

112TH CONGRESS
1ST SESSION

H. R. 3578

To amend the Balanced Budget and Emergency Deficit Control Act of 1985
to reform the budget baseline.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 7, 2011

Mr. WOODALL (for himself, Mr. RYAN of Wisconsin, Mr. HENSARLING, Mr. YOUNG of Indiana, Mrs. BLACK, Mr. LANKFORD, Mr. CHAFFETZ, and Mr. STUTZMAN) introduced the following bill; which was referred to the Committee on the Budget

A BILL

To amend the Balanced Budget and Emergency Deficit
Control Act of 1985 to reform the budget baseline.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Baseline Reform Act
5 of 2011”.

6 **SEC. 2. THE BASELINE.**

7 (a) IN GENERAL.—Section 257 of the Balanced
8 Budget and Emergency Deficit Control Act of 1985 is
9 amended to read as follows:

1 **“SEC. 257. THE BASELINE.**

2 “(a) IN GENERAL.—(1) For any fiscal year, the base-
3 line refers to a projection of current-year levels of new
4 budget authority, outlays, or receipts and the surplus or
5 deficit for the current year, the budget year, and the ensu-
6 ing nine outyears based on laws enacted through the appli-
7 cable date.

8 “(2) The baselines referred to in paragraph (1) shall
9 be prepared annually.

10 “(b) DIRECT SPENDING AND RECEIPTS.—For the
11 budget year and each outyear, estimates for direct spend-
12 ing in the baseline shall be calculated as follows:

13 “(1) IN GENERAL.—Laws providing or creating
14 direct spending and receipts are assumed to operate
15 in the manner specified in those laws for each such
16 year and funding for entitlement authority is as-
17 sumed to be adequate to make all payments required
18 by those laws.

19 “(2) EXCEPTIONS.—(A)(i) No program estab-
20 lished by a law enacted on or before the date of en-
21 actment of the Balanced Budget Act of 1997 with
22 estimated current year outlays greater than
23 \$50,000,000 shall be assumed to expire in the budg-
24 et year or the outyears. The scoring of new pro-
25 grams with estimated outlays greater than
26 \$50,000,000 a year shall be based on scoring by the

1 Committees on the Budget or OMB, as applicable.
2 OMB, CBO, and the Committees on the Budget
3 shall consult on the scoring of such programs where
4 there are differences between CBO and OMB.

5 “(ii) On the expiration of the suspension of a
6 provision of law that is suspended under section 171
7 of Public Law 104–127 and that authorizes a pro-
8 gram with estimated fiscal year outlays that are
9 greater than \$50,000,000, for purposes of clause (i),
10 the program shall be assumed to continue to operate
11 in the same manner as the program operated imme-
12 diately before the expiration of the suspension.

13 “(B) The increase for veterans’ compensation
14 for a fiscal year is assumed to be the same as that
15 required by law for veterans’ pensions unless other-
16 wise provided by law enacted in that session.

17 “(C) Excise taxes dedicated to a trust fund, if
18 expiring, are assumed to be extended at current
19 rates.

20 “(D) If any law expires before the budget year
21 or any outyear, then any program with estimated
22 current year outlays greater than \$50,000,000 that
23 operates under that law shall be assumed to con-
24 tinue to operate under that law as in effect imme-
25 diately before its expiration.

1 “(3) HOSPITAL INSURANCE TRUST FUND.—

2 Notwithstanding any other provision of law, the re-
3 ceipts and disbursements of the Hospital Insurance
4 Trust Fund shall be included in all calculations re-
5 quired by this Act.

6 “(c) DISCRETIONARY SPENDING.—For the budget
7 year and each of the nine ensuing outyears, the baseline
8 shall be calculated using the following assumptions regard-
9 ing all amounts other than those covered by subsection
10 (b):

11 “(1) ESTIMATED APPROPRIATIONS.—Budgetary
12 resources other than unobligated balances shall be at
13 the level provided for the budget year in full-year ap-
14 propriation Acts. If for any account a full-year ap-
15 propriation has not yet been enacted, budgetary re-
16 sources other than unobligated balances shall be at
17 the level available in the current year.

18 “(2) CURRENT-YEAR APPROPRIATIONS.—If, for
19 any account, a continuing appropriation is in effect
20 for less than the entire current year, then the cur-
21 rent-year amount shall be assumed to equal the
22 amount that would be available if that continuing
23 appropriation covered the entire fiscal year. If law
24 permits the transfer of budget authority among
25 budget accounts in the current year, the current-

1 year level for an account shall reflect transfers ac-
2 complished by the submission of, or assumed for the
3 current year in, the President’s original budget for
4 the budget year.

5 “(d) UP-TO-DATE CONCEPTS.—In calculating the
6 baseline for the budget year or each of the nine ensuing
7 outyears, current-year amounts shall be calculated using
8 the concepts and definitions that are required for that
9 budget year.

10 “(e) ASSET SALES.—Amounts realized from the sale
11 of an asset shall not be included in estimates under section
12 251, 251A, 252, or 253 of this part or section 5 of the
13 Statutory-Pay-As-You-Go Act of 2010 if that sale would
14 result in a financial cost to the Government as determined
15 pursuant to scorekeeping guidelines.”.

16 (b) DEFINITIONS.—Section 250(c) of the Balanced
17 Budget and Emergency Deficit Control Act of 1985 is
18 amended by adding at the end the following new para-
19 graphs:

20 “(22) The term ‘Medicare’ means programs
21 within budget function 570.

22 “(23) The term ‘Medicaid and other health-re-
23 lated spending’ means programs within budget func-
24 tion 550.

1 “(24) The term ‘other direct spending’ means
2 programs other than those within budget functions
3 550 and 570, excluding Social Security and net in-
4 terest.”.

5 **SEC. 3. ADDITIONAL CBO REPORT TO BUDGET COMMIT-**
6 **TEES.**

7 Section 202(e) of the Congressional Budget Act of
8 1974 is amended by adding at the end the following new
9 paragraphs:

10 “(4) After the President’s budget submission
11 under section 1105(a) of title 31, United States
12 Code, in addition to the baseline projections, the Di-
13 rector shall submit to the Committees on the Budget
14 of the House of Representatives or the Senate a sup-
15 plemental projection assuming extension of current
16 tax policy for the fiscal year commencing on October
17 1 of that year with an alternative projection for that
18 fiscal year, assuming the extension of current tax
19 policy, excluding emergency provisions, in the fiscal
20 year before the submission of a report.

21 “(5) On or before July 1 of each year, the Di-
22 rector shall submit to the Committees on the Budget
23 of the House of Representatives and the Senate, the
24 Long-Term Budget Outlook for the fiscal year com-

- 1 mencing on October 1 of that year and at least the
- 2 ensuing 30 fiscal years.”.

