

106TH CONGRESS  
2D SESSION

# H. R. 3523

To amend the Congressional Budget and Impoundment Control Act of 1974 to provide for expedited rescissions of budget authority and of limited tax benefits.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 24, 2000

Mr. ANDREWS introduced the following bill; which was referred to the Committee on the Budget, and in addition to the Committees on Rules, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Congressional Budget and Impoundment Control Act of 1974 to provide for expedited rescissions of budget authority and of limited tax benefits.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Expedited Rescissions  
5       Act of 1999”.

1 **SEC. 2. PRESIDENTIAL REQUESTS FOR EXPEDITED CONSID-**  
2 **ERATION.**

3 Part B of title X of the Congressional Budget and  
4 Impoundment Control Act of 1974 (2 U.S.C. 681 et seq.)  
5 is amended by redesignating sections 1013 through 1017  
6 as sections 1014 through 1018, respectively, and inserting  
7 after section 1012 the following new section:

8 “REQUESTS FOR EXPEDITED CONSIDERATION

9 “SEC. 1013. (a) PROPOSED RESCISSION OF BUDGET  
10 AUTHORITY OR LIMITED TAX BENEFITS.—In addition to  
11 the method of proposing rescissions specified in section  
12 1012, the President may propose, subject to the other pro-  
13 visions of this title, the expedited rescission of any budget  
14 authority provided in any appropriation Act or the expe-  
15 dited rescission of any limited tax benefit set forth in any  
16 revenue Act amending the Internal Revenue Code of 1986.

17 “(b) TRANSMITTAL OF SPECIAL MESSAGE.—

18 “(1)(A) Not later than 30 calendar days after  
19 the date of enactment of an appropriation Act, the  
20 President may transmit to Congress a special mes-  
21 sage requesting the rescission of new budget author-  
22 ity provided in that Act and include with that special  
23 message a draft bill that, if enacted, would only re-  
24 scind that budget authority. That bill shall clearly  
25 identify the amount of budget authority that is pro-

1 posed to be rescinded from each program, project, or  
2 activity funded by that Act.

3 “(B) Not later than 30 calendar days after the  
4 date of enactment of any revenue Act, the President  
5 may transmit to Congress a special message pro-  
6 posing to rescind limited tax benefits set forth in  
7 that Act and include with that special message a  
8 draft bill that, if enacted, would only rescind such  
9 limited tax benefits.

10 “(2)(A) In proposing to rescind budget author-  
11 ity under this section, the President shall send a  
12 separate special message and accompanying draft  
13 bill for accounts within the jurisdiction of each sub-  
14 committee of the Committee on Appropriations.

15 “(B) In proposing to rescind limited tax bene-  
16 fits under this section, the President shall transmit  
17 a single special message to the Congress.

18 “(3)(A) Each special message shall specify,  
19 with respect to the budget authority proposed to be  
20 rescinded, the matters referred to in paragraphs (1)  
21 through (5) of section 1012(a).

22 “(B) Each special message shall specify, with  
23 respect to the limited tax benefits proposed to be re-  
24 scinded, the following:

1           “(i) The limited tax benefit proposed to be  
2 rescinded.

3           “(ii) The reasons for the rescission.

4           “(iii) To the maximum extent practicable,  
5 the estimated fiscal, economic, and budgetary  
6 effect of the rescission.

7           “(iv) All facts, circumstances, and consid-  
8 erations relating to or bearing upon the rescis-  
9 sion, and to the maximum extent practicable,  
10 the estimated effect of the rescission upon the  
11 objects and purposes for which the rescinded  
12 benefit was provided.

13       “(c) IDENTIFICATION OF LIMITED TAX BENEFITS.—

14           “(1) “STATEMENT BY JOINT TAX COM-  
15 MITTEE.—The Joint Committee on Taxation shall  
16 review any bill or joint resolution that includes any  
17 amendment to the Internal Revenue Code of 1986  
18 that is being prepared for filing by a committee of  
19 conference of the two Houses, and shall identify  
20 whether such bill or resolution contains any limited  
21 tax benefits. The Joint Committee on Taxation shall  
22 provide to the committee of conference a statement  
23 identifying any such limited tax benefits or declaring  
24 that the bill or resolution does not contain any lim-  
25 ited tax benefits. Any such statement shall be made

1 available to any Member of Congress by the Joint  
2 Committee on Taxation immediately upon request.

3 “(2) STATEMENT INCLUDED IN LEGISLA-  
4 TION.—(A) Notwithstanding any other rule of the  
5 House of Representatives or any rule or precedent of  
6 the Senate, any bill or joint resolution that includes  
7 any amendment to the Internal Revenue Code of  
8 1986 reported by a committee of conference of the  
9 two Houses may include, as a separate section of  
10 such bill or joint resolution, the information con-  
11 tained in the statement of the Joint Committee on  
12 Taxation, but only in the manner set forth in sub-  
13 paragraph (B).

14 “(B) The separate section permitted under sub-  
15 paragraph (A) shall read as follows: ‘Section  
16 1013(a) of the Congressional Budget and Impound-  
17 ment Control Act of 1974 shall 1111 apply to  
18 111111.’, with the blank spaces being filled in  
19 with—

20 “(i) in any case in which the Joint Com-  
21 mittee on Taxation identifies limited tax bene-  
22 fits in the statement required under paragraph  
23 (1), the word ‘only’ in the first blank space and  
24 a list of all of the specific provisions of the bill  
25 or joint resolution identified by the Joint Com-

mittee on Taxation in such statement in the  
second blank space; or

“(ii) in any case in which the Joint Committee on Taxation declares that there are no limited tax benefits in the statement required under paragraph (1), the word ‘not’ in the first blank space and the phrase ‘any provision of this Act’ in the second blank space.

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

“(A) with a separate section described in paragraph (2)(B), then the President may use the authority granted in section 1013(a) only to propose to rescind any limited tax benefit in that law, if any, identified in such separate section; or

“(B) without a separate section described in paragraph (2)(B), then the President may use the authority granted in section 1013(a) to propose to rescind any limited tax benefit in that law that meets the definition in section 1011(8).

1           “(4) CONGRESSIONAL IDENTIFICATIONS OF  
 2           LIMITED TAX BENEFITS.—There shall be no judicial  
 3           review of the congressional identification under para-  
 4           graphs (1) and (2) of a limited tax benefit in a con-  
 5           ference report.”.

6 **SEC. 3. EXPEDITED PROCEDURES IN HOUSE AND SENATE.**

7           Part B of the Impoundment Control Act of 1974 is  
 8           amended by adding at the end the following new section:

9           “PROCEDURES FOR EXPEDITED CONSIDERATION

10          “SEC. 1019. (a) IN GENERAL.—

11               “(1)(A) Before the close of the second legisla-  
 12               tive day of the House of Representatives after the  
 13               date of receipt of a special message transmitted to  
 14               Congress under subsection (b), the majority leader  
 15               or minority leader of the House of Representatives  
 16               shall introduce (by request) the draft bill accom-  
 17               panying that special message. If the bill is not intro-  
 18               duced as provided in the preceding sentence, then,  
 19               on the third legislative day of the House of Rep-  
 20               resentatives after the date of receipt of that special  
 21               message, any Member of the House may introduce  
 22               the bill.

23               “(B) The bill shall be referred to the Com-  
 24               mittee on Appropriations or the Committee on Ways  
 25               and Means of the House of Representatives, as ap-  
 26               plicable. The committee shall report the bill without

1 substantive revision, and with or without rec-  
2 ommendation. The bill shall be reported not later  
3 than the seventh legislative day of the House after  
4 the bill is introduced. If the committee fails to report  
5 the bill within that period, the committee shall be  
6 automatically discharged from consideration of the  
7 bill, and the bill shall be placed on the appropriate  
8 calendar.

9 “(C) A vote on final passage of the bill referred  
10 to in subparagraph (B) shall be taken in the House  
11 of Representatives on or before the close of the 10th  
12 legislative day of the House after the bill is intro-  
13 duced. If the bill is passed, the Clerk of the House  
14 of Representatives shall cause the bill to be en-  
15 grossed, certified, and transmitted to the Senate  
16 within one calendar day of the day on which the bill  
17 is passed.

18 “(2)(A) A motion in the House of Representa-  
19 tives to proceed to the consideration of a bill under  
20 this section shall be privileged and not debatable. An  
21 amendment to the motion shall not be in order, nor  
22 shall it be in order to move to reconsider the vote  
23 by which the motion is agreed to or disagreed to.

24 “(B) Debate in the House of Representatives  
25 on a bill under this section shall not exceed 4 hours,



1       which shall be divided equally between those favoring  
2       and those opposing the bill. A motion further to  
3       limit debate shall not be debatable. It shall not be  
4       in order to move to recommit a bill under this sec-  
5       tion or to move to reconsider the vote by which the  
6       bill is agreed to or disagreed to.

7               “(C) Appeals from decisions of the Chair relat-  
8       ing to the application of the Rules of the House of  
9       Representatives to the procedure relating to a bill  
10      under this section shall be decided without debate.

11             “(3)(A) A bill transmitted to the Senate pursu-  
12      ant to paragraph (1) (C) shall be referred to its  
13      Committee on Appropriations or the Committee on  
14      Finance, as applicable. The committee shall report  
15      the bill without substantive revision and with or  
16      without recommendation. The bill shall be reported  
17      not later than the seventh legislative day of the Sen-  
18      ate after it receives the bill. A committee failing to  
19      report the bill within such period shall be automati-  
20      cally discharged from consideration of the bill, and  
21      the bill shall be placed upon the appropriate cal-  
22      endar.

23             “(B) A vote on final passage of a bill trans-  
24      mitted to the Senate shall be taken on or before the

1 close of the 10th legislative day of the Senate after  
2 it receives the bill.

3 “(4)(A) A motion in the Senate to proceed to  
4 the consideration of a bill under this section shall be  
5 privileged and not debatable. An amendment to the  
6 motion shall not be in order, nor shall it be in order  
7 to move to reconsider the vote by which the motion  
8 is agreed to or disagreed to.

9 “(B) Debate in the Senate on a bill under this  
10 section, and all debatable motions and appeals in  
11 connection therewith, shall not exceed 10 hours. The  
12 time shall be equally divided between, and controlled  
13 by, the majority leader and the minority leader or  
14 their designees.

15 “(C) Debate in the Senate on any debatable  
16 motion or appeal in connection with a bill under this  
17 section shall be limited to not more than 1 hour, to  
18 be equally divided between, and controlled by, the  
19 mover and the manager of the bill, except that in  
20 the event the manager of the bill is in favor of any  
21 such motion or appeal, the time in opposition thereto  
22 shall be controlled by the minority leader or his des-  
23 ignee. Such leaders, or either of them, may, from  
24 time under their control on the passage of a bill,

1 allot additional time to any Senator during the con-  
2 sideration of any debatable motion or appeal.

3 “(D) A motion in the Senate to further limit  
4 debate on a bill under this section is not debatable.  
5 A motion to recommit a bill under this section is not  
6 in order.

7 “(b) AMENDMENTS AND DIVISIONS PROHIBITED.—  
8 No amendment to a bill considered under this section shall  
9 be in order in either the House of Representatives or the  
10 Senate. It shall not be in order to demand a division of  
11 the question in the House of Representatives (or in a Com-  
12 mittee of the Whole) or in the Senate. No motion to sus-  
13 pend the application of this subsection shall be in order  
14 in either House.”.

15 **SEC. 4. DEFINITIONS.**

16 Section 1011 of the Impoundment Control Act of  
17 1974 is amended as follows:

18 (1) Paragraph (3) is amended by striking ev-  
19 erything after “1012”.

20 (2) Paragraph (4) is amended to read as fol-  
21 lows:

22 “(4) ‘rescind’ means, with respect to a limited  
23 tax benefit, to prevent the specific provision of law  
24 that provides such benefit from having legal force or  
25 effect, and, with respect to an appropriation Act, to

1       reduce the amount of budget authority appropriated  
2       in that Act, and reducing budget authority shall in-  
3       clude reducing obligation limitations set forth in that  
4       Act;”.

5           (3) Paragraph (5) is amended to read as fol-  
6       lows:

7           “(5) continuity of a session of the Congress  
8       shall be considered as broken only by an adjourn-  
9       ments of the Congress sine die, and the days on  
10      which either House is not in session because of an  
11      adjournment of more than 3 days to a day certain  
12      shall be excluded in the computation of the 30-day  
13      period and the 45-day period referred to in section  
14      1014 and the 25-day period referred to in sections  
15      1017 and 1018; and if a special message is trans-  
16      mitted under section 1012 or 1013 during any Con-  
17      gress and the last session of that Congress adjourns  
18      sine die before the expiration of the applicable 30-  
19      day or 45-day period (or a special message is so  
20      transmitted after the last session of the Congress  
21      adjourns sine die), the message shall be deemed to  
22      have been retransmitted on the first day of the suc-  
23      ceeding Congress and the applicable period (with re-  
24      spect to the message) shall commence on the next  
25      day;”.

1           (4) At the end, add the following new para-  
2 graphs:

3           “(6) ‘legislative day’ means, with respect to ei-  
4 ther House of Congress, any calendar day during  
5 which that House is in session;

6           “(7) ‘appropriation Act’ means any general or  
7 special appropriation Act, and any Act or joint reso-  
8 lution making supplemental, deficiency, or con-  
9 tinuing appropriations; and

10          “(8) ‘limited tax benefit’ means—

11           “(i) any revenue-losing provision which  
12 provides a Federal tax deduction, credit, exclu-  
13 sion, or preference to 100 or fewer beneficiaries  
14 under the Internal Revenue Code of 1986 in  
15 any fiscal year for which the provision is in ef-  
16 fect; or

17           “(ii) any Federal tax provision which pro-  
18 vides temporary or permanent transitional relief  
19 for 10 or fewer beneficiaries in any fiscal year  
20 from a change to the Internal Revenue Code of  
21 1986.

22          “(B) A provision shall not be treated as de-  
23 scribed in subparagraph (A)(i) if the effect of that  
24 provision is that—

1           “(i) all persons in the same industry or en-  
2           gaged in the same type of activity receive the  
3           same treatment;

4           “(ii) all persons owning the same type of  
5           property, or issuing the same type of invest-  
6           ment, receive the same treatment; or

7           “(iii) any difference in the treatment of  
8           persons is based solely on—

9                   “(I) in the case of businesses and as-  
10                  sociations, the size or form of the business  
11                  or association involved;

12                  “(II) in the case of individuals, gen-  
13                  eral demographic conditions, such as in-  
14                  come, marital status, number of depend-  
15                  ents, or tax return filing status;

16                  “(III) the amount involved; or

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

19           “(C) A provision shall not be treated as de-  
20           scribed in subparagraph (A)(ii) if—

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

1           “(ii) it is a technical correction to pre-  
2           viously enacted legislation that is estimated to  
3           have no revenue effect.

4           “(D) For purposes of subparagraph (A)—

5                 “(i) all businesses and associations which  
6                 are related within the meaning of sections  
7                 707(b) and 1563(a) of the Internal Revenue  
8                 Code of 1986 shall be treated as a single bene-  
9                 ficiary;

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

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

14                “(iv) if a corporation, partnership, associa-  
15                tion, trust, or estate is the beneficiary of a pro-  
16                vision, the shareholders of the corporation, the  
17                partners of the partnership, the members of the  
18                association, or the beneficiaries of the trust or  
19                estate shall not also be treated as beneficiaries  
20                of such provision.

21           “(E) For purposes of this paragraph, the term  
22           ‘revenue-losing provision’ means any provision which  
23           results in a reduction in Federal tax revenues for  
24           any one of the two following periods—

1 “(i) the first fiscal year for which the pro-  
2 vision is effective; or

3 “(ii) the period of the 5 fiscal years begin-  
4 ning with the first fiscal year for which the pro-  
5 vision is effective.

6 “(F) The terms used in this paragraph shall  
7 have the same meaning as those terms have gen-  
8 erally in the Internal Revenue Code of 1986, unless  
9 otherwise expressly provided.”.

10 **SEC. 5. DEFERRALS PENDING RESCISSIONS.**

11 (a) RESCISSION OF BUDGET AUTHORITY.—Section  
12 1012 of the Impoundment Control Act of 1974 is amended  
13 by striking “(a)” and by striking subsection (b).

14 (b) DEFERRALS.—Section 1014 of the Impoundment  
15 Control Act of 1974 (as redesignated) is amended by—

16 (1) striking “PROPOSED DEFERRALS OF BUDG-  
17 ET AUTHORITY” and inserting “DEFERRALS” in the  
18 heading of the section;

19 (2) striking the last sentence of subsection (a)  
20 and inserting “A deferral may not extend beyond the  
21 end of the fiscal year in which it begins.”;

22 (3) amending subsection (c) to read as follows:

23 “(c) TEMPORARY DEFERRAL WHILE RESCISSION  
24 REQUESTS ARE PENDING.—The President may defer the  
25 obligation of budget authority subject to rescission under



1 sections 1012 or 1013, or defer the implementation of any  
2 limited tax benefit subject to rescission under section  
3 1013, but only if a special message requesting the rescis-  
4 sion of that budget authority or limited tax benefit has  
5 been transmitted to Congress under the applicable sec-  
6 tion.”; and

7 (4) by adding at the end the following new sub-  
8 sections:

9 “(d) RELEASE OF DEFERRALS.—Any amount of  
10 budget authority proposed to be rescinded under section  
11 1012 shall be made available for obligation within 45 cal-  
12 endar days of continuous session of Congress after the day  
13 on which it was first deferred under subsection (c) unless  
14 it has previously been rescinded by enactment of a statute.  
15 Any amount of budget authority or any limited tax benefit  
16 proposed to be rescinded under section 1013 shall be made  
17 available for obligation or shall be implemented as pro-  
18 vided by law, as the case may be, within 30 calendar days  
19 of continuous session of Congress after the day on which  
20 the applicable special message was transmitted to Con-  
21 gress unless it has previously been rescinded by enactment  
22 of a statute.

23 “(e) PROHIBITION ON REPEATED IMPOUNDMENTS.—  
24 Any budget authority or limited tax benefit proposed for

1 rescission under section 1012 or section 1013 may not be  
 2 proposed for rescission under this Act more than once.”.

3 **SEC. 6. CONFORMING AMENDMENTS.**

4 (a) TABLE OF CONTENTS.—The table of sections as  
 5 set forth in section 1(b) of the Congressional Budget and  
 6 Impoundment Control Act of 1974 is amended—

7 (1) by redesignating the items relating to sec-  
 8 tions 1013 through 1017 as items relating to sec-  
 9 tions 1014 through 1018;

10 (2) by inserting after the item relating to sec-  
 11 tion 1012 the following new item:

“Sec. 1013. Requests for expedited consideration.”;

12 (3) by amending the item relating to section  
 13 1014 (as redesignated) to read as follows:

“Sec. 1014. Deferrals.”;

14 and

15 (4) by inserting at the end the following new  
 16 item:

“Sec. 1019. Expedited procedures in House and Senate.”

17 (b) EXERCISE OF RULEMAKING POWERS.—Section  
 18 904 of such Act (2 U.S.C. 621 note) is amended—

19 (1) by striking “and 1017” in subsection (a)  
 20 and inserting “1013, and 1018”; and

21 (2) by striking “section 1017” in subsection (d)  
 22 and inserting “sections 1013 and 1018”.

1 (c) DEFINITIONS.—Section 1011 of such Act (2  
2 U.S.C. 682(5)) is amended—

3 (1) in paragraph (4), by striking “1013” and  
4 inserting “1014”; and

5 (2) in paragraph (5)—

6 (A) by striking “1016” and inserting  
7 “1017”; and

8 (B) by striking “1017(b)(1)” and inserting  
9 “1018(b)(1)”.

10 (d) TRANSMISSION OF MESSAGES.—Section 1015 of  
11 such Act (2 U.S.C. 685) (as redesignated) is amended—

12 (1) by striking “1012 or 1013” each place it  
13 appears and inserting “1012, 1013, or 1014”;

14 (2) in subsection (b)(1), by striking “1012”  
15 and inserting “1012 or 1013”;

16 (3) in subsection (b)(2), by striking “1013”  
17 and inserting “1014”; and

18 (4) in subsection (e)(2)—

19 (A) by striking “and” at the end of sub-  
20 paragraph (A);

21 (B) by redesignating subparagraph (B) as  
22 subparagraph (C);

23 (C) by striking “1013” in subparagraph  
24 (C) (as so redesignated) and inserting “1014”;

25 and

1 (D) by inserting after subparagraph (A)  
2 the following new subparagraph:

3 “(B) he has transmitted a special message  
4 under section 1013 with respect to a proposed  
5 rescission; and”.

6 (e) REPORTS.—Section 1016 of such Act (2 U.S.C.  
7 686) (as redesignated) is amended by striking “1012 or  
8 1013” each place it appears and inserting “1012, 1013,  
9 or 1014”.

10 (f) COMPTROLLER GENERAL.—Section 1017 of such  
11 Act (2 U.S.C. 687) (as redesignated) is amended—

12 (1) by inserting “or a limited tax benefit is re-  
13 quired to be implemented and is not implemented,”  
14 before “the Comptroller General is hereby expressly  
15 empowered”;

16 (2) by inserting “or such limited tax benefit to  
17 be implemented” before “, and such court is hereby  
18 expressly empowered”; and

19 (3) by inserting “or to implement such limited  
20 tax benefit” after “to make such budget authority  
21 available for obligation”.

1   **SEC. 7. APPLICATION.**

2           The amendments made by this Act shall apply to leg-  
3   islation enacted during the second session of the One Hun-  
4   dred Sixth Congress and thereafter.

○