

(This task force report has not been approved by the committee and, therefore, may not necessarily reflect the views of all of its Members.)

[COMMITTEE PRINT]

A REVIEW OF THE RECONCILIATION PROCESS

**COMMITTEE ON THE BUDGET
U.S. HOUSE OF REPRESENTATIVES**



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LETTER OF TRANSMITTAL

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., October 1, 1984.

HON. JAMES R. JONES,
*Chairman, Committee on the Budget,
Cannon House Office Building.*

DEAR MR. CHAIRMAN: The Budget Process Task Force has developed the following report on the reconciliation process. The Task Force met on October 2, 1984 to formally approve the report.

As you know, reconciliation has grown into a key enforcement tool of the congressional budget process in the last five years. The Task Force felt it would be useful to look back on how reconciliation has been used and how it evolved as an element of the Congressional Budget Act.

Basically the report follows reconciliation from passage of the Budget Act to our most recent reconciliation effort in the fiscal year 1985 budget. It explores both the process and many of the major issues associated with reconciliation in recent years. Also included is a review of specific program and revenue changes made through reconciliation, and a survey of legislation proposing changes in the process.

The Task Force believes that this report will be useful to the Budget Committee and to the Congress as a record of the important legislative action achieved through reconciliation in recent years. The hope is that it can serve as a resource for the committee in implementing the reconciliation process in future budget resolutions.

Sincerely,

LEON E. PANETTA,
Chairman, Budget Process Task Force.

FOREWORD

As chairman of the Committee on the Budget, I wish to commend to all members this report on the reconciliation process. Congressman Leon Panetta, who serves as chairman of the Task Force on the Budget Process, and all the other task force members have performed an excellent job. Not only have these members successfully shepherded Congress through the reconciliation process but they have also produced an excellent summary and legislative history of its evolution.

There are doubtless many opinions as to the merits of the reconciliation process but I think one would be hard pressed to argue that it is not a valuable procedure in Congress' efforts of deficit reduction. This report chronicles Congress' experience in using this procedure.

JAMES R. JONES,
Chairman, Committee on the Budget.

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A REVIEW OF THE RECONCILIATION PROCESS

INTRODUCTION

In recent years the reconciliation process has become an important element of the congressional budget process. Since 1979, reconciliation has been used to reduce Federal deficits by some \$360 billion through spending cuts and tax increases. Despite the extent of its use, and the large deficit reductions that have resulted from reconciliation, much confusion still exists over the way the process has been implemented. The House Budget Committee's Task Force on Budget Process has issued this report, *A Review of the Reconciliation Process*, primarily to trace the evolution of the reconciliation process from the Congressional Budget Act to the way it currently operates, but also to record the spending cuts and revenue increases that have been enacted through the process. The Task Force hopes that this report will serve as a resource for those examining the reconciliation process, and as a guide for the House of Representatives in the use of reconciliation in the future.

The report is organized in the following manner. First, an explanation of how reconciliation arose from development of the Congressional Budget and Impoundment Control Act of 1974 (also referred to in this report as the Budget Act), how reconciliation was envisioned in the act, reconciliation provisions of law and a general discussion of how the reconciliation process has evolved. Second, a legislative history of the reconciliation process from 1976 to the present is set forth. Third, a discussion of general issues underlying the reconciliation process. Fourth, details of program reductions and tax increases which have resulted from reconciliation. Fifth, a summary of legislation seeking to reform the reconciliation process, and finally, an appendix with a summary of spending reductions resulting from reconciliation over the years and other material.

Reconciliation and Development of the Congressional Budget Act

The reconciliation concept was developed during hearings on the budget reform legislation of 1974. It was proposed that Congress use the same method for finalizing its budget as used by the executive branch (see House Committee on Rules, hearings on Budget Control Act of 1974, 93d Cong., 1st sess., 1973, pp. 316-318). As indicated, the purpose of the reconciliation process is to implement the determinations made in the second resolution (see Rules, hearings, p. 317 above). Its derivation is generally from H.R. 7130 and the Senate Rules and Administration Committee bill.

H.R. 7130 (93d Cong., 1st sess.) mandated a second resolution by September 15 of each year, 2 weeks before the start of the new fiscal year. This resolution was to be the "final determination" by

(1)

Congress, though it could be subsequently revised by an optional resolution which could call for any necessary actions to implement the spending, revenue, and debt levels established in the congressional budget. This optional resolution was the forerunner for what is now the reconciliation process.

In its version of S. 1541, (93d Cong., 1st sess.) the Senate Government Operations Committee sought to combine ceilings at the start with some opportunity for reconciliation at the end (S. Rept. 93-579). The first budget resolution would serve as a ceiling, but not to the extent of preventing action on spending bills in excess of the budgeted levels. Even though they had been enacted, appropriations could not take effect until special triggering legislation had been approved, and this could be done only if the spending amounts were consistent with the budget totals. If the budget totals had been exceeded, Congress would have to go through a prescribed sequence of steps in an effort to reconcile the discrepancies. First, it would consider a ceiling enforcement bill rescinding appropriations to bring them into line with the congressional budget. Second, if this was not possible, Congress would adopt a second budget resolution. Third, it would then adopt a ceiling enforcement bill consistent with the second resolution. Fourth, if it was not possible to adopt a second budget resolution or a pursuant enforcement bill, Congress would consider a rescission bill providing pro rata reductions in controllable appropriations.

The Senate Rules and Administration Committee formulated a comprehensive reconciliation process similar in its significant aspects to that in H.R. 7130. The figures in the first budget resolution would be targets and the appropriations process would proceed without impediment. Congress would adopt a second budget resolution specifying any changes it wished to have made in expenditures, revenues, and debt. These changes would be implemented by means of reconciliation legislation (S. 1541, S. Rept. 93-688).

Finally, the two bodies agreed to a budget process which provided for a first budget resolution establishing targets for spending and revenue decisions, a second budget resolution establishing binding spending ceilings and a revenue floor, and a reconciliation procedure which could be used to implement the binding decisions contained in the second resolution. Additionally, other procedures in the Budget Act such as deferred enrollment and referral to the Committee on Appropriations could impact on legislation which exceeded the targets in the first resolution. As the Budget Act has been incorporated into congressional practices all of these elements have served as means to aid Congress in implementing its spending and revenue priorities. The most complicated procedure, to those inside and outside of Congress, may be reconciliation.

Reconciliation as Set Forth in the Congressional Budget Act

Under the Congressional Budget Act the basic purpose of the reconciliation procedure is to implement the spending and tax policy decisions agreed to in a budget resolution. Section 310(a) of the Congressional Budget Act provides for a second concurrent resolution on the budget to contain language that directs one or more standing committees to report certain changes in laws, bills, and

resolutions. For example, Congress could adopt a budget resolution directing the Appropriations Committee to reduce spending in bills already enacted or reported, or to rescind carryover balances; other committees could be directed to decrease the amount of new entitlement authority enacted or reported that year in laws and/or bills under their jurisdiction.

In general, reconciliation language directs one or more committees in the Congress to submit legislation increasing or decreasing revenues, spending or the limit on the public debt. If the reconciliation directive involves more than one committee in each House, then all committees affected by the directive are to submit their recommendations to the appropriate Budget Committee, which is required to report to the House or Senate, without substantive revision, a reconciliation bill or resolution or both.

Under the act reconciliation language in a budget resolution deals only with total spending (including entitlement programs) and/or revenue directives to a committee and not with specific program reductions or specific tax measures.

The reconciliation process can be implemented by a bill, a concurrent resolution, or both, depending on the procedures used by Congress in its consideration of spending bills. If appropriations, entitlements, and other budget authority legislation proceed to enactment in the ordinary manner, reconciliation will be by means of a bill. However, if Congress exercises the option provided in section 301(b) requiring that spending legislation not be enrolled until the congressional budget process has been completed, the reconciliation process will be implemented by a concurrent resolution directing the enrolling officer in each House to make certain changes in the bills which have been held. Both a reconciliation bill and a resolution will be needed if Congress uses its section 301(b) option in the same year that it directs that changes be made in revenues or the public debt.

No special floor procedures have been developed for consideration in the House (accordingly, the rules of the House would apply as to amendments, etc.). However, tight deadlines confronting Congress have compelled the use of expediting methods. The Senate procedures are to be the same as are used for budget resolutions, with the exception that debate is to be limited to 20 hours. (Section 310(e).)

Section 310(a) of the Congressional Budget Act provides that any concurrent resolution on the budget shall "to the extent necessary" specify the total amount by which budget authority, new spending authority, revenues, statutory limit on the public debt, or any combination thereof, is to be changed. Further, this section also directs the committee of jurisdiction to determine and recommend the necessary changes to accomplish the recommended total.

Section 310(a) states:

The Committee on the Budget of each House shall report to its House a concurrent resolution on the budget which reaffirms or revises the concurrent resolution on the budget most recently agreed to with respect to the fiscal year beginning on October 1 of such year. Any such concurrent resolution on the budget shall also, to the extent necessary—

(1) specify the total amount by which—

(A) new budget authority for such fiscal year;

(B) budget authority initially provided for prior fiscal years and

(C) new spending authority described in Section 401(c)(2)(C) which is to become effective during such fiscal year, contained in laws, bills, and resolutions within the jurisdiction of a committee, is to be changed and direct that committee to determine and recommend changes to accomplish a change of such total amount;

(2) specify the total amount by which revenues are to be changed and direct that the committees having jurisdiction to determine and recommend changes in the revenue laws, bills, and resolutions to accomplish a change of such total amount;

(3) specify the amount by which the statutory limit on the public debt is to be changed and direct the committees having jurisdiction to recommend such change; or

(4) specify and direct any combination of the matters described in paragraphs (1), (2), and (3).

Any such concurrent resolution may be reported, and the report accompanying it may be filed, in either House notwithstanding that that House is not in session on the day on which such concurrent resolution is reported.

Section 310(c)-(f) outlines the requirements regarding reporting of a reconciliation measure, floor procedures, timing and adjournment, as follows:

(c) Reconciliation Process.—If a concurrent resolution is agreed to in accordance with subsection (a) containing directions to one or more committees to determine and recommend changes in laws, bills, or resolutions, and—

(1) only one committee of the House or the Senate is directed to determine and recommend changes, that committee shall promptly make such determination and recommendations and report to its House a reconciliation bill or reconciliation resolution, or both, containing such recommendations; or

(2) more than one committee of the House or the Senate is directed to determine and recommend changes, each such committee so directed shall promptly make such determination and recommendations, whether such changes are to be contained in a reconciliation bill or reconciliation resolution, and submit such recommendations to the Committee on the Budget of its House, which upon receiving all such recommendations shall report to its House a reconciliation bill or reconciliation resolution, or both, carrying out all such recommendations without any substantive revision. For purposes of this subsection, a reconciliation resolution is a concurrent resolution directing the Clerk of the House of Representatives or the Secretary of the Senate, as the case may be, to make specified changes in bills and resolutions which have not been enrolled.

(d) Completion of Reconciliation Process.—Congress shall complete action on any reconciliation bill or reconciliation resolution reported under subsection (c) not later than September 25 of each year.

(e) Procedure in the Senate—

(1) Except as provided in paragraph (2), the provisions of section 305 for the consideration in the Senate of concurrent resolutions on the budget and conference reports thereon shall also apply to the consideration in the Senate of reconciliation bills and reconciliation resolutions reported under subsection (c) and conference reports thereon.

(2) Debate in the Senate on any reconciliation bill or resolution reported under subsection (c), and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours.

(f) Congress May Not Adjourn Until Action Is Completed.—It shall not be in order in either the House of Representatives or the Senate to consider any resolution providing for the adjournment sine die of either House unless action has been completed on the concurrent resolution on the budget required to be reported under subsection (a) for the fiscal year beginning on October 1 of such year, and, if a reconciliation bill or resolution, or both, is required to be reported under subsection (c) for such fiscal year, unless the Congress has completed action on that bill or resolution, or both.

The Evolution of Reconciliation

As will be seen from the following legislative history of reconciliation from fiscal year 1976 to fiscal year 1985, the process has not always been implemented exactly as envisioned by the Congressional Budget Act. Instead the process has evolved, partially be-

cause the Budget Act does not spell out every detail about the process, but more importantly because of the year to year experiences with reconciliation and the goals of each budget resolution. In retrospect, however, reconciliation in practice has not strayed very far from the original premise—it is still based on the fundamental principles set forth in the act. The following summarizes those areas where reconciliation has paralleled the Budget Act, and where it has followed a different path.

First the House has retained the basic concept of reconciliation as set forth in the Budget Act—that budget resolutions may direct committees to “determine and recommend changes in laws” (section 310(c) of the act). For the past 5 years the House has passed budget resolutions directing committees to report legislation to meet the spending, and in some years, revenue goals set in the budget resolution.

Second, when committees have submitted reconciliation legislation to the House Budget Committee the Committee has packaged this legislation without substantive revision as directed by the Budget Act. However, it should be noted that on occasion the Budget Committee has sought to amend reconciliation bills once they have reached the House floor.

Third, as required by the Budget Act, reconciliation instructions have focused on spending reduction and tax increase totals by committee, rather than direct changes in specific spending programs or tax provisions.

One major variation from the Budget Act's reconciliation procedure has been the use of reconciliation instructions in the first budget resolution. Placing reconciliation in the first resolution came early in the process in 1980 (fiscal year 1981) both to allow enough time for passage of a reconciliation bill before the end of the year and because of the perceived necessity to act early in the year to reverse the economic downturn. It was generally believed that large reconciliation bills could not be developed, reported out of committee, considered on the floor and agreed to in conference with the Senate in the time normally remaining at the end of the year after passage of a second budget resolution. Over the past 5 years, the period of time between passage of a budget resolution and passage of the reconciliation bill has generally supported this change from reconciliation as envisioned in the Budget Act.

Another variation from the reconciliation process as set forth in the Budget Act involves committees going directly to the House floor with their reconciliation legislation rather than reporting their legislation to the House Budget Committee. This procedure was utilized in 1982 after the reconciliation experience of 1981, in which an 800-page substitute was adopted by the House in the place of reconciliation legislation reported by House committees. However, for purposes of conference the bills considered separately in 1982 were later packaged into an omnibus reconciliation bill. Furthermore, in 1983 and 1984 the House returned to the basic procedure envisioned in the Budget Act, and legislation from the committees was again packaged by the Budget Committee into one reconciliation bill.

Finally, other practices, have developed over the past 5 years.

- Multiyear reconciliation instructions;
- Limiting reconciliation, on the spending side, to entitlement and other direct spending programs;
- Measuring reconciliation legislation against the Congressional Budget Office's baseline to determine the magnitude of spending cuts and revenue increases.

These areas are explored further in the following reconciliation legislative history and in the section on reconciliation issues.

RECONCILIATION HISTORY

Fiscal Year 1976

The Congressional Budget and Impoundment Control Act was signed on July 12, 1974. The act envisioned that the Budget Committees would not be fully operational until the fiscal year 1977 budget cycle (in calendar 1976). But the act also provided for a trial run—if both House and Senate Budget Committees agreed, they could begin implementation of the act in whole or in part in fiscal year 1976.

For fiscal year 1976 the Budget Committees reported, and Congress agreed to, both a first and second budget resolution. These resolutions included only the budget aggregates, not functional categories. The first resolution was 16 lines long.

Significantly, the second budget resolution (H. Con. Res. 466), adopted December 12, 1975, included a reconciliation directive. This reconciliation directive differed in many respects from those in the budget resolutions since fiscal year 1981.

(1) The directive was part of the basic resolution, not a separate section. Within the statement of the budget aggregates was the language: “. . . and the House Committee on Ways and Means and the Senate Committee on Finance shall submit to their respective Houses legislation to decrease Federal revenues by approximately \$6,400,000,000 . . .”

(2) The fiscal purpose was a deficit increase, not deficit reduction. At the time, the effects of the 1974 recession were still considered severe, and a continuation of the previous year's fiscal stimulus policy was agreed to. The specific intent was “to maintain the personal income tax withholding rates and extend the temporary corporate tax reductions in the 1975 Tax Reduction Act.” (Conference report on H. Con. Res. 466, H. Rept. 94-698, p. 4.)

(3) The dollar target was “approximate.”

(4) Because only one committee in each Chamber was reconciled, the committees were directed to report to the floor rather than to submit language to the Budget Committees.

(5) Lastly, the directive was part of the second budget resolution rather than the first.

In fact, the Ways and Means and Finance Committees had already begun work on a significantly broader tax reform, which eventually became the Tax Reform Act of 1976. Responding to the reconciliation directive, the Senate Finance Committee attached an extension of the expiring provisions to a minor House bill on December 12, 1975, the day the budget resolution was agreed to. That bill, H.R. 5559, passed the Senate on December 15. A conference agreement was filed on December 16, and agreed to on December 17. President Ford vetoed the bill, arguing that it should be accompanied by dollar-for-dollar spending cuts. The veto was sustained

by the House on December 18, by a 265 to 156 vote (short of the required two-thirds).

After some negotiations, the Senate Finance Committee attached both an extension of the expiring provisions and language promising spending cuts to a minor House bill, H.R. 9968, on December 19, 1975. Later in the same day the House considered the Senate-passed version of H.R. 9968 under suspension, passed it after modifying the language on spending cuts, sent it back to the Senate, and the Senate accepted it. The bill was signed on December 23, 1975, and became Public Law 94-164. Its provisions lasted through June 30, 1976, and were estimated to reduce revenues by about \$16 billion on an annual basis or about \$8 billion for the 6-month term of the bill.

Development of Legislative Savings, Fiscal Years 1977-80

Reconciliation can be traced back to the first budget resolutions which assumed legislative savings as part of their overall budget targets. A legislative saving is a reduction in budget authority and outlays which is achieved by enacting changes in current law mandating spending (i.e., entitlements and other similar spending). This differs from appropriations which are yearly changes in dollar levels.

A legislative saving requires action to eliminate or modify a current law by the authorizing committee with jurisdiction. However, the creation of new laws or modification of present ones is often a lengthy and cumbersome process. This section reviews the years when the committees were unable to make legislative savings assumed in the budget resolutions. This experience set the stage for the use of reconciliation starting with fiscal year 1981.

Fiscal Year 1977

First Concurrent Resolution on the Budget

In 1977, the first full year of implementation of the new congressional budget process, the first budget resolution assumed savings of \$3,027 million for fiscal year 1977 and a 5-year savings of \$25,832 million from a series of legislative reforms in such areas as food stamps, the Federal wage board system, AFDC program reform, increased petroleum reserve sales, and most importantly, the elimination of the 1-percent kicker for Federal retirees (H. Rept. 94-1030, pp. 17-21).

Battle for Major Reform

The so-called 1-percent kicker provision, which was enacted in 1969, adjusted the cost-of-living payments for military and Federal civil service retirees to a level higher than the cost-of-living index. At that time the impact over the preceding 5 years was that retired pay had increased by 63 percent while the cost of living had increased by only 50 percent. Other Federal programs which are indexed for price changes such as Social Security, food stamps, and white collar civilian and military pay, had not been overadjusted for inflation in the same way. The budget resolution for fiscal year 1977 assumed elimination of the kicker as part of the overall legis-

lative savings package. This was estimated to save almost \$200 million in fiscal year 1977 and a total of \$3.5 billion over a 5-year period. The legislative history of the 1-percent kicker reform in 1977 is a good illustration of the difficulty involved in enacting just one of these legislative reforms.

The administration supported elimination of the 1-percent kicker provision in the President's fiscal year 1977 budget request (Budget of the U.S. Government, 1977, p. 134). The House Armed Services Committee supported elimination of the kicker in their March 15 report (see sec. 301(c) of the Budget Act) but made their support contingent on similar action for civilian retirees. However, the Defense Department Authorization Act for Fiscal Year 1977 (H.R. 12438), as reported and passed by the House on April 9, was silent on the kicker. The Senate-passed Defense authorization bill eliminated the kicker, but again made the action contingent on similar treatment for civilian retirees. The House accepted the Senate's provision regarding the kicker and it became law.

However, the Defense Appropriations Act for Fiscal Year 1977 (H.R. 14262) included funds for the kicker as reported from the Appropriations Defense Subcommittee. A floor amendment was offered by the chairman of the House Budget Committee, Representative Brock Adams, which succeeded in eliminating the funds during floor debate on June 17 by a vote of 331 to 64 (H6091, Congressional Record 1976). Since the Senate bill did not add funds for the 1-percent kicker, as signed into law, the provision was changed but it was still contingent on implementing the same provision for civilian retirees. Finally, with the enactment of the Legislative Branch Appropriations Act for Fiscal Year 1977 (H.R. 14238), a similar provision was included for civilians and the 1-percent kicker was repealed.

This early and important accomplishment stood alone for several years as continuing efforts to include legislative savings in budget resolutions were unsuccessful. The advantages of packaging savings in one legislative vehicle was not evident in the beginning years; but as successive attempts failed to encourage individual committee actions on legislative savings through budget resolutions, the groundwork was laid for the fiscal year 1981 reconciliation effort which extended to eight committees.

In many cases, the inability of the Congress to achieve these legislative savings resulted both from the newly elected and organized administration's failure to submit the legislative reform legislation to Congress as well as from the reluctance of the appropriate congressional committees to act on the legislation. For instance, in 1977 the legislative proposal to achieve the \$50 million in AFDC savings did not arrive from the new administration until May on the same day as the Ways and Means Committee's Public Assistance Subcommittee markup of an omnibus SSI/AFDC/Social Services bill. No departmental representative participated in the markup even though their participation was requested. The Social Security reform legislation, also part of the administration's legislative reduction package, was still in OMB at the time of markup, and was not even mentioned in Secretary Califano's testimony on the financing of Social Security the week before markup of the Social Security Act Amendments of 1977.

Fiscal Year 1978

First Concurrent Resolution on the Budget

In fiscal year 1978, the first budget resolution again assumed a series of legislative savings totaling \$1,944 million for fiscal year 1978, and \$26,391 million over 5 years (H. Rept. 95-189, Appendix G, Legislative Savings). These savings were targeted at such areas as Social Security financing and benefit reforms, standard deduction for work expenses in the AFDC program, limitation on hospital revenues for medicare and medicaid, and again on wage board reform. In addition, an assumption was included for savings through repeal of the "trigger" provision which could provide automatic appropriations increases for three community services, reconstruction, and facilities expansion programs. The trigger went into effect when the combined appropriation for basic educational opportunity grants, college work study, secondary educational opportunity grants, and the national direct student loan programs equaled or exceeded \$2.8 billion. Presidents Ford and Carter both suggested repeal of the trigger, but the Education and Labor Committee recommended its funding.

The Senate budget resolution did not explicitly target legislative savings reforms in its first budget resolution although the resolution did assume some reductions in current spending levels. The Senate report stated: "The Committee recognizes an urgent need for Congress to move quickly to curb the severe inflation in medical care costs, endorses legislation to reduce this inflation, and estimates outlay savings in the health function to reflect enactment of such legislation. (S. Rept. 95-90)

Second Concurrent Resolution on the Budget

By the time of the second resolution, the assumed savings in outlays for fiscal year 1978 were reduced from \$1,944 million in 1978 outlays to \$1,015 million, mostly as a result of inaction by the House on the legislative savings legislation.

COMPARISON OF LEGISLATIVE SAVINGS

(Dollars in millions)

Function	First Budget Resolution		Committee recommendations—Second Budget Resolution	
	Fiscal year 1978	Cumulative (5 yr)	Fiscal year 1978	Cumulative (5 yr)
050 Wage board:				
Budget authority	167	2,402	84	2,318
Outlays	160	2,374	80	2,294
300 Uranium enrichment:				
Budget authority	120	1,434	120	1,434
Outlays	120	1,434	120	1,434
500 Impact aid:				
Budget authority				
Outlays				
Trigger:				
Budget authority	208	423	169	338
Outlays	33	423	27	338
550 Modifying lab coverage—medicaid:				
Budget authority	36	295	18	275

COMPARISON OF LEGISLATIVE SAVINGS—Continued

(Dollars in millions)

Function	First Budget Resolution		Committee recommendations—Second Budget Resolution	
	Fiscal year 1978	Cumulative (5 yr)	Fiscal year 1978	Cumulative (5 yr)
Outlays.....	36	295	18	275
Limits on hospital revenues—medicaid:				
Budget authority.....	106	2,060	50	2,000
Outlays.....	106	2,060	50	2,000
Limits on hospital revenues—medicare:				
Budget authority.....	10	NA	5	NA
Outlays.....	620	11,000	300	10,700
600 Social Security outlay savings:				
Budget authority.....		NA		
Outlays.....	777	7,843	400	4,000
AFDC:				
Budget authority.....	50	276		
Outlays.....	50	276		
Allowances wage board:				
Budget authority.....	42	686	20	666
Outlays.....	42	686	20	666
Total:				
Budget authority.....	739	7,576	466	7,031
Outlays.....	1,944	26,391	1,015	21,707

NA—Not applicable.

Source: Second Concurrent Resolution on the Budget for Fiscal Year 1978. Report No. 95-582.

None of the legislative savings assumed in the second budget resolution for fiscal year 1978 were enacted. Several of these savings were assumed again in the next year's budget resolution.

The Senate report on the second concurrent resolution on the budget for fiscal year 1978 assumed a reduction in agriculture programs and included the first reconciliation directive for spending (S. Rept. 95-399). The Senate report stated:

This Congressional Budget Resolution contains, for the first time in the course of the budget process, such a reconciliation instruction, directing the Committee on Agriculture, Nutrition, and Forestry to reduce agriculture outlays to \$4.1 billion which is that committee's share of \$5.6 billion in total outlays set forth in this Resolution for Function 350: Agriculture. The Second Budget Resolution level of \$5.6 billion itself is \$1.25 billion higher than provided for in the First Budget Resolution.

However, this reconciliation directive was dropped out on the Senate floor, and therefore not part of conference with the House.

Fiscal Year 1979

First Concurrent Resolution on the Budget

The fiscal year 1979 first budget resolution assumed outlay savings of \$2,251 million. The largest of these savings was in the area of hospital cost containment (\$730 million) and medicaid quality control (\$320 million) with savings in such other areas as child nutrition benefit reforms, impact aid, and again the wage board reform and AFDC work deduction which had not been achieved the previous year.

COMPARISON OF LEGISLATIVE SAVINGS

(In millions of dollars)

Function	President, fiscal year 1979		Committee recommendation	
	Budget authority	Outlays	Budget authority	Outlays
050 Wage board.....	-136	-135	-136	-135
Dual compensation and others.....	-54	-54	-54	-54
270 Uranium enrichment.....	-163	-163	-163	-163
500 Impact aid.....	-76	-58	-76	-58
550 Hospital cost containment—Medicaid.....	-100	-100	-85	-85
Hospital cost containment—Medicare.....		-630		-730
Common audit—Medicaid and medicare.....	-35	-41	-35	-41
Quality control—medicaid ¹	-399	-399	-320	-320
Clinical lab.....			-16	-16
Home dialysis.....		+7		-12
600 Payments to Railroad Retirement Trust Fund.....	-50			
Social Security general retirement.....		-644		-264
AFDC work deduction.....	-119	-119	-119	-119
Special milk.....	-112	-95		
Child nutrition benefit reforms.....	-105	-121	-93	-109
Eliminate incentive payments in interstate child support cases.....	-21	-21		
700 Flight training.....	-100	-100	-100	-100
Reimbursements to VA for medical treatment to privately insured veterans.....	-120	-120		
Limit travel expenses for veterans seeking non-service-connected medical care.....	-38	-38		
Allowances: Wage board.....	-47	-45	-47	-45
Total.....	-1,675	-2,876	-1,244	-2,251

¹ Subsequent to the submission of the budget, the Department of HEW decided that the medicare savings could be achieved through administrative action and legislation would not be required.

Source: First Concurrent Resolution on the Budget for Fiscal Year 1979. H. Rept. 95-1055, P. 167.

Second Concurrent Resolution on the Budget

By the time the second resolution was reported on August 8, 1978, the savings estimate had been reduced to \$707 million in outlays because "in many cases the House has not acted to achieve these reforms." (H. Rept. 95-1456, p. 116.)

The outcome of the legislative savings efforts was a fiscal year 1979 total of \$19 million in a child nutrition program and a slightly larger outyear savings in one of the medicare reforms.

LEGISLATIVE SAVINGS

(In millions of dollars)

	Fiscal Year 1979 First Budget Resolution		Fiscal Year 1979 Second Budget Resolution	
	Budget authority	Outlays	Budget authority	Outlays
050 Wage board (military).....	-136	-135	-94	-93
Dual compensation.....	-30	-30	-30	-30
500 Impact Aid.....	-76	-58		
550 Limitation on hospital revenues for medicare and medicaid.....	-85	-815		-200
Common audit—medicare and medicaid.....	-35	-41	-35	-41
Quality control—medicaid.....	-272	-272	-272	-272
Clinical lab.....	-14	-14	-14	-30
600 Social security general retirement.....		-150		

LEGISLATIVE SAVINGS—Continued

(In millions of dollars)

	Fiscal Year 1979 First Budget Resolution		Fiscal Year 1979 Second Budget Resolution	
	Budget authority	Outlays	Budget authority	Outlays
AFDC work deduction.....	- 119	- 119		
Child nutrition benefit reform.....	- 93	- 109	- 19	- 19
920 Wage board (civilian).....	- 47	- 47	- 23	- 22
Total.....	- 907	- 1,790	- 487	- 707

Source: Second Concurrent Resolution on the Budget for Fiscal Year 1979. Report No. 95-1456.

Fiscal Year 1980

First Concurrent Resolution on the Budget

In fiscal year 1980, the efforts to achieve legislative savings were greatly accelerated with the formation of a Budget Committee Task Force on Legislative Savings, which was chaired by Representative Leon Panetta. Other members of the Task Force included Chairman Robert Giaimo, Majority Leader Jim Wright, Representatives Timothy Wirth, Bill Nelson, Del Latta, and Eldon Rudd. On March 26, a "Dear Colleague" was sent out by the chairman of the task force to the House accompanied by a Budget Bulletin outlining the legislative savings assumed in the President's budget and the congressional committees with jurisdiction over these legislative changes (see Appendix B). This Budget Bulletin became the vehicle for focusing the House on the status of legislative savings as committees submitted March 15 views and estimates reports with their recommendations for the coming year, as the Budget Committee marked up a budget resolution and as the House acted on the pieces of legislation which could be used as the vehicle for various spending reforms.

In early March, letters were sent out by the chairman of the task force to authorizing committee chairmen encouraging them to review potential budgetary savings carefully as they prepared to submit their March 15 reports. The committees in their March 15 reports indicated support for \$2.5 billion. During Budget Committee mark up on the First Budget Resolution for Fiscal Year 1980, an amendment was offered adding a new section to the budget resolution. This section directed the committees to report new spending authority within their jurisdiction including legislative savings by July 1, 1979, and to include in the 1980 March 15 reports proposals for additional legislative savings in the programs under their jurisdiction (H. Con. Res. 107, section 5, H. Rept. 96-95, p. 3). The intent was "to encourage committees to think about possible new areas of legislative savings." The Budget Committee accepted this amendment.

The First Budget Resolution for Fiscal Year 1980 assumed savings of nearly \$6 billion, including \$1.4 billion in hospital cost containment with a 5-year impact of \$21,820 million. In addition, the legislative savings package included \$317 million in veterans' re-

forms, \$2,285 million in general revenue sharing, \$404 million in medicare and medicaid, as well as a number of savings of lesser amounts. This was the first year the report on the budget resolution included the outyear impact of the budget year savings. The cumulative 5-year impact of the legislative savings assumed by the committee was outlay savings of \$55.774 billion with the largest cumulative impact of \$21.820 billion in hospital cost containment reform (H. Rept. 96-95, Appendix D Legislative Savings, p. 207. (See Appendix A of this report for table.)

Action on Legislative Savings

In order to work more effectively with the administration on legislative savings, the Budget Committee Task Force on Legislative Savings took a number of measures.

Early in the year several meetings took place with a White House Task Force on the Congressional Budget, which had been newly established to work in conjunction with Congress on budget issues. The White House group met several times with the chairman of the Legislative Savings Task Force to work on an individualized approach to help bring about passage of as many of the legislative savings as possible. A tracking system was established by the chairman of the Task Force to keep pressure on the administration for submission of the savings legislation. On June 18, the chairman of the Task Force wrote to Jim McIntyre, Director of OMB, urging the administration to send the remainder of the legislative proposals to Congress:

... It has recently come to my attention that the administration has not yet submitted legislation to implement its proposal for three legislative savings—medicaid program improvements, wage board reform, and the elimination of indexing in state vocational rehabilitation grants. Unfortunately, the fact that the administration's proposals are not available has given the committees with jurisdiction over these issues an excuse for not considering the issues at all this year.

... I would appreciate your assistance in seeing that these last few "stray sheep" are brought into the fold, so that we can urge the committees to commence hearings at once.

Efforts branched out in a number of directions as Budget Committee Chairman Giaimo testified before the joint hearings held by the Ways and Means Committee's Subcommittee on Health and the Interstate and Foreign Commerce Committee's Subcommittee on Health and Environment on April 19 in favor of the hospital cost containment savings. The chairman of the Legislative Savings Task Force also testified in favor of the hospital cost containment savings on April 9. Arguments were made about the importance of controlling the entitlement programs indexed by law to the cost of living in an effort to keep the deficit down to \$28.4 billion and move toward a balanced budget. The President's projected deficit of \$28.4 billion in fiscal year 1980 assumed that \$4.4 billion would be saved through legislative reform.

Budget Committee efforts to achieve legislative savings were expanded to the leadership level when a meeting was held in April with the Democratic Steering and Policy Committee to focus attention on the need for action by the House. A memorandum was sent a few days later from Chairman Giaimo to the Speaker detailing

each savings assumed in the budget resolution and explaining the importance of achieving these savings in order to implement the budget resolution passed by the House.

Second Concurrent Resolution on the Budget

The Second Budget Resolution for Fiscal Year 1980 assumed legislative savings of \$2.7 billion (H. Rept. 97-435, Appendix F, Legislative Savings). The Committee report stated:

... There has been congressional inaction on a number of assumed savings . . . Three of the largest differences are in the areas of (1) general revenue sharing which was included in the First Budget Resolution as a savings of \$684 million in budget authority and \$674 million in outlays but is not assumed in the Second Budget Resolution due to House rejection of the savings proposal, (2) hospital cost containment which were assumed in the First Budget Resolution to save \$100 million in budget authority and \$1,400 million in outlays has been reduced to \$50 million in budget authority and \$40 million in outlays due to changed estimates of savings related to economic conditions and a later assumed implementation date, and (3) medicare and medicaid program reforms which were assumed in the First Budget Resolution at \$505 million but has been increased in the Second Budget Resolution to \$965 million reflecting enhanced prospects for action in this area.

However, the second resolution continued to support a number of reforms stating "the Committee realizes that it is proposing an ambitious plan to the House but feels that restraint in Federal spending and ultimately a balanced Federal budget demand these efforts." (H. Rept. 96-436, p. 68)

One significant further development took place in fiscal year 1980 when the Senate Budget Committee again reported a resolution containing reconciliation language pertaining to expenditures. The Senate report stated: "The Committee realizes that the reconciliation process has not been utilized before, even though the Budget Act assumes that it may frequently occur. The Committee believes that reconciliation must be undertaken now." (S. Rept. 96-331, p. 12.) The conference report on the budget resolution contained reconciliation directives for Senate committees only and, the Senate's action established some precedents for later reconciliation efforts. (S. Rept. 96-582, section 3.)

The House report accompanying the second budget resolution (H. Rept. 96-435) explained these reconciliation efforts in the following way:

THE RECONCILIATION PROCESS

The reconciliation process has been utilized on only one budget resolution to date, the Second Budget Resolution for Fiscal Year 1976, which directed the Ways and Means and Finance Committees to submit legislation decreasing revenues by \$6.4 billion. This year the Senate Budget Committee has reported a resolution containing reconciliation language pertaining to expenditures. S. Con. Res. 36, the Second Budget Resolution for Fiscal Year 1980, directs seven committees to reduce spending by a total of \$3.15 billion in budget authority and \$4.0 billion in outlays.

Reconciliation language directs one or more committees of the Congress to submit legislation increasing or decreasing revenues, spending, or the limit on the public debt. The purpose of the reconciliation process is to require committees to implement the decisions made in the second budget resolution. If the reconciliation directive involves more than one committee in each House, then all committees affected by the directive are to submit their recommendations to the Budget Committee which will assemble all the recommendations into one package for action by the full House or Senate.

Reconciliation language in a budget resolution deals only with total spending and not with any particular program or functional category. With respect to committees with jurisdiction over entitlement programs, the reconciliation process extends only to entitlement legislation which is to become effective during the upcoming fiscal year. Of course, language in the Committee report may amplify the Committee's intent with respect to programs and functions affected by the reconciliation process.

In reporting the Second Budget Resolution for Fiscal Year 1980, the Budget Committee has not included reconciliation language. This position reflects the fact that House committees have, by and large, met the targets set in the First Budget Resolution and recognizes that there may be practical difficulties inherent in the reconciliation process.

Reconciliation, Fiscal Years 1981-85

FISCAL YEAR 1981

First Concurrent Resolution on the Budget

Budget Committee action

The use of reconciliation as a tool to achieve deficit reductions came into full bloom in 1981 when the First Budget Resolution for Fiscal Year 1981 (H. Con. Res. 307) reported by the House Budget Committee contained reconciliation instructions directing eight House and eight Senate authorizing committees to report legislation saving \$9.059 billion in outlays in fiscal year 1981. The following is a breakdown of each committee's assigned savings.

[In millions of dollars]

	Budget authority	Outlays
House committee:		
Ways and Means	-717	-1,869
Interstate and Foreign Commerce	-200	-270
Post Office and Civil Service	-3,639	-4,204
Veterans' Affairs	-400	-400
Public Works and Transportation	-150	-550
Education and Labor	-839	-786
Agriculture	-520	-520
Armed Services	-3,263	-3,188
Total	-6,925	-9,059

Source: H. Rept. 96-857, p. 14.

In addition, the Ways and Means Committee was directed to raise \$22.2 billion in revenues.

The experience with largely unsuccessful attempts to achieve legislative savings voluntarily combined with the urgency of the economic climate to bring about experimentation with the reconciliation process. On page 13 of the Committee report (H. Rept. 96-857) the need for reconciliation was explained:

The Committee is determined that the Federal budget for fiscal year 1981 will be balanced in fact and not just on paper. But if the Congress is to begin the new fiscal year with its books in the black for the first time in over a decade, Congress must act to cut back on existing programs as well as hold the line on budgetary increases. This means that the authorizing committees must report and the Congress enact changes in existing law to realize \$9.059 billion in outlay savings. In addition, the Committee recommends changes in present tax laws that will result in \$22.2 billion in new revenues to the Federal treasury.

Failure to take the steps necessary to realize these legislative savings and new revenues will result in a budget deficit of \$29.3 billion rather than a surplus of \$2.0 billion. To insure that the goal of a budget surplus is not illusory, the Committee recommends implementation of two as yet unused procedural devices: The reconciliation process and a procedure whereby certain spending bills would be held at the Speaker's desk rather than being enrolled and sent to the President for signature.

The Committee report also explained why reconciliation was being used in the first budget resolution instead of the second budget resolution as was envisioned in the Congressional Budget and Impoundment Control Act:

The Budget Act contemplated that it might be necessary to implement an extraordinary procedure, known as reconciliation, in order to implement the policies implicit in the budget resolution. Under the framework set forth in section 310 of the Congressional Budget Act, the reconciliation process would be implemented in the second budget resolution for a given fiscal year. However, due to the necessity of acting quickly and effectively to balance the budget and realizing that there may not be time to act on reconciliation instructions before the end of the Second Session of the 96th Congress, the Committee has included reconciliation instructions in the first budget resolution.

Section 301(b)(2) of the Budget Act provides the authority for this action. This section provides that the first budget resolution may require any procedure "which is considered appropriate to carry out the purpose of this Act".

And Representative Panetta, in his additional views (p. 272 of the report), provided further explanation of the need for reconciliation in the first budget resolution:

In order to insure the success of keeping the budget in balance, the Committee took another historic step in its markup. It recommended that these savings be reconciled. This is historic not only because it is the first time the House Budget Committee has recommended reconciliation, but because it is the first time reconciliation has ever been invoked in a first budget resolution.

The Committee took the approach of including reconciliation in the first resolution because it believes that this method is fairer to the committees and fairer to the budget process than using reconciliation in the second resolution. With this approach, committees can be given more than the 10 days provided in the Budget Act for second resolution reconciliation to act on proposals. The reported resolution sets June 15 as the deadline for action, giving committees substantial leadtime to have hearings, consider alternatives, and report legislation. In addition, it insures that the changes in mandatory spending law are made sufficiently before the start of the fiscal year so that agencies can issue regulations or make other programmatic changes to be sure the savings begin on October 1. Under the second resolution approach, legislation may be enacted days or a few weeks before the start of the fiscal year, thus undercutting potential savings. Finally, too, the first resolution approach allows the Budget Committee time to fully evaluate the legislative actions that have been taken and incorporate this information into their second resolution marks. Under the second resolution method, the Committees on the Budget have no idea at the time of markup whether or how reconciliation will finally be implemented and what precise savings figures will be, leading almost certainly to a third resolution to adjust estimates after action is completed. The approach the Committee took this year is a far more responsible one.

The Committee report addressed the issue of whether reconciled committees were restricted to specific spending reductions, or whether the committees had flexibility to pick and choose which programs would be reduced:

Although the Committee may suggest certain specific reforms in making its reconciliation recommendations, the authorizing committees are free to determine what provisions of law will be changed and how those changes will be made. The only requirement is that the committee realize the total amount of savings specified in the reconciliation instruction.

However, for the benefit of the committees involved in reconciliation examples of areas for spending reductions and revenue increases were provided on pages 15 and 16 of the Committee report. The table referred to follows:

[In millions of dollars]

	Budget authority	Outlays
Health programs:		
Hospital cost containment.....	- 100	- 780
Revision to make medicare benefits for the working age supplementary to private insurance.....		
Elimination of bonus to hospitals for provision of routine nursing services to medicare beneficiaries.....		
Limitation on payments to hospitals to the nursing home rate for long-term case services.....	- 117	- 520
Implementation of joint audit for medicare and medicaid.....		
Establishment of financial penalties to deter abuse of medicare and medicaid programs.....		
Competitive bid purchasing for equipment and services.....		
Other health care cost control proposals.....		
Federal compensation reform.....	- 2,803	2,728
Income security programs:		
Disability insurance reforms, including revision of benefit computations, increased work incentives administration and other changes.....		- 69
Food stamp program reforms.....	- 520	- 520
Child nutrition and special milk program reforms.....	- 533	- 507
Changes to the public assistance program.....	- 500	- 500
Reform of the railroad industry pension fund.....		- 70
Annual cost of living for retirees:		
Civilian.....		- 640
Military.....	- 460	- 460
Federal worker compensation forms.....	- 5	- 5
Veterans benefits and services:		
Elimination of GI bill benefits for correspondence courses and general flight training.....		
Elimination of certain dental benefits.....	- 400	- 400
Reimbursement by health insurers for certain medical care given insured veterans.....		
Guaranteed student loans.....	- 301	- 274
Unemployment benefits for former CETA workers.....	- 200	- 200
Postal subsidies.....	- 836	- 836
Highway ceiling.....		- 150
Coast Guard user fees.....	- 150	- 150
Total.....	- 6,925	9,059

In the revenue area possibilities could include implementation of oil and a hazardous substances cleanup fund, increase in airport and airway trust fund taxes, withholding on interest and dividends, phase-in removal of tax exempt housing bonds, change in railroad retirement taxes.

Finally, a June 15 reporting date for reconciliation submissions was set in the resolution.

Floor consideration

The first budget resolution was adopted by the House in a 225 to 193 vote on May 7, 1980 (H3350). Prior to its adoption, Representative Udall offered an amendment to strike the reconciliation instructions in the resolution.

In the debate on May 7, Chairman Udall argued that the committees had too little time to develop reconciliation legislation and that reconciliation should take place in the second rather than the first budget resolution (H3318).

Any study of the Budget Act and its legislative history makes it crystal clear that the Budget Committee, by reporting a bill with this reconciliation provision, asks

the House to reverse the solemn decision made by both Houses in the conference committee in 1974. There may be arguments about some points in the legislative record, but no one can doubt that the whole budget scheme is designed to give us a target operation in the first resolution and binding ceilings in the second one. This was a compromise debated strenuously and finally settled in the conference committee and ratified by the House and Senate.

The procedure brought to the floor by the Budget Committee this time simply passes the buck to the committee chairmen. I think all of us are ready to do our duty, to wield a painful ax if we have to, but it ought to be done 4 months from now, as all of us had a right to expect based on previous action on budget resolutions.

This is an attack on the budget process, but more than that, it is an attack on the committee system. There are, in my opinion, no compelling reasons for creating a precedent for invoking reconciliation in the first budget resolution. There are all kinds of good reasons for not disrupting the budget process this year. Once permitted, reconciliation in the first resolution would become a matter of routine and regular procedure. Hereafter, the first resolution would set ceilings, not targets, and the Congress would be controlled by one budget resolution adopted early in the year. Many weeks before relevant hearings could be held on which rational decisions could be based, irrevocable ceilings would be established with which all spending bills would have to conform.

Prior to the debate Chairman Udall and 15 other committee chairmen sent a letter to Speaker O'Neill outlining their concerns about reconciliation in the first budget resolution.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., March 27, 1980.

HON. THOMAS P. O'NEILL, Jr.,
The Speaker, U.S. House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: We are opposed to the inclusion of reconciliation in the First Concurrent Resolution on the Budget.

Such action would have the effect of converting the spending limitation specified in the First Concurrent Resolution from targets to fixed ceilings. Ceilings were contemplated and proposed during initial consideration of the Congressional Budget Act in 1974 but rejected by both Houses in favor of maintaining the First Concurrent Resolution as a target for guidance of the Appropriations and Standing Committees.

The reasons for that rejection are as valid today as they were in 1974. Given the time available to the Budget Committee, it is impossible for it to become well enough acquainted with all federal programs and activities to know where to apply appropriate economies program by program. The standing committees, with expertise in the programs in their respective jurisdictions, should attempt to translate the targets into program detail.

Invoking reconciliation in the first step of the congressional budget process undermines the committee system, reposing in the Budget Committee authority to legislate substantively with respect to the nature and scope of federal activities. Such a procedure which infringes on the legitimate roles of authority and appropriations processes, is not required in achieving a balanced budget.

Balancing the budget should be accomplished by the spending committees in light of their evaluation of the priorities of the activities in their jurisdictions. The depth of the cut in any one program category should not be predetermined by the Budget Committee. It may suggest general overall reductions; it should not direct specific program cuts.

We understand that there is likely to be one substitute, and possibly a substitute to a substitute to the Concurrent Resolution to resolve problems that have arisen since the Budget Committee ordered it reported. We urge your assistance in having included in any such substitute, language appropriately deleting reconciliation in the First Concurrent Resolution. In the event that there is not to be a substitute, we seek your assistance in having deleted from the First Concurrent Resolution provisions dealing with reconciliation by whatever means may be appropriate.

Sincerely,

Morris K. Udall, James M. Hanley, Frank Thompson, Jr., Henry S. Reuss, Ray Roberts, Harold T. Johnson, Carl D. Perkins, Jamie L. Whitten, John M. Murphy, Peter W. Rodino, Jr., Neal Smith, Ronald V. Dellums, Don Fuqua, Melvin Price, Clement J. Zablocki, Harley O. Staggers.

Also included in the Record (H3318) was a list of 77 organizations, from the American Legion to the International Association of Machinists, that supported the Udall amendment.

Speaking in opposition to the amendment Representative Panetta focused on the section of the Budget Act supporting the use of reconciliation in the first budget resolution (H3319):

It is, in fact, built into the Budget Act itself under section 310. We have built it in under the first resolution under section 301(b)2, which states that the committee may recommend any procedure "which is considered appropriate to carry out the purposes of the act."

He also recalled the largely unsuccessful attempts to achieve savings without reconciliation in 1979 (ibid.):

Last year we targeted \$2.7 billion in legislation savings in the second budget resolution. We achieved about \$200 million out of that \$2.7 billion savings that was supposedly targeted and which the committees were supposed to go after, \$200 million out of \$2.7 billion. That was after we had a first budget resolution that targeted almost \$6 billion in savings.

Finally, he addressed the issue of whether committees would have enough time to develop reconciliation (ibid):

The third point is with regard to time. The gentleman from Arizona says we ought to wait until September. The fact is that we are dealing with severe time constraints as it is. This summer we are going to be engaged in national conventions which means we will not have that much time here. We are going to be spending 1 month in September in which the resolution or the Budget Act only provides for 10 days for the committees to report back on reconciliation.

If you think there is chaos now in a 30-day period in which we provide until June 15, imagine a 10-day period in which the committees have to report back reconciliation on some of the major issues that are here. There are severe time constraints.

The debate moved on to the issue of whether committees had to make spending reductions based on the areas targeted by the House Budget Committee, or whether they had the flexibility to look at alternative areas. Chairman Giaimo spoke on this issue (H3323):

Now, in arriving at that judgment as to how much the committees could save, the Committee on the Budget is not usurping the power of the committee. The gentleman from Ohio (Mr. Seiberling) knows, however, that there are many, many programs where the money could be saved. For example, the programs in the President's legislative reform packages have come before the Congress for some years and have annually been either ignored or not acted upon by the committees. These could be the programs in which the mandate of the House could be fulfilled, if the House adopts our budget resolution.

For example, we tell the appropriate committees to eliminate the twice-a-year cost-of-living adjustment for Federal retirees.

Now what will happen? They may substitute some other savings if they wish. We want them to come up with a total dollar amount in savings. We suggest these programs as possible areas and in fact historical areas where it has been demonstrated that there is at least a possibility of making these savings.

As did Representative Latta, ranking Republican of the House Budget Committee (H3325):

Reconciliation instructions will not encroach on the jurisdictions of the authorizing committees, as some of my colleagues have argued. While the Budget Committee has suggested certain cost savings to the various committees, committees are by no means bound to these proposals. Using their expertise and knowledge of their areas of jurisdiction, these committees are free to report out alternative ways of reducing spending.

In his remarks Representative Latta also reviewed the poor results of the voluntary legislative savings effort of 1979, and noted that committees had not been enthusiastic about recommending reductions in entitlement programs in their March 15 reports for fiscal year 1981 as requested in the Second Budget Resolution for Fiscal Year 1980 (H3324). Finally Chairman Giaimo reviewed the series of meetings between congressional leaders and administration officials that led to the policy decisions represented in the fiscal year 1981 budget resolution (H3338).

Conference report

The conference agreement on H. Con. Res. 307 contained reconciliation instructions to eight House and nine Senate authorizing committees to report legislation to achieve savings in fiscal year 1981 by June 20.

In addition a Senate provision was agreed to in conference which required the House and Senate Appropriations Committees to report legislation reducing spending by \$3.0 billion in budget authority and \$1.0 billion in outlays for fiscal year 1980 not later than June 16, 1980.

In a dispute over the level of defense spending contained in the report, the conference agreement was rejected by the House in a 242 to 141 vote (May 29, 1980, H4320), and in a 202 to 120 vote (H4328) the House voted to return to conference on the resolution.

The revised conference report was agreed to by a 205 to 195 vote on June 12, 1980 (H4892). The reconciliation instructions remained unchanged from the first conference report.

Floor consideration of reconciliation

H.R. 7765, the Omnibus Reconciliation Act of 1980, was passed on September 4, 1980, in a 294 to 91 vote (H8395). Prior to final passage, the House agreed to an amendment to strike the superfund provisions in the bill, and another amendment that delayed for 1 year the implementation of the trade adjustment assistance amendments. Finally, the House agreed to an amendment by Mr. Bauman that struck provisions in the bill changing the twice-a-year COLA (cost-of-living adjustments) for military and civilian retirees to once a year by a vote of 309 to 72 (H8393). This resulted in a loss of \$800 million in fiscal year 1981 reconciliation savings.

The following is a summary of the spending reductions made in the House-passed reconciliation bill:

(In millions of dollars)

	House-passed reconciliation bill	
	Budget authority	Outlays
Interstate and Foreign Commerce:		
Amtrak.....		- 155
Railroad rehabilitation		
Health	- 23	- 170
Railroad retirement	+ 27	- 24
Ways and Means:		
Health	+ 4	- 754
DI.....	- 118	- 235

(In millions of dollars)

	House-passed reconciliation bill	
	Budget authority	Outlays
AFDC.....		
Unemployment compensation.....	-70	-70
Trade adjustment assistance.....	-1,277	-1,277
Post Office and Civil Service:		
Pay entitlements.....	-78	-153
COLA.....		
Public service cost subsidies.....	-250	-250
Forgone revenue subsidies.....	-216	-216
Public Works and Transportation:		
Highway reductions.....		-700
Airport/airway.....	-300	-60
Highway safety.....		
Education and Labor:		
Child nutrition.....	-480	-483
Student Loans.....	-251	-189
FECA.....	-33	-33
Veterans:		
Medical care.....	-109	-109
Flight training and correspondence.....	-63	-63
Debt collection.....	-116	-116
Burial benefits.....	-87	-87
Veterans COLA.....		
Armed Services: COLA.....		
Small Business: SBA disaster loans.....	-800	-600
Total.....	-4,239	-5,744

Also included in the bill was \$3.6 billion worth of fiscal year 1981 revenue increases.

Conference

Twelve subconferences were set up to settle the conference issues in H.R. 7765. The conferees agreed to legislation achieving the following savings in fiscal year 1981.

COMPARISON OF FIRST AND SECOND BUDGET RESOLUTION RECONCILIATION ASSUMPTIONS

(In millions of dollars)

Committee: Program	First budget resolution assumption		House-passed reconciliation bill		Second budget resolution assumption		Conference agreement	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Interstate and Foreign Commerce:								
Amtrak.....	-100			-155		-155		-172
Railroad rehabilitation.....					-70	-13	-70	-13
Railroad retirement.....	-100		+27	-24	+27	-24		
Health.....	-200	-200	-23	-170	-23	-170	-12	-915
Ways and Means:								
Health.....	-1,200		+4	-754	+4	-754		
DI.....	-100		-118	-235	-118	-235	-118	-235
AFDC.....	-500	-500						
Unemployment compensation.....	-200	-200	-70	-70	+50	+50	-32	-147
Trade adjustment assistance.....			-1,277	-1,277	-1,277	-1,277		
Social security benefits prisoners, etc.....							+1	-35

**COMPARISON OF FIRST AND SECOND BUDGET RESOLUTION RECONCILIATION ASSUMPTIONS—
Continued**

(In millions of dollars)

Committee Program	First budget resolution assumption		House-passed reconciliation bill		Second budget resolution assumption		Conference agreement	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Post Office and Civil Service:								
Pay entitlements.....			- 78	- 153	- 78	- 153	- 18	- 52
COLA.....	- 500	- 500				- 400		
Public service cost subsidies.....	- 500	- 500	- 250	- 250	- 250	- 250	- 250	- 250
Forgone revenue subsidies.....			- 216	- 216	- 216	- 216	- 161	- 161
Public Works and Transportation:								
Highway reductions.....	- 300	- 700		- 700		- 700		- 657
Airport/airway.....	- 300	- 50	- 300	- 60	- 300	- 55	- 300	- 60
Highway safety.....							- 5	- 15
Education and Labor:								
Child nutrition.....	- 500	- 500	- 480	- 483	- 480	- 489	- 375	- 375
Student loans.....	- 350	- 350	- 251	- 189	- 432	- 418	- 432	- 418
FECA.....			- 33	- 33	- 33	- 33	- 33	- 33
Veterans:								
Medical care.....	- 400	- 400	- 109	- 109	- 109	- 109	- 109	- 109
Flight training and correspondence.....			- 63	- 63	- 32	- 32	- 32	- 32
Debt.....		Unspecified	- 116	- 116	- 144	- 144	- 144	- 144
Burial benefits.....			- 87	- 87				
Veterans COLA.....					- 71	- 81	- 202	- 208
Armed Services: COLA.....	- 400	- 400			- 300	- 300		
Small Business: SBA disaster loans.....	- 800	- 600	- 800	- 600	- 800	- 600	- 800	- 600
Total.....	- 4,950	- 6,400	- 4,239	- 5,744	- 4,652	- 6,558	- 3,092	- 4,631
Revenues.....		4,200		4,000		4,000		3,645

The conference report (Report No. 96-1479) was agreed to in the House by a vote of 334 to 45 (H11703) on December 3, 1980.

The bill was signed by the President and became Public Law 96-499 on December 5, 1980.

FISCAL YEAR 1982

*First Concurrent Resolution on the Budget*¹

Budget Committee action

Responding to newly elected President Reagan's fiscal year 1982 budget, which proposed large spending cuts in Federal domestic spending programs, the House Budget Committee reported a first budget resolution, H. Con. Res. 115 (Rept. No. 97-23), containing reconciliation instructions to 14 House authorizing committees and 10 Senate authorizing committees to report legislation saving \$15.823 billion in outlays in fiscal year 1982, \$20.684 billion in outlays in fiscal year 1983, and \$24.807 billion in outlays in fiscal year 1984. There were no reconciliation instructions on revenues.

For the first time, the Committee included outyear (fiscal years 1983 and 1984) reconciliation instructions. However, the 2 outyears

¹ In S. Con. Res. 50, Congress reaffirmed the first budget resolution as the second budget resolution required pursuant to section 310(a) of the Budget Act.

were simply projections of the fiscal year 1982 budget year, and not binding in any way in terms of enforcement procedures.

The Committee report also suggested specific areas under each committee's jurisdiction for spending reductions. Below is the list provided in the Budget Committee report accompanying the first budget resolution:

SPENDING RECONCILIATION BY HOUSE COMMITTEES

[In million of dollars]

	1982		1983		1984	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Agriculture:						
User fees for Federal grain inspection services.....	-24	-24	-24	-24	-24	-24
Interest charged on grain reserve loans.....	-165				-165	
Phase out grain facility loans.....	-100			-110		-120
Eliminate emergency feed program.....	-60			-63	-60	-50
Eliminate interest subsidies on FmHA loans.....	-1			-136	-1	-268
User fees for cotton and tobacco grading.....	-24	-24	-24	-24	-24	-24
Total.....	-48	-374	-48	-357	-274	-486
Armed Services:						
Annual cost-of-living adjustment for retired military.....	-457	-457	-484	-484	-460	-460
Accelerated sales from the strategic stockpile.....	-572	-572	-572	-572	-226	-226
Total.....	-1,029	-1,029	-1,056	-1,056	-686	-686
Education and Labor:						
GSL.....	-320	-273	-716	-514	-1,327	-1,109
Pell grants/BEOGs.....	-700	-537	-348	-594	-304	-357
Child nutrition benefits.....	-1,000	-1,000	-1,350	-309	-1,700	-1,650
Total.....	2,020	1,810	2,414	2,408	3,331	3,116
Energy and Commerce:						
Merchant seaman entitlement and health care ¹	-99	-99	-150	-150	-160	-160
Fair value pricing of uranium enrichment services ¹	-200	-200	-200	-200	-300	-300
Railroad retirement benefits.....	-150	-80	-150	-120	-150	-120
Medicaid.....	-500	-450	-700	-600	-1,000	-900
Total.....	-949	-829	-1,200	-1,070	-1,610	-1,480
Foreign Affairs:						
COLA for foreign service officers.....		-5		-4		-3
Government Operations: General revenue sharing.....	-340	-255	-340	-340	-340	-340
Interior and Insular Affairs: Fair value pricing of uranium enrichment services ¹	-200	-200	-200	-200	-300	-300
Merchant Marine and Fisheries: merchant seaman entitlement and health care ¹	-99	-99	-150	-150	-160	-160
Post Office and Civil Service:						
Dual compensation.....	-53	-52	-58	-58	-63	-63
Pay raise of 4.8 percent for civilian employees.....	-4,258	-4,266	-6,528	-6,703	-8,102	-8,365
Postal subsidies.....	-622	-622	-784	-784	-847	-847
Annual COLA for Federal retirees.....	-497	-480	-499	-481	-484	-468
Decrease reserves for Federal employees health program.....		-104				
Total.....	-5,430	-5,524	-7,869	-8,026	-9,496	-9,742
Public Works and Transportation:						
Highway safety.....	-123	-31		-31		-31
Science and Technology:						
Fair value pricing of uranium enrichment services ¹	-200	-200	-200	-200	-300	-300

SPENDING RECONCILIATION BY HOUSE COMMITTEES—Continued

[In million of dollars]

	1982		1983		1984	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Small Business: Reduction of SBA disaster loan fund.....	-118	-71	-152	-144	-211	-192
Veterans:						
Elimination of flight and correspondence benefits...	-32	-32	-28	-28	-24	-24
Elimination of class II dental benefits.....	-36	-36	-38	-38	-40	-40
Limitation on burial benefits.....	-42	-42	-42	-42	-42	-42
Total.....	-110	-110	-108	-108	-106	-106
Ways and Means:						
Medicare.....	-100	-1,500	-50	-1,000	-1,500	-1,500
Social security cash benefits.....	-1,300	-1,300	-3,000	-3,000	-4,250	-4,250
Unemployment compensation.....	-650	-850	-400	-1,350	-300	-1,350
Trade adjustment assistance.....	-1,185	-1,185	-690	-690	-325	-325
AFDC improvements/SSI.....	-550	-550	-600	-600	-600	-600
Social services—Title XX.....	-400	-400	-500	-500	-600	-600
Total.....	-2,885	-5,785	-2,240	-7,140	-1,825	-8,625
Grand Total.....	-13,052	-15,823	-15,427	-20,684	-17,879	-24,807

¹ Joint jurisdiction—amounts counted only once in totals.

Source: First Concurrent Resolution on the Budget for Fiscal Year 1982, H. Rept. 97-23, Pages 54-55.

The Committee report also noted: "The authorizing committees are free to determine what provisions of law will be changed and how those changes will be made. The only requirement is that the committee realize the total amount of saving." (Page 55.)

Finally, the Committee resolution set June 15, 1981, as the deadline for reporting reconciliation legislation.

Floor consideration

On May 7, 1981, during floor consideration of the first budget resolution, the House of Representatives adopted a substitute amendment to H. Con. Res. 115, which was offered by Mr. Latta, ranking Republican of the House Budget Committee. This amendment reconciled 17 House committees requesting savings of \$36.6 billion in fiscal year 1982, \$48.2 billion in fiscal year 1983 and \$58 billion in fiscal year 1984. This substitute amendment was adopted by a vote of 253 to 176 (H2055).

Not only was the magnitude of the reconciliation savings in the Republican substitute much greater but the scope of the directive was greatly expanded to include authorization reductions—an area not contemplated for reconciliation in the Congressional Budget Act. For example, the House Education and Labor Committee was directed to "report changes in laws within the jurisdiction of that committee sufficient to reduce appropriations for programs authorized by that committee so as to achieve savings in budget authority and outlays as follows: \$12,736,000,000 in budget authority and \$10,395,000,000 in outlays . . ." In addition, the committee was directed to report changes in law which provide direct spending authority as defined in section 401(c)(2)(C) to reduce budget authority by \$800,000,000 and outlays by \$765,000,000. A comparison of the

reconciliation directive reported by the Budget Committee and the Latta substitute adopted on the floor is shown below by committee. Out of the total reconciliation instructions required by the Republican substitute, about one-third was directed to entitlement or direct spending savings and two-thirds was directed to reductions in authorizations.

(In millions of dollars)

House Committee	1982		1983		1984	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Agriculture:						
House Budget Committee.....	- 48	- 374	- 48	357	- 274	- 486
Republican substitute.....	- 2,181	- 2,487	- 2,981	- 2,811	- 3,741	- 3,484
Armed Services:						
House Budget Committee.....	- 1,029	- 1,029	- 1,056	- 1,056	- 686	- 686
Republican substitute.....	- 966	- 966	- 899	- 899	- 511	- 511
Banking, Finance, and Urban Affairs:						
House Budget Committee.....						
Republican substitute.....	- 12,914	- 757	- 15,219	- 1,930	- 17,735	- 3,256
District of Columbia:						
House Budget Committee.....						
Republican substitute.....	- 39	- 40	- 56	- 64	- 72	- 69
Education and Labor:						
House Budget Committee.....	- 2,020	- 1,810	- 2,414	- 2,408	- 3,331	- 3,116
Republican substitute.....	- 13,544	- 11,160	- 16,192	- 14,714	- 19,815	- 17,990
Energy and Commerce: ¹						
House Budget Committee.....	- 949	- 829	- 1,200	- 1,070	- 1,610	- 1,480
Republican substitute.....	- 6,403	- 5,303	- 7,229	- 6,670	- 7,783	- 7,448
Foreign Affairs:						
House Budget Committee.....		- 5		- 4		- 3
Republican substitute.....	- 150	- 101	- 196	- 167	- 245	- 230
Government Operations:						
House Budget Committee.....	- 340	- 255	- 340	- 340	- 340	- 340
Republican substitute.....						
Interior and Insular Affairs:						
House Budget Committee.....	- 200	- 200	- 200	- 200	- 300	- 300
Republican substitute.....	- 815	- 369	- 796	- 564	- 774	- 654
Judiciary:						
House Budget Committee.....						
Republican substitute.....	- 815	- 369	- 796	- 564	- 774	- 654
Merchant Marine and Fisheries: ¹						
House Budget Committee.....	- 99	- 99	- 150	- 150	- 160	- 160
Republican substitute.....	- 257	- 125	- 239	- 211	- 262	- 251
Post Office and Civil Service:						
House Budget Committee.....	- 5,430	- 5,524	- 7,869	- 8,026	- 9,946	- 9,742
Republican substitute.....	- 4,737	- 5,163	- 6,304	- 6,738	- 7,390	- 7,728
Public Works and Transportation:						
House Budget Committee.....	- 123	- 31		- 31		- 31
Republican substitute.....	- 6,606	- 1,348	- 5,122	- 3,565	- 6,241	- 5,720
Science and Technology:						
House Budget Committee.....	- 200	- 200	- 200	- 200	- 300	- 300
Republican substitute.....	- 78	- 39	- 90	- 59	- 102	- 83
Small Business:						
House Budget Committee.....	- 118	- 71	- 152	- 144	- 211	- 192
Republican substitute.....	- 371	- 247	- 487	- 459	- 554	- 533
Veterans' Affairs:						
House Budget Committee.....	- 110	- 100	- 108	- 108	- 106	- 106
Republican substitute.....	- 110	- 110	- 108	- 108	- 106	- 106
Ways and Means:						
House Budget Committee.....	- 2,885	- 5,785	- 2,240	- 7,140	- 1,825	- 8,625

[In millions of dollars]

House Committee	1982		1983		1984	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Republican substitute.....	- 4,809	- 8,613	- 5,111	- 9,628	- 5,341	- 10,356
Totals:						
House Budget Committee.....	- 13,052	- 15,823	- 15,427	- 20,684	- 17,879	- 24,807
Republican substitute.....	- 53,693	- 36,606	- 60,630	- 48,243	- 70,212	- 58,023

¹ House Budget Committee figures include some assumptions under multiple jurisdiction—these are counted only once in the House Budget Committee totals. The same is true of Latta totals, they are less than the individual pieces

On the House floor, Representative Panetta explained the differences between the Committee resolution and the Latta substitute this way (H1704, May 1, 1981):

The reason that the Latta substitute directs more than \$20 billion more in reconciliation is that it follows the Senate decision to direct committees to act not only on legislative reforms or savings but to reduce authorization levels in existing programs by over \$24 billion. Thus, instead of allowing the Appropriations Committee to reduce spending through the normal appropriations process, the Latta substitute instructs authorizing committees to change laws within their jurisdiction sufficient to reduce appropriations for programs authorized by the committees by specific amounts.

The substitute resolution also included, in section 303, language allowing the committees to report smaller reductions in authorizations if they reported larger reductions in entitlement programs, "so long as the total amount of budget authority and outlay reductions for each fiscal year is the same or greater than the amounts assigned the committee in the budget resolution."

Finally, the substitute kept the reporting date for committee reconciliation legislation on June 15, 1981.

Conference report

The reconciliation directives contained in the conference report retained the broader scope of reconciliation to include both entitlement programs and authorizations. It set the following targets for House committees:

[In millions of dollars]

House Committee	1982		1983		1984	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Agriculture:						
Reductions in direct spending.....	- 232	- 693	- 400	- 362	- 580	- 525
Reductions in authorizations.....	- 1,976	- 1,828	- 2,606	- 2,480	- 3,091	- 3,000
Armed Services: Reductions in direct spending.....	- 966	- 966	- 899	- 899	- 511	- 511
Banking Finance and Urban Affairs: Reductions in authorizations.....	- 13,177	- 640	- 15,572	- 1,398	- 17,827	- 2,369
District of Columbia:						
Reductions in authorizations.....	- 39	- 40	- 56	- 64	- 72	- 69
Education and Labor:						
Reductions in direct spending.....	- 1,963	- 1,946	- 2,916	- 2,277	- 3,995	3,801
Reductions in authorizations.....	- 10,136	- 8,138	- 11,991	- 10,745	- 14,349	13,219
Energy and Commerce:						
Reductions in direct spending.....	- 787	- 1,103	- 1,082	- 1,716	- 1,355	- 2,247
Reductions in authorizations.....	- 4,598	- 4,081	- 4,898	- 4,599	- 4,930	- 4,789
Foreign Affairs: Reductions in authorizations.....	- 250	- 130	- 275	- 200	- 300	- 300

[In millions of dollars]

House Committee	1982		1983		1984	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Interior and Insular Affairs: Reductions in authorizations	-755	-309	-736	-504	-714	-594
Merchant Marine and Fisheries:						
Reductions in direct spending	-192	-192	-379	-379	-491	-491
Reductions in authorizations	-147	-15	-60	-32	-71	-60
Post Office and Civil Service:						
Reductions in direct spending		-513		-414		-357
Reductions in authorizations	-4,737	-4,650	-6,304	-6,324	-7,390	-7,371
Public Works and Transportation:						
Reductions in direct spending		-185		-900		-1,365
Reductions in authorizations	-6,346	-1,033	-5,122	-2,665	-6,241	-4,355
Science and Technology: Reductions in authorizations	-78	-39	-90	-59	-102	-83
Small Business: Reductions in authorizations	-526	-390	-564	-541	-554	533
Veterans' Affairs: Reductions in direct spending	-110	-110	-108	-108	-106	-106
Ways and Means:						
Reductions in direct spending	-3,699	-8,247	-3,660	-9,247	-3,511	-9,573
Reductions in authorizations	-978	-994	-1,294	-1,312	-1,647	-1,675
House total	-51,692	-36,242	-59,012	-47,725	-67,837	-57,393
Eliminate double counting	+882	+882	+1,180	+1,180	+1,498	+1,498
	+92	+92	+179	+179	+191	+191
	+24	+152	+54	+54	+132	+132
Grand total	-50,694	-35,116	-57,599	-46,312	-66,016	-55,572

On the issue of where committees would make cuts to comply with the reconciliation directives, Representative Latta stated in debate on the conference report that: "We have attempted to give the committees as much latitude as possible to make their own decisions about which programs they must reduce and by how much. So long as the amount of savings in entitlement programs and non-entitlement programs equal or exceed the amounts specified in the reconciliation instructions the Budget Committee will not seek to dictate to the committees precise program cuts (H2336)."

The conference report also kept the language allowing committees to meet the reconciliation reductions in authorizations with reductions in entitlement programs.

Finally, the conference agreement moved up the reporting date for reconciliation legislation to June 12, 1981. Fifteen House committees had just over 3 weeks to report some \$136 billion in outlay savings over 3 years.

The conference report on H. Con. Res. 115 was agreed to on May 20, 1981, by a vote of 244 to 155 (H2340).

The Reconciliation Bill

Committee action

Due to the complex and far reaching nature of the reconciliation directive, the conferees also approved a set of guidelines for use by House and Senate committees. They were sent out to the House committees on May 19 as a Dear Colleague from Mr. Panetta. The guidelines follow:

Guidelines

1. A baseline against which legislation implementing the savings will be measured has been developed by the Congressional Budget Office. Basically, it takes the current level of spending for Federal programs and increases that level to account for inflation in fiscal years 1982, 1983, and 1984. Each committee involved in reconciliation will be provided with a baseline for each of the programs under its jurisdiction within the next few days.

2. The reconciliation instructions cover the fiscal years 1982, 1983, and 1984. The House Committees are not instructed to reconcile spending in fiscal year 1981, although the Senate Committees are instructed for fiscal year 1981.

3. The reconciliation instructions are aimed at authorization levels as well as direct spending. Certain authorizations for programs expire in fiscal year 1981. Program levels in fiscal year 1981 are projected forward into the coming fiscal years even if the existing authorization for the program is scheduled to expire: therefore, if the program is reauthorized in fiscal year 1982 at a level sufficient to reduce spending, the authorizing committees will be credited with reconciliation reductions.

4. A committee will be allowed to substitute savings in direct spending programs for savings in authorization programs as long as the committee's total savings meet its reconciliation target. Conferees agreed that the reverse action will not be acceptable, thus savings in authorization programs cannot be substituted for savings in direct spending programs.

5. The reconciliation proposals submitted by committees should achieve net savings. Thus, if a committee includes any spending increases in its legislation, they must be offset by additional savings beyond the committee's specific reconciliation instruction.

6. Revenue increases, with the exception of user fees, will not be credited toward a committee's reconciliation target.

Of the 15 committees involved in reconciliation only one, the Energy and Commerce Committee, was not able to agree on a package of legislation. Instead, two separate legislative proposals, one developed by the chairman of the committee and the other by the ranking minority member were both subject to a tie vote in committee. Both proposals were submitted to the Budget Committee, but since neither was recommended by the Energy and Commerce Committee neither could be included in the reported bill.

The other 14 committees were able to report out legislation making reductions in over 200 Federal programs, and submitted this legislation to the House Budget Committee. A CBO analysis of the legislation submitted by all committees (including the package recommended by the chairman of the Energy and Commerce Committee) indicated that the entire reconciliation package totaled \$37,489 million in fiscal year 1982, surpassing the reconciliation directives for outlays in fiscal year 1982 (\$35.1 billion) by \$2.4 billion. On June 22, 1981, a summary of the legislation reported by the 14 committees and the legislation developed by the chairman of the Energy and Commerce Committee was included in the Congressional Record at H3154. The following is a breakdown by committee of the cuts made.

HOUSE RECONCILIATION COMPARISON

[In millions of dollars]

		Instructions to Committees (May 20, 1981)—			Committee submissions (June 12, 1981)—		
		Fiscal year 1982	Fiscal year 1983	Fiscal year 1984	Fiscal year 1982	Fiscal year 1983	Fiscal year 1984
Agriculture	BA	-2,208	-3,006	-3,671	-2,247	-2,917	-3,907
	O	-2,521	-2,842	-3,525	-2,596	-3,552	-4,382
Armed Services	BA	-966	-899	511	-966	-897	-513
	O	-966	-899	-511	-966	-897	-513
Banking, Finance, and Urban Affairs	BA	-13,177	-15,572	-17,827	-13,207	-17,476	-19,490
	O	-640	-1,398	-2,369	-760	-1,870	-4,264
District of Columbia	BA	-39	-56	-72	-39	-56	-72
	O	-40	-64	-79	-40	-64	-79
Education and Labor	BA	-12,099	-14,907	-18,344	-11,880	-14,758	-18,053
	O	-10,084	-13,522	-17,020	-9,903	-13,361	-16,050
Energy and Commerce	BA	-5,385	-5,980	-6,285	-7,424	-7,037	-5,596
	O	-5,184	-6,315	-7,036	-6,324	-7,583	-6,615
Foreign Affairs	BA	-250	-275	-300	-250	-275	-318
	O	-130	-200	-300	-172	-247	-300
Interior and Insular Affairs	BA	-755	-736	-714	-1,095	-690	-993
	O	-309	-504	-594	-818	-771	-922
Merchant Marine and Fisheries	BA	-339	-439	-562	-242	-642	-666
	O	-207	-411	-551	-105	-612	-653
Post Office and Civil Service	BA	-4,737	-6,304	-7,390	-5,246	-6,463	-7,203
	O	-5,163	-6,738	-7,728	-5,309	-6,629	-7,418
Public Works and Transportation	BA	-6,346	-5,122	-6,241	-6,374	-4,929	-6,036
	O	-1,218	-3,565	-5,720	-1,647	-3,550	-5,691
Science and Technology	BA	-78	-90	-102	-1,581	-1,741	-1,852
	O	-39	-59	-83	-751	-1,437	-1,740
Small Business	BA	-526	-564	-554	-526	-564	-554
	O	-390	-541	-533	-390	-541	-533
Veterans' Affairs	BA	-110	-108	-106	-110	-108	-106
	O	-110	-108	-106	-116	-113	-110
Ways and Means	BA	-4,677	-4,954	-5,158	-4,268	-4,107	-3,443
	O	-9,241	-10,559	-11,248	-9,240	-7,431	-8,440
Grand total adjusted for jurisdictional overlap ¹	BA	-50,694	-57,599	-66,016	-54,352	-61,193	-67,306
	O	-35,116	-46,312	-55,572	-37,674	-46,634	-55,149

¹ This total includes the Energy and Commerce Committee's proposals recommended by the chairman of that committee.

The Budget Committee compiled, without substantive revision, the committee submissions, excluding the legislation from the Energy and Commerce Committee, and on June 19, 1981, reported H.R. 3982, the Omnibus Reconciliation Act of 1981 (H. Rept. 97-158). On June 18, Chairman Jones introduced H.R. 3964, which consisted of the committee submissions, including the legislation recommended by the chairman of the Energy and Commerce Committee. In his request for a rule to the Rules Committee, Chairman Jones requested a rule making the text of H.R. 3964 in order for purposes of amendment.

Floor consideration

The rule (H. Res. 169) recommended by the House Rules Committee for consideration of H.R. 3982 (consisting of the text of H.R. 3964) provided for separate votes on the following Republican proposals: (1) reducing existing and eliminate new social security student benefits, terminate social security minimum benefits and make further reductions in the AFDC program; (2) the Energy and

Commerce minority package submitted to the House Budget Committee on June 12; (3) making further cuts in the student loan and child nutrition programs; (4) incorporate eligibility requirements in the food stamp program; (5) cutting further funding for subsidized housing units and increase low-income tenant contributions for rent; and (6) annualizing cost-of-living increases for civilian Federal retirees.

On the floor on June 25, 1981 (H3382), the House rejected the Rules Committee reported rule by a vote of 217 to 210 and adopted a substitute rule offered by Representative Latta by a vote of 216 to 212 (H3387). The rule, as amended, was a "modified closed rule," which allowed only limited amendments: one offered by Representative Broyhill on legislation falling under the jurisdiction of the Energy and Commerce Committee, and any amendments, considered en bloc, to be offered by Representative Latta.

The next day, June 26, after an extremely partisan debate, a substitute amendment known as the Gramm-Latta II amendment was agreed to by a vote of 217 to 211 (H3962). The Broyhill amendment was then withdrawn, and on final passage H.R. 3982 as amended was adopted by a vote of 232 to 193 (H4035).

Conference on H.R. 3982

Due to the number of program areas contained in the reconciliation bill, the conference involved 184 House Members (including 10 Members of the House Budget Committee as general conferees) and 69 Senators. The House conferees were appointed on July 15.

In order to manage the vast number of issues the conference was broken down into 58 subconferences which were formed based on committees with jurisdiction over the program areas in the reconciliation bill. Some of the subconferences handled only one or two minor issues while others were responsible for a series of complicated issues of large dollar magnitude. Guidelines for the conference were also developed.

The conference finished its work in under 3 weeks and on July 31 the conference report was agreed to by the House. A comparison of the reconciliation instructions in the first budget resolution and the final reconciliation savings achieved is shown below.

COMPARISON OF HOUSE INSTRUCTIONS WITH OMNIBUS BUDGET RECONCILIATION ACT OF 1981

(In millions of dollars)

	Instructions to committees (May 20, 1981) —			Conference agreement (July 29, 1981) —		
	Fiscal year 1982	Fiscal year 1983	Fiscal year 1984	Fiscal year 1982	Fiscal year 1983	Fiscal year 1984
Agriculture:						
Budget authority	-2,208	-3,006	-3,671	-2,449	-3,042	-3,930
Outlays	-2,521	-2,842	-3,525	-3,264	-3,878	-4,661
Armed Services:						
Budget authority	-966	-899	-511	-846	-767	-374
Outlays	-966	-899	-511	-882	-731	-374
Banking, Finance and Urban Affairs:						
Budget authority	-13,177	-15,572	-17,827	-13,566	-15,954	-18,402
Outlays	-640	-1,398	-2,369	-481	-1,154	-2,115
District of Columbia:						
Budget authority	-39	-56	-72	-39	-56	-72
Outlays	-40	-64	-79	-40	-58	-69

COMPARISON OF HOUSE INSTRUCTIONS WITH OMNIBUS BUDGET RECONCILIATION ACT OF 1981— Continued

(In millions of dollars)

	Instructions to committees (May 20, 1981)—			Conference agreement (July 29, 1981)—		
	Fiscal year 1982	Fiscal year 1983	Fiscal year 1984	Fiscal year 1982	Fiscal year 1983	Fiscal year 1984
Education and Labor:						
Budget authority.....	-12,099	-14,907	-18,344	-10,088	-12,414	-14,261
Outlays.....	-10,084	-13,522	-17,020	-7,297	-10,749	-13,881
Energy and Commerce:						
Budget authority.....	-5,385	-5,980	-6,285	-7,955	-7,457	-6,686
Outlays.....	-5,184	-6,315	-7,036	-7,115	-7,710	-6,961
Foreign Affairs:						
Budget authority.....	-250	-275	-300	-376	-524	-538
Outlays.....	-130	-200	-300	-286	-463	-515
Government Affairs:						
Budget authority.....				-600		
Outlays.....				-600		
Interior and Insular Affairs:						
Budget authority.....	-755	-736	-714	-820	+236	-68
Outlays.....	-309	-504	-594	-736	-111	-5
Judiciary:						
Budget authority.....				-72	-70	-59
Outlays.....				-30	-71	-66
Merchant Marine and Fisheries:						
Budget authority.....	-339	-439	-562	-242	-242	-265
Outlays.....	-207	-411	-551	-106	-212	-253
Post Office and Civil Service:						
Budget authority.....	-4,737	-6,304	-7,390	-4,706	-6,253	-7,214
Outlays.....	-5,163	-6,738	-7,728	-5,163	-6,690	-7,555
Public Works and Transportation:						
Budget authority.....	-6,346	-5,122	-6,241	-6,606	-5,070	-6,371
Outlays.....	-1,218	-3,565	-5,720	-1,411	-3,136	-5,418
Science and Technology:						
Budget authority.....	-78	-90	-102	-1,395	-961	-1,209
Outlays.....	-39	-59	-83	-828	-1,016	-1,065
Small Business:						
Budget authority.....	-526	-564	-554	-504	-540	-527
Outlays.....	-390	-541	-533	-823	-517	-506
Veterans' Affairs:						
Budget authority.....	-110	-108	-106	-110	-122	-124
Outlays.....	-110	-108	-106	-116	-127	-128
Ways and Means:						
Budget authority.....	-4,677	-4,954	-5,158	-4,140	-4,455	-4,363
Outlays.....	-9,241	-10,559	-11,248	-8,981	-9,822	-10,803
Grand total adjusted for jurisdictional overlap:						
Budget authority.....	-50,694	-57,599	-66,016	-51,900	-55,734	-61,721
Outlays.....	-35,116	-46,312	-55,572	-35,190	-44,033	-51,353

Note.—These numbers are subject to final CBO verification.

A lengthy summary of the conference agreement was reprinted in the July 31, 1981 Congressional Record at H5761. The bill was signed into law on August 13, 1981 (Public Law 97-35).

Reactions to the fiscal year 1982 reconciliation experience

The reconciliation efforts taken in fiscal year 1982 were in many respects farreaching in scope, procedure and complexity and as a result a number of questions were raised about the process.

Many of these questions were raised in oversight hearings held by the Senate Governmental Affairs Committee in October 1981 in which some doubts were expressed about the process as it was used in 1981. The Director of the Office of Management and Budget, David Stockman, stated:

It is hard for me as Director of the Office of Management and Budget to say that a process that was instrumental in saving such large amounts is defective. Nevertheless the reconciliation process has profound effects on important relationships within the executive branch, the legislative branch and between the two branches. We tend to think of reconciliation in terms of its effect on the budget and thus on the economy. But its most profound effect could well be on the legislative process.

Among the costs of reconciliation he listed some defects:

... lack of time to analyze the full implications of all the measures enacted; and that the natural selection process favors simple budget reduction proposals over relatively complex ones.

Mr. Stockman also noted that reconciliation makes it extremely difficult for committee chairman and their members to play their traditional roles, and went on to state:

If anything, we have learned that this year's reconciliation process was hampered by its complexity. In hindsight, a considerable portion of this complexity is unnecessary and redundant with other aspects of the budget and legislative process. The reconciliation bill should not become an annual omnibus substitute for authorizations and appropriations. . . . What this implies is that the reconciliation bill would be better viewed as a selective action-forcing mechanism.

Mr. Stockman, in his testimony, also focused on what he saw as the positive side of the 1981 reconciliation experience:

The reasons that reconciliation worked are several:

A budget resolution provides a general ceiling or target for budget outlays, with non-binding functional allocations. Reconciliation was the vehicle by which the Congress could act on a package of reduction measures in a specific way in a specific time frame, much as the President does when he prepares his budget.

Therefore, it was possible to have effective consultation between the leadership in the Senate and the House and the Administration on concrete measures to cut the budget.

Because of its comprehensive nature, most of the committees and Members of the Congress shared the burden of budget reductions. All could claim, correctly, that they were contributing their part to the higher purpose of bringing stability to the budget and growth to the economy.

The reconciliation bill was subject to votes up or down on the entire package. The size of the savings involved was dramatic, and particular amendments that would relieve a particular group or program from budget restraint were highly visible.

Senator Domenici, Chairman of the Senate Budget Committee added, "Let me say at the outset that I would not like to see the reconciliation process become a routine instrument for establishing Federal fiscal policy. Reconciliation is an extraordinary process and should be used only in extraordinary circumstances." But, he pointed out that it was Congress' own decision to use the reconciliation process because "it was the only sensible way to accomplish what was needed at the time."

Mr. Panetta pointed out in remarks prepared for a budget symposium the same year that "unfortunately the way reconciliation was used this year gave a bad name to a process I think is a valid, useful, and essential tool for restraining Federal spending."

He went on to note that:

... In 1980 reconciliation was used successfully in a limited way and substantial support for the process was created in Congress. This year the process, in my opinion, got out of hand, creating doubt in the minds of both Democrats and Republicans about whether it should be used at all. It included not just measures to cut spending, but policy legislation as well. It forced authorizing committees to limit the jurisdiction of the appropriations committees. It became both a train for miscellaneous amendments and a hideaway for those who did not want separate votes on the tough issues. And most of all, it distorted the delicate balance among budget, authorizing and appropriating committees."

The consensus of many was that reconciliation as it was used in fiscal year 1982 raised a number of important issues that would have to be addressed in the future. It was this debate, and others like it, which led to the modified reconciliation efforts of successive years to curtail the scope and complexity of the process.

FISCAL YEAR 1983

*First Concurrent Resolution on the Budget*²

Budget Committee action

The House Budget Committee reported a first budget resolution for fiscal year 1983 (H. Con. Res. 345) containing reconciliation instructions directing 10 House committees and 8 Senate committees to report legislation reducing outlays by \$4.184 billion and increasing revenues by \$31.7 billion in fiscal year 1983. The report also stated: "Recognizing the need to reduce future deficits, as well, the instructions also express Congress' intent that in fiscal years 1984 and 1985 outlays be reduced by \$51.65 billion and \$66.55 billion respectively" (H. Rept. 97-521, p. 48). The fiscal year 1984 and 1985 reconciliation revenue increases were \$51.65 billion and \$66.55 billion respectively. Reconciliation instructions on spending cuts contained in the Committee-reported resolution focused entirely on entitlement-type programs.

Section 303 of the resolution contained language directing all of the committees except the Ways and Means Committee to submit their recommendations to the House Budget Committee. The resolution envisioned that the Ways and Means Committee would move their reconciliation legislation through the House on a separate track from the other reconciled committees.

Floor consideration

In late May of 1982 the House engaged in an extended debate over the First Budget Resolution for Fiscal Year 1983. Six substitute resolutions and numerous amendments directed at specific budget functions were considered over a 4-day period. Three of those votes on May 27 involved the reconciliation instructions contained in the substitutes offered by Mr. Jones, Mr. Latta, and Mr. Aspin.

Mr. Perkins offered an amendment to the substitutes offered by Mr. Jones and Mr. Aspin striking all reconciliation instructions to the House Education and Labor Committee. This amendment was

² H. Con. Res. 352 contained a provision whereby if Congress did not adopt a second budget resolution by October 1, the first resolution would become the second resolution for purposes of the spending ceiling and revenue floor. Therefore, no second budget resolution was considered for fiscal year 1983.

defeated by a vote of 225 to 193 (H3067, May 27). This was followed by an amendment offered by Mr. Weiss to strike all reconciliation instructions in the substitute offered by Mr. Latta. The amendment was defeated by a vote of 357 to 60 (H3075, May 27). Subsequently, this same amendment was offered to both the Jones and Aspin substitutes, but it was rejected by the House by a voice vote (H3076).

On May 17, 1982, after rejecting the six substitutes to the committee-reported resolution, the House then rejected the Budget Committee's resolution, H. Con. Res. 345, by a vote of 265 to 159 (H3113).

On June 7, 1982, a revised First Budget Resolution, H. Con. Res. 352, was reported by the House Budget Committee (H. Report 97-597). This measure translated the President's budget into a congressional budget resolution. Since it was intended as a vehicle for amendments to be offered on the floor, specific reconciliation instructions were not included.

Instead, the resolution contained a direction, in title III, that committees "shall report changes in laws within their respective jurisdiction sufficient to reduce budget authority and outlays in fiscal year 1983 in amounts consistent with reductions in entitlement programs assumed in this resolution; and to increase revenues in fiscal year 1983 in amounts consistent with the assumptions in this resolution."

However, the substitute to H. Con. Res. 352 offered by Mr. Latta contained specific reconciliation instructions, as did the substitute offered by Mr. Jones to the Latta substitute. On June 10, 1982, the Jones substitute failed by a vote of 225 to 202 (H3399). The Latta substitute was then approved by a vote of 220 to 207 (H3400), and the amended resolution was adopted by the House in a 219 to 206 vote (H3400). S. Con. Res. 92, the Senate-passed first budget resolution, was then amended with the text of H. Con. Res. 352. S. Con. Res. 92, as amended was then agreed to and a conference with the Senate was requested (H3401).

A comparison of the reconciliation directives in the Democratic and Republican substitutes follows:

COMPARISON OF RECONCILIATION IN DEMOCRATIC SUBSTITUTE AND REPUBLICAN SUBSTITUTE

[In millions of dollars]

	Democratic substitute			Republican substitute		
	1983	1984	1985	1983	1984	1985
Agriculture: ¹						
Budget authority.....	-207	-530	-661	-1,457	-2,634	-3,384
Outlays.....	-207	-530	-661	-1,447	-2,624	-3,384
Banking, Finance, and Urban Affairs:						
Budget authority.....						
Outlays.....	-695	-697	-687	-695	-697	-687
Education and Labor:						
Budget authority.....				-255	-900	-1,230
Outlays.....				-227	-852	-1,199
Energy and Commerce:						
Budget authority.....	-59	-65	-72	-1,212	-2,467	-2,795
Outlays.....	-59	-65	-72	-1,332	-2,467	-2,795
Government Operations:						
Budget authority.....					-320	-636
Outlays.....					-240	-557

**COMPARISON OF RECONCILIATION IN DEMOCRATIC SUBSTITUTE AND REPUBLICAN SUBSTITUTE—
Continued**

(In millions of dollars)

	Democratic substitute			Republican substitute		
	1983	1984	1985	1983	1984	1985
Post Office:						
Budget authority						
Outlays				-164	-136	-160
Veterans' Affairs:						
Budget authority	-171	-187	-195	-77	-75	-71
Outlays	-171	-187	-195	-77	-75	-71
Ways and Means:						
Budget authority	-334	-205	-267	-1,196	-1,147	-1,464
Outlays	-1,749	-2,708	-3,173	-4,263	-5,263	-5,632
Total Budget authority	-771	-987	-1,195	-4,197	-7,543	-9,580
Total Outlays	-2,881	-4,187	-4,788	-8,145	-12,354	-14,485
Ways and Means—Revenues	1,700	51,650	66,550	22,900	36,800	41,400

¹ Authorization.

Conference

On June 22, 1982, the House adopted a conference report on the First Budget Resolution, S. Con. Res. 92 (Report 97-614) by a vote of 210 to 208 (H3747).

The following reconciliation targets were set for House committees:

CONFERENCE SUBSTITUTE RECONCILIATION INSTRUCTIONS BY HOUSE COMMITTEES

(In millions of dollars)

	Fiscal year—							
	1983		1984		1985		1983-85	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Spending reductions:								
Agriculture	-779	-779	-1,083	-1,083	-1,428	-1,428	-3,290	-3,290
Armed Services	-213	-213	-693	-693	-1,231	-1,231	-2,137	-2,137
Banking		-695		-697		-687		-2,137
Energy and Commerce	-514	-675	-741	-739	-815	-811	-2,070	-2,225
Foreign Affairs		-2		-8		-15		-25
Merchant Marine	-4	-4	-15	-15	-27	-27	-46	-46
Post Office and Civil Service		-376		-242		-1,808		-3,245
Veterans' Affairs	-77	-77	-155	-155	-155	-155	-387	-387
Ways and Means	-593	-3,755	-705	-4,827	-928	-5,168	-2,226	-13,750
Total	-2,180	-6,576	-3,636	-9,278	-5,126	-11,330	-10,942	-27,184
Less double counting (dual committee jurisdiction) ...	1	3	4	10	7	18	12	31
Total spending reductions	-2,179	-6,573	-3,532	-9,268	-5,119	-11,312	-10,930	-27,153
Revenue increases:								
Ways and Means	+20,900		-36,000		-41,400			+98,300
(User fee portion)	(+900)		(+1,000)		(+1,400)			(+3,300)

CONFERENCE SUBSTITUTE RECONCILIATION INSTRUCTIONS BY HOUSE COMMITTEES—Continued

(In millions of dollars)

	Fiscal year —							
	1983		1984		1985		1983-85	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Total reconciliation instruction.....		-27,473		-45,268		-52,712		-125,453

A deadline of July 20, 1982, was set for the reporting of reconciliation legislation in the conference agreement.

Also, in section 2(a) of the conference agreement each House committee involved was directed to submit their recommendations to the House Budget Committee for packaging in a reconciliation bill.

Reconciliation Legislation

In 1982 the House diverged from the reconciliation path envisioned by the Congressional Budget Act and the fiscal year 1982 conference agreement, namely that the legislation would be reported to the House Budget Committee and packaged by the Committee in a reconciliation bill, without substantive revision, prior to consideration by the full House. Instead, four of the committees involved in reconciliation went directly to the floor with their legislation.

During the debate on the rule for consideration of the Post Office and Civil Service Committee reconciliation bill, H.R. 6862, Representative Latta addressed the issue of whether consideration of separate bills was proper (H4709, July 28, 1982):

The Budget Act adopted by Congress in 1974 is precise in its instructions for handling the reconciliation process. Section 310 of the act states that the budget resolution directs standing committees to determine and recommend changes in the law to achieve savings. Such recommendations are to be submitted to the House and Senate Budget Committees for inclusion in an omnibus reconciliation bill. The Budget Act reads, and let me quote:

Upon receiving all such recommendations, the Budget Committee shall report to its House a reconciliation bill or reconciliation resolution, or both, carrying out all such recommendations without any substantive revision.

I would like to repeat that key phrase:

Shall—

Shall report to its House a reconciliation bill or reconciliation resolution. . . .

Let me say to my friends, that is clear. That language is clear. The intent of the act is that reconciliation instructions are to be sent to the Budget Committee, which will draft a single reconciliation bill for consideration by the House. In this case, this bill was not sent to the Budget Committee, nor did the Budget Committee package it in an omnibus bill as provided by the act itself.

Representative Panetta responded, referring to the House experience with reconciliation in 1981, and arguing that separate consideration of bills could be justified under section 301(b)(2) of the Budget Act (H4712):

* * * [from a budget perspective, the vote the Members face is, I think, one of the most important votes they will cast in this session. It will set the stage for whether we can deal with reconciliation on an orderly basis, allowing packages, allowing committees to come to the floor and allowing Members to vote up or down on those issues, or whether we are going to capitulate to the same kind

of chaos, the same kind of irresponsibility that this House went through last year when we had an up or down vote on a last-minute, 800-page amendment.

That, frankly, is the choice. Push aside all the rhetoric. That is the choice, whether we are going to give Members the ability to vote up or down on the cuts that they support in a budget resolution or whether we are going to open the door to the kind of budget games that have undermined the budget process in the past. We cannot have it both ways.

Let me make clear that, we have the power under the Budget Act to implement these procedures. It is contained in section 301(b)(2). If we want a fixed interpretation of the Budget Act, we ought not to even have reconciliation after the first budget resolution. The Budget Act specifically calls for it after the second budget resolution.

So we do have the power to be able to bring it to the floor in packages, as we are.

The House eventually approved the rule by a vote of 240 to 170 (See below).

Floor consideration

The Veterans Committee reconciliation bill, H.R. 6782, was placed on the suspension calendar, debated (H4615), and passed by a vote of 400 to 0 on July 27, 1982 (H4658).

The Post Office and Civil Service Committee reconciliation legislation, H.R. 6862, was considered by the House on August 3, 1982. The reconciliation instructions for the committee had assumed a 4 percent cap on cost of living adjustments for Federal civilian and military retirees, but the committee was not able to agree to such a change. Instead an amendment implementing the cap was drafted for floor consideration of the bill, and the rule (adopted by a 240 to 170 vote on July 28, H4716) under which H.R. 6862 was considered made this amendment in order. However, no Member offered the amendment. A motion to recommit the bill with instructions to the committee to develop legislation meeting the reconciliation targets in the first budget resolution was defeated 236 to 160 (H4998), and the bill passed the House by a vote of 268 to 128 (H4998).

The House Banking, Finance and Urban Affairs Committee responded to the reconciliation instructions by reporting H.R. 6812. While this measure did not meet the levels set in the reconciliation instructions, an amendment offered by Mr. Stanton on the House floor dealing with FHA insurance payments resulted in the bill surpassing those levels. The bill was adopted in the House on August 5, 1982 (H5218).

The Agriculture Committee responded to its reconciliation instructions by reporting H.R. 6892, the Food and Agriculture Reconciliation Act. On August 10, 1982, the measure was debated and passed by a vote of 268 to 121 (H5538). An amendment offered by Mr. Wampler to make further cuts in the food stamp program was rejected by the House by a vote of 210 to 181 (H5535).

The Ways and Means Committee was unable to report out tax legislation or spending reductions in response to the reconciliation instructions contained in the first budget resolution. Instead, on July 28, 1982, a motion was offered by Chairman Rostenkowski, and approved by the House in a 208 to 197 vote, to proceed directly to conference on a House-passed revenue measure, H.R. 4961, to which the Senate had attached revenue increases and spending cuts in response to the first budget resolution's reconciliation instructions (H4786).

At this point in 1982, the Energy and Commerce Committee had not reported out legislation in response to the first budget resolution's reconciliation instructions either, but the committee was brought into conference on H.R. 4961 based on medicaid and medicare provisions within that committee's jurisdiction contained in the Senate amendments to the bill.

Conference on reconciliation

To prepare for conference, the four spending reconciliation bills, H.R. 6892, H.R. 6812, H.R. 6862, and H.R. 6782, were combined through the following unanimous consent request by Chairman Jones, into one bill, H.R. 6955, and formally passed again by the House on August 10, 1982 (H5539):

Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of a bill which I send to the desk, consisting of the texts of the bills H.R. 6892, 6812, 6862, and 6782 as passed by the House, and that the previous question be considered as ordered on said bill to final passage without intervening motion.

Conference involved 53 Members of the House and 9 subconferences were created to deal with different provisions in the bill.

The House considered the conference report on H.R. 6955 on August 17, but adopted a motion to recommit the report by a vote of 266 to 145 (H6107). This motion was spurred by a provision in the report which authorized review of executive pay levels. The concern was that a pay raise for Members of Congress would result from this review. The section referring to the pay review was dropped, then the conference report was returned to the House and adopted by a vote of 243 to 176 on August 18 (H6364). The bill was signed into law on September 8, 1982 (P.L. 97-253).

A summary of the spending reductions achieved in the conference report (and the tax bill) is shown in Appendix A.

The conference report on the tax bill, the Tax Equity and Fiscal Responsibility Act of 1982, was approved by the House on August 19, by a 226 to 207 vote (H6635) and the bill was signed into law on September 3, 1982 (P.L. 97-248). The following are the tax increases contained in the bill compared to the targets set in the first budget resolution.

SUMMARY OF ESTIMATED REVENUE EFFECTS OF TAX PROVISIONS OF H.R. 4961 AS AGREED TO BY THE CONFERENCE COMMITTEE, FISCAL YEARS 1983-87

(In millions of dollars)

	1983	1984	1985	1986	1987
Individual income tax provisions	272	3,113	3,106	3,336	3,556
Business tax provisions	5,422	13,292	16,497	28,042	40,116
Compliance provisions	3,365	8,869	8,660	10,174	11,217
Pension provisions	194	780	870	970	1,058
Life insurance and annuities	1,942	2,155	2,920	3,138	3,370
Employment tax provisions	1,904	3,083	3,577	2,853	2,572
Excise tax provisions	2,798	4,009	4,702	2,054	1,472
Miscellaneous provisions	- 38	- 37	- 34	- 32	- 30
Total tax provisions	15,859	35,264	40,298	50,535	63,331

**SUMMARY OF ESTIMATED REVENUE EFFECTS OF TAX PROVISIONS OF H.R. 4961 AS AGREED TO BY
THE CONFERENCE COMMITTEE, FISCAL YEARS 1983-87—Continued**

[In millions of dollars]

	1983	1984	1985	1986	1987
Revenue gain resulting from additional IRS enforcement personnel.....	2,100	2,400	2,400	1,300	600
Grand total, all provisions.....	17,959	37,664	42,698	51,835	63,931
Reconciliation instructions.....	21,800	37,000	42,800		

FISCAL YEAR 1984

*First Concurrent Resolution on the Budget*³

Budget Committee action

The fiscal year 1984 congressional budget process got off to an early start in the House of Representatives. The House Committee on the Budget met on March 16 and 17, 1983, to consider the First Concurrent Resolution on the Budget for Fiscal Year 1984. The Resolution, H. Con. Res. 91, was ordered reported on March 17, 1983, and was filed in the House on March 21, 1983.

Reconciliation instructions contained in the First Budget Resolution for Fiscal Year 1984 directed seven House committees to report legislation reducing outlays by \$2.189 billion and increasing revenues by \$30.0 billion in fiscal year 1984. Recognizing the need to reduce future deficits, as well, the instructions also expressed Congress' intent that in fiscal years 1985 and 1986 outlays be reduced by \$3.158 billion and \$4.416 billion and that revenues be increased by \$40.0 billion and \$50.0 billion, respectively.⁴

RECONCILIATION

[In millions of dollars]

Committee and program	Fiscal year 1984		Fiscal year 1985		Fiscal year 1986	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Armed Services:						
Military retirement (6-month COLA delay and permanent half COLA).....	-252	-252	-258	-258	-513	-513
4 percent pay raise, military.....	-338	-327	-387	-386	-398	-397
PHS officers retirement (6-month COLA delay).....	(-1)	(-1)	(-1)	(-1)	(-3)	(-3)
Total.....	-591	-580	-646	-646	-914	-913
Education and Labor: FECA (6-month COLA delay).....	-4	-4	-4	-4	-4	-4
Foreign Affairs: Foreign service retirement (6-month COLA delay).....		-3		-4		-8
Post Office and Civil Service:						
Civil service retirement (6-month COLA delay).....	-273	+1	-394	+6	-746	
4 percent pay raise, civilian.....	-796	-813	-1,369	-1,405	-1,995	-2,051
PHS officers retirement (6-month COLA delay).....	-1	-1	-1	-1	-3	-3
Military retirement (6-month COLA delay and permanent half COLA).....	(-252)	(-252)	(-258)	(-258)	(-513)	(-513)
Foreign service retirement (6-month COLA delay).....	(.....)	(-3)	(.....)	(-4)	(.....)	(-8)

³ Again, this resolution contained an "automatic second budget resolution" provision which became operative on October 1. Therefore, no second resolution for fiscal year 1984 was considered.

⁴ Again, this "nonbinding" type of instruction was used for the outyears to preserve the resolution's privilege for initial consideration in the House.

RECONCILIATION—Continued

(In millions of dollars)

Committee and program	Fiscal year 1984		Fiscal year 1985		Fiscal year 1986	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Coast Guard retirement (6-month COLA delay)	- 5	- 5	- 6	- 6	- 13	- 13
Total	- 1,054	- 1,347	- 1,633	- 2,068	- 2,518	- 3,334
Small Business: SBA disaster loans	- 139	- 287	- 555	- 466	- 544	- 443
Veterans:						
Compensation COLA delay	- 202	- 200	- 234	- 233	- 240	- 237
Readjustment benefits	- 14	- 14	- 1	- 1	- 1	- 1
Total	- 216	- 214	- 235	- 234	- 241	- 238
Total	- 1,751	- 2,189	- 2,814	- 3,158	- 3,705	- 4,416
Revenues		30,000		40,000		50,000

Source: First Concurrent Resolution on the Budget for Fiscal Year 1984 H. Rept. 98-41, part 1, pages 68 and 69.

In order to encourage House committees to act quickly on their reconciliation legislation and to address concerns raised by the procedures surrounding consideration of Gramm-Latta II, the instructions contained two separate reporting dates for reconciliation legislation.

Section 3 of the resolution instructed the committees, except for the Committee on Ways and Means, to submit their reconciliation recommendations to the Committee on the Budget not later than June 6, 1983. The Budget Committee would then assemble the various recommendations into one omnibus reconciliation bill without substantive revisions. However, if a committee acted by June 1, 1983, it could report its reconciliation recommendations directly to the House.

Section 3(c) of the resolution directed the Committee on Ways and Means to report its reconciliation recommendations to the House not later than June 1, 1983. Additionally, the section noted that if the recommendation included the imposition of new or expanded taxes to directly finance programs within the jurisdiction of any other committee of the House or the imposition of new or expanded user fees within the jurisdiction of any other committee of the House, an appropriate referral pursuant to Rule X of the Rules of the House should be considered.

Floor consideration

On March 23, 1983, the House approved H. Con. Res. 91 by a vote of 229 to 196 (H1669). No amendments to the resolution were offered during the debate.

Conference

The Senate passed its version of the first concurrent resolution and requested a conference on May 19, 1983. The House agreed to go to conference on June 8, 1983. The House conferees filed the conference report in technical disagreement on June 21, 1983, House Report 98-248. On June 23, 1983, the House called up and disposed of the conference agreement. The House then receded and concurred with an amendment, which consisted of the agreements

reached by the conferees, to the original Senate amendment in a 239 to 186 vote (H4388).

The conference agreement modified the reconciliation instructions contained in the House-passed and Senate-passed versions of the budget resolutions. Although the same seven House committees were instructed, the amount of savings to be achieved was changed to \$2.813 billion in fiscal year 1984, \$3.945 billion in fiscal year 1985, and \$5.527 billion in fiscal year 1986. The revenue increase was changed to \$12.0 billion in fiscal year 1984, \$15.0 billion in fiscal year 1985, and \$46 billion in fiscal year 1986.

The following is a breakdown by House committee of the instructions:

CONFERENCE SUBSTITUTE RECONCILIATION INSTRUCTIONS—HOUSE COMMITTEES

[In millions of dollars]

	Fiscal year 1984		Fiscal year 1985		Fiscal year 1986		Total fiscal year 1984-86	
	BA	0	BA	0	BA	0	BA	0
Spending reductions:								
Armed Services.....	-253	-253	-360	-360	-621	-621	-1,234	-1,234
Energy and Commerce.....	-400	-400	-500	-500	-800	-800	-1,700	-1,700
Foreign Affairs.....	-3	-3	-4	-4	-9	-9	-16	-16
Post Office and Civil Service.....	-1,619	-1,900	-2,332	-2,841	-3,235	-4,144	-7,186	-8,885
Small Business.....	-139	-287	-555	-466	-544	-443	-1,238	-1,196
Veterans' Affairs.....	-228	-226	-139	-138	-141	-140	-508	-504
Ways and Means.....	-400	-400	-500	-500	-800	-800	-1,700	-1,700
Total.....	-2,239	-3,469	-3,386	-4,809	-4,541	-6,957	-10,166	-15,235
Less double counting (dual Committee jurisdiction).....	253	656	360	864	621	1,430	1,234	2,950
Total spending reductions.....	-986	-2,813	-3,026	-3,945	-3,920	-5,527	-8,932	-12,285
Revenue increases: Ways and Means.....	+12,000	+12,000	+15,000	+15,000	+46,000	+46,000	+73,000	+73,000
Provisional spending reductions: Agriculture.....	-1,243	-1,243	-1,332	-1,332	-1,327	-1,327	-3,902	-3,902

A reporting date of July 22, 1983, was set in the conference report for the reconciliation spending reductions assigned to the Armed Services, Energy and Commerce, Foreign Affairs, Post Office and Civil Service, Small Business, Veterans' Affairs, and Ways and Means Committees. No deadline was given to the Ways and Means Committee on the reconciliation tax increases assumed in H. Con. Res. 91.

Finally, section 3(m) of the conference report provided for reconciliation instructions to the House and Senate Agriculture Committees contingent upon provisions in Subtitle A of Title I of Public Law 98-253, relating to price assessments against milk producers, being finally adjudicated by the courts to be unconstitutional or unenforceable (in September 1983 the courts upheld the enforceability of the milk assessment provision, making action by the Agriculture Committee unnecessary).

Reconciliation Legislation

Committee action

By July 26, 1983, the House Committee on the Budget had received legislation from the following committees pursuant to the reconciliation instructions: Committee on Post Office and Civil Service, Committee on Small Business, Committee on Veterans' Affairs.

Additionally, the changes in law proposed by the Committee on Post Office and Civil Service affecting COLA's for the Federal retirement program resulted in savings in retirement programs under the jurisdiction of the Committees on Foreign Affairs, Energy and Commerce, and Armed Services. (Additional savings in military pay under the jurisdiction of the Armed Services Committee was contained in H.R. 2969 which passed the House on July 27, 1983.)

There was a substantial deadlock in receiving legislation from the two remaining House committees. The Committees on Energy and Commerce and on Ways and Means had great difficulty in putting together a consensus on changes in certain health programs within their shared jurisdiction. Further, the Committee on Ways and Means was bogged down on certain revenue issues, specifically reforms to the Industrial Development Bond provisions. The Senate committees were not any further along than the House on submitting their required legislation by the July 22, 1983 deadline. Accordingly, on July 19, 1983, both the House and Senate extended the deadline to September 23, 1983. The deadline was again extended by the Senate to October 31, 1983.⁵

On October 20, 1983, the House Committee on the Budget reported H.R. 4169 (H. Rept. 98-425), to provide for reconciliation pursuant to section 3 of the First Concurrent Resolution on the Budget for Fiscal Year 1984. The bill consisted of the reconciliation submissions, without substantive revision, noted above.

On October 21, 1983, the Committee on Ways and Means reported H.R. 4170 (H. Rept. 98-432) which increased revenues and reduced spending over the 3-year period. The Committee on Energy and Commerce reported its recommendations for savings in the programs within its jurisdiction on October 26, 1983 (H.R. 4136, H. Rept. 98-442, Part I).

Floor consideration

One assumption in the first budget resolution's reconciliation instructions was that the Post Office and Civil Service Committee would report a 3-month delay in the Federal pay raise (from October 1 to January 1) for fiscal year 1984. The reconciliation legislation reported by the committee did not contain this change, leading

⁵ In the House, the reconciliation reporting deadline is viewed as an instruction to committees to act by that date. However, no procedural sanctions, either under the House rules or the Budget Act, would apply if the date is missed. In the Senate there is a concern that legislation transmitted to the Budget Committee after the deadline would lose its status as being "pursuant to reconciliation instructions", therefore, in 1983 the Senate was more concerned over extending the deadline than the House. It should be noted that this issue has not been resolved by the Senate.

the House Budget Committee to request a rule making in order an amendment to H.R. 4169 implementing the delay.

Secondly, the Budget Committee requested that a substitute to H.R. 4169 be made in order consisting of the text of H.R. 4154, introduced by Chairman Jones, which included all of the provisions contained in H.R. 4169 plus language requiring the President to convene a domestic economic summit to deal with Federal deficits. This bill, which included changes in veterans' compensation, SBA disaster loans, and civilian and military retirement programs, saved, in outlays, \$1.828 billion in fiscal year 1984, \$2.777 billion in fiscal year 1985, and \$3.905 billion in fiscal year 1986.

The Rules Committee recommended a rule, which the House adopted, making in order the text of H.R. 4154 and an amendment consisting of the 3-month pay delay. This amendment added almost another \$1.8 billion in outlay savings over 3 years.

During floor consideration of H.R. 4169 on October 25 the 3 month delay amendment was approved by voice vote in the Committee of the Whole (H8620), and the substitute to H.R. 4169 (the text of H.R. 4154) was approved as amended, by voice vote (H8620).

Once the bill was reported back to the House a separate vote was requested by the chairman of the Post Office and Civil Service Committee, Mr. Ford, on the 3-month delay amendment. The amendment was agreed to by a vote of 245 to 176 (H8620), and H.R. 4169, as amended, was then approved by the House by voice vote (H8621).

On November 16, 1983, the Committee on Rules reported a rule providing for the consideration of another piece of the reconciliation package, H.R. 4170 which contained the remaining spending reductions in medicare and other areas as well as the revenue increases in the reconciliation directive. The rule would have incorporated into the bill certain provisions within the jurisdiction of the Committee on Energy and Commerce originally reported in H.R. 4136.

The rule also made in order nine specified amendments as well as any amendments offered by the Committee on Ways and Means. The rule was defeated on November 17, 1983, by a vote of 214 to 204 (H10235), thereby preventing consideration of H.R. 4170 containing the revenue increases and remaining spending reductions for fiscal years 1984 through 1986, before the 98th Congress adjourned its first session. As will be discussed in the next section H.R. 4170 was finally considered and adopted in the second session. (In the first session the House did pass H.R. 1183 on June 23, 1983, which was projected to raise \$6 billion in fiscal year 1984. However, it failed Senate passage on June 28, 1983. The measure would have capped the third year of the 1981 tax rate cuts for high-income individuals.)

The Senate Budget Committee reported its reconciliation bill, S. 2062, on November 4, 1984 (S. Rept. 98-300). The bill consisted of legislation submitted by the following committees: Finance, Governmental Affairs, Small Business, and Veterans' Affairs. Various provisions of the bill increased revenues and reduced spending but the totals did not meet the reconciliation targets for the committees pursuant to the budget resolution.

The Senate considered S. 2062 from November 16, 1983 through November 18, 1983. Consideration of the bill was never completed and action on the bill was indefinitely postponed on August 1, 1984.

On April 5, 1984, the Senate adopted H.R. 4169, as passed by the House (S3905).

The following is a cost estimate summary of the bill passed by the House:

SUMMARY OF H.R. 4169

(In millions of dollars)

Committee	1984		1985		1986	
	BA	O	BA	O	BA	O
Armed Services:						
COLA:						
Military Retirement	(-252)	(-252)	(-304)	(-304)	(-451)	(-451)
PHS Retirement	(-1)	(-1)	(-2)	(-2)	(-3)	(-3)
Total	(-253)	(-253)	(-306)	(-306)	(-454)	(-454)
Foreign Affairs: Foreign Service retirement COLA delay		(-3)		(-4)		(-8)
Post Office and Civil Service:						
COLA:						
Civil Service Retirement		-273		-360		-680
Military Retirement	-252	-252	-304	-304	-451	-451
PHS Retirement	-1	-1	-2	-2	-3	-3
Coast Guard	-5	-5	-6	-6	-11	-11
Foreign Service		-3		-4		-8
4 percent pay raise—civilian	-795	-800	-1,369	-1,405	-1,985	-2,041
Total	-1,053	-1,334	-1,681	-2,081	-2,450	-3,194
Small Business: SBA disaster loans	-139	-288	-555	-471	-544	-482
Veterans: Compensation COLA delay	-208	-206	-226	-225	-232	-229
Grand total ¹	-1,400	-1,828	-2,462	-2,777	-3,226	-3,905
Revenues .....		...		...		...

¹ Grand totals have been adjusted for double counting.

Note.—BA 7,088, with pay amendment 8,863. O 8,510, 10,295.

The measure was signed into law by the President on April 4, 1984 (Public Law 98-270).

FISCAL YEAR 1985

First Concurrent Resolution on the Budget ⁶

Budget Committee action

The House again took the lead in the congressional budget process for fiscal year 1985. The House adopted its version of the First Concurrent Resolution on the Budget for Fiscal Year 1985, H. Con. Res. 280, on April 5, 1984 by a vote of 250 to 168 (H. 2448).⁷

Reconciliation instructions contained in the first concurrent resolution on the budget for fiscal year 1985 directed eight House committees to report legislation reducing outlays by \$2.35 billion in

⁶ Congress completed action on H. Con. Res. 280 on October 1, 1984. This resolution contained an "automatic" second budget resolution provision. Accordingly, no second resolution was considered in the 98th Congress.

⁷ H. Con. Res. 280, the first concurrent resolution on the budget for fiscal year 1985, was not reported by the Budget Committee. However, the report accompanying the resolution which was reported by the committee explains H. Con. Res. 280 as well. (See H. Rept. 98-645, Pt. I.)

fiscal year 1985. Recognizing the need to reduce future deficits as well, the instructions also expressed Congress' intent that in fiscal years 1986 and 1987 outlays be reduced by \$4.10 billion and \$5.90 billion, respectively.

The resolution included instructions to the House Committee on Ways and Means to report legislation increasing revenues by \$9.70 billion in fiscal year 1985. In keeping with the pay-as-you-go structure of the resolution, reconciliation instructions in the amendment also expressed Congress' intent that in fiscal years 1986 and 1987 revenues be increased by \$17.65 billion and \$22.45 billion, respectively.

The following House committees were affected by reconciliation instructions in the resolution: Agriculture, Armed Services, Education and Labor, Energy and Commerce, Post Office and Civil Service, Small Business, Veterans' Affairs, and Ways and Means. The report accompanying the resolution set forth the following Budget Committee assumptions as to which programs could be reduced to achieve such savings (pp. 30-31, H. Rept. 98-645, Part I).

RECONCILIATION SAVINGS

(In billions of dollars)

	1985		1986		1987		3-year total outlays
	BA	O	BA	O	BA	O	
Agriculture: Target price reductions	-0.05	-0.05	-0.80	-0.80	-1.70	-1.70	-2.55
Armed Services:							
Delay COLA's (Military)	(...)	(-0.30)	(...)	(-0.40)	(...)	(-0.45)	(1.15)
Extend Half-COLA (Military)	(...)	(...)	(...)	(-0.25)	(...)	(-0.55)	(-0.80)
Education and Labor:							
Pension Benefit Guaranty Corporation	-0.15		-0.15		-0.20		-0.50
Energy and Commerce	(-1.00)	(-1.00)	(-1.35)	(-1.35)	(-1.65)	(-1.65)	(-4.00)
Post Office and Civil Service: Federal Employee							
Retirement:							
Delay COLA's ¹	-0.55		-1.00		-1.10		-2.65
Extend half-COLA			-0.30		-0.70		-1.00
Small Business: Small Business Administration							
(SBA) disaster loan program ²	-0.20	-0.15	-0.20	-0.25	-0.20	-0.20	-0.60
Veterans' Affairs:							
VA pensions	-0.05	-0.05	-0.05	-0.05	-0.05	-0.05	-0.15
VA guaranteed Housing loans	(²)	-0.10	+0.10	-0.15	-0.05	-0.15	-0.40
Administrative reforms in the guaranteed housing loan program	-0.10	-0.25	(²)	-0.05	-0.20	-0.05	-0.35
Ways and Means:							
Medicare savings	-1.00	-1.00	-1.35	-1.35	-1.65	-1.65	-4.00
Child support enforcement	(²)	(²)	-0.05	-0.05	-0.10	-0.10	-0.15
Total	-1.20	-2.35	-2.30	-4.10	-4.00	-5.90	-12.35

¹ These provisions were included in H.R. 4169, last year's reconciliation bill, which passed the House on October 25, 1983.

² Less than \$50 million.

Source: First Concurrent Resolution on the Budget for Fiscal Year 1985. H. Rept. 98-645, Pages 48 and 49.

These committees were required to submit their legislation reducing spending to the House Committee on the Budget by May 1, 1984. The Committee on Ways and Means was not required to submit its revenue increases to the Budget Committee but could move that legislation forward on a separate track.

Since the Senate had not yet taken action on H.R. 4169, the House-passed reconciliation measure from the previous year, the

reconciliation instructions in the resolution reflect several savings measures encompassed in that legislation.

Reconciliation Legislation

Committee action

Although reconciliation instructions contained in a concurrent resolution are not binding on the committees until the House and Senate agree upon a resolution, the House committees (except for two) submitted their recommendations for spending reductions pursuant to the House-passed resolution to the Budget Committee on April 6, 1984.

In an effort to expedite consideration of the legislative measures effecting these savings, Chairman Jones, along with several other members of the House Committee on the Budget, introduced H.R. 5394 on April 9, 1984. The measure was entitled "The Omnibus Budget Reconciliation Act of 1984." The bill consisted of the legislation submitted to the Committee on the Budget by the following committees: Energy and Commerce, Veterans' Affairs, and Ways and Means.

After House adoption of H. Con. Res. 280, the Senate passed H.R. 4169 without amendment. Consequently, savings measures assumed in H. Con. Res. 280 but included in that reconciliation bill, H.R. 4169, were excluded from H.R. 5394. Those measures included a delay in the cost-of-living adjustments for Federal civilian and military retirees and an extension through fiscal year 1986 of the requirement that farmers first go to the FmHA for disaster loan assistance prior to their application for such assistance to the Small Business Administration.

The provisions contained in H.R. 5394 substantially met the spending reductions assumed in the First Concurrent Resolution on the Budget for Fiscal Year 1984. Additionally, a provision contained in H.R. 4170, which reduced the carry over of excise taxes to Puerto Rico and the provisions of H.R. 4325, Child Support Enforcement Amendment, resulted in additional spending reductions over the 3-year period within the jurisdiction of the Committee on Ways and Means. H.R. 4325 was enacted into law on August 16.

Savings assumed in programs within the jurisdiction of the Committee on Education and Labor were not included in this bill. Legislation providing those savings through modifications in the Pension Benefit Guaranty Corporation is moving separately through Congress. Due to the complexity of that legislation there was not sufficient time for the committee to complete action necessary to incorporate it into this package.

Additionally, provisions were included in the bill which achieved savings in Federal retirement programs under the jurisdiction of the Committees on Armed Services and on Post Office and Civil Service and which extended the modification to the Small Business disaster program contained in H.R. 4169 through fiscal year 1987.

Since the spending reduction legislation was not technically submitted to the Budget Committee pursuant to reconciliation instructions contained in the budget resolution the Committee was advised by the House Parliamentarian that it had no authority to report the legislations as a "reconciliation bill." If the Committee

had ordered reported such legislation it would not have been allowed to file such a report in the House. Therefore, as noted above, the legislation was simply introduced in the House and made in order for consideration by the Committee on Rules. Although the bill did not have an official committee report accompanying it, the Budget Committee did issue a report explaining the background and provisions of H.R. 5394 (Efforts to Reduce the Federal Deficit H. Rept. 98-673).

Revenue measures assumed in H. Con. Res. 280 were incorporated into the Ways and Means Committee's reported bill H.R. 4170 and were initially considered separately from the spending reduction package.

At this point the Senate had not yet begun consideration of its fiscal year 1985 budget resolution. Instead, the Senate amended H.R. 4170 on May 17 with its spending reductions and revenue increases for the same three fiscal year period.

Floor consideration

The House considered and passed H.R. 5394, on April 12, 1984 by a vote of 261 to 152. (H2877). On April 11, 1984, the House passed H.R. 4170, as amended, which included the revenue increases assumed in H. Con. Res. 280 by a vote of 318 to 97 (H2741).

Conference

In order for the House to get its position on spending reductions, as well as revenue changes, into conference, it amended the Senate amendment with the texts of H.R. 4170 and H.R. 5394. Therefore, when the House and Senate conferees met on the "reconciliation bill" both bills were in conference. Since the legislation involved revenue increases and since the Constitution mandates that revenue increases originate in the House, H.R. 4170, the revenue measure, was the underlying vehicle for conference. Although there is no longer any reference to H.R. 5394 some of its provisions were incorporated into H.R. 4170 as part of the conference agreement on that legislation.

The House and Senate conference on H.R. 4170 began on May 24. There were 12 subconferences involving over 100 Members of Congress. As was the practice of past reconciliation conferences certain guidelines were established to aid the conferees in their deliberations.

On June 27, 1984, the House and Senate agreed to the conference report by a vote of 268 to 155 (H7128) and it became law on July 18 (Public Law 98-369). It is known as the Deficit Reduction Act of 1984 (H. Rept. 98-861).

RECONCILIATION ISSUES

Types of legislation assumed in reconciliation instructions

When reconciliation instructions were directed towards multiple committees to reduce spending within their jurisdiction, the instructions became more complicated than the first reconciliation instructions, which only applied to revenues. In developing these instructions the Committee on the Budget looked to the provisions of the Congressional Budget Act for guidance. Section 310(a) describes the type of instruction which could be part of a budget resolution. (See p. 3 of report.)

Budget resolutions have included reconciliation instructions which directed changes in four types of legislation: (1) direct spending reductions or "section 401(c)(2)(C)" spending reductions; (2) "quasi" direct spending reductions; (3) reductions in the authorizations of discretionary appropriations; and (4) changes in tax law. Not all types of legislation are targeted in each year. In general, the language used in reconciliation directives is related to the type of legislation that is assumed in the budget resolution.

The following discussion describes the specific types of spending reconciled over the years:

(1) Direct spending refers to any spending other than a discretionary appropriation by the Appropriations Committee. It is used to describe programs that are mandatory under existing law. Most direct spending is for entitlements—trust funds such as Social Security, medicare, and Federal retirement, or annually funded entitlements such as medicaid, veterans' compensation and pensions, and child nutrition. But there exist nonentitlement direct spending programs, such as those funded by backdoor contract authority (e.g., Federal-aid highways), by backdoor borrowing authority (e.g., TVA construction), and by many minor gift funds and special funds. Further, a change in proprietary receipts is a form of direct spending. Typically these receipts are user fees. Since they result from voluntary business-type transactions rather than from the tax code, the receipts are treated as "negative spending" rather than revenues. An example is the SMI premiums paid by people who choose to join part B of medicare. An increase in such premiums is a direct spending reduction.

In general, a direct spending program is one that the Appropriations Committee does not have control over.

(2) "Quasi" direct spending (or "quasi" entitlement programs) refers to programs that function as though the spending is mandatory, but are legally discretionary programs. Spending in such programs technically could be controlled by the Appropriations Committee, but such an approach is usually unrealistic. Reductions in three quasi-mandatory programs have been assumed in various budget resolutions:

(a) Food stamps resembles an entitlement program in that objective eligibility criteria and a benefit formula are fixed by the same statute. Thus the underlying authorization law (controlled by the Agriculture Committee) rather than the appropriation level determines annual spending. However, the authorization provides that benefits are only available to the extent that appropriations are available and further allows the program administrator to impose a pro rata reduction in benefits if he determines that appropriation will be insufficient to cover the year's needs. If an appropriation is inadequate and benefits are proportionately reduced, or terminated when the funding is exhausted, beneficiaries are not entitled under the law to the benefits not received and could not prevail in a suit against the government for such benefits.

Technically, then, the program is discretionary, i.e., the Appropriations Committee could choose a pro rata reduction by underfunding the program. In fact though, if appropriations are inadequate the program administrator spends at the full "entitlement" rate, and then requests a supplemental for the remaining amount. For this reason, Congress has reduced food stamp costs by amending the underlying substantive statute to change eligibility standards or benefit formulas. Further, even if a pro rata cut were a viable option, a change in eligibility criteria or the benefit formulas is often preferable for policy reasons. For these reasons, the food stamp program has been considered reconcilable and reductions in the program have been assumed in reconciliation instructions in fiscal years 1981 through 1983.

(b) SBA disaster loans have also been subject to reconciliation to the extent that funds exist in the revolving fund for eligible small businesses in disaster areas. Disasters are, of course, unpredictable, and discretionary appropriations to supplement the disaster fund have always been made as needed. Congress considers it unfair to allow disaster loans to be cut off merely because the need arises late in the fiscal year, or because nature is particularly harsh in a given year. But it is considered reasonable to discuss cost saving amendments to the authorization, such as altering the interest rates on disaster loans, or requiring farmers to go first to the Farmers Home Administration for relief. As with food stamps, program reform can be addressed through substantive legislation but not through appropriation levels. For this reason, this program has also been considered reconcilable, and reductions have been assumed and reconciled for fiscal years 1981, 1984, and 1985.

(c) The Federal employee payroll is discretionary, since it is controlled by annual discretionary appropriations for salaries and expenses and for military personnel accounts. But the appropriations process only determines the number of employees; their salaries (e.g., the general schedule and military salary structure) determined by authorization law. Annual percentage increases in basic GS and military pay rates occur, but are not controlled by funding levels. Pay raises, therefore, are considered reconcilable even though the payroll itself is discretionary. Pay rates were targeted for reconciliation in fiscal years 1982 and 1984.

While legally very different, this report hereafter includes "quasidirect spending" within the phrase "direct spending."

(3) Authorizations of discretionary programs refers to programs that are controlled by annual discretionary appropriations. A typical example is the community development block grant program—the Appropriations Committee determines the level of funding for CDBG's, and that limits grant awards. The purpose of the authorization is generally twofold: First, it describes the purpose and nature of the program and the duties of the program administrator, and second, it authorizes appropriations to fund the program.¹ The authorization of appropriations may be open-ended (e.g., "such sums as shall be necessary") or it may provide a cap (e.g., "shall not exceed \$. . ."). Since these programs are completely controllable by the appropriations process, they have not generally been considered reconcilable.

However, the budget resolution for fiscal year 1982, as agreed to by the House and Senate targeted both direct spending and authorizations of discretionary appropriations. The objective was to require authorizing committees to cap authorizations under their jurisdiction so that appropriations would be reduced.

(4) Taxes can be reconciled: they are analogous in many ways to direct spending, in that they are permanent and automatic, and can only be revised by changing the underlying statute.

A tax decrease was reconciled in fiscal year 1976, in the second budget resolution. Tax increases were also reconciled in fiscal years 1981, 1983, 1984, and 1985.

Types of language used in reconciliation directives

The various types of reconciliation language used in budget resolutions have been related to the types of legislation assumed in the resolution, and to differences between the House and Senate in the interpretation of reconciliation language. (See Appendix C for sample instructions.)

The first attempt to include reconciliation instructions on spending occurred in the second resolution for fiscal year 1980 (Conference Report, S. Con. Res. 36, H. Rept. 96-582). Although these instructions were ultimately struck, the language used was the basis for instructions in subsequent years which were adopted by Congress.

. . . (c) Pursuant to section 301 of the Congressional Budget Act of 1974, the Senate Committee on Environment and Public Works and the House Committee on Public Works and Transportation shall reduce spending for fiscal year 1980 in reported or enacted laws, bills and resolutions by \$250,000,000 in budget authority and are instructed to report promptly recommendations for changes in new budget authority for fiscal year 1980, budget authority initially provided for prior fiscal years, and new spending authority which is to become effective during fiscal year 1980 contained in reported or enacted laws, bills, and resolutions within the jurisdictions of those committees sufficient to accomplish the reduction required by this section. (Sec. 3 of S. Con. Res. 36, conference report)

Since fiscal year 1981, the House and Senate Budget Committees have followed different approaches in drafting their respective reconciliation instructions. The section 401(c)(2)(C) definition of spending authority refers to what is commonly termed "entitlement spending". Generally, the House and Senate agree on what pro-

¹ House and Senate rules generally prohibit the consideration of a regular appropriation for an unauthorized program.

grams are entitlements. However, certain programs are viewed differently by the two Houses. Additionally, there are a number of direct spending programs that are not entitlements.

In order to avoid the problems that could arise by tying a committee's reconciliation instruction to spending as described in section 401(c)(2)(C), for fiscal year 1981 the House Budget Committee drafted instructions requiring committees to reduce spending by a specified amount of budget authority and outlays by "changes in new budget authority, budget authority initially provided for prior fiscal years, and new or existing spending authority". . . within the jurisdiction of committees sufficient to accomplish the reduction.

In House budget resolutions, this instruction has evolved over the years to require committees to recommend program changes in laws within their jurisdiction sufficient to reduce spending for a particular fiscal year by a specified amount in budget authority and in outlays.

During the conference on the budget resolution for fiscal year 1981, which included reconciliation instructions, the conferees agreed to modify the language to specifically reference reductions in section 401(c)(2)(C) spending. For example:

(3) the House Committee on Interstate and Foreign Commerce shall recommend (A) program reductions in laws within its jurisdiction to reduce spending for fiscal year 1981 by \$100,000,000 in outlays; and (B) changes in laws within its jurisdiction which provide spending authority described in section 401(c)(2)(C) of the Budget Act to reduce spending for fiscal year 1981 by \$20,000,000 in budget authority and \$300,000,000 in outlays; . . . (Conference Report on H. Con. Res. 307, H. Rept. 96-1051)

There was no discussion in the conference report of the modified language. As is evident from the two-part instruction though, the conferees decided to specify which program reductions assumed in the conference agreement were entitlement programs within the definition of the Budget Act and which were "quasi" direct spending programs.

Ever since the fiscal year 1982 budget resolution the House Budget Committee has reported budget resolutions containing instructions similar to those originally used in the House, but in conference the House conferees have agreed to modify the instructions to follow the form of the Senate resolution (See Appendix C).

During House consideration of the first budget resolution for fiscal year 1982, a Republican substitute amendment was adopted. That amendment contained reconciliation instructions requiring committees to reduce spending in "section 401(c)(2)(C)" programs and to reduce authorization levels by specific amounts. This approach of reducing authorization levels was novel to the reconciliation process and does not appear to fit within the parameters of section 310(a) of the Congressional Budget Act, which is limited to changes in law that would reduce (or increase) budget authority, spending authority described in section 401(c)(2)(C), the public debt, or revenues. A change in simple authorization levels would not have any of those effects.

The conference report on H. Con. Res. 115 (H. Rept. 97-46, pp. 30-37) kept the two-pronged instructions covering entitlements and authorization levels. For example:

Section 301. Pursuant to section 301(b)(2) of the Budget Act—

(1)(A) the House Committee on Agriculture shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of Public Law 93-344, sufficient to reduce budget authority by \$232,000,000 and outlays by \$693,000,000 in fiscal year 1982; to reduce budget authority by \$400,000,000 and outlays by \$362,000,000 in fiscal year 1983; and to reduce budget authority by \$580,000,000 and outlays by \$525,000,000 in fiscal year 1982; and

(B) the House Committee on Agriculture shall also report changes in laws within the jurisdiction of that committee sufficient to reduce appropriations for programs authorized by that committee so as to achieve savings in budget authority and outlays as follows: \$1,976,000,000 in budget authority and \$1,828,000,000 in outlays for fiscal year 1982; \$2,606,000,000 in budget authority and \$2,480,000,000 in outlays for fiscal year 1983; and \$3,091,000,000 in budget authority and \$3,000,000,000 in outlays for fiscal year 1984;

(4) the House Committee on the District of Columbia shall report changes in laws within the jurisdiction of that committee sufficient to reduce appropriations for programs authorized by that committee so as to achieve savings in budget authority and outlays as follows: \$39,000,000 in budget authority and \$40,000,000 in outlays for fiscal year 1982; \$56,000,000 in budget authority and \$64,000,000 in outlays for fiscal year 1983; and \$72,000,000 in budget authority and \$69,000,000 in outlays for fiscal year 1984 . . .

In summary, the House position tends to follow the guidelines of the Budget Act regarding instructions to committees without the rigidity and conflicts that can arise by adhering to the section 401(c)(2)(C) definition of spending authority. The Senate traditionally drafts its reconciliation instructions to apply only to spending as defined in section 401(c)(2)(C). In conference, as the policy assumptions behind the reconciliation instructions crystallize, the House conferees have usually receded to the Senate on the form of the instruction.

Legislation included in reconciliation bills

Reconciliation directives basically target direct spending programs and taxes. In fiscal year 1982 only, the directive also targeted authorizations. The bills that are drafted by committees have been responsive: they have raised (or lowered) taxes, have reduced direct spending, and in fiscal year 1982 capped or reduced amounts authorized to be appropriated.

But committees have gone beyond the fiscal purpose of reconciliation. They have also included legislation of budgetary, though not of dollar, significance, and also legislation totally unrelated to the budget. The attractiveness of the reconciliation bill as a vehicle is undeniable: the bill is generally considered under a restrictive rule in the House, is often large enough so that there is neither the time nor the inclination to debate small issues, and finally, reconciliation bills have been strongly supported, generally making defeat in either House or veto by the President unlikely.

Nondollar budget legislation stems from the desire to change the way that Federal dollars are spent (or collected) without necessarily changing the spending level.

One example in fiscal year 1985, occurred in the Deficit Reduction Act which included major revisions to Federal procurement and contracting law. These provisions derived from bills that had been under consideration by House and Senate committees. They were "designed to increase the use of competition in Government

contracting and to impose more stringent restrictions on the awarding of non-competitive—sole-source—contracts”.² While clearly of budgetary significance, this provision was not estimated by CBO to result in any savings. It would be difficult to measure in advance potential budgetary effects (if any) of this provision. Further, almost all contracting and procurement is financed through discretionary appropriations. Thus, more cost-effective contracting procedures would not, by themselves, reduce appropriations. Rather, they would make existing and future appropriations more productive.

A different type of budgetary provision was also included in the Deficit Reduction Act. A section, originating as a floor amendment in the Senate, called upon CBO to review the nature and reliability of the estimating assumptions used in budget resolutions, and called upon GAO and CBO jointly to examine the budget estimates prepared by the Department of Defense and one (unspecified) civilian agency. In both cases, the intent is to see if costs or deficits suffer from a systematic estimating bias rather than random misestimates. This sort of study could, depending on its findings, be important for executive and congressional budgeting, but the provision is not a programmatic savings in any sense.

Nonbudgetary issues—issues that are essentially unrelated to any aspect of the Federal budget or the budget process—have also been included in reconciliation bills from time to time.

Many of the examples of unrelated provisions are found in the Omnibus Reconciliation Act of 1981, the fiscal year 1982 cycle. Probably the major reason is that annual authorizations were reconciled, so that committees often had to include entire reauthorization bills, not just caps on existing authorizations.

One example from the Omnibus Budget Reconciliation Act of 1981 is found in title XII, subtitle A, which consists of an amendment to the Consumer Product Safety Act. Twelve lines of text extended (and capped) the authorization of appropriations for the Consumer Product Safety Commission. The remaining 21 pages established congressional veto procedures over certain CPSC actions, changed the administrative procedures of the CPSC, addressed public disclosure and notification issues, and amended by statute an existing CPSC safety standard for lawnmowers, among other things.

Another example from the Omnibus Budget Reconciliation Act of 1981 is a provision that prohibits the Postal Service from reducing or planning to reduce the number of days each week for regular mail delivery during fiscal years 1982 to 1984.

Finally, the Deficit Reduction Act of 1984 includes a provision removing import duties on any articles provided by the Max Planck Radio Astronomy Institute in Germany for a joint project with the University of Arizona.

Multiyear Reconciliation

Starting with the fiscal year 1982 budget resolution (which set fiscal policy for fiscal years 1982-84), reconciliation directives

² Deficit Reduction Act of 1984, Conference Report, June 23, 1984, H. Rept. 98-861, p. 1421.

became multiyear. This development responded to the growing focus on multiyear planning as opposed to one-year budgeting.

In common with other innovations in the operation of the budget process, the outyear reconciliation directives have also evolved: in the fiscal year 1982 resolution they were binding directives, but in subsequent resolutions they have been nonbinding targets.

Finally, the fiscal year 1982 resolution combined outyear reconciliation with reconciliation of annual authorizations. This combination produced a new question for Congress—how to treat a reconciled annual authorization. The question has not yet been answered definitely, and continues to cause confusion whenever reconciliation is aimed at “quasi” direct spending decisions that are traditionally handled annually, such as Federal employees pay raises.

Multiyear directives

As provided for in the Congressional Budget Act, budget resolutions and reconciliation bills were to deal exclusively with the coming fiscal year, the budget year. The act approached multiyear planning in two ways, through multiyear cost estimates by CBO on spending and tax bills (sec. 308), and through multiyear projections of a budget resolution’s aggregates, which would be included in the Budget Committee’s report on each resolution. (sec. 301(d)(6)).

Over time, budget resolutions became multiyear documents, encompassing specific outyear policies. The fiscal year 1982 first budget resolution initiated full-scale multiyear planning. In its report,³ the House Budget Committee stated:

This year the House Committee on the Budget adds a new dimension to the budget process with the approval of a multiyear plan covering fiscal years 1982 and 1983. The first step was taken last year when the Committee reviewed a comprehensive analysis of the outyear impact of fiscal year 1980 budget decisions prepared by the Budget Process Task Force. However, no votes were taken on the outyears and the House-passed resolution did not include a multiyear plan . . .

The House Committee has included a multiyear plan in the resolution in order to focus congressional attention on the consequences which spending decisions made in the budget year will have in the outyears and thus to promote better control in the budget year. The outlays in any given budget year are largely determined by actions Congress has taken in prior years. For instance, of the \$615.8 billion in the President’s budget this year, 76 percent is considered to be relatively uncontrollable under existing law in the budget year. This includes entitlement programs which mandate payments to governments or individuals and payments from prior year contracts and obligations.

This large proportion of automatic outlays has significant implications for control of the budget. Without changes to existing laws to reduce the growth in relatively uncontrollable programs, congressional efforts to control total outlays concentrates on a small portion of the budget. Consequently these relatively controllable programs often bear a disproportionate burden from efforts to restrain overall spending in the short run . . .

The outyear policies in the fiscal year 1982 resolution (both the reported version and the substitute adopted by the House) involved outyear policy choices. They were not merely an extrapolation of budget-year choices. Reconciliation directives, a device to implement some of these policies, naturally were extended to cover the outyears as well.

³ H. Rept. 96-857, First Concurrent Resolution on the Budget for Fiscal Year 1981, (House-passed version), p. 21.

Binding vs. nonbinding directives

The inclusion of reconciliation directives in first budget resolutions is an example of the "other procedures" that are allowed under section 301(b)(2) of the act, and the inclusion of outyear planning figures in budget resolutions is an example of the "other matters" that are allowed under section 301(a)(7) of the act. However, it has been determined that a binding outyear reconciliation directive (as opposed to an outyear reconciliation target) goes beyond the scope of these two sections. This would result in a budget resolution losing its privileged status under the act. Floor consideration would therefore require a rule (or unanimous consent or suspension of the rules). The outyear reconciliation directives have been set forth as targets or "sense of Congress" language in House-reported budget resolutions (with one exception in the fiscal year 1982 House-passed budget resolution), thereby preserving the resolution's privilege.

In a practical sense, the distinction between the binding and non-binding language is nonexistent. In both cases, the only enforcement is the willingness of Congress to follow through on its own directives. There is no automatic or procedural sanction if a committee or Congress does not meet its targets, whether binding or not.

Projecting one-year savings

The use of multiyear reconciliation directives starting with 1981 opened up a new question—how should the reconciliation process handle program decisions that are commonly made one year at a time? As noted, most direct spending programs are permanent, so a change in benefit levels, eligibility standards, or payment dates produces a savings (or cost) in all years. However, there are many discretionary programs that are authorized annually, and a very few direct spending programs that are also handled annually. Therefore, when the fiscal year 1982 reconciliation directive targeted a large number of annually authorized programs (virtually all discretionary), guidance had to be provided to committees involved in reconciliation.

The guidelines suggested by the Committees on the Budget offered committees a choice. They could reauthorize their programs for 3 years (or longer), setting each year's authorization below the baseline levels. Alternatively, they could reauthorize their programs for 1 year only. CBO would then project the authorized level into the outyears, and compare the projection with the outyear baseline. If the reauthorization of appropriations was, say, 10 percent below CBO's fiscal 1982 budget authority baseline, then the committee would also be credited with savings of 10 percent in each of the outyears. In effect, committees would get credited with savings that had yet to be made.⁴

This approach was a realistic accommodation to the existence of annual authorizations for many discretionary programs. But it only

⁴It should be noted that the fiscal year 1982 directives set savings targets for some committees that grew significantly in the outyears. In such cases, the alternative just discussed would not produce enough savings—in order to meet their directives, committees had to cap their programs for three years, producing increasingly deep cuts from the CBO baseline.

produces confusion when applied to direct spending programs. There are simply no fixed precedents on whether a 1- or 2-year provision that amends a program such as SBA disaster loans, or a 1-year cap on civilian and military pay, should or should not be projected into the outyears for the purpose of attributing savings.

Procedural Issues

Various procedural issues are raised by the reconciliation process. The most frequently raised issues are: packaging of the legislation into an omnibus Budget bill or considering such legislation separately, the type of amendments to reconciliation legislation which are allowed to be offered, the conference on omnibus reconciliation legislation and the role of Budget Committee conferees. The following discussion explains how these issues have been resolved in the House during its experience with the reconciliation process. An underlying premise in the resolution of most issues raised by reconciliation is that they are addressed by application of the House rules and precedents, in the same manner as they are applied to other legislation.

Omnibus bill vs. multiple bills

The Congressional Budget Act specifically established a change in regular House procedures by enabling the Committee on the Budget to compile and report legislation over which it has no legislative jurisdiction (section 310(c)).

The act sets forth a procedure for management of reconciliation legislation which provides that if more than one committee receive reconciliation instructions then they shall submit such changes to the Committee on the Budget, which would then compile the various proposals into one bill, without substantive revision. If only one committee is instructed then it would follow regular House (or Senate) procedures and report its legislation directly to the House (or the Senate).

Since the statute does not address many of the issues which have arisen over packaging reconciliation legislation, the House has followed different approaches at least at the stage of initial House consideration:

(a) Spending reductions and revenue increases have been packaged into one bill (H.R. 7765, the Omnibus Reconciliation Act of 1980).

(b) Spending reductions have been packaged into one bill (H.R. 3982, the Omnibus Budget Reconciliation Act of 1981, H.R. 4169, the Omnibus Budget Reconciliation Act of 1983, excluding spending reductions within the jurisdiction of the Committee on Ways and Means and the Committee on Energy and Commerce).

(c) Spending reductions have moved separately through the House but were then linked together for conference (H.R. 6782, H.R. 6812, H.R. 6862, H.R. 6892 were merged together into H.R. 6955, the Omnibus Budget Reconciliation Act of 1982).

(d) Revenue increases have moved in a separate vehicle (H.R. 4961, Tax Equity and Fiscal Responsibility Act).

(e) Spending reductions and revenue increases have been considered in the House as two separate bills and then joined for confer-

ence (H.R. 5394, Omnibus Reconciliation Act of 1984, and H.R. 4170, Tax Reform Act of 1983, as reported by the Committee on Ways and Means on March 15, 1984 were packaged together for conference and became H.R. 4170, the Deficit Reduction Act of 1984.

In the first 2 fiscal years in which multiple committees were reconciled the House followed the reconciliation procedures as set forth in section 310(a) of the Congressional Budget Act. However, in the fiscal year 1983 reconciliation process the instructed House committees moved their legislation separately through the House according to regular procedures.

The separate-track approach developed as a reaction to the fiscal year 1982 reconciliation process, which resulted in a major piece of legislation being adopted as a substitute floor amendment. The wide-ranging content of omnibus legislation means that almost any amendment is germane. Therefore, in the fiscal year 1983 reconciliation cycle each committee's spending reduction legislation was considered separately by the House. Such a procedure limited the scope of amendments which could be offered to each bill. After the House passed the separate legislation the bills were joined together by a unanimous consent request for conference with the Senate.

Critics of the approach taken in 1982 claim that it took the focus off overall spending reduction objectives adopted in the budget resolution which were to be achieved through the reconciliation process. Members no longer had the protection of an omnibus reconciliation bill making budget savings, but rather were faced with the choice of cutting a particular program or not cutting it. Critics argued that it was just this type of situation that the Budget Act sought to prevent by requiring the Budget Committee to package all budget reductions in a single bill. Without an omnibus bill, it was feared that the reconciliation savings of individual committees would fall short of the amount which could be achieved with a single package.

Procedures for consideration of reconciliation legislation

A related issue to omnibus versus separate legislative vehicles is the type of rule providing for the consideration of a reconciliation bill. Unlike a budget resolution, the Congressional Budget Act is silent as to the procedures for consideration of reconciliation legislation. Therefore, regular House rules and precedents govern.

Generally, reconciliation legislation has been considered under modified closed rules. That is, amendments are usually specified and limited.

Additionally, it has been the practice of the House to consider tax legislation under modified closed rules. The tax code is so broad and major tax legislation often so sweeping that under an open rule there would be practically no limitation on amendments. In such cases, the Committee on Rules usually recommends a rule limiting amendments and debate.

Another issue as to the rule under which a reconciliation bill is considered is the Committee on the Budget's right to offer amendments if the legislation fails to meet the targets set forth in the reconciliation instructions. Although the Congressional Budget Act is silent on that issue, the Committee on Rules did recommend in

1983, a rule allowing the Committee on the Budget to offer an amendment to achieve the reconciliation targets set in the fiscal year 1984 first budget resolution. Since the Committee on the Budget may not make substantive changes in legislation submitted to it pursuant to reconciliation instructions, its only recourse for a noncomplying committee is to offer a floor amendment.

Conference on reconciliation legislation

Omnibus legislation, especially reconciliation bills, create complex issues to be dealt with in conference, such as jurisdiction over provisions, appointment and number of conferees, and the role of the Committee on the Budget. The first conference on a reconciliation bill, which was convened in 1980, relied on the precedents set by the General Appropriations Bill of 1951, (H.R. 7786, 81st Cong., 2d sess.), and the Energy Security Act of 1980 (S. 932, 96th Cong., 2d sess.).

First, the various jurisdictions of the House committees over the elements of both the House and Senate bills must be determined. The Speaker then appoints conferees from the affected House committees to the relevant provisions of the legislation. A conferee is limited in conference to resolve only those issues to which he has been appointed (see Appendix D for conference appointments).

Second, it was also established in the first reconciliation conference that members of the Committee on the Budget are appointed as general conferees. The distinction between general conferees and the other conferees is that the general conferees are appointed as conferees over all of the elements in conference. In practice the conferees from the Committee on the Budget defer to the committees with substantive jurisdiction over the legislation and attempt to prevent deadlocks in order to resolve the conference as quickly as possible while still achieving the goals of reconciliation.

Third, at the beginning of each conference the respective chairmen of the Committees on the Budget work to establish a set of guidelines for the conferees to follow in resolving the differences. Such guidelines range from the procedures for estimating the savings of legislation to who is responsible for preparing the conference report and statement of managers. These guidelines, which are modified to fit the circumstances of a particular conference, have been helpful in organizing the many conferees and multiple subconferences that have been a part of reconciliation conferences since 1980.

Fourth, reconciliation conferences have established the practice of breaking down into so-called subconferences. A subconference consists of the House and Senate conferees appointed for particular elements of the reconciliation legislation. For example, if the legislative change involved the Food Stamp program then the conferees from the House and Senate Committees on Agriculture and the House and Senate Committees on the Budget would resolve those issues within the parameters of a subconference. In cases of joint committee jurisdiction over a program a subconference could involve many committees. In the House, a subconference on legislation modifying medicare part B would involve conferees from the House Committees on Energy and Commerce, Ways and Means,

and the Budget and the Senate Committees on Finance and the Budget.

Finally, in order for the conference to be completed, all issues in conference must be resolved by a majority of the conferees appointed on those issues.

MAJOR SPENDING AND TAX CHANGES

Reconciliation, as previously mentioned, has been primarily directed at entitlements or other direct spending legislation which mandates spending. As a result, there are only a limited number of programs which can be reconciled and many of the same programs appeared year after year in reconciliation legislation.

The history of the impact of reconciliation on several of these programs is outlined below as an illustration of the impact of reconciliation in specific areas.

Unemployment Compensation

OMNIBUS RECONCILIATION ACT OF 1980

[Outlays in millions of dollars]

	1981	1982	1983
Baseline	18,752	17,445	15,645
Over (+)/under (-) baseline:			
Carter administration request	0	0	0
Mar. 15 report	+ 147	+ 157	+ 78
First budget resolution for fiscal year 1981	- 200	- 200	- 200
Omnibus Reconciliation Act of 1980	- 224	- 312	- 279

● The administration's fiscal year 1981 budget did not contain any legislative proposals for the unemployment insurance/compensation benefit programs.

● The March 15 report from the Committee on Ways and Means requested the Budget Committee to assume the liberalization of the Trade Adjustment Assistance program in the budget resolution and noted that any changes involving the unemployment compensation program would not result in cost increases above the President's budget request.

● The First Budget Resolution for Fiscal Year 1981 assumed reconciliation savings of \$200 million per year, fiscal years 1981-83, for the elimination of UI payments to former CETA public service employment (PSE) participants.

● The Omnibus Reconciliation Act of 1980 contained provisions eliminating benefits based upon an individual's employment in the CETA public service employment (PSE) program, mandating a "waiting week" before an individual could begin collecting extended benefits (EB), denying extended benefits to individuals who fail to accept reasonable employment, and requiring that individuals on active military duty serve at least one year before qualifying for unemployment compensation benefits.

OMNIBUS BUDGET RECONCILIATION ACT OF 1981

[Outlays in millions of dollars]

	1982	1983	1984
Baseline	21,516	19,065	18,379
Over (+)/under (-) baseline:			
Reagan administration request	-1,502	-1,472	-1,061
Mar. 15 report	NA	NA	NA
First budget resolution for fiscal year 1982	-2,035	-2,040	-1,675
Omnibus Budget Reconciliation Act of 1981	-3,043	-4,625	-4,061

● The Reagan budget proposed (1) elimination of unemployment compensation benefits for service members who voluntarily quit the military; (2) elimination of the national trigger for the extended benefits (EB) program and (3) other changes in calculating benefits for unemployment compensation and trade readjustment assistance program recipients. The Carter administration had proposed that individuals receiving EB not be counted in calculating a State's insured unemployment rate (IUR). The Reagan budget contained this proposal, which was later included in the 1981 reconciliation act.

● The Committee on Ways and Means provided the following in its March 15 report:

Function 600: Income Security—In this function, the Committee's jurisdiction includes the Old-Age Survivors, and Assistance programs, (OASDI), the Trade Adjustment Assistance programs, the Federal-State unemployment compensation system, the Aid to Families With Dependent Children program, the Supplemental Security Income program and the Low-Income Energy Assistance authorization, the Pension Benefit Guarantee Corporation Fund and the earned income tax credit available to certain low-income families. The Committee recommends that the budget for FY 1982 assume net outlay reductions of \$6.5 billion.

● The First Budget Resolution for fiscal year 1982 contained all of the major unemployment compensation/trade readjustment assistance provisions recommended by the administration. The resolution assumed the elimination of the national EB trigger, the elimination of EB claimants from a State's IUR calculation, and the elimination of unemployment benefits to persons who leave military service voluntarily.

● The Omnibus Budget Reconciliation Act of 1981 also contained the major administration proposals but was amended on the House floor to further reduce expenditures for the trade readjustment program.

TAX EQUITY AND FISCAL RESPONSIBILITY ACT OF 1982

[Outlays in millions of dollars]

	1983	1984	1985
Baseline	23,464	21,789	22,046
Over (+)/under (-) baseline:			
Reagan administration request	-149	-145	-125
Mar. 15 report	NA	NA	NA

TAX EQUITY AND FISCAL RESPONSIBILITY ACT OF 1982—Continued

[Outlays in millions of dollars]

	1983	1984	1985
First budget resolution for fiscal year 1983	0	0	0
Tax Equity and Fiscal Responsibility Act of 1982	0	-22	-21

● The Reagan administration proposed a number of changes to the unemployment compensation (UC) program including a proposal to round UC benefit payments down to the next lowest dollar, and a proposal to eliminate cash benefits to trade readjustment recipients.

● The March 15 report for the Ways and Means Committee noted:

“The Committee will be developing legislation this year to limit cash benefit entitlements under the worker trade adjustment assistance program to applicants for training, as opposed to the Administration proposal to eliminate such benefits as of July 1, 1982 except for workers already enrolled in training.”

This proposal was not included in any deficit reduction legislation. Instead it was contained in H.R. 6482 (97th Congress) which passed the House but died for lack of action by the Senate.

● The First Budget Resolution for Fiscal Year 1982 did not assume reconciliation instructions for unemployment compensation programs.

● The Tax Equity and Fiscal Responsibility Act of 1982 contained provisions modifying the unemployment compensation (UC) benefits programs, including a provision to round UC benefit payments down to the next lowest dollar.

1983 RECONCILIATION BILLS (H.R. 4169 AND H.R. 4170)

[Outlays in millions of dollars]

	1982	1983	1984
Baseline	25,965	24,604	24,305
Over (+)/under (–) baseline:			
Reagan administration request	0	0	0
Mar. 15 report	0	0	0
First budget resolution for fiscal year 1984	0	0	0
H.R. 4169 (or H.R. 4170)	0	0	0

● Unemployment compensation proposals were not included in the 1983 deficit reduction plans.

DEFICIT REDUCTION ACT OF 1984

[Outlays in millions of dollars]

	1985	1986	1987
Baseline	18,600	17,744	17,807
Over (+)/under (–) baseline:			
Reagan administration request	0	0	0
Mar. 15 report	0	0	0

DEFICIT REDUCTION ACT OF 1984—Continued

(Outlays in millions of dollars)

	1985	1986	1987
First budget resolution for fiscal year 1985	0	0	0
Deficit Reduction Act of 1984	0	0	0

● Unemployment compensation proposals were not included in the 1984 deficit reduction plans.

Medicare

OMNIBUS RECONCILIATION ACT OF 1980

(Outlays in millions of dollars)

	1981	1982	1983
Baseline	38,425	44,279	50,825
Over (+)/under (–) baseline:			
Carter administration request	–1,076	–1,927	–2,692
Mar. 15 report	195	396	518
First budget resolution for fiscal year 1981	–1,100	–2,000	–2,700
Omnibus Reconciliation Act of 1980	–835	NA	NA

● The Carter administration in its fiscal year 1981 budget proposed medicare savings which would total \$5.7 billion over 1981–83. The savings were to be achieved through hospital cost containment, elimination of the bonus payment for routine nursing care, increased competition in the purchase of goods and services, and by making medicare secondary for the working elderly.

● The Ways and Means Committee in its March 15 report stated its intention to increase medicare spending by \$1.1 billion over the period 1981–83. The increase would support expansion of home health services, health maintenance organization coverage, mental health services, and footcare coverage.

● The First Budget Resolution for Fiscal Year 1981 assumed medicare reductions and increases which totalled a net \$5.8 billion decrease for fiscal years 1981–83. Hospital cost containment and the other legislative reductions proposed by the administration also were assumed in the first budget resolution. Among the benefit improvements were expansion of home health and outpatient psychiatric care and of health maintenance organizations.

● The Omnibus Budget Reconciliation Act of 1980 included both program reductions and benefit expansions for medicare. The savings resulted from changes requiring some surgical procedures and preadmission diagnostic tests to be conducted on an outpatient basis, restrictions on reimbursements for clinical laboratory procedures, and limits on reimbursements for physicians' services in teaching hospitals. Services expanded included home health care, footcare, outpatient rehabilitation centers, optometrists' care and the pneumonia vaccine.

OMNIBUS RECONCILIATION ACT OF 1981

[Outlays in millions of dollars]

	1982	1983	1984
Baseline	48,127	55,069	62,993
Over (+)/under (-) baseline:			
Reagan administration request	+ 543	- 316	- 355
Mar. 15 report	- 543	- 316	- 355
First budget resolution	+ 1,500	- 1,500	- 3,100
Omnibus Budget Reconciliation Act of 1981	- 1,486	- 1,122	- 1,314

● The Reagan administration endorsed the changes which had been proposed by the Carter administration and several additional ones. Both administrations supported elimination of the bonus reimbursement for routine nursing care and increased competition in the purchase of medicare services. Additionally, the Reagan administration proposed a technical change for hospital payments which increased program expenditures by \$512 million in 1982. The Reagan administration also proposed to repeal certain medicare benefit improvements which had been approved in 1980. Among these improvements was coverage for the pneumonia vaccine and expansion of home health care benefits.

● The Ways and Means Committee in its March 15 report stated its intention to achieve the same level of savings that had been proposed in the President's budget, but did not specify the proposals that would be used to achieve the savings.

● The first budget resolution adopted by Congress for fiscal year 1982 included \$3.1 billion in outlay savings for 1981-83. The resolution included the Gramm-Latta I assumptions for medicare, which were endorsed by the Reagan administration although they were even higher than those that had been proposed in the President's 1982 budget. The resolution which had been reported by the Budget Committee assumed savings of \$1.95 billion in medicare reductions, which included the proposals submitted by the administration. The Committee suggested that reform of hospital reimbursement procedures would be one means of achieving the additional savings.

● The Omnibus Budget Reconciliation Act of 1981 included the Gramm-Latta II assumptions regarding medicare. Among the provisions enacted were an increase in the medicare deductible and premiums and restrictions on hospital reimbursements.

TAX EQUITY AND FISCAL RESPONSIBILITY ACT OF 1982

[Outlays in millions of dollars]

	1983	1984	1985
Baseline	58,200	66,700	77,900
Over (+)/under (-) baseline:			
Reagan administration request	- 1,721	- 4,173	- 6,697
Mar. 15 report	NA	NA	NA
First budget resolution for fiscal year 1983	- 829	- 1,180	- 1,451
Tax Equity and Fiscal Responsibility Act of 1982	- 2,879	- 4,430	- 5,998

● The administration's 1983 budget included legislative changes which would save \$12.6 billion in outlays over 3 years and increase

revenues by \$2.4 billion. Among the changes proposed were increases in the medicare deductible, delaying medicare initial coverage, increasing copayments for home health services, making medicare coverage secondary for the working elderly, and instituting other health care financing reforms. All of these changes would increase the amounts to be paid by beneficiaries themselves. Revenues to the medicare hospital insurance (HI) trust fund were proposed to be increased by another \$2.4 billion as a result of the requirement that Federal employees contribute to the HI tax. The administration also proposed to achieve another \$2.75 billion in medicare program reductions by implementing certain administrative changes.

● In its March 15 report, the Ways and Means Committee stated its intention to achieve the same overall level of savings for all programs under its jurisdiction as had been proposed in the President's budget. However, the committee did not specify the programmatic distribution of the reductions.

● As reported by the House Budget Committee, medicare legislative and administrative reductions of \$9.4 billion were assumed. The Committee report suggested that the possible options available to achieve the savings included limiting reimbursements to hospital based physicians, making medicare coverage secondary for the working elderly, enacting reforms for hospital reimbursement and delaying medicare eligibility until the first full month after the beneficiary turns 65. The Committee recommendation, along with a number of substitutes, originally was defeated in the House. The final resolution adopted included 3-year medicare reductions of \$3.45 billion.

● The Tax Equity and Fiscal Responsibility Act of 1982 included medicare changes projected to save \$13.3 billion over 3 years. Among the changes were limits on hospital reimbursements, elimination of the routine nursing differential, and compulsory medicare coverage for Federal employees.

1983 RECONCILIATION BILL (H.R. 4170)

[Outlays in millions of dollars]

	1982	1983	1984
Baseline	65,994	74,920	85,521
Over (+)/under (-) baseline:			
Reagan administration request	-1,696	-3,041	-4,591
Mar. 15 report	NA	NA	NA
First budget resolution for fiscal year 1984	-824	-1,015	-1,597
H.R. 4170	-236	-586	-1,073

● The President's 1984 budget proposed medicare reductions of \$9.35 billion over 3 years. Among the changes proposed were a hospital copayment and increased medicare premiums to be paid by beneficiaries, and a freeze on physician reimbursements.

● In its March 15 report, the Ways and Means Committee announced its intention to achieve total savings of \$500 million for programs under its jurisdiction, but did not state how the savings would be achieved on a programmatic basis. In addition, prior to submitting its March 15 report, the Ways and Means Committee

reported H.R. 1900, which later was enacted and saved \$6.2 billion in outlays for 1984-86.

● The budget resolution adopted by Congress assumed medicare savings totaling \$3.4 billion in 1984-86.

● The Ways and Means Committee reported H.R. 4170, which would have reduced medicare spending by \$1.9 billion over 1984-86. No floor action was taken on the bill in 1983, but in 1984 the bill again was reported from the committee with provisions which were very similar to those that had been reported in 1983. The measure was finally enacted with changes that increased the 3-year savings to \$6.6 billion. (See next section on the Deficit Reduction Act of 1984.) The difference in the savings between the 2 years was due to hospital reimbursement restrictions and a more stringent physician freeze.

DEFICIT REDUCTION ACT OF 1984

(Outlays in millions of dollars)

	1985	1986	1987
Baseline.....	68,780	76,962	86,875
Over (+)/under (-) baseline:			
Reagan administration request.....	-1,046	-2,082	-3,450
Mar. 15 report.....	-586	-1,073	-1,740
First budget resolution for fiscal year 1985.....	-1,000	-1,350	-1,650
Deficit Reduction Act of 1984.....	-1,307	-2,235	-3,059

● The administration's 1985 budget proposed medicare savings totaling \$6.6 billion over 1985-87. Among the proposals were an increase in the medicare part B deductible and premiums and a freeze on physician payments.

● The Committee stated its intention to achieve at least the level of medicare savings which had been reported in H.R. 4170 in 1983. For 1985-87, the savings in the bill were \$3.4 billion.

● The resolution passed by the House assumed a 3-year target of \$4 billion in medicare savings. No options were suggested as to how the savings might be achieved. However, the report stated the intention of Congress that the savings not be achieved through measures which would increase beneficiary costs or reduce their services.

● H.R. 4170, the Deficit Reduction Act of 1984, has been enacted. The bill saves \$6.6 billion in medicare for 1985-87. Among the provisions enacted were hospital reimbursement limits which further restrict the diagnosis related payment, a freeze on physician payments, limits on clinical laboratory reimbursements and an increase in medicare premiums. In its vote on the original House version of H.R. 4170, the House rejected the physician freeze. The finally enacted version of H.R. 4170 reflects adoption of many of the provisions which were included in the Senate version of the bill, including the physician freeze, limits on hospital reimbursements and an increase in the medicare premium.

Aid to Families With Dependent Children

OMNIBUS RECONCILIATION ACT OF 1980

[Outlays in millions of dollars]

	1981	1982	1983
Baseline.....	7,681	7,999	8,136
Over (+)/under (-) baseline:			
Carter administration request.....	+571	+2,449	+2,601
Mar. 15 report.....	+571	+2,449	+2,601
First budget resolution for fiscal year 1981.....	-500	+662	+2,630
Omnibus Reconciliation Act of 1980.....	-103	NA	NA

● For fiscal year 1981, the budget submitted by President Carter increased outlays by \$0.55 billion in fiscal year 1981 and \$5.60 billion in fiscal years 1981-83 in order to accommodate welfare reform legislation (H.R. 4904) introduced in 1979. H.R. 4904, the Social Welfare Reform Amendments of 1979, included proposals to standardize work expenses, revise the treatment of the earned income tax credit in determining benefits, simplify the earned income disregards, permit States to prorate shelter and utility expenses when a child is living with a relative who is not a parent or guardian, count stepparent income in determining AFDC eligibility and benefit amounts, establish a national minimum AFDC plus food stamp benefit equal to 65 percent of the poverty level, require States to establish an unemployed parents program, require States to base a client's benefits on previous months income, require clients to submit monthly income reports, and reduce the rate at which the Federal Government reimburses States for program expenditures, among others. In total, the President's budget recommended program increases of \$0.85 billion in 1981 and legislative savings proposals of \$0.30 billion for a net cost of \$0.55 billion in fiscal year 1981.

● In its March 15th report to the Budget Committee, the Committee on Ways and Means, which has jurisdiction over the AFDC program, recommended that the First Budget Resolution for Fiscal Year 1981 assume enactment of H.R. 4904, the Social Welfare Reform Amendments of 1979.

● The First Budget Resolution for Fiscal Year 1981 assumed savings of \$0.50 billion in budget authority and outlays from welfare reform. The recommendation included the legislative savings of \$0.30 billion in fiscal year 1981 included in the President's budget and an additional \$0.20 billion in savings through earlier implementation of AFDC provisions concerning reporting of income and determination of benefits included in H.R. 4904. In addition, implementation of the cost provisions contained in H.R. 4904 would be delayed one year.

● The Omnibus Reconciliation Act of 1980 achieved savings of \$0.10 billion in fiscal year 1981 in the AFDC program through enactment of H.R. 3434, the Social Services and Child Welfare Amendments of 1979. This bill strengthened State foster care programs by redirecting the program toward placing children in homes rather than long-term institutional facilities. In addition, the bill provided for proration of certain shelter allowances when

an AFDC household lived with another family and provided additional incentives to report earnings.

OMNIBUS BUDGET RECONCILIATION ACT OF 1981

(Outlays in millions of dollars)

	1982	1983	1984
Baseline	8,588	8,956	9,209
Over (+)/under (-) baseline:			
Reagan administration request	-1,182	-1,360	-1,456
Mar. 15 report			
First budget resolution for fiscal year 1982	-1,182	-1,360	-1,456
Omnibus Budget Reconciliation Act of 1981	-659	-872	-878

● In the revised 1982 budget, the Reagan administration proposed major reductions in the AFDC program. In total, 27 program changes reducing program participation and benefits were enumerated including limiting to 4 months the disregard from income of the first \$30 of earnings plus one-third of the remainder which is allowed in determining benefits, mandating workfare, eliminating the minimum AFDC benefit, requiring beneficiaries to submit monthly income reports, requiring States to base benefits on an applicant's previous months income, counting the income of stepparents in determining benefits, limiting eligibility to applicants with incomes below 150 percent of a State's needs standard, and eliminating benefits for children over age 18. Outlay savings of \$1.7 billion in fiscal year 1982 and \$4.00 billion over the 3 fiscal years 1982-84 were estimated to be achieved if these provisions were enacted.

● In its March 15 report to the Budget Committee, the Committee on Ways and Means rejected the administration's proposed reductions in the program.

● The First Budget Resolution for Fiscal Year 1982 as reported by the House Budget Committee assumed reductions of \$0.50 billion in fiscal year 1982 in the AFDC program. The resolution, H. Con. Res. 115, was defeated on the floor, however, and a substitute resolution sponsored by Mr. Gramm and Mr. Latta was adopted. The resolution assumed that the administration's proposed reductions in AFDC would be enacted.

The Congress approved many of the administration's proposed AFDC reductions in the Omnibus Budget Reconciliation Act of 1981, including limiting the \$30 and one-third of remaining income disregard to 4 months, allowing workfare at State option, requiring clients to submit monthly income reports, basing benefits on an applicant's previous month income, counting income of a stepparent in determining benefits, limiting eligibility to those with incomes below 150 percent of a State's standard of need, and eliminating benefits for children age 18 or over. Outlay savings of \$0.65 billion in fiscal year 1982 and \$2.40 billion over the 3 fiscal years 1982-84 were achieved from these changes.

TAX EQUITY AND FISCAL RESPONSIBILITY ACT OF 1982

(Outlays in millions of dollars)

	1983	1984	1985
Baseline	6,770	6,879	7,264
Over (+)/under (-) baseline:			
Reagan administration request	-1,155	-1,066	-1,115
Mar. 15 report			
First budget resolution for fiscal year 1983	-390	-400	-401
Tax Equity and Fiscal Responsibility Act of 1982	-46	-51	-117

● For fiscal year 1983, the administration's budget proposed outlay reductions of \$1.15 billion in fiscal year 1983 and \$3.35 billion over the three fiscal years 1983-85. Savings were to be achieved from proposals made in 1981 but rejected by the Congress such as mandating States to require beneficiaries to participate in workfare as well as new proposals such as redefining the household unit, rounding down benefits to the nearest dollar, prorating the initial month's benefit, and phasing in, by fiscal year 1986, a zero error tolerance level in the program, among others.

● The Committee on Ways and Means rejected any further proposals by the administration to reduce funding for the AFDC program. In response to the reductions enacted in 1981, Mr. Ford, Chairman of the Subcommittee on Public Assistance and Unemployment Compensation, introduced a bill, H.R. 6369, to repeal many of the benefit reductions enacted in 1981. H.R. 6369 passed the Ways and Means Committee and was made part of the Tax Equity and Fiscal Responsibility Act of 1982 but was later dropped in conference on that bill.

● The First Budget Resolution for Fiscal Year 1983 as reported by the House Budget Committee assumed savings of \$0.45 billion in fiscal year 1983 and \$1.95 billion in fiscal years 1983-85 from increased efforts to reduce the error rate in the AFDC and food stamp programs. This bill, H. Con. Res. 345, was defeated, however, and a substitute offered by Mr. Latta was adopted. The Latta substitute assumed reductions in the AFDC program of \$0.40 billion in fiscal year 1983 and 3 year outlay reductions of \$1.20 billion in fiscal years 1983-85.

● As part of the Tax Equity and Fiscal Responsibility Act of 1982, the Congress approved some of the administration's proposals including rounding down and proration of benefits, optional job search, and lowering the error rate tolerance level from 4 to 3 percent, achieving outlay savings of \$0.05 billion in fiscal year 1983 and \$0.20 billion in fiscal years 1983-85.

1983 RECONCILIATION BILL (H.R. 4169)

(Outlays in millions of dollars)

	1984	1985	1986
Baseline	7,859	8,013	8,249
Over (+)/under (-) baseline:			
Reagan administration request	-722	-955	-941

1983 RECONCILIATION BILL (H.R. 4169)—Continued

[Outlays in millions of dollars]

	1984	1985	1986
Mar. 15 report.....			
First budget resolution for fiscal year 1984.....	+ 100	+ 180	+ 190
H.R. 4170.....			

● For fiscal year 1984, the administration's budget proposed reductions of \$0.70 billion in budget authority and outlays in fiscal year 1984 and \$2.60 billion in budget authority and outlays over the 3 fiscal years 1984-86 for the AFDC program. The proposals were those made in previous budgets but rejected by the Congress including mandatory workfare, redefining the assistance unit, prorating shelter and utility costs in shared households, and terminating the parent's benefit when the youngest child reaches age 16.

● In its March 15 report to the Budget Committee, the Ways and Means Committee rejected the administration's proposed reductions in the AFDC program. Instead the subcommittee with jurisdiction over the AFDC program reported two bills (H.R. 4326 and H.R. 4327) which would repeal many of the reductions enacted in previous years. These bills, however, were not considered by the full Ways and Means Committee in calendar year 1983.

● The First Budget Resolution for Fiscal Year 1984 assumed no benefit reductions, but instead, accommodated an additional \$0.10 billion in budget authority and outlays in fiscal year 1984 and \$0.50 billion in budget authority and outlays in fiscal years 1984-86 to allow for repeal of some of the benefit changes in the Omnibus Budget Reconciliation Act of 1981.

● H.R. 4170, the Tax Reform Act of 1983, as originally passed by the Ways and Means Committee was primarily a tax bill and did not contain reductions in the AFDC program. The rule, however, for H.R. 4170 was defeated in the House in 1983 and the bill was not again considered until 1984 when it became the Deficit Reduction Act of 1984.

DEFICIT REDUCTION ACT OF 1984

[Outlays in millions of dollars]

	1985	1986	1987
Baseline.....	7,867	8,156	8,426
Over (+)/under (-) baseline:			
Reagan administration request.....	- 716	- 1,303	- 1,519
Mar. 15 report.....			
First budget resolution for fiscal year 1985.....			
Deficit Reduction Act of 1984.....	- 13	- 41	- 36

● For fiscal year 1985, the administration's budget proposed outlay reductions of \$0.70 billion in fiscal year 1985 and \$3.55 billion in fiscal years 1985-87 for the AFDC program. These savings would be achieved through proposals made, for the most part, in earlier budgets but rejected by the Congress including, redefining the household unit, prorating shelter and utility expenses, ending a parent's benefits when the youngest child turns age 16, and limiting assistance to minor mothers, among others.

● In its March 15 report to the Budget Committee, the Ways and Means Committee rejected any further reductions in the program proposing instead to consider deficit neutral improvements to the program to enhance benefits for needy families and individuals.

● The First Budget Resolution for Fiscal Year 1985 as approved by the House assumed that any benefit or eligibility expansions in the AFDC program would be financed on a pay-as-you-go basis and, therefore, would be deficit neutral.

● The Deficit Reduction Act of 1984 contained a number of benefit revisions to the AFDC program including changes proposed by the House to provide benefit and eligibility relief to working AFDC recipients. In total, outlays savings of \$0.10 billion will be achieved through a combination of benefit liberalizations of \$0.45 billion and reductions of \$0.55 billion in fiscal years 1985-87 primarily through the following provisions: (1) increase the gross income limit from 150 to 185 percent of the state standard of need, (2) extend the \$30 exclusion from income for an additional 8 months for a total of twelve months, (3) include the parents and all minor siblings living with a dependent child who applies for or receives AFDC in the AFDC assistance unit, (4) clarify the definition of earned income to mean gross earnings prior to deductions, and (5) allow \$50 of child support payments received by an AFDC family to be excluded from income. In addition, 3-year savings of \$0.05 billion are expected to be achieved through increased efforts to verify the resources and unearned income of AFDC recipients.

FEDERAL EMPLOYEE RETIREMENT AND DISABILITY

OMNIBUS RECONCILIATION ACT OF 1980

[Outlays in millions of dollars]

	1981	1982	1983
Baseline	30,363	34,302	38,206
Over (+)/under (-) baseline:			
Carter administration request	+ 37	+ 727	+ 885
Mar. 15 report	+ 37	+ 727	+ 885
First budget resolution for fiscal year 1981	- 1,050	- 1,073	- 1,128
Omnibus Budget Reconciliation Act of 1980	- 23	- 85	- 155

● For fiscal year 1981, the President's budget recommended reform to the military retirement system as recommended in the April 1978 report by the President's Commission on Military Compensation. The proposed reform involved new career incentives by allowing active duty personnel special cash payments after 10 years of service. These payments would be charged against future pension rights which would still be available after 20 years of service. However, reductions for early retirement would be taken if retiring before age 60. In addition, personnel leaving with more than 10 years but less than 20 years of service would be entitled to a deferred pension at age 60. Finally, annuities would be based on high 2-years average basic pay rather than final basic pay and would be offset by benefits available under the social security system. In total, initial costs of \$0.05 billion in fiscal year 1981 and \$1.70 billion in fiscal years 1981-83 would result from these

changes. Substantial savings, however, would occur after a transition period to protect the interests of members of the current active-duty force. No program changes were proposed by the President for the civil service retirement program.

● In its March 15 report to the Budget Committee, the Armed Services Committee, which has jurisdiction over the military retirement program, accepted the President's proposed funding increases for the program but did not comment on the President's reform proposals.

● The First Budget Resolution for Fiscal Year 1981 recommended that COLAs for both retired military and civilian personnel be reduced from twice to once a year. A special COLA would be granted in July 1980 with subsequent COLAs made annually in July based on first quarter over first quarter changes in the Consumer Price Index. Savings of \$1.05 billion in fiscal year 1981 and \$3.25 billion in fiscal years 1981-83 in the military and civilian retirement programs were estimated from this change.

● The Omnibus Reconciliation Act of 1980 achieved savings of \$0.25 billion in fiscal years 1981-83. Changes included elimination of the "look back" provision which allowed employees who retired to receive the benefit of the previous COLA, proration of a retiree's initial COLA based on when the employee retires, elimination of dual pay for reservists, and elimination of any credit for holidays when calculating a lump sum leave payment. Both the House and Senate bills as reported proposed that COLA's for military and civilian retirees be limited to one a year. However, an amendment offered by Congressman Robert Bauman was adopted during consideration of the House bill and the proposal to limit COLA's to one a year was dropped. During the conference on the 1980 reconciliation bill, the Senate receded to the House thus leaving the issue of annual vs. semiannual COLAs to be resolved in 1981.

OMNIBUS BUDGET RECONCILIATION ACT OF 1981

[Outlay in millions of dollars]

	1982	1983	1984
Baseline	35,511	39,139	42,429
Over (+)/under (-) baseline:			
Reagan administration request	- 890	- 708	- 608
Mar. 15 report			
First budget resolution for fiscal year 1982	- 967	- 908	- 849
Omnibus Budget Reconciliation Act of 1981	- 907	- 741	- 642

● In the revised 1982 budget, the Reagan administration proposed that cost-of-living adjustments (COLAs) in civilian and military retirement programs be limited to one a year rather than two a year as was the case under then-existing law. Outlay savings of \$0.50 billion in civilian retirement and \$0.45 billion in military retirement were assumed to be achieved in fiscal year 1982 from annual indexing. This proposal was also contained in the First Budget Resolution for Fiscal Year 1981 but was defeated by an amendment offered by Congressman Bauman during consideration of the Omnibus Reconciliation Act of 1980.

● In their March 15 report to the Congress, both the Post Office and Civil Service Committee, which has jurisdiction over the civil service retirement program, and the Armed Services Committee which has jurisdiction over the military retirement program, rejected the administration's proposal to limit COLA's to one a year.

● The First Budget Resolution for Fiscal Year 1982 assumed the administration's proposal to limit COLA's to one a year rather than two a year.

● The Omnibus Budget Reconciliation Act of 1981 shifted the number of COLA's granted from twice a year to once a year for civil service retirees and their survivors. As a result of a provision contained in the Department of Defense authorization bill for fiscal year 1981, the change in the number of COLA's for civilian retirees also limited the number of COLA's received by military retirees.

OMNIBUS BUDGET RECONCILIATION ACT OF 1982

[Outlays in millions of dollars]

	1983	1984	1985
Baseline.....	38,405	42,219	46,300
Over (+)/under (-) baseline:			
Reagan administration request.....	- 578	- 1,289	- 1,715
Mar. 15 report.....			
First budget resolution for fiscal year 1983.....	- 886	- 2,149	- 3,621
Omnibus Budget Reconciliation Act of 1982.....	- 706	- 1,934	- 3,158

● For fiscal year 1983, the administration's budget proposed outlay savings of \$0.50 billion in civilian retirement and \$0.10 billion in military retirement by further limiting COLA increases of retired Federal workers. Three-year 1983-85 savings of \$3.05 billion would be achieved in civilian retirement and \$0.55 billion in military retirement from these changes. This would include limiting COLA's to the annual pay increase given to current workers and providing no annuity increase to current retirees whose annuity is 120 percent or more of the annuity received by a new retiree who served at the same grade, step, and length of service. If the annuity was more than 100 percent but less than 120 percent, the adjustment would have been 75 percent of the COLA increase.

● The March 15 report by both the Post Office and Civil Service Committee and the Armed Services Committee which have jurisdiction over the civil service retirement and military retirement programs, respectively, rejected the administration's proposed reductions in these programs.

● The First Budget Resolution for Fiscal Year 1983 as reported by the House Committee assumed that a 4 percent COLA would be granted Federal retirees in each of fiscal years 1983, 1984, and 1985. The budget as reported from Committee was defeated and a substitute was adopted which assumed savings of \$0.90 billion in fiscal year 1983 and \$6.65 billion in fiscal years 1983-85 by also limiting annual COLA adjustments to 4 percent each year.

● The Omnibus Budget Reconciliation Act of 1982 achieved savings in the civilian and military retirement programs of \$0.45 billion in fiscal year 1983 and \$3.60 billion in fiscal years 1983-85. In order to avoid a 4 percent COLA limit, House and Senate conferees

agreed on a number of changes to the program including delaying COLA's an additional month in each of 1983, 1984, and 1985, limiting COLA's for retired annuitants under age 62 to one-half of the projected full benefit increase, and offsetting the pay of reemployed military annuitant by the amount of the half or full COLA granted in fiscal years 1983-85. (This last provision was repealed as part of the Deficit Reduction Act of 1984, P.L. 98-369.)

1983 RECONCILIATION BILL (H.R. 4169)

[Outlays in millions of dollars]

	1984	1985	1986
Baseline.....	39,053	41,481	44,699
Over (+)/under (-) baseline:			
Reagan administration request.....	- 639	-1,762	- 2,328
Mar. 15 report.....			
First budget resolution for fiscal year 1984.....	- 526	- 822	-1,462
H.R. 4169.....	- 485	- 544	-1,016

● For 1984, the administration's budget proposed fiscal year 1984 reductions of \$0.35 billion in civilian retirement and \$0.30 billion in military retirement by providing no COLA adjustment in fiscal year 1984. It also proposed permanently extending the half-COLA provision for retirees under age 62 as enacted as part of the Omnibus Budget Reconciliation Act of 1982. In addition, for civilian retirement only, the age for full retirement would be increased from age 55 to 65, the penalty for early retirement would be increased to 5 percent for each year an employee is under age 65 and to 7 percent for each year under age 55, initial benefit calculations would be based on the highest 5 years of service rather than the highest 3 years, and future benefits would be adjusted as necessary to ensure the cost of the civilian retirement system did not exceed 22 percent of payroll. Three-year 1984-86 savings from changes in both civilian and military retirement program were estimated to be \$4.75 billion. In addition, the administration's budget proposed to increase the Federal employee contribution for retirement from 7 to 11 percent in two steps over fiscal years 1984 and 1985. Increased revenues of \$0.95 billion in fiscal year 1984 and 3-year revenues of \$4.75 billion were estimated.

● In their March 15 report to the Budget Committee, both the Post Office and Civil Service Committee and the Armed Services Committee rejected the administration's proposed reductions in civilian and military retirement annuities.

● The First Budget Resolution for Fiscal Year 1984 recommended that COLA's for both Federal civilian and military annuitants be delayed until January of each year which would correspond to the delay enacted for social security recipients in the Social Security Amendments of 1983.

● As part of H.R. 4169, a reconciliation bill for the fiscal year 1984 budget, the Congress delayed COLA's for civilian retirees from June 1984 to January 1985 and each January thereafter and from May 1984 to December 1984 and each December thereafter for military retirees. This was proposed by both the House and Senate. Outlay savings of \$0.50 billion were achieved in fiscal year 1984,

\$0.55 billion in fiscal year 1985 and \$3.15 billion in fiscal years 1984-87. About 55 percent of the total savings were achieved in civil service retirement and 45 percent were achieved in military retirement programs.

DEFICIT REDUCTION ACT OF 1984

[Outlays in millions of dollars]

	1985	1986	1987
Baseline	40,745	44,005	47,041
Over (+)/under (-) baseline:			
Reagan administration request	- 716	- 1,303	- 1,519
Mar. 15 report			
First budget resolution for fiscal year 1985	- 544	- 1,016	- 1,095
Deficit Reduction Act of 1984	- 1,440	- 70	- 73

● For 1985, the administration's budget proposes fiscal year 1985 reductions of \$0.40 billion in civilian retirement and \$0.30 billion in military retirement. Savings in civilian retirement would be achieved by delaying the payment date for COLA's to January of each year, providing a half-COLA for retirees under age 62 in fiscal year 1985, revising the benefit formula to use the average of the highest 5 years of service rather than the highest 3, limiting COLA increases to the lower of wage or price inflation, and limiting the COLA adjustment for the portion of an annuity exceeding \$10,000 per year to 55 percent of the COLA increase. A full COLA would be provided on the first \$10,000 of an annuity, a limit which would be adjusted for future inflation. For the military retirement program, the administration's budget does not recommend changes to parallel those recommended for civilian retirement but rather proposes that savings be achieved by delaying COLA's to January of each year and basing an initial annuity on a service member's highest 3 years basic pay rather than final basic pay. In addition, the budget establishes beginning in fiscal year 1985, a trust fund to receive accrual payments for future military retirement benefits and to make current retirement payments.

● In their March 15 report to the Budget Committee, both the Post Office and Civil Service Committee and the Armed Services Committee rejected the administration's proposed reductions in the civilian and military retirement programs.

● The First Budget Resolution for Fiscal Year 1985, as passed by the House, assumes that COLA's for civilian retirees would be delayed until January of each year and until December of each year for military retirees. In addition, the half-COLA for retirees under age 62, scheduled to expire at the end of fiscal year 1985, would be extended through fiscal year 1987. The COLA delay for Federal retirees was enacted as part of H.R. 4169, the 1983 reconciliation bill, and H.R. 4170, the Deficit Reduction Act of 1984. The half-COLA for retirees under age 62 was not extended beyond its fiscal year 1985 expiration date.

● As part of the Deficit Reduction Act of 1984, savings of \$1.45 billion in fiscal year 1985 and \$1.60 billion in fiscal years 1985-87 were achieved through a Senate recommendation to delay the payment of military retirement annuities from the end of the month

to the beginning of the following month, thus conforming benefit payments to the January payment schedule enacted in H.R. 4169 for retired civil servants. The House proposal that half-COLA's for retirees under age 62 be extended through fiscal year 1985 was not adopted.

VETERANS' PROGRAMS

OMNIBUS RECONCILIATION ACT OF 1980

[Outlays in millions of dollars]

	1981	1982	1983
Baseline	20,600	NA	NA
Over (+)/under (-) baseline:			
Carter administration request.....	- 412	NA	NA
Mar. 15 report.....	- 3		
First budget resolution for fiscal year 1981.....	- 400	NA	NA
Omnibus Reconciliation Act of 1980 (VA legislation: Public Law 96-330, Public Law 96-385, Public Law 96-466).....	- 366	NA	NA

NA—Not available.

● The Carter administration proposed savings of approximately \$400 million from the following recommendations (1) the elimination of presumptive service-related dental treatment within 1 year after military discharge (-\$32 million), (2) reimbursement from private insurance companies for VA care provided to insured veterans (-\$321 million), and (3) the elimination of the predischARGE education program (PREP) and flight and correspondence school reimbursement (\$59 million).

● The Veterans' Affairs Committee did not recommend any legislative savings in its March 15 report except the termination of the predischARGE education program (PREP), as recommended by the President.

● The First Budget Resolution for Fiscal Year 1981 assumed \$400 million in unspecified veterans legislative savings in fiscal year 1981.

● Veterans' reconciliation provisions were contained in the following legislation: Public Law 96-330, Health Care Amendments of 1980, Public Law 96-385, Veterans' Disability Compensation and Housing Benefits Amendments of 1980, and Public Law 96-466, Veterans Rehabilitation and Education Amendments of 1980. These laws reduced flight training and correspondence school benefits, improved debt collection procedures, and reduced and delayed the proposed VA education cost-of-living adjustment. Public Law 96-330 authorized the VA to require more than an oath from veterans regarding their inability to pay for private care before being given free VA medical care. This last provision has never been implemented by the Veterans' Administration.

OMNIBUS BUDGET RECONCILIATION ACT OF 1981

(Outlays in millions of dollars)

	1982	1983	1984
Baseline.....	25,054	26,850	28,095
Over (+)/under (-) baseline:			
Reagan administration request.....	-117	NA	NA
Mar. 15 report.....	-144	NA	NA
First budget resolution for fiscal year 1982.....	-110	-108	-106
Omnibus Budget Reconciliation Act of 1981.....	-116	-127	-128

NA—Not available.

● The Reagan administration requested \$863 million in reductions in fiscal year 1982, with approximately \$100 million in entitlement cuts (the above table includes only entitlements to make the estimates comparable with reconciliation which included only entitlement changes for veterans' programs). Additional entitlement savings of \$100 million were proposed from a reduced COLA for compensation beneficiaries. Nearly two-thirds of the administration's proposed savings in the Veterans' Administration were in medical care and construction programs. The bulk of these proposals was in medical staff employment, which would have returned the Department of Medicine and Surgery to the 1979 personnel level. The remaining third of the VA savings included termination of flight and correspondence benefits, and increased interest rates on personal loans made against Veterans' Administration insurance policies.

● The original Veterans' Affairs Committee March 15 report did not recommend legislative savings. However, after President Reagan submitted his budget, the Veterans' Affairs Committee recommended outlay savings of \$441 million in fiscal year 1982, about half of the savings proposed by the President. The savings were to come from the elimination of flight and correspondence benefits, means-testing burial benefits, raising interest rates on Veterans' Administration loans, delaying construction projects, and improving administrative practices. Savings of \$144 million were entitlements (later reestimated to be \$110 million).

The Veterans' Affairs Committee assumed much of President Reagan's proposed reductions, but it substituted burial benefit changes and the termination of the education loan fund for more drastic cutbacks in medical care.

● The First Budget Resolution for Fiscal Year 1982 assumed savings proposed by the Veterans' Affairs Committee. Only entitlement savings were included in the reconciliation instructions to the Veterans' Affairs Committee—\$110 million in fiscal year 1982, \$108 million in fiscal year 1983, and \$106 million in fiscal year 1984.

● The Omnibus Budget Reconciliation Act of 1981 terminated flight training benefits and reduced to 55 percent the Veterans' Administration rate of reimbursement for correspondence school. The largest single reform, which saved \$75 million in fiscal year 1982, was due to the elimination of Veterans' Administration burial benefits for all beneficiaries except veterans who were recipients of Veterans' Administration compensation or pensions. As stated pre-

viously, only veterans' entitlements were included in the reconciliation bill.

OMNIBUS BUDGET RECONCILIATION ACT OF 1982

[Outlays in millions of dollars]

	1983	1984	1985
Baseline.....	24,600	25,500	26,750
Over (+)/under (-) baseline:			
Reagan administration request.....	-328	-650	-700
Mar. 15 report.....	-148	-154	-156
First budget resolution for fiscal year 1983.....	¹ -77	¹ -155	¹ -155
Omnibus Reconciliation Act of 1982.....	-168	-189	-196

¹ In addition, a \$90,000,000 housing loan origination fee was assumed but not reconciled.

● The administration proposed the largest reduction (\$135 million) in compensation for veterans with service-related disabilities. The administration recommended that compensation dependent benefits for veterans with service-connected disabilities rated less than 50 percent be eliminated. Other fiscal year 1982 proposals included the initiation of a 0.5 percent loan origination fee on Veterans' Administration insured housing loans, the termination of vocational training dependent benefits (for veterans with service-related disabilities), the phase out of pension student benefits, and other minor changes such as rounding down benefits to the nearest dollar. The administration proposed a major outyear initiative in the compensation program—to reduce compensation benefits based on unemployability by the amount received from any other Federal retirement or disability benefit (savings of \$0.35 billion in fiscal year 1984 and fiscal year 1985).

● In its March 15 report, the Veterans' Affairs Committee rejected the major compensation reductions proposed by the President. The VA Committee did accept the following recommendations made by the administration.

(1) To delay pension benefit payments to the first full month of entitlement, (2) to adjust pension benefits at the end of the month following a change in dependency status instead of waiting until the end of the year, (3) to eliminate pension student benefits as had been done earlier for Social Security recipients, (4) to terminate correspondence benefits, and (5) to establish a 0.5 percent loan origination fee on VA insured housing loans.

● Specific assumptions about the savings in the conference agreement on the First Budget Resolution for Fiscal Year 1983 are not available. The numbers shown above reflect the reconciliation instructions to the Veterans' Affairs Committee.

● The following provisions were enacted as part of VA reconciliation in 1982: (1) initiation of a 0.5 percent loan origination fee on VA insured housing loans, (2) a delay in the effective date of pensions, (3) an adjustment in the effective date for dependency changes, and (4) the rounding down of compensation and pension benefit amounts.

The conference agreement reflected the loan origination fee and minor changes proposed by the administration, but it did not contain major compensation reductions proposed by the President.

1983 RECONCILIATION BILLS (H.R. 4169 AND S. 1388)

[Outlays in millions of dollars]

	1984	1985	1986
Baseline	25,500	25,850	26,150
Over (+)/under (-) baseline:			
Reagan administration request	-325	-437	-542
Mar. 15 report	-320	-142	-144
First budget resolution for fiscal year 1984	-226	-138	-140
H.R. 4169, S. 1388	-226	-138	-140

● The administration proposed a 6-month delay in compensation and pension cost-of-living adjustments (COLAs) in fiscal year 1984. The budget also recommended that correspondence benefits be eliminated, as well as advance pay for other education benefits. The administration also proposed a restructuring of compensation COLA's, effective in April of 1985.

● The Veterans' Affairs Committee accepted the administration's proposals to delay COLA's and terminate advance pay for veterans' education benefits.

● The First Budget Resolution assumed a 6-month delay in VA compensation and pension COLA's, as had been recommended by the President. The pension savings appeared in Function 600, Income Security, as part of overall COLA delays.

● The House and Senate agreed to a 6-month delay in compensation COLA's in S. 1388 and in H.R. 4169. The veterans' program provisions, title IV of H.R. 4169, were stricken from that bill by passage of S. Con. Res. 102 before the bill was enrolled. S. 1388 was signed into law as Public Law 98-223. Pensions were delayed by 6 months to match the COLA delay in Social Security benefits (H.R. 1900).

DEFICIT REDUCTION ACT OF 1984

[Outlays in millions of dollars]

	1985	1986	1987
Baseline	26,417	26,942	27,606
Over (+)/under (-) baseline:			
Reagan administration request			
Mar. 15 report			
First budget resolution for fiscal year 1985	-400	-250	-250
Deficit Reduction Act of 1984	-311	-322	-341

● The administration did not propose entitlement benefit reductions in veterans' programs. It proposed administrative reforms for which no savings estimates are available.

● The Veterans' Affairs Committee did not recommend any reductions in veterans' programs.

● The House-passed First Budget Resolution for Fiscal Year 1985 assumes that approximately \$250 million in savings could be achieved through administrative reforms in the VA housing program. The resolution also assumes that about \$100 million in receipts each year would be raised from increasing the VA housing loan origination fee from 0.5 percent to 1.0 percent and extending

it indefinitely. These receipts would be credited directly to the VA loan guaranty revolving fund to help offset liabilities in the program. The resolution assumes savings of approximately \$50 million from the termination of retroactive pension benefits.

● The Deficit Reduction Act of 1984 increased the VA housing loan origination fee to 1 percent, thereby generating receipts of \$119 million in fiscal year 1985. It also provided for administrative reforms of \$158 million (in fiscal year 1982) in the VA housing programs. The Deficit Reduction Act of 1984 eliminated retroactive VA pension benefits, with certain exceptions, and adopted administrative reforms from the Grace Commission reports which will save \$50 million in fiscal year 1986.

FISCAL YEAR 1981

Major tax changes

The Omnibus Reconciliation Act of 1980 (Public Law 96-499) included the following revenue provisions (From the conference report on H.R. 7765, Rept. No. 96-1471):

ESTIMATED BUDGET EFFECTS OF THE REVENUE RECONCILIATION PROVISIONS OF H.R. 7765, AS APPROVED BY THE CONFERENCE, FISCAL YEARS 1981-85

(In millions of dollars)

Item	1981	1982	1983	1984	1985
A. Mortgage subsidy bond	256	1,305	3,330	6,320	10,242
B. Cash management—estimated to payment.....	3,063	475	457	394	402
C. Foreign investment in U.S. real estate.....	42	92	102	111	123
D. Windfall tax royalty credit.....	-180				
E. Payroll taxes paid by employers.....	44	76	118	217	328
F. Telephone excise tax.....	358	570	193		
G. Alcohol import duty.....	12	15	9	3	
Total.....	3,595	2,533	4,209	7,045	11,095

Over 80 percent of the revenues raised in fiscal year 1981 was attributed to more stringent requirements for corporations to pay current year tax liability through quarterly estimated tax payments, rather than at the end of the annual accounting period when a return is filed. This essentially represented a change in timing in the collection of taxes.

Other changes, each accounting for over 5 percent of the additional fiscal year 1981 revenues were a telephone excise tax and limitations on federally tax-exempt mortgage subsidy bonds. The telephone service excise tax was imposed at a 2 percent rate for 1980 and 1981, and a 1 percent rate for 1982. In the case of mortgage bonds, tax-exempt status was limited to a certain volume of issues on a state-by-state basis and other restrictive conditions were imposed such as the dollar per housing unit limit designed to prevent tax-exempt financing of luxury housing. In the years extending beyond the 1981 budget, these tax exempt bond provisions accounted for 85 percent of added revenues.

FISCAL YEAR 1982

The fiscal year 1982 first budget resolution did not include revenue reconciliation instructions.

FISCAL YEAR 1983

The 1982 Tax Equity and Fiscal Responsibility Act (TEFRA, Public Law 97-248) provided the following revenue changes ("General Provisions of the Revenue provisions of the Tax Equity and Fiscal Responsibility Act of 1982" prepared by the staff of the Joint Committee on Taxation).

SUMMARY OF ESTIMATED REVENUE EFFECTS OF TAX EQUITY AND FISCAL RESPONSIBILITY ACT OF 1982 (H.R. 4961), FISCAL YEAR RECEIPTS, 1983-87

(In millions of dollars)

	1983	1984	1985	1986	1987
Individual income tax provisions	272	3,113	3,106	3,336	3,556
Business tax provisions	5,422	13,292	16,497	28,042	40,116
Pension provisions	194	780	870	970	1,058
Life insurance and annuities provisions	1,942	2,155	2,920	3,138	3,370
Employment tax provisions	1,904	3,083	3,577	2,853	2,572
Excise tax provisions	2,798	4,009	4,702	2,054	1,472
Miscellaneous provisions	-38	-37	-34	-32	-30
Compliance provisions	3,365	8,869	8,660	10,174	11,217
Total, tax provisions ¹	15,859	35,264	40,298	50,535	63,331
Revenue gain resulting from additional IRS enforcement personnel	2,100	2,400	2,400	1,300	600
Grand total, all provisions ¹	17,959	37,664	42,698	51,835	63,931

¹ These totals do not include taxes increased under title VI (sec. 611), which reduces the income thresholds for inclusion of unemployment benefits in adjusted gross income. The estimated amounts of increased taxes under this provision are \$763,000,000 in 1983, \$734,000,000 in 1984, \$611,000,000 in 1985, \$618,000,000 in 1986, and \$650,000,000 in 1987.

One provision included in the 1982 Act, withholding on interest and dividends, was subsequently repealed and replaced with a less stringent provision for "backup-withholding" only. The original withholding provision had been expected to raise \$3 billion in fiscal year 1984.

Provisions primarily related to business, rather than individuals, accounted for approximately two-thirds of expected additional revenue.

The major item directly affecting individuals were increases in the floors above which individuals can deduct medical casualty expenses. Major items affecting both individuals and businesses were an extension and increase in the telephone excise tax, a doubling to 16 cents per pack of the cigarettes excise tax, an increase in the wage base for the payroll tax used to finance unemployment compensation and casualty losses.

Major items primarily affecting business were:

- A 15 percent scaling back of corporate tax preferences such as certain percentage depletion allowances, rapid amortization provisions, and interest expense incurred to carry tax-exempt bonds.
- A reduction in the basis used for depreciation allowances when the asset also qualified for the investment tax credit.

- A requirement that certain expenses, such as interest expense attributable to a construction period, be amortized rather than deducted immediately.
- Curbs on “safe-harbor” leasing, a procedure used by business to capture certain tax benefits that would otherwise not be available to them.
- Alteration in the taxation of live insurance companies and annuities.

FISCAL YEAR 1984

The Ways and Means Committee responded to the reconciliation instructions on revenues contained in the First Budget Resolution for Fiscal Year 1984, but the committee bill, H.R. 4170, was not considered by the House (see Reconciliation History, Fiscal Year 1984). The House did pass H.R. 1183, however, which raised \$6.0 billion in fiscal year 1984 by capping the third year of the 1981 enacted tax rate cuts for high income individuals. This bill was not enacted.

FISCAL YEAR 1985

The Tax Reform Act of 1984 (Public Law 98-369) provided for the following revenue increases (from Summary of Tax and Spending Reductions Provisions within the jurisdiction of the Committees on Ways and Means, and Finance of H.R. 4170 as passed by the House and Senate, prepared by the staffs of the Joint Committee on Taxation, the Committee on Ways and Means, and the Committee on Finance):

SUMMARY REVENUE EFFECT OF TAX PROVISIONS OF H.R. 4170 AS PASSED BY THE HOUSE AND THE SENATE, FISCAL YEARS 1984-1989

[Millions of dollars]

Provision	1984	1985	1986	1987	1988	1989	1984-87
I. Tax Freeze; tax reforms generally.....	1,467	10,172	17,460	23,390	26,426	28,707	52,489
II. Live insurance tax provisions ¹	-80	-315	-375	-469	-541	-626	-1,239
III. Charitable deduction rules; private foundation provisions; exempt organizations.....	-24	-89	-146	-168	-197	-232	-427
IV. Simplification provisions.....	99	924	175	208	142	69	1,406
V. Provisions relating to employers and employees and to retirement.....	31	471	875	1,095	897	725	2,472
VI. Tax-exempt obligations.....	-73	-231	-359	-536	-756	-744	-1,199
VII. Technical corrections.....	(²)	(³)	(³)	(³)	(³)	(³)	(⁴)
VIII. Highway revenue provisions.....	-152	-102	19	-32	109	-21	-267
IX. Miscellaneous revenue provisions.....	-125	-228	-1,055	-952	-809	-698	-2,360
Total revenue effect.....	1,143	10,602	16,594	22,536	25,670	27,180	50,875

¹ The amounts represent the estimated effects of the life insurance tax provisions assuming that certain temporary provisions enacted in the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA), which provide for the taxation of life insurance companies, had been terminated. If these provisions had not been allowed to expire at the end of 1983, the estimates for the provisions in the bill would show increases in fiscal year receipts of \$935,000,000 in 1984, \$1,050,000 in 1985, \$1,101,000 in 1986, \$1,192,000 in 1987, and \$1,291,000 in 1988 (increase of \$4,278,000 for 1984-87).

² Gain of less than \$5,000,000.

³ Gain of less than \$10,000,000.

⁴ Amounts have not been assigned to footnotes for summation purposes. Therefore, totals do not include estimates represented by footnotes.

Roughly half of the revenue gained in fiscal year 1985 comes from repealing or deferring tax reductions from the 1981 tax act that were scheduled to go into effect in 1984 or later, from curbs on

the income averaging provisions available to individuals, and prohibition of the procedures by which tax-exempt entities used leasing to combine the benefits of their tax-exempt status with tax incentives available to private business.

Examples of deferred or repealed tax cuts include extension of the telephone excise tax cut, repeal of the 15 percent net interest exclusion that had not yet gone into effect, and deferral of reductions in the maximum estate and gift tax rates.

Numerous other provisions affecting primarily corporations and partnerships account for most of the remaining revenue gain. These provisions include an increase in the disallowance of certain corporate tax preferences from 15 to 20 percent, a reduction in depreciation allowed for most real estate, and other provisions, including accounting changes, designed to reduce tax shelter activity, to provide improved recognition in the tax code of the time value of money, and to improve compliance.

LEGISLATION IN THE 98TH CONGRESS PROPOSING CHANGES IN THE RECONCILIATION PROCESS

1. *H.R. 123* [no short title]

Introduced by Representative Robert Michel on January 3, 1983; referred to the Rules Committee.

The bill amends the Congressional Budget Act to eliminate the required second budget resolution, to provide that any budget resolution may contain reconciliation instructions, and to eliminate the bar against sine die adjournment at the end of a session in the event reconciliation legislation is not enacted.

2. *H.R. 750* Biennial Budgeting Act of 1983

Introduced by Representative Leon Panetta on January 25, 1983; referred jointly to the Government Operations and Rules Committees.

The bill amends the Congressional Budget Act to provide for the adoption by March 31 of each even-numbered year of a biennial budget resolution. The budget resolution may include reconciliation instructions, but in the case of spending they must pertain solely to entitlement authority. Any reconciliation procedure mandated by a budget resolution must be completed by a September 25 deadline.

3. *H.R. 1144* Infrastructure Revitalization Act of 1983

Introduced by Representative Norman Mineta on February 1, 1983; referred jointly to four committees—Government Operations; Rules; Public Works and Transportation; and Energy and Commerce.

Title II (Dedicated Revenue Incentives) amends the Congressional Budget Act so as to exempt certain legislation pertaining to trust funds from any "budget process enforcement device," including reconciliation instructions.

4. *H.R. 1187* [no short title]

Introduced by Representative Cecil Heftel on February 2, 1983; referred to the Rules Committee.

The bill amends the Congressional Budget Act to eliminate the required second budget resolution and, in Section 4, to provide that any budget resolution may contain reconciliation instructions. Section 4 also establishes a deadline of August 1 of each year for the completion of reconciliation action.

5. *H.R. 1879* [no short title]

Introduced by Representative David Bonior on March 3, 1983; referred to the Rules Committee.

The bill amends the Congressional Budget Act to provide that reconciliation instructions also may specify the total amount by which tax expenditures should be changed.

6. *H.R. 2076* Federal Lending Oversight and Control Act

Introduced by Representative Norman Mineta and others on March 11, 1983; referred jointly to three committees—Government Operations; Rules; and Banking, Finance, and Urban Affairs. Identical bill: H.R. 4533.

The bill amends the Congressional Budget Act to provide for the inclusion of credit activities (direct loans and loan guarantees) in the budget process, including reconciliation procedures.

7. *H.R. 2777* [no short title]

Introduced by Representative John Dingell and others on April 27, 1983; referred to the Rules Committee.

The bill amends the Congressional Budget Act to provide for the annual consideration of a budget resolution and a two-track reconciliation process. The first track involves an annual reconciliation procedure in which the Budget Committees determine by September 7 of each year if the levels in the budget resolution are likely to be breached. If not, then the levels become automatically binding on October 1; if so, then the Budget Committees may recommend a reconciliation resolution adjusting the budget levels, directing the Secretary of the Senate or the Clerk of the House to make changes in pending legislation, or doing both. The reconciliation resolution may not direct changes in authorizations or changes in spending levels occurring after the upcoming fiscal year. Before reporting any reconciliation resolution, the Budget Committees must consult with the other standing committees that would be affected; also, any of these committees may request a sequential referral of the resolution for 3 days. Congress must complete action on the resolution by September 25.

The second track involves a biennial reconciliation procedure to change existing laws affecting entitlements, other permanent spending, and revenues. The budget resolution adopted in the first session of a Congress may contain a separate title directing committees to make such changes. During the second session, Congress may adopt a budget resolution reaffirming or revising the recommendations, in which case they become binding directives. Congress must complete action on these recommendations by August 7.

8. *H.R. 3451* [no short title]

Introduced by Representatives Bill Frenzel and Willis Gradison on June 29, 1983; referred to the Rules and Government Operations Committees.

The bill amends the Congressional Budget Act to eliminate the required second budget resolution, to provide for multiyear figures in budget resolutions, and to mandate the inclusion of reconciliation instructions in any budget resolution when appropriate. Additionally, the bill makes it in order, at any time during House or Senate consideration of reconciliation legislation, for any Budget Committee member to offer amendments in cases where committees have failed to comply with the instructions. Congress must

complete action on any reconciliation legislation within 60 days after the adoption of the budget resolution. Finally, the bill provides for the inclusion of credit activities (direct loans and loan guarantees) in the budget process, including reconciliation procedures.

9. *H.R. 5247* Congressional Budget Act Amendments of 1984

Introduced by Representative Anthony Beilenson and others on March 27, 1984; referred jointly to the Rules and Government Operations Committees. Ordered reported by the Rules Committee on June 27, 1984 (report not yet filed).

The bill amends the Congressional Budget Act to eliminate the required second budget resolution, to provide for multiyear budget figures, and to include credit activities (direct loans and loan guarantees) in the budget process, including reconciliation procedures. Reconciliation instructions may be included in any budget resolution; may cover 1, 2, or 3 years; and may not apply to changes in authorizations. Also, the bill bars the House from adjourning for more than 3 days at a time during July unless it has completed action on any required reconciliation legislation; the Senate must complete action on such legislation by August 15.

10. *H. Res. 65* [no short title]

Introduced by Representative Beilenson and others on February 8, 1983; referred to the Rules Committee.

The resolution makes it out of order in the House to consider any budget resolution (or related amendment or conference report) that directs one or more committees to make changes in authorizations.

11. *S. 12* Budget Procedures Improvement Act of 1983

Introduced by Senator Wendell Ford and others on January 16, 1983; held at the desk pending further disposition. Identical bill: S. 95.

The bill amends the Congressional Budget Act to provide for the adoption of an advisory budget resolution in the first session of each Congress and a binding budget resolution in the second session (to be adopted by August 1) as part of a biennial budgeting process. Congress may not include reconciliation instructions in any budget resolution preceding the one required to be adopted in the second session. Also, Congress may not adopt reconciliation instructions that pertain to authorizations, nor may it consider reconciliation legislation affecting matters other than spending, revenues, or the debt limit. The limitation on debate of reconciliation measures in the Senate is raised from 20 to 100 hours. Congress must complete action on any reconciliation legislation by September 25.

12. *S. 20* Budget Reform Act of 1983

Introduced by Senator William Roth on January 16, 1983; referred jointly to the Budget and Governmental Affairs Committees.

The bill amends the Congressional Budget Act to provide for the adoption each odd-numbered year of a biennial budget resolution. After such resolution is adopted, Congress may adopt subsequent

budget resolutions that contain reconciliation instructions. Congress must complete action on any reconciliation legislation within 60 days after the budget resolution containing the instructions is adopted.

13. S. 478 [no short title]

Introduced by Senator Donald Riegle on February 15, 1983; referred jointly to the Budget and Governmental Affairs Committees. Identical provision in S. 479.

The bill removes the Social Security trust funds from the unified budget and excludes them from coverage under the congressional budget process, including reconciliation procedures.

14. S. 854 Federal Lending Program Control Act of 1983

Introduced by Senator Charles Percy and others on March 18, 1983; referred jointly to the Budget and Governmental Affairs Committees. Similar, but not identical, provisions in S. 1582.

The bill amends the Congressional Budget Act to provide for the inclusion of credit activities (direct loans and loan guarantees) in the budget process, including reconciliation procedures.

15. S. 922 Two Year Budgetary Planning Act of 1983

Introduced by Senator Thad Cochran on March 24, 1983; referred jointly to the Budget and Governmental Affairs Committees.

The bill amends the Congressional Budget Act to provide for the adoption each odd-numbered year of a biennial budget resolution. Any budget resolution may contain reconciliation instructions. Congress must complete action on subsequent reconciliation legislation within 60 days after the budget resolution is adopted.

16. S. 1783 Congressional Budget Process Repeal Act of 1983

Introduced by Senator Howard Baker, Jr. for Senator Barry Goldwater on August 4, 1983; referred jointly to the Budget and Governmental Affairs Committees.

The bill repeals Title III of the Congressional Budget Act, including the provisions dealing with reconciliation procedures. The bill also repeals other provisions of the Act and related provisions in House and Senate rules.

17. S. 2516 Deficit Reduction Act

Introduced by Senator James Abdnor on April 2, 1984; referred jointly to the Budget and Governmental Affairs Committees.

The bill amends the Congressional Budget Act to eliminate the required second budget resolution and to provide that any budget resolution may contain reconciliation instructions. Reconciliation, or the "deficit reduction procedure" as it is termed in the bill, involves savings framed as changes from current services spending and current law revenues. Congress must complete action on any reconciliation legislation within 60 days after the budget resolution is adopted.

A P P E N D I X E S

APPENDIX A

SUMMARY

COMPARISON OF RECONCILIATION DIRECTIVE AND RECONCILIATION ACHIEVED, FISCAL YEARS 1981-85

(In millions of dollars)

	1981			1982			1983		
	Budget authority	Outlays	Revenues	Budget authority	Outlays	Revenues	Budget authority	Outlays	Revenues
Fiscal year 1981									
Instructions	-4,950	-6,400	4,200	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Reconciliation achieved	-3,092	-4,631	3,645	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Fiscal year 1982									
Instructions	-50,694	-35,116	None	-57,599	-46,312	None	-66,016	-55,572	None
Reconciliation achieved	-51,900	-35,190	None	-55,734	-44,033	None	-61,721	-51,353	None
Fiscal year 1983									
Instructions	-2,179	-6,573	20,900	-3,632	-9,268	36,000	-5,119	-11,312	41,400
Reconciliation achieved	(²) NA	-7,064	17,959	(²) NA	-10,923	37,664	(²) NA	-13,256	42,698
Fiscal year 1984									
Instructions	-75	-2,813	12,000	-3,026	-3,945	15,000	-3,920	-5,527	46,000
Reconciliation achieved	(³)								
Fiscal year 1985									
Instructions	-1,200	-2,350	9,700	-2,300	-4,100	17,650	-4,000	-5,900	22,450
Reconciliation achieved	+289	-3,467	10,677	-3,343	-5,336	16,851	-6,848	-8,730	22,773

¹ No outlays.

² No budget authority savings were tabulated.

³ Although the House passed the reconciliation legislation, no reconciliation was achieved in the fiscal year 1984 budget resolution cycle. However, the fiscal year 1985 directive incorporated both the unfinished 1984 reconciliation and new 1985 reconciliation in the first budget resolution directive for fiscal year 1985.

DETAIL

COMPARISON OF RECONCILIATION INSTRUCTIONS AND RECONCILIATION ACHIEVED BY COMMITTEE, FISCAL YEARS 1981-85

(In millions of dollars)

Committee	Budget authority	Outlays	Revenues	Budget authority	Outlays	Revenues	Budget authority	Outlays	Revenues
FISCAL YEAR 1981									
	1981			1982			1983		
Armed Services:									
Instructions.....	- 400	- 400	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Achieved.....			(1)	(1)	(1)	(1)	(1)	(1)	(1)
Education and Labor:									
Instructions.....	- 850	- 850	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Achieved.....	- 840	- 826	(1)	(1)	(1)	(1)	(1)	(1)	(1)
			(91)						

(91)

**COMPARISON OF RECONCILIATION INSTRUCTIONS AND RECONCILIATION ACHIEVED BY COMMITTEE,
FISCAL YEARS 1981-85—Continued**

(In millions of dollars)

Committee	Budget authority	* Outlays	Reve- nues	Budget authority	Outlays	Reve- nues	Budget authority	Outlays	Reve- nues
Interstate and Foreign Commerce:									
Instructions	- 200	- 300	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Achieved	- 82	- 1,100	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Post Office and Civil Service:									
Instructions	- 1,000	- 1,000	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Achieved	- 429	- 463	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Public Works and Transportation:									
Instructions	- 600	- 750	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Achieved	- 305	- 732	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Small Business:									
Instructions	- 800	- 600	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Achieved	- 800	- 600	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Veterans:									
Instructions	- 400	- 400	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Achieved	- 378	- 384	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Ways and Means:									
Instructions	- 700	- 2,000	4,200	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Achieved	- 149	- 417	3,645	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
FISCAL YEAR 1982									
	1982		1983		1984				
Agriculture:									
Instructions	- 2,208	- 2,521	- 3,006	- 2,642	- 3,671	- 3,525			
Achieved	- 2,449	- 3,264	- 3,042	- 3,878	- 3,930	- 4,661			
Armed Services:									
Instructions	- 966	- 966	- 899	- 899	- 511	- 511			
Achieved	- 846	- 882	- 767	- 731	- 374	- 374			
Banking, Finance and Urban Affairs:									
Instructions	- 13,177	- 640	- 15,572	- 1,398	- 17,827	- 2,369			
Achieved	- 13,566	- 481	- 15,954	- 1,154	- 18,402	- 2,115			
District of Columbia:									
Instructions	- 39	- 40	- 56	- 64	- 72	- 69			
Achieved	- 39	- 40	- 56	- 58	- 72	- 69			
Education and Labor:									
Instructions	- 12,099	- 10,084	- 14,907	- 13,522	- 18,344	- 17,020			
Achieved	- 10,088	- 7,297	- 12,414	- 10,749	- 14,261	- 13,881			
Energy and Commerce:									
Instructions	- 5,385	- 5,184	- 5,980	- 6,315	- 6,285	- 7,036			
Achieved	- 7,955	- 7,115	- 7,457	- 7,710	- 6,686	- 6,961			
Foreign Affairs:									
Instructions	- 250	- 130	- 275	- 200	- 300	- 300			
Achieved	- 376	- 286	- 524	- 463	- 538	- 515			
Government Affairs:									
Instructions									
Achieved	- 600	- 600							
Interior and Insular Affairs:									
Instructions	- 755	- 309	- 736	- 504	- 714	- 594			
Achieved	- 820	- 736	+ 236	- 111	- 68	- 5			
Judiciary:									
Instructions									
Achieved	- 72	- 30	- 70	- 71	- 59	- 66			
Merchant Marine and Fisheries:									
Instructions	- 339	- 207	- 439	- 411	- 562	- 551			
Achieved	- 242	- 106	- 242	- 212	- 265	- 253			
Post Office and Civil Service:									
Instructions	- 4,737	- 5,163	- 6,304	- 6,738	- 7,390	- 7,728			

**COMPARISON OF RECONCILIATION INSTRUCTIONS AND RECONCILIATION ACHIEVED BY COMMITTEE,
FISCAL YEARS 1981-85—Continued**

[In millions of dollars]

Committee	Budget authority	Outlays	Reve- nues	Budget authority	Outlays	Reve- nues	Budget authority	Outlays	Reve- nues
Achieved	- 4,706	- 5,163	.....	- 6,253	- 6,690	.....	- 7,214	- 7,555	.....
Public Works and Transportation:									
Instructions	- 6,346	- 1,218	.....	- 5,122	- 3,565	.....	- 6,241	- 5,720	.....
Achieved	- 6,606	- 1,411	.....	- 5,070	- 3,136	.....	- 6,371	- 5,418	.....
Science and Technology:									
Instructions	- 78	- 39	.....	- 90	- 59	.....	- 102	- 83	.....
Achieved	- 1,395	- 828	.....	- 961	- 1,016	.....	- 1,209	- 1,065	.....
Small Business:									
Instructions	- 526	- 390	.....	- 564	- 541	.....	- 554	- 533	.....
Achieved	- 504	- 823	.....	- 540	- 517	.....	- 527	- 506	.....
Veterans' Affairs:									
Instructions	- 110	- 110	.....	- 108	- 108	.....	- 106	- 106	.....
Achieved	- 110	- 116	.....	- 122	- 127	.....	- 124	- 128	.....
Ways and Means:									
Instructions	- 4,677	- 9,241	.....	- 4,954	- 10,559	.....	- 5,158	- 11,248	.....
Achieved	- 4,140	- 8,981	.....	- 4,455	- 9,822	.....	- 4,363	- 10,803	.....

FISCAL YEAR 1983

	1983		1984		1985	
Agriculture:						
Instructions	- 779	- 779	- 1,083	- 1,083	- 1,428	- 1,428
Achieved	- 2,049	- 2,049	- 2,628	- 2,628	- 2,339	- 2,339
Armed Services:						
Instructions	- 213	- 213	- 693	- 693	- 1,231	- 1,231
Achieved	- 260	- 260	- 732	- 732	- 1,223	- 1,223
Banking, Finance and Urban Affairs:						
Instructions		- 695		- 697		- 687
Achieved		- 690		- 679		- 649
Energy and Commerce:						
Instructions	- 514	- 675	- 741	- 739	- 815	- 811
Achieved	- 206	- 275	- 364	- 364	- 502	- 502
Foreign Affairs:						
Instructions		- 2	- 2	- 8	- 4	- 15
Achieved		- 1	- 1	- 3	- 2	- 6
Merchant Marine and Fisheries:						
Instructions	- 4	- 4	- 15	- 15	- 27	- 27
Achieved	- 5	- 5	- 14	- 14	- 24	- 24
Post Office and Civil Service:						
Instructions		- 376	- 242	- 1,061	- 538	- 1,808
Achieved	- 282	- 462	- 861	- 1,469	- 1,482	- 2,207
Veterans' Affairs						
Instructions	- 77	- 77	- 155	- 155	- 155	- 155
Achieved	- 169	- 168	- 189	- 189	- 196	- 196
Ways and Means:						
Instructions	- 593	- 3,755	20,900	- 705	- 4,827	36,000
Achieved	NA	- 3,420	17,959	NA	- 5,594	37,664

FISCAL YEAR 1984 *

	1984		1985		1986	
Armed Services:						
Instructions	- 253	- 253	- 360	- 360	- 621	- 621
Achieved						
Energy and Commerce:						
Instructions		- 400		- 500		- 800
Achieved						

**COMPARISON OF RECONCILIATION INSTRUCTIONS AND RECONCILIATION ACHIEVED BY COMMITTEE,
FISCAL YEARS 1981-85—Continued**

(In millions of dollars)

Committee	Budget authority	Outlays	Reve- nues	Budget authority	Outlays	Reve- nues	Budget authority	Outlays	Reve- nues
Foreign Affairs:									
Instructions.....		- 3			- 4			- 9	
Achieved.....									
Post Office and Civil Service:									
Instructions.....	- 1,619	- 1,900		- 2,332	- 2,841		- 3,235	- 4,144	
Achieved.....									
Small Business:									
Instructions.....	- 139	- 287		- 555	- 466		- 544	- 443	
Achieved.....									
Veterans:									
Instructions.....	- 228	- 226		- 139	- 138		- 141	- 140	
Achieved.....									
Ways and Means:									
Instructions.....		- 400	12,000		- 500	15,000		- 800	46,000
Achieved.....									
FISCAL YEAR 1985									
		1985			1986			1987	
Agriculture:									
Instructions.....	- 50	- 50		- 800	- 800		- 1,700	- 1,700	
Achieved.....	+ 979	+ 979		- 832	- 832		- 3,098	- 3,098	
Armed Services:									
Instructions.....	(.....)	(- 300)		(.....)	(- 650)		(.....)	(- 1,000)	
Achieved.....	(+ 24)	(- 1,690)		(- 1)	(- 491)		(- 2)	(- 517)	
Education and Labor:									
Instructions.....		- 150			- 150			- 200	
Achieved.....									
Energy and Commerce:									
Instructions.....	(- 1,000)	(- 1,000)		(- 1,350)	(- 1,350)		(- 1,650)	(- 1,650)	
Achieved.....	(- 819)	(- 782)		(- 1,313)	(- 1,256)		(- 1,954)	(- 1,870)	
Post Office and Civil Service:									
Instructions.....		- 550			- 1,300			- 1,800	
Achieved.....	+ 268	- 1,191		+ 220	- 851		+ 234	- 920	
Small Business:									
Instructions.....		- 200		- 150	- 200		- 250	- 200	
Achieved.....		- 184		- 162	- 182		- 258	- 212	
Veterans' Affairs:									
Instructions.....	- 150	- 400		- 50	- 250		- 250	- 250	
Achieved.....	- 29	- 311		+ 86	- 196		- 212	- 198	
Ways and Means:									
Instructions.....	- 1,000	- 1,000	9,700	- 1,400	- 1,400	17,650	- 1,750	- 1,750	22,450
Achieved.....	- 1,029	- 1,290	10,611	- 2,758	- 3,373	16,851	- 3,618	- 4,412	22,773

¹ No outyears.

² Ways and Means combined outlay reductions and revenue increases to meet their target—thus the total here is deficit reduction.

³ Although the House passed the reconciliation legislation, no reconciliation was achieved in the fiscal year 1984 budget resolution cycle. However, the fiscal year 1985 directive incorporated both the unfinished 1984 reconciliation and new reconciliation in the first resolution directive for fiscal year 1985.

[In millions of dollars]

Function	Saving	President		Committee			
		Budget authority	Outlay	Recommendation		Cumulative	
				Budget authority	Outlay	Budget authority	Outlay
050, 920.....	1. Wage board reform.....	-81	-80	-81	-80	-788	-785
		-24	-23	-24	-23	-197	-196
050, 600.....	2. Annualize cost-of-living increases for Federal retirees.....			-45	-45	-593	-593
					-94		-1,654
400.....	3. Lower operating differential subsidies.....			-50	-50	-264	-264
500.....	4. Eliminate indexing of vocational rehabilitation state grants.....	-72	-72	-72	-72	-701	-701
500.....	5. Cap title XX grants for state and local training.....	-26	-26	-26	-26	-170	-170
500.....	6. Impact aid reform.....	-288	-200	-105	-100	-525	-520
550.....	7. Hospital cost containment.....	-196	-1,725	-100	-1,400	-1,950	-21,820
550.....	8. Medicare and medicaid program reform.....	-95	-395	-138	-404	-2,735	-4,574
600.....	9. Food stamp reform (assuming that the cap is lifted).....	-152	-152	-152	-152	-740	-740
600.....	10. Railroad retirement reform.....	+161	-65				
600.....	11. AFDC reforms.....	-192	-192	-208	-208	-982	-982
600.....	12. AFDC: Child support enforcement.....	-75	-75	-75	-75	-356	-356
600.....	13. SSI modifications.....	-27	-27	-10	-10	-65	-65
600.....	14. Child nutrition programs: Reduce subsidy for non-needy.....	-146	-146	-304	-304		
	Revise eligibility for free meals.....	-149	-149				
	Revise eligibility for reduced-priced meals.....	-16	-16				
	Exclude certain private sponsors from summer food.....	-47	-47	-37	-37		
	WIC: Reduced entitlement level.....	-50	-50	-50	-50		
	Special milk: Limit to schools without other Federal meal program.....	-110	-110	-118	-118		
600.....	15. Social security: Various Presidential suggestions.....		-508				
	Social security: Disability reforms.....		-34		-62		-3,004
700.....	16. Veterans health: Third-party reimbursement.....	-170	-170	-165	-165	-1,514	-1,514
700.....	17. Other veterans health benefits.....	-97	-97	-97	-97	-506	-506
700.....	18. G.I. bill—flight training and correspondence.....	-59	-59	-59	-59	-218	-218
700.....	19. Burial benefits.....			-50	-50	-262	-262
850.....	20. General revenue sharing.....			-2,285	-2,285	-14,250	-14,250
Total.....		-1,938	-4,418	-4,251	-5,966	-29,416	-55,774

Source: First Concurrent Resolution on the Budget for Fiscal Year 1981. H. Rept. 96-95, P. 207.

FINAL RECONCILIATION ACTION, FISCAL YEAR 1983

[In millions of dollars]

Committee	Reconciliation directive in the budget resolution			Conference agreement			Reconciliation agreement over (+) / under (-) reconciliation directive			3-year savings achieved
	1983	1984	1985	1983	1984	1985	1983	1984	1985	
Agriculture:										
Budget authority.....	779	1,083	1,428	2,049	2,628	2,339	+ 1,270	+ 1,545	+ 911	7,016
Outlays	779	1,083	1,428	2,049	2,628	2,339	+ 1,270	+ 1,545	+ 911	7,016
Armed Services:										
Budget authority.....	213	693	1,231	(260)	(732)	(1,223)	(+ 47)	(+ 39)	(- 8)	(2,215)
Outlays	213	693	1,231	(260)	(732)	(1,223)	(+ 47)	(+ 39)	(- 8)	(2,215)

FINAL RECONCILIATION ACTION, FISCAL YEAR 1983—Continued

(In millions of dollars)

Committee	Reconciliation directive in the budget resolution			Conference agreement			Reconciliation agreement over (+)/under (–) reconciliation directive			3-year savings achieved
	1983	1984	1985	1983	1984	1985	1983	1984	1985	
Banking, Finance, and Urban Affairs:										
Budget authority.....										
Outlays.....	695	697	687	690	679	649	– 5	– 18	– 38	2,018
Energy and Commerce:										
Budget authority.....	514	741	815	206	364	502	– 308	– 377	– 313	^a 1,072
Outlays.....	675	739	811	275	364	502	– 400	– 375	– 309	1,141
Foreign Affairs:										
Budget authority.....		2	4	(.....)	(1)	(2)	(.....)	(– 1)	(– 2)	^a (3)
Outlays.....	2	8	15	(1)	(3)	(6)	(– 1)	(– 5)	(– 9)	(10)
Merchant Marine and Fisheries:										
Budget authority.....	4	15	27	(5)	(14)	(24)	(+ 1)	(– 1)	(– 3)	^a (43)
Outlays.....	4	15	27	(5)	(14)	(24)	(+ 2)	(– 1)	(– 3)	(43)
Post Office and Civil Service:										
Budget authority.....		240	534	282	861	1,482	+ 282	+ 621	+ 948	2,625
Outlays.....	376	1,061	1,808	462	1,469	2,207	+ 86	+ 408	+ 399	4,138
Veterans Affairs:										
Budget authority.....	77	155	155	169	189	196	+ 92	+ 34	+ 41	554
Outlays.....	77	155	155	168	189	196	+ 91	+ 34	+ 41	553
Ways and Means:										
Budget authority.....	593	705	928	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Outlays.....	3,755	4,827	5,168	^a 3,420	^a 5,594	^a 7,363	– 335	+ 767	+ 2,195	16,377
Total:										
Budget Authority.....	2,179	3,632	5,119	N/A	N/A	N/A				N/A
Outlays.....	6,573	9,268	11,312	7,064	10,923	13,256	+ 491	+ 1,655	+ 1,944	31,243
3-year reconciliation instructions.....										27,153

¹ These savings were achieved by the Post Office Committee action on COLA's and are also counted in the Post Office Committee total.² These savings were achieved by the Post Office Committee action on COLA's.³ In addition to this total is small COLA savings achieved by Post Office Committee action. Also added to the Energy and Commerce total will be a presently unidentified amount in Medicare savings which will more than meet their reconciliation directive.⁴ Deficit reduction.

Note.—Savings in H.R. 6955 and in Ways and Means bill are broken out as follows

APPENDIX B

U.S. HOUSE OF REPRESENTATIVES, COMMITTEE ON THE BUDGET, *Washington, DC, March 26, 1979.*

DEAR COLLEAGUE: You want to balance the budget—well let me tell you how it's done. The Budget contains over \$4 billion in legislative savings which has a cumulative five-year outlay impact of over \$50 billion. If current law is not changed to effect these reductions, over \$4 billion will be added to the deficit. Let me just give you a brief indication of just how important "legislative savings" are to the work of the Congress in holding the line on federal spending and getting the deficit down.

	<i>Billions</i>
President's proposed deficit in fiscal year 1980 budget	\$29.0
Proposed deficit with CBO's economic forecasts	35.6
Proposed deficit without President's legislative savings	41.0
Proposed deficit with President's and possible congressional legislative savings initiatives	35.6

The simple point: without legislative savings, there is no way this Congress can approach a target of \$29 billion deficit. There is no way we can move toward a balanced budget.

Because of this fact, the Budget Committee has set up a Task Force on Legislative Savings to track progress on this savings and work in the Congress to achieve them. As Chairman of that Task Force, I plan to issue regular updates on how the Congress is doing on "legislative savings." (See first newsletter attached).

Our Task Force will be reviewing the President's proposals, urging the members and Committees to develop their own proposals and keeping an eye on these developments through the House and Senate. Besides giving you regular updates on their status and how this affects the budget, we would like to encourage you to work with us in finding other possible reforms and in seeking the adoption of as many of these proposals as is possible.

In the proposed Administration Budget, the President has suggested some 16 areas that involve "legislative savings"—legislation that does not simply cut spending but provides for program revisions, reforms or eliminations that make more fundamental changes on priorities and provide long-term reductions in spending. The President's proposals, if enacted, would provide over \$4 billion in savings for fiscal year 1980 and more than \$50 billion in savings by fiscal year 1984.

Obviously, not all of the President's proposals will be enacted. But if they aren't, hopefully we in the Congress will develop our own "legislative savings" to provide as much or more in reductions. Without such proposals, it is clear the deficit will be higher. Without any new proposals, no individual spending increases, no further disasters or international crises, no worsening economic situation—the deficit could be somewhere near \$40 billion.

Only by looking at legislative savings proposals together, as a package, can we hope to achieve truly meaningful savings that can put us on the road to fiscal responsibility and long-term budgetary soundness. I and the Task Force look forward to working with you in this effort.

Sincerely yours,

LEON E. PANETTA,
Chairman, Legislative Savings Task Force.

BUDGET BULLETIN, MAR. 26, 1979—LEON PANETTA, CHAIRMAN, LEGISLATIVE SAVINGS
TASK FORCE, HOUSE BUDGET COMMITTEE

A legislative savings is a change in current law which mandates spending; unless the law is changed, the spending will occur.

The President's budget contains over \$4 billion in outlay savings for FY 1980 and other savings are possible through Congressional initiative. In most cases, *unless*

current law is changed this amount will be added directly to the deficit. These savings are a critical budget contingency for holding down the deficit and working toward a balanced budget. The hope is that Members will develop their own legislative proposals as well.

A list of the legislative savings in the President's budget follows:

Savings	1980 outlays (in millions of dollars)	Committee
Wage board reform.....	103	Post Office.
Eliminate vocational rehabilitation state grant indexing.....	72	Education and Labor.
Impact aid.....	200	Do.
Cap training amount for state grants.....	26	Ways and Means
Hospital cost containment.....	1,725	Ways and Means and Interstate.
Program improvements: Medicare and medicaid.....	395	Do.
Simplify and standardize AFDC.....	192	Ways and Means.
Food Stamp quality control.....	152	Agriculture.
Railroad retirement benefit and financing reform.....	65	Interstate.
SSI modifications.....	27	Ways and Means.
OASDI beneficiary reform.....	542	Do.
School lunch and child nutrition.....	518	Education and Labor.
Child support enforcement.....	75	Ways and means.
Elimination of flight training correspondence.....	59	Veterans.
Veterans hospital care.....	165	Do.
Other veterans health proposals.....	97	Do.
Total.....	4,413	

All of these savings take action by an authorizing committee to reduce current law spending and many of them are awaiting submission of an Executive proposal. *Next week's report will include the status of the Presidential submissions and the intentions of the authorizing committees as submitted in their March 15 reports to the Budget Committee.* Future bulletins will also highlight legislative savings by Members.

Cumulative five-year impact of these savings is approximately \$50 billion.

APPENDIX C

Examples of Reconciliation Instructions

H. CON. RES. 307, FISCAL YEAR 1981—HOUSE REPORTED

(e) the House Committee on Post Office and Civil Service and the Senate Committee on Governmental Affairs shall reduce spending for fiscal year 1981 in enacted laws, bills, and resolutions by \$3,639,000,000 in budget authority and \$4,204,000,000 in outlays and are instructed to report on or before June 15, 1980, their recommendations for changes in new budget authority for fiscal year 1981, budget authority initially provided for prior fiscal years, and new or existing spending authority contained in enacted laws, bills, and resolutions within the jurisdictions of those committees sufficient to accomplish the reduction required by this subsection.

S. CON. RES. 86, FISCAL YEAR 1981—SENATE REPORTED

SEC. 4. The Senate Committee on Governmental Affairs and the House Committee on Government Operations shall reduce spending for fiscal year 1981 in reported or enacted laws, bills, and resolutions by \$500,000,000 in outlays and are instructed to report promptly their recommendations for changes in new budget authority for fiscal year 1981, budget authority initially provided for fiscal years, and new spending authority which is to become effective during fiscal year 1981 contained in reported or enacted laws, bills, and resolutions within the jurisdictions of those committees sufficient to accomplish the reduction required by this section.

H. CON. RES. 307, FISCAL YEAR 1981—CONFERENCE AGREEMENT

(4) the House Committee on Post Office and Civil Service shall recommend (A) program reductions in laws within its jurisdiction to reduce spending by \$500,000,000 in budget authority and \$500,000,000 in outlays; and (B) changes in laws within its jurisdiction which provide spending authority described in section 401 (c)(2)(C) of the Budget Act to reduce spending for fiscal year 1981 by \$500,000,000 in budget authority and \$500,000,000 in outlays;

H. CON. RES. 115, FISCAL YEAR 1982—HOUSE REPORTED

(9) the House Committee on Post Office and Civil Service shall recommend program changes in laws within its jurisdiction to reduce spending for fiscal year 1982 by \$5,430,000,000 in budget authority and \$5,524,000,000 in outlays, to reduce spending for the fiscal year 1983 by \$7,869,000,000 in budget authority and \$8,026,000,000 in outlays, and to reduce spending for fiscal year 1984 by \$9,496,000,000 in budget authority and \$9,742,000,000 in outlays;

H. CON. RES. 115, FISCAL YEAR 1982—HOUSE PASSED

(11)(A) the House Committee on Post Office and Civil Service shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of Public Law 93-344 sufficient to reduce budget authority by \$000,000 and outlays by \$513,000,000 in fiscal year 1982; to reduce budget authority by \$000,000 and outlays by \$414,000,000 in fiscal year 1983; and to reduce budget authority by \$000,000 and outlays by \$357,000,000 in fiscal year 1984; and

(B) the House Committee on Post Office and Civil Service shall also report changes in laws within the jurisdiction of that committee sufficient to reduce appropriations for programs authorized by that committee so as to achieve savings in budget authority and outlays as follows: \$4,737,000,000 in budget authority and \$4,650,000,000 in outlays for fiscal year 1982; \$6,304,000,000 in budget authority and \$6,324,000,000 in outlays for fiscal year 1983; and \$7,390,000,000 in budget authority and \$7,371,000,000 in outlays for fiscal year 1984;

**S. CON. RES. 9 (REVISED H. CON. RES. 448), FISCAL YEARS 1981-83—
SENATE PASSED**

(24)(A) The House Committee on Post Office and Civil Service shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of Public Law 93-344, sufficient to reduce outlays by \$513,000,000 in fiscal year 1982 and to reduce outlays by \$414,000,000 in fiscal year 1983; and

(B) The House Committee on Post Office and Civil Service shall also report changes in laws to modify programs within the jurisdiction of that committee sufficient to reduce appropriations for programs authorized by that committee so as to achieve savings in budget authority and outlays as follows: \$4,737,000,000 in budget authority and \$4,650,000,000 in outlays for fiscal year 1982 and \$6,304,000,000 in budget authority and \$6,324,000,000 in outlays for fiscal year 1983.

S. CON. RES. 19, FISCAL YEAR 1982—SENATE PASSED

(24)(A) The House Committee on Post Office and Civil Service shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of Public Law 93-344, sufficient to reduce outlays by \$513,000,000 in fiscal year 1982; to reduce outlays by \$414,000,000 in fiscal year 1983; and to reduce outlays by \$357,000,000 in fiscal year 1984; and

(B) the House Committee on Post Office and Civil Service shall also report changes in laws within the jurisdiction of that committee sufficient to reduce appropriations for programs authorized by that committee so as to achieve savings in budget authority and outlays as follows: \$4,737,000,000 in budget authority and \$4,650,000,000 in outlays for fiscal year 1982; \$6,304,000,000 in budget authority and \$6,324,000,000 in outlays for fiscal year 1983;

and \$7,390,000,000 in budget authority and \$7,371,000,000 in outlays for fiscal year 1984.

H. CON. RES. 115, FISCAL YEAR 1982—CONFERENCE REPORT

(10)(A) the House Committee on Post Office and Civil Service shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of Public Law 93-344 sufficient to reduce budget authority by \$000,000 and outlays by \$513,000,000 in fiscal year 1982; to reduce budget authority by \$000,000 and outlays by \$414,000,000 in fiscal year 1983; and to reduce budget authority by \$000,000 and outlays by \$357,000,000 in fiscal year 1984; and

(B) the House Committee on Post Office and Civil Service shall also report changes in laws within the jurisdiction of that committee sufficient to reduce appropriations for programs authorized by that committee so as to achieve savings in budget authority and outlays as follows: \$4,737,000,000 in budget authority and \$4,650,000,000 in outlays for fiscal year 1982; \$6,304,000,000 in budget authority and \$6,324,000,000 in outlays for fiscal year 1983; and \$7,390,000,000 in budget authority and \$7,371,000,000 in outlays for fiscal year 1984;

H. CON. RES. 345, FISCAL YEAR 1983—HOUSE REPORTED

(H) the House Committee on Post Office and Civil Service shall report changes in law within the jurisdiction of that committee to reduce spending in amounts sufficient to reduce budget authority by \$000,000,000 and outlays by \$273,000,000 in fiscal year 1983; further, the Congress finds that the prospect of unacceptably high budget deficits in future fiscal years requires additional savings of \$242,000,000 in budget authority and \$925,000,000 in outlays in fiscal year 1984, and \$538,000,000 in budget authority and \$1,648,000,000 in outlays in fiscal year 1985.

H. CON. RES. 352, FISCAL YEAR 1983—HOUSE REPORTED

SEC. 301. Pursuant to section 301(b)(2) of the Budget Act—

The appropriate committees of the House and Senate (as indicated by the joint statement of managers accompanying the conference report on this resolution) shall report changes in laws within their respective jurisdictions sufficient to reduce budget authority and outlays in fiscal year 1983 in amounts consistent with reductions in entitlement programs assumed in this resolution; and to increase revenues in fiscal year 1983 in amounts consistent with the assumptions in this resolution.

S. CON. RES. 92, FISCAL YEAR 1983—SENATE REPORTED

(14) The House Committee on Post Office and Civil Service shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of Public Law 93-344, sufficient to reduce budget authority by \$2,000,000 and outlays by \$688,000,000 in fiscal year 1983; to reduce budget authority by \$638,000,000 and outlays by \$1,820,000,000 in

fiscal year 1984; and to reduce budget authority by \$1,015,000,000 and outlays by \$2,657,000,000 in fiscal year 1985.

H. CON. RES. 92, FISCAL YEAR 1983—CONFERENCE REPORT

(7) The House Committee on Post Office and Civil Service shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of Public Law 93-344, sufficient to reduce budget authority by \$0 and outlays by \$376,000,000 in fiscal year 1983; to reduce budget authority by \$242,000,000 and outlays by \$1,061,000,000 in fiscal year 1984; and to reduce budget authority by \$538,000,000 and outlays by \$1,808,000,000 in fiscal year 1985.

H. CON. RES. 91, FISCAL YEAR 1984—House Reported

(d) The House Committee on Post Office and Civil Service shall report changes in law within the jurisdiction of that committee to change spending in amounts sufficient to decrease budget authority by \$1,054,000,000 and outlays by \$1,347,000,000 in fiscal year 1984; further the Congress finds that to attain the policy of this resolution in future fiscal years requires decreases of \$1,633,000,000 in budget authority and \$2,068,000,000 in outlays in fiscal year 1985; and requires decreases of \$2,518,000,000 in budget authority and \$3,334,000,000 in outlays in fiscal year 1986.

S. CON. RES. 27, FISCAL YEAR 1984 (S. REPT. 98-63)—SENATE REPORTED

(i) The House Committee on Post Office and Civil Service shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of Public Law 93-344, sufficient to reduce budget authority by \$258,000,000 and outlays by \$534,000,000 in fiscal year 1984; to reduce budget authority by \$268,000,000 and outlays by \$834,000,000 in fiscal year 1985; and to reduce budget authority by \$636,000,000 and outlays by \$1,486,000,000 in fiscal year 1986.

H. CON. RES. 91, FISCAL YEAR 1984—CONFERENCE REPORT

(i) The House Committee on Post Office and Civil Service shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by \$1,619,000,000 and outlays by \$1,900,000,000 in fiscal year 1984; to reduce budget authority by \$2,332,000,000 and outlays by \$2,841,000,000 in fiscal year 1985; and to reduce budget authority by \$3,235,000,000 and outlays by \$4,144,000,000 in fiscal year 1986.

H. CON. RES. 280, FISCAL YEAR 1985—HOUSE REPORTED

(f) The House Committee on Post Office and Civil Service shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce outlays by \$550,000,000 in fiscal year 1985; further the Congress finds

that to attain the policy of this reduction in future years requires decreases of outlays by \$1,300,000,000 in fiscal year 1986; and requires decreases of outlays by \$1,800,000,000 in fiscal year 1987.

APPENDIX D

Reconciliation Conferences

96th Congress, 2d Session—1980

H.R. 7765—OMNIBUS RECONCILIATION ACT, 1980

House Conferees:

Messrs. Giaimo, Ashley, Brodhead, Panetta, Latta, and Frenzel.
(For consideration of the entire bill.)

Solely for consideration of Title II of the Senate amendment:

Messrs. Price, Nichols, Mollohan, Aspin, Wilson, of California, and Mitchell of New York.

Solely for consideration of Title II, Subtitle A of the bill and Title I of the Senate amendment:

Messrs. Perkins, Ford of Michigan, Andrews of North Carolina, Miller of California, Ashbrook, and Goodling.

Solely for consideration of Title II, Subtitle B of the bill and Title VII of the Senate amendment:

Messrs. Perkins, Beard of Rhode Island, Phillip Burton, Miller of California, Ashbrook, and Erlenborn.

Solely for consideration of Title II, Subtitle C of the bill and Title VII of the Senate amendment:

Messrs. Perkins, Ford of Michigan, Brademas, Biaggi, Ashbrook, and Buchanan.

Solely for consideration of Title III, Subtitle A and Title VIII, Subtitle A of the bill and Title V, Pt. F of the Senate amendment:

Messrs. Staggers, Waxman, Satterfield, Preyer, Broyhill, and Carter.

Solely for consideration of Title III, Subtitles B and C of the bill and Title III, Sec. 303 of the Senate amendment:

Messrs. Staggers, Santini, Florio, Ms. Mikulski, Messrs. Broyhill, and Madigan.

Solely for consideration of Title IV of the bill and Title VI of the Senate amendment:

Messrs. Hanley, Ford of Michigan, Clay, Mrs. Spellman, Messrs. Derwinski, and Taylor.

Solely for consideration of Title V, Subtitles A and B of the bill and Title III, Secs. 301, 302 and 304 and Title IV, Sec. 401 of the Senate amendment:

Messrs. Johnson of California, Anderson of California, Howard, Roberts, Shuster, and Snyder.

Solely for consideration of Title VII of the bill and Title VIII of the Senate amendment:

Messrs. Roberts, Satterfield, Montgomery, Hefner, Hammer-schmidt, and Mrs. Heckler.

Solely for consideration of Title III, Subtitles A and B; Title VIII, Subtitles A, B, C and D and Title IX of the bill; and Title V, Pts. A, B, C, D, E, F and G and Title IX of the Senate amendment:

Messrs. Ullman, Rostenkowski, Vanik, Corman, Gibbons, Pickle, Rangel, Cotter, Conable, Duncan of Tennessee, Archer, and Vander Jagt.

Senate Conferees:

Messrs. Hollings, Moynihan, Exon, Bellmon, and Domenici from the Committee on the Budget;

Messrs. Talmadge, McGovern, Huddleston, Helms, and Hayakawa from the Committee on Agriculture, Nutrition, and Forestry, solely for the consideration of matters within the jurisdiction of that committee;

Messrs. Nunn, Byrd of Virginia, and Jepsen from the Committee on Armed Services, solely for the consideration of matters within the jurisdiction of that committee;

Messrs. Cannon, Exon, Packwood, and Mrs. Kassebaum from the Committee on Commerce, Science and Transportation, solely for the consideration of matters within the jurisdiction of that committee;

Messrs. Randolph, Bentsen, Burdick, Stafford, and Pressler from the Committee on Environment and Public Works, solely for the consideration of matters within the jurisdiction of that committee;

Messrs. Long, Talmadge, Boren, Dole, and Roth from the Committee on Finance, solely for the consideration of matters within the jurisdiction of that committee;

Messrs. Ribicoff, Glenn, Pryor, Percy, and Stevens from the Committee on Governmental Affairs, solely for the consideration of matters within the jurisdiction of the committee;

Messrs. Williams, Randolph, Pell, Schweiker, and Stafford from the Committee on Labor and Human Resources, solely for the consideration of matters within the jurisdiction of that committee; and

Messrs. Cranston, Talmadge, and Simpson from the Committee on Veterans' Affairs, solely for the consideration of matters within the jurisdiction of that committee.

97th Congress, 1st Session—1981

H.R. 3982—RECONCILIATION ACT OF 1981, OMNIBUS

Senate Conferees:

Messrs. Domenici, Armstrong, Mrs. Kassebaum, Messrs. Boschwitz, Hollings, Chiles, and Biden.

Title I (Agriculture, Nutrition and Forestry Committee): Messrs. Helms, Hayakawa, Lugar, Cochran, Huddleston, Leahy, and Zorinsky.

Title II (Armed Services Committee): Messrs. Tower, Humphrey, Jepsen, Exon, and Levin.

Title III (Banking, House and Urban Affairs Committee): Messrs. Garn, Heinz, Lugar, Proxmire, and Riegle.

Title IV (Commerce, Science, and Transportation Committee): Messrs. Packwood, Goldwater, Schmitt, Cannon, and Inouye.

Title V (Energy and Natural Resources Committee): Messrs. McClure, Hatfield, Wallop, Jackson, and Johnston.

Title VI (Environment and Public Works Committee): Messrs. Abdnor, Stafford, Chafee, Symms, Randolph, Moynihan, and Mitchell.

Title VII (Finance Committee): Messrs. Dole, Danforth, Chafee, Long, and Harry F. Byrd, Jr.

Title VIII (Foreign Relations Committee): Messrs. Percy, Mathias, Mrs. Kassebaum, Messrs. Pell and Biden.

Title IX (Governmental Affairs Committee): Messrs. Roth, Stevens, Mathias, Eagleton, and Pryor.

Title X (Judiciary Committee): Messrs. Thurmond, Mathias, Laxalt, Biden, and DeConcini.

Title XI (Labor and Human Resources Committee): Messrs. Hatch, Stafford, Quayle, Nickles, Denton, Mrs. Hawkins, Messrs. Kennedy, Randolph, Pell, Eagleton, and Metzenbaum.

Title XII (Small Business Committee): Messrs. Weicker, Boschwitz, Hayakawa, Nunn, and Bumpers.

Title XIII (Veterans' Affairs Committee): Messrs. Simpson, Kasten, Murkowski, Cranston, and Randolph, except: Mr Matsunaga in lieu of Mr. Randolph strictly for consideration of class II dental benefits, (Sec. 1302 in the Senate amendment and Sec. 14003 of H.R. 3982.)

Title XIV (Select Committee on Indian Affairs): Messrs. Cohen, Andrews, Gorton, Melcher, and Inouye.

Budget Committee for considerations of the entire bill and Senate amendment: Messrs. Jones of Oklahoma, Mineta, Solarz, Panetta, Gephardt, Aspin, Latta, Regula, Shuster, and Ms. Fiedler.

Committee on Agriculture, solely for the consideration of—Title I, Sec. 7001(12), Sec. 7002(10), Sec. 7003(9), Sec. 8002, Sec. 5112, Sec. 8007, Sec. 15452 of the House bill, and Title I (except Pt. G), Title V, Subtitle B, Sec. 1117(e), Title VI, Subtitle B, Pt. B of the Senate amendment:

Messrs. de la Garza, Foley, Jones of Tennessee, and Brown of California (on all matters except as listed below).

Messrs. Bowen, Richmond, and Rose (in lieu of Mr. Brown of California on secs. 1027 and 1029 of the House bill, and sec. 112 of the Senate amendment (tobacco inspection and related services)).

Mr. Weaver (in lieu of Mr. Brown of California on secs. 1015 and 8002 of the House bill and secs. 511 through 513 and 516 through 518 of the Senate amendment (forestry and energy)).

Mr. Harkin (in lieu of Mr. Brown of California on sec. 1021 of the House bill (dairy)) and in lieu of Mr. Bowen on secs. 1001-1014, 15452 of the House bill, and secs. 151-169 of the Senate amendment:

Messrs. Wampler, Findley (on all matters except as listed below), Jeffords (on all matters except as listed below), Hagedorn (on all matters except as listed below), Thomas (in lieu of Mr. Findley on secs. 1015, 7001 through 7003 of the House bill and secs. 131 through 133 of the Senate amendment P.L. 480), and in lieu of Mr. Jeffords on secs. 1023 through 1026 and 1029 of the House bill, and

sec. 111 of the Senate amendment (cotton classing and related services)).

Mr. Hopkins (in lieu of Mr. Jeffords on secs. 1027 and 1029 of the House bill and sec. 112 of the Senate amendment (tobacco inspection and related services)).

Mr. Coleman (in lieu of Mr. Hagedorn on secs. 1001 through 1014 and sec. 15452 of the House bill and secs. 151 through 169 of the Senate amendment (food stamps)).

Mr. Marlenee (in lieu of Mr. Hagedorn on secs. 1015 and 8002 of the House bill and secs. 1015 and 8002 of the House bill and secs. 511 through 513 and 516 through 519 of the Senate amendment (forestry and energy)).

Committee on Armed Services, solely for the consideration of—Title II, of the House bill, and Title II, of the Senate amendment: Messrs. Price, Bennett, Stratton, White, Nichols, Brinkley, Dickinson, Whitehurst, Spence, and Mitchell of New York.

Committee on Banking, Finance and Urban Affairs, solely for the consideration of—Title III, Title VI, Subtitle B, of the House bill, and Title III, (except Pt. B), Title V, Subtitle E, of the Senate amendment: Messrs. St Germain, Reuss, Gonzalez, Minish, Annunzio, Mitchell, Stanton, Wylie, McKinney, and Evans of Delaware.

Committee on the District of Columbia, solely for the consideration of—Title IV, of the House bill, and sec. 904, of the Senate amendment: Messrs. Dellums, Fauntroy, Mazzoli, Leland, Gray, Dymally, McKinney, Parris, Bliley, and Mrs. Holt.

Committee on Education and Labor, solely for consideration of—Title V, Title XV, Subtitle C, ch. 5, Title XV, Subtitle C, ch. 4, Title XV, Subtitle E, secs. 15427, 15428, and 15429 of the House bill, and Title I, Pt. G, Title VII, Pt. I, sec. 1002, Title XI, Pts. B and C (except for sec. 1117(e)), Title XI, Pt. D (except for sec. 1137), sec. 1104-5(a)(2), Title XI, Pt. F (except for sec. 1163), Title XI, Pt. G, secs. 757, 758, and 759, Subsecs. 1101-8(16) through 1101-8(19) of the Senate amendment: The following groups of conferees, each group to confer only on the provisions indicated, to the extent consistent with the overall designation indicated above:

A. Elementary, Secondary, Vocational, Refugee Education and Consolidation of Programs—Messrs. Perkins, Ford, Andrews, Miller of California, Corrada, Kildee, Ashbrook, Goodling, Erlernborn, and Jeffords.

B. Federal Employees' Compensation—Messrs. Perkins, Philip Burton, Miller of California, Murphy, Williams of Montana, Ratchford, Ashbrook, Erlernborn, Mrs. Fenwick, and Mr. Johnston.

C. Comprehensive Employment and Training Act, Poverty and Older Americans, Vocational Rehabilitation and Handicapped—Messrs. Perkins, Hawkins, Clay, Biaggi, Andrews, Murphy, Ashbrook, Jeffords, Erdahl, and Petri.

D. Higher Education, Libraries, Museums, and Arts and Humanities—Messrs. Perkins, Ford, Simon, Weiss, Peyser, Eckart, Ashbrook, Coleman, Erlernborn, and DeNardis.

E. Child Nutrition—Messrs. Perkins, Ford, Andrews, Miller of California, Corrada, Kildee, Ashbrook, Goodling, Jeffords, and Craig.

F. Juvenile Delinquency—Messrs. Perkins, Andrews, Corrada, Kildee, Williams of Montana, Washington, Ashbrook, Petri, Coleman, and Bailey of Missouri.

G. Black Lung Clinics, Occupational Safety and Health Act, Mine Safety and Health Act—Messrs. Perkins, Burton, Gaydos, Miller of California, Murphy, Kogovsek, Ashbrook, Erlenborn, Kramer, and Mrs. Fenwick.

H. Social Services Block Grants—Messrs. Perkins, Andrews, Biaggi, Murphy, Corrada, Williams of Montana, Ashbrook, Petri, Erlenborn, and Erdahl.

I. Energy Assistance to Low Income Families and WIN—Messrs. Perkins, Hawkins, Clay, Andrews, Corrada, Williams of Montana, Ashbrook, Jeffords, Petri, and Mrs. Roukema.

Committee on Energy and Commerce, solely for consideration of—Subsec. 3110(d), Title VI, Title V, Subtitle C, ch. 1, subch. A and subch. D, Title XV, Subtitle C, chs. 4 and 5, sec. 8004, 8005, 8009, and 8010, sec. 10003, secs. 15600, 15602, 15614, 15615, 15616, 15622, 15623, 15624, 15631, 15651, 15643, 15644, 15645, 15647, 15632, 15633, 15634, 15636, 15641, 15642, 15648, 15649 of the House bill, and Title XI, Part D, subpts. 2 and 3, Title XI, Part E, Title IV, pts. A, B, and E, secs. 421, 422, 423, and 427, Title V, Subtitle D, pt. 3, Title VII, pts. C, D, and I, sec. 1163, Title IX, pt. A (except sec. 1104-5(a)(2) and sec. 1101-12), Title V, Subtitle G, sec. 622, secs. 711, 712, 714, 715, 716, 718, 719, 720, 720A-720H, 729, Title V, Subtitle B, pt. 2, such portions of Title V, Subtitle D, pts. 1 and 2, as fall within the jurisdiction of the Committee on Energy and Commerce, of the Senate amendment: Messrs. Dingell, Ottinger, Waxman, Wirth, Sharp, Florio, Scheuer, Moffett, Broyhill, Brown of Ohio, Collins of Texas, Lent, Madigan, and Moorhead.

Committee on Foreign Affairs, solely for the consideration of—That portion of sec. 1015 entitled "International Programs" page 12 lines 32 through 41 and Title VII of the House bill, and Title VIII, Title I pt. D of the Senate amendment: Messrs. Zablocki, Fountain, Fascell, Rosenthal, Hamilton, Bingham, Broomfield, Derwinski, Findley, and Winn.

Committee on Government Operations, solely for the consideration of—Title XVI of the House bill, and secs. 905 and 906 of the Senate amendment: Messrs. Brooks, Fountain, Fascell, Rosenthal, Fuqua, Conyers, Horton, Erlenborn, Brown of Ohio, and McCloskey.

Committee on Interior and Insular Affairs, solely for consideration of—Title VIII, sec. 6101 of the House bill, and Title V, Subtitle A, Title V, Subtitle B, pt. 1, Title V, Subtitle C, Title V, Subtitles F and H, such portions Title V, subtitle D, pts. 1 and 2 as fall within the jurisdiction of the Committee on Interior and Insular Affairs of the Senate amendment: Messrs. Udall, Phillip Burton, Kastenmeier, Kazen, Bingham, Seiberling, Lujan, Young of Alaska, Lagomarsino, and Marriott.

Committee on Judiciary, solely for consideration of—Secs. 13016 and 13017 of the House bill, and Title X, (except sec. 1002) Sec. 1137 of the Senate amendment: Messrs. Rodino, Kastenmeier, Edwards of California, Seiberling, Danielson, Mazzoli, McClory, Railsback, Fish, and Butler.

Committee on Merchant Marine and Fisheries, solely for consideration of Title XI, subtitle B, Ch. 4, Title IX, and the portions of sec. 6531 on page 349, lines 25 through 37 and on page 350, lines 26 through 31 of the House engrossed bill, of the House bill, and secs. 426 and 1101-4 of the Senate amendment: Messrs. Jones of North Carolina, Biaggi, Breaux, D'Amours, Hubbard, Studts, Snyder, McCloskey, Forsythe, and Pritchard.

Committee on Post Office and Civil Service, solely for consideration of—Title X, sec. 5397, sec. 15651 of House bill, and secs. 901-903 of the Senate amendment: Mr. Ford of Michigan, Mrs. Schroeder, Ms. Ferraro, Ms. Oakar, Messrs. Clay, Leland, Derwinski, Taylor, Gilman, and Corcoran.

Committee on Public Works and Transportation, solely for consideration of—Sec. 8003, sec. 8007, Title IX, Subtitle C, Title XI, the portions of sec. 6531 of page 349, lines 26 through 37 and on page 350, lines 9 through 11 and lines 16 and 17 of the House Engrossed bill, and Title V, Subtitle C, Title III, pt. B, Title VI, Subtitles A, B, C, D, E, and F, secs. 424, 425, 427, and 431-437 of the Senate amendment: Messrs. Howard, Anderson, Roe, Levitas, Oberstar, Fary, Clausen, Snyder, Hammerschmidt, and Hagedorn.

Committee on Science and Technology, solely for consideration of—Title XII, sec. 6101, the proviso in sec. 8004, lines 2 through 24 on page 381 of the House Engrossed bill and such portions of Title V, Subtitle D, pts. 1 and 2 as fall within the jurisdiction of the Committee on Science and Technology of the Senate amendment: Messrs. Fuqua, Roe, Scheuer, Harkin, Mrs. Bouquard, Messrs. Glickman, Winn, Goldwater, Fish, Lujan, and Dymally.

Solely for consideration of secs. 1101-12 of the Senate amendment: Messrs. Fuqua, Walgren, Brown of California, Shamansky, Lundine, Winn, Mrs. Heckler, Messrs. Weber of Minnesota, and Gregg.

Committee on Small Business, solely for consideration of—Title XIII, of the House bill, and Title XII, of the Senate amendment: Messrs. Mitchell of Maryland, Smith of Iowa, Addabbo, Gonzalez, LaFalce, Bedell, McDade, Broomfield, Marriott, and Williams of Ohio.

Committee on Veterans' Affairs, solely for consideration of Title XIV, of the House bill, and Title XIII, of the Senate amendment: Messrs. Montgomery, Edwards of California, Mottl, Edgar, Sam B. Hall, Jr., Leath, Hammerschmidt, Mrs. Heckler, Messrs. Wylie, and Sawyer.

Committee on Ways and Means, solely for consideration of—Title XV, Title V, Subtitle C, Ch. 1, subch. A, Title V, Subtitle C, ch. 1, subch. D, sec. 10003 of page 143. Title VI, Subtitle D, ch. 11, subchs. B and C, sec. 6212 of the House bill, and Title VII, Pts. A, B, E, F, G, H, I and J. Title XI, Part D, subpts. 2 and 3 of the Senate amendment: Messrs. Rostenkowki, Gibbons, Pickle, Rangel, Stark, Jacobs, Ford of Tennessee, Conable, Duncan, Archer, and Vander Jagt.

97th Congress, 2d Session—1981

H.R. 6955—OMNIBUS BUDGET RECONCILIATION ACT, 1983

Senate Conferees:

Messrs. Domenici, Armstrong, Mrs. Kassebaum, Messrs. Boschwitz, Tower, Hollings, Chiles, Johnston, and Exon.
 Committee on Agriculture, Nutrition, and Forestry (for title I):
 Messrs. Helms, Dole, Hayakawa, Lugar, Cochran, Huddleston, Leahy, Melcher, and Zorinsky.
 Committee on Banking, Housing, and Urban Affairs (for title III):
 Messrs. Garn, Tower, Lugar, Riegle, and Proxmire.
 Committee on Commerce, Science, and Transportation (for secs. 402 and 403 of title IV):
 Messrs. Packwood, Goldwater, Stevens, Cannon, and Ford.
 Committee on Governmental Affairs (for title VI):
 Messrs. Roth, Stevens, Mattingly, Eagleton, and Pryor.
 Committee on Veterans' Affairs (for title VII):
 Messrs. Simpson, Thurmond, Stafford, Cranston, and Randolph.

House Conferees:

Committee on the Budget, for consideration of the entire House bill and Senate amendment:

Messrs. Jones of Oklahoma, Panetta, Gephardt, Latta, and Frenzel.

And as additional conferees from the Committee on the Budget, solely for consideration of Title I of the House bill and Title I of the Senate amendment:

Messrs. Aspin, Donnelly, and Mrs. Martin of Illinois.

Committee on Agriculture, solely for consideration of Title I of the House bill and Title I of the Senate amendment:

Messrs. de la Garza, Foley, Bowen, Richmond, Harkin, Wampler, Findley (on all matters except as listed below), and Hagedorn (on all matters except as listed below).

Mr. Coleman (in lieu of Mr. Hagedorn) on secs. 160-186 of the House bill and secs. 101-150 of the Senate amendment (food stamps).

Mr. Thomas (in lieu of Mr. Findley) on secs. 101-130 of the House bill and sec. 151 of the Senate amendment (dairy).

Committee on Foreign Affairs, solely for consideration of sec. 130 of the House bill and that portion of sec. 101 of the House bill which adds subparagraphs 201(d)(8)(D)(iii)-(v) to the Agricultural Act of 1949, as amended by the Agriculture and Food Act of 1981, and sec. 154 of the Senate amendment:

Messrs. Zablocki, Hamilton, Bingham, Broomfield, and Lagomarsino.

Committee on Banking, Finance, and Urban Affairs, solely for consideration of Title II of the House bill and Title III of the Senate amendment:

Messrs. St Germain, Gonzalez, Annunzio, Stanton, and Wylie.

Committee on Energy and Commerce, solely for consideration of secs. 402 and 403 of the Senate amendment:

Messrs. Dingell, Wirth, Florio, Broyhill, and Lent.

Committee on Public Works and Transportation, solely for consideration of sec. 403 of the Senate amendment:

Messrs. Anderson, Rahall, Edgar, Clausen, and Shuster.

Committee on Post Office and Civil Service, solely for consideration of Title III of the House bill and secs. 601-604 and 606-610 of the Senate Amendment:

Messrs. Ford of Michigan, Udall, Clay, Derwinski and Taylor.

Committee on Government Operations, solely for consideration of secs. 605 and 611 of the Senate amendment:

Messrs. Brooks, John Burton, Evans of Indiana, Horton, and Walker.

Committee on Veterans' Affairs, solely for consideration of Title IV of the House bill and secs. 701-706 and 708 of the Senate amendment:

Messrs. Montgomery, Applegate, Leath, Hammerschmidt, and Wylie.

98th Congress, 2d Session—1984

H.R. 4170—TAX REFORM ACT

Senate Conferees:

From the Committee on Appropriations, to consider those matters dealing with appropriations: Messrs. Hatfield, Stevens, Weicker, Stennis, and Byrd; from the Committee on Finance, to consider those matters within that committee's jurisdiction: Messrs. Dole, Packwood, Roth, Danforth, Chafee, Long, Bentsen, Matsunaga, and Baucus; from the Committee on the Budget, to be general conferees: Messrs. Domenici, Armstrong, Mrs. Kassebaum. Messrs. Boschwitz, Tower, Chiles, Hollings, Sasser, and Johnston.

House Conferees:

From the Committee on Ways and Means, solely for consideration of Titles I through VIII, sec. 1002, and Title XI of the Senate amendment, and Division A of the House amendment to the Senate amendment: Messrs. Rostenkowski, Gibbons, Pickle, Rangel, Stark, Conable, Duncan, and Archer.

From the Committee on Ways and Means, solely for consideration of Title IX (except for secs. 921 through 926, 943, 944, 952, and 958) and sec. 1611 of the Senate amendment, and pt. A of Title III and Title VI of Division B of the House amendment to the Senate amendment: Messrs. Rostenkowski, Jacobs, Rangel, Russo, Ford of Tennessee, Stark, Pease, Conable, Duncan, Moore, and Campbell.

From the Committee on the Budget, solely for consideration of Title IX, sec. 1001, and Titles XII through XVI of the Senate amendment, and Division B of the House amendment to the Senate amendment: Messrs. Jones of Oklahoma, Panetta, Gephardt, Nelson, Donnelly, Derrick, Williams of Montana, Latta, Shuster, Frenzel, and Loeffler.

From the Committee on Appropriations, solely for consideration of Title XIV and sec. 1606 of the Senate amendment: Messrs. Whitten, Boland, Natcher, Smith of Iowa, Conte, and McDade.

From the Committee on Armed Services, solely for consideration of such portions of sec. 1201 of the Senate amendment, and such portions of sec. 201 of Division B of the House amendment to the Senate amendment, as relate to cost-of-living adjustments for military retirees, and Title XV of the Senate amendment: Messrs. Price, Nichols, Aspin, Dickinson, and Hillis.

From the Committee on Banking, Finance and Urban Affairs, solely for consideration of secs. 1301 through 1314 of the Senate amendment: Messrs. St Germain, Annunzio, Hubbard, Barnard, Ms. Oakar, Messrs. Wylie and McKinney.

From the Committee on Energy and Commerce, solely for consideration of Title IX (except for secs. 905, 909, 917, 919, 951, 955, 956, 957, subsecs. (a), (b), and (c) of secs. 965, 966, 971 through 976, 981 through 985, and 992 through 997) and sec. 1611 of the Senate amendment, and Title III (except for secs. 308, 339, 340, and 342) and secs. 650 and 661 of Division B of the House amendment to the Senate amendment: Messrs. Dingell, Waxman, Scheuer, Luken, Walgren, Ms. Mikulski, Messrs. Broyhill, Madigan, and Danne-meyer.

From the Committee on Government Operations, solely for consideration of Title XV and secs. 1603, 1605, 1609, and 1610(b) of the Senate amendment: Messrs. Brooks, Fuqua, Mrs. Collins, Messrs. English, Levitas, Horton, Erlenborn, and Clinger.

From the Committee on the Judiciary, solely for consideration of sec. 1604 of the Senate amendment: Messrs. Rodino, Brooks, and Fish.

From the Committee on Post Office and Civil Service, solely for consideration of Title XII and secs. 1604 and 1607 of the Senate amendment, and Title II of Division B of the House amendment to the Senate amendment: Messrs. Ford of Michigan, Clay, Mrs. Schroeder, Messrs. Garcia, Leland, Albosta, Ms. Oakar, Messrs. Taylor, Gilman, Corcoran, and Courter.

From the Committee on Rules, solely for consideration of Title XIV (except for subsec. 1401(f) of the Senate amendment: Messrs. Pepper, Long, Beilenson, Frost, Quillen, and Lott.

From the Committee on Small Business, solely for consideration of Title IV of Division B of the House amendment to the Senate amendment: Messrs. Mitchell, Smith of Iowa, Addabbo, McDade, and Conte.

From the Committee on Veterans' Affairs, solely for consideration of Title V of Division B of the House amendment to the Senate amendment: Messrs. Montgomery, Edwards of California, Edgar, Applegate, Leath, Shelby, Hammerschmidt, Wylie, and Hillis.

House disagreed to Senate amendment to the title of the bill May 24, 1984. House insisted on its disagreement to Senate amendment to the title of the bill May 24, 1984.

Senate Conferees:

From the Committee on Appropriations, to consider those matters dealing with appropriations: Messrs. Hatfield, Stevens, Weicker, Stennis, and Byrd.

From the Committee on Finance, to consider those matters within that committee's jurisdiction: Messrs. Dole, Packwood, Roth, Danforth, Chafee, Long, Bentsen, Matsunaga, and Baucus.

From the Committee on the Budget, to be general conferees: Messrs. Domenici, Armstrong, Mrs. Kassebaum, Messrs. Boschwitz, Tower, Chiles, Hollings, Johnston, and Sasser.

From the Committee on Banking, Housing, and Urban Affairs, to consider those matters within that committee's jurisdiction: Messrs. Garn, Tower, and Proxmire.

From the Committee on Governmental Affairs, to consider those matters within the committee's jurisdiction and in addition, from the Committee on Armed Services to consider only those sections dealing with competition in contracting: Messrs. Roth, Stevens, Mathias, Cohen, Quayle, Eagleton, Bingaman, and Levin.

From the Committee on Veterans' Affairs, solely for the consideration of Title V of Division B of the House amendment to the Senate amendments: Messrs. Thurmond, Simpson, and Cranston.

As additional conferees, solely for consideration of Title IV of Division B of the House amendment to the Senate amendments: Messrs. Weicker, Gorton, and Bumpers.

As additional conferees from the Committee on Governmental Affairs, for subconference 6, concerning Civil Service issues: Messrs. Eagleton, Chiles, and Bingaman; and for subconferences 7 and 11 concerning Titles XV and XVI: Messrs. Eagleton, Chiles, and Levin.