

PROVIDING FOR CONSIDERATION OF THE BILL (S. 627) TO ESTABLISH THE
COMMISSION ON FREEDOM OF INFORMATION ACT PROCESSING
DELAYS, AND FOR OTHER PURPOSES

JULY 27, 2011.—Referred to the House Calendar and ordered to be printed

Mr. DREIER, from the Committee on Rules,
submitted the following

R E P O R T

[To accompany H. Res. 375]

The Committee on Rules, having had under consideration House Resolution 375, by a record vote of 8 to 4, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for consideration of S. 627, the Faster FOIA Act of 2011, under a closed rule. The resolution provides two hours of debate with one hour equally divided and controlled by the chair and ranking minority member of the Committee on Rules, 30 minutes equally divided and controlled by the chair and ranking minority member of the Committee on Ways and Means, and 30 minutes equally divided and controlled by the chair and ranking minority member of the Committee on the Budget. The resolution waives all points of order against consideration of the bill. The resolution provides that the amendment in the nature of a substitute printed in Part A this report, modified by the amendment printed in Part B of this report, shall be considered as adopted. The bill, as amended, shall be considered as read. The resolution waives all points of order against provisions in the bill, as amended. The resolution provides one motion to recommit with or without instructions.

Section 2 of the resolution authorizes the Speaker to entertain motions to suspend the rules at any time through Sunday, July 31, 2011 if the measure was made available on the previous legislative day, except measures proposing an amendment to the Constitution, which must be available for three legislative days. This section further provides that if the Speaker entertains a motion to suspend the rules relating to a measure proposing a balanced budget amendment to the Constitution, debate shall be extended to two hours.

Sections 3 and 4 of the resolution set the dates for the convening of the House for the anticipated pro forma sessions during the period from August 1, 2011 through September 6, 2011, and provide that the Speaker may dispense with legislative business for those pro forma sessions and authorize the Speaker to declare the House adjourned to a time on the next pro forma session day.

Section 5 of the resolution provides for the approval of the Journal during pro forma sessions from August 1, 2011 through September 6, 2011.

Section 6 of the resolution provides that days during the period from August 1, 2011 through September 6, 2011 do not constitute calendar days for purposes of Section 7 of the War Powers Resolution.

Section 7 of the resolution provides that bills and resolutions introduced during the period beginning on August 1, 2011 and ending September 6, 2011 must be numbered, included in the Congressional Record, and printed with the date of introduction, but may be referred by the Speaker at a later time.

EXPLANATION OF WAIVERS

The waiver of all points of order against consideration of the bill includes a waiver of clause 10 of rule XXI, prohibiting the consideration of a bill if it has the net effect of increasing mandatory spending over the five or ten year period. Title V of the bill, as amended, provides \$17 billion in mandatory funding for the Federal Pell Grant program and makes other changes to education programs that decrease spending. While title V has the net effect of decreasing mandatory spending by \$5 billion over the ten year period, it also has the net effect of increasing mandatory spending by \$8 billion over the five year period, causing the bill to be in violation of clause 10 of rule XXI.

It is important to note that the bill, as amended, produces significant savings over the ten year period through the establishment of statutory caps on discretionary spending that are enforced by across-the-board spending reductions. Because these spending reductions are discretionary savings, the Congressional Budget Office does not take these savings into account for the purposes of clause 10 of rule XXI. It is also important to note that the Congressional Budget Office does not recognize the estimated \$16 billion in program integrity savings over the ten year period when calculating the net budgetary effect of title V for the purposes of enforcing clause 10 of rule XXI.

The waiver of all points of order against consideration of the bill also includes a waiver of section 302(f) of the Congressional Budget Act prohibiting the consideration of legislation providing new budget authority in excess of a committee's 302(a) allocation of such authority in the first fiscal year or over ten fiscal years. Title V of the bill, as amended, increases mandatory funding for the Federal Pell Grant program. The increase in funding exceeds the 302(a) allocation for the Committee on Education and the Workforce in the first fiscal year period by \$3 billion, causing the bill to be in violation of section 302(f) of the Congressional Budget Act.

Although the resolution waives all points of order against provisions in the bill, as amended, the Committee is not aware of any

points of order against provisions in the bill, as amended. The waiver is prophylactic.

COMMITTEE VOTES

The results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

Rules Committee record vote No. 122

Motion by Ms. Slaughter to report an open rule. Defeated: 4–8

| Majority Members | Vote | Minority Members | Vote |
|-----------------------------------|------|-------------------------------|------|
| Mr. Sessions | Nay | Ms. Slaughter | Yea |
| Ms. Foxx | Nay | Mr. McGovern | Yea |
| Mr. Bishop of Utah | Nay | Mr. Hastings of Florida | Yea |
| Mr. Woodall | Nay | Mr. Polis | Yea |
| Mr. Nugent | Nay | | |
| Mr. Scott of South Carolina | Nay | | |
| Mr. Webster | Nay | | |
| Mr. Dreier, Chairman | Nay | | |

Rules Committee record vote No. 123

Motion by Mr. Sessions to report a closed rule. Adopted: 8–4

| Majority Members | Vote | Minority Members | Vote |
|-----------------------------------|------|-------------------------------|------|
| Mr. Sessions | Yea | Ms. Slaughter | Nay |
| Ms. Foxx | Yea | Mr. McGovern | Nay |
| Mr. Bishop of Utah | Yea | Mr. Hastings of Florida | Nay |
| Mr. Woodall | Yea | Mr. Polis | Nay |
| Mr. Nugent | Yea | | |
| Mr. Scott of South Carolina | Yea | | |
| Mr. Webster | Yea | | |
| Mr. Dreier, Chairman | Yea | | |

SUMMARY OF AMENDMENT IN PART A CONSIDERED AS ADOPTED

The amendment in the nature of a substitute would strike all after the enacting clause and insert a new matter consisting of the Budget Control Act of 2011 (BCA). The BCA would: establish ten year discretionary spending caps; provide for the passage of a balanced budget amendment to the Constitution; create a joint committee of Congress charged with making legislative recommendations to achieve additional spending reductions; increase the debt limit pursuant to a resolution of disapproval and enactment of a joint committee's recommendations; establish expedited procedures for consideration of a resolution of disapproval and for consideration of the joint committee's recommendations; and make changes to the Pell Grant program.

SUMMARY OF AMENDMENT IN PART B CONSIDERED AS ADOPTED

Would make technical changes to the amendment in the nature of substitute related to the timing of consideration of resolution of disapproval. Would increase the savings achieved in the bill by removing a limitation on outlay calculations, which allows CBO to provide a more accurate measure of the likely rate of spending. Would also create a new point of order against consideration of a measure that would violate the discretionary spending caps. In the

Senate, the amendment requires a three-fifths vote to waive the new point of order.

SECTION-BY-SECTION ANALYSIS OF THE AMENDMENT IN PART A AS
MODIFIED BY THE AMENDMENT IN PART B CONSIDERED AS ADOPTED

Section 1. Short title; Table of contents

This section provides a short title for the bill, the “Budget Control Act of 2011.” It also provides a table of contents.

TITLE I—TEN-YEAR DISCRETIONARY CAPS WITH SEQUESTER

Sec. 101. Enforcing discretionary spending limits

This section amends section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 to establish 10-year discretionary spending limits (caps) for fiscal years 2012 through 2021 that would reduce discretionary spending by \$915 billion. This is achieved through savings in budget authority and outlays.

Subsection (a) enforces the discretionary spending caps through a sequestration process (across-the-board reductions) occurring 15 days after Congress adjourns at the end of a session and authorizes the President to exempt any military personnel accounts from sequestration provided that the savings are achieved through across-the-board reductions in the remainder of the Department of Defense (DOD) budget. Subsection (a) largely mirrors the Balanced Budget and Emergency Deficit Control Act of 1985 (also known as “Gramm-Rudman-Hollings”) providing guidance for part-year appropriations, a look-back sequester, and a within session sequestration if caps are exceeded. It also provides a timeline of Congressional Budget Office (CBO) and Office of Management and Budget (OMB) estimates and explanation of differences.

Subsection (b) provides for adjustments to discretionary spending limits for emergency appropriations and appropriations for the global war on terrorism. It also provides adjustments for additional spending to combat waste, fraud, and abuse.

Subsection (c) establishes discretionary limits for FY 2012 through 2021. It sets separate discretionary limits for defense programs (function 050) for FY 2012 and FY 2013 that establishes funding range for defense programs.

Sec. 102. Definitions

This section amends section 250 of the Balanced Budget and Emergency Deficit Control Act of 1985 to define terms used in the title, including emergencies.

Sec. 103. Reports and orders

This section provides updates to reports and orders required by section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985.

Sec. 104. Expiration

This section repeals section 275 of the Balance Budget and Emergency Deficit Control Act of 1985 that has the effect of putting the discretionary enforcement sequester procedures in effect.

Sec. 105. Conforming amendments to the Congressional Budget and Impoundment Control Act of 1974

This section provides for conforming amendments to the Congressional Budget Act of 1974. Specifically, section 314 of that Act is amended to allow the Chairman of the House and Senate Budget Committees to make budgetary adjustments to reflect the adjustments in spending limits. It also provides for the budget treatment of emergency spending and a process by which members of the House can strike a designation for emergency funding.

The section further establishes a new point of order against consideration of a measure that would violate the discretionary spending caps. A waiver of this point of order would require a three-fifths vote in the Senate.

TITLE II—VOTE ON THE BALANCED BUDGET AMENDMENT

Sec. 201. Vote on the Balanced Budget Amendment

This section requires a vote on passage of a joint resolution entitled “Joint resolution proposing a balanced budget amendment to the Constitution of the United States” between September 30 and December 31, 2011.

Sec. 202. Consideration by the other House

This section provides for expedited consideration by the House and Senate of the joint resolution of the other House. These provisions are largely similar to the expedited procedures used in title III.

TITLE III—DEBT CEILING DISAPPROVAL PROCESS

Sec. 301. Debt ceiling disapproval process

This section adds a new section after 31 U.S.C. 3101 providing for modification of the debt ceiling by the President and a process for the Congress to disapprove of those modifications.

The new section provides that if the President submits a written certification to Congress by December 31, 2011 that the debt is within \$100 billion of the debt limit, the Secretary of the Treasury is authorized to borrow an additional \$900 billion, subject to the enactment of a joint resolution of disapproval. Upon submission of the certification, the debt limit is increased by \$400 billion.

The section authorizes the Congress to consider a joint resolution of disapproval subject to the procedures of this section. If Congress fails to enact the joint resolution, the debt limit is increased by an additional \$500 billion.

The section further authorizes the Secretary to borrow an additional amount equal to \$1.6 trillion, subject to Presidential certification and Congressional disapproval, if the amount of deficit reduction achieved pursuant to the creation of the joint committee in title IV of the bill is greater than \$1.6 trillion.

The section further mandates the content of the joint resolution of disapproval, limitations on when a joint resolution may be introduced, and expedited procedures for consideration of the joint resolution.

Expedited procedures in the House:

- The House must convene not later than the second calendar day after the receipt of a Presidential certification with respect to the additional amount of borrowing authority described in the section.
- Any committee to which the joint resolution has been referred must report it to the House not later than five calendar days after the introduction of the Presidential certification. If a committee fails to report the joint resolution within the time period, the committee is discharged from further consideration.
- Requires consideration of the joint resolution in the House not later than six calendar days after introduction of the joint resolution.
- All points of order against the joint resolution and its consideration are waived.
- No amendments to the joint resolution are in order.
- The joint resolution is debatable for two hours prior to a vote on passage.

Expedited procedures in the Senate:

- The Senate must convene not later than the second calendar day after the receipt of a Presidential certification.
- A motion to proceed to a joint resolution of disapproval of the initial \$900 billion increase to the debt limit is in order at any time during the period beginning the day after receipt of a Presidential certification and ending on September 14, 2011.
- A motion to proceed to a joint resolution of disapproval of the additional amount is in order at any time during the period beginning the day after receipt of a Presidential certification and ending on the 6th day after Congress has received a certification.
- All points of order against the joint resolution are waived.
- No amendments to the joint resolution are in order.
- Consideration of the joint resolution is limited to not more than 10 hours.

Paragraph (5) provides that if the President vetoes a resolution of disapproval and the Congress overrides the veto, the debt limit is not increased.

Paragraph (6) provides that if the Congress overrides the President's veto, the Office of Management and Budget is directed to sequester pro rata amounts from certain accounts equal to the initial \$400 billion provided in this section.

TITLE IV—JOINT SELECT COMMITTEE ON DEFICIT REDUCTION

Sec. 401. Establishment of joint committee

Subsection (a) defines terms used in the title. Specifically, it defines the term “joint committee” as the Joint Select Committee on Deficit Reduction and “joint committee bill” as the bill containing the legislative recommendations of the joint committee.

Subsection (b) provides for the establishment of the joint committee. Paragraph (1) establishes the joint committee, and paragraph (2) sets forth the goal of reducing the deficit by \$1.8 trillion over the period of 2012 through 2021.

Paragraph (3) establishes the duties of the joint committee. The joint committee is required to provide recommendations (including legislative language) that will significantly improve both the short- and long-term fiscal imbalance of the Federal Government.

The joint committee must also consider any recommendations from House and Senate committees with respect to changes in law necessary to meet the goal of the joint committee. Those committees may report their recommendations to the joint committee by October 14, 2011.

By November 23, 2011, the joint committee is required to vote on a report which contains the findings, conclusions, and recommendations of the joint committee, as well as the estimates provided by the Congressional Budget Office (CBO) and legislative language in support of those recommendations, which must also contain a statement of the deficit reduction achieved over fiscal years 2012 through 2021. A majority of the members of the joint committee must approve the report and accompanying legislative language. The text of the report and accompanying legislative language must be made public promptly after the vote on adoption of those matters.

The legislation also provides for any member of the joint committee to file additional, supplemental, or minority views within 3 calendar days if that member provides notice of his or her intention at the time of final vote on adoption of the report and legislative language. The report and accompanying legislative language must be transmitted to the President, Vice President, the Speaker of the House, and the majority and minority leaders of the House and Senate by December 2, 2011.

The joint committee is to be comprised of 12 members appointed by the majority and minority leaders of the Senate, and the Speaker and minority leader of the House, who each must appoint three members. The Speaker and the majority leader of the Senate must each appoint one member to serve as Co-Chair from among the members of the joint committee. The members of the joint committee and the Co-Chairs must be appointed within 14 calendar days after enactment of this bill. Members are appointed for the life of the joint committee, and a vacancy must be filled in the same manner as the original appointment.

The Co-Chairs must jointly hire a staff director for the joint committee. It is also authorized to incur expenses in the same manner as the Joint Economic Committee and any actual and necessary expenses approved by the co-chairs are authorized to be disbursed by the Senate, subject to Senate rules and regulations.

Seven members of the joint committee constitute a quorum for purposes of voting, meeting, and holding hearings.

With respect to voting, proxy voting is prohibited and the joint committee is enjoined from voting on the report, recommendations, or legislative language unless an estimate from the CBO is available to the members of the joint committee for at least 48 hours prior. In its analysis, CBO are required to estimate the effect of interest payments on the debt, and CBO is also directed to estimate the budgetary effects of the legislative language beyond 2021.

The joint committee must hold its first meeting not later than 45 days after the date of enactment of this legislation and the Co-Chairs must provide an agenda at least 48 hours prior to each meeting.

The joint committee is authorized to hold hearings, require attendance of witnesses and production of documents, take testi-

mony, receive evidence, and administer oaths as the committee deems advisable. It may also sit and act whenever necessary.

Hearings must be announced at least 7 days in advance, unless the Co-Chairs determine that there is good cause to hold a hearing earlier. Witnesses appearing before the joint committee must file a written statement of proposed testimony at least 2 days prior to appearance, unless waived by the Co-Chairs.

Federal agencies must provide technical assistance to the joint committee on the written request of the Co-Chairs.

Subsection (c)(1) addresses the staff of the joint committee. The Co-Chairs are authorized to appoint and set the compensation of staff as they deem necessary, and within the guidelines and rules for Senate employees. Paragraph (2) provides that the members of the joint committee will be bound by the rules and ethical requirements of the House in which they serve, while staff of the joint committee are governed by the Senate ethics rules.

Sec. 402. Expedited consideration of joint committee recommendations

Subsection (a) provides for introduction of the joint committee's legislative recommendations. If approved by the joint committee, the legislative language accompanying their recommendations must be introduced on the next session or legislative day in the House or Senate, respectively. The measure is to be introduced (by request) in the Senate and House by the majority leader of each body or a designee.

Subsection (b) provides for expedited consideration in the House. Each committee receiving a referral of the joint committee bill must report that bill without amendment not later than December 9, 2011. If a committee fails to report the bill prior to that date, a member may offer a motion to discharge the bill. That motion is debatable for 20 minutes, equally divided and controlled between the proponent and an opponent and a motion to reconsider the vote disposing of the motion is not available. The motion to discharge is not available after the last committee reports the bill or the House has considered a prior motion to discharge.

If the motion is adopted or after the last committee reports the joint committee bill, a motion to proceed to the consideration of the bill is in order. The motion to proceed is not debatable, and a motion to reconsider the vote disposing of the motion to proceed is not available.

If the House proceeds to consideration of the joint committee bill, all points of order against the bill and its consideration are waived, and it is considered as read. The joint committee bill is debatable for 2 hours, equally divided and controlled by the proponent and an opponent. One motion to limit debate is available, while a motion to reconsider the vote disposing of the joint committee bill is not in order. The vote on passage of the joint committee bill must occur on or before December 23, 2011.

Subsection (c) provides for expedited consideration in the Senate. The joint committee bill must be referred jointly to the committees of jurisdiction. Each committee to which the bill is referred must report the bill with a favorable or unfavorable recommendation, or no recommendation, by not later than December 9, 2011 and without amendment. If any committee fails to report the bill by that

date, that committee will be automatically discharged and the joint committee bill placed on the appropriate calendar.

Two days after the last Senate committee reports the joint committee bill or is discharged, the majority leader of the Senate or a designee may move to proceed to the consideration of the joint committee bill, even if a prior motion to proceed has failed. All points of order against the motion to proceed are waived and it is not debatable, and it is not subject to a motion to postpone or reconsider. If the motion to proceed is agreed to, the joint committee bill will remain unfinished business until it is disposed of.

Consideration of the joint committee bill, including all debatable motions and appeals, is limited to 30 hours equally divided between the majority and minority leaders of the Senate. All points of order against the joint committee bill and its consideration are waived. A non-debatable motion to limit debate is available and requires an affirmative three-fifths vote. Any debatable motion or appeal is limited to one hour, equally divided between a proponent and an opponent. All time used for consideration of the joint committee bill, including time used for quorum calls, counts against the 30-hour total.

No amendments to the joint committee bill or a motion to postpone, proceed to the consideration of other business, or recommit are in order. Appeals from decisions of the chair regarding application of the rules of the Senate to consideration of the joint committee bill are non-debatable.

The Senate must vote on passage of the joint committee bill immediately after the conclusion of debate and a quorum call, if requested. The Senate must also vote on the joint committee bill not later than December 23, 2011.

Subsection (d) provides that the joint committee bill is not subject to amendment in either the House or Senate.

Subsection (e) provides standard language to address the handling of the joint committee bill if passed by one chamber before the other has completed its consideration. It also provides that if the joint committee bill is a revenue measure, the subsection does not apply to the House.

Subsection (f) also contains several standard provisions to address issues in the Senate when they receive a joint committee bill from the House. First, it provides that joint committee bill originated by the House is entitled to expedited consideration in the Senate if the Senate fails to introduce or consider a joint committee bill. Second, if the Senate receives the joint committee bill after passage of the joint committee bill, the House version is not debatable and the vote on passage of the Senate version is considered to be the vote on the House version. Finally, it provides that debate on a veto message on the joint committee bill in the Senate is limited to one hour, equally divided between the majority and minority leaders.

Subsection (g) provides that the joint committee bill loses its privileged status if the joint committee fails to vote on the report or legislative language by November 23, 2011 or the joint committee bill does not pass both the House and Senate by December 23, 2011.

Sec. 403. Funding

This section provides that the funding of the joint committee is to be paid equally out of the applicable accounts of the Senate and House of Representatives, subject to the rules and regulations of the Senate.

Sec. 404. Rulemaking

This section clarifies that the provisions are enacted as an exercise of the rulemaking powers of the House and Senate, that they are considered part of the rules of each House, and that each House has a constitutional right to change the rules in the same manner that each House may change any other rule.

TITLE V—PELL GRANT AND STUDENT LOAN PROGRAM CHANGES

Sec. 501. Federal Pell Grants

This section provides \$17 billion in mandatory funds over two years to help fill the funding gap in the Federal Pell Grant program.

Sec. 502. Termination of authority to make interest subsidized loans to graduate and professional students

This section eliminates the ability of graduate and professional students to take out subsidized Stafford loans, beginning on July 1, 2012. This elimination does not apply to students enrolled in a program leading up to a degree or certificate or students enrolled in a program necessary for a teaching credential or certification where such credential or certification is required by the state.

Sec. 503. Termination of direct loan repayment incentives

This section sunsets the Secretary of Education's authority to provide incentives for on-time repayment of students loans on July 1, 2012. This section also explicitly prohibits the Secretary of Education from creating any incentives for on-time repayment of student loans.

Sec. 504. Inapplicability of Title IV negotiated rulemaking and master calendar exception

This section clarifies that the negotiated rulemaking requirement included in title IV and the master calendar requirements to not apply to the changes made in this Act.

PART A—TEXT OF AMENDMENT CONSIDERED AS ADOPTED

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Budget Control Act of 2011”.

(b) **TABLE OF CONTENTS.**—

Sec. 1. Short title; table of contents.

TITLE I—TEN-YEAR DISCRETIONARY CAPS WITH SEQUESTER

Sec. 101. Enforcing discretionary spending limits.

Sec. 102. Definitions.

Sec. 103. Reports and orders.

Sec. 104. Expiration.

Sec. 105. Conforming amendments to the Congressional Budget and Impoundment Control Act of 1974.

TITLE II—VOTE ON THE BALANCED BUDGET AMENDMENT

Sec. 201. Vote on the balanced budget amendment.
Sec. 202. Consideration by the other House.

TITLE III—DEBT CEILING DISAPPROVAL PROCESS

Sec. 301. Debt ceiling disapproval process.

TITLE IV—JOINT SELECT COMMITTEE ON DEFICIT REDUCTION

Sec. 401. Establishment of Joint Select Committee.
Sec. 402. Expedited consideration of joint committee recommendations.
Sec. 403. Funding.
Sec. 404. Rulemaking.

TITLE V—PELL GRANT AND STUDENT LOAN PROGRAM CHANGES

Sec. 501. Federal Pell Grants.
Sec. 502. Termination of authority to make interest subsidized loans to graduate and professional students.
Sec. 503. Termination of Direct Loan repayment incentives.
Sec. 504. Inapplicability of title IV negotiated rulemaking and master calendar exception.

**TITLE I—TEN-YEAR DISCRETIONARY
CAPS WITH SEQUESTER**

SEC. 101. ENFORCING DISCRETIONARY SPENDING LIMITS.

Section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:

“SEC. 251. ENFORCING DISCRETIONARY SPENDING LIMITS.

“(a) ENFORCEMENT.—

“(1) SEQUESTRATION.—Within 15 calendar days after Congress adjourns to end a session there shall be a sequestration to eliminate a budget-year breach, if any.

“(2) ELIMINATING A BREACH.—Each non-exempt account shall be reduced by a dollar amount calculated by multiplying the enacted level of sequestrable budgetary resources in that account at that time by the uniform percentage necessary to eliminate a breach.

“(3) MILITARY PERSONNEL.—If the President uses the authority to exempt any personnel account from sequestration under section 255(f), each account within subfunctional category 051 (other than those military personnel accounts for which the authority provided under section 255(f) has been exercised) shall be further reduced by a dollar amount calculated by multiplying the enacted level of non-exempt budgetary resources in that account at that time by the uniform percentage necessary to offset the total dollar amount by which outlays are not reduced in military personnel accounts by reason of the use of such authority.

“(4) PART-YEAR APPROPRIATIONS.—If, on the date specified in paragraph (1), there is in effect an Act making or continuing appropriations for part of a fiscal year for any budget account, then the dollar sequestration calculated for that account under paragraphs (2) and (3) shall be subtracted from—

“(A) the annualized amount otherwise available by law in that account under that or a subsequent part-year appropriation; and

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

“(5) LOOK-BACK.—If, after June 30, an appropriation for the fiscal year in progress is enacted that causes a breach for that year (after taking into account any sequestration of amounts), the discretionary spending limits for the next fiscal year shall be reduced by the amount or amounts of that breach.

“(6) WITHIN-SESSION SEQUESTRATION.—If an appropriation for a fiscal year in progress is enacted (after Congress adjourns to end the session for that budget year and before July 1 of that fiscal year) that causes a breach for that year (after taking into account any prior sequestration of amounts), 15 days later there shall be a sequestration to eliminate that breach following the procedures set forth in paragraphs (2) through (4).

“(7) ESTIMATES.—

“(A) CBO ESTIMATES.—As soon as practicable after Congress completes action on any discretionary appropriation, CBO, after consultation with the Committees on the Budget of the House of Representatives and the Senate, shall provide OMB with an estimate of the amount of discretionary new budget authority for the current year, if any, and the budget year provided by that legislation.

“(B) OMB ESTIMATES AND EXPLANATION OF DIFFERENCES.—Not later than 7 calendar days (excluding Saturdays, Sundays, and legal holidays) after the date of enactment of any discretionary appropriation, OMB shall transmit a report to the House of Representatives and to the Senate containing the CBO estimate of that legislation, an OMB estimate of the amount of discretionary new budget authority for the current year, if any, and the budget year provided by that legislation, and an explanation of any difference between the 2 estimates. If during the preparation of the report OMB determines that there is a significant difference between OMB and CBO, OMB shall consult with the Committees on the Budget of the House of Representatives and the Senate regarding that difference and that consultation shall include, to the extent practicable, written communication to those committees that affords such committees the opportunity to comment before the issuance of the report.

“(C) ASSUMPTIONS AND GUIDELINES.—OMB estimates under this paragraph shall be made using current economic and technical assumptions. OMB shall use the OMB estimates transmitted to the Congress under this paragraph. OMB and CBO shall prepare estimates under this paragraph in conformance with scorekeeping guidelines determined after consultation among the House and Senate Committees on the Budget, CBO, and OMB.

“(D) ANNUAL APPROPRIATIONS.—For purposes of this paragraph, amounts provided by annual appropriations

shall include any discretionary appropriations for the current year, if any, and the budget year in accounts for which funding is provided in that legislation that result from previously enacted legislation.

“(b) ADJUSTMENTS TO DISCRETIONARY SPENDING LIMITS.—

“(1) CONCEPTS AND DEFINITIONS.—When the President submits the budget under section 1105 of title 31, United States Code, OMB shall calculate and the budget shall include adjustments to discretionary spending limits (and those limits as cumulatively adjusted) for the budget year and each outyear to reflect changes in concepts and definitions. Such changes shall equal the baseline levels of new budget authority and outlays using up-to-date concepts and definitions minus those levels using the concepts and definitions in effect before such changes. Such changes may only be made after consultation with the Committees on Appropriations and the Budget of the House of Representatives and the Senate and that consultation shall include written communication to such committees that affords such committees the opportunity to comment before official action is taken with respect to such changes.

“(2) SEQUESTRATION REPORTS.—When OMB submits a sequestration report under section 254(e), (f), or (g) for a fiscal year, OMB shall calculate, and the sequestration report and subsequent budgets submitted by the President under section 1105(a) of title 31, United States Code, shall include adjustments to discretionary spending limits (and those limits as adjusted) for the fiscal year and each succeeding year, as follows:

“(A) EMERGENCY APPROPRIATIONS; OVERSEAS CONTINGENCY OPERATIONS/GLOBAL WAR ON TERRORISM.—If, for any fiscal year, appropriations for discretionary accounts are enacted that—

“(i) the President designates as emergency requirements and that the Congress so designates in statute on an account by account basis; or

“(ii) the President designates for Overseas Contingency Operations/Global War on Terrorism and that the Congress so designates in statute on an account by account basis;

the adjustment shall be the total of such appropriations in discretionary accounts designated as emergency requirements or for Overseas Contingency Operations/Global War on Terrorism, as applicable, and the outlays flowing in all fiscal years from such appropriations.

“(B) CONTINUING DISABILITY REVIEWS AND REDETERMINATIONS.—(i) If a bill or joint resolution making appropriations for a fiscal year is enacted that specifies an amount for continuing disability reviews under titles II and XVI of the Social Security Act and for the cost associated with conducting redeterminations of eligibility under title XVI of the Social Security Act, then the adjustments for that fiscal year shall be the additional new budget authority provided in that Act for such expenses for that fiscal year and the additional outlays flowing therefrom, but shall not exceed—

“(I) for fiscal year 2012, \$623,000,000 in additional new budget authority;

“(II) for fiscal year 2013, \$751,000,000 in additional new budget authority;

“(III) for fiscal year 2014, \$924,000,000 in additional new budget authority;

“(IV) for fiscal year 2015, \$1,123,000,000 in additional new budget authority;

“(V) for fiscal year 2016, \$1,166,000,000 in additional new budget authority;

“(VI) for fiscal year 2017, \$1,309,000,000 in additional new budget authority;

“(VII) for fiscal year 2018, \$1,309,000,000 in additional new budget authority;

“(VIII) for fiscal year 2019, \$1,309,000,000 in additional new budget authority;

“(IX) for fiscal year 2020, \$1,309,000,000 in additional new budget authority; and

“(X) for fiscal year 2021, \$1,309,000,000 in additional new budget authority.

“(ii) As used in this subparagraph—

“(I) the term ‘continuing disability reviews’ means continuing disability reviews under titles II and XVI of the Social Security Act and redeterminations of eligibility under title XVI of the Social Security Act; and

“(II) the term ‘additional new budget authority’ means the amount provided for a fiscal year, in excess of \$273,000,000, in an appropriation Act and specified to pay for the costs of continuing disability reviews under the heading ‘Limitation on Administrative Expenses’ for the Social Security Administration.

“(C) HEALTH CARE FRAUD AND ABUSE CONTROL.—

“(i) If a bill or joint resolution making appropriations for a fiscal year is enacted that specifies an amount for the health care fraud abuse control program at the Department of Health and Human Services (75–8393–0–7–571), then the adjustments for that fiscal year shall be the amount of additional new budget authority provided in that Act for such program for that fiscal year and the additional outlays flowing therefrom, but shall not exceed—

“(I) for fiscal year 2012, \$270,000,000 in additional new budget authority;

“(II) for fiscal year 2013, \$299,000,000 in additional new budget authority;

“(III) for fiscal year 2014, \$329,000,000 in additional new budget authority;

“(IV) for fiscal year 2015, \$361,000,000 in additional new budget authority;

“(V) for fiscal year 2016, \$395,000,000 in additional new budget authority;

“(VI) for fiscal year 2017, \$414,000,000 in additional new budget authority;

“(VII) for fiscal year 2018, \$434,000,000 in additional new budget authority;

“(VIII) for fiscal year 2019, \$454,000,000 in additional new budget authority;

“(IX) for fiscal year 2020, \$475,000,000 in additional new budget authority; and

“(X) for fiscal year 2021, \$496,000,000 in additional new budget authority.

“(ii) As used in this subparagraph, the term ‘additional new budget authority’ means the amount provided for a fiscal year, in excess of \$311,000,000, in an appropriation Act and specified to pay for the costs of the health care fraud and abuse control program.

The adjustment for outlays shall only be for the outlays flowing from the additional new budget authority and the total outlays adjustments made for any fiscal year shall not exceed the total adjustments made for that fiscal year in new budget authority.

“(c) DISCRETIONARY SPENDING LIMIT.—As used in this part, the term ‘discretionary spending limit’ means—

“(1) with respect to fiscal year 2012, for total discretionary spending: \$1,043,000,000,000, in new budget authority and \$1,262,000,000,000 in outlays, of which new budget authority for function 050 shall be between \$535,440,000,000 and \$568,560,000,000;

“(2) with respect to fiscal year 2013, for total discretionary spending: \$1,047,000,000,000 in new budget authority and \$1,196,000,000,000 in outlays, of which new budget authority for function 050 shall be between \$537,440,000,000 and \$570,560,000,000;

“(3) with respect to fiscal year 2014, for total discretionary spending: \$1,066,000,000,000 in new budget authority;

“(4) with respect to fiscal year 2015, for total discretionary spending: \$1,086,000,000,000 in new budget authority;

“(5) with respect to fiscal year 2016, for total discretionary spending: \$1,107,000,000,000 in new budget authority;

“(6) with respect to fiscal year 2017, for total discretionary spending: \$1,131,000,000,000 in new budget authority;

“(7) with respect to fiscal year 2018, for total discretionary spending: \$1,156,000,000,000 in new budget authority;

“(8) with respect to fiscal year 2019, for total discretionary spending: \$1,182,000,000,000 in new budget authority;

“(9) with respect to fiscal year 2020, for total discretionary spending: \$1,208,000,000,000 in new budget authority; and

“(10) with respect to fiscal year 2021, for total discretionary spending: \$1,234,000,000,000 in new budget authority;

as adjusted in strict conformance with subsection (b).”.

SEC. 102. DEFINITIONS.

Section 250(c) is amended as follows:

(1) Strike paragraph (4) and redesignate succeeding paragraphs accordingly.

(2) In paragraph (7)(C) (as redesignated), strike “the food stamp program” and insert “the Supplemental Nutrition Assistance Program”.

(3) Strike paragraph (13) (as redesignated) and insert the following new paragraph:

“(13) The term ‘outyear’ means a fiscal year one or more years after the budget year.”.

(4) At the end, add the following new paragraphs:

“(19) The term ‘emergency’ means a situation that—

“(A) requires new budget authority and outlays (or new budget authority and the outlays flowing therefrom) for the prevention or mitigation of, or response to, loss of life or property, or a threat to national security; and

“(B) is unanticipated.

“(20) The term ‘unanticipated’ means that the underlying situation is—

“(A) sudden, which means quickly coming into being or not building up over time;

“(B) urgent, which means a pressing and compelling need requiring immediate action;

“(C) unforeseen, which means not predicted or anticipated as an emerging need; and

“(D) temporary, which means not of a permanent duration.”.

SEC. 103. REPORTS AND ORDERS.

Section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended as follows:

(1) In subsection (c)(2), strike “2002” and insert “2021”.

(2) In subsection (f)(2)(A), strike “2002” and insert “2021”.

SEC. 104. EXPIRATION.

(a) **REPEALER.**—Section 275 of the Balanced Budget and Emergency Deficit Control Act of 1985 is repealed.

(b) **CONFORMING CHANGE.**—Sections 252(d)(1), 254(c), 254(f)(3), 254(f)(4), 254(g), and 254(i) of the Balanced Budget and Emergency Deficit Control Act of 1985 shall not apply to the Congressional Budget Office.

SEC. 105. CONFORMING AMENDMENTS TO THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974.

(a) **ADJUSTMENTS.**—Section 314 of the Congressional Budget Act of 1974 is amended as follows:

(1) Strike subsection (a) and insert the following:

“(a) **ADJUSTMENTS.**—After the reporting of a bill or joint resolution or the offering of an amendment thereto or the submission of a conference report thereon, the chairman of the Committee on the Budget of the House of Representatives or the Senate may make appropriate budgetary adjustments of new budget authority and the outlays flowing therefrom in the same amount as required by section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985.”.

(2) Strike subsections (b) and (e) and redesignate subsections (c) and (d) as subsections (b) and (c), respectively.

(3) At the end, add the following new subsection:

“(d) **EMERGENCIES.**—If a reported bill or joint resolution, or amendment thereto or conference report thereon, contains a provision providing new budget authority and outlays or reducing revenue, and a designation of such provision as an emergency requirement pursuant to 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, the chair of the Committee on the Budget shall not count the budgetary effects of such provision

for purposes of title III and title IV of the Congressional Budget Act of 1974 and the Rules of the House of Representatives.”.

(b) MOTION TO STRIKE IN THE HOUSE OF REPRESENTATIVES.—(1) In the House of Representatives, if a reported bill or joint resolution, or amendment thereto or conference report thereon, contains a provision providing new budget authority and outlays or reducing revenue, and a designation of such provision as an emergency pursuant to this section, the chair of the Committee on the Budget shall not count the budgetary effects of such provision for purposes of title III and title IV of the Congressional Budget Act of 1974 and the Rules of the House of Representatives.

(2) In the House of Representatives, a proposal to strike a designation under paragraph (1) shall be excluded from an evaluation of budgetary effects for purposes of title III and title IV of the Congressional Budget Act of 1974 and the Rules of the House of Representatives.

(3) An amendment offered under paragraph (2) that also proposes to reduce each amount appropriated or otherwise made available by the pending measure that is not required to be appropriated or otherwise made available shall be in order at any point in the reading of the pending measure.

(c) DEFINITIONS.—Section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding at the end the following new paragraph:

“(11) The terms ‘emergency’ and ‘unanticipated’ have the meanings given to such terms in section 250(c) of the Balanced Budget and Emergency Deficit Control Act of 1985.”.

TITLE II—VOTE ON THE BALANCED BUDGET AMENDMENT

SEC. 201. VOTE ON THE BALANCED BUDGET AMENDMENT.

After September 30, 2011 and not later than December 31, 2011, the House of Representatives and Senate, respectively, shall vote on passage of a joint resolution, the title of which is as follows: “Joint resolution proposing a balanced budget amendment to the Constitution of the United States.”.

SEC. 202. CONSIDERATION BY THE OTHER HOUSE.

(a) HOUSE CONSIDERATION.—

(1) REFERRAL.—If the House receives a joint resolution described in section 201 from the Senate, such joint resolution shall be referred to the Committee on the Judiciary. If the committee fails to report the joint resolution within five legislative days, it shall be in order to move that the House discharge the committee from further consideration of the joint resolution. Such a motion shall not be in order after the House has disposed of a motion to discharge the joint resolution. The previous question shall be considered as ordered on the motion to its adoption without intervening motion except twenty minutes of debate equally divided and controlled by the proponent and an opponent. If such a motion is adopted, the House shall proceed immediately to consider the joint resolution in accordance with paragraph (3). A motion to reconsider the vote by which the motion is disposed of shall not be in order.

(2) PROCEEDING TO CONSIDERATION.—After the joint resolution has been referred to the appropriate calendar or the committee has been discharged (other than by motion) from its consideration, it shall be in order to move to proceed to consider the joint resolution in the House. Such a motion shall not be in order after the House has disposed of a motion to proceed with respect to the joint resolution. The previous question shall be considered as ordered on the motion to its adoption without intervening motion. A motion to reconsider the vote by which the motion is disposed of shall not be in order.

(3) CONSIDERATION.—The joint resolution shall be considered as read. All points of order against the joint resolution and against its consideration are waived. The previous question shall be considered as ordered on the joint resolution to its passage without intervening motion except two hours of debate equally divided and controlled by the proponent and an opponent and one motion to limit debate on the joint resolution. A motion to reconsider the vote on passage of the joint resolution shall not be in order.

(b) SENATE CONSIDERATION.—(1) If the Senate receives a joint resolution described in section 201 from the House of Representatives, such joint resolution shall be referred to the appropriate committee of the Senate. If such committee has not reported the joint resolution at the close of the fifth session day after its receipt by the Senate, such committee shall be automatically discharged from further consideration of the joint resolution and it shall be placed on the calendar.

(2) Consideration of the joint resolution and on all debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours, which shall be divided equally between the majority and minority leaders or their designees. A motion further to limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the joint resolution is not in order. Any debatable motion or appeal is debatable for not to exceed 1 hour, to be divided equally between those favoring and those opposing the motion or appeal. All time used for consideration of the joint resolution, including time used for quorum calls and voting, shall be counted against the total 20 hours of consideration.

(3) If the Senate has voted to proceed to a joint resolution, the vote on passage of the joint resolution shall be taken on or before the close of the seventh session day after such joint resolution has been reported or discharged or immediately following the conclusion of consideration of the joint resolution, and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate.

TITLE III—DEBT CEILING DISAPPROVAL PROCESS

SEC. 301. DEBT CEILING DISAPPROVAL PROCESS.

Subchapter I of chapter 31 of subtitle III of title 31, United States Code, is amended—

- (1) in section 3101(b), by striking “or otherwise” and inserting “or as provided by section 3101A or otherwise”; and
- (2) by inserting after section 3101, the following:

“§ 3101A. Presidential modification of the debt ceiling

“(a) IN GENERAL.—

“(1) \$900 BILLION.—

“(A) CERTIFICATION.—If, not later than December 31, 2011, the President submits a written certification to Congress that the President has determined that the debt subject to limit is within \$100,000,000,000 of the limit in section 3101(b) and that further borrowing is required to meet existing commitments, the Secretary of the Treasury may exercise authority to borrow an additional \$900,000,000,000 subject to the enactment of a joint resolution of disapproval enacted pursuant to this section. Upon submission of such certification, the limit on debt provided in section 3101(b) (referred to in this section as the ‘debt limit’) is increased by \$400,000,000,000.

“(B) RESOLUTION OF DISAPPROVAL.—Congress may consider a joint resolution of disapproval of the authority under subparagraph (A) as provided in subsections (b) through (f). The joint resolution of disapproval considered under this section shall contain only the language provided in subsection (b)(2). If the time for disapproval has lapsed without enactment of a joint resolution of disapproval under this section, the debt limit is increased by an additional \$500,000,000,000.

“(2) ADDITIONAL AMOUNT.—

“(A) CERTIFICATION.—If, after the debt limit is increased by \$900,000,000,000 under paragraph (1), the President submits a written certification to Congress that the President has determined that the debt subject to limit is within \$100,000,000,000 of the limit in section 3101(b) and that further borrowing is required to meet existing commitments, the Secretary of the Treasury may exercise authority to borrow an additional amount equal to \$1,600,000,000,000 if the amount of deficit reduction achieved pursuant to the enactment of the joint committee bill as set forth pursuant to section 401(b)(3) of the Budget Control Act of 2011 is greater than \$1,600,000,000,000, subject to the enactment of a joint resolution of disapproval enacted pursuant to this section.

“(B) RESOLUTION OF DISAPPROVAL.—Congress may consider a joint resolution of disapproval of the authority under subparagraph (A) as provided in subsections (b) through (f). The joint resolution of disapproval considered under this section shall contain only the language provided in subsection (b)(2). If the time for disapproval has lapsed without enactment of a joint resolution of disapproval under this section, the debt limit is increased by the amount authorized under subparagraph (A).

“(b) JOINT RESOLUTION OF DISAPPROVAL.—

“(1) IN GENERAL.—Except for the \$400,000,000,000 increase in the debt limit provided by subsection (a)(1)(A), the debt limit

may not be raised under this section if, within 60 calendar days after the date on which Congress receives a certification described in subsection (a)(1) or within 15 calendar days after Congress receives the certification described in subsection (a)(2) (regardless of whether Congress is in session), there is enacted into law a joint resolution disapproving the President's exercise of authority with respect to such additional amount.

“(2) CONTENTS OF JOINT RESOLUTION.—For the purpose of this section, the term ‘joint resolution’ means only a joint resolution—

“(A)(i) for the certification described in subsection (a)(1), that is introduced on September 6, 7, 8, or 9, 2011 (or, if the Senate was not in session, the next calendar day on which the Senate is in session); and

“(ii) for the certification described in subsection (a)(2), that is introduced between the date the certification is received and 3 calendar days after that date;

“(B) which does not have a preamble;

“(C) the title of which is only as follows: ‘Joint resolution relating to the disapproval of the President’s exercise of authority to increase the debt limit, as submitted under section 3101A of title 31, United States Code, on _____’, with the blank containing the date of such submission; and

“(D) the matter after the resolving clause of which is only as follows: ‘That Congress disapproves of the President’s exercise of authority to increase the debt limit, as exercised pursuant to the certification under section 3101A(a) of title 31, United States Code.’.

“(c) EXPEDITED CONSIDERATION IN HOUSE OF REPRESENTATIVES.—

“(1) RECONVENING.—Upon receipt of a certification described in subsection (a)(2), the Speaker, if the House would otherwise be adjourned, shall notify the Members of the House that, pursuant to this section, the House shall convene not later than the second calendar day after receipt of such certification.

“(2) REPORTING AND DISCHARGE.—Any committee of the House of Representatives to which a joint resolution is referred shall report it to the House without amendment not later than 5 calendar days after the date of receipt of the certification described in subsection (a). If a committee fails to report the joint resolution within that period, the committee shall be discharged from further consideration of the joint resolution and the joint resolution shall be referred to the appropriate calendar.

“(3) PROCEEDING TO CONSIDERATION.—After each committee authorized to consider a joint resolution reports it to the House or has been discharged from its consideration, it shall be in order, not later than the sixth day after Congress receives a certification under subsection (a), to move to proceed to consider the joint resolution in the House. All points of order against the motion are waived. Such a motion shall not be in order after the House has disposed of a motion to proceed on a joint resolution addressing a particular submission. The previous question shall be considered as ordered on the motion to

its adoption without intervening motion. The motion shall not be debatable. A motion to reconsider the vote by which the motion is disposed of shall not be in order.

“(4) CONSIDERATION.—The joint resolution shall be considered as read. All points of order against the joint resolution and against its consideration are waived. The previous question shall be considered as ordered on the joint resolution to its passage without intervening motion except two hours of debate equally divided and controlled by the proponent and an opponent. A motion to reconsider the vote on passage of the joint resolution shall not be in order.

“(d) EXPEDITED PROCEDURE IN SENATE.—

“(1) RECONVENING.—Upon receipt of a certification under subsection (a)(2), if the Senate has adjourned or recessed for more than 2 days, the majority leader of the Senate, after consultation with the minority leader of the Senate, shall notify the Members of the Senate that, pursuant to this section, the Senate shall convene not later than the second calendar day after receipt of such message.

“(2) PLACEMENT ON CALENDAR.—Upon introduction in the Senate, the joint resolution shall be immediately placed on the calendar.

“(3) FLOOR CONSIDERATION.—

“(A) IN GENERAL.—Notwithstanding Rule XXII of the Standing Rules of the Senate, it is in order at any time during the period beginning on the day after the date on which Congress receives a certification under subsection (a) and, for the certification described in subsection (a)(1), ending on September 14, 2011, and for the certification described in subsection (a)(2), on the 6th day after the date on which Congress receives a certification under subsection (a) (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived. The motion to proceed is not debatable. The motion is not subject to a motion to postpone. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the joint resolution shall remain the unfinished business until disposed of.

“(B) CONSIDERATION.—Consideration of the joint resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, which shall be divided equally between the majority and minority leaders or their designees. A motion further to limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the joint resolution is not in order.

“(C) VOTE ON PASSAGE.—If the Senate has voted to proceed to a joint resolution, the vote on passage of the joint resolution shall occur immediately following the conclusion of consideration of the joint resolution, and a single

quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate.

“(D) RULINGS OF THE CHAIR ON PROCEDURE.—Appeals from the decisions of the Chair relating to the application of the rules of the Senate, as the case may be, to the procedure relating to a joint resolution shall be decided without debate.

“(e) AMENDMENT NOT IN ORDER.—A joint resolution of disapproval considered pursuant to this section shall not be subject to amendment in either the House of Representatives or the Senate.

“(f) COORDINATION WITH ACTION BY OTHER HOUSE.—

“(1) IN GENERAL.—If, before passing the joint resolution, one House receives from the other a joint resolution—

“(A) the joint resolution of the other House shall not be referred to a committee; and

“(B) the procedure in the receiving House shall be the same as if no joint resolution had been received from the other House until the vote on passage, when the joint resolution received from the other House shall supplant the joint resolution of the receiving House.

“(2) TREATMENT OF JOINT RESOLUTION OF OTHER HOUSE.—If the Senate fails to introduce or consider a joint resolution under this section, the joint resolution of the House shall be entitled to expedited floor procedures under this section.

“(3) TREATMENT OF COMPANION MEASURES.—If, following passage of the joint resolution in the Senate, the Senate then receives the companion measure from the House of Representatives, the companion measure shall not be debatable.

“(4) CONSIDERATION AFTER PASSAGE.—

“(A) IN GENERAL.—If Congress passes a joint resolution, the period beginning on the date the President is presented with the joint resolution and ending on the date the President takes action with respect to the joint resolution (but excluding days when either House is not in session) shall be disregarded in computing the appropriate calendar day period described in subsection (b)(1).

“(B) VETOES.—If the President vetoes the joint resolution—

“(i) the period beginning on the day on which the President vetoes the joint resolution and returns it to the originating House (regardless of whether Congress is in session) shall be disregarded in computing the appropriate calendar day period described in subsection (b)(1); and

“(ii) debate on a veto message in the Senate under this section shall be 1 hour equally divided between the majority and minority leaders or their designees.

“(5) VETO OVERRIDE.—If within the appropriate calendar day period described in subsection (b)(1), Congress overrides a veto of the joint resolution with respect to authority exercised pursuant to paragraph (1) or (2) of subsection (a), the limit on debt provided in section 3101(b) shall not be raised, except for the \$400,000,000,000 increase in the limit provided by subsection (a)(1)(A).

“(6) SEQUESTER.— (A) If within the 60-calendar day period described in subsection (b)(1), Congress overrides a veto of the joint resolution with respect to authority exercised pursuant to paragraph (1) of subsection (a), OMB shall, immediately, sequester pro rata amounts from all discretionary and direct spending accounts as defined in section 250(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900(c)) (as in effect September 30, 2006) equal to \$400,000,000,000. No reduction of payments for net interest (functional category 900) shall be made under any order issued under this paragraph.

“(B) Section 255 of the Balanced Budget and Emergency Deficit Control Act of 1985 shall not apply to this section, except that payments for military personnel accounts (within subfunctional category 051), TRICARE for Life, Medicare (functional category 570), military retirement, Social Security (functional category 650), veterans (functional category 700), and net interest (functional category 900) shall be exempt.

“(g) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—This subsection and subsections (b), (c), (d), (e), and (f) are enacted by Congress—

“(1) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

“(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.”.

TITLE IV—JOINT SELECT COMMITTEE ON DEFICIT REDUCTION

SEC. 401. ESTABLISHMENT OF JOINT SELECT COMMITTEE.

(a) DEFINITIONS.—In this title:

(1) JOINT SELECT COMMITTEE.—The term “joint committee” means the Joint Select Committee on Deficit Reduction established under subsection (b)(1).

(2) JOINT SELECT COMMITTEE BILL.—The term “joint committee bill” means a bill consisting of the proposed legislative language of the joint committee recommended under subsection (b)(3)(B) and introduced under section 402(a).

(b) ESTABLISHMENT OF JOINT SELECT COMMITTEE.—

(1) ESTABLISHMENT.—There is established a joint select committee of Congress to be known as the “Joint Select Committee on Deficit Reduction”.

(2) GOAL.—The goal of the joint committee shall be to reduce the deficit by \$1,800,000,000,000 or more over the period of fiscal years 2012 to 2021.

(3) DUTIES.—

(A) IN GENERAL.—

(i) IMPROVING THE SHORT-TERM AND LONG-TERM FISCAL IMBALANCE.—The joint committee shall provide recommendations and legislative language that will significantly improve the short-term and long-term fiscal imbalance of the Federal Government.

(ii) RECOMMENDATIONS OF COMMITTEES.—Not later than October 14, 2011, each committee of the House of Representatives and the Senate may transmit to the joint committee its recommendations for changes in law to reduce the deficit consistent with the goal described in subsection (b)(2) for the joint committee's consideration.

(B) REPORT, RECOMMENDATIONS, AND LEGISLATIVE LANGUAGE.—

(i) IN GENERAL.—Not later than November 23, 2011, the joint committee shall vote on—

(I) a report that contains a detailed statement of the findings, conclusions, and recommendations of the joint committee and the CBO estimate required by paragraph (5)(D)(ii); and

(II) proposed legislative language to carry out such recommendations as described in subclause (I) which shall include a statement of the deficit reduction achieved by the legislation over the period of fiscal years 2012 to 2021.

Any change to the Rules of the House of Representatives or the Standing Rules of the Senate included in the report or legislative language shall be considered to be merely advisory.

(ii) APPROVAL OF REPORT AND LEGISLATIVE LANGUAGE.—The report of the joint committee and the proposed legislative language described in clause (i) shall require the approval of a majority of the members of the joint committee.

(iii) ADDITIONAL VIEWS.—A member of the joint committee who gives notice of an intention to file supplemental, minority, or additional views at the time of final joint committee vote on the approval of the report and legislative language under clause (ii), shall be entitled to 3 calendar days in which to file such views in writing with the staff director of the joint committee. Such views shall then be included in the joint committee report and printed in the same volume, or part thereof, and their inclusion shall be noted on the cover of the report. In the absence of timely notice, the joint committee report may be printed and transmitted immediately without such views.

(iv) TRANSMISSION OF REPORT AND LEGISLATIVE LANGUAGE.—If the report and legislative language are approved by the joint committee pursuant to clause (ii), then not later than December 2, 2011, the joint committee shall submit the joint committee report and legislative language described in clause (i) to the President, the Vice President, the Speaker of the

House, and the Majority and Minority Leaders of both Houses.

(v) REPORT AND LEGISLATIVE LANGUAGE TO BE MADE PUBLIC.—Upon the approval or disapproval of the joint committee report and legislative language pursuant to clause (ii), the joint committee shall promptly make the full report and legislative language, and a record of the vote, available to the public.

(4) MEMBERSHIP.—

(A) IN GENERAL.—The joint committee shall be composed of 12 members appointed pursuant to subparagraph (B).

(B) DESIGNATION.—Members of the joint committee shall be appointed as follows:

(i) The majority leader of the Senate shall appoint 3 members from among Members of the Senate.

(ii) The minority leader of the Senate shall appoint 3 members from among Members of the Senate.

(iii) The Speaker of the House of Representatives shall appoint 3 members from among Members of the House of Representatives.

(iv) The minority leader of the House of Representatives shall appoint 3 members from among Members of the House of Representatives.

(C) CO-CHAIRS.—

(i) IN GENERAL.—There shall be 2 Co-Chairs of the joint committee. The majority leader of the Senate shall appoint one Co-Chair from among the members of the joint committee. The Speaker of the House of Representatives shall appoint the second Co-Chair from among the members of the joint committee. The Co-Chairs shall be appointed not later than 14 calendar days after the date of enactment of this section.

(ii) STAFF DIRECTOR.—The Co-Chairs, acting jointly, shall hire the staff director of the joint committee.

(D) DATE.—Members of the joint committee shall be appointed not later than 14 calendar days after the date of enactment of this section.

(E) PERIOD OF APPOINTMENT.—Members shall be appointed for the life of the joint committee. Any vacancy in the joint committee shall not affect its powers, but shall be filled not later than 14 calendar days after the date on which the vacancy occurs in the same manner as the original designation. If a member of the committee leaves Congress, the member is no longer a member of the joint committee and a vacancy shall exist.

(5) ADMINISTRATION.—

(A) IN GENERAL.—To enable the joint committee to exercise its powers, functions and duties, there are authorized to be disbursed by the Senate the actual and necessary expenses of the joint committee approved by the co-chairs, subject to Senate rules and regulations.

(B) EXPENSES.—In carrying out its functions, the joint committee is authorized to incur expenses in the same manner and under the same conditions as the Joint Eco-

nomic Committee as authorized by section 11 of Public Law 79-304 (15 U.S.C. 1024 (d)).

(C) QUORUM.—7 members of the joint committee shall constitute a quorum for purposes of voting, meeting, and holding hearings.

(D) VOTING.—

(i) PROXY VOTING.—No proxy voting shall be allowed on behalf of the members of the joint committee.

(ii) CONGRESSIONAL BUDGET OFFICE ESTIMATES.—The Congressional Budget Office shall provide estimates of the legislation (as described in paragraph (3)(B)) in accordance with sections 308(a) and 201(f) of the Congressional Budget Act of 1974 (2 U.S.C. 639(a) and 601(f))(including estimates of the effect of interest payment on the debt). In addition, the Congressional Budget Office shall provide information on the budgetary effect of the legislation beyond the year 2021. The joint committee may not vote on any version of the report, recommendations, or legislative language unless such estimates are available for consideration by all members of the joint committee at least 48 hours prior to the vote as certified by the Co-Chairs.

(E) MEETINGS.—

(i) INITIAL MEETING.—Not later than 45 calendar days after the date of enactment of this section, the joint committee shall hold its first meeting.

(ii) AGENDA.—The Co-Chairs shall provide an agenda to the joint committee members not less than 48 hours in advance of any meeting.

(F) HEARINGS.—

(i) IN GENERAL.—The joint committee may, for the purpose of carrying out this section, hold such hearings, sit and act at such times and places, require attendance of witnesses and production of books, papers, and documents, take such testimony, receive such evidence, and administer such oaths the joint committee considers advisable.

(ii) HEARING PROCEDURES AND RESPONSIBILITIES OF CO-CHAIRS.—

(I) ANNOUNCEMENT.—The joint committee Co-Chairs shall make a public announcement of the date, place, time, and subject matter of any hearing to be conducted not less than 7 days in advance of such hearing, unless the Co-Chairs determine that there is good cause to begin such hearing at an earlier date.

(II) WRITTEN STATEMENT.—A witness appearing before the joint committee shall file a written statement of proposed testimony at least 2 calendar days prior to appearance, unless the requirement is waived by the Co-Chairs, following their determination that there is good cause for failure of compliance.

(G) TECHNICAL ASSISTANCE.—Upon written request of the Co-Chairs, a Federal agency shall provide technical as-

sistance to the joint committee in order for the joint committee to carry out its duties.

(c) **STAFF OF JOINT COMMITTEE.**—

(1) **IN GENERAL.**—The Co-Chairs of the joint committee may jointly appoint and fix the compensation of staff as they deem necessary, within the guidelines for Senate employees and following all applicable Senate rules and employment requirements.

(2) **ETHICAL STANDARDS.**—Members on the joint committee who serve in the House of Representatives shall be governed by the House ethics rules and requirements. Members of the Senate who serve on the joint committee and staff of the joint committee shall comply with Senate ethics rules.

(d) **TERMINATION.**—The joint committee shall terminate on January 13, 2012.

SEC. 402. EXPEDITED CONSIDERATION OF JOINT COMMITTEE RECOMMENDATIONS.

(a) **INTRODUCTION.**—If approved by the majority required by section 401(b)(3)(B)(ii), the proposed legislative language submitted pursuant to section 401(b)(3)(B)(iv) shall be introduced in the Senate (by request) on the next day on which the Senate is in session by the majority leader of the Senate or by a Member of the Senate designated by the majority leader of the Senate and shall be introduced in the House of Representatives (by request) on the next legislative day by the majority leader of the House or by a Member of the House designated by the majority leader of the House.

(b) **CONSIDERATION IN THE HOUSE OF REPRESENTATIVES.**—

(1) **REFERRAL AND REPORTING.**—Any committee of the House of Representatives to which the joint committee bill is referred shall report it to the House without amendment not later than December 9, 2011. If a committee fails to report the joint committee bill within that period, it shall be in order to move that the House discharge the committee from further consideration of the bill. Such a motion shall not be in order after the last committee authorized to consider the bill reports it to the House or after the House has disposed of a motion to discharge the bill. The previous question shall be considered as ordered on the motion to its adoption without intervening motion except 20 minutes of debate equally divided and controlled by the proponent and an opponent. If such a motion is adopted, the House shall proceed immediately to consider the joint committee bill in accordance with paragraphs (2) and (3). A motion to reconsider the vote by which the motion is disposed of shall not be in order.

(2) **PROCEEDING TO CONSIDERATION.**—After the last committee authorized to consider a joint committee bill reports it to the House or has been discharged (other than by motion) from its consideration, it shall be in order to move to proceed to consider the joint committee bill in the House. Such a motion shall not be in order after the House has disposed of a motion to proceed with respect to the joint committee bill. The previous question shall be considered as ordered on the motion to its adoption without intervening motion. A motion to reconsider the vote by which the motion is disposed of shall not be in order.

(3) CONSIDERATION.—The joint committee bill shall be considered as read. All points of order against the joint committee bill and against its consideration are waived. The previous question shall be considered as ordered on the joint committee bill to its passage without intervening motion except 2 hours of debate equally divided and controlled by the proponent and an opponent and one motion to limit debate on the joint committee bill. A motion to reconsider the vote on passage of the joint committee bill shall not be in order.

(4) VOTE ON PASSAGE.—The vote on passage of the joint committee bill shall occur not later than December 23, 2011.

(c) EXPEDITED PROCEDURE IN THE SENATE.—

(1) COMMITTEE CONSIDERATION.—A joint committee bill introduced in the Senate under subsection (a) shall be jointly referred to the committee or committees of jurisdiction, which committees shall report the bill without any revision and with a favorable recommendation, an unfavorable recommendation, or without recommendation, not later than December 9, 2011. If any committee fails to report the bill within that period, that committee shall be automatically discharged from consideration of the bill, and the bill shall be placed on the appropriate calendar.

(2) MOTION TO PROCEED.—Notwithstanding Rule XXII of the Standing Rules of the Senate, it is in order, not later than 2 days of session after the date on which a joint committee bill is reported or discharged from all committees to which it was referred, for the majority leader of the Senate or the majority leader's designee to move to proceed to the consideration of the joint committee bill. It shall also be in order for any Member of the Senate to move to proceed to the consideration of the joint committee bill at any time after the conclusion of such 2-day period. A motion to proceed is in order even though a previous motion to the same effect has been disagreed to. All points of order against the motion to proceed to the joint committee bill are waived. The motion to proceed is not debatable. The motion is not subject to a motion to postpone. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the joint committee bill is agreed to, the joint committee bill shall remain the unfinished business until disposed of.

(3) CONSIDERATION.—All points of order against the joint committee bill and against consideration of the joint committee bill are waived. Consideration of the joint committee bill and of all debatable motions and appeals in connection therewith shall not exceed a total of 30 hours which shall be divided equally between the Majority and Minority Leaders or their designees. A motion further to limit debate on the joint committee bill is in order, shall require an affirmative vote of three-fifths of the Members duly chosen and sworn, and is not debatable. Any debatable motion or appeal is debatable for not to exceed 1 hour, to be divided equally between those favoring and those opposing the motion or appeal. All time used for consideration of the joint committee bill, including time used for

quorum calls and voting, shall be counted against the total 30 hours of consideration.

(4) NO AMENDMENTS.—An amendment to the joint committee bill, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the joint committee bill, is not in order.

(5) VOTE ON PASSAGE.—If the Senate has voted to proceed to the joint committee bill, the vote on passage of the joint committee bill shall occur immediately following the conclusion of the debate on a joint committee bill, and a single quorum call at the conclusion of the debate if requested. The vote on passage of the joint committee bill shall occur not later than December 23, 2011.

(6) RULINGS OF THE CHAIR ON PROCEDURE.—Appeals from the decisions of the Chair relating to the application of the rules of the Senate, as the case may be, to the procedure relating to a joint committee bill shall be decided without debate.

(d) AMENDMENT.—The joint committee bill shall not be subject to amendment in either the House of Representatives or the Senate.

(e) CONSIDERATION BY THE OTHER HOUSE.—

(1) IN GENERAL.—If, before passing the joint committee bill, one House receives from the other a joint committee bill—

(A) the joint committee bill of the other House shall not be referred to a committee; and

(B) the procedure in the receiving House shall be the same as if no joint committee bill had been received from the other House until the vote on passage, when the joint committee bill received from the other House shall supplant the joint committee bill of the receiving House.

(2) REVENUE MEASURE.—This subsection shall not apply to the House of Representatives if the joint committee bill received from the Senate is a revenue measure.

(f) RULES TO COORDINATE ACTION WITH OTHER HOUSE.—

(1) TREATMENT OF JOINT COMMITTEE BILL OF OTHER HOUSE.—If the Senate fails to introduce or consider a joint committee bill under this section, the joint committee bill of the House shall be entitled to expedited floor procedures under this section.

(2) TREATMENT OF COMPANION MEASURES IN THE SENATE.—If following passage of the joint committee bill in the Senate, the Senate then receives the joint committee bill from the House of Representatives, the House-passed joint committee bill shall not be debatable. The vote on passage of the joint committee bill in the Senate shall be considered to be the vote on passage of the joint committee bill received from the House of Representatives.

(3) VETOES.—If the President vetoes the joint committee bill, debate on a veto message in the Senate under this section shall be 1 hour equally divided between the majority and minority leaders or their designees.

(g) LOSS OF PRIVILEGE.—The provisions of this section shall cease to apply to the joint committee bill if—

(1) the joint committee fails to vote on the report or proposed legislative language required under section 201(b)(3)(B)(i) by November 23, 2011; or

(2) the joint committee bill does not pass both Houses by December 23, 2011.

SEC. 403. FUNDING.

Funding for the joint committee shall be derived in equal portions from—

- (1) the applicable accounts of the House of Representatives; and
- (2) the contingent fund of the Senate from the appropriations account “Miscellaneous Items”, subject to Senate rules and regulations.

SEC. 404. RULEMAKING.

The provisions of this title are enacted by Congress—

- (1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and
- (2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

TITLE V—PELL GRANT AND STUDENT LOAN PROGRAM CHANGES

SEC. 501. FEDERAL PELL GRANTS.

Section 401(b)(7)(A)(iv) of the Higher Education Act of 1965 (20 U.S.C. 1070a(b)(7)(A)(iv)) is amended—

- (1) in subclause (II), by striking “\$3,183,000,000” and inserting “\$12,183,000,000”; and
- (2) in subclause (III), by striking “\$0” and inserting “\$8,000,000,000”.

SEC. 502. TERMINATION OF AUTHORITY TO MAKE INTEREST SUBSIDIZED LOANS TO GRADUATE AND PROFESSIONAL STUDENTS.

Section 455(a) of the Higher Education Act of 1965 (20 U.S.C. 1087e(a)) is amended by adding at the end the following new paragraph:

“(3) TERMINATION OF AUTHORITY TO MAKE INTEREST SUBSIDIZED LOANS TO GRADUATE AND PROFESSIONAL STUDENTS.—

“(A) IN GENERAL.—Subject to subparagraph (B) and notwithstanding any provision of this part or part B, for any period of instruction beginning on or after July 1, 2012—

“(i) a graduate or professional student shall not be eligible to receive a Federal Direct Stafford loan under this part; and

“(ii) the maximum annual amount of Federal Direct Unsubsidized Stafford loans such a student may borrow in any academic year (as defined in section 481(a)(2)) or its equivalent shall be the maximum annual amount for such student determined under section 428H, plus an amount equal to the amount of

Federal Direct Stafford loans the student would have received in the absence of this subparagraph.

“(B) EXCEPTION.—Subparagraph (A) shall not apply to an individual enrolled in course work specified in paragraph (3)(B) or (4)(B) of section 484(b).”.

SEC. 503. TERMINATION OF DIRECT LOAN REPAYMENT INCENTIVES.

Section 455(b)(8) of the Higher Education Act of 1965 (20 U.S.C. 1087e(b)(8)) is amended—

(1) in subparagraph (A)—

(A) by amending the header to read as follows: “(A) INCENTIVES FOR LOANS DISBURSED BEFORE JULY 1, 2012.—”; and

(B) by inserting “with respect to loans for which the first disbursement of principal is made before July 1, 2012,” after “of this part”;

(2) in subparagraph (B), by inserting “with respect to loans for which the first disbursement of principal is made before July 1, 2012” after “repayment incentives”; and

(3) by adding at the end the following new subparagraph:

“(C) NO REPAYMENT INCENTIVES FOR NEW LOANS DISBURSED ON OR AFTER JULY 1, 2012.—Notwithstanding any other provision of this part, the Secretary is prohibited from authorizing or providing any repayment incentive not otherwise authorized under this part to encourage on-time repayment of a loan under this part for which the first disbursement of principal is made on or after July 1, 2012, including any reduction in the interest or origination fee rate paid by a borrower of such a loan, except that the Secretary may provide for an interest rate reduction for a borrower who agrees to have payments on such a loan automatically electronically debited from a bank account.”.

SEC. 504. INAPPLICABILITY OF TITLE IV NEGOTIATED RULEMAKING AND MASTER CALENDAR EXCEPTION.

Sections 482(c) and 492 of the Higher Education Act of 1965 (20 U.S.C. 1089(c), 1098a) shall not apply to the amendments made by this title, or to any regulations promulgated under those amendments.

Amend the title so as to read: “A bill to cut and cap spending, require a vote on a balanced budget constitutional amendment, meet existing commitments, and facilitate the enactment of a bipartisan plan to reduce the deficit, and for other purposes.”.

PART B—TEXT OF AMENDMENT CONSIDERED AS ADOPTED

Page 13, line 5, strike “and \$1,262,000,000,000 in outlays,”.

Page 13, line 11, strike “and \$1,196,000,000,000 in outlays,”.

Page 17, line 7, insert “s” immediately before the colon.

Page 17, line 18, strike the closed quotation mark and the period at the end, and insert the following:

“(e) ENFORCEMENT OF DISCRETIONARY SPENDING CAPS.—

It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would cause the discretionary spending limits as set forth in section 251 of

the Balanced Budget and Emergency Deficit Control Act to be exceeded.”.

Page 18, after line 22, add the following new subsection:

(d) APPEALS FOR DISCRETIONARY CAPS.—Section 904(c)(2) of the Congressional Budget Act of 1974 is amended by striking “and 312(c)” and inserting “312(c), and 314(e)”.

Page 27, line 9, strike “receipt of the certification” and insert “introduction of a joint resolution”.

Page 27, line 19, strike “Congress receives a certification” and insert “introduction of a joint resolution”.

Page 32, strike line 6 through page 33, line 4 and insert the following:

“(4) CONSIDERATION AFTER PASSAGE.—(A) If Congress passes a joint resolution, the period beginning on the date the President is presented with the joint resolution and ending on the date the President signs, allows to become law without his signature, or vetoes and returns the joint resolution (but excluding days when either House is not in session) shall be disregarded in computing the appropriate calendar day period described in subsection (b)(1).

“(B) debate on a veto message in the Senate under this section shall be 1 hour equally divided between the majority and minority leaders or their designees.”.