

§ 257(d) (d) UP-TO-DATE CONCEPTS. — In deriving the baseline for any budget year¹⁶⁷⁷ or outyear,¹⁶⁷⁸ current-year¹⁶⁷⁹ amounts shall be calculated using the concepts and definitions that are required for that budget year.

§ 257(e) (e)¹⁶⁸⁰ The sale of an asset¹⁶⁸¹ or prepayment of a loan¹⁶⁸² shall not alter the deficit¹⁶⁸³ or produce any net deficit reduction in the budget baseline, except that the budget baseline estimate shall include asset sales mandated by law before September 18, 1987, and routine, ongoing asset sales and loan prepayments at levels consistent with agency operations in fiscal year 1986;¹⁶⁸⁴

¹⁶⁷⁷ Section 250(c)(12) defines "budget year." See *supra* p. 446.

¹⁶⁷⁸ Section 250(c)(14) defines "outyear." See *supra* p. 446.

¹⁶⁷⁹ Section 250(c)(13) defines "current year." See *supra* p. 446.

¹⁶⁸⁰ Section 13101(e)(2) of the Budget Enforcement Act transferred subsection (e) to where it is now from section 251(a)(6)(I) of Gramm-Rudman-Hollings (as it existed before enactment of the Budget Enforcement Act), struck the introductory clause ("assuming, for purposes of this paragraph and subparagraph (A)(i) of paragraph (3), that"), and capitalized the first word. See *infra* p. 705. For the complete text of section 251(a)(6) of Gramm-Rudman-Hollings as it existed before enactment of the Budget Enforcement Act, see *supra* note 1684.

¹⁶⁸¹ Section 250(c)(21) defines "the sale of an asset." See *supra* p. 448.

¹⁶⁸² Section 250(c)(21) defines "prepayment of a loan." See *supra* p. 448.

¹⁶⁸³ Section 250(c)(1) (see *supra* p. 440) defines "deficit" by adopting the definition of section 3(6) of the Congressional Budget Act. See *supra* p. 16.

¹⁶⁸⁴ This is so in the original. When section 13101(e)(2) of the Budget Enforcement Act transferred subsection (e) to where it is now from section 251(a)(6)(I) of Gramm-Rudman-Hollings, it neglected to change the final semicolon to a period. See *infra* p. 705.

Section 8 of the fiscal year 1994 budget resolution applies the same rule to estimates made under the Congressional Budget Act:

SEC. 8. SALE OF GOVERNMENT ASSETS.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that —
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¹⁰⁰⁰(...continued)

(1) from time to time the United States Government should sell assets; and

(2) the amounts realized from such asset sales will not recur on an annual basis and do not reduce the demand for credit.

(v) **BUDGETARY TREATMENT.** — For purposes of points of order under this concurrent resolution and the Congressional Budget and Impoundment Control Act of 1974, the amounts realized from sales of assets (other than loan assets) shall not be scored with respect to the level of budget authority, outlays, or revenues.

(c) **DEFINITIONS.** — For purposes of this section —

(1) the term "sale of an asset" shall have the same meaning as under section 250(c)(21) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by the Budget Enforcement Act of 1990); and

(2) the term shall not include asset sales mandated by law before September 18, 1987, and routine, ongoing asset sales at levels consistent with agency operations in fiscal year 1986.

Concurrent Resolution Setting Forth the Congressional Budget for the United States Government for the Fiscal Years 1994, 1995, 1996, 1997, and 1998, H. Con. Res. 64, 103d Cong., 1st Sess., § 8, 139 CONG. REC. H1747, H1751 (daily ed. Mar. 31, 1993) (adopted). For similar provisions in prior budget resolutions, see Concurrent Resolution on the Budget — Fiscal Year 1992, H. Con. Res. 121, 102d Cong., 1st Sess., § 7, 105 Stat. 2414, 2429 (1991); Concurrent Resolution on the Budget — Fiscal Year 1991, H. Con. Res. 310, 101st Cong., 2d Sess., § 5, 104 Stat. 5163, 5180 (1990); Concurrent Resolution on the Budget — Fiscal Year 1990, H. Con. Res. 106, 101st Cong., 1st Sess., § 6, 103 Stat. 2540, 2552 (1989); Concurrent Resolution on the Budget — Fiscal Year 1989, H. Con. Res. 268, 100th Cong., 2d Sess., § 4, 102 Stat. 4875, 4883-84 (1988); Concurrent Resolution on the Budget — Fiscal Year 1988, H. Con. Res. 93, 100th Cong., 1st Sess., § 7, 101 Stat. 1986, 2001 (1987).

The Senate Budget Committee report on the fiscal year 1994 budget resolution explains the language:

This section should prevent the use for spending of the proceeds from asset sales. It does this by prohibiting the counting of asset sales for all purposes of the Congressional Budget Act. This provision is consistent with section 257(e) of Gramm-Rudman-Hollings (2 U.S.C. § 907(e) (Supp. III 1991)), which prohibits the counting of asset sales for the purposes of determining whether that Act calls for across-the-board cuts. This section does not preclude asset sales, nor does it determine whether an action consti-

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¹⁰⁰⁴(...continued)

tutes an asset sale. It adopts the definition of that term that exists in current law. (See Gramm-Rudman-Hollings §§ 250(c)(21) & 257(e); 2 U.S.C. §§ 900(c)(21) & 907(e) (Supp. III 1991).)

The provision in this year's resolution differs from prior years in that it extends the prohibition of counting asset sales to all sections of the Congressional Budget Act, as well as to the points of order created by this resolution. The Committee thus intends the rule on asset sales to be uniform for the consideration of all legislation.

This section does not preclude asset sales or loan prepayments; it merely precludes counting such transactions to the benefit of any committee. As this section, if adopted by the Senate and the House, would be a rule of the Senate and the House, respectively, it would supersede any previously adopted scorekeeping rules of the Senate or the House (for example, the Congressional Budget Act definition of "outlays") to the extent that they were inconsistent.

This section is written as a permanent change. Congress may by concurrent resolution supersede the Congressional Budget Act for the purposes of its application to the Congress.

S. REP. NO. 103-19, 103d Cong., 1st Sess. 54-55 (1993).

Section 13101(e) of the Budget Enforcement Act amended section 257 to read as it does now. See *infra* p. 705. Before enactment of the Budget Enforcement Act, section 257 dealt with definitions. Section 13101(a) of the Budget Enforcement Act (see *infra* p. 701) added a new section 250(c) of Gramm-Rudman-Hollings (see *supra* pp. 439-448) that sets forth definitions. For the text of section 257 as it read before enactment of the Budget Enforcement Act, see *supra* note 1197.

Before enactment of the Budget Enforcement Act, section 251(a)(6) of Gramm-Rudman-Hollings set forth the requirements for the budget baseline as follows:

(6) BUDGET BASELINE. — In estimating the deficit excess and net deficit reduction in the budget baseline and in computing the amounts and percentages by which accounts must be reduced during a fiscal year as set forth in any report required under this subsection for such fiscal year, the budget baseline shall be determined by —

(A) assuming (subject to subparagraph (B)) the continuation of current revenue law and, in the case of spending authority as defined in section 401(c)(2) of the Congressional Budget Act of 1974, funding for current law at levels sufficient to fully make all payments required under such law;

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¹⁰⁰⁴(...continued)

(B) assuming that expiring provisions of law providing revenues and spending authority as defined in section 401(c)(2) of the Congressional Budget Act of 1974 do expire, except that excise taxes dedicated to a trust fund, and agricultural price support programs administered through the Commodity Credit Corporation are extended at current rates, contract authority for transportation trust funds is extended at current levels, and that authority to provide insurance through the Federal Housing Administration Fund is continued;

(C) in the case of all accounts to which subparagraph (A) does not apply —

(i) assuming for an account (except as provided by clause (ii)), appropriations at the level specified in enacted annual appropriations or continuing appropriations enacted for the entire fiscal year, and in addition, estimates of appropriations to cover the costs of Federal pay adjustments as set forth in subparagraph (D)(ii) (unless funding for such pay adjustments are provided for in such measure as explained in the joint explanatory statement of managers accompanying such appropriations);

(ii) assuming, if no annual appropriations or continuing appropriations for the entire fiscal year have been enacted for an account, subject to subparagraph (D)(iii), appropriations at the level provided for the previous fiscal year,

(I) adjusted to reflect the full 12-month costs (without absorption) of the pay adjustment that occurred in such fiscal year,

(II) inflated as specified in subparagraph (D)(i), and

(III) increased to cover the increased costs to agencies of personnel benefits (other than pay) required by law;

(D)(i) as required by subparagraph (C)(ii)(II), assuming that the inflator shall equal —

(I) in the case of fiscal year 1988 —

(aa) for personnel costs, the rate of Federal
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¹⁰⁰⁴(...continued)

pay adjustments for statutory pay systems and elements of military pay if such adjustments have been enacted into law or (on or after October 1 of the fiscal year) have been established pursuant to law for such fiscal year or, if not, 4.2 percent, multiplied by the proportion of the fiscal year for which the pay adjustments will be effective, multiplied by 78 percent; and

(bb) for all other costs, 4.2 percent;

(II) in the case of fiscal year 1989 and subsequent fiscal years —

(aa) for 70 percent of personnel costs, the rate of Federal pay adjustments for statutory pay systems and elements of military pay if such adjustments have been enacted into law or (on or after October 1 of the fiscal year) have been established pursuant to law for such fiscal year or, if not, at the inflation rate specified in subclause (II)(bb), multiplied by the proportion of the fiscal year for which the pay adjustments will be effective, multiplied by 78 percent; and

(bb) for all other costs, the percentage by which the average of the estimated gross national product implicit price deflator for such fiscal year exceeds the average of such estimated deflator for the prior fiscal year (and the Director of OMB shall use such percentage as estimated in the budget submitted by the President under section 1105(a) for such fiscal year, but such use shall not constrain the economic assumptions the Director may use under paragraph (2)(C));

(ii) if required by subparagraph (C)(i), assuming appropriations for a fiscal year in an amount sufficient to —

(I) cover any Federal pay adjustment for statutory pay systems (including associated adjustments in benefit costs) if such adjustments have been enacted into law or, on or after October 1 of the fiscal year, have been established pursuant to law for such fiscal year;

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¹⁰⁰¹(...continued)

(II) cover any pay adjustments for elements of military pay (including associated adjustments in benefit costs) if such adjustments are specifically enacted into law or occur pursuant to adjustments for statutory pay systems if such adjustments have been enacted into law or, on or after October 1 of the fiscal year, have been established pursuant to law;

reduced by 22 percent;

(iii) assuming for the purposes of subparagraph (C)(ii) that the amount provided for an account for the previous fiscal year is the amount provided in any enacted annual appropriations or continuing appropriations enacted for the entire fiscal year, as modified by any enacted supplemental appropriations or rescission bills, and if a temporary continuing appropriation is in effect for the previous fiscal year, then the amount provided for such account for the previous fiscal year shall be assumed to be the amount that would have been enacted if such continuing appropriations were in effect for the entire fiscal year;

(E) assuming that medicare spending levels for inpatient hospital services will be based upon the regulations most recently issued in final form or proposed by the Health Care Financing Administration pursuant to sections 1886(b)(3)(B), 1886(d)(3)(A), and 1886(e)(4) of the Social Security Act;

(F) assuming that, unless otherwise required by law, advance deficiency payments and paid land diversion payments under the Agricultural Act of 1949 will be made in accordance with applicable regulations and payment rates for 1987;

(G) assuming that the increase in revenues attributable to any increase in appropriations available for administration and enforcement of the Internal Revenue Code of 1986 (over the amount actually appropriated for the previous fiscal year) is consistent on a proportional basis with the increase in revenues projected to result from the increased appropriations for such purposes in the budget submitted under section 1105(a) of title 31, United States Code, for such fiscal year;

(H) assuming, unless otherwise provided by law, that the increase for Veterans' compensation (36-0153-0-1-701) for a fiscal year will be the same as that required by law for Veterans' pensions;

(continued...)

¹⁰⁰⁴(...continued)

(I) assuming, for purposes of this paragraph and subparagraph (A)(i) of paragraph (3), that the sale of an asset or prepayment of a loan shall not alter the deficit or produce any net deficit reduction in the budget baseline, except that the budget baseline estimate shall include asset sales mandated by law before September 18, 1987, and routine, ongoing asset sales and loan prepayments at levels consistent with agency operations in fiscal year 1986;

(J) assuming that deferrals proposed during the period beginning October 1 of such fiscal year and ending with the snapshot date for such fiscal year shall not be taken into account in determining such budget baseline; and

(K) assuming that the transfer of Government actions from one fiscal year to another fiscal year, as described in section 202 of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987, shall not be taken into account except to the extent provided in such section.

Terms used in this paragraph shall have the meanings defined in sections 256 and 257 [which then dealt with definitions].