

S. 2765, Bipartisan Congressional Budget Reform Act

As reported by the Senate Committee on the Budget on November 13, 2019

By Fiscal Year, Millions of Dollars	2020	2020-2024	2020-2029
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	3	not estimated
Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between zero and \$500,000.			

S. 2765 would substantially revise the Congressional budget process to require biennial budgeting, institute special reconciliation procedures to take effect if the federal debt is projected to exceed a specified amount, and modify the budget calendar. The bill also would, among other changes, create a set of five budget portfolios that would each consist of a subset of budget functions and related tax expenditures. Those revisions would not, by themselves, have a direct budgetary effect, but they could influence Congressional decisionmaking about budget-related legislation.

S. 2765 also would make a number of changes to the reporting and analytical duties of the Congressional Budget Office, the Government Accountability Office (GAO), and the Office of Management and Budget (OMB).

Under S. 2765, a number of reports, analyses, or estimates that CBO currently produces would be statutorily required (in some cases with small changes). In addition, CBO would be required to:

- Produce a report by February 15 in even-numbered years that analyzes whether the ratio of debt held by the public to gross domestic product in the final year of the budget resolution meets the target set in the budget resolution. If the agency estimates the target would not be achieved, the report would include an estimate of the amount of deficit reduction that would be required in order to achieve that target.

- Make supplemental information available to the extent practicable for cost estimates of major legislation as defined by the bill. Such information would include key models, assumptions, and data preparation routines.
- Include in its cost estimates, as supplemental information, the estimated outlays for debt-service costs that would result if the bill were enacted.
- Produce an annual budget portfolio report after November 15. The report would include a list of accounts in the portfolio, levels of budget authority provided in recent years for those accounts, information on the major trust funds included in the portfolio, options to reduce the deficit, and an analysis of various alternative scenarios affecting major accounts.

S. 2765 would require GAO to produce an annual budget portfolio report by November 15. Among other things that report would include:

- A list of duplicative, overlapping, and fragmented accounts and tax expenditures.
- A list of any high-risk programs or tax expenditures in the portfolio.
- An analysis of various alternative scenarios affecting major accounts or tax expenditures.
- Legislative and funding history for the 10 largest accounts or tax expenditures that meet certain criteria.

S. 2765, under OMB and other federal executive branch agencies would need to upgrade information technology systems in order to accommodate the requirements of the new budget process. In addition, the bill would require OMB to:

- Produce an administrative budget by December 1 each year. The budget would include up-to-date estimates for the current year and prior year data as well as certain information related to federal credit programs.
- Include in the budget submission a volume for each of the five budget portfolios created by the bill. Those volumes would include justifications for any change to a government activity or function.
- Post each document apportioning an appropriation, including associated footnotes, on a publically accessible website on the date of approval.

Using information provided by the affected agencies, CBO estimates that enacting S. 2765 would cost \$3 million over the 2020-2024 period mostly for additional personnel and data systems costs; such spending would be subject to the availability of appropriated funds.

Table 1.
Estimated Increases in Spending Subject to Appropriation Under S. 2765

	By Fiscal Year, Millions of Dollars					2020-2024
	2020	2021	2022	2023	2024	
Estimated Authorization	*	1	1	1	1	3
Estimated Outlays	*	1	1	1	1	3

* = between zero and \$500,000.

The CBO staff contact for this estimate is Barry Blom. The estimate was reviewed by Theresa Gullo, Assistant Director for Budget Analysis.