

Calendar No. 55

105<sup>TH</sup> CONGRESS  
1<sup>ST</sup> Session

**S. CON. RES. 27**

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**CONCURRENT RESOLUTION**

Setting forth the congressional budget for the  
United States Government for fiscal years 1998,  
1999, 2000, 2001, and 2002.

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MAY 19, 1997

Placed on the calendar

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1ST SESSION**S. CON. RES. 27**

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for fiscal years 1998, 1999, 2000, 2001, and 2002.

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IN THE SENATE OF THE UNITED STATES

MAY 19, 1997

Mr. DOMENICI, from the Committee on the Budget, submitted the following  
original concurrent resolution; which was placed on the calendar

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**CONCURRENT RESOLUTION**

Setting forth the congressional budget for the United States  
Government for fiscal years 1998, 1999, 2000, 2001,  
and 2002.

1       *Resolved by the Senate (the House of Representatives*  
2       *concurring),*

3       **SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET**  
4               **FOR FISCAL YEAR 1998.**

5       (a) DECLARATION.—The Congress determines and  
6 declares that this resolution is the concurrent resolution  
7 on the budget for fiscal year 1998 including the appro-  
8 priate budgetary levels for fiscal years 1999, 2000, 2001,

1 and 2002 as required by section 301 of the Congressional  
2 Budget Act of 1974.

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

Sec. 1. Concurrent resolution on the budget for fiscal year 1998.

#### TITLE I—LEVELS AND AMOUNTS

Sec. 101. Recommended levels and amounts.

Sec. 102. Social Security.

Sec. 103. Major functional categories.

Sec. 104. Reconciliation.

#### TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

Sec. 201. Discretionary spending limits.

Sec. 202. Allowance in the Senate.

Sec. 203. Allowance in the Senate for section 8 housing assistance.

Sec. 204. Environmental reserve.

Sec. 205. Federal land acquisition reserve.

Sec. 206. Allowance in the Senate for arrearages.

Sec. 207. Intercity passenger rail reserve fund for fiscal years 1998–2002.

Sec. 208. Mass transit reserve fund for fiscal years 1998–2002.

Sec. 209. Exercise of rulemaking powers.

#### TITLE III—SENSE OF THE SENATE

Sec. 301. Sense of the Senate on long term entitlement reforms, including accuracy in determining changes in the cost of living.

Sec. 302. Sense of the Senate on tactical fighter aircraft programs.

Sec. 303. Sense of the Senate regarding children’s health coverage.

Sec. 304. Sense of the Senate on a Medicaid per capita cap.

Sec. 305. Sense of the Senate that added savings go to deficit reduction.

Sec. 306. Sense of the Senate on fairness in Medicare.

Sec. 307. Sense of the Senate regarding assistance to Lithuania and Latvia.

Sec. 308. Sense of the Senate regarding a national commission on higher education.

Sec. 309. Sense of the Senate on lockbox.

Sec. 310. Sense of the Senate on the earned income credit.

## 5 **TITLE I—LEVELS AND AMOUNTS**

### 6 **SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.**

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

9 (1) FEDERAL REVENUES.—For purposes of the en-  
10 forcement of this resolution—

1 (A) The recommended levels of Federal reve-  
2 nues are as follows:

3 Fiscal year 1998: \$1,199,000,000,000.

4 Fiscal year 1999: \$1,241,900,000,000.

5 Fiscal year 2000: \$1,285,600,000,000.

6 Fiscal year 2001: \$1,343,600,000,000.

7 Fiscal year 2002: \$1,407,600,000,000.

8 (B) The amounts by which the aggregate levels  
9 of Federal revenues should be changed are as fol-  
10 lows:

11 Fiscal year 1998: \$ - 7,400,000,000.

12 Fiscal year 1999: \$ - 11,100,000,000.

13 Fiscal year 2000: \$ - 22,000,000,000.

14 Fiscal year 2001: \$ - 22,800,000,000.

15 Fiscal year 2002: \$ - 19,900,000,000.

16 (C) The amounts for Federal Insurance Con-  
17 tributions Act revenues for hospital insurance within  
18 the recommended levels of Federal revenues are as  
19 follows:

20 Fiscal year 1998: \$113,500,000,000.

21 Fiscal year 1999: \$119,100,000,000.

22 Fiscal year 2000: \$125,100,000,000.

23 Fiscal year 2001: \$130,700,000,000.

24 Fiscal year 2002: \$136,800,000,000.

1           (2) NEW BUDGET AUTHORITY.—For purposes of the  
2 enforcement of this resolution, the appropriate levels of  
3 total new budget authority are as follows:

4                   Fiscal year 1998: \$1,384,900,000,000.

5                   Fiscal year 1999: \$1,440,200,000,000.

6                   Fiscal year 2000: \$1,486,400,000,000.

7                   Fiscal year 2001: \$1,520,400,000,000.

8                   Fiscal year 2002: \$1,551,900,000,000.

9           (3) BUDGET OUTLAYS.—For purposes of the enforce-  
10 ment of this resolution, the appropriate levels of total  
11 budget outlays are as follows:

12                   Fiscal year 1998: \$1,372,000,000,000.

13                   Fiscal year 1999: \$1,424,300,000,000.

14                   Fiscal year 2000: \$1,468,900,000,000.

15                   Fiscal year 2001: \$1,500,900,000,000.

16                   Fiscal year 2002: \$1,516,300,000,000.

17           (4) DEFICITS.—For purposes of the enforcement of  
18 this resolution, the amounts of the deficits are as follows:

19                   Fiscal year 1998: \$—173,000,000,000.

20                   Fiscal year 1999: \$—182,400,000,000.

21                   Fiscal year 2000: \$—183,300,000,000.

22                   Fiscal year 2001: \$—157,300,000,000.

23                   Fiscal year 2002: \$—108,700,000,000.

24           (5) PUBLIC DEBT.—The appropriate levels of the  
25 public debt are as follows:

1 Fiscal year 1998: \$5,593,500,000,000.

2 Fiscal year 1999: \$5,836,200,000,000.

3 Fiscal year 2000: \$6,082,400,000,000.

4 Fiscal year 2001: \$6,301,200,000,000.

5 Fiscal year 2002: \$6,473,500,000,000.

6 (6) DIRECT LOAN OBLIGATIONS.—The appropriate  
7 levels of total new direct loan obligations are as follows:

8 Fiscal year 1998: \$34,000,000,000.

9 Fiscal year 1999: \$33,400,000,000.

10 Fiscal year 2000: \$34,900,000,000.

11 Fiscal year 2001: \$36,100,000,000.

12 Fiscal year 2002: \$37,400,000,000.

13 (7) PRIMARY LOAN GUARANTEE COMMITMENTS.—

14 The appropriate levels of new primary loan guarantee  
15 commitments are as follows:

16 Fiscal year 1998: \$315,700,000,000.

17 Fiscal year 1999: \$324,900,000,000.

18 Fiscal year 2000: \$328,200,000,000.

19 Fiscal year 2001: \$332,200,000,000.

20 Fiscal year 2002: \$335,300,000,000.

21 **SEC. 102. SOCIAL SECURITY.**

22 (a) SOCIAL SECURITY REVENUES.—For purposes of  
23 Senate enforcement under sections 302, 602, and 311 of  
24 the Congressional Budget Act of 1974, the amounts of  
25 revenues of the Federal Old-Age and Survivors Insurance

1 Trust Fund and the Federal Disability Insurance Trust  
2 Fund are as follows:

3 Fiscal year 1998: \$402,800,000,000.

4 Fiscal year 1999: \$422,300,000,000.

5 Fiscal year 2000: \$442,600,000,000.

6 Fiscal year 2001: \$461,600,000,000.

7 Fiscal year 2002: \$482,800,000,000.

8 (b) SOCIAL SECURITY OUTLAYS.—For purposes of  
9 Senate enforcement under sections 302, 602, and 311 of  
10 the Congressional Budget Act of 1974, the amounts of  
11 outlays of the Federal Old-Age and Survivors Insurance  
12 Trust Fund and the Federal Disability Insurance Trust  
13 Fund are as follows:

14 Fiscal year 1998: \$317,600,000,000.

15 Fiscal year 1999: \$330,600,000,000.

16 Fiscal year 2000: \$343,600,000,000.

17 Fiscal year 2001: \$358,100,000,000.

18 Fiscal year 2002: \$372,500,000,000.

19 **SEC. 103. MAJOR FUNCTIONAL CATEGORIES.**

20 The Congress determines and declares that the ap-  
21 propriate levels of new budget authority, budget outlays,  
22 new direct loan obligations, and new primary loan guaran-  
23 tee commitments for fiscal years 1998 through 2002 for  
24 each major functional category are:

25 (1) National Defense (050):

1 Fiscal year 1998:

2 (A) New budget authority,  
3 \$268,200,000,000.

4 (B) Outlays, \$266,000,000,000.

5 (C) New direct loan obligations, \$0.

6 (D) New primary loan guarantee commit-  
7 ments, \$600,000,000.

8 Fiscal year 1999:

9 (A) New budget authority,  
10 \$270,800,000,000.

11 (B) Outlays, \$265,800,000,000.

12 (C) New direct loan obligations, \$0.

13 (D) New primary loan guarantee commit-  
14 ments, \$800,000,000.

15 Fiscal year 2000:

16 (A) New budget authority,  
17 \$274,800,000,000.

18 (B) Outlays, \$268,400,000,000.

19 (C) New direct loan obligations, \$0.

20 (D) New primary loan guarantee commit-  
21 ments, \$1,100,000,000.

22 Fiscal year 2001:

23 (A) New budget authority,  
24 \$281,300,000,000.

25 (B) Outlays, \$270,100,000,000.



1 (C) New direct loan obligations, \$0.

2 (D) New primary loan guarantee commit-  
3 ments, \$1,100,000,000.

4 Fiscal year 2002:

5 (A) New budget authority,  
6 \$289,100,000,000.

7 (B) Outlays, \$272,600,000,000.

8 (C) New direct loan obligations, \$0.

9 (D) New primary loan guarantee commit-  
10 ments, \$1,100,000,000.

11 (2) International Affairs (150):

12 Fiscal year 1998:

13 (A) New budget authority,  
14 \$15,900,000,000.

15 (B) Outlays, \$14,600,000,000.

16 (C) New direct loan obligations,  
17 \$2,000,000,000.

18 (D) New primary loan guarantee commit-  
19 ments, \$12,800,000,000.

20 Fiscal year 1999:

21 (A) New budget authority,  
22 \$14,900,000,000.

23 (B) Outlays, \$14,600,000,000.

24 (C) New direct loan obligations,  
25 \$2,000,000,000.

1 (D) New primary loan guarantee commit-  
2 ments, \$13,100,000,000.

3 Fiscal year 2000:

4 (A) New budget authority,  
5 \$15,800,000,000.

6 (B) Outlays, \$15,000,000,000.

7 (C) New direct loan obligations,  
8 \$2,100,000,000.

9 (D) New primary loan guarantee commit-  
10 ments, \$13,400,000,000.

11 Fiscal year 2001:

12 (A) New budget authority,  
13 \$16,100,000,000.

14 (B) Outlays, \$14,800,000,000.

15 (C) New direct loan obligations,  
16 \$2,100,000,000.

17 (D) New primary loan guarantee commit-  
18 ments, \$13,800,000,000.

19 Fiscal year 2002:

20 (A) New budget authority,  
21 \$16,400,000,000.

22 (B) Outlays, \$14,800,000,000.

23 (C) New direct loan obligations,  
24 \$2,200,000,000.

1 (D) New primary loan guarantee commit-  
2 ments, \$14,200,000,000.

3 (3) General Science, Space, and Technology (250):

4 Fiscal year 1998:

5 (A) New budget authority,  
6 \$16,200,000,000.

7 (B) Outlays, \$16,900,000,000.

8 (C) New direct loan obligations, \$0.

9 (D) New primary loan guarantee commit-  
10 ments, \$0.

11 Fiscal year 1999:

12 (A) New budget authority,  
13 \$16,200,000,000.

14 (B) Outlays, \$16,500,000,000.

15 (C) New direct loan obligations, \$0.

16 (D) New primary loan guarantee commit-  
17 ments, \$0.

18 Fiscal year 2000:

19 (A) New budget authority,  
20 \$15,900,000,000.

21 (B) Outlays, \$16,000,000,000.

22 (C) New direct loan obligations, \$0.

23 (D) New primary loan guarantee commit-  
24 ments, \$0.

25 Fiscal year 2001:

1 (A) New budget authority,  
2 \$15,800,000,000.

3 (B) Outlays, \$15,900,000,000.

4 (C) New direct loan obligations, \$0.

5 (D) New primary loan guarantee commit-  
6 ments, \$0.

7 Fiscal year 2002:

8 (A) New budget authority,  
9 \$15,600,000,000.

10 (B) Outlays, \$15,700,000,000.

11 (C) New direct loan obligations, \$0.

12 (D) New primary loan guarantee commit-  
13 ments, \$0.

14 (4) Energy (270):

15 Fiscal year 1998:

16 (A) New budget authority,  
17 \$3,100,000,000.

18 (B) Outlays, \$2,200,000,000.

19 (C) New direct loan obligations,  
20 \$1,100,000,000.

21 (D) New primary loan guarantee commit-  
22 ments, \$0.

23 Fiscal year 1999:

24 (A) New budget authority,  
25 \$3,500,000,000.

1 (B) Outlays, \$2,400,000,000.

2 (C) New direct loan obligations,  
3 \$1,100,000,000.

4 (D) New primary loan guarantee commit-  
5 ments, \$0.

6 Fiscal year 2000:

7 (A) New budget authority,  
8 \$3,200,000,000.

9 (B) Outlays, \$2,300,000,000.

10 (C) New direct loan obligations,  
11 \$1,100,000,000.

12 (D) New primary loan guarantee commit-  
13 ments, \$0.

14 Fiscal year 2001:

15 (A) New budget authority,  
16 \$2,900,000,000.

17 (B) Outlays, \$2,000,000,000.

18 (C) New direct loan obligations,  
19 \$1,100,000,000.

20 (D) New primary loan guarantee commit-  
21 ments, \$0.

22 Fiscal year 2002:

23 (A) New budget authority,  
24 \$2,800,000,000.

25 (B) Outlays, \$1,900,000,000.

1 (C) New direct loan obligations,  
2 \$1,200,000,000.

3 (D) New primary loan guarantee commit-  
4 ments, \$0.

5 (5) Natural Resources and Environment (300):

6 Fiscal year 1998:

7 (A) New budget authority,  
8 \$23,900,000,000.

9 (B) Outlays, \$22,400,000,000.

10 (C) New direct loan obligations,  
11 \$100,000,000.

12 (D) New primary loan guarantee commit-  
13 ments, \$0.

14 Fiscal year 1999:

15 (A) New budget authority,  
16 \$23,200,000,000.

17 (B) Outlays, \$22,700,000,000.

18 (C) New direct loan obligations,  
19 \$100,000,000.

20 (D) New primary loan guarantee commit-  
21 ments, \$0.

22 Fiscal year 2000:

23 (A) New budget authority,  
24 \$22,600,000,000.

25 (B) Outlays, \$23,000,000,000.

1 (C) New direct loan obligations,  
2 \$100,000,000.

3 (D) New primary loan guarantee commit-  
4 ments, \$0.

5 Fiscal year 2001:

6 (A) New budget authority,  
7 \$22,200,000,000.

8 (B) Outlays, \$22,700,000,000.

9 (C) New direct loan obligations,  
10 \$100,000,000.

11 (D) New primary loan guarantee commit-  
12 ments, \$0.

13 Fiscal year 2002:

14 (A) New budget authority,  
15 \$22,100,000,000.

16 (B) Outlays, \$22,300,000,000.

17 (C) New direct loan obligations,  
18 \$100,000,000.

19 (D) New primary loan guarantee commit-  
20 ments, \$0.

21 (6) Agriculture (350):

22 Fiscal year 1998:

23 (A) New budget authority,  
24 \$13,100,000,000.

25 (B) Outlays, \$11,900,000,000.

1 (C) New direct loan obligations,  
2 \$9,600,000,000.

3 (D) New primary loan guarantee commit-  
4 ments, \$6,400,000,000.

5 Fiscal year 1999:

6 (A) New budget authority,  
7 \$12,800,000,000.

8 (B) Outlays, \$11,300,000,000.

9 (C) New direct loan obligations,  
10 \$11,000,000,000.

11 (D) New primary loan guarantee commit-  
12 ments, \$6,400,000,000.

13 Fiscal year 2000:

14 (A) New budget authority,  
15 \$12,200,000,000.

16 (B) Outlays, \$10,700,000,000.

17 (C) New direct loan obligations,  
18 \$11,100,000,000.

19 (D) New primary loan guarantee commit-  
20 ments, \$6,500,000,000.

21 Fiscal year 2001:

22 (A) New budget authority,  
23 \$11,000,000,000.

24 (B) Outlays, \$9,500,000,000.



1 (C) New direct loan obligations,  
2 \$11,000,000,000.

3 (D) New primary loan guarantee commit-  
4 ments, \$6,600,000,000.

5 Fiscal year 2002:

6 (A) New budget authority,  
7 \$10,700,000,000.

8 (B) Outlays, \$9,100,000,000.

9 (C) New direct loan obligations,  
10 \$11,000,000,000.

11 (D) New primary loan guarantee commit-  
12 ments, \$6,700,000,000.

13 (7) Commerce and Housing Credit (370):

14 Fiscal year 1998:

15 (A) New budget authority,  
16 \$6,600,000,000.

17 (B) Outlays, -\$900,000,000.

18 (C) New direct loan obligations,  
19 \$4,700,000,000.

20 (D) New primary loan guarantee commit-  
21 ments, \$245,500,000,000.

22 Fiscal year 1999:

23 (A) New budget authority,  
24 \$11,100,000,000.

25 (B) Outlays, \$4,300,000,000.

1 (C) New direct loan obligations,  
2 \$1,900,000,000.

3 (D) New primary loan guarantee commit-  
4 ments, \$253,500,000,000.

5 Fiscal year 2000:

6 (A) New budget authority,  
7 \$15,200,000,000.

8 (B) Outlays, \$9,800,000,000.

9 (C) New direct loan obligations,  
10 \$2,200,000,000.

11 (D) New primary loan guarantee commit-  
12 ments, \$255,200,000,000.

13 Fiscal year 2001:

14 (A) New budget authority,  
15 \$16,100,000,000.

16 (B) Outlays, \$12,100,000,000.

17 (C) New direct loan obligations,  
18 \$2,600,000,000.

19 (D) New primary loan guarantee commit-  
20 ments, \$258,000,000,000.

21 Fiscal year 2002:

22 (A) New budget authority,  
23 \$16,700,000,000.

24 (B) Outlays, \$12,500,000,000.

1 (C) New direct loan obligations,  
2 \$2,700,000,000.

3 (D) New primary loan guarantee commit-  
4 ments, \$259,900,000,000.

5 (8) Transportation (400):

6 Fiscal year 1998:

7 (A) New budget authority,  
8 \$44,600,000,000.

9 (B) Outlays, \$40,900,000,000.

10 (C) New direct loan obligations,  
11 \$200,000,000.

12 (D) New primary loan guarantee commit-  
13 ments, \$0.

14 Fiscal year 1999:

15 (A) New budget authority,  
16 \$46,600,000,000.

17 (B) Outlays, \$41,300,000,000.

18 (C) New direct loan obligations,  
19 \$100,000,000.

20 (D) New primary loan guarantee commit-  
21 ments, \$0.

22 Fiscal year 2000:

23 (A) New budget authority,  
24 \$47,100,000,000.

25 (B) Outlays, \$41,400,000,000.

1 (C) New direct loan obligations,  
2 \$100,000,000.

3 (D) New primary loan guarantee commit-  
4 ments, \$0.

5 Fiscal year 2001:

6 (A) New budget authority,  
7 \$48,100,000,000.

8 (B) Outlays, \$41,300,000,000.

9 (C) New direct loan obligations,  
10 \$100,000,000.

11 (D) New primary loan guarantee commit-  
12 ments, \$0.

13 Fiscal year 2002:

14 (A) New budget authority,  
15 \$49,200,000,000.

16 (B) Outlays, \$41,200,000,000.

17 (C) New direct loan obligations,  
18 \$100,000,000.

19 (D) New primary loan guarantee commit-  
20 ments, \$0.

21 (9) Community and Regional Development (450):

22 Fiscal year 1998:

23 (A) New budget authority,  
24 \$8,800,000,000.

25 (B) Outlays, \$10,400,000,000.

1 (C) New direct loan obligations,  
2 \$2,900,000,000.

3 (D) New primary loan guarantee commit-  
4 ments, \$2,400,000,000.

5 Fiscal year 1999:

6 (A) New budget authority,  
7 \$8,500,000,000.

8 (B) Outlays, \$10,900,000,000.

9 (C) New direct loan obligations,  
10 \$2,900,000,000.

11 (D) New primary loan guarantee commit-  
12 ments, \$2,400,000,000.

13 Fiscal year 2000:

14 (A) New budget authority,  
15 \$7,800,000,000.

16 (B) Outlays, \$11,000,000,000.

17 (C) New direct loan obligations,  
18 \$3,000,000,000.

19 (D) New primary loan guarantee commit-  
20 ments, \$2,400,000,000.

21 Fiscal year 2001:

22 (A) New budget authority,  
23 \$7,800,000,000.

24 (B) Outlays, \$11,400,000,000.

1 (C) New direct loan obligations,  
2 \$3,100,000,000.

3 (D) New primary loan guarantee commit-  
4 ments, \$2,500,000,000.

5 Fiscal year 2002:

6 (A) New budget authority,  
7 \$7,800,000,000.

8 (B) Outlays, \$8,400,000,000.

9 (C) New direct loan obligations,  
10 \$3,200,000,000.

11 (D) New primary loan guarantee commit-  
12 ments, \$2,500,000,000.

13 (10) Education, Training, Employment, and Social  
14 Services (500):

15 Fiscal year 1998:

16 (A) New budget authority,  
17 \$60,000,000,000.

18 (B) Outlays, \$56,100,000,000.

19 (C) New direct loan obligations,  
20 \$12,300,000,000.

21 (D) New primary loan guarantee commit-  
22 ments, \$20,700,000,000.

23 Fiscal year 1999:

24 (A) New budget authority,  
25 \$60,500,000,000.

1 (B) Outlays, \$59,300,000,000.

2 (C) New direct loan obligations,  
3 \$13,100,000,000.

4 (D) New primary loan guarantee commit-  
5 ments, \$21,900,000,000.

6 Fiscal year 2000:

7 (A) New budget authority,  
8 \$61,700,000,000.

9 (B) Outlays, \$60,700,000,000.

10 (C) New direct loan obligations,  
11 \$13,900,000,000.

12 (D) New primary loan guarantee commit-  
13 ments, \$23,300,000,000.

14 Fiscal year 2001:

15 (A) New budget authority,  
16 \$63,000,000,000.

17 (B) Outlays, \$61,900,000,000.

18 (C) New direct loan obligations,  
19 \$14,700,000,000.

20 (D) New primary loan guarantee commit-  
21 ments, \$24,500,000,000.

22 Fiscal year 2002:

23 (A) New budget authority,  
24 \$63,300,000,000.

25 (B) Outlays, \$62,300,000,000.

1 (C) New direct loan obligations,  
2 \$15,400,000,000.

3 (D) New primary loan guarantee commit-  
4 ments, \$25,700,000,000.

5 (11) Health (550):

6 Fiscal year 1998:

7 (A) New budget authority,  
8 \$137,800,000,000.

9 (B) Outlays, \$137,800,000,000.

10 (C) New direct loan obligations, \$0.

11 (D) New primary loan guarantee commit-  
12 ments, \$100,000,000.

13 Fiscal year 1999:

14 (A) New budget authority,  
15 \$144,900,000,000.

16 (B) Outlays, \$144,900,000,000.

17 (C) New direct loan obligations, \$0.

18 (D) New primary loan guarantee commit-  
19 ments, \$0.

20 Fiscal year 2000:

21 (A) New budget authority,  
22 \$154,000,000,000.

23 (B) Outlays, \$153,900,000,000.

24 (C) New direct loan obligations, \$0.



1 (D) New primary loan guarantee commit-  
2 ments, \$0.

3 Fiscal year 2001:

4 (A) New budget authority,  
5 \$163,400,000,000.

6 (B) Outlays, \$163,100,000,000.

7 (C) New direct loan obligations, \$0.

8 (D) New primary loan guarantee commit-  
9 ments, \$0.

10 Fiscal year 2002:

11 (A) New budget authority,  
12 \$172,100,000,000.

13 (B) Outlays, \$171,700,000,000.

14 (C) New direct loan obligations, \$0.

15 (D) New primary loan guarantee commit-  
16 ments, \$0.

17 (12) Medicare (570):

18 Fiscal year 1998:

19 (A) New budget authority,  
20 \$201,600,000,000.

21 (B) Outlays, \$201,800,000,000.

22 (C) New direct loan obligations, \$0.

23 (D) New primary loan guarantee commit-  
24 ments, \$0.

25 Fiscal year 1999:

1 (A) New budget authority,  
2 \$212,100,000,000.

3 (B) Outlays, \$211,500,000,000.

4 (C) New direct loan obligations, \$0.

5 (D) New primary loan guarantee commit-  
6 ments, \$0.

7 Fiscal year 2000:

8 (A) New budget authority,  
9 \$225,500,000,000.

10 (B) Outlays, \$225,500,000,000.

11 (C) New direct loan obligations, \$0.

12 (D) New primary loan guarantee commit-  
13 ments, \$0.

14 Fiscal year 2001:

15 (A) New budget authority,  
16 \$239,600,000,000.

17 (B) Outlays, \$238,800,000,000.

18 (C) New direct loan obligations, \$0.

19 (D) New primary loan guarantee commit-  
20 ments, \$0.

21 Fiscal year 2002:

22 (A) New budget authority,  
23 \$251,500,000,000.

24 (B) Outlays, \$250,800,000,000.

25 (C) New direct loan obligations, \$0.

1 (D) New primary loan guarantee commit-  
2 ments, \$0.

3 (13) Income Security (600):

4 Fiscal year 1998:

5 (A) New budget authority,  
6 \$239,000,000,000.

7 (B) Outlays, \$247,800,000,000.

8 (C) New direct loan obligations,  
9 \$100,000,000.

10 (D) New primary loan guarantee commit-  
11 ments, \$100,000,000.

12 Fiscal year 1999:

13 (A) New budget authority,  
14 \$254,100,000,000.

15 (B) Outlays, \$258,100,000,000.

16 (C) New direct loan obligations,  
17 \$100,000,000.

18 (D) New primary loan guarantee commit-  
19 ments, \$100,000,000.

20 Fiscal year 2000:

21 (A) New budget authority,  
22 \$269,600,000,000.

23 (B) Outlays, \$268,200,000,000.

24 (C) New direct loan obligations,  
25 \$100,000,000.

1 (D) New primary loan guarantee commit-  
2 ments, \$100,000,000.

3 Fiscal year 2001:

4 (A) New budget authority,  
5 \$275,100,000,000.

6 (B) Outlays, \$277,300,000,000.

7 (C) New direct loan obligations,  
8 \$100,000,000.

9 (D) New primary loan guarantee commit-  
10 ments, \$100,000,000.

11 Fiscal year 2002:

12 (A) New budget authority,  
13 \$286,900,000,000.

14 (B) Outlays, \$285,200,000,000.

15 (C) New direct loan obligations,  
16 \$200,000,000.

17 (D) New primary loan guarantee commit-  
18 ments, \$100,000,000.

19 (14) Social Security (650):

20 Fiscal year 1998:

21 (A) New budget authority,  
22 \$11,400,000,000.

23 (B) Outlays, \$11,500,000,000.

24 (C) New direct loan obligations, \$0.

1 (D) New primary loan guarantee commit-  
2 ments, \$0.

3 Fiscal year 1999:

4 (A) New budget authority,  
5 \$12,100,000,000.

6 (B) Outlays, \$12,200,000,000.

7 (C) New direct loan obligations, \$0.

8 (D) New primary loan guarantee commit-  
9 ments, \$0.

10 Fiscal year 2000:

11 (A) New budget authority,  
12 \$12,800,000,000.

13 (B) Outlays, \$12,900,000,000.

14 (C) New direct loan obligations, \$0.

15 (D) New primary loan guarantee commit-  
16 ments, \$0.

17 Fiscal year 2001:

18 (A) New budget authority,  
19 \$13,000,000,000.

20 (B) Outlays, \$13,000,000,000.

21 (C) New direct loan obligations, \$0.

22 (D) New primary loan guarantee commit-  
23 ments, \$0.

24 Fiscal year 2002:

1 (A) New budget authority,  
2 \$14,400,000,000.

3 (B) Outlays, \$14,400,000,000.

4 (C) New direct loan obligations, \$0.

5 (D) New primary loan guarantee commit-  
6 ments, \$0.

7 (15) Veterans Benefits and Services (700):

8 Fiscal year 1998:

9 (A) New budget authority,  
10 \$40,500,000,000.

11 (B) Outlays, \$41,300,000,000.

12 (C) New direct loan obligations,  
13 \$1,000,000,000.

14 (D) New primary loan guarantee commit-  
15 ments, \$27,100,000,000.

16 Fiscal year 1999:

17 (A) New budget authority,  
18 \$41,700,000,000.

19 (B) Outlays, \$41,900,000,000.

20 (C) New direct loan obligations,  
21 \$1,100,000,000.

22 (D) New primary loan guarantee commit-  
23 ments, \$26,700,000,000.

24 Fiscal year 2000:

1 (A) New budget authority,  
2 \$42,000,000,000.

3 (B) Outlays, \$42,200,000,000.

4 (C) New direct loan obligations,  
5 \$1,200,000,000.

6 (D) New primary loan guarantee commit-  
7 ments, \$26,200,000,000.

8 Fiscal year 2001:

9 (A) New budget authority,  
10 \$42,400,000,000.

11 (B) Outlays, \$42,500,000,000.

12 (C) New direct loan obligations,  
13 \$1,200,000,000.

14 (D) New primary loan guarantee commit-  
15 ments, \$25,600,000,000.

16 Fiscal year 2002:

17 (A) New budget authority,  
18 \$42,600,000,000.

19 (B) Outlays, \$42,700,000,000.

20 (C) New direct loan obligations,  
21 \$1,300,000,000.

22 (D) New primary loan guarantee commit-  
23 ments, \$25,100,000,000.

24 (16) Administration of Justice (750):

25 Fiscal year 1998:

1 (A) New budget authority,  
2 \$24,800,000,000.

3 (B) Outlays, \$22,600,000,000.

4 (C) New direct loan obligations, \$0.

5 (D) New primary loan guarantee commit-  
6 ments, \$0.

7 Fiscal year 1999:

8 (A) New budget authority,  
9 \$25,100,000,000.

10 (B) Outlays, \$24,500,000,000.

11 (C) New direct loan obligations, \$0.

12 (D) New primary loan guarantee commit-  
13 ments, \$0.

14 Fiscal year 2000:

15 (A) New budget authority,  
16 \$24,200,000,000.

17 (B) Outlays, \$25,200,000,000.

18 (C) New direct loan obligations, \$0.

19 (D) New primary loan guarantee commit-  
20 ments, \$0.

21 Fiscal year 2001:

22 (A) New budget authority,  
23 \$24,400,000,000.

24 (B) Outlays, \$25,900,000,000.

25 (C) New direct loan obligations, \$0.



1 (D) New primary loan guarantee commit-  
2 ments, \$0.

3 Fiscal year 2002:

4 (A) New budget authority,  
5 \$24,900,000,000.

6 (B) Outlays, \$24,900,000,000.

7 (C) New direct loan obligations, \$0.

8 (D) New primary loan guarantee commit-  
9 ments, \$0.

10 (17) General Government (800):

11 Fiscal year 1998:

12 (A) New budget authority,  
13 \$14,700,000,000.

14 (B) Outlays, \$14,000,000,000.

15 (C) New direct loan obligations, \$0.

16 (D) New primary loan guarantee commit-  
17 ments, \$0.

18 Fiscal year 1999:

19 (A) New budget authority,  
20 \$14,400,000,000.

21 (B) Outlays, \$14,400,000,000.

22 (C) New direct loan obligations, \$0.

23 (D) New primary loan guarantee commit-  
24 ments, \$0.

25 Fiscal year 2000:

1 (A) New budget authority,  
2 \$14,000,000,000.

3 (B) Outlays, \$14,700,000,000.

4 (C) New direct loan obligations, \$0.

5 (D) New primary loan guarantee commit-  
6 ments, \$0.

7 Fiscal year 2001:

8 (A) New budget authority,  
9 \$13,700,000,000.

10 (B) Outlays, \$14,100,000,000.

11 (C) New direct loan obligations, \$0.

12 (D) New primary loan guarantee commit-  
13 ments, \$0.

14 Fiscal year 2002:

15 (A) New budget authority,  
16 \$13,100,000,000.

17 (B) Outlays, \$13,100,000,000.

18 (C) New direct loan obligations, \$0.

19 (D) New primary loan guarantee commit-  
20 ments, \$0.

21 (18) Net Interest (900):

22 Fiscal year 1998:

23 (A) New budget authority,  
24 \$296,500,000,000.

25 (B) Outlays, \$296,500,000,000.

1 (C) New direct loan obligations, \$0.

2 (D) New primary loan guarantee commit-  
3 ments, \$0.

4 Fiscal year 1999:

5 (A) New budget authority,  
6 \$304,600,000,000.

7 (B) Outlays, \$304,600,000,000.

8 (C) New direct loan obligations, \$0.

9 (D) New primary loan guarantee commit-  
10 ments, \$0.

11 Fiscal year 2000:

12 (A) New budget authority,  
13 \$304,900,000,000.

14 (B) Outlays, \$304,900,000,000.

15 (C) New direct loan obligations, \$0.

16 (D) New primary loan guarantee commit-  
17 ments, \$0.

18 Fiscal year 2001:

19 (A) New budget authority,  
20 \$303,700,000,000.

21 (B) Outlays, \$303,700,000,000.

22 (C) New direct loan obligations, \$0.

23 (D) New primary loan guarantee commit-  
24 ments, \$0.

25 Fiscal year 2002:

- 1 (A) New budget authority,  
2 \$303,800,000,000.
- 3 (B) Outlays, \$303,800,000,000.
- 4 (C) New direct loan obligations, \$0.
- 5 (D) New primary loan guarantee commit-  
6 ments, \$0.
- 7 (19) Allowances (920):
- 8 Fiscal year 1998:
- 9 (A) New budget authority, -\$0.
- 10 (B) Outlays, -\$0.
- 11 (C) New direct loan obligations, \$0.
- 12 (D) New primary loan guarantee commit-  
13 ments, \$0.
- 14 Fiscal year 1999:
- 15 (A) New budget authority, -\$0.
- 16 (B) Outlays, -\$0.
- 17 (C) New direct loan obligations, \$0.
- 18 (D) New primary loan guarantee commit-  
19 ments, \$0.
- 20 Fiscal year 2000:
- 21 (A) New budget authority, -\$0.
- 22 (B) Outlays, -\$0.
- 23 (C) New direct loan obligations, \$0.
- 24 (D) New primary loan guarantee commit-  
25 ments, \$0.

1 Fiscal year 2001:

2 (A) New budget authority, —\$0.

3 (B) Outlays, —\$0.

4 (C) New direct loan obligations, \$0.

5 (D) New primary loan guarantee commit-  
6 ments, \$0.

7 Fiscal year 2002:

8 (A) New budget authority, —\$0.

9 (B) Outlays, —\$0.

10 (C) New direct loan obligations, \$0.

11 (D) New primary loan guarantee commit-  
12 ments, \$0.

13 (20) Undistributed Offsetting Receipts (950):

14 Fiscal year 1998:

15 (A) New budget authority,  
16 —\$41,800,000,000.

17 (B) Outlays, —\$41,800,000,000.

18 (C) New direct loan obligations, \$0.

19 (D) New primary loan guarantee commit-  
20 ments, \$0.

21 Fiscal year 1999:

22 (A) New budget authority,  
23 —\$36,900,000,000.

24 (B) Outlays, —\$36,900,000,000.

25 (C) New direct loan obligations, \$0.

1 (D) New primary loan guarantee commit-  
2 ments, \$0.

3 Fiscal year 2000:

4 (A) New budget authority,  
5 – \$36,900,000,000.

6 (B) Outlays, – \$36,900,000,000.

7 (C) New direct loan obligations, \$0.

8 (D) New primary loan guarantee commit-  
9 ments, \$0.

10 Fiscal year 2001:

11 (A) New budget authority,  
12 – \$39,200,000,000.

13 (B) Outlays, – \$39,200,000,000.

14 (C) New direct loan obligations, \$0.

15 (D) New primary loan guarantee commit-  
16 ments, \$0.

17 Fiscal year 2002:

18 (A) New budget authority,  
19 – \$51,100,000,000.

20 (B) Outlays, – \$51,100,000,000.

21 (C) New direct loan obligations, \$0.

22 (D) New primary loan guarantee commit-  
23 ments, \$0.

1 **SEC. 104. RECONCILIATION.**

2 (a) RECONCILIATION OF SPENDING REDUCTIONS.—  
3 Not later than June 20, 1997, the committees named in  
4 this subsection shall submit their recommendations to the  
5 Committee on the Budget of the Senate. After receiving  
6 those recommendations, the Committee on the Budget  
7 shall report to the Senate a reconciliation bill carrying out  
8 all such recommendations without any substantive revi-  
9 sion.

10 (1) COMMITTEE ON AGRICULTURE, NUTRITION,  
11 AND FORESTRY.—The Senate Committee on Agri-  
12 culture, Nutrition, and Forestry shall report changes  
13 in laws within its jurisdiction that increase outlays  
14 by \$300,000,000 in fiscal year 2002 and  
15 \$1,500,000,000 for the period of fiscal years 1998  
16 through 2002.

17 (2) COMMITTEE ON BANKING, HOUSING, AND  
18 URBAN AFFAIRS.—The Senate Committee on Bank-  
19 ing, Housing, and Urban Affairs shall report  
20 changes in laws within its jurisdiction that reduce  
21 the deficit \$434,000,000 in fiscal year 2002 and  
22 \$1,590,000,000 for the period of fiscal years 1998  
23 through 2002.

24 (3) COMMITTEE ON COMMERCE, SCIENCE, AND  
25 TRANSPORTATION.—The Senate Committee on Com-  
26 merce, Science, and Transportation shall report

1 changes in laws within its jurisdiction that provide  
2 direct spending (as defined in section 250(e)(8) of  
3 the Balanced Budget and Emergency Deficit Control  
4 Act of 1985) to reduce outlays \$14,849,000,000 in  
5 fiscal year 2002 and \$26,496,000,000 for the period  
6 of fiscal years 1998 through 2002.

7 (4) COMMITTEE ON ENERGY AND NATURAL RE-  
8 SOURCES.—The Senate Committee on Energy and  
9 Natural Resources shall report changes in laws with-  
10 in its jurisdiction that provide direct spending (as  
11 defined in section 250(e)(8) of the Balanced Budget  
12 and Emergency Deficit Control Act of 1985) to re-  
13 duce outlays \$6,000,000 in fiscal year 2002 and  
14 \$13,000,000 for the period of fiscal years 1998  
15 through 2002.

16 (5) COMMITTEE ON FINANCE.—The Senate  
17 Committee on Finance shall report to the Senate  
18 changes in laws within its jurisdiction—

19 (A) that provide direct spending (as de-  
20 fined in section 250(e)(8) of the Balanced  
21 Budget and Emergency Deficit Control Act of  
22 1985) to reduce outlays \$40,946,000,000 in fis-  
23 cal year 2002 and \$100,721,000,000 for the pe-  
24 riod of fiscal years 1998 through 2002; and



1 (B) to increase the statutory limit on the  
2 public debt to not more than  
3 \$5,950,000,000,000.

4 (6) COMMITTEE ON GOVERNMENTAL AF-  
5 FAIRS.—The Senate Committee on Governmental  
6 Affairs shall report changes in laws within its juris-  
7 diction that reduce the deficit \$1,769,000,000 in fis-  
8 cal year 2002 and \$5,467,000,000 for the period of  
9 fiscal years 1998 through 2002.

10 (7) COMMITTEE ON LABOR AND HUMAN RE-  
11 SOURCES.—The Senate Committee on Labor and  
12 Human Resources shall report changes in laws with-  
13 in its jurisdiction that provide direct spending (as  
14 defined in section 250(c)(8) of the Balanced Budget  
15 and Emergency Deficit Control Act of 1985) to re-  
16 duce outlays \$1,057,000,000 in fiscal year 2002 and  
17 \$1,792,000,000 for the period of fiscal years 1998  
18 through 2002.

19 (8) COMMITTEE ON VETERANS' AFFAIRS.—The  
20 Senate Committee on Veterans' Affairs shall report  
21 changes in laws within its jurisdiction that provide  
22 direct spending (as defined in section 250(c)(8) of  
23 the Balanced Budget and Emergency Deficit Control  
24 Act of 1985) to reduce outlays \$681,000,000 in fis-

1 cal year 2002 and \$2,733,000,000 for the period of  
2 fiscal years 1998 through 2002.

3 (b) RECONCILIATION OF REVENUE REDUCTIONS.—

4 Not later than June 27, 1997, the Senate Committee on  
5 Finance shall report to the Senate a reconciliation bill pro-  
6 posing changes in laws within its jurisdiction necessary to  
7 reduce revenues by not more than \$20,500,000,000 in fis-  
8 cal year 2002 and \$85,000,000,000 for the period of fiscal  
9 years 1998 through 2002.

10 (c) TREATMENT OF CONGRESSIONAL PAY-AS-YOU-

11 GO.—For purposes of section 202 of House Concurrent  
12 Resolution 67 (104th Congress), legislation which reduces  
13 revenues pursuant to a reconciliation instruction contained  
14 in subsection (b) shall be taken together with all other  
15 legislation enacted pursuant to the reconciliation instruc-  
16 tions contained in this resolution when determining the  
17 deficit effect of such legislation.

18 (d) ADJUSTMENTS.—

19 (1) DEFICIT NEUTRAL ADJUSTMENTS.—Upon  
20 the reporting of reconciliation legislation pursuant to  
21 subsection (a), or upon the submission of a con-  
22 ference report thereon, and if the Committee on Fi-  
23 nance reduces the deficit by an amount equal to or  
24 greater than the outlay reduction that would be  
25 achieved pursuant to subsection (a)(5)(A), the

1 Chairman of the Committee on the Budget, with the  
2 concurrence and agreement of the ranking minority  
3 member, may submit appropriately revised reconcili-  
4 ation instructions to the Committee on Finance to  
5 reduce the deficit, allocations, limits, and aggregates  
6 if such revisions do not cause an increase in the def-  
7 icit for fiscal year 1998 and for the period of fiscal  
8 years 1998 through 2002.

9 (2) FLEXIBILITY ON ADJUSTMENTS.—

10 (A) IN GENERAL.—If the adjustments au-  
11 thorized by paragraph (1) involve a reduction in  
12 the revenue aggregates set forth in this resolu-  
13 tion, in lieu of revenue reductions, the Chair-  
14 man of the Committee on the Budget may  
15 make upward adjustments to the discretionary  
16 spending limits in this resolution, or any com-  
17 bination thereof.

18 (B) LIMIT.—The adjustments made pursu-  
19 ant to this subsection shall not exceed  
20 \$2,300,000,000 in fiscal year 1998 and  
21 \$16,000,000,000 for the period of fiscal years  
22 1998 through 2002.

1                   **TITLE II—BUDGETARY**  
2                   **RESTRAINTS AND RULEMAKING**

3                   **SEC. 201. DISCRETIONARY SPENDING LIMITS.**

4                   (a) DISCRETIONARY LIMITS.—In this section and for  
5 the purposes of allocations made for the discretionary cat-  
6 egory pursuant to section 302(a) or 602(a) of the Con-  
7 gressional Budget Act of 1974, the term “discretionary  
8 spending limit” means—

9                   (1) with respect to fiscal year 1998—

10                   (A) for the defense category  
11                   \$269,000,000,000 in new budget authority and  
12                   \$266,823,000,000 in outlays; and

13                   (B) for the nondefense category  
14                   \$257,857,000,000 in new budget authority and  
15                   \$286,445,000,000 in outlays;

16                   (2) with respect to fiscal year 1999—

17                   (A) for the defense category  
18                   \$271,500,000,000 in new budget authority and  
19                   \$266,518,000,000 in outlays; and

20                   (B) for the nondefense category  
21                   \$261,499,000,000 in new budget authority and  
22                   \$292,803,000,000 in outlays;

23                   (3) with respect to fiscal year 2000, for the dis-  
24                   cretionary category \$537,193,000,000 in new budget  
25                   authority and \$564,265,000,000 in outlays;

1           (4) with respect to fiscal year 2001, for the dis-  
2           cretionary category \$542,032,000,000 in new budget  
3           authority and \$564,396,000,000 in outlays; and

4           (5) with respect to fiscal year 2002, for the dis-  
5           cretionary category \$551,074,000,000 in new budget  
6           authority and \$560,799,000,000 in outlays;

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

9           (b) POINT OF ORDER IN THE SENATE.—

10           (1) IN GENERAL.—Except as provided in para-  
11           graph (2), it shall not be in order in the Senate to  
12           consider—

13           (A) a revision of this resolution or any con-  
14           current resolution on the budget for fiscal years  
15           1999, 2000, 2001, and 2002 (or amendment,  
16           motion, or conference report on such a resolu-  
17           tion) that provides discretionary spending in ex-  
18           cess of the discretionary spending limit or limits  
19           for such fiscal year; or

20           (B) any bill or resolution (or amendment,  
21           motion, or conference report on such bill or res-  
22           olution) for fiscal year 1998, 1999, 2000, 2001,  
23           or 2002 that would cause any of the limits in  
24           this section (or suballocations of the discre-  
25           tionary limits made pursuant to section 602(b)

1 of the Congressional Budget Act of 1974) to be  
2 exceeded.

3 (2) EXCEPTION.—

4 (A) IN GENERAL.—This section shall not  
5 apply if a declaration of war by the Congress is  
6 in effect or if a joint resolution pursuant to sec-  
7 tion 258 of the Balanced Budget and Emer-  
8 gency Deficit Control Act of 1985 has been en-  
9 acted.

10 (B) ENFORCEMENT OF DISCRETIONARY  
11 LIMITS IN FY 1998.—Until the enactment of rec-  
12 onciliation legislation pursuant to subsections  
13 (a) and (b) of section 104 of this resolution—

14 (i) subparagraph (A) of paragraph (1)  
15 shall not apply; and

16 (ii) subparagraph (B) of paragraph  
17 (1) shall apply only with respect to fiscal  
18 year 1998.

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

22 (d) APPEALS.—Appeals in the Senate from the deci-  
23 sions of the Chair relating to any provision of this section  
24 shall be limited to 1 hour, to be equally divided between,  
25 and controlled by, the appellant and the manager of the

1 concurrent resolution, bill, or joint resolution, as the case  
2 may be. An affirmative vote of three-fifths of the Members  
3 of the Senate, duly chosen and sworn, shall be required  
4 in the Senate to sustain an appeal of the ruling of the  
5 Chair on a point of order raised under this section.

6 (e) DETERMINATION OF BUDGET LEVELS.—For pur-  
7 poses of this section, the levels of new budget authority,  
8 outlays, new entitlement authority, revenues, and deficits  
9 for a fiscal year shall be determined on the basis of esti-  
10 mates made by the Committee on the Budget of the Sen-  
11 ate.

12 **SEC. 202. ALLOWANCE IN THE SENATE.**

13 (a) ADJUSTMENTS.—In the Senate, for fiscal year  
14 1998, 1999, 2000, 2001, or 2002, upon the reporting of  
15 an appropriations measure (or the submission of a con-  
16 ference report thereon) that includes an appropriation  
17 with respect to paragraph (1) or (2), the chairman of the  
18 Committee on the Budget shall increase the appropriate  
19 allocations, budgetary aggregates, and discretionary limits  
20 by the amount of budget authority in that measure that  
21 is the dollar equivalent, in terms of Special Drawing  
22 Rights, of—

23 (1) an increase in the United States quota as  
24 part of the International Monetary Fund Eleventh  
25 General Review of Quotas (United States Quota); or

1           (2) any increase in the maximum amount avail-  
2           able to the Secretary of the Treasury pursuant to  
3           section 17 of the Bretton Woods Agreement Act, as  
4           amended from time to time (New Arrangements to  
5           Borrow).

6           (b) COMMITTEE SUBALLOCATIONS.—The Committee  
7           on Appropriations of the Senate may report appropriately  
8           revised suballocations pursuant to sections 302(b)(1) and  
9           602(b)(1) of the Congressional Budget Act of 1974 follow-  
10          ing the adjustments made pursuant to subsection (a).

11   **SEC. 203. ALLOWANCE IN THE SENATE FOR SECTION 8**  
12                           **HOUSING ASSISTANCE.**

13          (a) ADJUSTMENT FOR DISCRETIONARY SPENDING.—  
14          In the Senate, for fiscal year 1998, upon the reporting  
15          of an appropriations measure (or upon the submission of  
16          a conference report thereon) that includes an appropria-  
17          tion for Section 8 Housing Assistance which fully funds  
18          all contract renewal obligations during that fiscal year, the  
19          Chairman of the Committee on the Budget may increase  
20          the appropriate allocations in this resolution by an amount  
21          that does not exceed \$9,200,000,000 in budget authority  
22          and the amount of outlays flowing from such budget au-  
23          thority.

24          (b) COMMITTEE SUBALLOCATIONS.—The Committee  
25          on Appropriations of the Senate may report appropriately



1 revised suballocations pursuant to sections 302(b)(1) and  
2 602(b)(1) of the Congressional Budget Act of 1974 follow-  
3 ing the adjustments made pursuant to subsection (a).

4 **SEC. 204. ENVIRONMENTAL RESERVE.**

5 (a) ADJUSTMENTS FOR MANDATORY SPENDING.—

6 (1) ALLOCATIONS.—In the Senate, upon the re-  
7 porting of legislation (or upon the submission of a  
8 conference report thereon) pursuant to subsection  
9 (b), the Chairman of the Committee on the Budget  
10 may increase the allocation pursuant to sections  
11 302(a) and 602(a) of the Congressional Budget Act  
12 of 1974 to the Committee on Environment and Pub-  
13 lic Works by an amount that does not exceed—

14 (A) \$200,000,000 in budget authority and  
15 \$200,000,000 in outlays for fiscal year 1998;  
16 and

17 (B) \$1,000,000,000 in budget authority  
18 and \$1,000,000,000 in outlays for the period of  
19 fiscal years 1998 through 2002.

20 (2) PRIOR SURPLUS.—For the purposes of sec-  
21 tion 202 of House Concurrent Resolution 67 (104th  
22 Congress), legislation reported (or the submission of  
23 a conference report thereon) pursuant to paragraph  
24 (1) shall be taken together with all other legislation  
25 enacted pursuant to section 104 of this resolution.

1 (b) LIMITATIONS.—The adjustments made pursuant  
2 to this section shall only be made for legislation that pro-  
3 vides funding to reform the Superfund program to facili-  
4 tate the cleanup of hazardous waste sites.

5 **SEC. 205. PRIORITY FEDERAL LAND ACQUISITIONS AND EX-**  
6 **CHANGES.**

7 (a) ADJUSTMENT FOR DISCRETIONARY SPENDING.—  
8 In the Senate, for fiscal year 1998, upon the reporting  
9 of an appropriations measure (or upon the submission of  
10 a conference report thereon) that includes an appropria-  
11 tion for the National Park Service's Land Acquisition and  
12 State Assistance account at the fiscal year 1998 request  
13 level (as submitted on February 6, 1997) and up to an  
14 additional \$700,000,000 in budget authority for priority  
15 Federal land acquisitions and exchanges during that fiscal  
16 year, the Chairman of the Committee on the Budget may  
17 increase the appropriate allocations by an amount that  
18 does not exceed \$700,000,000 in budget authority and the  
19 amount of outlays flowing from such budget authority.

20 (b) COMMITTEE SUBALLOCATIONS.—The Committee  
21 on Appropriations of the Senate may report appropriately  
22 revised suballocations pursuant to sections 302(b)(1) and  
23 602(b)(1) of the Congressional Budget Act of 1974 follow-  
24 ing the adjustments made pursuant to subsection (a).

1 **SEC. 206. ALLOWANCE IN THE SENATE FOR ARREARAGES.**

2 (a) **ADJUSTMENT FOR DISCRETIONARY SPENDING.—**

3 In the Senate, for fiscal year 1998, 1999, and 2000, upon  
4 the reporting of an appropriations measure (or upon the  
5 submission of a conference report thereon) that includes  
6 an appropriation for arrearages for international organiza-  
7 tions, international peacekeeping, and multilateral devel-  
8 opment banks during that fiscal year, the Chairman of  
9 the Committee on the Budget may increase the appro-  
10 priate allocations, aggregates, and discretionary spending  
11 limits in this resolution by an amount that does not ex-  
12 ceed—

13 (1) \$415,000,000 in budget authority and the  
14 amount of outlays flowing from such budget author-  
15 ity for fiscal year 1998;

16 (2) \$1,227,000,000 in budget authority and the  
17 amount of outlays flowing from such budget author-  
18 ity for fiscal year 1999; and

19 (3) \$242,000,000 in budget authority and the  
20 amount of outlays flowing from such budget author-  
21 ity for fiscal year 2000.

22 (b) **COMMITTEE SUBALLOCATIONS.—**The Committee  
23 on Appropriations of the Senate may report appropriately  
24 revised suballocations pursuant to sections 302(b)(1) and  
25 602(b)(1) of the Congressional Budget Act of 1974 follow-  
26 ing the adjustments made pursuant to subsection (a).

1 **SEC. 207. INTERCITY PASSENGER RAIL RESERVE FUND FOR**  
2 **FISCAL YEARS 1998–2002.**

3 (a) IN GENERAL.—If legislation is enacted which  
4 generates revenue increases or direct spending reductions  
5 to finance an intercity passenger rail fund and to the ex-  
6 tent that such increases or reductions are not included in  
7 this concurrent resolution on the budget, the appropriate  
8 budgetary levels and limits may be adjusted if such adjust-  
9 ments do not cause an increase in the deficit in this resolu-  
10 tion.

11 (b) ESTABLISHING A RESERVE.—

12 (1) REVISIONS.—After the enactment of legisla-  
13 tion described in subsection (a), the Chairman of the  
14 Committee on the Budget may submit revisions to  
15 the appropriate allocations and aggregates by the  
16 amount that provisions in such legislation generates  
17 revenue increases or direct spending reductions.

18 (2) REVENUE INCREASES OR DIRECT SPENDING  
19 REDUCTIONS.—Upon the submission of such revi-  
20 sions, the Chairman of the Committee on the Budg-  
21 et shall also submit the amount of revenue increases  
22 or direct spending reductions such legislation gen-  
23 erates and the maximum amount available each year  
24 for adjustments pursuant to subsection (c).

25 (c) ADJUSTMENTS FOR DISCRETIONARY SPEND-  
26 ING.—

1           (1) REVISIONS TO ALLOCATIONS AND AGGRE-  
2 GATES.—Upon either—

3           (A) the reporting of an appropriations  
4 measure, or when a conference committee sub-  
5 mits a conference report thereon, that appro-  
6 priates funds for the National Railroad Pas-  
7 senger Corporation and funds from the intercity  
8 passenger rail fund; or

9           (B) the reporting of an appropriations  
10 measure, or when a conference committee sub-  
11 mits a conference report thereon, that appro-  
12 priates funds from the intercity passenger rail  
13 fund (funds having previously been appro-  
14 priated for the National Railroad Passenger  
15 Corporation for that same fiscal year),

16 the Chairman of the Budget Committee shall submit  
17 increased budget authority allocations, aggregates,  
18 and discretionary limits for the amount appropriated  
19 for authorized expenditures from the intercity pas-  
20 senger rail fund and the outlays flowing from such  
21 budget authority.

22           (2) REVISIONS TO SUBALLOCATIONS.—The  
23 Committee on Appropriations may submit appro-  
24 priately revised suballocations pursuant to sections

1 302(b)(1) and 602(b)(1) of the Congressional Budg-  
 2 et Act of 1974.

3 (d) LIMITATIONS.—

4 (1) IN GENERAL.—The revisions made pursu-  
 5 ant to subsection (b) shall not be made—

6 (A) with respect to direct spending reduc-  
 7 tions, unless the committee that generates the  
 8 direct spending reductions is within its alloca-  
 9 tions under sections 302(a) and 602(a) of the  
 10 Budget Act in this resolution (not including the  
 11 direct spending reductions envisioned in sub-  
 12 section (b)); and

13 (B) with respect to revenue increases, un-  
 14 less revenues are at or above the revenue aggre-  
 15 gates in this resolution (not including the reve-  
 16 nue increases envisioned in subsection (b)).

17 (2) BUDGET AUTHORITY.—The budget author-  
 18 ity adjustments made pursuant to subsection (c)  
 19 shall not exceed the amounts specified in subsection  
 20 (b)(2) for a fiscal year.

21 **SEC. 208. MASS TRANSIT RESERVE FUND FOR FISCAL**  
 22 **YEARS 1998–2002.**

23 (a) IN GENERAL.—If legislation is enacted which  
 24 generates revenue increases or direct spending reductions  
 25 to finance mass transit and to the extent that such in-

1 creases or reductions are not included in this concurrent  
2 resolution on the budget, the appropriate budgetary levels  
3 and limits may be adjusted if such adjustments do not  
4 cause an increase in the deficit in this resolution.

5 (b) ESTABLISHING A RESERVE.—

6 (1) REVISIONS.—After the enactment of legisla-  
7 tion described in subsection (a), the Chairman of the  
8 Committee on the Budget may submit revisions to  
9 the appropriate allocations and aggregates by the  
10 amount that provisions in such legislation generates  
11 revenue increases or direct spending reductions.

12 (2) REVENUE INCREASES OR DIRECT SPENDING  
13 REDUCTIONS.—Upon the submission of such revi-  
14 sions, the Chairman of the Committee on the Budg-  
15 et shall also submit the amount of revenue increases  
16 or direct spending reductions such legislation gen-  
17 erates and the maximum amount available each year  
18 for adjustments pursuant to subsection (c).

19 (c) ADJUSTMENTS FOR DISCRETIONARY SPEND-  
20 ING.—

21 (1) REVISIONS TO ALLOCATIONS AND AGGRE-  
22 GATES.—Upon the reporting of an appropriations  
23 measure, or when a conference committee submits a  
24 conference report thereon, that appropriates funds  
25 for mass transit, the Chairman of the Budget Com-

1       mittee shall submit increased budget authority allo-  
2       cations, aggregates, and discretionary limits for the  
3       amount appropriated for authorized expenditures  
4       from the mass transit fund and the outlays flowing  
5       from such budget authority.

6           (2) REVISIONS TO SUBALLOCATIONS.—The  
7       Committee on Appropriations may submit appro-  
8       priately revised suballocations pursuant to sections  
9       302(b)(1) and 602(b)(1) of the Congressional Bud-  
10      get Act of 1974.

11      (d) LIMITATIONS.—

12           (1) IN GENERAL.—The revisions made pursu-  
13      ant to subsection (b) shall not be made—

14           (A) with respect to direct spending reduc-  
15      tions, unless the committee that generates the  
16      direct spending reductions is within its alloca-  
17      tions under sections 302(a) and 602(a) of the  
18      Budget Act in this resolution (not including the  
19      direct spending reductions envisioned in sub-  
20      section (b)); and

21           (B) with respect to revenue increases, un-  
22      less revenues are at or above the revenue aggre-  
23      gates in this resolution (not including the reve-  
24      nue increases envisioned in subsection (b)).



1           (2) BUDGET AUTHORITY.—The budget author-  
2           ity adjustments made pursuant to subsection (c)  
3           shall not exceed the amounts specified in subsection  
4           (b)(2) for a fiscal year.

5 **SEC. 209. HIGHWAY RESERVE FUND FOR FISCAL YEARS**  
6                                   **1998–2002.**

7           (a) IN GENERAL.—If legislation is enacted which  
8           generates revenue increases or direct spending reductions  
9           to finance highways and to the extent that such increases  
10          or reductions are not included in this concurrent resolu-  
11          tion on the budget, the appropriate budgetary levels and  
12          limits may be adjusted if such adjustments do not cause  
13          an increase in the deficit in this resolution.

14          (b) ESTABLISHING A RESERVE.—

15               (1) REVISIONS.—After the enactment of legisla-  
16               tion described in subsection (a), the Chairman of the  
17               Committee on the Budget may submit revisions to  
18               the appropriate allocations and aggregates by the  
19               amount that provisions in such legislation generates  
20               revenue increases or direct spending reductions.

21               (2) REVENUE INCREASES OR DIRECT SPENDING  
22               REDUCTIONS.—Upon the submission of such revi-  
23               sions, the Chairman of the Committee on the Budg-  
24               et shall also submit the amount of revenue increases  
25               or direct spending reductions such legislation gen-

1 erates and the maximum amount available each year  
2 for adjustments pursuant to subsection (c).

3 (c) ADJUSTMENTS FOR DISCRETIONARY SPEND-  
4 ING.—

5 (1) REVISIONS TO ALLOCATIONS AND AGGREGATES.—Upon the reporting of an appropriations  
6 measure, or when a conference committee submits a  
7 conference report thereon, that appropriates funds  
8 for highways, the Chairman of the Budget Committee shall submit increased budget authority allocations,  
9 aggregates, and discretionary limits for the  
10 amount appropriated for authorized expenditures  
11 from the highway fund and the outlays flowing from  
12 such budget authority.

13 (2) REVISIONS TO SUBALLOCATIONS.—The  
14 Committee on Appropriations may submit appropriately revised suballocations pursuant to sections  
15 302(b)(1) and 602(b)(1) of the Congressional Budget Act of 1974.

16 (d) LIMITATIONS.—

17 (1) IN GENERAL.—The revisions made pursuant to subsection (b) shall not be made—

18 (A) with respect to direct spending reductions, unless the committee that generates the  
19 direct spending reductions is within its allocation

1           tions under sections 302(a) and 602(a) of the  
2           Budget Act in this resolution (not including the  
3           direct spending reductions envisioned in sub-  
4           section (b)); and

5                   (B) with respect to revenue increases, un-  
6           less revenues are at or above the revenue aggre-  
7           gates in this resolution (not including the reve-  
8           nue increases envisioned in subsection (b)).

9           (2) BUDGET AUTHORITY.—The budget author-  
10          ity adjustments made pursuant to subsection (c)  
11          shall not exceed the amounts specified in subsection  
12          (b)(2) for a fiscal year.

13 **SEC. 210. EXERCISE OF RULEMAKING POWERS.**

14          The Congress adopts the provisions of this title—

15               (1) as an exercise of the rulemaking power of  
16          the Senate and the House of Representatives, re-  
17          spectively, and as such they shall be considered as  
18          part of the rules of each House, or of that House  
19          to which they specifically apply, and such rules shall  
20          supersede other rules only to the extent that they  
21          are inconsistent therewith; and

22               (2) with full recognition of the constitutional  
23          right of either House to change those rules (so far  
24          as they relate to that House) at any time, in the

1 same manner, and to the same extent as in the case  
 2 of any other rule of that House.

3 **TITLE III—SENSE OF THE**  
 4 **SENATE**

5 **SEC. 301. SENSE OF THE SENATE ON LONG TERM ENTITLE-**  
 6 **MENT REFORMS, INCLUDING ACCURACY IN**  
 7 **DETERMINING CHANGES IN THE COST OF**  
 8 **LIVING.**

9 (a) FINDINGS.—

10 (1) ENTITLEMENT REFORMS.—The Senate  
 11 finds that with respect to long term entitlement re-  
 12 forms—

13 (A) entitlement spending continues to grow  
 14 dramatically as a percent of total federal spend-  
 15 ing, rising from fifty-six percent of the budget  
 16 in 1987 to an estimated seventy-three percent  
 17 of the budget in 2007;

18 (B) this growth in mandatory spending  
 19 poses a long-term threat to the U.S. economy  
 20 because it crowds out spending for investments  
 21 in education, infrastructure, defense, law en-  
 22 forcement and other programs that enhance  
 23 economic growth;

24 (C) in 1994, the Bipartisan Commission  
 25 on Entitlement and Tax Reform concluded that

1 if no changes are made to current entitlement  
2 laws, all federal revenues will be spent on enti-  
3 tlement programs and interest on the debt by  
4 the year 2012;

5 (D) the Congressional Budget Office has  
6 also recently issued a report that found that  
7 pressure on the budget from demographics and  
8 rising health care costs will increase dramati-  
9 cally after 2002; and

10 (E) making significant entitlement changes  
11 will significantly benefit the economy, and will  
12 forestall the need for more drastic tax and  
13 spending decisions in future years.

14 (2) CPI.—The Senate finds that with respect to  
15 accuracy in determining changes in the cost of liv-  
16 ing—

17 (A) the Final Report of the Senate Fi-  
18 nance Committee's Advisory Commission to  
19 study the CPI has concluded that the Consumer  
20 Price Index overstates the cost of living in the  
21 United States by 1.1 percentage points;

22 (B) the overstatement of the cost of living  
23 by the Consumer Price Index has been recog-  
24 nized by economists since at least 1961, when  
25 a report noting the existence of the overstate-

1           ment was issued by a National Bureau of Eco-  
2           nomic Research Committee, chaired by Profes-  
3           sor George J. Stigler;

4           (C) Congress and the President, through  
5           the indexing of federal tax brackets, Social Se-  
6           curity benefits, and other federal program bene-  
7           fits, have undertaken to protect taxpayers and  
8           beneficiaries of such programs from the erosion  
9           of purchasing power due to inflation; and

10          (D) the overstatement of the cost of living  
11          increases the deficit and undermines the equi-  
12          table administration of federal benefits and tax  
13          policies.

14          (b) SENSE OF THE SENATE.—It is the sense of the  
15          Senate that the provisions in this resolution assume  
16          that—

17               (1) Congress and the President should continue  
18               working to enact structural entitlement reforms in  
19               the 1997 budget agreement and in subsequent legis-  
20               lation;

21               (2) Congress and the President must find the  
22               most accurate measure of the change in the cost of  
23               living in the United States, and should work in a bi-  
24               partisan manner to implement any changes that are  
25               necessary to achieve an accurate measure; and

1           (3) Congress and the President must work to  
2           ensure that the 1997 budget agreement not only  
3           keeps the unified budget in balance after 2002, but  
4           that additional measures should be taken to begin to  
5           achieve substantial surpluses which will improve the  
6           economy and allow our nation to be ready for the re-  
7           irement of the baby boom generation in the year  
8           2012.

9   **SEC. 302. SENSE OF THE SENATE ON TACTICAL FIGHTER**  
10                                   **AIRCRAFT PROGRAMS.**

11           (a) FINDINGS.—The Senate finds that—

12                   (1) the Department of Defense has proposed to  
13           modernize the United States tactical fighter aircraft  
14           force through three tactical fighter procurement pro-  
15           grams, including the F/A–18 E/F aircraft program  
16           of the Navy, the F–22 aircraft program of the Air  
17           Force, and the Joint Strike Fighter aircraft pro-  
18           gram for the Navy, Air Force, and Marine Corps;

19                   (2) the General Accounting Office, the Congres-  
20           sional Budget Office, the Chairman of the Joint  
21           Chiefs of Staff, the Under Secretary of Defense for  
22           Acquisition and Technology, and several Members of  
23           Congress have publicly stated that, given the current  
24           Department of Defense budget for procurement, the  
25           Department of Defense’s original plan to buy over

1 4,400 F/A-18 E/F aircraft, F-22 aircraft, and Joint  
2 Strike Fighter aircraft at a total program cost in ex-  
3 cess of \$350,000,000,000 was not affordable;

4 (3) the F/A-18 E/F, F-22, and the Joint  
5 Strike Fighter tactical fighter programs will be com-  
6 peting for a limited amount of procurement funding  
7 with numerous other aircraft acquisition programs,  
8 including the Comanche helicopter program, the V-  
9 22 Osprey aircraft program, and the C-17 aircraft  
10 program, as well as for the necessary replacement of  
11 other aging aircraft such as the KC-135, the C-5A,  
12 the F-117, and the EA-6B aircraft; and

13 (4) the 1997 Department of Defense Quadren-  
14 nial Defense Review has recommended reducing the  
15 F/A-18 E/F program buy from 1,000 aircraft to  
16 548, and reducing the F-22 program buy from 438  
17 to 339.

18 (b) SENSE OF THE SENATE.—It is the sense of the  
19 Senate that the provisions of this resolution assume that,  
20 within 30 days, the Department of Defense should trans-  
21 mit to Congress detailed information pertaining to the im-  
22 plementation of this revised acquisition strategy so that  
23 the Congress can adequately evaluate the extent to which  
24 the revised acquisition strategy is tenable and affordable



1 given the projected spending levels contained in this budg-  
2 et resolution.

3 **SEC. 303. SENSE OF THE SENATE REGARDING CHILDREN'S**  
4 **HEALTH COVERAGE.**

5 (a) FINDINGS.—The Senate finds that—

6 (1) of the estimated 10 million uninsured chil-  
7 dren in the United States, over 1.3 million have at  
8 least one parent who is self-employed and all other  
9 uninsured children are dependents of persons who  
10 are employed by another, or unemployed;

11 (2) these 1.3 million uninsured kids comprise  
12 approximately 22 percent of all children with self-  
13 employed parents, and they are a significant 13 per-  
14 cent of all uninsured children;

15 (3) the remaining uninsured children are in  
16 families where neither parent is self-employed and  
17 comprise 13 percent of all children in families where  
18 neither parent is self-employed;

19 (4) children in families with a self-employed  
20 parent are therefore more likely to be uninsured  
21 than children in families where neither parent is  
22 self-employed; and

23 (5) the current disparity in the tax law reduces  
24 the affordability of health insurance for the self-em-  
25 ployed and their families, hindering the ability of

1 children to receive essential primary and preventive  
2 care services.

3 (b) SENSE OF THE SENATE.—It is the sense of the  
4 Senate that the provisions of this resolution assume that  
5 from resources available in this budget resolution, a por-  
6 tion should be set aside for an immediate 100 percent de-  
7 ductibility of health insurance costs for the self-employed.  
8 Full-deductibility of health expenses for the self-employed  
9 would make health insurance more attractive and afford-  
10 able, resulting in more dependents being covered. The gov-  
11 ernment should not encourage parents to forgo private in-  
12 surance for a government-run program.

13 **SEC. 304. SENSE OF THE SENATE ON A MEDICAID PER CAP-**  
14 **ITA CAP.**

15 It is the sense of the Senate that in order to meet  
16 deficit reduction targets in this resolution with respect to  
17 Medicaid—

18 (1) the per capita cap will not be used as a  
19 method for meeting spending targets; and

20 (2) the per capita cap represents a significant  
21 structural change that could jeopardize the quality  
22 of care for children, the disabled, and senior citizens.

23 **SEC. 305. SENSE OF THE SENATE THAT ADDED SAVINGS GO**  
24 **TO DEFICIT REDUCTION.**

25 (a) FINDINGS.—The Congress finds that—

1           (1) balancing the budget will bring numerous  
2           economic benefits for the United States economy  
3           and American workers and families, including im-  
4           proved economic growth and lower interest rates;

5           (2) the FY 1998 budget resolution crafted pur-  
6           suant to an agreement reached between the Con-  
7           gress and the Administration purports to achieve  
8           balance in the year 2002;

9           (3) the deficit estimates contained in this reso-  
10          lution may not conform to the actual deficits in sub-  
11          sequent years, which make it imperative that any  
12          additional savings are realized be devoted to deficit  
13          reduction;

14          (4) the Senate's "pay-as-you-go" point of order  
15          prohibits crediting savings from updated economic or  
16          technical data as an offset for legislation that in-  
17          creases the deficit, and ensures these savings are de-  
18          voted to deficit reduction; and

19          (5) Congress and the Administration must en-  
20          sure that the deficit levels contained in this budget  
21          are met and, if actual deficits prove to be lower than  
22          projected, the additional savings are used to balance  
23          the budget on or before the year 2002.

1 (b) SENSE OF THE SENATE.—It is the sense of the  
2 Senate that the provisions of this resolution assume  
3 that—

4 (1) legislation enacted pursuant to this resolu-  
5 tion must ensure that the goal of a balanced budget  
6 is achieved on or before fiscal year 2002; and

7 (2) if the actual deficit is lower than the pro-  
8 jected deficit in any upcoming fiscal year, the added  
9 savings should be devoted to further deficit reduc-  
10 tion.

11 **SEC. 306. SENSE OF THE SENATE ON FAIRNESS IN MEDI-**  
12 **CARE.**

13 (a) FINDINGS.—The Congress finds that—

14 (1) the Trustees of the Medicare Trust Funds  
15 recently announced that Medicare's Hospital Insur-  
16 ance (HI) trust fund is headed for bankruptcy in  
17 2001, and in 1997, HI will run a deficit of \$26 bil-  
18 lion and add \$56 billion annually to the federal defi-  
19 cit by 2001;

20 (2) the Trustees also project that Supple-  
21 mentary Medical Insurance (SMI), will grow twice  
22 as fast as the economy and the taxpayers' subsidy  
23 to keep the SMI from bankruptcy will grow from  
24 \$58 billion to \$89 billion annually from 1997  
25 through 2001;

1           (3) the Congressional Budget Office reports  
2           that when the baby-boom generation begins to re-  
3           ceive Social Security benefits and is eligible for Med-  
4           icare in 2008, the federal budget will face intense  
5           pressure, resulting in mounting deficits and erosion  
6           of future economic growth;

7           (4) long-term solutions to address the financial  
8           and demographic problems of Medicare are urgently  
9           needed to preserve and protect the Medicare trust  
10          funds;

11          (5) these solutions to address the financial and  
12          demographic problems of Medicare are urgently  
13          needed to preserve and protect the Medicare trust  
14          funds;

15          (6) reform of the Medicare program should en-  
16          sure equity and fairness for all Medicare bene-  
17          ficiaries, and offer beneficiaries more choice of pri-  
18          vate health plans, to promote efficiency and enhance  
19          the quality of health care;

20          (7) all Americans pay the same payroll tax of  
21          2.9 percent to the Medicare Trust Funds, and they  
22          deserve the same choices and services regardless of  
23          where they retire;

24          (8) however, under the currently adjusted-aver-  
25          age-per-capita cost (AAPCC), some counties receive

1 2.5 times more in Medicare reimbursements than  
2 others;

3 (9) this inequity in Medicare reimbursement  
4 jeopardizes the quality of Medicare services of rural  
5 beneficiaries and penalizes the most efficient and ef-  
6 fective Medicare service providers;

7 (10) in some states, the result has been the ab-  
8 sence of health care choices beyond traditional, fee-  
9 for-service medicine for Medicare beneficiaries,  
10 which in other counties and states plan providers  
11 may be significantly over-compensated, adding to  
12 Medicare's fiscal instability; and

13 (11) ending the practice of basing payments to  
14 risk contract plans on local fee-for-service medical  
15 costs will help correct these inequities, mitigate un-  
16 necessary cost in the program, and begin the seri-  
17 ous, long-term restructuring of Medicare.

18 (b) SENSE OF THE SENATE.—It is the sense of the  
19 Senate that the provisions of this resolution assume that  
20 the Finance Committee should strongly consider the fol-  
21 lowing elements for Medicare reform—

22 (1) any Medicare reform package should include  
23 measures to address the inequity in Medicare reim-  
24 bursement to risk contract plans;

1           (2) Medicare should use a national update  
2           framework rather than local fee-for-service spending  
3           increases to determine the annual changes in risk  
4           plan payment rates;

5           (3) an adequate minimum payment rate should  
6           be provided for health plans participating in Medi-  
7           care risk contract programs;

8           (4) the geographic variation in Medicare pay-  
9           ment rates must be reduced over time to raise the  
10          lower payment areas closer to the average while tak-  
11          ing into account actual differences in input costs  
12          that exist from region to regional;

13          (5) Medicare managers in consultation with  
14          plan providers and patient advocates should pursue  
15          competitive bidding programs in communities where  
16          data indicate risk contract payments are substan-  
17          tially excessive and when plan choices would not di-  
18          minish by such a bidding process; and

19          (6) Medicare should phase in the use of risk ad-  
20          justers which take account of health status so as to  
21          address overpayment to some plans.

22 **SEC. 307. SENSE OF THE SENATE REGARDING ASSISTANCE**  
23 **TO LITHUANIA AND LATVIA.**

24          (a) FINDINGS.—The Senate finds that—

1           (1) Lithuania and Latvia reestablished democ-  
2 racy and free market economies when they regained  
3 their freedom from the Soviet Union;

4           (2) Lithuania and Latvia, which have made sig-  
5 nificant progress since regaining their freedom, are  
6 still struggling to recover from the devastation of 50  
7 years of communist domination;

8           (3) the United States, which never recognized  
9 the illegal incorporation of Lithuania and Latvia  
10 into the Soviet Union, has provided assistance to  
11 strengthen democratic institutions and free market  
12 reforms in Lithuania and Latvia since 1991;

13           (4) the people of the United States enjoy close  
14 and friendly relations with the people of Lithuania  
15 and Latvia;

16           (5) the success of democracy and free market  
17 reform in Lithuania and Latvia is important to the  
18 security and economic progress of the United States;  
19 and

20           (6) the United States as well as Lithuania and  
21 Latvia would benefit from the continuation of assist-  
22 ance which helps Lithuania and Latvia to implement  
23 commercial and trade law reform, sustain private  
24 sector development, and establish well-trained judi-  
25 ciaries.



1 (b) SENSE OF THE SENATE.—It is the sense of the  
 2 Senate that the provisions of this resolution assume  
 3 that—

4 (1) adequate assistance should be provided to  
 5 Lithuania and Latvia in fiscal year 1998 to continue  
 6 the progress they have made; and

7 (2) assistance to Lithuania and Latvia should  
 8 be continued beyond fiscal year 1998 as they con-  
 9 tinue to build democratic and free market institu-  
 10 tions.

11 **SEC. 308. SENSE OF THE SENATE REGARDING A NATIONAL**  
 12 **COMMISSION ON HIGHER EDUCATION.**

13 It is the sense of the Senate that the provisions of  
 14 this resolution assure that a national commission should  
 15 be established to study and make specific recommenda-  
 16 tions regarding the extent to which increases in student  
 17 financial aid, and the extent to which Federal, State, and  
 18 local laws and regulations, contribute to increases in col-  
 19 lege and university tuition.

20 **SEC. 309. SENSE OF THE SENATE ON LOCKBOX.**

21 It is the Sense of the Senate that the provisions of  
 22 this resolution assume that to ensure all savings from  
 23 Medicare reform are used to keep the Medicare program  
 24 solvent, the Treasury Secretary should credit the Medicare  
 25 Hospital Insurance Trust Fund (Part A) with government

1 securities equal to any savings from Medicare Supple-  
2 mental Medical Insurance (Part B) reforms enacted pur-  
3 suant to the reconciliation instructions contained in this  
4 budget resolution.

5 **SEC. 310. SENSE OF THE SENATE ON THE EARNED INCOME**  
6 **CREDIT.**

7 (a) FINDINGS.—The Senate finds that—

8 (1) an April 1997 study by the Internal Reve-  
9 nue Service of Earned Income Credit (EIC) filers  
10 for tax year 1994 revealed that over \$4 billion of the  
11 \$17 billion spent on the EIC for that year was erro-  
12 neously claimed and paid by the IRS, resulting in a  
13 fraud and error rate of 25.8%;

14 (2) the IRS study further concluded that EIC  
15 reforms enacted by the 104th Congress will only  
16 lower the fraud error rate to 20.7%, meaning over  
17 \$23 billion will be wasted over the next five years;  
18 and

19 (3) the President's recent proposals to combat  
20 EIC fraud and error contained within this budget  
21 resolution are estimated to save \$124 million in  
22 scoreable savings over the next five years and addi-  
23 tional savings from deterrent effects.

24 (b) SENSE OF THE SENATE.—It is the sense of the  
25 Senate that the provisions of this resolution assume that

1 the President should propose and Congress should enact  
2 additional programmatic changes sufficient to ensure that  
3 the primary purpose of the EIC to encourage work over  
4 welfare is achieved without wasting billions of taxpayer  
5 dollars on fraud and error.