

OTHER PROVISIONS

SENATE BUDGET RESOLUTION FOR 2001

Social Security Lockbox

The Chairman's mark provides a majority point of order in the House and Senate against a budget resolution for fiscal year 2002 (or a revision to 2001) which would call for an on-budget deficit. An exception is included in case of war or recession. This is very similar to the language included in section 201 last year's resolution with the addition of an exception for war or recession.

Medicare and Prescription Drug Reserve Fund

The Chairman's mark permits the Chairman of the Budget Committee to increase the spending and revenue aggregates and committee allocations by not more than \$20 billion for fiscal years 2001 through 2005 for legislation which provides fundamental Medicare reform and contains a prescription drug benefit.

Reserve for Stabilization of Payments to Counties in support of Education

The Chairman's mark permits the Chairman of the Budget Committee to increase the allocation to the Energy Committee by not more than \$ 200 million for fiscal year 2001 and not more than \$1.1 billion fiscal years 2001 through 2005 for legislation which provides payments to counties to support school and road systems.

Agriculture Reserve Fund

The Chairman's mark permits the Chairman of the Budget Committee to increase the allocation to the Agriculture Committee by not more than \$5.5 billion in fiscal year 2000 and not more than \$3 billion for fiscal years 2001 through 2005 for support of program and specialty crops and enhancement of conservation efforts if such legislation is reported no later than June 29, 2000.

Tax Reduction Reserve Fund

The Chairman's mark permits the Chairman of the Budget Committee to adjust the spending and revenue allocations and the aggregates to accommodate tax cut legislation which is offset by mandatory savings. This is identical to the language in last year's resolution.

Reserve Fund for Future Surpluses

The Chairman's mark permits the Chairman of the Budget Committee to adjust the appropriate aggregates, pay-go balances, and the reconciliation instructions for all fiscal years covered by the resolution to permit additional tax reductions if the Congressional Budget Office reports increased surpluses for the time period covered by the resolution.

Mechanism for Additional Debt Reduction

The Chairman's mark permits the Chairman of the Budget Committee to reduce the balance on the Senate's pay-as-you-go scorecard and adjust the appropriate aggregates and allocations no later than October 1, 2000 if the tax reconciliation bill or the Medicare reform/prescription drug legislation is never considered or is vetoed by the President. By removing these amounts from the scorecard (and making conforming adjustments to the aggregates and allocations), this precludes the funds from being used for other tax cuts or spending increases, thus dedicating such funds to debt reduction.

Emergency Spending Point of Order

The Chairman's mark again establishes (and makes permanent) a 60-vote point of order in the Senate against the use of the "emergency designation" in any spending or revenue legislation. This is similar to the point of order set out in section 206 of last year's resolution with one exception: the point of order now would apply to the use of the designation on defense spending.

Reserve Fund pending increase of fiscal year 2001 Discretionary Spending Limits

The Chairman's mark permits the Chairman of the Budget Committee to increase the section 302 allocation to the Committee on Appropriations upon the enactment of legislation which increases the statutory discretionary spending limits up to the levels assumed within the functional totals of the Chairman's mark. This eliminates the threat of a 60-vote point of order against the budget resolution under section 312(b) of the Budget Act for exceeding the discretionary spending limits.

Congressional Defense /Non Defense Firewall

The Chairman's mark provides a congressional "firewall" for both defense and non-defense discretionary spending for fiscal year 2001. Once the statutory discretionary spending limits have been increased, this section provides a 60-vote point of order in the Senate against legislation which appropriates more than \$306.8 billion in new budget authority (and \$295.1 billion in outlays) for all of

defense or more than \$289.7 in new budget authority (and \$327.5 billion in outlays) for non-defense. An exception is provided in case of a declaration of war.

Mechanisms for Strengthening Budgetary Integrity

The Chairman's mark provides for 2 new 60-vote points of order in the Senate designed to strengthen the enforcement of the budget resolution. These would expire at the end of fiscal year 2002 to coincide with the existing discretionary spending limits.

First, the mark provides for a point of order against an appropriation bill that results in the sum of all advances from fiscal year 2001 into fiscal year 2002 (or any subsequent fiscal year) exceeding the amounts that were advanced for education from fiscal year 2000 into fiscal year 2001.

Second, the mark provides for a point of order against the use of any delayed obligations in an appropriations bill with an exception for current programmatic-driven delays (which would be specified in the statement of managers by both program and dollar amount).

Both points of order would operate like the Emergency designation point of order and the Byrd Rule: the offending provision could be stricken from the bill or conference report.

Prohibition on use of Federal Reserve Surpluses

The Chairman's mark prohibits the scoring (for purposes of Congressional enforcement) of any transfer of proceeds from an off-budget entity to an on-budget account.

Reaffirming the Prohibition on the use of Revenue offsets for Discretionary Spending

The Chairman's mark reaffirms the current rule which prohibits the scoring of revenue provisions contained in an appropriations bill. This highlights Congress' rejection of any proposals by the Administration to use tax increases to offset increased discretionary spending.

Application and Effect of Adjustments

The Chairman's mark contains language identical to section 208 of last year's resolution which simply makes clear when adjustments made under title II of the budget resolution will take effect. This was included last year at the request of the House Budget Committee to clarify the authority of the Budget Committees of both Houses to make such adjustments.

Rulemaking Authority

As always, the Chairman's mark includes language identical to section 213 of last year's

resolution which simply states Congress' authority to legislate rules of procedure for either chamber.