

## HR 1872

Budget and Accounting Transparency Act of 2014

**Congress:** 113 (2013–2015, Ended)

**Chamber:** House

**Policy Area:** Economics and Public Finance

**Introduced:** May 8, 2013

**Current Status:** Received in the Senate and Read twice and referred to the Committee on the Budget.

**Latest Action:** Received in the Senate and Read twice and referred to the Committee on the Budget. (Apr 8, 2014)

**Official Text:** <https://www.congress.gov/bill/113th-congress/house-bill/1872>

### Sponsor

**Name:** Rep. Garrett, Scott [R-NJ-5]

**Party:** Republican • **State:** NJ • **Chamber:** House

### Cosponsors (7 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Amash, Justin [R-MI-3]	R · MI		May 8, 2013
Rep. Duncan, Jeff [R-SC-3]	R · SC		May 8, 2013
Rep. Flores, Bill [R-TX-17]	R · TX		May 8, 2013
Rep. Hensarling, Jeb [R-TX-5]	R · TX		May 8, 2013
Rep. Mulvaney, Mick [R-SC-5]	R · SC		May 8, 2013
Rep. Ryan, Paul [R-WI-1]	R · WI		May 8, 2013
Rep. Westmoreland, Lynn A. [R-GA-3]	R · GA		May 8, 2013

### Committee Activity

Committee	Chamber	Activity	Date
Budget Committee	House	Reported By	Mar 18, 2014
Budget Committee	Senate	Referred To	Apr 8, 2014
Oversight and Government Reform Committee	House	Discharged From	Mar 18, 2014

### Subjects & Policy Tags

#### Policy Area:

Economics and Public Finance

## Related Bills

Bill	Relationship	Last Action
113 S 2420	Related bill	<b>Jun 3, 2014:</b> Read twice and referred to the Committee on the Budget.
113 HRES 539	Procedurally related	<b>Apr 4, 2014:</b> Motion to reconsider laid on the table Agreed to without objection.
113 HR 1270	Related bill	<b>Mar 19, 2013:</b> Referred to the Committee on the Budget, and in addition to the Committees on Rules, and Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

**(This measure has not been amended since it was reported to the House on March 18, 2014. The summary of that version is repeated here.)**

Budget and Accounting Transparency Act of 2014 - **Title I: Fair Value Estimates** - (Sec. 101) Amends the Federal Credit Reform Act of 1990 (FCRA) (title V of the Congressional Budget Act of 1974 [CBA]) to:

- rename the FCRA the Fair Value Accounting Act of 2014 (FVAA of 2014); and
- revise the budgetary treatment of federal direct loans and loan guarantees to account for them on a fair value basis (currently, a FCRA accrual basis).

Requires the President's budget from FY2017 on to reflect the costs of direct loan and loan guarantee programs.

Requires the budget to also include:

- the planned level of new direct loan obligations or loan guarantee commitments associated with each appropriations request; and
- for each of FY2017-FY2021, on an agency-by-agency basis, subsidy estimates and costs of direct loan and loan guarantee programs with and without the risk component.

Defines the "risk component" as an amount of the estimated long-term cost to the federal government of a direct loan or loan guarantee (or modification) that is equal to the difference between:

- that cost estimated on a fair value basis, applying the guidelines set forth by the Financial Accounting Standards Board in Financial Accounting Standards #157 (or a successor), excluding administrative costs and any incidental effects on governmental receipts or outlays; and
- the same cost calculated on a net present value basis (the Treasury discounting component), excluding the same administrative costs and incidental effects.

Revises other requirements for the President's budget, beginning with FY2017, including conditions for new direct loans or loan guarantee commitments. Requires new budget authority for such loans or loan guarantee commitments to be provided in advance in an appropriation Act.

Exempts a direct loan or loan guarantee program that constitutes an entitlement (such as the guaranteed student loan program or the veteran's home loan guaranty program), all existing credit programs of the Commodity Credit Corporation (CCC), or any direct loan or loan guarantee made by the Federal National Mortgage Association (Fannie Mae) or the Federal Home Loan Mortgage Corporation (Freddie Mac) (government-sponsored enterprises or GSEs) from:

- the requirement that new direct loan obligations may be incurred and new loan guarantee commitments may be made for any fiscal year only to the extent that new budget authority to cover their costs is provided in advance in an appropriation Act, and
- the prohibition against modification of an outstanding direct loan or loan guarantee in a manner that increases its costs unless budget authority for the additional cost has been provided in advance in an appropriation Act.

Repeals the general authorization of appropriations to federal agencies for the cost associated with such direct loan obligations or loan guarantee commitments.

Revises requirements for Treasury transactions with financing accounts (nonbudget accounts associated with each program account which holds balances, receives the cost payment from the program account, and also includes all other cash flows to and from the federal government resulting from direct loan obligations or loan guarantee commitments made on or after October 1, 1991).

Limits the availability of amounts in liquidating accounts to specified payments resulting from direct loan obligations or loan guarantee commitments made before October 1, 1991.

(Sec. 102) Amends the Balanced Budget and Emergency Deficit Control Act of 1985 (Gramm-Rudman-Hollings Act) to treat a change in discretionary spending solely as a result of the amendment to title V of the CBA made by this Act as a change of concept (requiring adjustments to discretionary spending limits).

Requires the Office of Management and Budget (OMB), before adjusting such discretionary spending limits, to report to congressional budget committees on the amount of that adjustment and other specified related matters.

**Title II: Budgetary Treatment** - (Sec. 201) Requires each of the Directors of the Congressional Budget Office (CBO) and of the Office of Management and Budget (OMB) to study and make recommendations to congressional budget committees on the feasibility of applying fair value concepts to budgeting for the costs of federal insurance programs.

(Sec. 202) Requires the receipts and disbursements, including the administrative expenses, of the GSEs to be counted as new budget authority, outlays, receipts, or deficit or surplus for purposes of:

- the President's budget,
- the congressional budget, and
- the Gramm-Rudman-Hollings Act.

(Sec. 203) Terminates mandatory on-budget status treatment for a GSE after all of the following occurs:

- its conservatorship has been terminated;
- the Director of the Federal Housing Finance Agency (FHFA) has certified in writing that the GSE has repaid to the federal government the maximum amount consistent with minimizing the total federal cost of the financial assistance provided to the GSE; and
- its charter has been revoked, annulled, or terminated and its authorizing statute has been repealed.

**Title III: Budget Review and Analysis** - (Sec. 301) Requires OMB to:

- study the history of offsetting collections against expenditures and the amount of receipts collected annually, especially the historical application of the budgetary terms "revenue," "offsetting collections," and "offsetting receipts"; and
- review the application of those terms and make recommendations to the congressional budget committees on whether such usage should be continued or modified.

(Sec. 302) Requires any federal agency, whenever it prepares and submits written budget justification materials for any congressional committee, to:

- post them on the same day as its submission on the "open" page of its public website; and
- include with its justification the process and methodology the agency is using to comply with the FVAA of 2014.

Requires OMB to notify each federal agency of the format in which to post it.

Requires OMB to report to congressional budget committees, on the day of issuance, all guidelines, regulations, or criteria it issues to agencies on how to calculate the risk component under the FVAA of 2014.

Requires the Comptroller General (GAO) for FY2017-FY2021 to review and evaluate annually the progress of agencies in implementing the FVAA of 2014.

Deems such guidelines, regulations, or criteria as rules for purposes of federal rulemaking procedures. Requires them to be issued after notice and opportunity for public comment.

## Actions Timeline

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- **Apr 8, 2014:** Received in the Senate and Read twice and referred to the Committee on the Budget.
- **Apr 7, 2014:** Considered under the provisions of rule H. Res. 539. (consideration: CR H2965-2973)
- **Apr 7, 2014:** The resolution provides for consideration of H.R. 1874, H.R. 1871, and H.R. 1872. The resolution provides for 1 hour of general debate for each bill. Specified amendments printed in Part B of House Report 113-400 are in order for H.R. 1874. The resolution allows for one motion to recommit with instructions for each bill.
- **Apr 7, 2014:** The previous question was ordered pursuant to the rule. (consideration: CR H2973)
- **Apr 7, 2014:** POSTPONED PROCEEDINGS - The Chair announced that pursuant to clause 1(c) of rule 19, further proceedings on H.R. 1872 would be postponed.
- **Apr 7, 2014:** Considered as unfinished business. (consideration: CR H2983-2986)
- **Apr 7, 2014:** Ms. DeLauro moved to recommit with instructions to the Committee on the Budget. (consideration: CR H2983-2985; text: CR H2983)
- **Apr 7, 2014:** Floor summary: DEBATE - The House proceeded with 10 minutes of debate on the Delauro motion to recommit with instructions. The instructions contained in the motion seek to require the bill to be reported back to the House with an amendment to prohibit the underlying legislation from taking effect until the female-to-male earnings ratio of full time, year-round workers is at least 100% as determined by the Census Bureau and women receive equal pay for equal work. Additionally, it would ensure that the underlying legislation cannot increase the cost of any loan for a small business, student, veterans housing or any agricultural purpose.
- **Apr 7, 2014:** The previous question on the motion to recommit with instructions was ordered without objection. (consideration: CR H2985)
- **Apr 7, 2014:** On motion to recommit with instructions Failed by the Yeas and Nays: 179 - 217 (Roll no. 165).
- **Apr 7, 2014:** Passed/agreed to in House: On passage Passed by recorded vote: 230 - 165 (Roll no. 166).(text: CR H2965-2968)
- **Apr 7, 2014:** Motion to reconsider laid on the table Agreed to without objection.
- **Apr 7, 2014:** On passage Passed by recorded vote: 230 - 165 (Roll no. 166). (text: CR H2965-2968)
- **Apr 4, 2014:** Rule H. Res. 539 passed House.
- **Apr 3, 2014:** Rules Committee Resolution H. Res. 539 Reported to House. The resolution provides for consideration of H.R. 1874, H.R. 1871, and H.R. 1872. The resolution provides for 1 hour of general debate for each bill. Specified amendments printed in Part B of House Report 113-400 are in order for H.R. 1874. The resolution allows for one motion to recommit with instructions for each bill.
- **Mar 18, 2014:** Reported (Amended) by the Committee on Budget. H. Rept. 113-381, Part I.
- **Mar 18, 2014:** Committee on Oversight and Government discharged.
- **Mar 18, 2014:** Placed on the Union Calendar, Calendar No. 284.
- **Feb 11, 2014:** Committee Consideration and Mark-up Session Held.
- **Feb 11, 2014:** Ordered to be Reported (Amended) by the Yeas and Nays: 17 - 8.
- **May 8, 2013:** Introduced in House
- **May 8, 2013:** Referred to the Committee on the Budget, and in addition to the Committee on Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

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