

112TH CONGRESS
1ST SESSION

S. 1996

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

IN THE SENATE OF THE UNITED STATES

DECEMBER 15, 2011

Ms. AYOTTE (for herself, Mr. RUBIO, and Mr. JOHNSON of Wisconsin) introduced the following bill; which was read twice and referred to the Committee on the Budget

A BILL

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

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 “Pro-Growth Budgeting
5 Act of 2011”.

6 **SEC. 2. MACROECONOMIC IMPACT ANALYSES.**

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

1 “MACROECONOMIC IMPACT ANALYSIS OF MAJOR
2 LEGISLATION

3 “SEC. 407. (a) CONGRESSIONAL BUDGET OFFICE.—

4 The Congressional Budget Office shall, to the extent prac-
5 ticable, prepare for each major bill or resolution reported
6 by any committee of the House of Representatives or the
7 Senate (except the Committee on Appropriations of each
8 House), as a supplement to estimates prepared under sec-
9 tion 402, a macroeconomic impact analysis of the costs
10 of such bill or resolution for—

11 “(1) the period for which an estimate is pre-
12 pared for such bill or resolution under section 402;
13 and

14 “(2) the ten fiscal-year period beginning with
15 the first fiscal year after the last fiscal year for
16 which an estimate was prepared under section 402
17 and each of the next two ten fiscal-year periods.

18 The Director shall submit to such committee the macro-
19 economic impact analysis, together with the basis for the
20 analysis. As a supplement to estimates prepared under
21 section 402, all such information so submitted shall be in-
22 cluded in the report accompanying such bill or resolution.

23 “(b) ECONOMIC IMPACT.—The analysis prepared
24 under subsection (a) shall describe the potential economic
25 impact of the applicable major bill or resolution on major

1 economic variables, including real gross domestic product,
2 business investment, the capital stock, employment, and
3 labor supply. The analysis shall also describe the potential
4 fiscal effects of the bill or resolution, including any esti-
5 mates of revenue increases or decreases resulting from
6 changes in gross domestic product. To the extent prac-
7 ticable, the analysis should use a variety of economic mod-
8 els in order to reflect the full range of possible economic
9 outcomes resulting from the bill or resolution.

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

11 “(1) the term ‘macroeconomic impact analysis’
12 means—

13 “(A) an estimate of the changes in eco-
14 nomic output, employment, capital stock, and
15 tax revenues expected to result from enactment
16 of the proposal; and

17 “(B) a statement identifying the critical
18 assumptions and the source of data underlying
19 that estimate;

20 “(2) the term ‘major bill or resolution’ means
21 any bill or resolution if the budgetary effects of such
22 bill or resolution for any fiscal year in the period for
23 which an estimate is prepared under section 402 is
24 estimated to be greater than .25 percent of the cur-

1 rent projected gross domestic product of the United
2 States for any such fiscal year; and

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

7 (b) CONFORMING AMENDMENT.—The table of con-
8 tents set forth in section 1(b) of the Congressional Budget
9 Act of 1974 is amended by inserting after the item relat-
10 ing to section 407 the following new item:

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

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