, by adding at the end the following:

“(11)(A) The term ‘debt held by the public’ means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

“(B) For the purpose of this paragraph, the term ‘face amount’, for any month, of any debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

“(i) the original issue price of the obligation; plus

“(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

“(12) The term ‘social security surplus’ means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.”;

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(B) inserting after paragraph (5) the following:

“(6) the debt held by the public; and”; and

(3) in section 310(a) by—

(A) striking “or” at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph:

“(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or”.

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 250, by striking subsection (b) and inserting the following:

“(b) GENERAL STATEMENT OF PURPOSE.—This part provides for the enforcement of—

“(1) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

“(2) a limit on the debt held by the public to ensure that social security surpluses are

used for social security reform or to reduce debt held by the public and are not spent on other programs.”;

(2) in section 250(c)(1), by inserting “‘debt held by the public’, ‘social security surplus’” after “outlays”; and

(3) by inserting after section 253 the following:

“SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.

(a) LIMIT.—The debt held by the public shall not exceed—

“(1) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

“(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

“(3) for the period beginning May 1, 2002 through April 30, 2003, \$3,383,000,000,000;

“(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

“(5) for the period beginning May 1, 2006 through April 30, 2008, \$2,775,000,000,000; and,

“(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUS LEVELS.—

(1) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

“(A) for fiscal year 1999, \$127,000,000,000;

“(B) for fiscal year 2000, \$137,000,000,000;

“(C) for fiscal year 2001, \$145,000,000,000;

“(D) for fiscal year 2002, \$153,000,000,000;

“(E) for fiscal year 2003, \$162,000,000,000;

“(F) for fiscal year 2004, \$171,000,000,000;

“(G) for fiscal year 2005, \$184,000,000,000;

“(H) for fiscal year 2006, \$193,000,000,000;

“(I) for fiscal year 2007, \$204,000,000,000;

“(J) for fiscal year 2008, \$212,000,000,000; and

“(K) for fiscal year 2009, \$218,000,000,000.

(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (1) and subtract that actual level.

(B) ADJUSTMENT.—

(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

(II) each subsequent limit.

(ii) 2004 THROUGH 2010.—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

(II) each subsequent limit.

(c) ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.—

(1) ESTIMATE OF LEGISLATION.—

(A) CALCULATION.—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision’s effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year

through fiscal year 2010 using current estimates.

(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

(2) ADJUSTMENT.—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

(ii) each subsequent limit; and

(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

(ii) each subsequent limit.

(3) EXCEPTION.—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year are less than the on-budget surplus for the year before the current year.

(d) ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.—

(i) SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce’s advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

(B) WAR.—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

(2) RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

(A) RESTORATION OF LIMIT.—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (1).

(B) ADJUSTMENT.—

(i) CALCULATION.—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

(ii) ADJUSTMENT.—The Secretary shall add the amount calculated under clause (i) to—

(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

(II) each subsequent limit.

(e) ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.—

(i) ESTIMATE OF LEGISLATION.—

(A) CALCULATION.—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation’s effect on the level of total outlays and receipts excluding the impact on outlays and receipts

of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

“(2) ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

“(e) DEFINITIONS.—In this section:

“(1) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(2) SOCIAL SECURITY REFORM LEGISLATION.—The term ‘social security reform legislation’ means a bill or joint resolution that is enacted into law and includes a provision stating the following:

“() SOCIAL SECURITY REFORM LEGISLATION.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

“(3) SOCIAL SECURITY REFORM PROVISIONS.—The term ‘social security reform provisions’ means a provision or provisions identified in social security reform legislation stating the following:

“() SOCIAL SECURITY REFORM PROVISIONS.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, _____ of this Act constitutes or constitutes social security reform provisions, with a list of specific provisions in that bill or joint resolution specified in the blank space.”.

SEC. 205. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking “in a manner consistent” and inserting “in compliance”.

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on May 1, 2010.

AMENDMENT NO. 261

In the pending amendment strike all after the word “following and insert the following:

TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the “Social Security Surplus Preservation and Debt Reduction Act”.

SEC. 202. FINDINGS.

Congress finds that—

(1) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security trust funds will reduce the debt held by the public by a total of \$1,723,000,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the

debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.—

(1) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

“(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

“(k) DEBT HELD BY THE PUBLIC POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would—

“(1) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(2) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

“(l) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

“(1) IN GENERAL.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

“(2) EXCEPTION.—Paragraph (1) shall not apply if—

“(A) the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is suspended; or

“(B) the deficit for a fiscal year results solely from the enactment of—

“(i) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(ii) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.”.

(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking “305(b)(2),” and inserting “301(k), 301(l), 305(b)(2), 318.”.

(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

“(e) EXCEPTION FOR DEFENSE SPENDING.—Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category.”.

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(1) in section 3, by adding at the end the following:

“(11)(A) The term ‘debt held by the public’ means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

“(B) For the purpose of this paragraph, the term ‘face amount’, for any month, of any debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

“(i) the original issue price of the obligation; plus

“(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

“(12) The term ‘social security surplus’ means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.”;

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectfully; and

(B) inserting after paragraph (5) the following:

“(6) the debt held by the public; and”;

(3) in section 310(a) by—

(A) striking “or” at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph;

“(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or”.

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 250, by striking subsection (b) and inserting the following:

“(b) GENERAL STATEMENT OF PURPOSE.—This part provides for the enforcement of—

“(1) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

“(2) a limit on the debt held by the public to ensure that social security surpluses are used for social security reform or to reduce debt held by the public and are not spent on other programs.”;

(2) in section 250(c)(1), by inserting “‘debt held by the public’, ‘social security surplus’” after “outlays”; and

(3) by inserting after section 253 the following:

SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.

(a) LIMIT.—The debt held by the public shall not exceed—

“(1) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

“(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

“(3) for the period beginning May 1, 2002 through April 30, 2004, \$3,383,000,000,000;

“(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

“(5) for the period beginning May 1, 2008 through April 30, 2010, \$2,775,000,000,000; and

“(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUS LEVELS.

(1) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

“(A) for fiscal year 1999, \$127,000,000,000;

“(B) for fiscal year 2000, \$137,000,000,000;

“(C) for fiscal year 2001, \$145,000,000,000;

“(D) for fiscal year 2002, \$153,000,000,000;

“(E) for fiscal year 2003, \$162,000,000,000;
 “(F) for fiscal year 2004, \$171,000,000,000;
 “(G) for fiscal year 2005, \$184,000,000,000;
 “(H) for fiscal year 2006, \$193,000,000,000;
 “(I) for fiscal year 2007, \$204,000,000,000;
 “(J) for fiscal year 2008, \$212,000,000,000; and
 “(K) for fiscal year 2009, \$218,000,000,000.

“(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

“(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (1) and subtract that actual level.

“(B) ADJUSTMENT.—

“(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

“(II) each subsequent limit.

“(ii) 2004 THROUGH 2010.—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

“(II) each subsequent limit.

“(c) ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.—

“(i) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

“(2) ADJUSTMENT.—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

“(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

“(ii) each subsequent limit; and

“(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

“(ii) each subsequent limit.

“(3) EXCEPTION.—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year

are less than the on-budget surplus for the year before the current year.

“(d) ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.—

“(i) SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce's advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

“(B) WAR.—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

“(2) RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) RESTORATION OF LIMIT.—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (1).

“(B) ADJUSTMENT.—

“(i) CALCULATION.—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

“(ii) ADJUSTMENT.—The Secretary shall add the amount calculated under clause (i) to—

“(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

“(II) each subsequent limit.

“(e) ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.—

“(i) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

“(2) ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

“(e) DEFINITIONS.—In this section:

“(1) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(2) SOCIAL SECURITY REFORM LEGISLATION.—The term ‘social security reform legislation’ means a bill or joint resolution that is enacted into law and includes a provision stating the following:

“() SOCIAL SECURITY REFORM LEGISLATION.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.’

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

“(3) SOCIAL SECURITY REFORM PROVISIONS.—

The term ‘social security reform provisions’ means a provision or provisions identified in social security reform legislation stating the following:

“() SOCIAL SECURITY REFORM PROVISIONS.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, _____ of this Act constitutes or constitutes social security reform provisions,’ with a list of specific provisions in that bill or joint resolution specified in the blank space.”

SEC. 205. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking “in a manner consistent” and inserting “in compliance”.

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on May 1, 2010.

AMENDMENT NO. 262

In lieu of the proposed legislative amendment insert the following:

TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the “Social Security Surplus Preservation and Debt Reduction Act”.

SEC. 202. FINDINGS.

Congress finds that—

(1) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security trust funds will reduce the debt held by the public by a total of \$1,723,000,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.

(1) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

“(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

(k) DEBT HELD BY THE PUBLIC POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution,

amendment, motion, or conference report that would—

“(I) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(2) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

(I) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

“(I) IN GENERAL.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

“(2) EXCEPTION.—Paragraph (I) shall not apply if—

“(A) the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is suspended; or

“(B) the deficit for a fiscal year results solely from the enactment of—

“(i) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(ii) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.”.

(c) SUPERMAJORITY WAIVER AND APPEAL.— Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking “305(b)(2),” and inserting “301(k), 301(l), 305(b)(2), 318.”.

(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

(c) EXCEPTION FOR DEFENSE SPENDING.— Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category.”.

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(I) in section 3, by adding at the end the following:

“(11)(A) The term ‘debt held by the public’ means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

“(B) For the purpose of this paragraph, the term ‘face amount’, for any month, of any debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

“(i) the original issue price of the obligation; plus

“(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

“(12) The term ‘social security surplus’ means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.”;

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(B) inserting after paragraph (5) the following:

“(6) the debt held by the public; and”; and

(3) in section 310(a) by—

(A) striking “or” at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph;

“(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or”.

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(I) in section 250, by striking subsection (b) and inserting the following:

(b) GENERAL STATEMENT OF PURPOSE.—This part provides for the enforcement of—

“(1) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

“(2) a limit on the debt held by the public to ensure that social security surpluses are used for social security reform or to reduce debt held by the public and are not spent on other programs.”;

(2) in section 250(c)(1), by inserting “‘debt held by the public’, ‘social security surplus’” after “outlays”, “; and

(3) by inserting after section 253 the following:

SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.

(a) LIMIT.—The debt held by the public shall not exceed—

“(I) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

“(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

“(3) for the period beginning May 1, 2002 through April 30, 2004, \$3,383,000,000,000;

“(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

“(5) for the period beginning May 1, 2006 through April 30, 2008, \$2,775,000,000,000; and,

“(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUSES LEVELS.—

“(I) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

“(A) for fiscal year 1999, \$127,000,000,000;

“(B) for fiscal year 2000, \$137,000,000,000;

“(C) for fiscal year 2001, \$145,000,000,000;

“(D) for fiscal year 2002, \$153,000,000,000;

“(E) for fiscal year 2003, \$162,000,000,000;

“(F) for fiscal year 2004, \$171,000,000,000;

“(G) for fiscal year 2005, \$184,000,000,000;

“(H) for fiscal year 2006, \$193,000,000,000;

“(I) for fiscal year 2007, \$204,000,000,000;

“(J) for fiscal year 2008, \$212,000,000,000; and

“(K) for fiscal year 2009, \$218,000,000,000.

(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (I) and subtract that actual level.

(B) ADJUSTMENT.—

“(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

“(II) each subsequent limit.

“(ii) 2004 THROUGH 2010.—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

“(II) each subsequent limit.

(c) ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.—

(I) ESTIMATE OF LEGISLATION.—

(A) CALCULATION.—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision’s effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

(2) ADJUSTMENT.—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

“(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated under paragraph (I)(A) for the current year included in the report referenced in paragraph (I)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

“(ii) each subsequent limit; and

“(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (I)(A) for the current year included in the report referenced in paragraph (I)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

“(ii) each subsequent limit.

(3) EXCEPTION.—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year are less than the on-budget surplus for the year before the current year.

(d) ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.—

(I) SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce’s advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

(B) WAR.—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

(2) RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

(A) RESTORATION OF LIMIT.—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (I).

(B) ADJUSTMENT.—

(i) CALCULATION.—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the

limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

“(ii) ADJUSTMENT.—The Secretary shall add the amount calculated under clause (i) to—

“(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

“(II) each subsequent limit.

“(e) ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.—

“(I) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

“(2) ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

“(e) DEFINITIONS.—In this section:

“(1) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(2) SOCIAL SECURITY REFORM LEGISLATION.—The term ‘social security reform legislation’ means a bill or joint resolution that is enacted into law and includes a provision stating the following:

“() SOCIAL SECURITY REFORM LEGISLATION.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.’

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

“(3) SOCIAL SECURITY REFORM PROVISIONS.—The term ‘social security reform provisions’ means a provision or provisions identified in social security reform legislation stating the following:

“() SOCIAL SECURITY REFORM PROVISIONS.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, _____ of this Act constitutes or constitute social security reform provisions.’, with a list of specific provisions in that bill or joint resolution specified in the blank space.”.

SEC. 205. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking “in a manner consistent” and inserting “in compliance”.

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on May 1, 2010.

AMENDMENT NO. 263

In lieu of the proposed legislative amendment insert the following:

TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the “Social Security Surplus Preservation and Debt Reduction Act”.

SEC. 202. FINDINGS.

Congress finds that—

(1) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security trust funds will reduce the debt held by the public by a total of \$1,723,000,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.—

(1) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

“(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

“(k) DEBT HELD BY THE PUBLIC POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would—

“(I) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(II) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

“(l) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

“(I) IN GENERAL.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

“(2) EXCEPTION.—Paragraph (I) shall not apply if—

“(A) the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is suspended; or

“(B) the deficit for a fiscal year results solely from the enactment of—

“(i) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(ii) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the

Balanced Budget and Emergency Deficit Control Act of 1985.”.

(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking “305(b)(2),” and inserting “301(k), 301(l), 305(b)(2), 318.”.

(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

(e) EXCEPTION FOR DEFENSE SPENDING.—Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category.”.

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(1) in section 3, by adding at the end the following:

“(11)(A) The term ‘debt held by the public’ means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

“(B) For the purpose of this paragraph, the term ‘face amount’, for any month, of any debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

“(i) the original issue price of the obligation; plus

“(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

“(12) The term ‘social security surplus’ means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.”;

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectfully; and

(B) inserting after paragraph (5) the following:

“(6) the debt held by the public; and”;

(3) in section 310(a) by—

(A) striking “or” at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph;

“(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or”.

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 250, by striking subsection (b) and inserting the following:

“(b) GENERAL STATEMENT OF PURPOSE.—This part provides for the enforcement of—

“(I) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

“(II) a limit on the debt held by the public to ensure that social security surpluses are used for social security reform or to reduce debt held by the public and are not spent on other programs.”;

(2) in section 250(c)(1), by inserting “‘debt held by the public’, ‘social security surplus’” after “outlays”; and

(3) by inserting after section 253 the following:

SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.

(a) LIMIT.—The debt held by the public shall not exceed—

“(1) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

“(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

“(3) for the period beginning May 1, 2002 through April 30, 2004, \$3,383,000,000,000;

“(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

“(5) for the period beginning May 1, 2006 through April 30, 2008, \$2,775,000,000,000; and,

“(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUS LEVELS.—

“(1) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

“(A) for fiscal year 1999, \$127,000,000,000;

“(B) for fiscal year 2000, \$137,000,000,000;

“(C) for fiscal year 2001, \$145,000,000,000;

“(D) for fiscal year 2002, \$153,000,000,000;

“(E) for fiscal year 2003, \$162,000,000,000;

“(F) for fiscal year 2004, \$171,000,000,000;

“(G) for fiscal year 2005, \$184,000,000,000;

“(H) for fiscal year 2006, \$193,000,000,000;

“(I) for fiscal year 2007, \$204,000,000,000;

“(J) for fiscal year 2008, \$212,000,000,000; and

“(K) for fiscal year 2009, \$218,000,000,000.

“(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

“(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (1) and subtract that actual level.

(B) ADJUSTMENT.—

“(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

“(II) each subsequent limit.

“(ii) 2004 THROUGH 2010.—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

“(II) each subsequent limit.

(c) ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.—

(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

“(2) ADJUSTMENT.—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

“(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated

under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

“(ii) each subsequent limit; and

“(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

“(ii) each subsequent limit.

“(3) EXCEPTION.—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year are less than the on-budget surplus for the year before the current year.

(d) ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.—

(1) SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce's advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

“(B) WAR.—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

(2) RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) RESTORATION OF LIMIT.—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (1).

(B) ADJUSTMENT.—

“(i) CALCULATION.—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

“(ii) ADJUSTMENT.—The Secretary shall add the amount calculated under clause (i) to—

“(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

“(II) each subsequent limit.

(e) ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.—

(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

“(2) ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

(e) DEFINITIONS.—In this section:

“(1) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(2) SOCIAL SECURITY REFORM LEGISLATION.—The term ‘social security reform legislation’ means a bill or joint resolution that is enacted into law and includes a provision stating the following:

“(3) SOCIAL SECURITY REFORM LEGISLATION.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.’

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

“(3) SOCIAL SECURITY REFORM PROVISIONS.—The term ‘social security reform provisions’ means a provision or provisions identified in social security reform legislation stating the following:

“(4) SOCIAL SECURITY REFORM PROVISIONS.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, _____ of this Act constitutes or constitute social security reform provisions.’, with a list of specific provisions in that bill or joint resolution specified in the blank space.”.

SEC. 205. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking “in a manner consistent” and inserting “in compliance”.

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on May 1, 2010.

AMENDMENT NO. 264

In lieu of the proposed legislative amendment insert the following:

TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the “Social Security Surplus Preservation and Debt Reduction Act”.

SEC. 202. FINDINGS.

Congress finds that—

(1) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security trust funds will reduce the debt held by the public by a total of \$1,723,000,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.

(1) **REAFFIRMATION OF SUPPORT.**—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes

of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

“(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

(k) DEBT HELD BY THE PUBLIC POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would—

“(I) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(2) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

(l) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

“(I) IN GENERAL.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

“(2) EXCEPTION.—Paragraph (1) shall not apply if—

“(A) the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is suspended; or

“(B) the deficit for a fiscal year results solely from the enactment of—

“(i) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(ii) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.”.

(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking “305(b)(2),” and inserting “301(k), 301(l), 305(b)(2), 318.”.

(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

“(c) EXCEPTION FOR DEFENSE SPENDING.—Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category.”.

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(I) in section 3, by adding at the end the following:

“(1)(A) The term ‘debt held by the public’ means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

“(B) For the purpose of this paragraph, the term ‘face amount’, for any month, of any

debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

“(i) the original issue price of the obligation; plus

“(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

“(12) The term ‘social security surplus’ means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.”;

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(B) inserting after paragraph (5) the following:

“(6) the debt held by the public; and”; and

(3) in section 310(a) by—

(A) striking “or” at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph;

“(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or”.

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 250, by striking subsection (b) and inserting the following:

“(b) GENERAL STATEMENT OF PURPOSE.—

This part provides for the enforcement of—

“(1) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

“(2) a limit on the debt held by the public to ensure that social security surpluses are used for social security reform or to reduce debt held by the public and are not spent on other programs.”;

(2) in section 250(c)(1), by inserting “‘debt held by the public’, ‘social security surplus’ after ‘outlays’”; and

(3) by inserting after section 253 the following:

SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.

(a) LIMIT.—The debt held by the public shall not exceed—

“(1) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

“(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

“(3) for the period beginning May 1, 2002 through April 30, 2004, \$3,383,000,000,000;

“(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

“(5) for the period beginning May 1, 2006 through April 30, 2008, \$2,775,000,000,000; and

“(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUS LEVELS.—

(I) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

“(A) for fiscal year 1999, \$127,000,000,000;

“(B) for fiscal year 2000, \$137,000,000,000;

“(C) for fiscal year 2001, \$145,000,000,000;

“(D) for fiscal year 2002, \$153,000,000,000;

“(E) for fiscal year 2003, \$162,000,000,000;

“(F) for fiscal year 2004, \$171,000,000,000;

“(G) for fiscal year 2005, \$184,000,000,000;

“(H) for fiscal year 2006, \$193,000,000,000;

“(I) for fiscal year 2007, \$204,000,000,000;

“(J) for fiscal year 2008, \$212,000,000,000; and

“(K) for fiscal year 2009, \$218,000,000,000.

(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

“(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (1) and subtract that actual level.

“(B) ADJUSTMENT.—

“(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

“(II) each subsequent limit.

“(ii) 2004 THROUGH 2010.—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

“(II) each subsequent limit.

“(c) ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.—

“(I) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision’s effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

“(2) ADJUSTMENT.—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

“(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

“(ii) each subsequent limit; and

“(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

“(ii) each subsequent limit.

“(3) EXCEPTION.—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year are less than the on-budget surplus for the year before the current year.

“(d) ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.—

“(I) SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce’s advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most

recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

“(B) WAR.—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

“(2) RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) RESTORATION OF LIMIT.—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (1).

“(B) ADJUSTMENT.—

“(i) CALCULATION.—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

“(ii) ADJUSTMENT.—The Secretary shall add the amount calculated under clause (i) to—

“(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

“(II) each subsequent limit.

“(e) ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.—

“(I) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

“(2) ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

“(e) DEFINITIONS.—In this section:

“(I) SECRETARY.—The term 'Secretary' means the Secretary of the Treasury.

“(2) SOCIAL SECURITY REFORM LEGISLATION.—The term 'social security reform legislation' means a bill or joint resolution that is enacted into law and includes a provision stating the following:

“() SOCIAL SECURITY REFORM LEGISLATION.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.'

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

“(3) SOCIAL SECURITY REFORM PROVISIONS.—The term 'social security reform provisions' means a provision or provisions identified in social security reform legislation stating the following:

“() SOCIAL SECURITY REFORM PROVISIONS.—For the purposes of the Social Security Surplus Preservation and Debt Reduc-

tion Act, _____ of this Act constitutes or constitute social security reform provisions.', with a list of specific provisions in that bill or joint resolution specified in the blank space.”

SEC. 205. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking “in a manner consistent” and inserting “in compliance”.

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on May 1, 2010.

AMENDMENTS SUBMITTED ON APRIL 26, 1999

Y2K ACT

HOLLINGS AMENDMENTS NOS. 265- 266

(Ordered to lie on the table.)

Mr. HOLLINGS submitted two amendments intended to be proposed by him to the bill (S. 96) to regulate commerce between and among the several States by providing for the orderly resolution of disputes arising out of computer-based problems related to processing data that includes a 2-digit expression of that year's date; as follows:

AMENDMENT NO. 265

At the end add the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Children's Protection from Violent Programming Act”.

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) Television influences the perception children have of the values and behavior that are common and acceptable in society.

(2) Broadcast television, cable television, and video programming are—

(A) pervasive presences in the lives of all American children; and

(B) readily accessible to all American children.

(3) Violent video programming influences children, as does indecent programming.

(4) There is empirical evidence that children exposed to violent video programming at a young age have a higher tendency to engage in violent and aggressive behavior later in life than those children not so exposed.

(5) Children exposed to violent video programming are prone to assume that acts of violence are acceptable behavior and therefore to imitate such behavior.

(6) Children exposed to violent video programming have an increased fear of becoming a victim of violence, resulting in increased self-protective behaviors and increased mistrust of others.

(7) There is a compelling governmental interest in limiting the negative influences of violent video programming on children.

(8) There is a compelling governmental interest in channeling programming with violent content to periods of the day when children are not likely to comprise a substantial portion of the television audience.

(9) Because some programming that is readily accessible to minors remains unrated and therefore cannot be blocked solely on the basis of its violent contents restricting the hours when violent video programming is shown is the least restrictive and most narrowly tailored means to achieve a compelling governmental interest.

(10) Warning labels about the violent content of video programming will not in them-

selves prevent children from watching violent video programming.

(11) Although many programs are now subject to both age-based and content-based ratings, some broadcast and non-premium cable programs remain unrated with respect to the content of their programming.

(12) Technology-based solutions may be helpful in protecting some children, but may not be effective in achieving the compelling governmental interest in protecting all children from violent programming when parents are only able to block programming that has in fact been rated for violence.

(13) Technology-based solutions will not be installed in all newly manufactured televisions until January 1, 2000.

(14) Even though technology-based solutions will be readily available, many consumers of video programming will not actually own such technology for several years and therefore will be unable to take advantage of content based ratings to prevent their children from watching violent programming.

(15) In light of the fact that some programming remains unrated for content, and given that many consumers will not have blocking technology in the near future, the channeling of violent programming is the least restrictive means to limit the exposure of children to the harmful influences of violent programming.

(16) Restricting the hours when violent programming can be shown protects the interests of children whose parents are unavailable, are unable to supervise their children's viewing behavior, do not have the benefit of technology-based solutions, are unable to afford the costs of technology-based solution, or are unable to determine the content of those shows that are only subject to age-based ratings.

SEC. 3. UNLAWFUL DISTRIBUTION OF VIOLENT VIDEO PROGRAMMING.

Title VII of the Communications Act of 1934 (47 U.S.C. 701 et seq.) is amended by adding at the end the following:

“SEC. 715. UNLAWFUL DISTRIBUTION OF VIOLENT VIDEO PROGRAMMING NOT SPECIFICALLY BLOCKABLE BY ELECTRONIC MEANS.

“(a) UNLAWFUL DISTRIBUTION.—It shall be unlawful for any person to distribute to the public any violent video programming during hours when children are reasonably likely to comprise a substantial portion of the audience.

“(b) RULEMAKING PROCEEDING.—The Commission shall conduct a rulemaking proceeding to implement the provisions of this section and shall promulgate final regulations pursuant to that proceeding not later than 9 months after the date of enactment of the Children's Protection from Violent Programming Act. As part of that proceeding, the Commission—

“(I) may exempt from the prohibition under subsection (a) programming (including news programs and sporting events) whose distribution does not conflict with the objective of protecting children from the negative influences of violent video programming, as that objective is reflected in the findings in section 551(a) of the Telecommunications Act of 1996;

“(2) shall exempt premium and pay-per-view cable programming; and

“(3) shall define the term 'hours when children are reasonably likely to comprise a substantial portion of the audience' and the term 'violent video programming.'

“(c) REPEAT VIOLATIONS.—If a person repeatedly violates this section or any regulation promulgated under this section, the Commission shall, after notice and opportunity for hearing, revoke any license issued to that person under this Act.