

110TH CONGRESS
1ST SESSION

H. R. 489

To establish a commission to develop legislation designed to reform entitlement benefit programs and ensure a sound fiscal future for the United States, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 16, 2007

Mr. MCHENRY introduced the following bill; which was referred to the Committee on the Budget, and in addition to the Committee on Rules, 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

A BILL

To establish a commission to develop legislation designed to reform entitlement benefit programs and ensure a sound fiscal future for the United States, and for other purposes.

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 “Commission On Re-
5 forming Entitlement Spending Act” or the “CORE Spend-
6 ing Act”.

1 **SEC. 2. ESTABLISHMENT.**

2 There is established a commission to be known as the
3 “Commission On Reforming Entitlement Spending”
4 (hereinafter in this Act referred to as the “Commission”).

5 **SEC. 3. DUTIES OF COMMISSION.**

6 (a) MANDATORY LEGISLATION DEVELOPMENT.—

7 (1) ISSUES TO ADDRESS.—The Commission
8 shall examine the long-term fiscal challenges facing
9 the United States and develop legislation designed to
10 address the following issues:

11 (A) The unsustainable imbalance between
12 long-term Federal spending commitments and
13 projected revenues.

14 (B) Increasing net national savings to pro-
15 vide for domestic investment and economic
16 growth.

17 (C) The implications of foreign ownership
18 of debt instruments issued by the United States
19 Government.

20 (D) Improving the budget process to place
21 greater emphasis on long-term fiscal issues.

22 (2) POLICY SOLUTIONS.—Legislation developed
23 to address the issues described in paragraph (1) may
24 include the following:

1 (A) Reforms that limit the growth of enti-
2 tlement spending to ensure that the programs
3 are fiscally sustainable.

4 (B) Reforms that strengthen the safety net
5 functions of entitlement programs to provide
6 assistance to the neediest people.

7 (C) Incentives to increase private savings.

8 (D) Automatic stabilizers or triggers to en-
9 force spending and revenue targets.

10 (E) Any other reforms designed to address
11 the issues described in paragraph (1).

12 (3) LIMITATION.—The legislation developed
13 under this subsection may not include any new, or
14 any increase in an existing, Federal tax.

15 (b) OPTIONAL DEVELOPMENT OF COST ESTIMATE
16 ALTERNATIVES.—The Commission shall by an affirmative
17 vote of 5 members develop not more than 2 methods for
18 estimating the cost of legislation as an alternative to the
19 method currently used by the Congressional Budget Of-
20 fice. Any such alternative method must be designed to ad-
21 dress any flaws in the method currently used with regard
22 to estimating the positive economic effects of legislation.

23 **SEC. 4. INITIAL TOWN HALL STYLE PUBLIC HEARINGS.**

24 (a) IN GENERAL.—The Commission shall hold at
25 least 1 town hall style public hearing within each Federal

1 reserve district, and shall, to the extent feasible, ensure
2 that there is broad public participation in the hearings.

3 (b) HEARING FORMAT.—During each hearing, the
4 Commission shall present to the public, and generate com-
5 ments and suggestions regarding, the issues described in
6 section 3, policies designed to address the issues, and
7 tradeoffs between the policies.

8 **SEC. 5. REPORT.**

9 The Commission shall, not later than 180 days after
10 the date of enactment of this Act, submit a report to Con-
11 gress and the President containing the following:

12 (1) A detailed description of the activities of the
13 Commission.

14 (2) A summary of comments and suggestions
15 generated from the town hall style public hearings.

16 (3) A detailed statement of any findings of the
17 Commission as to public preferences regarding the
18 issues, policies, and tradeoffs presented in the town
19 hall style public hearings.

20 (4) A detailed description of the long-term fis-
21 cal problems faced by the United States.

22 (5) A list of policy options for addressing those
23 problems.

24 (6) Criteria for the legislative proposal to be de-
25 veloped by the Commission.

1 **SEC. 6. LEGISLATIVE PROPOSAL.**

2 (a) IN GENERAL.—Not later than 60 days after the
3 date the report is submitted under section 5 and by a vote
4 of two-thirds of the members, the Commission shall sub-
5 mit a legislative proposal to Congress and the President
6 designed to address the issues described section 3.

7 (b) PROPOSAL REQUIREMENTS.—The proposal must,
8 to the extent feasible, be designed—

9 (1) to achieve generational equity and long-term
10 economic stability;

11 (2) to address the comments and suggestions of
12 the public; and

13 (3) to meet the criteria set forth in the Com-
14 mission report.

15 (c) INCLUSION OF COST ESTIMATE.—The Commis-
16 sion shall submit with the proposal—

17 (1) a long-term CBO cost estimate prepared
18 under section 14 for the proposal; and

19 (2) if an alternative cost estimate method is de-
20 veloped by the Commission, a 50-year cost estimate
21 using such method.

22 **SEC. 7. MEMBERSHIP AND MEETINGS.**

23 (a) IN GENERAL.—The Commission shall be com-
24 posed of 15 voting members appointed pursuant to para-
25 graph (1) and 2 nonvoting members described in para-
26 graph (2).

1 (1) VOTING MEMBERS.—(A) The President
2 shall appoint 3 members, one of which the President
3 shall appoint as chairperson of the Commission.

4 (B) The Speaker of the House of Representa-
5 tives shall appoint 3 members.

6 (C) The Minority Leader of the House of Rep-
7 resentatives shall appoint 3 members.

8 (D) The Majority Leader of the Senate shall
9 appoint 3 members.

10 (E) The Minority Leader of the Senate shall
11 appoint 3 members.

12 (2) NONVOTING MEMBERS.—The Comptroller
13 General of the United States and the Director of the
14 Congressional Budget Office shall each be nonvoting
15 members of the Commission and shall advise and as-
16 sist at the request of the Commission.

17 (b) LIMITATION AS TO MEMBERS OF CONGRESS.—
18 Each appointing authority described in subsection (a)(1)
19 who is a Member of Congress may only appoint 1 Member
20 of Congress to the Commission.

21 (c) DATE FOR ORIGINAL APPOINTMENT.—The ap-
22 pointing authorities described in subsection (a)(1) shall
23 appoint the initial members of the Commission not later
24 than 30 days after the date of enactment of this Act.

25 (d) TERMS.—

1 (1) IN GENERAL.—The term of each member is
2 for the life of the Commission.

3 (2) VACANCIES.—A vacancy in the Commission
4 shall be filled not later than 30 days after such va-
5 cancy occurs and in the manner in which the origi-
6 nal appointment was made.

7 (e) PAY AND REIMBURSEMENT.—

8 (1) NO COMPENSATION FOR MEMBERS OF COM-
9 MISSION.—Except as provided in paragraph (2), a
10 member of the Commission may not receive pay, al-
11 lowances, or benefits by reason of their service on
12 the Commission.

13 (2) TRAVEL EXPENSES.—Each member shall
14 receive travel expenses, including per diem in lieu of
15 subsistence under subchapter I of chapter 57 of title
16 5, United States Code.

17 (f) MEETINGS.—The Commission shall meet upon
18 the call of the chairperson or a majority of its voting mem-
19 bers.

20 (g) QUORUM.—Six voting members of the Commis-
21 sion shall constitute a quorum, but a lesser number may
22 hold hearings.

23 **SEC. 8. DIRECTOR AND STAFF OF COMMISSION.**

24 (a) DIRECTOR.—

1 (1) IN GENERAL.—Subject to subsection (c)
2 and to the extent provided in advance in appropria-
3 tion Acts, the Commission shall appoint and fix the
4 pay of a director.

5 (2) DUTIES.—The director of the Commission
6 shall be responsible for the administration and co-
7 ordination of the duties of the Commission and shall
8 perform other such duties as the Commission may
9 direct.

10 (b) STAFF.—In accordance with rules agreed upon
11 by the Commission, subject to subsection (c), and to the
12 extent provided in advance in appropriation Acts, the di-
13 rector may appoint and fix the pay of additional personnel.

14 (c) APPLICABILITY OF CERTAIN CIVIL SERVICE
15 LAWS.—The director and staff of the Commission may be
16 appointed without regard to the provisions of title 5,
17 United States Code, governing appointments in the com-
18 petitive service, and may be paid without regard to the
19 provisions of chapter 51 and subchapter III of chapter 53
20 of that title relating to classification and General Schedule
21 pay rates, except that pay fixed under subsection (a) may
22 not exceed \$150,000 per year and pay fixed under sub-
23 section (b) may not exceed a rate equal to the daily equiva-
24 lent of the annual rate of basic pay for level V of the Exec-

1 utive Schedule under section 5316 of title 5, United States
2 Code.

3 (d) DETAILEES.—Any Federal Government employee
4 may be detailed to the Commission without reimbursement
5 from the Commission, and such detailee shall retain the
6 rights, status, and privileges of their regular employment
7 without interruption.

8 (e) EXPERTS AND CONSULTANTS.—In accordance
9 with rules agreed upon by the Commission and to the ex-
10 tent provided in advance in appropriation Acts, the direc-
11 tor may procure the services of experts and consultants
12 under section 3109(b) of title 5, United States Code, but
13 at rates not to exceed the daily equivalent of the annual
14 rate of basic pay for level V of the Executive Schedule
15 under section 5316 of title 5, United States Code.

16 **SEC. 9. POWERS OF COMMISSION.**

17 (a) HEARINGS AND EVIDENCE.—The Commission
18 may, for the purpose of carrying out this Act, hold such
19 hearings in addition to the town hall style public hearings,
20 sit and act at such times and places, take such testimony,
21 and receive such evidence as the Commission considers ap-
22 propriate. The Commission may administer oaths or affir-
23 mations to witnesses appearing before it.

24 (b) POWERS OF MEMBERS AND AGENTS.—Any mem-
25 ber or agent of the Commission may, if authorized by the

1 Commission, take any action which the Commission is au-
2 thorized to take under this section.

3 (c) **MAILS.**—The Commission may use the United
4 States mails in the same manner and under the same con-
5 ditions as other departments and agencies of the United
6 States.

7 (d) **ADMINISTRATIVE SUPPORT SERVICES.**—Upon
8 the request of the Commission, the Administrator of Gen-
9 eral Services shall provide to the Commission, on a reim-
10 bursable basis, the administrative support services nec-
11 essary for the Commission to carry out its responsibilities
12 under this Act.

13 (e) **CONTRACT AUTHORITY.**—To the extent provided
14 in advance in appropriation Acts, the Commission may
15 enter into contracts to enable the Commission to discharge
16 its duties under this Act.

17 (f) **GIFTS.**—The Commission may accept, use, and
18 dispose of gifts or donations of services or property.

19 **SEC. 10. TERMINATION.**

20 The Commission shall terminate 60 days after sub-
21 mitting its legislative proposal.

22 **SEC. 11. ALTERNATIVE LEGISLATIVE PROPOSAL OF PRESI-**
23 **DENT.**

24 The President may, not later than 60 days after the
25 Commission submits its legislative proposal, submit to

1 Congress an alternative to the legislative proposal sub-
2 mitted by the Commission.

3 **SEC. 12. ALTERNATIVE LEGISLATIVE PROPOSAL OF THE**
4 **COMMITTEE ON THE BUDGET.**

5 The Committee on the Budget of either House may,
6 in consultation with the relevant committees of their re-
7 spective House and not later than 60 days after the Com-
8 mission submits its legislative proposal, have published in
9 the Congressional Record an alternative to the legislative
10 proposal submitted by the Commission.

11 **SEC. 13. CONSIDERATION OF LEGISLATION.**

12 (a) INTRODUCTION.—On the first legislative day
13 after the Commission submits its legislative proposal, the
14 Speaker of the House of Representatives and the Majority
15 Leader of the Senate shall introduce (by request) the legis-
16 lation submitted by the Commission.

17 (b) IN THE HOUSE OF REPRESENTATIVES.—

18 (1) PRIVILEGED CONSIDERATION.—In the
19 House of Representatives, if a committee to which
20 the legislation has been referred has not reported
21 the legislation before the expiration of the 60-day
22 period described in section 12, then—

23 (A) that committee shall be discharged
24 from consideration of the legislation;

1 (B) the legislation shall be placed on the
2 appropriate calendar; and

3 (C) a motion to proceed to the consider-
4 ation of the legislation is highly privileged and
5 is not debatable.

6 (2) AMENDMENTS LIMITED.—

7 (A) IN GENERAL.—Except as provided in
8 subparagraph (B), an amendment to the legis-
9 lation may not be offered in the House of Rep-
10 resentatives.

11 (B) PERMITTED AMENDMENTS.—(i) Any
12 Member may offer, as an amendment in the na-
13 ture of a substitute, the alternative legislative
14 proposal submitted by the President.

15 (ii) Any Member may offer, as an amend-
16 ment in the nature of a substitute, the alter-
17 native legislative proposal submitted by the
18 Commission.

19 (iii) The chairman of the House Com-
20 mittee on the Budget may offer, as an amend-
21 ment in the nature of a substitute, the alter-
22 native legislative proposal published in the Con-
23 gressional Record by the House Committee on
24 the Budget.

1 (C) POINTS OF ORDER.—An amendment
2 offered under subparagraph (B) is subject to a
3 point of order if—

4 (i) the amendment is not accompanied
5 by a long-term CBO cost estimate of the
6 amendment; or

7 (ii) the long-term CBO cost estimate
8 of the amendment exceeds the long-term
9 CBO cost estimate of the legislative pro-
10 posal submitted by the Commission.

11 (D) MULTIPLE AMENDMENTS.—If more
12 than one amendment is offered under this para-
13 graph, then each amendment shall be consid-
14 ered separately, and the amendment receiving
15 both a majority and the highest number of
16 votes shall be the amendment adopted.

17 **SEC. 14. LONG-TERM CBO COST ESTIMATE.**

18 (a) PREPARATION AND SUBMISSION.—When the
19 Commission, the President, or the chairman of the Com-
20 mittee on the Budget of either House submits a written
21 request to the Director of the Congressional Budget Office
22 for a long-term CBO cost estimate of legislation proposed
23 under this Act or an amendment referred to in section
24 13(b)(2)(B), the Director shall prepare the estimate and

1 have it published in the Congressional Record as expedi-
2 tiously as possible.

3 (b) CONTENT.—A long-term CBO cost estimate shall
4 include—

5 (1) an estimate of the cost of each provision of
6 the legislation or amendment for first fiscal year it
7 would take effect and for each of the 50 fiscal years
8 thereafter; and

9 (2) a statement of any estimated future costs
10 not reflected by the estimate described in paragraph
11 (1).

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