
PROVIDING FOR THE CONSIDERATION OF H.R. 3545

OCTOBER 29 (first legislative day), 1987.—Referred to the House Calendar and ordered to be printed

Mr. DERRICK, from the Committee on Rules,
submitted the following

REPORT

[To accompany H. Res. 298]

The Committee on Rules, having had under consideration House Resolution 298, by nonrecord vote, reports the same to the House with the recommendation that the resolution do pass.

SECTION 1

After section 2, add the following new section:

SEC. 3. STATEMENT OF CONGRESSIONAL POLICY AND INTENT.

(a) (1) The Congress declares and reaffirms its intention to achieve balanced multiyear deficit reduction measures pursuant to the concurrent resolution on the budget for fiscal year 1988 (H. Con. Res. 93, 100th Congress, 1st session) and pursuant to the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119).

(2) Congress commits itself to enactment of appropriations and other laws reducing the Federal deficit for fiscal year 1988 by \$23,000,000,000, in the manner required by such Act and consistent with the policies set forth in the concurrent resolution on the budget.

(b) To that end, Congress commits itself to the enactment of the deficit reduction measures containing the following:

(1) specific revenue increases of approximately \$12,000,000,000 for fiscal year 1988, and commensurate revenue increases for the 2 ensuing fiscal years, as this Act provides;

(2) annual spending reductions between \$6,000,000,000 and \$7,000,000,000 for fiscal year 1988,

from the levels provided by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987, through the enactment of discretionary appropriation measures for fiscal year 1988 that do not exceed the level which was allocated under section 302(a) of the Congressional Budget Act of 1974 for such spending, together with enhanced revenue, by the concurrent resolution on the budget for fiscal year 1988, and the Committees on Appropriations are instructed to achieve such spending reductions; and

(3) other spending reductions and receipts of at least \$5,000,000,000 for fiscal year 1988, and commensurate legislative changes for ensuing fiscal years, including:

(A) reductions in permanent spending of at least \$2,500,000,000 for fiscal year 1988, and reductions for ensuing fiscal years, as this Act provides;

(B) increased general revenues as a direct result of increased funding for enforcement by the Internal Revenue Service; and

(C) decreased payments of interest on the public debt as a direct result of these deficit reduction measures.

and conform the table of contents accordingly.

In paragraph (3) of section 408(b) of the Rural Electrification Act of 1936, as proposed to be amended by section 1042(d):

(1) In subparagraph (B), strike out "(B) The" and insert in lieu thereof "(B) On and after January 1, 1988, the".

(2) Amend subparagraph (C) to read as follows:

"(C) The interest rate on advances made on or after October 1, 1987, and before October 1, 1988, under loan commitments made before October 1, 1987, shall be equal to the average cost of moneys to the telephone bank as determined by the Governor."

(3) In subparagraph (D), strike out "on or after the date of the enactment of this paragraph" in the material preceding clause (1) and insert in lieu thereof "on or after October 1, 1988, under loan commitments made before October 1, 1987, and the interest rate on advances made under loan commitments made on or after October 1, 1987,".

In title I, strike out subtitles F and G.

In title V, strike out section 5003 and redesignate succeeding sections accordingly.

In title III, strike out subtitle C.

In title IX, strike out subtitle B (and conform the table of contents) and redesignate succeeding subtitles accordingly.

In title IX, strike out section 9702.

SECTION 2

The following are the amendments en bloc made in order under House Resolution 298, to be offered by Representative Michel of Illinois or his designee, debatable for not to exceed 1 hour, to be equally divided and controlled by the proponent of the amendment and a Member opposed thereto.

At the end of the bill, insert the following new title:

TITLE —BUDGET FREEZE

SEC. . APPROPRIATIONS REDUCTION.

(a) **APPROPRIATIONS REDUCTION.**—All discretionary appropriations for fiscal year 1988 in any Act making or continuing appropriations shall be reduced by the Committee on Appropriations of the House of Representatives to the extent necessary to achieve a reduction in discretionary budget outlays to a level \$4,820,000,000 below the level allocated in House Report 100-201 to such committee pursuant to section 302(a) of the Congressional Budget Act of 1974.

(b) **REPORT BY COMMITTEE ON APPROPRIATION.**—(1) Before the close of the fifth calendar day beginning after the date of enactment of this section and except to the extent provided by paragraph (2), the Committee on Appropriations of the House of Representatives shall subdivide among its subcommittees the allocation of discretionary budget authority and corresponding budget outlays for fiscal year 1988 allocated to it by House Report 100-201 as reduced by subsection (a).

(2) In no event shall any allocation of discretionary budget authority for any subcommittee of the Committee on Appropriations of the House of Representatives be less than the amount of discretionary budget authority enacted for fiscal year 1987 within the jurisdiction of such subcommittee. In the case of any such subcommittee to which the allocation of discretionary budget authority for fiscal year 1988 allocated to it by House Report 100-253 is less than the amount of discretionary budget authority enacted for fiscal year 1987 within the jurisdiction of that subcommittee, the allocation required by this section shall be no less than the amount allocated to such subcommittee by House Report 100-253.

(3) The Committee on Appropriations of the House of Representatives shall promptly report to the House the subdivisions made by it pursuant to this subsection.

(c) **APPLICABILITY OF SECTION 302(F)(1) POINT OF ORDER.**—For purposes of section 302(f)(1) of the Congressional Budget Act of 1974 the allocation made pursuant to subsection (b) of this section shall be deemed to be the allocation made pursuant to section 302(b) of the Congressional Budget Act of 1974 for fiscal year 1988. If the Committee on Appropriations does not comply with subsection (b)(3) before the close of the fifth calendar day beginning after the date of enactment of this section, then the budget authority enacted for fiscal year 1987 within the jurisdiction of such subcommittees shall be deemed to be the section 302(b) allocations for fiscal year 1988 unless and until such committee complies with subsection (b)(3).

(d) **APPLICABILITY OF SECTION 311 POINT OF ORDER.**—For purposes of section 311 of the Congressional Budget Act of

1974, with respect to fiscal year 1988 the appropriate level of new budget outlays set forth in the most recently agreed to concurrent resolution on the budget shall be deemed to be the level set forth in House Concurrent Resolution 93 reduced by \$4,820,000,000 and the appropriate level of total new budget authority shall be deemed to be the level set forth in House Concurrent Resolution 93 reduced by the amount of reduction in budget authority made pursuant to subsection (a).

Strike out all of title X except subpart E of part I of subtitle A (section 10109 through 10111—Employee Stock Ownership Plan Estate Tax Deduction provisions) and subtitle B (Technical Corrections to the Tax Reform Act of 1986 and corrections to other tax legislation).

At the end of the bill add the following:

SEC. . MANDATORY INCOME WITHHOLDING.

(a) **COMMENCEMENT OF AUTOMATIC WITHHOLDING UPON ISSUANCE OF COURT ORDER.**—Paragraph (3) of section 466(b) of the Social Security Act is amended to read as follows:

“(3) Such withholding shall apply in every case where an individual residing in the State owes child support under a court order which has been issued or modified in the State (or under an order of an administrative process established by a law of the State), without the necessity of any determination as to whether the absent parent is or is not in arrears and without regard to whether or not the obligation involved is one which has been assigned to the State under section 402(a)(26) or which has been (or could upon application have been) undertaken to be collected by the State under section 454(6).”

(b) **CONFORMING AMENDMENTS.**—(1) Section 466(b)(2) of such Act is amended by striking out “in the case of a child” and all that follows down through “In either case such withholding must occur”, and inserting in lieu thereof “, and must occur”.

(2) Section 466(b)(4)(A) of such Act is amended by striking out all that follows “the proposed withholding” and inserting in lieu thereof a period.

SEC. 9234. STATE GUIDELINES FOR CHILD SUPPORT AWARD AMOUNTS.

(a) **REBUTTABLE PRESUMPTION ESTABLISHED: PERIODIC UPDATING.**—Section 467(b) of the Social Security Act is amended—

(1) by inserting “(1)” after “(b)”;

(2) by striking out “, but need not be binding upon such judges or other officials”; and

(3) by adding at the end thereof the following new paragraphs:

“(2) There shall be a rebuttable presumption, in any judicial or administrative proceeding for the award of child support, that the amount of the award which would result

from the application of such guidelines is the correct (and legally required) amount of child support to be awarded.

“(3) All child support orders issued or modified in a State shall be reviewed and updated to the extent necessary at least once every two years, to ensure that (taking into account any changes which may have occurred in the absent parent’s financial situation or in other circumstances) they are in full compliance with such guidelines.”.

(b) **STATE LAW REQUIREMENTS.**—Section 466(a) of such Act (as amended by section 9141(c) of this Act) is further amended by inserting immediately after paragraph (10) the following new paragraph:

“(11) Procedures under which all child support orders issued or modified in the State will be periodically reviewed and updated as required by section 467(b)(3) (and under which all child support orders so issued or modified after the date of the enactment of this paragraph will include specific provision for such periodic review and updating).”.

SEC. 9235. USE OF EMPLOYMENT SECURITY INFORMATION OBTAINED THROUGH FEDERAL AND STATE TELECOMMUNICATIONS NETWORKS.

(a) **IN GENERAL.**—Section 454 of the Social Security Act (as amended by sections 9145(b) and 9146(a) of this Act) is further amended—

(1) by striking out “and” after the semicolon at the end of paragraph (24);

(2) by striking cut the period at the end of paragraph (25) and inserting in lieu thereof “; and”; and

(3) by inserting immediately after paragraph (25) the following new paragraph:

“(26) provide that the State agency administering the plan, and the Parent Locator Service, will be given access to all employment security information which is in the possession or control of any Federal or interstate telecommunications network or which is available through any other data exchange method (including information made available under section 1137(a)(4)(B)), subject to reimbursement for the reasonable cost of furnishing such information as agreed to by the parties, and will use such information for child support enforcement purposes in carrying out their duties under this part, so long as such information is adequately protected against unauthorized disclosure for other purposes under safeguards established in regulations prescribed by the Secretary.”.

(b) **STATE LAW REQUIREMENTS.**—Section 466(a) of such Act (as amended by sections 9141(c) and 9234(b) of this Act) is further amended by inserting immediately after paragraph (11) the following new paragraph:

“(12) Procedures under which the agency or official responsible for the State’s participation in any interstate telecommunications network or other data exchange arrangement that gathers; provides, or coordi-

nates employment security information will make such information available upon request to the State agency administering the plan of the State under this part or the agency administering the plan of any other State under this part, or to the Parent Locator Service, subject to reimbursement for the reasonable cost of furnishing such information (as agreed to by the parties) and to the safeguards against unauthorized disclosure referred to in section 454(26), for use in child support enforcement as provided for in that section.”.

(c) **FEDERAL AUTHORITY.**—Section 452 of such Act (as amended by section 9145(a) of this Act) is further amended by adding at the end thereof the following new subsection:

“(h) In accordance with regulations prescribed by the Secretary, the head of each Federal agency which operates or participates in a telecommunications network or other data exchange arrangement that gathers, provides, or coordinates employment security information shall make such information available upon request to any State agency administering a plan under this part, and to the Parent Locator Service, subject to reimbursement for the reasonable cost of furnishing such information (as agreed to by the parties) and to the safeguards against unauthorized disclosure referred to in section 454(26), for use in child support enforcement as provided for in that section.”.

SEC. 9236. INCREASE IN PENALTIES ON STATES FOR FAILURE TO COMPLY WITH STATUTORILY PRESCRIBED PROCEDURES.

Section 466(a) of the Social Security Act is amended by striking out “In order to satisfy section 454(20)(A)” in the matter preceding paragraph (1) and inserting in lieu thereof “In order to be eligible for payments pursuant to this title or title XIX.”.

SEC. 9237. EFFECTIVE DATE.

Except as otherwise specifically provided, the amendments made by this part shall become effective October 1, 1987.

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