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 consid-
ered 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 re-
commit 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 na-
ture.

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

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.

<table>
<thead>
<tr>
<th>Majority Members</th>
<th>Vote</th>
<th>Minority Members</th>
<th>Vote</th>
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<tbody>
<tr>
<td>Mr. Sessions</td>
<td>Nay</td>
<td>Mr. McGovern</td>
<td>Yea</td>
</tr>
<tr>
<td>Ms. Fox</td>
<td>Nay</td>
<td>Mr. Hastings of Florida</td>
<td>Yea</td>
</tr>
<tr>
<td>Mr. Bishop of Utah</td>
<td>Nay</td>
<td>Mr. Woodall</td>
<td>Nay</td>
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<tr>
<td>Mr. Woodall</td>
<td>Nay</td>
<td>Mr. Nugent</td>
<td>Nay</td>
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<tr>
<td>Mr. Scott of South Carolina</td>
<td>Nay</td>
<td>Mr. Webster</td>
<td>Nay</td>
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<tr>
<td>Mr. Dreier, Chairman</td>
<td>Nay</td>
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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.

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Rules Committee record vote No. 144
Motion by Mr. Sessions to report the rule. Adopted: 8–2.

<table>
<thead>
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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.”.