

110TH CONGRESS  
1ST SESSION

# S. 15

To establish a new budget process to create a comprehensive plan to rein in spending, reduce the deficit, and regain control of the Federal budget process.

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## IN THE SENATE OF THE UNITED STATES

MAY 22, 2007

Mr. GREGG (for himself, Mr. McCONNELL, Mr. KYL, Mr. DOMENICI, Mr. ALLARD, Mr. ENZI, Mr. BUNNING, Mr. CRAPO, Mr. ENSIGN, Mr. CORNYN, Mr. GRAHAM, Mr. SESSIONS, Mr. ALEXANDER, Mr. BROWNBACK, Mr. CRAIG, Mr. SUNUNU, Mr. MARTINEZ, Mr. THOMAS, Mr. VITTER, Mr. CHAMBLISS, Mr. ISAKSON, Mrs. DOLE, Mr. DEMINT, Mr. VOINOVICH, Mr. THUNE, and Mr. LOTT) introduced the following bill; which was read twice and referred to the Committee on the Budget

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## A BILL

To establish a new budget process to create a comprehensive plan to rein in spending, reduce the deficit, and regain control of the Federal budget process.

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: TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Stop Over Spending Act of 2007”.

6 (b) TABLE OF CONTENTS.—The table of contents for  
7 this Act is as follows:

- Sec. 1. Short title: table of contents.
- Sec. 2. Purposes.
- Sec. 3. Severability.

TITLE I—SECOND LOOK AT WASTEFUL SPENDING ACT OF 2007

- Sec. 101. Short title.
- Sec. 102. Enhanced rescission authority.

TITLE II—DEFICIT REDUCTION

Subtitle A—Definitions, Administration, and Sequestration

- Sec. 201. Definitions.
- Sec. 202. Administration, reconciliation, and effect of sequestration.
- Sec. 203. GAO compliance report.

Subtitle B—Discretionary Spending Limits

- Sec. 211. Discretionary Sequestration Reports.
- Sec. 212. Limits.

Subtitle C—Maximum Deficit Amount Limitation

- Sec. 221. Maximum deficit amount.
- Sec. 222. Reporting of excess deficits.
- Sec. 223. Congressional response to OMB and CBO Reconciliation Report.
- Sec. 224. Revised estimates and final maximum deficit amount sequestration reports.
- Sec. 225. Maximum deficit amount-presidential order.
- Sec. 226. Congressional response to low growth.
- Sec. 227. Exemptions from sequestration.
- Sec. 228. Submission of President's budget; maximum deficit amount may not be exceeded.

TITLE III—BIENNIAL BUDGET AND APPROPRIATIONS

- Sec. 301. Revision of timetable.
- Sec. 302. Amendments to the Congressional Budget and Impoundment Control Act of 1974.
- Sec. 303. Amendments to title 31, United States Code.
- Sec. 304. Two-year appropriations; title and style of appropriations Acts.
- Sec. 305. Multiyear authorizations.
- Sec. 306. Government plans on a biennial basis.
- Sec. 307. Biennial appropriation bills.
- Sec. 308. Report on changes in law.
- Sec. 309. Effective date.

TITLE IV—COMMISSIONS

Subtitle A—National Commission on Entitlement Solvency

- Sec. 401. Definitions.
- Sec. 402. Establishment of Commission.
- Sec. 403. Expedited consideration of Commission recommendations.

Subtitle B—Commission on Congressional Budgetary Accountability and Review of Federal Agencies

- Sec. 411. Definitions.
- Sec. 412. Establishment of Commission.
- Sec. 413. Duties of the Commission.
- Sec. 414. Powers of the Commission.
- Sec. 415. Commission personnel matters.
- Sec. 416. Expedited Consideration of reform proposals.
- Sec. 417. Termination of the Commission.
- Sec. 418. Authorization of appropriations.

#### TITLE V—BUDGET PROCESS REFORMS

- Sec. 501. Definitions.
- Sec. 502. Annual Concurrent Resolution on the Budget.
- Sec. 503. Committee allocations.
- Sec. 504. Budget resolution adoption.
- Sec. 505. Procedure in the Senate for budget resolutions.
- Sec. 506. Budget projections.
- Sec. 507. Reconciliation.
- Sec. 508. Budgeting levels.
- Sec. 509. Determinations and points of order.
- Sec. 510. Extraneous matter in reconciliation legislation.
- Sec. 511. Adjustments.
- Sec. 512. Direct spending limitation.
- Sec. 513. Point of order against legislation that raises income tax rates.
- Sec. 514. Circuit breaker to protect Social Security.
- Sec. 515. Limitation on long-term spending proposals.
- Sec. 516. Avoiding paygo point of order.
- Sec. 517. Pay-as-you-go point of order in the Senate.
- Sec. 518. Appropriations requests of the President.
- Sec. 519. Budget baseline.

#### 1 **SEC. 2. PURPOSES.**

2       The purposes of this Act are to—

- 3           (1) enable the President and Congress to re-
- 4       scind wasteful spending in an expedited manner;
- 5           (2) effectively balance the budget by 2012;
- 6           (3) reinstate statutory discretionary caps;
- 7           (4) reduce the practice of using spending des-
- 8       ignated as an “emergency” as a mechanism to cir-
- 9       cumvent spending caps;

1           (5) establish targets for the deficit as its share  
2 of the United States economy, specifically as a per-  
3 centage of Gross Domestic Product;

4           (6) require automatic spending reduction rec-  
5 onciliation directives to achieve annual deficit tar-  
6 gets;

7           (7) put in place automatic sequester procedures  
8 to reduce discretionary and mandatory spending  
9 when either statutory caps have been exceeded or  
10 deficit targets have not been met;

11          (8) require Congress to act upon legislation to  
12 ensure the solvency of the Social Security and Medi-  
13 care Programs;

14          (9) require Congress to act upon legislation to  
15 identify and eliminate waste and duplication in Fed-  
16 eral programs;

17          (10) establish biennial budgeting;

18          (11) strengthen and improve the Congressional  
19 budget resolution and reconciliation process; and

20          (12) provide short-term and long-term solutions  
21 to ensure the financial security of our Nation so that  
22 our children and grandchildren will not be saddled  
23 with insurmountable debt.

1 **SEC. 3. SEVERABILITY.**

2 If any provision of this Act, an amendment made by  
 3 this Act, or the application of such provision or amend-  
 4 ment to any person or circumstance is held to be unconsti-  
 5 tutional, the remainder of this Act, the amendments made  
 6 by this Act, and the application of the provisions of such  
 7 to any person or circumstance shall not be affected there-  
 8 by.

9 **TITLE I—SECOND LOOK AT**  
 10 **WASTEFUL SPENDING ACT OF**  
 11 **2007**

12 **SEC. 101. SHORT TITLE.**

13 This title may be cited as the “Second Look at  
 14 Wasteful Spending Act of 2007”.

15 **SEC. 102. ENHANCED RESCISSION AUTHORITY.**

16 (a) IN GENERAL.—Title X of the Congressional  
 17 Budget and Impoundment Control Act of 1974 (2 U.S.C.  
 18 621 et seq.) is amended by striking part C and inserting  
 19 the following:

20 **“PART C—ENHANCED RESCISSION AUTHORITY**  
 21 **“SEC. 1021. EXPEDITED CONSIDERATION OF CERTAIN PRO-**  
 22 **POSED RESCISSIONS.**

23 “(a) PROPOSED RESCISSIONS.—The President may  
 24 send a special message, at the time and in the manner  
 25 provided in subsection (b), that proposes to rescind dollar

1 amounts of discretionary budget authority, items of direct  
2 spending, and targeted tax benefits.

3 “(b) TRANSMITTAL OF SPECIAL MESSAGE.—

4 “(1) SPECIAL MESSAGE.—

5 “(A) IN GENERAL.—

6 “(i) FOUR MESSAGES.—The President  
7 may transmit to Congress not to exceed 4  
8 special messages per calendar year, pro-  
9 posing to rescind dollar amounts of discre-  
10 tionary budget authority, items of direct  
11 spending, and targeted tax benefits.

12 “(ii) TIMING.—Subject to clause (iii),  
13 special messages may be transmitted under  
14 clause (i)—

15 “(I) with the President’s budget  
16 submitted pursuant to section 1105 of  
17 title 31, United States Code, for any  
18 proposed rescission enacted after the  
19 date the President submitted the pre-  
20 ceding budget; and

21 “(II) 3 other times as determined  
22 by the President, except that the mes-  
23 sage shall be submitted within the 30  
24 calendar day period (excluding Satur-  
25 days, Sundays, and legal holidays)

1 commencing on the day after the date  
2 of enactment of any dollar amount of  
3 discretionary budget authority, item  
4 of direct spending, or targeted tax  
5 benefit the President proposes to re-  
6 scind pursuant to this section.

7 “(iii) LIMITATIONS.—

8 “(I) RESUBMITTAL REJECTED.—

9 If Congress rejects a bill introduced  
10 under this part or if an item is strick-  
11 en under subsection (d)(2) from a bill  
12 that is enacted into law, the President  
13 may not resubmit that item or any of  
14 the dollar amounts of discretionary  
15 budget authority, items of direct  
16 spending, or targeted tax benefits in  
17 that bill under this part, or part B  
18 with respect to dollar amounts of dis-  
19 cretionary budget authority.

20 “(II) RESUBMITTAL AFTER SINE

21 DIE.—If Congress does not complete  
22 action on a bill introduced under this  
23 part because Congress adjourns sine  
24 die, the President may resubmit some  
25 or all of the dollar amounts of discre-

1                   tionary budget authority, items of di-  
2                   rect spending, and targeted tax bene-  
3                   fits in that bill in not more than 1  
4                   subsequent special message under this  
5                   part, or part B with respect to dollar  
6                   amounts of discretionary budget au-  
7                   thority.

8                   “(B) CONTENTS OF SPECIAL MESSAGE.—  
9                   Each special message shall specify, with respect  
10                  to the dollar amount of discretionary budget au-  
11                  thority, item of direct spending, or targeted tax  
12                  benefit proposed to be rescinded—

13                   “(i) the dollar amount of discretionary  
14                   budget authority available and proposed  
15                   for rescission from accounts, departments,  
16                   or establishments of the Government and  
17                   the dollar amount of the reduction in out-  
18                   lays that would result from the enactment  
19                   of such rescission of discretionary budget  
20                   authority for the time periods set forth in  
21                   clause (iii);

22                   “(ii) the specific items of direct spend-  
23                   ing and targeted tax benefits proposed for  
24                   rescission and the dollar amounts of the  
25                   reductions in budget authority and outlays



1 or increases in receipts that would result  
2 from enactment of such rescission for the  
3 time periods set forth in clause (iii);

4 “(iii) the budgetary effects of pro-  
5 posals for rescission, estimated as of the  
6 date the President submits the special  
7 message, relative to the most recent levels  
8 calculated consistent with the methodology  
9 described in section 257 of the Balanced  
10 Budget and Emergency Deficit Control Act  
11 of 1985 and included with a budget sub-  
12 mission under section 1105(a) of title 31,  
13 United States Code, for the time periods  
14 of—

15 “(I) the fiscal year in which the  
16 proposal is submitted; and

17 “(II) each of the 10 following fis-  
18 cal years beginning with the fiscal  
19 year after the fiscal year in which the  
20 proposal is submitted;

21 “(iv) any account, department, or es-  
22 tablishment of the Government to which  
23 such dollar amount of discretionary budget  
24 authority or item of direct spending is

1 available for obligation, and the specific  
2 project or governmental functions involved;

3 “(v) the reasons why such dollar  
4 amount of discretionary budget authority  
5 or item of direct spending or targeted tax  
6 benefit should be rescinded;

7 “(vi) the estimated fiscal and eco-  
8 nomic impacts, of the proposed rescission;

9 “(vii) to the maximum extent prac-  
10 ticable, all facts, circumstances, and con-  
11 siderations relating to or bearing upon the  
12 proposed rescission and the decision to ef-  
13 fect the proposed rescission, and the esti-  
14 mated effect of the proposed rescission  
15 upon the objects, purposes, and programs  
16 for which the budget authority or items of  
17 direct spending or targeted tax benefits are  
18 provided; and

19 “(viii) a draft bill that, if enacted,  
20 would rescind the budget authority, items  
21 of direct spending and targeted tax bene-  
22 fits proposed to be rescinded in that spe-  
23 cial message.

24 “(2) ANALYSIS BY CONGRESSIONAL BUDGET  
25 OFFICE AND JOINT COMMITTEE ON TAXATION.—

1           “(A) IN GENERAL.—Upon the receipt of a  
2 special message under this part proposing to re-  
3 scind dollar amounts of discretionary budget  
4 authority, items of direct spending, and tar-  
5 geted tax benefits—

6           “(i) the Director of the Congressional  
7 Budget Office shall prepare an estimate of  
8 the savings in budget authority or outlays  
9 resulting from such proposed rescission  
10 and shall include in its estimate, an anal-  
11 ysis prepared by the Joint Committee on  
12 Taxation related to targeted tax benefits;  
13 and

14           “(ii) the Director of the Joint Com-  
15 mittee on Taxation shall prepare an esti-  
16 mate and forward such estimate to the  
17 Congressional Budget Office, of the sav-  
18 ings from repeal of targeted tax benefits.

19           “(B) METHODOLOGY.—The estimates re-  
20 quired by subparagraph (A) shall be made rel-  
21 ative to the most recent levels calculated con-  
22 sistent with the methodology used to calculate  
23 a baseline under section 257 of the Balanced  
24 Budget and Emergency Control Act of 1985  
25 and included with a budget submission under

1 section 1105(a) of title 31, United States Code,  
2 and transmitted to the chairmen of the Com-  
3 mittees on the Budget of the House of Rep-  
4 resentatives and Senate.

5 “(3) ENACTMENT OF RESCISSION BILL.—

6 “(A) DEFICIT REDUCTION.—Amounts of  
7 budget authority or items of direct spending or  
8 targeted tax benefit that are rescinded pursuant  
9 to enactment of a bill as provided under this  
10 part shall be dedicated only to deficit reduction  
11 and shall not be used as an offset for other  
12 spending increases or revenue reductions.

13 “(B) ADJUSTMENT OF BUDGET TAR-  
14 GETS.—Not later than 5 days after the date of  
15 enactment of a rescission bill as provided under  
16 this part, the chairs of the Committees on the  
17 Budget of the Senate and the House of Rep-  
18 resentatives shall revise spending and revenue  
19 levels under section 311(a) of the Congressional  
20 Budget Act of 1974 and adjust the committee  
21 allocations under section 302(a) of the Congres-  
22 sional Budget Act of 1974 or any other adjust-  
23 ments as may be appropriate to reflect the re-  
24 scission. The adjustments shall reflect the  
25 budgetary effects of such rescissions as esti-

1 mated by the President pursuant to paragraph  
2 (1)(B)(iii). The appropriate committees shall  
3 report revised allocations pursuant to section  
4 302(b) of the Congressional Budget Act of  
5 1974. Notwithstanding any other provision of  
6 law, the revised allocations and aggregates shall  
7 be considered to have been made under a con-  
8 current resolution on the budget agreed to  
9 under the Congressional Budget Act of 1974  
10 and shall be enforced under the procedures of  
11 that Act.

12 “(C) ADJUSTMENTS TO CAPS.—After en-  
13 actment of a rescission bill as provided under  
14 this part, the President shall revise applicable  
15 limits under the Second Look at Wasteful  
16 Spending Act of 2007, as appropriate.

17 “(c) PROCEDURES FOR EXPEDITED CONSIDER-  
18 ATION.—

19 “(1) IN GENERAL.—

20 “(A) INTRODUCTION.—Before the close of  
21 the second day of session of the Senate and the  
22 House of Representatives, respectively, after the  
23 date of receipt of a special message transmitted  
24 to Congress under subsection (b), the majority  
25 leader of each House, for himself, or minority

1 leader of each House, for himself, or a Member  
2 of that House designated by that majority lead-  
3 er or minority leader shall introduce (by re-  
4 quest) the President’s draft bill to rescind the  
5 amounts of budget authority or items of direct  
6 spending or targeted tax benefits, as specified  
7 in the special message and the President’s draft  
8 bill. If the bill is not introduced as provided in  
9 the preceding sentence in either House, then,  
10 on the third day of session of that House after  
11 the date of receipt of that special message, any  
12 Member of that House may introduce the bill.

13 “(B) REFERRAL AND REPORTING.—

14 “(i) ONE COMMITTEE.—The bill shall  
15 be referred by the presiding officer to the  
16 appropriate committee. The committee  
17 shall report the bill without any revision  
18 and with a favorable, an unfavorable, or  
19 without recommendation, not later than  
20 the fifth day of session of that House after  
21 the date of introduction of the bill in that  
22 House. If the committee fails to report the  
23 bill within that period, the committee shall  
24 be automatically discharged from consider-

1                   ation of the bill, and the bill shall be  
2                   placed on the appropriate calendar.

3                   “(ii) MULTIPLE COMMITTEES.—

4                   “(I) REFERRALS.—If a bill con-  
5                   tains provisions in the jurisdiction of  
6                   more than 1 committee, the bill shall  
7                   be jointly referred to the committees  
8                   of jurisdiction and the Committee on  
9                   the Budget.

10                  “(II) VIEWS OF COMMITTEE.—

11                  Any committee, other than the Com-  
12                  mittee on the Budget, to which a bill  
13                  is referred under this clause may sub-  
14                  mit a favorable, an unfavorable rec-  
15                  ommendation, without recommenda-  
16                  tion with respect to the bill to the  
17                  Committee on the Budget prior to the  
18                  reporting or discharge of the bill.

19                  “(III) REPORTING.—The Com-

20                  mittee on the Budget shall report the  
21                  bill not later than the fifth day of ses-  
22                  sion of that House after the date of  
23                  introduction of the bill in that House,  
24                  without any revision and with a favor-  
25                  able or unfavorable recommendation,

1 or with no recommendation, together  
2 with the recommendations of any  
3 committee to which the bill has been  
4 referred.

5 “(IV) DISCHARGE.—If the Com-  
6 mittee on the Budget fails to report  
7 the bill within that period, the com-  
8 mittee shall be automatically dis-  
9 charged from consideration of the bill,  
10 and the bill shall be placed on the ap-  
11 propriate calendar.

12 “(C) FINAL PASSAGE.—A vote on final  
13 passage of the bill shall be taken in the Senate  
14 and the House of Representatives on or before  
15 the close of the 10th day of session of that  
16 House after the date of the introduction of the  
17 bill in that House. If the bill is passed, the  
18 Clerk of the House of Representatives shall  
19 cause the bill to be transmitted to the Senate  
20 before the close of the next day of session of the  
21 House.

22 “(2) CONSIDERATION IN THE HOUSE OF REP-  
23 RESENTATIVES.—

24 “(A) MOTION TO PROCEED TO CONSIDER-  
25 ATION.—A motion in the House of Representa-



1 tives to proceed to the consideration of a bill  
2 under this subsection shall be highly privileged  
3 and not debatable. An amendment to the mo-  
4 tion shall not be in order, nor shall it be in  
5 order to move to reconsider the vote by which  
6 the motion is agreed to or disagreed to.

7 “(B) LIMITS ON DEBATE.—Debate in the  
8 House of Representatives on a bill under this  
9 subsection shall not exceed 4 hours, which shall  
10 be divided equally between those favoring and  
11 those opposing the bill. A motion further to  
12 limit debate shall not be debatable. It shall not  
13 be in order to move to recommit a bill under  
14 this subsection or to move to reconsider the  
15 vote by which the bill is agreed to or disagreed  
16 to.

17 “(C) APPEALS.—Appeals from decisions of  
18 the chair relating to the application of the  
19 Rules of the House of Representatives to the  
20 procedure relating to a bill under this part shall  
21 be decided without debate.

22 “(D) APPLICATION OF HOUSE RULES.—  
23 Except to the extent specifically provided in this  
24 part, consideration of a bill under this part  
25 shall be governed by the Rules of the House of

1 Representatives. It shall not be in order in the  
2 House of Representatives to consider any bill  
3 introduced pursuant to the provisions of this  
4 part under a suspension of the rules or under  
5 a special rule.

6 “(3) CONSIDERATION IN THE SENATE.—

7 “(A) MOTION TO PROCEED TO CONSIDER-  
8 ATION.—A motion to proceed to the consider-  
9 ation of a bill under this subsection in the Sen-  
10 ate shall not be debatable. A motion to proceed  
11 to consideration of the bill may be made even  
12 though a previous motion to the same effect has  
13 been disagreed to. It shall not be in order to  
14 move to reconsider the vote by which the mo-  
15 tion to proceed is agreed to or disagreed to.

16 “(B) LIMITS ON DEBATE.—Debate in the  
17 Senate on a bill under this subsection, and all  
18 debatable motions and appeals in connection  
19 therewith, shall not exceed a total of 10 hours,  
20 equally divided and controlled in the usual  
21 form.

22 “(C) DEBATABLE MOTIONS AND AP-  
23 PEALS.—Debate in the Senate on any debatable  
24 motion or appeal in connection with a bill under  
25 this subsection shall be limited to not more

1 than 1 hour from the time allotted for debate,  
2 to be equally divided and controlled in the usual  
3 form.

4 “(D) MOTION TO LIMIT DEBATE.—A mo-  
5 tion in the Senate to further limit debate on a  
6 bill under this subsection is not debatable.

7 “(E) MOTION TO RECOMMIT.—A motion to  
8 recommit a bill under this subsection is not in  
9 order.

10 “(F) CONSIDERATION OF THE HOUSE  
11 BILL.—

12 “(i) IN GENERAL.—If the Senate has  
13 received the House companion bill to the  
14 bill introduced in the Senate prior to the  
15 vote required under paragraph (1)(C), then  
16 the Senate shall consider, and the vote  
17 under paragraph (1)(C) shall occur on, the  
18 House companion bill.

19 “(ii) PROCEDURE AFTER VOTE ON  
20 SENATE BILL.—If the Senate votes, pursu-  
21 ant to paragraph (1)(C), on the bill intro-  
22 duced in the Senate, the Senate bill shall  
23 be held pending receipt of the House mes-  
24 sage on the bill. Upon receipt of the House  
25 companion bill, the House bill shall be

1           deemed to be considered, read for the third  
2           time, and the vote on passage of the Sen-  
3           ate bill shall be considered to be the vote  
4           on the bill received from the House.

5           “(4) CONFERENCE.—

6           “(A) PROCEEDING TO CONFERENCE.—If,  
7           after a bill is agreed to in the Senate or House  
8           of Representatives, the bill has been amended,  
9           the bill shall be deemed to be at a stage of dis-  
10          agreement and motions to proceed to conference  
11          are deemed to be agreed to. There shall be no  
12          motions to instruct. The Senate and the House  
13          of Representatives shall appoint conferees not  
14          later than 1 day of session after the vote of the  
15          second House under paragraph (1)(C). Debate  
16          on any debatable motion in relation to the con-  
17          ference report shall be limited to 1 hour to be  
18          equally divided between and controlled by the  
19          mover and manager of a bill, or their designees.

20          “(B) PERIOD OF CONSIDERATION.—A con-  
21          ference report on a bill considered under this  
22          section shall be reported out not later than 3  
23          days of session after the vote of the second  
24          House under paragraph (1)(C). If the 2 Houses  
25          are unable to agree in conference, the com-

1           mittee on conference shall report out the text of  
2           the President's original bill.

3           “(C) SCOPE OF CONFERENCE.—The mat-  
4           ter committed to conference for purposes of  
5           scope of conference shall be limited to the mat-  
6           ter stricken from the text of the bills passed by  
7           the Senate and the House of Representatives.

8           “(D) PROCEDURE.—Debate on a con-  
9           ference report on any bill considered under this  
10          section shall be limited to 2 hours equally di-  
11          vided between the manager of the conference  
12          report and the minority leader, or his designee.

13          “(E) FINAL PASSAGE.—A vote on final  
14          passage of the conference report shall be taken  
15          in the Senate and the House of Representatives  
16          on or before the close of the second day of ses-  
17          sion of that House after the date the conference  
18          report is submitted in that House. If the con-  
19          ference report is passed, the Secretary of the  
20          Senate or the Clerk of the House of Represent-  
21          atives, as the case may be, shall cause the con-  
22          ference report to be transmitted to the other  
23          House before the close of the next day of ses-  
24          sion of that House.

25          “(F) ACTION OF SECOND HOUSE.—

1           “(i) IN GENERAL.—If the Senate has  
2           received from the House, the conference  
3           report in relation to the special message  
4           from the President, prior to the vote re-  
5           quired under subparagraph (E), then the  
6           Senate shall consider, and the vote under  
7           subparagraph (E) shall occur on the House  
8           conference report.

9           “(ii) PROCEDURE AFTER VOTE ON  
10          SENATE CONFERENCE REPORT.—If the  
11          Senate votes, pursuant to subparagraph  
12          (E), on the conference report in relation to  
13          the special message from the President,  
14          then immediately following that vote, or  
15          upon receipt of the House conference re-  
16          port, the House conference report shall be  
17          deemed to be considered, read the third  
18          time, and the vote on passage of the Sen-  
19          ate conference report shall be considered to  
20          be the vote on the conference report re-  
21          ceived from the House.

22          “(d) AMENDMENTS AND DIVISIONS PROHIBITED.—

23                 “(1) IN GENERAL.—Except as provided in para-  
24                 graph (2), no amendment to a bill considered under

1 this section shall be in order in either the Senate or  
2 the House of Representatives.

3 “(2) MOTION TO STRIKE.—

4 “(A) SENATE.—During consideration of a  
5 bill in the Senate, any Member of the Senate  
6 may move to strike any proposed rescission of  
7 a dollar amount of discretionary budget author-  
8 ity, an item of direct spending, or a targeted  
9 tax benefit if supported by 11 other Members.

10 “(B) HOUSE.—During consideration of a  
11 bill in the House of Representatives, any Mem-  
12 ber of the House of Representatives may move  
13 to strike any proposed rescission of a dollar  
14 amount of discretionary budget authority, an  
15 item of direct spending, or a targeted tax ben-  
16 efit if supported by 49 other Members.

17 “(3) NO DIVISION.—It shall not be in order to  
18 demand a division of any motions to strike in the  
19 Senate, or the division of the question in the House  
20 of Representatives (or in a Committee of the Whole).

21 “(4) NO SUSPENSION.—No motion to suspend  
22 the application of this subsection shall be in order  
23 in the Senate or in the House of Representatives,  
24 nor shall it be in order in the House of Representa-

1       tives to suspend the application of this subsection by  
2       unanimous consent.

3       “(e) TEMPORARY PRESIDENTIAL AUTHORITY TO  
4 WITHHOLD.—

5           “(1) AVAILABILITY.—The President may not  
6       withhold any dollar amount of discretionary budget  
7       authority until the President transmits and Congress  
8       receives a special message pursuant to subsection  
9       (b). Upon receipt by Congress of a special message  
10      pursuant to subsection (b), the President may direct  
11      that any dollar amount of discretionary budget au-  
12      thority proposed to be rescinded in that special mes-  
13      sage shall be withheld from obligation for a period  
14      not to exceed 45 calendar days from the date of re-  
15      ceipt by Congress.

16          “(2) EARLY AVAILABILITY.—The President  
17      may make any dollar amount of discretionary budget  
18      authority withheld from obligation pursuant to para-  
19      graph (1) available at an earlier time if the Presi-  
20      dent determines that continued withholding would  
21      not further the purposes of this Act.

22      “(f) TEMPORARY PRESIDENTIAL AUTHORITY TO  
23 SUSPEND.—

24          “(1) SUSPEND.—



1           “(A) IN GENERAL.—The President may  
2 not suspend the execution of any item of direct  
3 spending or targeted tax benefit until the Presi-  
4 dent transmits and Congress receives a special  
5 message pursuant to subsection (b). Upon re-  
6 ceipt by Congress of a special message, the  
7 President may suspend the execution of any  
8 item of direct spending or targeted tax benefit  
9 proposed to be rescinded in that message for a  
10 period not to exceed 45 calendar days from the  
11 date of receipt by Congress.

12           “(B) LIMITATION ON 45-DAY PERIOD.—  
13 The 45-day period described in subparagraph  
14 (A) shall be reduced by the number of days  
15 contained in the period beginning on the effec-  
16 tive date of the item of direct spending or tar-  
17 geted tax benefit; and ending on the date that  
18 is the later of—

19                   “(i) the effective date of the item of  
20 direct spending or targeted benefit; or

21                   “(ii) the date that Congress receives  
22 the special message.

23           “(C) CLARIFICATION.—Notwithstanding  
24 subparagraph (B), in the case of an item of di-  
25 rect spending or targeted tax benefit with an ef-

1           fective date within 45 days after the date of en-  
2           actment, the beginning date of the period cal-  
3           culated under subparagraph (B) shall be the  
4           date that is 45 days after the date of enactment  
5           and the ending date shall be the date that is  
6           the later of—

7                   “(i) the date that is 45 days after en-  
8                   actment; or

9                   “(ii) the date that Congress receives  
10                  the special message.

11           “(2) EARLY AVAILABILITY.—The President  
12           may terminate the suspension of any item of direct  
13           spending or targeted tax benefit suspended pursuant  
14           to paragraph (1) at an earlier time if the President  
15           determines that continuation of the suspension  
16           would not further the purposes of this Act.

17           “(g) DEFINITIONS.—In this part:

18                   “(1) APPROPRIATION LAW.—The term ‘appro-  
19                   priation law’ means any general or special appro-  
20                   priation Act, and any Act or joint resolution making  
21                   supplemental, deficiency, or continuing appropria-  
22                   tions.

23                   “(2) CALENDAR DAY.—The term ‘calendar day’  
24                   means a standard 24-hour period beginning at mid-  
25                   night.

1           “(3) DAYS OF SESSION.—The term ‘days of  
2 session’ means only those days on which both  
3 Houses of Congress are in session.

4           “(4) DOLLAR AMOUNT OF DISCRETIONARY  
5 BUDGET AUTHORITY.—The term ‘dollar amount of  
6 discretionary budget authority’ means the dollar  
7 amount of budget authority and obligation limita-  
8 tions—

9                   “(A) specified in an appropriation law, or  
10 the dollar amount of budget authority required  
11 to be allocated by a specific proviso in an ap-  
12 propriation law for which a specific dollar figure  
13 was not included;

14                   “(B) represented separately in any table,  
15 chart, or explanatory text included in the state-  
16 ment of managers or the governing committee  
17 report accompanying such law;

18                   “(C) required to be allocated for a specific  
19 program, project, or activity in a law (other  
20 than an appropriation law) that mandates obli-  
21 gations from or within accounts, programs,  
22 projects, or activities for which budget authority  
23 or an obligation limitation is provided in an ap-  
24 propriation law;

1           “(D) represented by the product of the es-  
2           timated procurement cost and the total quantity  
3           of items specified in an appropriation law or in-  
4           cluded in the statement of managers or the gov-  
5           erning committee report accompanying such  
6           law; or

7           “(E) represented by the product of the es-  
8           timated procurement cost and the total quantity  
9           of items required to be provided in a law (other  
10          than an appropriation law) that mandates obli-  
11          gations from accounts, programs, projects, or  
12          activities for which dollar amount of discre-  
13          tionary budget authority or an obligation limita-  
14          tion is provided in an appropriation law.

15          “(5) RESCIND OR RESCISSION.—The term ‘re-  
16          scind’ or ‘rescission’ means—

17                 “(A) in the case of a dollar amount of dis-  
18                 cretionary budget authority, to reduce or repeal  
19                 a provision of law to prevent that budget au-  
20                 thority or obligation limitation from having  
21                 legal force or effect; and

22                 “(B) in the case of direct spending or tar-  
23                 geted tax benefit, to repeal a provision of law  
24                 in order to prevent the specific legal obligation

1           of the United States from having legal force or  
2           effect.

3           “(6) DIRECT SPENDING.—The term ‘direct  
4           spending’ means budget authority provided by law  
5           (other than an appropriation law), mandatory spend-  
6           ing provided in appropriation Acts, and entitlement  
7           authority.

8           “(7) ITEM OF DIRECT SPENDING.—The term  
9           ‘item of direct spending’ means any specific provi-  
10          sion of law enacted after the effective date of the  
11          Second Look at Wasteful Spending Act of 2007 that  
12          is estimated to result in an increase in budget au-  
13          thority or outlays for direct spending relative to the  
14          most recent levels calculated consistent with the  
15          methodology described in section 257 of the Bal-  
16          anced Budget and Emergency Deficit Control Act of  
17          1985 and included with a budget submission under  
18          section 1105(a) of title 31, United States Code, and,  
19          with respect to estimates made after that budget  
20          submission that are not included with it, estimates  
21          consistent with the economic and technical assump-  
22          tions underlying the most recently submitted Presi-  
23          dent’s budget.

24          “(8) SUSPEND THE EXECUTION.—The term  
25          ‘suspend the execution’ means, with respect to an

1 item of direct spending or a targeted tax benefit, to  
2 stop the carrying into effect of the specific provision  
3 of law that provides such benefit.

4 “(9) TARGETED TAX BENEFIT.—The term ‘tar-  
5 geted tax benefit’ means—

6 “(A) any revenue provision that has the  
7 practical effect of providing more favorable tax  
8 treatment to a particular taxpayer or limited  
9 group of taxpayers when compared with other  
10 similarly situated taxpayers; or

11 “(B) any Federal tax provision which pro-  
12 vides 1 beneficiary temporary or permanent  
13 transition relief from a change to the Internal  
14 Revenue Code of 1986.”.

15 (b) EXERCISE OF RULEMAKING POWERS.—Section  
16 904 of the Congressional Budget Act of 1974 (2 U.S.C.  
17 621 note) is amended—

18 (1) in subsection (a), by striking “and 1017”  
19 and inserting “1017, and 1021”; and

20 (2) in subsection (d), by striking “section  
21 1017” and inserting “sections 1017 and 1021”.

22 (c) CLERICAL AMENDMENTS.—

23 (1) SHORT TITLE.—Section 1(a) of the Con-  
24 gressional Budget and Impoundment Control Act of  
25 1974 is amended by—

1 (A) striking “Parts A and B” before “title  
2 X” and inserting “Parts A, B, and C”; and

3 (B) striking the last sentence and inserting  
4 at the end the following new sentence: “Part C  
5 of title X also may be cited as the ‘Second Look  
6 at Wasteful Spending Act of 2007’.”.

7 (2) TABLE OF CONTENTS.—The table of con-  
8 tents set forth in section 1(b) of the Congressional  
9 Budget and Impoundment Control Act of 1974 is  
10 amended by deleting the contents for part C of title  
11 X and inserting the following:

“PART C—ENHANCED RESCISSION AUTHORITY

“Sec. 1021. Expedited consideration of certain proposed rescissions.”.

12 (d) SEVERABILITY.—If any provision of this title or  
13 the amendments made by it is held to be unconstitutional,  
14 the remainder of this title and the amendments made by  
15 it shall not be affected by the holding.

16 (e) EFFECTIVE DATE AND EXPIRATION.—

17 (1) EFFECTIVE DATE.—The amendments made  
18 by this title shall—

19 (A) take effect on the date of enactment of  
20 this title; and

21 (B) apply to any dollar amount of discre-  
22 tionary budget authority, item of direct spend-  
23 ing, or targeted tax benefit provided in an Act

1           enacted on or after the date of enactment of  
2           this title.

3           (2) EXPIRATION.—The amendments made by  
4           this title shall expire on December 31, 2010.

5           **TITLE II—DEFICIT REDUCTION**  
6                   **Subtitle A—Definitions,**  
7           **Administration, and Sequestration**

8           **SEC. 201. DEFINITIONS.**

9           In this title:

10           (1) ACCOUNT.—The term “account” means—

11                   (A) for discretionary budget authority, an  
12                   item for which appropriations are made in any  
13                   appropriation Act; and

14                   (B) for items not provided for in appro-  
15                   priation Acts, direct spending and outlays  
16                   therefrom identified in the program and finance  
17                   schedules contained in the appendix to the  
18                   Budget of the United States for the current  
19                   year.

20           (2) BREACH.—The term “breach” means, for  
21           any fiscal year, the amount by which discretionary  
22           budget authority enacted for that year exceeds the  
23           spending limit for budget authority for that year.

24           (3) BUDGET AUTHORITY; NEW BUDGET AU-  
25           THORITY; AND OUTLAYS.—The terms “budget au-



1       thority”, “new budget authority”, and “outlays”  
2       have the meanings given to such terms in section 3  
3       of the Congressional Budget and Impoundment Con-  
4       trol Act of 1974 (2 U.S.C. 622).

5           (4) BUDGET YEAR.—The term “budget year”  
6       means, with respect to a session of Congress, the fis-  
7       cal year of the Government that starts on October  
8       1 of the calendar year in which that session begins.

9           (5) CBO.—The term “CBO” means the Direc-  
10      tor of the Congressional Budget Office.

11          (6) CURRENT.—The term “current” means—

12           (A) with respect to the Office of Manage-  
13      ment and Budget estimates included with a  
14      budget submission under section 1105(a) of  
15      title 31, United States Code, the estimates con-  
16      sistent with the economic and technical assump-  
17      tions underlying that budget;

18           (B) with respect to estimates made after  
19      that budget submission that are not included  
20      with it, the estimates consistent with the eco-  
21      nomic and technical assumptions underlying the  
22      most recently submitted President’s budget;  
23      and

24           (C) with respect to the Congressional  
25      Budget Office, estimates consistent with the

1 economic and technical assumptions as required  
2 by section 202(e)(1) of the Congressional Budget  
3 Act of 1974.

4 (7) CURRENT YEAR.—The term “current year”  
5 means, with respect to a budget year, the fiscal year  
6 that immediately precedes that budget year.

7 (8) DEFICIT.—The term “deficit” means, with  
8 respect to any fiscal year, the amount by which total  
9 budget outlays for such fiscal year exceed total gov-  
10 ernmental receipts for such fiscal year. In calcu-  
11 lating the deficit for purposes of comparison with  
12 the maximum deficit amount under section 221 and  
13 in calculating the excess deficit for purposes of sub-  
14 title C (notwithstanding section 710(a) of the Social  
15 Security Act (42 U.S.C. 911)) for any fiscal year,  
16 the receipts of the Federal Old-Age and Survivors  
17 Insurance Trust Fund and the Federal Disability  
18 Insurance Trust Fund for such fiscal year and the  
19 taxes payable under sections 1401(a), 3101(a), and  
20 3111(a) of the Internal Revenue Code of 1954 (26  
21 U.S.C. 1401, 3101, 3111) during such fiscal year  
22 shall be included in total revenues for such fiscal  
23 year, and the disbursements of each such Trust  
24 Fund for such fiscal year shall be included in total  
25 budget outlays for such fiscal year. Notwithstanding

1 any other provision of law except to the extent pro-  
2 vided by section 710(a) of the Social Security Act  
3 (42 U.S.C. 911) the receipts, revenues, disburse-  
4 ments, budget authority, and outlays of each off-  
5 budget Federal entity for a fiscal year shall be in-  
6 cluded in total budget authority, total budget out-  
7 lays, and total revenues and the amounts of budget  
8 authority and outlays set forth for each major func-  
9 tional category, for such fiscal year.

10 (9) DIRECT SPENDING AND MANDATORY  
11 SPENDING.—The terms “direct spending” and  
12 “mandatory spending” shall have the meaning given  
13 such terms in section 3(3) of the Congressional  
14 Budget Act of 1974.

15 (10) DISCRETIONARY APPROPRIATIONS AND  
16 DISCRETIONARY BUDGET AUTHORITY.—The terms  
17 “discretionary appropriations” and “discretionary  
18 budget authority” shall have the meaning given such  
19 terms in section 3(4) of the Congressional Budget  
20 Act of 1974.

21 (11) DISCRETIONARY SPENDING LIMIT.—The  
22 term “discretionary spending limit” shall mean the  
23 amounts specified in section 212.

24 (12) EXCESS DEFICIT AMOUNT.—The term “ex-  
25 cess deficit amount”, with respect to any fiscal year,

1 means the amount of the deficit reduced by the esti-  
 2 mated reductions of outlays resulting from any se-  
 3 questration in subtitle C, that exceeds the maximum  
 4 deficit amount.

5 (13) OMB.—The term “OMB” means the Di-  
 6 rector of the Office of Management and Budget.

7 (14) SEQUESTRATION.—The term “sequestra-  
 8 tion”—

9 (A) with respect to discretionary budget  
 10 authority, means the cancellation or reduction  
 11 of budget authority (except budget authority to  
 12 fund mandatory programs) provided in appro-  
 13 priation Acts; and

14 (B) with respect to the excess deficit  
 15 amount, means the amount canceled or reduced  
 16 from direct spending and outlays flowing there-  
 17 from.

18 **SEC. 202. ADMINISTRATION, RECONCILIATION, AND EF-**  
 19 **FECTION OF SEQUESTRATION.**

20 (a) TIMETABLE.—The timetable with respect to this  
 21 title is as follows:

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5 days before the President’s budget submission	CBO Discretionary Sequestration and Maximum Deficit Amount Preview Report.
The President’s budget submission	OMB Discretionary Sequestration and Maximum Deficit Amount Preview Report.

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August 15	CBO Discretionary Sequestration and Maximum Deficit Amount Reconciliation Report.
August 20	OMB Discretionary Sequestration and Maximum Deficit Amount Reconciliation Report.
September 15	Budget Committee Reconciliation Directives.
20 days after Budget Committee Action	Committees Respond to Reconciliation Directives
10 days after end of session	CBO Final Discretionary Sequestration and Maximum Deficit Amount Sequestration Report.
15 days after end of session	OMB Final Discretionary Sequestration and Maximum Deficit Amount Sequestration Report/Presidential Sequestration Order.

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1 (b) PRESIDENTIAL ORDER.—

2 (1) IN GENERAL.—On the date specified in sub-  
3 section (a), if in its Final Sequestration Report,  
4 OMB estimates that any sequestration is required,  
5 the President shall issue an order fully implementing  
6 without change all sequestrations required by the  
7 OMB calculations set forth in that report. This  
8 order shall be effective on issuance.

9 (2) SPECIAL RULE.—If the date specified for  
10 the submission of a Presidential order under sub-  
11 section (a) falls on a Sunday or legal holiday, such  
12 order shall be issued on the following day.

13 (c) EFFECTS OF SEQUESTRATION.—The effects of  
14 sequestration shall be as follows:

1           (1) Budgetary resources sequestered from any  
2           account shall be permanently cancelled, except as  
3           provided in paragraph (5).

4           (2) Except as otherwise provided, the same per-  
5           centage sequestration shall apply to all programs,  
6           projects, and activities within a budget account (with  
7           programs, projects, and activities as delineated in  
8           the appropriation Act or accompanying report for  
9           the relevant fiscal year covering that account).

10          (3) Administrative regulations or similar ac-  
11          tions implementing a sequestration shall be made  
12          within 120 days of the sequestration order. To the  
13          extent that formula allocations differ at different  
14          levels of budgetary resources within an account, pro-  
15          gram, project, or activity, the sequestration shall be  
16          interpreted as producing a lower total appropriation,  
17          with the remaining amount of the appropriation  
18          being obligated in a manner consistent with program  
19          allocation formulas in substantive law.

20          (4) Except as otherwise provided in this sub-  
21          title, obligations or budgetary resources in seques-  
22          tered accounts shall be reduced only in the fiscal  
23          year in which a sequester occurs.

24          (5) Budgetary resources sequestered in special  
25          fund accounts and offsetting collections sequestered

1 in appropriation accounts shall not be available for  
2 obligation during the fiscal year in which the seques-  
3 tration occurs, but shall be available in subsequent  
4 years to the extent otherwise provided in law.

5 (d) SUBMISSION AND AVAILABILITY OF REPORTS.—  
6 Each report required by this section shall be submitted,  
7 in the case of CBO, to the House of Representatives, the  
8 Senate, and OMB and, in the case of OMB, to the House  
9 of Representatives, the Senate, and the President on the  
10 day it is issued. On the following day a notice of the report  
11 shall be printed in the Federal Register.

12 **SEC. 203. GAO COMPLIANCE REPORT.**

13 Upon request of the Committee on the Budget of the  
14 House of Representatives or the Senate, the Comptroller  
15 General shall submit to the Congress and the President  
16 a report on—

17 (1) the extent to which each order issued by the  
18 President under this title complies with all of the re-  
19 quirements contained in this title, either certifying  
20 that the order fully and accurately complies with  
21 such requirements or indicating the respects in  
22 which it does not; and

23 (2) the extent to which each report issued by  
24 OMB or CBO under this section complies with all of  
25 the requirements contained in this title, either certi-

1       fying that the report fully and accurately complies  
2       with such requirements or indicating the respects in  
3       which it does not.

## 4                   **Subtitle B—Discretionary** 5                   **Spending Limits**

### 6   **SEC. 211. DISCRETIONARY SEQUESTRATION REPORTS.**

7       (a) DISCRETIONARY SEQUESTRATION PREVIEW RE-  
8   PORTS.—

9           (1) REPORTING REQUIREMENT.—

10           (A) IN GENERAL.—On the dates specified  
11           in section 202(a), OMB shall report to the  
12           President and Congress and CBO shall report  
13           to Congress a Discretionary Sequestration Pre-  
14           view Report regarding discretionary sequestra-  
15           tion based on laws enacted through those dates.

16           (B) PRESIDENT’S BUDGET.—When the  
17           President submits the budget under section  
18           1105 of title 31, United States Code, OMB  
19           shall calculate and the budget shall include ad-  
20           justments to discretionary spending limits (and  
21           those limits as cumulatively adjusted) for the  
22           budget year and each outyear to reflect adjust-  
23           ments under section 212(b).

24           (C) CONSULTATION.—Any determination  
25           or change under subparagraph (B) may only be



1           made after consultation with the Committees on  
2           Appropriations and the Budget of the Senate  
3           and the House of Representatives, and that  
4           consultation shall include written communica-  
5           tion to such committees that affords such com-  
6           mittees the opportunity to comment before offi-  
7           cial action is taken with respect to such  
8           changes.

9           (2) DISCRETIONARY.—The Discretionary Se-  
10          questration Preview Report shall set forth estimates  
11          for the current year and each subsequent year  
12          through 2010 of the applicable discretionary spend-  
13          ing limits and an explanation of any adjustments in  
14          such limits under section 212, and a projection of  
15          budget authority exceeding discretionary limits sub-  
16          ject to sequester.

17          (3) EXPLANATION OF DIFFERENCES.—The  
18          OMB reports shall explain the differences between  
19          OMB and CBO estimates for each item set forth in  
20          this subsection.

21          (b) DISCRETIONARY SEQUESTRATION REPORTS.—On  
22          the dates specified in section 202(a), OMB and CBO shall  
23          issue Discretionary Sequestration Reports, reflecting laws  
24          enacted through those dates, containing all of the informa-

1 tion required in the Discretionary Sequestration Preview  
2 Reports.

3 (c) FINAL DISCRETIONARY SEQUESTRATION RE-  
4 PORTS.—

5 (1) REPORTING REQUIREMENTS.—On the dates  
6 specified in section 202(a), OMB and CBO shall  
7 each issue a Final Discretionary Sequestration Re-  
8 port, updated to reflect laws enacted through those  
9 dates.

10 (2) DISCRETIONARY SPENDING.—The Final  
11 Discretionary Sequestration Reports shall set forth  
12 estimates for each of the following:

13 (A) For the current year and each subse-  
14 quent year through 2010; the applicable discre-  
15 tionary spending limits.

16 (B) For the current year, if applicable, and  
17 the budget year; the new budget authority and  
18 the breach, if any.

19 (C) The sequestration percentages nec-  
20 essary to eliminate the breach.

21 (D) For the budget year, for each account  
22 to be sequestered, the level of enacted,  
23 sequesterable budget authority and resulting es-  
24 timated outlays flowing therefrom.

1           (3) EXPLANATION OF DIFFERENCES.—The  
2           OMB report shall explain—

3                   (A) any differences between OMB and  
4                   CBO estimates for the amount of any breach  
5                   and for any required discretionary sequestration  
6                   percentages; and

7                   (B) differences in the amount of  
8                   sequesterable resources for any budget account  
9                   to be reduced if such difference is greater than  
10                  \$5,000,000.

11          (d) ECONOMIC AND TECHNICAL ASSUMPTIONS.—In  
12          all reports required by this section, OMB shall use the  
13          same economic and technical assumptions as used in the  
14          most recent budget submitted by the President under sec-  
15          tion 1105(a) of title 31, United States Code.

16          (e) ADJUSTMENTS.—When OMB submits a report  
17          under this section for a fiscal year, OMB shall calculate,  
18          and the subsequent reports and budgets submitted by the  
19          President under section 1105(a) of title 31, United States  
20          Code shall include, adjustments to discretionary spending  
21          limits under section 212(b) (and those limits as adjusted)  
22          for the fiscal year and each succeeding year.

1 **SEC. 212. LIMITS.**

2 (a) DISCRETIONARY SPENDING LIMITS.—As used in  
3 this subtitle, the term “discretionary spending limit”  
4 means—

5 (1) with respect to fiscal year 2008,  
6 \$926,584,000,000 in new budget authority;

7 (2) with respect to fiscal year 2009,  
8 \$955,934,000,000 in new budget authority;

9 (3) with respect to fiscal year 2010,  
10 \$971,430,000,000 in new budget authority; and

11 (4) with respect to fiscal years following 2010,  
12 the President shall recommend and the Congress  
13 shall consider legislation setting limits for those fis-  
14 cal years.

15 (b) ADJUSTMENTS.—

16 (1) GLOBAL WAR ON TERRORISM FUNDING.—If  
17 an appropriation bill or joint resolution is enacted  
18 for fiscal year 2008, 2009, or 2010, that provides  
19 funding for the military for conducting the war on  
20 terrorism overseas, the adjustment for purposes of  
21 section 211(c) shall be the amount of budget author-  
22 ity in that measure for that purpose but not to ex-  
23 ceed—

24 (A) with respect to fiscal year 2008,  
25 \$145,162,000,000 in new budget authority;

1 (B) with respect to fiscal year 2009,  
2 \$100,000,000,000 in new budget authority; and

3 (C) with respect to fiscal year 2010,  
4 \$50,000,000,000 in new budget authority.

5 (2) UNITED STATES FORCES IN THE GLOBAL  
6 WAR ON TERRORISM.—If an appropriation bill or  
7 joint resolution is enacted for fiscal year 2008 that  
8 provides funding for activities that—

9 (A) address training, equipment, force pro-  
10 tection, logistics, or other matters necessary for  
11 the protection of United States forces; or

12 (B) address deficiencies at Walter Reed  
13 Army Medical Center and other facilities within  
14 the military medical system providing treatment  
15 to service members injured while performing  
16 their duties in the Global War on Terrorism;

17 (C) the adjustment for purposes of section  
18 211(c) shall be the amount of budget authority  
19 in that measure for that purpose but not to ex-  
20 ceed \$5,000,000,000 in new budget authority.

21 (3) EMERGENCY SPENDING.—If, for fiscal year  
22 2008, 2009, or 2010 appropriations for discre-  
23 tionary accounts are enacted that the President des-  
24 ignates as emergency requirements, and that the  
25 Congress so designates in statute, the adjustment

1 for purposes of section 211(c) shall be the total of  
2 such appropriations in discretionary accounts des-  
3 ignated as emergency requirements, but not to ex-  
4 ceed \$5,000,000,000 for fiscal year 2008,  
5 \$5,000,000,000 for 2009, and \$5,000,000,000 for  
6 2010. Appropriations designated as emergencies in  
7 excess of these limitations shall be treated as new  
8 budget authority for the purpose of calculating a  
9 breach of the discretionary spending limits.

10 (4) FEDERAL TAX GAP INITIATIVE.—If an ap-  
11 propriation bill or joint resolution is enacted for fis-  
12 cal year 2008, 2009, or 2010, that includes  
13 \$6,788,000,000 plus an additional amount for the  
14 enhanced tax enforcement initiative of the Internal  
15 Revenue Service, the adjustment for purposes of sec-  
16 tion 211(c) shall be the amount of budget authority  
17 in that measure for that initiative but not to ex-  
18 ceed—

19 (A) with respect to fiscal year 2008,  
20 \$440,000,000 in new budget authority;

21 (B) with respect to fiscal year 2009,  
22 \$619,000,000 in new budget authority; and

23 (C) with respect to fiscal year 2010,  
24 \$826,000,000 in new budget authority.

1           (5) CONTINUING DISABILITY REVIEWS AND SSI  
2 REDETERMINATIONS.—If an appropriation bill or  
3 joint resolution is enacted for fiscal year 2008,  
4 2009, or 2010, that includes \$264,000,000 plus an  
5 additional amount for continuing disability reviews  
6 and supplemental security income redeterminations  
7 for the Social Security Administration, the adjust-  
8 ment for purposes of section 211(c) shall be the  
9 amount of budget authority in that measure for that  
10 initiative but not to exceed—

11                   (A) with respect to fiscal year 2008,  
12                   \$213,000,000 in new budget authority;

13                   (B) with respect to fiscal year 2009,  
14                   \$453,000,000 in new budget authority; and

15                   (C) with respect to fiscal year 2010,  
16                   \$485,000,000 in new budget authority.

17           (6) HEALTH CARE FRAUD AND ABUSE.—If an  
18 appropriation bill or joint resolution is enacted for  
19 fiscal year 2008 that includes \$1,156,000,000, or  
20 for fiscal year 2009 that includes \$1,178,000,000,  
21 or for fiscal year 2010 that includes  
22 \$1,200,000,000, plus an additional amount for  
23 Health Care, Fraud, and Abuse Control Program at  
24 the Department of Health and Human Services, the  
25 adjustment for purposes of section 211(c) shall be

1 the amount of budget authority in that measure for  
2 that initiative but not to exceed—

3 (A) with respect to fiscal year 2008,  
4 \$183,000,000 in new budget authority;

5 (B) with respect to fiscal year 2009,  
6 \$198,000,000 in new budget authority; and

7 (C) with respect to fiscal year 2010,  
8 \$211,000,000 in new budget authority.

9 (7) UNEMPLOYMENT INSURANCE IMPROPER  
10 PAYMENT REVIEWS.—If an appropriation bill or  
11 joint resolution is enacted for fiscal year 2008,  
12 2009, or 2010 that includes \$10,000,000, plus an  
13 additional amount for unemployment improper pay-  
14 ment reviews for the Department of Labor, the ad-  
15 justment for purposes of section 211(c) shall be the  
16 amount of budget authority in that measure for that  
17 initiative but not to exceed—

18 (A) with respect to fiscal year 2008,  
19 \$40,000,000 in new budget authority;

20 (B) with respect to fiscal year 2009,  
21 \$40,000,000 in new budget authority; and

22 (C) with respect to fiscal year 2010,  
23 \$40,000,000 in new budget authority.

24 (c) ENFORCEMENT.—



1           (1) SEQUESTRATION.—On the date specified in  
2 section 202(a), there shall be a sequestration to  
3 eliminate a budget-year breach.

4           (2) ELIMINATING A BREACH.—Each account  
5 shall be reduced by a dollar amount calculated by  
6 multiplying the enacted level of budget authority for  
7 that year in that account at that time by the uni-  
8 form percentage necessary to eliminate a breach of  
9 the discretionary spending limit.

10          (3) OPTIONAL EXEMPTION OF MILITARY PER-  
11 SONNEL.—

12           (A) IN GENERAL.—The President may,  
13 with respect to any military personnel account,  
14 exempt that account from sequestration or pro-  
15 vide for a lower uniform percentage reduction  
16 than would otherwise apply.

17           (B) LIMITATION.—The President may not  
18 use the authority provided in subparagraph (a)  
19 unless the President notifies Congress of the  
20 manner in which such authority will be exer-  
21 cised on or before the date in section 202(a).

22          (4) PART-YEAR APPROPRIATIONS.—If, on the  
23 date the report is issued under paragraph (1), there  
24 is in effect an Act making continuing appropriations  
25 for part of a fiscal year for any budget account, then

1 the dollar sequestration calculated for that account  
2 under paragraph (2) shall be subtracted from—

3 (A) the annualized amount otherwise avail-  
4 able by law in that account under that or a sub-  
5 sequent part-year appropriation; and

6 (B) when a full-year appropriation for that  
7 account is enacted, from the amount otherwise  
8 provided by the full-year appropriation.

9 (5) LOOK-BACK.—If, after June 30, an appro-  
10 priation for the fiscal year in progress is enacted  
11 that causes a breach for that year (after taking into  
12 account any previous sequestration), the discre-  
13 tionary spending limit for the next fiscal year shall  
14 be reduced by the amount of that breach.

15 (6) WITHIN-SESSION SEQUESTRATION REPORTS  
16 AND ORDER.—If an appropriation for a fiscal year  
17 in progress is enacted (after Congress adjourns to  
18 end the session for that budget year and before July  
19 1 of that fiscal year) that causes a breach, 10 days  
20 later CBO shall issue a report containing the infor-  
21 mation required in section 211(c). Fifteen days after  
22 enactment, OMB shall issue a report containing the  
23 information required in section 211(c). On the same  
24 day as the OMB report, the President shall issue an  
25 order fully implementing without change all seques-

1 trations required by the OMB calculations set forth  
2 in that report. This order shall be effective on  
3 issuance.

4 (d) ESTIMATES.—

5 (1) CBO ESTIMATES.—As soon as practicable  
6 after Congress completes action on any legislation  
7 providing discretionary appropriations, CBO shall  
8 provide an estimate to OMB of that legislation.

9 (2) OMB ESTIMATES.—Not later than 7 cal-  
10 endar days (excluding Saturdays, Sundays, and legal  
11 holidays) after the date of enactment of any discre-  
12 tionary appropriations, OMB shall transmit a report  
13 to the Senate and to the House of Representatives  
14 containing—

15 (A) the CBO estimate of that legislation;

16 (B) an OMB estimate of that legislation  
17 using current economic and technical assump-  
18 tions; and

19 (C) an explanation of any difference be-  
20 tween the 2 estimates.

21 (3) DIFFERENCES.—If during the preparation  
22 of the report under paragraph (2), OMB determines  
23 that there is a difference between the OMB and  
24 CBO estimates, OMB shall consult with the Com-  
25 mittees on the Budget of the House of Representa-

1 tives and the Senate regarding that difference and  
2 that consultation, to the extent practicable, shall in-  
3 clude written communication to such committees  
4 that affords such committees the opportunity to  
5 comment before the issuance of that report.

6 (4) ASSUMPTIONS AND GUIDELINES.—OMB  
7 and CBO shall prepare estimates under this para-  
8 graph in conformance with scorekeeping guidelines  
9 determined after consultation among the House and  
10 Senate Committees on the Budget, CBO, and OMB.

## 11 **Subtitle C—Maximum Deficit** 12 **Amount Limitation**

### 13 **SEC. 221. MAXIMUM DEFICIT AMOUNT.**

14 In this subtitle, the term “maximum deficit  
15 amount”—

16 (1) with respect to 2008, equals 1.75 percent of  
17 the Gross Domestic Product for 2008, as estimated  
18 by OMB for 2008;

19 (2) with respect to 2009, equals 1.25 percent of  
20 the Gross Domestic Product for 2009, as estimated  
21 by OMB for 2009;

22 (3) with respect to 2010, equals 0.75 percent of  
23 the Gross Domestic Product for 2010, as estimated  
24 by OMB for 2010;

1           (4) with respect to 2011, equals 0.5 percent of  
2           Gross Domestic Product as estimated by OMB for  
3           2011; and

4           (5) with respect to 2012 and thereafter, 0.00  
5           percent as estimated by OMB for 2012, and there-  
6           after.

7   **SEC. 222. REPORTING OF EXCESS DEFICITS.**

8           (a) MAXIMUM DEFICIT AMOUNT PREVIEW REPORT  
9   BY OMB AND CBO.—

10           (1) ESTIMATES AND DETERMINATIONS.—On  
11           the dates specified in section 202(a), OMB and CBO  
12           shall with respect to each fiscal year estimate—

13                   (A) the deficit;

14                   (B) the maximum deficit amount; and

15                   (C) any excess deficit amount for the  
16           budget year.

17           (2) REPORT.—OMB shall report to the Presi-  
18           dent and Congress and CBO shall report to Con-  
19           gress estimating the budget base levels of total reve-  
20           nues and total budget outlays for the budget year,  
21           identifying the deficit, the maximum deficit amount,  
22           and the amount of any deficit excess for such fiscal  
23           year, the base from which direct spending reductions  
24           are taken and the amounts based upon uniform per-  
25           centages, by which such direct spending accounts

1 must be reduced for the budget year, in accordance  
2 with the succeeding provisions of this part, in order  
3 to eliminate such excess based on laws enacted  
4 through those dates.

5 (3) DETERMINATION OF REDUCTIONS.—The  
6 amounts based upon uniform percentages, by which  
7 accounts must be reduced for the budget year shall  
8 be determined by, subject to the exemptions set  
9 forth in section 227, the reductions necessary to  
10 eliminate the excess deficit amount for the fiscal  
11 year.

12 (4) BASIS FOR DIRECTORS' ESTIMATES, DETER-  
13 MINATIONS, AND SPECIFICATIONS.—

14 (A) BUDGET BASE.—In computing the  
15 amounts and percentages by which accounts  
16 must be reduced during a fiscal year as set  
17 forth in the report required under paragraph  
18 (2) for such fiscal year, OMB and CBO shall  
19 use current economic and technical assumptions  
20 consistent with the methodology set forth in  
21 section 257 of the Balanced Budget and En-  
22 forcement Deficit Control Act of 1985.

23 (B) EXPLANATION OF DIFFERENCES.—  
24 The OMB shall explain the differences between

1 OMB and CBO estimates for each item in the  
2 report.

3 (b) REVISED ESTIMATES AND MAXIMUM DEFICIT  
4 AMOUNT RECONCILIATION REPORTS.—

5 (1) RECONCILIATION REPORT BY OMB AND  
6 CBO.—On the dates specified in section 202(a), the  
7 Director of OMB shall submit to the President and  
8 Congress, and the Director of CBO shall submit to  
9 Congress, a revised report—

10 (A) indicating whether and to what extent,  
11 as a result of laws enacted and regulations pro-  
12 mulgated after the submission of their max-  
13 imum deficit amount preview report under sub-  
14 section (a), the excess deficit identified in the  
15 report submitted under such subsection has  
16 been eliminated, reduced, or increased; and

17 (B) adjusting the determinations for the  
18 effects of any discretionary sequestration that  
19 may be required under subtitle B.

20 The reconciliation report submitted under this para-  
21 graph shall contain estimates, determinations, and  
22 specifications for all of the items contained in the  
23 preview report and the OMB report shall be based  
24 on the same economic and technical assumptions  
25 and employ the same methodologies as applied in the

1 supplemental budget estimates submitted under sec-  
2 tion 1106 of title 31, United States Code, and the  
3 CBO report shall be based on the most recent report  
4 required by section 202(e)(2) of the Congressional  
5 Budget Act of 1974. Estimates shall be consistent  
6 with methodology in section 257 of the Balanced  
7 Budget and Enforcement Act Deficit Control Act of  
8 1985. The reports shall provide for the determina-  
9 tion of reductions in the manner specified in sub-  
10 section (a)(3).

11 (2) EXPLANATION OF DIFFERENCES.—The  
12 OMB shall explain the differences between OMB  
13 and CBO estimates for each item in the reconcili-  
14 ation report.

15 (c) DATES FOR SUBMISSION OF REPORTS AND  
16 ISSUANCE OF ORDERS.—If the date specified for the sub-  
17 mission of a report by the Director of OMB or the  
18 issuance of a Presidential order under this section falls  
19 on a Sunday or legal holiday, such report shall be sub-  
20 mitted or such order issued on the following day.

21 (d) PRINTING OF REPORTS.—Each report submitted  
22 under this section shall be printed in the Federal Register  
23 on the date it is issued; and the reports of the Director  
24 of OMB submitted to the Congress under subsection (b)



1 shall be printed as documents of the House of Representa-  
2 tives and the Senate.

3 (e) ESTIMATES.—

4 (1) CBO ESTIMATES.—As soon as practicable  
5 after Congress completes action on any legislation  
6 under this section, CBO shall provide an estimate to  
7 OMB of that legislation.

8 (2) OMB ESTIMATES.—Not later than 7 cal-  
9 endar days (excluding Saturdays, Sundays, and legal  
10 holidays) after the date of enactment of any direct  
11 spending, OMB shall transmit a report to the House  
12 of Representatives and to the Senate containing—

13 (A) the CBO estimate of that legislation;

14 (B) an OMB estimate of that legislation  
15 using current economic and technical assump-  
16 tions; and

17 (C) an explanation of any difference be-  
18 tween the 2 estimates.

19 (3) DIFFERENCES.—If during the preparation  
20 of the report under paragraph (2), OMB determines  
21 that there is a difference between the OMB and  
22 CBO estimates, OMB shall consult with the Com-  
23 mittees on the Budget of the Senate and the House  
24 of Representatives regarding that difference and  
25 that consultation, to the extent practicable, shall in-

1 include written communication to such committees  
2 that affords such committees the opportunity to  
3 comment before the issuance of that report.

4 (4) ASSUMPTIONS AND GUIDELINES.—OMB  
5 and CBO shall prepare estimates under this para-  
6 graph in conformance with scorekeeping guidelines  
7 determined after consultation among the Senate and  
8 House Committees on the Budget, CBO, and OMB.

9 **SEC. 223. CONGRESSIONAL RESPONSE TO OMB AND CBO**  
10 **RECONCILIATION REPORT.**

11 (a) REPORTING OF RESOLUTIONS, AND RECONCILI-  
12 ATION BILLS AND RESOLUTIONS, IN THE SENATE.—

13 (1) COMMITTEE ALTERNATIVES TO PRESI-  
14 DENTIAL ORDER.—For the purpose of assisting the  
15 Committees on the Budget of the Senate and House  
16 in preparing Reconciliation Directive Reports under  
17 paragraph (3) and not later than 20 days after the  
18 submission of the OMB Reconciliation Report, each  
19 standing committee of the Senate and House may  
20 submit to the Committees on the Budget of the Sen-  
21 ate and House information of the type described in  
22 section 301(d) of the Congressional Budget Act of  
23 1974 with respect to alternatives to the order envi-  
24 sioned by such report insofar as such order affects  
25 laws within the jurisdiction of the committee.

1           (2) APPLICATION OF THE CONGRESSIONAL  
2 BUDGET ACT OF 1974.—Sections 305 and 310 of the  
3 Congressional Budget Act of 1974 shall apply to any  
4 bill considered under this section, except as other-  
5 wise provided in this section.

6           (3) RECONCILIATION DIRECTIVES.—On the  
7 date specified in section 202(a), the Chairmen and  
8 Ranking Minority Members of the Committees on  
9 the Budget of the Senate and House shall submit a  
10 Reconciliation Directive Report to the President of  
11 the Senate or the Speaker of the House for appro-  
12 priate referral to the committees of its House, the  
13 OMB Reconciliation Report containing the max-  
14 imum deficit amount and the excess deficit and rec-  
15 onciliation directives. Such directives shall—

16                   (A) specify the total amount by which—

17                           (i) direct spending budget authority  
18                           and outlays for such fiscal year; and

19                           (ii) governmental receipts, other than  
20                           income taxes, estate and gift taxes, excise  
21                           taxes, payroll taxes, or tariffs, for such fis-  
22                           cal year;

23                           are to be changed; and

1 (B) include directives to committees to rec-  
2 ommend changes in laws within their jurisdic-  
3 tion—

4 (i) to accomplish the total amount of  
5 deficit reduction necessary to eliminate the  
6 excess deficit so that the deficit does not  
7 exceed the maximum deficit amount set  
8 forth in the OMB Reconciliation Report;  
9 and

10 (ii) with amounts required for each  
11 committee proportionally based on the out-  
12 lays allocated to that committee for pro-  
13 grams under section 302(a) of the Con-  
14 gressional Budget Act of 1974 in the most  
15 recent adopted concurrent resolution on  
16 the budget.

17 (4) RESPONSE OF COMMITTEES.—Committees  
18 directed pursuant to paragraph (3), shall submit  
19 their recommendations to comply with the directives  
20 to the Budget Committee no later than 20 days  
21 after the directives referred to in paragraph (3) are  
22 issued.

23 (5) BUDGET COMMITTEE ACTION.—Upon re-  
24 ceipt of the recommendations received in response to  
25 directives referred to in paragraph (3), the Budget

1 Committees shall report to the Senate and House, a  
2 reconciliation bill carrying out all such recommenda-  
3 tions.

4 (b) LEGISLATIVE PROCEDURE.—If a Reconciliation  
5 Directive Report containing reconciliation directives to  
6 committees to determine and recommend changes in laws,  
7 bills, or resolutions is issued in accordance with subsection  
8 (a)(3)—

9 (1) each such committee so directed shall make  
10 such recommendations to the Committee on the  
11 Budget of its House, which upon receiving all such  
12 recommendations, shall report to its House reconcili-  
13 ation legislation carrying out all such recommenda-  
14 tions without any substantive revision; and

15 (2) in the event that any committee fails to  
16 comply with its directive, then the Committees on  
17 the Budget may report amendments recommending  
18 changes within the jurisdiction of the noncompliant  
19 committee to achieve the changes contained in the  
20 directive.

21 (c) ADJUSTMENT OF BUDGET TARGETS.—Upon en-  
22 actment of a reconciliation bill conference report, the  
23 chairmen of the Committees on the Budget of the Senate  
24 and the House of Representatives shall revise spending  
25 and revenue levels under section 311(a) of the Congres-

1 sional Budget Act of 1974 and adjust the committee allo-  
2 cations under section 302(a) of the Congressional Budget  
3 Act of 1974, or any other adjustments as may be appro-  
4 priate to reflect any changes made in the reconciliation  
5 bill. Notwithstanding any other provision of law, the re-  
6 vised allocations and aggregates shall be considered to  
7 have been made under a concurrent resolution on the  
8 budget agreed to under the Congressional Budget Act of  
9 1974, and shall be enforced under the procedures of that  
10 Act.

11 (d) COMPLIANCE WITH RECONCILIATION DIREC-  
12 TIVES.—Secondary or indirect effects of the legislative  
13 recommendations submitted by any committee of the Sen-  
14 ate or the House of Representatives that is directed, shall  
15 be attributed to the committee proposing the change in  
16 law, but shall not be considered for the purpose of deter-  
17 mining compliance with such directives.

18 (e) LIMITATION ON AMENDMENTS TO RECONCILI-  
19 ATION BILLS.—

20 (1) HOUSE OF REPRESENTATIVES.—It shall not  
21 be in order in the House of Representatives to con-  
22 sider any amendment to a reconciliation bill if such  
23 amendment would have the effect of increasing any  
24 specific budget outlays above the level of such out-  
25 lays provided in the bill (for the fiscal years covered

1 by the reconciliation directives), or would have the  
2 effect of reducing any specific governmental receipts  
3 below the level of such governmental receipts pro-  
4 vided in the bill (for such fiscal year), unless such  
5 amendment makes at least an equivalent reduction  
6 in other specific budget outlays, an equivalent in-  
7 crease in other specific governmental receipts, or an  
8 equivalent combination thereof (for such fiscal year).

9 (2) SENATE.—It shall not be in order in the  
10 Senate to consider any amendment to a reconcili-  
11 ation bill if such amendment would have the effect  
12 of increasing any specific budget outlay level above  
13 the level of such outlay reductions provided (for the  
14 fiscal year covered) in the reconciliation directives or  
15 would have the effect of reducing governmental re-  
16 ceipts increases below the level of such increases in  
17 such governmental receipts provided (for such fiscal  
18 year) in the reconciliation directives, unless such  
19 amendment makes a reduction in other specific  
20 budget outlays, an increase in other specific govern-  
21 mental receipts, or a combination thereof (for such  
22 fiscal year) at least equivalent to any increase in  
23 outlays or decrease in governmental receipts pro-  
24 vided by such amendment, except that a motion to  
25 strike a provision shall always be in order.

1           (3) BUDGET AUTHORITY, OUTLAYS, AND RE-  
2           CEIPTS.—For purposes of this section, the levels of  
3           budget authority, outlays, and governmental receipts  
4           for a fiscal year shall be determined on the basis of  
5           estimates made by the Committee on the Budget of  
6           the Senate or of the House of Representatives, as  
7           the case may be.

8           (4) HOUSE RULES.—The Committee on Rules  
9           of the House of Representatives may make in order  
10          amendments to achieve changes specified by rec-  
11          onciliation directives if a committee or committees of  
12          the House fail to submit recommended changes to  
13          its Committee on the Budget pursuant to its instruc-  
14          tion.

15          (f) PROCEDURE IN THE SENATE.—Consideration in  
16          the Senate on any reconciliation bill reported under this  
17          subsection, and all amendments thereto and debatable mo-  
18          tions and appeals in connection therewith, shall be limited  
19          to not more than 20 hours.

20          (g) LIMITATION ON CHANGES TO THE SOCIAL SECUR-  
21          ITY ACT.—Notwithstanding any other provision of law,  
22          it shall not be in order in the Senate or the House of Rep-  
23          resentatives to consider any reconciliation bill, or any  
24          amendment thereto or conference report thereon, that con-  
25          tains recommendations with respect to the old-age, sur-



1 vivors, and disability insurance program established under  
2 title II of the Social Security Act.

3 (h) EXTRANEOUS MATTER IN RECONCILIATION LEG-  
4 ISLATION.—

5 (1) IN GENERAL.—When the Senate is consid-  
6 ering a reconciliation bill pursuant to this section  
7 (whether that bill originated in the Senate or the  
8 House), upon a point of order being made by any  
9 Senator against material extraneous to the instruc-  
10 tions to a committee which is contained in any title  
11 or provision of the bill or offered as an amendment  
12 to the bill, and the point of order is sustained by the  
13 Chair, any part of said title or provision that con-  
14 tains material extraneous to the directives to said  
15 Committee as defined in paragraph (2), shall be  
16 deemed stricken from the bill and may not be of-  
17 fered as an amendment from the floor.

18 (2) EXTRANEOUS PROVISIONS.—Except as pro-  
19 vided in paragraph (3)—

20 (A) a provision of a reconciliation bill con-  
21 sidered pursuant to this subsection shall be con-  
22 sidered extraneous if such provision does not  
23 produce a decrease in outlays or an increase in  
24 governmental receipts, including changes in out-  
25 lays and governmental receipts brought about

1 by changes in the terms and conditions under  
2 which outlays are made or governmental re-  
3 cepts are required to be collected;

4 (B) a provision that is not in the jurisdic-  
5 tion of the Committee with jurisdiction over  
6 said title or provision shall be considered extra-  
7 neous (except that amendments reported by the  
8 Committee on the Budget to achieve compliance  
9 with reconciliation directives shall be in order  
10 notwithstanding any other rule of the Senate  
11 and not be deemed extraneous);

12 (C) a provision shall be considered to be  
13 extraneous if it increases, or would increase, net  
14 outlays, or if it decreases, or would decrease,  
15 governmental receipts during a fiscal year after  
16 the fiscal years covered by such reconciliation  
17 bill, and such increases or decreases are greater  
18 than outlay reductions or governmental receipts  
19 increases resulting from other provisions in  
20 such title in such year; and

21 (D) a provision shall be considered extra-  
22 neous if it violates section 310(g) of the Con-  
23 gressional Budget Act of 1974.

24 (3) SENATE-ORIGINATED PROVISIONS.—A Sen-  
25 ate-originated provision shall not be considered ex-

1       traneous under paragraph (2) if the Chairman and  
2       Ranking Minority Member of the Committee on the  
3       Budget and the Chairman and Ranking Minority  
4       Member of the Committee which reported the provi-  
5       sion certify that—

6               (A) the provision mitigates direct effects  
7               clearly attributable to a provision changing out-  
8               lays or revenue and both provisions together  
9               produce a net reduction in the deficit;

10              (B) the provision will result in a substan-  
11              tial reduction in outlays or a substantial in-  
12              crease in governmental receipts during fiscal  
13              years after the fiscal years covered by the rec-  
14              onciliation bill or reconciliation resolution;

15              (C) a reduction of outlays or an increase in  
16              governmental receipts is likely to occur as a re-  
17              sult of the provision, in the event of new regula-  
18              tions authorized by the provision or likely to be  
19              proposed, court rulings on pending litigation, or  
20              relationships between economic indices and stip-  
21              ulated statutory triggers pertaining to the pro-  
22              vision, other than the regulations, court rulings,  
23              or relationships currently projected by the Con-  
24              gressional Budget Office for scorekeeping pur-  
25              poses; or

1 (D) such provision will be likely to produce  
2 a significant reduction in outlays or increase in  
3 governmental receipts but, due to insufficient  
4 data, such reduction or increase cannot be reli-  
5 ably estimated.

6 (4) COMMITTEE REPORTED PROVISIONS.—a  
7 provision reported by a committee shall not be con-  
8 sidered extraneous under paragraph (2) if—

9 (A) the provision is an integral part of a  
10 provision or title, which if introduced as a bill,  
11 would be referred to such committee, and the  
12 provision sets forth the procedure to carry out  
13 or implement the substantive provisions that  
14 were reported and which fall within the jurisdic-  
15 tion of such committee; or

16 (B) the provision states an exception to, or  
17 a special application of, the general provision or  
18 title of which it is a part and such general pro-  
19 vision or title if introduced as a bill, would be  
20 referred to such committee.

21 (5) TECHNICAL AND CONFORMING AMEND-  
22 MENTS.—Technical and conforming provisions shall  
23 not be considered extraneous under this subsection.

24 (6) EXTRANEOUS MATERIALS.—Upon the re-  
25 porting of a reconciliation bill pursuant to this sub-

1 section in the Senate, and again upon the submis-  
2 sion of a conference report on such a reconciliation  
3 bill, the Committee on the Budget of the Senate  
4 shall submit for the record a list of material consid-  
5 ered to be extraneous under paragraph (2) (A), (C),  
6 and (D), to the instructions of a committee as pro-  
7 vided in this section. The inclusion or exclusion of  
8 a provision shall not constitute a determination of  
9 extraneousness by the Presiding Officer of the Sen-  
10 ate.

11 (7) CONFERENCE REPORTS.—When the Senate  
12 is considering a conference report on, or an amend-  
13 ment between the Houses in relation to, a reconcili-  
14 ation bill pursuant to this section, upon a point of  
15 order being made by any Senator against extraneous  
16 material meeting the definition of this subsection,  
17 and such point of order being sustained, such mate-  
18 rial contained in such conference report or amend-  
19 ment shall be deemed stricken, and the Senate shall  
20 proceed, without intervening action or motion, to  
21 consider the question of whether the Senate shall re-  
22 cede from its amendment and concur with a further  
23 amendment, or concur in the House amendment  
24 with a further amendment, as the case may be,  
25 which further amendment shall consist of only that

1 portion of the conference report or House amend-  
2 ment, as the case may be, not so stricken. Any such  
3 motion in the Senate shall be debatable for two  
4 hours. In any case in which such point of order is  
5 sustained against a conference report (or Senate  
6 amendment derived from such conference report by  
7 operation of this subsection), no further amendment  
8 shall be in order.

9 (i) DETERMINATIONS AND POINTS OF ORDER.—Not-  
10 withstanding any other law or rule of the Senate, it shall  
11 be in order for a Senator to raise a single point of order  
12 that several provisions of a bill, resolution, amendment,  
13 motion, or conference report violate this section. The Pre-  
14 siding Officer may sustain the point of order as to some  
15 or all of the provisions against which the Senator raised  
16 the point of order. If the Presiding Officer so sustains the  
17 point of order as to some of the provisions (including pro-  
18 visions of an amendment, motion, or conference report)  
19 against which the Senator raised the point of order, then  
20 only those provisions (including provisions of an amend-  
21 ment, motion, or conference report) against which the Pre-  
22 siding Officer sustains the point of order shall be deemed  
23 stricken pursuant to this section. Before the Presiding Of-  
24 ficer rules on such a point of order, any Senator may move  
25 to waive such a point of order as it applies to some or

1 all of the provisions against which the point of order was  
2 raised. Such a motion to waive is amendable in accordance  
3 with the rules and precedents of the Senate. After the Pre-  
4 siding Officer rules on such a point of order, any Senator  
5 may appeal the ruling of the Presiding Officer on such  
6 a point of order as it applies to some or all of the provi-  
7 sions on which the Presiding Officer ruled.

8 **SEC. 224. REVISED ESTIMATES AND FINAL MAXIMUM DEF-**  
9 **ICIT AMOUNT SEQUESTRATION REPORTS.**

10 (a) REVISED ESTIMATES, DETERMINATIONS, AND  
11 FINAL MAXIMUM DEFICIT AMOUNT SEQUESTRATION RE-  
12 PORTS.—On the dates specified in section 202(a), OMB  
13 shall submit to the President and Congress, and CBO  
14 shall submit to Congress, a revised report—

15 (1) indicating whether and to what extent, as a  
16 result of laws enacted and regulations promulgated  
17 after the submission of their preview report under  
18 section 222(a), the excess deficit identified in the re-  
19 port submitted under such subsection has been  
20 eliminated, reduced, or increased; and

21 (2) adjusting the determinations made under  
22 section 222(a) to the extent necessary.

23 The final report submitted under this subsection shall con-  
24 tain estimates, determinations, and specifications for all  
25 of the items contained in the maximum deficit amount rec-

1 onciation report and shall be based on the same economic  
2 and technical assumptions and employ the same meth-  
3 odologies shall be based on the supplemental budget esti-  
4 mates under section 1106 of title 31, United States Code,  
5 and the CBO report shall be based on the most recent  
6 report required by section 202(e)(2) of the Congressional  
7 Budget Act of 1974. Estimates shall be consistent with  
8 the methodology under section 257 of the Balanced Budg-  
9 et and Enforcement Act Deficit Control Act of 1985. The  
10 reports shall provide for the determination of reductions  
11 in the manner specified in section 222(a)(3).

12 (b) DATES FOR SUBMISSION OF REPORTS AND  
13 ISSUANCE OF ORDERS.—If the date specified for the sub-  
14 mission of a report by the Director of OMB under this  
15 section falls on a Sunday or legal holiday, such report shall  
16 be submitted or such order issued on the following day.

17 (c) PRINTING OF REPORTS.—Each report submitted  
18 under this section shall be printed in the Federal Register  
19 on the date it is issued; and the reports of the Director  
20 of OMB submitted to the Congress under subsection  
21 (a)(1) shall be printed as documents of the Senate and  
22 the House of Representatives.



1 **SEC. 225. MAXIMUM DEFICIT AMOUNT—PRESIDENTIAL**  
2 **ORDER.**

3 (a) **IN GENERAL.**—On the date specified in section  
4 202(a) and following the submission of a report by the  
5 Director of OMB to the President and Congress under  
6 section 224 that identifies an amount by which the deficit  
7 for a fiscal year will exceed the maximum deficit amount  
8 for such fiscal year the President, in strict accordance with  
9 the requirements set forth in section 227, shall eliminate  
10 the full amount of the deficit excess by issuing an order  
11 that eliminates the direct spending authority and outlays  
12 resulting therefrom in accordance with such report from  
13 each budget account activity as identified in the program  
14 and financing schedules contained in the appendix to the  
15 Budget of the United States Government for that fiscal  
16 year, applying the same reduction percentage as the per-  
17 centage by which the account is reduced in such report.

18 (b) **ORDER TO BE BASED ON OMB REPORT.**—The  
19 order must provide for reductions in the manner specified  
20 in section 224, and must be consistent with such report  
21 in all respects. The President may not modify or recal-  
22 culate any of the estimates, determinations, specifications,  
23 bases, amounts or percentages set forth in the report sub-  
24 mitted under section 224 in determining the reductions  
25 to be specified in the order with respect to budget activi-  
26 ties, within an account.

1           (c) EFFECT OF SEQUESTRATION UNDER PRESI-  
2 DENTIAL ORDER.—Amounts sequestered under an order  
3 issued by the President under subsection (a) for a fiscal  
4 year shall be permanently cancelled in accordance with  
5 such final order.

6           (d) ACCOMPANYING MESSAGE.—At the time the ac-  
7 tions described in the preceding provisions of this sub-  
8 section with respect to any fiscal year are taken, the Presi-  
9 dent shall transmit to both Houses of the Congress a mes-  
10 sage containing all the information required by this sec-  
11 tion and further specifying in strict accordance with sub-  
12 section (b)—

13                 (1) within each account, and the amounts which  
14                 are to be sequestered or reduced for each such pro-  
15                 gram, project, and activity or budget account activ-  
16                 ity; and

17                 (2) such other supporting details as the Presi-  
18                 dent may determine to be appropriate.

19 Upon receipt in the Senate and the House of Representa-  
20 tives, the message shall be referred to all committees with  
21 jurisdiction over programs, projects, and activities affected  
22 by the order.

23           (e) EFFECTIVE DATE OF ORDER.—The order issued  
24 by the President under subsection (a) with respect to any  
25 fiscal year shall be effective as of the date of its issuance.

1 **SEC. 226. CONGRESSIONAL RESPONSE TO LOW GROWTH.**

2 (a) SPECIAL PROCEDURES IN THE EVENT OF LOW  
3 ECONOMIC GROWTH.—

4 (1) IN GENERAL.—The Director of the Con-  
5 gressional Budget Office shall notify the Congress at  
6 any time if—

7 (A) during the period consisting of the  
8 quarter during which such notification is given,  
9 the quarter preceding such notification, and the  
10 four quarters following such notification, such  
11 Office or the Office of Management and Budget  
12 has determined that real economic growth is  
13 projected or estimated to be less than zero with  
14 respect to each of any two consecutive quarters  
15 within such period, or

16 (B) the Department of Commerce prelimi-  
17 nary reports of actual real economic growth (or  
18 any subsequent revision thereof) indicate that  
19 the rate of real economic growth for each of the  
20 most recent reported quarter and the imme-  
21 diately preceding quarter is less than one per-  
22 cent.

23 Upon such notification the majority leader of each  
24 House shall introduce a joint resolution (in the form  
25 set forth in paragraph (2)) declaring that the condi-  
26 tions specified in this paragraph are met and sus-

1 pending the relevant provisions of this title for the  
2 remainder of the current fiscal year or for the fol-  
3 lowing fiscal year or both.

4 (2) FORM OF JOINT RESOLUTION.—

5 (A) MATTER.—The matter after the re-  
6 solving clause in any joint resolution introduced  
7 pursuant to paragraph (1) shall be as follows:  
8 “That the Congress declares that the conditions  
9 specified in section 226(a)(1) of the Stop Over  
10 Spending Act of 2006 are met and the provi-  
11 sions of that Act, including sequestration of dis-  
12 cretionary spending under subtitle B and se-  
13 questration of direct spending under subtitle C  
14 of that Act are suspended for the remainder of  
15 the current year, and for the fiscal year fol-  
16 lowing the current year. This joint resolution  
17 shall not have the effect of suspending any final  
18 order which was issued for the current fiscal  
19 year under the SOS Act if such order was  
20 issued before the date of the enactment of this  
21 joint resolution.

22 (B) TITLE.—The title of the joint resolu-  
23 tion shall be “Joint resolution suspending cer-  
24 tain provisions of law pursuant to SOS Act.”

1           and the joint resolution shall not contain any  
2           preamble.

3           (b) COMMITTEE ACTION.—Each joint resolution in-  
4           troduced pursuant to subsection (a) shall be referred to  
5           the Committee on the Budget of the appropriate House;  
6           and such Committee shall report the joint resolution to  
7           its House without amendment on or before the fifth day  
8           on which such House is in session after the date on which  
9           the joint resolution is introduced. If the Committee fails  
10          to report the joint resolution within the 5-day period re-  
11          ferred to in the preceding sentence, it shall be automati-  
12          cally discharged from further consideration of the joint  
13          resolution, and the joint resolution shall be placed on the  
14          appropriate calendar.

15          (c) CONSIDERATION OF JOINT RESOLUTION.—

16               (1) IN GENERAL.—A vote on final passage of a  
17               joint resolution reported to a House of the Congress  
18               or discharged pursuant to subsection (b) shall be  
19               taken on or before the close of the fifth calendar day  
20               of session of such House after the date on which the  
21               joint resolution is reported to such House or after  
22               the Committee has been discharged from further  
23               consideration of the joint resolution. If prior to the  
24               passage by 1 House of a joint resolution of that

1 House, that House received the same joint resolution  
2 from the other House, then—

3 (A) the procedure in that House shall be  
4 the same as if no such joint resolution had been  
5 received from the other House; and

6 (B) the vote on final passage shall be on  
7 the joint resolution of the other House.

8 When the joint resolution is agreed to, the Secretary  
9 of the Senate (in the case of a House joint resolu-  
10 tion agreed to in the House of Representatives) or  
11 the Clerk of the House of Representatives (in the  
12 case of a Senate joint resolution agreed to in the  
13 Senate) shall cause the joint resolution to be en-  
14 grossed, certified, and transmitted to the other  
15 House of Congress as soon as practicable.

16 (2) HOUSE.—

17 (A) PROCEEDING.—A motion in the House  
18 of Representatives to proceed to the consider-  
19 ation of a joint resolution under this subsection  
20 shall be highly privileged and not debatable. An  
21 amendment to the motion shall not be in order,  
22 nor shall it be in order to move to reconsider  
23 the vote by which the motion is agreed to or  
24 disagreed to.

1           (B) DEBATE.—Debate in the House of  
2           Representatives on a joint resolution under this  
3           subsection shall be limited to not more than 5  
4           hours, which shall be divided equally between  
5           those favoring and those opposing the joint res-  
6           olution. A motion to postpone, made in the  
7           House of Representatives with respect to the  
8           consideration of a joint resolution under this  
9           subsection, and a motion to proceed to the con-  
10          sideration of other business, shall not be in  
11          order. A motion further to limit debate shall  
12          not be debatable. It shall not be in order to  
13          move to table or to recommit a joint resolution  
14          under this subsection or to move to reconsider  
15          the vote by which the joint resolution is agreed  
16          to or disagreed to.

17          (C) APPEALS.—All appeals from the deci-  
18          sions of the Chair relating to the application of  
19          the Rules of the House of Representatives to  
20          the procedure relating to a joint resolution  
21          under this subsection shall be decided without  
22          debate.

23          (D) FORM OF RESOLUTION.—Except to  
24          the extent specifically provided in this sub-  
25          section or in paragraph (4), consideration of a

1 joint resolution under this paragraph shall be  
2 governed by the Rules of the House of Rep-  
3 resentatives.

4 (3) SENATE.—

5 (A) PROCEEDING.—A motion in the Sen-  
6 ate to proceed to the consideration of a joint  
7 resolution under this subsection shall be privi-  
8 leged and not debatable. An amendment to the  
9 motion shall not be in order, nor shall it be in  
10 order to move to reconsider the vote by which  
11 the motion is agreed to or disagreed to.

12 (B) DEBATE.—Debate in the Senate on a  
13 joint resolution under this subsection, and all  
14 debatable motions and appeals in connection  
15 therewith, shall be limited to not more than five  
16 hours. The time shall be equally divided be-  
17 tween, and controlled by, the majority leader  
18 and the minority leader or their designees.

19 (C) MOTIONS AND APPEALS.—Debate in  
20 the Senate on any debatable motion or appeal  
21 in connection with a joint resolution under this  
22 subsection shall be limited to not more than one  
23 hour, to be equally divided between, and con-  
24 trolled by, the mover and the manager of the  
25 joint resolution, except that in the event the



1 manager of the joint resolution is in favor of  
2 any such motion or appeal, the time in opposi-  
3 tion thereto shall be controlled by the minority  
4 leader or his designee.

5 (D) LIMIT DEBATE OR RECOMMIT.—A mo-  
6 tion in the Senate to further limit debate on a  
7 joint resolution under this subsection is not de-  
8 batable. A motion to table or to recommit a  
9 joint resolution under this subsection is not in  
10 order.

11 (4) NO AMENDMENTS.—No amendment to a  
12 joint resolution considered under this subsection  
13 shall be in order in either the Senate or the House  
14 of Representatives.

15 **SEC. 227. EXEMPTIONS FROM SEQUESTRATION.**

16 (a) IN GENERAL.—Except as provided in subsection  
17 (b), all direct spending and outlays flowing therefrom shall  
18 be subject to the sequestration procedures under this sub-  
19 title.

20 (b) EXEMPTIONS.—

21 (1) SOCIAL SECURITY BENEFITS AND TIER I  
22 RAILROAD RETIREMENT BENEFITS.—Benefits pay-  
23 able under the old-age, survivors, and disability in-  
24 surance program established under title II of the So-  
25 cial Security Act, or in benefits payable under sec-

1       tion 3(a), 3(f)(3), 4(a), or 4(f) of the Railroad Re-  
2       tirement Act of 1974, shall be exempt from any re-  
3       duction under any order issued under this part.

4               (2) IN BUDGET.—

5               (A) PRESIDENT'S BUDGET.—The Presi-  
6       dent shall include in the budget submitted pur-  
7       suant to section 1105 of title 31, United States  
8       Code, specific accounts or activities where  
9       amounts are not available for sequestration in  
10      order to prevent Federal default (including out-  
11      lays for interest on the public debt, outlays for  
12      claims against the United States, outlays for  
13      miscellaneous permanent appropriations and  
14      outlays for existing contracts.)

15              (B) JUSTIFICATION.—The President shall  
16      include a justification for each exemption sub-  
17      mitted pursuant to subparagraph (A).

18              (C) APPLICATION.—The exemptions pro-  
19      vided in paragraph (1) and the exemptions sub-  
20      mitted by the President under this paragraph  
21      shall stand as the only exemptions to sequestra-  
22      tion procedures under this subtitle, unless oth-  
23      erwise provided by law.

1 **SEC. 228. SUBMISSION OF PRESIDENT’S BUDGET; MAXIMUM**  
 2 **DEFICIT AMOUNT MAY NOT BE EXCEEDED.**

3 Section 1105 of title 31, United States Code, is  
 4 amended by adding at the end thereof the following:

5 “(i) The budget transmitted pursuant to subsection  
 6 (a) for a fiscal year shall be prepared consistent with sec-  
 7 tion 257 of the Balanced Budget and Emergency Deficit  
 8 Control Act of 1985, in such a manner as to ensure that  
 9 the discretionary spending limits under section 212 of the  
 10 Stop Over Spending Act of 2006 and the deficit for such  
 11 fiscal year shall not exceed the maximum deficit amount  
 12 for such fiscal year.”.

13 **TITLE III—BIENNIAL BUDGET**  
 14 **AND APPROPRIATIONS**

15 **SEC. 301. REVISION OF TIMETABLE.**

16 Section 300 of the Congressional Budget Act of 1974  
 17 (2 U.S.C. 631) is amended to read as follows:

18 “TIMETABLE

19 “SEC. 300. (a) IN GENERAL.—Except as provided by  
 20 subsection (b), the timetable with respect to the congres-  
 21 sional budget process for any Congress (beginning with  
 22 the 110th Congress) is as follows:

	“First Session
On or before:	Action to be completed:
First Monday in Feb-	President submits the biennial budget rec-
ruary.	ommendations.
February 15 .....	Congressional Budget Office submits report
	to Budget Committees.

## “First Session—Continued

Not later than 6 weeks after the biennial bud- get submission.	Committees submit views and estimates to Budget Committees.
April 1 .....	Budget Committees report concurrent resolu- tion on the biennial budget.
May 15 .....	Congress completes action on concurrent reso- lution on the biennial budget.
May 15 .....	Biennial appropriation bills may be consid- ered in the House.
June 10 .....	House Appropriations Committee reports last biennial appropriation bill.
June 30 .....	House completes action on biennial appropria- tion bills.
August 1 .....	Congress completes action on reconciliation legislation.
October 1 .....	Biennium begins.

## “Second Session

On or before:	Action to be completed:
February 15 .....	President submits biennial budget review.
Not later than 6 weeks after President submits budget review.	Congressional Budget Office submits report to Budget Committees.
The last day of the ses- sion.	Congress completes action on bills and resolu- tions authorizing new budget authority for the succeeding biennium.

1       “(b) SPECIAL RULE.—In the case of any first session  
2 of Congress that begins in any year immediately following  
3 a leap year and during which the term of a President (ex-  
4 cept a President who succeeds himself or herself) begins,  
5 the following dates shall supersede those set forth in sub-  
6 section (a):

## “First Session

On or before:	Action to be completed:
First Monday in April .....	President submits the biennial budget rec- ommendations.
April 20 .....	Committees submit views and estimates to Budget Committees.
May 15 .....	Budget Committees report concurrent resolu- tion on the biennial budget.
June 1 .....	Congress completes action on concurrent reso- lution on the biennial budget.
July 1 .....	Biennial appropriation bills may be consid- ered in the House.
July 20 .....	House completes action on biennial appropria- tion bills.

“First Session—Continued

August 1 ..... Congress completes action on reconciliation  
legislation.

October 1 ..... Biennium begins.”.

1 **SEC. 302. AMENDMENTS TO THE CONGRESSIONAL BUDGET**  
2 **AND IMPOUNDMENT CONTROL ACT OF 1974.**

3 (a) **DECLARATION OF PURPOSE.**—Section 2(2) of the  
4 Congressional Budget and Impoundment Control Act of  
5 1974 (2 U.S.C. 621(2)) is amended by striking “each  
6 year” and inserting “biennially”.

7 (b) **DEFINITIONS.**—

8 (1) **BUDGET RESOLUTION.**—Section 3(4) of  
9 such Act (2 U.S.C. 622(4)) is amended by striking  
10 “fiscal year” each place it appears and inserting “bi-  
11 ennium”.

12 (2) **BIENNIUM.**—Section 3 of such Act (2  
13 U.S.C. 622) is further amended by adding at the  
14 end the following new paragraph:

15 “(11) The term ‘biennium’ means the period of  
16 2 consecutive fiscal years beginning on October 1 of  
17 any odd-numbered year.”.

18 (c) **BIENNIAL CONCURRENT RESOLUTION ON THE**  
19 **BUDGET.**—

20 (1) **SECTION HEADING.**—The section heading of  
21 section 301 of such Act is amended by striking “**AN-**  
22 **NUAL**” and inserting “**BIENNIAL**”.

1           (2) CONTENTS OF RESOLUTION.—Section  
2           301(a) of such Act (2 U.S.C. 632(a)) is amended—

3           (A) in the matter preceding paragraph (1)

4           by—

5                   (i) striking “April 15 of each year”  
6                   and inserting “May 15 of each odd-num-  
7                   bered year”;

8                   (ii) striking “the fiscal year beginning  
9                   on October 1 of such year” the first place  
10                  it appears and inserting “the biennium be-  
11                  ginning on October 1 of such year”; and

12                  (iii) striking “the fiscal year beginning  
13                  on October 1 of such year” the second  
14                  place it appears and inserting “each fiscal  
15                  year in such period”;

16           (B) in paragraph (6), by striking “for the  
17           fiscal year” and inserting “for each fiscal year  
18           in the biennium”; and

19           (C) in paragraph (7), by striking “for the  
20           fiscal year” and inserting “for each fiscal year  
21           in the biennium”.

22           (3) ADDITIONAL MATTERS.—Section 301(b)(3)  
23           of such Act (2 U.S.C. 632(b)) is amended by strik-  
24           ing “for such fiscal year” and inserting “for either  
25           fiscal year in such biennium”.

1           (4) VIEWS OF OTHER COMMITTEES.—Section  
2           301(d) of such Act (2 U.S.C. 632(d)) is amended by  
3           inserting “(or, if applicable, as provided by section  
4           300(b))” after “United States Code”.

5           (5) HEARINGS.—Section 301(e)(1) of such Act  
6           (2 U.S.C. 632(e)) is amended by—

7                   (A) striking “fiscal year” and inserting  
8                   “biennium”; and

9                   (B) inserting after the second sentence the  
10                  following: “On or before April 1 of each odd-  
11                  numbered year (or, if applicable, as provided by  
12                  section 300(b)), the Committee on the Budget  
13                  of each House shall report to its House the con-  
14                  current resolution on the budget referred to in  
15                  subsection (a) for the biennium beginning on  
16                  October 1 of that year.”.

17           (6) GOALS FOR REDUCING UNEMPLOYMENT.—  
18           Section 301(f) of such Act (2 U.S.C. 632(f)) is  
19           amended by striking “fiscal year” each place it ap-  
20           pears and inserting “biennium”.

21           (7) ECONOMIC ASSUMPTIONS.—Section  
22           301(g)(1) of such Act (2 U.S.C. 632(g)(1)) is  
23           amended by striking “for a fiscal year” and insert-  
24           ing “for a biennium”.

1           (8) TABLE OF CONTENTS.—The item relating  
2 to section 301 in the table of contents set forth in  
3 section 1(b) of such Act is amended by striking “An-  
4 nual” and inserting “Biennial”.

5           (d) COMMITTEE ALLOCATIONS.—Section 302 of such  
6 Act (2 U.S.C. 633) is amended—

7           (1) in subsection (a)

8           (A) in paragraph (1), by—

9           (i) striking “for the first fiscal year of  
10 the resolution,” and inserting “for each  
11 fiscal year in the biennium,”;

12           (ii) striking “for that period of fiscal  
13 years” and inserting “for all fiscal years  
14 covered by the resolution”; and

15           (iii) striking “for the fiscal year of  
16 that resolution” and inserting “for each  
17 fiscal year in the biennium”; and

18           (B) in paragraph (5), by striking “April  
19 15” and inserting “May 15 or June 1 (under  
20 section 300(b))”;

21           (2) in subsection (b), by striking “budget year”  
22 and inserting “biennium”;

23           (3) in subsection (c) by striking “for a fiscal  
24 year” each place it appears and inserting “for each  
25 fiscal year in the biennium”;



1           (4) in subsection (f)(1), by striking “for a fiscal  
2 year” and inserting “for a biennium”;

3           (5) in subsection (f)(1), by striking “the first  
4 fiscal year” and inserting “each fiscal year of the bi-  
5 ennium”;

6           (6) in subsection (f)(2)(A), by—

7                 (A) striking “the first fiscal year” and in-  
8 serting “each fiscal year of the biennium”; and

9                 (B) striking “the total of fiscal years” and  
10 inserting “the total of all fiscal years covered by  
11 the resolution”; and

12           (7) in subsection (g)(1)(A), by striking “April”  
13 and inserting “May”.

14           (e) SECTION 303 POINT OF ORDER.—

15                 (1) IN GENERAL.—Section 303(a) of such Act  
16 (2 U.S.C. 634(a)) is amended by—

17                 (A) striking “the first fiscal year” and in-  
18 serting “each fiscal year of the biennium”; and

19                 (B) striking “that fiscal year” each place  
20 it appears and inserting “that biennium”.

21           (2) EXCEPTIONS IN THE HOUSE.—Section  
22 303(b)(1) of such Act (2 U.S.C. 634(b)) is amend-  
23 ed—

1 (A) in subparagraph (A), by striking “the  
2 budget year” and inserting “the biennium”;  
3 and

4 (B) in subparagraph (B), by striking “the  
5 fiscal year” and inserting “the biennium”.

6 (3) APPLICATION TO THE SENATE.—Section  
7 303(c)(1) of such Act (2 U.S.C. 634(c)) is amended  
8 by—

9 (A) striking “fiscal year” and inserting  
10 “biennium”; and

11 (B) striking “that year” and inserting  
12 “each fiscal year of that biennium”.

13 (f) PERMISSIBLE REVISIONS OF CONCURRENT RESO-  
14 LUTIONS ON THE BUDGET.—Section 304 of such Act (2  
15 U.S.C. 635) is amended by—

16 (1) striking “fiscal year” the first two places it  
17 appears and inserting “biennium”; and

18 (2) striking “for such fiscal year” and inserting  
19 “for such biennium”.

20 (g) PROCEDURES FOR CONSIDERATION OF BUDGET  
21 RESOLUTIONS.—Section 305 of such Act (2 U.S.C.  
22 636(3)) is amended—

23 (1) in subsection (a)(3), by striking “fiscal  
24 year” and inserting “biennium”; and

1           (2) in subsection (b)(3), by striking “fiscal  
2           year” and inserting “biennium”.

3           (h) COMPLETION OF HOUSE ACTION ON APPROPRIA-  
4           TION BILLS.—Section 307 of such Act (2 U.S.C. 638) is  
5           amended by—

6           (1) striking “each year” and inserting “each  
7           odd-numbered year”;

8           (2) striking “annual” and inserting “biennial”;

9           (3) striking “fiscal year” and inserting “bien-  
10          nium”; and

11          (4) striking “that year” and inserting “each  
12          odd-numbered year”.

13          (i) COMPLETION OF ACTION ON REGULAR APPRO-  
14          PRIATION BILLS.—Section 309 of such Act (2 U.S.C.  
15          640) is amended by—

16          (1) inserting “of any odd-numbered calendar  
17          year” after “July”;

18          (2) striking “annual” and inserting “biennial”;

19          and

20          (3) striking “fiscal year” and inserting “bien-  
21          nium”.

22          (j) RECONCILIATION PROCESS.—Section 310(a) of  
23          such Act (2 U.S.C. 641(a)) is amended—

1           (1) in the matter preceding paragraph (1), by  
2 striking “any fiscal year” and inserting “any bien-  
3 nium”; and

4           (2) in paragraph (1) by striking “such fiscal  
5 year” each place it appears and inserting “any fiscal  
6 year covered by such resolution”.

7 (k) SECTION 311 POINT OF ORDER.—

8           (1) IN THE HOUSE.—Section 311(a)(1) of such  
9 Act (2 U.S.C. 642(a)) is amended by—

10           (A) striking “for a fiscal year” and insert-  
11 ing “for a biennium”;

12           (B) striking “the first fiscal year” each  
13 place it appears and inserting “either fiscal  
14 year of the biennium”; and

15           (C) striking “that first fiscal year” and in-  
16 serting “each fiscal year in the biennium”.

17           (2) IN THE SENATE.—Section 311(a)(2) of  
18 such Act is amended—

19           (A) in subparagraph (A), by striking “for  
20 the first fiscal year” and inserting “for either  
21 fiscal year of the biennium”; and

22           (B) in subparagraph (B) by—

23           (i) striking “that first fiscal year” the  
24 first place it appears and inserting “each  
25 fiscal year in the biennium”; and

1 (ii) striking “that first fiscal year and  
2 the ensuing fiscal years” and inserting “all  
3 fiscal years”.

4 (3) SOCIAL SECURITY LEVELS.—Section  
5 311(a)(3) of such Act is amended by—

6 (A) striking “for the first fiscal year” and  
7 inserting “each fiscal year in the biennium”;  
8 and

9 (B) striking “that fiscal year and the ensu-  
10 ing fiscal years” and inserting “all fiscal  
11 years”.

12 (1) MAXIMUM DEFICIT AMOUNT POINT OF ORDER.—  
13 Section 312(c) of the Congressional Budget Act of 1974  
14 (2 U.S.C. 643) is amended—

15 (1) by striking “for a fiscal year” and inserting  
16 “for a biennium”;

17 (2) in paragraph (1), by striking “the first fis-  
18 cal year” and inserting “either fiscal year in the bi-  
19 ennium”;

20 (3) in paragraph (2), by striking “that fiscal  
21 year” and inserting “either fiscal year in the bien-  
22 nium”; and

23 (4) in the matter following paragraph (2), by  
24 striking “that fiscal year” and inserting “the appli-  
25 cable fiscal year”.

1 **SEC. 303. AMENDMENTS TO TITLE 31, UNITED STATES**  
2 **CODE.**

3 (a) DEFINITION.—Section 1101 of title 31, United  
4 States Code, is amended by adding at the end thereof the  
5 following new paragraph:

6 “(3) ‘biennium’ has the meaning given to such  
7 term in paragraph (11) of section 3 of the Congres-  
8 sional Budget and Impoundment Control Act of  
9 1974 (2 U.S.C. 622(11)).”.

10 (b) BUDGET CONTENTS AND SUBMISSION TO THE  
11 CONGRESS.—

12 (1) SCHEDULE.—The matter preceding para-  
13 graph (1) in section 1105(a) of title 31, United  
14 States Code, is amended to read as follows:

15 “(a) On or before the first Monday in February of  
16 each odd-numbered year (or, if applicable, as provided by  
17 section 300(b) of the Congressional Budget Act of 1974),  
18 beginning with the One Hundred Tenth Congress, the  
19 President shall transmit to the Congress, the budget for  
20 the biennium beginning on October 1 of such calendar  
21 year. The budget of the United States Government trans-  
22 mitted under this subsection shall include a budget mes-  
23 sage and summary and supporting information. The  
24 President shall include in each budget the following:”.

25 (2) EXPENDITURES.—Section 1105(a)(5) of  
26 title 31, United States Code, is amended by striking

1 “the fiscal year for which the budget is submitted  
2 and the 4 fiscal years after that year” and inserting  
3 “each fiscal year in the biennium for which the  
4 budget is submitted and in the succeeding 4 fiscal  
5 years”.

6 (3) RECEIPTS.—Section 1105(a)(6) of title 31,  
7 United States Code, is amended by striking “the fis-  
8 cal year for which the budget is submitted and the  
9 4 fiscal years after that year” and inserting “each  
10 fiscal year in the biennium for which the budget is  
11 submitted and in the succeeding 4 years”.

12 (4) BALANCE STATEMENTS.—Section  
13 1105(a)(9)(C) of title 31, United States Code, is  
14 amended by striking “the fiscal year” and inserting  
15 “each fiscal year in the biennium”.

16 (5) FUNCTIONS AND ACTIVITIES.—Section  
17 1105(a)(12) of title 31, United States Code, is  
18 amended in subparagraph (A), by striking “the fis-  
19 cal year” and inserting “each fiscal year in the bien-  
20 nium”.

21 (6) ALLOWANCES.—Section 1105(a)(13) of title  
22 31, United States Code, is amended by striking “the  
23 fiscal year” and inserting “each fiscal year in the bi-  
24 ennium”.

1           (7) ALLOWANCES FOR UNCONTROLLED EX-  
2           PENDITURES.—Section 1105(a)(14) of title 31,  
3           United States Code, is amended by striking “that  
4           year” and inserting “each fiscal year in the bien-  
5           nium for which the budget is submitted”.

6           (8) TAX EXPENDITURES.—Section 1105(a)(16)  
7           of title 31, United States Code, is amended by strik-  
8           ing “the fiscal year” and inserting “each fiscal year  
9           in the biennium”.

10          (9) FUTURE YEARS.—Section 1105(a)(17) of  
11          title 31, United States Code, is amended by—

12                (A) striking “the fiscal year following the  
13                fiscal year” and inserting “each fiscal year in  
14                the biennium following the biennium”;

15                (B) striking “that following fiscal year”  
16                and inserting “each such fiscal year”; and

17                (C) striking “fiscal year before the fiscal  
18                year” and inserting “biennium before the bien-  
19                nium”.

20          (10) PRIOR YEAR OUTLAYS.—Section  
21          1105(a)(18) of title 31, United States Code, is  
22          amended by—

23                (A) striking “the prior fiscal year” and in-  
24                serting “each of the 2 most recently completed  
25                fiscal years,”;



1 (B) striking “for that year” and inserting  
2 “with respect to those fiscal years”; and

3 (C) striking “in that year” and inserting  
4 “in those fiscal years”.

5 (11) PRIOR YEAR RECEIPTS.—Section  
6 1105(a)(19) of title 31, United States Code, is  
7 amended by—

8 (A) striking “the prior fiscal year” and in-  
9 serting “each of the 2 most recently completed  
10 fiscal years”;

11 (B) striking “for that year” and inserting  
12 “with respect to those fiscal years”; and

13 (C) striking “in that year” each place it  
14 appears and inserting “in those fiscal years”.

15 (c) ESTIMATED EXPENDITURES OF LEGISLATIVE  
16 AND JUDICIAL BRANCHES.—Section 1105(b) of title 31,  
17 United States Code, is amended by striking “each year”  
18 and inserting “each even-numbered year”.

19 (d) RECOMMENDATIONS TO MEET ESTIMATED DE-  
20 FICIENCIES.—Section 1105(c) of title 31, United States  
21 Code, is amended by—

22 (1) striking “the fiscal year for” the first place  
23 it appears and inserting “each fiscal year in the bi-  
24 ennium for”;

1           (2) striking “the fiscal year for” the second  
2           place it appears and inserting “each fiscal year of  
3           the biennium, as the case may be, for”; and

4           (3) striking “for that year” and inserting “for  
5           each fiscal year of the biennium”.

6           (e) CAPITAL INVESTMENT ANALYSIS.—Section  
7           1105(e)(1) of title 31, United States Code, is amended  
8           by striking “ensuing fiscal year” and inserting “biennium  
9           to which such budget relates”.

10          (f) SUPPLEMENTAL BUDGET ESTIMATES AND  
11          CHANGES.—

12           (1) IN GENERAL.—Section 1106(a) of title 31,  
13          United States Code, is amended—

14           (A) in the matter preceding paragraph (1),  
15          by—

16           (i) inserting after “Before July 16 of  
17           each year” the following: “and February  
18           15 of each even-numbered year”; and

19           (ii) striking “fiscal year” and insert-  
20          ing “biennium”;

21           (B) in paragraph (1), by striking “that fis-  
22          cal year” and inserting “each fiscal year in  
23          such biennium”;

24           (C) in paragraph (2), by striking “fiscal  
25          year” and inserting “biennium”; and

1 (D) in paragraph (3), by striking “fiscal  
2 year” and inserting “biennium”.

3 (2) CHANGES.—Section 1106(b) of title 31,  
4 United States Code, is amended by—

5 (A) striking “the fiscal year” and inserting  
6 “each fiscal year in the biennium”;

7 (B) inserting after “Before July 16 of each  
8 year” the following: “and February 15 of each  
9 even-numbered year”; and

10 (C) striking “submitted before July 16”  
11 and inserting “required by this subsection”.

12 (g) CURRENT PROGRAMS AND ACTIVITIES ESTI-  
13 MATES.—

14 (1) IN GENERAL.—Section 1109(a) of title 31,  
15 United States Code, is amended by—

16 (A) striking “On or before the first Mon-  
17 day after January 3 of each year (on or before  
18 February 5 in 1986)” and inserting “At the  
19 same time the budget required by section 1105  
20 is submitted for a biennium”; and

21 (B) striking “the following fiscal year” and  
22 inserting “each fiscal year of such period”.

23 (2) JOINT ECONOMIC COMMITTEE.—Section  
24 1109(b) of title 31, United States Code, is amended  
25 by striking “March 1 of each year” and inserting

1 “within 6 weeks of the President’s budget submis-  
 2 sion for each odd-numbered year (or, if applicable,  
 3 as provided by section 300(b) of the Congressional  
 4 Budget Act of 1974)”.

5 (h) YEAR-AHEAD REQUESTS FOR AUTHORIZING  
 6 LEGISLATION.—Section 1110 of title 31, United States  
 7 Code, is amended by—

8 (1) striking “May 16” and inserting “March  
 9 31”; and

10 (2) striking “year before the year in which the  
 11 fiscal year begins” and inserting “calendar year pre-  
 12 ceding the calendar year in which the biennium be-  
 13 gins”.

14 **SEC. 304. TWO-YEAR APPROPRIATIONS; TITLE AND STYLE**  
 15 **OF APPROPRIATIONS ACTS.**

16 Section 105 of title 1, United States Code, is amend-  
 17 ed to read as follows:

18 **“§ 105. Title and style of appropriations Acts**

19 “(a) The style and title of all Acts making appropria-  
 20 tions for the support of the Government shall be as fol-  
 21 lows: ‘An Act making appropriations (here insert the ob-  
 22 ject) for each fiscal year in the biennium of fiscal years  
 23 (here insert the fiscal years of the biennium).’.

24 “(b) All Acts making regular appropriations for the  
 25 support of the Government shall be enacted for a biennium

1 and shall specify the amount of appropriations provided  
 2 for each fiscal year in such period.

3 “(c) For purposes of this section, the term ‘biennium’  
 4 has the same meaning as in section 3(11) of the Congres-  
 5 sional Budget and Impoundment Control Act of 1974 (2  
 6 U.S.C. 622(11)).”.

7 **SEC. 305. MULTIYEAR AUTHORIZATIONS.**

8 (a) IN GENERAL.—Title III of the Congressional  
 9 Budget Act of 1974 is amended by adding at the end the  
 10 following new section:

11 “AUTHORIZATIONS OF APPROPRIATIONS

12 “SEC. 316. (a) POINT OF ORDER.—It shall not be  
 13 in order in the Senate or the House of Representatives  
 14 to consider—

15 “(1) any bill, joint resolution, amendment, mo-  
 16 tion, or conference report that authorizes appropria-  
 17 tions for a period of less than 2 fiscal years, unless  
 18 the program, project, or activity for which the ap-  
 19 propriations are authorized will require no further  
 20 appropriations and will be completed or terminated  
 21 after the appropriations have been expended; and

22 “(2) in any odd-numbered year, any authoriza-  
 23 tion or revenue bill or joint resolution until Congress  
 24 completes action on the biennial budget resolution,  
 25 all regular biennial appropriations bills, and all rec-  
 26 onciliation bills.

1 “(b) APPLICABILITY.—In the Senate, subsection (a)  
2 shall not apply to—

3 “(1) any measure that is privileged for consid-  
4 eration pursuant to a rule or statute;

5 “(2) any matter considered in Executive Ses-  
6 sion; or

7 “(3) an appropriations measure or reconcili-  
8 ation bill.”.

9 (b) AMENDMENT TO TABLE OF CONTENTS.—The  
10 table of contents set forth in section 1(b) of the Congres-  
11 sional Budget and Impoundment Control Act of 1974 is  
12 amended by adding after the item relating to section 315  
13 the following new item:

“Sec. 316. Authorizations of appropriations.”.

14 **SEC. 306. GOVERNMENT PLANS ON A BIENNIAL BASIS.**

15 (a) STRATEGIC PLANS.—Section 306 of title 5,  
16 United States Code, is amended—

17 (1) in subsection (a), by striking “September  
18 30, 1997” and inserting “September 30, 2007”;

19 (2) in subsection (b) by—

20 (A) striking “five years forward” and in-  
21 serting “6 years forward”;

22 (B) striking “at least every three years”  
23 and inserting “at least every 4 years”; and

24 (C) striking beginning with “, except that”  
25 through “four years”; and

1           (3) in subsection (c), by inserting a comma  
2 after “section” the second place it appears and add-  
3 ing “including a strategic plan submitted by Sep-  
4 tember 30, 2008 meeting the requirements of sub-  
5 section (a)”.

6           (b) BUDGET CONTENTS AND SUBMISSION TO CON-  
7 GRESS.—Paragraph (28) of section 1105(a) of title 31,  
8 United States Code, is amended by striking “beginning  
9 with fiscal year 1999, a” and inserting “beginning with  
10 fiscal year 2008, a biennial”.

11          (c) PERFORMANCE PLANS.—Section 1115 of title 31,  
12 United States Code, is amended—

13           (1) in subsection (a)—

14               (A) in the matter before paragraph (1) by  
15 striking “an annual” and inserting “a bien-  
16 nial”;

17               (B) in paragraph (1) by inserting after  
18 “program activity” the following: “for both  
19 years 1 and 2 of the biennial plan”;

20               (C) in paragraph (5) by striking “and”  
21 after the semicolon ;

22               (D) in paragraph (6) by striking the period  
23 and inserting a semicolon; and inserting “and”  
24 after the inserted semicolon; and

1 (E) by adding after paragraph (6) the fol-  
2 lowing:

3 “(7) cover a 2-year period beginning with the  
4 first fiscal year of the next biennial budget cycle.”;

5 (2) in subsection (d) by striking “annual” and  
6 inserting “biennial”; and

7 (3) in paragraph (6) of subsection (g) by strik-  
8 ing “annual” and inserting “biennial”.

9 (d) MANAGERIAL ACCOUNTABILITY AND FLEXI-  
10 BILITY.—Section 9703 of title 31, United States Code, re-  
11 lating to managerial accountability, is amended—

12 (1) in subsection (a)—

13 (A) in the first sentence by striking “an-  
14 nual”; and

15 (B) by striking “section 1105(a)(29)” and  
16 inserting “section 1105(a)(28)”; and

17 (2) in subsection (e)—

18 (A) in the first sentence by striking “one  
19 or” before “years”;

20 (B) in the second sentence by striking “a  
21 subsequent year” and inserting “a subsequent  
22 2-year period”; and

23 (C) in the third sentence by striking  
24 “three” and inserting “4”.



1 (e) PILOT PROJECTS FOR PERFORMANCE BUDG-  
2 ETING.—Section 1119 of title 31, United States Code, is  
3 amended—

4 (1) in paragraph (1) of subsection (d), by strik-  
5 ing “annual” and inserting “biennial”; and

6 (2) in subsection (e), by striking “annual” and  
7 inserting “biennial”.

8 (f) STRATEGIC PLANS.—Section 2802 of title 39,  
9 United States Code, is amended—

10 (1) in subsection (a), by striking “September  
11 30, 1997” and inserting “September 30, 2008”;

12 (2) in subsection (b), by striking “five years  
13 forward” and inserting “6 years forward”;

14 (3) in subsection (b), by striking “at least every  
15 three years” and inserting “at least every 4 years”;

16 and

17 (4) in subsection (c), by inserting a comma  
18 after “section” the second place it appears and in-  
19 serting “including a strategic plan submitted by  
20 September 30, 2008 meeting the requirements of  
21 subsection (a)”.

22 (g) PERFORMANCE PLANS.—Section 2803(a) of title  
23 39, United States Code, is amended—

24 (1) in the matter before paragraph (1), by  
25 striking “an annual” and inserting “a biennial”;

1           (2) in paragraph (1), by inserting after “pro-  
2           gram activity” the following: “for both years 1 and  
3           2 of the biennial plan”;

4           (3) in paragraph (5), by striking “and” after  
5           the semicolon;

6           (4) in paragraph (6), by striking the period and  
7           inserting “; and”; and

8           (5) by adding after paragraph (6) the following:

9           “(7) cover a 2-year period beginning with the  
10          first fiscal year of the next biennial budget cycle.”.

11          (h) COMMITTEE VIEWS OF PLANS AND REPORTS.—

12          Section 301(d) of the Congressional Budget Act (2 U.S.C.

13          632(d)) is amended by adding at the end “Each committee

14          of the Senate or the House of Representatives shall review

15          the strategic plans, performance plans, and performance

16          reports, required under section 306 of title 5, United

17          States Code, and sections 1115 and 1116 of title 31,

18          United States Code, of all agencies under the jurisdiction

19          of the committee. Each committee may provide its views

20          on such plans or reports to the Committee on the Budget

21          of the applicable House.”.

22          (i) EFFECTIVE DATE.—

23                 (1) IN GENERAL.—The amendments made by

24                 this section shall take effect on the date of enact-

25                 ment of this Act.

1           (2) AGENCY ACTIONS.—Effective on and after  
2           the date of enactment of this Act, each agency shall  
3           take such actions as necessary to prepare and sub-  
4           mit any plan or report in accordance with the  
5           amendments made by this Act.

6 **SEC. 307. BIENNIAL APPROPRIATION BILLS.**

7           (a) IN GENERAL.—Title III of the Congressional  
8           Budget Act of 1974 (2 U.S.C. 631 et seq.) is amended  
9           by adding at the end the following:

10          “CONSIDERATION OF BIENNIAL APPROPRIATIONS BILLS

11           “SEC. 317. It shall not be in order in the Senate or  
12           the House of Representatives in any odd-numbered year  
13           to consider any regular bill providing new budget authority  
14           or a limitation on obligations under the jurisdiction of any  
15           of the subcommittees of the Committees on Appropria-  
16           tions for only the first fiscal year of a biennium, unless  
17           the program, project, or activity for which the new budget  
18           authority or obligation limitation is provided will require  
19           no additional authority beyond 1 year and will be com-  
20           pleted or terminated after the amount provided has been  
21           expended.”.

22           (b) AMENDMENT TO TABLE OF CONTENTS.—The  
23           table of contents set forth in section 1(b) of the Congres-  
24           sional Budget and Impoundment Control Act of 1974 is

1 amended by adding after the item relating to section 316  
2 the following new item:

“Sec. 317. Consideration of biennial appropriations bills.”.

3 **SEC. 308. REPORT ON CHANGES IN LAW.**

4 Not later than 60 days after the date of enactment  
5 of this Act, the Director of OMB shall report to the Com-  
6 mittees on the Budget of the Senate and the House of  
7 Representatives any changes in law to the Congressional  
8 Budget Act of 1974 and the provisions of this Act required  
9 to conform with a biennial budget process.

10 **SEC. 309. EFFECTIVE DATE.**

11 Except as provided in sections 306 and 308, this title  
12 and the amendments made by this Act shall take effect  
13 on January 1, 2008, and shall apply to budget resolutions  
14 and appropriations for the biennium beginning with fiscal  
15 year 2009.

16 **TITLE IV—COMMISSIONS**  
17 **Subtitle A—National Commission**  
18 **on Entitlement Solvency**

19 **SEC. 401. DEFINITIONS.**

20 In this subtitle:

21 (1) ADMINISTRATOR.—The term “Adminis-  
22 trator” means the Administrator of the Centers for  
23 Medicare & Medicaid Services.

24 (2) CALENDAR DAY.—The term “calendar day”  
25 means a calendar day other than one in which either

1 House is not in session because of an adjournment  
2 of more than 3 days to a date certain.

3 (3) COMMISSION.—The term “Commission”  
4 means the National Commission on Entitlement Sol-  
5 vency established under section 402(a).

6 (4) COMMISSION BILL.—The term “Commission  
7 bill” means a bill consisting of the proposed legisla-  
8 tive language provisions of the Commission intro-  
9 duced under section 403(a).

10 (5) COMMISSIONER.—The term “Commis-  
11 sioner” means the Commissioner of Social Security.

12 (6) LONG-TERM.—The term “long-term” means  
13 a period of not less than 75 years beginning on the  
14 date of enactment of this Act.

15 (7) MEDICAID.—The term “Medicaid” means  
16 the program established under title XIX of the So-  
17 cial Security Act (42 U.S.C. 1396 et seq.).

18 (8) MEDICARE.—The term “Medicare” means  
19 the program established under title XVIII of the So-  
20 cial Security Act (42 U.S.C. 1395 et seq.).

21 (9) SOCIAL SECURITY.—The term “Social Secu-  
22 rity” means the program of old-age, survivors, and  
23 disability insurance benefits established under title  
24 II of the Social Security Act (42 U.S.C. 401 et  
25 seq.).

1 **SEC. 402. ESTABLISHMENT OF COMMISSION.**

2 (a) ESTABLISHMENT.—There is established a com-  
3 mission to be known as the “National Commission on En-  
4 titlement Solvency”.

5 (b) PURPOSE.—The Commission shall conduct a  
6 comprehensive review of the Social Security, Medicare,  
7 and Medicaid programs for the following purposes:

8 (1) REVIEW.—Reviewing analyses of the cur-  
9 rent and long-term actuarial financial condition of  
10 the Social Security, Medicare, and Medicaid pro-  
11 grams.

12 (2) IDENTIFYING PROBLEMS.—Identifying  
13 problems that may threaten the long-term solvency  
14 of the Social Security, Medicare, and Medicaid pro-  
15 grams.

16 (3) ANALYZING POTENTIAL SOLUTIONS.—Ana-  
17 lyzing potential solutions to problems that threaten  
18 the long-term solvency of the Social Security, Medi-  
19 care, and Medicaid programs.

20 (4) PROVIDING RECOMMENDATIONS.—Providing  
21 recommendations that will ensure the long-term sol-  
22 vency of the Social Security, Medicare, and Medicaid  
23 programs and the provision of appropriate benefits.

24 (c) DUTIES.—

25 (1) IN GENERAL.—The Commission shall con-  
26 duct a comprehensive review of the Social Security,

1 Medicare, and Medicaid programs consistent with  
2 the purposes described in subsection (b) and shall  
3 submit the report required under paragraph (2).

4 (2) REPORT AND RECOMMENDATIONS.—

5 (A) IN GENERAL.—Not later than 120  
6 days after the date on which the Commission  
7 holds its first meeting, the Commission shall  
8 submit a report on the long-term solvency of  
9 the Social Security, Medicare, and Medicaid  
10 programs that contains a detailed statement of  
11 the findings, conclusions, and recommendations  
12 of the Commission to the President, Congress,  
13 the Commissioner, and the Administrator.

14 (B) APPROVAL OF REPORT.—The report of  
15 the Commission submitted under subparagraph  
16 (A) shall require the approval of not less than  
17 12 members of the Commission.

18 (C) LEGISLATIVE LANGUAGE.—If a rec-  
19 ommendation submitted under subparagraph  
20 (A) involves legislative action, the report shall  
21 include proposed legislative language to carry  
22 out such action.

23 (d) APPOINTMENT OF MEMBERS.—

24 (1) IN GENERAL.—

1 (A) MEMBERSHIP.—The membership of  
2 the commission shall not exceed 16 members  
3 appointed pursuant to subparagraph (B) as vot-  
4 ing members and 3 nonvoting members de-  
5 scribed in subparagraph (C).

6 (B) VOTING MEMBERS.—

7 (i) IN GENERAL.—Voting members of  
8 the commission shall be appointed as fol-  
9 lows:

10 (I) The President shall appoint 2  
11 members, 1 of whom shall be the Sec-  
12 retary of the Treasury.

13 (II) The majority leader of the  
14 Senate shall appoint 4 members.

15 (III) The minority leader of the  
16 Senate shall appoint 3 members.

17 (IV) The Speaker of the House  
18 of Representatives shall appoint 4  
19 members.

20 (V) The minority leader of the  
21 House of Representatives shall ap-  
22 point 3 members.

23 (ii) CONGRESSIONAL APPOINTEES.—  
24 The members of the Commission appointed



1 under subclauses (II), (III), (IV), and (V)  
2 of clause (i) shall be Members of Congress.

3 (C) NON-VOTING MEMBER.—The following  
4 shall be nonvoting members of the Commission  
5 and shall advise and assist at the request of the  
6 Commission:

7 (i) The Chief Actuary of the Social  
8 Security Administration.

9 (ii) The Chief Actuary of the Centers  
10 for Medicare & Medicaid Services.

11 (iii) The Director of the Congressional  
12 Budget Office.

13 (2) CHAIRPERSON.—The Secretary of the  
14 Treasury shall be the chairperson of the Commis-  
15 sion.

16 (3) DATE.—Members of the Commission shall  
17 be appointed by not later than 30 days after the  
18 date of enactment of this Act.

19 (4) PERIOD OF APPOINTMENT.—Members shall  
20 be appointed for the life of the Commission. Any va-  
21 cancy in the Commission shall not affect its powers,  
22 but shall be filled in the same manner as the origi-  
23 nal appointment.

24 (5) TERMINATION.—The Commission shall ter-  
25minate on the date that is 90 days after the Com-

1 mission submits the report required under sub-  
2 section (c)(2).

3 (e) ADMINISTRATION.—

4 (1) QUORUM.—Eight members of the Commis-  
5 sion shall constitute a quorum for purposes of vot-  
6 ing, but a quorum is not required for members to  
7 meet and hold hearings.

8 (2) MEETINGS.—The Commission shall meet at  
9 the call of the chairperson or a majority of its mem-  
10 bers.

11 (3) HEARINGS.—Subject to paragraph (7), the  
12 Commission may, for the purpose of carrying out  
13 this Act—

14 (A) hold such hearings, sit and act at such  
15 times and places, take such testimony, receive  
16 such evidence, and administer such oaths the  
17 Commission considers advisable;

18 (B) require, by subpoena or otherwise, the  
19 attendance and testimony of such witnesses the  
20 Commission considers advisable; and

21 (C) require, by subpoena or otherwise, the  
22 production of such books, records, correspond-  
23 ence, memoranda, papers, documents, tapes,  
24 and other evidentiary materials relating to any  
25 matter under investigation by the Commission.

1 (4) SUBPOENAS.—

2 (A) ISSUANCE.—

3 (i) IN GENERAL.—A subpoena may be  
4 issued under this subsection only—

5 (I) by the chairperson; or

6 (II) by the affirmative vote of 8  
7 members of the Commission.

8 (ii) SIGNATURE.—Subpoenas issued  
9 under this subsection may be issued under  
10 the signature of the chairperson of the  
11 Commission and may be served by any per-  
12 son designated by the chairperson or by a  
13 member designated by a majority of the  
14 Commission.

15 (B) ENFORCEMENT.—In the case of contu-  
16 macy or failure to obey a subpoena issued  
17 under this subsection, the United States district  
18 court for the judicial district in which the sub-  
19 poenaed person resides, is served, or may be  
20 found, may issue an order requiring such per-  
21 son to appear at any designated place to testify  
22 or to produce documentary or other evidence.  
23 Any failure to obey the order of the court may  
24 be punished by the court as a contempt of that  
25 court.

1           (5) COMPENSATION.—Members of the Commis-  
2           sion shall serve without any additional compensation  
3           for their work on the Commission. However, mem-  
4           bers may be allowed travel expenses, including per  
5           diem in lieu of subsistence, in accordance with sec-  
6           tions 5702 and 5703 of title 5, United States Code,  
7           while away from their homes or regular places of  
8           business in performance of services for the Commis-  
9           sion.

10          (6) STAFF.—

11           (A) IN GENERAL.—With the approval of a  
12           majority of the Commission, the chairperson of  
13           the Commission may appoint an executive direc-  
14           tor and such other additional personnel as may  
15           be necessary to enable the Commission to per-  
16           form its duties.

17           (B) ACTUARIAL EXPERTS AND CONSULT-  
18           ANTS.—With the approval of a majority of the  
19           Commission, the Executive Director may pro-  
20           cure temporary and intermittent services under  
21           section 3109(b) of title 5, United States Code.

22           (C) COMPENSATION.—Upon the approval  
23           of the chairperson, the executive director may  
24           fix the compensation of the executive director  
25           and other personnel without regard to chapter

1           51 and subchapter III of chapter 53 of title 5,  
2           United States Code, relating to classification of  
3           positions and General Schedule pay rates, ex-  
4           cept that the rate of pay for the executive direc-  
5           tor and other personnel may not exceed the  
6           maximum rate payable for a position at GS-15  
7           of the General Schedule under section 5332 of  
8           such title.

9           (D) PERSONNEL AS FEDERAL EMPLOY-  
10          EES.—

11           (i) IN GENERAL.—The executive di-  
12          rector and any personnel of the Commis-  
13          sion who are employees shall be employees  
14          under section 2105 of title 5, United  
15          States Code, for purposes of chapters 63,  
16          81, 83, 84, 85, 87, 89, 89A, 89B, and 90  
17          of that title.

18           (ii) MEMBERS OF COMMISSION.—  
19          Clause (i) shall not be construed to apply  
20          to members of the Commission.

21          (E) FEDERAL AGENCIES.—

22           (i) DETAIL OF GOVERNMENT EMPLOY-  
23          EES.—Upon the request of the Commis-  
24          sion, the head of any Federal agency may  
25          detail, without reimbursement by the Com-

1 mission, any of the personnel of such agen-  
2 cy to the Commission to assist in carrying  
3 out the duties of the Commission. Any  
4 such detail shall not interrupt or otherwise  
5 affect the civil service status or privileges  
6 of the Federal employee.

7 (ii) TECHNICAL ASSISTANCE.—Upon  
8 the request of the Commission, the head of  
9 a Federal agency shall provide such tech-  
10 nical assistance to the Commission as the  
11 Commission determines to be necessary to  
12 carry out its duties.

13 (7) INFORMATION.—

14 (A) RESOURCES.—The Commission shall  
15 have reasonable access to materials, resources,  
16 statistical data, and other information the Com-  
17 mission determines to be necessary to carry out  
18 its duties from the Library of Congress, the  
19 Chief Actuary of the Social Security Adminis-  
20 tration, the Chief Actuary of the Centers for  
21 Medicare & Medicaid Services, the Congres-  
22 sional Budget Office, and other agencies and  
23 representatives of the executive and legislative  
24 branches of the Federal Government. The

1 chairperson shall make requests for such access  
2 in writing when necessary.

3 (B) RECEIPT, HANDLING, STORAGE, AND  
4 DISSEMINATION OF INFORMATION.—Informa-  
5 tion shall only be received, handled, stored, and  
6 disseminated by members of the Commission  
7 and its staff consistent with all applicable stat-  
8 utes, regulations, and Executive orders.

9 (C) LIMITATION OF ACCESS TO TAX IN-  
10 FORMATION.—Information requested, subpoe-  
11 naed, or otherwise accessed under this subtitle  
12 shall not include tax data from the United  
13 States Internal Revenue Service, the release of  
14 which would otherwise be in violation of law.

15 (8) POSTAL SERVICES.—The Commission may  
16 use the United States mails in the same manner and  
17 under the same conditions as other departments and  
18 agencies of the Federal Government.

19 (f) FUNDING.—The Commission shall receive, from  
20 amounts appropriated to the Commissioner and the Ad-  
21 ministrator, respectively, for fiscal year 2008 for adminis-  
22 trative expenses, such sums as are necessary to carry out  
23 the purposes of this section.

1 **SEC. 403. EXPEDITED CONSIDERATION OF COMMISSION**  
2 **RECOMMENDATIONS.**

3 (a) INTRODUCTION AND COMMITTEE CONSIDER-  
4 ATION.—

5 (1) INTRODUCTION.—The aggregate legislative  
6 language provisions submitted pursuant to section  
7 402(c)(2)(C) shall be combined into a Commission  
8 bill to be introduced in the Senate by the majority  
9 leader, or the majority leader’s designee, and in the  
10 House of Representatives, by the Speaker, or the  
11 Speaker’s designee. Upon such introduction, the  
12 Commission bill shall be referred to the appropriate  
13 committees of Congress under paragraph (2). If the  
14 Commission bill is not introduced in accordance with  
15 the preceding sentence, then any member of Con-  
16 gress may introduce the Commission bill in their re-  
17 spective House of Congress beginning on the date  
18 that is the 5th calendar day that such House is in  
19 session following the date of the submission of such  
20 aggregate legislative language provisions.

21 (2) COMMITTEE CONSIDERATION.—

22 (A) REFERRAL.—A Commission bill intro-  
23 duced in the Senate shall be referred to the  
24 Committee on Finance of the Senate. A Com-  
25 mission bill introduced in the House of Rep-  
26 resentatives shall be referred to the Committee



1 on Ways and Means and the Committee on En-  
2 ergy and Commerce of the House of Represent-  
3 atives.

4 (B) REPORTING.—Not later than 30 cal-  
5 endar days after the introduction of the Com-  
6 mission bill, each Committee of Congress to  
7 which the Commission bill was referred shall re-  
8 port such bill or such bill as amended by the  
9 committee. All committee amendments must  
10 comply with the requirements of section  
11 402(b)(4).

12 (C) DISCHARGE OF COMMITTEE.—If a  
13 committee to which is referred a Commission  
14 bill has not reported a Commission bill or such  
15 bill as amended, at the end of 30 calendar days  
16 after its introduction or at the end of the first  
17 day after there has been reported to the House  
18 involved a Commission bill or such bill as  
19 amended, whichever is earlier, such committee  
20 shall be deemed to be discharged from further  
21 consideration of such Commission bill, and such  
22 Commission bill shall be placed on the appro-  
23 priate calendar of the House involved.

24 (b) EXPEDITED PROCEDURE.—

25 (1) CONSIDERATION.—

1           (A) IN GENERAL.—Not later than 5 days  
2 of session after the date on which a committee  
3 reports a Commission bill, or such bill as  
4 amended, or has been discharged from consider-  
5 ation of a Commission bill, the majority leader  
6 of the Senate, or the majority leader’s designee,  
7 or the Speaker of the House of Representatives,  
8 or the Speaker’s designee, shall move to proceed  
9 to the consideration of the Commission bill or  
10 such bill as amended. It shall also be in order  
11 for any member of the Senate or the House of  
12 Representatives, respectively, to move to pro-  
13 ceed to the consideration of the Commission bill  
14 at any time after the conclusion of such 5-day  
15 period.

16           (B) MOTION TO PROCEED.—A motion to  
17 proceed to the consideration of the Commission  
18 bill is highly privileged in the House of Rep-  
19 resentatives and is privileged in the Senate and  
20 is not debatable. The motion is not subject to  
21 amendment or to a motion to postpone consid-  
22 eration of the Commission bill. A motion to pro-  
23 ceed to the consideration of other business shall  
24 not be in order. A motion to reconsider the vote  
25 by which the motion to proceed is agreed to or

1 not agreed to shall not be in order. If the mo-  
2 tion to proceed is agreed to, the Senate or the  
3 House of Representatives, as the case may be,  
4 shall immediately proceed to consideration of  
5 the Commission bill without intervening motion,  
6 order, or other business, and the Commission  
7 bill shall remain the unfinished business of the  
8 Senate or the House of Representatives, as the  
9 case may be, until disposed of.

10 (C) IN THE SENATE.—

11 (i) CONSIDERATION.—In the Senate,  
12 consideration of the Commission bill and  
13 all amendments thereto and on all debat-  
14 able motions and appeals in connection  
15 therewith shall be limited to not more than  
16 50 hours, which shall be divided equally  
17 between those favoring and those opposing  
18 amendments to the Commission bill or the  
19 Commission bill. A motion further to limit  
20 debate on the Commission bill is in order  
21 and is not debatable. All time used for con-  
22 sideration of the Commission bill, including  
23 time used for quorum calls (except quorum  
24 calls immediately preceding a vote) and

1 voting, shall be counted against the 50  
2 hours of consideration.

3 (ii) AMENDMENTS.—No amendment  
4 that is not germane to the provisions of  
5 committee amendments to the Commission  
6 bill or the Commission bill shall be in order  
7 in the Senate. All amendments must com-  
8 ply with the requirements of section  
9 402(b)(4). In the Senate, an amendment,  
10 any amendment to an amendment, or any  
11 debatable motion or appeal is debatable for  
12 not to exceed 1 hour, to be divided equally  
13 between those favoring and those opposing  
14 the amendment, motion, or appeal.

15 (iii) MOTION TO RECOMMIT.—

16 (I) VOTE.—Upon expiration of  
17 the time for consideration of the Com-  
18 mission bill, the measure shall be re-  
19 committed to the Committee on Fi-  
20 nance of the Senate for further con-  
21 sideration unless by a  $\frac{3}{5}$  vote of the  
22 Members, duly chosen and sworn, the  
23 Senate agrees to proceed to final pas-  
24 sage.

1 (II) RECOMMITAL.—If the bill is  
 2 recommitted under subclause (I), any  
 3 new amendments to the Commission  
 4 bill shall be considered under the pro-  
 5 visions of section 402(b)(4).

6 (iv) VOTE ON FINAL PASSAGE.—In  
 7 the Senate, immediately following the con-  
 8 clusion of consideration of the Commission  
 9 bill, the disposition of any pending amend-  
 10 ments under clause (ii), a motion to recom-  
 11 mit under clause (iii), and a request to es-  
 12 tablish the presence of a quorum, the vote  
 13 on final passage of the Commission bill  
 14 shall occur.

15 (v) OTHER MOTIONS NOT IN  
 16 ORDER.—A motion to postpone or a mo-  
 17 tion to proceed to the consideration of  
 18 other business is not in order in the Sen-  
 19 ate. A motion to reconsider the vote by  
 20 which the Commission bill is agreed to or  
 21 not agreed to is not in order in the Senate.

22 (2) CONFERENCE.—

23 (A) PROCEEDING TO CONFERENCE.—If,  
 24 after a Commission bill is agreed to in the Sen-  
 25 ate or House of Representatives, the Commis-

1           sion bill has been amended, the Commission bill  
2           shall be deemed to be at a stage of disagree-  
3           ment and motions to proceed to conference are  
4           deemed to be agreed to. There shall be no mo-  
5           tions to instruct. The Senate and the House of  
6           Representatives shall appoint conferees after  
7           the vote of the second House that results in  
8           such disagreement without any intervening ac-  
9           tion or debate. In the event that conferees are  
10          not appointed in accordance with the preceding  
11          sentence, the following shall be deemed to be  
12          the duly appointed conferees:

13                   (i) The majority leader of the Senate  
14                   or the majority leader's designee.

15                   (ii) The Speaker of the House of Rep-  
16                   resentatives or the Speaker's designee

17                   (iii) The Chairman and Ranking  
18                   Member of the Senate Committee on the  
19                   Budget.

20                   (iv) The Chairman and Ranking  
21                   Member of the Senate Committee on Fi-  
22                   nance.

23                   (v) The Chairman and Ranking Mem-  
24                   ber of the Committee on the Budget of the  
25                   House of Representatives.

1 (vi) The Chairman and Ranking  
2 Member of the Committee on Ways and  
3 Means of the House of Representatives.

4 (vii) The Chairman and Ranking  
5 Member of the Committee on Energy and  
6 Commerce of the House of Representa-  
7 tives.

8 (B) MOTION TO PROCEED IN THE SEN-  
9 ATE.—The motion to proceed to consideration  
10 in the Senate of the conference report on the  
11 Commission bill may be made even though a  
12 previous motion to the same effect has been dis-  
13 agreed to.

14 (C) PROCEDURE.—Debate on the con-  
15 ference report on the Commission bill consid-  
16 ered under this section shall be limited to 20  
17 hours equally divided between the manager of  
18 the conference report and the minority leader,  
19 or his designee.

20 (D) FINAL PASSAGE.—A vote on final pas-  
21 sage of the conference report on the Commis-  
22 sion bill shall be taken in the Senate and the  
23 House of Representatives on or before the close  
24 of the 10th day of session of that House after  
25 the date the conference report is submitted in

1 that House. If the conference report is passed,  
2 the Secretary of the Senate or the Clerk of the  
3 House of Representatives, as the case may be,  
4 shall cause the conference report to be trans-  
5 mitted to the other House before the close of  
6 the next day of session of that House.

7 (E) ACTION OF SENATE.—

8 (i) IN GENERAL.—If the Senate has  
9 received from the House the conference re-  
10 port on the Commission bill prior to the  
11 vote required under subparagraph (E),  
12 then the Senate shall consider, and the  
13 vote under subparagraph (E) shall occur  
14 on, the House conference report or the  
15 version of the Commission bill passed by  
16 the House.

17 (ii) MOTION TO RECOMMIT.—

18 (I) VOTE.—Upon expiration of  
19 the time for consideration, the con-  
20 ference report on the Commission bill  
21 shall be recommitted to the Com-  
22 mittee of Conference for further con-  
23 sideration unless by a  $\frac{3}{5}$  vote of the  
24 Senate, duly chosen and sworn, the



1 Senate agrees to proceed to final pas-  
2 sage.

3 (II) RECOMMITAL.—If the con-  
4 ference report is recommitted under  
5 subclause (I), the conference report  
6 accompanying the bill shall be recom-  
7 mitted to the Conference Committee  
8 or it shall be in order to immediately  
9 proceed without intervening action to  
10 consideration of the motions for a new  
11 conference.

12 (F) CONFERENCE REPORT DEFEATED.—  
13 Should the conference report be defeated, the  
14 provisions of this subsection shall apply to any  
15 request for a new conference and the appoint-  
16 ment of conferees.

17 (3) NO SUSPENSION.—No motion to suspend  
18 the application of this subsection shall be in order  
19 in the Senate or in the House of Representatives,  
20 nor shall it be in order in the House of Representa-  
21 tives to suspend the application of this subsection by  
22 unanimous consent.

23 (c) RULES OF THE SENATE AND THE HOUSE OF  
24 REPRESENTATIVES.—This section is enacted by Con-  
25 gress—

1 (1) as an exercise of the rulemaking power of  
2 the Senate and the House of Representatives, re-  
3 spectively, and is deemed to be part of the rules of  
4 each House, respectively, but applicable only with re-  
5 spect to the procedure to be followed in that House  
6 in the case of a Commission bill, and it supersedes  
7 other rules only to the extent that it is inconsistent  
8 with such rules; and

9 (2) with full recognition of the constitutional  
10 right of either House to change the rules (so far as  
11 they relate to the procedure of that House) at any  
12 time, in the same manner, and to the same extent  
13 as in the case of any other rule of that House.

14 **Subtitle B—Commission on Con-**  
15 **gressional Budgetary Account-**  
16 **ability and Review of Federal**  
17 **Agencies**

18 **SEC. 411. DEFINITIONS.**

19 In this subtitle:

20 (1) AGENCY.—The term “agency” means—

21 (A) an Executive agency, as defined under  
22 section 105 of title 5, United States Code; and

23 (B) the Executive Office of the President.

24 (2) CALENDAR DAY.—The term “calendar day”  
25 means a calendar day other than 1 on which either

1 House is not in session because of an adjournment  
2 of more than 3 days to a date certain.

3 (3) COMMISSION BILL.—The term “Commission  
4 bill” means only a bill which is introduced as pro-  
5 vided under section 416, and contains the proposed  
6 legislation included in the report submitted to Con-  
7 gress under section 413(b)(3), without modification.

8 (4) PROGRAM.—The term “program” means  
9 any activity or function of an agency.

10 **SEC. 412. ESTABLISHMENT OF COMMISSION.**

11 (a) ESTABLISHMENT.—There is established the Com-  
12 mission on Congressional Budgetary Accountability and  
13 Review of Federal Agencies (referred to in this subtitle  
14 as the “Commission”).

15 (b) MEMBERSHIP.—

16 (1) IN GENERAL.—The Commission shall con-  
17 sist of 15 members, of which, not later than 30 days  
18 after the date of enactment of this Act—

19 (A) 3 shall be appointed by the President;

20 (B) 3 shall be appointed by the majority  
21 leader of the Senate;

22 (C) 3 shall be appointed by the minority  
23 leader of the Senate;

24 (D) 3 shall be appointed by the Speaker of  
25 the House of Representatives; and

1                   (E) 3 shall be appointed by the minority  
2 leader of the House of Representatives.

3                   (2) COCHAIRPERSONS.—The President shall  
4 designate 2 Cochairpersons from among the mem-  
5 bers of the Commission. The Cochairpersons may  
6 not be affiliated with the same political party.

7                   (c) DATE.—Members of the Commission shall be ap-  
8 pointed by not later than 30 days after the date of enact-  
9 ment of this Act.

10                  (d) PERIOD OF APPOINTMENT; VACANCIES.—Mem-  
11 bers shall be appointed for the life of the Commission. Any  
12 vacancy in the Commission shall not affect its powers, but  
13 shall be filled in the same manner as the original appoint-  
14 ment.

15                  (e) MEETINGS.—

16                   (1) INITIAL MEETING.—Not later than 30 days  
17 after the date on which all members of the Commis-  
18 sion have been appointed, the Commission shall hold  
19 its first meeting.

20                   (2) SUBSEQUENT MEETINGS.—The Commission  
21 shall meet at the call of the Cochairpersons or a ma-  
22 jority of its members.

23                  (f) QUORUM.—Eight members of the Commission  
24 shall constitute a quorum for purposes of voting, but a

1 quorum is not required for members to meet and hold  
2 hearings.

3 **SEC. 413. DUTIES OF THE COMMISSION.**

4 (a) **SYSTEMATIC ASSESSMENT OF PROGRAMS BY THE**  
5 **PRESIDENT.—**

6 (1) **IN GENERAL.—**Not later than 1 year after  
7 the date of enactment of this Act and each of the  
8 next 3 years thereafter, the President shall—

9 (A) establish a systematic method for as-  
10 sessing the effectiveness and accountability of  
11 agency programs in accordance with paragraph  
12 (2) and divide the programs into 4 approxi-  
13 mately equal budgetary parts based on the size  
14 of the budget and number of personnel of the  
15 agency program; and

16 (B) submit, to the Commission each year,  
17 an assessment of the programs within each part  
18 (1 each year) that use the method established  
19 under subparagraph (A).

20 (2) **METHOD OBJECTIVES.—**The method estab-  
21 lished under paragraph (1) shall—

22 (A) recognize different types of Federal  
23 programs;

24 (B) assess programs based on the achieve-  
25 ment of performance goals (as defined under

1 section 1115(g)(4) of title 31, United States  
2 Code);

3 (C) assess programs based in part on the  
4 adequacy of the program's performance meas-  
5 ures, financial management, and other factors  
6 determined by the President;

7 (D) assess programs based in part on  
8 whether the program has fulfilled the legislative  
9 intent surrounding the creation of the program,  
10 taking into account any change in legislative in-  
11 tent during the program's existence; and

12 (E) assess programs based in part on col-  
13 laborative analysis, with the program or agency,  
14 of program policy and goals which may not fit  
15 into easily measurable performance goals.

16 (3) COMMON PERFORMANCE MEASURES.—Not  
17 later than 1 year after the date of enactment of this  
18 Act, the President shall identify common perform-  
19 ance measures for programs covered in paragraph  
20 (1) that have similar functions and, to the extent  
21 feasible, provide the Commission with data on such  
22 performance measures.

23 (b) EVALUATION AND PLAN BY COMMISSION.—

24 (1) DEVELOPMENT.—The method established  
25 under subsection (a) shall be subject to review and

1 change by the Commission. If the Commission  
2 makes any changes in the method, the Commission  
3 shall notify Congress not later than 1 year after re-  
4 viewing the first assessment from the President  
5 under this section.

6 (2) CONSIDERATION OF ASSESSMENTS.—The  
7 Commission shall consider assessments submitted  
8 under subsection (a) when evaluating programs  
9 under this subsection.

10 (3) ASSESSMENT AND LEGISLATION.—

11 (A) IN GENERAL.—The Commission  
12 shall—

13 (i) evaluate all agencies and programs  
14 within those agencies in each unit identi-  
15 fied in the systemic assessment under sub-  
16 section (a) (1 each year over the next 4  
17 years), using the criteria under subsection  
18 (a) subject to modification under para-  
19 graph (1); and

20 (ii) submit to Congress each of the  
21 next 4 years beginning January 1, 2008,  
22 with respect to each evaluation under  
23 clause (i)—

24 (I) a plan with recommendations  
25 of the agencies and programs that

1                   should be realigned or eliminated  
2                   within each part; and

3                   (II) proposed legislation to imple-  
4                   ment the plan described under sub-  
5                   clause (I).

6                   (B) RELOCATION OF FEDERAL EMPLOY-  
7                   EES.—The proposed legislation under subpara-  
8                   graph (A) shall provide that if the position of  
9                   an employee of an agency is eliminated as a re-  
10                  sult of the implementation of the plan under  
11                  subparagraph (A)(i), the affected agency shall  
12                  make reasonable efforts to relocate such em-  
13                  ployee to another position within the agency or  
14                  within another Federal agency.

15                  (4) CRITERIA.—

16                  (A) DUPLICATIVE.—If 2 or more agencies  
17                  or programs are performing the same essential  
18                  function and the function can be consolidated  
19                  or streamlined into a single agency or program,  
20                  the Commission shall recommend that the agen-  
21                  cies or programs be realigned.

22                  (B) WASTEFUL OR INEFFICIENT.—The  
23                  Commission may recommend the realignment or  
24                  elimination of any agency or program that has  
25                  wasted Federal funds by—



- 1 (i) egregious spending;  
2 (ii) mismanagement of resources and  
3 personnel; or  
4 (iii) use of such funds for personal  
5 benefit or the benefit of a special interest  
6 group.

7 (C) OUTDATED, IRRELEVANT, OR  
8 FAILED.—The Commission shall recommend  
9 the elimination of any agency or program  
10 that—

- 11 (i) has completed its intended pur-  
12 pose;  
13 (ii) has become irrelevant; or  
14 (iii) has failed to meet its objectives.

15 **SEC. 414. POWERS OF THE COMMISSION.**

16 (a) HEARINGS.—Subject to subsection (d), the Co-  
17 chairpersons of the Commission may, for the purpose of  
18 carrying out this subtitle—

19 (1) hold such hearings, sit and act at such  
20 times and places, take such testimony, receive such  
21 evidence, and administer such oaths as the chair-  
22 person of the Commission considers advisable;

23 (2) require, by subpoena or otherwise, the at-  
24 tendance and testimony of such witnesses as the

1 chairperson of the Commission considers advisable;  
2 and

3 (3) require, by subpoena or otherwise, the pro-  
4 duction of such books, records, correspondence,  
5 memoranda, papers, documents, tapes, and other  
6 evidentiary materials relating to any matter under  
7 investigation by the Commission.

8 (b) SUBPOENAS.—

9 (1) ISSUANCE.—

10 (A) IN GENERAL.—A subpoena may be  
11 issued under this subsection only by—

12 (i) the agreement of the Cochair-  
13 persons; or

14 (ii) the affirmative vote of 8 members  
15 of the Commission.

16 (B) SIGNATURE.—Subpoenas issued under  
17 this subsection (a) may be issued under the sig-  
18 nature of both Cochairpersons of the Commis-  
19 sion and may be served by any person des-  
20 ignated by the Cochairpersons or by a member  
21 designated by a majority of the Commission.

22 (2) ENFORCEMENT.—In the case of contumacy  
23 or failure to obey a subpoena issued under sub-  
24 section (a), the United States district court for the  
25 judicial district in which the subpoenaed person re-

1 sides, is served, or may be found, may issue an order  
2 requiring such person to appear at any designated  
3 place to testify or to produce documentary or other  
4 evidence. Any failure to obey the order of the court  
5 may be punished by the court as a contempt of that  
6 court.

7 (c) TECHNICAL ASSISTANCE.—Upon the request of  
8 the Commission, the head of a Federal agency shall pro-  
9 vide such technical assistance to the Commission as the  
10 Commission determines to be necessary to carry out its  
11 duties.

12 (d) INFORMATION.—

13 (1) IN GENERAL.—The Commission shall have  
14 reasonable access to budgetary, performance or pro-  
15 grammatic materials, resources, statistical data, and  
16 other information the Commission determines to be  
17 necessary to carry out its duties from the Congres-  
18 sional Budget Office, and other agencies and rep-  
19 resentatives of the executive and legislative branches  
20 of the Federal Government. The Cochairpersons  
21 shall make requests for such access in writing when  
22 necessary.

23 (2) RECEIPT, HANDLING, STORAGE, AND DIS-  
24 SEMINATION OF INFORMATION.—Information shall  
25 only be received, handled, stored, and disseminated

1 by members of the Commission and its staff con-  
2 sistent with all applicable statutes, regulations, and  
3 Executive orders.

4 (3) LIMITATION OF ACCESS TO PERSONAL TAX  
5 INFORMATION.—Information requested, subpoenaed,  
6 or otherwise accessed under this subtitle shall not  
7 include tax data from the United States Internal  
8 Revenue Service, the release of which would other-  
9 wise be in violation of law.

10 (e) RECEIPT, HANDLING, STORAGE, AND DISSEMINA-  
11 TION OF INFORMATION.—Information shall only be re-  
12 ceived, handled, stored, and disseminated by members of  
13 the Commission and its staff consistent with all applicable  
14 statutes, regulations, and Executive orders.

15 (f) POSTAL SERVICES.—The Commission may use  
16 the United States mails in the same manner and under  
17 the same conditions as other departments and agencies of  
18 the Federal Government.

19 **SEC. 415. COMMISSION PERSONNEL MATTERS.**

20 (a) COMPENSATION OF MEMBERS.—

21 (1) NON-FEDERAL MEMBERS.—Except as pro-  
22 vided under subsection (b), each member of the  
23 Commission who is not an officer or employee of the  
24 Federal Government shall not be compensated.

1           (2) FEDERAL OFFICERS OR EMPLOYEES.—All  
2           members of the Commission who are officers or em-  
3           ployees of the United States shall serve without com-  
4           pensation in addition to that received for their serv-  
5           ices as officers or employees of the United States.

6           (b) TRAVEL EXPENSES.—The members of the Com-  
7           mission shall be allowed travel expenses, including per  
8           diem in lieu of subsistence, at rates authorized for employ-  
9           ees of agencies under subchapter I of chapter 57 of title  
10          5, United States Code, while away from their homes or  
11          regular places of business in the performance of services  
12          for the Commission.

13          (c) STAFF.—

14               (1) IN GENERAL.—With the approval of the  
15               majority of the Commission, the Cochairpersons of  
16               the Commission may, appoint an executive director  
17               and such other additional personnel as may be nec-  
18               essary to enable the Commission to perform its du-  
19               ties.

20               (2) COMPENSATION.—Upon the approval of the  
21               Cochairpersons, the executive director may fix the  
22               compensation of the executive director and other  
23               personnel without regard to chapter 51 and sub-  
24               chapter III of chapter 53 of title 5, United States  
25               Code, relating to classification of positions and Gen-

1       eral Schedule pay rates, except that the rate of pay  
2       for the executive director and other personnel may  
3       not exceed the maximum rate payable for a position  
4       at GS-15 of the General Schedule under section  
5       5332 of such title.

6               (3) PERSONNEL AS FEDERAL EMPLOYEES.—

7                   (A) IN GENERAL.—The executive director  
8                   and any personnel of the Commission who are  
9                   employees shall be employees under section  
10                  2105 of title 5, United States Code, for pur-  
11                  poses of chapters 63, 81, 83, 84, 85, 87, 89,  
12                  89A, 89B, and 90 of that title.

13                  (B) MEMBERS OF COMMISSION.—Subpara-  
14                  graph (A) shall not be construed to apply to  
15                  members of the Commission.

16       (d) DETAIL OF GOVERNMENT EMPLOYEES.—Any  
17       Federal Government employee may be detailed to the  
18       Commission without reimbursement from the Commission,  
19       and such detail shall be without interruption or loss of  
20       civil service status or privilege.

21       (e) PROCUREMENT OF TEMPORARY AND INTERMIT-  
22       TENT SERVICES.—With the approval of the majority of  
23       the Commission, the chairperson of the Commission may  
24       procure temporary and intermittent services under section  
25       3109(b) of title 5, United States Code, at rates for individ-

1 uals which do not exceed the daily equivalent of the annual  
2 rate of basic pay prescribed for level V of the Executive  
3 Schedule under section 5316 of such title.

4 **SEC. 416. EXPEDITED CONSIDERATION OF REFORM PRO-**  
5 **POSALS.**

6 (a) INTRODUCTION AND COMMITTEE CONSIDER-  
7 ATION.—

8 (1) INTRODUCTION.—The Commission bill lan-  
9 guage provisions submitted pursuant to section  
10 413(b)(3) shall be introduced in the Senate by the  
11 majority leader, or the majority leader's designee,  
12 and in the House of Representatives, by the Speak-  
13 er, or the Speaker's designee. Upon such introduc-  
14 tion, the Commission bill shall be referred to the ap-  
15 propriate committees of Congress under paragraph  
16 (2). If the Commission bill is not introduced in ac-  
17 cordance with the preceding sentence, then any  
18 member of Congress may introduce the Commission  
19 bill in their respective House of Congress beginning  
20 on the date that is the 5th calendar day that such  
21 House is in session following the date of the submis-  
22 sion of such aggregate legislative language provi-  
23 sions.

24 (2) COMMITTEE CONSIDERATION.—

1           (A) REFERRAL.—A Commission bill intro-  
2           duced under paragraph (1) shall be referred to  
3           any appropriate committee of jurisdiction in the  
4           Senate, any appropriate committee of jurisdic-  
5           tion in the House of Representatives, the Com-  
6           mittee on the Budget of the Senate and the  
7           Committee on the Budget of the House of Rep-  
8           resentatives. A committee to which a Commis-  
9           sion bill is referred under this paragraph may  
10          review and comment on such bill, may report  
11          such bill to the respective House, and may not  
12          amend such bill.

13          (B) REPORTING.—Not later than 30 cal-  
14          endar days after the introduction of the Com-  
15          mission bill, each Committee of Congress to  
16          which the Commission bill was referred shall re-  
17          port the bill.

18          (C) DISCHARGE OF COMMITTEE.—If a  
19          committee to which is referred a Commission  
20          bill has not reported such Commission bill at  
21          the end of 30 calendar days after its introduc-  
22          tion or at the end of the first day after there  
23          has been reported to the House involved a Com-  
24          mission bill, whichever is earlier, such com-  
25          mittee shall be deemed to be discharged from



1 further consideration of such Commission bill,  
2 and such Commission bill shall be placed on the  
3 appropriate calendar of the House involved.

4 (b) EXPEDITED PROCEDURE.—

5 (1) CONSIDERATION.—

6 (A) IN GENERAL.—Not later than 5 cal-  
7 endar days after the date on which a committee  
8 has reported a Commission bill or been dis-  
9 charged from consideration of a Commission  
10 bill, the majority leader of the Senate, or the  
11 majority leader's designee, or the Speaker of  
12 the House of Representatives, or the Speaker's  
13 designee, shall move to proceed to the consider-  
14 ation of the Commission bill. It shall also be in  
15 order for any member of the Senate or the  
16 House of Representatives, respectively, to move  
17 to proceed to the consideration of the Commis-  
18 sion bill at any time after the conclusion of  
19 such 5-day period.

20 (B) MOTION TO PROCEED.—A motion to  
21 proceed to the consideration of a Commission  
22 bill is highly privileged in the House of Rep-  
23 resentatives and is privileged in the Senate and  
24 is not debatable. The motion is not subject to  
25 amendment or to a motion to postpone consid-

1           eration of the Commission bill. A motion to pro-  
2           ceed to the consideration of other business shall  
3           not be in order. A motion to reconsider the vote  
4           by which the motion to proceed is agreed to or  
5           not agreed to shall not be in order. If the mo-  
6           tion to proceed is agreed to, the Senate or the  
7           House of Representatives, as the case may be,  
8           shall immediately proceed to consideration of  
9           the Commission bill without intervening motion,  
10          order, or other business, and the Commission  
11          bill shall remain the unfinished business of the  
12          Senate or the House of Representatives, as the  
13          case may be, until disposed of.

14                (C) LIMITED DEBATE.—Debate on the  
15          Commission bill and on all debatable motions  
16          and appeals in connection therewith shall be  
17          limited to not more than 10 hours, which shall  
18          be divided equally between those favoring and  
19          those opposing the Commission bill. A motion  
20          further to limit debate on the Commission bill  
21          is in order and is not debatable. All time used  
22          for consideration of the Commission bill, includ-  
23          ing time used for quorum calls (except quorum  
24          calls immediately preceding a vote) and voting,  
25          shall come from the 10 hours of debate.

1 (D) AMENDMENTS.—No amendment to the  
2 Commission bill shall be in order in the Senate  
3 and the House of Representatives.

4 (E) VOTE ON FINAL PASSAGE.—Imme-  
5 diately following the conclusion of the debate on  
6 the Commission bill, the vote on final passage  
7 of the Commission bill shall occur.

8 (F) OTHER MOTIONS NOT IN ORDER.—A  
9 motion to postpone consideration of the Com-  
10 mission bill, a motion to proceed to the consid-  
11 eration of other business, or a motion to recom-  
12 mit the Commission bill is not in order. A mo-  
13 tion to reconsider the vote by which the Com-  
14 mission bill is agreed to or not agreed to is not  
15 in order.

16 (2) CONSIDERATION BY OTHER HOUSE.—If, be-  
17 fore the passage by one House of the Commission  
18 bill that was introduced in such House, such House  
19 receives from the other House a Commission bill as  
20 passed by such other House—

21 (A) the Commission bill of the other House  
22 shall not be referred to a committee and may  
23 only be considered for final passage in the  
24 House that receives it under subparagraph (C);

1           (B) the procedure in the House in receipt  
2           of the Commission bill of the other House, with  
3           respect to the Commission bill that was intro-  
4           duced in the House in receipt of the Commis-  
5           sion bill of the other House, shall be the same  
6           as if no Commission bill had been received from  
7           the other House; and

8           (C) notwithstanding subparagraph (B), the  
9           vote on final passage shall be on the Commis-  
10          sion bill of the other House.

11         Upon disposition of a Commission bill that is re-  
12         ceived by one House from the other House, it shall  
13         no longer be in order to consider the Commission bill  
14         that was introduced in the receiving House.

15         (c) RULES OF THE SENATE AND THE HOUSE OF  
16         REPRESENTATIVES.—This section is enacted by Con-  
17         gress—

18           (1) as an exercise of the rulemaking power of  
19           the Senate and the House of Representatives, re-  
20           spectively, and is deemed to be part of the rules of  
21           each House, respectively, but applicable only with re-  
22           spect to the procedure to be followed in that House  
23           in the case of a Commission bill, and it supersedes  
24           other rules only to the extent that it is inconsistent  
25           with such rules; and



1           “(A) budget authority provided by law  
2           other than appropriation Acts;

3           “(B) budget authority provided in appro-  
4           priation Acts to satisfy entitlement obligations  
5           created by pre-existing authorization laws, also  
6           known as appropriated entitlements; and

7           “(C) entitlement authority.

8           “(4) DISCRETIONARY APPROPRIATIONS AND  
9           DISCRETIONARY BUDGET AUTHORITY.—The terms  
10          ‘discretionary appropriations’ and ‘discretionary  
11          budget authority’ mean budgetary resources pro-  
12          vided in appropriation Acts, except those budgetary  
13          resources provided in appropriation Acts to fund  
14          mandatory program requirements as authorized  
15          under current law at the time of consideration of the  
16          appropriation measure.

17          “(5) GOVERNMENTAL RECEIPTS.—The term  
18          ‘governmental receipts’ means revenue or collections  
19          from the public based on the government’s exercise  
20          of its sovereign powers, including but not limited to  
21          individual and corporate income taxes, social insur-  
22          ance taxes, customs, fines, compulsory license fees,  
23          deposits of earnings by the Federal Reserve System,  
24          duties, tariffs, other fees, miscellaneous receipts,  
25          gifts, and contributions.

1           “(6) SECONDARY OR INDIRECT EFFECTS.—The  
2 term ‘secondary or indirect effects’ means changes  
3 in direct spending or government receipts other than  
4 the direct, observable effects of changes in legislation  
5 on related accounts, including—

6           “(A) the impact of changes in spending  
7 legislation on Federal tax receipts or the impact  
8 of changes in Federal tax laws on total Federal  
9 spending; or

10           “(B) the impacts on spending or govern-  
11 ment receipts if there is no statutory connection  
12 or established interaction between a legislative  
13 proposal and its impact on the operation of cur-  
14 rent law.”; and

15           (3) adding at the end the following:

16           “(15) BUDGET YEAR.—The term ‘budget year’  
17 means, with respect to a session of Congress, the fis-  
18 cal year of the Government that starts on October  
19 1 of the calendar year in which that session begins.

20           “(16) CURRENT YEAR.—The term ‘current  
21 year’ means, with respect to a budget year, the fiscal  
22 year that immediately precedes that budget year.”.

1 **SEC. 502. ANNUAL CONCURRENT RESOLUTION ON THE**  
2 **BUDGET.**

3 Section 301 of the Congressional Budget Act of 1974  
4 (2 U.S.C. 632) is amended—

5 (1) in subsection (a)—

6 (A) in paragraph (2), by striking “Federal  
7 revenues” both places it appears and inserting  
8 “governmental receipts”;

9 (B) in paragraph (4), by striking “major  
10 functional category” and inserting “standing,  
11 select, or special committee of the House of  
12 Representatives and the Senate, as appro-  
13 priate,”;

14 (C) in paragraphs (6) and (7), by striking  
15 “For” and inserting “for”; and

16 (D) in the matter following paragraph (7),  
17 by striking “old age” and inserting “old-age”;  
18 (2) in subsection (b)—

19 (A) in paragraph (3), by striking “entitle-  
20 ment authority” and inserting “direct spend-  
21 ing”; and

22 (B) in paragraph (7), by inserting “is de-  
23 scribed in detail to allow the Chairman of the  
24 Committee on the Budget to determine whether  
25 it qualifies for such revision and the legislation”  
26 after “that legislation”;



1 (3) in subsection (d)—

2 (A) in the caption, by striking “and esti-  
3 mates of” and inserting “, estimates, and rec-  
4 ommendations for deficit reduction from all”;

5 (B) in the first sentence, by striking “its  
6 views” and inserting “its specific recommenda-  
7 tions for changes in law within the jurisdiction  
8 of the committee making the submission that  
9 result in deficit reduction and its views”; and

10 (C) in the third sentence, by striking “or  
11 functions”; and

12 (4) in subsection (e)—

13 (A) in paragraph (2) by—

14 (i) redesignating subparagraphs (B)  
15 through (D) as subparagraphs (C) through  
16 (E), respectively;

17 (ii) redesignating subparagraphs (E)  
18 and (F) as subparagraphs (G) and (H), re-  
19 spectively;

20 (iii) inserting after subparagraph (A)  
21 the following:

22 “(B) with respect to the Committee on Ap-  
23 propriations of the Senate and the House of  
24 Representatives, an estimate of total new budg-  
25 et authority and total outlays with the esti-

1           mates divided between discretionary and man-  
2           datory amounts”; and

3                   (iv) by adding after subparagraph  
4           (E), as redesignated, the following:

5                   “(F) with respect to each standing, select,  
6           or special committee of the Senate and the  
7           House of Representatives, an estimate of gov-  
8           ernmental receipts within the jurisdiction of  
9           that committee;” and

10                   (B) in paragraph (3)(B), by—

11                   (i) striking “Federal revenues” and  
12                   inserting “governmental receipts”; and

13                   (ii) striking “such revenues” and in-  
14                   sert “such governmental receipts”.

15 **SEC. 503. COMMITTEE ALLOCATIONS.**

16           Section 302 of the Congressional Budget Act of 1974  
17 (2 U.S.C. 633(a)) is amended—

18                   (1) in subsection (a), by striking paragraph (3)  
19           and inserting the following:

20                   “(3) FURTHER DIVISION OF AMOUNTS IN THE  
21           HOUSE.—The amounts allocated to each committee  
22           of the House of Representatives for each fiscal year,  
23           other than the Committee on Appropriations, shall  
24           be further divided between amounts provided or re-  
25           quired by law on the date of filing of that conference

1 report and amounts not so provided or required. The  
2 amounts allocated to the Committee on Appropria-  
3 tions shall be further divided between discretionary  
4 and mandatory amounts or programs, as appro-  
5 priate.”; and

6 (2) in subsection (g)(2), by striking “com-  
7 mittee” and inserting “Committee”.

8 **SEC. 504. BUDGET RESOLUTION ADOPTION.**

9 Section 303(a) of the Congressional Budget Act of  
10 1974 (2 U.S.C. 634(a)) is amended to read as follows:

11 “(a) IN GENERAL.—

12 “(1) POINT OF ORDER.—Beginning on the first  
13 day of a new session of Congress, and until the con-  
14 current resolution for the fiscal year beginning in  
15 October of the year the new session of Congress be-  
16 gins has been agreed to, it shall not be in order to  
17 consider with respect to the budget year covered by  
18 that resolution, any bill or joint resolution, amend-  
19 ment or motion thereto, or conference report thereon  
20 that—

21 “(A) provides an increase in budget au-  
22 thority or outlays for the current year or the  
23 budget year; and

1           “(B) provides an increase or decrease in  
2 governmental receipts during the current year  
3 or the budget year.

4           “(2) WAIVER AND APPEAL.—

5           “(A) IN GENERAL.—Paragraph (1) may be  
6 waived or suspended in the Senate only by an  
7 affirmative vote of three-fifths of the Members,  
8 duly chosen and sworn. An affirmative vote of  
9 three-fifths of the Members of the Senate, duly  
10 chosen and sworn, shall be required in the Sen-  
11 ate to sustain an appeal of the ruling of the  
12 Chair on a point of order raised under para-  
13 graph (1).

14           “(B) APPEALS.—Appeals in the Senate  
15 from the decisions of the Chair relating to any  
16 provision of paragraph (1) shall be limited to 1  
17 hour, to be equally divided between, and con-  
18 trolled by, the appellant and the manager of the  
19 bill or joint resolution, as the case may be. An  
20 affirmative vote of three-fifths of the Members  
21 of the Senate, duly chosen and sworn, shall be  
22 required to sustain an appeal of the ruling of  
23 the Chair on a point of order raised under  
24 paragraph (1).”.

1 **SEC. 505. PROCEDURE IN THE SENATE FOR BUDGET RESO-**  
 2 **LUTIONS.**

3 In the Senate, section 305(b) of the Congressional  
 4 Budget Act of 1974 is amended by—

5 (1) redesignating paragraphs (3) through (6) as  
 6 paragraphs (4) through (7), respectively; and

7 (2) adding after paragraph (2) the following:

8 “(3) PRIORITY RECOGNITION.—Upon the com-  
 9 pletion of the opening statements on the concurrent  
 10 resolution on the budget for a fiscal year by the  
 11 chairman and ranking minority member (or des-  
 12 ignees) the Presiding Officer shall recognize the mi-  
 13 nority leader (or designees) who may offer an  
 14 amendment.”.

15 **SEC. 506. BUDGET PROJECTIONS.**

16 Section 308(c) of the Congressional Budget Act of  
 17 1974 (2 U.S.C. 639(c)) is amended—

18 (1) in paragraph (2), by striking “revenues”  
 19 and inserting “governmental receipts”; and

20 (2) in paragraph (4), by striking “entitlement”  
 21 and inserting “direct spending”.

22 **SEC. 507. RECONCILIATION.**

23 Section 310 of the Congressional Budget Act of 1974  
 24 (2 U.S.C. 641) is amended—

25 (1) in subsection (a), by striking paragraphs  
 26 (1) and (2) and inserting the following:

1           “(1) specify the total amount by which—  
2                 “(A) new budget authority;  
3                 “(B) budget authority;  
4                 “(C) new direct spending authority; and  
5                 “(D) governmental receipts other than in-  
6                 come taxes, estate and gift taxes, excise taxes  
7                 or payroll taxes, duties, or tariffs;  
8           contained in laws, bills, and resolutions within the  
9           jurisdiction of a committee is to be changed for any  
10          of the fiscal years covered by the resolution and di-  
11          rect that committee to determine and recommend  
12          changes to accomplish a change of such total  
13          amount;

14                 “(2) specify the total amount by which govern-  
15          mental receipts including income taxes, estate and  
16          gift taxes, excise taxes or social insurance taxes,  
17          miscellaneous receipts, duties, or tariffs are to be  
18          changed and direct that the committees having juris-  
19          diction to determine and recommend changes in the  
20          governmental receipt laws, bills, and resolutions to  
21          accomplish a change of such total amount;”;

22                 (2) by striking subsection (b) and inserting the  
23          following:

24          “(b) LEGISLATIVE PROCEDURE.—

1           “(1) If a conference report on a concurrent res-  
2           olution containing reconciliation instructions to 1 or  
3           more committees to determine and recommend  
4           changes in laws, bills, or resolutions is agreed to in  
5           accordance with subsection (a)—

6                   “(A) each such committee so instructed  
7                   shall promptly make such determination and  
8                   recommendations and submit such rec-  
9                   ommendations to the Committee on the Budget  
10                  of its House, which upon receiving all such rec-  
11                  ommendations, shall report to its House rec-  
12                  onciliation legislation carrying out all such rec-  
13                  ommendations without any substantive revision;  
14                  and

15                   “(B) in the event that any committee fails  
16                   to comply with its instruction, then the Com-  
17                   mittees on the Budget may report amendments  
18                   recommending changes within the jurisdiction  
19                   of the noncompliant committee to achieve the  
20                   changes contained in the instruction.

21           “(2) For purposes of this subsection, a rec-  
22           onciliation resolution is a concurrent resolution di-  
23           recting the Clerk of the House of Representatives or  
24           the Secretary of the Senate, as the case may be, to

1 make specified changes in bills and resolutions which  
2 have not been enrolled.”;

3 (3) in subsection (c), by adding at the end the  
4 following:

5 “(3) Secondary or indirect effects of the legislative  
6 recommendations submitted by any committee of the Sen-  
7 ate or the House of Representatives that is instructed pur-  
8 suant to a concurrent resolution on the budget, shall be  
9 attributed to the committee proposing the change in law,  
10 but shall not be considered for the purpose of determining  
11 compliance with such instructions.”;

12 (4) by striking paragraphs (1) through (4) of  
13 subsection (d) and inserting the following:

14 “(1) It shall not be in order in the House of Rep-  
15 resentatives to consider any amendment to a reconciliation  
16 bill or reconciliation resolution if such amendment would  
17 have the effect of increasing any specific budget outlays  
18 above the level of such outlays provided in the bill or reso-  
19 lution (for the fiscal years covered by the reconciliation  
20 instructions set forth in the most recently agreed to con-  
21 current resolution on the budget), or would have the effect  
22 of reducing any specific governmental receipts below the  
23 level of such governmental receipts provided in the bill or  
24 resolution (for such fiscal years), unless such amendment  
25 makes at least an equivalent reduction in other specific



1 budget outlays, an equivalent increase in other specific  
2 governmental receipts, or an equivalent combination there-  
3 of (for such fiscal years), except that a motion to strike  
4 a provision providing new budget authority or new entitle-  
5 ment authority may be in order.

6       “(2) It shall not be in order in the Senate to consider  
7 any amendment to a reconciliation bill or reconciliation  
8 resolution if such amendment would have the effect of de-  
9 creasing any specific budget outlay reductions below the  
10 level of such outlay reductions provided (for the fiscal  
11 years covered) in the reconciliation instructions which re-  
12 late to such bill or resolution set forth in a resolution pro-  
13 viding for reconciliation, or would have the effect of reduc-  
14 ing governmental receipts increases below the level of such  
15 increases in such governmental receipts provided (for such  
16 fiscal years) in such instructions relating to such bill or  
17 resolution, unless such amendment makes a reduction in  
18 other specific budget outlays, an increase in other specific  
19 governmental receipts, or a combination thereof (for such  
20 fiscal years) at least equivalent to any increase in outlays  
21 or decrease in governmental receipts provided by such  
22 amendment, except that a motion to strike a provision  
23 shall always be in order.

24       “(3) Paragraphs (1) and (2) shall not apply if a dec-  
25 laration of war by the Congress is in effect.

1       “(4) For purposes of this section, the levels of budget  
2 authority, outlays, and governmental receipts for a fiscal  
3 year shall be determined on the basis of estimates made  
4 by the Committee on the Budget of the Senate or of the  
5 House of Representatives, as the case may be.”; and

6               (5) in subsection (e)—

7                       (A) in paragraph (1), by inserting “, mo-  
8 tions in relation to a request for conference,”  
9 after “under subsection (b)”;

10                      (B) in paragraph (2), by striking “Debate”  
11 and inserting “Consideration”.

12 **SEC. 508. BUDGETING LEVELS.**

13       Section 311(a) of the Congressional Budget Act of  
14 1974 (2 U.S.C.642(a)) is amended—

15               (1) in the matter after subparagraph (C) in  
16 paragraph (1), by striking “total revenues” and in-  
17 serting “total governmental receipts”; and

18               (2) in paragraph (2)(B), by striking “revenues”  
19 and inserting “governmental receipts”.

20 **SEC. 509. DETERMINATIONS AND POINTS OF ORDER.**

21       (a) IN GENERAL.—Section 312 of the Congressional  
22 Budget Act of 1974 (2 U.S.C. 643) is amended—

23               (1) in subsection (a), by striking “revenues”  
24 and inserting “governmental receipts”;

25               (2) by striking subsections (b) and (c);

1           (3) by redesignating subsections (d) through (f)  
2           as subsections (b) through (d), respectively; and

3           (4) by adding at the end the following:

4           “(e) CONGRESSIONAL BUDGET OFFICE SCORE FOR  
5 CONFERENCE REPORTS.—It shall not be in order to con-  
6 sider a report of a committee of conference unless an offi-  
7 cial written cost estimate or table by the Congressional  
8 Budget Office is available at the time of consideration.”.

9           (b) SUPERMAJORITY POINTS OF ORDER.—Sub-  
10 sections (c)(1) and (d)(2) of section 904 of the Congres-  
11 sional Budget and Impoundment Control Act of 1974 (2  
12 U.S.C. 621 note) are amended by—

13           (1) inserting “312(e),” after “310(d)(2),”; and

14           (2) inserting “and section 223 of the Stop Over  
15 Spending Act of 2007” after “of this Act”.

16 **SEC. 510. EXTRANEOUS MATTER IN RECONCILIATION LEG-**  
17 **ISLATION.**

18           Section 313 of the Congressional Budget Act of 1974  
19 (2 U.S.C. 644) is amended—

20           (1) in subsection (a) by striking “or section  
21 258C” through “1985”;

22           (2) in subsection (b), by—

23                   (A) striking paragraph (1) and inserting  
24           the following:

1       “(1)(A) Except as provided in paragraph (2), a provi-  
2 sion of a reconciliation bill or reconciliation resolution con-  
3 sidered pursuant to section 310 shall be considered extra-  
4 neous if such provision does not produce a change in out-  
5 lays or governmental receipts, including changes in outlays  
6 and governmental receipts brought about by changes in  
7 the terms and conditions under which outlays are made  
8 or governmental receipts are required to be collected (but  
9 a provision in which outlay decreases or governmental re-  
10 cepts increases exactly offset outlay increases or govern-  
11 mental receipts decreases shall not be considered extra-  
12 neous by virtue of this subparagraph); (B) except with re-  
13 spect to consideration of conference reports, any provision  
14 producing an increase in outlays or decrease in govern-  
15 mental receipts shall be considered extraneous if the net  
16 effect of provisions reported by the committee reporting  
17 the title containing the provision is that the committee  
18 fails to achieve its reconciliation instructions, or if the in-  
19 crease in outlays or decreases in governmental receipts ex-  
20 ceeds 20 percent of the total change required in a commit-  
21 tee’s instruction; (C) a provision that is not in the jurisdic-  
22 tion of the Committee with jurisdiction over said title or  
23 provision shall be considered extraneous (except that  
24 amendments reported by the Committee on the Budget to  
25 achieve compliance with reconciliation instructions shall

1 not be extraneous); (D) a provision shall be considered to  
2 be extraneous if it increases, or would increase, net out-  
3 lays, or if it decreases, or would decrease governmental  
4 receipts during a fiscal year after the fiscal years covered  
5 by such reconciliation bill or reconciliation resolution, and  
6 such increases or decreases are greater than outlay reduc-  
7 tions or governmental receipts increases resulting from  
8 other provisions in such title in such year; and (E) a provi-  
9 sion shall be considered extraneous if it violates section  
10 310(g).”; and

11 (B) adding at the end the following:

12 “(4) Technical and conforming provisions shall not  
13 be considered extraneous under this section.”; and

14 (3) in subsection (d)(1), by striking “(b)(1)(E),  
15 or (b)(1)(F)” and inserting “(b)(1)(E)”.

16 **SEC. 511. ADJUSTMENTS.**

17 Title III of Congressional Budget Act of 1974 (2  
18 U.S.C. 621 et seq.) is amended by—

19 (1) striking section 314; and

20 (2) redesignating section 315 as 314.

21 **SEC. 512. DIRECT SPENDING LIMITATION.**

22 Title III of the Congressional Budget Act of 1974  
23 (2 U.S.C. 621 et seq.) is amended by adding at the end  
24 the following:

1                   “DIRECT SPENDING LIMITATION

2           “SEC. 318. (a) IN GENERAL.—The chairman or  
3 ranking member of the Committee on the Budget of the  
4 Senate may submit to the Senate a notification of a Medi-  
5 care funding warning if the chairman or ranking member  
6 projects that within 7 years General Fund of the Treasury  
7 contributions to Medicare funding, expressed as a percent-  
8 age of total Medicare outlays, will exceed 45 percent.

9           “(b) POINT OF ORDER.—It shall not be in order to  
10 consider any bill, joint resolution, amendment or con-  
11 ference report that would cause any increase in direct  
12 spending, net of proposals to change direct spending, re-  
13 ceipts, or revenues contained in the measure, if a Medicare  
14 funding warning has been submitted to the Senate pursu-  
15 ant to subsection (a) for 2 consecutive calendar years.

16           “(c) WAIVER.—This section may be waived or sus-  
17 pended only by an affirmative vote of three-fifths of the  
18 Members, duly chosen and sworn.

19           “(d) APPEALS.—An affirmative vote of three-fifths of  
20 the Members, duly chosen and sworn, shall be required  
21 to sustain an appeal of the ruling of the Chair on a point  
22 of order raised under this section.

23           “(e) CANCELLATIONS.—If legislation is enacted to re-  
24 duce the general fund contribution below 45 percent, as  
25 determined by the chairman and ranking member of the

1 Committee on the Budget, any notification of a Medicare  
2 funding warning is withdrawn.”.

3 **SEC. 513. POINT OF ORDER AGAINST LEGISLATION THAT**  
4 **RAISES INCOME TAX RATES.**

5 Title III of the Congressional Budget Act of 1974  
6 (2 U.S.C. 621 et seq.) is amended by adding at the end  
7 the following:

8 “POINT OF ORDER AGAINST LEGISLATION THAT RAISES  
9 INCOME TAX RATES

10 “SEC. 319. (a) IN GENERAL.—It shall not be in order  
11 in the Senate to consider any bill, resolution, amendment,  
12 amendment between Houses, motion, or conference report  
13 that includes a Federal income tax rate increase. In this  
14 subsection, the term ‘Federal income tax rate increase’  
15 means any amendment to subsection (a), (b), (c), (d), or  
16 (e) of section 1, or to section 11(b) or 55(b), of the Inter-  
17 nal Revenue Code of 1986, that imposes a new percentage  
18 as a rate of tax and thereby increases the amount of tax  
19 imposed by any such section.

20 “(b) SUPERMAJORITY WAIVER AND APPEAL.—

21 “(1) WAIVER.—This section may be waived or  
22 suspended in the Senate only by an affirmative vote  
23 of three-fifths of the Members, duly chosen and  
24 sworn.

25 “(2) APPEAL.—An affirmative vote of three-  
26 fifths of the Members of the Senate, duly chosen and

1 sworn, shall be required in the Senate to sustain an  
2 appeal of the ruling of the Chair on a point of order  
3 raised under this section.”.

4 **SEC. 514. CIRCUIT BREAKER TO PROTECT SOCIAL SECU-**  
5 **RITY.**

6 Title III of the Congressional Budget Act of 1974  
7 (2 U.S.C. 621 et seq.) is amended by adding at the end  
8 the following:

9 “CIRCUIT BREAKER TO PROTECT SOCIAL SECURITY

10 “SEC. 320. (a) CIRCUIT BREAKER.—If in any year  
11 the Congressional Budget Office, in its report pursuant  
12 to section 202(e)(1), projects an on-budget deficit (exclud-  
13 ing Social Security) for the budget year or any subsequent  
14 fiscal year covered by those projections, then the concur-  
15 rent resolution on the budget for the budget year shall  
16 reduce on-budget deficits relative to the projections of  
17 Congressional Budget Office and put the budget on a path  
18 to achieve on-budget balance within 5 years, and shall in-  
19 clude such provisions as are necessary to protect Social  
20 Security and facilitate deficit reduction, except it shall not  
21 contain any reduction in Social Security benefits.

22 “(b) POINT OF ORDER.—If in any year the Congres-  
23 sional Budget Office, in its report pursuant to section  
24 202(e)(1), projects an on-budget deficit for the budget  
25 year or any subsequent fiscal year covered by those projec-  
26 tions, it shall not be in order in the Senate to consider



1 a concurrent resolution on the budget for the budget year  
2 or any conference report thereon that fails to reduce on-  
3 budget deficits relative to the projections of Congressional  
4 Budget Office and put the budget on a path to achieve  
5 on-budget balance within 5 years.

6 “(c) AMENDMENTS TO BUDGET RESOLUTION.—If in  
7 any year the Congressional Budget Office, in its report  
8 pursuant to section 202(e)(1), projects an on-budget def-  
9 icit for the budget year or any subsequent fiscal year cov-  
10 ered by those projections, it shall not be in order in the  
11 Senate to consider an amendment to a concurrent resolu-  
12 tion on the budget that would increase on-budget deficits  
13 relative to the concurrent resolution on the budget in any  
14 fiscal year covered by that concurrent resolution on the  
15 budget or cause the budget to fail to achieve on-budget  
16 balance within 5 years.

17 “(d) SUSPENSION OF REQUIREMENT DURING WAR  
18 OR LOW ECONOMIC GROWTH.—

19 “(1) LOW GROWTH.—If the most recent of the  
20 Department of Commerce’s advance, preliminary, or  
21 final reports of actual real economic growth indicate  
22 that the rate of real economic growth (as measured  
23 by real GDP) for each of the most recently reported  
24 quarter and the immediately preceding quarter is  
25 less than 1 percent, this section is suspended.

1           “(2) WAR.—If a declaration of war is in effect,  
2 this section is suspended.

3           “(e) SUPERMAJORITY WAIVER AND APPEALS.—

4           “(1) WAIVER.—Subsections (b) and (c) may be  
5 waived or suspended in the Senate only by an af-  
6 firmative vote of three-fifths of the Members, duly  
7 chosen and sworn.

8           “(2) APPEALS.—Appeals in the Senate from  
9 the decisions of the Chair relating to any provision  
10 of this subsection shall be limited to 1 hour, to be  
11 equally divided between, and controlled by, the ap-  
12 pellant and the manager of the bill or joint resolu-  
13 tion, as the case may be. An affirmative vote of  
14 three-fifths of the Members of the Senate, duly cho-  
15 sen and sworn, shall be required to sustain an ap-  
16 peal of the ruling of the Chair on a point of order  
17 raised under this subsection.

18           “(f) BUDGET YEAR.—In this section, the term ‘budg-  
19 et year’ shall have the same meaning as in section  
20 250(c)(12) of the Balanced Budget and Emergency Def-  
21 icit Control Act of 1985.”.

1 **SEC. 515. LIMITATION ON LONG-TERM SPENDING PRO-**  
2 **POSALS.**

3 Title III of the Congressional Budget Act of 1974  
4 (2 U.S.C. 621 et seq.) is amended by adding at the end  
5 the following:

6 “LIMITATION ON LONG-TERM SPENDING PROPOSALS

7 “SEC. 321. (a) CONGRESSIONAL BUDGET OFFICE  
8 ANALYSIS OF PROPOSALS.—The Director of the Congres-  
9 sional Budget Office shall, to the extent practicable, pre-  
10 pare for each bill or joint resolution reported from com-  
11 mittee (except measures within the jurisdiction of the  
12 Committee on Appropriations), or amendments thereto or  
13 conference reports thereon, an estimate of whether the  
14 measure would cause, relative to current law, a net in-  
15 crease in direct spending in excess of \$5 billion in any  
16 of the four 10-year periods beginning in fiscal year 2016  
17 through fiscal year 2055.

18 “(b) POINT OF ORDER.—In the Senate, it shall not  
19 be in order to consider any bill, joint resolution, amend-  
20 ment, motion, or conference report that would cause a net  
21 increase in direct spending in excess of \$5 billion in any  
22 of the four 10-year periods beginning in 2016 through  
23 2055.

24 “(c) WAIVER.—This section may be waived or sus-  
25 pended only by the affirmative vote of three-fifths of the  
26 Members, duly chosen and sworn.

1       “(d) APPEALS.—An affirmative vote of three-fifths of  
2 the Members, duly chosen and sworn, shall be required  
3 to sustain an appeal of the ruling of the Chair on a point  
4 of order raised under this section.

5       “(e) DETERMINATIONS OF BUDGET LEVELS.—For  
6 purposes of this section, the levels of net direct spending  
7 shall be determined on the basis of estimates provided by  
8 the Committee on the Budget of the Senate.

9       “(f) APPLICATION TO RECONCILIATION.—This sec-  
10 tion shall not apply to any legislation reported pursuant  
11 to reconciliation directions contained in a concurrent reso-  
12 lution on the budget.

13       “(g) SUNSET.—This section shall expire on Sep-  
14 tember 30, 2010.”.

15 **SEC. 516. AVOIDING PAYGO POINT OF ORDER.**

16       Title III of the Congressional Budget Act of 1974  
17 (2 U.S.C. 621 et seq.) is amended by adding at the end  
18 the following:

19               “AVOIDING PAYGO POINT OF ORDER

20       “SEC. 322. (a) IN GENERAL.—It shall not be in order  
21 in the Senate to consider any provision in appropriations  
22 legislation, including any amendment thereto, motion in  
23 relation thereto, or conference report thereon, that would  
24 have been estimated as affecting direct spending under  
25 section 252 of the Balanced Budget and Emergency Def-  
26 icit Control Act of 1985 (as in effect prior to September

1 30, 2002) were it included in legislation other than appro-  
2 priations legislation, if the total of such provisions has a  
3 net cost over the total of all fiscal years after the year  
4 for which the legislation is providing appropriations.

5 “(b) DETERMINATION.—For purposes of this section,  
6 the determination of whether a provision violates sub-  
7 section (a) shall be made by the Committee on the Budget  
8 of the Senate.

9 “(c) SUPERMAJORITY WAIVER AND APPEAL.—This  
10 section may be waived or suspended only by an affirmative  
11 vote of three-fifths of the Members, duly chosen and  
12 sworn. An affirmative vote of three-fifths of the Members  
13 of the Senate, duly chosen and sworn, shall be required  
14 to sustain an appeal of the ruling of the Chair on a point  
15 of order raised under this section.

16 “(d) GENERAL POINT OF ORDER.—It shall be in  
17 order for a Senator to raise a single point of order that  
18 several provisions of a bill, resolution, amendment, motion,  
19 or conference report violate this section. The Presiding Of-  
20 ficer may sustain the point of order as to some or all of  
21 the provisions against which the Senator raised the point  
22 of order. If the Presiding Officer so sustains the point of  
23 order as to some of the provisions (including provisions  
24 of an amendment, motion, or conference report) against  
25 which the Senator raised the point of order, then only

1 those provisions (including provision of an amendment,  
2 motion, or conference report) against which the Presiding  
3 Officer sustains the point of order shall be deemed strick-  
4 en pursuant to this section. Before the Presiding Officer  
5 rules on such a point of order, any Senator may move to  
6 waive such a point of order as it applies to some or all  
7 of the provisions against which the point of order was  
8 raised. Such a motion to waive is amendable in accordance  
9 with rules and precedents of the Senate. After the Pre-  
10 siding Officer rules on such a point of order, any Senator  
11 may appeal the ruling of the Presiding Officer on such  
12 a point of order as it applies to some or all of the provi-  
13 sions on which the Presiding Officer ruled.

14       “(e) FORM OF THE POINT OF ORDER.—When the  
15 Senate is considering a conference report on, or an amend-  
16 ment between the Houses in relation to, a bill, upon a  
17 point of order being made by any Senator pursuant to this  
18 section, and such point of order being sustained, such ma-  
19 terial contained in such conference report or amendment  
20 shall be deemed stricken, and the Senate shall proceed to  
21 consider the question of whether the Senate shall recede  
22 from its amendment and concur with a further amend-  
23 ment, or concur in the House amendment with a further  
24 amendment, as the case may be, which further amendment  
25 shall consist of only that portion of the conference report

1 or House amendment, as the case may be, not so stricken.  
 2 Any such motion shall be debatable. In any case in which  
 3 such point of order is sustained against a conference re-  
 4 port (or Senate amendment derived from such conference  
 5 report by operation of this subsection), no further amend-  
 6 ment shall be in order.”.

7 **SEC. 517. PAY-AS-YOU-GO POINT OF ORDER IN THE SENATE.**

8 Title III of the Congressional Budget Act of 1974  
 9 (2 U.S.C. 621 et seq.) is amended by adding at the end  
 10 the following:

11 “PAY-AS-YOU-GO POINT OF ORDER IN THE SENATE

12 “SEC. 323. (a) POINT OF ORDER.—

13 “(1) IN GENERAL.—It shall not be in order in  
 14 the Senate to consider any direct spending or rev-  
 15 enue legislation that would decrease a projected on-  
 16 budget surplus or increase or create an on-budget  
 17 deficit beyond those surpluses or deficits that would  
 18 result from the direct spending and revenue levels  
 19 assumed in the most recently agreed to budget reso-  
 20 lution, for any 1 of the 4 applicable time periods, as  
 21 measured in paragraphs (5) and (6).

22 “(2) APPLICABLE TIME PERIODS.—For pur-  
 23 poses of this subsection, the term ‘applicable time  
 24 period’ means any 1 of the 4 following periods:

1           “(A) The fiscal year immediately preceding  
2 the first fiscal year covered by the most recently  
3 adopted concurrent resolution on the budget.

4           “(B) The first fiscal year covered by the  
5 most recently adopted concurrent resolution on  
6 the budget.

7           “(C) The period of the first 5 fiscal years  
8 covered by the most recently adopted concu-  
9 rent resolution on the budget, starting with the  
10 fiscal year described in (B).

11           “(D) The period of the 5 fiscal years fol-  
12 lowing the first 5 fiscal years described in (C)  
13 covered in the most recently adopted concurrent  
14 resolution on the budget.

15           “(3) DIRECT-SPENDING LEGISLATION.—For  
16 purposes of this subsection and except as provided  
17 in paragraph (4), the term ‘direct-spending’ means  
18 any bill, joint resolution, amendment, motion, or  
19 conference report that affects direct spending as  
20 that term is defined in section 3(3).

21           “(4) EXCLUSION.—For purposes of this sub-  
22 section, the terms ‘direct-spending’ and ‘revenue leg-  
23 islation’ do not include—

24           “(A) any concurrent resolution on the  
25 budget; or



1           “(B) any provision of legislation that af-  
2           fects the full funding of, and continuation of,  
3           the deposit insurance guarantee commitment in  
4           effect on the date of enactment of the Budget  
5           Enforcement Act of 1990.

6           “(5) BASELINE.—Estimates prepared pursuant  
7           to this section shall—

8                   “(A) use the baseline surplus or deficit  
9                   used for the most recently adopted concurrent  
10                  resolution on the budget; and

11                   “(B) be calculated consistent with the re-  
12                  quirements of subsections (b) through (d) of  
13                  section 257 of the Balanced Budget and Emer-  
14                  gency Deficit Control Act of 1985 for fiscal  
15                  years beyond those covered by that concurrent  
16                  resolution on the budget.

17           “(6) PAY-AS-YOU-GO SCORECARD.—

18                   “(A) IN GENERAL.—The Chairman of the  
19                  Senate Committee on the Budget shall set the  
20                  pay-as-you-go scorecard balance at the time of  
21                  the adoption of the conference agreement on  
22                  the Congressional Budget Resolution, and that  
23                  balance shall reflect the sum of the direct  
24                  spending and revenue effects (relative to the  
25                  baseline described in (5)) of all revenue and di-

1           rect spending legislation assumed by such reso-  
2           lution.

3           “(B) ADJUSTMENTS FOR LEGISLATION  
4           OTHER THAN APPROPRIATIONS BILLS.—The  
5           Chairman of the Senate Committee on the  
6           Budget shall adjust the pay-as-you-go scorecard  
7           balance for the direct spending and revenue ef-  
8           fects of legislation that has been approved by  
9           both Houses (and subject to presentment to the  
10          President) subsequent to the adoption of the  
11          conference agreement of the Congressional  
12          Budget Resolution, except that the pay-as-you-  
13          go scorecard shall not be adjusted by the direct  
14          spending effects of legislation cleared for the  
15          President pursuant to section 223 of the Stop  
16          Over Spending Act of 2007.

17          “(C) ADJUSTMENTS FOR APPROPRIATIONS  
18          BILLS.—The Chairman of the Senate Com-  
19          mittee on the Budget shall adjust the pay-as-  
20          you-go scorecard balance for the direct spend-  
21          ing effects of appropriations legislation that has  
22          been approved by both Houses (and subject to  
23          presentment to the President) that would have  
24          been estimated as affecting direct spending  
25          under section 252 of the Balanced Budget and

1           Emergency Deficit Control Act of 1985 (as in  
2           effect prior to September 30, 2002) were it in-  
3           cluded in legislation other than appropriations  
4           legislation. The adjustment shall be for years  
5           after the year for which appropriations are  
6           made.

7           “(b) WAIVER.—This section may be waived or sus-  
8           pended in the Senate only by the affirmative vote of three-  
9           fifths of the Members, duly chosen and sworn.

10          “(c) APPEALS.—Appeals in the Senate from the deci-  
11          sions of the Chair relating to any provision of this section  
12          shall be limited to 1 hour, to be equally divided between,  
13          and controlled by, the appellant and the manager of the  
14          bill or joint resolution, as the case may be. An affirmative  
15          vote of three-fifths of the Members of the Senate, duly  
16          chosen and sworn, shall be required to sustain an appeal  
17          of the ruling of the Chair on a point of order raised under  
18          this section.

19          “(d) DETERMINATION OF BUDGET LEVELS.—For  
20          purposes of this section, the levels of new budget author-  
21          ity, outlays, and revenues for a fiscal year shall be deter-  
22          mined on the basis of estimates made by the Chairman  
23          of the Senate Committee on the Budget.

24          “(e) SUNSET.—This section shall expire on Sep-  
25          tember 30, 2012.”.

1 **SEC. 518. APPROPRIATIONS REQUESTS OF THE PRESIDENT.**

2 Section 1108(e) of title 31, United States Code, is  
3 amended by striking “Congress or a” and inserting “Con-  
4 gress and a”.

5 **SEC. 519. BUDGET BASELINE.**

6 (a) IN GENERAL.—Section 257 of the Balanced  
7 Budget and Emergency Control Act of 1985, as in effect  
8 on December 31, 2006, is reenacted effective January 1,  
9 2007.

10 (b) AMENDMENT.—Section 257(b) of the Balanced  
11 Budget and Emergency Control Act of 1985, as reenacted  
12 by subsection (a), is amended by striking paragraph (2).

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