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CONGRESSIONAL BUDGET AND IMPOUNDMENT  
CONTROL ACT OF 1974

JUNE 12, 1974.—Ordered to be printed

Mr. ERVIN, from the committee of conference,  
submitted the following

CONFERENCE REPORT

[To accompany H.R. 7130]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7130) to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Office, to establish a procedure providing congressional control over the impoundment of funds by the executive branch, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

*SHORT TITLES; TABLE OF CONTENTS*

*SECTION 1. (a) SHORT TITLES.—This Act may be cited as the “Congressional Budget and Impoundment Control Act of 1974”. Titles I through IX may be cited as the “Congressional Budget Act of 1974”, and title X may be cited as the “Impoundment Control Act of 1974”.*

*(b) TABLE OF CONTENTS.—*

- Sec. 1. Short titles; table of contents.*
- Sec. 2. Declaration of purposes.*
- Sec. 3. Definitions.*

*TITLE I—ESTABLISHMENT OF HOUSE AND SENATE  
BUDGET COMMITTEES*

- Sec. 101. Budget Committee of the House of Representatives.*
- Sec. 102. Budget Committee of the Senate.*

*TITLE II—CONGRESSIONAL BUDGET OFFICE*

- Sec. 201. Establishment of Office.*
- Sec. 202. Duties and functions.*
- Sec. 203. Public access to budget data.*

*TITLE III—CONGRESSIONAL BUDGET PROCESS*

- Sec. 300. Timetable.*
- Sec. 301. Adoption of first concurrent resolution.*
- Sec. 302. Matters to be included in joint statement of managers; reports by committees.*
- Sec. 303. First concurrent resolution on the budget must be adopted before legislation providing new budget authority, new spending authority, or changes in revenues or public debt limit is considered.*
- Sec. 304. Permissible revisions of concurrent resolutions on the budget.*
- Sec. 305. Provisions relating to the consideration of concurrent resolutions on the budget.*
- Sec. 306. Legislation dealing with congressional budget must be handled by budget committees.*
- Sec. 307. House committee action on all appropriation bills to be completed before first appropriation bill is reported.*
- Sec. 308. Reports, summaries, and projections of congressional budget actions.*
- Sec. 309. Completion of action on bills providing new budget authority and certain new spending authority.*
- Sec. 310. Second required concurrent resolution and reconciliation process.*
- Sec. 311. New budget authority, new spending authority, and revenue legislation must be within appropriate levels.*

*TITLE IV—ADDITIONAL PROVISIONS TO IMPROVE  
FISCAL PROCEDURES*

- Sec. 401. Bills providing new spending authority.*
- Sec. 402. Reporting of authorizing legislation.*
- Sec. 403. Analyses by Congressional Budget Office.*
- Sec. 404. Jurisdiction of Appropriations Committees.*

*TITLE V—CHANGE OF FISCAL YEAR*

- Sec. 501. Fiscal year to begin October 1.*
- Sec. 502. Transition to new fiscal year.*
- Sec. 503. Accounting procedures.*
- Sec. 504. Conversion of authorizations of appropriations.*
- Sec. 505. Repeals.*
- Sec. 506. Technical amendment.*

*TITLE VI—AMENDMENTS TO BUDGET AND  
ACCOUNTING ACT, 1921*

- Sec. 601. Matters to be included in President's budget.*
- Sec. 602. Midyear review.*
- Sec. 603. Five-year budget projections.*
- Sec. 604. Allowances for supplemental budget authority and uncontrollable outlays.*
- Sec. 605. Budget data based on continuation of existing level of services.*
- Sec. 606. Study of off-budget agencies.*
- Sec. 607. Year-ahead requests for authorization of new budget authority.*

*TITLE VII—PROGRAM REVIEW AND EVALUATION*

- Sec. 701. Review and evaluation by standing committees.*
- Sec. 702. Review and evaluation by the Comptroller General.*
- Sec. 703. Continuing study of additional budget reform proposals.*

*TITLE VIII—FISCAL AND BUDGETARY INFORMATION  
AND CONTROLS*

- Sec. 801. Amendment to Legislative Reorganization Act of 1970.*
- Sec. 802. Changes in functional categories.*

*TITLE IX—MISCELLANEOUS PROVISIONS;  
EFFECTIVE DATES*

- Sec. 901. Amendments to rules of the House.*
- Sec. 902. Conforming amendments to standing rules of the Senate.*
- Sec. 903. Amendments to Legislative Reorganization Act of 1946.*
- Sec. 904. Exercise of rulemaking powers.*
- Sec. 905. Effective dates.*
- Sec. 906. Application of congressional budget process to fiscal year 1976.*

*TITLE X—IMPOUNDMENT CONTROL*

*PART A—GENERAL PROVISIONS*

- Sec. 1001. Disclaimer.*
- Sec. 1002. Amendment to Antideficiency Act.*
- Sec. 1003. Repeal of existing impoundment reporting provision.*

*PART B—CONGRESSIONAL CONSIDERATION OF PROPOSED RESCISSIONS,  
RESERVATIONS, AND DEFERRALS OF BUDGET AUTHORITY*

- Sec. 1011. Definitions.*
- Sec. 1012. Rescission of budget authority.*
- Sec. 1013. Disapproval of proposed deferrals of budget authority.*
- Sec. 1014. Transmission of messages; publication.*
- Sec. 1015. Reports by Comptroller General.*
- Sec. 1016. Suits by Comptroller General.*
- Sec. 1017. Procedure in House and Senate.*

*DECLARATION OF PURPOSES*

- SEC. 2. The Congress declares that it is essential—*
- (1) to assure effective congressional control over the budgetary process;*
  - (2) to provide for the congressional determination each year of the appropriate level of Federal revenues and expenditures;*
  - (3) to provide a system of impoundment control;*
  - (4) to establish national budget priorities; and*
  - (5) to provide for the furnishing of information by the executive branch in a manner that will assist the Congress in discharging its duties.*

*DEFINITIONS*

- SEC. 3. (a) IN GENERAL.—For purposes of this Act—*
- (1) The terms “budget outlays” and “outlays” mean, with respect to any fiscal year, expenditures and net lending of funds under budget authority during such year.*
  - (2) The term “budget authority” means authority provided by law to enter into obligations which will result in immediate or future outlays involving Government funds, except that such term does not include authority to insure or guarantee the repayment of indebtedness incurred by another person or government.*
  - (3) The term “tax expenditures” means those revenue losses attributable to provisions of the Federal tax laws which allow a special exclusion, exemption, or deduction from gross income or which provide a special credit, a preferential rate of tax, or a deferral of tax liability; and the term “tax expenditures budget” means an enumeration of such tax expenditures.*

(4) The term "concurrent resolution on the budget" means—  
(A) a concurrent resolution setting forth the congressional budget for the United States Government for a fiscal year as provided in section 301;

(B) a concurrent resolution reaffirming or revising the congressional budget for the United States Government for a fiscal year as provided in section 310; and

(C) any other concurrent resolution revising the congressional budget for the United States Government for a fiscal year as described in section 304.

(5) The term "appropriation Act" means an Act referred to in section 105 of title 1, United States Code.

(b) JOINT COMMITTEE ON ATOMIC ENERGY.—For purposes of titles II, III, and IV of this Act, the Members of the House of Representatives who are members of the Joint Committee on Atomic Energy shall be treated as a standing committee of the House, and the Members of the Senate who are members of the Joint Committee shall be treated as a standing committee of the Senate.

## TITLE I—ESTABLISHMENT OF HOUSE AND SENATE BUDGET COMMITTEES

### BUDGET COMMITTEE OF THE HOUSE OF REPRESENTATIVES

SEC. 101. (a) Clause 1 of Rule X of the Rules of the House of Representatives is amended by redesignating paragraphs (e) through (u) as paragraphs (f) through (v), respectively, and by inserting after paragraph (d) the following new paragraph:

"(e) Committee on the Budget, to consist of twenty-three Members as follows:

"(1) five Members who are members of the Committee on Appropriations;

"(2) five Members who are members of the Committee on Ways and Means;

"(3) eleven Members who are members of other standing committees;

"(4) one Member from the leadership of the majority party; and

"(5) one Member from the leadership of the minority party.

No Member shall serve as a member of the Committee on the Budget during more than two Congresses in any period of five successive Congresses beginning after 1974 (disregarding for this purpose any service performed as a member of such committee for less than a full session in any Congress). All selections of Members to serve on the committee shall be made without regard to seniority."

(b) Rule X of the Rules of the House of Representatives is amended by adding at the end thereof the following new clause:

"6. For carrying out the purposes set forth in clause 5 of Rule XI, the Committee on the Budget or any subcommittee thereof is authorized to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold

*such hearings, to require the attendance of such witnesses and the production of such books or papers or documents or vouchers by subpoena or otherwise, and to take such testimony and records, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or of any member of the committee designated by him; and may be served by any person designated by such chairman or member. The chairman of the committee, or any member thereof, may administer oaths to witnesses."*

*(c) Rule XI of the Rules of the House of Representatives is amended by redesignating clauses 5 through 33 as clauses 6 through 34, respectively, and by inserting after clause 4 the following new clause:*

*"5. Committee on the Budget*

*"(a) All concurrent resolutions on the budget (as defined in section 3(a)(4) of the Congressional Budget Act of 1974) and other matters required to be referred to the committee under titles III and IV of that Act.*

*"(b) The committee shall have the duty—*

*"(1) to report the matters required to be reported by it under titles III and IV of the Congressional Budget Act of 1974;*

*"(2) to make continuing studies of the effect on budget outlays of relevant existing and proposed legislation and to report the results of such studies to the House on a recurring basis;*

*"(3) to request and evaluate continuing studies of tax expenditures, to devise methods of coordinating tax expenditures, policies, and programs with direct budget outlays, and to report the results of such studies to the House on a recurring basis; and*

*"(4) to review, on a continuing basis, the conduct by the Congressional Budget Office of its functions and duties."*

**BUDGET COMMITTEE OF THE SENATE**

*SEC. 102. (a) Paragraph 1 of rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new subparagraph:*

*"(r) (1) Committee on the Budget, to which committee shall be referred all concurrent resolutions on the budget (as defined in section 3(a)(4) of the Congressional Budget Act of 1974) and all other matters required to be referred to that committee under titles III and IV of that Act, and messages, petitions, memorials, and other matters relating thereto.*

*"(2) Such committee shall have the duty—*

*"(A) to report the matters required to be reported by it under titles III and IV of the Congressional Budget Act of 1974;*

*"(B) to make continuing studies of the effect on budget outlays of relevant existing and proposed legislation and to report the results of such studies to the Senate on a recurring basis;*

*"(C) to request and evaluate continuing studies of tax expenditures, to devise methods of coordinating tax expenditures, policies, and programs with direct budget outlays, and to report the results of such studies to the Senate on a recurring basis; and*

*"(D) to review, on a continuing basis, the conduct by the Congressional Budget Office of its functions and duties."*

(b) *The table contained in paragraph 2 of rule XXV of the Standing Rules of the Senate is amended by inserting after—*

*"Banking, Housing and Urban Affairs..... 15"*  
*the following:*

*"Budget..... 15".*

(c) *Paragraph 6 of rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new subparagraph:*

*"(h) For purposes of the first sentence of subparagraph (a), membership on the Committee on the Budget shall not be taken into account until that date occurring during the first session of the Ninety-fifth Congress, upon which the appointment of the majority and minority party members of the standing committees of the Senate is initially completed."*

(d) *Each meeting of the Committee on the Budget of the Senate, or any subcommittee thereof, including meetings to conduct hearings, shall be open to the public, except that a portion or portions of any such meeting may be closed to the public if the committee or subcommittee, as the case may be, determines by record vote of a majority of the members of the committee or subcommittee present that the matters to be discussed or the testimony to be taken at such portion or portions—*

*(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;*

*(2) will relate solely to matters of committee staff personnel or internal staff management or procedure;*

*(3) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;*

*(4) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement; or*

*(5) will disclose information relating to the trade secrets or financial or commercial information pertaining specifically to a given person if—*

*(A) an Act of Congress requires the information to be kept confidential by Government officers and employees; or*

*(B) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person.*

(e) *Paragraph 7(b) of rule XXV of the Standing Rules of the Senate and section 133A(b) of the Legislative Reorganization Act of 1946 shall not apply to the Committee on the Budget of the Senate.*

## TITLE II—CONGRESSIONAL BUDGET OFFICE

### ESTABLISHMENT OF OFFICE

#### SEC. 201. (a) IN GENERAL.—

(1) *There is established an office of the Congress to be known as the Congressional Budget Office (hereinafter in this title referred to as the "Office"). The Office shall be headed by a Director; and there shall be a Deputy Director who shall perform such duties as may be assigned to him by the Director and, during the absence or incapacity of the Director or during a vacancy in that office, shall act as Director.*

(2) *The Director shall be appointed by the Speaker of the House of Representatives and the President pro tempore of the Senate after considering recommendations received from the Committees on the Budget of the House and the Senate, without regard to political affiliation and solely on the basis of his fitness to perform his duties. The Deputy Director shall be appointed by the Director.*

(3) *The term of office of the Director first appointed shall expire at noon on January 3, 1979, and the terms of office of Directors subsequently appointed shall expire at noon on January 3 of each fourth year thereafter. Any individual appointed as Director to fill a vacancy prior to the expiration of a term shall serve only for the unexpired portion of that term. An individual serving as Director at the expiration of a term may continue to serve until his successor is appointed. Any Deputy Director shall serve until the expiration of the term of office of the Director who appointed him (and until his successor is appointed), unless sooner removed by the Director.*

(4) *The Director may be removed by either House by resolution.*

(5) *The Director shall receive compensation at a per annum gross rate equal to the rate of basic pay, as in effect from time to time, for level III of the Executive Schedule in section 5314 of title 5, United States Code. The Deputy Director shall receive compensation at a per annum gross rate equal to the rate of basic pay, as so in effect, for level IV of the Executive Schedule in section 5315 of such title.*

(b) **PERSONNEL.**—*The Director shall appoint and fix the compensation of such personnel as may be necessary to carry out the duties and functions of the Office. All personnel of the Office shall be appointed without regard to political affiliation and solely on the basis of their fitness to perform their duties. The Director may prescribe the duties and responsibilities of the personnel of the Office, and delegate to them authority to perform any of the duties, powers, and functions imposed on the Office or on the Director. For purposes of pay (other than pay of the Director and Deputy Director) and employment benefits, rights, and privileges, all personnel of the Office shall be treated as if they were employees of the House of Representatives.*

(c) *EXPERTS AND CONSULTANTS.*—In carrying out the duties and functions of the Office, the Director may procure the temporary (not to exceed one year) or intermittent services of experts or consultants or organizations thereof by contract as independent contractors, or, in the case of individual experts or consultants, by employment at rates of pay not in excess of the daily equivalent of the highest rate of basic pay payable under the General Schedule of section 5332 of title 5, United States Code.

(d) *RELATIONSHIP TO EXECUTIVE BRANCH.*—The Director is authorized to secure information, data, estimates, and statistics directly from the various departments, agencies, and establishments of the executive branch of Government and the regulatory agencies and commissions of the Government. All such departments, agencies, establishments, and regulatory agencies and commissions shall furnish the Director any available material which he determines to be necessary in the performance of his duties and functions (other than material the disclosure of which would be a violation of law). The Director is also authorized, upon agreement with the head of any such department, agency, establishment, or regulatory agency or commission, to utilize its services, facilities, and personnel with or without reimbursement; and the head of each such department, agency, establishment, or regulatory agency or commission is authorized to provide the Office such services, facilities, and personnel.

(e) *RELATIONSHIP TO OTHER AGENCIES OF CONGRESS.*—In carrying out the duties and functions of the Office, and for the purpose of coordinating the operations of the Office with those of other congressional agencies with a view to utilizing most effectively the information, services, and capabilities of all such agencies in carrying out the various responsibilities assigned to each, the Director is authorized to obtain information, data, estimates, and statistics developed by the General Accounting Office, the Library of Congress, and the Office of Technology Assessment, and (upon agreement with them) to utilize their services, facilities, and personnel with or without reimbursement. The Comptroller General, the Librarian of Congress, and the Technology Assessment Board are authorized to provide the Office with the information, data, estimates, and statistics, and the services, facilities, and personnel, referred to in the preceding sentence.

(f) *APPROPRIATIONS.*—There are authorized to be appropriated to the Office for each fiscal year such sums as may be necessary to enable it to carry out its duties and functions. Until sums are first appropriated pursuant to the preceding sentence, but for a period not exceeding 12 months following the effective date of this subsection, the expenses of the Office shall be paid from the contingent fund of the Senate, in accordance with the paragraph relating to the contingent fund of the Senate under the heading "UNDER LEGISLATIVE" in the Act of October 1, 1888 (28 Stat. 546; 2 U.S.C. 68), and upon vouchers approved by the Director.

#### DUTIES AND FUNCTIONS

SEC. 202. (a) *ASSISTANCE TO BUDGET COMMITTEES.*—It shall be the duty and function of the Office to provide to the Committees on the Budget of both Houses information which will assist such committees in the discharge of all matters within their jurisdictions, including (1) information with respect to the budget, appropriation bills, and

*other bills authorizing or providing budget authority or tax expenditures, (2) information with respect to revenues, receipts, estimated future revenues and receipts, and changing revenue conditions, and (3) such related information as such Committees may request.*

(b) *ASSISTANCE TO COMMITTEES ON APPROPRIATIONS, WAYS AND MEANS, AND FINANCE.—At the request of the Committee on Appropriations of either House, the Committee on Ways and Means of the House of Representatives, or the Committee on Finance of the Senate, the Office shall provide to such Committee any information which will assist it in the discharge of matters within its jurisdiction, including information described in clauses (1) and (2) of subsection (a) and such related information as the Committee may request.*

(c) *ASSISTANCE TO OTHER COMMITTEES AND MEMBERS.—*

(1) *At the request of any other committee of the House of Representatives or the Senate or any joint committee of the Congress, the Office shall provide to such committee or joint committee any information compiled in carrying out clauses (1) and (2) of subsection (a), and, to the extent practicable, such additional information related to the foregoing as may be requested.*

(2) *At the request of any Member of the House or Senate, the Office shall provide to such Member any information compiled in carrying out clauses (1) and (2) of subsection (a), and, to the extent available, such additional information related to the foregoing as may be requested.*

(d) *ASSIGNMENT OF OFFICE PERSONNEL TO COMMITTEES AND JOINT COMMITTEES.—At the request of the Committee on the Budget of either House, personnel of the Office shall be assigned, on a temporary basis, to assist such committee. At the request of any other committee of either House or any joint committee of the Congress, personnel of the Office may be assigned, on a temporary basis, to assist such committee or joint committee with respect to matters directly related to the applicable provisions of subsection (b) or (c).*

(e) *TRANSFER OF FUNCTIONS OF JOINT COMMITTEE ON REDUCTION OF FEDERAL EXPENDITURES.—*

(1) *The duties, functions, and personnel of the Joint Committee on Reduction of Federal Expenditures are transferred to the Office, and the Joint Committee is abolished.*

(2) *Section 601 of the Revenue Act of 1941 (55 Stat. 726) is repealed.*

(f) *REPORTS TO BUDGET COMMITTEES.—*

(1) *On or before April 1 of each year, the Director shall submit to the Committees on the Budget of the House of Representatives and the Senate a report, for the fiscal year commencing on October 1 of that year, with respect to fiscal policy, including (A) alternative levels of total revenues, total new budget authority, and total outlays (including related surpluses and deficits), and (B) the levels of tax expenditures under existing law, taking into account projected economic factors and any changes in such levels based on proposals in the budget submitted by the President for such fiscal year. Such report shall also include a discussion of national budget priorities, including alternative ways of allocating budget authority and budget outlays for such fiscal year among major programs or functional categories, taking into ac-*

*count how such alternative allocations will meet major national needs and affect balanced growth and development of the United States.*

*(2) The Director shall from time to time submit to the Committees on the Budget of the House of Representatives and the Senate such further reports (including reports revising the report required by paragraph (1)) as may be necessary or appropriate to provide such Committees with information, data, and analyses for the performance of their duties and functions.*

*(g) USE OF COMPUTERS AND OTHER TECHNIQUES.—The Director may equip the Office with up-to-date computer capability (upon approval of the Committee on House Administration of the House of Representatives and the Committee on Rules and Administration of the Senate), obtain the services of experts and consultants in computer technology, and develop techniques for the evaluation of budgetary requirements.*

#### PUBLIC ACCESS TO BUDGET DATA

*SEC. 203. (a) RIGHT TO COPY.—Except as provided in subsections (c) and (d), the Director shall make all information, data, estimates, and statistics obtained under sections 201(d) and 201(e) available for public copying during normal business hours, subject to reasonable rules and regulations, and shall to the extent practicable, at the request of any person, furnish a copy of any such information, data, estimates, or statistics upon payment by such person of the cost of making and furnishing such copy.*

*(b) INDEX.—The Director shall develop and maintain filing, coding and indexing systems that identify the information, data, estimates, and statistics to which subsection (a) applies and shall make such systems available for public use during normal business hours.*

*(c) EXCEPTIONS.—Subsection (a) shall not apply to information, data, estimates, and statistics—*

*(1) which are specifically exempted from disclosure by law; or*

*(2) which the Director determines will disclose—*

*(A) matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;*

*(B) information relating to trade secrets or financial or commercial information pertaining specifically to a given person if the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person; or*

*(C) personnel or medical data or similar data the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;*

*unless the portions containing such matters, information, or data have been excised.*

*(d) INFORMATION OBTAINED FOR COMMITTEES AND MEMBERS.—Subsection (a) shall apply to any information, data, estimates, and statistics obtained at the request of any committee, joint committee, or Member*

*unless such committee, joint committee, or Member has instructed the Director not to make such information, data, estimates, or statistics available for public copying.*

**TITLE III—CONGRESSIONAL BUDGET PROCESS**

**TIMETABLE**

*SEC. 300. The timetable with respect to the congressional budget process for any fiscal year is as follows:*

<i>On or before:</i>	<i>Action to be completed:</i>
<i>November 10</i> -----	<i>President submits current services budget.</i>
<i>15th day after Congress meets</i> —	<i>President submits his budget.</i>
<i>March 15</i> -----	<i>Committees and joint committees submit reports to Budget Committees.</i>
<i>April 1</i> -----	<i>Congressional Budget Office submits report to Budget Committees.</i>
<i>April 15</i> -----	<i>Budget Committees report first concurrent resolution on the budget to their Houses.</i>
<i>May 15</i> -----	<i>Committees report bills and resolutions authorizing new budget authority.</i>
<i>May 15</i> -----	<i>Congress completes action on first concurrent resolution on the budget.</i>
<i>7th day after Labor Day</i> ----	<i>Congress completes action on bills and resolutions providing new budget authority and new spending authority.</i>
<i>September 15</i> -----	<i>Congress completes action on second required concurrent resolution on the budget.</i>
<i>September 25</i> -----	<i>Congress completes action on reconciliation bill or resolution, or both, implementing second required concurrent resolution.</i>
<i>October 1</i> -----	<i>Fiscal year begins.</i>

**ADOPTION OF FIRST CONCURRENT RESOLUTION**

*SEC. 301. (a) ACTION TO BE COMPLETED BY MAY 15.—On or before May 15 of each year, the Congress shall complete action on the first concurrent resolution on the budget for the fiscal year beginning on October 1 of such year. The concurrent resolution shall set forth—*

- (1) the appropriate level of total budget outlays and of total new budget authority;*
- (2) an estimate of budget outlays and an appropriate level of new budget authority for each major functional category, for contingencies, and for undistributed intragovernmental transactions, based on allocations of the appropriate level of total budget outlays and of total new budget authority;*
- (3) the amount, if any, of the surplus or the deficit in the budget which is appropriate in light of economic conditions and all other relevant factors;*
- (4) the recommended level of Federal revenues and the amount, if any, by which the aggregate level of Federal revenues should be increased or decreased by bills and resolutions to be reported by the appropriate committees;*
- (5) the appropriate level of the public debt, and the amount, if any, by which the statutory limit on the public debt should be*

*increased or decreased by bills and resolutions to be reported by the appropriate committees; and*

*(6) such other matters relating to the budget as may be appropriate to carry out the purposes of this Act.*

*(b) ADDITIONAL MATTERS IN CONCURRENT RESOLUTION.—The first concurrent resolution on the budget may also require—*

*(1) a procedure under which all or certain bills and resolutions providing new budget authority or providing new spending authority described in section 401(c)(2)(C) for such fiscal year shall not be enrolled until the concurrent resolution required to be reported under section 310(a) has been agreed to, and, if a reconciliation bill or reconciliation resolution, or both, are required to be reported under section 310(c), until Congress has completed action on that bill or resolution, or both; and*

*(2) any other procedure which is considered appropriate to carry out the purposes of this Act.*

*Not later than the close of the Ninety-fifth Congress, the Committee on the Budget of each House shall report to its House on the implementation of procedures described in this subsection.*

*(c) VIEWS AND ESTIMATES OF OTHER COMMITTEES.—On or before March 15 of each year, each standing committee of the House of Representatives shall submit to the Committee on the Budget of the House, each standing committee of the Senate shall submit to the Committee on the Budget of the Senate, and the Joint Economic Committee and Joint Committee on Internal Revenue Taxation shall submit to the Committees on the Budget of both Houses—*

*(1) its views and estimates with respect to all matters set forth in subsection (a) which relate to matters within the respective jurisdiction or functions of such committee or joint committee; and*

*(2) except in the case of such joint committees, the estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within the jurisdiction of such committee which such committee intends to be effective during the fiscal year beginning on October 1 of such year.*

*The Joint Economic Committee shall also submit to the Committees on the Budget of both Houses, its recommendations as to the fiscal policy appropriate to the goals of the Employment Act of 1946. Any other committee of the House or Senate may submit to the Committee on the Budget of its House, and any other joint committee of the Congress may submit to the Committees on the Budget of both Houses, its views and estimates with respect to all matters set forth in subsection (a) which relate to matters within its jurisdiction or functions.*

*(d) HEARINGS AND REPORT.—In developing the first concurrent resolution on the budget referred to in subsection (a) for each fiscal year, the Committee on the Budget of each House shall hold hearings and shall receive testimony from Members of Congress and such appropriate representatives of Federal departments and agencies, the general public, and national organizations as the committee deems desirable. On or before April 15 of each year, the Committee on the Budget of each House shall report to its House the first concurrent resolution on the budget referred to in subsection (a) for the fiscal*

year beginning on October 1 of such year. The report accompanying such concurrent resolution shall include, but not be limited to—

(1) a comparison of revenues estimated by the committee with those estimated in the budget submitted by the President;

(2) a comparison of the appropriate levels of total budget outlays and total new budget authority, as set forth in such concurrent resolution, with total budget outlays estimated and total new budget authority requested in the budget submitted by the President;

(3) with respect to each major functional category, an estimate of budget outlays and an appropriate level of new budget authority for all proposed programs and for all existing programs (including renewals thereof), with the estimate and level for existing programs being divided between permanent authority and funds provided in appropriation Acts, and each such division being subdivided between controllable amounts and all other amounts;

(4) an allocation of the level of Federal revenues recommended in the concurrent resolution among the major sources of such revenues;

(5) the economic assumptions and objectives which underlie each of the matters set forth in such concurrent resolution and alternative economic assumptions and objectives which the committee considered;

(6) projections, not limited to the following, for the period of five fiscal years beginning with such fiscal year of the estimated levels of total budget outlays, total new budget outlays, total new budget authority, the estimated revenues to be received, and the estimated surplus or deficit, if any, for each fiscal year in such period, and the estimated levels of tax expenditures (the tax expenditures budget) by major functional categories;

(7) a statement of any significant changes in the proposed levels of Federal assistance to State and local governments; and

(8) information, data, and comparisons indicating the manner in which, and the basis on which, the committee determined each of the matters set forth in the concurrent resolution, and the relationship of such matters to other budget categories.

#### MATTERS TO BE INCLUDED IN JOINT STATEMENT OF MANAGERS; REPORTS BY COMMITTEES

SEC. 302. (a) ALLOCATION OF TOTALS.—The joint explanatory statement accompanying a conference report on a concurrent resolution on the budget shall include an estimated allocation, based upon such concurrent resolution as recommended in such conference report, of the appropriate levels of total budget outlays and total new budget authority among each committee of the House of Representatives and the Senate which has jurisdiction over bills and resolutions providing such new budget authority.

(b) REPORTS BY COMMITTEES.—As soon as practicable after a concurrent resolution on the budget is agreed to—

(1) the Committee on Appropriations of each House shall, after consulting with the Committee on Appropriations of the other House, (A) subdivide among its subcommittees the alloca-

*tion of budget outlays and new budget authority allocated to it in the joint explanatory statement accompanying the conference report on such concurrent resolution, and (B) further subdivide the amount with respect to each such subcommittee between controllable amounts and all other amounts; and*

*(2) every other committee of the House and Senate to which an allocation was made in such joint explanatory statement shall, after consulting with the committee or committees of the other House to which all or part of its allocation was made, (A) subdivide such allocation among its subcommittees or among programs over which it has jurisdiction, and (B) further subdivide the amount with respect to each subcommittee or program between controllable amounts and all other amounts.*

*Each such committee shall promptly report to its House the subdivisions made by it pursuant to this subsection.*

*(c) Subsequent Concurrent Resolutions.—In the case of a concurrent resolution on the budget referred to in section 304 or 310, the allocation under subsection (a) and the subdivisions under subsection (b) shall be required only to the extent necessary to take into account revisions made in the most recently agreed to concurrent resolution on the budget.*

**FIRST CONCURRENT RESOLUTION ON THE BUDGET  
MUST BE ADOPTED BEFORE LEGISLATION PROVIDING  
NEW BUDGET AUTHORITY, NEW SPENDING  
AUTHORITY, OR CHANGES IN REVENUES OR PUBLIC  
DEBT LIMIT IS CONSIDERED**

**SEC. 303. (a) IN GENERAL.—***It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution (or amendment thereto) which provides—*

- (1) new budget authority for a fiscal year;*
  - (2) an increase or decrease in revenues to become effective during a fiscal year;*
  - (3) an increase or decrease in the public debt limit to become effective during a fiscal year; or*
  - (4) new spending authority described in section 401(c)(2)(C) to become effective during a fiscal year;*
- until the first concurrent resolution on the budget for such year has been agreed to pursuant to section 301.*

**(b) EXCEPTIONS.—***Subsection (a) does not apply to any bill or resolution—*

- (1) providing new budget authority which first becomes available in a fiscal year following the fiscal year to which the concurrent resolution applies; or*
- (2) increasing or decreasing revenues which first become effective in a fiscal year following the fiscal year to which the concurrent resolution applies.*

**(c) WAIVER IN THE SENATE.—**

- (1) The committee of the Senate which reports any bill or resolution to which subsection (a) applies may at or after the time it*

reports such bill or resolution, report a resolution to the Senate (A) providing for the waiver of subsection (a) with respect to such bill or resolution, and (B) stating the reasons why the waiver is necessary. The resolution shall then be referred to the Committee on the Budget of the Senate. That committee shall report the resolution to the Senate within 10 days after the resolution is referred to it (not counting any day on which the Senate is not in session) beginning with the day following the day on which it is so referred, accompanied by that committee's recommendations and reasons for such recommendations with respect to the resolution. If the committee does not report the resolution within such 10-day period, it shall automatically be discharged from further consideration of the resolution and the resolution shall be placed on the calendar.

(2) During the consideration of any such resolution, debate shall be limited to one hour, to be equally divided between, and controlled by, the majority leader and minority leader or their designees, and the time on any debatable motion or appeal shall be limited to twenty minutes, to be equally divided between, and controlled by, the mover and the manager of the resolution. In the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from the time under their control on the passage of such resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal. No amendment to the resolution is in order.

(3) If, after the Committee on the Budget has reported (or been discharged from further consideration of) the resolution, the Senate agrees to the resolution, then subsection (a) of this section shall not apply with respect to the bill or resolution to which the resolution so agreed to applies.

#### PERMISSIBLE REVISIONS OF CONCURRENT RESOLUTIONS OF THE BUDGET

Sec. 304. At any time after the first concurrent resolution on the budget for a fiscal year has been agreed to pursuant to section 301, and before the end of such fiscal year, the two Houses may adopt a concurrent resolution on the budget which revises the concurrent resolution on the budget for such fiscal year most recently agreed to.

#### PROVISIONS RELATING TO THE CONSIDERATION OF CONCURRENT RESOLUTIONS ON THE BUDGET

SEC. 305. (a) PROCEDURE IN HOUSE OF REPRESENTATIVES AFTER REPORT OF COMMITTEE; DEBATE.—

(1) When the Committee on the Budget of the House has reported any concurrent resolution on the budget, it is in order at any time after the tenth day (excluding Saturdays, Sundays, and legal holidays) following the day on which the report upon such resolution has been available to Members of the House (even though a previous motion to the same effect has been disagreed

to) to move to proceed to the consideration of the concurrent resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) General debate on any concurrent resolution on the budget in the House of Representatives shall be limited to not more than 10 hours, which shall be divided equally between the majority and minority parties. A motion further to limit debate is not debatable. A motion to recommit the concurrent resolution is not in order, and it is not in order to move to reconsider the vote by which the concurrent resolution is agreed to or disagreed to.

(3) Consideration of any concurrent resolution on the budget by the House of Representatives shall be in the Committee of the Whole, and the resolution shall be read for amendment under the five-minute rule in accordance with the applicable provisions of rule XXIII of the Rules of the House of Representatives. After the Committee rises and reports the resolution back to the House, the previous question shall be considered as ordered on the resolution and any amendments thereto to final passage without intervening motion; except that it shall be in order at any time prior to final passage (notwithstanding any other rule or provision of law) to adopt an amendment (or a series of amendments) changing any figure or figures in the resolution as so reported to the extent necessary to achieve mathematical consistency.

(4) Debate in the House of Representatives on the conference report on any concurrent resolution on the budget shall be limited to not more than 5 hours, which shall be divided equally between the majority and minority parties. A motion further to limit debate is not debatable. A motion to recommit the conference report is not in order, and it is not in order to move to reconsider the vote by which the conference report is agreed to or disagreed to.

(5) Motions to postpone, made with respect to the consideration of any concurrent resolution on the budget, and motions to proceed to the consideration of other business, shall be decided without debate.

(6) Appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to any concurrent resolution on the budget shall be decided without debate.

(b) PROCEDURE IN SENATE AFTER REPORT OF COMMITTEE; DEBATE; AMENDMENTS.—

(1) Debate in the Senate on any concurrent resolution on the the budget, and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 50 hours, except that, with respect to the second required concurrent resolution referred to in section 310(a), all such debate shall be limited to not more than 15 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(2) *Debate in the Senate on any amendment to a concurrent resolution on the budget shall be limited to 2 hours, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution, and debate on any amendment to an amendment, debatable motion, or appeal shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution, except that in the event the manager of the concurrent resolution is in favor of any such amendment, motion, or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. No amendment that is not germane to the provisions of such concurrent resolution shall be received. Such leaders, or either of them, may, from the time under their control on the passage of the concurrent resolution, allot additional time to any Senator during the consideration of any amendment, debatable motion, or appeal.*

(3) *A motion to further limit debate is not debatable. A motion to recommit (except a motion to recommit with instructions to report back within a specified number of days, not to exceed 3, not counting any day on which the Senate is not in session) is not in order. Debate on any such motion to recommit shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution.*

(4) *Notwithstanding any other rule, an amendment, or series of amendments, to a concurrent resolution on the budget proposed in the Senate shall always be in order if such amendment or series of amendments proposes to change any figure or figures then contained in such concurrent resolution so as to make such concurrent resolution mathematically consistent or so as to maintain such consistency.*

(c) **ACTION ON CONFERENCE REPORTS IN THE SENATE.—**

(1) *The conference report on any concurrent resolution on the budget shall be in order in the Senate at any time after the third day (excluding Saturdays, Sundays, and legal holidays) following the day on which such a conference report is reported and is available to Members of the Senate. A motion to proceed to the consideration of the conference report may be made even though a previous motion to the same effect has been disagreed to.*

(2) *During the consideration in the Senate of the conference report on any concurrent resolution on the budget, debate shall be limited to 10 hours, to be equally divided between, and controlled by, the majority leader and minority leader or their designees. Debate on any debatable motion or appeal related to the conference report shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the conference report.*

(3) *Should the conference report be defeated, debate on any request for a new conference and the appointment of conferees shall be limited to 1 hour, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee, and should any motion be made to*

*instruct the conferees before the conferees are named, debate on such motion shall be limited to one-half hour, to be equally divided between, and controlled by, the mover and the manager of the conference report. Debate on any amendment to any such instructions shall be limited to 20 minutes, to be equally divided between and controlled by the mover and the manager of the conference report. In all cases when the manager of the conference report is in favor of any motion, appeal, or amendment, the time in opposition shall be under the control of the minority leader or his designee.*

*(4) In any case in which there are amendments in disagreement, time on each amendment shall be limited to 30 minutes, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee. No amendment that is not germane to the provisions of such amendments shall be received.*

*(d) REQUIRED ACTION BY CONFERENCE COMMITTEE.—If, at the end of 7 days (excluding Saturdays, Sundays, and legal holidays) after the conferees of both Houses have been appointed to a committee of conference on a concurrent resolution on the budget, the conferees are unable to reach agreement with respect to all matters in disagreement between the two Houses, then the conferees shall submit to their respective Houses, on the first day thereafter on which their House is in session—*

*(1) a conference report recommending those matters on which they have agreed and reporting in disagreement those matters on which they have not agreed; or*

*(2) a conference report in disagreement, if the matter in disagreement is an amendment which strikes out the entire text of the concurrent resolution and inserts a substitute text.*

*(e) CONCURRENT RESOLUTION MUST BE CONSISTENT IN THE SENATE.—It shall not be in order in the Senate to vote on the question of agreeing to—*

*(1) a concurrent resolution on the budget unless the figures then contained in such resolution are mathematically consistent; or*

*(2) a conference report on a concurrent resolution on the budget unless the figures contained in such resolution, as recommended in such conference report, are mathematically consistent.*

#### **LEGISLATION DEALING WITH CONGRESSIONAL BUDGET MUST BE HANDLED BY BUDGET COMMITTEES**

*SEC. 306. No bill or resolution, and no amendment to any bill or resolution, dealing with any matter which is within the jurisdiction of the Committee on the Budget of either House shall be considered in that House unless it is a bill or resolution which has been reported by the Committee on the Budget of that House (or from the consideration of which such committee has been discharged) or unless it is an amendment to such a bill or resolution.*

**HOUSE COMMITTEE ACTION ON ALL APPROPRIATION  
BILLS TO BE COMPLETED BEFORE FIRST APPROPRI-  
ATION BILL IS REPORTED**

*SEC. 307. Prior to reporting the first regular appropriation bill for each fiscal year, the Committee on Appropriations of the House of Representatives shall, to the extent practicable, complete subcommittee markup and full committee action on all regular appropriation bills for that year and submit to the House a summary report comparing the committee's recommendations with the appropriate levels of budget outlays and new budget authority as set forth in the most recently agreed to concurrent resolution on the budget for that year.*

**REPORTS, SUMMARIES, AND PROJECTIONS OF CON-  
GRESSIONAL BUDGET ACTIONS**

*SEC. 308. (a) REPORTS ON LEGISLATION PROVIDING NEW BUDGET AUTHORITY OR TAX EXPENDITURES.—Whenever a committee of either House reports a bill or resolution to its House providing new budget authority (other than continuing appropriations) or new or increased tax expenditures for a fiscal year, the report accompanying that bill or resolution shall contain a statement, prepared after consultation with the Director of the Congressional Budget Office, detailing—*

*(1) in the case of a bill or resolution providing new budget authority—*

*(A) how the new budget authority provided in that bill or resolution compares with the new budget authority set forth in the most recently agreed to concurrent resolution on the budget for such fiscal year and the reports submitted under section 302;*

*(B) a projection for the period of 5 fiscal years beginning with such fiscal year of budget outlays, associated with the budget authority provided in that bill or resolution, in each fiscal year in such period; and*

*(C) the new budget authority, and budget outlays resulting therefrom, provided by that bill or resolution for financial assistance to State and local governments; and*

*(2) in the case of a bill or resolution providing new or increased tax expenditures—*

*(A) how the new or increased tax expenditures provided in that bill or resolution will affect the levels of tax expenditures under existing law as set forth in the report accompanying the first concurrent resolution on the budget for such fiscal year, or, if a report accompanying a subsequently agreed to concurrent resolution for such year sets forth such levels, then as set forth in that report; and*

*(B) a projection for the period of 5 fiscal years beginning with such fiscal year of the tax expenditures which will result from that bill or resolution in each fiscal year in such period.*

*No projection shall be required for a fiscal year under paragraph (1) (B) or (2) (B) if the committee determines that a projection for that fiscal year is impracticable and states in its report the reason for such impracticability.*

(b) *UP-TO-DATE TABULATION OF CONGRESSIONAL BUDGET ACTIONS.—The Director of the Congressional Budget Office shall issue periodic reports detailing and tabulating the progress of congressional action on bills and resolutions providing new budget authority and changing revenues and the public debt limit for a fiscal year. Such reports shall include, but are not limited to—*

(1) *an up-to-date tabulation comparing the new budget authority for such fiscal year in bills and resolutions on which Congress has completed action and estimated outlays, associated with such new budget authority, during such fiscal year to the new budget authority and estimated outlays set forth in the most recently agreed to concurrent resolution on the budget for such fiscal year and the reports submitted under section 302;*

(2) *an up-to-date status report on all bills and resolutions providing new budget authority and changing revenues and the public debt limit for such fiscal year in both Houses;*

(3) *an up-to-date comparison of the appropriate level of revenues contained in the most recently agreed to concurrent resolution on the budget for such fiscal year with the latest estimate of revenues for such year (including new revenues anticipated during such year under bills and resolutions on which the Congress has completed action); and*

(4) *an up-to-date comparison of the appropriate level of the public debt contained in the most recently agreed to concurrent resolution on the budget for such fiscal year with the latest estimate of the public debt during such fiscal year.*

(c) *FIVE-YEAR PROJECTION OF CONGRESSIONAL BUDGET ACTION.—As soon as practicable after the beginning of each fiscal year, the Director of the Congressional Budget Office shall issue a report projecting for the period of 5 fiscal years beginning with such fiscal year—*

(1) *total new budget authority and total budget outlays for each fiscal year in such period;*

(2) *revenues to be received and the major sources thereof, and the surplus or deficit, if any, for each fiscal year in such period; and*

(3) *tax expenditures for each fiscal year in such period.*

#### **COMPLETION OF ACTION ON BILLS PROVIDING NEW BUDGET AUTHORITY AND CERTAIN NEW SPENDING AUTHORITY**

*Sec. 309. Except as otherwise provided pursuant to this title, not later than the seventh day after Labor Day of each year, the Congress shall complete action on all bills and resolutions—*

(1) *providing new budget authority for the fiscal year beginning on October 1 of such year, other than supplemental, deficiency, and continuing appropriation bills and resolutions, and other than the reconciliation bill for such year, if required to be reported under section 310 (c); and*

(2) *providing new spending authority described in section 401*

*Paragraph (1) shall not apply to any bill or resolution if legislation authorizing the enactment of new budget authority to be provided in such bill or resolution has not been timely enacted.*

**SECOND REQUIRED CONCURRENT RESOLUTION  
AND RECONCILIATION PROCESS**

**SEC. 310. (a) REPORTING OF CONCURRENT RESOLUTION.**—The Committee on the Budget of each House shall report to its House a concurrent resolution on the budget which reaffirms or revises the concurrent resolution on the budget most recently agreed to with respect to the fiscal year beginning on October 1 of such year. Any such concurrent resolution on the budget shall also, to the extent necessary—

- (1) specify the total amount by which—
  - (A) new budget authority for such fiscal year;
  - (B) budget authority initially provided for prior fiscal years; and
  - (C) new spending authority described in section 401 (c) (2) which is to become effective during such fiscal year,contained in laws, bills, and resolutions within the jurisdiction of a committee, is to be changed and direct that committee to determine and recommend changes to accomplish a change of such total amount;
- (2) specify the total amount by which revenues are to be changed and direct that the committees having jurisdiction to determine and recommend changes in the revenue laws, bills, and resolutions to accomplish a change of such total amount;
- (3) specify the amount by which the statutory limit on the public debt is to be changed and direct the committees having jurisdiction to recommend such change; or
- (4) specify and direct any combination of the matters described in paragraphs (1), (2), and (3).

Any such concurrent resolution may be reported, and the report accompanying it may be filed, in either House notwithstanding that that House is not in session on the day on which such concurrent resolution is reported.

**(b) COMPLETION OF ACTION ON CONCURRENT RESOLUTION.**—Not later than September 15 of each year, the Congress shall complete action on the concurrent resolution on the budget referred to in subsection (a).

**(c) RECONCILIATION PROCESS.**—If a concurrent resolution is agreed to in accordance with subsection (a) containing directions to one or more committees to determine and recommend changes in laws, bills, or resolutions, and—

- (1) only one committee of the House or the Senate is directed to determine and recommend changes, that committee shall promptly make such determination and recommendations and report to its House a reconciliation bill or reconciliation resolution, or both, containing such recommendations; or
- (2) more than one committee of the House or the Senate is directed to determine and recommend changes, each such committee so directed shall promptly make such determination and recommendations, whether such changes are to be contained in a reconciliation bill or reconciliation resolution, and submit such recom-

recommendations to the Committee on the Budget of its House, which upon receiving all such recommendations, shall report to its House a reconciliation bill or reconciliation resolution, or both, carrying out all such recommendations without any substantive revision. For purposes of this subsection, a reconciliation resolution is a concurrent resolution directing the Clerk of the House of Representatives or the Secretary of the Senate, as the case may be, to make specified changes in bills and resolutions which have not been enrolled.

(d) **COMPLETION OF RECONCILIATION PROCESS.**—Congress shall complete action on any reconciliation bill or reconciliation resolution reported under subsection (c) not later than September 25 of each year.

(e) **PROCEDURE IN THE SENATE.**—

(1) Except as provided in paragraph (2), the provisions of section 305 for the consideration in the Senate of concurrent resolutions on the budget and conference reports thereon shall also apply to the consideration in the Senate of reconciliation bills and reconciliation resolutions reported under subsection (c) and conference reports thereon.

(2) Debate in the Senate on any reconciliation bill or resolution reported under subsection (c), and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours.

(f) **CONGRESS MAY NOT ADJOURN UNTIL ACTION IS COMPLETED.**—It shall not be in order in either the House of Representatives or the Senate to consider any resolution providing for the adjournment since the adjournment of either House unless action has been completed on the concurrent resolution on the budget required to be reported under subsection (a) for the fiscal year beginning on October 1 of such year, and, if a reconciliation bill or resolution, or both, is required to be reported under subsection (c) for such fiscal year, unless the Congress has completed action on that bill or resolution, or both.

**NEW BUDGET AUTHORITY, NEW SPENDING AUTHORITY  
AND REVENUE LEGISLATION MUST BE WITHIN AP-  
PROPRIATE LEVELS**

**SEC. 311. (a) LEGISLATION SUBJECT TO POINT OF ORDER.**—After the Congress has completed action on the concurrent resolution on the budget required to be reported under section 310(a) for a fiscal year, and, if a reconciliation bill or resolution, or both, for such fiscal year are required to be reported under section 310(c), after that bill has been enacted into law or that resolution has been agreed to, it shall not be in order in either the House of Representatives or the Senate to consider any bill, resolution, or amendment providing additional new budget authority for such fiscal year, providing new spending authority described in section 401(c) (2) (C) to become effective during such fiscal year, or reducing revenues for such fiscal year, or any conference report on any such bill or resolution, if—

- (1) the enactment of such bill or resolution as reported;
- (2) the adoption and enactment of such amendment; or

(3) the enactment of such bill or resolution in the form recommended in such conference report; would cause the appropriate level of total new budget authority or total budget outlays set forth in the most recently agreed to concurrent resolution on the budget for such fiscal year to be exceeded, or would cause revenues to be less than the appropriate level of revenues set forth in such concurrent resolution.

(b) DETERMINATION OF OUTLAYS AND REVENUES.—For purposes of subsection (a), the budget outlays to be made during a fiscal year and revenues to be received during a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the House of Representatives or the Senate, as the case may be.

#### TITLE IV—ADDITIONAL PROVISIONS TO IMPROVE FISCAL PROCEDURES

##### BILLS PROVIDING NEW SPENDING AUTHORITY

SEC. 401. (a) LEGISLATION PROVIDING CONTRACT OR BORROWING AUTHORITY.—It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which provides new spending authority described in subsection (c) (2) (A) or (B) (or any amendment which provides such new spending authority), unless that bill, resolution, or amendment also provides that such new spending authority is to be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

(b) LEGISLATION PROVIDING ENTITLEMENT AUTHORITY.—

(1) It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which provides new spending authority described in subsection (c) (2) (C) (or any amendment which provides such new spending authority) which is to become effective before the first day of the fiscal year which begins during the calendar year in which such bill or resolution is reported.

(2) If any committee of the House of Representatives or the Senate reports any bill or resolution which provides new spending authority described in subsection (c) (2) (C) which is to become effective during a fiscal year and the amount of new budget authority which will be required for such fiscal year if such bill or resolution is enacted as so reported exceeds the appropriate allocation of new budget authority reported under section 302 (b) in connection with the most recently agreed to concurrent resolution on the budget for such fiscal year, such bill or resolution shall then be referred to the Committee on Appropriations of that House with instructions to report it, with the committee's recommendations, within 15 calendar days (not counting any day on which that House is not in session) beginning with the day following the day on which it is so referred. If the Committee on Appropriations of either House fails to report a bill or resolution referred to it under this paragraph within such 15-day period, the committee shall automatically be discharged from further consideration of such

bill or resolution and such bill or resolution shall be placed on the appropriate calendar.

(3) The Committee on Appropriations of each House shall have jurisdiction to report any bill or resolution referred to it under paragraph (2) with an amendment which limits the total amount of new spending authority provided in such bill or resolution.

(c) DEFINITIONS.—

(1) For purposes of this section, the term "new spending authority" means spending authority not provided by law on the effective date of this section, including any increase in or addition to spending authority provided by law on such date.

(2) For purposes of paragraph (1), the term "spending authority" means authority (whether temporary or permanent)—

(A) to enter into contracts under which the United States is obligated to make outlays, the budget authority for which is not provided in advance by appropriation Acts;

(B) to incur indebtedness (other than indebtedness incurred under the Second Liberty Bond Act) for the repayment of which the United States is liable, the budget authority for which is not provided in advance by appropriation Acts; and

(C) to make payments (including loans and grants), the budget authority for which is not provided for in advance by appropriation Acts, to any person or government if, under the provisions of the law containing such authority, the United States is obligated to make such payments to persons or governments who meet the requirements established by such law.

Such term does not include authority to insure or guarantee the repayment of indebtedness incurred by another person or government.

(d) EXCEPTIONS.—

(1) Subsections (a) and (b) shall not apply to new spending authority if the budget authority for outlays which will result from such new spending authority is derived—

(A) from a trust fund established by the Social Security Act (as in effect on the date of the enactment of this Act);

or

(B) from any other trust fund, 90 percent or more of the receipts of which consist or will consist of amounts (transferred from the general fund of the Treasury) equivalent to amounts of taxes (related to the purposes for which such outlays are or will be made) received in the Treasury under specified provisions of the Internal Revenue Code of 1954.

(2) Subsections (a) and (b) shall not apply to new spending authority which is an amendment to or extension of the State and Local Fiscal Assistance Act of 1972, or a continuation of the program of fiscal assistance to State and local governments provided by that Act, to the extent so provided in the bill or resolution providing such authority.

(3) Subsections (a) and (b) shall not apply to new spending authority to the extent that —

(A) the outlays resulting therefrom are made by an organization which is (i) a mixed-ownership Government corporation (as defined in section 201 of the Government Corporation Control Act), or (ii) a wholly owned Government corporation (as defined in section 101 of such Act) which is specifically exempted by law from compliance with any or all of the provisions of that Act; or

(B) the outlays resulting therefrom consist exclusively of the proceeds of gifts or bequests made to the United States for a specific purpose.

#### REPORTING OF AUTHORIZING LEGISLATION

SEC. 402. (a) REQUIRED REPORTING DATE.—Except as otherwise provided in this section, it shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which, directly or indirectly, authorizes the enactment of new budget authority for a fiscal year, unless that bill or resolution is reported in the House or the Senate, as the case may be, on or before May 15 preceding the beginning of such fiscal year.

(b) EMERGENCY WAIVER IN THE HOUSE.—If the Committee on Rules of the House of Representatives determines that emergency conditions require a waiver of subsection (a) with respect to any bill or resolution, such committee may report, and the House may consider and adopt, a resolution waiving the application of subsection (a) in the case of such bill or resolution.

(c) WAIVER IN THE SENATE.—

(1) The committee of the Senate which reports any bill or resolution may, at or after the time it reports such bill or resolution, report a resolution to the Senate (A) providing for the waiver of subsection (a) with respect to such bill or resolution, and (B) stating the reasons why the waiver is necessary. The resolution shall then be referred to the Committee on the Budget of the Senate. That committee shall report the resolution to the Senate, within 10 days after the resolution is referred to it (not counting any day on which the Senate is not in session) beginning with the day following the day on which it is so referred, accompanied by that committee's recommendations and reasons for such recommendations with respect to the resolution. If the committee does not report the resolution within such 10-day period, it shall automatically be discharged from further consideration of the resolution and the resolution shall be placed on the calendar.

(2) During the consideration of any such resolution, debate shall be limited to one hour, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees, and the time on any debatable motion or appeal shall be limited to 20 minutes, to be equally divided between, and controlled by, the mover and the manager of the resolution. In the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from the time under their control on the passage of such

*resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal. No amendment to the resolution is in order.*

*(3) If, after the Committee on the Budget has reported (or been discharged from further consideration of) the resolution, the Senate agrees to the resolution, then subsection (a) of this section shall not apply with respect to that bill or resolution referred to in the resolution.*

**(d) CERTAIN BILLS AND RESOLUTIONS RECEIVED FROM OTHER HOUSE.**—Notwithstanding the provisions of subsection (a), if under that subsection it is in order in the House of Representatives to consider a bill or resolution of the House, then it shall be in order to consider a companion or similar bill or resolution of the Senate; and if under that subsection it is in order in the Senate to consider a bill or resolution of the Senate, then it shall be in order to consider a companion or similar bill of the House of Representatives.

**(e) EXCEPTIONS.**—

*(1) Subsection (a) shall not apply with respect to new spending authority described in section 401 (c) (2) (C).*

*(2) Subsection (a) shall not apply with respect to new budget authority authorized in a bill or resolution for any provision of the Social Security Act if such bill or resolution also provides new spending authority described in section 401 (c) (2) (C) which, under section 401 (d) (1) (A), is excluded from the application of section 401 (b).*

**(f) STUDY OF EXISTING SPENDING AUTHORITY AND PERMANENT APPROPRIATIONS.**—The Committees on Appropriations of the House of Representatives and the Senate shall study on a continuing basis those provisions of law, in effect on the effective date of this section, which provide spending authority or permanent budget authority. Each committee shall, from time to time, report to its House its recommendations for terminating or modifying such provisions.

#### **ANALYSES BY CONGRESSIONAL BUDGET OFFICE**

**SEC. 403.** *The Director of the Congressional Budget Office shall, to the extent practicable, prepare for each bill or resolution of a public character reported by any committee of the House of Representatives or the Senate (except the Committee on Appropriations of each House), and submit to such committee—*

*(1) an estimate of the costs which would be incurred in carrying out such bill or resolution in the fiscal year in which it is to become effective and in each of the 4 fiscal years, following such fiscal year, together with the basis for each such estimate; and*

*(2) a comparison of the estimate of costs described in paragraph (1) with any available estimate of costs made by such committee or by any Federal agency.*

*The estimate and comparison so submitted shall be included in the report accompanying such bill or resolution if timely submitted to such committee before such report is filed.*

## JURISDICTION OF APPROPRIATIONS COMMITTEES

SEC. 404. (a) AMENDMENT OF HOUSE RULES.—Clause 2 of rule XI of the Rules of the House of Representatives is amended by redesignating paragraph (b) as paragraph (e) and by inserting after paragraph (a) the following new paragraphs:

“(b) Rescission of appropriations contained in appropriation Acts (referred to in section 105 of title 1, United States Code).

“(c) The amount of new spending authority described in section 401(c)(2)(A) and (B) of the Congressional Budget Act of 1974 which is to be effective for a fiscal year.

“(d) New spending authority described in section 401(c)(2)(C) of the Congressional Budget Act of 1974 provided in bills and resolutions referred to the committee under section 401(b)(2) of that Act (but subject to the provisions of section 401(b)(3) of that Act).”

(b) AMENDMENT OF SENATE RULES.—Subparagraph (c) of paragraph 1 of rule XXV of the Standing Rules of the Senate is amended to read as follows:

“(c) Committee on Appropriations, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

“1. Except as provided in subparagraph (r), appropriation of the revenue for the support of the Government.

“2. Rescission of appropriations contained in appropriation Acts (referred to in section 105 of title 1, United States Code).

“3. The amount of new spending authority described in section 401(c)(2)(A) and (B) of the Congressional Budget Act of 1974 provided in bills and resolutions referred to the committee under section 401(b)(2) of that Act (but subject to the provisions of section 401(b)(3) of that Act).

“4. New advance spending authority described in section 401(c)(2)(C) of the Congressional Budget Act of 1974 provided in bills and resolutions referred to the committee under section 401(b)(2) of that Act (but subject to the provisions of section 401(b)(3) of that Act).”

## TITLE V—CHANGE OF FISCAL YEAR

### FISCAL YEAR TO BEGIN OCTOBER 1

SEC. 501. Section 237 of the Revised Statutes (31 U.S.C. 1020) is amended to read as follows:

“SEC. 237. (a) The fiscal year of the Treasury of the United States, in all matters of accounts, receipts, expenditures, estimates, and appropriations—

“(1) shall, through June 30, 1976, commence on July 1 of each year and end on June 30 of the following year; and

“(2) shall, beginning on October 1, 1976, commence on October 1 of each year and end on September 30 of the following year.

“(b) All accounts of receipts and expenditures required by law to be published annually shall be prepared and published for each fiscal year as established by subsection (a).”

TRANSITION TO NEW FISCAL YEAR

SEC. 502. (a) As soon as practicable, the President shall prepare and submit to the Congress—

(1) after consultation with the Committees on Appropriations of the House of Representatives and the Senate, budget estimates for the United States Government for the period commencing July 1, 1976, and ending on September 30, 1976, in such form and detail as he may determine; and

(2) proposed legislation he considers appropriate with respect to changes in law necessary to provide authorizations of appropriations for that period.

(b) The Director of the Office of Management and Budget shall provide by regulation, order, or otherwise for the orderly transition by all departments, agencies, and instrumentalities of the United States Government and the government of the District of Columbia from the use of the fiscal year in effect on the date of enactment of this Act to the use of the new fiscal year prescribed by section 237 (a) (2) of the Revised Statutes. The Director shall prepare and submit to the Congress such additional proposed legislation as he considers necessary to accomplish this objective.

(c) The Director of the Office of Management and Budget and the Director of the Congressional Budget Office jointly shall conduct a study of the feasibility and advisability of submitting the Budget or portions thereof, and enacting new budget authority or portions thereof, for a fiscal year during the regular session of the Congress which begins in the year preceding the year in which such fiscal year begins. The Director of the Office of Management and Budget and the Director of the Congressional Budget Office each shall submit a report of the results of the study conducted by them, together with his own conclusions and recommendations, to the Congress not later than 2 years after the effective date of this subsection.

ACCOUNTING PROCEDURES

SEC. 503. (a) Subsection (a) (1) of the first section of the Act entitled "An Act to simplify accounting, facilitate the payment of obligations, and for other purposes", approved July 25, 1956, as amended (31 U.S.C. 701), is amended to read as follows:

"(1) The obligated balance shall be transferred, at the time specified in subsection (b) (1) of this section, to an appropriation account of the agency or subdivision thereof responsible for the liquidation of the obligation, in which account shall be merged the amounts so transferred from all appropriation accounts for the same general purposes; and"

(b) Subsection (b) of such section is amended to read as follows:

"(b) (1) Any obligated balance referred to in subsection (a) (1) of this section shall be transferred as follows:

"(A) for any fiscal year or years ending on or before June 30, 1976, on that June 30 which falls in the first month of June

*which occurs twenty-four months after the end of such fiscal year or years; and*

*“(B) for the period commencing on July 1, 1976, and ending on September 30, 1976, and for any fiscal year commencing on or after October 1, 1976, on September 30 of the second fiscal year following that period or the fiscal year or years, as the case may be, for which the appropriation is available for obligation.*

*“(2) The withdrawals required by subsection (a) (2) of this section shall be made—*

*“(A) for any fiscal year ending on or before June 30, 1976, not later than September 30 of the fiscal year immediately following the fiscal year in which the period of availability for obligation expires; and*

*“(B) for the period commencing on July 1, 1976, and ending on September 30, 1976, and for any fiscal year commencing on or after October 1, 1976, not later than November 15 following such period or fiscal year, as the case may be, in which the period of availability for obligation expires.”*

#### CONVERSION OF AUTHORIZATIONS OF APPROPRIATIONS

*SEC. 504. Any law providing for an authorization of appropriations commencing on July 1 of a year shall, if that year is any year after 1975, be considered as meaning October 1 of that year. Any law providing for an authorization of appropriations ending on June 30 of a year shall, if that year is any year after 1976, be considered as meaning September 30 of that year. Any law providing for an authorization of appropriations for the fiscal year 1977 or any fiscal year thereafter shall be construed as referring to that fiscal year ending on September 30 of the calendar year having the same calendar year number as the fiscal year number.*

#### REPEALS

*SEC. 505. The following provisions of law are repealed:*

*(1) the ninth paragraph under the headings “Legislative Establishment”, “Senate”, of the Deficiency Appropriation Act, fiscal year 1934 (48 Stat. 1022; 2 U.S.C. 66); and*

*(2) the proviso to the second paragraph under the headings “House of Representatives”, “Salaries, Mileage, and Expenses of Members”, of the Legislative-Judiciary Appropriation Act, 1955 (68 Stat. 400; 2 U.S.C. 81).*

#### TECHNICAL AMENDMENT

*SEC. 506. (a) Section 105 of title 1, United States Code, is amended by striking out “June 30” and inserting in lieu thereof “September 30”.*

*(b) The provisions of subsection (a) of this section shall be effective with respect to Acts making appropriations for the support of the Government for any fiscal year commencing on or after October 1, 1976.*

*TITLE VI—AMENDMENTS TO BUDGET AND  
ACCOUNTING ACT, 1921*

*MATTERS TO BE INCLUDED IN PRESIDENT'S BUDGET*

*SEC. 601. Section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is amended by adding at the end thereof the following new subsections:*

*“(d) The Budget transmitted pursuant to subsection (a) for each fiscal year shall set forth separately the items enumerated in section 301(a)(1)–(5) of the Congressional Budget Act of 1974.*

*“(e) The Budget transmitted pursuant to subsection (a) for each fiscal year shall set forth the levels of tax expenditures under existing law for such fiscal year (the tax expenditure budget), taking into account projected economic factors, and any changes in such existing levels based on proposals contained in such Budget. For purposes of this subsection, the terms ‘tax expenditures’ and ‘tax expenditures budget’ have the meanings given to them by section 3(a)(3) of the Congressional Budget Act of 1974.*

*“(f) The Budget transmitted pursuant to subsection (a) for each fiscal year shall contain—*

*“(1) a comparison, for the last completed fiscal year, of the total amount of outlays estimated in the Budget transmitted pursuant to subsection (a) for each major program involving uncontrollable or relatively uncontrollable outlays and the total amount of outlays made under each such major program during such fiscal year;*

*“(2) a comparison, for the last completed fiscal year, of the total amount of revenues estimated in the Budget transmitted pursuant to subsection (a) and the total amount of revenues received during such year, and, with respect to each major revenue source, the amount of revenues estimated in the Budget transmitted pursuant to subsection (a) and the amount of revenues received during such year; and*

*“(3) an analysis and explanation of the difference between each amount set forth pursuant to paragraphs (1) and (2) as the amount of outlays or revenues estimated in the Budget submitted under subsection (a) for such fiscal year and the corresponding amount set forth as the amount of outlays made or revenues received during such fiscal year.*

*“(g) The President shall transmit to the Congress, on or before April 10 and July 15 of each year, a statement of all amendments to or revisions in the budget authority requested, the estimated outlays, and the estimated receipts for the ensuing fiscal year set forth in the Budget transmitted pursuant to subsection (a) (including any previous amendments or revisions proposed on behalf of the executive branch) that he deems necessary and appropriate based on the most current information available. Such statement shall contain the effect of such amendments and revisions on the summary data submitted under subsection (a) and shall include such supporting detail as is practicable. The statement transmitted on or before July 15 of any year may be included in the supplemental summary required to be transmitted*

under subsection (b) during such year. The Budget transmitted to the Congress pursuant to subsection (a) for any fiscal year, or the supporting detail transmitted in connection therewith, shall include a statement of all such amendments and revisions with respect to the fiscal year in progress made before the date of transmission of such Budget.

“(h) The Budget transmitted pursuant to subsection (a) for each fiscal year shall include information with respect to estimates of appropriations for the next succeeding fiscal year for grants, contracts, or other payments under any program for which there is an authorization of appropriations for such succeeding fiscal year and such appropriations are authorized to be included in an appropriation Act for the fiscal year preceding the fiscal year in which the appropriation is to be available for obligation.

“(i) The Budget transmitted pursuant to subsection (a) for each fiscal year, beginning with the fiscal year ending September 30, 1979, shall contain a presentation of budget authority, proposed budget authority, outlays, proposed outlays, and descriptive information in terms of—

“(1) a detailed structure of national needs which shall be used to reference all agency missions and programs;

“(2) agency missions; and

“(3) basic programs.

To the extent practicable, each agency shall furnish information in support of its budget requests in accordance with its assigned missions in terms of Federal functions and subfunctions, including mission responsibilities of component organizations, and shall relate its programs to agency missions.”

#### MIDYEAR REVIEW

Sec. 602. Section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is amended by striking out “on or before June 1 of each year, beginning with 1972” and inserting in lieu thereof “on or before July 15 of each year”.

#### FIVE-YEAR BUDGET PROJECTIONS

Sec. 603. Section 201(a) of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is amended—

(1) by inserting after “ensuing fiscal year” in paragraph (5) “and projections for the four fiscal years immediately following the ensuing fiscal year”;

(2) by striking out “such year” in paragraph (5) and inserting in lieu thereof “such years”; and

(3) by inserting after “ensuing fiscal year” in paragraph (6) “and projections for the four fiscal years immediately following the ensuing fiscal year”.

#### ALLOWANCES FOR SUPPLEMENTAL BUDGET AUTHORITY AND UNCONTROLLABLE OUTLAYS

Sec. 604. Section 201(a) of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is further amended—

(1) by striking out “and” at the end of paragraph (11);

(2) by striking out the period at the end of paragraph (12) and inserting in lieu thereof “; and”; and

(3) by adding at the end thereof the following new paragraph:  
“(13) an allowance for additional estimated expenditures and proposed appropriations for the ensuing fiscal year, and an allowance for unanticipated uncontrollable expenditures for the ensuing fiscal year.”

#### BUDGET DATA BASED ON CONTINUATION OF EXISTING LEVEL OF SERVICES

*SEC. 605. (a) On or before November 10 of each year (beginning with 1975), the President shall submit to the Senate and the House of Representatives the estimated outlays and proposed budget authority which would be included in the Budget to be submitted pursuant to section 201 of the Budget and Accounting Act, 1921, for the ensuing fiscal year if all programs and activities were carried on during such ensuing fiscal year at the same level as the fiscal year in progress and without policy changes in such programs and activities. The estimated outlays and proposed budget authority submitted pursuant to this section shall be shown by function and subfunctions (in accordance with the classifications in the budget summary table entitled “Budget Authority and Outlays by Function and Agency”), by major programs within each such function, and by agency. Accompanying these estimates shall be the economic and programmatic assumptions underlying the estimated outlays and proposed budget authority, such as the rate of inflation, the rate of real economic growth, the unemployment rate, program caseloads, and pay increases.*

*(b) The Joint Economic Committee shall review the estimated outlays and proposed budget authority so submitted, and shall submit to the Committees on the Budget of both Houses an economic evaluation thereof on or before December 31 of each year.*

#### STUDY OF OFF-BUDGET AGENCIES

*SEC. 606. The Committees on the Budget of the House of Representatives and the Senate shall study on a continuing basis those provisions of law which exempt agencies of the Federal Government, or any of their activities or outlays, from inclusion in the Budget of the United States Government transmitted by the President under section 201 of the Budget and Accounting Act, 1921. Each committee shall, from time to time, report to its House its recommendations for terminating or modifying such provisions.*

#### YEAR-AHEAD REQUESTS FOR AUTHORIZATION OF NEW BUDGET AUTHORITY

*SEC. 607. Notwithstanding any other provision of law, any request for the enactment of legislation authorizing the enactment of new budget authority to continue a program or activity for a fiscal year (beginning with the fiscal year commencing October 1, 1976) shall be submitted to the Congress not later than May 15 of the year preceding the year in which such fiscal year begins. In the case of a request for the enactment of legislation authorizing the enactment of new budget*

*authority for a new program or activity which is to continue for more than one fiscal year, such request shall be submitted for at least the first 2 fiscal years.*

## TITLE VII—PROGRAM REVIEW AND EVALUATION

### REVIEW AND EVALUATION BY STANDING COMMITTEES

*Sec. 701. Section 136 (a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 190d) is amended by adding at the end thereof the following new sentences: "Such committees may carry out the required analysis, appraisal, and evaluation themselves, or by contract, or may require a Government agency to do so and furnish a report thereon to the Congress. Such committees may rely on such techniques as pilot testing, analysis of costs in comparison with benefits, or provision for evaluation after a defined period of time."*

### REVIEW AND EVALUATION BY THE COMPTROLLER GENERAL

*Sec. 702. (a) Section 204 of the Legislative Reorganization Act of 1970 (31 U.S.C. 1154) is amended to read as follows:*

#### "REVIEW AND EVALUATION

*"Sec. 204. (a) The Comptroller General shall review and evaluate the results of Government programs and activities carried on under existing law when ordered by either House of Congress, or upon his own initiative, or when requested by any committee of the House of Representatives or the Senate, or any joint committee of the two Houses, having jurisdiction over such programs and activities.*

*"(b) The Comptroller General, upon request of any committee of either House or any joint committee of the two Houses, shall—*

*"(1) assist such committee or joint committee in developing a statement of legislative objectives and goals and methods for assessing and reporting actual program performance in relation to such legislative objectives and goals. Such statements shall include, but are not limited to, recommendations as to methods of assessment, information to be reported, responsibility for reporting, frequency of reports, and feasibility of pilot testing; and*

*"(2) assist such committee or joint committee in analyzing and assessing program reviews or evaluation studies prepared by and for any Federal agency.*

*Upon request of any Member of either House, the Comptroller General shall furnish to such Member a copy of any statement or other material compiled in carrying out paragraphs (1) and (2) which has been released by the committee or joint committee for which it was compiled.*

*"(c) The Comptroller General shall develop and recommend to the Congress methods for review and evaluation of Government programs and activities carried on under existing law.*

*"(d) In carrying out his responsibilities under this section, the Comptroller General is authorized to establish an Office of Program*

*Review and Evaluation within the General Accounting Office. The Comptroller General is authorized to employ not to exceed ten experts on a permanent, temporary, or intermittent basis and to obtain services as authorized by section 3109 of title 5, United States Code, but in either case at a rate (or the daily equivalent) for individuals not to exceed that prescribed, from time to time, for level V of the Executive Schedule under section 5316 of title 5, United States Code.*

*“(e) The Comptroller General shall include in his annual report to the Congress a review of his activities under this section, including his recommendations of methods for review and evaluation of Government programs and activities under subsection (c).”*

*(b) Item 204 in the table of contents of such Act is amended to read as follows:*

*“Sec. 204. Review and evaluation.”*

*CONTINUING STUDY OF ADDITIONAL BUDGET  
REFORM PROPOSALS*

*SEC. 703. (a) The Committees on the Budget of the House of Representatives and the Senate shall study on a continuing basis proposals designed to improve and facilitate methods of congressional budget-making. The proposals to be studied shall include, but are not limited to, proposals for—*

*(1) improving the information base required for determining the effectiveness of new programs by such means as pilot testing, survey research, and other experimental and analytical techniques;*

*(2) improving analytical and systematic evaluation of the effectiveness of existing programs;*

*(3) establishing maximum and minimum time limitations for program authorization; and*

*(4) developing techniques of human resource accounting and other means of providing noneconomic as well as economic evaluation measures.*

*(b) The Committee on the Budget of each House shall, from time to time, report to its House the results of the study carried on by it under subsection (a), together with its recommendations.*

*(c) Nothing in this section shall preclude studies to improve the budgetary process by any other committee of the House of Representatives or the Senate or any joint committee of the Congress.*

*TITLE VIII—FISCAL AND BUDGETARY  
INFORMATION AND CONTROLS*

*AMENDMENT TO LEGISLATIVE REORGANIZATION ACT  
OF 1970*

*SEC. 801. (a) So much of title II of the Legislative Reorganization Act of 1970 (31 U.S.C. chapter 22) as precedes section 204 thereof is amended to read as follows:*

**"TITLE II—FISCAL AND BUDGETARY  
INFORMATION AND CONTROLS**

**"PART 1—FISCAL, BUDGETARY, AND PROGRAM-RELATED DATA  
AND INFORMATION**

**"FEDERAL FISCAL, BUDGETARY, AND PROGRAM-  
RELATED DATA AND INFORMATION SYSTEMS**

*"SEC. 201. The Secretary of the Treasury and the Director of the Office of Management and Budget, in cooperation with the Comptroller General of the United States, shall develop, establish, and maintain, for use by all Federal agencies, standardized data processing and information systems for fiscal, budgetary, and program-related data and information. The development, establishment, and maintenance of such systems shall be carried out so as to meet the needs of the various branches of the Federal Government and, insofar as practicable, of governments at the State and local level.*

**"STANDARDIZATION OF TERMINOLOGY, DEFINITIONS,  
CLASSIFICATIONS, AND CODES FOR FISCAL, BUDGET-  
ARY, AND PROGRAM-RELATED DATA AND INFORMA-  
TION**

*"SEC. 202. (a) (1) The Comptroller General of the United States, in cooperation with the Secretary of the Treasury, the Director of the Office of Management and Budget, and the Director of the Congressional Budget Office, shall develop, establish, maintain, and publish standard terminology, definitions, classifications, and codes for Federal fiscal, budgetary, and program-related data and information. The authority contained in this section shall include, but not be limited to, data and information pertaining to Federal fiscal policy, revenues, receipts, expenditures, functions, programs, projects, and activities. Such standard terms, definitions, classifications, and codes shall be used by all Federal agencies in supplying to the Congress fiscal, budgetary, and program-related data and information.*

*"(2) The Comptroller General shall submit to the Congress, on or before June 30, 1975, a report containing the initial standard terminology, definitions, classifications, and codes referred to in paragraph (1), and shall recommend any legislation necessary to implement them. After June 30, 1975, the Comptroller General shall submit to the Congress additional reports as he may think advisable, including any recommendations for any legislation he may deem necessary to further the development, establishment, and maintenance, modification, and executive implementation of such standard terminology, definitions, classifications, and codes.*

*"(b) In carrying out this responsibility, the Comptroller General of the United States shall give particular consideration to the needs of the Committees on the Budget of the House and Senate, the Committees on Appropriations of the House and Senate, the Committee*

*on Ways and Means of the House, the Committee on Finance of the Senate, and the Congressional Budget Office.*

*“(c) The Comptroller General of the United States shall conduct a continuing program to identify and specify the needs of the committees and Members of the Congress for fiscal, budgetary, and program-related information to support the objectives of this part.*

*“(d) The Comptroller General shall assist committees in developing their information needs, including such needs expressed in legislative requirements, and shall monitor the various recurring reporting requirements of the Congress and committees and make recommendations to the Congress and committees for changes and improvements in their reporting requirements to meet congressional information needs ascertained by the Comptroller General, to enhance their usefulness to the congressional users and to eliminate duplicative or unneeded reporting.*

*“(e) On or before September 1, 1974, and each year thereafter, the Comptroller General shall report to the Congress on needs identified and specified under subsection (c); the relationship of these needs to the existing reporting requirements; the extent to which the executive branch reporting presently meets the identified needs; the specification of changes to standard classifications needed to meet congressional needs; the activities, progress and results of his activities under subsection (d); and the progress that the executive branch has made during the past year.*

*“(f) On or before March 1, 1975, and each year thereafter, the Director of the Office of Management and Budget and the Secretary of the Treasury shall report to the Congress on their plans for addressing the needs identified and specified under subsection (c), including plans for implementing changes to classifications and codes to meet the information needs of the Congress as well as the status of prior year system and classification implementations.*

**“AVAILABILITY TO AND USE BY THE CONGRESS AND STATE AND LOCAL GOVERNMENTS OF FEDERAL FISCAL, BUDGETARY, AND PROGRAM-RELATED DATA AND INFORMATION**

*“Sec. 203. (a) Upon request of any committee of either House, of any joint committee of the two Houses, of the Comptroller General, or of the Director of the Congressional Budget Office, the Secretary of the Treasury, the Director of the Office of Management and Budget, and the heads of the various executive agencies shall—*

*“(1) furnish to such committee or joint committee, the Comptroller General, or the Director of the Congressional Budget Office information as to the location and nature of available fiscal, budgetary, and program-related data and information;*

*“(2) to the extent practicable, prepare summary tables of such data and information and any related information deemed necessary by such committee or joint committee, the Comptroller General, or the Director of the Congressional Budget Office; and*

*“(3) furnish to such committee or joint committee, the Comptroller General, or the Director of the Congressional Budget Office any program evaluations conducted or commissioned by any executive agency.*

*"(b) The Comptroller General, in cooperation with the Director of the Congressional Budget Office, the Secretary of the Treasury, and the Director of the Office of Management and Budget, shall—*

*"(1) develop, establish, and maintain an up-to-date inventory and directory of sources and information systems containing fiscal, budgetary, and program-related data and information and a brief description of their content;*

*"(2) provide, upon request, assistance to committees, joint committees, and Members of Congress in securing Federal fiscal, budgetary, and program-related data and information from the sources identified in such inventory and directory; and*

*"(3) furnish, upon request, assistance to committees and joint committees of Congress and, to the extent practicable, to Members of Congress in appraising and analyzing fiscal, budgetary, and program-related data and information secured from the sources identified in such inventory and directory.*

*"(c) The Comptroller General and the Director of the Congressional Budget Office shall, to the extent they deem necessary, develop, establish, and maintain a central file or files of the data and information required to carry out the purposes of this title. Such a file or files shall be established to meet recurring requirements of the Congress for fiscal, budgetary, and program-related data and information and shall include, but not be limited to, data and information pertaining to budget requests, congressional authorizations to obligate and spend, apportionment and reserve actions, and obligations and expenditures. Such file or files and their indexes shall be maintained in such a manner as to facilitate their use by the committees of both Houses, joint committees, and other congressional agencies through modern data processing and communications techniques.*

*"(d) The Director of the Office of Management and Budget, in cooperation with the Director of the Congressional Budget Office, the Comptroller General, and appropriate representatives of State and local governments, shall provide, to the extent practicable, State and local governments such fiscal, budgetary, and program-related data and information as may be necessary for the accurate and timely determination by these governments of the impact of Federal assistance upon their budgets."*

*(b) The table of contents of the Legislative Reorganization Act of 1970 is amended by striking out—*

**"TITLE II—FISCAL CONTROLS**

**"Part 1—Budgetary and Fiscal Information and Data**

*"Sec. 201. Budgetary and fiscal data processing system.*

*"Sec. 202. Budget standard classifications.*

*"Sec. 203. Availability to Congress of budgetary, fiscal, and related data."*

*and inserting in lieu thereof—*

**"TITLE II—FISCAL AND BUDGETARY INFORMATION AND CONTROLS**

**"Part 1—Fiscal, Budgetary, and Program-Related Data and Information**

*"Sec. 201. Federal fiscal, budgetary, and program-related data and information systems.*

*"Sec. 202. Standardization of terminology, definitions, classifications, and codes for fiscal, budgetary, and program-related data and information.*

"Sec. 203. Availability to and use by the Congress and State and local governments of Federal fiscal, budgetary, and program-related data and information."

#### CHANGES IN FUNCTIONAL CATEGORIES

Sec. 802. Any change in the functional categories set forth in the Budget of the United States Government transmitted pursuant to section 201 of the Budget and Accounting Act, 1921, shall be made only in consultation with the Committees on Appropriations and the Budget of the House of Representatives and Senate.

### TITLE IX—MISCELLANEOUS PROVISIONS; EFFECTIVE DATES

#### AMENDMENTS TO RULES OF THE HOUSE

Sec. 901. (a) Rule XI of the Rules of the House of Representatives (as amended by section 101(c) of this Act) is amended by inserting immediately after clause 22 the following new clause:

"22A. The respective areas of legislative jurisdiction under this rule are modified by title I of the Congressional Budget Act of 1974."

(b) Paragraph (c) of clause 29 of Rule XI of the Rules of the House of Representatives (as redesignated by section 101(c) of this Act) is amended by inserting "the Committee on the Budget," immediately after "the Committee on Appropriations,".

(c) Subparagraph (5) of paragraph (a) of clause 30 of Rule XI of the Rules of the House of Representatives (as so redesignated) is amended by inserting "and the Committee on the Budget" immediately before the period at the end thereof.

(d) Subparagraph (4) of paragraph (b) of clause 30 of Rule XI of the Rules of the House of Representatives (as so redesignated) is amended by inserting "and the Committee on the Budget" immediately before the period at the end hereof.

(e) Paragraph (d) of clause 30 of Rule XI of the Rules of the House of Representatives (as so redesignated) is amended by striking out "the Committee on Appropriations may appoint" and inserting in lieu thereof "the Committee on Appropriations and the Committee on the Budget may each appoint".

(f) Clause 32 of Rule XI of the Rules of the House of Representatives (as so redesignated) is amended by inserting "the Committee on the Budget," immediately after "the Committee on Appropriations,".

(g) Paragraph (a) of clause 33 of Rule XI of the Rules of the House of Representatives (as so redesignated) is amended by inserting "and the Committee on the Budget" immediately after "the Committee on Appropriations".

#### CONFORMING AMENDMENTS TO STANDING RULES OF THE SENATE

SEC. 902. Paragraph 1 of rule XXV of the Standing Rules of the Senate is amended—

(1) by striking out "Revenue" in subparagraph (h)1 and inserting in lieu thereof "Except as provided in the Congressional Budget Act of 1974, revenue";

- (2) by striking out "The" in subparagraph (h)2 and inserting in lieu thereof "Except as provided in the Congressional Budget Act of 1974, the"; and
- (3) by striking out "Budget" in subparagraph (j) (1) (A) and inserting in lieu thereof "Except as provided in the Congressional Budget Act of 1974, budget".

AMENDMENTS TO LEGISLATIVE REORGANIZATION  
ACT OF 1946

SEC. 903. (a) Section 134(c) of the Legislative Reorganization Act of 1946 (2 U.S.C. 190b(b)) is amended by inserting "or the Committee on the Budget" after "Appropriations".

(b) Section 136(c) of such Act (2 U.S.C. 190d(c)) is amended by striking out "Committee on Appropriations of the Senate and the Committees on Appropriations," and inserting in lieu thereof "Committees on Appropriations and the Budget of the Senate and the Committees on Appropriations, the Budget,".

EXERCISE OF RULEMAKING POWERS

SEC. 904. (a) The provisions of this title (except section 905) and of titles I, III, and IV and the provisions of sections 606, 701, 703, and 1017 are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

(b) Any provision of title III or IV may be waived or suspended in the Senate by a majority vote of the Members voting, a quorum being present, or by the unanimous consent of the Senate.

(c) Appeals in the Senate from the decisions of the Chair relating to any provision of title III or IV or section 1017 shall, except as otherwise provided therein, be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, concurrent resolution, reconciliation bill, or rescission bill, as the case may be.

EFFECTIVE DATES

SEC. 905. (a) Except as provided in this section, the provisions of this Act shall take effect on the date of its enactment.

(b) Title II (except section 201(a)), section 403, and section 502(c) shall take effect on the day on which the first Director of the Congressional Budget Office is appointed under section 201(a).

(c) Except as provided in section 906, title III and section 402 shall apply with respect to the fiscal year beginning on October 1, 1976, and succeeding fiscal years, and section 401 shall take effect on the first day of the second regular session of the Ninety-fourth Congress.

(d) *The amendments to the Budget and Accounting Act, 1921, made by sections 601, 603, and 604 shall apply with respect to the fiscal year beginning on July 1, 1975, and succeeding fiscal years, except that section 201(g) of such Act (as added by section 601) shall apply with respect to the fiscal year beginning on October 1, 1976, and succeeding fiscal years and section 201(i) of such Act (as added by section 601) shall apply with respect to the fiscal year beginning on October 1, 1978, and succeeding fiscal years. The amendment to such Act made by section 602 shall apply with respect to the fiscal year beginning on October 1, 1976, and succeeding fiscal years.*

APPLICATION OF CONGRESSIONAL BUDGET PROCESS  
TO FISCAL YEAR 1976

*Sec. 906. If the Committees on the Budget of the House of Representatives and the Senate both agree that it is feasible to report and act on a concurrent resolution on the budget referred to in section 301 (a), or to apply any provision of title III or section 401 or 402, for the fiscal year beginning on July 1, 1975, and submit reports of such agreement to their respective Houses, then to the extent and in the manner specified in such reports, the provisions so specified and section 202 (f) shall apply with respect to such fiscal year. If any provision so specified contains a date, such reports shall also specify a substitute date.*

TITLE X—IMPOUNDMENT CONTROL

PART A—GENERAL PROVISIONS

DISCLAIMER

*Sec. 1001. Nothing contained in this Act, or in any amendments made by this Act, shall be construed as—*

- (1) *asserting or conceding the constitutional powers or limitations of either the Congress or the President;*
- (2) *ratifying or approving any impoundment heretofore or hereafter executed or approved by the President or any other Federal officer or employee, except insofar as pursuant to statutory authorization then in effect;*
- (3) *affecting in any way the claims or defenses of any party to litigation concerning any impoundment; or*
- (4) *superseding any provision of law which requires the obligation of budget authority or the making of outlays thereunder.*

AMENDMENT TO ANTIDEFICIENCY ACT

*Sec. 1002. Section 3679(c)(2) of the Revised Statutes, as amended (31 U.S.C. 665), is amended to read as follows:*

*“(2) In apportioning any appropriation, reserves may be established solely to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements or greater efficiency of operations. Whenever it is determined by an officer designated in subsection (d) of this section to make apportionments and reapportionments that any amount so reserved will not be required to carry out the full objectives and scope of the appropriation concerned, he shall recommend the rescission of such amount in the manner provided in the*

*Budget and Accounting Act, 1921, for estimates of appropriations. Except as specifically provided by particular appropriations Acts or other laws, no reserves shall be established other than as authorized by this subsection. Reserves established pursuant to this subsection shall be reported to the Congress in accordance with the Impoundment Control Act of 1974."*

*REPEAL OF EXISTING IMPOUNDMENT REPORTING  
PROVISION*

*Sec. 1003. Section 203 of the Budget and Accounting Procedures Act of 1950 is repealed.*

*PART B—CONGRESSIONAL CONSIDERATION OF PROPOSED RE-  
SCISSIONS, RESERVATIONS, AND DEFERRALS OF BUDGET  
AUTHORITY*

*DEFINITIONS*

*Sec. 1011. For purposes of this part—*

*(1) "deferral of budget authority" includes—*

*(A) withholding or delaying the obligation or expenditure of budget authority (whether by establishing reserves or otherwise) provided for projects or activities; or*

*(B) any other type of Executive action or inaction which effectively precludes the obligation or expenditure of budget authority, including authority to obligate by contract in advance of appropriations as specifically authorized by law;*

*(2) "Comptroller General" means the Comptroller General of the United States;*

*(3) "rescission bill" means a bill or joint resolution which only rescinds, in whole or in part, budget authority proposed to be rescinded in a special message transmitted by the President under section 1012, and upon which the Congress completes action before the end of the first period of 45 calendar days of continuous session of the Congress after the date on which the President's message is received by the Congress;*

*(4) "impoundment resolution" means a resolution of the House of Representatives or the Senate which only expresses its disapproval of a proposed deferral of budget authority set forth in a special message transmitted by the President under section 1013; and*

*(5) continuity of a session of the Congress shall be considered as broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than 3 days to a day certain shall be excluded in the computation of the 45-day period referred to in paragraph (3) of this section and in section 1012, and the 25-day periods referred to in sections 1016 and 1017(b)(1). If a special message is transmitted under section 1012 during any Congress and the last session of such Congress adjourns sine die before the expiration of 45 calendar days of continuous session (or a special message is so transmitted after the last session of the Congress adjourns sine die), the message shall be deemed to have been retransmitted on the first day of the succeeding Congress and the 45-day period referred to in paragraph (3) of this section and in section 1012 (with respect to such message) shall commence on the day after such first day.*

*RESCISSION OF BUDGET AUTHORITY*

*SEC. 1012. (a) TRANSMITTAL OF SPECIAL MESSAGE.—Whenever the President determines that all or part of any budget authority will not be required to carry out the full objectives or scope of programs for which it is provided or that such budget authority should be rescinded for fiscal policy or other reasons (including the termination of authorized projects or activities for which budget authority has been provided), or whenever all or part of budget authority provided for only one fiscal year is to be reserved from obligation for such fiscal year, the President shall transmit to both Houses of Congress a special message specifying—*

*(1) the amount of budget authority which he proposes to be rescinded or which is to be so reserved;*

*(2) any account, department, or establishment of the Government to which such budget authority is available for obligation, and the specific project or governmental functions involved;*

*(3) the reasons why the budget authority should be rescinded or is to be so reserved;*

*(4) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the proposed rescission or of the reservation; and*

*(5) all facts, circumstances, and considerations relating to or bearing upon the proposed rescission and the reservation and the decision to effect the proposed rescission or the reservation, and to the maximum extent practicable, the estimated effect of the proposed rescission or the reservation upon the objects, purposes, and programs for which the budget authority is provided.*

*(b) REQUIREMENT TO MAKE AVAILABLE FOR OBLIGATION.—Any amount of budget authority proposed to be rescinded or that is to be reserved as set forth in such special message shall be made available for obligation unless, within the prescribed 45-day period, the Congress has completed action on a rescission bill rescinding all or part of the amount proposed to be rescinded or that is to be reserved.*

*DISAPPROVAL OF PROPOSED DEFERRALS OF BUDGET AUTHORITY*

*SEC. 1013. (a) TRANSMITTAL OF SPECIAL MESSAGE.—Whenever the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States proposes to defer any budget authority provided for a specific purpose or project, the President shall transmit to the House of Representatives and the Senate a special message specifying—*

*(1) the amount of the budget authority proposed to be deferred;*

*(2) any account, department, or establishment of the Government to which such budget authority is available for obligation, and the specific projects or governmental functions involved;*

*(3) the period of time during which the budget authority is proposed to be deferred;*

(4) the reasons for the proposed deferral, including any legal authority invoked by him to justify the proposed deferral;

(5) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the proposed deferral; and

(6) all facts, circumstances, and considerations relating to or bearing upon the proposed deferral and the decision to effect the proposed deferral, including an analysis of such facts, circumstances, and considerations in terms of their application to any legal authority and specific elements of legal authority invoked by him to justify such proposed deferral, and to the maximum extent practicable, the estimated effect of the proposed deferral upon the objects, purposes, and programs for which the budget authority is provided.

A special message may include one or more proposed deferrals of budget authority. A deferral may not be proposed for any period of time extending beyond the end of the fiscal year in which the special message proposing the deferral is transmitted to the House and the Senate.

(b) *REQUIREMENT TO MAKE AVAILABLE FOR OBLIGATION.*—Any amount of budget authority proposed to be deferred, as set forth in a special message transmitted under subsection (a), shall be made available for obligation if either House of Congress passes an impoundment resolution disapproving such proposed deferral.

(c) *EXCEPTION.*—The provisions of this section do not apply to any budget authority proposed to be rescinded or that is to be reserved as set forth in a special message required to be transmitted under section 1012.

#### TRANSMISSION OF MESSAGES; PUBLICATION

SEC. 1014. (a) *DELIVERY TO HOUSE AND SENATE.*—Each special message transmitted under section 1012 or 1013 shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each special message so transmitted shall be referred to the appropriate committee of the House of Representatives and the Senate. Each such message shall be printed as a document of each House.

(b) *DELIVERY TO COMPTROLLER GENERAL.*—A copy of each special message transmitted under section 1012 or 1013 shall be transmitted to the Comptroller General on the same day it is transmitted to the House of Representatives and the Senate. In order to assist the Congress in the exercise of its functions under sections 1012 and 1013, the Comptroller General shall review each such message and inform the House of Representatives and the Senate as promptly as practicable with respect to—

(1) in the case of a special message transmitted under section 1012, the facts surrounding the proposed rescission or the reservation of budget authority (including the probable effects thereof); and

(2) in the case of a special message transmitted under section 1013, (A) the facts surrounding each proposed deferral of budget

authority (including the probable effects thereof) and (B) whether or not (or to what extent), in his judgment, such proposed deferral is in accordance with existing statutory authority.

(c) *TRANSMISSION OF SUPPLEMENTARY MESSAGES.*—If any information contained in a special message transmitted under section 1012 or 1013 is subsequently revised, the President shall transmit to both Houses of Congress and the Comptroller General a supplementary message stating and explaining such revision. Any such supplementary message shall be delivered, referred, and printed as provided in subsection (a). The Comptroller General shall promptly notify the House of Representatives and the Senate of any changes in the information submitted by him under subsection (b) which may be necessitated by such revision.

(d) *PRINTING IN FEDERAL REGISTER.*—Any special message transmitted under section 1012 or 1013, and any supplementary message transmitted under subsection (c), shall be printed in the first issue of the Federal Register published after such transmittal.

(e) *CUMULATIVE REPORTS OF PROPOSED RESCISSIONS, RESERVATIONS, AND DEFERRALS OF BUDGET AUTHORITY.*—

(1) The President shall submit a report to the House of Representatives and the Senate, not later than the 10th day of each month during a fiscal year, listing all budget authority for that fiscal year with respect to which, as of the first day of such month—

(A) he has transmitted a special message under section 1012 with respect to a proposed rescission or a reservation; and

(B) he has transmitted a special message under section 1013 proposing a deferral.

Such report shall also contain, with respect to each such proposed rescission or deferral, or each such reservation, the information required to be submitted in the special message with respect thereto under section 1012 or 1013.

(2) Each report submitted under paragraph (1) shall be printed in the first issue of the Federal Register published after its submission.

#### REPORTS BY COMPTROLLER GENERAL

*SEC. 1015. (a) FAILURE TO TRANSMIT SPECIAL MESSAGE.*—If the Comptroller General finds that the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any other officer or employee of the United States—

(1) is to establish a reserve or proposes to defer budget authority with respect to which the President is required to transmit a special message under section 1012 or 1013; or

(2) has ordered, permitted, or approved the establishment of such a reserve or a deferral of budget authority;

and that the President has failed to transmit a special message with respect to such reserve or deferral, the Comptroller General shall make a report on such reserve or deferral and any available information concerning it to both Houses of Congress. The provisions of this part shall apply with respect to such reserve or deferral in the same manner and with the same effect as if such report of the Comptroller General were a special message

transmitted by the President under section 1012 or 1013, and, for purposes of this part, such report shall be considered a special message transmitted under section 1012 or 1013.

(b) *INCORRECT CLASSIFICATION OF SPECIAL MESSAGE.*—If the President has transmitted a special message to both Houses of Congress in accordance with section 1012 or 1013, and the Comptroller General believes that the President so transmitted the special message in accordance with one of those sections when the special message should have been transmitted in accordance with the other of those sections, the Comptroller General shall make a report to both Houses of the Congress setting forth his reasons.

#### *SUITS BY COMPTROLLER GENERAL*

*SEC. 1016.* If, under section 1012(b) or 1013(b), budget authority is required to be made available for obligation and such budget authority is not made available for obligation, the Comptroller General is hereby expressly empowered, through attorneys of his own selection, to bring a civil action in the United States District Court for the District of Columbia to require such budget authority to be made available for obligation, and such court is hereby expressly empowered to enter in such civil action, against any department, agency, officer, or employee of the United States, any decree, judgment, or order which may be necessary or appropriate to make such budget authority available for obligation. The courts shall give precedence to civil actions brought under this section, and to appeals and writs from decisions in such actions, over all other civil actions, appeals, and writs. No civil action shall be brought by the Comptroller General under this section until the expiration of 25 calendar days of continuous session of the Congress following the date on which an explanatory statement by the Comptroller General of the circumstances giving rise to the action contemplated has been filed with the Speaker of the House of Representatives and the President of the Senate.

#### *PROCEDURE IN HOUSE AND SENATE*

*SEC. 1017.* (a) *REFERRAL.*—Any rescission bill introduced with respect to a special message or impoundment resolution introduced with respect to a proposed deferral of budget authority shall be referred to the appropriate committee of the House of Representatives or the Senate, as the case may be.

(b) *DISCHARGE OF COMMITTEE.*—

(1) If the committee to which a rescission bill or impoundment resolution has been referred has not reported it at the end of 25 calendar days of continuous session of the Congress after its introduction, it is in order to move either to discharge the committee from further consideration of the bill or resolution or to discharge the committee from further consideration of any other rescission bill with respect to the same special message or impoundment resolution with respect to the same proposed deferral, as the case may be, which has been referred to the committee.

(2) A motion to discharge may be made only by an individual favoring the bill or resolution, may be made only if supported by one-

*fifth of the Members of the House involved (a quorum being present), and is highly privileged in the House and privileged in the Senate (except that it may not be made after the committee has reported a bill or resolution with respect to the same special message or the same proposed deferral, as the case may be); and debate thereon shall be limited to not more than 1 hour, the time to be divided in the House equally between those favoring and those opposing the bill or resolution, and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.*

(c) *FLOOR CONSIDERATION IN THE HOUSE.—*

(1) *When the committee of the House of Representatives has reported, or has been discharged from further consideration of, a rescission bill or impoundment resolution, it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the bill or resolution. The motion shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.*

(2) *Debate on a rescission bill or impoundment resolution shall be limited to not more than 2 hours, which shall be divided equally between those favoring and those opposing the bill or resolution. A motion further to limit debate shall not be debatable. In the case of an impoundment resolution, no amendment to, or motion to recommit, the resolution shall be in order. It shall not be in order to move to reconsider the vote by which a rescission bill or impoundment resolution is agreed to or disagreed to.*

(3) *Motions to postpone, made with respect to the consideration of a rescission bill or impoundment resolution, and motions to proceed to the consideration of other business, shall be decided without debate.*

(4) *All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to any rescission bill or impoundment resolution shall be decided without debate.*

(5) *Except to the extent specifically provided in the preceding provisions of this subsection, consideration of any rescission bill or impoundment resolution and amendments thereto (or any conference report thereon) shall be governed by the Rules of the House of Representatives applicable to other bills and resolutions, amendments, and conference reports in similar circumstances.*

(d) *FLOOR CONSIDERATION IN THE SENATE.—*

(1) *Debate in the Senate on any rescission bill or impoundment resolution, and all amendments thereto (in the case of a rescission bill) and debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours. The time shall be equally*

*divided between, and controlled by, the majority leader and the minority leader or their designees.*

*(2) Debate in the Senate on any amendment to a rescission bill shall be limited to 2 hours, to be equally divided between, and controlled by, the mover and the manager of the bill. Debate on any amendment to an amendment, to such a bill, and debate on any debatable motion or appeal in connection with such a bill or an impoundment resolution shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the bill or resolution, except that in the event the manager of the bill or resolution is in favor of any such amendment, motion, or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. No amendment that is not germane to the provisions of a rescission bill shall be received. Such leaders, or either of them, may, from the time under their control on the passage of a rescission bill or impoundment resolution, allot additional time to any Senator during the consideration of any amendment, debatable motion, or appeal.*

*(3) A motion to further limit debate is not debatable. In the case of a rescission bill, a motion to recommit (except a motion to recommit with instructions to report back within a specified number of days, not to exceed 3, not counting any day on which the Senate is not in session) is not in order. Debate on any such motion to recommit shall be limited to one hour, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution. In the case of an impoundment resolution, no amendment or motion to recommit is in order.*

*(4) The conference report on any rescission bill shall be in order in the Senate at any time after the third day (excluding Saturdays, Sundays, and legal holidays) following the day on which such a conference report is reported and is available to Members of the Senate. A motion to proceed to the consideration of the conference report may be made even though a previous motion to the same effect has been disagreed to.*

*(5) During the consideration in the Senate of the conference report on any rescission bill, debate shall be limited to 2 hours, to be equally divided between, and controlled by, the majority leader and minority leader or their designees. Debate on any debatable motion or appeal related to the conference report shall be limited to 30 minutes, to be equally divided between, and controlled by, the mover and the manager of the conference report.*

*(6) Should the conference report be defeated, debate on any request for a new conference and the appointment of conferees shall be limited to one hour, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee, and should any motion be made to instruct the conferees before the conferees are named, debate on such motion shall be limited to 30 minutes, to be equally divided between, and controlled by, the mover and the manager of the conference report. Debate on any amendment to any such instructions shall be limited to 20 minutes, to be*

*equally divided between, and controlled by, the mover and the manager of the conference report. In all cases when the manager of the conference report is in favor of any motion, appeal, or amendment, the time in opposition shall be under the control of the minority leader or his designee.*

*(7) In any case in which there are amendments in disagreement, time on each amendment shall be limited to 30 minutes, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee. No amendment that is not germane to the provisions of such amendments shall be received.*

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment as follows:

In lieu of the amendment of the Senate, amend the title to read as follows: "An Act to establish a new congressional budget process; to establish Committees on the Budget in each House; to establish a Congressional Budget Office; to establish a procedure providing congressional control over the impoundment of funds by the executive branch; and for other purposes."

And the Senate agree to the same.

SAM J. ERVIN, JR.,  
EDMUND S. MUSKIE,  
ABRAHAM RIBICOFF,  
LEE METCALF,  
HOWARD W. CANNON,  
CLAIBORNE PELL,  
ROBERT C. BYRD,  
JAMES B. ALLEN,  
C. H. PERCY,  
W. V. ROTH, JR.,  
BILL BROCK,  
M. W. COOK,  
HUGH SCOTT,  
ROBERT P. GRIFFIN,

*Managers on the Part of the Senate.*

RICHARD BOLLING,  
BERNIE SISK,  
JOHN YOUNG,  
GILLIS W. LONG,  
DAVE MARTIN,  
DELBERT LATTA,  
DEL CLAWSON,

*Managers on the Part of the House.*

## JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7130) to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Office, to establish a procedure providing congressional control over the impoundment of funds by the executive branch, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

### SECTION 1. SHORT TITLE

The House bill provided that this act may be cited as the "Budget and Impoundment Control Act of 1973." The short title of the Senate amendment was the "Congressional Budget Act of 1974."

The conference substitute provides that the Act may be cited as the "Congressional Budget and Impoundment Control Act of 1974." The conference substitute also provides that Titles I through IX of this act may be cited as the "Congressional Budget Act of 1974" and Title X as the "Impoundment Control Act of 1974."

### SECTION 2. DECLARATION OF PURPOSES

The House bill did not contain a statement of purposes. The Senate amendment declared as the purposes of the legislation: the establishment of national goals and priorities; the annual determination of appropriate levels of revenues and expenditures; assuring the most effective use of Federal revenues; and assuring effective control of the budget process. The Senate amendment also stated various means of accomplishing these purposes.

The conference substitute declares that it is essential to: assure congressional budget control; provide for the congressional determination of the appropriate level of Federal revenues and expenditures; provide a system of impoundment control; establish national budget priorities; and provide for the furnishing of information to Congress by the executive branch.

### SECTION 3. DEFINITIONS

The House bill provided definitions of "budget outlays", "budget authority" and "concurrent resolution on the budget." The Senate amendment also defined these terms but excluded insured or guaranteed loans from the definition of budget authority. The Senate amendment also defined "tax expenditures", "tax expenditures budget", and "appropriation Act", and it provided that for purposes of the congressional budget process, the House members of the Joint Committee on Atomic Energy are to be deemed a committee of the House and the Senate members a committee of the Senate.

The conference substitute incorporates the House definition of "concurrent resolution on the budget" and the Senate definition of all other items. The Senate definition of "tax expenditures" has been simplified although no change in meaning is intended. The managers intend that the definition of "budget outlays" and "budget authority" for purposes of the congressional budget process be the same as that used for the executive budget and that any item which is excluded by law from the executive budget may be excluded from any specification of budget outlays or budget authority in the congressional budget process.

#### TITLE I. HOUSE AND SENATE BUDGET COMMITTEES

##### SECTION 101. HOUSE COMMITTEE ON THE BUDGET

The House bill provided for a 23-member committee: five from the Ways and Means Committee; five from the Appropriations Committee; eleven from other standing committees; and one member each from the majority and minority leadership. Selection of Budget Committee members would have been without regard to seniority and no member could serve more than two (plus a portion) of any five consecutive congresses. The House version vested the Budget Committee with authority to meet, hold hearings, and issue subpoenas. The duties of the House Budget Committee would have been to report concurrent resolutions on the budget setting forth those matters required by the bill, and to make continuing studies of the effects of existing and proposed legislation on budget outlays.

The conference substitute is substantially the same as the provision in the House bill, except that the duties of the House Budget Committee are set forth in conformity with Titles III and IV of the bill. The House Budget Committee also is charged with the duty of overseeing the operation of the Congressional Budget Office and evaluating studies of tax expenditures.

##### SECTION 102. SENATE COMMITTEE ON THE BUDGET

The Senate amendment provided for a 15-member standing committee to be selected in the same manner as other standing committees of the Senate. Members of the Budget Committee could hold two other major committee posts until January 1977; thereafter, they would be allowed one other major committee assignment. The duties of the Senate Budget Committee were specified as the reporting of concurrent resolutions and other matters required by the legislation, the study of the effects of existing and proposed legislation on budget outlays and the evaluation of tax expenditure studies, and the oversight of the Congressional Office of the Budget. All meetings and hearings of the Senate Budget Committee would have been open to the public except those which a majority of the committee members vote to close because of one or more of the reasons set forth in this legislation.

The conference substitute is the same as the Senate amendment, except that certain conforming modifications are made in the jurisdiction and duties of the Senate Budget Committee. The House and Senate Budget Committees are given parallel and identical jurisdiction and duties in the conference substitute.

## TITLE II. CONGRESSIONAL BUDGET OFFICE

### SECTION 201(a). ESTABLISHMENT OF OFFICE AND DIRECTOR

The House bill provided for a Legislative Budget Office to serve as the staff for the new House and Senate Budget Committees and to give assistance to other committees and Members. The Office would have been headed by a Director appointed without regard to political affiliation by the Speaker of the House upon the recommendation of the House Budget Committee. The compensation of the Director would have been at level III of the executive schedule. The Senate bill provided for a Congressional Office of the Budget to serve all committees and Members (but with priority to the Budget, Appropriations, Ways and Means, and Finance Committees). The Director and Deputy Director of the Office would have been appointed without regard to political affiliation by the Speaker and President pro tem after consultation with the Budget Committees and approval by the House and Senate. The Director and Deputy would have had a six-year term and could be removed by either House or Senate. The Director's compensation would have been the same as that of the Secretary of the Senate and the Deputy's would have been equal to the highest allowable for an administrative assistant to a Senator.

The conference substitute establishes a Congressional Budget Office headed by a Director who shall appoint a Deputy Director. Appointment of the Director is to be by the Speaker and the President pro tem after considering recommendations from the House and Senate Budget Committees. The managers on the part of the Senate expect that the President Pro Tem of the Senate would carry out his responsibilities under this section after consultation with the Majority and Minority Leaders of the Senate. The appointment shall be without regard to political affiliation and compensation is to be at level III of the executive schedule, with the Deputy's salary set at level IV. The Director is to have a four year term of office and he may be removed by either the House or Senate.

### SECTION 201 (b) AND (c). PERSONNEL, EXPERTS, AND CONSULTANTS

The House bill provided that the appointment of personnel by the Legislative Budget Director was to be with the approval of the chairmen of the House and Senate Budget Committees and that personnel would be deemed as employees of the House for purposes of pay and other benefits. The Legislative Budget Office would be authorized to obtain the services of experts and consultants. The Senate amendment authorized the Director of the Congressional Office of the Budget to hire personnel who would be considered Senate employees for pay and other matters. The Director also was authorized to procure the services of experts and consultants.

The conference substitute authorizes the Director to hire, set the pay, and prescribe the duties of the personnel of the Congressional Budget Office without regard to political affiliation. For purposes of pay and employment benefits, such personnel are to be regarded as House employees. The Director also is authorized to procure the temporary services of experts and consultants by contract or employment.

SECTION 201 (d) AND (e). RELATIONSHIP TO EXECUTIVE BRANCH AND CONGRESSIONAL AGENCIES

The House bill provided that the Legislative Budget Office may utilize the services, information, and facilities of government departments. It further authorized the Legislative Budget Director, with the approval of the chairman of either the House or Senate Budget Committee, to obtain information directly from any executive agency and it directed such agencies to furnish any information so requested. The Senate amendment authorized the Congressional Office of the Budget Director to secure from executive agencies any information whose disclosure is not specifically prohibited by law. It also authorized the Congressional Office of the Budget to utilize with their consent the services, facilities, or personnel of executive agencies. The Senate amendment instructed the Congressional Office of the Budget to cooperate with and secure information and services from the General Accounting Office, the Library of Congress, and the Office of Technology Assessment.

The conference substitute authorizes the Budget Office to obtain information and data from executive and regulatory agencies, other than material whose disclosure would violate law. The Budget Office also may enter into agreements with such agencies to utilize their personnel, services, or facilities, with or without reimbursement. The Budget Office is directed to coordinate its activities with the General Accounting Office, the Library of Congress, and the Office of Technology Assessment, is authorized to obtain information developed by these agencies and with their consent to utilize their services, personnel, and facilities.

The managers intend that the establishment and operation of the Congressional Budget Office be implemented in a manner that will utilize most effectively the resources and capabilities available in existing congressional agencies. While the managers strongly endorse the need for a specialized Budget Office, they anticipate that this Office will not needlessly duplicate the work of other congressional agencies and that where appropriate it will use the resources of the other agencies. Toward this end, the managers expect that the Congressional Budget Office will develop cooperative working relationships with the General Accounting Office, the Library of Congress, and the Office of Technology Assessment. These relationships shall include the efficient utilization of staff, procedures for sharing budget-relevant information, and for coordinated assistance to congressional committees and Members. The managers further expect that the Congressional Budget Office shall make appropriate use of information and resources developed by executive agencies. The managers expect that the growth and development of the Budget Office will be consonant with the requirements of the congressional budget process and with the needs of committees and Members for assistance.

SECTION 201(f). AUTHORIZATION OF APPROPRIATIONS

Both the House and Senate versions authorized the appropriation of funds for the budget office to carry out its duties and functions. The House bill provided that until funds are first appropriated, the expenses of the Budget Office are to be paid from the contingent fund

of the House of Representatives; the Senate amendment provided for such payment from the contingent fund of the Senate.

The conference substitute provides a permanent authorization of appropriations for the Congressional Budget Office, with payment of the expenses of the Office from the contingent fund of the Senate (for a period of not more than 12 months after the Director is appointed) until funds are first appropriated. The managers are of the view that the expeditious establishment of the Congressional Budget Office is vital to the efficacy of the congressional budget process. Congress must be adequately prepared to meet the important budget responsibilities specified in this legislation. Toward this end, the managers urge that there be no delay in the organization of the Congressional Budget Office and that essential funding be made available in a timely manner.

SECTION 202 (a), (b), (c), AND (d). ASSISTANCE TO COMMITTEES AND MEMBERS

The House bill anticipated that the Legislative Budget Office would function as the joint staff of the two Budget Committees and that it would furnish only available information and related technical assistance to other committees and Members. The Senate amendment anticipated that each Budget Committee would have staff of its own and that the Congressional Office of the Budget would render assistance to all committees and Members in accord with a prescribed order of priority: (1) the Budget, Appropriations, Ways and Means, and Finance Committees; (2) other committees; and (3) Members.

The conference substitute provides that it shall be the duty of the Congressional Budget Office to provide each Budget Committee information with respect to all matters within its jurisdiction and to assign personnel at their request on a temporary basis. The managers recognize that the House and Senate Budget Committees may be expected to establish staffs of their own including experts and consultants in accord with the rules of their respective Houses. Nevertheless, the managers believe that the functioning of the Budget Committees is so essential to the congressional process that their work must command first claim on the time and resources of the Budget Office. Accordingly, it is made the duty and function of the Budget Office to furnish information and assign personnel for all matters relating to the congressional budget process.

The managers believe that very high priority must be accorded those other standing committees whose work and jurisdiction are most closely related to the budget process. These committees are the Appropriations Committees of the House and the Senate, the House Ways and Means Committee, and the Senate Finance Committee. At the request of any of these committees, the Budget Office shall furnish budget-related information and may detail personnel for a limited time.

The managers expect that the Budget Office will furnish information to any other committee, including certain information prepared for the Budget, Appropriations, or tax committees and, to the extent practicable, additional related information. The Budget Office at its discretion may temporarily assign personnel to other

committees. The managers understand that all standing committees will be involved in the congressional budget process, and they therefore anticipate that necessary assistance must be forthcoming from the Budget Office. But such assistance must not interfere with priority service to the several budget-related committees.

On request, Members shall be supplied certain information previously prepared for the Budget, Appropriations, and tax committees with respect to budget matters and any available, related information. The managers believe that Members are entitled to obtain the basic budget studies and compilations made by the Budget Office. It is vital that Members have available timely and comprehensive information when they consider legislation and resolutions relating to budget policy.

**SECTION 202(e). THE JOINT COMMITTEE ON REDUCTION OF FEDERAL EXPENDITURES**

The Senate amendment provided for the termination of the Joint Committee on Reduction of Federal Expenditures and the transfer of its functions to the Congressional Budget Office.

The conference substitute provides for the termination of the Joint Committee and the transfer of its functions to the Budget Office. This transfer is timed to the appointment of the Director of the Budget Office, so that it will start with a core of experienced technicians and analysts who can perform the scorekeeping functions of the congressional budget process.

**SECTION 202(f). REPORT TO BUDGET COMMITTEES**

The Senate amendment provided for an annual report to Congress by the Congressional Office of the Budget with respect to alternative budget levels including budget authority, outlays, revenues, and tax expenditures. The Senate amendment also called for an annual report to Congress on national goals and priorities, discussing the goals and priorities reflected in the budget and the effect of the budget on national growth and development.

The conference substitute provides for a report by the Congressional Budget Office to the Budget Committees by April 1 of each year. This report is to address fiscal policy and national budget priorities. The report shall discuss alternative budget levels for the next fiscal year as well as alternative allocations of budget authority and outlays and examine the possible effects of such alternative allocations on national growth and development. Additional reports on fiscal policy and national budget policy may be submitted from time to time as appropriate.

The managers look to these reports as a major resource for the Budget Committees in their formulation of concurrent resolutions on the budget. For this reason, the reports are to be submitted directly to the Budget Committees and are timed to coincide with preparation of the first budget resolution. The managers also believe that the annual determinations relating to the budget offer the most relevant context for the discussion of national budget priorities and they therefore regard the annual report as the appropriate occasion for the

submission of staff analyses on national budget priorities to the Budget Committees.

SECTION 202(f). USE OF COMPUTERS AND OTHER TECHNIQUES

The Senate amendment authorized the Director to equip the Budget Office, upon approval by the Senate Committee on Rules and Administration and the Committee on House Administration, with computer capability, to obtain the services of computer experts and consultants, and to develop budgetary evaluation techniques.

The conference substitute is substantially the same as the Senate provision. The aim of the approval requirement is to ensure the coordination of congressional computer facilities so that such facilities will be developed in an orderly and efficient manner. The managers anticipate that the implementation of section 202(f) will be in accord with the following understandings:

1. The approval requirement is to cover only the acquisition and installation in the Office of major computer capability.
2. The Director is not required to secure approval from the two committees for the use of automatic data processing services or computer time-sharing, through purchase or other arrangements; for purchase or lease of the equipment required to communicate with remote data files and other information resources; or for acquisition or use of other modern information handling equipment such as microform, etc.
3. The Director may obtain the services of experts and consultants in automatic data processing and modern information handling techniques, and may purchase, lease, or otherwise develop programs for acquiring, processing, and analyzing fiscal and budgetary data and information as he deems are necessary to carry out the responsibilities of the Office.

SECTION 203. PUBLIC ACCESS TO BUDGET DATA

The Senate amendment provided for access to copy budget information obtained by the Budget Office from the executive branch and congressional agencies. This right would not apply to certain excepted categories or to information obtained for committees or Members who specifically instructed that such information not be made available to the public.

The conference substitute is substantially the same as the Senate provision. This section provides that the Director of the Congressional Budget Office shall permit the public to copy information obtained from the executive branch or congressional agencies, pursuant to subsections 201(d) and 201(e), respectively. The right of public access and copying is to be subject to reasonable rules and regulations, with the person requesting the information paying the costs. The Budget Office is to maintain an index of available information to facilitate public access. The right of public access does not apply to information specifically exempted from disclosure by law, national defense information, confidential business data, or personnel or medical data. Information obtained by the Budget Office at the request of a committee or Member may not be made available to the public if such committee or Member requests that it not be disclosed.

### TITLE III. CONGRESSIONAL BUDGET PROCESS

#### SECTION 300. TIMETABLE

Both the House and Senate versions set certain dates and deadlines for the completion of the various phases of the congressional budget process. The Senate amendment also contained a timetable showing the dates on which actions were to be completed.

The conference substitute fixes a timetable for the most important actions in the congressional budget process. The dates scheduled in the timetable are derived from relevant provisions of the bill.

In chronological order the events for which dates are provided in the timetable are: Presidential submission of the current services budget; submission of the executive budget; views and estimates of House and Senate committees reported to the Budget Committees; Congressional Budget Office report to the Budget Committees; reporting of first budget resolution; committee reports on new authorizing legislation; adoption of first budget resolution; completion of congressional action on budget authority legislation; adoption of second budget resolution; completion of reconciliation process; and start of new fiscal year. The managers do not believe that it is desirable or possible to specify in statute the exact date on which every event in the congressional budget process is to be accomplished. Certain matters can best be left to experience and the development of a workable process through flexible procedures.

Nevertheless, it is essential that the various interdependent elements in the budget process be assigned firm completion dates. For many facets of the budget process, it will not be possible to move ahead unless prior actions have been completed. Appropriations cannot be considered until the first budget resolution is adopted and necessary authorizations have been enacted. The reconciliation actions cannot be undertaken until the appropriation bills and the second budget resolution have been cleared. Consequently, the failure to complete a stage on schedule affects later actions as well.

It will require the full cooperation of the budget, authorizing, and appropriation committees, to make the new congressional budget process work. Any slippage early in the year will compound the unavoidably tight schedule in the period just prior to the start of the new fiscal year. If continuing resolutions are to be discarded as a way of coping with budget delays, the managers believe that it will be necessary to hold the four main phases of the congressional process (authorizations, budget resolutions, spending measures, and reconciliations) to the completion dates assigned in section 300.

The managers have given careful consideration to all of the elements in the budget calendar and particularly to the need for allowing adequate time for committee preparation and floor debate on each budget decision. The managers believe that in the future it will be necessary to authorize programs a year or more in advance of the period for which appropriations are to be made. When this is done, Congress will have adequate time for considering budget-related legislation within the timetable of the congressional budget process. The managers call attention to section 607 which requires advance submission of proposed authorizing legislation, and to the expectation that Congress will develop a pattern of advance authorizations for programs now authorized on an annual or multiyear basis.

SECTION 301 (a) and (b). ADOPTION AND CONTENT OF FIRST CONCURRENT RESOLUTION

The House bill provided for adoption of the first concurrent resolution by May 1 each year. This resolution would have set forth the appropriate levels of total new budget authority and total outlays, the appropriate level of budget authority and outlays for each functional category, the appropriate levels of overall revenues and public debt, and the appropriate surplus or deficit in the budget. The budget resolution also could contain other matters relating to the budget. The Senate amendment provided for adoption of the first resolution by June 1. The resolution would have specified appropriate levels of total budget authority and outlays with these totals allocated by functional categories and within each category the amounts would be divided between existing and proposed programs. The allocations for existing programs would have been subdivided between permanent and regular appropriations and within the latter between controllable and other amounts. The Senate amendment also provided that the budget resolution would contain an estimate of Federal revenues and their major sources, the recommended surplus or deficit, any recommended changes in total revenues (and may include the major sources of revenue change), any recommended change in the public debt, and other matters deemed appropriate for the congressional budget. The Senate amendment further provided that the budget resolution could mandate additional procedures relating to the consideration of spending measures.

The conference substitute provides for adoption of the first concurrent resolution on the budget by May 15. This resolution shall set forth: appropriate levels of total budget authority and outlays; the appropriate level of new budget authority and estimated outlays for each functional category, including an allowance for contingencies and for undistributed intragovernmental transactions; the appropriate budget surplus or deficit; the recommended level of Federal revenues and any recommended increase or decrease in aggregate revenues to be reported by the appropriate committees; the appropriate level of the public debt and any recommended increase or decrease to be reported by the appropriate committees; and other matters deemed appropriate to the congressional budget. The first budget resolution may direct that budget authority and entitlement legislation not be enrolled until the second budget resolution and any required reconciliation are adopted or the first concurrent resolution may prescribe the use of some alternative procedure for the ensuing fiscal year.

The adoption date for the first budget resolution is scheduled almost four months after submission of the President's budget, two months after House and Senate committees have transmitted their own views and estimates to the Budget Committees, one month after the resolution is reported by these Committees, and on the deadline set for the reporting of authorizing legislation. Your managers are determined to allow an ample interval between each of these key events in the budget process. The May 15 date means that Congress will be substantially informed of the substance of all authorizing legislation before it makes its initial budget determinations and that it will have received views and estimates bearing on the budget from all of its standing committees. The May 15 date also allows sufficient time for

the subsequent consideration of appropriation bills prior to the period set for reconciliation actions. By virtue of the requirement of section 303, the May 15 adoption date also is the effective date for the commencement of floor consideration of appropriation and entitlement measures and for this reason it is critical that all efforts be made to complete action on the first resolution by May 15.

The managers conceive of the first budget resolution as a major annual opportunity for considering budget policies and priorities. The budget process must combine an optimum amount of information in committee reports and other sources with attention to the key aggregates and priorities in the budget resolution. In accord with this approach, the conference substitute specifies that the budget resolution is to set forth total revenue, total budget authority, total spending, and total debt, with the budget authority and outlay amounts divided among broad functional categories.

The managers recognize that as it acquires experience with its new budget process, Congress may desire to establish additional procedures to facilitate the coordination of its separate budget and appropriation decisions. Section 301(b) authorizes Congress to require in the first budget resolution that appropriation and entitlement legislation not be enrolled until the reconciliation stage of the budget process is completed. Congress may devise any other procedure relating to the budget process and prescribe its implementation for the ensuing fiscal year.

It is intended that the authority to prescribe "any other procedure which is considered appropriate to carry out the purposes of this Act" applies only to the specific procedures for the enactment of budget authority and spending authority legislation for the coming fiscal year and not to the jurisdiction of committees, the authorization of budget authority, or to permanent changes in congressional procedure. The Budget Committees are directed to report to Congress on the implementation of such procedures no later than the end of the 95th Congress.

#### SECTION 301(c). VIEWS AND ESTIMATES OF OTHER COMMITTEES

The House bill required certain designated budget-related committees to submit their views and recommendations on matters relating to the first budget resolution. Other committees would have been able to submit their views and recommendations at their discretion. The Senate amendment provided for an annual report on fiscal policy and budget recommendations by the Joint Economic Committee. Every other standing committee and the Joint Committee on Internal Revenue Taxation would have submitted its views and estimates with respect to those matters in the budget resolution relating to its jurisdiction or functions.

The conference substitute mandates reports by March 15 from every standing committee, the Joint Economic Committee, and the Joint Committee on Internal Revenue Taxation to the House or Senate Budget Committee (to both Budget Committees in the case of joint committees). Each committee is to give its views and estimates on all matters in the budget resolution which relate to its jurisdiction or functions as well as an estimate of the budget authority and resulting outlays which it expects to be provided or authorized in legislation within its jurisdiction for the ensuing fiscal year. Any other committee

may submit a report if it so desires. The Joint Economic Committee also is to report its views as to the fiscal policy appropriate to achieve the goals of the Employment Act of 1946.

SECTION 301(d). HEARINGS AND REPORT

The House bill required Budget Committee hearings for both the first and the second concurrent resolutions, and it provided that certain executive officials should be witnesses and that testimony also may be received from public witnesses. It also provided that the committee report on any budget resolution include information concerning the derivation of the amounts specified in the resolution. The Senate amendment required hearings only on the first budget resolution and it set a May 1 deadline for reporting the resolution. Among the matters to be included in the report were to be comparisons with the President's budget, economic assumptions and program objectives, five-year projections of revenues, spending, and tax expenditures, explanations of changes in assistance to State and local governments, and a crosswalk allocation of the amounts in the budget resolution among congressional committees and appropriations subcommittees.

The conference substitute provides that the Budget Committees shall conduct hearings in preparation of the first concurrent resolution and receive testimony from Members of Congress and from others as they deem desirable. The budget resolution is to be reported by April 15, allowing a full month for analysis, floor consideration, and conference. The report is to compare the committee's revenue estimates and the budget authority and outlay levels in the concurrent resolution with the estimates and amounts in the President's budget. It also is to provide an allocation of the recommended level of revenues by major sources, five-year budget projections, the economic assumptions and objectives of the budget resolution, a statement of any significant changes in Federal assistance to States and localities, and information concerning the basis on which the amounts in the budget resolution were determined and their relationship to other budget categories. The managers expect that the relationship with other budget categories will be shown in sufficient detail and with appropriate categories to enable Members of Congress and the public to ascertain the budget status of appropriations and other spending measures and to provide a reliable basis for scorekeeping at all stages of the congressional budget process. Although they concur in the need for adequate crosswalk procedures, the managers do not consider it necessary to specify the particular type of crosswalk that is to be used in the report on the first budget resolution.

The conference substitute also provides for the report to contain a division of the functional allocations of budget authority and outlays contained in the concurrent resolution into more precise categories although this division may be included in the concurrent resolution. Each functional allocation is to be distributed between proposed and existing programs with the latter subdivided between permanent and regular appropriations. These categories then are to be divided between controllable and other amounts.

SECTION 302. ALLOCATIONS IN STATEMENTS AND REPORTS

The Senate amendment provided for the allocation of total budget authority and total outlays after adoption of the first concurrent resolution or any subsequent resolution revising these totals. Each Budget Committee would allocate the budget authority and outlays among the committees of its House, and the Appropriations Committee would then divide its allocation among its subcommittees. Each Budget Committee would report to its House on the allocations made in accord with this procedure.

The conference substitute provides for the allocations of total budget authority and total outlays to be made in the joint statement of the managers accompanying a conference report on the first or a revised concurrent resolution. The joint statement shall distribute these totals among the appropriate House and Senate committees. Each Appropriations Committee and any other committee to which an allocation has been made shall (after consulting with the counterpart committee of the other House) report to its House on the subdivision of its allocation among its subcommittees (or in the case of other committees among its programs). A further subdivision shall be made by each committee between controllable and other amounts. The managers expect that the making of allocations in the joint statement will expedite the process and encourage consistency in the determinations of the two Houses.

SECTION 303. CONSIDERATION OF SPENDING, REVENUE OR DEBT LEGISLATION

The House and Senate versions barred consideration of budget authority, revenue, or debt legislation prior to adoption of the first budget resolution for a fiscal year. Both versions exempted advance appropriations (which become available in a year following that to which the budget resolution applies) and the Senate amendment also exempted advance spending authority, social security and 90 percent self-financed trust funds, and advance revenue changes from the prohibition.

The conference substitute prohibits the floor consideration of budget authority, entitlement authority, or changes in revenues or in the public debt limit before the first concurrent resolution has been adopted.

The purpose of holding up entitlement legislation is to enhance the significance of the first budget resolution and to strengthen congressional control over programs which are difficult to control once the entitlement has been enacted.

The conference substitute permits the consideration of advance appropriations and advance revenue changes prior to adoption of the first budget resolution for the fiscal year to which they apply.

The conference substitute contains a procedure for the waiver of the prohibition in the Senate. Taken from the Senate amendment, the provision allows Senate consideration before adoption of the budget resolution of a spending, revenue, or debt measure if the committee which reported the measure reports a resolution of waiver which is referred to the Senate Budget Committee and subsequently approved by the Senate.

#### SECTION 304. PERMISSIBLE REVISIONS

The House and Senate versions authorized the adoption of additional budget resolutions.

The conference substitute contains the authority to adopt additional budget resolutions during the fiscal year. The managers expect that in addition to the two concurrent resolutions required in May and September, Congress may adopt at least one additional resolution each year, either in conjunction with its consideration of supplemental appropriations or pursuant to the issuance of updated figures for the current fiscal year in the President's budget. Furthermore, whenever there are sharp revisions in the revenue or spending estimates or major developments in the economy it is expected that Congress would review its latest budget resolution and consider possible revisions.

#### SECTION 305. PROCEDURES FOR CONSIDERATION OF CONCURRENT RESOLUTIONS

The House bill established procedures for the consideration of budget resolutions in the House; the Senate amendment had parallel procedures for consideration in the Senate. Both sets of procedures have been incorporated into the conference substitute.

In the House, floor consideration may begin after a ten-day layover period. Consideration is in the Committee of the Whole, with ten hours allowed for general debate and amendments considered under the five-minute rule. After the committee of the whole has reported, it shall be in order to adopt an amendment to achieve mathematical consistency in the budget resolution. Debate on a conference report shall be limited to five hours. In the Senate, debate on a concurrent resolution and all amendments shall be limited to 50 hours (15 hours in the case of the second required resolution), with no more than two hours allowed for any amendment. Non-germane amendments are not in order and motions to achieve or maintain mathematical consistency always are in order. It is not in order in the Senate to give final consideration to a budget resolution (or a conference report on such resolution) unless it is mathematically consistent. Ten hours are provided in the Senate for consideration of conference reports, with half an hour for each amendment in disagreement.

If House and Senate conferees are unable to agree on a budget resolution after seven days, they shall report to their respective Houses on all matters in agreement or in disagreement.

#### SECTION 306. BUDGET COMMITTEE JURISDICTION

This section, similar to provisions in both the House and Senate versions, provides that a matter within the jurisdiction of a Budget Committee may be considered only if it has been reported from that committee, if it is an amendment to a bill or resolution reported by the Budget Committee, or if the committee has been discharged from its consideration.

SECTION 307. HOUSE COMMITTEE ACTION ON APPROPRIATION BILLS

This section, adapted from the House bill provides that to the extent practicable the Appropriations Committee of the House shall complete action on all regular appropriation bills and submit a summary report before reporting its first bill.

SECTION 308. REPORTS, SUMMARIES AND PROJECTIONS

Both the House and the Senate versions had various provisions pertaining to the issuance of reports and projections concerning the congressional budget process. A number of these are consolidated in section 308 of the conference substitute.

Subsection (a) deals with reports on budget authority and tax expenditure legislation. In the case of budget authority bills (other than continuing appropriations), the committee report is to compare the amounts with the latest concurrent resolution, indicate the assistance that will go to State and local governments, and project outlays under the bill. Reports on tax expenditure legislation shall explain the effect on existing levels of tax expenditures (as set forth in the latest budget resolution report), and the five-year tax expenditures that will result from the bill. The projections of budget outlays or tax expenditures may be waived by a committee determination of impracticability.

Subsection (b) provides for periodic reports by the Congressional Budget Office on the status of budget authority, revenue, and debt legislation. These "scorekeeping" reports are to compare the amounts and changes provided in budget authority, revenue, and debt bills with the levels and estimates in the most recent concurrent resolution. Subsection (c) calls for the issuance by the Congressional Budget Office of a five-year projection at the start of each fiscal year. This report shall estimate total budget authority and outlays, revenues and their major sources, the budget surplus or deficit, and tax expenditures for each of the next five years.

SECTION 309. TIMETABLE FOR BUDGET AUTHORITY AND ENTITLEMENT BILLS

The House bill provided for completion of action (other than enrollment) of all regular appropriation bills by August 1. The Senate amendment had an August 7th date or five days before the beginning of an August adjournment.

The conference substitute provides that Congress shall complete action on all regular budget authority and entitlement bills no later than the seventh day after Labor Day. However, this deadline shall not apply to any appropriation bill whose consideration has been delayed because necessary authorizing legislation has not been timely enacted. It is anticipated that the bulk of the appropriation legislation will be considered in the period immediately following adoption of the first budget resolution. If necessary authorizing legislation is reported by the May 15 date and enacted promptly thereafter, it should be possible to complete action on spending and entitlement bills before the deadline. The deadline set in this section is of the utmost importance for the proper functioning of the congressional budget process. In most years, only three weeks will remain until the start of the new

fiscal year, during which period Congress will have to consider a second budget resolution and any required reconciliation actions. Even a small delay in the completion of authorizing and budget authority bills can disturb the reconciliation process and compel Congress to rely on continuing resolutions. The managers understand that failure to "timely enact" authorizing legislation will justify noncompliance with the deadline fixed by this section when the delay is of such duration as to make it impracticable to complete action on an appropriation bill by the seventh day after Labor Day.

SECTION 310 (a) AND (b). SECOND REQUIRED CONCURRENT RESOLUTION

Both the House and Senate versions provided for adoption of a second concurrent resolution on the budget prior to the start of the new fiscal year.

The conference substitute provides for adoption of the second budget resolution no later than September 15. The second concurrent resolution shall affirm or revise the most recent resolution and may specify changes in budget authority (for the new fiscal year or carried over from prior years), entitlements, total revenues, or the public debt limit. The second concurrent resolution also shall direct the committees with jurisdiction over any specified changes to determine and recommend such changes. While no date is fixed for the reporting of the resolution by the Budget Committees (the reporting date probably will vary from year to year depending on whether and when Congress takes a recess and on when action is completed on appropriation bills), this section authorizes the Budget Committees to make their reports when Congress is not in session. It is anticipated that the Budget Committees may report in some years during the August recess and that such reports shall be available to Members, so that Congress will be able to consider the concurrent resolution upon its return.

SECTION 310(c). RECONCILIATION PROCESS

Both the House and Senate versions provided for the reconciliation of spending, revenue, and debt legislation with the levels and instructions set forth in the second concurrent resolution. The conference substitute contains a similar reconciliation procedure.

When Congress has implemented the procedure authorized in section 301(b)(1) requiring that appropriation and entitlement bills not be enrolled until any necessary reconciliations have been made, it is anticipated that the reconciliation will be in the form of a resolution directing the Clerk of the House and the Secretary of the Senate to make the necessary changes in the bills being held. When a reconciliation resolution is the appropriate measure, it may also be necessary to consider a reconciliation bill for changing matters previously enacted into law.

If the changes (in spending, entitlement, revenue, or debt legislation) specified by the second concurrent resolution are in the jurisdiction of only one committee in either House, such committee shall promptly report a reconciliation bill or resolution to its House. If more than one committee in either House has been directed to make changes in matters within its jurisdiction, then each such committee

shall submit its recommendations to the Budget Committee of its House. The Budget Committee then shall compile, without substantive change, all the recommendations it has received into a reconciliation bill or resolution. The reconciliation bill or resolution reported to the House or Senate shall fully carry out the directions specified in the second concurrent resolution.

SECTION 310 (d), (e), AND (f). COMPLETION OF RECONCILIATION PROCESS

The House bill provided for completion of any required reconciliation action prior to adjournment; the Senate amendment had a September 25 completion date. Both versions barred sine die adjournment until the reconciliation has been completed, and the Senate amendment also prohibited any recess for more than three days.

The conference substitute sets September 25 as the deadline for completion of the reconciliation process and it bars sine die adjournment until the second concurrent resolution and any required reconciliation measures have been adopted. Subsection (e) incorporates the procedure contained in the Senate amendment for the consideration of reconciliation measures in the Senate.

SECTION 311. LIMITATION ON BUDGET AUTHORITY, ENTITLEMENT, AND REVENUE LEGISLATION

The Senate amendment provided that after adoption of all regular appropriations and a required reconciliation bill, Congress could not consider budget authority legislation in excess of the appropriate levels in the most recent concurrent resolution.

The conference substitute provides that after adoption of the second concurrent resolution and completion of the reconciliation process, it shall not be in order to consider any new budget authority or entitlement measure that would cause the appropriate level of total budget authority or outlays in the most recent concurrent resolution to be exceeded. Nor would it be in order to consider a measure that would reduce total revenues below the appropriate levels in the budget resolution. The managers anticipate that there will be instances in which Congress may deem it appropriate to revise its earlier spending or revenue determinations. But such revisions should be made in the context of the congressional budget process and with full awareness of their relationship to the levels set forth in the latest budget resolution.

Although there is no specific mention on the consideration of tax expenditure measures, the managers note that after completion of the reconciliation process, Congress may not consider tax expenditures legislation that would have the effect of reducing total revenues below the appropriate level of the most recent concurrent resolution.

Subsection (b) provides that estimates prepared by the Budget Committee of the House or Senate shall be the basis for determining whether legislation would cause the appropriate level of outlays or revenues in the latest budget resolution to be breached.

#### TITLE IV. PROVISIONS TO IMPROVE FISCAL PROCEDURES

##### SECTION 401(a). CONTRACT AND BORROWING AUTHORITY

The House and Senate versions provided that new contract or borrowing authority legislation must contain a provision that such new authority is to be effective only to the extent or in such amounts as are provided in appropriation acts.

The conference substitute adopts this procedure for contract and borrowing authority. These forms of "new spending authority" are defined in section 401(c)(2)(A) and (B). The new procedure does not apply to contract or borrowing authority in effect prior to the effective date of this section. Nor does it apply to certain types of spending authority exempted under section 401(d) such as social security and 90 percent self-financed trust funds or outlays of government corporations.

##### SECTION 401(b). ENTITLEMENT AUTHORITY

The House bill provided that new entitlements could be effective only as provided in appropriation acts (the same procedure as for contract and borrowing authority). The Senate amendment established a procedure for the referral of entitlement legislation to the Appropriations Committees under a 10-day time limit.

The conference substitute, like the Senate amendment, provides that it shall not be in order to consider entitlement legislation which would have an effective date before the start of the new fiscal year. The purpose of this procedure is to make entitlements effectively subject to the reconciliation process. As provided in the conference substitute entitlement legislation would be referred to the Appropriations Committee only if it would generate new budget authority in excess of the allocation made subsequent to the latest budget resolution (as specified in section 302). The Managers intend the Budget Committees shall provide background information as to such allocations. Such referral would have a 15-day limit, with the Appropriations Committee automatically discharged if it has not reported during this period. The Appropriations Committee may report the bill with an amendment limiting the total amount of new entitlement authority. The managers emphasize that the jurisdiction of the Appropriations Committees shall relate to the cost of the program and not to substantive changes in the legislation.

As provided in section 401(d), social security and 90 percent self-financed trust funds and government corporations would not be subject to the referral procedure for entitlement authority.

##### SECTION 401 (c) AND (d). DEFINITIONS AND EXCEPTIONS

The House and Senate versions had comparable definitions for contract, borrowing, and entitlement authority. The Senate amendment stipulated that insured and guaranteed loans would not be covered by the new procedures. The House bill had a catchall provision to reach all types of spending authority. The House and Senate versions also contained various exemptions from the new pro-

cedures. The House bill subjected existing spending authority to the new procedures after October 1, 1978, while the Senate amendment would have applied only to new spending authority.

The conference substitute defines three categories of new spending authority: contract authority—to enter into contract in advance of appropriations; borrowing authority—to incur indebtedness in advance of appropriations; and entitlement authority—to obligate the United States to make payments in advance of appropriations, but it does not include insured or guaranteed loans. The conference substitute exempts certain types of programs from the new procedures for contract, borrowing, and entitlement authority. These are: all existing social security trust funds; 90 percent self-financed trust funds; general revenue sharing (to the extent provided in subsequent legislation); the outlays of certain government corporations; and gifts to the United States. The Managers note that these exemptions relate only to the procedures in section 401 and that the programs are fully subject to the congressional budget process.

#### SECTION 402. REPORTING OF AUTHORIZING LEGISLATION

The House bill set a March 31 deadline for the enactment of authorizing legislation; the Senate amendment had a May 15 deadline for the reporting of such legislation. Both versions had waiver procedures for their respective Houses.

The conference substitute establishes a May 15 deadline for the reporting of any measure directly or indirectly authorizing new budget authority. After that date, consideration is permitted in the House if an emergency waiver, reported by the Rules Committee, is adopted. Consideration in the Senate of legislation reported after May 15 is allowed if the committee of original jurisdiction reports a waiver resolution which, after referral to the Senate Budget Committee, is approved by the Senate.

Section 402(d) establishes a procedure for one House to consider authorizing legislation passed by the other House. If its committee has met the reporting deadline, the Senate would be able to consider companion legislation passed by the House. Similarly, if authorizing legislation had been reported to the House by May 15, the House would be permitted to consider a companion bill of the Senate. This technical procedure is necessary to conform with the usual procedure under which the House and Senate normally pass the bill of the House which acted first.

The May 15 reporting requirement does not apply to entitlement authority or to omnibus social security legislation which deals with both trust fund and related programs. These two exemptions are essential for the proper functioning of the congressional budget process. Inasmuch as entitlement legislation may not be considered prior to passage of the first budget resolution (section 303), such legislation is

exempted from the May 15 reporting deadline. As for the social security programs, the managers consider it prudent to enable the continuation of procedures for handling a number of related programs in the same legislation. Thus, social security benefits are directly related to supplemental security assistance for the aged, and medicare trust programs have a direct bearing on medicaid benefits. The procedure established in section 402 allows the consideration of these programs in the same legislation even if reported after May 15.

SECTION 402(f). STUDY OF EXISTING SPENDING AUTHORITY AND PERMANENT APPROPRIATIONS

The House bill would have barred the exercise of existing spending authority after October 1, 1978. This provision was intended to apply also to the exercise of permanent appropriations.

The conference substitute directs the Appropriations Committees to undertake continuing studies of existing spending authority (contract, borrowing, and entitlement authority enacted prior to the effective date of section 401) as well as studies of permanent budget authority (authority which becomes available without any current action by Congress). The Appropriations Committees are to report from time to time with recommendations to terminate or modify existing spending authority or permanent appropriations.

SECTION 403. ANALYSES BY CONGRESSIONAL BUDGET OFFICE

The House bill and the Senate amendment provided for the budget office to make cost analyses of reported legislation.

The conference substitute provides that, to the extent practicable, the Congressional Budget Office is to prepare an analyses of public bills reported by all committees (other than the Appropriations Committees), estimating the five-year costs and comparing its estimate with any made by the reporting committee or by a Federal agency. The Budget Office analysis is to be included in the committee report if it is timely submitted before the report is filed. The managers intend "timely submitted" to mean that the cost analysis is submitted to the reporting committee sufficiently in advance to allow the committee an opportunity to examine the analysis prior to its publication.

SECTION 404. JURISDICTION OF APPROPRIATIONS COMMITTEES

The House and Senate versions changed the rules of the House and the Senate with respect to the jurisdiction of the Appropriations Committees.

## TITLE V. CHANGE OF FISCAL YEAR

### SECTION 501. FISCAL YEAR TO BEGIN OCTOBER 1

The House and Senate versions provided for a shift to an October 1-September 30 fiscal year.

The conference substitute provides for this shift to take place with the fiscal year beginning October 1, 1976. However, the preceding fiscal year is to run from July 1, 1975 through June 30, 1976, thus providing a three-month interim period to provide the necessary transition to the new fiscal year (July 1-September 30, 1976).

### SECTION 502 (a) AND (b). TRANSITION TO NEW FISCAL YEAR

Both the House and Senate versions contained provisions for the transition to the new fiscal year. Both provided for the issuance of any necessary regulations or orders by the Office of Management and Budget to carry on the transition, and for the submission of proposed legislation deemed necessary for the transition.

The conference substitute provides that after consultation with the Appropriations Committees, the President shall submit budget estimates for the interim three-month period (July 1-September 30, 1976) in such form and detail as he determines. On the basis of guidance provided by the Appropriations Committees, OMB will be in a position to determine the form and detail most suitable for this period. This determination shall take into account the needs of Congress and the public for sufficient information, the desirability of maintaining continuity in accounts, and the amount of time available for preparation of the three-month estimates.

The conference substitute provides that the President shall propose authorizing legislation for the three-month transition period and that OMB shall submit legislative proposals to implement the transition to the October 1-September 30 fiscal year. In addition, OMB shall issue such orders and regulations as are necessary for the orderly transition of Government agencies to the new fiscal year.

### SECTION 502(c). ADVANCE APPROPRIATIONS

The Senate amendment called for a joint OMB-Congressional Office of the Budget study of advance appropriations.

The conference substitute incorporates this provision in revised form. OMB and the Congressional Budget Office shall jointly study but separately report on the feasibility and desirability of budgeting and appropriating one year in advance for all or portions of the budget.

### SECTION 503. ACCOUNTING PROCEDURES

The Senate amendment contained technical provisions for the adjustment of accounts to the new fiscal year. The conference substitute accepts the Senate provision for the transfer of obligated balances and withdrawals from accounts.

SECTION 504. CONVERSION OF AUTHORIZATION

The House bill provided for the conversion of all laws to the new fiscal year. The Senate amendment had a conversion provision for authorizing legislation.

The conference substitute provides for the automatic conversion of July 1 starting dates and June 30 closing dates for fiscal years to October 1 and September 30, respectively. This conversion would be timed to the introduction of the new fiscal calendar in 1976, and it would apply only to authorizing legislation.

SECTION 505. REPEALS

The Senate amendment repealed two technical revisions of law. The conference substitute adopts the Senate provision.

SECTION 506. TECHNICAL AMENDMENT

The Senate amendment made technical changes in certain laws and these are included in the conference substitute.

TITLE VI. AMENDMENTS TO THE BUDGET  
AND ACCOUNTING ACT, 1921

SECTION 601. THE PRESIDENT'S BUDGET

The House and Senate versions required the President to itemize tax expenditures in his annual budget. The Senate amendment also required the budget to set forth the items in the budget resolution; to report on variances for the last completed fiscal year; to update the estimates twice each year; to contain advance estimates for certain programs; and to present a classification according to national goals, agency missions, and programs.

The conference substitute requires that the President's budget furnish estimates for the appropriate levels of total new budget authority and outlays; functional allocations of budget authority and outlays; the budget surplus or deficit; the recommended level of revenues and any proposed revenue changes; and the appropriate level of the public debt and any proposed change in the public debt limit. The President's budget also is to present an itemization of existing tax expenditures and any proposed changes.

The conference substitute requires that the President shall report and explain in the budget any variances during the last completed fiscal year between actual and estimated revenues and between actual and estimated uncontrollable outlays. The budget is to be updated twice each year—on April 10 and July 15—with a statement of all amendments and revisions proposed by the executive subsequent to the initial submission of the budget. The President's budget also shall contain cost information with respect to any program for which appropriations are authorized to be made one year in advance of the fiscal year to which they apply.

The conference substitute provides for the inclusion in the President's budget of a presentation in terms of national needs, agency missions, and basic programs. The managers anticipate that this need not be a separate classification but can be incorporated, if the President deems it appropriate, into the main budget classifications.

SECTION 602. MIDYEAR REVIEW

The conference substitute incorporates a provision of the Senate amendment changing the date for submission of the midyear budget review from June 1 to July 15.

SECTION 603. FIVE-YEAR BUDGET PROJECTIONS

The House and Senate versions had identical provisions for five-year projections in the President's budget. The same provision is contained in the conference substitute.

SECTION 604. ALLOWANCES FOR SUPPLEMENTALS AND UNCONTROLLABLE  
OUTLAYS

The Senate amendment provided that the President's budget shall contain an allowance for supplemental appropriations and permanent unanticipated uncontrollable expenditures. The conference substitute

is based on the Senate provision but applies to all uncontrollable expenses.

SECTION 605. CURRENT SERVICES BUDGET

The Senate amendment provided for the submission of a current services budget each year and for Joint Economic Committee review of this budget's economic assumptions and accuracy.

The conference substitute requires submission of a current services budget by November 10 of each year. This budget shall be based upon the existing level of services without policy changes and shall present estimates by agency, function, subfunction, and major programs. The current services budget shall state the economic and program assumptions upon which it is based. The Joint Economic Committee shall review the current services budget and submit an economic evaluation to Congress by December 31 of each year.

SECTION 606. STUDY OF OFF-BUDGET AGENCIES

The Senate amendment provided for the termination of the off-budget status of six designated agencies.

The conference substitute provides for continuing studies of off-budget agencies by the House and Senate Budget Committees.

SECTION 607. ADVANCE REQUESTS FOR AUTHORIZING LEGISLATION

The Senate amendment provided for the study of advance appropriations by OMB and the Congressional Budget Office. The Senate amendment further provided for the submission of advance estimates where these are authorized by law.

The conference substitute requires that beginning with programs for fiscal year 1977, the Administration shall submit no later than May 15 of the previous calendar year requests for authorizing legislation for the fiscal year following the ensuing fiscal year. Requests for new program authorizations shall be submitted for at least the first two fiscal years.

The intent of this provision is to develop a pattern for the enactment of authorizing legislation at least one year in advance of the fiscal year to which it first applies.

This section does not affect any provision of law which exempts an agency of the Federal Government, or any of its activities or outlays, from inclusion in the Budget.

## TITLE VII. PROGRAM REVIEW AND EVALUATION

### SECTION 701. REVIEW AND EVALUATION BY COMMITTEES

The Senate amendment authorized congressional committees to use pilot testing and analytic techniques in the evaluation of Federal programs.

The conference substitute is the same as the Senate provision. It amends the 1946 Legislative Reorganization Act to provide that committees may conduct testing or analysis themselves or require agencies to evaluate programs and report the results to them.

### SECTION 702. REVIEW AND EVALUATION BY COMPTROLLER GENERAL

The Senate amendment expanded the review and evaluation functions and duties of the Comptroller General, including assistance to committees and Members.

The conference substitute is a revision of the Senate provision. It amends section 204 of the 1970 Legislative Reorganization Act to expand GAO assistance to Congress. As amended, section 204 (a) provides that the Comptroller General shall evaluate Government programs at his own initiative, when ordered by either House, or at the request of a congressional committee. Section 204(b) provides that upon request, the Comptroller General shall assist committees in developing statements of legislative objectives and methods for assessing program performance. The managers consider oversight of executive performance to be among the principal functions of congressional committees and they recognize that the usefulness of program evaluation can be enhanced by the clear expression of legislative objectives and the employment of modern analytic methods. The managers further believe that statements of intent can be most appropriately developed by the committee of jurisdiction. Members must be provided upon request with all related information after its release by the committee for which it was compiled.

Section 204(c) directs the Comptroller General to develop and recommend program evaluation methods to Congress. Section 204(d) authorizes the establishment of an office of program review and evaluation in GAO. Section 204(e) calls for the Comptroller General to review GAO's evaluation activities in his annual report to Congress.

### SECTION 703. STUDY OF BUDGET REFORM PROPOSALS

The Senate amendment listed a number of matters to be the subject of continuing study by the Budget Committees. It required the committees to hold hearings and report on the designated subjects, and it stipulated that the provision not be construed to preclude budget improvement activities by other committees.

The conference substitute reduces the number of matters specified to be studied. The Budget Committees are to examine budget improvement proposals including matters relating to the information base for program analysis, the systematic evaluation of programs, time limitations on program authorizations, and techniques of human resource accounting. Other committees are not to be precluded from undertaking studies to improve the budget process.

## TITLE VIII. FISCAL AND BUDGETARY INFORMATION

### SECTION 801. FISCAL AND BUDGETARY INFORMATION

The Senate amendment provided for the establishment of standardized budget information systems; the development of standard terminology, definitions, classifications and codes; and the availability of budget information to Congress and to State and local governments.

The conference substitute is the same as the Senate amendment except that the Appropriations, Ways and Means, and Finance Committees are added to the committees whose needs shall be given particular attention in the development of information systems. The conference substitute amends sections 201, 202, and 203 of the Legislative Reorganization Act of 1970 to accomplish these objectives. The managers understand that nothing in Title VIII shall prevent either House of Congress from establishing an office or commission to develop, supervise, and maintain an information classification system for that House and its committees and Members. As amended, section 201 provides for the development by OMB and the Treasury, in cooperation with GAO, of standardized fiscal, budgetary, and program information systems for the use of the Federal Government and, insofar as practicable, State and local governments.

The amended section 202 assigns the Comptroller General, in cooperation with the Treasury, OMB, and the Congressional Budget Office, responsibility for developing standard terminology, definitions, classifications, and codes for use by Federal agencies in supplying budget information to Congress. The Comptroller General is to report his initial determinations to Congress by June 30, 1975, and thereafter shall report and submit legislative recommendations as appropriate. In developing these standard classifications and definitions, the Comptroller General is directed to give particular consideration to the needs of the Budget, Appropriations, and tax committees. The Comptroller General is further directed to assist committees in developing their information needs and shall report annually on the identification of such needs. Each year, also, OMB and the Treasury shall report to Congress on their plans for addressing the needs thus identified.

The amended section 203 provides for the furnishing of budget and related information to Congress, including the development of data directories and assistance to Congress in analyzing budget data. The Comptroller General is authorized to establish central information files to meet the needs of Congress. OMB, in cooperation with GAO, the Congressional Budget Office, and State and local governments shall provide (to the extent practicable) budget information to States and localities so that they may be able to determine the impact of Federal assistance upon their budgets.

### SECTION 802. CHANGES IN FUNCTIONAL CATEGORIES

The House bill provided that any change in the functional classifications in the budget may be made only in consultation with the Budget Committees.

The conference substitute provides that changes in functional categories may be made only in consultation with the Budget and Appropriations Committees of both Houses.

TITLE IX. MISCELLANEOUS PROVISIONS AND EFFECTIVE DATES

SECTION 901. AMENDMENTS TO HOUSE RULES

The House bill made various conforming changes in the Rules of the House of Representatives to reflect the establishment of the congressional budget process. The conference substitute substantially follows the House bill.

SECTION 902. AMENDMENTS TO SENATE RULES

The Senate amendment made various changes in the Senate Rules. These are incorporated in the conference substitute. The amendments to the Senate Rules modify the jurisdiction of various committees in accord with the provisions of this act.

SECTION 903. AMENDMENTS TO THE LEGISLATIVE REORGANIZATION ACT OF 1946

The Senate amendment authorized its Budget Committee to meet while the Senate is in session. It also exempted the Budget Committees of both Houses from the legislative oversight provisions of section 136 of the Legislative Reorganization Act of 1946. The conference substitute retains these provisions.

SECTION 904. RULEMAKING POWERS

The House and Senate versions provided that the rules established for the congressional budget process and certain other provisions are an exercise of the rulemaking powers of the House and Senate and may be changed by either as it desires. The Senate amendment also provided for the waiver or suspension in the Senate of any rules in Titles III and IV by majority vote, and for a one-hour limit on appeals from the ruling of the chair.

The conference substitute retains, with conforming changes, the provisions of the House bill and Senate amendment relating to the rulemaking powers of the House and Senate. The conference substitute adopts subsections (b) and (c) of the Senate amendment relating to Senate rules.

SECTION 905. EFFECTIVE DATES

The House bill provided that certain titles would take effect beginning with fiscal year 1975. The Senate amendment provided a phased implementation of the various provisions.

The conference substitute adopts a phased implementation schedule. Except as otherwise provided, the provisions of the bill, including establishment of the House and Senate Budget Committees, become effective upon enactment. Title II (other than section 201(a)) relating to the Congressional Budget Office is to become effective upon appointment of the first Director of the Office. Title III is to be effective with

respect to fiscal year 1977 as will the new procedures for authorizing legislation (section 402). The procedures for new spending authority (section 401) are to take effect in January 1976. Various amendments relating to the executive budget shall take effect for fiscal year 1976 while others would be effective later.

SECTION 906. APPLICATION OF BUDGET PROCESS TO FISCAL YEAR 1976

The Senate amendment provided for an application of the congressional budget process for fiscal year 1976 under certain conditions.

The conference substitute provides that upon agreement by the Budget Committees, and to the extent provided by such committees in reports to their respective Houses, the procedures of Title III and sections 202(f), 401, and 402 may be applied to the 1976 fiscal year. The managers anticipate that this advance application will be undertaken only if adequate preparation has been made, that it will be limited to certain parts of the congressional budget process, and that to the extent necessary substitute dates will be used. The managers recognize that it may not be feasible to go beyond the first budget resolution.

#### TITLE X. IMPOUNDMENT CONTROL

The House bill provided for a procedure which would require impoundment actions to be reported to Congress by the President within ten days after they were taken. In the event that either House of Congress passed a resolution of disapproval within sixty calendar days of continuous session after the date on which the Presidential message was received by the Congress, the impoundment would have to cease. The Senate amendment tightened the authority in the Antideficiency Act to place funds in reserve by deleting an "other developments" clause. Moreover, it prohibited the use of budgetary reserves for fiscal policy purposes or to achieve less than the full objectives and scope of programs enacted and funded by Congress, and authorized the Comptroller General to bring a civil action in the U.S. District Court for the District of Columbia to enforce those provisions.

The conference substitute combines features from each version. The "other developments" clause is deleted from the Antideficiency Act, permitting reserves solely to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements or greater efficiency of operations. Whenever an officer responsible for making apportionments and reapportionments determines that any amount so reserved will not be required to carry out the full objectives and scope of the appropriation concerned, he shall recommend the rescission of that amount.

If the President determines that all or part of any budget authority will not be required to carry out the full objectives or scope of programs, or that such budget authority should be rescinded for fiscal policy or other reasons, including the termination of authorized projects, or whenever all or part of budget authority provided for only one fiscal year (one-year money) is to be reserved from obligation for such fiscal year, he shall transmit a special message requesting a *rescission* of the budget authority. The message shall include the amount of budget authority involved; the appropriation account or agency affected; the reasons for rescission or placing the budget authority in reserve; the fiscal, economic, and budgetary effects; and all facts, circumstances, considerations, and effects of the proposed rescission or reservation. Unless both Houses of Congress complete action on a rescission bill within 45 days, the budget authority shall be made available for obligation.

A second type of special message concerns *deferrals*. This category includes any withholding or delaying the availability for obligation of budget authority (whether by establishing reserves or otherwise), or any other type of Executive action or inaction which effectively precludes the obligation or expenditure of budget authority, including authority to obligate by contract in advance of appropriations as specifically authorized by law. Such action or inaction may occur at the level of the Office of Management and Budget, such as through the apportionment process, or at the departmental and agency level. The special message from the President shall contain basically the same types of information included in a rescission special message. However, the procedure for congressional action is different in that the President will be required to make the budget authority available for obligation if either House of Congress passes an "impoundment

resolution" disapproving such proposed deferral at any time after receipt of the special message. The authority to propose deferral is limited to the fiscal year in which the special message making the proposal is submitted to the House and Senate.

Each special message—whether for rescission or for deferral—shall be referred to the appropriate committee of the House of Representatives and the Senate and printed as a document of each House and in the Federal Register. A copy of each special message shall also be transmitted to the Comptroller General, who shall review each message and inform both Houses of the facts surrounding the proposed action and the probable effects. In the case of deferrals, he shall state whether or not (or to what extent) he determines the proposed deferral to be in accordance with existing statutory authority. Any revision of proposed rescissions or deferrals shall be transmitted by the President in a supplementary message.

If the Comptroller General finds that an action or inaction that constitutes a reserve or deferral has not been reported to Congress in a special message as required, he shall report to Congress on such reserve or deferral. His report will have the same effect as if it had been transmitted by the President in a special message. Moreover, if the Comptroller General believes that the President has transmitted an impoundment action incorrectly, such as by including it in a deferral special message when it should have been included in a rescission special message, or vice versa, he shall report to both Houses setting forth his reasons.

Congressional action with respect to a proposed rescission or deferral shall take the form of a "rescission bill" or an "impoundment resolution." Any rescission bill or impoundment resolution shall be referred to the appropriate committee of the House of Representatives or the Senate. If the committee fails to report a rescission bill or impoundment resolution at the end of 25 calendar days of continuous session after its introduction, it is in order to move to discharge the committee from further consideration. A motion to discharge may be made only by an individual favoring the bill or resolution, may be made only if supported by one-fifth of the Members of the House involved (a quorum being present), and is highly privileged in the House and privileged in the Senate.

If budget authority is not made available for obligation as required by the impoundment control title, the Comptroller General is empowered, through attorneys of his own choosing, to bring a civil action in the United States District Court for the District of Columbia in order to obtain any decree, judgment, or order which may be necessary or appropriate to make such budget authority available for obligation. However, no such action may be brought until the expiration of 25 calendar days of continuous session after the Comptroller General files with the Speaker of the House of Representatives and the President of the Senate an explanatory statement setting forth the circumstances giving rise to the action contemplated. The Courts shall give precedence to this type of civil action.

Cumulative reports of proposed rescissions, reservations, and deferrals shall be submitted by the President in a report to the House of Representatives and the Senate not later than the 10th day of each month during a fiscal year. This monthly report shall be printed in the first issue of the Federal Register published after its submission.

Congressional action depends greatly on the quality of these reports and the quality of special messages transmitted by the President. The managers recognize that each proposed impoundment action may be unique, reflecting a complex mixture of various forces. Rather than a few generalized codes to cover all impoundments--which has been the practice of the Office of Management and Budget in implementing the Federal Impoundment and Information Act--the managers expect that the monthly reports and the special messages will provide more specialized treatment. A narrative section should explain clearly and completely the factors that prompted the Administration to propose to impound the funds.

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