

113<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 1871

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## AN ACT

To amend the Balanced Budget and Emergency Deficit  
Control Act of 1985 to reform the budget baseline.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Baseline Reform Act  
3 of 2014”.

4 **SEC. 2. THE BASELINE.**

5 Section 257 of the Balanced Budget and Emergency  
6 Deficit Control Act of 1985 is amended to read as follows:

7 **“SEC. 257. THE BASELINE.**

8 “(a) **IN GENERAL.**—(1) For any fiscal year, the base-  
9 line refers to a projection of current-year levels of new  
10 budget authority, outlays, or receipts and the surplus or  
11 deficit for the current year, the budget year, and the ensu-  
12 ing nine outyears based on laws enacted through the appli-  
13 cable date.

14 “(2) The baselines referred to in paragraph (1) shall  
15 be prepared annually.

16 “(b) **DIRECT SPENDING AND RECEIPTS.**—For the  
17 budget year and each outyear, estimates for direct spend-  
18 ing in the baseline shall be calculated as follows:

19 “(1) **IN GENERAL.**—Laws providing or creating  
20 direct spending and receipts are assumed to operate  
21 in the manner specified in those laws for each such  
22 year and funding for entitlement authority is as-  
23 sumed to be adequate to make all payments required  
24 by those laws.

25 “(2) **EXCEPTIONS.**—(A)(i) No program estab-  
26 lished by a law enacted on or before the date of en-

1 actment of the Balanced Budget Act of 1997 with  
2 estimated current year outlays greater than  
3 \$50,000,000 shall be assumed to expire in the bud-  
4 get year or the outyears. The scoring of new pro-  
5 grams with estimated outlays greater than  
6 \$50,000,000 a year shall be based on scoring by the  
7 Committees on the Budget or OMB, as applicable.  
8 OMB, CBO, and the Committees on the Budget  
9 shall consult on the scoring of such programs where  
10 there are differences between CBO and OMB.

11 “(ii) On the expiration of the suspension of a  
12 provision of law that is suspended under section 171  
13 of Public Law 104–127 and that authorizes a pro-  
14 gram with estimated fiscal year outlays that are  
15 greater than \$50,000,000, for purposes of clause (i),  
16 the program shall be assumed to continue to operate  
17 in the same manner as the program operated imme-  
18 diately before the expiration of the suspension.

19 “(B) The increase for veterans’ compensation  
20 for a fiscal year is assumed to be the same as that  
21 required by law for veterans’ pensions unless other-  
22 wise provided by law enacted in that session.

23 “(C) Excise taxes dedicated to a trust fund, if  
24 expiring, are assumed to be extended at current  
25 rates.

1           “(D) If any law expires before the budget year  
2           or any outyear, then any program with estimated  
3           current year outlays greater than \$50,000,000 that  
4           operates under that law shall be assumed to con-  
5           tinue to operate under that law as in effect imme-  
6           diately before its expiration.

7           “(3) HOSPITAL INSURANCE TRUST FUND.—  
8           Notwithstanding any other provision of law, the re-  
9           ceipts and disbursements of the Hospital Insurance  
10          Trust Fund shall be included in all calculations re-  
11          quired by this Act.

12          “(c) DISCRETIONARY SPENDING.—For the budget  
13          year and each of the nine ensuing outyears, the baseline  
14          shall be calculated using the following assumptions regard-  
15          ing all amounts other than those covered by subsection  
16          (b):

17                 “(1) ESTIMATED APPROPRIATIONS.—Budgetary  
18                 resources other than unobligated balances shall be at  
19                 the level provided for the budget year in full-year ap-  
20                 propriation Acts. If for any account a full-year ap-  
21                 propriation has not yet been enacted, budgetary re-  
22                 sources other than unobligated balances shall be at  
23                 the level available in the current year.

24                 “(2) CURRENT-YEAR APPROPRIATIONS.—If, for  
25                 any account, a continuing appropriation is in effect

1 for less than the entire current year, then the cur-  
2 rent-year amount shall be assumed to equal the  
3 amount that would be available if that continuing  
4 appropriation covered the entire fiscal year. If law  
5 permits the transfer of budget authority among  
6 budget accounts in the current year, the current-  
7 year level for an account shall reflect transfers ac-  
8 complished by the submission of, or assumed for the  
9 current year in, the President’s original budget for  
10 the budget year.

11 “(d) UP-TO-DATE CONCEPTS.—In calculating the  
12 baseline for the budget year or each of the nine ensuing  
13 outyears, current-year amounts shall be calculated using  
14 the concepts and definitions that are required for that  
15 budget year.

16 “(e) ASSET SALES.—Amounts realized from the sale  
17 of an asset shall not be included in estimates under section  
18 251, 251A, 252, or 253 of this part or section 5 of the  
19 Statutory Pay-As-You-Go Act of 2010 if that sale would  
20 result in a financial cost to the Government as determined  
21 pursuant to scorekeeping guidelines.

22 “(f) LONG-TERM BUDGET OUTLOOK.—On or before  
23 July 1 of each year, CBO shall submit to the Committees  
24 on the Budget of the House of Representatives and the  
25 Senate the Long-Term Budget Outlook for the fiscal year

1 commencing on October 1 of that year and at least the  
2 ensuing 40 fiscal years.”.

Passed the House of Representatives April 8, 2014.

Attest:

*Clerk.*



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