

104TH CONGRESS
1ST SESSION

S. 1290

To reduce the deficit.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 29 (legislative day, SEPTEMBER 25), 1995

Mr. KERRY introduced the following bill; which was read twice and referred to the Committee on the Budget

A BILL

To reduce the deficit.

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 “Responsible Deficit
5 Reduction Act of 1995”.

6 **SEC. 2. LOCKBOX TO INSURE SAVINGS GO TO DEFICIT**
7 **REDUCTION.**

8 (a) IN GENERAL.—Section 201(a) of House Concur-
9 rent Resolution 67 (104th Congress, 1st Session) is
10 amended to read as follows:

11 “(a) DEFINITION.—As used in this section and for
12 the purposes of allocations made pursuant to section

1 302(a) or 602(a) of the Congressional Budget Act of
2 1974, for the discretionary category, the term ‘discre-
3 tionary spending limit’ means—

4 “(1) with respect to fiscal year 1996—

5 “(A) for the defense category
6 \$257,196,000,000 in new budget authority and
7 \$258,543,000,000 in outlays; and

8 “(B) for the nondefense category
9 \$216,058,000,000 in new budget authority and
10 \$265,610,000,000 in outlays;

11 “(2) with respect to fiscal year 1997—

12 “(A) for the defense category
13 \$261,252,000,000 in new budget authority and
14 \$261,884,000,000 in outlays; and

15 “(B) for the nondefense category
16 \$210,477,000,000 in new budget authority and
17 \$251,080,000,000 in outlays;

18 “(3) with respect to fiscal year 1998—

19 “(A) for the defense category
20 \$263,641,000,000 in new budget authority and
21 \$260,151,000,000 in outlays; and

22 “(B) for the nondefense category
23 \$216,400,000,000 in new budget authority and
24 \$243,690,000,000;

1 (1) Limit defense spending in fiscal year 1996
2 to \$244,000,000,000, in fiscal year 1997 to
3 \$241,000,000,000, in fiscal year 1998 to
4 \$248,000,000,000, in fiscal year 1999 to
5 \$254,000,000,000, and in fiscal year 2000 to
6 \$261,000,000,000.

7 (2) Terminate production of Trident D5 sub-
8 marine launched ballistic missiles after 1996.

9 (3) Phase out over five years the equivalent of
10 two Army light divisions.

11 (4) Deny unemployment compensation to serv-
12 ice members who voluntarily leave the service.

13 (5) Close the Uniformed Services University of
14 the Health Sciences, with the last class admitted in
15 1995 and all activities halted on that class' gradua-
16 tion in 1999.

17 (6) Rather than replacing or revitalizing exist-
18 ing Department of Defense Housing Stock, increase
19 reliance on private-sector housing for military fami-
20 lies by making service personnel eligible for a cash
21 housing allowance regardless of whether they live in
22 Department of Defense or private-sector units and
23 charging market-driven rent for Department of De-
24 fense housing.

1 (7) Reduce the Intelligence budget by \$300 mil-
2 lion in each of fiscal years 1996, 1997, 1998, 1999,
3 and 2000.

4 (8) Encourage private ownership of industrial
5 assets used in defense production by granting the
6 General Services Administration clear authority to
7 negotiate sale of equipment to the holding contractor
8 in situations in which continued Department of De-
9 fense ownership is not necessary, and by requiring
10 contractors in the future to rent or lease such equip-
11 ment from the Department of Defense if they dem-
12 onstrate it is in the Department of Defense's inter-
13 est to provide the equipment.

14 (9) Increase burdensharing by the Republic of
15 Korea by requiring it to increase its contribution to
16 include all payments of Korean won-based labor
17 costs of local employees working for the United
18 States military and support services contracts.

19 (10) Procure the most cost-effective mix of C-
20 17's and commercial airlifters.

21 (11) Cancel the Army's Tank Upgrade Program
22 and lay-away production facilities, deactivating but
23 preserving the Government-owned tank manufactur-
24 ing facilities.

1 (12) While retaining the number of nuclear
2 warheads permitted by the Strategic Arms Reduc-
3 tion Treaty II (START II), reduce the strategic de-
4 livery system structure to 300 Minuteman III
5 ICBM's, 10 Trident submarines each carrying 24
6 missiles with 7 warheads; 66 B-52H bombers, each
7 carrying 16 warheads; and 20 B-2 bombers, each
8 carrying 16 warheads.

9 (13) Repeal the Civilian Marksmanship Pro-
10 gram.

11 (14) Terminate all funding for the Selective
12 Service System except to terminate the program.

13 (15) Limit the mission of the Ballistic Missile
14 Defense Organization to Theater Missile Defense
15 and Terminate its other projects.

16 (16) Terminate the National Aerospace Plane
17 Program.

18 (17) Scale back weapons production and main-
19 tenance activities at the Department of Energy to
20 support an arsenal of 4,000 warheads.

21 (c) NONDEFENSE DISCRETIONARY.—The assump-
22 tions included in the conference report on House Concur-
23 rent Resolution 67 with respect to reductions in non-de-
24 fense discretionary spending shall be assumed to include
25 the following:

1 (1) Terminate NASA's support for producers of
2 commercial airlines.

3 (2) Consolidate and downsize Overseas Broad-
4 casting by capping funding to Radio Free Europe
5 and Radio Liberty at the level of \$75 million per
6 year.

7 (3) Terminate funding for the Puget Sound
8 Naval Shipyard Recreational Facility and rescind all
9 unobligated prior appropriations.

10 (4) Terminate the International Space Station
11 Program.

12 (5) Terminate the High-Temperature Gas Re-
13 actor Program, also known as the Gas Turbine-Mod-
14 ular Helium Reactor.

15 (6) Phase in over five years a reduction of 25
16 percent of fiscal year 1995 appropriations for re-
17 search and development programs for fossil, nuclear,
18 and fusion energy.

19 (7) Allow private producers to build and operate
20 co-generation facilities at Federal civilian installa-
21 tions, paying all construction costs and assuming all
22 financial risks.

23 (8) Reduce electrification and telephone credit
24 subsidies to rural utilities services to levels cal-
25 culated to result in electricity and telephone

1 consumer costs equivalent to those for consumers in
2 the service areas of unsubsidized electric and tele-
3 phone companies.

4 (9) Offer for sale the Naval Petroleum Reserve
5 Number 1, located at Elk Hills, California.

6 (10) Prohibit the sale of timber from national
7 forests at a price insufficient to recover fully the
8 Forest Service's associated costs for timber manage-
9 ment, reforestation, construction, and maintenance
10 of logging roads, payments to States, and other tim-
11 ber program costs.

12 (11) Limit the level of Federal support for agri-
13 cultural research and extension activities to 90 per-
14 cent of the fiscal year 1995 level for fiscal years
15 1996 through 2000.

16 (12) Terminate the Interstate Commerce Com-
17 mission and transfer its motor carrier safety respon-
18 sibilities to the Department of Transportation.

19 (13) Terminate the U.S. Travel and Tourism
20 Administration in 1997.

21 (14) Terminate the Pennsylvania Avenue Devel-
22 opment Corporation.

23 (15) Align the method of computing cost-of-liv-
24 ing adjustment of the compensation for members of
25 Congress with compensation for civil servants.

1 (16) Limit the number of days Senior Executive
2 Service employees may accrue as annual leave to 30.

3 (17) Permanently reduce the number of politi-
4 cal appointees to 2,000.

5 **SEC. 4. DIRECT SPENDING REDUCTIONS.**

6 (a) SALES OF ELECTRIC POWER BY THE POWER
7 MARKETING ADMINISTRATIONS.—Notwithstanding any
8 other law governing sales of electric power by the Alaska
9 Power Marketing Administration, Bonneville Power Mar-
10 keting Administration, Southern Power Marketing Admin-
11 istration, Southeastern Power Marketing Administration,
12 or Western Area Power Marketing Administration (each
13 of which is referred to in this subsection as the “Adminis-
14 tration”)—

15 (1) offers of sales of electric power by the Ad-
16 ministration shall be made on a nonpreferential
17 basis to public bodies and cooperatives and private
18 persons;

19 (2) sales of electric power by the Administra-
20 tion shall be made to the persons offering the high-
21 est price for the power; and

22 (3) the Administration shall not be required to
23 acquire for sale to any public body or cooperative or
24 any other person any amount of electric power in ex-

1 cess of that generated by the projects from which
2 the Administration sells power.

3 (b) SPENT NUCLEAR WASTE STORAGE FEES.—Sec-
4 tion 136(a)(3) of the Nuclear Waste Policy Act of 1982
5 (42 U.S.C. 10156(a)(3)) is amended—

6 (1) by striking “(3) Fees” and inserting the fol-
7 lowing:

8 “(3) FEES.—

9 “(A) IN GENERAL.—Fees”; and

10 (2) by adding at the end the following:

11 “(B) ADJUSTMENT FOR INFLATION.—On
12 and after the date of enactment of this sub-
13 paragraph, the amount of the storage fees es-
14 tablished under subparagraph (A) shall be ad-
15 justed annually on October 1 to account for in-
16 flation since the date of enactment of this Act.

17 “(C) DEADLINE FOR PAYMENT.—The
18 principal amount of all storage fees established
19 under subparagraph (A) shall be paid by Sep-
20 tember 30, 1997, and all of the interest accrued
21 or all storage fees shall be paid by September
22 30, 1998.”.

23 (c) EXPANSION AND EXTENSION OF AUTHORITY TO
24 USE COMPETITIVE BIDDING.—

1 (1) LICENSES AND PERMITS SUBJECT TO COM-
2 PETITIVE BIDDING.—Subsection (j) of section 309 of
3 the Communications Act of 1934 (47 U.S.C. 309) is
4 amended—

5 (A) in paragraph (1), by striking out “de-
6 scribed in paragraph (2)””; and

7 (B) by striking out paragraph (2).

8 (2) PERMANENT AUTHORITY.—Such subsection
9 is further amended by striking out paragraph (11).

10 (3) CONFORMING REPEAL OF RANDOM SELEC-
11 TION AUTHORITY.—Such section is further amended
12 by striking out subsection (i).

13 (d) TERMINATION OF PRICE SUPPORT AND PRODUC-
14 TION ADJUSTMENT PROGRAMS FOR SUGAR BEETS AND
15 SUGARCANE.—

16 (1) TERMINATION OF PRICE SUPPORT PRO-
17 GRAM.—

18 (A) PRICE SUPPORT LEVELS FOR DES-
19 IGNATED NONBASIC AGRICULTURAL COMMOD-
20 ITIES.—Section 201(a) of the Agricultural Act
21 of 1949 (7 U.S.C. 1446(a)) is amended by
22 striking “milk, sugar beets, and sugarcane” and
23 inserting “and milk”.

24 (B) SUGAR PRICE SUPPORT.—Section 206
25 of the Act (7 U.S.C. 1446g) is repealed.

1 (C) BENEFITS.—Section 401(e) of the Act
2 (7 U.S.C. 1421(e)) is amended—

3 (i) in paragraph (1), by striking
4 “(1)”; and

5 (ii) by striking paragraph (2).

6 (D) PERSONAL LIABILITY OF PRODUCERS
7 FOR DEFICIENCIES.—Section 405 of the Act (7
8 U.S.C. 1425) is amended—

9 (i) in subsection (a), by striking
10 “(a)”; and

11 (ii) by striking subsection (b).

12 (E) POWERS OF COMMODITY CREDIT COR-
13 PORATION.—Section 5(a) of the Commodity
14 Credit Corporation Charter Act (7 U.S.C.
15 714c(a)) is amended by inserting “(except for
16 sugar beets and sugarcane)” after “agricultural
17 commodities”.

18 (2) TERMINATION OF ACREAGE ALLOTMENTS
19 AND MARKETING QUOTAS.—

20 (A) TERMINATION.—Part VII of subtitle B
21 of title III of the Agricultural Adjustment Act
22 of 1938 (7 U.S.C. 1359aa et seq.) is repealed.

23 (B) CONFORMING AMENDMENT.—Section
24 344(f)(2) of the Act (7 U.S.C. 1344(f)(2)) is

1 amended by striking “sugar cane for sugar,
2 sugar beets for sugar,”.

3 (3) CONFORMING AMENDMENTS REGARDING
4 PREVENTION OF GOVERNMENT ACCUMULATION OF
5 SUGAR.—Section 902 of the Food Security Act of
6 1985 (7 U.S.C. 1446g note) is amended—

7 (A) by striking subsection (a); and

8 (B) by redesignating subsections (b) and
9 (c) as subsections (a) and (b), respectively.

10 (4) CONFORMING AMENDMENT REGARDING
11 SECTION 32 ACTIVITIES.—The second sentence of the
12 first paragraph of section 32 of the Act of August
13 24, 1935 (7 U.S.C. 612c) is amended by inserting
14 “(other than sugar beets and sugarcane)” after
15 “commodity” the last place it appears.

16 (5) PROHIBITION ON SUBSEQUENT PROVISION
17 OF PRICE SUPPORT.—

18 (A) PROHIBITION.—After the effective
19 date of this subsection, the Secretary of Agri-
20 culture may not make price support available,
21 whether in the form of loans, payments, pur-
22 chases, or other operations, for crops of sugar
23 beets or sugarcane by using the funds of the
24 Commodity Credit Corporation or under the au-
25 thority of any law.

1 (B) EXCEPTION.—Notwithstanding sub-
2 paragraph (A), the Secretary shall settle any
3 outstanding loans under section 206 of the Ag-
4 ricultural Act of 1949 (7 U.S.C. 1446g) made
5 before the effective date of this subsection.

6 (6) EFFECT ON EXISTING LIABILITY.—The
7 amendments made by this subsection shall not affect
8 the liability of any person under any provision of law
9 as in effect before the effective date of this sub-
10 section.

11 (7) EFFECTIVE DATE.—This subsection and the
12 amendments made by this subsection shall become
13 effective on October 1, 1996.

14 (e) ELIMINATION OF MARKET PROMOTION PRO-
15 GRAM.—

16 (1) IN GENERAL.—Section 203 of the Agricul-
17 tural Trade Act of 1978 (7 U.S.C. 5623) is re-
18 pealed.

19 (2) CONFORMING AMENDMENTS.—

20 (A) Section 211 of the Act (7 U.S.C.
21 5641) is amended by striking subsection (c).

22 (B) Section 402(a)(1) of the Act (7 U.S.C.
23 5662(a)(1)) is amended by striking “203,”.

1 (C) Section 1302 of the Omnibus Budget
2 Reconciliation Act of 1993 (Public Law 103-
3 66; 7 U.S.C. 5623 note) is repealed.

4 (f) ELIMINATION OF EXPORT ENHANCEMENT PRO-
5 GRAM.—

6 (1) IN GENERAL.—Section 301 of the Agricul-
7 tural Trade Act of 1978 (7 U.S.C. 5651) is re-
8 pealed.

9 (2) CONFORMING AMENDMENTS.—

10 (A) Section 103(d)(2) of the Act (7 U.S.C.
11 5603(d)(2)) is amended by striking “(as
12 amended) and the program under section 301”.

13 (B) The title heading of title III of the Act
14 (7 U.S.C. prec. 5651) is amended to read as
15 follows:

16 **“TITLE III—RELIEF FROM**
17 **UNFAIR TRADE PRACTICES”.**

18 (C) Section 303 of the Act (7 U.S.C.
19 5653) is amended by striking “, such as that
20 established under section 301,”.

21 (D) Section 401 of the Act (7 U.S.C.
22 5661) is amended by striking “sections 201,
23 202, and 301” each place it appears in sub-
24 sections (a) and (b) and inserting “sections 201
25 and 202”.

1 (E) Section 402(a)(1) of the Act (7 U.S.C.
2 5662(a)(1)) (as amended by section 301(b)(2))
3 is further amended by striking “sections 201,
4 202, and 301” and inserting “sections 201 and
5 202”.

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