

113TH CONGRESS
2D SESSION

S. 2371

To amend the Congressional Budget Act of 1974 to provide for macroeconomic analysis of the impact of major revenue legislation.

IN THE SENATE OF THE UNITED STATES

MAY 21, 2014

Mr. PORTMAN (for himself, Mr. GRAHAM, Mr. KIRK, Mr. CHAMBLISS, Mr. FLAKE, Mr. BLUNT, Mr. JOHANNES, Mr. INHOFE, Mr. CRAPO, Mr. RUBIO, Mr. BARRASSO, Mr. THUNE, Mr. SCOTT, Mr. VITTER, Ms. AYOTTE, Mr. LEE, Mr. BURR, and Mrs. FISCHER) introduced the following bill; which was read twice and referred to the Committee on the Budget

A BILL

To amend the Congressional Budget Act of 1974 to provide for macroeconomic analysis of the impact of major revenue legislation.

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 “Accurate Budgeting
5 Act”.

1 **SEC. 2. MACROECONOMIC IMPACT ANALYSES FOR MAJOR**
2 **REVENUE LEGISLATION.**

3 (a) IN GENERAL.—Part A of title IV of the Congres-
4 sional Budget Act of 1974 is amended by adding at the
5 end the following new section:

6 “MACROECONOMIC IMPACT ANALYSIS OF MAJOR REVENUE
7 LEGISLATION

8 “SEC. 407. (a) JOINT COMMITTEE ON TAXATION.—
9 The Joint Committee on Taxation shall, to the extent
10 practicable, prepare for each major revenue bill or resolu-
11 tion which is—

12 “(1) reported by the Committee on Ways and
13 Means of the House of Representatives or the Com-
14 mittee on Finance of the Senate; or

15 “(2) considered on the floor of the House of
16 Representatives or the Senate,

17 as a supplement to estimates prepared under section 402,
18 a macroeconomic impact analysis of the budgetary effects
19 of such bill or resolution for the 10 fiscal-year period be-
20 ginning with the first fiscal year for which an estimate
21 was prepared under section 402 and each of the next three
22 10 fiscal-year periods. To the extent practicable, the Joint
23 Committee on Taxation’s macroeconomic impact analysis
24 shall be included in full as part of the Congressional Budg-
25 et Office report accompanying such bill or resolution
26 under section 402. If a macroeconomic impact analysis is

1 not included as part of the Congressional Budget Office
2 report relating to a major revenue bill or resolution, the
3 Chairman of the Committee reporting the bill or resolution
4 shall cause the analysis to be entered into the Congres-
5 sional Record of the Senate and House of Representatives.

6 “(b) DEFINITIONS.—As used in this section:

7 “(1) MACROECONOMIC IMPACT ANALYSIS.—The
8 term ‘macroeconomic impact analysis’ means—

9 “(A) an estimate of the changes in eco-
10 nomic output, employment, interest rates, cap-
11 ital stock, and tax revenues expected to result
12 from the revenue provisions in the proposal to
13 which section 201(f) applies;

14 “(B) an estimate of revenue feedback ex-
15 pected to result from those revenue provisions;
16 and

17 “(C) a statement identifying the critical
18 assumptions and the source of data underlying
19 that estimate, to the extent necessary to make
20 the models comprehensible to academic and
21 public policy analysts.

22 “(2) MAJOR REVENUE BILL OR RESOLUTION.—
23 The term ‘major revenue bill or resolution’ means a
24 bill, resolution, or conference report for which—

25 “(A) either—

1 “(i) the sum of the positive changes in
2 revenues resulting from such measure (not
3 including the impact of any timing shifts
4 for the due date for estimated corporate
5 income tax payments) for any fiscal year in
6 the period for which an estimate is pre-
7 pared under section 402; or

8 “(ii) the absolute value of the sum of
9 the negative changes in revenues resulting
10 from such measure (not including the im-
11 pact of any timing shifts for the due date
12 for estimated corporate income tax pay-
13 ments) for any fiscal year for which such
14 an estimate is prepared,

15 is greater than

16 “(B) 0.25 percent of the current projected
17 gross domestic product of the United States (as
18 determined by the Bureau of Economic Anal-
19 ysis of the Department of Commerce) for such
20 fiscal year.

21 “(3) REVENUE FEEDBACK.—The term ‘revenue
22 feedback’ means changes in revenue resulting from
23 changes in economic growth as the result of the en-
24 actment of any major revenue bill or resolution.”.

1 (b) CONFORMING AMENDMENT.—The table of con-
2 tents set forth in section 1(b) of the Congressional Budget
3 and Impoundment Control Act of 1974 is amended by in-
4 serting after the item relating to section 406 the following
5 new item:

“Sec. 407. Macroeconomic impact analysis of major revenue legislation.”.

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