

111TH CONGRESS
2D SESSION

S. 3096

To prevent an economic disaster by providing budget reform.

IN THE SENATE OF THE UNITED STATES

MARCH 10, 2010

Mr. BENNETT introduced the following bill; which was read twice and referred
to the Committee on the Budget

A BILL

To prevent an economic disaster by providing budget reform.

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 “Economic Disaster
5 Prevention Act of 2010”.

6 **TITLE I—SPENDING LIMITS AND**
7 **CONTROL**

8 **Subtitle A—Spending Limits**

9 **SEC. 101. NON-DEFENSE DISCRETIONARY SPENDING LIM-**
10 **ITS.**

11 (a) NON-DEFENSE DISCRETIONARY SPENDING LIM-
12 ITS.—Section 251 of the Balanced Budget and Emergency

1 Deficit Control of Act of 1985 is amended to read as fol-
2 lows:

3 “(a) NON-DEFENSE DISCRETIONARY SPENDING
4 LIMITS.—For each fiscal year set forth in this subsection,
5 the total level of discretionary spending for non-defense
6 discretionary spending programs, projects, and activities
7 shall not exceed the following levels:

8 “(1) For fiscal year 2011, \$552,000,000,000 in
9 new budget authority.

10 “(2) For fiscal year 2012, \$559,000,000,000 in
11 new budget authority.

12 “(3) For fiscal year 2013, \$567,000,000,000 in
13 new budget authority.

14 “(4) For fiscal year 2014, \$576,000,000,000 in
15 new budget authority.

16 “(5) For fiscal year 2015, \$588,000,000,000 in
17 new budget authority.

18 “(6) For fiscal year 2016, \$601,000,000,000 in
19 new budget authority.

20 “(7) For fiscal year 2017, \$615,000,000,000 in
21 new budget authority.

22 “(8) For fiscal year 2018, \$628,000,000,000 in
23 new budget authority.

24 “(9) For fiscal year 2019, \$642,000,000,000 in
25 new budget authority.

1 “(10) For fiscal year 2020, \$657,000,000,000
2 in new budget authority.

3 “(b) SEQUENCE OF SEQUESTRATION REPORTS.—
4 Within 15 calendar days after Congress adjourns to end
5 a session and on the same day as a spending reduction
6 ordered under section 252A, but prior to any spending re-
7 duction required by section 252A, OMB shall issue a final
8 spending reduction report to reduce an excess spending
9 amount.

10 “(c) SPENDING REDUCTION ORDER.—A spending re-
11 duction ordered pursuant to subsection (b) shall be imple-
12 mented using the procedures set forth in section 256.”.

13 (b) CONFORMING AMENDMENT.—The item relating
14 to section 251 in the table of contents set forth in 250(c)
15 of the Balanced Budget and Emergency Deficit Control
16 Act of 1985 is amended to read as follows:

“Sec. 251. Non-defense discretionary spending limits.”.

17 **SEC. 102. DIRECT SPENDING LIMITS.**

18 (a) CONTROL OF DIRECT SPENDING.—The Balanced
19 Budget and Emergency Deficit Control Act of 1985 is
20 amended by adding after section 252 the following new
21 section:

22 **“SEC. 252A. DIRECT SPENDING LIMITS.**

23 “(a) DIRECT SPENDING LIMITS.—For fiscal year
24 2011 and each ensuing fiscal year through fiscal year
25 2020, the total level of direct spending for all direct spend-

1 ing programs, projects, and activities for any such fiscal
 2 year shall not exceed the total level of spending for all
 3 such programs, projects, and activities for the previous fis-
 4 cal year after the direct spending for each such program,
 5 project, or activity is increased by the calculation made
 6 pursuant to section 257.

7 “(b) SEQUENCE OF SEQUESTRATION REPORTS.—
 8 Within 15 calendar days after Congress adjourns to end
 9 a session and on the same day as a spending reduction
 10 ordered under sections 251, but after any spending reduc-
 11 tion required by section 251, OMB shall issue a final
 12 spending reduction report to reduce an excess spending
 13 amount (if any remains).

14 “(c) SPENDING REDUCTION ORDER.—A spending re-
 15 duction ordered pursuant to subsection (b) shall be imple-
 16 mented using the procedures set forth in section 256.”.

17 (b) CONFORMING AMENDMENT.—The table of con-
 18 tents set forth in 250(c) of the Balanced Budget and
 19 Emergency Deficit Control Act of 1985 is amended by
 20 amending the item relating to section 256 to read as fol-
 21 lows:

“Sec. 252A. Direct spending limits.”.

22 **Subtitle B—Reports and Orders**

23 **SEC. 111. REPORTS AND ORDERS.**

24 Section 254 of the Balanced Budget and Emergency
 25 Deficit Control Act of 1985 is amended to read as follows:

1 **“SEC. 254. REPORTS AND ORDERS.**

2 **“(a) TIMETABLE.—**

“Date:	Action to be completed:
5 days before the President’s budget submission	CBO sequestration preview report.
President’s budget submission	OMB sequestration preview report.
August 10	CBO sequestration update report.
August 20	OMB sequestration update report.
10 days after end of session	CBO sequestration final report.
15 days after end of session	OMB sequestration final report: Presidential order.

3 **“(b) SUBMISSION AND AVAILABILITY OF REPORTS.—**

4 Each report required by this section shall be submitted
 5 to the Budget Committees of the House of Representatives
 6 and the Senate. On the following day a notice of the report
 7 shall be printed in the Federal Register.

8 **“(c) SEQUESTRATION PREVIEW REPORTS.—**

9 **“(1) REPORTING REQUIREMENT.—**On the dates
 10 specified in subsection (a), OMB and CBO shall
 11 issue a preview report regarding non-defense discre-
 12 tionary sequestration based on laws enacted through
 13 those dates.

14 **“(2) NON-DEFENSE DISCRETIONARY SPENDING**
 15 **LIMIT SEQUESTRATION REPORT.—**The preview re-
 16 ports shall set forth estimates for the current year
 17 and each subsequent year through 2019 of the appli-
 18 cable non-defense discretionary spending limits and
 19 an explanation of any adjustments in such limits
 20 under section 251.

1 “(3) DIRECT SPENDING LIMIT SEQUESTRATION
2 REPORT.—The preview reports shall set forth, for
3 the current year and the budget year, estimates for
4 each of the following:

5 “(A) The amount of total direct spending,
6 if any, calculated under subsection 252A(b).

7 “(B) A list identifying each law enacted
8 and sequestration implemented after the date of
9 enactment of this section included in the cal-
10 culation of the amount of deficit increase or de-
11 crease and specifying the budgetary effect of
12 each such law.

13 “(C) The sequestration percentage or per-
14 centages necessary to eliminate a deficit in-
15 crease under section 252A(c).

16 “(4) EXPLANATION OF DIFFERENCES.—The
17 OMB reports shall explain the differences between
18 OMB and CBO estimates for each item set forth in
19 this subsection.

20 “(d) SEQUESTRATION UPDATE REPORTS.—On the
21 dates specified in subsection (a), OMB and CBO shall
22 issue a sequestration update report, reflecting laws en-
23 acted through those dates, containing all of the informa-
24 tion required in the sequestration preview reports.

25 “(e) FINAL SEQUESTRATION REPORTS.—

1 “(1) REPORTING REQUIREMENT.—On the dates
2 specified in subsection (a), OMB and CBO shall
3 issue a final sequestration report, updated to reflect
4 laws enacted through those dates.

5 “(2) NON-DEFENSE DISCRETIONARY SPENDING
6 SEQUESTRATION REPORTS.—The final reports shall
7 set forth estimates for each of the following:

8 “(A) For the current year and each subse-
9 quent year the applicable non-defense discre-
10 tionary spending limits for each category and
11 an explanation of any adjustments in such lim-
12 its under section 251.

13 “(B) For the current year and the budget
14 year the estimated new budget authority and
15 outlays for each category and the breach, if
16 any, in each category.

17 “(C) For each category for which a seques-
18 tration is required, the sequestration percent-
19 ages necessary to achieve the required reduc-
20 tion.

21 “(D) For the budget year, for each ac-
22 count to be sequestered, estimates of the base-
23 line level of budgetary resources subject to se-
24 questration and resulting outlays and the

1 amount of budgetary resources to be seques-
2 tered and resulting outlay reductions.

3 “(3) DIRECT SPENDING REPORT.—The final re-
4 ports shall contain all the information required in
5 the direct spending sequestration preview report. In
6 addition, the report shall contain, for the budget
7 year, for each account to be sequestered, estimates
8 of the baseline level of sequestrable budgetary re-
9 sources and resulting outlays and the amount of
10 budgetary resources to be sequestered and resulting
11 outlay reductions. The report shall also contain esti-
12 mates of the effects on outlays of the sequestration
13 in each outyear for direct spending programs.

14 “(4) EXPLANATION OF DIFFERENCES.—The
15 OMB report shall explain any differences between
16 OMB and CBO estimates of the amount of any net
17 direct spending change calculated under section
18 252A, any excess deficit, any breach, and any re-
19 quired sequestration percentage. The OMB report
20 shall also explain differences in the amount of
21 sequesterable resources for any budget account to be
22 reduced if such difference is greater than
23 \$5,000,000.

24 “(5) PRESIDENTIAL ORDER.—On the date spec-
25 ified in subsection (a), if in its final sequestration

1 report OMB estimates that any sequestration is re-
2 quired, the President shall issue an order fully im-
3 plementing without change all sequestrations re-
4 quired by the OMB calculations set forth in that re-
5 port. This order shall be effective on issuance.

6 “(f) WITHIN-SESSION SEQUESTRATION REPORTS.—

7 If an appropriation for a fiscal year in progress is enacted
8 (after Congress adjourns to end the session for that budg-
9 et year and before July 1 of that fiscal year) that causes
10 a breach, 10 days later CBO shall issue a report con-
11 taining the information required in subsection (e)(2). Fif-
12 teen days after enactment, OMB shall issue a report con-
13 taining the information required in subsections (e)(2) and
14 (e)(4). On the same day as the OMB report, the President
15 shall issue an order fully implementing without change all
16 sequestrations required by the OMB calculations set forth
17 in that report. This order shall be effective on issuance.

18 “(g) GAO COMPLIANCE REPORT.—Upon request of
19 the Committee on the Budget of the House of Representa-
20 tives or the Senate, the Comptroller General shall submit
21 to Congress and the President a report on—

22 “(1) the extent to which each order issued by
23 the President under this section complies with all of
24 the requirements contained in this section, either
25 certifying that the order fully and accurately com-

1 plies with such requirements or indicating the re-
 2 spects in which it does not; and

3 “(2) the extent to which each report issued by
 4 OMB or CBO under this section complies with all of
 5 the requirements contained in this section, either
 6 certifying that the report fully and accurately com-
 7 plies with such requirements or indicating the re-
 8 spects in which it does not.

9 “(h) LOW-GROWTH REPORT.—At any time, CBO
 10 shall notify Congress if—

11 “(1) during the period consisting of the quarter
 12 during which such notification is given, the quarter
 13 preceding such notification, and the 4 quarters fol-
 14 lowing such notification, CBO or OMB has deter-
 15 mined that real economic growth is projected or esti-
 16 mated to be less than zero with respect to each of
 17 any 2 consecutive quarters within such period; or

18 “(2) the most recent of the Department of
 19 Commerce’s advance preliminary or final reports of
 20 actual real economic growth indicate that the rate of
 21 real economic growth for each of the most recently
 22 reported quarter and the immediately preceding
 23 quarter is less than one percent.

24 “(i) ECONOMIC AND TECHNICAL ASSUMPTIONS.—In
 25 all reports required by this section, OMB shall use the

1 same economic and technical assumptions as used in the
 2 most recent budget submitted by the President under sec-
 3 tion 1105(a) of title 31, United States Code.”.

4 **SEC. 112. SPENDING LIMITS ENFORCEMENT.**

5 (a) CONFORMING AMENDMENTS TO SECTION 312.—
 6 Section 312 of the Congressional Budget Act of 1974 is
 7 amended—

8 (1) by striking subsection (a) and inserting the
 9 following:

10 “(a) BUDGET COMMITTEE DETERMINATIONS.—For
 11 purposes of this title, the levels of new budget authority,
 12 outlays, direct spending, deficits, revenues, and debt, or
 13 the increases or decreases of such levels for purpose of
 14 section 303, shall be determined on the basis of estimates
 15 made by the Committee on the Budget of the House of
 16 Representatives or the Senate, as applicable.”; and

17 (2) by striking subsections (b) and (c) and re-
 18 designating subsections (d), (e), and (f) as (h), (i),
 19 and (j).

20 (b) ENFORCEMENT AMENDMENTS TO SECTION
 21 312.—Section 312 of Congressional Budget Act of 1974
 22 is further amended by adding at the end the following new
 23 subsections after subsection (a):

24 “(b) NON-DEFENSE DISCRETIONARY SPENDING
 25 LIMIT POINT OF ORDER.—It shall not be in order in the

1 House of Representatives or the Senate to consider any
2 bill, joint resolution, amendment, concurrent resolution, or
3 conference report that—

4 “(1) causes the non-defense discretionary
5 spending limits for the budget year to be breached;

6 “(2) increases the non-defense discretionary
7 spending limits for the budget year or any ensuing
8 fiscal year; or

9 “(3) includes any provision that has the effect
10 of modifying the application of section 251 of the
11 Balanced Budget and Emergency Deficit Control
12 Act of 1985.

13 “(c) DIRECT SPENDING LIMIT POINT OF ORDER.—
14 It shall not be in order in the House of Representatives
15 or the Senate to consider any bill, joint resolution, amend-
16 ment, concurrent resolution, or conference report that—

17 “(1) causes the direct spending limits for the
18 budget year to be breached; or

19 “(2) increases aggregate level of direct spending
20 for any ensuing fiscal year.

21 “(d) SEQUESTRATION APPLICATION.—It shall not be
22 in order in the House of Representatives or the Senate
23 to consider any bill, joint resolution, amendment, concur-
24 rent resolution, or conference report that—

1 “(1) includes any provision that has the effect
2 of modifying the application of section 256 of the
3 Balanced Budget and Emergency Deficit Control
4 Act of 1985 to any program subject to sequestration
5 or exempt from sequestration; and

6 “(2) includes any provision that has the effect
7 of modifying the application of section 251 and
8 252A to any program subject to sequestration or ex-
9 empt from sequestration.

10 “(e) WAIVER OR SUSPENSION.—

11 “(1) SENATE.—The provisions of this section
12 may be waived or suspended in the Senate only by
13 the affirmative vote of three-fifths of the Members,
14 duly chosen and sworn.

15 “(2) HOUSE.—The provisions of this section
16 may be waived or suspended in the House of Rep-
17 resentatives:

18 “(A) Only by a rule or order proposing
19 only to waive such provisions by an affirmative
20 vote of two-thirds of the Members, duly chosen
21 and sworn.

22 “(B) It shall not be in order to consider a
23 rule or order that waives the application of sub-
24 paragraph (A).

1 “(C) It shall not be in order for the Speak-
 2 er to entertain a motion to suspend the applica-
 3 tion of this section under clause 1 of rule XV
 4 of the Rules of the House of Representatives.”.

5 **SEC. 113. SPENDING REDUCTION ORDERS.**

6 (a) IN GENERAL.—Section 256 of the Balanced
 7 Budget and Emergency Deficit Control Act of 1985 is
 8 amended to read as follows:

9 **“SEC. 256. SPENDING REDUCTION ORDER.**

10 “(a) APPLICATION.—A spending reduction order
 11 issued pursuant to this part shall apply to eliminate
 12 breaches of the limits set forth in sections 251 (non-de-
 13 fense discretionary spending limits) and 252A (direct
 14 spending limits).

15 “(b) WAIVER OR SUSPENSION.—

16 “(1) SENATE.—In the Senate, the provisions of
 17 this section may be waived or suspended in the Sen-
 18 ate only by the affirmative vote of two-thirds of the
 19 Members, duly chosen and sworn.

20 “(2) HOUSE.—In the House:

21 “(A) The provisions of this section may be
 22 waived or suspended in the House of Represent-
 23 atives only by a rule or order proposing only to
 24 waive such provisions by an affirmative vote of

1 two-thirds of the Members, duly chosen and
2 sworn.

3 “(B) It shall not be in order to consider a
4 rule or order that waives the application of
5 paragraph (1).

6 “(C) It shall not be in order for the Speak-
7 er to entertain a motion to suspend the applica-
8 tion of this section under clause 1 of rule XV
9 of the Rules of the House of Representatives.

10 “(c) GENERAL RULES.—

11 “(1) CALCULATION OF SPENDING REDUCTION
12 PERCENTAGE.—OMB shall include in its final
13 spending sequestration report a requirement that
14 each nonexempt spending account shall be reduced
15 by an amount of budget authority calculated by mul-
16 tiplying the baseline level of budgetary resources in
17 that account at that time by the uniform percentage
18 necessary to reduce outlays sufficient to eliminate an
19 excess spending amount.

20 “(2) EXEMPTIONS.—The following shall be ex-
21 empt from reduction under any order issued under
22 this section:

23 “(A) Payments for net interest.

24 “(B) Benefits payable under the old-age,
25 survivors, and disability insurance program es-

1 tablished under title II of the Social Security
2 Act if—

3 “(i) OASDI Trust Funds are actuari-
4 ally solvent in the 75-year period utilized
5 in the most recent annual report of the
6 Board of Trustees provided pursuant to
7 section 201(C)(2) of the Social Security
8 Act; and

9 “(ii) OASDI Trust Funds have not
10 run a cash deficit in the fiscal year prior
11 to the transmittal of the most recent Se-
12 questration Preview Report.

13 “(C) Benefits provided to veterans defined
14 as direct spending payable by the Department
15 of Veterans affairs.

16 “(D) Obligated balances of budget author-
17 ity carried over from prior fiscal years.

18 “(E) Any obligations of the Federal Gov-
19 ernment required to be paid under the United
20 States Constitution or legally contractual obli-
21 gations.

22 “(F) Provisions of spending legislation des-
23 ignated by the President, and so designated in
24 statute, as an emergency, except an amount of
25 budget authority and the outlays flowing there-

1 from so designated that is above the emergency
2 reserve fund as calculated in section 317(b) of
3 Congressional Budget Act of 1974 shall not be
4 exempt.

5 “(G) Any program whose growth in the
6 budget year is equal to or less than the con-
7 sumer price index.

8 “(H) Intergovernmental transfers.

9 “(3) ONE-PERCENT REDUCTION LIMITATION.—
10 No program shall be subject to a spending reduction
11 of more than one percent of its budgetary resources.

12 “(4) CALCULATION OF SPENDING REDUC-
13 TION.—The percentage required to produce a spend-
14 ing reduction, as ordered by a spending reduction
15 order, shall be calculated by OMB by adding all
16 budgetary resources of the Government, and reduc-
17 ing that amount by an amount sufficient to reduce
18 the total amount of outlays of the Government to
19 equal, or lower, a level of outlays than the amount
20 set forth in the guideline period.

21 “(5) APPLICATION.—Once issued, a spending
22 reduction shall be applied to nonexempt programs as
23 follows:

1 “(A) Budgetary resources subject to a
2 spending reduction to any non-defense discre-
3 tionary account shall be permanently canceled.

4 “(B) The same percentage spending reduc-
5 tion shall apply to all programs, projects, and
6 activities within a budget account (with pro-
7 grams, projects, and activities as delineated in
8 the appropriation Act or accompanying report
9 for the relevant fiscal year covering that ac-
10 count, or for accounts not included in appro-
11 priation Acts, as delineated in the most recently
12 submitted President’s budget).

13 “(C) Administrative regulations imple-
14 menting a spending reduction shall be made
15 within 120 days of the issue of a spending re-
16 duction order.

17 “(6) OASDI SPECIAL PROCEDURES.—If the
18 OASDI Trust Funds are subject to sequestration,
19 then payments from such Trust Funds shall be
20 treated the same as other programs, except—

21 “(A) reductions from such Trust Funds
22 shall not exceed one percent of the 75-year un-
23 funded liability set forth in the most current
24 Social Security Trustees Report;

1 “(B) reduction in individual benefits shall
 2 be implemented by increasing the Normal Re-
 3 tirement Age by an amount certified by the So-
 4 cial Security Office of the Chief Actuary;

5 “(C) the increase in the Normal Retire-
 6 ment Age shall not be applied to any bene-
 7 ficiary born in a year 55 years or before—

8 “(i) the year of the enactment of the
 9 Economic Disaster Prevention Act of
 10 2010; or

11 “(ii) the year in which the final
 12 spending sequestration report is issued;
 13 and

14 “(D) no change in the Normal Retirement
 15 Age shall be made before it is fully phased-in
 16 under the Social Security Act as in effect before
 17 the date of enactment of the Economic Disaster
 18 Prevention Act of 2010.

19 “(d) NON-DEFENSE DISCRETIONARY SPENDING SE-
 20 QUESTRATION.—

21 “(1) ELIMINATING A BREACH.—Each non-
 22 exempt account shall be reduced by an amount of
 23 budget authority calculated by multiplying the base-
 24 line level of budgetary resources subject to seques-

1 tration in that account at that time by the uniform
2 percentage necessary to eliminate a breach by—

3 “(A) first, calculating the uniform percent-
4 age necessary to eliminate a breach in new
5 budget authority, if any; and

6 “(B) second, if any breach in outlays re-
7 mains, increasing the uniform percentage to a
8 level sufficient to eliminate that breach.

9 “(2) EMERGENCY SPENDING ABOVE THE RE-
10 SERVE FUND.—An amount of budget authority and
11 the outlays flowing therefrom designated in statute
12 as an emergency that is above level in the emergency
13 reserve fund as calculated in section 317(b) of the
14 Congressional Budget Act of 1974 shall count to-
15 ward the non-defense discretionary spending limits.

16 “(3) PART-YEAR APPROPRIATIONS.—If, on the
17 date specified in paragraph (1), there is in effect an
18 Act making or continuing appropriations for part of
19 a fiscal year for any budget account, then the dollar
20 sequestration calculated for that account under
21 paragraph (2) shall be subtracted from—

22 “(A) the annualized amount otherwise
23 available by law in that account under that or
24 a subsequent part-year appropriation; and

1 “(B) when a full-year appropriation for
2 that account is enacted, from the amount other-
3 wise provided by the full year appropriation.

4 “(4) LOOK-BACK.—If, after June 30, an appro-
5 priation for the fiscal year in progress is enacted
6 that causes a breach for that year, the non-defense
7 discretionary spending limits for the next fiscal year
8 shall be reduced by the amount of the breach.

9 “(5) WITHIN-SESSION SEQUESTRATION.—If an
10 appropriation for a fiscal year in progress is enacted
11 (after Congress adjourns to end the session for that
12 budget year and before July 1 of that fiscal year)
13 that causes a breach for that year (after taking into
14 account any prior sequestration of amounts), 15
15 days later there shall be a sequestration to eliminate
16 that breach following the procedures set forth in
17 paragraphs (2) through (3).

18 “(6) ESTIMATES.—

19 “(A) CBO ESTIMATES.—As soon as prac-
20 ticable after Congress completes action on any
21 non-defense discretionary appropriation, CBO,
22 after consultation with the Committees on the
23 Budget of the House of Representatives and the
24 Senate, shall provide OMB with an estimate of
25 the amount of non-defense discretionary new

1 budget authority and outlays for the current
2 year (if any) and the budget year provided by
3 that legislation.

4 “(B) OMB ESTIMATES.—Not later than 7
5 calendar days (excluding Saturdays, Sundays,
6 and legal holidays) after the date of enactment
7 of any non-defense discretionary appropriation,
8 OMB shall transmit a report to the House of
9 Representatives and to the Senate containing
10 the CBO estimate of that legislation, an OMB
11 estimate of the amount of non-defense discre-
12 tionary new budget authority and outlays for
13 the current year (if any) and the budget year
14 provided by that legislation, and an explanation
15 of any difference between the two estimates.

16 “(C) EXPLANATION OF DIFFERENCES BE-
17 TWEEN OMB AND OMB ESTIMATES.—If OMB
18 determines that there is a significant difference
19 between OMB and CBO reports prepared pur-
20 suant to subparagraph (A) and (B), OMB shall
21 consult with the Committees on the Budget of
22 the House of Representatives and the Senate
23 regarding that difference and that consultation
24 shall include, to extent practicable, written com-
25 munication to those committees that affords

1 such committees the opportunity to comment
2 before the issuance of the report.

3 “(D) ASSUMPTIONS AND GUIDELINES.—
4 OMB estimates under this paragraph shall be
5 made using current economic and technical as-
6 sumptions. OMB shall use the OMB estimates
7 transmitted to Congress under this paragraph.
8 OMB and CBO shall prepare estimates under
9 this paragraph in conformance with
10 scorekeeping guidelines determined after con-
11 sultation among the House of Representatives
12 and Senate Committees on the Budget, CBO,
13 and OMB.

14 “(E) ANNUAL APPROPRIATIONS.—For pur-
15 poses of this paragraph, amounts provided by
16 annual appropriations shall include any new
17 budget authority and outlays for the current
18 year (if any) and the budget year in accounts
19 for which funding is provided in that legislation
20 that result from previously enacted legislation.

21 “(7) NON-DEFENSE DISCRETIONARY SEQUES-
22 TRATION LIMITATION.—If appropriations for a fiscal
23 year do not require a sequester pursuant to the non-
24 defense discretionary spending limits set forth in
25 this Act, non-defense discretionary accounts shall

1 not be subject to sequestration under section
2 252A.”.

3 (b) TECHNICAL AND CONFORMING AMENDMENTS.—

4 (1) REPEALS.—Section 255 of the Balanced
5 Budget and Emergency Deficit Control Act of 1985
6 is repealed.

7 (2) CONFORMING AMENDMENT.—The item re-
8 lating to section 256 in the table of contents set
9 forth in section 250(a) of the Balanced Budget and
10 Emergency Deficit Control Act of 1985 is amended
11 to read as follows:

“Sec. 256. Spending reduction order.”.

12 **TITLE II—PROHIBITION ON NEW** 13 **DIRECT SPENDING PROGRAMS**

14 **SEC. 201. PROHIBITION ON NEW DIRECT SPENDING PRO-** 15 **GRAMS.**

16 (a) IN GENERAL.—It shall not be in order in the Sen-
17 ate or the House of Representatives to consider any bill,
18 resolution, amendment, motion, conference report, or
19 other provision that increases the level of direct spending
20 for an existing program or creates new direct spending
21 unless the provision provides that the increased or new
22 direct spending expires 10 years after the effective date
23 of such spending.

24 (b) WAIVER, SUSPENSION, AND APPEALS.—

25 (1) IN THE SENATE.—

1 (A) WAIVER AND SUSPENSION.—The pro-
2 visions of this section may be waived or sus-
3 pended in the Senate only by the affirmative
4 vote of three-fifths of the Members, duly chosen
5 and sworn.

6 (B) APPEALS.—Appeals in the Senate
7 from the decisions of the Chair relating to any
8 provision of this section shall be limited to 1
9 hour, to be equally divided between, and con-
10 trolled by, the appellant and the manager of the
11 bill or joint resolution, as the case may be. An
12 affirmative vote of three-fifths of the Members
13 of the Senate, duly chosen and sworn, shall be
14 required to sustain an appeal of the ruling of
15 the Chair on a point of order raised under this
16 section.

17 (2) IN THE HOUSE OF REPRESENTATIVES.—
18 The provisions of this section may be waived or sus-
19 pended in the House of Representatives:

20 (A) Only by a rule or order proposing only
21 to waive such provisions by an affirmative vote
22 of two-thirds of the Members, duly chosen and
23 sworn.

1 (B) It shall not be in order to consider a
2 rule or order that waives the application of sub-
3 paragraph (A).

4 (C) It shall not be in order for the Speaker
5 to entertain a motion to suspend the application
6 of this section under clause 1 of rule XV of the
7 Rules of the House of Representatives.

○