

103^D CONGRESS
1ST SESSION

H. R. 484

To improve budgetary information by requiring that the unified budget presented by the President contain information which facilitates consideration of choices between spending which is consumption oriented, spending which is of a development character, and spending which is in the nature of a capital investment, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1993

Mr. THORNTON introduced the following bill; which was referred to the Committee on Government Operations

A BILL

To improve budgetary information by requiring that the unified budget presented by the President contain information which facilitates consideration of choices between spending which is consumption oriented, spending which is of a development character, and spending which is in the nature of a capital investment, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Capital Budgeting Act
5 of 1993”.

1 **SEC. 2. STATEMENT OF FINDINGS AND PURPOSE.**

2 (a) STATEMENT OF FINDING.—The Congress finds
3 that—

4 (1) the objective of enhancing long-term eco-
5 nomic growth is not well served by a budget process
6 focused on short-term results,

7 (2) long-term economic growth depends not
8 only upon a stable social, political, and economic en-
9 vironment and a higher level of national savings, but
10 also upon a sound public infrastructure, an educated
11 citizenry and workforce, an investment in research
12 and the discovery of knowledge, and the harnessing
13 of inventive genius into the workplace and market-
14 place,

15 (3) the existing presentation of the Federal
16 Budget obscures the distinctions between long-term
17 capital investments, expenditures of a developmental
18 character, and current operational spending, and

19 (4) the public interest will be served by a Fed-
20 eral Budget presentation which presents information
21 showing long-term effects of expenditures.

22 (b) PURPOSE.—It is the purpose of this Act to re-
23 quire that the unified budget present—

24 (1) an operating budget, and

25 (2) an investment budget divided into—

26 (A) federally-owned capital, and

1 (B) developmental investments,
2 for each of the 3 major components of the budget
3 (general, trust, and enterprise funds) in order to en-
4 sure a continued focus on the Government's total fi-
5 nancial operations, while providing better and more
6 relevant information upon which to base both overall
7 fiscal policy as well as program priorities within the
8 Federal Budget.

9 **SEC. 3. CAPITAL AND OPERATING BUDGETS.**

10 (a) IN GENERAL.—Title 31, United States Code, is
11 amended by inserting after section 1105 the following new
12 section:

13 **“SEC. 1105A. CAPITAL AND OPERATING BUDGETS.**

14 “(a)(1) The budget of the United States submitted
15 by the President under section 1105 of this title shall be
16 a unified budget composed of—

17 “(A) an operating budget, and

18 “(B) an investment budget divided into feder-
19 ally-owned capital and developmental investments.

20 “(2) Operating and investment budgets shall be pre-
21 sented separately for unified funds, general funds, trust
22 funds, and enterprise funds.

23 “(b)(1) Actual, estimated, and proposed amounts
24 shall be presented for unified funds, general funds, trust

1 funds, and enterprise funds, and, at a minimum, shall
2 contain:

3 “(A) For the operating budget:

4 “(i) Operating revenues.

5 “(ii) Operating expenses.

6 “(iii) Operating surplus/deficit before
7 interfund transfers.

8 “(iv) Interfund transfers.

9 “(v) Operating surplus/deficit.

10 “(vi) Federal expenditures financing the
11 operating expenses of State and local govern-
12 ments.

13 “(B) For the investment budget:

14 “(i) For federally-owned capital: the office
15 buildings, equipment, and other assets that are
16 owned by the Government for use in its oper-
17 ations together with a showing how such assets
18 will improve the efficiency and effectiveness
19 with which government agencies carry out their
20 missions.

21 “(ii) For developmental investments (in-
22 cluding grants and loans to non-Federal entities
23 for improving physical infrastructure, research
24 and development, and investment in human
25 capital through education and training): the

1 amounts to be invested together with a projec-
2 tion of how such investments will improve the
3 prospects for higher rates of economic growth
4 on the future.

5 “(2) For both categories of investment budgets, the
6 following information will be presented:

7 “(A) Investment funds together with investment
8 revenues.

9 “(B) Financing requirements before interfund
10 transfers.

11 “(C) Interfund transfers.

12 “(D) Projected effects upon economic growth.

13 “(3) The investment budget shall represent only the
14 major activities, projects, and programs which support the
15 acquisition, construction, alteration, and rehabilitation of
16 such investment assets and the major programs and activi-
17 ties which support nonmilitary research and development,
18 education, and job training. All other activities, projects,
19 and programs shall be represented in the operating
20 budget.”.

21 (b) CLERICAL AMENDMENT.—The table of sections
22 for chapter 11 of title 31, United States Code, is amended
23 by inserting after the item relating to section 1105 the
24 following new item:

“1105A. Capital and operating budgets.”

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