^{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.

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. PITTENGER, 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

[Omit the part struck through and insert the part printed in italic]

A BILL

To amend the Congressional Budget Act of 1974 to provide for macroeconomic analysis of the impact of legislation. 3

Be it enacted by the Senate and House of Representa tives of the United States of America in Congress assembled,
 SECTION 1. SHORT TITLE.
 This Act may be cited as the "Pro-Growth Budgeting
 Act of 2013".

6 SEC. 2. MACROECONOMIC IMPACT ANALYSES.

7 (a) IN GENERAL.—Part A of title IV of the Congres8 sional Budget Act of 1974 is amended by adding at the
9 end the following new section:

10 "MACROECONOMIC IMPACT ANALYSIS OF MAJOR

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LEGISLATION

12 "Sec. 407. (a) Congressional Budget Office.— 13 The Congressional Budget Office shall, to the extent prac-14 ticable, prepare for each major bill or resolution reported 15 by any committee of the House of Representatives or the 16 Senate (except the Committee on Appropriations of each 17 House), as a supplement to estimates prepared under sec-18 tion 402, a macroeconomic impact analysis of the budgetary effects of such bill or resolution for the ten fiscal-19 20 year period beginning with the first fiscal year for which 21 an estimate was prepared under section 402 and each of 22 the next three ten fiscal-year periods. Such estimate shall 23 be predicated upon the supplemental projection described in section 202(e)(4). The Director shall submit to such 24 25 committee the macroeconomic impact analysis, together with the basis for the analysis. As a supplement to esti-26

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

4 "(b) ECONOMIC IMPACT.—The analysis prepared 5 under subsection (a) shall describe the potential economic impact of the applicable major bill or resolution on major 6 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, including any estimates of revenue increases or decreases 11 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 eco25 nomic output, employment, interest rates, cap-

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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.".