

PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 2576) TO AMEND THE INTERNAL REVENUE CODE OF 1986 TO MODIFY THE CALCULATION OF MODIFIED ADJUSTED GROSS INCOME FOR PURPOSES OF DETERMINING ELIGIBILITY FOR CERTAIN HEALTHCARE-RELATED PROGRAMS, AND PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 674) TO AMEND THE INTERNAL REVENUE CODE OF 1986 TO REPEAL THE IMPOSITION OF 3 PERCENT WITHHOLDING ON CERTAIN PAYMENTS MADE TO VENDORS BY GOVERNMENT ENTITIES

OCTOBER 25, 2011.—Referred to the House Calendar and ordered to be printed

Mr. SCOTT of South Carolina, from the Committee on Rules,
submitted the following

R E P O R T

[To accompany H. Res. 448]

The Committee on Rules, having had under consideration House Resolution 448, by a record vote of 8 to 2, 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 the bill (H.R. 2576) to amend the Internal Revenue Code of 1986 to modify the calculation of modified adjusted gross income for purposes of determining eligibility for certain healthcare-related programs, under a closed rule. The resolution provides one hour of debate on H.R. 2576, equally divided and controlled by the chair and ranking minority member of the Committee on Ways and Means. The resolution waives all points of order against consideration of the bill, and provides that it shall be considered as read. The resolution waives all points of order against provisions in the bill. The resolution provides one motion to recommit H.R. 2576.

The resolution further provides for consideration of the bill (H.R. 674) to amend the Internal Revenue Code of 1986 to repeal the imposition of 3 percent withholding on certain payments made to vendors by government entities, under a closed rule. The resolution provides one hour of debate on H.R. 674 equally divided and controlled by the chair and ranking minority member of the Committee on Ways and Means. The resolution waives all points of order against consideration of the bill. The resolution provides that

the amendment to H.R. 674 printed in this report shall be considered as adopted and that 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 H.R. 674 with or without instructions.

The resolution directs the Clerk to, in the engrossment of H.R. 674, add the text of H.R. 2576, as passed by the House, as new matter at the end of H.R. 674. The resolution also directs the Clerk to make conforming modifications in the engrossment. Finally, the resolution provides that upon the addition of the text of H.R. 2576, as passed by the House, to the engrossment of H.R. 674, H.R. 2576 shall be laid on the table.

EXPLANATION OF WAIVERS

Although the rule waives all points of order against consideration of H.R. 2576, the Committee is not aware of any points of order against the bill. The waiver is prophylactic in nature.

Although the rule waives all points of order against provisions in H.R. 2576, the Committee is not aware of any points of order against the provisions in the bill. The waiver is prophylactic in nature.

The waiver of all points of order against consideration of H.R. 674 includes a waiver of section 303(a) of the Congressional Budget Act, which prohibits the consideration of legislation providing new budget authority, change in revenues, change in public debt, new entitlement authority, or new credit authority for a fiscal year until the budget resolution for that fiscal year has been agreed to. The bill is in violation because the first revenue change made by the bill takes effect in 2013 and a budget for fiscal year 2013 has yet to be adopted.

The waiver of all points of order against consideration of H.R. 674 includes a waiver of section 311(a) of the Congressional Budget Act, which prohibits consideration of legislation or an amendment that would cause the total level of new budget authority or outlays in the most recent budget resolution to be exceeded, or would cause revenues to be less. The bill would cause a decrease in revenues as assumed in the most recent budget resolution and is therefore in violation of section 311(a).

Although the rule waives all points of order against provisions in H.R. 674, as amended, the Committee is not aware of any points of order against the provisions in the bill, as amended. The waiver is prophylactic in nature.

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. 142

Motion by Mr. McGovern to report open rules for both H.R. 2576 and H.R. 674. Defeated: 2–8.

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

Rules Committee record vote No. 143

Motion by Mr. McGovern to amend the rule to make in order and provide the necessary waivers for Amendment #2 to H.R. 2576 offered by Mr. Levin (D–MI), which would strike the text of the underlying bill, repeal the 3 percent withholding requirement in section 3402 of the Internal Revenue Code, and repeal the section 199 manufacturing deduction for major integrated oil and gas companies. Defeated: 2–8.

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

Rules Committee record vote No. 144

Motion by Mr. Sessions to report the rule. Adopted: 8–2.

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

SUMMARY OF AMENDMENT TO H.R. 674 CONSIDERED AS ADOPTED

Camp (MI): Would add, as a new section 1, a short title to the bill—the “3% Withholding Repeal and Job Creation Act”—and would re-designate section 1 as section 2.

TEXT OF AMENDMENT TO H.R. 674 CONSIDERED AS ADOPTED

Page 3, after line 2, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “3% Withholding Repeal and Job Creation Act”.

Page 3, line 3, strike “**SECTION 1.**” and insert “**SEC. 2.**”.