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2d Session

HOUSE OF REPRESENTATIVES

REPT. 112–364
Part 1

EXPEDITED LINE-ITEM VETO AND RESCISSIONS ACT OF 2011

R E P O R T

OF THE

COMMITTEE ON THE BUDGET
HOUSE OF REPRESENTATIVES

TO ACCOMPANY

H.R. 3521

together with

ADDITIONAL AND DISSENTING VIEWS

JANUARY 17, 2012.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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WASHINGTON : 2012

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EXPEDITED LINE-ITEM VETO AND RESCISSIONS ACT OF 2011

JANUARY 17, 2012.—Ordered to be printed

Mr. RYAN of Wisconsin, from the Committee on the Budget, submitted the following

R E P O R T

together with

ADDITIONAL AND DISSENTING VIEWS

[To accompany H.R. 3521]

[Including cost estimate of the Congressional Budget Office]

The Committee on the Budget, to whom was referred the bill (H.R. 3521) to amend the Congressional Budget and Impoundment Control Act of 1974 to provide for a legislative line-item veto to expedite consideration of rescissions, and for other purposes, having considered the same, reports favorably thereon with amendments and recommends that the bill as amended do pass.

The amendments (stated in terms of the page and line numbers of the introduced bill) are as follows:

Page 1, line 4, insert "Legislative" after "Expedited".

Page 2, line 4, strike "(a) IN GENERAL.—".

Page 2, line 7, insert "transferred and" before "redesignated".

Page 2, line 9, strike "inserting" and insert "by inserting after part A".

Page 14, line 13, strike "means" and insert "mean".

Page 16, strike lines 24 through 26 and insert the following:

"EXPIRATION

"SEC. 1016. On December 15, 2015, the amendments made by the Expedited Legislative Line-Item Veto and Re-

scissions Act of 2011 shall be replaced by the provisions of part B of the Impoundment Control Act of 1974 as in effect immediately before the date of enactment of the Expedited Legislative Line-Item Veto and Rescissions Act of 2011.".

Page 17, line 13, insert "Legislative" after "Expedited".

Page 17, line 17, insert "in section 1018 (as redesignated) is amended" after "and" the second place it appears.

Introduction

The fiscal and economic challenges facing the nation are immense. This bipartisan legislation takes a modest step to strengthen the budget process by giving the President and the Congress a mechanism to reduce low-priority spending to reduce the deficit. The "Expedited Legislative Line-Item Veto and Rescissions Act of 2011" provides an important tool to reevaluate certain spending, while also protecting Congressional authority to make spending decisions. The Act allows the President to identify certain spending amounts within an appropriations bill and recommend those provisions be rescinded. It then expedites the consideration of a rescission of those particular amounts by Congress. Should Congress choose to rescind the spending, the reductions in spending are devoted to deficit reduction.

Summary of Proposed Changes

Presidential Rescission Proposals

Within 45 days of the enactment of an appropriation act, the President may transmit a special message to Congress proposing to cancel an amount of discretionary budget authority. The President may transmit one or two special messages for any appropriations measure.

Congressional Procedures for Expedited Consideration

Legislation implementing the proposed cancellations receives expedited consideration in both the House of Representatives and the Senate and provides for a vote without amendment.

Presidential Authority to Withhold Funds

The President may withhold funds from obligation for up to 45 days, pending consideration of the rescission proposals related to that spending.

Spending Reductions Dedicated to Deficit Reduction

All cancellations of spending resulting from the enactment of an approval bill pursuant to the expedited procedures set forth in this Act are dedicated to deficit reduction. It requires the statutory discretionary spending caps to be adjusted downward to reflect those spending reductions. Committee allocations are then adjusted downwards by the same amount by the Chairmen of the Budget Committees to reflect these reductions.

Approval Bill

The Presidential special message to Congress must contain certain information. It must include the dollar amount to be rescinded; the account, bureau, and agency from which the rescission occurs; and the amount of funding that would remain, if any. The message must also include the text of the bill Congress will consider to rescind the specified funding, known as the approval bill. The President may choose to send two separate messages for a single appropriations measure, but may not include the same rescission proposal in both messages.

LEGISLATIVE HISTORY

From the beginning of the Nation, Presidents deferred or refused to spend funds provided by Congress. The President's refusal to spend funds appropriated by Congress was frequently referred to as "impoundments." As noted by Charles J. Cooper in testimony to the Budget Committee: "[I]n the first Congress, President Washington was given discretionary spending authority in at least three appropriations bills to spend as little or as much as he pleased, up to the limit of those spending authorities; and the remainder that was left over, if he didn't spend it all, would, of course, be restored to the Treasury." (Testimony of Charles J. Cooper, June 8, 2006).

In the 1970s, President Richard M. Nixon imposed a moratorium on subsidized housing programs, targeted certain farm programs for elimination, and suspended community development activities. He also vetoed the Clean Water Act, and although Congress overrode the veto, he subsequently impounded the funds to implement the Act.

Congress responded by enacting the Impoundment Control Act (Title X of the Congressional Budget and Impoundment Control Act of 1974, or ICA). The ICA was a compromise to allow the President to impound funds but also provide a statutory framework to permit the Congress to review impoundment actions by the President. It permitted the President to delay the expenditure of funds (deferral authority) and to cancel funds (rescission authority). The President was required to inform Congress of all proposed deferrals and rescissions and to submit specified information, but such authority was limited under the Act.

A rescission requested by the President required approval by both the House and the Senate within 45 days of continuous session or else funds were required to be made available for obligation.

These presidential authorities, currently in law, are rarely used because the process has proved to be ineffective: nothing requires Congress to act. Congress can simply ignore presidential proposals for rescissions.

Numerous proposals have been introduced in Congress to modify the rescission framework, culminating in the passage of "The Line Item Veto Act of 1996."

"The Line Item Veto Act of 1996"

Early in the 104th Congress, plans for an expanded rescission measure began moving forward.

On January 4, 1995, H.R. 2, the Line Item Veto Act, was introduced in the House. The bill granted the President line-item veto rescission authority. The President was authorized to rescind all or part of any discretionary budget authority, direct spending item, or any targeted tax benefit if it was determined that such rescission would help reduce the Federal budget deficit, would not impair any essential Government functions, and would not harm the national interest.

It required the President to notify Congress by special message of a rescission or veto after enactment of an act providing budget authority or a revenue or reconciliation act containing a targeted tax benefit.

H.R. 2, as amended, passed the House on February 6, 1995, by a vote of 294 ayes to 134 noes.

The House and Senate struck a compromise implementing a line-item veto bill, which was signed into law on April 9, 1996 (Public Law 104–130), with an effective date of January 1, 1997.

The constitutionality of the Line Item Veto Act of 1996 was soon challenged. The Supreme Court decided in a 6–3 decision (Clinton v. City of New York, 524 U.S. 417 (1998)) that a law permitting the President to cancel provisions of enacted law violated the Constitution's presentment clause (Article I, Section 7, Clauses 2 and 3). The Congress began a renewed effort to find a constitutional formulation but none of the proposals has been enacted into law.

"Expedited Legislative Line-Item Veto and Rescissions Act of 2011"

H.R. 3521, the Expedited Legislative Line-Item Veto and Rescissions Act of 2011 was introduced by Chairman Paul Ryan and cosponsored by Ranking Member, Chris Van Hollen on November 30, 2011. Under the bill the President is authorized to send to Congress a request for a rescission of discretionary spending Congress must consider.

To cancel spending, Congress must vote to approve a joint resolution including provisions that rescind funds and this join resolution must become law before these rescissions take effect. The President has the authority to defer spending for 45 days while Congress considers his recommendations. If Congress votes to reject the rescissions, the funding must be obligated.

The bill establishes expedited procedures to accelerate Congressional consideration of the President's proposal. The President transmits proposed rescissions to Congress, and the majority leader or minority leader in each House introduces a joint resolution implementing the President's proposed rescissions within three days of the President's transmittal. The introduced bill is referred to the committee of jurisdiction, and must be reported without substantive change. (If the committee fails to act within five legislative days of introduction, it is discharged from consideration.)

On the floor of both the House and the Senate, the resolution is highly privileged, and debate is limited to 10 hours in the Senate and four hours in the House. A vote on final passage occurs within 10 days of the bill's introduction.

The President's authority to propose rescissions applies only to discretionary spending.

The President may propose to rescind dollar amounts of discretionary spending. This means the President may propose to rescind all or part of any dollar amount that is: provided through the annual appropriations process, as specified in an appropriations law; required to be allocated by an appropriations law despite the absence of a specific dollar amount in the law; or represented in a table, chart, or text in the committee report or joint statement of managers accompanying the law.

CONSTITUTIONAL ISSUES

The principal doctrines to consider in examining possible challenges to the Expedited Legislative Line-Item Veto and Rescissions Act of 2011 are "delegation of authority" and "the presentment clause." These issues were examined in the challenge to the Line Item Veto Act of 1996, which was ultimately found unconstitutional for violating the presentment clause.

The delegation doctrine maintains that broad delegations of authority to the administrative branch of government are unconstitutional. The delegation doctrine is a fundamental separation of powers principle that requires the legislative branch to make the laws.

The presentment clause contained in Article I, section 7 of the Constitution requires every bill passed by the House and Senate (bicameral passage), before becoming law, to be presented to the President, and, if the President disapproves, to be passed again by two-thirds of the Senate and House.

Before the 1996 Line Item Veto Act was struck down, President Clinton used his veto authority a total of 82 times. The constitutionality of the veto authority was challenged in Clinton v. City of New York, 524 U.S. 417 (1998). The case raised the question of whether or not a cancellation of an item of direct spending in the Balanced Budget Act of 1997, and a limit on a tax benefit in the Taxpayer Relief Act of 1997—both of which had already been enacted into law—constituted a violation of the Constitution's presentment clause. The Court determined that the actions of the President prevented one section of the Balanced Budget Act of 1997, and one section of the Taxpayer Relief Act of 1997, from having legal force and effect. From the Court's perspective, the President had amended two acts of Congress by repealing a portion of each, and "repeal of statutes, no less than enactment, must conform with Article I," INS v. Chadha, 462 U.S. 919, 954, 103 S.Ct. 2764, 2785–2786.

The Court emphasized that, to conform to presentment clause, the statutory repeals must conform to the "single, finely wrought and exhaustively considered, procedure" for enacting a law. The Court determined that the cancellation procedures of the Line Item Veto Act did not conform to the tenets of the presentment clause and that nothing in the Constitution authorized the President to amend or repeal a statute, or portions of a statute, unilaterally.

Delegation of Powers. The Expedited Legislative Line-Item Veto and Rescissions Act of 2011 may engage the delegation concept: the direct influence in the legislative process given to the executive branch.

The President, by the terms of the Constitution, is not formally involved in the legislative process. However, the line between legislative and executive is not a clear one: The President may sign legislation or veto it, causing additional Congressional action to override that veto. The Vice President presides over the Senate, and, under certain unusual circumstances, votes. The President proposes legislation often and submits a budget—as required by Congress—on an annual basis.

The question is whether this Act provides the President an undue amount of influence in the legislative process. In this case, the President is allowed to provide to the Congress a proposed list of legislative items in an enacted bill that the President believes should be reconsidered. This Act would not permit the President to repeal any duly-enacted statute nor would it force any congressional outcome. The bill provides rules to ensure consideration of this limited category of the President's proposals on the floor of the House or the Senate, and the Congress is free to reject the President's proposal.

Presentment Clause. The Expedited Legislative Line-Item Veto and Rescissions Act of 2011 is specifically designed to avoid violating the presentment clause. With the 1996 Line Item Veto Act, that clause, as delineated in the Court case previously cited, was violated because a duly enacted statute was effectively being amended by the President without congressional approval. This Act would only allow the President to propose that a particular amount be rescinded—the President cannot rescind funding unilaterally. To invalidate budgetary resources under this Act requires an act of Congress and the assent of the President, the same as any other law enacted pursuant to the Constitution of the United States.

SECTION BY SECTION

Section 1. Short Title

This section provides for the short title of the Act: "Expedited Legislative Line-Item Veto and Rescissions Act of 2011."

Section 2. Congressional Consideration of Proposed Rescissions and Deferrals of Budget Authority and Obligation Limitations

This section amends Title X of the Congressional Budget Act of 1974 by—

– Striking Part B (except for sections 1015, 1016, and 1013 which are redesignated as sections 1017, 1018, and 1019);
– Striking Part C; and
– Inserting the following new sections:

SEC. 1011. PROPOSED RESCISSIONS

Subsection (a) provides that within 45 days of enactment of any bill or joint resolution the President may propose (in the manner provided below) the rescission of all or part of any amount of funding.

Subsection (b) requires any rescission to be transmitted in a special message to Congress pursuant to the specifications below:

– Packaging of Requested Rescissions. The President may submit up to two packages of rescissions per appropriations bill, or any

other appropriations measure (omnibus, supplemental, or continuing resolution). The President is prohibited from including the same rescission in both packages and the rescissions can only apply to funding contained in that legislation.

– Transmittal. The President must deliver each message requesting a package of rescissions to the Secretary of the Senate if the Senate is not in session and to the Clerk of the House of Representatives if the House is not in session. The transmittal message must also be publicly available.

– Contents of Special Message. This special message must specify—

– The dollar amount to be rescinded;

– The agency, bureau, and account from which the rescission shall occur;

– The program, project, or activity within the account; the amount of funding, if any, that would remain for the account, program, project, or activity;

– The reasons for the rescission; the estimated fiscal, economic, and budgetary effects of the rescission; and

– The facts surrounding the consideration of the rescission in the special message. If a second special message is transmitted there must be an explanation of why the proposed rescissions differ from the first package of rescissions.

The special message must also designate each separate rescission by number and include legislative text for an "Approval Bill", as defined under section 1015, to accomplish the rescission. The special message may not include any changes to existing law beyond the rescission of funds in the relevant appropriations measure.

SEC. 1012. PRESIDENTIAL AUTHORITY TO WITHHOLD FUNDING

If the President proposes a rescission of funding, the President may (subject to the time limits below) temporarily withhold funding from obligation but only once per proposed rescission (except as provided in section 1019). The President may withhold until the earliest of: the day on which the President determines the continued withholding no longer advances the purpose of the approval bill; the 45th day following the date of enactment of the appropriations measure; or the last day the President determines that the purpose of the funding could not be accomplished before the authority to spend the funds would expire.

All rescinded funds must go towards reducing the deficit. No later than five days after the enactment of an approval bill, the chairs of the Budget Committee in the House and Senate must revise the allocations and aggregates as well as other appropriate levels under the concurrent resolution on the budget. In addition, the Appropriations Committee must report revised sub allocations pursuant to section 302 (b) of the Congressional Budget Act.

After enactment of an approval bill the President must revise applicable limits under the Balanced Budget and Emergency Deficit Control Act of 1985 by the amount of the rescission to dedicate the savings to deficit reduction.

SEC. 1013. EXPEDITED CONSIDERATION

A special message received by Congress is referred to the Budget and Appropriations Committees in the House and Senate.

The majority or minority leader introduces an approval bill within 3 days, or if the House is not in session, the next day of session. If an approval bill is not introduced, then any member of the House may introduce one and that measure receives privileged treatment.

Under the Act, only the Appropriations Committee has jurisdiction over an approval bill, it must report the approval bill without amendment favorably, unfavorably, or without recommendation, no later than the fifth day after the referral. If the committee fails to report, the bill is automatically discharged.

As soon as practicable after referral, the Congressional Budget Office prepares for the Appropriations and Budget Committees an estimate of the reduction in budget authority and outlays caused by the approval bill.

Within three days after an approval bill is reported or discharged in the House, it shall be in order for any Member to announce the intention to move to proceed to consider the approval bill. The motion to proceed is in order only during a time designated by the Speaker within the legislative schedule for the next two days. The motion to proceed is not in order if the House disposes of a prior motion to proceed on the bill.

The previous question is considered as ordered without an intervening motion, and a motion to reconsider the vote by which the motion to proceed is disposed of shall not be in order. If the motion to proceed is agreed to, the House shall immediately consider the approval bill without intervening motion and the bill will remain the unfinished business of the House until disposed of.

The approval bill is considered as read and all points of order against the approval bill or its consideration are waived. The previous question shall be considered as ordered. Debate on the approval bill is limited to 4 hours, equally divided. A motion to reconsider shall not be in order.

An approval bill received in the Senate is referred to the Committee on Appropriations. The committee must report the bill without amendment, favorably, unfavorably, or without recommendation, but not later than five days after the referral.

On the following day, three subsequent days, or the next day of session (if the Senate is not in session) it shall be in order for any Senator to move to proceed to consider. The motion is non-debatable and the motion to reconsider is deemed to have been laid on the table. The motion is not in order after the Senate has disposed of a prior motion to proceed with respect to the approval bill. If a motion to proceed is agreed to, the Senate shall immediately proceed to consideration without an intervening motion. The motion shall remain the unfinished business until disposed of. Consideration in the Senate on the approval bill is limited to 10 hours, equally divided; a motion to further limit debate is not debatable. All points of order are waived and any debatable motion or appeal shall be limited to not more than one hour of debate equally divided. A motion to recommit or reconsider the vote is not in order.

No amendments are in order during the consideration of the approval bill.

SEC. 1014. TREATMENT OF RESCISSIONS

Rescissions proposed by the President only take effect upon enactment an approval bill. If the approval bill isn't enacted within 45 days from the enactment of the appropriations act, it is no longer eligible for expedited consideration.

SEC. 1015. DEFINITIONS

Paragraph (1): *Appropriation Measure.* The term "appropriation measure" means an Act referred to in section 105 of title 1, United States Code, including any general or special appropriation Act, supplemental, deficiency, or continuing appropriations, signed into law.

Paragraph (2): *Approval Bill.* The term "approval bill" means a bill that only approves rescissions of funding in a special message transmitted by the President and—

(A) The title of the approval bill is as follows: "A bill approving the proposed rescissions transmitted by the President on _____," the blank space being filled in with the date of transmission of the relevant special message and the public law number to which it relates; and

(B) Which provides only the following after the enacting clause: "That the Congress approves the proposed rescissions _____," the blank space being filled in with the list of the rescissions contained in the President's special message, "as transmitted by the President in a special message on," the blank space being filled in with the appropriate date, "regarding _____," the blank space being filled in with the public law number to which the special message relates.

Paragraph (3): *Day.* The term "day" means a standard 24-hour period beginning at midnight and excluding Sundays, legal holidays, and any other day during which neither chamber of Congress is in session.

Paragraph (4): *Rescind or Rescission.* The terms "rescind or rescission" mean to permanently cancel or prevent budgetary resources, including budget authority or obligation limitation, from having force or effect.

Paragraph (5): *Congressional Budget Office.* The term "CBO" means the Director of the Congressional Budget Office.

Paragraph (6): *Comptroller General.* The term means the Comptroller General of the United States.

Paragraph (7): *Deferral of Budget Authority.* The term includes—

(A) Withholding or delaying the obligations or expenditure of budget authority (whether by establishing reserves or otherwise) provided for projects or activities; or

(B) Any other type of Executive action or inaction which effectively precludes the obligation or expenditure of budget authority, including authority to obligate by contract in advance of appropriations as specifically authorized by law.

Paragraph (8): *Funding.*

(A) Except as described in subparagraph (B), the term "funding" means all or part of the dollar amount of budget authority or obligation limit—

(i) Specified in an appropriation measure, or the dollar amount of budget authority or obligation limit required to be allocated by a specific proviso in an appropriation measure for which a specific dollar figure was not included;

(ii) Represented separately in any table, chart, or explanatory text included in the statement of managers or the governing committee report accompanying such law; or

(iii) Represented by the product of the estimated procurement cost and the total quantity of items specified in an appropriation measure or included in the statement of managers or the governing committee report accompanying such law.

(B) Funding does not include—

(i) Direct spending;

(ii) Budget authority in an appropriation measure that funds direct spending provided for in other law;

(iii) Any existing budget authority cancelled in an appropriation measure; or

(iv) Any restriction or condition in an appropriation measure or the accompanying statement of managers or committee reports on the expenditure of budget authority for an account, program, project, or activity or on activities involving such expenditure. This provision is designed to preclude the President from proposing provisions in appropriations laws that limit or prevent the President from spending funds on a certain activity. This provision is not intended to cover a restriction or condition that would force the President to spend funds in the relevant appropriations measure on a particular program, project, or activity. Under the bill, those funds would be eligible for rescission under the procedures of this Act.

Paragraph (9): *Withhold.* The term "withhold" applies to any executive action or inaction that precludes the obligation of funding at a time when it would otherwise have been available to an agency for obligation. The term does not include administrative preparatory actions undertaken prior to obligation in the normal course of implementing budget laws.

SEC. 1016. EXPIRATION

The Expedited Legislative Line-Item Veto and Rescissions Act of 2011 expires on December 31, 2015, and is replaced by Part B of the Impoundment Control Act as in effect prior to the enactment of these amendments.

Section 3. Technical and Conforming Amendments

Subsection (a) makes certain technical amendments to Section 904 of the Congressional Budget Act of 1974.

Subsection (b) sets out certain clerical amendments and redesignates certain sections of the Congressional Budget Act of 1974. The subsection also revises the table of contents set forth in section 1(b) of the Congressional Budget Act of 1974 as follows:

PART B—CONGRESSIONAL CONSIDERATION OF PROPOSED RESCISSIONS AND DEFERRALS OF BUDGET AUTHORITY AND OBLIGATION LIMITATION

Sec. 1011. Congressional consideration of proposed rescissions and deferrals of budget authority and obligation limitations
Sec. 1012. Grants of and limitations on presidential authority.
Sec. 1013. Procedures for expedited consideration.
Sec. 1014. Treatment of rescissions.
Sec. 1015. Definitions.
Sec. 1016. Expiration.
Sec. 1017. Reports by Comptroller General.
Sec. 1018. Suits by Comptroller General.
Sec. 1019. Proposed deferrals of budget authority.

Section. 4. Approval Measures Considered

The section amends Section 314 of the Congressional Budget Act of 1974 requiring that, whenever an approval bill passes the House, the Budget Committee must immediately reduce the applicable allocations under 302(a) of the Congressional Budget Act of 1974 by the amount of the rescission.

HEARINGS

In 2006, the House Budget Committee held two hearings to discuss the application and constitutionality of the line-item veto.

The first hearing, Line-Item Veto—Perspectives on Applications and Effects was held on May 25, 2006. Patrick J. Toomey (Club for Growth), Thomas A. Schatz (Citizens Against Government Waste), Edward Lorenzen (Concord Coalition) and James R. Horney (Center on Budget and Policy Priorities) testified.

The second hearing, Line-Item Veto—Constitutional Issues was held on June 6, 2006. Charles J. Cooper (Cooper & Kirk, PLLC), Viet D. Dinh (Georgetown Law Center), and Louis Fischer (Library of Congress) testified.

In 2008, the House Budget Committee held a hearing on budget process reform proposals. The hearing, Budget Reform Proposals for the 111th Congress, was held on September 25, 2008. Maya MacGuineas (Committee for a Responsible Federal Budget), Richard Kogan (Center on Budget and Policy Priorities) and Dr. C. Eugene Steuerle (Peter G. Peterson Foundation) testified.

In 2010, the House Budget Committee held a hearing on the President's expedited rescission proposal. The hearing, the Administration's Expedited Rescission Proposal, was held on June 17, 2010. Jeffrey Liebman (Office of Management and Budget) testified.

In 2011, the House Budget Committee held two budget process reform hearings to examine the budget process.

The first hearing, the Broken Budget Process: Perspectives From Former CBO Directors, was held on September 21, 2011, with former CBO Directors Rudolph Penner and Alice Rivlin testifying.

The second hearing, the Broken Budget Process: Perspectives From Budget Experts, was held on September 22, 2011, with Philip Joyce (University of Maryland), the Honorable Jim Nussle (Chairman of the Committee on the Budget, 2001 through 2007, United

States House of Representatives) and the Honorable Phil Gramm (former United States Senator, 1985–2002) testifying.

VOTES OF THE COMMITTEE

Clause 3(b) of House Rule XIII requires each committee report to accompany any bill or resolution of a public character to include the total number of votes cast for and against each roll call vote, on a motion to report and any amendments offered to the measure or matter, together with the names of those voting for and against.

Listed below are the actions taken in the Committee on the Budget of the House of Representatives on the Expedited Legislative Line-Item Veto and Rescissions Act of 2011.

On December 15, 2011, the committee met in open session, a quorum being present.

Chairman Ryan asked unanimous consent to be authorized, consistent with clause 4 of House Rule XVI, to declare a recess at any time during the committee meeting.

There was no objection to the unanimous consent request.

Chairman Ryan asked unanimous consent to dispense with the first reading of the bill and the bill be considered as read and open to amendment at any point.

There was no objection to the unanimous consent request.

The committee adopted and ordered reported the Expedited Legislative Line-Item Veto and Rescissions Act of 2011.

The committee took the following votes:

Amendment Offered by Mr. Van Hollen

1. This amendment made technical changes to H.R. 3521 by inserting the word "Legislative" into the title and providing that the Expedited Legislative Line-Item Veto and Rescissions Act of 2011 is replaced by Part B of the Impoundment Control Act upon expiration on December 31, 2015.

The amendment was agreed to by voice vote.

Amendment Offered by Mr. Simpson

2. This amendment provided for the inclusion of cancellation of targeted tax benefits and items of direct spending along with the rescission of discretionary budget authority.

The amendment was not agreed to by a roll call vote of 9 ayes and 24 noes.

VOTE NO. 2

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
RYAN (WI) (Chairman)		X		VAN HOLLEN (MD) (Ranking)		X	
GARRETT (NJ)		X		SCHWARTZ (PA)			
SIMPSON (ID)	X			KAPTUR (OH)	X		
CAMPBELL (CA)				DOGGETT (TX)	X		
CALVERT (CA)	X			BLUMENAUER (OR)			
AKIN (MO)	X			McCOLLUM (MN)	X		

VOTE NO. 2—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
COLE (OK)	X			YARMUTH (KY)	X		
PRICE (GA)		X		PASCRELL (NJ)	X		
McCLINTOCK (CA)		X		HONDA (CA)		X	
CHAFFETZ (UT)		X		RYAN (OH)		X	
STUTZMAN (IN)		X		WASSERMAN SCHULTZ (FL)		X	
LANKFORD (OK)		X		MOORE (WI)		X	
BLACK (TN)		X		CASTOR (FL)			
RIBBLE (WI)		X		SHULER (NC)			
FLORES (TX)		X		TONKO (NY)		X	
MULVANEY (SC)		X		BASS (CA)		X	
HUELSKAMP (KS)		X					
YOUNG (IN)		X					
AMASH (MI)		X					
ROKITA (IN)		X					
GUINTA (NH)		X					
WOODALL (GA)		X					

Amendment Offered by Ms. McCollum

3. This amendment provided for the inclusion of cancellation of targeted tax benefits along with the rescission of discretionary budget authority.

The amendment was not agreed to by a roll call vote of 9 ayes and 26 noes.

VOTE NO. 3

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
RYAN (WI) (Chairman)		X		VAN HOLLEN (MD) (Ranking)		X	
GARRETT (NJ)		X		SCHWARTZ (PA)			
SIMPSON (ID)	X			KAPTUR (OH)	X		
CAMPBELL (CA)				DOGGETT (TX)	X		
CALVERT (CA)	X			BLUMENAUER (OR)			
AKIN (MO)		X		McCOLLUM (MN)	X		
COLE (OK)	X			YARMUTH (KY)	X		
PRICE (GA)		X		PASCRELL (NJ)	X		
McCLINTOCK (CA)		X		HONDA (CA)	X		

VOTE NO. 3—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
CHAFFETZ (UT)		X		RYAN (OH)		X	
STUTZMAN (IN)		X		WASSERMAN SCHULTZ (FL)		X	
LANKFORD (OK)		X		MOORE (WI)		X	
BLACK (TN)		X		CASTOR (FL)			
RIBBLE (WI)		X		SHULER (NC)		X	
FLORES (TX)		X		TONKO (NY)		X	
MULVANEY (SC)		X		BASS (CA)		X	
HUELSKAMP (KS)		X					
YOUNG (IN)		X					
AMASH (MI)		X					
ROKITA (IN)		X					
GUINTA (NH)		X					
WOODALL (GA)		X					

4. Mr. Garrett made a motion that the committee report the bill as amended and that the bill do pass.

The motion was agreed to by a roll call vote of 23 ayes and 13 noes.

VOTE NO. 4

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
RYAN (WI) (Chairman)	X			VAN HOLLEN (MD) (Ranking)	X		
GARRETT (NJ)	X			SCHWARTZ (PA)	X		
SIMPSON (ID)		X		KAPTUR (OH)		X	
CAMPBELL (CA)				DOGGETT (TX)	X		
CALVERT (CA)		X		BLUMENAUER (OR)	X		
AKIN (MO)	X			McCOLLUM (MN)		X	
COLE (OK)		X		YARMUTH (KY)		X	
PRICE (GA)	X			PASCRELL (NJ)		X	
McCLINTOCK (CA)	X			HONDA (CA)		X	
CHAFFETZ (UT)	X			RYAN (OH)		X	
STUTZMAN (IN)	X			WASSERMAN SCHULTZ (FL)		X	
LANKFORD (OK)	X			MOORE (WI)		X	
BLACK (TN)	X			CASTOR (FL)			

VOTE NO. 4—Continued

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
RIBBLE (WI)	X			SHULER (NC)	X		
FLORES (TX)	X			TONKO (NY)		X	
MULVANEY (SC)	X			BASS (CA)	X		
HUELSKAMP (KS)	X						
YOUNG (IN)	X						
AMASH (MI)		X					
ROKITA (IN)	X						
GUINTA (NH)	X						
WOODALL (GA)	X						

Mr. Garrett made a motion that, pursuant to clause 1 of rule XXII, the Chairman be authorized to offer such motions as may be necessary in the House to go to conference with the Senate, and staff be authorized to make any necessary technical and conforming changes to the bill.

The motion was agreed to without objection.

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on the Budget's oversight findings and recommendations are reflected in the body of this report.

BUDGET ACT COMPLIANCE

The provisions of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a)(1) of the Congressional Budget Act of 1974 (relating to estimates of new budget authority, new spending authority, new credit authority, or increased or decreased revenues or tax expenditures) are not considered applicable. The estimate and comparison required to be prepared by the Director of the Congressional Budget Office under clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and sections 402 and 423 of the Congressional Budget Act of 1974 submitted to the committee prior to the filing of this report are as follows:

December 16, 2011.

Hon. PAUL RYAN, *Chairman,*
Committee on the Budget, U.S. House of Representatives, Washington, DC 20515.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 3521, the Expedited Line-Item Veto and Rescissions Act of 2011.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Jared Brewster, who can be reached at 226–2880.

Sincerely,

DOUGLAS W. ELMENDORF.

ENCLOSURE.

H.R. 3521—EXPEDITED LEGISLATIVE LINE-ITEM VETO AND RESCISSIONS ACT OF 2011

(As ordered reported by the House Committee on the Budget on December 15, 2011)

H.R. 3521 would establish an expedited procedure for considering Presidential proposals to rescind certain spending provisions in newly enacted legislation. CBO estimates that enacting H.R. 3521, by itself, would not have a significant impact on the federal budget. Any impact on the budget would depend on the extent of the President's use of the new cancellation procedure and on future Congressional actions. Enacting H.R. 3521 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

The bill would establish a procedure for the President to propose cancelling specified discretionary funding and for Congressional consideration of such proposals. Under that procedure, which would be available until December 31, 2015, the President would transmit a special message to both houses of Congress specifying the project or government functions involved, the reasons for the proposed rescissions, and—to the extent practicable—the estimated fiscal, economic, and budgetary effect of the action. The Congress could then approve or disapprove the President's proposals in legislation. If approved, any such proposed cancellations would become law and the caps on discretionary budget authority would be reduced.

Under H.R. 3521, the President could submit up to two special messages for each piece of legislation that provides funding, but could not include the same rescission in both messages. A message would have to be transmitted to Congress within 45 calendar days of enactment of the legislation containing the items proposed for cancellation. Within five days of receiving a special message, the majority leaders of the House of Representatives and the Senate (or their designees) would be required to introduce a bill to approve the proposed cancellations; that approval bill would be considered under expedited procedures. H.R. 3521 also would amend the Congressional Budget Act of 1974 to require that CBO prepare an estimate of reductions in budget authority and outlays that would result from any proposed cancellations. Additionally, the President could withhold discretionary budget authority proposed for cancellation for 45 days from the day on which a special message is transmitted.

The impact of H.R. 3521 on future legislation would depend on both the nature of such legislation and on the actions of the President and the Congress in implementing the expedited cancellation procedure in H.R. 3521. Therefore, this bill would not—by itself—have a significant impact on the federal budget. CBO estimates that any additional administrative costs for implementing H.R. 3521 would not be significant because both the executive branch and the Congress already carry out activities similar to those that would be involved in preparing and responding to Presidential budget proposals.

H.R. 3521 contains no intergovernmental or private-sector mandates, as defined in the Unfunded Mandates Reform Act and—by itself—would have no impact on the budgets of state, local, or tribal governments. Any budgetary effects would depend on subsequent legislative action.

The CBO staff contact for this estimate is Jared Brewster, who can be reached at 226–2880. The estimate was approved Theresa Gullo, Deputy Assistant Director for Budget Analysis.

PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goals and objectives of this legislation are to provide both the President and the Congress improved tools to reconsider spending.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 7 of rule XII of the Rules of the House of Representatives, the committee finds the constitutional authority for this legislation in Article I, section 9, clause 7.

COMMITTEE COST ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the committee report incorporates the cost estimate prepared by the Director of the Congressional Budget Office

pursuant to sections 402 and 423 of the Congressional Budget Act of 1974.

ADVISORY COMMITTEE STATEMENT

No advisory committee within the meaning of section 5(b) of the Federal Advisory Committee Act was created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104–1).

FEDERAL MANDATES STATEMENT

The committee adopted the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act (Public Law 104–4).

ADVISORY ON EARMARKS

In accordance with clause 9 of rule XXI of the Rules of the House of Representatives, H.R. 3521 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974

SHORT TITLES; TABLE OF CONTENTS

SECTION 1. (a) SHORT TITLES.—This Act may be cited as the "Congressional Budget and Impoundment Control Act of 1974". Titles I through IX may be cited as the "Congressional Budget Act of 1974". Parts A and B of title X may be cited as the "Impoundment Control Act of 1974". [Part C of title X may be cited as the "Line Item Veto Act of 1996".] *Sections 1011 through 1016 of part B of title X may be cited as the "Expedited Legislative Line-Item Veto and Rescissions Act of 2011".*

(b) TABLE OF CONTENTS.—

Sec. 1. Short titles; table of contents.

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TITLE X—IMPOUNDMENT CONTROL

PART A—GENERAL PROVISIONS

Sec. 1001. Disclaimer.

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[PART B—CONGRESSIONAL CONSIDERATION OF PROPOSED RESCISSIONS, RESERVATIONS, AND DEFERRALS OF BUDGET AUTHORITY

[Sec. 1011. Definitions.
[Sec. 1012. Rescission of budget authority.
[Sec. 1013. Proposed deferrals of budget authority.
[Sec. 1014. Transmission of messages; publication.
[Sec. 1015. Reports by Comptroller General.
[Sec. 1016. Suits by Comptroller General.
[Sec. 1017. Procedure in House and Senate.

[PART C—LINE ITEM VETO

[Sec. 1021. Line item veto authority.
[Sec. 1022. Special messages.
[Sec. 1023. Cancellation effective unless disapproved.
[Sec. 1024. Deficit reduction.
[Sec. 1025. Expedited congressional consideration of disapproval bills.
[Sec. 1026. Definitions.
[Sec. 1027. Identification of limited tax benefits.]

PART B—CONGRESSIONAL CONSIDERATION OF PROPOSED RESCISSIONS AND DEFERRALS OF BUDGET AUTHORITY AND OBLIGATION LIMITATIONS

Sec. 1011. Congressional consideration of proposed rescissions and deferrals of budget authority and obligation limitations.
Sec. 1012. Grants of and limitations on presidential authority.
Sec. 1013. Procedures for expedited consideration.
Sec. 1014. Treatment of rescissions.
Sec. 1015. Definitions.
Sec. 1016. Expiration.
Sec. 1017. Reports by Comptroller General.
Sec. 1018. Suits by Comptroller General.
Sec. 1019. Proposed deferrals of budget authority.

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TITLE X—IMPOUNDMENT CONTROL

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[PART B—CONGRESSIONAL CONSIDERATION OF PROPOSED RESCISSIONS, RESERVATIONS, AND DEFERRALS OF BUDGET AUTHORITY

[DEFINITIONS

[SEC. 1011. For purposes of this part—

[(1) "deferral of budget authority" includes—

[(A) withholding or delaying the obligations or expenditure of budget authority (whether by establishing reserves or otherwise) provided for projects or activities; or

[(B) any other type of Executive action or inaction which effectively precludes the obligation or expenditure of budget authority, including authority to obligate by contract in advance of appropriations as specifically authorized by law;

[(2) "Comptroller General" means the Comptroller General of the United States;

[(3) "rescission bill" means a bill or joint resolution which only recinds in whole or in part, budget authority proposed to be rescinded in a special message transmitted by the President under section 1012, and upon which the Congress completes action before the end of the first period of 45 calendar days of continuous session of the Congress after the date on which the President's message is received by the Congress;

[(4) "impoundment resolution" means a resolution of the House of Representatives or the Senate which only expresses its disapproval of a proposed deferral of budget authority set forth in a special message transmitted by the President under section 1013; and

[(5) continuity of a session of the Congress shall be considered as broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than 3 days to a day certain shall be excluded in the computation of the 45-day period referred to in paragraph (3) of this section and in section 1012, and the 25-day periods referred to in sections 1016 and 1017(b)(1). If a special message is transmitted under section 1012 during any Congress and the last session of such Congress adjourns sine die before the expiration of 45 calendar days of continuous session (or a special message is so transmitted after the last session of the Congress adjourns sine die), the message shall be deemed to have been retransmitted on the first day of the succeeding Congress and the 45-day period referred to in paragraph (3) of this section and section 1012 (with respect to such message) shall commence on the day after such first day.

[RESCISSION OF BUDGET AUTHORITY

[SEC. 1012. (a) TRANSMITTAL OF SPECIAL MESSAGE.—Whenever the President determines that all or part of any budget authority will not be required to carry out the full objectives or scope of programs for which it is provided or that such budget authority should be rescinded for fiscal policy or other reasons (including the determination of authorized projects or activities for which budget authority has been provided), or whenever all or part of budget authority provided for only one fiscal year is to be reserved from obligation for such fiscal year, the President shall transmit to both Houses of Congress a special message specifying—

[(1) the amount of budget authority which he proposes to be rescinded or which is to be so reserved;

[(2) any account, department, or establishment of the Government to which such budget authority is available for obligation, and the specific project or governmental functions involved;

[(3) the reasons why the budget authority should be rescinded or is to be so reserved;

[(4) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the proposed rescission or of the reservation; and

[(5) all facts, circumstances, and considerations relating to or bearing upon the proposed rescission or the reservation and the decision to effect the proposed rescission or the reservation, and to the maximum extent practicable, the estimated effect of the proposed rescission or the reservation upon the objects, purposes, and programs for which the budget authority is provided.

[(b) REQUIREMENT TO MAKE AVAILABLE FOR OBLIGATION.—Any amount of budget authority proposed to be rescinded or that is to

be reserved as set forth in such special message shall be made available for obligation unless, within the prescribed 45-day period, the Congress has completed action on a rescission bill rescinding all or part of the amount proposed to be rescinded or that is to be reserved. Funds made available for obligation under this procedure may not be proposed for rescission again.

[TRANSMISSION OF MESSAGES; PUBLICATION

[SEC. 1014. (a) DELIVERY TO HOUSE AND SENATE.—Each special message transmitted under section 1012 or 1013 shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each special message so transmitted shall be referred to the appropriate committee of the House of Representatives and the Senate. Each such message shall be printed as a document of each House.

[(b) DELIVERY TO COMPTROLLER GENERAL.—A copy of each special message transmitted under section 1012 or 1013 shall be transmitted to the Comptroller General on the same day it is transmitted to the House of Representatives and the Senate. In order to assist the Congress in the exercise of its functions under sections 1012 and 1013, the Comptroller General shall review each such message and inform the House of Representatives and the Senate as promptly as practicable with respect to—

[(1) in the case of a special message transmitted under section 1012, the facts surrounding the proposed rescission or the reservation of budget authority (including the probable effects thereof); and

[(2) in the case of a special message transmitted under section 1013, (A) the facts surrounding each proposed deferral of budget authority (including the probable effects thereof) and (B) whether or not (or to what extent), in his judgment, such proposed deferral is in accordance with existing statutory authority.

[(c) TRANSMISSION OF SUPPLEMENTARY MESSAGES.—If any information contained in a special message transmitted under section 1012 or 1013 is subsequently revised, the President shall transmit to both Houses of Congress and the Comptroller General a supplementary message stating and explaining such revision. Any such supplementary message shall be delivered, referred, and printed as provided in subsection (a). The Comptroller General shall promptly notify the House of Representatives and the Senate of any change in the information submitted by him under subsection (b) which may be necessitated by such revision.

[(d) PRINTING IN FEDERAL REGISTER.—Any special message transmitted under section 1012 or 1013, and any supplementary message transmitted under subsection (c), shall be printed in the first issue of the Federal Register published after such transmittal.

[(e) CUMULATIVE REPORTS OF PROPOSED RESCISSIONS, RESERVATIONS, AND DEFERRALS OF BUDGET AUTHORITY.—

[(1) The President shall submit a report to the House of Representatives and the Senate, not later than the 10th day of each month during a fiscal year, listing all budget authority for

that fiscal year with respect to which, as of the first day of such month—

[(A) he has transmitted a special message under section 1012 with respect to a proposed rescission or a reservation; and

[(B) he has transmitted a special message under section 1013 proposing a deferral.

Such report shall also contain, with respect to each such proposed rescission or deferral, or each such reservation, the information required to be submitted in the special message with respect thereto under section 1012 or 1013.

[(2) Each report submitted under paragraph (1) shall be printed in the first issue of the Federal Register published after its submission.

* * * * * * *

[PROCEDURE IN HOUSE AND SENATE

[SEC. 1017. (a) REFERRAL.—Any rescission bill introduced with respect to a special message or impoundment resolution introduced with respect to a proposed deferral of budget authority shall be referred to the appropriate committee of the House of Representatives or the Senate, as the case may be.

[(b) DISCHARGE OF COMMITTEE.—

[(1) If the committee to which a rescission bill or impoundment resolution has been referred has not reported it at the end of 25 calendar days of continuous session of the Congress after its introduction, it is in order to move either to discharge the committee from further consideration of the bill or resolution or to discharge the committee from further consideration of any other rescission bill with respect to the same special message or impoundment resolution with respect to the same proposed deferral, as the case may be, which has been referred to the committee.

[(2) A motion to discharge may be made only by an individual favoring the bill or resolution, may be made only if supported by one-fifth of the Members of the House involved (a quorum being present), and is highly privileged in the House and privileged in the Senate (except that it may not be made after the committee has reported a bill or resolution with respect to the same special message or the same proposed deferral, as the case may be); and debate thereon shall be limited to not more than 1 hour, the time to be divided in the House equally between those favoring and those opposing the bill or resolution, and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

[(c) FLOOR CONSIDERATION IN THE HOUSE.—

[(1) When the committee of the House of Representatives has reported, or has been discharged from further consideration of a rescission bill or impoundment resolution, it shall at any time thereafter be in order (even though a previous motion

to the same effect has been disagreed to) to move to proceed to the consideration of the bill or resolution. The motion shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

[(2) Debate on a rescission bill or impoundment resolution shall be limited to not more than 2 hours, which shall be divided equally between those favoring and those opposing the bill or resolution. A motion further to limit debate shall not be debatable. In the case of an impoundment resolution, no amendment to, or motion to recommit, the resolution shall be in order. It shall not be in order to move to reconsider the vote by which a rescission bill or impoundment resolution is agreed to or disagreed to.

[(3) Motions to postpone, made with respect to the consideration of a rescission bill or impoundment resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

[(4) All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to any rescission bill or impoundment resolution shall be decided without debate.

[(5) Except to the extent specifically provided in the preceding provisions of this subsection, consideration of any rescission bill or impoundment resolution and amendments thereto (or any conference report thereon) shall be governed by the Rules of the House of Representatives applicable to other bills and resolutions, amendments, and conference reports in similar circumstances.

[(d) FLOOR CONSIDERATION IN THE SENATE.—

[(1) Debate in the Senate on any rescission bill or impoundment resolution, and all amendments thereto (in the case of a rescission bill) and debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

[(2) Debate in the Senate on any amendment to a rescission bill shall be limited to 2 hours, to be equally divided between, and controlled by, the mover and the manager of the bill. Debate on any amendment to an amendment, to such a bill, and debate on any debatable motion or appeal in connection with such a bill or an impoundment resolution shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the bill or resolution, except that in the event the manager of the bill or resolution is in favor in any such amendment, motion, or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. No amendment that is not germane to the provisions of a rescission bill shall be received. Such leaders, or either of them, may, from the time under their control on the passage of a rescission bill or impoundment resolution, allot additional time to any Senator during the consideration of any amendment, debatable motion, or appeal.

[(3) A motion to further limit debate is not debatable. In the case of a rescission bill, a motion to recommit (except a motion to recommit with instructions to report back within a specified number of days, not to exceed 3, not counting any day on which the Senate is not in session) is not in order. Debate on any such motion to recommit shall be limited to one hour, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution. In the case of an impoundment resolution, no amendment or motion to recommit is in order.

[(4) The conference report on any rescission bill shall be in order in the Senate at any time after the third day (excluding Saturdays, Sundays, and legal holidays) following the day on which such a conference report is reported and is available to Members of the Senate. A motion to proceed to the consideration of the conference report may be made even though a previous motion to the same effect has been disagreed to.

[(5) During the consideration in the Senate of the conference report on any rescission bill, debate shall be limited to 2 hours, to be equally divided between, and controlled by, the majority leader and minority leader or their designees. Debate on any debatable motion or appeal related to the conference report shall be limited to 30 minutes, to be equally divided between, and controlled by, the mover and the manager of the conference report.

[(6) Should the conference report be defeated, debate on any request for a new conference and the appointment of conferees shall be limited to one hour, to be equally divided, between, and controlled by, the manager of the conference report and the minority leader or his designee, and should any motion be made to instruct the conferees before the conferees are named, debate on such motion shall be limited to 30 minutes, to be equally divided between, and controlled by, the mover and the manager of the conference report. Debate on any amendment to any such instructions shall be limited to 20 minutes, to be equally divided between, and controlled by the mover and the manager of the conference report. In all cases when the manager of the conference report is in favor of any motion, appeal, or amendment, the time in opposition shall be under the control of the minority leader or his designee.

[(7) In any case in which there are amendments in disagreement, time on each amendment shall be limited to 30 minutes, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee. No amendment that is not germane to the provisions of such amendments shall be received.

[PART C—LINE ITEM VETO

[LINE ITEM VETO AUTHORITY

[SEC. 1021. (a) IN GENERAL.—Notwithstanding the provisions of parts A and B, and subject to the provisions of this part, the President may, with respect to any bill or joint resolution that has been

signed into law pursuant to Article I, section 7, of the Constitution of the United States, cancel in whole—

[(1) any dollar amount of discretionary budget authority;

[(2) any item of new direct spending; or

[(3) any limited tax benefit;

if the President—

[(A) determines that such cancellation will—

[(i) reduce the Federal budget deficit;

[(ii) not impair any essential Government functions; and

[(iii) not harm the national interest; and

[(B) notifies the Congress of such cancellation by transmitting a special message, in accordance with section 1022, within five calendar days (excluding Sundays) after the enactment of the law providing the dollar amount of discretionary budget authority, item of new direct spending, or limited tax benefit that was canceled.

[(b) IDENTIFICATION OF CANCELLATIONS.—In identifying dollar amounts of discretionary budget authority, items of new direct spending, and limited tax benefits for cancellation, the President shall—

[(1) consider the legislative history, construction, and purposes of the law which contains such dollar amounts, items, or benefits;

[(2) consider any specific sources of information referenced in such law or, in the absence of specific sources of information, the best available information; and

[(3) use the definitions contained in section 1026 in applying this part to the specific provisions of such law.

[(c) EXCEPTION FOR DISAPPROVAL BILLS.—The authority granted by subsection (a) shall not apply to any dollar amount of discretionary budget authority, item of new direct spending, or limited tax benefit contained in any law that is a disapproval bill as defined in section 1026.

[SPECIAL MESSAGES

[SEC. 1022. (a) IN GENERAL.—For each law from which a cancellation has been made under this part, the President shall transmit a single special message to the Congress.

[(b) CONTENTS.—

[(1) The special message shall specify—

[(A) the dollar amount of discretionary budget authority, item of new direct spending, or limited tax benefit which has been canceled, and provide a corresponding reference number for each cancellation;

[(B) the determinations required under section 1021(a), together with any supporting material;

[(C) the reasons for the cancellation;

[(D) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the cancellation;

[(E) all facts, circumstances and considerations relating to or bearing upon the cancellation, and to the maximum extent practicable, the estimated effect of the cancellation upon the objects, purposes and programs for which the canceled authority was provided; and

[(F) include the adjustments that will be made pursuant to section 1024 to the discretionary spending limits under section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 and an evaluation of the effects of those adjustments upon the sequestration procedures of section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985.

[(2) In the case of a cancellation of any dollar amount of discretionary budget authority or item of new direct spending, the special message shall also include, if applicable—

[(A) any account, department, or establishment of the Government for which such budget authority was to have been available for obligation and the specific project or governmental functions involved;

[(B) the specific States and congressional districts, if any, affected by the cancellation; and

[(C) the total number of cancellations imposed during the current session of Congress on States and congressional districts identified in subparagraph (B).

[(c) TRANSMISSION OF SPECIAL MESSAGES TO HOUSE AND SENATE.—

[(1) The President shall transmit to the Congress each special message under this part within five calendar days (excluding Sundays) after enactment of the law to which the cancellation applies. Each special message shall be transmitted to the House of Representatives and the Senate on the same calendar day. Such special message shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session.

[(2) Any special message transmitted under this part shall be printed in the first issue of the Federal Register published after such transmittal.

[CANCELLATION EFFECTIVE UNLESS DISAPPROVED

[SEC. 1023. (a) IN GENERAL.—The cancellation of any dollar amount of discretionary budget authority, item of new direct spending, or limited tax benefit shall take effect upon receipt in the House of Representatives and the Senate of the special message notifying the Congress of the cancellation. If a disapproval bill for such special message is enacted into law, then all cancellations disapproved in that law shall be null and void and any such dollar amount of discretionary budget authority, item of new direct spending, or limited tax benefit shall be effective as of the original date provided in the law to which the cancellation applied.

[(b) COMMENSURATE REDUCTIONS IN DISCRETIONARY BUDGET AUTHORITY.—Upon the cancellation of a dollar amount of discretionary budget authority under subsection (a), the total appropriation for each relevant account of which that dollar amount is a part shall be simultaneously reduced by the dollar amount of that cancellation.

[DEFICIT REDUCTION

[SEC. 1024. (a) IN GENERAL.—

[(1) DISCRETIONARY BUDGET AUTHORITY.—OMB shall, for each dollar amount of discretionary budget authority and for each item of new direct spending canceled from an appropriation law under section 1021(a)—

[(A) reflect the reduction that results from such cancellation in the estimates required by section 251(a)(7) of the Balanced Budget and Emergency Deficit Control Act of 1985 in accordance with that Act, including an estimate of the reduction of the budget authority and the reduction in outlays flowing from such reduction of budget authority for each outyear; and

[(B) include a reduction to the discretionary spending limits for budget authority and outlays in accordance with the Balanced Budget and Emergency Deficit Control Act of 1985 for each applicable fiscal year set forth in section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 by amounts equal to the amounts for each fiscal year estimated pursuant to subparagraph (A).

[(2) DIRECT SPENDING AND LIMITED TAX BENEFITS.—(A) OMB shall, for each item of new direct spending or limited tax benefit canceled from a law under section 1021(a), estimate the deficit decrease caused by the cancellation of such item or benefit in that law and include such estimate as a separate entry in the report prepared pursuant to section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985.

[(B) OMB shall not include any change in the deficit resulting from a cancellation of any item of new direct spending or limited tax benefit, or the enactment of a disapproval bill for any such cancellation, under this part in the estimates and reports required by sections 252(b) and 254 of the Balanced Budget and Emergency Deficit Control Act of 1985.

[(b) ADJUSTMENTS TO SPENDING LIMITS.—After ten calendar days (excluding Sundays) after the expiration of the time period in section 1025(b)(1) for expedited congressional consideration of a disapproval bill for a special message containing a cancellation of discretionary budget authority, OMB shall make the reduction included in subsection (a)(1)(B) as part of the next sequester report required by section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985.

[(c) EXCEPTION.—Subsection (b) shall not apply to a cancellation if a disapproval bill or other law that disapproves that cancellation is enacted into law prior to 10 calendar days (excluding Sundays) after the expiration of the time period set forth in section 1025(b)(1).

[(d) CONGRESSIONAL BUDGET OFFICE ESTIMATES.—As soon as practicable after the President makes a cancellation from a law under section 1021(a), the Director of the Congressional Budget Office shall provide the Committees on the Budget of the House of Representatives and the Senate with an estimate of the reduction of the budget authority and the reduction in outlays flowing from such reduction of budget authority for each outyear.

[EXPEDITED CONGRESSIONAL CONSIDERATION OF DISAPPROVAL BILLS

[SEC. 1025. (a) RECEIPT AND REFERRAL OF SPECIAL MESSAGE.—Each special message transmitted under this part shall be referred to the Committee on the Budget and the appropriate committee or committees of the Senate and the Committee on the Budget and the appropriate committee or committees of the House of Representatives. Each such message shall be printed as a document of the House of Representatives.

[(b) TIME PERIOD FOR EXPEDITED PROCEDURES.—

[(1) There shall be a congressional review period of 30 calendar days of session, beginning on the first calendar day of session after the date on which the special message is received in the House of Representatives and the Senate, during which the procedures contained in this section shall apply to both Houses of Congress.

[(2) In the House of Representatives the procedures set forth in this section shall not apply after the end of the period described in paragraph (1).

[(3) If Congress adjourns at the end of a Congress prior to the expiration of the period described in paragraph (1) and a disapproval bill was then pending in either House of Congress or a committee thereof (including a conference committee of the two Houses of Congress), or was pending before the President, a disapproval bill for the same special message may be introduced within the first five calendar days of session of the next Congress and shall be treated as a disapproval bill under this part, and the time period described in paragraph (1) shall commence on the day of introduction of that disapproval bill.

[(c) INTRODUCTION OF DISAPPROVAL BILLS.—(1) In order for a disapproval bill to be considered under the procedures set forth in this section, the bill must meet the definition of a disapproval bill and must be introduced no later than the fifth calendar day of session following the beginning of the period described in subsection (b)(1).

[(2) In the case of a disapproval bill introduced in the House of Representatives, such bill shall include in the first blank space referred to in section 1026(6)(C) a list of the reference numbers for all cancellations made by the President in the special message to which such disapproval bill relates.

[(d) CONSIDERATION IN THE HOUSE OF REPRESENTATIVES.—(1) Any committee of the House of Representatives to which a disapproval bill is referred shall report it without amendment, and with or without recommendation, not later than the seventh calendar day of session after the date of its introduction. If any committee fails to report the bill within that period, it is in order to move that the House discharge the committee from further consideration of the bill, except that such a motion may not be made after the committee has reported a disapproval bill with respect to the same special message. A motion to discharge may be made only by a Member favoring the bill (but only at a time or place designated by the Speaker in the legislative schedule of the day after the calendar day on which the Member offering the motion announces to the House his intention to do so and the form of the motion). The

motion is highly privileged. Debate thereon shall be limited to not more than one hour, the time to be divided in the House equally between a proponent and an opponent. 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 agreed to or disagreed to shall not be in order.

[(2) After a disapproval bill is reported or a committee has been discharged from further consideration, it is in order to move that the House resolve into the Committee of the Whole House on the State of the Union for consideration of the bill. If reported and the report has been available for at least one calendar day, all points of order against the bill and against consideration of the bill are waived. If discharged, all points of order against the bill and against consideration of the bill are waived. The motion is highly privileged. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. During consideration of the bill in the Committee of the Whole, the first reading of the bill shall be dispensed with. General debate shall proceed, shall be confined to the bill, and shall not exceed one hour equally divided and controlled by a proponent and an opponent of the bill. The bill shall be considered as read for amendment under the five-minute rule. Only one motion to rise shall be in order, except if offered by the manager. No amendment to the bill is in order, except any Member if supported by 49 other Members (a quorum being present) may offer an amendment striking the reference number or numbers of a cancellation or cancellations from the bill. Consideration of the bill for amendment shall not exceed one hour excluding time for recorded votes and quorum calls. No amendment shall be subject to further amendment, except pro forma amendments for the purposes of debate only. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion. A motion to reconsider the vote on passage of the bill shall not be in order.

[(3) Appeals from decisions of the Chair regarding application of the rules of the House of Representatives to the procedure relating to a disapproval bill shall be decided without debate.

[(4) It shall not be in order to consider under this subsection more than one disapproval bill for the same special message except for consideration of a similar Senate bill (unless the House has already rejected a disapproval bill for the same special message) or more than one motion to discharge described in paragraph (1) with respect to a disapproval bill for that special message.

[(e) CONSIDERATION IN THE SENATE.—

[(1) REFERRAL AND REPORTING.—Any disapproval bill introduced in the Senate shall be referred to the appropriate committee or committees. A committee to which a disapproval bill has been referred shall report the bill not later than the seventh day of session following the date of introduction of that bill. If any committee fails to report the bill within that period, that committee shall be automatically discharged from further

consideration of the bill and the bill shall be placed on the Calendar.

[(2) DISAPPROVAL BILL FROM HOUSE.—When the Senate receives from the House of Representatives a disapproval bill, such bill shall not be referred to committee and shall be placed on the Calendar.

[(3) CONSIDERATION OF SINGLE DISAPPROVAL BILL.—After the Senate has proceeded to the consideration of a disapproval bill for a special message, then no other disapproval bill originating in that same House relating to that same message shall be subject to the procedures set forth in this subsection.

[(4) AMENDMENTS.—

[(A) AMENDMENTS IN ORDER.—The only amendments in order to a disapproval bill are—

[(i) an amendment that strikes the reference number of a cancellation from the disapproval bill; and

[(ii) an amendment that only inserts the reference number of a cancellation included in the special message to which the disapproval bill relates that is not already contained in such bill.

[(B) WAIVER OR APPEAL.—An affirmative vote of three-fifths of the Senators, duly chosen and sworn, shall be required in the Senate—

[(i) to waive or suspend this paragraph; or

[(ii) to sustain an appeal of the ruling of the Chair on a point of order raised under this paragraph.

[(5) MOTION NONDEBATABLE.—A motion to proceed to consideration of a disapproval bill under this subsection shall not be debatable. It shall not be in order to move to reconsider the vote by which the motion to proceed was adopted or rejected, although subsequent motions to proceed may be made under this paragraph.

[(6) LIMIT ON CONSIDERATION.—(A) After no more than 10 hours of consideration of a disapproval bill, the Senate shall proceed, without intervening action or debate (except as permitted under paragraph (9)), to vote on the final disposition thereof to the exclusion of all amendments not then pending and to the exclusion of all motions, except a motion to reconsider or to table.

[(B) A single motion to extend the time for consideration under subparagraph (A) for no more than an additional five hours is in order prior to the expiration of such time and shall be decided without debate.

[(C) The time for debate on the disapproval bill shall be equally divided between the Majority Leader and the Minority Leader or their designees.

[(7) DEBATE ON AMENDMENTS.—Debate on any amendment to a disapproval bill shall be limited to one hour, equally divided and controlled by the Senator proposing the amendment and the majority manager, unless the majority manager is in favor of the amendment, in which case the minority manager shall be in control of the time in opposition.

[(8) NO MOTION TO RECOMMIT.—A motion to recommit a disapproval bill shall not be in order.

[(9) DISPOSITION OF SENATE DISAPPROVAL BILL.—If the Senate has read for the third time a disapproval bill that originated in the Senate, then it shall be in order at any time thereafter to move to proceed to the consideration of a disapproval bill for the same special message received from the House of Representatives and placed on the Calendar pursuant to paragraph (2), strike all after the enacting clause, substitute the text of the Senate disapproval bill, agree to the Senate amendment, and vote on final disposition of the House disapproval bill, all without any intervening action or debate.

[(10) CONSIDERATION OF HOUSE MESSAGE.—Consideration in the Senate of all motions, amendments, or appeals necessary to dispose of a message from the House of Representatives on a disapproval bill shall be limited to not more than four hours. Debate on each motion or amendment shall be limited to 30 minutes. Debate on any appeal or point of order that is submitted in connection with the disposition of the House message shall be limited to 20 minutes. Any time for debate shall be equally divided and controlled by the proponent and the majority manager, unless the majority manager is a proponent of the motion, amendment, appeal, or point of order, in which case the minority manager shall be in control of the time in opposition.

[(f) CONSIDERATION IN CONFERENCE.—

[(1) CONVENING OF CONFERENCE.—In the case of disagreement between the two Houses of Congress with respect to a disapproval bill passed by both Houses, conferees should be promptly appointed and a conference promptly convened, if necessary.

[(2) HOUSE CONSIDERATION.—(A) Notwithstanding any other rule of the House of Representatives, it shall be in order to consider the report of a committee of conference relating to a disapproval bill provided such report has been available for one calendar day (excluding Saturdays, Sundays, or legal holidays, unless the House is in session on such a day) and the accompanying statement shall have been filed in the House.

[(B) Debate in the House of Representatives on the conference report and any amendments in disagreement on any disapproval bill shall each be limited to not more than one hour equally divided and controlled by a proponent and an opponent. A motion to further limit debate is not debatable. A motion to recommit the conference report is not in order, and it is not in order to move to reconsider the vote by which the conference report is agreed to or disagreed to.

[(3) SENATE CONSIDERATION.—Consideration in the Senate of the conference report and any amendments in disagreement on a disapproval bill shall be limited to not more than four hours equally divided and controlled by the Majority Leader and the Minority Leader or their designees. A motion to recommit the conference report is not in order.

[(4) LIMITS ON SCOPE.—(A) When a disagreement to an amendment in the nature of a substitute has been referred to a conference, the conferees shall report those cancellations that were included in both the bill and the amendment, and may

report a cancellation included in either the bill or the amendment, but shall not include any other matter.

[(B) When a disagreement on an amendment or amendments of one House to the disapproval bill of the other House has been referred to a committee of conference, the conferees shall report those cancellations upon which both Houses agree and may report any or all of those cancellations upon which there is disagreement, but shall not include any other matter.

[DEFINITIONS

[SEC. 1026. As used in this part:

[(1) APPROPRIATION LAW.—The term "appropriation law" means an Act referred to in section 105 of title 1, United States Code, including any general or special appropriation Act, or any Act making supplemental, deficiency, or continuing appropriations, that has been signed into law pursuant to Article I, section 7, of the Constitution of the United States.

[(2) CALENDAR DAY.—The term "calendar day" means a standard 24-hour period beginning at midnight.

[(3) CALENDAR DAYS OF SESSION.—The term "calendar days of session" shall mean only those days on which both Houses of Congress are in session.

[(4) CANCEL.—The term "cancel" or "cancellation" means—

[(A) with respect to any dollar amount of discretionary budget authority, to rescind;

[(B) with respect to any item of new direct spending—

[(i) that is budget authority provided by law (other than an appropriation law), to prevent such budget authority from having legal force or effect;

[(ii) that is entitlement authority, to prevent the specific legal obligation of the United States from having legal force or effect; or

[(iii) through the food stamp program, to prevent the specific provision of law that results in an increase in budget authority or outlays for that program from having legal force or effect; and

[(C) with respect to a limited tax benefit, to prevent the specific provision of law that provides such benefit from having legal force or effect.

[(5) DIRECT SPENDING.—The term "direct spending" means—

[(A) budget authority provided by law (other than an appropriation law);

[(B) entitlement authority; and

[(C) the food stamp program.

[(6) DISAPPROVAL BILL.—The term "disapproval bill" means a bill or joint resolution which only disapproves one or more cancellations of dollar amounts of discretionary budget authority, items of new direct spending, or limited tax benefits in a special message transmitted by the President under this part and—

[(A) the title of which is as follows: "A bill disapproving the cancellations transmitted by the President on _____", the blank space being filled in with the date of

transmission of the relevant special message and the public law number to which the message relates;

[(B) which does not have a preamble; and

[(C) which provides only the following after the enacting clause: "That Congress disapproves of cancellations _____", the blank space being filled in with a list by reference number of one or more cancellations contained in the President's special message, "as transmitted by the President in a special message on _____", the blank space being filled in with the appropriate date, "regarding _____.", the blank space being filled in with the public law number to which the special message relates.

[(7) DOLLAR AMOUNT OF DISCRETIONARY BUDGET AUTHORITY.—(A) Except as provided in subparagraph (B), the term "dollar amount of discretionary budget authority" means the entire dollar amount of budget authority—

[(i) specified in an appropriation law, or the entire dollar amount of budget authority required to be allocated by a specific proviso in an appropriation law for which a specific dollar figure was not included;

[(ii) represented separately in any table, chart, or explanatory text included in the statement of managers or the governing committee report accompanying such law;

[(iii) required to be allocated for a specific program, project, or activity in a law (other than an appropriation law) that mandates the expenditure of budget authority from accounts, programs, projects, or activities for which budget authority is provided in an appropriation law;

[(iv) represented by the product of the estimated procurement cost and the total quantity of items specified in an appropriation law or included in the statement of managers or the governing committee report accompanying such law; or

[(v) represented by the product of the estimated procurement cost and the total quantity of items required to be provided in a law (other than an appropriation law) that mandates the expenditure of budget authority from accounts, programs, projects, or activities for which budget authority is provided in an appropriation law.

[(B) The term "dollar amount of discretionary budget authority" does not include—

[(i) direct spending;

[(ii) budget authority in an appropriation law which funds direct spending provided for in other law;

[(iii) any existing budget authority rescinded or canceled in an appropriation law; or

[(iv) any restriction, condition, or limitation in an appropriation law or the accompanying statement of managers or committee reports on the expenditure of budget authority for an account, program, project, or activity, or on activities involving such expenditure.

[(8) ITEM OF NEW DIRECT SPENDING.—The term "item of new direct spending" means any specific provision of law that is estimated to result in an increase in budget authority or outlays

for direct spending relative to the most recent levels calculated pursuant to section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985.

[(9) LIMITED TAX BENEFIT.—(A) The term "limited tax benefit" means—

[(i) any revenue-losing provision which provides a Federal tax deduction, credit, exclusion, or preference to 100 or fewer beneficiaries under the Internal Revenue Code of 1986 in any fiscal year for which the provision is in effect; and

[(ii) any Federal tax provision which provides temporary or permanent transitional relief for 10 or fewer beneficiaries in any fiscal year from a change to the Internal Revenue Code of 1986.

[(B) A provision shall not be treated as described in subparagraph (A)(i) if the effect of that provision is that—

[(i) all persons in the same industry or engaged in the same type of activity receive the same treatment;

[(ii) all persons owning the same type of property, or issuing the same type of investment, receive the same treatment; or

[(iii) any difference in the treatment of persons is based solely on—

[(I) in the case of businesses and associations, the size or form of the business or association involved;

[(II) in the case of individuals, general demographic conditions, such as income, marital status, number of dependents, or tax return filing status;

[(III) the amount involved; or

[(IV) a generally-available election under the Internal Revenue Code of 1986.

[(C) A provision shall not be treated as described in subparagraph (A)(ii) if—

[(i) it provides for the retention of prior law with respect to all binding contracts or other legally enforceable obligations in existence on a date contemporaneous with congressional action specifying such date; or

[(ii) it is a technical correction to previously enacted legislation that is estimated to have no revenue effect.

[(D) For purposes of subparagraph (A)—

[(i) all businesses and associations which are related within the meaning of sections 707(b) and 1563(a) of the Internal Revenue Code of 1986 shall be treated as a single beneficiary;

[(ii) all qualified plans of an employer shall be treated as a single beneficiary;

[(iii) all holders of the same bond issue shall be treated as a single beneficiary; and

[(iv) if a corporation, partnership, association, trust or estate is the beneficiary of a provision, the shareholders of the corporation, the partners of the partnership, the members of the association, or the beneficiaries of the trust or estate shall not also be treated as beneficiaries of such provision.

[(E) For purposes of this paragraph, the term "revenue-losing provision" means any provision which results in a reduction in Federal tax revenues for any one of the two following periods—

[(i) the first fiscal year for which the provision is effective; or

[(ii) the period of the 5 fiscal years beginning with the first fiscal year for which the provision is effective.

[(F) The terms used in this paragraph shall have the same meaning as those terms have generally in the Internal Revenue Code of 1986, unless otherwise expressly provided.

[(10) OMB.—The term "OMB" means the Director of the Office of Management and Budget.

[IDENTIFICATION OF LIMITED TAX BENEFITS

[SEC. 1027. (a) STATEMENT BY JOINT TAX COMMITTEE.—The Joint Committee on Taxation shall review any revenue or reconciliation bill or joint resolution which includes any amendment to the Internal Revenue Code of 1986 that is being prepared for filing by a committee of conference of the two Houses, and shall identify whether such bill or joint resolution contains any limited tax benefits. The Joint Committee on Taxation shall provide to the committee of conference a statement identifying any such limited tax benefits or declaring that the bill or joint resolution does not contain any limited tax benefits. Any such statement shall be made available to any Member of Congress by the Joint Committee on Taxation immediately upon request.

[(b) STATEMENT INCLUDED IN LEGISLATION.—(1) Notwithstanding any other rule of the House of Representatives or any rule or precedent of the Senate, any revenue or reconciliation bill or joint resolution which includes any amendment to the Internal Revenue Code of 1986 reported by a committee of conference of the two Houses may include, as a separate section of such bill or joint resolution, the information contained in the statement of the Joint Committee on Taxation, but only in the manner set forth in paragraph (2).

[(2) The separate section permitted under paragraph (1) shall read as follows: "Section 1021(a)(3) of the Congressional Budget and Impoundment Control Act of 1974 shall _____ apply to _____.", with the blank spaces being filled in with—

[(A) in any case in which the Joint Committee on Taxation identifies limited tax benefits in the statement required under subsection (a), the word "only" in the first blank space and a list of all of the specific provisions of the bill or joint resolution identified by the Joint Committee on Taxation in such statement in the second blank space; or

[(B) in any case in which the Joint Committee on Taxation declares that there are no limited tax benefits in the statement required under subsection (a), the word "not" in the first blank space and the phrase "any provision of this Act" in the second blank space.

[(c) PRESIDENT'S AUTHORITY.—If any revenue or reconciliation bill or joint resolution is signed into law pursuant to Article I, section 7, of the Constitution of the United States—

[(1) with a separate section described in subsection (b)(2), then the President may use the authority granted in section 1021(a)(3) only to cancel any limited tax benefit in that law, if any, identified in such separate section; or

[(2) without a separate section described in subsection (b)(2), then the President may use the authority granted in section 1021(a)(3) to cancel any limited tax benefit in that law that meets the definition in section 1026.

[(d) CONGRESSIONAL IDENTIFICATIONS OF LIMITED TAX BENEFITS.—There shall be no judicial review of the congressional identification under subsections (a) and (b) of a limited tax benefit in a conference report.]

PART B—CONGRESSIONAL CONSIDERATION OF PROPOSED RESCISSIONS AND DEFERRALS OF BUDGET AUTHORITY AND OBLIGATION LIMITATIONS

CONGRESSIONAL CONSIDERATION OF PROPOSED RESCISSIONS AND DEFERRALS OF BUDGET AUTHORITY AND OBLIGATION LIMITATIONS

SEC. 1011. (a) PROPOSED RESCISSIONS.—Within 45 days after the enactment of any bill or joint resolution providing any funding, the President may propose, in the manner provided in subsection (b), the rescission of all or part of any dollar amount of such funding.

(b) SPECIAL MESSAGE.—If the President proposes that Congress rescind funding, the President shall transmit a special message to Congress containing the information specified in this subsection.

(1) PACKAGING OF REQUESTED RESCISSIONS.—For each piece of legislation that provides funding, the President shall request at most 2 packages of rescissions and the rescissions in each package shall apply only to funding contained in that legislation. The President shall not include the same rescission in both packages.

(2) TRANSMITTAL.—The President shall deliver each message requesting a package of rescissions to the Secretary of the Senate if the Senate is not in session and to the Clerk of the House of Representatives if the House is not in session. The President shall make a copy of the transmittal message publicly available, and shall publish in the Federal Register a notice of the message and information on how it can be obtained.

(3) CONTENTS OF SPECIAL MESSAGE.—For each request to rescind funding under this part, the transmittal message shall—

(A) specify—

(i) the dollar amount to be rescinded;

(ii) the agency, bureau, and account from which the rescission shall occur;

(iii) the program, project, or activity within the account (if applicable) from which the rescission shall occur;

(iv) the amount of funding, if any, that would remain for the account, program, project, or activity if the rescission request is enacted;

(v) the reasons the President requests the rescission;

(vi) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect (including the ef-

fect on outlays and receipts in each fiscal year) of the proposed rescission;

(vii) to the maximum extent practicable, all facts, circumstances, and considerations relating to or bearing upon the proposed rescission and the decision to propose the rescission, and the estimated effect of the proposed rescission upon the objects, purposes, or programs; and

(viii) if a second special message is transmitted pursuant to subsection (b)(2), a detailed explanation of why the proposed rescissions are not substantially similar to any other proposed rescission in such other message; and

(B) designate each separate rescission request by number; and include proposed legislative text of an approval bill to accomplish the requested rescissions which may not include—

(i) any changes in existing law, other than the rescission of funding; or

(ii) any supplemental appropriations, transfers, or reprogrammings.

GRANTS OF AND LIMITATIONS ON PRESIDENTIAL AUTHORITY

SEC. 1012. (a) PRESIDENTIAL AUTHORITY TO WITHHOLD FUNDING.—Notwithstanding any other provision of law and if the President proposes a rescission of funding under this part, the President may, subject to the time limits provided in subsection (c), temporarily withhold that funding from obligation.

(b) WITHHOLDING AVAILABLE ONLY ONCE PER PROPOSED RESCISSION.—Except as provided in section 1019, the President may not invoke the authority to withhold funding granted by subsection (a) for any other purpose.

(c) TIME LIMITS.—The President shall make available for obligation any funding withheld under subsection (a) on the earliest of—

(1) the day on which the President determines that the continued withholding or reduction no longer advances the purpose of legislative consideration of the approval bill;

(2) the 45th day following the date of enactment of the appropriations measure to which the approval bill relates; or

(3) the last day that the President determines the obligation of the funding in question can no longer be fully accomplished in a prudent manner before its expiration.

(d) DEFICIT REDUCTION.—

(1) IN GENERAL.—Funds that are rescinded under this part shall be dedicated only to reducing the deficit or increasing the surplus.

(2) ADJUSTMENT OF LEVELS IN THE CONCURRENT RESOLUTION ON THE BUDGET.—Not later than 5 days after the date of enactment of an approval bill as provided under this part, the chairs of the Committees on the Budget of the Senate and the House of Representatives shall revise allocations and aggregates and other appropriate levels under the appropriate concurrent resolution on the budget to reflect the rescissions, and the Committees on Appropriations of the House of Representatives and the

Senate shall report revised suballocations pursuant to section 302(b) of title III, as appropriate.

(3) ADJUSTMENTS TO STATUTORY LIMITS.—After enactment of an approval bill provided under this section, the President shall revise downward by the amount of the rescissions applicable limits under the Balanced Budget and Emergency Deficit Control Act of 1985.

PROCEDURES FOR EXPEDITED CONSIDERATION

SEC. 1013. (a) EXPEDITED CONSIDERATION.—

(1) REFERRAL OF SPECIAL MESSAGE.—Any special message received by the Congress pursuant to section 1011(b) shall be referred to the Committees on Appropriations and the Committees on the Budget of the House of Representatives and the Senate.

(2) INTRODUCTION OF APPROVAL BILL.—The majority leader or minority leader of the House of Representatives or his designee shall (by request) introduce an approval bill as defined in section 1015 not later than the third day or, if the House is not in session during that period, the next day of session after the date of receipt of a special message transmitted to the Congress under section 1011(b). If the bill is not introduced as provided in the preceding sentence in the House, then, on the first day the House is in session following the period during which the leaders may introduce the message, any Member of that House may introduce the bill.

(3) CONSIDERATION IN THE HOUSE OF REPRESENTATIVES.—

(A) REFERRAL AND REPORTING.—(i) Each committee of referral of the House of Representatives shall report an approval bill without amendment not later than the fifth day after the date of its referral. If the committee fails to report the bill within that period or the House of Representatives has adopted a concurrent resolution providing for adjournment sine die at the end of a Congress, such committee shall be automatically discharged from further consideration of the bill and it shall be placed on the appropriate calendar.

(ii) As soon as practicable after such approval bill is referred to the Committee on Appropriations, CBO shall prepare, and submit to the Committees on Appropriations and the Committees on the Budget of the House of Representatives and the Senate, an estimate of the reduction in budget authority which would result from the enactment of that bill.

(B) PROCEEDING TO CONSIDERATION.—Within three days after an approval bill is reported by or discharged from the Committee on Appropriations of the House of Representatives or if the House has adopted a concurrent resolution providing for adjournment sine die at the end of a Congress, it shall be in order for any Member to announce his intention to move to proceed to consider the approval bill in the House. The motion to proceed shall be in order only during a time designated by the Speaker within the legislative schedule for the next two days or the next day on which the House is in session. Such a motion shall not be in order

after the House of Representatives has disposed of a prior motion to proceed with respect to that approval bill. The previous question shall be considered as ordered on the motion to proceed without intervening motion. A motion to reconsider the vote by which the motion to proceed is disposed of shall not be in order.

(C) HOUSE CONSIDERATION.—If the motion to proceed is agreed to, the House shall immediately proceed to consider the approval bill in the House without intervening motion, order, or other business, and the approval bill shall remain the unfinished business of the House until disposed of. The approval bill shall be considered as read. All points of order against the approval bill or its consideration are waived. The previous question shall be considered as ordered on an approval bill to its passage, without intervening motion, except 4 hours of debate equally divided and controlled by the proponent and an opponent and one motion to further limit debate on the bill. A motion to reconsider the vote on passage of the bill shall not be in order.

(4) CONSIDERATION IN THE SENATE.—

(A) REFERRAL.—An approval bill received in the Senate shall be referred to the Committee on Appropriations.

(B) COMMITTEE ACTION.—The Committee on Appropriations shall report without amendment the bill referred to it under this subsection not later than 5 days after the referral. The committee may order the bill reported favorably, unfavorably, or without recommendation. If the Committee on Appropriations has not reported the bill by the end of the 5-day period, the Committee shall be automatically discharged from further consideration of the bill and it shall be placed on the appropriate calendar.

(C) MOTION TO PROCEED.—On the following day, 3 subsequent days, or, if the Senate is not in session during that period, the next day of session, it shall be in order for any Senator to move to proceed to consider the bill in the Senate. The motion shall be decided without debate and the motion to reconsider shall be deemed to have been laid on the table. Such a motion shall not be in order after the Senate has disposed of a prior motion to proceed with respect to that approval bill.

(D) CONSIDERATION.—If a motion to proceed to the consideration of the approval bill is agreed to, the Senate shall immediately proceed to consideration of the approval bill without intervening motion, order, or other business, and the approval bill shall remain the unfinished business of the Senate until disposed of. Consideration on the bill in the Senate under this subsection, and all debatable motions and appeals in connection therewith, shall not exceed 10 hours, equally divided and controlled in the usual form. All points of order against the approval bill or its consideration are waived. Consideration in the Senate on any debatable motion or appeal in connection with the approval bill shall be limited to not more than 1 hour, to be equally

divided and controlled in the usual form. A motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the approval bill is not in order. A motion to reconsider the vote by which the approval bill is agreed to or disagreed to is not in order.

(b) AMENDMENTS PROHIBITED.—No amendment to an approval bill considered under this section shall be in order in either the Senate or the House of Representatives.

TREATMENT OF RESCISSIONS

SEC. 1014. Rescissions proposed by the President under this part shall take effect only upon enactment of the applicable approval bill. If an approval bill is not enacted into law within 45 days from the enactment of the appropriation measure to which the approval bill relates, then the approval bill shall not be eligible for expedited consideration under the provisions of this Act.

DEFINITIONS

SEC. 1015. As used in this part:

(1) APPROPRIATION MEASURE.—The term "appropriation measure" means an Act referred to in section 105 of title 1, United States Code, including any general or special appropriation Act, or any Act making supplemental, deficiency, or continuing appropriations, that has been enacted into law pursuant to article I, section 7, of the Constitution of the United States.

(2) APPROVAL BILL.—The term "approval bill" means a bill which only approves rescissions of funding in a special message transmitted by the President under this part and—

(A) the title of which is as follows: "A bill approving the proposed rescissions transmitted by the President on _____", the blank space being filled in with the date of transmission of the relevant special message and the public law number to which the message relates; and

(B) which provides only the following after the enacting clause: "That the Congress approves the proposed rescissions _____", the blank space being filled in with the list of the rescissions contained in the President's special message, "as transmitted by the President in a special message on _____", the blank space being filled in with the appropriate date, "regarding _____.", the blank space being filled in with the public law number to which the special message relates.

(3) DAY.—The term "day" means a standard 24-hour period beginning at midnight and a number of days shall be calculated by excluding Sundays, legal holidays, and any day during which neither chamber of Congress is in session.

(4) RESCIND OR RESCISSION.—The terms "rescind" or "rescission" mean to permanently cancel or prevent budget authority or outlays available under an obligation limit from having legal force or effect.

(5) CONGRESSIONAL BUDGET OFFICE.—The term "CBO" means the Director of the Congressional Budget Office.

(6) COMPTROLLER GENERAL.—The term "Comptroller General" means the Comptroller General of the United States.

(7) DEFERRAL OF BUDGET AUTHORITY.—The term "deferral of budget authority" includes—

(A) withholding or delaying the obligations or expenditure of budget authority (whether by establishing reserves or otherwise) provided for projects or activities; or

(B) any other type of Executive action or inaction which effectively precludes the obligation or expenditure of budget authority, including authority to obligate by contract in advance of appropriations as specifically authorized by law.

(8) FUNDING.—(A) Except as provided in subparagraph (B), the term "funding" means all or part of the dollar amount of budget authority or obligation limit—

(i) specified in an appropriation measure, or the dollar amount of budget authority or obligation limit required to be allocated by a specific proviso in an appropriation measure for which a specific dollar figure was not included;

(ii) represented separately in any table, chart, or explanatory text included in the statement of managers or the governing committee report accompanying such law; or

(iii) represented by the product of the estimated procurement cost and the total quantity of items specified in an appropriation measure or included in the statement of managers or the governing committee report accompanying such law.

(B) The term "funding" does not include—

(i) direct spending;

(ii) budget authority in an appropriation measure which funds direct spending provided for in other law;

(iii) any existing budget authority canceled in an appropriation measure; or

(iv) any restriction or condition in an appropriation measure or the accompanying statement of managers or committee reports on the expenditure of budget authority for an account, program, project, or activity, or on activities involving such expenditure.

(9) WITHHOLD.—The terms "withhold" and "withholding" apply to any executive action or inaction that precludes the obligation of funding at a time when it would otherwise have been available to an agency for obligation. The terms do not include administrative or preparatory actions undertaken prior to obligation in the normal course of implementing budget laws.

EXPIRATION

SEC. 1016. On December 15, 2015, the amendments made by the Expedited Legislative Line-Item Veto and Rescissions Act of 2011 shall be replaced by the provisions of part B of the Impoundment Control Act of 1974 as in effect immediately before the date of enactment of the Expedited Legislative Line-Item Veto and Rescissions Act of 2011.

REPORTS BY COMPTROLLER GENERAL

SEC. [1015] *1017*. (a) FAILURE TO TRANSMIT SPECIAL MESSAGE.—If the Comptroller General finds that the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any other officer or employee of the United States—

(1) is to establish a reserve or proposes to defer budget authority with respect to which the President is required to transmit a special message under [section 1012 or 1013] *section 1011 or 1019*; or

(2) has ordered, permitted, or approved the establishment of such a reserve or a deferral of budget authority;

and that the President has failed to transmit a special message with respect to such reserve or deferral, the Comptroller General shall make a report on such reserve or deferral and any available information concerning it to both Houses of Congress. The provisions of this part shall apply with respect to such reserve or deferral in the same manner and with the same effect as if such report of the Comptroller General were a special message transmitted by the President under [section 1012 or 1013] *section 1011 or 1019*, and, for purposes of this part, such report shall be considered a special message transmitted under [section 1012 or 1013] *section 1011 or 1019*.

(b) INCORRECT CLASSIFICATION OF SPECIAL MESSAGE.—If the President has transmitted a special message to both Houses of Congress in accordance with [section 1012 or 1013] *section 1011 or 1019*, and the Comptroller General believes that the President so transmitted the special message in accordance with one of those sections when the special message should have been transmitted in accordance with the other of those sections, the Comptroller General shall make a report to both Houses of the Congress setting forth his reasons.

* * * * * * *

SUITS BY COMPTROLLER GENERAL

SEC. [1016] *1018*. If, under this title, budget authority is required to be made available for obligation and such budget authority is not made available for obligation, the Comptroller General is hereby expressly empowered, through attorneys of his own selection, to bring a civil action in the United States District Court for the District of Columbia to require such budget authority to be made available for obligation, and such court is hereby expressly empowered to enter in such civil action, against any department, agency, officer, or employee of the United States, any decree, judgment, or order, which may be necessary or appropriate to make such budget authority available for obligation. No civil action shall be brought by the Comptroller General under this section until the expiration of 25 [calendar] days [of continuous session] of the Congress following the date on which an explanatory statement by the Comptroller General of the circumstances giving rise to the action contemplated has been filed with the Speaker of the House of Representatives and the President of the Senate.

PROPOSED DEFERRALS OF BUDGET AUTHORITY

SEC. [1013] *1019*. (a) * * *

* * * * * * *

(c) EXCEPTION.—The provisions of this section do not apply to any budget authority proposed to be rescinded or that is to be reserved as set forth in a special message required to be transmitted under section [1012] *1011*.

* * * * * * *

CONGRESSIONAL BUDGET ACT OF 1974

* * * * * * *

TITLE III—CONGRESSIONAL BUDGET PROCESS

* * * * * * *

ADJUSTMENTS

SEC. 314. (a) * * *

(b) ADJUSTMENTS FOR RESCISSIONS.—(1) Whenever an approval bill passes the House of Representatives, the Committee on the Budget shall immediately reduce the applicable allocations under section 302(a) by the total amount of reductions in budget authority and in outlays resulting from such approval bill.

(2) As used in this subsection, the term "approval bill" has the meaning given to such term in section 1015.

[(b)] *(c)* APPLICATION OF ADJUSTMENTS.—The adjustments made pursuant to subsection (a) for legislation shall—

(1) * * *

* * * * * * *

[(c)] *(d)* REPORTING REVISED SUBALLOCATIONS.—Following any adjustment made under subsection (a) *or (b)*, the Committees on Appropriations of the Senate and the House of Representatives may report appropriately revised suballocations under section 302(b) to carry out this section.

[(d)] *(e)* EMERGENCIES IN THE HOUSE OF REPRESENTATIVES.—(1) * * *

* * * * * * *

[(e)] *(f)* 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.

* * * * * * *

TITLE IX—MISCELLANEOUS PROVISIONS; EFFECTIVE DATES

* * * * * * *

EXERCISE OF RULEMAKING POWERS

SEC. 904. (a) The provisions of this title and of titles I, III, IV, and V and the provisions of sections 701, 703, and [1017] *1013* are enacted by the Congress—

(1) * * *

* * * * * * *

(d) APPEALS.—

(1) PROCEDURE.—Appeals in the Senate from the decisions of the Chair relating to any provision of title III or IV or [section 1017] *section 1013* shall, except as otherwise provided therein, be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, concurrent resolution, reconciliation bill, or rescission bill, as the case may be.

* * * * * * *

VIEWS OF COMMITTEE MEMBERS

Clause 2(l) of rule XI requires each committee to provide two days to Members of the committee to file Minority, additional, supplemental, or dissenting views and to include such views in the report on legislation considered by the committee. The following views were submitted:

ADDITIONAL VIEWS

BUDGET STATEMENT OF REPRESENTATIVE ALLYSON Y. SCHWARTZ (PA–13)

RE: H.R. 3521, THE EXPEDITED LINE-ITEM VETO, AND RESCISSION ACT OF 2011

DECEMBER 15, 2011

Congress must be fiscally responsible and pay for what we purchase. To restore America to a strong financial footing, we need a balanced approach that includes spending cuts, smart investments to ensure our economic competitiveness, and reasonable tax reform.

I am committed to deficit reduction. Cutting our deficit starts with the elimination of duplicative spending, fraud and waste; streamlining government to make it more efficient; eliminating or reducing programs that do not work while protecting those that are vital to our nation.

I have reservations about the Expedited Line-Item Veto, and Rescission Act of 2011, because it delegates more Congressional authority to the President, when Congress should be addressing our budget challenges. However, this legislation does provide the American public with a more transparent budget process. And I will support the measure.

ALLYSON Y. SCHWARTZ.

DISSENTING VIEWS

We oppose the passage of H.R. 3521, the Expedited Line-Item Veto and Rescissions Act. Proponents have sought its enactment under the misnomer of deficit reduction. We believe, however that this bill sacrifices Congressional authority while achieving little towards its stated aims. By privileging the Executive's spending priorities over the deliberations of the Congress, this bill directly threatens the Constitutional design of the distribution of powers.

We laud the bipartisan collaboration under which this proposal has been sought, and we respect the deficit reduction cause that this bill claims to serve. Further, we do not doubt that the Executive brings unique and valuable insights to our budgetary and spending decisions. But sufficient forums already exist for their consideration.

Under the framework set forth by the Impoundment Control Act of 1974, the President may send rescissions to Congress for consideration. The President may propose, but Congress may ignore. The President may advocate, and Congress may be convinced. In the end, if a 45-day period lapses or Congress disapproves the request, funding must be executed as previously set forth.

This tool still remains at the President's disposal, although a rescission request was last sent to Congress in 2000 by the Clinton Administration. Many current Members have never served in a Congress that has received a proposed rescission from a President. For that matter, only seven of the Committee's thirty-eight members have ever seen an Executive exercise such existing authority. Without having seen the current framework in action, we question the need for substantially altering it.

We should not so easily forget the original impetus behind the Impoundment Control Act. While presidential impoundment has been documented as far back as the early nineteenth century, abuse of the practice by President Nixon compelled Congress to set forth specific processes for consideration of rescissions. The President—through impoundment—sought to withhold funds from execution of the Clean Water Act, subsidized housing programs, and community development programs. Although this was precluded by intervention from the Supreme Court, Congress reasserted itself by enactment of the Budget Control Act and the Impoundment Control Act that it contained. This bill received more than four hundred votes in the House of Representatives, and not a single vote was cast against it in the Senate. Our predecessors showed a great deal of institutional pride in the United States Congress and faith in our abilities to set the spending priorities of a nation.

Alternatively, the proposal now before us would shelve regular order in favor of an expedited process and requires the Executive's proposals receive an up-or-down vote in the House of Representatives. By accelerating consideration of a President's policy prior-

ities, we allow the Executive to set our Congressional agenda, and we explicitly provide another branch of government a seat at our negotiations—where they do not belong.

Many members of the Committee pointed to the experience of our states, and forty-three of Governors' capacities to rescind line-item spending. But the proponents failed to 364 52 acknowledge that these states are no better equipped to meet the current budgetary challenges now dominating discussion in state capitals across the country. Nor is there any evidence that Governors without such power preside over states riddled with wasteful spending.

We should understand that culpability of so-called "bad" spending falls on both ends of Pennsylvania Avenue. But—by design—our country's founders sought to promote our judgment and our deliberations over the desires of the Executive. The power of the purse is the most fundamental of responsibilities with which we are entrusted, and we should vigilantly protect it.

Enhanced rescission authority does not necessarily generate budgetary savings; however, drawn to its logical conclusion, it directs greater funding to the spending priorities of the President. This bill may, unintentionally, provide a backdoor for policy prescriptions and allow de facto legislating from the White House. The very delicate balance of powers as outlined by the Impoundment Control Act has struck the appropriate equilibrium.

MIKE HONDA.
BETTY MCCOLLUM.
BILL PASCRELL, JR.

Appendix: Legislative Text

The following legislative text incorporates both amendments adopted in the Committee on the Budget and technical corrections.

SECTION 1. SHORT TITLE.

This Act may be cited as the "Expedited *Legislative* Line-Item Veto and Rescissions Act of 2011".

SEC. 2. CONGRESSIONAL CONSIDERATION OF PROPOSED RESCISSIONS AND DEFERRALS OF BUDGET AUTHORITY AND OBLIGATION LIMITATIONS.

[(a) IN GENERAL.—**]**Title X of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 621 et seq.) is amended by striking all of part B (except for sections 1015, 1016, and 1013, which are *transferred and* redesignated as sections 1017, 1018, and 1019, respectively) and part C *and by inserting after part A* the following:

"PART B—CONGRESSIONAL CONSIDERATION OF PROPOSED RESCISSIONS AND DEFERRALS OF BUDGET AUTHORITY AND OBLIGATION LIMITATIONS

"CONGRESSIONAL CONSIDERATION OF PROPOSED RESCISSIONS AND DEFERRALS OF BUDGET AUTHORITY AND OBLIGATION LIMITATIONS

"SEC. 1011. (a) PROPOSED RESCISSIONS.—Within 45 days after the enactment of any bill or joint resolution providing any funding, the President may propose, in the manner provided in subsection (b), the rescission of all or part of any dollar amount of such funding.

"(b) SPECIAL MESSAGE.—If the President proposes that Congress rescind funding, the President shall transmit a special message to Congress containing the information specified in this subsection.

"(1) PACKAGING OF REQUESTED RESCISSIONS.—For each piece of legislation that provides funding, the President shall request at most 2 packages of rescissions and the rescissions in each package shall apply only to funding contained in that legislation. The President shall not include the same rescission in both packages.

"(2) TRANSMITTAL.—The President shall deliver each message requesting a package of rescissions to the Secretary of the Senate if the Senate is not in session and to the Clerk of the House of Representatives if the House is not in session. The President shall make a copy of the transmittal message publicly available, and shall publish in the Federal Register a notice of the message and information on how it can be obtained.

"(3) CONTENTS OF SPECIAL MESSAGE.—For each request to rescind funding under this part, the transmittal message shall—

"(A) specify—

"(i) the dollar amount to be rescinded;

"(ii) the agency, bureau, and account from which the rescission shall occur;

"(iii) the program, project, or activity within the account (if applicable) from which the rescission shall occur;

"(iv) the amount of funding, if any, that would remain for the account, program, project, or activity if the rescission request is enacted;

"(v) the reasons the President requests the rescission;

"(vi) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect (including the effect on outlays and receipts in each fiscal year) of the proposed rescission;

"(vii) to the maximum extent practicable, all facts, circumstances, and considerations relating to or bearing upon the proposed rescission and the decision to propose the rescission, and the estimated effect of the proposed rescission upon the objects, purposes, or programs; and

"(viii) if a second special message is transmitted pursuant to subsection (b)(2), a detailed explanation of why the proposed rescissions are not substantially similar to any other proposed rescission in such other message; and

"(B) designate each separate rescission request by number; and include proposed legislative text of an approval bill to accomplish the requested rescissions which may not include—

"(i) any changes in existing law, other than the rescission of funding; or

"(ii) any supplemental appropriations, transfers, or reprogrammings.

"GRANTS OF AND LIMITATIONS ON PRESIDENTIAL AUTHORITY

"SEC. 1012. (a) PRESIDENTIAL AUTHORITY TO WITHHOLD FUNDING.—Notwithstanding any other provision of law and if the President proposes a rescission of funding under this part, the President may, subject to the time limits provided in subsection (c), temporarily withhold that funding from obligation.

"(b) WITHHOLDING AVAILABLE ONLY ONCE PER PROPOSED RESCISSION.—Except as provided in section 1019, the President may not invoke the authority to withhold funding granted by subsection (a) for any other purpose.

"(c) TIME LIMITS.—The President shall make available for obligation any funding withheld under subsection (a) on the earliest of—

"(1) the day on which the President determines that the continued withholding or reduction no longer advances the purpose of legislative consideration of the approval bill;

"(2) the 45th day following the date of enactment of the appropriations measure to which the approval bill relates; or

"(3) the last day that the President determines the obligation of the funding in question can no longer be fully accomplished in a prudent manner before its expiration.

"(d) DEFICIT REDUCTION.—

"(1) IN GENERAL.—Funds that are rescinded under this part shall be dedicated only to reducing the deficit or increasing the surplus.

"(2) ADJUSTMENT OF LEVELS IN THE CONCURRENT RESOLUTION ON THE BUDGET.—Not later than 5 days after the date of enactment of an approval bill as provided under this part, the chairs of the Committees on the Budget of the Senate and the House of Representatives shall revise allocations and aggregates and other appropriate levels under the appropriate concurrent resolution on the budget to reflect the rescissions, and the Committees on Appropriations of the House of Representatives and the Senate shall report revised suballocations pursuant to section 302(b) of title III, as appropriate.

"(3) ADJUSTMENTS TO STATUTORY LIMITS.—After enactment of an approval bill provided under this section, the President shall revise downward by the amount of the rescissions applicable limits under the Balanced Budget and Emergency Deficit Control Act of 1985.

"PROCEDURES FOR EXPEDITED CONSIDERATION

"SEC. 1013. (a) EXPEDITED CONSIDERATION.—

"(1) REFERRAL OF SPECIAL MESSAGE.—Any special message received by the Congress pursuant to section 1011(b) shall be referred to the Committees on Appropriations and the Committees on the Budget of the House of Representatives and the Senate.

"(2) INTRODUCTION OF APPROVAL BILL.—The majority leader or minority leader of the House of Representatives or his designee shall (by request) introduce an approval bill as defined in section 1015 not later than the third day or, if the House is not in session during that period, the next day of session after the date of receipt of a special message transmitted to the Congress under section 1011(b). If the bill is not introduced as provided in the preceding sentence in the House, then, on the first day the House is in session following the period during which the leaders may introduce the message, any Member of that House may introduce the bill.

"(3) CONSIDERATION IN THE HOUSE OF REPRESENTATIVES.—

"(A) REFERRAL AND REPORTING.—(i) Each committee of referral of the House of Representatives shall report an approval bill without amendment not later than the fifth day after the date of its referral. If the committee fails to report the bill within that period or the House of Representatives has adopted a concurrent resolution providing for adjournment sine die at the end of a Congress, such committee shall be automatically discharged from further consideration of the bill and it shall be placed on the appropriate calendar.

"(ii) As soon as practicable after such approval bill is referred to the Committee on Appropriations, CBO shall prepare, and submit to the Committees on Appropriations and the Committees on the Budget of the House of Representatives and the Senate, an estimate of the reduction in budget authority which would result from the enactment of that bill.

"(B) PROCEEDING TO CONSIDERATION.—Within three days after an approval bill is reported by or discharged from the Committee on Appropriations of the House of Representatives or if the House has adopted a concurrent resolution providing for adjournment sine die at the end of a Congress, it shall be in order for any Member to announce his intention to move to proceed to consider the approval bill in the House. The motion to proceed shall be in order only during a time designated by the Speaker within the legislative schedule for the next two days or the next day on which the House is in session. Such a motion shall not be in order after the House of Representatives has disposed of a prior motion to proceed with respect to that approval bill. The previous question shall be considered as ordered on the motion to proceed without intervening motion. A motion to reconsider the vote by which the motion to proceed is disposed of shall not be in order.

"(C) HOUSE CONSIDERATION.—If the motion to proceed is agreed to, the House shall immediately proceed to consider the approval bill in the House without intervening motion, order, or other business, and the approval bill shall remain the unfinished business of the House until disposed of. The approval bill shall be considered as read. All points of order against the approval bill or its consideration are waived. The previous question shall be considered as ordered on an approval bill to its passage, without intervening motion, except 4 hours of debate equally divided and controlled by the proponent and an opponent and one motion to further limit debate on the bill. A motion to reconsider the vote on passage of the bill shall not be in order.

"(4) CONSIDERATION IN THE SENATE.—

"(A) REFERRAL.—An approval bill received in the Senate shall be referred to the Committee on Appropriations.

"(B) COMMITTEE ACTION.—The Committee on Appropriations shall report without amendment the bill referred to it under this subsection not later than 5 days after the referral. The committee may order the bill reported favorably, unfavorably, or without recommendation. If the Committee on Appropriations has not reported the bill by the end of the 5-day period, the Committee shall be automatically discharged from further consideration of the bill and it shall be placed on the appropriate calendar.

"(C) MOTION TO PROCEED.—On the following day, 3 subsequent days, or, if the Senate is not in session during that period, the next day of session, it shall be in order for any Senator to move to proceed to consider the bill in the Sen-

ate. The motion shall be decided without debate and the motion to reconsider shall be deemed to have been laid on the table. Such a motion shall not be in order after the Senate has disposed of a prior motion to proceed with respect to that approval bill.

"(D) CONSIDERATION.—If a motion to proceed to the consideration of the approval bill is agreed to, the Senate shall immediately proceed to consideration of the approval bill without intervening motion, order, or other business, and the approval bill shall remain the unfinished business of the Senate until disposed of. Consideration on the bill in the Senate under this subsection, and all debatable motions and appeals in connection therewith, shall not exceed 10 hours, equally divided and controlled in the usual form. All points of order against the approval bill or its consideration are waived. Consideration in the Senate on any debatable motion or appeal in connection with the approval bill shall be limited to not more than 1 hour, to be equally divided and controlled in the usual form. A motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the approval bill is not in order. A motion to reconsider the vote by which the approval bill is agreed to or disagreed to is not in order.

"(b) AMENDMENTS PROHIBITED.—No amendment to an approval bill considered under this section shall be in order in either the Senate or the House of Representatives.

"TREATMENT OF RESCISSIONS

"SEC. 1014. Rescissions proposed by the President under this part shall take effect only upon enactment of the applicable approval bill. If an approval bill is not enacted into law within 45 days from the enactment of the appropriation measure to which the approval bill relates, then the approval bill shall not be eligible for expedited consideration under the provisions of this Act.

"DEFINITIONS

"SEC. 1015. As used in this part:

"(1) APPROPRIATION MEASURE.—The term 'appropriation measure' means an Act referred to in section 105 of title 1, United States Code, including any general or special appropriation Act, or any Act making supplemental, deficiency, or continuing appropriations, that has been enacted into law pursuant to article I, section 7, of the Constitution of the United States.

"(2) APPROVAL BILL.—The term 'approval bill' means a bill which only approves rescissions of funding in a special message transmitted by the President under this part and—

"(A) the title of which is as follows: 'A bill approving the proposed rescissions transmitted by the President on _____', the blank space being filled in with the date of transmission of the relevant special message and the public law number to which the message relates; and

"(B) which provides only the following after the enacting clause: 'That the Congress approves the proposed rescis-

sions _____', the blank space being filled in with the list of the rescissions contained in the President's special message, 'as transmitted by the President in a special message on _____', the blank space being filled in with the appropriate date, 'regarding _____.', the blank space being filled in with the public law number to which the special message relates.

"(3) DAY.—The term 'day' means a standard 24-hour period beginning at midnight and a number of days shall be calculated by excluding Sundays, legal holidays, and any day during which neither chamber of Congress is in session.

"(4) RESCIND OR RESCISSION.—The terms 'rescind' or 'rescission' [means] *mean* to permanently cancel or prevent budget authority or outlays available under an obligation limit from having legal force or effect.

"(5) CONGRESSIONAL BUDGET OFFICE.—The term 'CBO' means the Director of the Congressional Budget Office.

"(6) COMPTROLLER GENERAL.—The term 'Comptroller General' means the Comptroller General of the United States.

"(7) DEFERRAL OF BUDGET AUTHORITY.—The term 'deferral of budget authority' includes—

"(A) withholding or delaying the obligations or expenditure of budget authority (whether by establishing reserves or otherwise) provided for projects or activities; or

"(B) any other type of Executive action or inaction which effectively precludes the obligation or expenditure of budget authority, including authority to obligate by contract in advance of appropriations as specifically authorized by law.

"(8) FUNDING.—(A) Except as provided in subparagraph (B), the term 'funding' means all or part of the dollar amount of budget authority or obligation limit—

"(i) specified in an appropriation measure, or the dollar amount of budget authority or obligation limit required to be allocated by a specific proviso in an appropriation measure for which a specific dollar figure was not included;

"(ii) represented separately in any table, chart, or explanatory text included in the statement of managers or the governing committee report accompanying such law; or

"(iii) represented by the product of the estimated procurement cost and the total quantity of items specified in an appropriation measure or included in the statement of managers or the governing committee report accompanying such law.

"(B) The term 'funding' does not include—

"(i) direct spending;

"(ii) budget authority in an appropriation measure which funds direct spending provided for in other law;

"(iii) any existing budget authority canceled in an appropriation measure; or

"(iv) any restriction or condition in an appropriation measure or the accompanying statement of managers or committee reports on the expenditure of budget authority

for an account, program, project, or activity, or on activities involving such expenditure.

"(9) WITHHOLD.—The terms 'withhold' and 'withholding' apply to any executive action or inaction that precludes the obligation of funding at a time when it would otherwise have been available to an agency for obligation. The terms do not include administrative or preparatory actions undertaken prior to obligation in the normal course of implementing budget laws.

[''EXPIRATION

[''SEC. 1016. This title shall have no force or effect on or after December 31, 2015.]

''EXPIRATION

''SEC. 1016. On December 15, 2015, the amendments made by the Expedited Legislative Line-Item Veto and Rescissions Act of 2011 shall be replaced by the provisions of part B of the Impoundment Control Act of 1974 as in effect immediately before the date of enactment of the Expedited Legislative Line-Item Veto and Rescissions Act of 2011.''.

SEC. 3. TECHNICAL AND CONFORMING AMENDMENTS.

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

(1) in subsection (a), by striking "1017" and inserting "1013"; and

(2) in subsection (d), by striking "section 1017" and inserting "section 1013".

(b) CLERICAL AMENDMENTS.—(1) The last sentence of section 1(a) of the Congressional Budget and Impoundment Control Act of 1974 is amended to read as follows: "Sections 1011 through 1016 of part B of title X may be cited as the 'Expedited *Legislative* Line-Item Veto and Rescissions Act of 2011'.".

(2) Section 1017 of such Act (as redesignated) is amended by striking "section 1012 or 1013" each place it appears and inserting "section 1011 or 1019" and *in section 1018 (as redesignated) is amended* by striking "calendar" and "of continuous session".

(3) Section 1019(c) of such Act (as redesignated) is amended by striking "1012" and inserting "1011".

(4) TABLE OF CONTENTS.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking the items relating to parts B and C (including all of the items relating to the sections therein) of title X and inserting the following:

"PART B—CONGRESSIONAL CONSIDERATION OF PROPOSED RESCISSIONS AND DEFERRALS OF BUDGET AUTHORITY AND OBLIGATION LIMITATIONS

"Sec. 1011. Congressional consideration of proposed rescissions and deferrals of budget authority and obligation limitations.
"Sec. 1012. Grants of and limitations on presidential authority.
"Sec. 1013. Procedures for expedited consideration.
"Sec. 1014. Treatment of rescissions.
"Sec. 1015. Definitions.
"Sec. 1016. Expiration.
"Sec. 1017. Reports by Comptroller General.

"Sec. 1018. Suits by Comptroller General.
"Sec. 1019. Proposed deferrals of budget authority.".

(c) EFFECTIVE DATE.—The amendments made by this Act shall apply to funding as defined in section 1015(8) of the Congressional Budget Act and Impoundment Control of 1974 in any Act enacted after the date of enactment of this Act.

SEC. 4. APPROVAL MEASURES CONSIDERED.

Section 314 of the Congressional Budget Act of 1974 is amended—

(1) by redesignating subsections (b) through (e) as subsections (c) through (f) and by inserting after subsection (a) the following new subsection:

"(b) ADJUSTMENTS FOR RESCISSIONS.—(1) Whenever an approval bill passes the House of Representatives, the Committee on the Budget shall immediately reduce the applicable allocations under section 302(a) by the total amount of reductions in budget authority and in outlays resulting from such approval bill.

"(2) As used in this subsection, the term 'approval bill' has the meaning given to such term in section 1015."; and

(2) in subsection (d) (as redesignated), by inserting "or (b)" after "subsection (a)".

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