

113TH CONGRESS  
1ST SESSION

# H. R. 1874

[Report No. 113-]

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

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## IN THE HOUSE OF REPRESENTATIVES

MAY 8, 2013

Mr. PRICE of Georgia (for himself, Mr. RYAN of Wisconsin, Mrs. BLACK, Mr. CHAFFETZ, Mr. COLLINS of Georgia, Mr. COTTON, Mr. GARRETT, Mr. GOSAR, Mr. GRAVES of Georgia, Mr. HENSARLING, Mr. JOHNSON of Ohio, Mr. MARCHANT, Mr. MULVANEY, Mr. RADEL, Mr. REED, Mr. RIBBLE, Mr. ROSS, Mr. SCALISE, Mr. AUSTIN SCOTT of Georgia, Mr. WESTMORELAND, Mr. WILSON of South Carolina, Mr. WOODALL, Mr. JORDAN, Mr. BARR, Mr. TERRY, Mr. FRANKS of Arizona, Mr. BISHOP of Utah, Mr. PITTINGER, Mr. YODER, and Mr. FORTENBERRY) introduced the following bill; which was referred to the Committee on the Budget, and in addition to the Committee on Rules, 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

JUNE --, 2013

Reported from the Committee on the Budget with amendments

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# **A BILL**

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



1 mates prepared under section 402, all such information  
2 so submitted shall be included in the report accompanying  
3 such bill or resolution.

4 “(b) ECONOMIC IMPACT.—The analysis prepared  
5 under subsection (a) shall describe the potential economic  
6 impact of the applicable major bill or resolution on major  
7 economic variables, including real gross domestic product,  
8 business investment, the capital stock, employment, inter-  
9 est rates, and labor supply. The analysis shall also de-  
10 scribe the potential fiscal effects of the bill or resolution,  
11 including any estimates of revenue increases or decreases  
12 resulting from changes in gross domestic product. To the  
13 extent practicable, the analysis should use a variety of eco-  
14 nomic models in order to reflect the full range of possible  
15 economic outcomes resulting from the bill or resolution.  
16 The analysis (or a technical appendix to the analysis) shall  
17 specify the economic and econometric models used, sources  
18 of data, relevant data transformations, and shall include  
19 such explanation as is necessary to make the models com-  
20 prehensible to academic and public policy analysts.

21 “(c) DEFINITIONS.—As used in this section—

22 “(1) the term ‘macroeconomic impact analysis’  
23 means—

24 “(A) an estimate of the changes in eco-  
25 nomic output, employment, interest rates, cap-

1           ital stock, and tax revenues expected to result  
2           from enactment of the proposal;

3           “(B) an estimate of revenue feedback ex-  
4           pected to result from enactment of the proposal;  
5           and

6           “(C) a statement identifying the critical  
7           assumptions and the source of data underlying  
8           that estimate;

9           “(2) the term ‘major bill or resolution’ means  
10          any bill or resolution if the gross budgetary effects  
11          of such bill or resolution for any fiscal year in the  
12          period for which an estimate is prepared under sec-  
13          tion 402 is estimated to be greater than .25 percent  
14          of the current projected gross domestic product of  
15          the United States for any such fiscal year;

16          “(3) the term ‘budgetary effect’, when applied  
17          to a major bill or resolution, means the changes in  
18          revenues, outlays, deficits, and debt resulting from  
19          that measure; and

20          “(4) the term ‘revenue feedback’ means changes  
21          in revenue resulting from changes in economic  
22          growth as the result of the enactment of any major  
23          bill or resolution.”.

24          (b) CONFORMING AMENDMENT.—The table of con-  
25          tents set forth in section 1(b) of the ~~Congressional Budget~~

1 ~~Act of 1974~~ *Congressional Budget and Impoundment Con-*  
2 *trol Act of 1974* is amended by inserting after the item  
3 relating to section 406 the following new item:

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