

- (1) is a necessary (but secondary) result of a significant policy change;
- (2) provides for contingencies; or
- (3) achieves savings made possible by changes in program requirements or by greater efficiency of operations.

SEC. 203. FINANCIAL MANAGEMENT REFORM.

It is the sense of the Congress that the Congress should undertake a coordinated effort to identify problems and develop specific recommendations to reform the financial management systems of the United States Government, including consideration of the use of generally accepted accounting principles.

SEC. 204. EXTENSION OF STATE AND LOCAL COST ESTIMATES.

The State and Local Government Cost Estimate Act of 1981 is amended by striking out section 4.

SEC. 205. EXTRANEOUS PROVISIONS IN THE SENATE.

(a) **PROHIBITION OF EXTRANEOUS MATTERS IN RECONCILIATION MEASURES IN THE SENATE.**—Section 20001 of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended by section 7006 of the Omnibus Budget Reconciliation Act of 1986, is amended in subsection (c) by striking out “January 2, 1988” and inserting in lieu thereof “September 30, 1992”.

(b) **PROVISIONS CONSIDERED TO BE EXTRANEOUS IN THE SENATE.**—Subsection (d)(1)(A) of such section is amended by inserting before the period at the end thereof “; and (E) a provision shall be considered to be extraneous if it increases, or would increase, net outlays, or if it decreases, or would decrease, revenues during a fiscal year after the fiscal years covered by such reconciliation bill or reconciliation resolution, and such increases or decreases are greater than outlay reductions or revenue increases resulting from other provisions in such title in such year”.

(c) **APPLICATION OF SUBSECTION (a) TO CERTAIN SENATE RESOLUTIONS.**—Nothing in the amendment made by subsection (a) shall be construed as limiting the manner in which S. Res. 286 (99th Congress, 1st session), as amended by S. Res. 509 (99th Congress, 2d session), shall apply to reconciliation bills and reconciliation resolutions considered on or after the date of the enactment of this joint resolution.

SEC. 206. CODIFICATION OF LAW REGARDING DEFERRAL AUTHORITY.

(a) **PROPOSED DEFERRALS OF BUDGET AUTHORITY.**—Section 1013 of the Impoundment Control Act of 1974 is amended to read as follows:

“PROPOSED DEFERRALS OF BUDGET AUTHORITY

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

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

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

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

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

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

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

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

“(b) **CONSISTENCY WITH LEGISLATIVE POLICY.**—Deferrals shall be permissible only—

“(1) to provide for contingencies;

“(2) to achieve savings made possible by or through changes in requirements or greater efficiency of operations; or

“(3) as specifically provided by law.

No officer or employee of the United States may defer any budget authority for any other purpose.

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

(b) **CONFORMING AMENDMENT.**—The first sentence of section 1016 of the Impoundment Control Act of 1974 is amended by striking out “under section 1012(b) or 1013(b)” and by inserting in lieu thereof “under this title”.

(c) **REAFFIRMATION.**—Sections 1015 and 1016 of the Impoundment Control Act of 1974 are reaffirmed.

SEC. 207. CLARIFICATION OF CONGRESSIONAL INTENT REGARDING RESCISSION AUTHORITY.

Section 1012(b) of the Impoundment Control Act of 1974 is amended by adding at the end thereof the following: “Funds made available for obligation under this procedure may not be proposed for rescission again.”

SEC. 208. ECONOMIC AND TECHNICAL ASSUMPTIONS.

(a) **POINT OF ORDER.**—Section 301(g) of the Congressional Budget Act of 1974 is amended to read as follows:

“(g) **ECONOMIC ASSUMPTIONS.**—

“(1) It shall not be in order in the Senate to consider any concurrent resolution on the budget for a fiscal year, or any amend-