



Comptroller General
of the United States

Washington, D.C. 20548

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July 31, 1986

The Honorable Pete V. Domenici
Chairman, Committee on the Budget
United States Senate

Dear Mr. Chairman:

You have asked for our views as to whether, under the original scheme of the Balanced Budget and Emergency Deficit Control Act (Public Law 99-177), the President's final order for fiscal year 1987 would be required to specify reductions if the "triggering" report (originally the revised report of the Comptroller General) determined that the excess deficit for the fiscal year would be less than or equal to \$10 billion. For the reasons described below, we conclude that the President's final order could only require reductions if the triggering report determined the excess deficit to be greater than \$10 billion.

Under section 252(b)(1) of the Act, the President's final order must provide for reductions "in the same manner" as his initial order, and must utilize the same criteria and guidelines as those used in the issuance of his initial order. The initial order, under section 252(a), only applies with respect to an excess deficit greater than \$10 billion over the deficit target specified in the statute. Thus, the final order also applies only to the extent the excess deficit is greater than \$10 billion over the statutory target amount.

In addition, under section 252(b)(1), the President's final order may make reductions only to the extent and in the manner specified in the revised triggering report. That report may only revise the "estimates, determinations, and specifications" of the initial triggering report. § 251(c)(2)(A). Under section 251(b), the initial report only provides for reductions "if the [deficit] excess is greater than \$10,000,000,000." In our view, that precondition applies as well to both the final report and to the final presidential order.

We hope that the foregoing is of assistance to you.

Sincerely yours,

Charles A. Bowsner
for Charles A. Bowsner
Comptroller General
of the United States