



## **SUMMARY – FY 2018 BUDGET RESOLUTION**

### **Title I: Recommended Levels**

This title includes the resolution’s recommended levels and amounts over the period of fiscal years 2018 through 2027. Levels include aggregate figures such as revenues, budget authority, outlays, deficits, public debt, and debt held by the public. This title also contains budgetary spending levels by budget function (21 separate categories of spending), as the budget resolution does not have the ability to determine spending for individual programs.

### **Title II: Reconciliation**

This title includes two reconciliation instructions to Senate committees. The first would allow the Finance Committee to reduce revenues and change outlays to increase the deficit by not more than \$1.5 trillion over the next 10 years. The second instructs the Energy and Natural Resources Committee to save at least \$1 billion over the next 10 years. This title also includes instructions to the appropriate House committees to mirror the Senate instructions.

### **Title III: Reserve Funds**

The Senate Budget Committee does not have the authority to make policy recommendations in a budget resolution—that is the role of the authorizing committees. Committees often make their policy priorities known in their Views and Estimates letters, and reserve funds are a way to accommodate those requests.

Reserve funds allow the Chairman of the Budget Committee to revise the committee allocations, budgetary aggregates, and other appropriate levels in the budget resolution to accommodate legislation described in the reserve fund—as long as the budgetary effects of that legislation satisfy the requirements enumerated. The resolution includes deficit-neutral reserve funds for legislation that would:

- Allow Congress to address Obamacare with legislation to repeal or replace the program.
- Reform the American tax system.
- Extend the State Children’s Health Insurance Program.
- Strengthen American families—including making it easier to save for retirement; addressing the opioid epidemic; assisting victims of domestic abuse; supporting

foster care, child care, marriage, and fatherhood programs; extending expiring healthcare provisions and improving housing opportunities.

- Promote innovative educational and nutritional models and systems for American students—including amending the Higher Education Act, ensuring state flexibility in education, enhancing job training, and reforming child nutrition programs.
- Improve the American banking system.
- Promote American agriculture, energy, transportation, and infrastructure improvements.
- Restore American military power—including improving military readiness and strengthening cybersecurity efforts.
- Improve benefit and services delivery for veterans and service members.
- Relate to public lands and the environment—including wildfire prevention and firefighting.
- Secure the American border.
- Promote economic growth and the private sector, and enhance job creation.
- Reform statutory budget controls—including the Budget Control Act’s discretionary caps.
- Prevent bailouts of private pension plans.

The resolution includes a separate reserve fund that allows the Chairman to make the adjustments necessary to accommodate the legislation considered as a result of the reconciliation instructions.

#### **Title IV: Budget Process**

##### **Subtitle A: Budget Enforcement**

**Updates Advance Appropriations.** This section updates an existing point of order against appropriations legislation that would provide an advance appropriation for a discretionary account. This point of order is extended regularly in budget resolutions, and provides an exception for programs or activities identified in the manager’s joint explanatory statement (mostly education and housing assistance), the Corporation for Public Broadcasting, and several accounts at the Department of Veterans Affairs.

**Extends and Restates CHIMPS Points of Order.** This resolution states two points of order against changes in mandatory programs (CHIMPS). The first point of order is an extension of a currently enforced point of order. The provision prohibits consideration of any measure that provides full-year appropriations that includes CHIMPS above a certain limit. This resolution restates the existing limits for 2018 and 2019, and extends the 2019 level through 2020. Additionally, this resolution closes an enforcement loophole on CHIMPS with net costs.

**Reinstates a Limit on the Crime Victims Fund CHIMP.** This resolution protects the Crime Victims Fund by reinstating a 60-vote point of order against any provision that would cause the total budget authority of the Crime Victims Fund in fiscal year 2018 to exceed \$11.2 billion.

**Protects the Integrity of the Reconciliation Process.** If the Chairman of the Budget Committee, in his role as scorekeeper, cannot determine the budgetary effects of an amendment to a reconciliation bill, then the resolution establishes a 60-vote point of order against the amendment. In order to use this point of order, the Chairman will need to file a statement in the *Congressional Record* after consultation with the Ranking Member.

**Creates a New One-Year Senate PAYGO Test.** Currently, Senate PAYGO is enforced on a 6- and 11-year test. This section repeals the previously enforced Senate PAYGO rule and instead restates the 6- and 11-year tests with new current year and budget year tests.

**Overseas Contingency Operations Designations.** This resolution permits any Senator to strike an overseas contingency operations designation in an appropriations measure. This point of order can be waived with 60 votes.

**Reactivates Dynamic Scoring Authority.** This resolution directs the Congressional Budget Office and the Joint Committee on Taxation to incorporate the budgetary effects of macroeconomic variables when each produces estimates of major legislation. These more accurate assessments will help guide the Senate in its work both as a legislative body and financial steward of the United States.

**Adjustment Authority for Discretionary Cap Deal.** If a measure becomes law that amends the discretionary limits established under the Balanced Budget and Emergency Deficit Control Act of 1985, then the Chairman of the Budget Committee has the ability to adjust committee allocations.

**Allows for Adjustments for Wildfire Suppression Funding.** This resolution allows for adjustments to committee allocations to account for any legislation that would provide for wildfire suppression.

**Improves Oversight of Spending.** This resolution allows the Chairman of the Budget Committee to adjust direct spending levels in the resolution following enactment of legislation that would change a program from a mandatory to a discretionary account. This adjustment will ensure savings generated on the mandatory side of the ledger are not used to then offset new spending.

**Lifts Previous Constraints on Senate Consideration of Certain Legislation.** The fiscal year 2016 budget resolution established two points of order that constrained the Senate's ability to consider certain types of legislation. In operation, these points of order were unnecessarily restrictive to the deliberative nature of the institution. As such, this resolution repeals them.

**Provides a Technical Correction Relating to Emergency Provisions.** This section makes a technical correction to the existing emergency designation process

**Provides for Enforcement Filing in the Senate.** Under this resolution, the Chairman of the Budget Committee has the ability to file committee allocations if a conference committee is not convened and a joint explanatory statement is not produced. This is important for committee allocation budget enforcement procedures contained in the Congressional Budget Act of 1974.

#### Subtitle B: Other Provisions

This section provides several provisions that are routinely included in budget resolutions.

**Encourages Oversight of Government Performance.** This resolution directs Senate committees to identify waste, fraud, abuse, and duplication in federal programs. The resolution also allows the committees to review recommendations offered by the Government Accountability Office, so Congress can better exercise its important oversight function. Committees are asked to provide their ideas for reform in their annual Views and Estimates report.

**Establishes the Budgetary Treatment of Discretionary Administrative Expenses.** This resolution requires that the joint explanatory statement accompanying the conference report on the budget resolution include amounts for the discretionary administrative expenses of the Social Security Administration and the United States Postal Service. These amounts are crucial because these expenses are subject to the discretionary spending caps, which are accounted for in the allocation to the Appropriations Committee.

**Allows for Changes in Allocations and Aggregates.** This section provides three necessary provisions relating to the timing and mechanics of budget enforcement. First, if any adjustments are made pursuant to a reserve fund or other directive, the adjustments will apply while a measure is under consideration, take effect once the measure is enacted, and be published in the *Congressional Record*. Second, any revisions to allocations and aggregates will be considered as if they were contained in this budget resolution. Third, Budget Committee estimates will serve as the basis for determining new levels of budget authority, outlays, direct spending, new entitlement authority, revenues, deficits, and surpluses.

**Allows for Changes in Concepts and Definitions.** If Congress were to enact a bill or joint resolution that changes a concept or definition, then the resolution provides the Chairman of the Budget Committee the authority to change levels and allocations in the resolution, accordingly.

**Allows for Adjustments to Reflect Legislation Not Included in the Baseline.** This section allows the Chairman of the Budget Committee to make adjustments to levels and allocations in the resolution to accommodate legislation enacted before bicameral agreement of this resolution, if the legislation was not yet incorporated into the June

2017 Congressional Budget Office's baseline. CBO's June 2017 baseline is the basis for enforcement of this resolution.

**Exercises in Rulemaking Power.** This section provides that the Senate has the constitutional authority to adopt the rules of this resolution, and the adopted rules shall be treated as Senate rules. Further, these rules supersede any prior, inconsistent rules.