

103^D CONGRESS
1ST SESSION

H. R. 865

To ensure that any peace dividend is invested in America's families and deficit reduction.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 4, 1993

Mr. SOLOMON introduced the following bill; which was referred jointly to the Committees on Government Operations, Rules, and Ways and Means

A BILL

To ensure that any peace dividend is invested in America's families and deficit reduction.

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 "Ronald Reagan Peace
5 Dividend Investment Act of 1993".

6 **SEC. 2. AMENDMENTS TO THE CONGRESSIONAL BUDGET**

7 **ACT OF 1974.**

8 (a) IN GENERAL.—Title VI of the Congressional
9 Budget Act of 1974 is amended by adding after section
10 606 the following new section:

1 **“SEC. 606A. ALLOCATION OF REDUCTIONS IN DISCRE-**
2 **TIONARY DEFENSE SPENDING.**

3 “(a) IN GENERAL.—If pursuant to section 251(a)(7)
4 of the Balanced Budget and Emergency Deficit Control
5 Act of 1985 outlays within accounts under major func-
6 tional category 050 (defense programs) for fiscal year
7 1994 or 1995 are estimated to be below the such outlays
8 for fiscal year 1993, the difference shall be used to reduce
9 the deficit and to increase the personal income tax exemp-
10 tion as provided in subsection (c).

11 “(b) ADJUSTMENT TO DISCRETIONARY SPENDING
12 LIMITS.—The amounts by which aggregate outlays for de-
13 fense programs (functional category 050) in fiscal year
14 1994 or 1995 are estimated to be below such outlays for
15 fiscal year 1993, then the discretionary spending limits
16 calculated pursuant to section 251(b) of the Balanced
17 Budget and Emergency Deficit Control Act of 1985 shall
18 be adjusted for this difference as follows:

19 “(1) OUTLAY ADJUSTMENT.—The adjustment
20 for fiscal years 1994 and 1995 shall be an amount
21 equal to such difference in such fiscal years.

22 “(2) BUDGET AUTHORITY ADJUSTMENT.—The
23 adjustment for fiscal year 1994 shall be an amount
24 equal to the outlay difference for fiscal year 1993 di-
25 vided by the aggregate spend out rate for the de-
26 fense discretionary appropriations enacted for fiscal

1 year 1993 multiplied by the baseline inflator for fis-
2 cal year 1994. The adjustment for fiscal year 1995
3 shall be an amount equal to the adjustment to the
4 discretionary spending limit for budget authority for
5 fiscal year 1994 multiplied by the baseline inflator
6 for fiscal year 1995.

7 “(3) DEFINITION.—For purposes of this sub-
8 section, the term ‘baseline inflator’ has the meaning
9 given to it in section 251(b)(1)(B)(ii) of the Bal-
10 anced Budget and Emergency Deficit Control Act of
11 1985.

12 “(c) ALLOCATION OF ADJUSTMENTS.—The adjust-
13 ments in the discretionary spending limits for outlays de-
14 scribed in subsection (b)(1) shall be allocated in the follow-
15 ing manner:

16 “(1) DEFICIT REDUCTION.—The maximum def-
17 icit amount calculated pursuant to section 253 of
18 the Balanced Budget and Emergency Deficit Control
19 Act of 1985 for any of fiscal years 1994 and 1995
20 shall be reduced by an amount equal to the change
21 in the estimated deficit resulting from such reduced
22 outlays and the reduction in revenue described in
23 paragraph (2).

24 “(2) PERSONAL EXEMPTION.—The Secretary of
25 the Treasury shall increase the personal exemption

1 amount for individuals as determined under section
2 151 of the Internal Revenue Code of 1986 by an
3 amount estimated to reduce receipts in the calendar
4 year beginning during such fiscal year by an amount
5 equal to one-half of the adjustment described in sub-
6 section (b)(1) to the discretionary spending limit for
7 outlays for that fiscal year.

8 “(d) PERMITTING OF PEACE DIVIDEND INVEST-
9 MENT.—Legislation affecting receipts as a result of the
10 requirements of section (c)(2) shall not be considered leg-
11 islation that increases the deficit for purposes of section
12 252 of the Balanced Budget and Emergency Deficit Con-
13 trol Act of 1985.

14 “(e) ADJUSTMENTS TO CONGRESSIONAL BUDGET
15 TOTALS.—The reductions in the maximum deficit amount
16 and revenues required by subsection (c) shall be reflected
17 in the concurrent resolution on the budget and the com-
18 mittee spending allocations for fiscal years 1994 and
19 1995.

20 “(f) POINT OF ORDER.—

21 “(1) It shall not be in order in the House of
22 Representatives or the Senate to consider any bill,
23 resolution, amendment, or conference report that
24 would reduce defense spending below its fiscal year
25 1993 level if such bill, resolution, amendment, or

1 conference report does not allocate the total amount
2 of reduced new budget authority or outlays between
3 deficit reduction and increases in the personal in-
4 come tax exemption as provided in this section.

5 “(2) For purposes of this subsection, the levels
6 of defense spending for a fiscal year shall be deter-
7 mined on the basis of estimates made by the Com-
8 mittee on the Budget.”.

9 (b) POINT OF ORDER.—The last sentence of section
10 904(d) of the Congressional Budget Act of 1974 is amend-
11 ed by striking “and 606(c)” and inserting “606(c), and
12 606A”.

○