HOUSE OF REPRESENTATIVES—*Monday, June 26, 1995*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. GOODLATTE].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 26, 1995.

I hereby designate the Honorable BOB GOODLATTE to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following Prayer:

O gracious God, from whom comes every good gift, our hearts are filled with thanksgiving for all Your marvelous gifts to us and to all people. As we enter this week with all the responsibilities of the day and the many tasks ahead, may our lives never get so cluttered that we fail to express our innermost feelings of prayer, praise, and thanksgiving. Remind us, too, that our abilities are gifts of Your hand so may we dedicate ourselves to be good custodians of the marvels of Your creation and by being faithful in deeds of justice and acts of mercy to all those about us. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from California [Mr. ROHRABACHER] come forward and lead the House in the Pledge of Allegiance.

Mr. ROHRABACHER led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

PERMISSION TO HAVE UNTIL MIDNIGHT TONIGHT TO FILE CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 67, CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1996

Mr. ROHRABACHER. Mr. Speaker, I ask unanimous consent that the Committee on the Budget have until midnight tonight to file the conference report on the concurrent resolution (H. Con. Res. 67), the concurrent resolution on the budget for fiscal years 1996, 1997, 1998, 1999, 2000, 2001 and 2002.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 67

Mr. KASICH submitted the following conference report and statement on the bill (H. Con. Res. 67), setting forth the congressional budget for the United States Government for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

CONFERENCE REPORT (H. CON. RES. 67)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (H. Con. Res. 67), setting forth the congressional budget for the United States Government for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002, 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 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:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1996.

(a) DECLARATION.—The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1996, including the appropriate budgetary levels for fiscal years 1997, 1998, 1999, 2000, as required by section 301 of the Congressional Budget Act of 1974, and including the appropriate levels for fiscal years 2001 and 2002.

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

TITLE I—LEVELS AND AMOUNTS

SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution—

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 1996: $1,042,500,000,000.
Fiscal year 1997: $1,082,700,000,000.
Fiscal year 1998: $1,134,200,000,000.
Fiscal year 1999: $1,186,700,000,000.
Fiscal year 2000: $1,245,400,000,000.
Fiscal year 2001: $1,313,400,000,000.
Fiscal year 2002: $1,384,200,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Fiscal year 1996: $100,000,000.
Fiscal year 1997: $100,000,000.
Fiscal year 1998: $200,000,000.
Fiscal year 1999: $200,000,000.
Fiscal year 2000: $200,000,000.
Fiscal year 2001: $200,000,000.
Fiscal year 2002: $200,000,000.

(C) The amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:
Fiscal year 1996: $103,800,000,000.
Fiscal year 1997: $109,000,000,000.
Fiscal year 1998: $114,900,000,000.
Fiscal year 1999: $120,700,000,000.
Fiscal year 2000: $126,900,000,000.
Fiscal year 2001: $133,600,000,000.
Fiscal year 2002: $140,400,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:
Fiscal year 1996: $1,285,500,000,000.
Fiscal year 1997: $1,324,300,000,000.
Fiscal year 1998: $1,362,300,000,000.
Fiscal year 1999: $1,396,900,000,000.
Fiscal year 2000: $1,445,600,000,000.
Fiscal year 2001: $1,476,300,000,000.
Fiscal year 2002: $1,518,800,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:
Fiscal year 1996: $1,288,100,000,000.
Fiscal year 1997: $1,316,800,000,000.
Fiscal year 1998: $1,338,200,000,000.
Fiscal year 1999: $1,379,600,000,000.
Fiscal year 2000: $1,426,500,000,000.
Fiscal year 2001: $1,453,600,000,000.
Fiscal year 2002: $1,492,600,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:
Fiscal year 1996: $245,600,000,000.
Fiscal year 1997: $234,100,000,000.
Fiscal year 1998: $204,000,000,000.
Fiscal year 1999: $192,900,000,000.
Fiscal year 2000: $181,100,000,000.
Fiscal year 2001: $140,200,000,000.
Fiscal year 2002: $108,400,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:
Fiscal year 1996: $5,210,700,000,000.
Fiscal year 1997: $5,510,100,000,000.
Fiscal year 1998: $5,779,800,000,000.
Fiscal year 1999: $6,038,900,000,000.
Fiscal year 2000: $6,288,900,000,000.
Fiscal year 2001: $6,503,500,000,000.
Fiscal year 2002: $6,688,600,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:
Fiscal year 1996: $37,600,000,000.
Fiscal year 1997: $40,200,000,000.
Fiscal year 1998: $42,300,000,000.
Fiscal year 1999: $45,700,000,000.
Fiscal year 2000: $45,800,000,000.
Fiscal year 2001: $45,800,000,000.
Fiscal year 2002: $46,100,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:
Fiscal year 1996: $193,400,000,000.
Fiscal year 1997: $187,900,000,000.
Fiscal year 1998: $185,300,000,000.
Fiscal year 1999: $183,300,000,000.
Fiscal year 2000: $184,700,000,000.
Fiscal year 2001: $186,100,000,000.
Fiscal year 2002: $187,600,000,000.

SEC. 102. DEBT INCREASE.

The amounts of the increase in the public debt subject to limitation are as follows:
Fiscal year 1996: $307,800,000,000.
Fiscal year 1997: $299,300,000,000.
Fiscal year 1998: $269,800,000,000.
Fiscal year 1999: $259,100,000,000.
Fiscal year 2000: $249,900,000,000.
Fiscal year 2001: $214,600,000,000.
Fiscal year 2002: $185,100,000,000.

SEC. 103. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302, 602, and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:
Fiscal year 1996: $374,700,000,000.
Fiscal year 1997: $392,000,000,000.
Fiscal year 1998: $411,400,000,000.
Fiscal year 1999: $430,900,000,000.
Fiscal year 2000: $452,000,000,000.
Fiscal year 2001: $475,200,000,000.
Fiscal year 2002: $498,600,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302, 602, and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:
Fiscal year 1996: $299,400,000,000.
Fiscal year 1997: $310,900,000,000.
Fiscal year 1998: $324,600,000,000.
Fiscal year 1999: $338,500,000,000.
Fiscal year 2000: $353,100,000,000.
Fiscal year 2001: $368,100,000,000.
Fiscal year 2002: $383,800,000,000.

SEC. 104. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1996 through 2002 for each major functional category are:

(1) National Defense (050):
Fiscal year 1996:
(A) New budget authority, $264,700,000,000.
(B) Outlays, $263,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
Fiscal year 1997:
(A) New budget authority, $267,300,000,000.
(B) Outlays, $265,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
Fiscal year 1998:
(A) New budget authority, $269,000,000,000.
(B) Outlays, $263,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
Fiscal year 1999:
(A) New budget authority, $271,700,000,000.
(B) Outlays, $267,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
Fiscal year 2000:
(A) New budget authority, $274,400,000,000.
(B) Outlays, $270,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
Fiscal year 2001:
(A) New budget authority, $277,100,000,000.
(B) Outlays, $270,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
Fiscal year 2002:
(A) New budget authority, $280,000,000,000.
(B) Outlays, $270,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.

(2) International Affairs (150):
Fiscal year 1996:
(A) New budget authority, $15,800,000,000.
(B) Outlays, $17,000,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 1997:
(A) New budget authority, $14,000,000,000.
(B) Outlays, $15,100,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 1998:
(A) New budget authority, $12,400,000,000.
(B) Outlays, $13,900,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 1999:
(A) New budget authority, $11,200,000,000.
(B) Outlays, $12,600,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 2000:
(A) New budget authority, $12,700,000,000.
(B) Outlays, $11,900,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 2001:
(A) New budget authority, $12,800,000,000.
(B) Outlays, $12,000,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 2002:
(A) New budget authority, $12,800,000,000.
(B) Outlays, $11,800,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.

(3) General Science, Space, and Technology (250):
Fiscal year 1996:
(A) New budget authority, $16,700,000,000.
(B) Outlays, $16,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $16,300,000,000.
(B) Outlays, $16,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $15,900,000,000.
(B) Outlays, $16,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $15,600,000,000.
(B) Outlays, $15,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $15,300,000,000.
(B) Outlays, $15,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $15,300,000,000.
(B) Outlays, $15,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $15,300,000,000.
(B) Outlays, $15,400,000,000.
(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1996:
(A) New budget authority, $4,600,000,000.
(B) Outlays, $4,500,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $4,200,000,000.
(B) Outlays, $3,500,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $3,800,000,000.
(B) Outlays, $3,100,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $3,600,000,000.
(B) Outlays, $2,600,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $3,400,000,000.
(B) Outlays, $2,200,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $3,300,000,000.
(B) Outlays, $2,200,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $3,300,000,000.
(B) Outlays, $2,200,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1996:
(A) New budget authority, $19,500,000,000.
(B) Outlays, $20,300,000,000.
(C) New direct loan obligations $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $19,200,000,000.
(B) Outlays, $20,000,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $17,700,000,000.
(B) Outlays, $18,700,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $18,200,000,000.
(B) Outlays, $19,000,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $17,900,000,000.
(B) Outlays, $18,500,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $17,100,000,000.
(B) Outlays, $17,400,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $17,500,000,000.
(B) Outlays, $17,700,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1996:
(A) New budget authority, $13,100,000,000.
(B) Outlays, $11,800,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 1997:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $11,100,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 1998:
(A) New budget authority, $11,700,000,000.
(B) Outlays, $10,500,000,000.
(C) New direct loan obligations, $10,900,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 1999:
(A) New budget authority, $11,500,000,000.
(B) Outlays, $10,300,000,000.
(C) New direct loan obligations, $11,600,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 2000:
(A) New budget authority, $10,900,000,000.
(B) Outlays, $9,800,000,000.
(C) New direct loan obligations, $11,400,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 2001:
(A) New budget authority, $9,800,000,000.
(B) Outlays, $8,700,000,000.
(C) New direct loan obligations, $11,100,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 2002:
(A) New budget authority, $9,600,000,000.
(B) Outlays, $8,500,000,000.
(C) New direct loan obligations, $10,900,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 1996:
(A) New budget authority, $2,600,000,000.
(B) Outlays, −$6,900,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 1997:
(A) New budget authority, $1,800,000,000.
(B) Outlays, −$5,100,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 1998:
(A) New budget authority, $900,000,000.
(B) Outlays, −$6,700,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 1999:
(A) New budget authority, $400,000,000.
(B) Outlays, −$4,800,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 2000:
(A) New budget authority, $2,100,000,000.
(B) Outlays, −$2,200,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 2001:
(A) New budget authority, $800,000,000.
(B) Outlays, −$2,900,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 2002:
(A) New budget authority, $600,000,000.
(B) Outlays, −$3,000,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
(8) Transportation (400):
Fiscal year 1996:
(A) New budget authority, $36,600,000,000.
(B) Outlays, $38,900,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $43,100,000,000.
(B) Outlays, $37,600,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $43,900,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $42,600,000,000.
(B) Outlays, $34,100,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $42,900,000,000.
(B) Outlays, $33,200,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $42,200,000,000.
(B) Outlays, $32,400,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $41,800,000,000.
(B) Outlays, $32,000,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1996:
(A) New budget authority, $6,600,000,000.
(B) Outlays, $9,900,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 1997:
(A) New budget authority, $6,500,000,000.
(B) Outlays, $7,800,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 1998:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $6,500,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 1999:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $6,200,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 2000:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $6,200,000,000.

(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 2001:
(A) New budget authority, $5,700,000,000.
(B) Outlays, $6,100,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 2002:
(A) New budget authority, $5,600,000,000.
(B) Outlays, $6,100,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1996:
(A) New budget authority, $48,400,000,000.
(B) Outlays, $53,400,000,000.
(C) New direct loan obligations, $13,600,000,000.
(D) New primary loan guarantee commitments, $16,300,000,000.
Fiscal year 1997:
(A) New budget authority, $47,800,000,000.
(B) Outlays, $48,900,000,000.
(C) New direct loan obligations, $16,300,000,000.
(D) New primary loan guarantee commitments, $15,900,000,000.
Fiscal year 1998:
(A) New budget authority, $47,600,000,000.
(B) Outlays, $47,300,000,000.
(C) New direct loan obligations, $19,100,000,000.
(D) New primary loan guarantee commitments, $15,200,000,000.
Fiscal year 1999:
(A) New budget authority, $48,400,000,000.
(B) Outlays, $47,500,000,000.
(C) New direct loan obligations, $21,800,000,000.
(D) New primary loan guarantee commitments, $14,300,000,000.
Fiscal year 2000:
(A) New budget authority, $49,100,000,000.
(B) Outlays, $48,200,000,000.
(C) New direct loan obligations, $21,900,000,000.
(D) New primary loan guarantee commitments, $15,000,000,000.
Fiscal year 2001:
(A) New budget authority, $48,600,000,000.
(B) Outlays, $47,700,000,000.
(C) New direct loan obligations, $22,000,000,000.
(D) New primary loan guarantee commitments, $15,800,000,000.
Fiscal year 2002:
(A) New budget authority, $48,800,000,000.
(B) Outlays, $47,800,000,000.
(C) New direct loan obligations, $22,200,000,000.
(D) New primary loan guarantee commitments, $16,600,000,000.
(11) Health (550):
Fiscal year 1996:
(A) New budget authority, $121,000,000,000.
(B) Outlays, $121,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1997:
(A) New budget authority, $127,600,000,000.
(B) Outlays, $127,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1998:
(A) New budget authority, $131,600,000,000.
(B) Outlays, $131,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1999:
(A) New budget authority, $135,700,000,000.
(B) Outlays, $135,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 2000:
(A) New budget authority, $140,100,000,000.
(B) Outlays, $139,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 2001:
(A) New budget authority, $144,500,000,000.
(B) Outlays, $144,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 2002:
(A) New budget authority, $149,200,000,000.
(B) Outlays, $149,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(12) Medicare (570):
Fiscal year 1996:
(A) New budget authority, $176,100,000,000.
(B) Outlays, $173,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $184,300,000,000.
(B) Outlays, $182,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $194,000,000,000.
(B) Outlays, $192,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $205,700,000,000.
(B) Outlays, $203,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $216,500,000,000.
(B) Outlays, $214,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $231,800,000,000.
(B) Outlays, $229,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $249,200,000,000.
(B) Outlays, $247,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1996:
(A) New budget authority, $225,900,000,000.
(B) Outlays, $227,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
Fiscal year 1997:
(A) New budget authority, $231,600,000,000.
(B) Outlays, $236,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
Fiscal year 1998:
(A) New budget authority, $250,300,000,000.
(B) Outlays, $245,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
Fiscal year 1999:
(A) New budget authority, $253,100,000,000.
(B) Outlays, $255,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
Fiscal year 2000:
(A) New budget authority, $269,500,000,000.
(B) Outlays, $269,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
Fiscal year 2001:
(A) New budget authority, $274,800,000,000.
(B) Outlays, $274,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
Fiscal year 2002:
(A) New budget authority, $288,700,000,000.
(B) Outlays, $288,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(14) Social Security (650):
Fiscal year 1996:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $8,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,100,000,000.
(B) Outlays, $10,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $8,800,000,000.
(B) Outlays, $11,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,600,000,000.
(B) Outlays, $12,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $10,500,000,000.
(B) Outlays, $12,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $11,100,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $11,700,000,000.
(B) Outlays, $14,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1996:
(A) New budget authority, $37,500,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $26,700,000,000.
Fiscal year 1997:
(A) New budget authority, $37,900,000,000.
(B) Outlays, $38,000,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $21,600,000,000.
Fiscal year 1998:
(A) New budget authority, $38,200,000,000.

(B) Outlays, $38,400,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $19,700,000,000.
Fiscal year 1999:
(A) New budget authority, $38,800,000,000.
(B) Outlays, $39,000,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $18,600,000,000.
Fiscal year 2000:
(A) New budget authority, $39,100,000,000.
(B) Outlays, $40,600,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $19,300,000,000.
Fiscal year 2001:
(A) New budget authority, $39,700,000,000.
(B) Outlays, $41,300,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $19,900,000,000.
Fiscal year 2002:
(A) New budget authority, $40,200,000,000.
(B) Outlays, $41,800,000,000.
(C) New direct loan obligations, $1,700,000,000.
(D) New primary loan guarantee commitments, $20,600,000,000.
(16) Administration of Justice (750):
Fiscal year 1996:
(A) New budget authority, $19,800,000,000.
(B) Outlays, $18,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $19,800,000,000.
(B) Outlays, $18,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $20,200,000,000.
(B) Outlays, $19,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $21,000,000,000.
(B) Outlays, $20,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $21,100,000,000.
(B) Outlays, $20,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $20,700,000,000.
(B) Outlays, $20,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $20,600,000,000.
(B) Outlays, $20,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1996:
(A) New budget authority, $12,400,000,000.
(B) Outlays, $12,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $12,300,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $12,200,000,000.
(B) Outlays, $12,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $12,100,000,000.
(B) Outlays, $12,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $12,000,000,000.
(B) Outlays, $12,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $11,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(18) Net Interest (900):
Fiscal year 1996:
(A) New budget authority, $298,400,000,000.
(B) Outlays, $298,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $310,500,000,000.
(B) Outlays, $310,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $319,400,000,000.
(B) Outlays, $319,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $331,500,000,000.
(B) Outlays, $331,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $342,900,000,000.
(B) Outlays, $342,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $349,900,000,000.
(B) Outlays, $349,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $357,600,000,000.
(B) Outlays, $357,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(19) The corresponding levels of gross interest on the public debt are as follows:
Fiscal year 1996: $369,900,000,000.
Fiscal year 1997: $381,600,000,000.
Fiscal year 1998: $390,900,000,000.
Fiscal year 1999: $404,000,000,000.
Fiscal year 2000: $416,100,000,000.
Fiscal year 2001: $426,800,000,000.
Fiscal year 2002: $436,100,000,000.
(20) Allowances (920):
Fiscal year 1996:
(A) New budget authority, −$6,400,000,000.
(B) Outlays, −$4,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$6,300,000,000.
(B) Outlays, −$6,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$5,300,000,000.
(B) Outlays, −$5,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$4,700,000,000.
(B) Outlays, −$5,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, −$3,700,000,000.
(B) Outlays, −$4,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, −$3,700,000,000.
(B) Outlays, −$4,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, −$3,700,000,000.
(B) Outlays, −$4,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(21) Undistributed Offsetting Receipts (950):
Fiscal year 1996:
(A) New budget authority, −$33,700,000,000.
(B) Outlays, −$33,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$34,200,000,000.
(B) Outlays, −$34,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$36,400,000,000.
(B) Outlays, −$36,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$35,500,000,000.
(B) Outlays, −$35,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, −$37,400,000,000.
(B) Outlays, −$37,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, −$36,800,000,000.
(B) Outlays, −$36,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, −$41,600,000,000.
(B) Outlays, −$41,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

SEC. 105. RECONCILIATION.

(a) RECONCILIATION OF SPENDING REDUCTIONS.—

(1) SENATE COMMITTEES.—Not later than September 22, 1995, the committees named in this subsection shall submit their recommendations to the Committee on the Budget of the Senate. After receiving those recommendations, the Committee on the Budget shall report to the Senate a reconciliation bill carrying out all such recommendations without any substantive revision.

(A) COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY.—The Senate Committee on Agriculture, Nutrition, and Forestry shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $2,503,000,000 in fiscal year 1996, $29,059,000,000 for the period of fiscal years 1996 through 2000, and $48,402,000,000 for the period of fiscal years 1996 through 2002.

(B) COMMITTEE ON ARMED SERVICES.—The Senate Committee on Armed Services shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $1,571,000,000 in fiscal year 1996, $1,888,000,000 for the period of fiscal years 1996 through 2000, and $2,199,000,000 for the period of fiscal years 1996 through 2002.

(C) COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS.—The Senate Committee on Banking, Housing, and Urban Affairs shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $481,000,000 in fiscal year 1996, $1,698,000,000 for the period of fiscal years 1996 through 2000, and $2,391,000,000 for the period of fiscal years 1996 through 2002.

(D) COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION.—The Senate Committee on Commerce, Science, and Transportation shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $114,000,000 in fiscal year 1996, $9,088,000,000 for the period of fiscal years 1996 through 2000, and $15,036,000,000 for the period of fiscal years 1996 through 2002.

(E) COMMITTEE ON ENERGY AND NATURAL RESOURCES.—The Senate Committee on Energy and Natural Resources shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $354,000,000 in fiscal year 1996, $4,292,000,000 for the period of fiscal years 1996 through 2000, and $4,001,000,000 for the period of fiscal years 1996 through 2002.

(F) COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS.—The Senate Committee on Environment and Public Works shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $118,000,000 in fiscal year 1996, $1,308,000,000 for the period of fiscal years 1996 through 2000, and $2,250,000,000 for the period of fiscal years 1996 through 2002.

(G) COMMITTEE ON FINANCE.—(i) The Senate Committee on Finance shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $15,328,000,000 in fiscal year 1996, $272,974,000,000 for the period of fiscal years 1996 through 2000, and $530,359,000,000 for the period of fiscal years 1996 through 2002.

(ii) The Senate Committee on Finance shall report changes in laws to increase the statutory limit on the public debt to not more than $5,500,000,000,000.

(H) COMMITTEE ON GOVERNMENTAL AFFAIRS.—The Senate Committee on Governmental Affairs shall report changes in laws within its jurisdiction to reduce the deficit $524,000,000 in fiscal year 1996, $5,357,000,000 for the period of fiscal years 1996 through 2000, and $9,844,000,000 for the period of fiscal years 1996 through 2002.

(I) COMMITTEE ON THE JUDICIARY.—The Senate Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $0 in fiscal year 1996, $238,000,000 for the period of fiscal years 1996 through 2000, and $476,000,000 for the period of fiscal years 1996 through 2002.

(J) COMMITTEE ON LABOR AND HUMAN RESOURCES.—The Senate Committee on Labor and Human Resources shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $809,000,000 in fiscal year 1996, $6,956,000,000 for the period of fiscal years 1996 through 2000, and $10,779,000,000 for the period of fiscal years 1996 through 2002.

(K) COMMITTEE ON VETERANS' AFFAIRS.—The Senate Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $274,000,000 in fiscal year 1996, $3,614,000,000 for the period of fiscal years 1996 through 2000, and $6,392,000,000 for the period of fiscal years 1996 through 2002.

(2) HOUSE COMMITTEES.—

(A) GENERAL RULES.—(i) Not later than September 22, 1995, the House committees named in clauses (i) through (xii) of subparagraph (B) shall submit their recommendations to the House Committee on the Budget. After receiving those recommendations, the House Committee on the Budget shall report to the House a reconciliation bill carrying out all such recommendations without any substantive revision.

(ii) Each committee named in clauses (i) through (xi) of subparagraph (B) shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee for—

(I) fiscal year 1996,

(II) the 5-year period beginning with fiscal year 1996 and ending with fiscal year 2000, and

(III) the 7-year period beginning with fiscal year 1996 and ending with fiscal year 2002,

does not exceed the total level of direct spending in that period in the clause applicable to that committee.

(iii) Each committee named in clauses (i)(II), (iv)(II), (v)(II), and (vi)(II) of subparagraph (B) shall report changes in laws within its jurisdiction as set forth in the clause applicable to that committee.

(iv) The Committee on Ways and Means shall carry out subparagraph (B)(xii).

(B) COMMITTEE AMOUNTS.—(i)(I) The House Committee on Agriculture: $10,506,000,000 in outlays in fiscal year 1996, $44,741,000,000 in outlays in fiscal years 1996 through 2000, and $59,232,000,000 in outlays in fiscal years 1996 through 2002.

(II) In addition to the changes in law reported pursuant to subclause (I), the House Committee on Agriculture shall report changes in laws within its jurisdiction that provide direct spending (other than that defined within subparagraph (A) or (B) of section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) such that the total level of direct spending (as so defined) for that committee does not exceed: $26,748,000,000 in outlays in fiscal year 1996, $133,246,000,000 in outlays in fiscal years 1996 through 2000, and $192,270,000,000 in outlays in fiscal years 1996 through 2002.

(ii) The House Committee on Banking and Financial Services: −$13,087,000,000 in outlays in fiscal year 1996, −$50,061,000,000 in outlays in fiscal years 1996 through 2000, and −$65,112,000,000 in outlays in fiscal years 1996 through 2002.

(iii) The House Committee on Commerce: $285,537,000,000 in outlays in fiscal year 1996, $1,592,240,000,000 in outlays in fiscal years 1996 through 2000, and $2,361,708,000,000 in outlays in fiscal years 1996 through 2002.

(iv)(I) The House Committee on Economic and Educational Opportunities: $16,026,000,000 in outlays in fiscal year 1996, $77,346,000,000 in outlays in fiscal years 1996 through 2000, and $110,936,000,000 in outlays in fiscal years 1996 through 2002.

(II) In addition to changes in law reported pursuant to subclause (I), the House Committee on Economic and Educational Opportunities shall report program changes in laws within its jurisdiction that would result in a reduction in outlays as follows: −$720,000,000 in fiscal year 1996, −$5,810,000,000 in fiscal years 1996 through 2000, and −$8,770,000,000 in fiscal years 1996 through 2002.

(v)(I) The House Committee on Government Reform and Oversight: $57,743,000,000 in outlays in fiscal year 1996, $310,364,000,000 in outlays in fiscal years 1996 through 2000, and $449,583,000,000 in outlays in fiscal years 1996 through 2002.

(II) In addition to changes in law reported pursuant to subclause (I), the House Committee on Government Reform and Oversight shall report changes in laws within its jurisdiction that would reduce the deficit by: $85,000,000 in fiscal year 1996, $775,000,000 in fiscal years 1996 through 2000, and $1,127,000,000 in fiscal years 1996 through 2002.

(vi)(I) The House Committee on International Relations: $14,243,000,000 in outlays in fiscal year 1996, $62,072,000,000 in outlays in fiscal years 1996 through 2000, and $83,221,000,000 in outlays in fiscal years 1996 through 2002.

(II) In addition to changes in law reported pursuant to subclause (I), the House Committee on International Relations shall report changes in laws within its jurisdiction that would reduce the deficit by: $1,000,000 in fiscal year 1996, $14,000,000 in fiscal years 1996 through 2000, and $22,000,000 in fiscal years 1996 through 2002.

(vii) The House Committee on the Judiciary: $2,580,000,000 in outlays in fiscal year 1996, $13,734,000,000 in outlays in fiscal years 1996 through 2000, and $19,530,000,000 in outlays in fiscal years 1996 through 2002.

(viii) The House Committee on National Security: $39,601,000,000 in outlays in fiscal year 1996, $226,931,000,000 in outlays in fiscal years 1996 through 2000, and $331,210,000,000 in outlays in fiscal years 1996 through 2002.

(ix) The House Committee on Resources: $1,535,000,000 in outlays in fiscal year 1996, $7,816,000,000 in outlays in fiscal years 1996 through 2000, and $12,871,000,000 in outlays in fiscal years 1996 through 2002.

(x) The House Committee on Transportation and Infrastructure: $16,615,000,000 in outlays in fiscal year 1996, $83,070,000,000 in outlays in fiscal years 1996 through 2000, and $116,811,000,000 in outlays in fiscal years 1996 through 2002.

(xi) The House Committee on Veterans' Affairs: $19,041,000,000 in outlays in fiscal year 1996, $106,163,000,000 in outlays in fiscal years 1996 through 2000, and $154,864,000,000 in outlays in fiscal years 1996 through 2002.

(xii)(I) The House Committee on Ways and Means shall report changes in laws within its jurisdiction that provide direct spending such that the total level of direct spending for that committee for—

(aa) fiscal year 1996,

(bb) the 5-year period beginning with fiscal year 1996 and ending with fiscal year 2000, and

(cc) the 7-year period beginning with fiscal year 1996 and ending with fiscal year 2002,

does not exceed the following level in that period: $349,172,000,000 in outlays in fiscal year 1996, $2,010,751,000,000 in outlays in fiscal years 1996 through 2000, and $3,002,706,000,000 in outlays in fiscal years 1996 through 2002.

(II) The House Committee on Ways and Means shall report changes in laws within its jurisdiction such that the total level of revenues for that committee for fiscal year 2000 is not less than $1,304,215,000,000 and for fiscal years 1996 through 2002 is not less than $17,938,254,000,000.

(III) The House Committee on Ways and Means shall report changes in laws to increase the statutory limit on the public debt to not more than $5,500,000,000,000.

(C) DEFINITION.—For purposes of this paragraph, the term "direct spending" has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) RECONCILIATION OF REVENUE REDUCTIONS IN THE SENATE.—

(1) CERTIFICATION.—In the Senate, upon the certification pursuant to section 205(a) of this resolution, the Senate Committee on Finance shall submit its recommendations pursuant to paragraph (2) to the Senate Committee on the Budget. After receiving those recommendations, the Committee on the Budget shall add these recommendations to the recommendations submitted pursuant to subsection (a) and report a reconciliation bill carrying out all such recommendations without any substantive revision.

(2) COMMITTEE ON FINANCE.—Not later than five days after the certification made pursuant to section 205(a), the Senate Committee on Finance shall report changes in laws within its jurisdiction necessary to reduce revenues by not more than $50,000,000,000 in fiscal year 2002 and $245,000,000,000 for the period of fiscal years 1996 through 2002.

TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

SEC. 201. DISCRETIONARY SPENDING LIMITS.

(a) DEFINITION.—As used in this section and for the purposes of allocations made pursuant to section 302(a) or 602(a) of the Congressional Budget Act of 1974, for the discretionary category, the term "discretionary spending limit" means—

(1) with respect to fiscal year 1996—

(A) for the defense category $265,406,000,000 in new budget authority and $264,043,000,000 in outlays; and

(B) for the nondefense category $219,668,000,000 in new budget authority and $267,725,000,000 in outlays;

(2) with respect to fiscal year 1997—

(A) for the defense category $267,962,000,000 in new budget authority and $265,734,000,000 in outlays; and

(B) for the nondefense category $214,468,000,000 in new budget authority and $254,561,000,000 in outlays;

(3) with respect to fiscal year 1998—

(A) for the defense category $269,731,000,000 in new budget authority and $264,531,000,000 in outlays; and

(B) for the nondefense category $220,961,000,000 in new budget authority and $248,101,000,000 in outlays;

(4) with respect to fiscal year 1999, for the discretionary category $482,207,000,000 in new budget authority and $510,482,000,000 in outlays;

(5) with respect to fiscal year 2000, for the discretionary category $489,379,000,000 in new budget authority and $514,234,000,000 in outlays;

(6) with respect to fiscal year 2001, for the discretionary category $496,601,000,000 in new budget authority and $516,403,000,000 in outlays; and

(7) with respect to fiscal year 2002, for the discretionary category $498,837,000,000 in new budget authority and $515,075,000,000 in outlays;

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

(b) POINT OF ORDER IN THE SENATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), it shall not be in order in the Senate to consider—

(A) any concurrent resolution on the budget for fiscal year 1996, 1997, or 1998 (or amendment, motion, or conference report on such a resolution) that provides discretionary spending in excess of the sum of the defense and nondefense discretionary spending limits for such fiscal year;

(B) any concurrent resolution on the budget for fiscal years 1999, 2000, 2001, or 2002 (or amendment, motion, or conference report on such a resolution) that provides discretionary spending in excess of the discretionary spending limit for such fiscal year; or

(C) any appropriations bill or resolution (or amendment, motion, or conference report on such appropriations bill or resolution) for fiscal year 1995, 1996, 1997, 1998, 1999, 2000, 2001, or 2002 that would exceed any of the discretionary spending limits in this section or suballocations of those limits made pursuant to section 602(b) of the Congressional Budget Act of 1974.

(2) EXCEPTION.—

(A) IN GENERAL.—This section shall not apply if a declaration of war by the Congress is in effect or if a joint resolution pursuant to section 258 of the Balanced Budget and Emergency Deficit Control Act of 1985 has been enacted.

(B) ENFORCEMENT OF DISCRETIONARY LIMITS.—Paragraph (1)(A) and the application of paragraph (1)(B) to fiscal years 1997 through 2002 shall not take effect until the enactment of a reconciliation bill pursuant to section 105 of this resolution.

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

(d) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the concurrent resolution, bill, or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(e) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, outlays, new entitlement authority, and revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

SEC. 202. EXTENSION OF PAY-AS-YOU-GO POINT OF ORDER.

(a) PURPOSE.—The Senate declares that it is essential to—

(1) ensure continued compliance with the balanced budget plan set forth in this resolution; and

(2) continue the pay-as-you-go enforcement system.

(b) POINT OF ORDER.—

(1) IN GENERAL.—It shall not be in order in the Senate to consider any direct spending or revenue legislation that would increase the deficit for any one of the three applicable time periods as measured in paragraphs (5) and (6).

(2) APPLICABLE TIME PERIODS.—For purposes of this subsection the term "applicable time period" means any one of the three following periods:

(A) The first year covered by the most recently adopted concurrent resolution on the budget.

(B) The period of the first five fiscal years covered by the most recently adopted concurrent resolution on the budget.

(C) The period of the five fiscal years following the first five fiscal years covered in the most recently adopted concurrent resolution on the budget.

(3) DIRECT-SPENDING LEGISLATION.—For purposes of this subsection and except as provided in paragraph (4), the term "direct-spending legislation" means any bill, joint resolution, amendment, motion, or conference report that affects direct spending as that term is defined by and interpreted for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985.

(4) EXCLUSION.—For purposes of this subsection, the terms "direct-spending legislation" and "revenue legislation" do not include—

(A) any concurrent resolution on the budget; or

(B) any provision of legislation that affects the full funding of, and continuation of, the deposit insurance guarantee commitment in effect on the date of enactment of the Budget Enforcement Act of 1990.

(5) BASELINE.—Estimates prepared pursuant to this section shall—

(A) use the baseline used for the most recently adopted concurrent resolution on the budget; and

(B) be calculated under the requirements of subsections (b) through (d) of section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 for fiscal years beyond those covered by that concurrent resolution on the budget.

(6) PRIOR SURPLUS.—If direct spending or revenue legislation increases the deficit when taken individually, then it must also increase the deficit when taken together with all direct spending and revenue legislation enacted since the beginning of the calendar year not accounted for in the baseline under paragraph (5)(A), except that the direct spending or revenue effects resulting from legislation enacted pursuant to the reconciliation instructions included in that concurrent resolution on the budget shall not be available.

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

(d) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(e) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, outlays, and revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

(f) CONFORMING AMENDMENT.—Section 23 of House Concurrent Resolution 218 (103d Congress) is repealed.

(g) SUNSET.—Subsections (a) through (e) of this section shall expire September 30, 2002.

SEC. 203. TAX RESERVE FUND IN THE SENATE.

(a) IN GENERAL.—In the Senate, on or after October 1, 1995, revenue and spending aggregates shall be reduced and allocations may be revised for legislation that reduces revenues within a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase the deficit in this resolution for—

(1) fiscal year 1996;

(2) the period of fiscal years 1996 through 2000; or

(3) the period of fiscal years 2001 through 2005.

(b) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference

report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(c) REPORTING REVISED ALLOCATIONS.—The appropriate committee shall report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this section.

SEC. 204. WELFARE REFORM RESERVE FUND.

(a) IN GENERAL.—

(1) DIRECT SPENDING.—In the Senate and the House of Representatives, budget authority and outlays, and (in the House) entitlement authority, allocated to a committee may be revised, pursuant to subsection (b)(1), for legislation in that committee's jurisdiction that has the effect of reducing direct spending for a welfare program and authorizes an increase in discretionary spending for that welfare program, if that committee reports such legislation.

(2) DISCRETIONARY SPENDING.—In the Senate and the House of Representatives, budget authority and outlays allocated to the Committee on Appropriations, and (in the Senate) the discretionary spending limits in section 201 of this resolution, may be increased, pursuant to subsection (b)(2), for an appropriation measure that provides new discretionary budget authority for a welfare program pursuant to authority provided in legislation described in paragraph (1), if the Committee on Appropriations reports such an appropriation measure.

(b) REVISED ALLOCATIONS.—

(1) DIRECT SPENDING.—Upon reporting of legislation pursuant to subsection (a)(1) and again upon submission of a conference report on such legislation, the chairman of the Committee on the Budget of the House or Senate (whichever is appropriate) may submit to that House revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 to carry out this section. Such revised allocations shall be considered for the purposes of the Congressional Budget Act of 1974 to be the allocations under this concurrent budget resolution. In the Senate, the revision shall reflect that amount of the direct spending savings estimated to result from such legislation to the extent they exceed the savings assumed in this concurrent resolution on the budget.

(2) DISCRETIONARY SPENDING.—Upon reporting of legislation pursuant to subsection (a)(2) and again upon the submission of a conference report on such legislation, the chairman of the Committee on the Budget of the House or Senate (whichever is appropriate) may submit to that House revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised discretionary spending limits. The revision shall reflect that amount of the new discretionary budget authority provided for the welfare program up to the level authorized in the legislation reported pursuant to subsection (a)(1), except that the budget authority and outlay revisions shall not exceed the adjustments made pursuant to paragraph (1) for that welfare program. Such revised allocations and discretionary spending limits shall be considered, for the purposes of the Congressional Budget Act of 1974, to be the allocations and spending limits under this concurrent resolution on the budget.

(c) COMMITTEE ON APPROPRIATIONS.—The Committees on Appropriations may report appropriately revised suballocations pursuant to sections 302(b)(1) and 602(b)(1) of the Congressional Budget Act of 1974 following the revision of the allocations pursuant to subsection (b)(2), to carry out this section.

SEC. 205. BUDGET SURPLUS ALLOWANCE.

(a) CBO CERTIFICATION OF LEGISLATIVE SUBMISSIONS.—

(1) SUBMISSION OF LEGISLATION.—Upon the submission of legislative recommendations pursuant to section 105(a) and prior to the submission of a conference report on legislation reported pursuant to section 105, the chairman of the Committee on the Budget of the Senate and the House of Representatives (as the case may be) shall submit such recommendations to the Congressional Budget Office.

(2) BASIS OF ESTIMATES.—For the purposes of preparing an estimate pursuant to this subsection, the Congressional Budget Office shall include the budgetary impact of all legislation enacted to date, use the economic and technical assumptions underlying this resolution, and assume compliance with the total discretionary spending levels assumed in this resolution unless superseded by law.

(3) ESTIMATE OF LEGISLATION.—The Congressional Budget Office shall provide an estimate to the Chairman of the Budget Committee of the Senate and the House of Representatives (as the case may be) and certify whether the legislative recommendations would balance the total budget by fiscal year 2002.

(4) CERTIFICATION.—If the Congressional Budget Office certifies that such legislative recommendations would balance the total budget by fiscal year 2002, the Chairman shall submit such certification in his respective House.

(b) PROCEDURE IN THE SENATE.—

(1) ADJUSTMENTS.—For the purposes of points of order under the Congressional Budget Act of 1974 and this concurrent resolution on the budget, the appropriate budgetary allocations and aggregates shall be revised to be consistent with the instructions set forth in section 105(b) for legislation that reduces revenues by providing family tax relief and incentives to stimulate savings, investment, job creation, and economic growth.

(2) REVISED AGGREGATES.—Upon the reporting of legislation pursuant to section 105(b) and again upon the submission of a conference report on such legislation, the Chairman of the Committee on the Budget of the Senate shall submit appropriately revised budgetary allocations and aggregates.

(3) EFFECT OF REVISED ALLOCATIONS AND AGGREGATES.—Revised allocations and aggregates submitted under paragraph (2) shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

(c) CONTINGENCIES.—This section shall not apply unless the reconciliation legislation—

(1) complies with the sum of the reconciliation directives for the period of fiscal years 1996 through 2002 provided in section 105(a); and

(2) would balance the total budget for fiscal year 2002 and the period of fiscal years 2002 through 2005.

(d) DEFINITIONS.—For the purposes of this section, the term "balance the total budget" means total outlays are less than or equal to total revenues for a fiscal year or a period of fiscal years.

SEC. 206. SALE OF GOVERNMENT ASSETS.

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

(1) the prohibition on scoring asset sales has discouraged the sale of assets that can be better managed by the private sector and generate receipts to reduce the Federal budget deficit;

(2) the President's fiscal year 1996 budget included $8,000,000,000 in receipts from asset sales and proposed a change in the asset sale scoring rule to allow the proceeds from these sales to be scored;

(3) assets should not be sold if such sale would increase the budget deficit over the long run; and

(4) the asset sale scoring prohibition should be repealed and consideration should be given to replacing it with a methodology that takes into account the long-term budgetary impact of asset sales.

(b) BUDGETARY TREATMENT.—For purposes of any concurrent resolution on the budget and the Congressional Budget Act of 1974, the amounts realized from sales of assets shall be scored with respect to the level of budget authority, outlays, or revenues.

(c) DEFINITIONS.—For purposes of this section, the term "sale of an asset" shall have the same meaning as under section 250(c)(21) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(d) TREATMENT OF LOAN ASSETS.—For the purposes of this section, the sale of loan assets or the prepayment of a loan shall be governed by the terms of the Federal Credit Reform Act of 1990.

SEC. 207. CREDIT REFORM AND DIRECT STUDENT LOANS.

For the purposes of any concurrent resolution on the budget and the Congressional Budget Act of 1974, the cost of a direct loan under the Federal direct student loan program shall be the net present value, at the time when the direct loan is disbursed, of the following cash flows for the estimated life of the loan:

(1) Loan disbursements.

(2) Repayments of principal.

(3) Payments of interest and other payments by or to the Government over the life of the loan after adjusting for estimated defaults, prepayments, fees, penalties, and other recoveries.

(4) Direct expenses, including—

(A) activities related to credit extension, loan origination, loan servicing, management of contractors, and payments to contractors, other government entities, and program participants;

(B) collection of delinquent loans; and

(C) writeoff and closeout of loans.

SEC. 208. EXTENSION OF BUDGET ACT 60-VOTE ENFORCEMENT THROUGH 2002.

Notwithstanding section 275(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by sections 13112(b) and 13208(b)(3) of the Budget Enforcement Act of 1990), the second sentence of section 904(c) of the Congressional Budget Act of 1974 (except insofar as it relates to section 313 of that Act) and the final sentence of section 904(d) of that Act (except insofar as it relates to section 313 of that Act) shall continue to have effect as rules of the Senate through (but no later than) September 30, 2002.

SEC. 209. REPEAL OF IRS ALLOWANCE.

Section 25 of House Concurrent Resolution 218 (103d Congress, 2d Session) is repealed.

SEC. 210. TAX REDUCTION CONTINGENT ON BALANCED BUDGET IN THE HOUSE OF REPRESENTATIVES

(a) ESTIMATES AND CERTIFICATION.—

(1) ESTIMATES.—Upon reporting a reconciliation bill to carry out this resolution, the chairman of the Committee on the Budget of the House shall submit such legislation to the Director of the Congressional Budget Office (hereinafter in this section referred to as the "Director"). The Director shall provide an estimate of whether the enactment of the bill, as reported, would result in a balanced total budget by fiscal year 2002.

(2) CERTIFICATION.—(A) If the enactment of the bill as estimated by the Director would so balance the budget, the chairman of the Committee on the Budget is authorized to so certify.

(B) If the enactment of the bill as estimated by the Director would not so balance the budget,

the chairman of the Committee on the Budget shall notify the chairman of the Committee on Rules. The Committee on Rules may recommend to the House a resolution providing for the consideration of an amendment in the nature of a substitute consisting of the text of the reconciliation bill reported by the Committee on the Budget, modified by amendments to achieve a balanced budget by fiscal year 2002 and amendments described in section 310(d) of the Congressional Budget Act of 1974, as an original bill for purposes of amendment.

(C) If the Committee on Rules so recommends, the chairman of the Committee on the Budget shall submit the substitute text to the Director, who shall provide an estimate of whether the substitute text would balance the total budget by fiscal year 2002. If the enactment of the bill as estimated by the Director would so balance the budget, the chairman of the Committee on the Budget is authorized to so certify.

(3) BASIS OF ESTIMATE.—In preparing any estimate under this section, the Director shall include the budgetary impact of all legislation enacted through the date of submission of that estimate and of all legislation incorporated by reference in the reconciliation bill, use the economic and technical assumptions underlying this resolution, assume compliance with the total discretionary levels assumed in this resolution unless superseded by law, and include changes in outlays and revenues estimated to result from the economic impact of balancing the budget by fiscal year 2002 as estimated by the Congressional Budget Office in Table B-4 in Appendix B of its Analysis of the President's Budgetary Proposals for Fiscal Year 1996.

(b) PROCEDURE IN THE HOUSE OF REPRESENTATIVES.—

(1) ADJUSTMENTS.—Upon certification by the chairman of the Committee on the Budget of the House under subsection (a), the chairman shall submit a report to the House that revises the appropriate budgetary allocations, aggregates, and totals to be consistent with the instructions set forth in section 105(a)(2)(B)(xii)(II).

(2) EFFECT OF REVISED ALLOCATIONS, AGGREGATES, AND TOTALS.—In the House of Representatives, revised allocations, aggregates, and totals submitted under paragraph (1) shall be deemed as the allocations, aggregates, and totals contained in this resolution for all purposes under the Congressional Budget Act of 1974.

(3) STATEMENT REGARDING POINT OF ORDER.—If the chairman of the House Committee on the Budget does not certify a balanced budget by 2002, then the reconciliation bill to carry out this resolution would be subject to a point of order under the Congressional Budget Act of 1974.

SEC. 211. EXERCISE OF RULEMAKING POWERS.

The Congress adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, 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 those rules (so far as they relate to that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

TITLE III—SENSE OF THE CONGRESS, HOUSE OF REPRESENTATIVES, AND SENATE

SEC. 301. SENSE OF THE CONGRESS ON THE ELIMINATION OF FRAUD, WASTE, AND ABUSE IN THE MEDICARE SYSTEM.

It is the sense of the Congress that, in order to meet the aggregate levels in this budget resolution—

(1) the committees of jurisdiction should give high priority to proposals that identify, eliminate, and recover funds expended from the medicare trust funds due to fraud and abuse in the medicare program in order to address the long-term solvency of medicare; and

(2) any funds recovered from enhanced anti-fraud and abuse efforts should be used to enhance the solvency of medicare.

SEC. 302. SENSE OF CONGRESS REGARDING PRIVATIZATION OF THE STUDENT LOAN MARKETING ASSOCIATION (SALLIE MAE).

It is the sense of that the Student Loan Marketing Association should be restructured as a private corporation.

SEC. 303. SENSE OF THE CONGRESS REGARDING THE DEBT LIMIT.

It is the sense of the Congress that—

(1) the reconciliation legislation under section 105 of this budget resolution should be enacted prior to passage of legislation that will extend the public debt limit; and

(2) the extension of the public debt should be set at levels and for durations that ensure a balanced budget by fiscal year 2002, consistent with this budget resolution.

SEC. 304. SENSE OF THE CONGRESS ASSUMPTIONS.

It is the sense of the Congress that the aggregates and functional levels included in this budget resolution assume that—

(1) Federal programs should be restructured to meet identified priorities in the most effective and efficient manner, to eliminate obsolete programs, and to reduce duplication;

(2) Federal programs should be reviewed to determine whether they are more appropriately the responsibility of the States and, for programs that should be under State responsibility, that—

(A) Federal funding of these programs should be provided in a manner that rewards work, promotes families, and provides a helping hand during times of crisis;

(B) the programs should be returned in the form of block grants that provide maximum flexibility to the States and localities to ensure the maximum benefit at the least cost to the American taxpayer;

(C) Federal funds should not supplant existing expenditures by other sources, both public and private; and

(D) the Federal interest in the program should be protected with adequate safeguards, such as auditing or maintenance of effort provisions, and that Federal goals and principles may be appropriate;

(3) Congress should examine Federal functions to determine those that could be more conveniently, efficiently, and effectively performed by the private sector and, in order to facilitate the privatization of these functions—

(A) provisions of law that prohibit or "lock-out" the private sector from competing for the provision of certain services should be eliminated;

(B) section 257(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 should be repealed or modified to permit the sale of assets when appropriate to privatization goals;

(C) each Federal agency and department should be encouraged to develop and evaluate privatization initiatives; and

(D) the "Common Rule", modified by Executive Order 12803, should be modified to delete grant repayment provisions which restrict local governments and prevent private sector investments in Federal-aid facilities;

(4) Congress, in fulfilling its responsibility to future generations, should—

(A) enact a plan that balances the budget by 2002 and develop a regimen for paying off the Federal debt; and

(B) once the budget is in balance, use the surpluses to implement that regimen;

(5) in considering child nutrition programs—

(A) reductions in nutrition program spending should be achieved without compromising the nutritional well-being of program recipients;

(B) school lunches should continue to meet minimal nutrition requirements and should not have to compete with alternative foods of minimal nutritional value during lunch hours; and

(C) the content of the Women, Infants, and Children (WIC) food package should continue to be based on scientific evidence; and

(6) science and technology development are critical to sustainable long-term economic growth and priority should be given to Federal funding for science and basic and applied research.

SEC. 305. SENSE OF THE SENATE THAT TAX REDUCTIONS SHOULD BENEFIT WORKING FAMILIES.

It is the sense of the Senate that this concurrent resolution on the budget assumes any reductions in taxes should be structured to benefit working families by providing family tax relief and incentives to stimulate savings, investment, job creation, and economic growth.

SEC. 306. SENSE OF THE SENATE ON THE DISTRIBUTION OF AGRICULTURE SAVINGS.

It is the sense of the Senate that, in response to the reconciliation instructions in section 105 of this resolution, the Senate Committee on Agriculture, Nutrition, and Forestry should provide that no more than 20 percent of the savings be achieved in commodity programs.

SEC. 307. SENSE OF THE SENATE ON THE ESTABLISHMENT OF A MEDICARE SOLVENCY COMMISSION.

It is the sense of the Senate that, in order to meet the aggregates and levels in this budget resolution—

(1) a special bipartisan commission should be established immediately to make recommendations on the most appropriate response to the short-term solvency crisis facing medicare;

(2) the commission should report its recommendations under paragraph (1) at the earliest possible date, in order that the committees of jurisdiction may give due consideration to those recommendations in fashioning their response pursuant to section 105 of this resolution; and

(3) the commission should study, evaluate, and make recommendations to sustain the long-term viability of the medicare system and should report those recommendations to Congress by February 1, 1996.

SEC. 308. SENSE OF THE SENATE REGARDING PROTECTION OF CHILDREN'S HEALTH.

It is the sense of the Senate that, in meeting the aggregates and levels in this resolution, the committees of jurisdiction of the Senate—

(1) should give careful consideration to the impact of medicaid reform legislation on children's health; and

(2) should encourage States to place a priority on funding for low-income pregnant women and children within any medicaid reform legislation that allows greater flexibility to the States in the delivery of care and in controlling the rate of growth in costs under the program.

SEC. 309. SENSE OF THE SENATE ON THE ASSUMPTIONS.

It is the sense of the Senate that the aggregates and functional levels included in this budget resolution assume that—

(1) beginning with fiscal year 1997, the Federal government should establish, implement, and maintain a uniform accounting system and provide financial statements in accordance with accepted accounting principles under standards and interpretations recommended by the Federal Accounting Standards Advisory Board;

(2) Congress should revise the Internal Revenue Code to ensure that very wealthy individuals are not able to reduce or avoid United States income, estate or gift tax liability by relinquishing their U.S. citizenship and, that, any savings resulting from this revision should be used to reduce the deficit;

(3) in furtherance of the goals of the Decade of the Brain, full funding should be provided for research on brain diseases and disorders;

(4) the essential air service program should receive sufficient funding to continue to provide air service to small rural communities;

(5) funds will be made available to reimburse States for the costs of implementing the National Voter Registration Act of 1993; and

(6) a temporary nonpartisan commission should be established to make recommendations concerning the appropriateness and accuracy of the methodology and calculations that determine the Consumer Price Index (CPI) and those recommendations should be submitted to the Bureau of Labor Statistics at the earliest possible date.

SEC. 310. HOUSE STATEMENT ON AGRICULTURE SAVINGS.

The House of Representatives shall re-examine budget reductions for agricultural programs in the United States Department of Agriculture for fiscal years 1999 and 2000 unless the following conditions are met:

(1) Land values on agricultural land on January 1, 1998, are at least 95 percent of the same values on the date of adoption of this resolution.

(2) There is enacted into law regulatory relief for the agricultural sector in the areas of wetlands regulation, the Endangered Species Act, private property rights and cost-benefit analyses of proposed regulations.

(3) There is tax relief for producers in the form of capital gains tax reduction, increased estate tax exemptions and mechanisms to average tax loads over strong and weak income years.

(4) There is no government interference in the international market in the form of agricultural trade embargoes in effect and there is successful implementation and enforcement of trade agreements, including the General Agreement on Tariffs and Trade (GATT) and the North American Free Trade Agreement (NAFTA) to lower export subsidies and reduce import barriers to trade imposed by foreign governments.

SEC. 311. SENSE OF THE HOUSE ON BASELINES.

(a) FINDINGS.—The House of Representatives finds that—

(1) baselines are projections of future spending if existing policies remain unchanged;

(2) under baseline assumptions, spending automatically rises with inflation even if such increases are not provided under current law;

(3) baseline budgeting is inherently biased against policies that would reduce the projected growth in spending because such policies are scored as a reduction from a rising baseline; and

(4) the baseline concept has encouraged Congress to abdicate its constitutional responsibility to control the public purse for programs which are automatically funded under existing law.

(b) SENSE OF THE HOUSE.—It is the sense of the House of Representatives that baseline budgeting should be replaced with a form of budgeting that requires full justification and analysis of budget proposals and maximizes congressional accountability for public spending.

SEC. 312. SENSE OF THE HOUSE REGARDING A COMMISSION ON THE SOLVENCY OF THE FEDERAL MILITARY AND CIVIL SERVICE RETIREMENT FUNDS.

(a) FINDINGS.—The House of Representatives finds that the Federal retirement system, for both military and civil service retirees, currently has liabilities of $1,100,000,000,000, while holding assets worth $340,000,000,000 and anticipating employee contributions of $220,000,000,000, which leaves an unfunded liability of $540,000,000,000,000.

(b) SENSE OF HOUSE.—It is the sense of the House of Representatives that a high-level commission should be convened to study the problems associated with the Federal retirement system and make recommendations that will ensure the long-term solvency of the military and civil service retirement funds.

SEC. 313. SENSE OF THE HOUSE REGARDING THE REPEAL OF HOUSE RULE XLIX.

It is the sense of the House that rule XLIX of the Rules of the House of Representatives (popularly known as the Gephardt rule) should be repealed.

SEC. 314. SENSE OF THE HOUSE ON EMERGENCIES.

(a) FINDINGS.—The House of Representative finds that—

(1) The Budget Enforcement Act of 1990 exempted from the discretionary spending limits and the Pay-As-You-Go requirements for entitlement and tax legislation funding requirements that are designated by Congress and the President as an emergency.

(2) Congress and the President have increasingly misused the emergency designation by—

(A) designating funding as an emergency that is neither unforeseen nor a genuine emergency; and

(B) circumventing spending limits or passing controversial items that would not pass scrutiny in a free-standing bill.

(b) SENSE OF THE HOUSE.—It is the sense of the House that Congress should study alternative approaches to budgeting for emergencies, including codifying the definition of an emergency and establishing contingency funds to pay for emergencies.

And the Senate agree to the same.

JOHN R. KASICH,
DAVE HOBSON,
BOB WALKER,
JIM KOLBE,
CHRISTOPHER SHAYS,
WALLY HERGER,
WAYNE ALLARD,
BOB FRANKS,
STEVE LARGENT,
SUE MYRICK,
MIKE PARKER,
Managers on the Part of the House.

PETE DOMENICI,
CHUCK GRASSLEY,
DON NICKLES,
TRENT LOTT,
HANK BROWN,
SLADE GORTON,
JUDD GREGG,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the Senate and the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (House Concurrent Resolution 67) setting forth the congressional budget for the United States Budget for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002, 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:

The Senate amendment struck out all of the House resolution after the resolving clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House resolution and the Senate amendment.

EXPLANATION OF THE CONFERENCE AGREEMENT

AGGREGATES AND FUNCTIONAL LEVEL SUMMARY TABLES

(Secs. 2 and 3 of the House resolution, Secs. 101 and 104 of the Senate amendment, and Secs. 101 and 104 of the conference agreement)

Aggregates and function levels

The following tables show the budget aggregates and functional levels included in the conference agreement, the House resolution, and the Senate amendment. While the conference agreement includes only the on-budget figures, pursuant to law, these tables also display the off-budget and total budget figures. The last table in this part compares the conference agreement to the 1995 and current law levels.

HOUSE RESOLUTION

[Dollars in billions]

		1995	1996	1997	1998	1999	2000	2001	2002
050: National Defense	BA	$261.4	$267.3	$269.3	$277.3	$281.3	$287.3	$287.3	$287.2
	OT	269.6	265.1	265.3	265.3	271.3	279.3	279.3	$279.2
150: International Affairs	BA	18.9	15.8	13.7	11.3	9.7	10.5	12.0	12.0
	OT	18.9	17.0	15.1	13.3	11.5	10.0	11.1	10.7
250: Science, Space and Technology	BA	17.2	16.7	16.3	15.7	15.3	14.9	14.9	14.9
	OT	17.5	16.9	16.6	16.0	15.4	15.0	14.9	14.9
270: Energy	BA	6.3	4.4	3.9	3.6	3.9	3.6	3.6	3.5
	OT	4.9	4.3	3.2	2.9	3.1	2.7	2.5	2.3
300: Natural Resources and Environment	BA	22.3	19.3	19.1	17.2	18.6	17.4	17.9	17.8
	OT	21.7	20.2	19.9	17.8	19.1	17.8	18.2	18.1
350: Agriculture	BA	14.0	13.0	12.8	11.6	11.4	10.2	8.1	8.1
	OT	12.7	11.8	11.5	10.4	10.1	9.2	7.1	7.0
370: Commerce and Housing Credit: On-budget	BA	5.4	2.3	4.1	2.8	2.2	1.9	1.3	1.0
	OT	−13.7	−6.9	−2.6	−4.7	−3.0	−2.2	−2.5	−2.6

HOUSE RESOLUTION—Continued

[Dollars in billions]

		1995	1996	1997	1998	1999	2000	2001	2002
Off-budget	BA	3.5	4.1	6.8	1.2	2.9	−0.2	....	....
	OT	0.2	−0.0	−0.8	−1.4	−0.1	−1.4	....	....
Total	BA	8.9	6.4	10.9	4.0	5.0	1.7	1.3	1.0
	OT	−13.5	−7.0	−3.5	−6.1	−3.1	−3.6	−2.5	−2.6
400: Transportation	BA	42.5	40.5	42.7	43.5	43.7	44.3	43.8	43.3
	OT	39.3	38.8	37.5	36.6	35.6	34.9	39.3	33.7
450: Community and Regional Development	BA	9.2	6.7	6.7	6.7	6.7	6.7	6.2	6.1
	OT	11.6	9.9	7.8	6.7	6.5	6.6	6.4	6.4
500: Education, Training, Employment and Social Services	BA	58.3	45.7	45.0	44.9	45.4	45.9	45.0	44.6
	OT	54.7	52.3	46.4	44.6	44.7	45.2	44.2	43.7
550: Health	BA	116.6	121.9	127.7	132.1	136.7	141.5	146.3	149.1
	OT	115.8	122.3	127.8	132.2	136.7	141.4	146.2	148.9
570: Medicare	BA	162.6	179.1	188.7	196.5	209.0	213.9	224.0	234.0
	OT	161.1	176.8	187.1	194.9	206.4	212.0	222.0	231.8
600: Income Security	BA	219.9	222.7	231.8	248.4	255.4	265.9	267.6	277.6
	OT	222.2	225.0	235.3	243.9	254.3	267.6	269.0	279.1
650: Social Security:									
On-budget	BA	6.8	5.9	8.1	8.8	9.6	10.5	11.1	11.7
	OT	9.3	8.5	10.5	11.3	12.1	12.9	13.5	14.1
Off-budget	BA	330.1	348.4	366.0	385.5	404.3	423.4	443.9	465.5
	OT	326.9	345.7	362.5	381.9	400.5	419.8	440.2	461.6
Total	BA	336.9	354.3	374.0	394.3	413.9	433.9	454.9	477.2

HOUSE RESOLUTION

[Dollars in billions]

		1995	1996	1997	1998	1999	2000	2001	2002
	OT	336.2	354.2	373.1	393.1	412.6	432.7	453.7	475.7
700: Veterans Benefits	BA	37.7	37.6	38.1	38.5	39.1	39.2	39.7	40.1
	OT	37.4	36.9	38.1	38.5	39.0	40.6	41.2	41.6
750: Administration of Justice	BA	18.5	17.8	16.9	16.6	16.4	16.4	16.0	15.9
	OT	17.1	17.8	17.1	16.9	16.7	16.6	16.2	16.1
Total Spending:									
On-budget	BA	1,260.9	1,287.3	1,324.2	1,356.5	1,391.7	1,421.3	1,436.2	1,459.8
	OT	1,243.7	1,288.4	1,315.9	1,327.6	1,366.7	1,400.2	1,419.5	1,437.3
Off-budget	BA	292.6	306.2	321.1	329.5	343.9	353.5	367.2	381.3
	OT	286.1	299.4	310.0	323.3	337.2	348.8	363.5	377.4
Total	BA	1,553.6	1,593.6	1,645.3	1,686.0	1,735.6	1,774.9	1,803.4	1,841.1
	OT	1,529.9	1,587.8	1,625.9	1,650.9	1,703.9	1,749.0	1,783.0	1,814.7
Revenues:									
On-budget	....	997.8	1,057.5	1,058.5	1,099.6	1,138.7	1,189.3	1,247.2	1,316.6
Off-budget	....	357.4	274.7	392.0	411.4	439.9	452.0	475.2	498.6
Total	....	1,355.2	1,432.2	1,450.5	1,511.0	1,569.6	1,641.3	1,722.4	1,815.2
Deficit:									
On-budget	....	−245.9	−230.9	−257.4	−228.0	−228.0	−211.0	−172.3	−120.7
Off-budget	....	71.3	75.3	81.9	88.1	93.7	103.2	111.7	121.2
Total	....	−174.6	−155.6	−175.5	−139.9	−134.3	−107.8	−60.6	0.5
800: General Government	BA	13.3	11.6	11.6	12.5	11.7	12.1	11.3	11.3
	OT	13.4	12.4	11.8	12.6	11.5	12.0	11.1	11.0
900: Net Interest:									
On-budget	BA	269.9	295.8	304.3	308.7	314.7	319.9	320.6	323.3
	OT	269.9	295.8	304.3	308.7	314.7	319.9	320.6	323.3
Off-budget	BA	−34.5	−39.5	−44.5	−49.7	−55.1	−60.9	−67.2	−74.0
	OT	−34.5	−39.5	−44.5	−49.7	−55.1	−60.9	−67.2	−74.0
Total	BA	235.4	256.4	259.8	259.0	259.5	258.9	253.4	249.4
	OT	235.3	256.4	259.8	259.0	259.5	258.9	253.4	249.4
920: Allowances	BA	....	−2.3	−2.4	−2.4	−2.5	−2.6	−2.6	−2.6
	OT	....	−1.9	−2.3	−2.5	−2.7	−2.8	−2.9	−2.9
950: Undistributed Offsetting Receipts:									
On-budget	BA	−39.8	−34.4	−34.2	−37.6	−36.4	−38.1	−37.9	−39.0
	OT	−39.8	−34.4	−34.2	−37.6	−36.4	−38.1	−37.9	−39.0
Off-budget	BA	−6.4	−6.8	−7.1	−7.6	−8.1	−8.7	−9.5	−10.3
	OT	−6.4	−6.8	−7.1	−7.6	−8.1	−8.7	−9.5	−10.3
Total	BA	−46.2	−41.2	−41.3	−45.2	−44.5	−46.9	−47.9	−49.3
	OT	−46.2	−41.2	−41.3	−45.2	−44.5	−46.9	−47.4	−49.3

SENATE AMENDMENT

[Dollars in billions]

		1995	1996	1997	1998	1999	2000	2001	2002
050: National Defense	BA	$261.4	$257.7	$253.4	$259.6	$266.2	$276.0	$275.9	$275.9
	OT	269.6	261.1	257.0	254.5	259.6	267.8	267.7	269.2
150: International Affairs	BA	18.9	15.4	14.3	13.5	12.6	14.1	14.3	14.2
	OT	18.9	16.9	15.1	14.3	13.5	13.1	13.4	13.3
250: Science, Space and Technology.	BA	17.2	16.7	16.3	16.1	16.0	15.8	15.8	15.8
	OT	17.5	16.7	16.6	16.3	16.0	15.9	15.9	15.9
270: Energy	BA	6.3	2.9	1.7	3.3	4.2	4.1	4.0	4.0
	OT	4.9	2.7	1.0	2.6	3.1	2.8	2.9	2.9
300: Natural Resources and Environment	BA	22.3	19.5	18.2	15.4	16.6	16.2	14.9	15.7
	OT	21.7	20.4	20.1	17.9	18.3	17.3	15.8	16.5
350: Agriculture	BA	14.0	13.1	12.2	11.8	11.7	11.7	10.5	10.1
	OT	12.7	11.9	10.9	10.6	10.4	10.6	9.4	9.1
370: Commerce and Housing Credit:									
On-budget	BA	5.4	2.5	1.5	0.6	0.1	1.7	0.5	0.2
	OT	−13.7	−7.0	−5.4	−7.0	−5.1	−2.5	−3.3	−3.4
Off-budget	BA	3.5	4.1	6.8	1.2	2.9	−0.2	....	....
	OT	0.2	−0.0	−0.8	−1.4	−0.1	−1.4	....	....
Total	BA	8.9	6.6	8.3	1.8	3.0	1.5	0.5	0.2
	OT	−13.5	−7.0	−6.2	−8.4	−5.2	−3.9	−3.3	−3.4
400: Transportation	BA	42.5	36.5	38.8	39.4	40.2	41.2	41.0	40.8
	OT	39.3	38.3	32.8	31.8	31.3	31.1	31.1	31.1
450: Community and Regional Development	BA	9.2	5.8	5.5	5.3	5.3	5.2	4.6	4.5
	OT	11.6	9.8	7.3	5.6	5.2	5.2	5.1	5.1
500: Education, Training, Employment and Social Services	BA	58.3	49.0	48.4	48.4	48.8	49.4	48.9	49.1

SENATE AMENDMENT—Continued

[Dollars in billions]

		1995	1996	1997	1998	1999	2000	2001	2002
	OT	54.7	52.6	49.0	48.2	48.2	48.8	48.3	48.5
550: Health	BA	116.6	121.1	127.6	133.1	138.0	142.1	146.2	150.6
	OT	115.8	121.0	127.4	133.2	137.9	141.9	146.0	150.3
570: Medicare	BA	162.6	171.9	180.5	193.1	207.4	221.4	238.9	258.9
	OT	161.1	169.5	178.9	191.4	204.8	219.5	236.9	256.7
600: Income Security	BA	219.9	226.3	233.7	253.0	256.0	272.6	277.5	291.9
	OT	222.2	225.9	235.6	246.1	257.9	272.6	277.4	291.7
650: Social Security:									
On-budget	BA	6.8	5.9	8.1	8.8	9.6	10.5	11.1	11.7
	OT	9.3	8.5	10.5	11.3	12.1	12.9	13.5	14.1
Off-budget	BA	330.1	348.4	366.0	385.5	405.4	426.2	448.5	472.0
	OT	326.9	345.7	362.5	381.9	401.7	422.7	444.8	468.1
Total	BA	336.9	354.3	374.0	394.3	415.0	436.7	459.6	483.7
	OT	336.2	354.2	373.1	393.1	413.7	435.6	458.3	482.2
700: Veterans Benefits	BA	37.7	37.4	37.5	37.6	37.9	37.9	38.3	38.7
	OT	37.4	36.9	37.7	38.0	38.2	39.4	40.1	40.4
750: Administration of Justice	BA	18.5	20.0	20.7	21.4	22.3	22.3	21.9	21.8
	OT	17.1	19.6	21.2	22.4	23.1	23.7	23.3	23.2
800: General Government	BA	13.3	12.5	12.4	12.2	12.1	12.0	11.6	11.6
	OT	13.4	13.0	12.4	12.3	12.0	11.9	11.7	11.6
900: Net Interest:									
On-budget	BA	269.9	297.9	308.9	316.6	327.8	338.6	345.5	353.3
	OT	269.9	297.9	308.9	316.6	327.8	338.6	345.5	353.3
Off-budget	BA	−34.5	−39.5	−44.5	−49.7	−55.1	−60.9	−67.2	−74.0
	OT	−34.5	−39.5	−44.5	−49.7	−55.1	−60.9	−67.2	−74.0
Total	BA	235.4	258.5	264.4	266.9	272.7	277.7	278.3	279.3
	OT	235.3	258.5	264.4	266.9	272.7	277.7	278.3	279.3
920: Allowances	BA		−9.6	−9.5	−8.3	−7.8	−6.7	−6.7	−6.7
	OT		−6.9	−9.4	−8.6	−8.1	−7.1	−7.1	−7.1
950: Undistributed Offsetting Receipts:									
On-budget	BA	−39.8	−33.1	−33.8	−36.3	−37.7	−39.7	−41.1	−42.3

SENATE AMENDMENT

[Dollars in billions]

		1995	1996	1997	1998	1999	2000	2001	2002
	OT	−39.8	−33.1	−33.8	−36.3	−37.7	−39.7	−41.1	−42.3
Off-budget	BA	−6.4	−6.8	−7.1	−7.6	−8.1	−8.7	−9.5	−10.3
	OT	−6.4	−6.8	−7.1	−7.6	−8.1	−8.7	−9.5	−10.3
Total	BA	−46.2	−39.9	−40.9	−43.9	−45.8	−48.5	−50.5	−52.6
	OT	−46.2	−39.9	−40.9	−43.9	−45.8	−48.5	−50.5	−52.6
Total Spending:									
On-budget	BA	1,260.9	1,269.4	1,296.5	1,344.7	1,387.3	1,446.3	1,473.7	1,519.7
	OT	1,243.7	1,275.7	1,293.8	1,321.1	1,368.7	1,423.6	1.452.6	1,500.1
Off-budget	BA	292.6	306.2	321.1	329.5	345.1	356.4	371.9	387.8
	OT	286.1	299.4	310.0	323.3	338.4	351.6	368.1	383.9
Total	BA	1,553.6	1,575.7	1,617.6	1,674.2	1,732.4	1,802.7	1,845.5	1,907.5
	OT	1,529.9	1,575.1	1,603.8	1,644.3	1,707.1	1,775.3	1,820.7	1,884.0
Revenues:									
On-budget		997.8	1,043.3	1,083.9	1,135.5	1,189.8	1,248.9	1,315.7	1,386.7
Off-budget		357.4	374.7	392.0	411.4	430.9	452.0	475.2	498.6
Total		1,355.2	1,418.0	1,475.9	1,546.9	1,620.7	1,700.9	1,790.9	1,885.3
On-budget		−245.9	−232.4	−209.9	−185.6	−178.9	−174.7	−136.8	−113.4
Off-budget		71.3	75.3	81.9	88.1	92.5	100.4	107.1	114.7
Total		−174.6	−157.1	−127.9	−97.5	−86.4	−74.3	−29.8	1.3

CONFERENCE AGREEMENT

[Dollars in billions]

		1995	1996	1997	1998	1999	2000	2001	2002
050: National Defense	BA	$261.4	$264.7	$267.3	$269.0	$271.7	$274.4	$277.1	$280.0
	OT	269.6	263.1	265.0	263.8	267.2	270.9	270.0	270.0
150: International Affairs	BA	18.9	15.8	14.0	12.4	11.2	12.7	12.8	12.8
	OT	18.9	17.0	15.1	13.9	12.6	11.9	12.0	11.8
250: Science, Space and Technology	BA	17.2	16.7	16.3	15.9	15.6	15.3	15.3	15.3
	OT	17.5	16.8	16.6	16.1	15.7	15.5	15.4	15.4
270: Energy	BA	6.3	4.6	4.2	3.8	3.6	3.4	3.3	3.3
	OT	4.9	4.5	3.5	3.1	2.6	2.2	2.2	2.2
300: Natural Resources and Environment	BA	22.3	19.5	19.2	17.7	18.2	17.9	17.1	17.5
	OT	21.7	20.3	20.0	18.7	19.0	18.5	17.4	17.7
350: Agriculture	BA	14.0	13.1	12.5	11.7	11.5	10.9	9.8	9.6
	OT	12.7	11.8	11.1	10.5	10.3	9.8	8.7	8.5
370: Commerce and Housing Credit:									
On-budget	BA	5.4	2.6	1.8	0.9	0.4	2.1	0.8	0.6
	OT	−13.7	−7.0	−5.1	−6.7	−4.8	−2.2	−2.9	−3.0
Off-budget	BA	3.5	4.1	6.8	1.2	2.9	−0.2		
	OT	0.2	0.0	−0.8	−1.4	−0.1	−1.4		
Total	BA	8.9	6.7	8.6	2.1	3.3	1.9	0.8	0.6
	OT	−13.5	−6.9	−5.9	−8.1	−4.9	−3.6	−2.9	−3.0
400: Transportation	BA	42.5	36.6	43.1	43.9	42.6	42.9	42.2	41.8
	OT	39.3	38.9	37.6	36.6	34.1	33.2	32.4	32.0
450: Community and Regional Development	BA	9.2	6.6	6.5	6.4	6.4	6.3	5.7	5.6
	OT	11.6	9.9	7.8	6.5	6.2	6.2	6.1	6.1
500: Education, Training, Employment and Social Services	BA	58.3	48.4	47.8	47.6	48.4	49.1	48.6	48.8
	OT	54.7	53.4	48.9	47.3	47.5	48.2	47.7	47.8
550: Health	BA	116.6	121.0	127.6	131.6	135.7	140.1	144.5	149.2
	OT	115.8	121.1	127.5	131.7	135.7	139.9	144.3	149.0
570: Medicare	BA	162.6	176.1	184.3	194.0	205.7	216.5	231.8	249.2
	OT	161.1	173.7	182.8	192.3	203.1	214.6	229.7	247.0
600: Income Security	BA	219.9	225.9	231.6	250.3	253.1	269.5	274.8	288.7
	OT	222.2	227.6	236.4	245.3	255.8	269.9	274.6	288.3
650: Social Security:									
On-budget	BA	6.8	5.9	8.1	8.8	9.6	10.5	11.1	11.7

CONFERENCE AGREEMENT—Continued

[Dollars in billions]

		1995	1996	1997	1998	1999	2000	2001	2002
	OT	9.3	8.5	10.5	11.3	12.1	12.9	13.5	14.1
Off-budget	BA	330.1	348.4	366.0	385.5	405.4	426.2	448.5	472.0
	OT	326.9	345.7	362.5	381.9	401.7	422.7	444.8	468.1
Total	BA	336.9	354.3	374.1	394.3	415.0	436.7	459.6	483.7
	OT	336.2	354.2	373.0	393.2	413.8	435.6	458.3	482.2
700: Veterans Benefits	BA	37.7	37.5	37.9	38.2	38.8	39.1	39.7	40.2
	OT	37.4	36.9	38.0	38.4	39.0	40.6	41.3	41.8
750: Administration of Justice	BA	18.5	19.8	19.8	20.2	21.0	21.1	20.7	20.6
	OT	17.1	18.7	18.9	19.7	20.4	20.9	20.5	20.5
800: General Government	BA	13.3	12.4	12.3	12.2	12.1	12.0	11.6	11.6
	OT	13.4	12.9	12.3	12.2	12.0	12.0	11.6	11.5
900: Net Interest:									
On-budget	BA	269.9	298.4	310.5	319.4	331.5	342.9	349.9	357.6
	OT	269.9	298.4	310.5	319.4	331.5	342.9	349.9	357.6
Off-budget	BA	−34.5	−39.5	−44.5	−49.7	−55.1	−60.9	−67.2	−74.0
	OT	−34.5	−39.5	−44.5	−49.7	−55.1	−60.9	−67.2	−74.0
Total	BA	235.4	258.9	266.0	269.7	276.4	282.0	282.7	283.6
	OT	235.3	258.9	266.0	269.7	276.4	282.0	282.7	283.6
920: Allowances	BA	—	−6.4	−6.3	−5.3	−4.7	−3.7	−3.7	−3.7
	OT	—	−4.8	−6.4	−5.5	−5.0	−4.0	−4.0	−4.1
950: Undistributed Offsetting Receipts:									
On-budget	BA	−39.8	−33.7	−34.2	−36.4	−35.5	−37.4	−36.8	−41.6
	OT	−39.8	−33.7	−34.2	−36.4	−35.5	−37.4	−36.8	−41.6
Off-budget	BA	−6.4	−6.8	−7.1	−7.6	−8.1	−8.7	−9.5	−10.3
	OT	−6.4	−6.8	−7.1	−7.6	−8.1	−8.7	−9.5	−10.3
Total	BA	−46.2	−40.5	−41.3	−44.0	−43.6	−46.1	−46.3	−51.8
	OT	−46.2	−40.5	−41.3	−44.0	−43.6	−46.1	−46.3	−51.8
Total Spending:									
On-budget	BA	1260.9	1285.5	1324.3	1362.3	1396.9	1445.6	1476.3	1518.8
	OT	1243.7	1288.1	1316.8	1338.2	1379.6	1426.5	1453.6	1492.6
Off-budget	BA	292.6	306.2	321.2	329.4	345.1	356.4	371.8	387.7
	OT	286.1	299.4	310.1	323.2	338.4	351.7	368.1	383.8
Total	BA	1553.6	1591.7	1645.5	1691.7	1742.0	1802.0	1848.1	1906.5
	OT	1529.9	1587.5	1626.9	1661.4	1718.0	1778.2	1821.7	1876.4
Revenues:									
On-budget	—	997.8	1042.5	1082.7	1134.2	1186.7	1245.4	1313.4	1384.2
Off-budget	—	357.4	374.7	392.0	411.4	430.9	452.0	475.2	498.6
Total	—	1355.2	1417.2	1474.7	1545.6	1617.6	1697.4	1788.6	1882.8
Deficit:									
On-budget	—	−245.9	−245.6	−234.1	−204.0	−192.9	−181.1	−140.2	−108.4
Off-budget	—	71.3	75.3	81.9	88.2	92.5	100.3	107.1	114.8
Total	—	−174.6	−170.3	−152.2	−115.8	−100.4	−80.8	−33.1	6.4

CONFERENCE AGREEMENT COMPARED TO CURRENT LAW LEVELS

[Dollars in billions]

		1996	1997	1998	1999	2000	2001	2002	Total
050: National Defense	BA	$9.7	$15.6	$10.7	$6.8	$2.8	$5.6	$8.5	$59.8
	OT	5.7	8.2	7.7	9.3	9.4	8.6	8.6	57.6
150: International Affairs	BA	−2.1	−3.4	−4.6	−5.4	−5.7	−5.7	−5.7	−32.6
	OT	−0.4	−1.7	−2.9	−3.9	−4.7	−4.8	−5.0	−23.4
250: Science, Space and Technology	BA	−0.5	−0.9	−1.3	−1.6	−1.8	−1.8	−1.8	−9.7
	OT	−0.1	−0.6	−1.0	−1.4	−1.7	−1.8	−1.8	−8.5
270: Energy	BA	−1.0	−1.1	−1.5	−2.1	−2.1	−2.2	−2.2	−12.2
	OT	−0.2	−0.5	−1.0	−1.7	−2.0	−2.0	−2.0	−9.3
300: Natural Resources and Environment	BA	−2.5	−2.8	−3.9	−3.3	−3.4	−3.8	−3.3	−22.9
	OT	−1.1	−1.9	−3.2	−2.8	−3.1	−3.7	−3.2	−19.0
350: Agriculture	BA	−1.4	−1.8	−2.4	−2.3	−2.7	−2.8	−3.0	−16.4
	OT	−1.2	−1.7	−2.4	−2.3	−2.7	−2.8	−3.0	−16.1
370: Commerce and Housing Credit:									
On-budget	BA	−1.3	−1.5	−1.9	−2.2	−0.4	−1.7	−2.0	−11.0
	OT	−0.9	−1.3	−1.8	−2.2	−0.5	−1.7	−2.0	−10.4
Off-budget	BA	....	....	....	....	....	....	....	....
	OT	....	....	....	....	....	....	....	....
Total	BA	−1.3	−1.5	−1.9	−2.2	−0.4	−1.7	−2.0	−11.0
	OT	−0.8	−1.3	−1.8	−2.2	−0.5	−1.7	−2.0	−10.4
400: Transportation	BA	−1.6	−1.5	−1.7	−4.0	−4.7	−5.2	−5.3	−24.1
	OT	−0.7	−2.1	−3.1	−5.7	−6.8	−7.6	−8.0	−33.9
450: Community and Regional Development	BA	−2.5	−2.6	−2.7	−2.7	−2.8	−2.8	−2.9	−19.0
	OT	−0.4	−1.2	−2.0	−2.5	−2.7	−2.7	−2.7	−14.2
500: Education, Training, Employment and Social Services	BA	−8.8	−9.1	−9.7	−9.9	−10.0	−10.1	−10.2	−67.7
	OT	−2.8	−7.5	−9.3	−9.8	−9.9	−10.0	−10.2	−59.4
550: Health	BA	−5.7	−10.2	−18.6	−27.7	−37.0	−47.6	−58.6	−205.3
	OT	−5.0	−10.2	−18.6	−27.7	−37.1	−47.6	−58.6	−204.6
570: Medicare	BA	−8.0	−17.7	−26.6	−37.2	−49.2	−60.0	−71.4	−270.0
	OT	−8.0	−17.7	−26.6	−37.2	−49.2	−60.0	−71.4	−270.0
600: Income Security	BA	−2.2	−11.0	−3.5	−13.1	−11.9	−13.6	−16.3	−71.6
	OT	−3.7	−10.8	−11.5	−12.7	−14.5	−16.7	−19.6	−89.5
650: Social Security:									
On-budget	BA	....	....	....	....	....	....	....	....
	OT	....	....	....	....	....	....	....	....
Off-budget	BA	....	....	....	....	....	....	....	....
	OT	....	....	....	....	....	....	....	....
Total	BA	....	....	....	....	....	....	....	....
	OT	....	....	....	....	....	....	....	....
700: Veterans Benefits	BA	−0.6	−0.7	−0.9	−1.6	−1.7	−1.8	−1.9	−9.3
	OT	−0.3	−0.5	−0.7	−1.4	−1.7	−1.7	−1.9	−8.2
750: Administration of Justice	BA	1.4	1.4	1.5	2.4	2.5	2.5	2.5	14.1
	OT	0.5	0.7	1.2	1.8	2.4	2.4	2.4	11.3
800: General Government	BA	−0.8	−1.0	−1.1	−1.2	−1.3	−1.3	−1.3	−7.9
	OT	−0.6	−0.8	−0.9	−1.1	−1.2	−1.3	−1.3	−7.2
900: Net Interest:									
On-budget	BA	−1.0	−3.8	−8.5	−15.1	−23.5	−34.1	−47.1	−133.1
	OT	−1.0	−3.8	−8.5	−15.1	−23.5	−34.1	−47.1	−133.1
Off-budget	BA	....	....	....	....	....	....	....	....

CONFERENCE AGREEMENT COMPARED TO CURRENT LAW LEVELS—Continued

[Dollars in billions]

		1996	1997	1998	1999	2000	2001	2002	Total
	OT								
Total	BA	−1.0	−3.9	−8.6	−15.2	−23.7	−34.3	−47.3	−134.1
	OT	−1.0	−3.9	−8.6	−15.2	−23.7	−34.3	−47.3	−134.1
920: Allowances	BA	−6.4	−6.3	−5.3	−4.7	−3.7	−3.7	−3.7	−33.8
	OT	−4.8	−6.4	−5.5	−5.0	−4.0	−4.0	−4.1	−33.8
950: Undistributed Offsetting Receipts:									
On-budget	BA	−2.4	−3.0	−4.4	−2.6	−2.6	−0.7	−4.1	−19.8
	OT	−2.4	−3.0	−4.4	−2.6	−2.6	−0.7	−4.1	−19.8
Off-budget	BA								
	OT								
Total	BA	−2.4	−3.0	−4.4	−2.6	−2.6	−0.7	−4.1	−19.8
	OT	−2.4	−3.0	−4.4	−2.6	−2.6	−0.7	−4.1	−19.8
Total Spending:									
On-budget	BA	−37.9	−61.3	−86.4	−127.5	−159.4	−190.9	−230.0	−893.4
	OT	−27.3	−62.7	−94.7	−124.1	−156.3	−192.4	−235.1	−892.6
Off-budget	BA								
	OT								
Total	BA	−37.9	−61.3	−86.4	−127.5	−159.4	−190.9	−230.0	−893.4
	OT	−27.3	−62.7	−94.7	−124.1	−156.3	−192.4	−235.1	−892.6
Revenues:									
On-budget		0.1	0.1	0.2	0.2	0.2	0.2	0.2	1.1
Off-budget									
Total		0.1	0.1	0.2	0.2	0.2	0.2	0.2	1.1
Deficit/Surplus:									
On-budget		27.4	62.8	94.8	124.3	156.5	192.6	235.3	893.7
Off-budget									
Total		27.4	62.8	94.8	124.3	156.5	192.6	235.3	893.7

CONFERENCE AGREEMENT COMPARED TO 1995

[Dollars in billions]

		1996	1997	1998	1999	2000	2001	2002	Total
050: National Defense	BA	$3.3	$5.9	$7.6	$10.3	$13.0	$15.7	$18.6	$74.2
	OT	−6.5	−4.6	−5.8	−2.4	1.3	0.4	0.4	−17.4
150: International Affairs	BA	−3.1	−4.9	−6.5	−7.7	−6.2	−6.0	−6.0	−40.4
	OT	−1.8	−3.8	−5.0	−6.3	−7.0	−6.9	−7.1	−38.0
250: Science, Space and Technology	BA	−0.5	−0.9	−1.2	−1.5	−1.8	−1.8	−1.8	−9.5
	OT	−0.7	−0.9	−1.4	−1.8	−2.1	−2.1	−2.1	−11.3
270: Energy	BA	−1.8	−2.2	−2.5	−2.8	−3.0	−3.0	−3.1	−18.3
	OT	−0.4	−1.4	−1.8	−2.4	−2.7	−2.7	−2.8	−14.3
300: Natural Resources and Environment	BA	−2.8	−3.1	−4.6	−4.1	−4.4	−5.2	−4.8	−29.1
	OT	−1.5	−1.8	−3.0	−2.7	−3.3	−4.3	−4.0	20.6
350: Agriculture	BA	−0.9	−1.5	−2.3	−2.5	−3.0	−4.2	−4.4	−18.7
	OT	−0.9	−1.6	−2.2	−2.5	−3.0	−4.0	−4.2	−18.2
370: Commerce and Housing Credit:									
On-budget	BA	−2.8	−3.6	−4.5	−5.0	−3.3	−4.6	−4.8	−28.5
	OT	6.8	8.7	7.0	9.0	11.5	10.8	10.7	64.5
Off-budget	BA	0.6	3.3	−2.3	−0.7	−3.7	−3.5	−3.5	−9.9
	OT	−0.2	−1.0	−1.6	−0.3	−1.6	−0.2	−0.2	−5.1
Total	BA	−2.2	−0.3	−6.8	−5.6	−7.0	−8.1	−8.4	−38.5
	OT	6.6	7.6	5.4	8.7	10.0	10.6	10.5	59.4
400: Transportation	BA	−6.0	0.6	1.3	0.0	0.3	−0.3	−0.7	−4.6
	OT	−0.4	−1.8	−2.7	−5.2	−6.1	−6.9	−7.4	−30.6
450: Community and Regional Development	BA	−2.6	−2.7	−2.8	−2.8	−2.9	−3.4	−3.6	−20.8
	OT	−1.7	−3.8	−5.1	−5.4	−5.4	−5.5	−5.5	−32.4
500: Education, Training, Employment and Social Services	BA	−9.9	−10.5	−10.7	−9.9	−9.2	−9.7	−9.5	−69.4
	OT	−1.3	−5.8	−7.4	−7.2	−6.5	−7.1	−6.9	−42.3
550: Health	BA	4.3	11.0	15.0	19.1	23.5	27.9	32.6	133.4
	OT	5.4	11.8	15.9	20.0	24.1	28.6	33.2	138.9
570: Medicare	BA	13.4	21.7	31.3	43.1	53.8	69.1	86.6	319.1
	OT	12.7	21.7	31.3	42.1	53.6	68.7	85.9	315.9
600: Income Security	BA	6.0	11.7	30.3	33.2	49.5	54.8	68.7	254.3
	OT	5.4	14.2	23.1	33.6	47.7	52.4	66.0	242.3
650: Social Security:									
On-budget	BA	−0.9	1.3	2.0	2.8	3.7	4.3	4.9	18.1
	OT	−0.8	1.2	2.0	2.8	3.6	4.2	4.8	17.7
Off-budget	BA	18.3	35.9	55.4	75.4	96.1	118.4	142.0	541.5
	OT	18.8	35.6	55.0	74.8	95.7	117.9	141.2	538.9
Total	BA	17.4	37.2	57.4	78.2	99.8	122.7	146.8	559.6
	OT	17.9	36.8	56.9	77.5	99.4	122.1	146.0	556.6
700: Veterans Benefits	BA	−0.1	0.2	0.6	1.2	1.4	2.0	2.5	7.9
	OT	−0.5	0.6	1.0	1.6	3.2	3.9	4.4	14.3
750: Administration of Justice	BA	1.3	1.3	1.6	2.5	2.6	2.2	2.1	13.6
	OT	1.6	1.8	2.6	3.3	3.8	3.4	3.3	19.8
800: General Government	BA	−0.9	−1.0	−1.1	−1.1	−1.3	−1.6	−1.7	−8.7
	OT	−0.5	−1.1	−1.1	−1.4	−1.4	−1.8	−1.9	−9.2
900: Net Interest:									
On-budget	BA	28.5	40.6	49.5	61.6	73.0	80.0	87.7	421.0
	OT	28.5	40.6	49.5	61.6	73.0	80.0	87.7	421.0
Off-budget	BA	−4.9	−10.0	−15.1	−20.6	−26.4	−32.7	−39.4	−149.1
	OT	−4.9	−10.0	−15.1	−20.6	−26.4	−32.7	−39.4	−149.0
Total	BA	23.6	30.6	34.4	41.1	46.6	47.4	48.3	271.9
	OT	23.6	30.6	34.4	41.1	46.6	47.4	48.3	272.0
920: Allowances	BA	−6.4	−6.3	−5.3	−4.7	−3.7	−3.7	−3.7	−33.8
	OT	−4.8	−6.4	−5.5	−5.0	−4.0	−4.0	−4.1	−33.8
950: Undistributed Offsetting Receipts:									
On-budget	BA	6.1	5.6	3.4	4.3	2.4	3.0	−1.8	23.0
	OT	6.1	5.6	3.4	4.3	2.4	3.0	−1.8	23.0
Off-budget	BA	−0.4	−0.7	−1.1	−1.6	−2.3	−3.0	−3.8	−13.0
	OT	−0.4	−0.7	−1.1	−1.6	−2.3	−3.0	−3.8	−13.0
Total	BA	5.8	4.9	2.2	2.6	0.1	−0.0	−5.6	10.0
	OT	5.8	4.9	2.2	2.6	0.1	−0.0	−5.6	10.0
Total Spending:									
On-budget	BA	24.4	63.4	101.3	135.9	184.6	215.3	257.8	982.9
	OT	44.4	73.1	94.5	135.8	182.8	209.9	248.8	989.4
Off-budget	BA	13.6	28.5	36.8	52.5	63.7	79.2	95.1	369.4
	OT	13.3	23.9	37.1	52.2	65.5	82.0	97.7	371.7

CONFERENCE AGREEMENT COMPARED TO 1995—Continued

[Dollars in billions]

		1996	1997	1998	1999	2000	2001	2002	Total
Total	BA	38.1	91.9	138.1	188.4	248.4	294.5	352.9	1352.3
	OT	57.7	97.0	131.6	188.1	248.3	291.9	346.5	1361.1
Revenues:									
On-budget	....	44.8	84.9	136.4	189.0	247.6	315.6	386.4	1404.7
Off-Budget	....	17.2	34.5	54.0	73.4	94.6	117.7	141.2	532.6
Total	....	62.0	119.5	190.4	262.4	342.2	433.4	527.5	1937.4

Discretionary and mandatory spending levels

The following tables show the discretionary and mandatory spending levels in the aggregate and by function included in the conference agreements.

CONFERENCE AGREEMENT—DISCRETIONARY TOTALS

[Dollars in billions]

		1995	1996	1997	1998	1999	2000	2001	2002
050: National Defense	BA	$262.3	$265.4	$268.0	$269.7	$272.4	$275.1	$277.8	$280.7
	OT	270.3	264.0	265.7	264.5	267.9	271.6	270.8	270.8
150: International Affairs	BA	20.4	18.3	17.1	15.8	15.1	14.7	14.7	14.7
	OT	21.1	20.7	19.2	17.7	16.5	15.6	15.5	15.3
250: Science, Space and Technology	BA	17.1	16.7	16.3	15.9	15.6	15.3	15.3	15.3
	OT	17.5	16.8	16.5	16.1	15.7	15.4	15.4	15.3
270: Energy	BA	6.3	5.5	5.1	4.7	4.8	4.8	4.7	4.7
	OT	6.6	6.4	5.6	5.2	5.1	5.0	4.9	4.8
300: Natural Resources and Environment	BA	22.0	19.1	18.8	18.5	18.4	18.3	18.4	18.4
	OT	21.5	20.2	19.7	19.6	19.3	19.0	18.9	18.8
350: Agriculture	BA	4.0	3.6	3.6	3.6	3.6	3.6	3.6	3.6
	OT	4.2	3.8	3.7	3.6	3.6	3.6	3.6	3.6
370: Commerce and Housing Credit	BA	3.3	2.3	1.9	1.6	1.4	3.2	1.8	1.5
	OT	3.1	2.6	2.1	1.6	1.4	3.1	1.8	1.5
400: Transportation	BA	15.5	13.9	14.0	13.8	11.6	10.8	10.4	10.3
	OT	38.9	38.4	37.1	36.1	33.6	32.7	31.9	31.5
450: Community and Regional Development	BA	8.9	6.6	6.5	6.4	6.4	6.4	6.3	6.3
	OT	11.6	10.3	7.9	7.1	6.7	6.5	6.5	6.5
500: Education, Training, Employment and Social Services	BA	42.0	36.0	35.9	35.6	35.6	35.6	35.6	35.6
	OT	39.3	40.3	37.0	35.5	35.3	35.3	35.3	35.3
550: Health	BA	22.8	20.9	20.7	20.5	20.1	19.9	19.6	19.3
	OT	22.4	21.2	20.6	20.5	20.1	19.9	19.6	19.3
570: Medicare	BA	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
	OT	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
600: Income Security	BA	34.0	35.2	34.0	43.5	36.0	39.4	39.4	39.5
	OT	38.7	39.2	41.5	41.1	41.2	42.0	41.5	41.5
650: Social Security	BA	....	....	....	....	....	....	....	....
	OT	2.5	2.6	2.5	2.5	2.5	2.5	2.5	2.5
700: Veterans Benefits	BA	18.3	18.0	18.0	18.0	17.9	17.9	17.9	17.9
	OT	18.0	18.9	18.3	18.2	18.1	18.0	17.9	17.9
750: Administration of Justice	BA	18.1	19.5	19.5	19.7	20.5	20.6	20.6	20.6

CONFERENCE AGREEMENT—DISCRETIONARY TOTALS

[Dollars in billions]

		1995	1996	1997	1998	1999	2000	2001	2002
	OT	16.8	18.4	18.7	19.3	20.0	20.5	20.5	20.5
800: General Government	BA	12.3	11.6	11.5	11.3	11.2	11.1	11.1	11.1
	OT	12.4	12.0	11.5	11.5	11.1	11.0	11.0	11.0
920: Allowances	BA	....	−6.4	−6.3	−5.3	−4.7	−3.7	−3.7	−3.7
	OT	....	−4.8	−6.4	−5.5	−5.0	−4.0	−4.0	−4.1
Total Discretionary	BA	510.4	489.2	487.4	496.2	488.7	495.9	496.6	498.8
	OT	547.9	534.0	524.1	517.5	516.1	520.5	516.4	515.1
Defense	BA	262.3	265.4	268.0	269.7	272.4	275.1	277.8	280.7
	OT	270.3	264.0	265.7	264.5	267.9	271.6	270.8	270.8
Nondefense	BA	248.1	223.8	219.5	226.5	216.3	220.8	218.8	218.1
	OT	277.6	269.9	258.4	253.0	248.2	248.9	245.6	244.3
050: National Defense	BA	−0.9	−0.7	−0.7	−0.7	−0.7	−0.7	−0.7	−0.8
	OT	−0.7	−0.9	−0.7	−0.7	−0.7	−0.7	−0.7	−0.8
150: International Affairs	BA	−1.5	−2.5	−3.1	−3.4	−3.9	−2.0	−1.9	−1.9
	OT	−2.3	−3.7	−4.1	−3.8	−3.9	−3.7	−3.5	−3.5
250: Science, Space and Technology	BA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	OT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
270: Energy	BA	0.0	−1.0	−0.9	−0.9	−1.3	−1.4	−1.4	−1.5
	OT	−1.6	−1.9	−2.1	−2.1	−2.6	−2.8	−2.7	−2.7
300: Natural Resources and Environment	BA	0.3	0.4	0.4	−0.8	−0.2	−0.4	−1.3	−0.9
	OT	0.2	0.1	0.3	−0.9	−0.3	−0.5	−1.5	−1.1
350: Agriculture	BA	10.0	9.5	8.9	8.1	7.9	7.4	6.2	6.0
	OT	8.5	8.0	7.5	6.8	6.6	6.1	5.1	4.9
370: Commerce and Housing Credit	BA	5.6	4.3	6.7	0.6	1.9	−1.3	−1.0	−1.0
	OT	−16.6	−9.5	−8.0	−9.7	−6.2	−6.6	−4.7	−4.6
400: Transportation	BA	27.1	22.7	29.1	30.0	31.0	32.0	31.8	31.5
	OT	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
450: Community and Regional Development	BA	0.3	−0.0	−0.0	−0.0	−0.0	−0.1	−0.6	−0.7
	OT	−0.1	−0.3	−0.2	−0.6	−0.6	−0.3	−0.4	−0.4
500: Education, Training, Employment and Social Services	BA	16.3	12.4	11.9	12.1	12.8	13.6	13.0	13.2
	OT	15.4	13.1	12.0	11.8	12.2	12.9	12.3	12.5
550: Health	BA	93.8	100.0	106.9	111.2	115.6	120.2	124.9	129.9
	OT	93.4	100.0	106.9	111.2	115.6	120.0	124.7	129.7
570: Medicare	BA	159.6	173.1	181.3	191.0	202.7	213.5	228.8	246.2
	OT	158.1	170.7	179.8	189.3	200.2	211.6	226.7	244.0
600: Income Security	BA	185.9	190.7	197.6	206.8	217.1	230.1	235.4	249.2
	OT	183.5	188.4	194.9	204.2	214.6	227.9	233.1	246.8
650: Social Security	BA	336.9	354.3	374.0	394.3	415.0	436.7	459.6	483.7
	OT	333.7	351.6	370.6	390.7	411.3	433.1	455.8	479.7
700: Veterans Benefits	BA	19.3	19.5	19.9	20.3	20.9	21.2	21.8	22.3
	OT	19.4	18.0	19.7	20.2	20.9	22.6	23.4	23.9
750: Administration of Justice	BA	0.4	0.4	0.3	0.5	0.5	0.5	0.0	−0.0
	OT	0.3	0.3	0.3	0.4	0.4	0.4	0.0	−0.0
800: General Government	BA	1.0	0.8	0.8	0.9	0.9	0.9	0.6	0.5
	OT	1.0	0.9	0.7	0.8	0.9	1.0	0.6	0.6
900: Net Interest	BA	235.4	258.9	266.0	269.7	276.4	281.9	282.7	283.6
	OT	235.3	258.9	266.0	269.7	276.4	281.9	282.7	283.6
950: Undistributed Offsetting Receipts	BA	−46.2	−40.5	−41.3	−44.0	−43.6	−46.1	−46.3	−51.8

CONFERENCE AGREEMENT—DISCRETIONARY TOTALS—Continued

[Dollars in billions]

		1995	1996	1997	1998	1999	2000	2001	2002
	OT	−46.2	−40.5	−41.3	−44.0	−43.6	−46.1	−46.3	−51.8
Total Spending	BA	1043.2	1102.4	1158.0	1195.5	1253.3	1306.0	1351.7	1407.7
	OT	981.9	1053.7	1102.8	1144.0	1201.7	1257.6	1305.4	1361.3

Credit levels

The following tables show the credit levels in the aggregate and by function included in the conference agreement.

CREDIT LEVELS IN CONFERENCE AGREEMENT BY FUNCTION

[Dollars in billions]

	1996	1997	1998	1999	2000	2001	2002
Function 050:							
Direct loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Guaranteed loans	1.7	1.7	1.7	1.7	1.7	1.7	1.7
Function 150:							
Direct loans	5.7	5.7	5.7	5.7	5.7	5.7	5.7
Guaranteed loans	18.3	18.3	18.3	18.3	18.3	18.3	18.3
Function 270:							
Direct loans	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Guaranteed loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Function 300:							
Direct loans	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Guaranteed loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Function 350:							
Direct loans	11.5	11.5	10.9	11.6	11.4	11.1	10.9
Guaranteed loans	5.7	5.7	5.7	5.7	5.7	5.7	5.7
Function 370:							
Direct loans	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Guaranteed loans	123.1	123.1	123.1	123.1	123.1	123.1	123.1
Function 400:							
Direct loans	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Guaranteed loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Function 450:							
Direct loans	2.7	2.7	2.7	2.7	2.7	2.7	2.7
Guaranteed loans	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Function 500:							
Direct loans	13.6	16.3	19.1	21.8	21.9	22.0	22.2
Guaranteed loans	16.3	15.9	15.2	14.3	15.0	15.8	16.6
Function 550:							
Direct loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Guaranteed loans	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Function 600:							
Direct loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Guaranteed loans	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Function 700:							
Direct loans	1.2	1.1	1.0	1.0	1.2	1.4	1.7
Guaranteed loans	26.7	21.6	19.7	18.6	19.3	19.9	20.6
Grand total:							
Direct loans	37.6	40.2	42.3	45.7	45.8	45.8	46.1
Guaranteed loans	193.4	187.9	185.3	183.3	184.7	186.1	187.6

RECONCILIATION

(Sec. 4 of the House resolution, sec. 105 of the Senate amendment, and sec. 105 of the conference agreement)

The following tables show the instructions to the various authorizing committees of the House and Senate pursuant to section 301(b)(2) and section 310 of the Congressional Budget Act. Those sections authorize the concurrent resolution on the budget to include reconciliation instructions to the various committees to implement the amounts and levels in that resolution. The reconciliation instructions in this concurrent resolution of the budget require the committees to report changes in law that, based on CBO and Budget Committee scoring, meet the specified targets in their instructions. Those legislative changes are to be reported to the appropriate Budget Committee by September 22, 1995.

SENATE COMMITTEE RECONCILIATION INSTRUCTIONS

[Dollars in millions]

Committee		1996	5-Year	7-Year
Agriculture, Nutrition and Forestry	OT	−$2,503	−$29,059	−$48,402
Armed Services	OT	−1,571	−1,888	−2,199
Banking, Housing and Urban Affairs	OT	−481	−1,698	−2,391
Commerce, Science and Transportation	OT	−114	−9,088	−15,036

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SENATE COMMITTEE RECONCILIATION INSTRUCTIONS—Continued

[Dollars in millions]

Committee		1996	5-Year	7-Year
Energy and Natural Resources	OT	−354	−4,292	−4,001
Environment and Public Works	OT	−118	−1,308	−2,250
Finance	OT	−15,328	−272,974	−530,359
Governmental Affairs	DR	−524	−5,357	−9,844
Judiciary	OT		−238	−476
Labor and Human Resources	OT	−809	−6,956	−10,779
Veterans' Affairs	OT	−274	−3,614	−6,392
Total reconciliation instructions	OT	−22,076	−336,472	−632,129

RECONCILIATION BY HOUSE COMMITTEE

[In millions of dollars]

Committee	1996	1396 to 2000	1996 to 2002
Agriculture:			
Food stamps	26,748	133,246	192,270
All other programs	10,506	44,741	59,232
Banking and Financial Services: Direct spending	−13,087	−50,061	−65,112
Commerce: Direct spending	285,537	1,592,240	2,361,708
Economic & Educational Opportunities:			
Direct spending	16,026	77,346	110,936
Authorization	−720	−5,810	−8,770
Government Reform & Oversight:			
Direct spending	57,743	310,364	449,583
Deficit reduction	−85	−775	−1,127

RECONCILIATION BY HOUSE COMMITTEE—Continued

[In millions of dollars]

Committee	1996	1996 to 2000	1996 to 2002
International Relations:			
Direct spending	14,243	82,072	83,221
Deficit reduction	−1	−14	−22
Judiciary: Direct spending	2,580	13,734	19,530
National Security: Direct spending	39,601	226,931	331,210
Resources: Direct spending	1,536	7,816	12,871
Transportation & Infrastructure: Direct spending	16,615	83,070	116,811
Veterans Affairs: Direct spending	19,041	106,163	154,884
Ways & Means: Direct spending	349,172	2,010,751	3,002,706
Offset to Multiple Jurisdictions:			
Direct spending	−9,830	−140,151	−269,826
Deficit reduction	1	14	22
Total			
Direct spending	816,630	4,478,262	6,550,004
Deficit reduction	−85	−875	−1,387
Revenues	0	1,304,215	7,938,254
Authorization	−720	−5,810	−8,770
Ways & Means Revenues		1,304,215	7,938,254

The conference agreement includes in the reconciliation directives an instruction to increase the statutory limit on the public debt. The conferees intend that the debt limit be enacted as separated legislation and not as part of reconciliation. However, if debt limit legislation has not been enacted this instruction would authorize the committees of jurisdiction to include the debt limit in the reconciliation bill.

Because the goal of this resolution is to achieve a balanced budget in 2002 in a manner that generates economic dividends, the conferees discourage committees from attempting to meet their reconciliation instructions with changes that only appear to reduce the deficit (through timing changes or other artifices) rather than changes with real economic effects. For example, the 1993 budget reconciliation bill included a provision directing the Federal Reserve to transfer $213 million from its surplus capital account to the Treasury over 1997 and 1998. Because the Federal Reserve is not included in the unified budget, the slated transfer was counted as savings for reconciliation purposes even though there is general agreement that the transfer is a timing gimmick, acts like an intragovernmental transfer, and leaves the private sector and the rest of the economy unaffected. The Congressional Budget Office concurs with the conferees that such a transfer has no real economic impact on the deficit. Given this understanding, the conferees (using the authority provided to the budget committees for estimating outlays and revenues by section 310(d)(4) of the Congressional Budget Act) direct the Congressional Budget Office to not score any savings for any new legislation that might affect the Federal Reserve's transfer of the surplus capital account to the Treasury.

ALLOCATIONS AMONG COMMITTEES

Sections 302(a) and 602(a) of the Congressional Budget Act of 1974 (the Budget Act) require the joint explanatory statement of managers accompanying the conference report on a concurrent resolution on the budget (the budget resolution) to include committee allocations, based on the amounts in the budget resolution as recommended in the conference report. These allocations allocate the appropriate level of total new budget authority, outlays, new entitlement authority (for the House only), and Social Security outlays (for the Senate only) in the budget resolution among each committee of the Senate and the House of Representatives that has jurisdiction over legislation providing those amounts.

Section 602 further requires that the allocations include an allocation for the first fiscal year covered by the budget resolution (fiscal year 1996) and for the total of the first fiscal year and the four succeeding fiscal years covered by the budget resolution (fiscal years 1996 through 2000). These allocations form the basis for congressional enforcement of the budget resolution through points of order under the Budget Act. These allocations follow:

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT BUDGET YEAR TOTAL: 1996

[In millions of dollars]

Committee	Direct spending jurisdiction		Entitlements funded in annual appropriations	
	Budget authority	Outlays	Budget authority	Outlays
Appropriations	772,349	807,374		
Appropriations (Violent Crime Trust Fund)	4,087	2,227		
Agriculture, Nutrition, and Forestry	6,896	4,859	18,566	8,096
Armed Services	40,159	39,806		
Banking, Housing, and Urban Affairs	4,143	−8,527		
Commerce, Science, and Transportation	2,619	−33	584	581
Energy and Natural Resources	1,121	951	48	37
Environment and Public Works	19,811	1,750		
Finance	631,582	628,118	119,856	120,666
Foreign Relations	13,926	14,093		
Governmental Affairs	51,873	50,760		
Judiciary	2,227	2,170	230	229
Labor and Human Resources	6,117	6,276	2,155	1,869
Rules and Administration	94	204		
Veterans Affairs	1,400	1,423	19,235	17,686
Select Indian Affairs	409	378		
Small Business	3	−450		
Not allocated to committees	−273,356	−263,279		
Total	1,285,500	1,288,100	160,674	149,164

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT FIVE-YEAR TOTAL: 1996–2000

[In millions of dollars]

Committee	Direct spending jurisdiction		Entitlements funded in annual appropriations	
	Budget authority	Outlays	Budget authority	Outlays
Agriculture, Nutrition, and Forestry	16,389	4,241	86,339	46,402
Armed Services	228,914	227,993		
Banking, Housing, and Urban Affairs	21,890	−33,850		
Commerce, Science, and Transportation	5,389	−8,794	3,254	3,236
Energy and Natural Resources	4,490	4,179	228	232
Environment and Public Works	121,753	5,724		

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT FIVE-YEAR TOTAL: 1996–2000

[In millions of dollars]

Committee	Direct spending jurisdiction		Entitlements funded in annual appropriations	
	Budget authority	Outlays	Budget authority	Outlays
Finance	3,393,472	3,377,584	657,433	658,546
Foreign Relations	57,253	61,166		
Governmental Affairs	280,326	275,090		
Judiciary	11,593	11,305	1,153	1,149
Labor and Human Resources	26,159	25,023	12,186	11,427
Rules and Administration	470	556		
Veterans Affairs	6,228	7,247	100,341	99,237
Select Indian Affairs	2,149	1,987		
Small Business	12	−1,745		

FISCAL YEAR 1996—ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 602(a) OF THE CONGRESSIONAL BUDGET ACT

[In millions of dollars]

	Budget authority	Outlays	Entitlement authority
HOUSE APPROPRIATIONS COMMITTEE			
Current level (enacted law):			
050 National Defense	214	214	0
150 International Affairs	169	169	0
300 Natural Resources and Environment	2,094	1,947	0
350 Agriculture	11,967	1,530	0
370 Commerce and Housing Credit	38	138	0
400 Transportation	584	581	0
500 Education, Training, Employment, and Social Services	11,298	11,243	0
550 Health	103,457	103,461	0
570 Medicare	54,785	54,785	0
600 Income Security	53,673	54,192	0
650 Social Security	23	23	0
700 Veterans Benefits and Services	19,346	17,783	0
750 Administration of Justice	411	409	0
800 General Government	7,902	7,890	0
900 Net Interest	15	15	0
Subtotals	265,976	254,381	0
HOUSE APPROPRIATONS COMMITTEE:			
Discretionary appropriations action (assumed legislation):			
050 National Defense	265,406	264,043	0
150 International Affairs	18,292	20,718	0
250 General Science, Space and Technology	16,656	16,754	0
270 Energy	5,545	6,403	0
300 Natural Resources and Environment	19,107	20,153	0
350 Agriculture	3,585	3,793	0
370 Commerce and Housing Credit	2,333	2,575	0
400 Transportation	13,887	38,444	0
450 Community and Regional Development	6,601	10,261	0
500 Education, Training, Employment, and Social Services	35,962	40,345	0
550 Health	20,943	21,164	0
570 Medicare	2,992	2,992	0
600 Income Security	35,204	390,234	0
650 Social Security	0	2,574	0
700 Veterans Benefits and Services	18,022	18,933	0
750 Administration of Justice	15,387	16,154	0
800 General Government	11,581	12,033	0
920 Allowances	−6,429	−4,805	0
Subtotals	485,074	531,768	0
Violent Crime Reduction Trust Fund:			
750 Administration of Justice	4,087	2,227	0
Discretionary action by other committees (assumed entitlement legislation):			
500 Education, Training, Employment, and Social Services	−1,686	−1,138	0
550 Health	−3,719	−3,719	0
600 Income Security	20,197	20,200	0
700 Veterans Benefits and Services	−208	−195	0
750 Administration of Justice	−4	−4	0
800 General Government	4	4	0
Subtotals	14,584	15,148	0
Committee totals	769,720	803,523	0
HOUSE AGRICULTURE COMMITTEE			
Current level (enacted law):			
150 International affairs	−474	−474	0
270 Energy	0	−645	0
300 Natural Resources and Environment	471	483	0
350 Agriculture	9,041	7,636	8,896
400 Transportation	40	40	0
450 Community and Regional Development	257	237	0
600 Income Security	0	0	11
800 General Government	251	250	0
900 Net Interest	0	0	15
Subtotals	9,585	7,527	8,922
Discretionary action (Assumed legislation):			
350 Agriculture	−992	−992	−992
600 Income Security			1,169

FISCAL YEAR 1996—ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 602(a) OF THE CONGRESSIONAL BUDGET ACT—Continued

[In millions of dollars]

	Budget authority	Outlays	Entitlement authority
Subtotals	−992	−992	177
Committee totals	8,593	6,535	9,099
HOUSE NATIONAL SECURITY COMMITTEE			
Current level (enacted law):			
050 National Defense	12,592	12,355	0
300 Natural Resources and Environment	3	2	0
400 Transportation	0	−5	0
500 Education, Training, Employment, and Social Services	4	3	0
600 Income Security	28,534	28,427	0
700 Veterans Benefits and Services	197	190	190
Subtotals	41,330	40,971	190
Discretionary action (assumed legislation):			
600 Income Security	382	382	382
950 Undistributed offsetting receipts	−1,550	−1,550	0
Subtotals	−1,168	−1,168	382
Committee totals	40,162	39,803	572
HOUSE BANKING AND FINANCIAL SERVICES COMMITTEE			
Current level (enacted law):			
150 International Affairs	−585	−1,930	0
370 Commerce and Housing Credit	364	−9,258	0
450 Community and Regional Development	5	−79	0
600 Income Security	50	100	0
800 General Government	6	−27	0
900 Net Interest	3,118	3,118	0
Subtotals	2,959	−8,074	0
Discretionary action (assumed legislation):			
370 Commerce and Housing Credit	−210	−210	0
450 Community and Regional Development	−271	−271	0
Subtotals	−481	−481	0
Committee totals	2,478	−8,555	0
HOUSE ECONOMIC AND EDUCATIONAL OPPORTUNITIES COMMITTEE			
Current level (enacted law):			
500 Education, Training, Employment, and Social Services	3,891	3,726	4,833
600 Income Security	153	143	9,575
Subtotals	4,044	3,870	14,409
Discretionary action (assumed legislation):			
500 Education, Training, Employment, and Social Services	−1,068	−723	−723
600 Income Security	940	845	−1,292
Subtotals	−128	122	−2,015
Committee totals	3,916	3,992	12,394
HOUSE COMMERCE COMMITTEE			
Current level (enacted law):			
300 Natural Resources and Environment	0	3	0
500 Education, Training, Employment, and Social Services	1	1	0
550 Health	496	489	99,517
800 General Government	8	8	0
Subtotals	506	501	99,517
Discretionary action (assumed legislation):			
270 Energy	0	150	0
370 Commerce and Housing Credit	−69	−69	0
550 Health	−86	−86	−3,619
950 Undistributed offsetting receipts	−400	−400	0
Subtotals	−555	−405	−3,619
Committee totals	−49	96	95,898

FISCAL YEAR 1996—ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 602(a) OF THE CONGRESSIONAL BUDGET ACT—Continued

[In millions of dollars]

	Budget authority	Outlays	Entitlement authority
HOUSE INTERNATIONAL RELATIONS COMMITTEE			
Current level (enacted law)			
150 International Affairs	13,416	13,580	0
400 Transportation	7	10	0
600 Income Security	506	506	494
800 General Government	5	5	0
Subtotals	13,933	14,100	494
Discretionary action (assumed legislation):			
950 Undistributed offsetting receipts	−3	−3	0
Subtotals	−3	−3	0
Committee totals	13,930	14,097	494
HOUSE GOVERNMENT REFORM AND OVERSIGHT COMMITTEE			
Current level (enacted law):			
550 Health	0	−44	3,818
600 Income Security	39,209	38,140	38,140
750 Administration of Justice	40	40	40
800 General Government	12,870	12,870	0
900 Net Interest	93	93	0
Subtotals	52,212	51,099	41,998
Discretionary action (assumed legislation):			
550 Health	0	0	−100
750 Administration of Justice	0	0	−4
800 General Government	−100	−100	−2
950 Undistributed offsetting receipts	−336	−336	0
Subtotals	−436	−436	−106
Committee totals	51,776	50,663	41,892
HOUSE OVERSIGHT COMMITTEE			
Current level (enacted law):			
500 Education, Training, Employment, and Social Services	21	18	0
800 General Government	72	186	275
Subtotals	93	204	275
Committee totals	93	204	275
HOUSE RESOURCES COMMITTEE			
Current level (enacted law):			
270 Energy	−93	−377	0
300 Natural Resources and Environment	772	700	0
370 Commerce and Housing Credit	67	11	0
450 Community and Regional Development	405	373	0
550 Health	5	5	0
800 General Government	863	865	165
Subtotals	2,018	1,577	165
Discretionary action (assumed legislation):			
300 Natural Resources and Environment	−29	−27	0
950 Undistributed offsetting receipts	−77	−77	0
Subtotals	−106	−104	0
Committee totals	1,912	1,473	165
HOUSE JUDICIARY COMMITTEE			
Current level (enacted law):			
370 Commerce and Housing Credit	197	197	0
600 Income Security	62	18	9
750 Administration of Justice	1,451	1,439	233
800 General Government	517	517	0
Subtotals	2,227	2,170	242
Committee totals	2,227	2,170	242
HOUSE TRANSPORTATION AND INFRASTRUCTURE COMMITTEE			
Current level (enacted law):			
270 Energy	943	820	0
300 Natural Resources and Environment	417	361	0
400 Transportation	22,227	12	581
450 Community and Regional Development	5	105	0

FISCAL YEAR 1996—ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 602(a) OF THE CONGRESSIONAL BUDGET ACT—Continued

[In millions of dollars]

	Budget authority	Outlays	Entitlement authority
600 Income Security	14,795	14,774	0
800 General Government	16	16	0
Subtotals	38,403	16,088	581
Discretionary action (assumed legislation):			
300 Natural resources and environment	−6	−6	0
400 Transportation	−45	−45	0
450 Community and regional development	−12	−12	0
Subtotals	−63	−12	0
Committee totals	38,340	16,025	581
HOUSE SCIENCE COMMITTEE			
Current level (enacted law):			
250 General science, space, and technology	39	39	0
500 Education, training, employment, and social services	1	1	0
Subtotals	40	40	0
Committee totals	40	40	0
HOUSE SMALL BUSINESS COMMITTEE			
Current level (Enacted law):			
370 Commerce and housing credit	3	−164	0
450 Community and regional development	0	−286	0
Subtotals	3	−450	0
Committee totals	3	−450	0
HOUSE VETERANS AFFAIRS COMMITTEE			
Current level (enacted law):			
700 Veterans Benefits and Services	1,519	1,532	19,303

FISCAL YEAR 1996—ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 602(a) OF THE CONGRESSIONAL BUDGET ACT—Continued

[In millions of dollars]

	Budget authority	Outlays	Entitlement authority
Subtotals	1,519	1,532	19,303
Discretionary action (assumed legislation):			
700 Veterans Benefits and Services	−79	−79	−195
Subtotals	−79	−79	195
Committee totals	1,440	1,453	19,108
HOUSE WAYS AND MEANS COMMITTEE			
Current level (enacted law):			
500 Education, training, employment, and social services	0	0	8,152
550 Health	0	−28	0
570 Medicare	206,253	203,935	199,066
600 Income security	43,611	42,484	36,916
650 Social Security	7,371	7,371	0
750 Administration of Justice	405	370	0
800 General government	540	534	0
900 Net interest	373,259	373,259	373,259
Subtotals	631,438	627,926	617,393
Discretionary action (assumed legislation):			
500 Education, training, employment, and social services	0	0	−1,138
570 Medicare	−8,000	−8,000	0
600 Income security	1,821	1,369	−2,380
900 Net interest	−984	−984	−984
Subtotals	−7,164	−7,615	−4,502
Committee totals	624,275	620,311	612,891
UNASSIGNED			
Current level (enacted law):			
050 National Defense	−13,511	−13,512	0
150 International Affairs	−15,018	−15,064	0

FISCAL YEAR 1996—ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SEC. 602(a) OF THE CONGRESSIONAL BUDGET ACT—Continued

[In millions of dollars]

	Budget authority	Outlays	Entitlement authority
250 General Science, Space, and Technology	5	8	0
270 Energy	−1,794	−1,850	0
300 Natural Resources and Environment	−3,329	−3,315	0
350 Agriculture	−10,501	−167	0
370 Commerce and Housing Credit	−123	−120	0
400 Transportation	−101	−137	0
450 Community and Regional Development	−389	−428	0
500 Education, Training, Employment, and Social Services	−26	−77	0
550 Health	−96	−141	0
570 Medicare	−79,930	−80,012	0
600 Income Security	−13,235	−13,214	0
650 Social Security	−1,494	−1,468	0
700 Veterans Benefits and Services	−1,296	−1,263	0
750 Administration of Justice	−1,977	−1,935	0
800 General Government	−22,439	−22,457	0
900 Net interest	−77,102	−77,102	−62,907
920 Allowances	29	5	0
950 Undistributed offsetting receipts	−31,334	−31,334	0
Subtotals	−273,663	−263,585	−62,907
Discretionary action (assumed legislation):			
800 General government	306	306	
Subtotals	306	306	0
Committee totals	−273,357	−263,279	−62,907
Total—Current level	792,623	749,875	740,583
Total—Discretionary action	492,876	538,225	−9,878
Grand totals	1,285,500	1,288,100	730,705

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SECTIONS 302(a)/602(a) OF THE CONGRESSIONAL BUDGET ACT

[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	1996 to 2000
Appropriations Committee						
Current level:						
Budget authority	265,976	290,731	312.480	340,215	375,556	1,584,958
Outlays	254,381	281,819	304,617	332,962	370,563	1,544,342
Discretionary action:						
Defense:						
Budget authority	265,406	267,962	269,731	272,380	275,064	1,350,543
Outlays	264,043	265,734	264,531	267,883	271,571	1,333,762
International:						
Budget authority	18,292	17,081	15,780	15,100	14,733	80,986
Outlays	20,718	19,192	17,680	16,490	15,620	89,700
Domestic:						
Budget authority	205,463	202,387	210,608	201,227	206,082	1,025,839
Outlays	249,234	239,216	235,322	231,747	233,268	1,188,786
Subtotal:						
Budget authority	489,161	487,430	496,192	488,707	495,879	2,457,369
Outlays	533,995	524,141	517,533	516,121	520,459	2,612,249
Discretionary action by other committees:						
Budget authority	14,584	6,430	735	−8,551	−18,065	−4,867
Outlays	15,148	6,638	212	−8,644	−18,126	−4,772
Committee total:						
Budget authority	769,720	784,591	809,406	820,370	853,370	4,037,457
Outlays	803,523	812,599	822,361	840,439	872,896	4,151,818
Agriculture Committee						
Current level (Enacted law):						
Budget authority	9,585	9,448	9,331	9,125	8,877	46,366
Outlays	7,527	7,121	7,092	6,747	6,504	34,991
Discretionary action:						
Budget authority	−992	−1,332	−1,960	−1,915	−2,278	−8,477
Outlays	−992	−1,332	−1,960	−1,915	−2,278	−8,477
Committee total:						
Budget authority	8,593	8,116	7,371	7,210	6,599	37,889
Outlays	6,535	5,789	5,132	4,832	4,226	26,514
New entitlement authority	177	−112	−696	−608	−925	−2,164
National Security Committee						
Current level (Enacted Law):						
Budget authority	41,330	43,031	44,997	47,812	50,017	227,187
Outlays	40,971	42,825	44,864	47,640	49,840	226,140
Discretionary action:						
Budget authority	−1,168	1,119	1,120	354	308	1,733
Outlays	−1,168	1,119	1,120	354	308	1,733
Committee total:						
Budget authority	40,162	44,150	46,117	48,166	50,325	228,920
Outlays	39,803	43,944	45,984	47,994	50,148	227,873
New entitlement authority	382	642	650	−91	−116	1,467

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SECTIONS 302(a)/602(a) OF THE CONGRESSIONAL BUDGET ACT—Continued

[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	1996 to 2000
Banking and Financial Services Committee						
Current level (enacted law):						
Budget authority	2,959	2,345	1,767	1,265	1,447	9,783
Outlays	−8,074	−6,105	−7,441	−5,484	−4,782	−31,886
Discretionary action:						
Budget authority	−481	−284	−297	−311	−325	−1,709
Outlays	−481	−284	−297	−311	−325	−1,698
Committee total:						
Budget authority	2,478	2,061	1,470	954	1,122	8,085
Outlays	−8,555	−6,389	−7,738	−5,795	−5,107	−33,584
Economic Opportunity Committee						
Current level (enacted law):						
Budget authority	4,044	3,224	3,084	3,377	3,617	17,346
Outlays	3,870	3,067	2,726	2,898	3,133	15,694
Discretionary action:						
Budget authority	−128	−211	−406	−613	−618	1,976
Outlays	122	−174	−334	−537	−611	−1,534
Committee total:						
Budget authority	3,916	3,013	2,678	2,764	2,999	15,370
Outlays	3,992	2,893	2,392	2,361	2,522	14,160
New entitlement authority	−2,015	−3,281	−2,056	−2,135	−1,978	−11,465
Current level (enacted law):						
Budget authority	506	499	487	442	423	2,357
Outlays	501	495	484	441	422	2,343
Discretionary action:						
Budget authority	−555	−1,862	−2,466	−3,197	−3,301	−11,381
Outlays	−405	−1,854	−2,476	−3,285	−3,460	−11,480
Committee total:						
Budget authority	−49	−1,363	−1,979	−2,755	−2,878	−9,024
Outlays	96	−1,359	−1,992	−2,844	−3,038	−9,137
New entitlement authority	−3,619	−7,886	−15,840	−24,361	−33,229	−84,935
International Relations Committee						
Current level (enacted law):						
Budget authority	13,933	12,778	11,140	9,373	10,064	57,288
Outlays	14,100	13,440	12,359	10,922	10,380	61,201
Discretionary action:						
Budget authority	−3	−4	−4	−4	−4	−19
Outlays	−3	−4	−4	−4	−4	−19
Committee total:						
Budget authority	13,930	12,774	11,136	9,369	10,060	57,269
Outlays	14,097	13,436	12,355	10,918	10,376	61,182
New entitlement authority	0	0	−1	−2	−3	−6
Government Reform and Oversight Committee						
Current level (enacted law):						
Budget authority	52,212	54,388	56,472	58,656	60,980	282,708
Outlays	51,099	53,381	55,541	57,652	59,799	277,472
Discretionary action:						
Budget authority	−436	−558	−580	−636	−693	−2,903
Outlays	−436	−558	−580	−636	−693	−2,903
Committee total:						
Budget authority	51,776	53,830	55,892	58,020	60,287	279,805
Outlays	50,663	52,823	54,961	57,016	59,106	274,569
New entitlement authority	−106	−227	−475	−759	−1,162	−2,729
Oversight Committee						
Current level (enacted law):						
Budget authority	93	93	93	94	95	468
Outlays	204	28	26	54	242	554
Public Lands and Resources Committee						
Current level (enacted law):						
Budget authority	2,018	2,172	2,254	2,221	2,231	10,896
Outlays	1,577	1,765	2,230	2,296	2,282	10,150
Discretionary action:						
Budget authority	−106	−882	−2,564	428	426	−2,698
Outlays	−104	−881	−2,563	428	427	−2,693
Committee total:						
Budget authority	1,912	1,290	−310	2,649	2,657	8,198
Outlays	1,473	884	−333	2,724	2,709	7,457
Judiciary Committee						
Current level (enacted law):						
Budget authority	2,227	2,320	2,330	2,425	2,529	11,831
Outlays	2,170	2,264	2,273	2,367	2,469	11,543
Discretionary action:						
Budget authority	0	0	0	−119	−119	−238
Outlays	0	0	0	−119	−119	−238
Committee total:						
Budget authority	2,227	2,320	2,330	2,306	2,410	11,593
Outlays	2,170	2,264	2,273	2,248	2,350	11,305
Transportation and Infrastructure Committee						
Current level (enacted law):						
Budget authority	38,403	42,369	16,419	16,658	16,752	130,601
Outlays	16,088	15,858	15,906	16,109	16,291	80,252
Discretionary action:						
Budget authority	−63	2,218	29,295	30,215	31,179	92,844
Outlays	−63	−71	−73	−124	−126	−457
Committee total:						
Budget authority	38,340	44,588	45,714	46,873	47,931	223,446
Outlays	16,025	15,787	15,833	15,985	16,165	79,795
Science Committee						
Current level (Enacted Law):						
Budget authority	40	41	41	41	41	204
Outlays	40	41	41	41	41	204
Small Business Committee						
Current level (Enacted Law):						
Budget authority	3	3	2	2	2	12
Outlays	−450	−170	−526	−452	−147	−1,745
Veterans' Affairs Committee						
Current level (Enacted Law):						
Budget authority	1,519	1,450	1,389	1,315	1,241	6,914

ALLOCATION OF SPENDING RESPONSIBILITY TO HOUSE COMMITTEES PURSUANT TO SECTIONS 302(a)/602(a) OF THE CONGRESSIONAL BUDGET ACT—Continued

[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	1996 to 2000
Outlays	1,532	1,538	1,559	1,568	1,473	7,670
Discretionary action:						
Budget authority	−79	−82	−169	−175	−181	−686
Outlays	−79	−82	−169	−175	−181	−686
Committee total:						
Budget authority	1,440	1,368	1,220	1,140	1,060	6,228
Outlays	1,453	1,456	1,390	1,393	1,292	6,984
New entitlement authority	−195	−265	−323	−988	−1,157	−2,928
Ways and Means Committee						
Current level (Enacted Law):						
Budget authority	631,438	669,276	707,615	754,639	802,487	3,565,455
Outlays	627,926	666,305	704,666	750,789	799,709	3,549,395
Discretionary action						
Budget authority	−7,163	−22,273	−36,432	−53,445	−73,586	−192,899
Outlays	−7,615	−22,270	−36,458	−53,433	−73,569	−193,345
Committee total:						
Budget authority	624,275	647,003	671,183	701,194	728,901	3,372,556
Outlays	620,311	644,035	668,208	697,356	726,140	3,356,050
New Entitlement Authority	−4,502	−9,505	−14,956	−22,376	−31,556	−82,895
Unassigned to Committee						
Current level (Enacted Law):						
Budget authority	−273,663	−280,148	−291,012	302,806	−321,143	−1,468,772
Outlays	−263,585	−271,832	−283,116	−295,979	−315,185	−1,429,697
Discretionary action:						
Budget authority	306	569	946	1,308	1,763	4,892
Outlays	306	569	946	1,308	1,763	4,892
Committee total:						
Budget authority	−273,357	−279,579	−290,065	−301,497	−319,380	−1,463,878
Outlays	−263,279	−271,264	−282,169	−294,671	−313,422	−1,424,805
Total current level:						
Budget authority	792,623	854,021	878,891	944,854	1,015,216	4,485,605
Outlays	749,875	811,843	863,304	930,572	1,003,035	4,358,629
Total discretionary action:						
Budget authority	492,876	470,278	483,409	452,046	430,384	2,328,993
Outlays	538,225	504,957	474,897	449,028	423,465	2,390,572
Grand totals:						
Budget authority	1,285,500	1,324,300	1,362,300	1,396,900	1,445,600	6,814,600
Outlays	1,288,100	1,316,800	1,338,200	1,379,600	1,426,500	6,749,200
Total new entitlement authority	−9,878	−20,634	−33,697	−51,319	−70,126	−185,654

ECONOMIC ASSUMPTIONS

Section 301(g)(2) of the Congressional Budget Act requires the joint explanatory statement accompanying a conference report on a budget resolution to set forth the common economic assumptions upon which the joint statement and conference report are based. The conference agreement is based on the economic forecast and projections prepared by the Congressional Budget Office, adjusted for anticipated revisions to the consumer price index (CPI) beginning in 1998.

House resolution

The House budget resolution assumed that beginning in 1999, the CPI growth projection is revised by 0.6 percentage points a year compared to CBO's assumptions published in its January economic and budget report. CBO's new assessment that the planned 1998 benchmark revision of the CPI by the Bureau of Labor Statistics will lower CPI growth explains 0.2 percentage points of the revision. An assumption that fully funding proposed research will remove upward biases in the CPI amounting to 0.4 percentage points accounts for the remaining revision to the CPI.

Senate amendment

The Senate amendment assumed that CPI growth would be corrected by 0.2 percentage points from CBO's January assumptions beginning in 1998 when the benchmark revisions are completed. The revision reflects CBO's assessment of the impact of the benchmark revision that CBO did not consider previously.

Conference agreement

The conference agreement assumes the Senate amendment.

ECONOMIC PROJECTIONS

[Calendar years]

	Actual 1994	Projected							
		1995	1996	1997	1998	1999	2000	2001	2002
Nominal GDP [Billions of dollars]	6,735	7,127	7,456	7,847	8,256	8,680	9,128	9,604	10,105
Percent change, year over year:									
Real GDP	4.1	3.1	1.8	2.4	2.3	2.3	2.3	2.3	2.3
Implicit GDP deflator	2.1	2.6	2.8	2.8	2.8	2.8	2.8	2.8	2.8
CPI–U	2.6	3.1	3.4	3.4	3.2	3.2	3.2	3.2	3.2
Percent, annual:									
Unemployment rate	6.1	5.5	5.7	5.8	5.9	6.0	6.0	6.0	6.0
Three-month Treasury bill rate	4.2	6.2	5.7	5.3	5.1	5.1	5.1	5.1	5.1
Ten-year Treasury note rate	7.1	7.7	7.0	6.7	6.7	6.7	6.7	6.7	6.7

FUNCTION AND REVENUES

(Secs. 2 and 3 of the House resolution, Secs. 101 and 104 of the Senate amendment, and Secs. 101 and 104 of the conference agreement)

FUNCTION 050: NATIONAL DEFENSE

The House budget resolution provides $2.0 trillion in budget authority and $1.9 trillion in outlays over seven years. The Senate amendment provides $1.9 trillion in budget authority and $1.8 trillion in outlays over seven years. The conference agreement provides $1.9 trillion in budget authority and $1.9 trillion in outlays over seven years.

House resolution

The House resolution adds $9.6 billion in budget authority and $4.0 billion in outlays to the Administration's request for 1996. The House resolution assumes that most of the increase is for Procurement and Research, Development, Test and Evaluation activities within the Department of Defense. After 1996, the House resolution assumes that national defense budget authority would grow at about one percent in 1997, three percent in 1998, one percent in 1999, two percent in 2000, and then stay at that level through 2002.

The House resolution adds $69.7 billion to the Administration's requested budget authority over five years and $92.4 billion over seven years.

The House resolution assumes a 10 percent reduction in the civilian workforce of the Department of Defense beyond reductions already planned.

The House resolution assumes no changes to mandatory spending in Function 050.

Senate amendment

The Senate amendment assumes the President's budget submission for national defense.

The Senate amendment includes seven-year firewalls between defense and non-defense discretionary spending.

The Senate amendment assumes no changes to mandatory spending in Function 050.

Conference agreement

The conference agreement adds $6.0 billion in budget authority and $2.0 billion in outlays to the Administration's request for 1996. Most of the increase is assumed to be for the procurement of weapons and for research and development activities of the Department of Defense. After 1996, the conference agreement would have national defense budget authority grow at a rate of one percent each year through the year 2002. Outlay calculations are based upon budget authority increases to the Administration's budget request. For the period 1997 through 2001, budget authority increases are assumed to be equally split between procurement and operations and maintenance. In the year 2002 the budget authority increase is assumed to be for procurement.

The conference agreement adds $32.2 billion to the Administration's requested budget authority over five years and $39.5 billion over seven years. Conceptually, the agreement does three things. First, it ends the decline in defense spending with last year's budget. Second, it "fills the trough" of Administration's defense spending plan for the period 1996 through 1998 by providing $28.3 billion more than requested. Finally, it provides a steady and increasing stream of budget authority with which the Department of Defense can plan for the future.

In providing additional defense funds, the conferees were most persuaded by two programmatic arguments. First, the President's program is underfunded. The Congressional Budget Office estimates that defense costs will rise by more than $25 billion over the 1997 through 2000 period for: congressionally mandated military pay raises and locality pay adjustments; weapons systems cost growth; un-realized base closure savings; and contingency operations. These costs could more than double if weapons systems costs and environmental clean-up costs are higher than anticipated.

Second, additional defense funds lessen the need for decisionmakers to sacrifice future readiness to meet current readiness requirements. In particular, additional defense funds, in the next few years, can be used to reverse the 60 percent decline in procurement spending since 1985, and the $13 billion backlog in real property maintenance. The real property backlog has resulted in more than a quarter of military housing falling into substandard condition. Problems include asbestos, corroded pipes, poor ventilation, faulty heating and cooling systems, and lead-based paint. Reversing these trends without additional funds will result in cancellation of training, postponement of required maintenance, and troops and families having to continue to live in substandard housing.

Within the funds provided for national defense, the conferees feel that savings can be achieved. The conferees believe that the defense authorizing and appropriations committees should realize savings wherever possible. These savings should include a reduction of at least three percent in the overhead of fiscal year 1996 programs of defense agencies, in a manner so as not to reduce funding for the programmatic activities of these agencies.

The conference agreement includes three-year firewalls between defense and non-defense discretionary spending, applicable in both Houses.

FUNCTION 150: INTERNATIONAL AFFAIRS

The House budget resolution provides $85.0 billion in budget authority and $88.7 billion in outlays over seven years. The Senate amendment provides $98.4 billion in budget authority and $99.5 billion in outlays over seven years. The conference agreement provides $91.7 billion in budget authority and $94.3 billion in outlays over seven years.

House resolution

The House agreed to restructure the various foreign affairs activities by consolidating the Agency for International Development, the U.S. Information Agency, and the Arms Control and Disarmament Agency into the Department of State. In addition, significant reductions—or in some cases outright eliminations—were assumed in development assistance, educational and cultural exchanges, overseas broadcasting, multilateral banks, PL 480, export financing and trade promotion, and international organizations.

Senate amendment

Senate amendment assumes consolidations of programs and structure within the Agency for International Development and the U.S. Information Agency and leaves room for their incorporation into the Department of State. The Arms Control and Disarmament Agency is assumed to be incorporated into the Department of State. In other areas, the Senate amendment makes similar assumptions as the House for discretionary spending in Function 150, although total Senate reductions are not as steep after 1996.

Conference agreement

The conference agreement endorses the notion that the entire foreign affairs apparatus of the United States needs to be completely reassessed and restructured. The House has already considered and the Senate will soon consider legislation that begins that process. The conference agreement recognizes that changes are required in the Department of State, U.S. Agency for International Development, the Arms Control and Disarmament Agency, the U.S. Information Agency, various multilateral development banks and international organizations, and numerous miscellaneous foreign affairs activities.

FUNCTION 250: SCIENCE, SPACE, AND TECHNOLOGY

The House budget resolution provides $108.5 billion in budget authority and $109.6 billion in outlays over seven years. The Senate amendment provides $112.5 billion in budget authority and $113.3 billion in outlays over seven years. The conference agreement provides $110.4 billion in budget authority and $111.5 billion in outlays over seven years.

House resolution

The House agreed to prioritize basic research at the National Science Foundation (NSF) and emphasize National Aeronautics and Space Administration's (NASA) core missions. Specifically, the House would increase NSF civilian research and related activities (except social, behavioral and economic studies) by three percent annually. In addition, the House would implement NASA management and operational reforms and provide sufficient funds to complete the space station. For high energy and nuclear physics, the House would reemphasize basic research and decommission outmoded facilities.

Budget savings as a result of these changes are estimated to be $11.6 billion in budget authority and $10.3 billion in outlays over seven years.

Senate amendment

The Senate amendment assumes NSF refocussing on its original mission of basic scientific research. As with the House, academic research and infrastructure is maintained at the level proposed in the President's Budget.

The Senate amendment assumes the President's proposal to streamline NASA through contract management and operational reforms and assumes the President's freeze and reduction for DOE in the outyears.

Conference agreement

While function 250 must contribute to deficit reduction, the conference agreement recognizes it must also provide for future research opportunities. Consequently, it assumes that basic research will be a priority.

Relative to the House resolution, the conference agreement provides approximately $2 billion in additional funds over seven years. The conferees focused on NASA and NSF as candidates for this restored funding.

FUNCTION 270: ENERGY

The House budget resolution provides $26.4 billion in budget authority and $20.9 billion in outlays over seven years. The Senate amendment provides $24.3 billion in budget authority and $18.2 billion in outlays over seven years. The conference agreement provides $26.2 billion in budget authority and $20.3 billion in outlays over seven years.

House resolution

The House resolution assumes the termination of the Department of Energy (DOE) as one of three Cabinet-level Departments proposed for termination.

For discretionary spending, the House resolution eliminates funding for applied energy research and development, saving $13.6 billion in budget authority and $10.9 billion in outlays over seven years. The House assumes the expedited construction of an interim storage facility to store spent nuclear fuel and the termination of DOE's program to develop a deep repository for high level nuclear waste, saving $2.0 billion over seven years. Reductions are made in unnecessary overhead and bureaucracy, saving $0.4 billion during the period.

For mandatory spending, the House resolution proposes to sell or otherwise transfer out of the Federal government some $7.8 billion in assets. These include four power marketing administrations (Alaska, Southeastern, Southwestern and Western, expected to generate $4.2 billion in asset sales receipts), the U.S. Enrichment Corporation, and the Naval petroleum reserves.

Senate amendment

The Senate amendment does not assume the termination of the Department of Energy.

The Senate amendment makes similar assumptions as the House for discretionary spending with the following exceptions. The Senate does not assume elimination of funding for applied research. The Senate would reduce corporate subsidies for fossil, nuclear, solar, and conservation technologies by $5.6 billion in budget authority and $4.9 billion in outlays over seven years. Unlike the House, the Senate does not assume the termination of the Department of Energy's high level nuclear waste deep repository program. The Senate amendment assumes $2.4 billion in budget authority and $2.1 billion in outlay savings over seven years by consolidating, streamlining, and realigning DOE activities.

Mandatory savings appear larger in the Senate amendment because the Senate displays the proceeds from asset sales as offsetting receipts in this function. The Senate-reported resolution assumes net mandatory savings of $77 million in 1996, $779 million for the period 1996 through 2000, and $167 million for the period 1996–2002 from the sale of power marketing administration (PMA) assets. However, during floor consideration, the Senate adopted a sense of the Senate provision stating that these savings should be achieved from other unspecified mandatory programs in this function. The Senate amendment also assumes the sale of 62 million barrels of oil stored at the Weeks Island strategic petroleum reserve facility, which must be decommissioned, generating a total of $900 million in offsetting receipts and the extension of the requirement that the Nuclear Regulatory Commission (NRC) collect fees equal to 100 percent of its budget.

Conference agreement

The conferees agree to disagree on the future status of the Department of Energy. They recognize that ultimately the committees of jurisdiction will determine whether the Department is terminated.

The conference agreement resolves the differences for DOE discretionary funding by assuming a total reduction of $13.5 billion in budget authority and $10.4 billion in outlays over seven years through the following reforms: reductions in corporate technology subsidies for fossil and energy supply research and development accounts; reductions in energy conservation programs, including grants; and through the elimination of unnecessary bureaucracy and overhead. The conference agreement also assumes the extension of NRC fees and that these fees will continue to offset NRC appropriations for the period from 1999 through 2002. The conference agreement assumes the sale of the United States Enrichment Corporation and the naval petroleum reserves, but the gross proceeds from the sale of these assets are displayed in function 950, undistributed offsetting receipts. Other assumptions for energy asset sales are discussed in function 950.

FUNCTION 300: NATURAL RESOURCES

The House budget resolution provides $127.3 billion in budget authority and $131.1 billion in outlays over seven years. The Senate amendment provides $116.6 billion in budget authority and $126.4 billion in outlays over seven years. The conference agreement provides $127.1 billion in budget authority and $131.6 billion in outlays over seven years.

House resolution

The House agreed to refocus the National Oceanic and Atmospheric Administration (NOAA) on its core mission as part of terminating the Department of Commerce (see Function 370), fund wastewater treatment at $2.3 billion, open a small portion of the Arctic National Wildlife Refuge (ANWR) for exploration, dissolve the National Biological Service, implement a land moratorium for the various land management agencies, and reform the various land management agencies. In addition it would apply a cost-benefit test to superfund projects, terminate helium production, and eliminate unneeded bureaucracy in the Department of the Interior. Finally, it would accept the President's proposal to reduce funding for the agriculture conservation program and terminate the Environmental Protection Agency's environmental technology initiative.

Senate amendment

The Senate amendment assumes a five percent reduction for the NOAA, includes the privatization of specialized weather services and accepts the President's request for construction. These proposals would save $0.8 billion in outlays over seven years.

The Senate assumes the phase-out of water infrastructure grants over three years which saves $10.0 billion over seven years. The Senate budget resolution accepts most of the Administration's reductions for the Army Corp of Engineers and the Bureau of Reclamation which reduces outlays by $1.8 billion over seven years. The Senate budget resolution assumes the reform of the various land management agencies.

For mandatory spending, the Senate amendment assumes the lease of approximately eight percent of the 19 million acre ANWR as also proposed by the House. The Senate amendment also assumes the sale or other saving proposals for the Presidio in the City of San Francisco.

Conference agreement

The conference agreement accepts the House reduction in 1996 for water infrastructure state revolving funds. The conference agreement assumes a reduction of $1.9 billion in outlays over seven years for the operations of the land management agencies of the Departments of the Interior and Agriculture. The Administration proposed a five percent reduction for National Park Service (NPS) operations and an 11 percent reduction for NPS construction by 2000. The conference agreement assumes a five percent reduction for the NPS and assumes no national park closures. The conference agreement also assumes the House reductions for NOAA.

For mandatory programs, the conference agreement assumes the lease of ANWR. The conference agreement does not assume the sale of the Presidio or other changes. Nevertheless, reforms should take place that would minimize federal costs and not increase the federal deficit or debt of the Federal Government. The Presidio is the most expensive national park to operate with annual costs of approximately $25 million. The funding requirements for the Presidio are equivalent to the amounts needed to operate 88 of the smallest parks in the National Park System.

FUNCTION 350: AGRICULTURE

The House budget resolution provides $75.2 billion in budget authority and $66.9 billion in outlays over seven years. The Senate amendment provides $81.1 billion in budget authority and $72.9 billion in outlays over seven years. The conference agreement provides $79.1 billion in budget authority and $70.7 billion in outlays over seven years.

House resolution

The House agreed to refocus Federal support for agricultural research and extension activities, saving $1.9 billion over seven years. The resolution also called for reforming mandatory agricultural production programs, saving $17 billion in outlays over seven years.

Senate amendment

The Senate amendment makes similar assumptions as the House for agriculture research and extension activities. The Senate assumes a 10 percent reduction in funding for the Agriculture Research Service (ARS) and the Cooperative State Research Education and Extension Service (CSREES), accepts the Clinton Administration's funding request for ARS and CSREES buildings and facilities and accepts the Administration's request for CSREES special research grants. These proposals would save $1.4 billion in outlays over seven years.

For mandatory programs, the Senate assumes spending reductions of $11.8 billion over seven years which can be accommodated under the 1995 farm bill when reauthorized.

Conference agreement

The conference agreement assumes a reduction in agriculture research and extension activities and accepts the President's request for ARS and CSREES buildings and facilities. For mandatory programs, the conference agreement assumes spending reductions of $13.4 billion in budget authority and outlays over seven years.

FUNCTION 370: COMMERCE AND HOUSING CREDIT

The House budget resolution provides $30.4 billion in budget authority and -$28.4 billion in outlays over seven years. The Senate amendment provides $21.9 billion in budget authority and -$37.4 billion in outlays over seven years. The conference agreement provides $24.0 billion in budget authority and -$35.3 billion in outlays over seven years.

House resolution

The House assumes elimination of the Department of Commerce—one of three cabinet agencies slated for termination by the House—with critical functions being transferred to more appropriate agencies. This would save approximately $5 billion from function 370 over seven years. The House also proposes to budget $7.2 billion in function 370 for the Administrations proposal to "mark to market" multifamily housing mortgages insured by the Federal Housing Administration (FHA). It further assumes ending new FHA mortgage insurance policies for multifamily projects, saving $1.3 billion over seven years. The House resolution recognizes that the USDA's rural multifamily housing program has not been authorized, and therefore assumes not funding this program will save $0.7 billion over seven years.

Senate amendment

The Senate amendment assumes the elimination of the Department of Commerce by 1999, which would save $6.8 billion in outlays over seven years (more than the House assumes), while retaining funding for the Patent and Trademark Office, the Bureau of the Census, Bureau of Economic Analysis, National Oceanic and Atmospheric Administration, the standards bureau and the national quality program of the National Institute of Standards and Technology, and most of the Export Administration. The Senate assumes reductions in program areas similar to where the House assumes savings: the Small Business Administration (SBA), the Rural Housing and Community Development Service (RHCDS), and the FHA multifamily property mortgage insurance program. Unlike the House resolution, the Senate amendment assumes sufficient funding will be provided to conduct the next census in 2000. However, the Senate assumes that almost $1 billion could be saved compared to the cost of past censuses if certain recommendations of the General Accounting Office are implemented.

On the mandatory side, the Senate amendment assumed new and extended fees to be paid by the users of the services of certain federal regulatory agencies.

Conference agreement

The conference agreement assumes the elimination of the Department of Commerce, except that scientific and technical research is funded at the House level, thereby reducing spending in this function for the department by $6.6 billion over seven years. In addition, the conference agreement assumes a mix of the savings proposals for the SBA, FHA, and the RHCDS included in the House and Senate budget resolutions. Further, the conference agreement includes the Senate assumption of funding for the periodic census. While the agreement does not assume funds for the costs of the FHA mark-to-market proposal, it does assume savings from further reform of the FHA multifamily property disposition process as proposed by the House.

The conferees believe that the federal government's exposure in connection with its obligations, both in Section 8 rental assistance subsidy and FHA multifamily insurance, is extreme to the point of requiring the insured and assisted housing multifamily portfolio to be restructured. Consequently, the conferees believe the committees of jurisdiction should explore a methodology for resolving this portfolio in a cost-effective manner that utilizes private market forces, that removes government intervention in setting rent levels, and that terminates many project-based subsidies. Continuing present policies may result in the default of FHA insured mortgages, the dislocation of assisted tenants residing in projects with these mortgages, and great cost to the federal government. The conferees urge the committees of jurisdiction to consider legislation restructuring FHA mortgage insurance and Section 8 rental subsidies. To the extent that current scorekeeping rules complicate consideration of such legislation, the budget committees will work with the appropriate committees to examine ways to provide FHA the authority necessary to undertake the restructuring, within current rules, existing scoring authorities or within budget process reform legislation.

FUNCTION 400: TRANSPORTATION

The House budget resolution provides $301.7 billion in budget authority and $251.3 billion in outlays over seven years. The Senate amendment provides $278.0 billion in budget authority and $227.3 billion in outlays over seven years. The conference agreement provides $293.1 billion in budget authority and $244.8 billion in outlays over seven years.

House resolution

The House assumes reductions in transportation spending generally will be met by eliminating highway demonstration projects; significantly downsizing the federal role in mass transit; phasing out federal support for Amtrak, and eliminating outdated and unnecessary programs, including the Interstate Commerce Commission, the Federal Maritime Commission, High Speed Rail, Essential Air service, Intelligent Vehicle Transportation systems, Local Rail Freight Assistance programs, and the Civil Aeromedical and FAA Training Institutes. The House also assumes extension of the current rail safety and vessel tonnage fees.

The House resolution also provides an additional $4.2 billion in mandatory budget authority to offset the projected reduction in contract authority mandated by Section 1003 of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA).

Senate amendment

The Senate amendment assumes the privatization of the Federal Aviation Administration (FAA) air traffic control (ATC) system beginning in 1997 and assumes the phaseout of Amtrak and mass transit operating subsidies by 2001.

Similar to the House, the Senate amendment eliminates funding for highway demonstration projects.

Conference agreement

The conference agreement assumes broad reforms to the Department of Transportation, including but are not limited to—program downsizing, streamlining and consolidation, and air traffic control privatization.

The conferees recognize that the infrastructure needs of the nation are not being met fully by the current centralized financing structure. The conferees urge the committees of jurisdiction to explore comprehensive changes to federal transportation financing, emphasizing private sector participation and federalism.

The conference agreement assumes phaseout of mass transit and Amtrak operating subsidies, and eliminating earmarks and several obsolete programs.

FUNCTION 450: COMMUNITY AND REGIONAL DEVELOPMENT

The House budget resolution provides $45.8 billion in budget authority and $50.4 billion in outlays over seven years. The Senate amendment provides $36.3 billion in budget authority and $43.2 billion in outlays over seven years. The conference agreement provides $43.5 billion in budget authority and $48.8 billion in outlays over seven years.

House resolution

The House resolution assumes reduction in spending in the Community Development Block Grant (CDBG) program of 20 percent. This proposal includes the assumption that funding would be focused on low-income communities and retains the option of including the program in a larger development, housing and special populations block grant.

The House also calls for terminating Federal support for the Tennessee Valley Authority, saving $864 million over seven years. It eliminates the Appalachian Regional Commission (ARC), saving $2 billion over seven years, and ends funding for the Economic Development Administration, saving $2.3 billion over seven years. The House resolution also creates a rural development block similar to the one proposed by the President, and a new Native American block grant.

Senate amendment

The Senate amendment makes similar assumptions as the House for discretionary spending with the following exceptions. The Senate amendment assumes a 50 percent reduction for (CDBG), reducing outlays by $12.2 billion over seven years. Unlike the House, the Senate does not assume the creation of a Native American Block Grant. The Senate also assumes the creation of a rural development block grant but at a lower level than the House. The rural development block grant would save $1.1 billion over seven years.

The Senate-reported resolution assumed the phase-out of the ARC. However, during floor consideration, the Senate adopted an amendment that restored funding for the Appalachian Regional Commission below the 1995 appropriated level. This amendment would reduce outlays for the ARC by $0.5 billion over seven years.

For mandatory spending, the Senate assumes a similar proposal than the House, except that the subsidy is completely eliminated. The Senate proposal would reduce outlays by $2.9 billion over seven years.

Conference agreement

The conference agreement assumes a 28 percent reduction for the CDBG and assumes the Senate reduction for the ARC. In addition, both the House and Senate agree on the consolidation and streamlining of several rural development programs to create a rural development block grant which would be funded at the level assumed by the Senate. Further, the conference agreement would eliminate 75 percent of the flood insurance subsidy for buildings constructed before January 1, 1975.

FUNCTION 500: EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES

The House budget resolution provides $316.4 billion in budget authority and $321.1 billion in outlays over seven years. The Senate amendment provides $342 billion in budget authority and $343.8 billion in outlays over seven years. The conference agreement provides $338.7 billion in budget authority and $340.8 billion in outlays over seven years.

House resolution

For discretionary spending, the House assumes additional spending of $688 million over seven years as a result of policies contained in HR 4, the House-passed welfare reform legislation. In function 500, the welfare bill consolidates nine discretionary programs targeted at abused children into a single block grant to the states.

In the area of education, the House assumes the termination of the Department of Education. Major programs including Chapter 1 basic grants, Impact Aid for "a" students, Special Education, Vocational Rehabilitation, Pell Grants, unsubsidized Student Loans, funding for Historically Black College and Campus-Based Aid, would be preserved, but transferred to other agencies and departments. The resolution assumes the elimination of over 150 education programs that are duplicative, and in many cases, too small to be effective on a national scale.

More than 60 job training programs would be consolidated into four block grants. By eliminating duplicative programs and increasing management efficiency, funding is reduced by 20 percent. Spending for Vocational Rehabilitation for the disabled is not cut.

The House proposes to fund Head Start at the fiscal year 1994 level. The House eliminates the Corporation for National and Community Service with the recommendation that the Senior Volunteer Programs be moved to the Administration on Aging and authorized as part of the Older Americans Act.

Funding for the National Endowment for the Arts (NEA) and the National Endowment for the Humanities (NEH) is assumed to be terminated. The Corporation for Public Broadcasting is privatized by 1998.

For mandatory spending, the House assumes enactment of HR 4, the House-passed welfare reform legislation, which results in savings of $11.4 billion over seven years in Function 500, primarily from termination of the AFDC JOBS program and consolidation of several child protection programs into a single child protection block grant to states. The House budget resolution would eliminate the student loan in-school interest subsidy. This proposal saves taxpayers $18.66 billion over seven years. The resolution also assumes savings of $655 million over seven years in this function resulting from termination of Trade Adjustment Assistance.

Senate amendment

The Senate amendment does not assume the termination of the Department of Education.

The Senate amendment makes similar assumptions as the House for discretionary spending with some exceptions. For example, the Senate does not assume the elimination of TRIO programs, or elimination of subsidies to Howard University. In addition, unlike the House, the Senate does not assume any reductions in Chapter 1 or elimination of the NEA and NEH.

The House resolution and the Senate amendment assume a job training block grant. The Senate amendment assumes a 25 percent reduction in funding for job training; the House assumes a 20 percent reduction. In addition the Senate amendment assumes funding for schools impacted by federal activities at a level higher than the President's request.

Mandatory savings are smaller in the Senate amendment because the Senate does not assume the elimination of the in-school interest subsidy for undergraduate students. In addition, during floor action on the Senate resolution, the Labor Committee reconciliation instruction was lowered by $9.4 billion over seven years.

The House resolution assumes the transfer of funding for the JOBS out of function 500 and into function 600 as part of the AFDC block grant. The Senate amendment assumes that JOBS is part of the job training block grant in function 500.

Conference agreement

The conference agreement assumes $6.0 billion in budget authority and $1.0 billion in outlays in discretionary reductions in 1996 and $44.3 billion in budget authority and $37.4 billion in outlays over seven years. Specific discretionary items highlighted in the agreement include: no reductions in Chapter 1 or in subsidies to Howard University. Because of the recent downgrading of Howard University's revenue bonds, the conferees agreed to restore funding but urge the committees of jurisdiction to require Howard to develop a plan toward full financial independence at a date certain.

The conferees agree to disagree on the future status of the Department of Education. They recognize that ultimately the committees of jurisdiction will determine whether the Department will be terminated.

In addition, the conference agreement assumes a 20 percent reduction in funding for job training programs. No reductions are proposed for the Vocational Rehabilitation Act and it is not assumed to be part of the block grant.

For mandatory programs, the conference agreement assumes the JOBS program will be included in an AFDC block grant as opposed to a job training block grant. This assumption reflects the current jurisdictional placement of the program in the Finance and Ways and Means Committees. The conferees also assume reforms in student loan programs totalling $10 billion in outlays over seven years. These savings can be achieved without the elimination of the interest subsidy for undergraduate students.

FUNCTION 550: HEALTH

The House budget resolution provides $955.3 billion in budget authority and $955.4 billion in outlays over seven years. The Senate amendment provides $958.9 billion in budget authority and $957.7 billion in outlays over seven years. The conference agreement provides $949.7 billion in budget authority and $949.2 billion in outlays over seven years.

House resolution

For the Medicaid program, the House resolution provides $768.1 billion in budget authority and outlays over seven years. The House resolution assumes that the Medicaid program will be converted into a block grant to the states. Medicaid outlays would grow by 8 percent in 1996, 5.5 percent in 1997, and 4 percent each year thereafter. No assumption is made about the distribution of funds among the various states.

Function 550 discretionary spending in the House resolution is $146.8 billion in budget authority and $147.7 billion in outlays over seven years. The resolution assumes a five percent reduction in funding for the National Institutes of Health, elimination of the Agency for Health Care Policy Research, and a 50 percent reduction in National Health Service Corps, Maternal and Child Health Care and Preventative Care block grants. Also, it assumes elimination of a number of duplicative and non-essential programs, primarily those that could not be justified as federal functions.

Senate amendment

The Senate amendment assumes that a restructuring of Medicaid will occur, in which significant amounts of flexibility will be given to the States. The Senate amendment is designed to be compatible with a wide range of Medicaid restructuring proposals. The Senate makes no assumption about individual entitlement, eligibility groups, benefits, payment rates, financing structures, or the distribution of Federal funds among the states within the total Federal funding levels specified. The Senate does assume that the present aggregate ratio of Federal to State funding (57 percent Federal, 43 percent State) would continue.

The Medicaid outlay levels in the Senate amendment could be achieved in several ways, including a Medicaid block grant, in which aggregate Federal payments to states grew at the following rates from the 1995 Federal base level:

Benefits and Adminstration

	Percent
1996	8
1997	7
1998	6
1999	5
2000	4
2001	4
2002	4
After 2002	4

The Senate recognizes that block grants represent a significant change in the fiscal relationship between the States and the Federal government. Such a change can take time to implement. The Senate urges the Finance Committee to consider, where appropriate, other means of achieving the first year savings targets to provide States with the time necessary to adapt to a block grant.

The Senate's discretionary assumptions are quite similar to the House's. The Senate amendment assumes that 19 Public Health Service programs would be consolidated into a single State Health Block Grant. There is significant overlap between the Senate's list for the block grant and programs the House assumes will be reduced or terminated. The Senate assumes a one percent reduction in funding for the National Institutes of Health.

The Senate amendment assumes a change to the Federal Employee Health Benefit (FEHB) program. This assumption is described below in the conference agreement.

Conference agreement

The conference agreement provides $773.1 billion in budget authority and outlays on Medicaid over seven years. This level is compatible with Medicaid growth of 7.2 percent in 1996, 6.8 percent in 1997, and 4 percent each year thereafter, or with higher growth rates of benefits and administration if disproportionate share hospital payments are frozen at 1995 levels. The conference agreement assumes that the present aggregate ratio of Federal to State funding (57 present Federal, 43 percent State) would continue. The conference agreement does not make explicit assumptions about individual entitlement, or about eligibility groups, benefits, payment rates, financing structures, or the distribution of funds among the states. These decisions will be made by the committees of jurisdiction, and ultimately by the House and Senate.

Medicaid Outlays in the Conference Agreement

	Billions
1995	$89.216
1996	95.673
1997	102.135
1998	106.221
1999	110.469
2000	114.888
2001	119.483
2002	773.132

The conference agreement accepts the Senate's assumption on the Federal Employee Health Benefit program. This assumption would save $6.3 billion over seven years in discretionary spending for current Federal workers, and $4.9 billion over seven years in mandatory spending for Federal retirees. Federal agencies would follow the lead of the private sector by contributing a fixed dollar amount to Federal employees' health plans, thus encouraging Federal employees to make more cost-effective decisions in the allocation of their compensation. This fixed dollar amount would be indexed to inflation. Federal agencies would no longer provide extra subsidies to those Federal employees who choose more expensive health plans. Federal employees would be able to avoid most of the burden of this policy change by choosing more cost-effective health plans. Those Federal employees who continued to choose more expensive health plans would bear the full economic burden above the amount of the Federal contribution. In an era in which health spending is rapidly spiraling upward, the Federal government should encourage employees to purchase more cost-effective health plans. These savings are included in function 550.

The conference agreement has lower discretionary spending than both the House and the Senate. This is a result of House acceptance of the Senate FEHB assumption, and Senate acceptance of several other House discretionary changes. The conference agreement compromises on the National Institutes of Health, assuming a one percent reduction in 1996, and a three percent reduction from the 1995 level thereafter. This results in a $2.1 billion reduction in outlays over seven years, compared with $0.8 billion in the Senate and $3.6 billion in the House

The conference agreement assumes that the Office of the Surgeon General will be terminated.

FUNCTION 570: MEDICARE

The House budget resolution provides $1,440.2 billion in budget authority and $1,425.9 billion in outlays over seven years. The Senate amendment provides $1,471.9 billion in budget authority and $1,457.7 billion in outlays over seven years. The conference agreement provides $1,457.6 billion in budget authority and $1,443.3 billion in outlays over seven years.

House resolution

In response to the Medicare trustees warning of the imminent bankruptcy of the Medicare Hospital Insurance Trust Fund, the House resolution increases Medicare at a rate of growth that is lower than the current rate but high enough to continue providing Medicare beneficiaries with very broad coverage and excellent quality of care. The House resolution assumes a number of market-based provisions that will encourage the pursuit of efficient, high quality care and discourage overutilization of medical services.

These provisions will help to bring the 1960's style Medicare program, which is growing at more than 11 percent per year, in line with innovative health delivery systems in the private sector. Health care in the private sector has evolved to provide a high level of recipient satisfaction while effectively containing costs at less than 5 percent growth per year. If Medicare is to survive the turn of the century, the program must take advantage of these same innovations. The House budget committee working group on health analyzed three strategies that would move the Medicare program securely into the next century while expanding choices for beneficiaries and providing a consumer oriented health care program.

Each of these three approaches has been recognized by the Congressional Budget Office as a viable way to extend the solvency of the Medicare trust fund and to reduce the growth of Medicare spending to a rate that is more consistent with that of health care in the private sector. The three strategies are only illustrative examples of ways to preserve the Medicare program and have been offered as such to the Committee on Ways and Means and the Committee on Commerce, which share jurisdiction for the Medicare program.

Three main principles were used as a guide during the development of these plans: first and foremost, fee-for-service Medicare must remain an option for those who want it. Second, the Medicare program should keep pace with the private insurance system, and beneficiaries should be able to maintain the same kinds of insurance arrangements in Medicare that they had during their working years. Finally, beneficiaries should have a greater choice of health care plans, such as a variety of coordinated care and indemnity options, as well as medical savings accounts.

Under the three reform options, spending on every Medicare beneficiary would increase from an average of about $4,800 today to an average of about $6,400 in 2002. Total program spending would be allowed to grow from $178 billion in 1995 to $258 billion—a seven-year increase of 45 percent. These options would open the way for the health care industry to create a multitude of new choices for beneficiaries and would empower beneficiaries to select health care that is tailored to their precise needs.

Senate amendment

The Senate amendment is based on the recommendations of the Public Trustees of Medicare, as described in the Summary of the 1995 Annual Report on the Social Security and Medicare Trust Funds. Specifically, the Senate amendment addresses both the short and long-term insolvency of the entire Medicare program. Based on the recommendations of the Public Trustees and experts, the Senate chooses to think about Medicare in its entirety, and not to be bound by historical distinctions between parts A and B.

The Senate amendment assumes that:

Medicare reform will be addressed urgently as a distinct legislative initiative;

Comprehensive Medicare reforms will be undertaken this year to make the program financially sound now;

Reductions in the rate of growth of Medicare expenditures will be focused on making Medicare itself sustainable;

A special bipartisan commission will be created to address the long-term solvency of Medicare;

This commission will address the questions raised by the Public Trustees; and

This commission will review the program's financing methods, benefit provisions, and delivery mechanisms.

The Senate amendment makes no specific assumptions about how the Medicare outlay levels in the resolution will be achieved.

Conference agreement

The Medicare outlay levels in the conference agreement were based on spending levels necessary to preserve and protect Medicare. Specifically, the levels are necessary to protect the solvency of the program, to avoid the bankruptcy in 2002 projected by the Medicare trustees under current law, and to begin structural reforms with the goal of ensuring Medicare's long-term viability. Although this agreement does not dictate specific policies, the conferees urge the committees of jurisdiction to examine the principles reflected in the House and Senate committee reports on the concurrent resolution on the budget.

FUNCTION 600: INCOME SECURITY

The House budget resolution provides $1,769.3 billion in Budget Authority and $1773.8 billion in outlays over seven years. The Senate amendment provides $1,811.0 billion in Budget Authority and $1,807.1 billion in outlays over seven years. The conference agreement provides $1,793.9 billion in budget authority and $1,797.9 billion in outlays over seven years.

House resolution

On the discretionary side, a variety of assumed reforms in public housing programs yields a total savings of $9.5 billion over seven years. The reforms include ending new public housing construction; deregulating public housing authorities to reduce operating and modernization funding; and ending wasteful rehabilitation programs. In addition, the House assumes a block grant for housing, development, and special populations that yields savings of $8.8 billion over seven years. Section 8 assisted housing contracts require adding funds back into the budget, but assumed policy options—such as recapturing vouchers and certificates turned back to the government, and increasing tenant contributions—reduce the magnitude of that cost to approximately $23 billion.

For mandatory spending, the resolution assumes enactment of the House-passed welfare reform legislation, H.R. 4. Affected programs include Aid to Families with Dependent Children, Food Stamps, Supplemental Security Income and Child Nutrition. In Function 600, the proposals result in mandatory savings of $111.3 billion in outlays over seven years. Reforms in federal civilian retirement, eliminating more generous pension treatment for Members of Congress and Congressional staff and changing the method of calculating initial retirement annuities to the average of the highest five salary years, are also assumed. These reforms result in savings of $1.6 billion over seven years. Trade Adjustment Assistance is assumed to be terminated, saving $1.3 billion over seven years.

The resolution assumes states will be required to charge a 15 percent fee for non-AFDC child support collections, to recoup the administrative costs for non-AFDC collections. This offsetting collection would result in savings of $7.1 billion over seven years.

The House-passed welfare reform plan also affects discretionary spending in Function 600, resulting in additional spending of $13.7 billion in outlays over seven years. In addition, the Low Income Home Energy Assistance Program (LIHEAP) is assumed to be terminated, saving $10.2 billion over seven years.

Senate amendment

The Senate amendment assumes the addition of sufficient funds, about $39.9 billion in outlays, to renew all existing contracts for housing assistance (section 8) that will expire over the next seven years. In addition, the Senate amendment would incorporate many of the existing housing programs into a public housing block grant and an assisted housing block grant, while terminating certain other programs, saving a total of $9.5 billion over seven years.

The Senate amendment proposes similar mandatory savings as compared to the House in welfare reform and Earned Income Tax Credit reform. However, the Senate proposed changes to EITC that were not a part of the House assumptions. The House proposed changes to Food Stamps, SSI and child nutrition programs that were not part of the Senate resolution.

The Senate amendment assumes mandatory spending levels of $188.6 billion in budget authority and $186.2 billion in outlays in 1996, a decrease of $5.9 billion in outlays from the 1996 projected level. Spending would rise to $246.9 billion in outlays or 33 percent over the 1996-2002 period. The amendment assumes $47 billion over five years, and $80 billion over seven years in savings from Welfare Reform (of which $45 billion over five years is in function 600.) In addition the Senate assumes reforming the EITC program to slow the rate of growth. Over the period of 1996-2002, the Committee recommends funding of over $800 billion for Food Stamps, SSI, EITC, AFDC, Child Care and Child Nutrition.

The Senate amendment assumes a conformance of the military retiree COLA date and the civilian retiree COLA date. The Senate assumes the same elimination of more generous retirement benefits for Members of Congress and their staff. The Senate amendment assumes that the basis for pensions would rise from the average of the highest three annual salaries to the highest five annual salaries.

Conference agreement

The conference agreement assumes a public housing block grant, an assisted housing block grant, and certain program terminations, as well as renewal of section 8 contracts, that together require an addition to function 600 for housing programs of an amount approximately in between the higher amount added by the Senate amendment and the lower amount added back by the House resolution.

The conferees agreed to reconciliation instructions to the Agriculture and Finance Committees in the Senate and instructions to the House Ways and Means, Agriculture and Education and Economic Opportunities Committee. The instructions include assumptions for Welfare Reform, Child Support Enforcement reform, and EITC reform.

The conference agreement assumes the House recedes to the Senate on Federal retirement reform in Function 600, and phases in the Senate's assumed changes in the computation basis for federal pensions.

FUNCTION 650: SOCIAL SECURITY

The House budget resolution provides $2,902.5 billion in budget authority and $2895.0 billion in outlays over seven years. The Senate amendment provides $2,917.7 billion in budget authority and $2910.2 billion in outlays over seven years. The conference agreement provides $2,917.7 billion in budget authority and $2,910.2 billion in outlays over seven years.

House resolution

The House resolution assumes no changes to the Social Security program.

Senate amendment

The Senate amendment assumes no changes to the Social Security program.

Conference agreement

The conference agreement assumes no changes to the Social Security program.

FUNCTION 700: VETERANS BENEFITS AND SERVICES

The House budget resolution provides $272.4 billion in budget authority and $276.0 billion in outlays over seven years. The Senate amendment provides $265.3 billion in budget authority and $270.7 billion in outlays over seven years. The conference agreement provides $271.4 billion in budget authority and $276.0 billion in outlays over seven years.

House resolution

Major projects construction is limited in the discretionary account to achieve deficit reduction savings of $1.0 billion over seven years. In mandatory accounts, the resolution assumes eight provisions of current law are permanently extended, for a seven-year savings of $4.0 billion. It also assumes that prescription copayments are increased to $5 in 1996 and 1997 and to $8 in 1999 and beyond, for a seven-year savings of $1.1 billion. An OBRA 1990 compensation limitation on certain veterans is re-enacted, for a seven-year savings of $1.3 billion. The total seven-year savings in mandatory spending is $6.4 billion.

Senate amendment

The Senate amendment assumes the following major policy options to achieve the discretionary funding levels: No changes in veterans medical funding. Under the Senate's amendment, spending on veterans health programs would be $780 million over the President's recommended level in 2000. Phase out construction of Department of Veterans Affairs (DVA) facilities, while incorporating the needs for improvement, repairs, new cemeteries, long term care facilities and conversion that must be performed over the short term, but expects that past 1999 the DVA system will use existing capacity. In 1996, the committee assumes the 1995 level of funding for general operating expenses less the funds for the one time modernization effort in the 1995 base.

The Senate amendment assumes the following major policy options to achieve the mandatory funding levels: No changes in compensation or in cost of living adjustments for all veterans currently receiving compensation from service connected disabilities; a repeal of the "Gardner decision" that extended compensation to DVA medical patients suffering an adverse outcome in cases where no fault was found with DVA; targeting compensation in the future to veterans disabled in combat and veterans disabled during performance of duty; a phase in of a higher prescription co-payment for upper income veterans; extension of expiring current law provisions from the Omnibus Reconciliation Act of 1993; a restoration of the funding ratio for GI Bill benefits to the pre-Gulf War level.

Conference agreement

The conference agreement assumes that the Senate recedes to the House with the following exceptions: the House recedes to the Senate with respect to a compromise on streamlining General Operating Expenses and with respect to repeal of parking garage revolving fund.

FUNCTION 750: ADMINISTRATION OF JUSTICE

The House budget resolution provides $116 billion in budget authority and $117.3 billion in outlays over seven years. The Senate amendment provides $150.4 billion in budget authority and $151.4 billion in outlays over seven years. The conference agreement provides $143.2 billion in budget authority and $139.6 billion in outlays over seven years.

House resolution

The House resolution assumes a reduction in the Violent Crime Reduction Trust Fund, saving $5.0 billion in outlays over five years and $7.8 billion over seven years. Total Trust Fund outlays would be $2.1 billion in 1996, $18 billion over five years, and $28 billion over seven years. The House also agreed to phase out funding for the Legal Services Corporation over three years. This provision would produce savings of $1.6 billion over five years and $2.4 billion over seven years.

In addition, the House proposed to block grant funding for Justice Assistance Programs.

Senate amendment

The Senate amendment assumes full funding of the Violent Crime Reduction Trust Fund and assumes continuation of the fund through the year 2002. Total Trust Fund outlays would be $2.3 billion in 1996, and $35.5 billion over seven years.

The Senate amendment assumes a 35 percent reduction in funding for the Legal Services Corporation and additional investments in Federal Law Enforcement.

For Mandatory programs, the Senate amendment assumes that Judges pay will be frozen through 2002.

Conference agreement

The conference agreement provides for substantial funding of the Violent Crime Reduction Trust Fund in order to demonstrate the federal commitment to support federal law enforcement and state and local efforts to reduce and prevent crime.

In addition, it assumes the termination of federally funded entities including: the State Justice Institute, the US Parole Commission, and the Administrative Conference of the US Courts.

In addition, the conference agreement assumes a reform of the US Marshals Service to end the political appointment process in that organization. The Administration and the US Marshals Service support this reform.

The conferees are concerned that debts owed the federal government continue to grow into a significant backlog. The conferees recommend that appropriate committees of jurisdiction look into implementing a program that would require Executive Branch departments to contract with private debt collectors on an as-needed basis to collect delinquent debt. It also may be appropriate to move debt of sufficient age to the Justice Department for collection. The Department of Justice, through its U.S. Attorneys, is tasked with the collection of federal debt after other federal departments have exhausted all efforts short of litigation. Due to the growth of their federal, civil and criminal caseload, debt collection is given a lower priority. The conferees recommend that the appropriate committees of jurisdiction examine methods of moving the federal governments' substantial debt out of Executive Branch departments to the Department of Justice for collection on a timely basis. The conferees further recommend that appropriate committees of jurisdiction look into implementing a program that follows the General Accounting Office's recommendation to expand the Department of Justice pilot program to all federal judicial districts and to allow the Attorney General to contract with private counsel firms on an as-needed basis to collect delinquent debt.

FUNCTION 800: GENERAL GOVERNMENT

The House budget resolution provides $82.1 billion in budget authority and $82.3 billion in outlays over seven years. The Senate amendment provides $84.5 billion in budget authority and $84.9 billion in outlays over seven years. The conference agreement provides $84.2 billion in budget authority and $84.5 billion in outlays over seven years.

House resolution

For discretionary spending, the House resolution assumes a seven-year moratorium on construction and acquisition of new Federal buildings. This proposal saves $2.5 billion over seven years. The House resolution also assumes elimination of certain General Services Administration (GSA) and Legislative Branch activities, including: the Office of Technology Assessment (OTA), the Advisory Commission on Intergovernmental Relations (ACIR), and the Federal Supply Service. In addition, the House resolution assumes reduced funding for the Executive Office of the President and the General Accounting Office (GAO).

Senate amendment

For discretionary spending, the Senate amendment assumes savings from the Senate Republican Conference plan to reduce Legislative Branch spending by $200 million from the 1995 level. Similar to the House resolution, the Senate Republican Conference plan proposes reducing funding for committee staffs, GAO, and other functions and terminating OTA. The Senate amendment assumes significant savings from streamlining operations and consolidating functions in Treasury, GSA, and the Office of Territorial Affairs in the Department of Interior. The Senate amendment reflects a 25 percent reduction in funds for construction of new Federal buildings. The Senate also assumes the Office of Personnel Management (OPM) would be phased down to a Civil Service Commission. Employee benefit and retirement functions would remain centralized while most other functions would be delegated to the agencies. The Senate amendment assumes full funding of the President's request for the Internal Revenue Service (IRS) tax law enforcement functions, including the compliance initiative begun in 1995, within the discretionary cap.

For mandatory spending, the Senate amendment assumes savings from freezing pay for Members of Congress until the budget is balanced in 2002 and from charging fees for parking at Federal buildings.

Conference agreement

For discretionary spending, the conference agreement assumes that Legislative Branch spending will be reduced by at least $200 million from the 1995 level. The conferees strongly support efforts to reform government printing policies and encourage committees of jurisdiction to examine the proposals discussed in the House report on the budget resolution.

Since 1955, it has been the policy of the Federal government that it will not provide a service or product for its own use if such product or service can be procured from the private sector. Each federal agency should obtain all goods and services necessary or beneficial to the accomplishment of its authorized functions by procurement from private sources unless the goods or services are required by law to be produced or performed, respectively, by the agency, or the head of an agency determines and certifies to the Congress that government production, manufacture or provision of a good or service is necessary for the national defense; a good or service is so inherently governmental in nature that it is in the public interest to require production or performance, respectively, by a government employee; or there is no private source capable of providing the good or service. The conferees recommend that committees of jurisdiction examine impediments to accomplishing this objective.

The conference agreement accepts the Senate assumption for IRS tax law enforcement, including funding the continuation of the 1995 tax compliance initiative within the discretionary cap. The conferees strongly endorse continued funding of this initiative, which, according to the Treasury Department, is expected to increase revenue collections by $9.2 billion over the 1995–1999 period. The conference agreement assumes many of the Senate savings in Treasury agencies and a 30 percent reduction in funds for Federal building construction. The conference agreement also reflects the Senate assumption for downsizing OPM.

FUNCTION 920: ALLOWANCES

The House budget resolution provides −$17.5 billion in budget authority and −$18.1 billion in outlays over seven years. The Senate amendment provides −$55.4 billion in budget authority and −$54.3 billion in outlays over seven years. The conference agreement provides −$33.8 billion in budget authority and outlays over seven years.

House resolution

The House resolution assumes savings of $8.4 billion over seven years in outlays by reducing federal agency overhead. The House resolution also assumes savings from the repeal of the Davis-Bacon Act, $4.4 billion over seven years in outlays, and the McNamara-O'Hara Service Contract Act, $4.6 billion over seven years in outlays. In addition, the House resolution assumes the termination of 63 boards and commissions.

Senate amendment

The Senate amendment assumes a 15 percent reduction in the overhead of non-defense agencies that remain funded in the budget, which saves $65.8 billion over seven years. The Senate amendment also assumes the repeal of the Davis-Bacon Act and a modification in the Service Contract Act, thereby reducing federal contract costs. In addition, the Senate amendment adds funding to cover half of agencies' costs of providing annual pay raises (based on the employment cost index-ECI) to federal employees (except Senior Executive Service and Executive Schedule).

Conference agreement

The conference agreement assumes overhead savings that are roughly halfway in between the savings assumed in the House resolution and the Senate amendment. The agreement also assumes the House's full repeal of the Service Contract Act, the House assumption of savings for agencies from using a VISA credit card for GPO orders less than $1,000, and the repeal of the Davis-Bacon Act. Finally, the agreement assumes funding to cover half of the cost of scheduled ECI raises.

FUNCTION 950: UNDISTRIBUTED OFFSETTING RECEIPTS

The House budget resolution provides −$315.7 billion in budget authority and outlays over seven years. The Senate amendment provides −$322.1 billion in budget authority and outlays over seven years. The conference agreement provides −$313.7 billion in budget authority and outlays over seven years.

House resolution

The largest policy impact in this function is expected to come from extending and broadening the Federal Communications Commission's (FCC) authority to auction spectrum. The resolution assumes additional receipts from this authority of $15 billion over seven years.

The House also anticipates proceeds of $4.2 billion from transferring the Alaska Power Marketing Administration to Alaska, and converting the Southeastern, Southwestern, and Western power agencies into private corporations.

Finally, the resolution assumes the 2.5 percent increase in federal employee retirement contributions that were part of H.R. 1215, as passed by the House earlier this year.

Senate amendment

The Senate amendment assumes broad and permanent authority would be provided to the FCC to recover value through auction or fees from the spectrum, amounting to $29 billion over seven years. The Senate amendment includes no assumption relating to payments into the federal civilian retirement plans. All effects of asset sales are displayed in function 270.

Conference agreement

The conference agreement assumes the FCC is provided sufficient authority to recover value from the spectrum amounting to $14 billion over seven years. In addition, the agreement assumes either that federal workers would contribute an additional 0.25 percent of their salary in 1996 and 1997 (increasing to 0.5 percent in 1998 and thereafter) towards their retirement and that employing agencies would pay an additional 1 percent per year beginning in 1996, or some other changes in federal employee policies that would be sufficient to achieve these savings. The budgetary effect of the employees' contributions appear in the revenues part of the budget, while the agencies' contributions, which are intrabudgetary and are paid from most budget functions, appear as $2.7 billion of offsetting receipts in Function 950.

The conference agreement assumes net mandatory savings from energy assets sales of $77 million in 1996, and $737 million for the period 1996 through 2002. The House resolution assumed net mandatory savings from the sale of the Alaska, Southeastern, and Southwestern, and Western power marketing administrations (PMAs) of $77 million in 1996, and $1.4 billion over 7 years. The Senate assumed a narrower proposal for the sale of PMA assets, which would achieve net mandatory savings of $77 million in 1996, and $167 million over 7 years. The conferees note that the most significant difference for energy mandatory spending between the House resolution and the Senate amendment was the sale of PMA assets.

While the Senate adopted a sense of the Senate amendment that the savings should be achieved in other energy mandatory programs, the conferees were unable to identify sources in other energy mandatory programs to achieve this level of savings. The conference agreement drops the Senate's assumptions in function 270, Energy, to achieve savings of $900 million from the sale of 62 million barrels of Weeks Island strategic petroleum reserve oil and $154 million from hydropower leasing to give the committees of jurisdiction maximum flexibility to achieve savings assumed from energy asset sales.

The conferees note that the Senate Energy and Natural Resources Committee's reconciliation instruction in the conference agreement is smaller than the Senate amendment's instruction. The conferees note that the entire unspecified energy asset savings could be achieved by the sale of PMA assets. Alternatively, these savings could be achieved through a combination of the sale of Weeks Island oil, hydropower leasing, and even a narrower proposal for the sale of PMA assets than assumed in the Senate-reported budget resolution.

Ultimately, the committees of jurisdiction must determine how to meet their reconciliation instructions. If the committees of jurisdiction pursue PMA sales as a means of achieving the savings assumed in the conference agreement, the conferees believe the sale should be structured to ensure that ratepayers are protected from unreasonable rate increases. The conferees are concerned that allegations are being made that the sale of the PMAs could cause exorbitant increases in the cost of electricity to ratepayers. The conferees believe these facilities can be operated more efficiently and that the sale of these assets can be accomplished with appropriate safeguards that can ensure no or minimal increase in customers' electricity rates.

REVENUES

Federal revenues are taxes and other collections from the public that result from the government's sovereign or governmental powers. Federal revenues include individual income taxes, corporate income taxes, social insurance taxes, estate and gift taxes, customs duties and miscellaneous receipts (which include deposits of earnings by the Federal Reserve System, fines, penalties, fees for regulatory services, and others).

In 1995, total revenue collections are expected to be $1.355 trillion. The House budget resolution projects federal revenues to be $1.815 trillion by the year 2002, representing 36 percent growth from the 1995 level. The Senate amendment projects federal revenues to be $1.885 trillion by the year 2002, representing 39 percent growth from the 1995 level.

House resolution

The House revenue projections reflect CBO's December 1994 estimates and economic assumptions. It includes the enactment of H.R. 831 which restores the 25 percent deduction for health insurance costs of self-employed individuals for 1994, and would increase it permanently to 30 percent thereafter.

The House resolution assumes enactment of H.R. 1215, the replacement of the one-dollar bill with a new dollar coin, and the elimination of several corporate tax subsidies.

H.R. 1215, the Tax Fairness and Deficit Reduction Act of 1995, includes provisions that would provide tax relief to families with a $500 per child tax credit, reduce the tax penalty on two-earner married couples, restore universality to IRAs, repeal the 1993 tax increase on social security benefits, and reduce the cost of capital and increase incentives for risk taking by indexing and reducing the effective tax rate on capital gain income.

The House resolution anticipates that the Committee on Ways and Means will explore restoration or continuation of certain tax and trade provisions which have expired or will soon expire as well as certain other tax measures. It is expected that the Committee on Ways and Means—in seeking to offset the cost of these measures—will look to changes reducing inappropriate corporate tax benefits, other appropriate revenue offsets, and spending reductions within the Committee's jurisdiction.

Senate amendment

The Senate amendment assumes no net change in revenues from the current law level over the period 1996–2000 or over the period 1996–2002. The Finance Committee is given no revenue reconciliation instructions.

The Senate amendment incorporates the revenue losses associated with the prior enactment of H.R. 831, the Self-Employed Health Insurance bill. The Senate amendment also incorporates small revenue increases associated with assumptions regarding reform of the Earned Income Tax Credit (EITC) (roughly 90 percent of the budget effect of the EITC reform proposals is shown in function 600). During floor consideration, the Senate agreed to the Snowe amendment which assumes a five-year revenue increase of $6.2 billion and a seven-year revenue increase of $9.4 billion from reducing corporate tax subsidies. The Senate amendment contains Sense of the Senate language which recommends that the expatriate loophole be closed (raising $3.6 billion in revenue over ten years) and that the revenues be used for deficit reduction.

The Senate amendment assumes that the Finance Committee acts to extend expiring provisions so long as the net revenue reductions are no greater than $3.7 billion over five years and $3.8 billion over seven years. The Finance Committee may decide to raise some revenues by extending expiring taxes, and reduce some revenues by extending other expiring provisions. Possible extensions of current taxes that raise revenue include: corporate tax dedicated to Superfund, FUTA 0.2 percentage point surtax, luxury tax on passenger vehicles, 1.25 cents/gallon railroad diesel fuel tax, 2.5 cents/gallon motorboat gasoline tax, and the 20.1 cents/gallon motorboat diesel fuel tax. Possible extensions of expiring provisions that lose revenue include: the commercial aviation exemption from the fuel tax, deduction for contributions to private foundations, targeted jobs tax credit, exclusion for employer-provided education assistance, orphan drug tax credit, research and experimentation tax credit and allocation rules, generalized system of preferences, deny deduction for some noncomplying health plans (ERISA waiver), and the nonconventional fuels tax credit.

The Senate amendment assumes that the Federal Reserve would be required to transfer reserves to the Treasury, saving $1.7 billion in 1999 and $2.0 billion in 2000.

In the section on procedural provisions, the Senate amendment includes two "reserve funds" that would provide for further tax reductions. The first reserve fund would provide, after passage of a conference report on reconciliation, a reserve fund to accommodate deficit-neutral tax reduction legislation. The second reserve fund would provide, after enactment of reconciliation, a reserve fund to allow CBO's "fiscal dividend" to be made available for tax reduction legislation. The language in the resolution makes it clear that the fiscal dividend savings must be "locked-in" before they can be dedicated to tax cuts. The reserve fund provides that in the event reconciliation is enacted, the Congressional Budget Office (CBO) would certify, broken down on a year-by-year basis, the amount of the fiscal dividend achieved as a result of enacting this balanced budget plan. That "fiscal dividend" could be used to offset the revenue loss from a tax cut. Numerous amendments designed to use the fiscal dividend to increase the size of government by increasing spending on various programs were defeated. By voting down various amendments, the Senate expressed its view that the fiscal dividend should not be used to restart the tax and spend cycle that this fair, but tough, balanced budget plan was designed to stop.

The Committee adopted a Boxer-Brown Sense of the Senate resolution providing that approximately ninety percent of the benefits of any tax cuts should be targeted to middle class working families with incomes below approximately $100,000. The Committee's interpretation of the appropriate definition of "income" is adjusted gross income. It is the Committee's view that adjusted gross income is the most commonly understood definition of income. Taxpayers and the Internal Revenue Service use "adjusted gross income" to calculate federal income tax liability. The Committee expressly rejected the use of "family economic income" to calculate income for the purpose of defining the middle class tax cut. It expressly rejected the view that income should be calculated to include the value of the "imputed rent" on owner-occupied housing, the value of employer-provided benefits such as health insurance and pension contributions, the value of the inside build-up of life insurance, pension plans, capital gains that have not yet been realized because the taxpayer has not sold the capital asset, an estimate of income that an average family should have reported for tax purposes but did not, or Social Security and AFDC payments. Each of these items are included in the definition of family economic income. Any calculation based on family economic income results in families appearing to be in higher income brackets and income tax brackets than they actually are.

The specific requirements for both reserve funds are discussed in more detail in the description of procedural provisions.

Conference agreement

The conference agreement incorporates the revenue losses associated with the prior enactment of H.R. 831, the Self-Employed Health Insurance bill and does not assume extension of the oil and feedstock excise tax dedicated to Superfund. The conference agreement assumes that some savings will be achieved from EITC reform, and that the Finance and Ways and Means Committees will act to extend expiring provisions. The conference agreement does not assume additional revenues from requiring Federal Reserve transfers to the Treasury. The conference agreement does not assume additional revenues from replacing the one-dollar bill with a one-dollar coin. However, the Conferees believe the proposal has significant merit and encourage the Banking Committees to seriously consider this proposal to update our money system.

The conference agreement assumes that federal employees will increase contributions toward their retirement by 0.25 percent of their salary in 1996 and 1997 and an additional 0.25 percent in 1998 and thereafter. This phased-in one-half percent increase in employee contributions results in additional revenues of $1.1 billion over seven years.

The conference agreement includes a "budget surplus allowance" that could provide for further tax reductions which is discussed in the section on Procedural Provisions.

The conference agreement anticipates that the respective House and Senate authorizing committees will comply with the deficit-reduction reconciliation directives in this resolution, thereby allowing a net seven-year tax cut of $245 billion to be included in the final reconciliation bill. The conferees agree that the $245 billion net tax cut represents an appropriate balance between accommodating the tax cuts in the House-passed "Contract with America" and the need to put the deficit on a declining path to a balanced budget in the year 2002. The conference agreement allows a net tax cut which the conferees agree can accommodate provisions which will strengthen the American family by reducing the tax burden on families with children and on two-earner married couples, and encourage savings, capital investment, job creation and economic growth by reducing taxes on savings and investment.

The conferees also urge the Finance and Ways and Means Committees to explore the closing of corporate tax loopholes that confer inappropriate tax benefits on individual corporations or industries. The elimination of these tax loopholes should either be included in the reconciliation process or in other legislation affecting revenues, such as legislation designed to extend expiring tax provisions.

PROCEDURES

DISCRETIONARY SPENDING LIMITS

(Sec. 201 of the Senate amendment; Sec. 201 of the conference agreement)

The 1990 Budget Enforcement Act (BEA) established caps on defense, international, and domestic discretionary spending. These caps were enforced by sequesters and a points of order in the Senate. The separate caps covered 1990 through 1993. The BEA provided a cap on total discretionary spending for 1994 through 1995. The Omnibus Budget Reconciliation Act of 1993 extended caps on total discretionary spending through 1998. The 1995 budget resolution (H. Con. Res. 218) reduced these discretionary caps for purposes of enforcement in the Senate.

House resolution

The House resolution contains no provisions regarding discretionary spending limits.

Senate amendment

Section 201 of the Senate amendment establishes caps on defense and nondefense discretionary spending for 1996 through 2002. For 1996 through 2000, the discretionary caps do not include funding from the Violent Crime Reduction Trust Fund, consistent with the intent of public law 103-322, which established the fund. This section also provides for the enforcement of these discretionary spending caps by creating a point of order in the Senate against consideration of a budget resolution that would exceed the aggregate cap on discretionary spending. This section also provides a point of order in the Senate against an appropriations bill that would exceed the defense or non-defense levels for a fiscal year or that would exceed the section 602(b) suballocation of those levels. This point of order can be waived by an affirmative vote of three-fifths of the Senate.

Conference agreement

The conference agreement contains the Senate provision with an amendment. The conference agreement modifies the Senate amendment to provide individual caps for defense and nondefense spending for 1996 through 1998. In addition, the agreement provides that the application of the point of order to budget resolutions after 1996 is contingent on the enactment of a reconciliation bill pursuant to this resolution. The discretionary spending limits are applicable in both Houses, but are enforced by a point of order only in the Senate. The following table indicates the discretionary spending limits for 1996 through 2002.

DISCRETIONARY CAP TOTALS
[Dollars in millions]

	1996	1997	1998	1999	2000	2001	2002
Defense:							
Budget Authority	265,406	267,962	269,731				
Outlays	264,043	265,734	264,531				
Nondefense:							
Budget Authority	219,668	214,468	220,961				
Outlays	267,725	254,561	248,101				
Total Discretionary:							
Budget Authority	485,074	482,430	490,692	482,207	489,379	496,601	498,837
Outlays	531,768	520,295	512,632	510,482	514,234	516,403	515,075

EXTENSIONS OF THE SENATE PAY-AS-YOU-GO POINT OF ORDER

(Sec. 202 of the Senate amendment; Sec. 202 of the conference agreement)

Subsection 12(c) of the 1994 budget resolution (H. Con. Res. 64) established a pay-as-you-go point of order in the Senate that prohibited consideration of legislation that would cause an increase in the deficit over a ten year period. The 1995 budget resolution (H. Con. Res. 218) modified and extended this point of order to provide that legislation was out of order if it caused a deficit increase in the first year covered by the budget resolution, the sum of the first five years covered by the budget resolution, and the sum of the five years following the first five year period. The current pay-as-you-go point of order expires in 1998.

House resolution

The House resolution contains no provisions regarding the pay-as-you-go point of order.

Senate amendment

Section 202 of the Senate amendment extends this point of order through 2002 and revises the point of order to make one additional change. The current pay-as-you-go point of order permits the use of budgetary savings generated by legislation enacted since 1993 as an offset for legislation that would increase the deficit. The Senate would modify the pay-as-you-go point of order to eliminate the ability to use prior year surpluses.

Conference agreement

The conference agreement contains the Senate provision with an amendment. This amendment provides that the budgetary effects of the reconciliation legislation enacted pursuant to this resolution should not be taken into account for the purposes of the pay-as-you-go point of order. This ensures that the budgetary savings achieved from enactment of reconciliation legislation are devoted to deficit reduction and cannot be used as an offset for future legislation.

RESERVE FUNDS

(Sec. 203 of the Senate amendment; Sec. 203 and Sec. 204 of the conference agreement)

A budget resolution establishes binding ceilings on spending and binding floors on revenues. These ceilings and floors are enforced by points of order in the Senate that, if raised, can only be waived by an affirmative vote of three-fifths of the Senate. A reserve fund provides the Chairman of the Budget Committee with the authority to modify the outlay ceiling and the revenue floor to accommodate deficit-neutral legislation. The Budget Act specifically authorizes the inclusion of reserve funds in a budget resolution and past budget resolutions have included reserve funds for a variety of purposes. For example, the 1995 budget resolution contained 11 such reserve funds.

House resolution

The House resolution contains no reserve funds.

Senate amendment

Section 203 of the Senate amendment provides a reserve fund for deficit-neutral legislation that reduces revenues following passage of the conference report on reconciliation. This reserve fund provides the Chairman authority to modify the aggregates for legislation that reduces revenues.

Conference agreement

The conference agreement contains two reserve funds: section 203 provides a reserve fund in the Senate for tax reduction legislation and section 204 provides a reserve fund in both Houses for welfare reform legislation.

Section 203 gives the Senate Budget Committee Chairman the authority to revise budget aggregates and allocations for deficit-neutral tax reduction legislation. This first reserve fund is not available until after September 30, 1995. The conferees chose this deadline because it falls after the reconciliation reporting deadline (including time to respond to the second reconciliation instruction).

The conference agreement gives the Chairman the discretion to modify the aggregates for deficit-neutral tax reduction legislation. The conferees intend that committees meet their reconciliation instructions first and that these savings are enacted before this reserve fund is used. The conferees are particularly opposed to efforts to take provisions from reconciliation legislation that are necessary to balance the budget and use them in separate legislation to pay for tax reductions. However, if reconciliation legislation clearly fails in the Congress or the President vetoes the reconciliation bill and such veto is not over turned, this reserve fund is provided to allow Congress the flexibility to consider tax reform legislation as long as it does not increase the deficit.

Section 204 of the conference agreement provides a welfare reserve fund for both Houses. This reserve fund provides a mechanism to increase the discretionary caps for welfare reform legislation that converts welfare entitlement programs to discretionary programs. The conference agreement assumes significant savings in welfare reform programs. This reserve fund only can be triggered for legislation if the mandatory savings associated with the conversion are in excess of the savings necessary to comply with the reconciliation directives of this resolution. While the Chairmen are given discretion to revise allocations and aggregates pursuant to this section, the conferees intend and fully expect that the Chairmen will make these revisions if the conditions of the welfare reserve fund are met. The fact that the conferees do not make explicit assumptions about converting welfare entitlement programs to discretionary programs should not be viewed as a bias against such proposals, and this reserve fund provides a mechanism to accommodate such legislation.

BUDGET SURPLUS ALLOWANCE

(Sec. 204 of the Senate amendment; Sec. 205 of the conference agreement)

The budget surplus allowance is a procedure to accommodate tax reduction legislation if the budget is balanced by 2002. The budget surplus allowance would make the additional savings resulting from a balanced budget available for tax reduction legislation.

CBO has calculated that adoption of a balanced budget could generate additional budgetary savings of $170 billion over seven years as the result of reduced interest rates and higher economic growth brought on by budget balance that eliminates the need for additional federal borrowing. This additional budgetary savings has been referred to as the "fiscal dividend" or "economic dividend".

Past budget resolutions have contained reserve funds, contingencies or allowances that provide the Budget Committee Chairman with the authority to modify the aggregate levels in the budget resolution for future legislation. For example, the 1995 budget resolution gave the Chairman the authority to add $405 million in budget authority and outlays to the levels in the budget resolution to accommodate higher spending by the Internal Revenue Service (IRS).

House resolution

The House resolution contains no budget surplus allowances.

The House budget resolution assumes CBO's $170 billion fiscal dividend from balancing the budget. The House budget resolution is based on CBO's January economic forecast and projections. The House modified CBO's economic projections of interest rates and real GDP growth to include CBO's estimate of fiscal dividend. This modification reduces CBO's deficit projection by $170 billion for the period 1996 through 2002.

Senate amendment

The Senate amendment did not include the $170 billion fiscal dividend in the baseline. Instead, the Senate amendment provides a procedure that would make the fiscal dividend available for tax reduction legislation only after enactment of a reconciliation bill that balances the budget by 2002.

Section 204 of the amendment provides a budget surplus allowance that requires the Chairman of the Senate Budget Committee to reduce the budget resolution's revenue floor by an amount equal to the additional budgetary savings as estimated by CBO that will be achieved as a result of the enactment of legislation that produces a balanced budget.

This section also establishes a number of contingencies that accommodate tax reductions only if certain conditions are met. The primary contingency is a requirement that the Congressional Budget Office (CBO) certify that the reconciliation bill will produce a balanced budget by 2002. Once CBO certifies that the enacted reconciliation bill will produce a balanced budget by 2002, the Chairman is required to lower the revenue floor to accommodate legislation that provides family tax relief and incentives to stimulate savings, investment, job creation, and economic growth.

Conference agreement

Section 205 of the conference agreement establishes a budget surplus allowance that provides that tax reductions only will be enacted as part of a legislative package that will produce a balanced budget by 2002. Under the conference agreement, if this bill does not achieve balance by 2002, the tax reductions are not to be included in the reconciliation bill.

Section 105 of the conference agreement includes two reconciliation instructions. The first reconciliation instruction, section 105(a), comprises the outlay savings necessary to reach balance by 2002. The second instruction, section 105(b) of the resolution, comprises the revenue reductions and is triggered by the section 205 of the conference agreement, the budget surplus allowance.

Section 205 of the conference agreement requires the Chairmen of the Budget Committees to submit committees' responses to the first reconciliation instruction to the Congressional Budget Office (CBO). If CBO certifies that these legislation recommendations will reduce spending by an amount that will lead to a balanced budget by 2002, the second reconciliation instruction is triggered. On the other hand, if CBO finds that the first submission would not lead to a balanced budget by 2002 and committees are unable to submit legislation that would produce a balanced budget, then the Budget Committees are to report the reconciliation bill absent the tax reductions.

Section 205(a) also requires the Chairman of the Budget Committees to submit the conference report on reconciliation legislation to CBO prior to the submission of this conference report. In conducting the assessment of legislative submissions made pursuant to section 105(a), the conferees intend that CBO not include the fiscal dividend. If the conference report contains tax reductions pursuant to section 105(b), CBO's assessment of the conference report should take into account the fiscal dividend in its assessment of whether the conference report would achieve a balanced budget by 2002.

If the second reconciliation instruction is triggered, the tax writing committees are instructed to reduce revenues by a total of not more than $245 billion over 7 years and by not more than $50 billion in 2002. The tax writing committees are given 5 days to submit tax legislation to the Budget Committees. The Budget Committees are then required to add this tax reduction legislation with the earlier submissions and report one bill that encompasses both the spending reductions and the tax reductions.

If CBO certifies that the committees' reconciliation submissions made pursuant to section 105(a) will achieve a balanced budget, Section 205(b) requires the Chairman of the Budget Committee to reduce the revenue aggregates by an amount that is consistent with the reconciliation instructions. The budget resolution revenue aggregates and reconciliation instructions are not parallel in this instance. The conferees intend that the Chairman reduce the revenue aggregates by an amount that would accommodate a seven year tax reduction of $245 billion as long as this revision does not result in a deficit in 2002.

The conference agreement is predicated on a balanced budget plan. Section 205(e) provides that the revenue reconciliation instruction and the authority to modify the revenue aggregates to accommodate reconciliation legislation is only available if the reconciliation directives are achieved and the reconciliation legislation produces a balanced budget based on CBO's estimates.

Under section 205(e), the Senate Budget Committee Chairman is responsible for assuring that the revenue aggregates are not reduce below a level that would cause a deficit in 2002. If CBO's assessment of the conference report under section 204(a) concludes that it will result in a deficit in 2002, in compliance with this subsection, the conferees intend that the Chairmen work with committees to modify the conference report to achieve a balanced budget by 2002. If this is not possible, it is the Senate Budget Committee Chairman's responsibility to raise the revenue floor by an amount to ensure that the reconciliation conference report achieves balance by 2002 and if the tax reductions in the conference report are not modified, the conference report could be subject to a point of order under section 311 of the Budget Act.

SCORING OF EMERGENCY LEGISLATION

(Sec. 205 of the Senate amendment)

Section 606(d)(2) of the Congressional Budget and Impoundment Control Act of 1974 provides that the budgetary impact of legislation is not taken into account for Budget Act points of order if legislation is designated as an emergency by the President and the Congress.

House resolution

The House resolution contains no changes in rules or procedures for emergency legislation, but section 9 of the House resolution does contain sense of the Congress language on emergency legislation.

Senate amendment

Section 205 of the Senate amendment provides that beginning with 1996 all legislation will be scored for the purposes of the budget resolution and the Budget Act even if it is designated as an emergency. The Senate amendment does not affect current law provisions that provide adjustments to the caps so that emergency legislation does not cause a sequester under the Balanced Budget and Emergency Deficit Control Act. This section does provide that the discretionary caps established by section 201 of this resolution will be adjusted after the enactment of any emergency legislation to hold the Appropriations Committee harmless for the cost of the emergency legislation.

Conference agreement

The conference agreement contains no procedural provisions regarding the scoring of emergency legislation.

SALE OF GOVERNMENT ASSETS

(Sec. 6 of the House resolution; Sec. 206 of the Senate amendment; Sec. 206 of the conference agreement)

In 1987, the Congress adopted a change in the scoring of legislation to provide that the proceeds from assets sales should not be taken into account for budget enforcement purposes. Each budget resolution since 1986 has contained language prohibiting the scoring of savings associated with asset sales. In addition, section 257(e) of the Balanced Budget and Emergency Deficit Control Act prohibits the scoring of the proceeds from asset sales.

House resolution

Section 6 of the House resolution provides that for the purposes of the Budget Act and budget resolutions the proceeds from asset sales will be scored.

Senate amendment

Section 106 of the Senate amendment contains the same language as section 6 of the House resolution.

Conference agreement

The conference agreement contains the House language. The conferees are concerned about the long-term budgetary impact of asset sales and do not support asset sales that would cost the Federal government money in the long run. The conferees believe that the Congress should consider adoption of a new scoring rule that would take into account the long-term budgetary impact of asset sales.

Subsection (d) of the conference agreement includes language providing that loan prepayments and loan asset sales should be governed by the terms of the Federal Credit Reform Act of 1990. Both the Congressional Budget Office (CBO) and the Office of Management and Budget (OMB) currently score proposed loan prepayments and loan asset sales under credit reform. The conferees believe OMB and CBO have properly scored these transactions. The conferees are including this language to make it clear that the repeal of the asset sale scoring rule does not impact the scoring of loan asset sales or prepayments, which will continue to be governed by the Federal Credit Reform Act of 1990.

CREDIT REFORM AND DIRECT STUDENT LOANS

(Sec. 207 of the Senate amendment; Sec. 207 of the conference agreement)

The 1990 Federal Credit Reform Act modified the budgetary treatment of Federal credit programs to take into account the long-term cost of Federal credit activities. More specifically, this law required the cost of direct loans and guaranteed loans to be measured by taking the net present value of the cash flows over the life of the direct loan or loan guarantee.

House resolution

The House resolution does not contain procedural provisions regarding the scoring of student loans, but section 13 of the House resolution includes sense of the Congress language on the scoring of student loans.

Senate amendment

Section 207 of the Senate amendment puts the measurement of administrative expenses of guaranteed student loans on equal footing with legislation that would expand direct student lending by the Federal government. More specifically, this section provides that for the purposes of Congressional scoring the administrative costs for new direct student loans to be measured on a net present value basis.

Conference agreement

The conference agreement contains the Senate provision with an amendment. The conference agreement would apply the new scoring of administrative costs for all legislation affecting student loans.

The conferees recommend this change to correct a disparity that has arisen under the Federal Credit Reform Act of 1990 for the scoring of student loans. Currently, the administrative costs for direct student loans are measured on a cash basis, with the budget reflecting only that year's cost of administering the loan. For guaranteed student loans, the administrative costs are measured on a net present value basis for the entire length of the loan. The result is that direct lending appears to be much less expensive than guaranteed student lending. Both the Congressional Research Service and the Congressional Budget Office have acknowledged the bias that this treatment of administrative expenses has created.

EXTENSION OF BUDGET ACT 60-VOTE ENFORCEMENT

(Sec. 208 of the Senate amendment; Sec. 208 of the conference agreement)

Under current law, the three-fifths requirement in the Senate to waive many of the Budget Act's points of order is permanent. The 1995 concurrent resolution on the budget provided a 1998 sunset date for the three-fifths waiver requirement for many of these points of order.

House resolution

The House resolution contains no provisions regarding the sunset date for super majority points of order in the Senate.

Senate amendment

Section 208 of the Senate amendment extends the sunset date for this three-fifths waiver requirement through 2002. The Senate amendment does not affect section 313 of the Budget Act (the Byrd rule), which has a permanent requirement for a three-fifths waiver.

Conference agreement

The conference agreement contains the Senate provision.

REPEAL OF THE IRS ALLOWANCE

(Sec. 7 of the House resolution; Sec. 209 of the Senate amendment; Sec. 209 of the conference agreement)

Section 25 of the 1995 budget resolution (H. Con. Res. 218) created a $405 million budget authority and outlay allowance to fund an Internal Revenue Service (IRS) compliance initiative outside the discretionary caps. This section provided that the budget resolution's discretionary caps, allocations, and aggregates would be revised upward by $405 million upon the reporting of appropriations legislation that fully funded an IRS compliance initiative.

House resolution

Section 7 of the House resolution restates section 25 of H. Con. Res. 218 and provides a $405 million budget authority and outlay allowance for the IRS.

Senate amendment

Section 209 of the Senate amendment repeals this allowance and expresses the sense of the Senate concerning the Taxpayers Bill of Rights and the priority to be given to compliance programs in IRS funding.

Conference agreement

The conference agreement contains the Senate provision on the repeal of the IRS allowance. The conferees are concerned about efforts to circumvent the caps and do not believe that the IRS should be funded outside the discretionary caps. The conferees believe that the IRS compliance initiative should be fully funded and the conference agreement assumes funding for this initiative in function 800, General Government.

While the conference agreement does not contain the sense of the Senate provisions on taxpayer bills of rights, the Senate conferees urge the Senate to pass the taxpayer bill of rights to this Congress.

TAX REDUCTION CONTINGENT ON THE BALANCED BUDGET IN THE HOUSE

(Sec. 210 of the conference agreement)

House resolution

Section 4 of the House resolution contains a reconciliation instruction to the House Ways and Means Committee to reduce revenues. That instruction assumes enactment of the Tax Fairness and Deficit Reduction Act, replacement of the one-dollar bill, and the elimination of several corporate tax subsidies.

Senate amendment

The Senate amendment contains a tax reserve fund that would accommodate deficit neutral legislation that reduced revenues after passage of the reconciliation conference report. The amendment also contains a budget surplus allowance that makes CBO's "fiscal dividend" available after enactment of the reconciliation measure for legislation that reduces revenues for family tax relief and incentives to stimulate savings, investment, job creation, and economic growth.

Conference agreement

The conference agreement establishes a process for certifying a balanced budget before the House takes up a reconciliation bill that would reduce taxes. The Congressional Budget Office would score all legislation submitted to the Budget Committee (or any amendment by the Rules Committee self-executed into the bill) and the economic dividend that would result from a balanced budget. On the basis of a CBO estimate of a balanced budget, the Chairman of the Budget Committee would certify a balanced budget.

If the Chairman certifies a balanced budget, then the revenue floor in the budget resolution would be reduced. In the absence of such certification, the reconciliation bill would be subject to a point of order under Section 311 of the Budget Act because it would cause revenues to be less than revenue floor established in the budget resolution.

EXERCISE OF RULEMAKING POWERS

(Sec. 210 of the Senate amendment; Sec. 211 of the conference agreement)

The Constitution reserves to each of the Houses the authority to determine its own rules. When Congress adopts new rules or procedures in legislation, the Congress frequently includes a provision stating that the changes represent an exercise of the rulemaking authority of the House of Representatives and the Senate and the two Houses reserve their right to modify their rules at anytime. For example, section 904(a) of the Congressional Budget and Impoundment Control Act of 1974 provides a provision reserving the rulemaking authority of the House of Representatives and the Senate.

House resolution

The House resolution contains no provision regarding the rulemaking authority of the Houses.

Senate amendment

Section 210 of the Senate amendment states that the procedural provisions in the amendment are made in recognition of the Constitutional right of the Senate to make its own rules and to change those rules at any time in an appropriate manner.

Conference agreement

The conference agreement contains the Senate provision with an amendment to expand the application of the language to the House of Representatives.

MISCELLANEOUS PROVISIONS

SENSE OF CONGRESS LANGUAGE

(Secs. 5 and 8 through 14 of the House resolution, title III of the Senate amendment, and title III of the conference agreement)

House resolution

Section 5 of the House resolution includes a statement that Congress will re-examine the reductions in the agricultural programs for fiscal years 1999 and 2000 unless: 1998 agricultural land values are at least 95 percent of their value today, regulatory relief for the agriculture sector is enacted, certain tax relief is enacted, and trade agreements are implemented that result in lower subsidies and fewer import barriers.

The House resolution includes provisions that express the sense of Congress that: baseline budgeting should be replaced with a form of budgeting that requires full justification and analysis of proposals and that maximizes Congressional accountability for public spending (section 8); that Congress should study alternative approaches to budgeting for emergencies (section 9); that Sallie Mae should be restructured as a private corporation (section 10); that House rule XLIX should be repealed and the extension of the public debt should be set at levels and at such durations as to ensure a balanced budget by 2002 (section 12); that the costs of direct student loans should be the net present value of the disbursement, principal repayment, and other payments and costs including administrative expenses (section 13); and that a commission should be established to make recommendations concerning the long-term solvency of the military and civil retirement funds (section 14).

In addition, the House resolution includes one provision expressing the sense of the House of Representatives regarding the payment of the debt (section 11).

Senate amendment

Title III of the Senate amendment includes seven provisions that express the sense of the Congress that: the Federal government should develop a uniform Federal accounting system (section 305), that 90 percent of the benefits of any tax cuts should be targeted to working families earning less than $100,000 annually (section 306), that a bipartisan commission should be established to make recommendations concerning the solvency of Medicare in the short and long-term (section 307), that the health care needs of pregnant women and children should receive priority under Medicaid reform (section 309), that funding for brain research should receive priority in furtherance of the goals of the Decade of the Brain (section 313), that Congress should consider the Independent Budget for Veterans Affairs (section 314), and that the use of campaign funds or privately-donated funds should be prohibited for expenses in relation to sexual harassment suits (section 317).

In addition, Title III of the Senate amendment contains 22 sense of the Senate provisions: on program terminations (section 301), on returning programs to the States (section 302), on encouraging turning certain Federal functions over to the private sector (section 303), on the creation of a non-partisan commission on the Consumer Price Index (section 304), on the distribution of agriculture savings (section 308), on the continued nondeductibility of lobbying expenses (section 310), on the revision of the expatriate tax (sections 311 and 319), on Medicare fraud and abuse (section 312), on funding to States for Motor Voter expenses (section 315), on the use of Presidential Election Campaign funds for expenses in relation to sexual harassment suits (section 316), on Impact Aid (section 318), on Stafford student loans (section 320), on children's nutritional health (section 321), on law enforcement and the Crime Trust Fund (section 322), on long-term health care (section 323), on the sale of power marketing administrations (section 324), on overhead expenses in the Department of Defense (section 325), on the essential air service (section 326), on renewable energy research (section

327), and on reductions in student loans (section 328). In addition, section 209 was amended to include sense of the Senate language concerning funding for tax compliance efforts and enactment of the "Taxpayers Bill of Rights II."

Conference agreement

Title III of the Conference agreement includes three separate provisions that express the sense of the Congress that: the committees of jurisdiction, in meeting the levels in the resolution, should give priority to proposals that identify, eliminate, and recover funds lost due to fraud and abuse in the Medicare system (section 301); that Sallie Mae be restructured as a private corporation (section 302); and that the extension of the public debt limit be set at such levels and for such duration as to ensure the budget be balanced by 2002 (section 303).

Section 304 of the conference agreement also expresses the sense of the Congress that the aggregates and functional levels in the budget resolution assume: that Federal programs should be restructured; that Federal programs should be reviewed to determine whether they would be more appropriately the responsibility of the States; that Congress should examine Federal functions to determine those that would be more efficiently and effectively performed by the private sector; that Congress has a responsibility to future generations to balance the budget and to pay down the debt; that funding for nutrition programs may be reduced without compromising the nutritional health and well-being of the program recipients; and that priority should be given to funding for science and basic and applied research.

The Conference agreement includes four separate sections that express the sense of the Senate: that the budget resolution assumes that the taxes will be restructured to benefit working families (section 305); that the Senate Agriculture Committee should provide no more than 20 percent of the savings under Reconciliation from the commodity programs (section 306); that a bipartisan commission should be established immediately to make recommendations concerning the short-term solvency of the medicare system (section 308); and that the health care needs of pregnant women and children should receive priority under Medicaid reform (section 309).

In addition, section 307 expresses the sense of the Senate that the aggregates and functions levels in the budget resolution assume: that the Federal government should establish a uniform accounting system, that the expatriate tax should be revised and any savings should go to deficit reduction, that research on brain diseases and disorders should be funded in furtherance of the goals of the Decade of the Brain, that the essential air service should receive sufficient funding to continue to provide air service to small rural communities, that funds should be made available to the States to reimburse for expenses in implementing Motor Voter, and that a non-partisan commission should be established to examine and make recommendations concerning the accuracy of the methodology used to determine the Consumer Price Index.

The Conference agreement also includes five separate provisions that express the sense of the House of Representatives that: reductions in agricultural programs in fiscal years 1999 and 2000 the House of Representatives shall be re-examined unless certain conditions are met (section 310); that baseline budgeting should be replaced with a method that requires justification and analysis of proposals and that maximizes Congressional accountability (section 311); that a commission should be established to study and make recommendations to ensure the long-term solvency of the military and civil service retirement funds (section 312); that rule XLIX of the rules of the House of Representatives should be repealed (section 313); and that an alternative approach to the scoring of emergencies should be studied (section 314).

DISPLAY OF LEVELS AND AMOUNTS

House resolution

The House resolution contains all of the displays of levels and amounts required by it under section 301(a) of the Congressional Budget Act, and includes a display of new secondary loan guarantee commitments within the functional levels and amounts. The House resolution contains no other alternative displays.

Senate amendment

The Senate amendment contains all of the displays of levels and amounts required under section 301(a) of the Congressional Budget Act, including displays the levels of Social Security revenues and outlays, as required by paragraph (6) for enforcement purposes in the Senate. As authorized by section 301(b)(5), of the Senate amendment displays the amounts of the increase in the public debt subject to limitation. For informational purposes, the Senate amendment also includes a display of the gross interest on the public debt consistent with the levels of net interests shown in functional category 900 and a display of the aggregate levels and functional amounts without including the Hospital Insurance Trust Fund.

Conference agreement

The conference agreement includes all of the required displays of levels and amounts, including those of Social Security outlays and revenues. The agreement also includes the amounts of the increase in the public debt subject to limit. With respect to the informational displays, the conference agreement contains the display of the gross interest on the public debt consistent with the levels of net interest in function 900. The conference agreement recedes to the House concerning the informational display of levels and amounts without the Hospital Insurance trust fund amounts and the House recedes to the Senate on the display of secondary loan guarantee commitments.

JOHN R. KASICH,
DAVE HOBSON,
BOB WALKER,
JIM KOLBE,
CHRISTOPHER SHAYS,
WALLY HERGER,
WAYNE ALLARD,
BOB FRANKS,
STEVE LARGENT
SUE MYRICK,
MIKE PARKER,
Managers on the Part of the House.

PETE DOMENICI,
CHUCK GRASSLEY,
DON NICKLES,
TRENT LOTT,
HANK BROWN,
SLADE GORTON,
JUDD GREGG,
Managers on the Part of the Senate.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE BIGGEST RIPOFF IN AMERICAN HISTORY

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. ROHRABACHER] is recognized for 60 minutes as the designee of the majority leader.

Mr. ROHRABACHER. Mr. Speaker, yesterday I had a telephone call from an old friend who was concerned about American trade policy, and he was opposed to NAFTA, the free-trade agreement that we passed with Mexico, and that we will soon will be considering including Chile in the NAFTA agreement, and he was also concerned about GATT, the world trade agreement that we reached and we voted on late last year.

His question to me was: "How can the United States possibly compete with Third World countries? How can we compete when our labor force is paid $10 an hour, and their labor force is paid 15 cents, 25 cents, 75 cents an hour? Doesn't trade with overseas countries, especially those in the developing world, mean that the American people will lose in the long run and that our own working people will have a lower standard of living?"

Well, my answer to my friend was an answer that really has been the answer that the American people have given to this very same question for many, many years. This is not a new fear that the American people have, because the American people have had a higher standard of living and a better way of life throughout our history as compared to the working men and women of other countries.

Mr. Speaker, how did we do it? How did we out-compete? How did the American worker out-compete those workers in Third World countries that were willing to work for such lower wages? The answer is we have done that because our working people and our businessmen have had the technology that is necessary to out-compete the competition, even when the labor costs are much lower.

Mr. Speaker, after World War II, we experienced a major jump in our standard of living in the United States of America. Were the wages around the world, were they any higher after the end of World War II than they are today, as compared to the price of the American worker? No. Yet at the same time we experienced a major increase in our standard of living, and America was out-competing everyone throughout the planet.

In fact in the 1950's and 1960's, Mr. Speaker, America was looked to throughout the entire planet as a source of goods and materials to be purchased by people for consumer items all over the world. Yet their own people were working for much lower wages. That is because after World War II, as in the time period before World War II, Americans had a technological lead on the world. It is technology and knowledge that have given us the competitive edge throughout our Nation's history. It was not the fact that our people were necessarily willing to work harder, because many people around the world work harder. Many, many people throughout the world work as hard, if not harder, than Americans, yet the American worker, coupled with technology, that work ethic that our people have coupled with technology, have made America the prosperous country that it is today and the prosperous country that it was in years past. We have had the technological edge.

This did not just happen, and it did not just happen after World War II. I say to my colleagues, "If you look back in our history, the United States was the country that developed the reaper which magnified the amount of crops that could be harvested. We were the ones that took the steam engine, which was originally developed by the ancient Greeks, and turned it into an engine for progress and prosperity, an engine for the creation of new wealth. We were the ones who developed the telegraph and the telephone."

The list goes on, and on, and on. In fact, technological development was seen by our Founding Fathers as the means for which the United States would become that shinning city on the hill that all of our Founding Fathers wanted her to be. No other country in the world put patent protections of technological innovation into its constitution. There is no other country. Yet, if we look in our Constitution, our Founding Fathers insisted that there be a Patent Office. It is written into the Constitution.

Why is that? I say to my colleagues, "If you look back at the men who created this great democracy of ours, you will see that they had two things that they believed in. There was—well, they had many things they believed in, but the two important things they believed in in terms of government was they believed in freedom of the individual, which included peoples' religious freedom, and their rights to speak, and their rights to gather together, their rights to petition their government and to control their own destiny; they believed in that freedom, and they also believed in technology."

Mr. Speaker, with technology and freedom, America would become an example for all the world to see, that the common man can live in decency, and can control his or her own destiny, and that our country could be an example to the world, and that instead of vast military might, that our country would have the allegiance of free people all over the world or those people all over the world who long to be free.

Yes, Thomas Jefferson himself was a technologist. Those of you who visit Monticello might be impressed to see the many inventions that he himself developed to help life around that 19th century agricultural compound be more easy for the people of this compound. But Benjamin Franklin, also one of the great Founding Fathers of our country, is reowned even today for his exploration of ideas and his development of technology.

These men made sure that American investors and American inventors would have the incentive to develop the technology that would be necessary to make America the example of progress and freedom that they foresaw. One of the things that they put into the Constitution, as I say, was the Patent Office, and Americans have, over our 100 year history, enjoyed some of the most extensive and strongest patent protection of any people on this planet.

Now patent protection is a dull and uninteresting subject. Just like in many cases when we talk about our other freedoms, people just take them for granted. In fact it has been said "Freedom is very much like the air, and that is the air is—you can't see it, you can't touch it, and it is very easy to take air for granted."

That is the same way it is for freedom. Freedom is the fact that there is not someone who comes to your church every Sunday and has to approve the sermon of your minister. Freedom is that the school teachers and our university professors do not have to have their subject matter approved, because that sensor is not there. Freedom is when a person can open a book store or someone can quit his job without asking for government approval. This is what freedom is. It is the absence of the Government coming down and destroying freedom.

Well, you can take freedom for granted, just like the air. But when the air is cut off, when your air is cut off for even one millisecond, you begin realizing how important air is to you, and that is the same with freedom. Once you cut it off, even for a short period of time, those people who have enjoyed it understand the importance of air and understand the importance of freedom. They go together because they can be taken for granted. But when you are denied your freedom or denied air, you understand how important they are. They are important to the life of mankind, and they are essential, freedom has been essential, to what Americans have felt our country is all about.

Well, that is the same with one of our rights, one of our very fundamental rights that people have always taken for granted, and that is the right of patent protection. That means, if you come up with an idea, and you get an investor to invest in your development of that idea, you own that idea for a given period of time. In fact, you register it like a piece of property with the Government, and, when you file for your registration, the Government will peruse that, and after perusing your application, provide you what is basically a deed. It is a patent for your creation so that you and the investors in your idea can reap some profit, some benefit, from that.

That is the secret of the American miracle. We provided an incentive for investors and investors throughout our history to invent the new machines, the new technology, that catapulted the standard of living of the common man. Our people were able to live decent lives and have good jobs, and they could provide for their families, and we had enough wealth in our society so we had education and an infrastructure for our people because the investors and the inventors were given the incentive to come up with the ideas that changed the condition of humankind.

This has been going on throughout our history. Over the last 100 years our inventors and our investors have had the protection guaranteed that, if they would file an invention with the Patent Office seeking a patent, that no matter how long it took them to be issued that patent, once it was issued, they would be given 17 years of protection, at which time anyone using that technology would have to pay them for the right to do so. It is called royalties.

Well, this has just changed. Unbeknownst to the American people and unbeknownst to most Members of Congress, there has been a dramatic change in the patent rights, and believe me, when the effect of this begins being felt by the American people, it will be as if someone is strangling them and denying them what they have taken for granted, their air, because this will have a dramatic impact, in the long run, on the standard of living of our people. We have changed the fundamental rules that have provided the prosperity and the jobs and the economic well-being that our people have learned to take for granted.

Mr. Speaker, that change was put into the GATT implementation legislation. The GATT, as you are aware, is an agreement among the nations. It is a trading agreement that said these are a set of rules which will guide us, and any nation that signs onto this set of rules will be part of this global trading structure.

The fundamental idea is a sound idea, and we were promised that, if we would vote for fast track—now that is a term that means we in Congress gave the right to the President to negotiate any of this agreement with GATT, and when he brought the treaty to us, we would have 60 days to look it over, and that he also agreed not to put anything into that treaty, or into that implementation legislation of the treaty, that was not required by the treaty.

What happened was, a provision was snuck into the GATT implementation legislation last year that was not required by the treaty itself, and although it is very difficult for the American people to understand the ramifications of this very small part and this very complicated issue of patent protection, they will feel the consequences unless we correct this misdeed that has taken place in this body. What happened was that in the implementing legislation we changed the rules so that now, when an American inventor applies for a patent, he applies. In the past, no matter how long it took him to get his patent, he would have 17 years as soon as the patent was issued. He would have 17 years of protection. Now what will happen after the GATT implementation legislation is put into effect, is that when the patent applicant files, the clock starts ticking. Those people who put this change into the law thought, "Well, gee, we are going to make it sound like we are actually expanding the patent rights of the American people," and so the clock starts ticking and it is all over in 20 years.

Now if the average patent does take only 19 months, which some people are claiming, then that would be a good deal for the American people. But what has happened is that the American people, and even the people who passed the laws, have been given misinformation about the patent process itself. Significant patents, whether it is the laser, or whether it is plastic bottles, or whether it is technology that will make us more competitive with the rest of the world, breakthrough technologies, take not just 19 months, not just 3 years, not just 5 years. Most of the major technologies that have given us our competitive edge in world competition, most of these have taken 10 to 15 years and often longer to have a patent issued.

Now what does that mean? That means we have, in reality, dramatically reduced, if not eliminated, the patent protection of America's inventors and investors. If someone comes up with a breakthrough technology and it takes them 15 years in order to get that patent issued, he is at the mercy of the bureaucrats at the Patent Office. He is at the mercy of international, multinational, and foreign corporations who might try to put legal hindrances in the way of issuing that patent. He is at the mercy of those people because the clock is ticking and it is on his time. That person, who could develop the technology that would make us competitive with mainland China or make us competitive with Asia or Europe in the future, that technology will not have anywhere near, if any, of the protection that past inventors and investors had in the United States of America.

What we have seen in this body is a change of law which was difficult to understand, but it will have major ramifications. What will that mean? What will this change of law in the patent law mean? And, by the way, it was not required by GATT, and they wanted to give us only a few days to consider the whole GATT implementation legislation. So they broke their word to us by putting something into this treaty that was not required for us to vote on, but yet it was put in because they knew that this was the way they could sneak it past this body, and what does it mean?

It means that billions of dollars that should be going into the pockets of American inventors in the form of royalties for multinational and foreign corporations now will stay in the pockets of those multinational and foreign corporations because we have so dramatically reduced the patent protection for significant technological developments. We are talking about billions and billions of dollars that should be going to Americans, that will now stay overseas.

Worse than that, we are reducing the time in which our inventors and investors can control the technology that they have created. Thus foreign interests, multinational corporations and foreign corporations can now use the technology after a few short years that would have had 17 years of protection, and what will they be using it for? They will be using it to out-compete the American people.

Mr. Speaker, what we have done is, as we are entering this new era of technological development in the world, this new era when genius will be so important and creativity will give us the edge, we have disarmed our own people. We have basically put ourselves at the worst competitive advantage, because what we have done is taken our greatest asset, our creative people and our investors in new creative ideas, and we have taken away their incentive and taken away their protection.

This will result in foreign corporations not paying royalties and foreign corporations using our technology against itself. It is the biggest ripoff in American history. Yet it continues to this day.

I have submitted a piece of legislation, H.R. 359, which has 177 cosponsors. That is 177 of my colleagues; I managed to speak with them, and talk to them personally, and to get their attention, because there are many, many issues of importance here on the floor of the House that divert peoples' attention. This is only a small issue to most people, and it is hard to understand. Yet 177 of my colleagues have signed on as cosponsors to my bill, H.R. 359, to restore the American patent rights to what they were before the GATT ripoff was implemented late last year—177. In the Senate, Senator DOLE has cosponsored a similar bill that, if passed, will do the same thing, which will restore American patent rights. That is S. 284.

Senator DOLE and I, all we want is basically not to see a diminishing of the patent rights that Americans have enjoyed for many, many years.

Mr. Speaker, as of yet we have not been permitted, my legislation has not been permitted, to come to this floor for a vote. Now what is Congress all about if you have 177 cosponsors, and by the way, for those of you who do not understand this, this is an enormous number of colleagues to join together, both Republicans and Democrats, on one piece of legislation saying we want this to be passed. I have not been on a bill that had so many cosponsors before. Yet it is being hindered; there are roadblocks being put in the way of the bill which prevent the legislation from coming to a vote on the floor.

Now why would this happen? Why would someone be so arrogant enough to say, "Well, you may have 177 cosponsors, but you're not going to get your vote on the floor because my point of view is more important than 177 of my colleagues"?

Well, what has happened is one Congressman, one Congressman who is the chairman of an obscure subcommittee, which my piece of legislation must go through before it comes to the floor, the one person, the chairman, is opposed to it. His name is CARLOS MOORHEAD, CARLOS MOORHEAD of Glendale, CA. Mr. MOORHEAD refuses. He will not be satisfied with voting against my legislation. Instead, Mr. MOORHEAD is holding it up in subcommittee, refusing all of his colleagues the right to make the decision.

Now you might ask what is his motivation. We in the House of Representatives always take for granted that the motives of our colleagues are good motives, and let us examine what is the possible good motive for someone wanting to—what I believe to support is a dramatic reduction in American patent rights. Why would someone do this?

Well, it is the belief that some people have that American patent rights have been too strong because we are out of sync with the rest of the world, and thus we are out of sync with the rest of the world. This is an attempt by the head of the Patent Office, Bruce Lehman, and Mr. MOORHEAD, and several others in this town, who believe that our rights, in terms of our economic rights and our patent rights, should be harmonized with the rights of other people in the world.

In other words, they are seeking to implement an agreement that Mr. Bruce Lehman, head of our Patent Office, made with the head of the Japanese patent office.

I ask, "You understand what's happening here?" They are harmonizing

America's economic rights, our fundamental patent rights of our citizens, harmonizing it with the Japanese by what? By lowering the standard that our people have enjoyed, the rights of our people.

If we are going to harmonize our rights, our economic rights, especially our patent rights, with other countries, especially countries like Japan who have no love for individual freedom whatsoever, we should be harmonizing them upward toward us, rather than them bringing our system down toward them. But these people believe that, if you have a harmonization, and our patent rights are similar to the Japanese patent rights, that it will be better for a world trading system.

Mr. Speaker, that is absolute nonsense. This is the equivalent of someone telling us, as Americans, that we have too many human rights, and in fact the Bill of Rights is way out of sync with all of the other democracies. Thus, what we are going to do is harmonize our individual rights by diminishing the Bill of Rights by two or three amendments.

What would the American people think about that? What would they think about it? They would reject it out of hand if they were given the choice.

What has happened here is an issue of vital importance to our prosperity and the well-being of our people. A very complicated issue has been determined by some power brokers behind the scenes, and they are preventing this house from voting on a piece of legislation that would negate a back-room deal that they made with the Japanese.

In the long run, what will this do? Well, I can tell you that in the short run it has already had a horrible impact on our society. What has happened is that American investors now, unlike last year and the year before and the hundred years before that, American investors now are not certain that they will have the 17 years that they used to have to recoup their investment.

Already American investors in the venture capital industry are hesitating about investing in new capital because—our investing new capital in new technology because they realize it might take, the process of getting a patent might take 15 years or 20 years for new technology to get through, and they would have no time to recoup their investment.

This makes—I will tell you, when Americans do not invest in new technology, we are at the mercy of other countries like the Chinese and the Japanese who are willing to put money into their—from their government into government-created technology.

□ 1230

What is happening is if we permit this change in the patent law to continue, MITI, which is an organization in Japan which directs their investment, will be directing their investment in technologies to destroy our economic competitiveness, and at the same time, on our side, we have eliminated the incentive for American investors and inventors to invest in new technology. This is total insanity. It is a formula for disaster for the American people, and, on the face of it, it is a ripoff of American patent rights.

I am hoping that my colleagues, and I have 177 already as cosponsors, will join with me and insist that we have a direct vote on the floor, and that if CARLOS MOORHEAD, the chairman of the subcommittee that is holding this up, does not want a vote on the floor, then he can express that. If he opposes the vote, that is fine, but he should not have the power to stop a vote on the floor. A chairman of a subcommittee who prevents a bill, even if he disagrees with it, from coming to a vote, is doing a great disservice to the American people and the cause of democracy in a situation like this.

I would hope that Mr. MOORHEAD understands that in good faith, if he disagrees with the idea that we should maintain our level of patent protection, that he can vote against that. He can vote against my piece of legislation that would restore patent protection. But he should not prevent the rest of us from voting.

Adding insult to injury, recently something just happened that might indicate even worse things about the plans that these people have for American patent protection. While my legislation has not been permitted to come to the floor for a vote, there is another piece of legislation that went through Mr. MOORHEAD's committee. It was a piece of legislation that only had two cosponsors. It was H.R. 1733. The American people should know what was in this piece of patent legislation.

This piece of patent legislation, which Mr. MOORHEAD already had hearings on in his subcommittee, states the following: That if someone files for a patent, an American inventor files for a patent, even if it is not issued, after 18 months that patent will be published for the world to see.

Is there anyone who cannot see the implications for this? This is the equivalent of erecting a huge neon sign over the American Patent Office saying to the rest of the world, "Come and steal America's technological secrets." Because even before the patent is issued, it will be published, and I can tell you the Japanese and the Chinese and everybody else who want to copy American technology, will be in line at the Xerox machine in order to get their copies, and then running back to their offices to use the fax machine in order to get those plans to their own industrial leaders to copy America's technological genius. We are talking more than a ripoff here. We are talking about wholesale robbery of America's inventions. We are talking about an invitation by our Government to do so.

What will this mean to the American people? What it will mean is that American workers, who have always enjoyed the competitive edge because we have had the machines that permitted us to work better and to produce more than the competition who might have had workers that would work for lower wages, slowly but surely you will see our competitive edge erode, and the standard of living of our people, now in decline, will turn into a tailspin.

I say to you today that we owe it to the American people to see that our country remains the No. 1 technological power in the world. What that means is we owe it to our inventors and our investors to provide them an incentive to invest their time and their resources in the technologies we will need to maintain the standard of living of our people.

This is a difficult issue to understand. But what should not be difficult for people to understand is there are forces in this world today that not only do not care about the standard of living of the American people, but see it as a negative, because the standard of living of the American people gives high hopes to their own people. The other people, people in other countries, want to live at higher standards of living because the American people do.

We should not be destroying the American dream for the citizens of the United States. We should be extending the American dream so that people everywhere, in every country, know that they too, with freedom and technology, can improve their lot and provide for their families.

We stand at a crossroads because we are in a new era of human history. The cold war is over. We are now entering an era of global competition. It is imperative that we restore the patent rights of the American people, because in this new era of global competition, our very lives and our standard of living depend upon it.

I would ask my colleagues to join me in supporting 359, and would ask that the subcommittee chairman who is holding this bill up permit it to come to the floor; and if he opposes it, to honestly state his opposition, but to let the rest of the Members of Congress have a say and let them express themselves as well, and give the Members of Congress a chance to vote up or down in front of the American people on this issue, that may be complicated, but is so vital to the standard of living and maintaining the well-being of our citizens throughout this country.

IN DEFENSE OF FREEDOM

The SPEAKER pro tempore (Mr. GOODLATTE). Under the Speaker's announced policy of May 12, 1995, the gentleman from Illinois [Mr. POSHARD] is recognized for 60 minutes as the designee of the minority leader.

Mr. POSHARD. Mr. Speaker, this week we will be debating and voting on a constitutional amendment to allow the States to prohibit desecration of the American flag. We have many important items on our agenda this week and time for debate will be short so, therefore, I would like to address this issue today, and I would like to do so, at least in the beginning, from a historical perspective.

Our Founders, the people who settled this country, were men and women of great faith. They came to this country and lived here for a long while under the edict of the King of England. They came here to escape the suppression of their freedoms, but found as colonists they were still under the control of the King. They were not free to speak their minds, to criticize the government. They were not free to assemble, to discuss their problems, because the government, the King, was afraid it might end up being a grievance against him.

They were not free to choose their own religious beliefs according to the dictates of their conscience. They worshipped in the Church of England, or they did not worship at all. The Church of England had the official blessing of the state. The church and the state had formed an alliance linking themselves together, so the church never had to fear the loss of parishioners to other faiths, and the state could continue to control the people through the church.

Newspapers were not free to criticize the government, or they would be shut down. The government, if they even suspected a citizen of criticizing them, even in private, could take a citizen from his home in the middle of the night, charge him with sedition against the government, and that citizen could be jailed or punished without ever having been allowed a trial. Time and again, they tried to confiscate the firearms of the citizens because they feared an armed protest against the government.

In short, the people were not free. Government controlled their lives in attempts to force its will upon the people.

As it is always true whenever a government attempts to force its will on the people, the people rebelled. They sent their representatives to Philadelphia to form the First Continental Congress, and that Congress decided to throw off the bonds of slavery that bound them to England. They declared their independence, raised an army, made George Washington its commander, and, in their own revolution, won their freedom from the oppressive Government of England.

After the Revolutionary War they went back to their individual States and a great debate arose as to whether or not they should even form a national government. They so distrusted a central government and its potential for ruling their lives that when they thought of a national government, all they could remember was oppression.

But there were certain national issues that had to be dealt with. Foreign trade had to be considered, paying off their war debts, and so on, and so they sent their representatives back to Philadelphia to form a Second Continental Congress, and it was this Congress that had the task of putting together a new government. They wrote a Constitution of the United States of America.

Notice how they said the "United" States of America. Before, they were not so united. They had operated under the Articles of Confederation, which gave great powers to the individual colonies. They had vast disagreements between themselves, and this new government was their attempt at becoming united.

The Constitution they had written said this new government would consist of three branches. No. 1, the legislative, would be elected from among the people to make the laws; No. 2, the executive, would be elected by the people to execute the laws; and, No. 3, the judicial, would be appointed by the executive and approached by the legislative, and they would judge and interpret the laws.

The judicial, the Supreme Court, was appointed for life, because the Founding Fathers knew that if the Supreme Court had to be subjected to the popular opinion of the people every so many years just to keep their jobs, they may do as many members of the legislative branch do and vote the popular thing, rather than the thing they believe to be right. So they said this sacred trust of judging the law is so important, that we will remove this branch from political pressure.

They took this Constitution that they were so proud of back to the people of the Thirteen Colonies to be ratified, to be approved. They said to themselves, "Boy, this will be a snap. The people don't have to worry about a king. They get to elect two of the three branches of government. Many rights are reserved for the states. This is the perfect government." And they must have sighed a sigh of relief. It had been a long struggle, fighting the war, putting this new government together. Now all it needed was the people's stamp of approval, and that would be easy.

But the people said, "No, no, not so fast. Sure, this is a form of government with which we agree. It allows us to participate. But we just got rid of oppression, and this Constitution doesn't say anything about our freedom." And the people said, "Wait just a minute. We want our basic freedoms guaranteed in writing, or we don't approve this government at all." The Founding Fathers, being men of great faith, some of them ministers, sat down to amend this Constitution, to guarantee the people these rights, their freedoms. They wrote 10 amendments to the Constitution, which have become known as the Bill of Rights, and for over 200 years of America's existence the Bill of Rights has remained unchanged, unamended, unaltered.

I will not mention all of the freedoms articulated in the Bill of Rights, but here are just a few: Freedom of speech, assembly, religion, press, a fair and speedy trial before our peers, the right to bear arms, not having to testify against one's self, protection against unreasonable search and seizure.

But we must speak not only of freedom, but of faith, for the two are in inextricably bound together. Nothing will bolster your faith more than to read the personal accounts of these great men of faith in their struggle with the concept of freedom.

My understanding over the years of my own faith has been bolstered by my understanding of their concept of faith and freedom. In 1990, when this issue was before the Congress, I was struggling to try to make some sense out of it, and I took my family up to Gettysburg for the weekend. Being from Illinois and representing a couple of the same counties Mr. Lincoln represented when he was in the Congress, I have been a Lincoln scholar my entire life.

As I walked over that great battlefield, I was reminded of his words on the day he dedicated that field. He started his address with these words: "Four score and seven years ago, our fathers brought forth on this continent a new nation."

Now, the importance of that opening is this: Four score and seven years ago did not take them back to the Constitution and the Bill of Rights drafted in 1787. Four score and seven years took them back to 1774 and the Declaration of Independence. Mr. Lincoln considered the Declaration of Independence to be the founding document of this Nation, the document that bound us together as one Nation.

And what was the premise of this Declaration of Independence? Let me state it for you again in Mr. Jefferson's words: "We hold these truths to be self-evident, that all men are created equal, and are endowed by their creator with certain unalienable rights, and that among these are life, liberty, and the pursuit of happiness."

Listen to this again. "We hold these truths," not falsehoods, but universal principles, givens, "* * * to be self-evident." They do not need to be pointed out or proven or justified. Some things are so true that any reasonable examination of the conscience would reveal the evidence of their truthfulness. And what is this true that should be so self-evident? That all men are created equal and endowed with certain unalienable rights.

Created equal? How? Well, certainly not by position, or power, or influence, or even physical or emotional or mental capacity, but equal in the eyes of the Creator with regard to love and respect for their being, and equal in the eyes of the law.

And what are these unalienable rights, these rights that cannot be taken away? Life, not death; liberty, our freedoms; and the pursuit, not the guarantee, the pursuit of happiness.

And who endows us with these rights? Does man? Does the State? No. The founding document of our country says we are endowed those rights by our Creator. Government cannot endow us with these rights. Government can only affirm or deny what is already given to us just by virtue of being created by God.

President Kennedy spoke of this in his inaugural address, when he said, "These same revolutionary beliefs for which our forefathers fought are still at issue around the globe today. The belief that the rights of man come not from the generosity of the state, but from the hand of God." He went on to say that we dare not forget today that we are the heirs of that first revolution.

President Lincoln, in the Gettysburg Address sought to affirm by the Government what the Creator had endowed all of our people, equality before the law. The Bill of Rights, which our Founding Fathers penned some 13 years after the Declaration of Independence, sought to articulate some of those God-given rights of life, liberty, and the pursuit of happiness in a more concrete fashion, and so they guaranteed with some specificity what God had already granted, given by virtue of creation.

Now, why do I speak of our country's historical beginnings, and especially those beginnings with respect to our rights given to us by the Creator and acknowledged so by both the Declaration and the Constitution? Because of this reason: This week we will be debating and voting upon a constitutional amendment to make it a criminal offense for anyone to desecrate the American flag.

Some will argue that we should not pass this amendment for various reasons. One, how do you define desecration? Some believe wearing clothing, ties, shirts, and so on that resemble the flag is a form of disrespect and constitutes desecration. Others believe lack of respect by not standing or sitting when appropriate desecrates the flag. Still others believe that burning or walking on the flag is desecration.

Many argue the mere act of defining desecration creates a legal nightmare for enforcement of such a law. Others point out that millions of dollars spent trying to pass and ratify this amendment by three-fourths of the States could better be spent on veterans' health care and other necessities of our people.

Most agree that the flag is held in higher respect today than at almost any time in our history, as witnessed by only a scattered number of flag desecrations among our Nation among 260 million people, as well as the tremendous outpouring of flag displays in our country at this time. And many wonder aloud why this is even an issue, with all the seemingly complex, almost unsolvable problems facing America today.

Others will say, "This flag is mine. I earned my money. I went down to the corner hardware store. I purchased this flag with my money. It is my private property, and government won't tell me what to do with it."

But I want us to consider this issue in the light of our beliefs that our rights are God-given, what that means to us as a people and a nation, and whether we actually believe that as a principle anymore. Let me say again that we must speak here not only of freedom, but of faith, for the two are inextricably bound together.

This is what I believe, and I believe it is entirely consistent with the beliefs of our forefathers who penned this precious Bill of Rights, and I believe it is consistent with the words of my own Bible. If we are to examine the nature of the freedoms or rights which God has given us, then we must examine the nature of God Himself.

This is what I believe. God is love, unconditional love. He created us as an object of His love because love needs an object upon which to lavish itself. God needed us, so He could love us, so He created us in His image so that He might love us and fellowship with us and so that we might love Him in return.

The Bible says we love because He first loved us. Our response to Him, our purpose for being, is to learn to love in the way that He loves us, unconditionally; to love others, but especially to love Him.

God wants our love. But the great loving merciful heart of God knew something from the beginning. He knew even before He created us that if we were going to learn to love as He loves, He had to give us the freedom not to love.

God is God. He is sovereign. He could have created us with no choice, no freedom to choose to love or not to love. He could have demanded our love, our respect. He is God. But He knew that love that is not freely given cannot be real, if we have no choice. He knew that we could learn to love only if we are free. Even our love for God must be freely given. He will never force you to love Him. So God, creating us as the object of His love, gave us a free will to love or not to love, to respect or not to respect. He even gave us the freedom not to love Him.

I am confident our Founding Fathers understood their faith in these very terms. They understood that the great loving heart of God was grieved when His children chose in the free will that He Himself had given them, to hate Him, to despise Him, to sin against love. But they also understood that God continued to love, that He continued to be patient with His rebellious children, that He had faith that eventually love would win them over. And our forefathers said, to the extent possible, we will model this government upon the principles of our faith, the principle that we will allow our people the free will to choose, to choose to love or not to love, to care or not to care, to respect or not to respect, and we will have the faith to believe that in their freedom they will choose to love. But, in any case, we will not demand it, we will not command it; we will have faith in love winning the hearts of our people.

This issue before us this week goes to the heart of that fundamental belief of allowing free will with regard to the issue of respect and love.

□ 1300

Of course there are limitations upon the individual citizens' free will with respect to the endangerment of the safety, or health, or welfare of our fellow citizens, but these issues do not touch upon the heart of this matter which is criminalizing the manner in which an individual chooses to differ with his or her government.

Do we want to criminalize an act of free will when it comes to dissent against the Government? Do we really believe that Government can legislate love and respect? Remembering that the most precious right any American has is the right to speak out against the Government when they feel in their hearts that Government is no longer responsive to their needs.

It is only the right to dissent which keeps the Government in line and when that right of the citizen is diminished, then the power of Government to control grows proportionately.

However, those who propose this amendment will say, there are a hundred ways to show your dissatisfaction with the Government.

You can march, you can show up at a town meeting and blast your Congressperson, you can organize rallies, you can write letters, you can vote.

You do not have to desecrate the flag to show your disagreement, and if you do, we are going to punish you.

But what if a citizen is so in disagreement with this Government over an action it has taken which he feels is morally and ethically wrong and he chooses to emphasize that disagreement in the most emphatic way he knows how, not by the sacrifice of a few hours time marching or writing a letter or going to a town meeting, but by taking the most precious possession he owns, the American flag, and sacrificing it at the feet of his Congress in protest of his Government?

The question is, Shall we limit dissent against an overbearing Government to just those ways that do not matter much, to just those ways of which the Government approves?

Justice Jackson wrote words especially relevant here in Board of Education versus Barnett in 1943. He said, and I quote:

The case is made difficult not because the principles of its decision are obscure but because the flag involved is our own. Nevertheless, we apply the limitations of the Constitution with no fear that freedom to be intellectually and spiritually diverse or even contrary will disintegrate the social organization. Freedom to differ is not limited to things that do not matter much. That would be a mere shadow of freedom. The test of its substance is the right to differ as to things that touch the heart of the existing order. If there is any fixed star in our constitutional constellation, it is that no official, high or petty, can prescribe what shall be orthodox in politics, nationalism, religion, or other matters of opinion or force citizens to confess by word or act their faith therein. If there are any circumstances which permit an exception, they do not occur to us.

This principle of sacrificing that which is most precious occurred to me for the first time as a young man when I was growing up. I asked the pastor in my church "Why did God have to sacrifice the most precious thing he owned, his Son, as a protest against sin, so we may be forgiven? Why could he not have sent something that was not so precious, a cow, a goat, a bull, something else? Why was it necessary to sacrifice his most precious possession?" The pastor said to me "Because sacrificing something less precious would not have gotten the job done."

I believe it should be the purpose of the flag, as it is the Constitution, to invite respect and love, but not to command it, because that violates the free will of the individual and love and respect not freely given cannot be real.

It is only the insecure that demands and commands love. That is why dictators all over the world must have armies to keep them in power. But do their people really love a government which demands their respect at the point of a gun? Have the events in Eastern Europe the last few years taught us nothing?

America is secure, not because we have an army to defend the Government, but because we have a Constitution, a Bill of Rights, to defend the people against the Government, but because we have a Constitution, a Bill of Rights, to defend the people against the Government.

We will remain secure not by suppressing the free will of the people, regardless of what national or political purpose we believe that serves, but by allowing the free will of every single citizen to love or not to love.

If a country is big enough to say to its people, "I love you and I want you to love me but I give you the right not to love if that's what you choose. I'm never going to stand over you with a machine-gun in my hand and force you to care for me, even though it is your care that I need. You are free to love or not to love, to care or not to care, to respect or not to respect."

If a country is that big in its heart, that secure in its being, that loving in its respect for its own people, what choice do you think the people are going to make, to love or not to love?

We have nothing to fear. Neither America nor the flag is in any danger, as long as the precious Bill of Rights, which gives both their meaning and purpose, stays as it has for the past 200 years, unamended. Listen to the words included in the first amendment one more time; Congress shall make no law abridging the freedom of speech.

In 1990, when I was struggling with the previous flag amendment vote, I wrote this piece of prose which I called "Family Matters."

Glenn?

Yes?

It's God.

Yes?

Still struggling?

Yes.

What's the problem?

The problem is I'm nearly 45 years old, and I'm still filled with questions about purpose and meaning and who you are. Who are you anyway?

I'm love. Unconditional love.

Who am I?

You're the object of my love. I created you because I needed you. Love must have others upon which to lavish itself. It creates only that it may love more and I love all of my creation.

What's my purpose for being then?

To learn to love unconditionally. To learn to love me and others in the same way I love you.

Why should I have to learn that? You're God. Why didn't you just create me in such a way that I loved you automatically?

Because love cannot be commanded. How can I be sure you really love me, or your neighbor, if you have no choice? I created you to be free, free to choose, because it is only in your freedom that you can truly learn to love.

But what if I choose not to love you?

That is the risk love takes. It is always the hope of love that the one upon whom love spends itself will freely choose to return that love. But in any case, it can never demand love be returned.

What will you do then if I choose not to love you.

I will continue to love you. I will wait. I will trust. Love never fails.

Glenn?

Yes.

It's Thomas.

Yes?

You walked over to my memorial last night.

Yes.

Why?

Because I'm struggling with a decision on a constitutional amendment to alter the Bill of Rights, and I need some help.

What's the problem?

Some people burned our flag and the country's upset. The President and several members of Congress want to forbid the practice.

What do you want to do?

I don't know. I'm torn. I'm a history teacher. I've taught the Bill of Rights and the Constitution to hundreds of young people. I've emphasized the importance of those freedoms that you and others penned in that precious document. I've told those children that these freedoms cannot be compromised. But now we have this issue with the flag. I love the flag. It symbolizes all those freedoms the Bill of Rights guarantees. Couldn't we make just this one exception? Couldn't we forbid just this one way of dissent? Couldn't we pass just this one amendment?

Would you be willing to pass a second constitutional amendment forbidding the burning of the Bill of Rights?

No, that's not an issue. Nobody thinks about the Bill of Rights. We see the flag a hundred times a day. It's so visible.

You mean the symbol has become greater in the mind of the people than the substance behind the symbol? How did that happen? You were a teacher, not to mention a State Senator and now a Congressman.

Well, what do I do now?

Maybe you start teaching again, as a Congressman. And trust the people to understand. It's the only way to insure that you leave your children no less freedom than we left you.

Dad.

Yes.

I hate this place.

Why?

For lots of reasons. Your stupid rules that say I have to be in by midnight. You won't buy me a car. I'm sick of church every week and it's silly activities. There's a lot more. I . . .

But we feel those things are best for you. It's only because we love you that . . .

Well, I don't love you. Right now I don't love you at all. As soon as I'm eighteen I'm out of here.

Glenn?

Yes.

What do we do?

We remember the proverb, "Bring up a child in the way he should go and when he is old he will not depart from it."

Yes.

We love. We wait. We trust.

Are you sure?

Well, I have decided—I am sure. I am sure the American people love this country enough to be able to look past the surface nature of this debate and examine its real meaning. The American people, given the chance, will show they love this country, and there is no need to force them to do it by changing the very document that insures our freedom and invites that love.

And this is the truth. For over 200 years now the faith of our Founding Fathers has been justified because we are still the freest Nation on the face of the Earth and every country in the world yearns for the freedoms in the Bill of Rights.

Every nation has a flag, but only America has a Bill of Rights. For over

200 years now neither the Supreme Court nor the Congress of this Nation has seen fit to change even one small letter in this precious Bill of Rights.

Yes, it is true we have gone through periods of time when rebellious children in disrespect for the great goodness of this country have shown their contempt. They march, they cry injustice, some burn the flag, some join the Communist Party.

In the 1950's, people demanded a constitutional amendment to forbid the Communist Party in this country. In the 1960's and 1970's there were flags burned all across America in the civil rights and Vietnam war protests, and people demanded then a constitutional amendment to protect the flag. Today there are more flags flying in America than ever before in our history. The Communist Party is not even on the ballot in most States, and gets less than one-half of 1 percent in the States where it is on the ballot.

In the last several years, we have had a handful of people out of 260 million arrested for desecrating the flag. Some are demanding now another constitutional amendment to amend the Bill of Rights, to demand that we show respect by not allowing a form of disrespect. The Supreme Court said no, and Congress agreed. I was one of the Members of Congress that agreed.

I believe our Forefathers would have said "Leave them alone. If they are desecrating this flag out of meanness or ill will, rather than honest differences with their own Government, they will reap their own reward. They cannot destroy the Bill of Rights by destroying the symbol for the freedoms the Bill of Rights gives us. Their ideas will never match up to freedom, no matter what they are.

"Leave them alone. The ignorance of their act will show the bankruptcy of their ideas. However, if you take away their free will, even to show disrespect, you will do more injustice to the principles upon which this government was formed than they ever could.

"Just as we in our sins against the Creator end up bankrupt by our rebellion, they will end up the same way in their sins against the Nation. Have faith. Have faith that love and freedom will win. Love never fails."

If we could command respect by the law, we would not need faith, but our Forefathers said that faith will be the foundation of our freedoms, the faith that people, because they are free, will in the end choose to be responsible.

This is the history book from which I taught the principles of Government the Constitution, and the Bill of Rights. This is my Bible, upon whose words I have staked by life.

This Fourth of July, because I will do this week what I think is consistent with my faith, Old Glory for me personally will fly higher and brighter than ever before. God bless America, God bless the Bill of Rights, and God bless our flag.

ON COMPACT-IMPACT AID

The SPEAKER pro tempore (Mr. GOODLATTE). Under a previous order of the House, the gentleman from Guam [Mr. UNDERWOOD] is recognized for 5 minutes.

Mr. UNDERWOOD. Mr. Speaker, I wish to bring to the attention of this body an issue which combines all of the worst elements of a failed Federal policy in which immigration with huge unfunded mandates and which stands as an exemplar of how to make and break a promise. Mr. Speaker, I am speaking of the Federal Government's failure to compensate the people of Guam for expenses incurred as a result of a treaty we—as the people of Guam—had no part in shaping.

Mr. Speaker, do Members of this body or the citizens of this country know that there are countries in this world, independent nations which have free and unrestricted access to this country?

Mr. Speaker, do Members of this body or the citizens of this country know that there are nationals of other countries who can walk through immigration check points with only an identification card; with no visa, with no passport, with no restriction on their movement or time of stay?

Mr. Speaker, do Members of this body or the citizens of this country know that there are citizens of other countries who can come into the United States and work, receive public assistance and other benefits available to citizens and permanent residents apparently without restrictions?

It is true that citizens of the newly formed countries of the Republic of the Marshalls, the Federated States of Micronesia and the Republic of Palau—all in free association with the United States—can come and have come to the United States, primarily to the State of Hawaii and the Territory of Guam and the Commonwealth of the Northern Marianas. And many have come to work and be productive participants in the economy.

But there is the matter of the Federal Government making a commitment to free access by foreign nationals via a treaty which falls disproportionately on local governments like that of Guam. This is not to many areas of the country where a similar situation has resulted in what we have labeled "unfunded mandates."

This is a serious enough situation, but in the case of Guam—it is far more egregious in its negative impact because of our small size and limited population. And in terms of the issue of the unfunded mandates, the commitment was not made verbally or through exchanges of letters by the Federal Government to help Guam in recovering from the costs involved in this migration. It was authorized in statute passed by this body in Public Law 99-239.

Public Law 99-239, section 103(e)(6) reads:

> There are hereby authorized to be appropriated for fiscal years beginning after September 30, 1985, such sums as may be necessary to cover the costs, if any, incurred by the State of Hawaii, the territories of Guam and American Samoa, and the Commonwealth of the Northern Mariana Islands resulting from any increased demands placed on educational and social services by immigrants from the Marshall Islands and the Federated States of Micronesia.

We call this issue compact impact aid—the assistance due local governments in consideration of the financial impact of the Compacts of Free Association. Guam, due to its proximity, has received the greatest share of this immigration. Since the treaties went into effect, we now estimate that 6 percent of the total population of Guam is from these freely associated states. This entirely legal immigration would proportionately number 15 million persons of the entire U.S. population. And what is more startling is that is entirely legal; a process which only requires an identification card.

The total cost to the Government of Guam since its inception is in excess of $70 million. The Guam Memorial Hospital estimates an impact of $750,000 in costs in fiscal year 1994, and $2.55 million since 1986 to the Medically Indigent Program due to compact immigrants. Public housing assistance cost Guam $2 million in fiscal year 1994 and $7.5 million since 1986. I have also heard reports from one elementary school principal who must devote three classrooms, with teachers and aides, just to deal with the overflow of students who show up on our doorstep.

The total reimbursement given to Guam based on the law has been $2.5 million.

This is all that has been given to Guam in compensation for this dramatic impact on our society and educational system. Mr. Speaker, given this legacy of the Federal Government's seeming inability to make good on its promises, we should ask the questions, What is Guam asking for in the Interior appropriations and what is Guam getting in the Interior appropriations?

These are easy questions. Guam is asking only that the Federal Government start living up to its commitment by putting in $4.58 million that the administration requested for fiscal year 1996. Guam is not asking for Government assistance, Guam is not asking for special projects, Guam is only asking for a downpayment of a long overdue bill.

And what is Guam getting? Well, the answer is simple. Currently, the Interior budget is giving Guam zero, nothing, nada, tayá—no money in whatever language you wish to use. It is time to begin resolving the finances of this issue.

But this issue cannot end here. We must take a look at collaborative solutions with the Federal Government, the Government of Guam, and the surrounding nations to clarify the intent of the right to freely migrate as it was originally negotiated. No one saw these consequences at the time of negotiation. No one asked Guam what would happen if unrestricted immigration became Federal policy. And apparently, very few Members of Congress seem to remember the commitments made to Guam to fund this Federal policy.

We will have the opportunity to correct this situation. We will have the chance to deal with this in a way which does the right thing for a patient people, and which fulfills a commitment.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. ROHRABACHER) to revise and extend their remarks and include extraneous material:)

Mr. UNDERWOOD, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. ROHRABACHER) and to include extraneous matter:)

Mr. STOKES.

Ms. PELOSI.

Mr. SKELTON.

Mr. HOYER.

Mrs. KELLY.

Mr. FORBES.

(The following Member (at the request of Mr. UNDERWOOD) and to include extraneous matter:)

Mr. ANDREWS.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of it clerks, announced that the Senate has passed bills of the following titles, in which the concurrence of the House is requested:

S. 440. An act to amend title 23, United States Code, to provide for the designation of the National Highway System, and for other purposes.

S. 962. An act to extend authorities under the Middle East Peace Facilitation Act of 1994 until August 15, 1995.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 4) "An act to grant the power to the President to reduce budget authority," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ROTH, Mr. STEVENS, Mr. THOMPSON, Mr. COCHRAN, Mr. MCCAIN, Mr. GLENN, Mr. LEVIN, Mr. PRYOR, Mr. SARBANES, Mr. DOMENICI, Mr. GRASSLEY, Mr. NICKLES, Mr. GRAMM, Mr. COATS, Mr. EXON, Mr. HOLLINGS, Mr. JOHNSTON, and Mr. DODD, to be conferees on the part of the Senate.

ADJOURNMENT

Mr. UNDERWOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 25 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, June 27, 1995, at 10:30 a.m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STUMP: Committee on Veterans' Affairs. H.R. 1565. A bill to amend title 38, United States Code, to extend through December 31, 1997, the period during which the Secretary of Veterans Affairs is authorized to provide priority health care to certain veterans exposed to Agent Orange, ionizing radiation, or environmental hazards; with an amendment (Rept. 104–158). Referred to the Committee of the Whole House on the State of the Union.

Mr. KASICH: Committee of Conference. Conference report on House Concurrent Resolution 67. Resolution setting forth the congressional budget for the U.S. Government for fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002 (Rept. 104–159). Ordered to be printed.

REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X the following action was taken by the Speaker:

[Submitted June 23, 1995]

H.R. 1655. Referred to the Committee on Government Reform and Oversight for a period ending not later than July 19, 1995, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(g), rule X.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X the following action was taken by the Speaker:

[Submitted June 23, 1995]

H.R. 1655. Referral to the Committee on National Security extended for a period ending not later than July 19, 1995.

ADDITIONAL SPONSORS

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

H.R. 359: Mr. NEY and Mr. LEWIS of California.

H.R. 899: Mr. BASS.

H.R. 927: Mr. BURR and Mr. ANDREWS.

H.R. 972: Mr. SPRATT and Mr. ACKERMAN.

H.R. 995: Mr. SOLOMON.

H.R. 996: Mr. SOLOMON.

H.R. 1006: Mr. FILNER and Mr. FLAKE.

H.R. 1073: Mr. LINDER, Mr. WYNN, Mr. BALDACCI, Mr. STUDDS, Mr. CLAY, Mr. POMEROY, Mr. TRAFICANT, and Mr. YATES.

H.R. 1074: Mr. HASTINGS of Florida, Mr. DICKS, Mr. WYNN, and Mr. TRAFICANT.

H.R. 1100: Ms. LOFGREN.

H.R. 1299: Mr. LUTHER.

H.R. 1482: Mr. SANDERS.

H.R. 1483: Mr. SANDERS.

H.R. 1608: Mr. WAXMAN.

H.R. 1749: Mr. SHAYS, Mr. JACOBS, Mr. GOSS, Mr. NEUMANN, Mr. DEUTSCH, and Mr. VISCLOSKY.

H.R. 1802: Ms. LOFGREN.

H.R. 1834: Mr. BARTON of Texas, Mr. BONO, Mr. COX, Mr. CRAPO, Mr. DREIER, Mr. LATHAM, Mr. LIVINGSTON, Mr. MCCRERY, Mr. MILLER of Florida, Mr. PARKER, and Mr. TAYLOR of North Carolina.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

[Omitted from the Record of June 22, 1995]

Petition 4 by Mr. BRYANT on House Resolution 127: William P. Luther, Karen McCarthy.

AMENDMENTS

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

H.R. 1868

OFFERED BY: MS. ROS-LEHTINEN

AMENDMENT NO. 71: Page 16, line 24, strike "$595,000,000" and insert "$565,000,000".

H.R. 1868

OFFERED BY: MR. WILSON

AMENDMENT NO. 72: On Page 78 following line 6 insert a new general provision:

"None of the funds in this Act may be used to provide assistance to the Government of Armenia if it is made known to the President that the Government of Armenia is participating in the blockade of Nakhichevan.

H.R. 1868

OFFERED BY: MR. WOLF

AMENDMENT NO. 73: Page 19, after line 8, insert the following:

(k) Of the funds appropriated under this heading and under the heading "Assistance for Eastern Europe and the Baltic States", not to exceed $30,000,000 shall be made available for police training and exchanges, and investigative and technical assistance activities related to international criminal activities.

H.R. 1905

OFFERED BY: MR. ACKERMAN

AMENDMENT NO. 10: Page 2, line 18, strike "$129,906,000" and insert "$130,156,000".

Page 20, line 8, strike "$362,250,000" and insert "$362,000,000".

Page 20, line 25, strike "$239,944,000" and insert "$239,694,000".