

H.J.Res. 24, the Business Cycle Balanced Budget Amendment

Rep. Justin Amash and Bipartisan Cosponsors

Text of H.J.Res. 24	Plain English
<p>SECTION 1. Total outlays for a year shall not exceed the average annual revenue collected in the three prior years, adjusted in proportion to changes in population and inflation. Total outlays shall include all outlays of the United States except those for payment of debt, and revenue shall include all revenue of the United States except that derived from borrowing.</p>	<p>Spending = rolling average of recent revenue (average revenue of previous three, adjusted for population changes, inflation)</p> <p>“Outlays” include everything but debt reduction. Borrowing is not “revenue.”</p>
<p>SECTION 2. Congress may by a roll call vote of two-thirds of each House declare an emergency and provide by law for specific outlays in excess of the limit in section 1. The declaration shall specify reasons for the emergency designation and may authorize outlays in excess of the limit in section 1 for up to one year.</p>	<p>Additional emergency outlays</p> <ol style="list-style-type: none">1) Require two-thirds support2) Require detailed emergency declaration3) Only last one year at a time (can be renewed)
<p>SECTION 3. Congress shall have power to enforce this article by appropriate legislation.</p>	<p>Reasonable implementing legislation is authorized.</p>
<p>SECTION 4. This article shall take effect in the first year beginning at least 90 days following ratification, except that outlays may exceed the limit in section 1 by the following portion of the prior year’s outlays exceeding that limit (excepting emergency outlays provided for by section 2): nine-tenths in the first year, eight-ninths in the second, seven-eighths in the third, six-sevenths in the fourth, five-sixths in the fifth, four-fifths in the sixth, three-fourths in the seventh, two-thirds in the eighth, and one-half in the ninth.</p>	<p>Gradual ten-year transition, beginning the year (fiscal or calendar) starting 90 days after ratification to allow time to write implementing legislation & change policies.</p> <p>Ratification-year deficit reduced at least 1/10th each subsequent year. Faster deficit reduction locks in that progress.</p> <p>Emergencies don’t affect baseline.</p>

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