

111TH CONGRESS
2D SESSION

H. R. 4481

To reduce the Federal budget deficit in a responsible manner.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 20, 2010

Mr. LANCE 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 reduce the Federal budget deficit in a responsible manner.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Deficit Reduction Act of 2009”.

6 (b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

TITLE I—DISCRETIONARY SPENDING LIMITS

Sec. 101. Discretionary spending limits.

Sec. 102. Sequestration for discretionary limits.

Sec. 103. Adjustments to discretionary spending limits.

Sec. 104. Low-growth report.
 Sec. 105. Conforming amendments.

TITLE II—DEFICIT LIMITS

Sec. 201. Deficit limits.
 Sec. 202. Effective date.

TITLE III—GENERAL PROVISIONS

Sec. 301. Exempt programs and activities.
 Sec. 302. Enforcement procedures under the Congressional Budget Act.
 Sec. 303. Definitions.

1 **TITLE I—DISCRETIONARY** 2 **SPENDING LIMITS**

3 **SEC. 101. DISCRETIONARY SPENDING LIMITS.**

4 Section 251(c) of the Balanced Budget and Emer-
 5 gency Deficit Control Act of 1985 is amended by striking
 6 beginning with “means—” through paragraph (13) and
 7 inserting “means, for fiscal years 2011 through 2019, the
 8 baseline, minus any spending designated as an emergency,
 9 for the preceding fiscal year as adjusted for inflation and”.

10 **SEC. 102. SEQUESTRATION FOR DISCRETIONARY LIMITS.**

11 Subsection (a) of section 251 of the Balanced Budget
 12 and Emergency Deficit Control Act of 1985 are amended
 13 to read as follows:

14 “(a) SEQUESTRATION.—

15 “(1) IN GENERAL.—Not later than 45 calendar
 16 days after Congress adjourns to end a session, OMB
 17 shall conduct a sequestration to eliminate the budget
 18 year breach, if any, resulting from budget authority
 19 and outlays in excess of the discretionary spending
 20 limit.

1 “(2) BREACH CALCULATION.—The breach is, if
2 greater than zero, the breach for the budget year,
3 minus any adjustments pursuant to subsection (b).

4 “(3) SEQUESTRATION.—To eliminate the
5 breach in a budget year, each account shall be re-
6 duced by a dollar amount calculated by multiplying
7 the level of sequesterable budgetary resources in that
8 account at that time by the uniform percentage nec-
9 essary to enforce subsection (c).

10 “(4) LOOK BACK.—If, after June 30, an appro-
11 priation for the fiscal year in progress is enacted
12 that causes a breach, the discretionary spending lim-
13 its for the next fiscal year shall be reduced by the
14 amount or amounts of that breach.”.

15 **SEC. 103. ADJUSTMENTS TO DISCRETIONARY SPENDING**
16 **LIMITS.**

17 Section 251(b) of the Balanced Budget and Emer-
18 gency Deficit Control Act of 1985 is amended to read as
19 follows:

20 “(b) ADJUSTMENTS TO DISCRETIONARY SPENDING
21 LIMITS.—

22 “(1) CONCEPTS AND DEFINITIONS.—When the
23 President submits the budget under section 1105 of
24 title 31, United States Code, OMB shall calculate
25 and the budget shall include adjustments to discre-

1 tionary spending limits (and those limits as cumula-
2 tively adjusted) for the budget year and each out-
3 year to reflect changes in concepts and definitions.
4 Such changes shall equal the baseline levels of new
5 budget authority and outlays using up-to-date con-
6 cepts and definitions minus those levels using the
7 concepts and definitions in effect before such
8 changes. Such changes may only be made after con-
9 sultation with the Committees on Appropriations
10 and the Budget of the House of Representatives and
11 the Senate and that consultation shall include writ-
12 ten communication to such committees that affords
13 such committees the opportunity to comment before
14 official action is taken for such changes.

15 “(2) ADJUSTMENTS.—

16 “(A) EMERGENCY DESIGNATION.—If ap-
17 propriations for discretionary accounts are en-
18 acted that the President designates as emer-
19 gency requirements and that the Congress so
20 designates in statute, the adjustment shall be
21 the total of such appropriations in discretionary
22 accounts designated as emergency requirements
23 and the outlays flowing in all fiscal years from
24 such appropriations.

1 “(B) OVERSEAS CONTINGENCY OPER-
2 ATIONS DESIGNATION.—If appropriations for
3 discretionary accounts are enacted that the
4 President designates as overseas contingency
5 operations related to the global war on ter-
6 rorism, including Iraq and Afghanistan, that
7 the Congress so designates in statute, the ad-
8 justment shall be the total of such appropria-
9 tions in discretionary accounts designated as
10 overseas contingency operations and the outlays
11 flowing in all fiscal years from such appropria-
12 tions.

13 “(3) SPECIAL OUTLAY ALLOWANCE.—If, in any
14 fiscal year, outlays for a category exceed the discre-
15 tionary spending limit for that category but new
16 budget authority does not exceed its limit for that
17 category (after application of the first step of a
18 spending reduction described in subsection (a)(2), if
19 necessary), the adjustment in outlays for a fiscal
20 year is the amount of the excess but not to exceed
21 0.5 percent of the sum of the adjusted discretionary
22 spending limits on outlays for that fiscal year.”.

23 **SEC. 104. LOW-GROWTH REPORT.**

24 Section 254(i) of the Balanced Budget and Emer-
25 gency Deficit Control Act is amended to read as follows:

1 “(i) LOW-GROWTH REPORT.—

2 “(1) IN GENERAL.—At any time, OMB, in con-
3 sultation with the Secretary of Commerce, shall no-
4 tify the Congress if—

5 “(A) during the period consisting of the
6 quarter during which such notification is given,
7 the quarter preceding such notification, the 4
8 quarters following such notification, OMB has
9 determined that real economic growth is pro-
10 jected or estimated to be less than 1 percent
11 with respect to each of any 2 consecutive quar-
12 ters within such period; or

13 “(B) the most recent of the Department of
14 Commerce’s advance preliminary or final re-
15 ports of actual real economic growth indicate
16 that the rate of real economic growth for the
17 following four quarters is projected or estimated
18 to be less than 1 percent with respect to each
19 of any two consecutive quarters.

20 “(2) SUSPENSION.—Sequestration under sec-
21 tions 251 and 253A shall be suspended in any fiscal
22 year in which there occur 2 quarters of low growth
23 as described in subparagraphs (A) or (B) of para-
24 graph (1).”.

1 **SEC. 105. CONFORMING AMENDMENTS.**

2 Section 275(b) of the Balanced Budget and Emer-
 3 gency Deficit Control Act of 1985 is amended by striking
 4 “2002” and inserting “2019” and by striking “2006” and
 5 inserting “2019”.

6 **TITLE II—DEFICIT LIMITS**

7 **SEC. 201. DEFICIT LIMITS.**

8 The Balanced Budget and Emergency Deficit Control
 9 Act of 1985 is amended by inserting after section 253 the
 10 following:

11 **“SEC. 253A. ENFORCING DEFICIT LIMITS.**

12 “(a) ENFORCING DEFICIT LIMITS.—In this section,
 13 the term ‘deficit limit’ means an amount, as estimated by
 14 OMB, that equals—

15 “(1) 4 percent of GDP for fiscal year 2012;

16 and

17 “(2) 3 percent of GDP for fiscal years 2013
 18 through 2019.

19 “(b) DETERMINING THE GDP.—The Office of Man-
 20 agement and Budget shall estimate the GDP at the outset
 21 of the fiscal year, on April 30, on August 20, and 15 days
 22 after the conclusion of the fiscal year. CBO shall provide
 23 advisory reports calculating the GDP at identical times.

24 “(c) SEQUESTRATION.—

25 “(1) IN GENERAL.—

1 “(A) EXCESS DEFICIT.—Not later than 45
2 calendar days after Congress adjourns, OMB
3 shall conduct a sequestration to eliminate the
4 excess deficit.

5 “(B) DEFINITION.—For purposes of this
6 subsection, the term ‘excess deficit’ means the
7 deficit for the preceding year minus the deficit
8 limit as described in the subsection (a) and ad-
9 justed pursuant to paragraph (2).

10 “(2) ADJUSTMENTS.—

11 “(A) EMERGENCY DESIGNATION.—If direct
12 spending or appropriations for discretionary ac-
13 counts are enacted that the President des-
14 ignates as emergency requirements and that the
15 Congress so designates in statute, the adjust-
16 ment shall be the total of such direct spending
17 or appropriations in discretionary accounts des-
18 ignated as emergency requirements and the out-
19 lays flowing in all fiscal years from such spend-
20 ing or appropriations.

21 “(B) OVERSEAS CONTINGENCY OPER-
22 ATIONS DESIGNATION.—If direct spending or
23 appropriations for discretionary accounts are
24 enacted that the President designates as over-
25 seas contingency operations related to the glob-

1 al war on terrorism, including Iraq and Afghan-
2 istan, that the Congress so designates in stat-
3 ute, the adjustment shall be the total of such
4 direct spending or appropriations in discre-
5 tionary accounts designated as overseas contin-
6 gency operations and the outlays flowing in all
7 fiscal years from such spending or appropria-
8 tions.

9 “(3) PREVIEW REPORT.—CBO shall submit an
10 advisory sequestration preview report as described in
11 section 254(c)(4) on August 10 of each year. OMB
12 shall produce an sequestration preview report on Au-
13 gust 20 as described in section 254(c)(4). Fifteen
14 days after Congress adjourns, the OMB shall issue
15 an update sequestration report as described in sec-
16 tion 254(e). Thirty days later, the OMB should issue
17 its final sequestration report as described in section
18 254(f)(3). It shall be accompanied by a Presidential
19 order detailing the uniform spending reductions. The
20 reductions should generally follow the process set
21 forth in section 253 and 254, except as provided in
22 this section.

23 “(4) CONGRESSIONAL ACTION.—If the August
24 20 OMB report projects a sequestration, the Senate
25 and House Budget Committees may report a resolu-

1 tion directing their committees to change the exist-
2 ing law to achieve the goals outlined in the August
3 20 report. If the Committees report their respective
4 resolutions, a reconciliation process shall be trig-
5 gered in accordance with section 258C.

6 “(5) REDUCING NONEXEMPT BUDGETARY RE-
7 SOURCES BY A UNIFORM PERCENTAGE.—OMB shall
8 calculate the uniform percentage by which the budg-
9 etary resources of nonexempt direct and discre-
10 tionary spending programs are to be sequestered
11 such that the outlay savings resulting from that se-
12 questration, as calculated under this subsection, to
13 eliminate the excess deficit. If the uniform percent-
14 age calculated under the prior sentence exceeds 4
15 percent, the Medicare programs described in section
16 256(d) shall be reduced by 4 percent and the uni-
17 form percentage by which the budgetary resources of
18 all other nonexempt direct and discretionary spend-
19 ing programs are to be sequestered shall be in-
20 creased, as necessary, so that the sequestration of
21 Medicare and of all other nonexempt direct and dis-
22 cretionary spending programs together produce the
23 required outlay savings.

24 “(d) LOOK BACK.—If, after June 30, a bill resulting
25 in outlays for the fiscal year in progress is enacted that

1 causes an excess deficit, the excess deficit for the next fis-
 2 cal year shall be increased by the amount or amounts of
 3 that breach.”.

4 **SEC. 202. EFFECTIVE DATE.**

5 This title shall apply to fiscal year 2012 and subse-
 6 quent fiscal years through fiscal year 2019.

7 **TITLE III—GENERAL**
 8 **PROVISIONS**

9 **SEC. 301. EXEMPT PROGRAMS AND ACTIVITIES.**

10 (a) DESIGNATIONS.—Section 255 of the Balanced
 11 Budget and Emergency Deficit Control Act of 1985 is
 12 amended by redesignating subsection (i) as (j) and strik-
 13 ing “1998” and inserting in lieu thereof “2010”.

14 (b) SOCIAL SECURITY, VETERANS PROGRAMS, NET
 15 INTEREST, AND TAX CREDITS.—Subsections (a) through
 16 (d) of section 255 of the Balanced Budget and Emergency
 17 Deficit Control Act of 1985 are amended to read as fol-
 18 lows:

19 “(a) SOCIAL SECURITY BENEFITS AND TIER I RAIL-
 20 ROAD RETIREMENT BENEFITS.—Benefits payable under
 21 the old-age, survivors, and disability insurance program
 22 established under title II of the Social Security Act (42
 23 U.S.C. 401 et seq.), and benefits payable under section
 24 231b(a), 231b(f)(2), 231c(a), and 231c(f) of title 45

1 United States Code, shall be exempt from reduction under
2 any order issued under this part.

3 “(b) VETERANS PROGRAMS.—The following program
4 shall be exempt from reduction under any order issued
5 under this part:

6 “All programs administered by the Department
7 of Veterans Affairs.

8 “Special Benefits for Certain World War II
9 Veterans (28–0401–0–1–701).

10 “(c) NET INTEREST.—No reduction of payments for
11 net interest (all of major functional category 900) shall
12 be made under any order issued under this part.

13 “(d) REFUNDABLE INCOME TAX CREDITS.—Pay-
14 ments to individuals made pursuant to provisions of the
15 Internal Revenue Code of 1986 establishing refundable
16 tax credits shall be exempt from reduction under any order
17 issued under this part.”.

18 (c) OTHER PROGRAMS AND ACTIVITIES, LOW-IN-
19 COME PROGRAMS, AND ECONOMIC RECOVERY PRO-
20 GRAMS.—Subsections (g) and (h) of section 255 of the
21 Balanced Budget and Emergency Deficit Control Act of
22 1985 are amended to read as follows:

23 “(g) OTHER PROGRAMS AND ACTIVITIES.—

1 “(1)(A) The following budget accounts and ac-
2 tivities shall be exempt from reduction under any
3 order issued under this part:

4 “Activities resulting from private dona-
5 tions, bequests, or voluntary contributions to
6 the Government.

7 “Activities financed by voluntary payments
8 to the Government for goods or services to be
9 provided for such payments.

10 “Administration of Territories, Northern
11 Mariana Islands Covenant grants (14-0412-0-
12 1-808).

13 “Advances to the Unemployment Trust
14 Fund and Other Funds (16-0327-0-1-600).

15 “Black Lung Disability Trust Fund Refi-
16 nancing (16-0329-0-1-601).

17 “Bonneville Power Administration Fund
18 and borrowing authority established pursuant
19 to section 13 of Public Law 93-454 (1974), as
20 amended (89-4045-0-3-271).

21 “Claims, Judgments, and Relief Acts (20-
22 1895-0-1-808).

23 “Compact of Free Association (14-0415-
24 0-1-808).

1 “Compensation of the President (11–
2 0209–01–1–802).

3 “Comptroller of the Currency, Assessment
4 Funds (20–8413–0–8–373).

5 “Continuing Fund, Southeastern Power
6 Administration (89–5653–0–2–271).

7 “Continuing Fund, Southwestern Power
8 Administration (89–5649–0–2–271).

9 “Dual Benefits Payments Account (60–
10 0111–0–1–601).

11 “Emergency Fund, Western Area Power
12 Administration (89–5069–0–2–271).

13 “Exchange Stabilization Fund (20–4444–
14 0–3–155).

15 “Federal Deposit Insurance Corporation,
16 Deposit Insurance Fund (51–4596–4–4–373).

17 “Federal Deposit Insurance Corporation,
18 FSLIC Resolution Fund (51–4065–0–3–373).

19 “Federal Deposit Insurance Corporation,
20 Noninterest Bearing Transaction Account
21 Guarantee (51–4458–0–3–373).

22 “Federal Deposit Insurance Corporation,
23 Senior Unsecured Debt Guarantee (51–4457–
24 0–3–373).

1 “Federal Housing Finance Agency, Admin-
2 istrative Expenses (95–5532–0–2–371).

3 “Federal Payment to the District of Co-
4 lumbia Judicial Retirement and Survivors An-
5 nuity Fund (20–1713–0–1–752).

6 “Federal Payment to the District of Co-
7 lumbia Pension Fund (20–1714–0–1–601).

8 “Federal Payments to the Railroad Retire-
9 ment Accounts (60–0113–0–1–601).

10 “Federal Reserve Bank Reimbursement
11 Fund (20–1884–0–1–803).

12 “Financial Agent Services (20–1802–0–1–
13 803).

14 “Foreign Military Sales Trust Fund (11–
15 8242–0–7–155).

16 “Hazardous Waste Management, Con-
17 servation Reserve Program (12–4336–0–3–
18 999).

19 “Host Nation Support Fund for Relocation
20 (97–8337–0–7–051).

21 “Internal Revenue Collections for Puerto
22 Rico (20–5737–0–2–806).

23 “Intragovernmental funds, including those
24 from which the outlays are derived primarily
25 from resources paid in from other government

1 accounts, except to the extent such funds are
2 augmented by direct appropriations for the fis-
3 cal year during which an order is in effect.

4 “Medical Facilities Guarantee and Loan
5 Fund (75–9931–0–3–551).

6 “National Credit Union Administration,
7 Central Liquidity Facility (25–4470–0–3–373).

8 “National Credit Union Administration,
9 Corporate Credit Union Share Guarantee Pro-
10 gram (25–4476–0–3–376).

11 “National Credit Union Administration,
12 Credit Union Homeowners Affordability Relief
13 Program (25–4473–0–3–371).

14 “National Credit Union Administration,
15 Credit Union Share Insurance Fund (25–4468–
16 0–3–373).

17 “National Credit Union Administration,
18 Credit Union System Investment Program (25–
19 4474–0–3–376).

20 “National Credit Union Administration,
21 Operating fund (25–4056–0–3–373).

22 “National Credit Union Administration,
23 Share Insurance Fund Corporate Debt Guar-
24 antee Program (25–4469–0–3–376).

1 “National Credit Union Administration,
2 U.S. Central Federal Credit Union Capital Pro-
3 gram (25-4475-0-3-376).

4 “Office of Thrift Supervision (20-4108-0-
5 3-373).

6 “Panama Canal Commission Compensation
7 Fund (16-5155-0-2-602).

8 “Payment of Vietnam and USS Pueblo
9 prisoner-of-war claims within the Salaries and
10 Expenses, Foreign Claims Settlement account
11 (15-0100-0-1-153).

12 “Payment to Civil Service Retirement and
13 Disability Fund (24-0200-0-1-805).

14 “Payment to Department of Defense Medi-
15 care-Eligible Retiree Health Care Fund (97-
16 0850-0-1-054).

17 “Payment to Judiciary Trust Funds (10-
18 0941-0-1-752).

19 “Payment to Military Retirement Fund
20 (97-0040-0-1-054).

21 “Payment to the Foreign Service Retire-
22 ment and Disability Fund (19-0540-0-1-153).

23 “Payments to Copyright Owners (03-
24 5175-0-2-376).

1 “Payments to Health Care Trust Funds
2 (75-0580-0-1-571).

3 “Payment to Radiation Exposure Com-
4 pensation Trust Fund (15-0333-0-1-054).

5 “Payments to Social Security Trust Funds
6 (28-0404-0-1-651).

7 “Payments to the United States Terri-
8 tories, Fiscal Assistance (14-0418-0-1-806).

9 “Payments to trust funds from excise
10 taxes or other receipts properly creditable to
11 such trust funds.

12 “Payments to widows and heirs of de-
13 ceased Members of Congress (00-0215-0-1-
14 801).

15 “Postal Service Fund (18-4020-0-3-372).

16 “Radiation Exposure Compensation Trust
17 Fund (15-8116-0-1-054).

18 “Reimbursement to Federal Reserve Banks
19 (20-0562-0-1-803).

20 “Salaries of Article III judges.

21 “Soldiers and Airmen’s Home, payment of
22 claims (84-8930-0-7-705).

23 “Tennessee Valley Authority Fund, except
24 nonpower programs and activities (64-4110-0-
25 3-999).

1 “Tribal and Indian trust accounts within
2 the Department of the Interior which fund
3 prior legal obligations of the Government or
4 which are established pursuant to Acts of Con-
5 gress regarding Federal management of tribal
6 real property or other fiduciary responsibilities,
7 including but not limited to Tribal Special
8 Fund (14-5265-0-2-452), Tribal Trust Fund
9 (14-8030-0-7-452), White Earth Settlement
10 (14-2204-0-1-452), and Indian Water Rights
11 and Habitat Acquisition (14-5505-0-2-303).

12 “United Mine Workers of America 1992
13 Benefit Plan (95-8260-0-7-551).

14 “United Mine Workers of America 1993
15 Benefit Plan (95-8535-0-7-551).

16 “United Mine Workers of America Com-
17 bined Benefit Fund (95-8295-0-7-551).

18 “United States Enrichment Corporation
19 Fund (95-4054-0-3-271).

20 “Universal Service Fund (27-5183-0-2-
21 376).

22 “Vaccine Injury Compensation (75-0320-
23 0-1-551).

24 “Vaccine Injury Compensation Program
25 Trust Fund (20-8175-0-7-551).

1 “(B) The following Federal retirement and dis-
2 ability accounts and activities shall be exempt from
3 reduction under any order issued under this part:

4 “Black Lung Disability Trust Fund (20–
5 8144–0–7–601).

6 “Central Intelligence Agency Retirement
7 and Disability System Fund (56–3400–0–1–
8 054).

9 “Civil Service Retirement and Disability
10 Fund (24–8135–0–7–602).

11 “Comptrollers general retirement system
12 (05–0107–0–1–801).

13 “Contributions to U.S. Park Police annu-
14 ity benefits, Other Permanent Appropriations
15 (14–9924–0–2–303).

16 “Court of Appeals for Veterans Claims Re-
17 tirement Fund (95–8290–0–7–705).

18 “Department of Defense Medicare-Eligible
19 Retiree Health Care Fund (97–5472–0–2–551).

20 “District of Columbia Federal Pension
21 Fund (20–5511–0–2–601).

22 “District of Columbia Judicial Retirement
23 and Survivors Annuity Fund (20–8212–0–7–
24 602).

1 “Energy Employees Occupational Illness
2 Compensation Fund (16–1523–0–1–053).

3 “Foreign National Employees Separation
4 Pay (97–8165–0–7–051).

5 “Foreign Service National Defined Con-
6 tributions Retirement Fund (19–5497–0–2–
7 602).

8 “Foreign Service National Separation Li-
9 ability Trust Fund (19–8340–0–7–602).

10 “Foreign Service Retirement and Dis-
11 ability Fund (19–8186–0–7–602).

12 “Government Payment for Annuitants,
13 Employees Health Benefits (24–0206–0–1–
14 551).

15 “Government Payment for Annuitants,
16 Employee Life Insurance (24–0500–0–1–602).

17 “Judicial Officers’ Retirement Fund (10–
18 8122–0–7–602).

19 “Judicial Survivors’ Annuities Fund (10–
20 8110–0–7–602).

21 “Military Retirement Fund (97–8097–0–
22 7–602).

23 “National Railroad Retirement Investment
24 Trust (60–8118–0–7–601).

1 “National Oceanic and Atmospheric Ad-
2 ministration retirement (13-1450-0-1-306).

3 “Pensions for former Presidents (47-
4 0105-0-1-802).

5 “Postal Service Retiree Health Benefits
6 Fund (24-5391-0-2-551).

7 “Public Safety Officer Benefits (15-0403-
8 0-1-754).

9 “Rail Industry Pension Fund (60-8011-
10 0-7-601).

11 “Retired Pay, Coast Guard (70-0602-0-
12 1-403).

13 “Retirement Pay and Medical Benefits for
14 Commissioned Officers, Public Health Service
15 (75-0379-0-1-551).

16 “Special Benefits for Disabled Coal Miners
17 (16-0169-0-1-601).

18 “Special Benefits, Federal Employees’
19 Compensation Act (16-1521-0-1-600).

20 “Special Workers Compensation Expenses
21 (16-9971-0-7-601).

22 “Tax Court Judges Survivors Annuity
23 Fund (23-8115-0-7-602).

24 “United States Court of Federal Claims
25 Judges’ Retirement Fund (10-8124-0-7-602).

1 “United States Secret Service, DC Annuity
2 (70-0400-0-1-751).

3 “Voluntary Separation Incentive Fund
4 (97-8335-0-7-051).

5 “(2) Prior legal obligations of the Government
6 in the following budget accounts and activities shall
7 be exempt from any order issued under this part:

8 “Biomass Energy Development (20-0114-
9 0-1-271).

10 “Check Forgery Insurance Fund (20-
11 4109-0-3-803).

12 “Credit liquidating accounts.

13 “Credit reestimates.

14 “Employees Life Insurance Fund (24-
15 8424-0-8-602).

16 “Federal Aviation Insurance Revolving
17 Fund (69-4120-0-3-402).

18 “Federal Crop Insurance Corporation
19 Fund (12-4085-0-3-351).

20 “Federal Emergency Management Agency,
21 National Flood Insurance Fund (58-4236-0-
22 3-453).

23 “Federal Home Loan Mortgage Corpora-
24 tion (Freddie Mac).

1 “Federal National Mortgage Corporation
2 (Fannie Mae).

3 “Geothermal resources development fund
4 (89–0206–0–1–271).

5 “Low-Rent Public Housing—Loans and
6 Other Expenses (86–4098–0–3–604).

7 “Maritime Administration, War Risk In-
8 surance Revolving Fund (69–4302–0–3–403).

9 “Natural Resource Damage Assessment
10 Fund (14–1618–0–1–302).

11 “Overseas Private Investment Corporation,
12 Noncredit Account (71–4184–0–3–151).

13 “Pension Benefit Guaranty Corporation
14 Fund (16–4204–0–3–601).

15 “San Joaquin Restoration Fund (14–
16 5537–0–2–301).

17 “Servicemembers’ Group Life Insurance
18 Fund (36–4009–0–3–701).

19 “Terrorism Insurance Program (20–0123–
20 0–1–376).

21 “(h) LOW-INCOME PROGRAMS.—The following pro-
22 grams shall be exempt from reduction under any order
23 issued under this part:

24 “Academic Competitiveness/Smart Grant Pro-
25 gram (91–0205–0–1–502).

1 “Child Care Entitlement to States (75–1550–
2 0–1–609).

3 “Child Enrollment Contingency Fund (75–
4 5551–0–2–551).

5 “Child Nutrition Programs (with the exception
6 of special milk programs) (12–3539–0–1–605).

7 “Children’s Health Insurance Fund (75–0515–
8 0–1–551).

9 “Commodity Supplemental Food Program (12–
10 3507–0–1–605).

11 “Contingency Fund (75–1522–0–1–609).

12 “Family Support Programs (75–1501–0–1–
13 609).

14 “Federal Pell Grants under section 401 Title
15 IV of the Higher Education Act.

16 “Grants to States for Medicaid (75–0512–0–1–
17 551).

18 “Payments for Foster Care and Permanency
19 (75–1545–0–1–609).

20 “Supplemental Nutrition Assistance Program
21 (12–3505–0–1–605).

22 “Supplemental Security Income Program (28–
23 0406–0–1–609).

24 “Temporary Assistance for Needy Families
25 (75–1552–0–1–609).”.

1 (d) ECONOMIC RECOVERY PROGRAMS.—Section 255
2 of the Balanced Budget and Emergency Deficit Control
3 Act of 1985 is amended by adding the following after sub-
4 section (h):

5 “(i) ECONOMIC RECOVERY PROGRAMS.—The fol-
6 lowing programs shall be exempt from reduction under
7 any order issued under this part:

8 “All programs enacted in, or increases in pro-
9 grams provided by, the American Recovery and Re-
10 investment Act of 2009.

11 “Exchange Stabilization Fund-Money Market
12 Mutual Fund Guaranty Facility (20–4274–0–3–
13 376).

14 “Financial Stabilization Reserve (20–0131–4–
15 1–376).

16 “GSE Mortgage-Backed Securities Purchase
17 Program Account (20–0126–0–1–371).

18 “GSE Preferred Stock Purchase Agreements
19 (20–0125–0–1–371).

20 “Office of Financial Stability (20–0128–0–1–
21 376).

22 “Special Inspector General for the Troubled
23 Asset Relief Program (20–0133–0–1–376).

24 “Troubled Asset Relief Program Account (20–
25 0132–0–1–376).

1 “Troubled Asset Relief Program Equity Pur-
2 chase Program (20–0134–0–1–376).

3 “Troubled Asset Relief Program, Home Afford-
4 able Modification Program (20–0136–0–1–604).”.

5 **SEC. 302. ENFORCEMENT PROCEDURES UNDER THE CON-**
6 **GRESSIONAL BUDGET ACT.**

7 (a) ENFORCEMENT.—Title III of the Congressional
8 Budget Act of 1974 is amended by adding after section
9 315 the following new section:

10 **“SEC. 316. ENFORCEMENT PROCEDURES.**

11 “(a) DISCRETIONARY SPENDING LIMITS.—It shall
12 not be in order in the House of Representatives or the
13 Senate to consider any bill, joint resolution, amendment,
14 or conference report that includes any provision that
15 would cause the discretionary spending limits as set forth
16 in section 251(c) of the Balanced Budget and Emergency
17 Deficit Control Act of 1985 to be exceeded.

18 “(b) DEFICIT LIMITS.—It shall not be in order in the
19 House of Representatives or the Senate to consider any
20 bill, joint resolution, amendment, or conference report that
21 includes any provision that would cause the most recently
22 reported, current deficit limits set forth in section 253A
23 of the Balanced Budget and Emergency Deficit Control
24 Act of 1985 to be exceeded.

25 “(c) WAIVER OR SUSPENSION.—

1 “(1) IN THE SENATE.—The provisions of this
2 section may be waived or suspended in the Senate
3 only by the affirmative vote of three-fifths of the
4 Members, duly chosen and sworn.

5 “(2) IN THE HOUSE.—The provisions of this
6 section may be waived or suspended in the House of
7 Representatives only by a rule or order proposing
8 only to waive such provisions by an affirmative vote
9 of three-fifths of the Members, duly chosen and
10 sworn.

11 “(d) POINT OF ORDER PROTECTION.—In the House,
12 it shall not be in order to consider a rule or order that
13 waives the application of paragraph (2) of subsection (c).

14 “(e) MOTION TO SUSPEND.—It shall not be in order
15 for the Speaker to entertain a motion to suspend the appli-
16 cation of this section under clause 1 of rule XV.”.

17 (b) TABLE OF CONTENTS.—The table of contents set
18 forth in section 1(b) of the Congressional Budget and Im-
19 poundment Control Act of 1974 is amended by inserting
20 after the item relating to section 315 the following new
21 item:

 “Sec. 316. Enforcement procedures.”.

22 **SEC. 303. DEFINITIONS.**

23 Section 250(c)(4) of the Balanced Budget and Emer-
24 gency Deficit Control Act of 1985 is amended by striking

1 paragraph (4), redesignating the succeeding paragraphs
2 accordingly, and adding the following paragraphs:

3 “(19) The term ‘spending reduction’ refers to
4 the cancellation of budgetary resources provided by
5 discretionary appropriations or mandatory spending.

6 “(20) The term ‘GDP’, for any fiscal year,
7 means the gross domestic product during such fiscal
8 year consistent with Department of Commerce defi-
9 nitions.

10 “(21)(A) The term ‘emergency requirement’
11 means any provision that provides new budget au-
12 thority and resulting outlays for a situation that
13 poses a threat to life, property, or national security
14 and is—

15 “(i) sudden, quickly coming into being, and
16 not building up over time;

17 “(ii) an urgent, pressing, and compelling
18 need requiring immediate action;

19 “(iii) unforeseen, unpredictable, and unan-
20 ticipated; and

21 “(iv) not permanent, temporary in nature.

22 “(B) An emergency that is part of an aggregate
23 level of anticipated emergencies, particularly when
24 normally estimated in advance, is not unforeseen.”.

○