

117TH CONGRESS
2D SESSION

H. R. 7420

To amend the Congressional Budget Act of 1974 to set responsible budget targets.

IN THE HOUSE OF REPRESENTATIVES

APRIL 6, 2022

Mr. EMMER introduced the following bill; which was referred to the Committee on Rules, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Congressional Budget Act of 1974 to set responsible budget targets.

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 “Responsible Budget
5 Targets Act of 2022”.

6 **SEC. 2. ESTABLISHING RESPONSIBLE BUDGET TARGETS.**

7 (a) IN GENERAL.—Title IV of the Congressional
8 Budget Act of 1974 (2 U.S.C. 651 et seq.) is amended
9 by adding at the end the following:

1 **“PART C—ESTABLISHING RESPONSIBLE BUDGET**

2 **TARGETS**

3 **“SEC. 441. DEFINITIONS.**

4 “In this part:

5 “(1) PRIMARY BALANCE FACTOR.—

6 “(A) IN GENERAL.—The term ‘primary
7 balance factor’—

8 “(i) with respect to the first fiscal
9 year that begins not less than 180 days
10 after the date of enactment of this part,
11 means 0.0 percentage point; and

12 “(ii) except as provided in subpara-
13 graphs (B) and (C), with respect to each
14 fiscal year after the fiscal year described in
15 clause (i), means the sum obtained by add-
16 ing—

17 “(I) the primary balance factor
18 for the previous fiscal year; and

19 “(II)(aa) if primary budget au-
20 thority exceeded revenue for the fiscal
21 year before the previous fiscal year,
22 0.2 percentage point; and

23 “(bb) if revenue exceeded pri-
24 mary budget authority for the fiscal
25 year before the previous fiscal year,
26 –0.2 percentage point.

1 “(B) SPECIAL RULE FOR FIRST YEAR
2 AFTER PRIMARY BALANCE.—

3 “(i) IN GENERAL.—For the first fiscal
4 year that begins after the date of a deter-
5 mination that, for a fiscal year beginning
6 after the date of enactment of this part,
7 revenue exceeded primary budget author-
8 ity, the term ‘primary balance factor’
9 means 0.0 percentage point.

10 “(ii) SUBSEQUENT ADJUSTMENT.—
11 After the first fiscal year described in
12 clause (i), the primary balance factor shall
13 be adjusted in accordance with subpara-
14 graph (A)(ii).

15 “(C) LIMIT OF ZERO.—The primary bal-
16 ance factor for a fiscal year may not be less
17 than 0.0 percentage point.

18 “(2) PRIMARY BUDGET AUTHORITY.—The term
19 ‘primary budget authority’ means all budget author-
20 ity except for net interest on the debt.

21 “(3) SPENDING CEILING.—The term ‘spending
22 ceiling’, with respect to a fiscal year, means the
23 maximum amount of primary budget authority for
24 the fiscal year, as determined under section 442.

1 “(4) SPENDING GROWTH FACTOR.—The term
 2 ‘spending growth factor’, with respect to a fiscal
 3 year, means the difference obtained by subtracting—

4 “(A) the primary balance factor for the fis-
 5 cal year; from

6 “(B) the average annual percentage
 7 growth in the gross domestic product of the
 8 United States during the 5-fiscal-year period
 9 before the beginning of the fiscal year before
 10 such fiscal year.

11 **“SEC. 442. ESTABLISHMENT OF A SPENDING CEILING.**

12 “(a) IN GENERAL.—The maximum amount of pri-
 13 mary budget authority for a fiscal year shall be the
 14 amount of primary budget authority for the previous fiscal
 15 year as—

16 “(1) increased by the spending growth factor;
 17 and

18 “(2) modified by any adjustments under section
 19 444 or 445.

20 “(b) EXCLUSION OF ADJUSTMENTS FROM BASE-
 21 LINE.—In determining the maximum amount of primary
 22 budget authority for a fiscal year, the amount of primary
 23 budget authority for the previous fiscal year shall not in-
 24 clude any adjustment under paragraph (1) or (3) of sec-
 25 tion 444 or under section 445(c).

1 “(c) DETERMINATION.—

2 “(1) FOR CONGRESSIONAL PURPOSES.—The
3 Director of the Congressional Budget Office shall—

4 “(A) include in each report under section
5 202(e)(1) and revision of such a report an esti-
6 mate of the amount of the spending ceiling (in-
7 cluding factors necessary to produce the esti-
8 mate) and any adjustments under section 444
9 for the fiscal year commencing on October 1 of
10 the year during which the Director submits the
11 report; and

12 “(B) provide to the Committee on the
13 Budget of the Senate and the Committee on the
14 Budget of the House of Representatives up-
15 dates to the estimate of the spending ceiling
16 and adjustments, as appropriate.

17 “(2) FOR EXECUTIVE BRANCH PURPOSES.—
18 The President shall—

19 “(A) include in each budget of the Presi-
20 dent submitted under section 1105 of title 31,
21 United States Code, an estimate by the Office
22 of Management and Budget of the amount of
23 the spending ceiling and any adjustments under
24 section 444 for the fiscal year commencing on

1 October 1 of the year during which the Presi-
2 dent submits the budget; and

3 “(B) obtain from the Office of Manage-
4 ment and Budget updates to the estimate of the
5 spending ceiling and adjustments, as appro-
6 priate.

7 **“SEC. 443. USE OF CEILING.**

8 “(a) BY CONGRESS.—When considering legisla-
9 the Senate and the House of Representatives shall adhere
10 to the spending ceiling, as determined by the Director of
11 the Congressional Budget Office under section 442(c)(1)
12 (including any adjustments under section 444 or 445(c)).

13 “(b) BY EXECUTIVE BRANCH.—When considering
14 proposals with fiscal implications, the President shall ad-
15 here to the spending ceiling, as determined by the Director
16 of the Office of Management and Budget under section
17 442(c)(2) (including any adjustments under sections 444
18 or 445(c)).

19 **“SEC. 444. ADJUSTING THE SPENDING CEILING.**

20 “When adopting a concurrent resolution on the budg-
21 et (including a concurrent resolution on the budget de-
22 scribed in section 304), Congress may adjust the spending
23 ceiling as determined under section 442(c)(1), and when
24 enacting a supplemental appropriations Act, Congress

1 may adjust the spending ceiling as determined under sec-
2 tion 442(c)(2), commensurate with—

3 “(1) appropriations for an emergency, as de-
4 fined in section 250(c) of the Balanced Budget and
5 Emergency Deficit Control Act of 1985 (2 U.S.C.
6 900(c));

7 “(2) a revision in the estimate of the gross do-
8 mestic product of the United States for any year to
9 which section 441(4)(B) applies;

10 “(3) cyclical variations due to the difference be-
11 tween the actual and potential amount of the gross
12 domestic product of the United States;

13 “(4) timing shifts of expenditures or revenues
14 due; or

15 “(5) enacted laws that result in a change in
16 revenue.

17 **“SEC. 445. EMERGENCY ACCOUNT ADJUSTMENTS.**

18 “(a) ESTABLISHMENT OF EMERGENCY ACCOUNT.—
19 The Director of the Congressional Budget Office and the
20 Director of the Office of Management and Budget shall
21 each maintain an emergency account.

22 “(b) COMPUTATION.—

23 “(1) IN GENERAL.—The amount of the emer-
24 gency account shall be—

1 “(A) increased by the amount of the ad-
2 justment made under section 444(1); and

3 “(B) decreased by the difference obtained
4 by subtracting the amount of primary budget
5 authority provided for a fiscal year from the ad-
6 justed spending ceiling (excluding any adjust-
7 ment under section 444(1), and including the
8 effect of adjustments under section 445(c)) for
9 that fiscal year.

10 “(2) LIMIT OF ZERO.—The amount of the
11 emergency account may not be less than \$0.

12 “(c) ADJUSTMENT.—

13 “(1) IN GENERAL.—If the amount of the emer-
14 gency account on the last day of a fiscal year has
15 increased, as compared to the last day of the fiscal
16 year before such fiscal year, the amount of the
17 spending ceiling for the second fiscal year after such
18 fiscal year and each of the ensuing 5 fiscal years
19 shall be reduced by the amount equal to one-sixth of
20 the amount of the increase in the emergency ac-
21 count.

22 “(2) MODIFICATION OF ADJUSTMENT.—

23 “(A) FOR CONGRESSIONAL PURPOSES.—

24 When adopting a concurrent resolution on the
25 budget (including a concurrent resolution on

1 the budget described in section 304), Congress
2 may, for purposes of applying the spending ceil-
3 ing in the Senate and the House of Representa-
4 tives—

5 “(i) reduce the amount of the spend-
6 ing ceiling by the amount of the emergency
7 account over a period shorter than 6 fiscal
8 years; or

9 “(ii) in the case of an ongoing emer-
10 gency, reduce the amount of the spending
11 ceiling by the amount of the emergency ac-
12 count over a period longer than 6 fiscal
13 years.

14 “(B) FOR EXECUTIVE BRANCH PUR-
15 POSES.—When enacting a supplemental appro-
16 priations Act, Congress may, for purposes of
17 applying the spending ceiling in the executive
18 branch—

19 “(i) reduce the amount of the spend-
20 ing ceiling by the amount of the emergency
21 account over a period shorter than 6 fiscal
22 years; or

23 “(ii) in the case of an ongoing emer-
24 gency, reduce the amount of the spending
25 ceiling by the amount of the emergency ac-

1 count over a period longer than 6 fiscal
2 years.”.

3 (b) CONFORMING AMENDMENT.—The table of con-
4 tents in section 1(b) of the Congressional Budget and Im-
5 poundment Control Act of 1974 is amended by inserting
6 after the item relating to section 428 the following:

“PART C—ESTABLISHING RESPONSIBLE BUDGET TARGETS

“Sec. 441. Definitions.

“Sec. 442. Establishment of a spending ceiling.

“Sec. 443. Use of ceiling.

“Sec. 444. Adjusting the spending ceiling.

“Sec. 445. Emergency account adjustments.”.

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