

112TH CONGRESS
1ST SESSION

S. 178

To reduce Federal spending by \$2.5 trillion through fiscal year 2021.

IN THE SENATE OF THE UNITED STATES

JANUARY 25 (legislative day, JANUARY 5), 2011

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

A BILL

To reduce Federal spending by \$2.5 trillion through fiscal year 2021.

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 “Spending Reduction Act of 2011”.

6 (b) **TABLE OF CONTENTS.**—The table of contents for
7 this Act is as follows:

Sec. 1. Short title; table of contents.

**TITLE I—SPENDING REDUCTIONS UNDER CONTINUING
APPROPRIATIONS ACT, 2011**

Sec. 101. Reduction of nonsecurity discretionary spending to fiscal year 2008 level.

TITLE II—CHANGES IN THE BASELINE; DISCRETIONARY
SPENDING LIMITS FOR NONDEFENSE SPENDING

Subtitle A—Elimination of Automatic Increases for Inflation

- Sec. 201. Changes in the baseline.
Sec. 202. Extension.

Subtitle B—Discretionary Spending Limits for Nondefense Spending

- Sec. 211. Extension of discretionary spending limits for nondefense spending.
Sec. 212. Enforcement.
Sec. 213. Reports.
Sec. 214. Expiration.

TITLE III—RESCISSION OF UNOBLIGATED STIMULUS FUNDS AND
REPEAL OF CERTAIN STIMULUS PROVISIONS

- Sec. 301. Rescission of unobligated stimulus funds.
Sec. 302. Repeal of certain stimulus provisions.

TITLE IV—PROVISIONS RELATING TO FEDERAL CIVILIAN
WORKFORCE

- Sec. 401. Extension of Federal employee pay freeze.
Sec. 402. Limitation on the number of civilian employees in the executive branch.
Sec. 403. Ineligibility of persons having seriously delinquent tax debts for Federal employment.
Sec. 404. Repeal of certain provisions relating to official time for Federal employees.

TITLE V—PROGRAM ELIMINATIONS AND RELATED PROVISIONS

Subtitle A—Provisions Relating to Program Eliminations

- Sec. 501. Program eliminations.
Sec. 502. Repeal of national organic certification cost-share program.
Sec. 503. Prohibiting unauthorized payments to District of Columbia.
Sec. 504. Prohibiting payment of gratuities to survivors of Members of Congress.
Sec. 505. Davis-Bacon Repeal Act.
Sec. 506. Priorities in Education Spending Act.
Sec. 507. Repeal of temporary increase of Medicaid FMAP.
Sec. 508. Moratorium on construction or leasing of new Federal buildings in District of Columbia until January 2013.

Subtitle B—Elimination of Presidential Election Campaign Fund

- Sec. 511. Termination of taxpayer financing of Presidential election campaigns.

Subtitle C—Repeal of Sugar Price Support and Other Programs

- Sec. 521. Repeal of sugar price support program and marketing allotments for sugar.
Sec. 522. Repeal of market access program.
Sec. 523. Termination of availability of marketing assistance loans and loan deficiency payments for mohair producers.

Subtitle D—Federal Real Property Disposal Pilot Program

Sec. 531. Federal Real Property Disposal Pilot Program.

TITLE VI—FANNIE MAE AND FREDDIE MAC

Sec. 601. Short title.

Sec. 602. Definitions.

Sec. 603. Termination of current conservatorship.

Sec. 604. Limitation of enterprise authority upon emergence from conservatorship.

Sec. 605. Required wind down of operations and dissolution of enterprise.

TITLE VII—MISCELLANEOUS

Sec. 701. Limitation on Government printing costs.

Sec. 702. Deposit of IRS user fees as general receipts.

Sec. 703. Limitation of Government travel costs.

Sec. 704. Reduction in Federal vehicle costs.

Sec. 705. Repeals of prohibitions on public-private competitions for conversion to contractor performance of functions performed by Federal employees pursuant to Office of Management and Budget Circular A-76.

Sec. 706. Deauthorization of appropriations to carry out PPACA and HCERA.

Sec. 707. Rescission of Health Insurance Reform Implementation funds.

Sec. 708. Taxpayer-generated deficit reduction.

Sec. 709. Limitation on funds to implement certain health care laws.

1 **TITLE I—SPENDING REDUC-**
 2 **TIONS UNDER CONTINUING**
 3 **APPROPRIATIONS ACT, 2011**

4 **SEC. 101. REDUCTION OF NONSECURITY DISCRETIONARY**
 5 **SPENDING TO FISCAL YEAR 2008 LEVEL.**

6 (a) IN GENERAL.—Section 101 of the Continuing
 7 Appropriations Act, 2011 (Public Law 111-242) is
 8 amended by adding at the end the following:

9 “(b)(1) Such amounts as may be necessary, at a rate
 10 for operations as provided in the appropriations Acts for
 11 fiscal year 2008 referred to in section 101 of division A
 12 of Public Law 110-329 and under the authority and con-
 13 ditions provided in such Acts for projects or activities (in-

1 cluding the costs of direct loans and loan guarantees) that
2 are not otherwise provided for, that were conducted in fis-
3 cal years 2008 and 2010, and for which appropriations,
4 funds, or other authority were made available in such
5 Acts.

6 “(2) If the amount provided for a project or activity
7 by paragraph (1) would be higher than the amount pro-
8 vided in appropriations Acts for fiscal year 2010, such
9 project or activity shall be funded at the lower such
10 amount.”.

11 (b) CONTINUATION OF SECURITY-RELATED DISCRE-
12 TIONARY SPENDING.—Section 101 of such Act is further
13 amended—

14 (1) by inserting “(a)” after the section designa-
15 tion;

16 (2) in subsection (a), as so amended, by strik-
17 ing paragraphs (1), (3), (5), (6), (7), (9), and (10);

18 (3) in subsection (a), as so amended, by redesi-
19 gnating paragraphs (2), (4), and (8) as paragraphs
20 (1), (2), and (3), respectively; and

21 (4) by adding at the end of subsection (a), as
22 amended by paragraphs (1), (2), and (3), the fol-
23 lowing:

24 “(4) Division E of the Consolidated Appropria-
25 tions Act, 2010 (Public Law 111–117).”.

1 (c) CONFORMING AMENDMENTS.—Section 114(2) of
2 such Act is amended—

3 (1) by striking “(8)” and inserting “(3)”; and

4 (2) by inserting “(a)” after “section 101”.

5 **TITLE II—CHANGES IN THE**
6 **BASELINE; DISCRETIONARY**
7 **SPENDING LIMITS FOR NON-**
8 **DEFENSE SPENDING**

9 **Subtitle A—Elimination of**
10 **Automatic Increases for Inflation**

11 **SEC. 201. CHANGES IN THE BASELINE.**

12 Section 257(c) of the Balanced Budget and Emer-
13 gency Deficit Control Act of 1985 is amended—

14 (1) in the second sentence of paragraph (1), by
15 striking everything that follows “current year,” and
16 inserting “excluding resources designated as an
17 emergency requirement and any resources provided
18 in supplemental appropriation laws.”;

19 (2) by striking paragraphs (2), (3), (4), and
20 (5);

21 (3) by redesignating paragraph (6) as para-
22 graph (2); and

23 (4) by inserting after paragraph (2) the fol-
24 lowing new paragraph:

1 “(3) NO ADJUSTMENT FOR INFLATION.—No
2 adjustment shall be made for inflation or for any
3 other factor.”.

4 **SEC. 202. EXTENSION.**

5 The second sentence of section 275(b) of the Bal-
6 anced Budget and Emergency Deficit Control Act of 1985
7 is amended by inserting “other than subsections (a)
8 through (d) of section 257” after “title”.

9 **Subtitle B—Discretionary Spend-**
10 **ing Limits for Nondefense**
11 **Spending**

12 **SEC. 211. EXTENSION OF DISCRETIONARY SPENDING LIM-**
13 **ITS FOR NONDEFENSE SPENDING.**

14 (a) IN GENERAL.—Section 251(c) of the Balanced
15 Budget and Emergency Deficit Control Act of 1985 is
16 amended to read as follows:

17 “(c) DISCRETIONARY SPENDING LIMIT.—As used in
18 this part, the term ‘discretionary spending limit’ means—

19 “(1) for fiscal year 2011 for the nondefense
20 category \$457,000,000,000 in new budget authority;
21 and

22 “(2) for each of fiscal years 2012 through 2021
23 for the nondefense discretionary category
24 \$409,000,000,000 in new budget authority.”.

1 (b) DEFINITIONS.—Section 250(c)(4) of the Bal-
 2 anced Budget and Emergency Deficit Control Act of 1985
 3 is amended in subparagraph (C) by inserting “(and suc-
 4 cessor accounts)” after “budget accounts”.

5 **SEC. 212. ENFORCEMENT.**

6 (a) DISCRETIONARY SPENDING LIMIT POINT OF
 7 ORDER.—Section 312 of the Congressional Budget Act of
 8 1974 is amended by adding at the end the following new
 9 subsection:

10 “(g) DISCRETIONARY SPENDING LIMIT POINT OF
 11 ORDER.—It shall not be in order in the House of Rep-
 12 resentatives or the Senate to consider any bill, joint resolu-
 13 tion, amendment, or conference report that—

14 “(1) increases the discretionary spending limits
 15 for any ensuing fiscal year after the budget year; or

16 “(2) would cause the discretionary spending
 17 limits for the budget year to be breached.”.

18 (b) POINT OF ORDER AGAINST BUDGET RESOLU-
 19 TION THAT BREACHES LIMITS.—It shall not be in order
 20 in the House of Representatives or the Senate to consider
 21 any concurrent resolution on the budget that would cause
 22 the discretionary spending limits for the budget year to
 23 be breached.

24 (c) ADVANCE APPROPRIATION POINT OF ORDER.—
 25 Section 312 of the Congressional Budget Act of 1974 (as

1 amended by this section) is further amended by adding
2 at the end the following new subsection:

3 “(i) **ADVANCE APPROPRIATION POINT OF ORDER.**—
4 It shall not be in order in the House of Representatives
5 or the Senate to consider any appropriation bill or joint
6 resolution, or amendment thereto or conference report
7 thereon, that provides advance discretionary new budget
8 authority that first becomes available for any fiscal year
9 after the budget year at an amount for any program,
10 project, or activity above the amount of appropriations for
11 fiscal year 2007 for such program, project, or activity.”.

12 **SEC. 213. REPORTS.**

13 Subsections (c)(2) and (f)(2)(A) of section 254 of the
14 Balanced Budget and Emergency Deficit Control Act of
15 1985 are amended by striking “2002” and inserting
16 “2021”.

17 **SEC. 214. EXPIRATION.**

18 Section 275(b) of the Balanced Budget and Emer-
19 gency Deficit Control Act of 1985 is amended by striking
20 “2002” and inserting “2021”.

1 **TITLE III—RESCISSION OF UN-**
 2 **OBLIGATED STIMULUS FUNDS**
 3 **AND REPEAL OF CERTAIN**
 4 **STIMULUS PROVISIONS**

5 **SEC. 301. RESCISSION OF UNOBLIGATED STIMULUS FUNDS.**

6 Effective on the date of the enactment of this Act,
 7 there are rescinded all unobligated balances of the discre-
 8 tionary appropriations made available by division A of the
 9 American Recovery and Reinvestment Act of 2009 (Public
 10 Law 111–5).

11 **SEC. 302. REPEAL OF CERTAIN STIMULUS PROVISIONS.**

12 Effective on the date of the enactment of this Act,
 13 subtitles B and C of title II and titles III through VII
 14 of division B of the American Recovery and Reinvestment
 15 Act of 2009 (Public Law 111–5) are repealed, and the
 16 provisions of law amended or repealed by such provisions
 17 of division B are restored or revived as if such provisions
 18 of division B had not been enacted.

19 **TITLE IV—PROVISIONS RELAT-**
 20 **ING TO FEDERAL CIVILIAN**
 21 **WORKFORCE**

22 **SEC. 401. EXTENSION OF FEDERAL EMPLOYEE PAY FREEZE.**

23 Section 147 of the Continuing Appropriations Act,
 24 2011 (Public Law 111–242) is amended—

1 (1) in subsection (b)(1), by striking “2012”
2 and inserting “2015”; and

3 (2) in subsection (c), by striking “2012” and
4 inserting “2015”.

5 **SEC. 402. LIMITATION ON THE NUMBER OF CIVILIAN EM-**
6 **PLOYEES IN THE EXECUTIVE BRANCH.**

7 (a) LIMITATION.—Except as otherwise provided in
8 this section—

9 (1) no person shall be appointed as a full-time
10 civilian employee to a permanent position in the ex-
11 ecutive branch during any month when the number
12 of such employees is greater than the number equal
13 to 85 percent of the number of such employees on
14 September 30, 2010; and

15 (2) the number of temporary and part-time em-
16 ployees in any agency in the executive branch during
17 any month shall not be greater than the number of
18 such employees during the corresponding month in
19 fiscal year 2010.

20 (b) PROVISIONS RELATING TO LIMITATION UNDER
21 SUBSECTION (a)(1).—

22 (1) IN GENERAL.—During any period when ap-
23 pointments are otherwise prohibited under sub-
24 section (a)(1), an appointing authority may, except
25 as otherwise provided in this subsection, appoint

1 persons as full-time civilian employees in permanent
2 positions in an agency so long as the total number
3 of persons appointed as full-time civilian employees
4 in permanent positions in such agency (and attrib-
5 utable to such period) does not exceed the number
6 equal to 50 percent of the number of vacancies in
7 such positions which have occurred during such pe-
8 riod by reason of resignation, retirement, removal, or
9 death.

10 (2) SMALL AGENCIES.—For purposes of para-
11 graph (1), all agencies which, on the first day of any
12 period when appointments are otherwise prohibited
13 under subsection (a)(1), have 50 or fewer full-time
14 civilian employees in permanent positions shall be
15 treated as one agency, and the Director of the Office
16 of Management and Budget (hereinafter in this sec-
17 tion referred to as the “Director”) shall determine
18 the vacancies in each such agency which may be
19 filled by reason of paragraph (1).

20 (3) REASSIGNMENTS.—For purposes of para-
21 graph (1), the Director may reassign vacancies from
22 one agency to another agency when such reassign-
23 ment is, in the opinion of the Director, necessary or
24 appropriate because of the creation of a new agency,

1 because of a change in functions, or for the more ef-
2 ficient operation of the Government.

3 (4) TRANSFERS.—If a full-time civilian em-
4 ployee in a permanent position is transferred from
5 one agency to another agency—

6 (A) such transfer shall be taken into ac-
7 count under paragraph (1) as an appointment
8 by the head of the agency to which such em-
9 ployee transfers; and

10 (B) subsection (a)(1) shall not apply to an
11 appointment to the vacancy in the agency from
12 which such employee transferred and such va-
13 cancy shall not be taken into account under
14 paragraph (1).

15 (5) EXCLUSION.—Subsection (a)(1) shall not
16 affect appointments to positions within the United
17 States Postal Service or the Postal Regulatory Com-
18 mission, and no employee of the United States Post-
19 al Service or the Postal Regulatory Commission shall
20 be taken into account for purposes of any deter-
21 mination under subsection (a)(1) of the number of
22 full-time civilian employees in permanent positions in
23 the executive branch at any time.

24 (c) PROVISIONS RELATING TO LIMITATION UNDER
25 SUBSECTION (a)(2).—For purposes of subsection (a)(2),

1 the Director may reassign authorized temporary and part-
2 time employment from one agency to another agency when
3 such reassignment is, in the opinion of the Director, nec-
4 essary or appropriate because of the creation of a new
5 agency, because of a change in function, or for the more
6 efficient operation of the Government.

7 (d) TREATMENT OF CERTAIN EMPLOYEES; AGENCY
8 DEFINED.—For purposes of this section—

9 (1) there shall not be taken into account—

10 (A) any position filled by appointment by
11 the President by and with the advice and con-
12 sent of the Senate, other than for purposes of
13 determining under subsection (a)(1) the number
14 of full-time civilian employees in permanent po-
15 sitions in the executive branch at any time; or

16 (B) casual employees or employees serving
17 without compensation; and

18 (2) the term “agency” or “agency in the execu-
19 tive branch” means an Executive department, a
20 Government corporation, and an independent estab-
21 lishment (as those terms are defined in chapter 1 of
22 title 5, United States Code), but does not include
23 the Government Accountability Office.

24 (e) DISPOSITION OF SAVINGS.—The Director shall
25 maintain a continuous study of all appropriations and con-

1 tract authorizations in relation to personnel employed and
2 shall reserve from expenditure the savings in salaries and
3 wages resulting from the operation of this section, and any
4 savings in other categories of expense which the Director
5 determines will result from such operation.

6 (f) INFORMATION.—Agencies in the executive branch
7 shall submit to the Director such information as may be
8 necessary to enable the Director to carry out the functions
9 of the Director under this section.

10 (g) REPORTS.—The Director shall submit to each
11 House of Congress, at the end of each calendar quarter,
12 a report on the operation of this section.

13 (h) REEMPLOYMENT RIGHTS NOT AFFECTED.—
14 Nothing in this section shall supersede or modify the re-
15 employment rights of any person under chapter 43 of title
16 38, United States Code, or any other provision of law con-
17 ferring reemployment rights upon persons who have per-
18 formed service in the uniformed services.

19 (i) REGULATIONS.—The Director shall prescribe any
20 regulations necessary to carry out the purposes of this sec-
21 tion.

22 (j) EFFECTIVE DATE.—This section (other than sub-
23 section (i)) shall take effect on the first day of the first
24 month which begins after the date of the enactment of
25 this Act.

1 **SEC. 403. INELIGIBILITY OF PERSONS HAVING SERIOUSLY**
 2 **DELINQUENT TAX DEBTS FOR FEDERAL EM-**
 3 **PLOYMENT.**

4 (a) IN GENERAL.—Chapter 73 of title 5, United
 5 States Code, is amended by adding at the end the fol-
 6 lowing:

7 “SUBCHAPTER VIII—INELIGIBILITY OF PER-
 8 SONS HAVING SERIOUSLY DELINQUENT
 9 TAX DEBTS FOR FEDERAL EMPLOYMENT
 10 **“§ 7381. Ineligibility of persons having seriously de-**
 11 **linquent tax debts for Federal employ-**
 12 **ment**

13 “(a) DEFINITION.—For purposes of this section—

14 “(1) the term ‘seriously delinquent tax debt’
 15 means an outstanding debt under the Internal Rev-
 16 enue Code of 1986 for which a notice of lien has
 17 been filed in public records pursuant to section 6323
 18 of such Code, except that such term does not in-
 19 clude—

20 “(A) a debt that is being paid in a timely
 21 manner pursuant to an agreement under sec-
 22 tion 6159 or section 7122 of such Code; and

23 “(B) a debt with respect to which a collec-
 24 tion due process hearing under section 6330 of
 25 such Code, or relief under subsection (a), (b),

1 or (f) of section 6015 of such Code, is re-
2 quested or pending; and

3 “(2) the term ‘Federal employee’ means—

4 “(A) an employee, as defined by section
5 2105; and

6 “(B) an employee of the United States
7 Postal Service or of the Postal Regulatory Com-
8 mission.

9 “(b) INELIGIBILITY FOR FEDERAL EMPLOYMENT.—

10 An individual who has a seriously delinquent tax debt shall
11 be ineligible to be appointed, or to continue serving, as
12 a Federal employee.

13 “(c) EXCEPTION FOR NATIONAL SECURITY, ETC.—

14 Nothing in subsection (b) shall—

15 “(1) apply in the case of any individual whose
16 services are required for reasons of national security,
17 as determined by the President in writing; or

18 “(2) prevent the continued service of any officer
19 whose appointment is required to be made by the
20 President, by and with the advice and consent of the
21 Senate.

22 “(d) REGULATIONS.—The Office of Personnel Man-
23 agement shall, for purposes of carrying out this section
24 with respect to the executive branch, prescribe any regula-
25 tions which the Office considers necessary.”.

1 (b) CLERICAL AMENDMENT.—The analysis for chap-
 2 ter 73 of title 5, United States Code, is amended by add-
 3 ing at the end the following:

“SUBCHAPTER VIII—INELIGIBILITY OF PERSONS HAVING SERIOUSLY
 DELINQUENT TAX DEBTS FOR FEDERAL EMPLOYMENT

“7381. Ineligibility of persons having seriously delinquent tax debts for Federal
 employment.”.

4 **SEC. 404. REPEAL OF CERTAIN PROVISIONS RELATING TO**
 5 **OFFICIAL TIME FOR FEDERAL EMPLOYEES.**

6 Subsections (a) and (c) of section 7131 of title 5,
 7 United States Code, are repealed.

8 **TITLE V—PROGRAM ELIMI-**
 9 **NATIONS AND RELATED PRO-**
 10 **VISIONS**

11 **Subtitle A—Provisions Relating to**
 12 **Program Eliminations**

13 **SEC. 501. PROGRAM ELIMINATIONS.**

14 (a) IN GENERAL.—No funds appropriated or other-
 15 wise available to any Federal department or agency may
 16 be obligated or expended for any program or other purpose
 17 described in subsection (b).

18 (b) PROGRAMS AND PURPOSES DESCRIBED.—The
 19 programs and purposes described in this subsection are
 20 as follows:

- 21 (1) The Legal Services Corporation.
- 22 (2) The Save America’s Treasures program.
- 23 (3) The National Heritage Areas program.

1 (4) The National Endowment for the Arts.

2 (5) The National Endowment for the Human-
3 ities.

4 (6) Subpart 3 of part D of title II of the Ele-
5 mentary and Secondary Education Act of 1965 (20
6 U.S.C. 6775; relating to the Ready-to-Learn Tele-
7 vision program).

8 (7) Subpart 12 of part D of title V of the Ele-
9 mentary and Secondary Education Act of 1965 (20
10 U.S.C. 7265 et seq.; relating to educational, cul-
11 tural, apprenticeship, and exchange programs for
12 Alaska Natives, Native Hawaiians, and their histor-
13 ical whaling and trading partners in Massachusetts).

14 (8) The National and Community Service Act
15 of 1990 (Public Law 101–610; 42 U.S.C. 12501 et
16 seq.).

17 (9) United States contributions to the Inter-
18 national Fund for Ireland.

19 (10) The Trade and Development Agency.

20 (11) The Woodrow Wilson Memorial Act of
21 1968 (82 Stat. 1356).

22 (12) United States economic assistance to
23 Egypt.

24 (13) The United States Agency for Inter-
25 national Development.

1 (14) United States contributions to the Inter-
2 governmental Panel on Climate Change.

3 (15) The John C. Stennis Center for Public
4 Service Training and Development.

5 (16) The essential air service program of the
6 Federal Aviation Administration authorized by sub-
7 chapter II of chapter 417 of title 49, United States
8 Code.

9 (17) The new starts program of the Federal
10 Transit Administration authorized by section 5309
11 of title 49, United States Code.

12 (18) Beach replenishment projects of the Corps
13 of Engineers.

14 (19) The Appalachian Regional Commission.

15 (20) The Economic Development Administra-
16 tion.

17 (21) Capital and preventive maintenance
18 projects for the Washington Metropolitan Area
19 Transit Authority authorized by title VI of the Pas-
20 senger Rail Investment and Improvement Act of
21 2008 (122 Stat. 4968).

22 (22) Title X of the Public Health Service Act
23 (42 U.S.C. 300 et seq.; relating to population re-
24 search and voluntary family planning programs).

1 (23) The weatherization program authorized by
2 part A of title IV of the Energy Conservation and
3 Production Act (42 U.S.C. 6861 et seq.).

4 (24) The FreedomCAR and Fuel Partnership
5 in the Vehicle Technologies Program of the Depart-
6 ment of Energy.

7 (25) The Energy Star program authorized by
8 section 324A of the Energy Policy and Conservation
9 Act (42 U.S.C. 6294a).

10 (26) The Corporation for Public Broadcasting.

11 (27) Amtrak.

12 (28) Grants supporting intercity rail passenger
13 service and high-speed rail.

14 (29) Applied research sponsored by the Depart-
15 ment of Energy.

16 (30) The Technology Innovation Program au-
17 thorized by section 28 of the National Institute of
18 Standards and Technology Act (15 U.S.C. 278n).

19 (31) The Hollings Manufacturing Extension
20 Partnership and all other programs authorized by
21 section 25 of the National Institute of Standards
22 and Technology Act (15 U.S.C. 278k).

23 (32) The Community Development Fund of the
24 Department of Housing and Urban Development.

1 (33) The HOPE VI program of the Depart-
2 ment of Housing and Urban Development author-
3 ized by section 24 of the United States Housing Act
4 of 1937 (42 U.S.C. 1437v).

5 (34) Grants provided under Edward Byrne Me-
6 morial Justice Assistance Grant Program under sub-
7 part 1 of part E of title I of the Omnibus Crime
8 Control and Safe Streets Act of 1968 (42 U.S.C.
9 3750 et seq.) insofar as such grants are for pre-trial
10 bail services.

11 (35) United States contributions to the Organi-
12 zation for Economic Cooperation and Development.

13 (36) The U.S. Ambassadors Fund for Cultural
14 Preservation.

15 (37) Doctoral dissertation research grants au-
16 thorized under title V of the Housing and Urban
17 Development Act of 1970 (12 U.S.C. 1701z-1 et
18 seq.).

19 (c) TECHNICAL AND CONFORMING CHANGES.—Not
20 later than 6 months after the date of enactment of this
21 Act, the President shall submit to Congress a legislative
22 proposal providing for such technical and conforming
23 changes in the law as are required by the provisions of
24 this section.

1 **SEC. 502. REPEAL OF NATIONAL ORGANIC CERTIFICATION**
2 **COST-SHARE PROGRAM.**

3 (a) REPEAL OF AUTHORITY FOR PROGRAM.—Section
4 10606 of the Farm Security and Rural Investment Act
5 of 2002 (7 U.S.C. 6523) is repealed.

6 (b) TERMINATION OF OBLIGATIONS FOR PRO-
7 GRAM.—On and after the date of enactment of this Act,
8 no funds shall be obligated to carry out the national or-
9 ganic certification cost-share program established under
10 section 10606(a) of the Farm Security and Rural Invest-
11 ment Act of 2002 (7 U.S.C. 6523).

12 **SEC. 503. PROHIBITING UNAUTHORIZED PAYMENTS TO DIS-**
13 **TRICT OF COLUMBIA.**

14 No funds appropriated or otherwise available to any
15 Federal department or agency may be obligated or ex-
16 pended for any payment to the District of Columbia unless
17 the payment is authorized by a law other than the law
18 making the appropriation of the funds involved.

19 **SEC. 504. PROHIBITING PAYMENT OF GRATUITIES TO SUR-**
20 **VIVORS OF MEMBERS OF CONGRESS.**

21 (a) PROHIBITION.—No payment may be made from
22 the applicable accounts of the House of Representatives,
23 the contingent fund of the Senate, or any other appro-
24 priated funds for a death gratuity payment to the widow,
25 widower, or heirs-at-law of any Member of Congress who

1 dies after the commencement of the Congress to which the
2 Member has been elected.

3 (b) NO EFFECT ON OTHER PAYMENTS TO SUR-
4 VIVORS.—Nothing in subsection (a) shall be construed to
5 prohibit or affect the payment to any individual of any
6 unpaid balance or salary or other sums due to a Member
7 of Congress who dies after the commencement of the Con-
8 gress to which the Member has been elected.

9 (c) DEFINITION.—For purposes of this section, the
10 term “Member of Congress” means a Senator or a Rep-
11 resentative in, or Delegate or Resident Commissioner to,
12 the Congress.

13 **SEC. 505. DAVIS-BACON REPEAL ACT.**

14 (a) SHORT TITLE.—This section may be cited as the
15 “Davis-Bacon Repeal Act”.

16 (b) REPEAL OF DAVIS-BACON WAGE REQUIRE-
17 MENTS.—Subchapter IV of chapter 31 of title 40, United
18 States Code, is repealed.

19 (c) EFFECTIVE DATE AND LIMITATION.—The
20 amendments made by subsection (b) shall take effect 30
21 days after the date of the enactment of this Act but shall
22 not affect any contract in existence on such date of enact-
23 ment or made pursuant to invitation for bids outstanding
24 on such date of enactment.

1 **SEC. 506. PRIORITIES IN EDUCATION SPENDING ACT.**

2 (a) SHORT TITLE.—This section may be cited as the
3 “Priorities in Education Spending Act”.

4 (b) ELEMENTARY AND SECONDARY EDUCATION PRO-
5 GRAMS.—The following provisions of the Elementary and
6 Secondary Education Act of 1965 (20 U.S.C. 6301 et
7 seq.) are hereby repealed:

8 (1) Subpart 3 of part B of title I (20 U.S.C.
9 6381 et seq.; relating to the William F. Goodling
10 Even Start Family Literacy programs).

11 (2) Subpart 4 of part B of title I (20 U.S.C.
12 6383; relating to improving literacy through school
13 libraries).

14 (3) Section 1504 of part E of title I (20 U.S.C.
15 6494; relating to the Close Up Fellowship program).

16 (4) Part F of title I (20 U.S.C. 6511 et seq.;
17 relating to comprehensive school reform).

18 (5) Section 2151(b) of subpart 5 of part A of
19 title II (20 U.S.C. 6651(b); relating to school leader-
20 ship).

21 (6) Section 2151(c) of subpart 5 of part A of
22 title II (20 U.S.C. 6651(c); relating to advanced cer-
23 tification or advanced credentialing).

24 (7) Subpart 2 of part C of title II (20 U.S.C.
25 6701 et seq.; relating to the National Writing
26 Project).

1 (8) Subpart 4 of part C of title II (20 U.S.C.
2 6721 et seq.; relating to the teaching of traditional
3 American history).

4 (9) Part D of title II (20 U.S.C. 6751 et seq.;
5 relating to enhancing education through technology).

6 (10) Subpart 4 of part B of title III (20 U.S.C.
7 6961 et seq.; relating to the Emergency Immigrant
8 Education program).

9 (11) Section 4129 of subpart 2 of part A of
10 title IV (20 U.S.C. 7139; relating to grants to re-
11 duce alcohol abuse).

12 (12) Section 4130 of subpart 2 of part A of
13 title IV (20 U.S.C. 7140; relating to mentoring pro-
14 grams).

15 (13) Subpart 2 of part D of title V (20 U.S.C.
16 7245; relating to elementary and secondary school
17 counseling programs).

18 (14) Subpart 4 of part D of title V (20 U.S.C.
19 7249; relating to smaller learning communities).

20 (15) Subpart 5 of part D of title V (20 U.S.C.
21 7251; relating to the Reading is Fundamental—In-
22 expensive Book Distribution program).

23 (16) Subpart 7 of part D of title V (20 U.S.C.
24 7255 et seq.; commonly referred to as the “Star
25 Schools Act”).

1 (17) Subpart 8 of part D of title V (20 U.S.C.
2 7257 et seq.; relating to the Ready to Teach pro-
3 gram).

4 (18) Subpart 9 of part D of title V (20 U.S.C.
5 7259 et seq.; commonly referred to as the “Foreign
6 Language Assistance Act of 2001”).

7 (19) Subpart 10 of part D of title V (20 U.S.C.
8 7261 et seq.; commonly referred to as the “Carol M.
9 White Physical Education Program”).

10 (20) Subpart 11 of part D of title V (20 U.S.C.
11 7263 et seq.; relating to community technology cen-
12 ters).

13 (21) Subpart 12 of part D of title V (20 U.S.C.
14 7265 et seq.; relating to educational, cultural, ap-
15 prenticeship, and exchange programs for Alaska Na-
16 tives, Native Hawaiians, and their historical whaling
17 and trading partners in Massachusetts).

18 (22) Subpart 14 of part D of title V (20 U.S.C.
19 7269 et seq.; relating to grants to improve mental
20 health of children).

21 (23) Subpart 15 of part D of title V (20 U.S.C.
22 7271; relating to arts in education).

23 (24) Subpart 18 of part D of title V (20 U.S.C.
24 7277 et seq.; relating to healthy, high-performance
25 schools).

1 (25) Subpart 20 of part D of title V (20 U.S.C.
2 7281 et seq.; relating to additional assistance for
3 certain local educational agencies impacted by Fed-
4 eral property acquisition).

5 (26) Subpart 21 of part D of title V (20 U.S.C.
6 7283 et seq.; commonly referred to as the “Women’s
7 Educational Equity Act of 2001”).

8 (27) Part B of title VII (20 U.S.C. 7511 et
9 seq.; commonly referred to as the “Native Hawaiian
10 Education Act”).

11 (28) Part C of title VII (20 U.S.C. 7541 et
12 seq.; commonly referred to as the “Alaska Native
13 Educational Equity, Support, and Assistance Act”).

14 (c) EARLY LEARNING OPPORTUNITIES ACT.—Title
15 VIII of H.R. 5656 of the 106th Congress (20 U.S.C. 9401
16 et seq.; 114 Stat. 2763, 2763A–77; commonly referred to
17 as the “Early Learning Opportunities Act”), enacted by
18 section 1 of Public Law 106–554, is hereby repealed.

19 (d) HIGHER EDUCATION PROGRAMS.—

20 (1) HIGHER EDUCATION ACT OF 1965.—The fol-
21 lowing provisions of the Higher Education Act of
22 1965 (20 U.S.C. 1001 et seq.) are hereby repealed:

23 (A) Section 317 (20 U.S.C. 1059d; relat-
24 ing to Alaska Native and Native Hawaiian-serv-
25 ing institutions).

1 (B) Subpart 6 of part A of title IV (20
2 U.S.C. 1070d–31 et seq.; relating to the Byrd
3 Honors Scholarship Program).

4 (C) Subpart 9 of part A of title IV (20
5 U.S.C. 1070g et seq.; relating to TEACH
6 Grants).

7 (D) Section 428L (20 U.S.C. 1078–12; re-
8 lating to loan repayment for civil legal assist-
9 ance attorneys).

10 (E) Section 432(n) (20 U.S.C. 1082(n);
11 relating to default reduction management).

12 (F) Subpart 3 of part A of title VII (20
13 U.S.C. 1136 et seq.; relating to the Thurgood
14 Marshall Legal Educational Opportunity Pro-
15 gram).

16 (G) Subpart 1 of part D of title VII (20
17 U.S.C. 1140a et seq.; relating to demonstration
18 projects to support postsecondary faculty, staff,
19 and administrators in educating students with
20 disabilities).

21 (H) Part E of title VII (20 U.S.C. 1141;
22 relating to the College Access Challenge Grant
23 program).

24 (I) Part C of title VIII (20 U.S.C. 1161c;
25 relating to business workforce partnerships for

1 job skill training in high-growth occupations or
2 industries).

3 (J) Part G of title VIII (20 U.S.C. 1161h;
4 relating to the Patsy Mink Fellowship pro-
5 gram).

6 (K) Part I of title VIII (20 U.S.C. 1161i
7 et seq.; relating to the Early Childhood Edu-
8 cation Professional Development and Career
9 Task Force).

10 (L) Part J of title VIII (20 U.S.C. 1161j;
11 relating to improving science, technology, engi-
12 neering, and mathematics education with a
13 focus on Alaska Native and Native Hawaiian
14 students).

15 (M) Part K of title VIII (20 U.S.C. 1161k;
16 relating to pilot programs to increase college
17 persistence and success).

18 (N) Part M of title VIII (20 U.S.C.
19 1161m; relating to low tuition).

20 (O) Part N of title VIII (20 U.S.C. 1161n
21 et seq.; relating to cooperative education).

22 (P) Part P of title VIII (20 U.S.C. 1161p;
23 relating to grants to create bridges from jobs to
24 careers).

1 (Q) Part Q of title VIII (20 U.S.C. 1161q;
2 relating to rural development grants).

3 (R) Part S of title VIII (20 U.S.C. 1161s;
4 relating to training for realtime writers).

5 (S) Part V of title VIII (20 U.S.C. 1161v;
6 relating to modeling and simulation programs).

7 (T) Part W of title VIII (20 U.S.C.
8 1161w; relating to Path to Success).

9 (U) Part X of title VIII (20 U.S.C. 1161x;
10 relating to the School of Veterinary Medicine
11 Competitive Grant Program).

12 (V) Part Z of title VIII (20 U.S.C. 1161z;
13 relating to the Henry Kuualoha Giugni Kupuna
14 Memorial Archives).

15 (2) HIGHER EDUCATION AMENDMENTS OF
16 1998.—The following provisions of the Higher Edu-
17 cation Amendments of 1998 (Public Law 105–244)
18 are hereby repealed:

19 (A) Part D of title VIII (20 U.S.C. 1151;
20 relating to the Incarcerated Youth Program).

21 (B) Part H of title VIII (20 U.S.C. 1153;
22 relating to the Underground Railroad Edu-
23 cational and Cultural Program).

24 (3) OTHER HIGHER EDUCATION LAWS.—The
25 following provisions of law are hereby repealed:

1 (A) Section 121 of the Education of the
2 Deaf Act of 1986 (20 U.S.C. 4341; relating to
3 Cultural Experiences Grants).

4 (B) Section 802 of the Higher Education
5 Opportunity Act (20 U.S.C. 9631; relating to
6 the National Center for Research in Advanced
7 Information and Digital Technologies).

8 (C) Section 5(c) of the Stevenson-Wydler
9 Technology Innovation Act of 1980 (15 U.S.C.
10 3704(c); relating to the Minority Serving Insti-
11 tution Digital and Wireless Technology Oppor-
12 tunity Program).

13 (D) Part E of title XV of the Higher Edu-
14 cation Amendments of 1992 (20 U.S.C. 1070
15 note; Public Law 102–325; relating to B.J.
16 Stupak Olympic Scholarships).

17 (e) LITERACY PROGRAM FOR PRISONERS.—Notwith-
18 standing the provisions under the heading “Safe Schools
19 and Citizenship Education” in title III of division F of
20 Public Law 108–447 (118 Stat. 3145), the Secretary may
21 not obligate any funds to carry out section 601 of the Na-
22 tional Literacy Act of 1991 (Public Law 102–73; 105
23 Stat. 356; relating to literacy for prisoners).

24 (f) LOAN REPAYMENT FOR PROSECUTORS AND PUB-
25 LIC DEFENDERS.—The first part JJ of title I of the Om-

1 nibus Crime Control and Safe Streets Act of 1968 (section
2 952 of Public Law 110–315; relating to loan repayment
3 for prosecutors and public defenders) is hereby repealed.

4 (g) CAREER AND TECHNICAL EDUCATION PRO-
5 GRAMS.—Title II of the Carl D. Perkins Career and Tech-
6 nical Education Act of 2006 (20 U.S.C. 2371 et seq.) is
7 hereby repealed.

8 (h) SPECIAL OLYMPICS SPORT AND EMPOWERMENT
9 ACT OF 2004 PROGRAM.—Section 3(a) of the Special
10 Olympics Sport and Empowerment Act of 2004 (42
11 U.S.C. 15001 note; relating to education activities) is
12 hereby repealed.

13 (i) HEAD START ACT PROGRAM.—Section 657B of
14 the Head Start Act (42 U.S.C. 9852b; relating to Centers
15 of Excellence in Early Childhood) is hereby repealed.

16 (j) WORKFORCE INVESTMENT ACT PROGRAM.—Sec-
17 tion 171(e) of the Workforce Investment Act (20 U.S.C.
18 2916(e); relating to the Energy Efficiency and Renewable
19 Energy Worker Training Program) is hereby repealed.

20 (k) THE NATIONAL ENVIRONMENTAL EDUCATION
21 ACT.—The National Environmental Education Act (20
22 U.S.C. 5501 et seq.) is hereby repealed.

23 (l) AMERICA COMPETES ACT.—Part I of subtitle
24 A of title VI of the America COMPETES Act (20 U.S.C.

1 9811 et seq.; relating to Teachers for a Competitive To-
2 morrow) is hereby repealed.

3 **SEC. 507. REPEAL OF TEMPORARY INCREASE OF MEDICAID**
4 **FMAP.**

5 Effective as of the date of the enactment of this Act,
6 section 5001 of the American Recovery and Reinvestment
7 Act of 2009 (42 U.S.C. 1396d note) (relating to the tem-
8 porary increase of the Medicaid FMAP) is repealed.

9 **SEC. 508. MORATORIUM ON CONSTRUCTION OR LEASING**
10 **OF NEW FEDERAL BUILDINGS IN DISTRICT**
11 **OF COLUMBIA UNTIL JANUARY 2013.**

12 (a) PROHIBITION.—No funds may be expended for
13 the construction or lease of buildings or space in the Dis-
14 trict of Columbia for any branch of the United States Gov-
15 ernment or any entity within such branch unless a con-
16 tract for the construction or lease was entered into before
17 the date of enactment of this Act.

18 (b) EXCEPTION.—The prohibition contained in sub-
19 section (a) does not apply in any case in which the expend-
20 iture of funds for the purposes described in subsection (a)
21 is necessary in the interests of national security.

22 (c) EXPIRATION.—The prohibition contained in sub-
23 section (a) shall expire on January 1, 2013.

1 **Subtitle B—Elimination of Presi-**
2 **dential Election Campaign Fund**

3 **SEC. 511. TERMINATION OF TAXPAYER FINANCING OF**
4 **PRESIDENTIAL ELECTION CAMPAIGNS.**

5 (a) TERMINATION OF DESIGNATION OF INCOME TAX
6 PAYMENTS.—Section 6096 of the Internal Revenue Code
7 of 1986 is amended by adding at the end the following
8 new subsection:

9 “(d) TERMINATION.—This section shall not apply to
10 taxable years beginning after December 31, 2010.”.

11 (b) TERMINATION OF FUND AND ACCOUNT.—

12 (1) TERMINATION OF PRESIDENTIAL ELECTION
13 CAMPAIGN FUND.—

14 (A) IN GENERAL.—Chapter 95 of subtitle
15 H of such Code is amended by adding at the
16 end the following new section:

17 **“SEC. 9014. TERMINATION.**

18 “The provisions of this chapter shall not apply with
19 respect to any Presidential election (or any Presidential
20 nominating convention) after December 31, 2010, or to
21 any candidate in such an election.”.

22 (B) TRANSFER OF EXCESS FUNDS TO GEN-
23 ERAL FUND.—Section 9006 of such Code is
24 amended by adding at the end the following
25 new subsection:

1 “(d) TRANSFER OF FUNDS REMAINING AFTER
2 2009.—The Secretary shall transfer all amounts in the
3 fund after December 31, 2011, to the general fund of the
4 Treasury.”.

5 (2) TERMINATION OF ACCOUNT.—Chapter 96
6 of subtitle H of such Code is amended by adding at
7 the end the following new section:

8 **“SEC. 9043. TERMINATION.**

9 “The provisions of this chapter shall not apply to any
10 candidate with respect to any Presidential election after
11 December 31, 2010.”.

12 (c) CLERICAL AMENDMENTS.—

13 (1) The table of sections for chapter 95 of sub-
14 title H of such Code is amended by adding at the
15 end the following new item:

“Sec. 9014. Termination.”.

16 (2) The table of sections for chapter 96 of sub-
17 title H of such Code is amended by adding at the
18 end the following new item:

“Sec. 9043. Termination.”.

19 **Subtitle C—Repeal of Sugar Price**
20 **Support and Other Programs**

21 **SEC. 521. REPEAL OF SUGAR PRICE SUPPORT PROGRAM**
22 **AND MARKETING ALLOTMENTS FOR SUGAR.**

23 (a) SUGAR PROGRAM.—

1 (1) REPEAL.—Section 156 of the Federal Agri-
2 culture Improvement and Reform Act of 1996 (7
3 U.S.C. 7272) is repealed.

4 (2) RELATED FEEDSTOCK FLEXIBILITY PRO-
5 GRAM FOR BIOENERGY PRODUCERS.—Section 9010
6 of the Farm Security and Rural Investment Act of
7 2002 (7 U.S.C. 8110) is repealed.

8 (b) MARKETING ALLOTMENTS FOR SUGAR.—

9 (1) REPEAL.—Part VII of subtitle B of title III
10 of the Agricultural Adjustment Act of 1938 (7
11 U.S.C. 1359aa–1359ll), except section 359k (7
12 U.S.C. 1359kk), is repealed.

13 (2) CONFORMING AMENDMENT.—Section 359k
14 of the Agricultural Adjustment Act of 1938 (7
15 U.S.C. 1359kk) is amended to read as follows:

16 **“SEC. 359k. ADMINISTRATION OF TARIFF RATE QUOTAS.**

17 “(a) ESTABLISHMENT.—Except as provided in sub-
18 section (c) and notwithstanding any other provision of law,
19 the Secretary shall establish the tariff-rate quotas for raw
20 cane sugar and refined sugars for a quota year at the level
21 necessary to ensure—

22 “(1) a robust and competitive sugar processing
23 industry in the United States; and

24 “(2) an adequate supply of sugar at reasonable
25 prices in the United States.

1 “(b) FACTORS.—In determining the tariff-rate
2 quotas necessary to satisfy the requirements of para-
3 graphs (1) and (2) of subsection (a), the Secretary shall
4 consider the following:

5 “(1) The quantity of sugar that will be subject
6 to human consumption in the United States during
7 the quota year.

8 “(2) The quantity of sugar that will be avail-
9 able from the domestic processing of sugarcane,
10 sugar beets, and in-process beet sugar.

11 “(3) The quantity of sugar that would provide
12 for reasonable carryover stocks.

13 “(4) The quantity of sugar that will be avail-
14 able from carry-over stocks for human consumption
15 in the United States during the quota year.

16 “(5) United States obligations under inter-
17 national trade agreements that have been approved
18 by Congress.

19 “(c) EXCEPTION.—Subsection (a) shall not apply to
20 specialty sugar.”.

21 (c) PERMANENT PRICE SUPPORT LEVELS FOR DES-
22 IGNATED NONBASIC AGRICULTURAL COMMODITIES.—

23 (1) REPEAL.—Section 201(a) of the Agricul-
24 tural Act of 1949 (7 U.S.C. 1446(a)) is amended by

1 striking “milk, sugar beets, and sugarcane” and in-
 2 serting “and milk”.

3 (2) CONFORMING AMENDMENT.—Section 301
 4 of the Agricultural Act of 1949 (7 U.S.C. 1447) is
 5 amended by inserting “(other than sugar beets and
 6 sugarcane)” after “any nonbasic agricultural com-
 7 modity”.

8 (d) STORAGE FACILITY LOANS.—Section 1402 of the
 9 Farm Security and Rural Investment Act of 2002 (7
 10 U.S.C. 7971) is repealed.

11 (e) STORAGE PAYMENTS.—Section 167 of the Fed-
 12 eral Agriculture Improvement and Reform Act of 1996 (7
 13 U.S.C. 7287) is repealed.

14 **SEC. 522. REPEAL OF MARKET ACCESS PROGRAM.**

15 (a) REPEAL OF PROGRAM.—Section 203 of the Agri-
 16 cultural Trade Act of 1978 (7 U.S.C. 5623) is repealed.

17 (b) REPEAL OF FUNDING.—Section 211 of the Agri-
 18 cultural Trade Act of 1978 (7 U.S.C. 5641) is amended
 19 by striking subsection (c).

20 **SEC. 523. TERMINATION OF AVAILABILITY OF MARKETING**
 21 **ASSISTANCE LOANS AND LOAN DEFICIENCY**
 22 **PAYMENTS FOR MOHAIR PRODUCERS.**

23 (a) REMOVAL OF MOHAIR FROM ELIGIBLE LOAN
 24 COMMODITIES.—Section 1001(8) of the Food, Conserva-

1 tion, and Energy Act of 2008 (7 U.S.C. 8702(8)) is
2 amended by striking “mohair,”.

3 (b) ELIMINATION OF FUTURE LOAN RATES FOR MO-
4 HAIR.—Section 1202(c) of such Act (7 U.S.C. 8732(c))
5 is amended by striking paragraph (18).

6 **Subtitle D—Federal Real Property**
7 **Disposal Pilot Program**

8 **SEC. 531. FEDERAL REAL PROPERTY DISPOSAL PILOT PRO-**
9 **GRAM.**

10 (a) IN GENERAL.—Chapter 5 of subtitle I of title 40,
11 United States Code, is amended by adding at the end the
12 following:

13 “SUBCHAPTER VII—EXPEDITED DISPOSAL OF
14 REAL PROPERTY

15 “§ 621. Pilot program

16 “(a) The Director of the Office of Management and
17 Budget (in this subchapter referred to as the ‘Director’)
18 shall conduct a pilot program, to be known as the ‘Federal
19 Real Property Disposal Pilot Program’, under which real
20 property that is not meeting Federal Government needs
21 may be disposed of in accordance with this subchapter.

22 “(b) For purposes of this subchapter, the Director
23 shall identify criteria for determining whether real prop-
24 erty is not meeting Federal Government needs.

1 “(c) For the fiscal years 2011 through 2020, the Di-
2 rector shall dispose of real property generating proceeds
3 of not less \$19,000,000,000 under the Federal Real Prop-
4 erty Disposal Pilot Program.

5 “(d) The Director shall not include for purposes of
6 the Federal Real Property Disposal Pilot Program any
7 parcel of real property, building, or other structure located
8 on such real property that is to be closed or realigned
9 under the Defense Base Closure and Realignment Act of
10 1990 (10 U.S.C. 2687 note).

11 “(e) The Federal Real Property Disposal Pilot Pro-
12 gram shall terminate on September 30, 2020.

13 **“§ 622. Selection of real properties**

14 “Agencies will recommend candidate disposition
15 properties to the Director for participation in the pilot
16 program. The Director, with the concurrence of the head
17 of the executive agency concerned and consistent with the
18 criteria established in section 621, may then select such
19 candidate properties for participation in the pilot program
20 and notify the recommending agency accordingly.

21 **“§ 623. Expedited disposal requirements**

22 “(a) For purposes of the pilot program, an ‘expedited
23 disposal of a real property’ is a sale of real property for
24 cash that is conducted pursuant to the requirements of
25 section 545 of this title.

1 “(b) Real property sold under the pilot program must
2 be sold at not less than the fair market value as deter-
3 mined by the Director in consultation with the head of
4 the executive agency. Costs associated with disposal may
5 not exceed the fair market value of the property unless
6 the Director approves incurring such costs.

7 “(c) A real property may be sold under the pilot pro-
8 gram only if the property will generate monetary proceeds
9 to the Federal Government, as provided in subsection (b).
10 A disposal of real property under the pilot program may
11 not include any exchange, trade, transfer, acquisition of
12 like-kind property, or other noncash transaction as part
13 of the disposal.

14 “(d) Nothing in this subchapter shall be construed
15 as terminating or in any way limiting authorities that are
16 otherwise available to agencies under other provisions of
17 law to dispose of Federal real property, except as provided
18 in subsection (e).

19 “(e) Any expedited disposal of a real property con-
20 ducted under this section shall not be subject to—

21 “(1) subchapter IV of this chapter;

22 “(2) sections 550 and 553 of title 40, United
23 States Code;

24 “(3) section 501 of the McKinney-Vento Home-
25 less Assistance Act (42 U.S.C. 11411);

1 “(4) any other provision of law authorizing the
2 no-cost conveyance of real property owned by the
3 Federal Government; or

4 “(5) any congressional notification requirement
5 other than that in section 545 of this title.

6 **“§ 624. Special rules for deposit and use of proceeds**
7 **from expedited disposals**

8 “(a) Agencies that conduct expedited disposals of real
9 properties under this subchapter shall be reimbursed from
10 the proceeds for the administrative expenses associated
11 with the disposal of such properties. Such amounts will
12 be credited as offsetting collections to the account that in-
13 curred such expenses, to remain available until expended
14 without further appropriations.

15 “(b) After payment of such administrative costs, the
16 balance of the proceeds shall be distributed as follows:

17 “(1) 80 percent shall be deposited into the
18 Treasury as miscellaneous receipts.

19 “(2) 20 percent shall be deposited into the ac-
20 count of the agency that owned the real property
21 and initiated the disposal action. Such funds shall be
22 available without further appropriation, to remain
23 available for the period of the pilot program, for ac-
24 tivities related to Federal real property capital im-
25 provements and disposal activities. Upon termination

1 of the pilot program, any unobligated amounts shall
2 be transferred to the general fund of the Treasury.”.

3 (b) CLERICAL AMENDMENT.—The table of sections
4 at the beginning of chapter 5 of subtitle I of title 40,
5 United States Code, is amended by inserting after the
6 item relating to section 611 the following:

“SUBCHAPTER VII—EXPEDITED DISPOSAL OF REAL PROPERTY

“Sec. 621. Pilot program.

“Sec. 622. Selection of real properties.

“Sec. 623. Expedited disposal requirements.

“Sec. 624. Special rules for deposit and use of proceeds from expedited dis-
posals.”.

7 **TITLE VI—FANNIE MAE AND**
8 **FREDDIE MAC**

9 **SEC. 601. SHORT TITLE.**

10 This title may be cited as the “GSE Bailout Elimini-
11 nation and Taxpayer Protection Act”.

12 **SEC. 602. DEFINITIONS.**

13 For purposes of this title, the following definitions
14 shall apply:

15 (1) CHARTER.—The term “charter” means—

16 (A) with respect to the Federal National
17 Mortgage Association, the Federal National
18 Mortgage Association Charter Act (12 U.S.C.
19 1716 et seq.); and

20 (B) with respect to the Federal Home
21 Loan Mortgage Corporation, the Federal Home

1 Loan Mortgage Corporation Act (12 U.S.C.
2 1451 et seq.).

3 (2) DIRECTOR.—The term “Director” means
4 the Director of the Federal Housing Finance Agen-
5 cy.

6 (3) ENTERPRISE.—The term “enterprise”
7 means—

8 (A) the Federal National Mortgage Asso-
9 ciation; and

10 (B) the Federal Home Loan Mortgage
11 Corporation.

12 (4) GUARANTEE.—The term “guarantee”
13 means, with respect to an enterprise, the credit sup-
14 port of the enterprise that is provided by the Fed-
15 eral Government through its charter as a Govern-
16 ment-sponsored enterprise.

17 **SEC. 603. TERMINATION OF CURRENT CONSERVATORSHIP.**

18 (a) IN GENERAL.—Upon the expiration of the period
19 referred to in subsection (b), the Director of the Federal
20 Housing Finance Agency shall determine, with respect to
21 each enterprise, if the enterprise is financially viable at
22 that time and—

23 (1) if the Director determines that the enter-
24 prise is financially viable, immediately take all ac-
25 tions necessary to terminate the conservatorship for

1 the enterprise that is in effect pursuant to section
2 1367 of the Federal Housing Enterprises Financial
3 Safety and Soundness Act of 1992 (12 U.S.C.
4 4617); or

5 (2) if the Director determines that the enter-
6 prise is not financially viable, immediately appoint
7 the Federal Housing Finance Agency as receiver
8 under section 1367 of the Federal Housing Enter-
9 prises Financial Safety and Soundness Act of 1992
10 and carry out such receivership under the authority
11 of such section.

12 (b) TIMING.—The period referred to in this sub-
13 section is, with respect to an enterprise—

14 (1) except as provided in paragraph (2), the 24-
15 month period beginning upon the date of the enact-
16 ment of this Act; or

17 (2) if the Director determines before the expira-
18 tion of the period referred to in paragraph (1) that
19 the financial markets would be adversely affected
20 without the extension of such period under this
21 paragraph with respect to that enterprise, and upon
22 making such determination notifies the Congress in
23 writing of such determination, the 30-month period
24 beginning upon the date of the enactment of this
25 Act.

1 (c) FINANCIAL VIABILITY.—The Director may not
2 determine that an enterprise is financially viable for pur-
3 poses of subsection (a) if the Director determines that any
4 of the conditions for receivership set forth in paragraph
5 (3) or (4) of section 1367(a) of the Federal Housing En-
6 terprises Financial Safety and Soundness Act of 1992 (12
7 U.S.C. 4617(a)) exist at the time with respect to the en-
8 terprise.

9 **SEC. 604. LIMITATION OF ENTERPRISE AUTHORITY UPON**
10 **EMERGENCE FROM CONSERVATORSHIP.**

11 (a) REVISED AUTHORITY.—Upon the expiration of
12 the period referred to in section 3(b), if the Director
13 makes the determination under section 3(a)(1), the fol-
14 lowing provisions shall take effect:

15 (1) REPEAL OF HOUSING GOALS.—

16 (A) REPEAL.—The Federal Housing En-
17 terprises Financial Safety and Soundness Act
18 of 1992 is amended by striking sections 1331
19 through 1336 (12 U.S.C. 4561–6).

20 (B) CONFORMING AMENDMENTS.—Federal
21 Housing Enterprises Financial Safety and
22 Soundness Act of 1992 is amended—

23 (i) in section 1303(28) (12 U.S.C.
24 4502(28)), by striking “and, for the pur-

1 poses” and all that follows through “des-
2 ignated disaster areas”;

3 (ii) in section 1324(b)(1)(A) (12
4 U.S.C. 4544(b)(1)(A))—

5 (I) by striking clauses (i), (ii),
6 and (iv);

7 (II) in clause (iii), by inserting
8 “and” after the semicolon at the end;
9 and

10 (III) by redesignating clauses
11 (iii) and (v) as clauses (i) and (ii), re-
12 spectively;

13 (iii) in section 1338(c)(10) (12 U.S.C.
14 4568(c)(10)), by striking subparagraph
15 (E);

16 (iv) in section 1339(h) (12 U.S.C.
17 4569), by striking paragraph (7);

18 (v) in section 1341 (12 U.S.C. 4581)

19 (I) in subsection (a)—

20 (aa) in paragraph (1), by in-
21 serting “or” after the semicolon
22 at the end;

23 (bb) in paragraph (2), by
24 striking the semicolon at the end
25 and inserting a period; and

- 1 (cc) by striking paragraphs
2 (3) and (4); and
3 (II) in subsection (b)(2)—
4 (aa) in subparagraph (A),
5 by inserting “or” after the semi-
6 colon at the end;
7 (bb) by striking subpara-
8 graphs (B) and (C); and
9 (cc) by redesignating sub-
10 subparagraph (D) as subparagraph
11 (B);
12 (vi) in section 1345(a) (12 U.S.C.
13 4585(a))—
14 (I) in paragraph (1), by inserting
15 “or” after the semicolon at the end;
16 (II) in paragraph (2), by striking
17 the semicolon at the end and inserting
18 a period; and
19 (III) by striking paragraphs (3)
20 and (4); and
21 (vii) in section 1371(a)(2) (12 U.S.C.
22 4631(a)(2))—
23 (I) by striking “with any housing
24 goal established under subpart B of
25 part 2 of subtitle A of this title,”; and

1 (II) by striking “section 1336
2 or”.

3 (2) PORTFOLIO LIMITATIONS.—Subtitle B of
4 title XIII of the Housing and Community Develop-
5 ment Act of 1992 (12 U.S.C. 4611 et seq.) is
6 amended by adding at the end the following new sec-
7 tion:

8 **“SEC. 1369E. RESTRICTION ON MORTGAGE ASSETS OF EN-**
9 **TERPRISES.**

10 “(a) RESTRICTION.—No enterprise shall own, as of
11 any applicable date in this subsection or thereafter, mort-
12 gage assets in excess of—

13 “(1) upon the expiration of the period referred
14 to in section 3(b) of the GSE Bailout Elimination
15 and Taxpayer Protection Act or thereafter,
16 \$850,000,000,000;

17 “(2) upon the expiration of the 1-year period
18 that begins on the date described in paragraph (1)
19 or thereafter, \$700,000,000,000;

20 “(3) upon the expiration of the 2-year period
21 that begins on the date described in paragraph (1)
22 or thereafter, \$500,000,000,000; and

23 “(4) upon the expiration of the 3-year period
24 that begins on the date described in paragraph (1),
25 \$250,000,000,000.

1 “(b) DEFINITION OF MORTGAGE ASSETS.—For pur-
2 poses of this section, the term ‘mortgage assets’ means,
3 with respect to an enterprise, assets of such enterprise
4 consisting of mortgages, mortgage loans, mortgage-related
5 securities, participation certificates, mortgage-backed
6 commercial paper, obligations of real estate mortgage in-
7 vestment conduits and similar assets, in each case to the
8 extent such assets would appear on the balance sheet of
9 such enterprise in accordance with generally accepted ac-
10 counting principles in effect in the United States as of
11 September 7, 2008 (as set forth in the opinions and pro-
12 nouncements of the Accounting Principles Board and the
13 American Institute of Certified Public Accountants and
14 statements and pronouncements of the Financial Account-
15 ing Standards Board from time to time; and without giv-
16 ing any effect to any change that may be made after Sep-
17 tember 7, 2008, in respect of Statement of Financial Ac-
18 counting Standards No. 140 or any similar accounting
19 standard).”.

20 (3) INCREASE IN MINIMUM CAPITAL REQUIRE-
21 MENT.—Section 1362 of the Federal Housing En-
22 terprises Financial Safety and Soundness Act of
23 1992 (12 U.S.C. 4612), as amended by section 1111
24 of the Housing and Economic Recovery Act of 2008
25 (Public Law 110–289), is amended—

1 (A) in subsection (a), by striking “For
2 purposes of this subtitle, the minimum capital
3 level for each enterprise shall be” and inserting
4 “The minimum capital level established under
5 subsection (g) for each enterprise may not be
6 lower than”;

7 (B) in subsection (c)—

8 (i) by striking “subsections (a) and”
9 and inserting “subsection”;

10 (ii) by striking “regulated entities”
11 the first place such term appears and in-
12 serting “Federal Home Loan Banks”;

13 (iii) by striking “for the enterprises,”;

14 (iv) by striking “, or for both the en-
15 terprises and the banks,”;

16 (v) by striking “the level specified in
17 subsection (a) for the enterprises or”;

18 (vi) by striking “the regulated entities
19 operate” and inserting “such banks oper-
20 ate”;

21 (C) in subsection (d)(1)—

22 (i) by striking “subsections (a) and”
23 and inserting “subsection”; and

1 (ii) by striking “regulated entity”
 2 each place such term appears and inserting
 3 “Federal Home Loan Bank”;

4 (D) in subsection (e), by striking “regu-
 5 lated entity” each place such term appears and
 6 inserting “Federal Home Loan Bank”;

7 (E) in subsection (f)—

8 (i) by striking “the amount of core
 9 capital maintained by the enterprises,”;
 10 and

11 (ii) by striking “regulated entities”
 12 and inserting “banks”; and

13 (F) by adding at the end the following new
 14 subsection:

15 “(g) ESTABLISHMENT OF REVISED MINIMUM CAP-
 16 ITAL LEVELS.—

17 “(1) IN GENERAL.—The Director shall cause
 18 the enterprises to achieve and maintain adequate
 19 capital by establishing minimum levels of capital for
 20 such the enterprises and by using such other meth-
 21 ods as the Director deems appropriate.

22 “(2) AUTHORITY.—The Director shall have the
 23 authority to establish such minimum level of capital
 24 for an enterprise in excess of the level specified
 25 under subsection (a) as the Director, in the Direc-

1 tor's discretion, deems to be necessary or appro-
2 priate in light of the particular circumstances of the
3 enterprise.

4 “(h) FAILURE TO MAINTAIN REVISED MINIMUM
5 CAPITAL LEVELS.—

6 “(1) UNSAFE AND UNSOUND PRACTICE OR CON-
7 DITION.—Failure of a enterprise to maintain capital
8 at or above its minimum level as established pursu-
9 ant to subsection (g) of this section may be deemed
10 by the Director, in his discretion, to constitute an
11 unsafe and unsound practice or condition within the
12 meaning of this title.

13 “(2) DIRECTIVE TO ACHIEVE CAPITAL
14 LEVEL.—

15 “(A) AUTHORITY.—In addition to, or in
16 lieu of, any other action authorized by law, in-
17 cluding paragraph (1), the Director may issue
18 a directive to an enterprise that fails to main-
19 tain capital at or above its required level as es-
20 tablished pursuant to subsection (g) of this sec-
21 tion.

22 “(B) PLAN.—Such directive may require
23 the enterprise to submit and adhere to a plan
24 acceptable to the Director describing the means

1 and timing by which the enterprise shall achieve
2 its required capital level.

3 “(C) ENFORCEMENT.—Any such directive
4 issued pursuant to this paragraph, including
5 plans submitted pursuant thereto, shall be en-
6 forceable under the provisions of subtitle C of
7 this title to the same extent as an effective and
8 outstanding order issued pursuant to subtitle C
9 of this title which has become final.

10 “(3) ADHERENCE TO PLAN.—

11 “(A) CONSIDERATION.—The Director may
12 consider such enterprise’s progress in adhering
13 to any plan required under this subsection
14 whenever such enterprise seeks the requisite ap-
15 proval of the Director for any proposal which
16 would divert earnings, diminish capital, or oth-
17 erwise impede such enterprise’s progress in
18 achieving its minimum capital level.

19 “(B) DENIAL.—The Director may deny
20 such approval where it determines that such
21 proposal would adversely affect the ability of
22 the enterprise to comply with such plan.”.

23 (4) REPEAL OF INCREASES TO CONFORMING
24 LOAN LIMITS.—

25 (A) REPEAL OF TEMPORARY INCREASES.—

1 (i) CONTINUING APPROPRIATIONS
2 RESOLUTION, 2010.—Section 167 of the
3 Continuing Appropriations Resolution,
4 2010 (as added by section 104 of division
5 B of Public Law 111–88; 123 Stat. 2973)
6 is hereby repealed.

7 (ii) AMERICAN RECOVERY AND REIN-
8 VESTMENT ACT OF 2009.—Section 1203 of
9 division A of the American Recovery and
10 Reinvestment Act of 2009 (Public Law
11 111–5; 123 Stat. 225) is hereby repealed.

12 (iii) ECONOMIC STIMULUS ACT OF
13 2008.—Section 201 of the Economic Stim-
14 ulus Act of 2008 (Public Law 110–185;
15 122 Stat. 619) is hereby repealed.

16 (B) REPEAL OF GENERAL LIMIT AND PER-
17 MANENT HIGH-COST AREA INCREASE.—Para-
18 graph (2) of section 302(b) of the Federal Na-
19 tional Mortgage Association Charter Act (12
20 U.S.C. 1717(b)(2)) and paragraph (2) of sec-
21 tion 305(a) of the Federal Home Loan Mort-
22 gage Corporation Act (12 U.S.C. 1454(a)(2))
23 are each amended to read as such sections were
24 in effect immediately before the enactment of

1 the Housing and Economic Recovery Act of
2 2008 (Public Law 110–289).

3 (C) REPEAL OF NEW HOUSING PRICE
4 INDEX.—Section 1322 of the Federal Housing
5 Enterprises Financial Safety and Soundness
6 Act of 1992, as added by section 1124(d) of the
7 Housing and Economic Recovery Act of 2008
8 (Public Law 110–289), is hereby repealed.

9 (D) REPEAL.—Section 1124 of the Hous-
10 ing and Economic Recovery Act of 2008 (Public
11 Law 110–289) is hereby repealed.

12 (E) ESTABLISHMENT OF CONFORMING
13 LOAN LIMIT.—For the year in which the expira-
14 tion of the period referred to in section 3(b) of
15 this section occurs, the limitations governing
16 the maximum original principal obligation of
17 conventional mortgages that may be purchased
18 by the Federal National Mortgage Association
19 and the Federal Home Loan Mortgage Cor-
20 poration, referred to in section 302(b)(2) of the
21 Federal National Mortgage Association Charter
22 Act (12 U.S.C. 1717(b)(2)) and section
23 305(a)(2) of the Federal Home Loan Mortgage
24 Corporation Act (12 U.S.C. 1454(a)(2)), re-
25 spectively, shall be considered to be—

- 1 (i) \$417,000 for a mortgage secured
2 by a single-family residence,
3 (ii) \$533,850 for a mortgage secured
4 by a 2-family residence,
5 (iii) \$645,300 for a mortgage secured
6 by a 3-family residence, and
7 (iv) \$801,950 for a mortgage secured
8 by a 4-family residence,
9 and such limits shall be adjusted effective each
10 January 1 thereafter in accordance with such
11 sections 302(b)(2) and 305(a)(2).

12 (F) PROHIBITION OF PURCHASE OF MORT-
13 GAGES EXCEEDING MEDIAN AREA HOME
14 PRICE.—

- 15 (i) FANNIE MAE.—Section 302(b)(2)
16 of the Federal National Mortgage Associa-
17 tion Charter Act (12 U.S.C. 1717(b)(2)) is
18 amended by adding at the end the fol-
19 lowing new sentence: “Notwithstanding
20 any other provision of this title, the cor-
21 poration may not purchase any mortgage
22 for a property having a principal obligation
23 that exceeds the median home price, for
24 properties of the same size, for the area in

1 which such property subject to the mort-
2 gage is located.”.

3 (ii) FREDDIE MAC.—Section
4 305(a)(2) of the Federal Home Loan
5 Mortgage Corporation Act (12 U.S.C.
6 1454(a)(2)) is amended by adding at the
7 end the following new sentence: “Notwith-
8 standing any other provision of this title,
9 the Corporation may not purchase any
10 mortgage for a property having a principal
11 obligation that exceeds the median home
12 price, for properties of the same size, for
13 the area in which such property subject to
14 the mortgage is located.”.

15 (5) REQUIREMENT OF MINIMUM DOWNPAYMENT
16 FOR MORTGAGES PURCHASED.—

17 (A) FANNIE MAE.—Subsection (b) of sec-
18 tion 302 of the Federal National Mortgage As-
19 sociation Charter Act (12 U.S.C. 1717(b)) is
20 amended by adding at the end the following
21 new paragraph:

22 “(7) Notwithstanding any other provision of this Act,
23 the corporation may not newly purchase any mortgage un-
24 less the mortgagor has paid, in cash or its equivalent on
25 account of the property securing repayment of such mort-

1 gage, in accordance with regulations issued by the Direc-
2 tor of the Federal Housing Finance Agency, not less
3 than—

4 “(A) for any mortgage purchased during the
5 12-month period beginning upon the expiration of
6 the period referred to in section 3(b) of the GSE
7 Bailout Elimination and Taxpayer Protection Act, 5
8 percent of the appraised value of the property;

9 “(B) for any mortgage purchased during the
10 12-month period beginning upon the expiration of
11 the 12-month period referred to in subparagraph (A)
12 of this paragraph, 7.5 percent of the appraised value
13 of the property; and

14 “(C) for any mortgage purchased during the
15 12-month period beginning upon the expiration of
16 the 12-month period referred to in subparagraph
17 (B) of this paragraph, 10 percent of the appraised
18 value of the property.”.

19 (B) FREDDIE MAC.—Subsection (a) of sec-
20 tion 305 of the Federal Home Loan Mortgage
21 Corporation Act (12 U.S.C. 1454(a)) is amend-
22 ed by adding at the end the following new para-
23 graph:

24 “(6) Notwithstanding any other provision of this Act,
25 the Corporation may not newly purchase any mortgage

1 unless the mortgagor has paid, in cash or its equivalent
2 on account of the property securing repayment of such
3 mortgage, in accordance with regulations issued by the Di-
4 rector of the Federal Housing Finance Agency, not less
5 than—

6 “(A) for any mortgage purchased during the
7 12-month period beginning upon the expiration of
8 the period referred to in section 3(b) of the GSE
9 Bailout Elimination and Taxpayer Protection Act, 5
10 percent of the appraised value of the property;

11 “(B) for any mortgage purchased during the
12 12-month period beginning upon the expiration of
13 the 12-month period referred to in subparagraph (A)
14 of this paragraph, 7.5 percent of the appraised value
15 of the property; and

16 “(C) for any mortgage purchased during the
17 12-month period beginning upon the expiration of
18 the 12-month period referred to in subparagraph
19 (B) of this paragraph, 10 percent of the appraised
20 value of the property.”.

21 (6) REQUIREMENT TO PAY STATE AND LOCAL
22 TAXES.—

23 (A) FANNIE MAE.—Paragraph (2) of sec-
24 tion 309(c) of the Federal National Mortgage

1 Association Charter Act (12 U.S.C.
2 1723a(c)(2)) is amended—

3 (i) by striking “shall be exempt from”
4 and inserting “shall be subject to”; and

5 (ii) by striking “except that any” and
6 inserting “and any”.

7 (B) FREDDIE MAC.—Section 303(e) of the
8 Federal Home Loan Mortgage Corporation Act
9 (12 U.S.C. 1452(e)) is amended—

10 (i) by striking “shall be exempt from”
11 and inserting “shall be subject to”; and

12 (ii) by striking “except that any” and
13 inserting “and any”.

14 (7) REPEALS RELATING TO REGISTRATION OF
15 SECURITIES.—

16 (A) FANNIE MAE.—

17 (i) MORTGAGE-BACKED SECURI-
18 TIES.—Section 304(d) of the Federal Na-
19 tional Mortgage Association Charter Act
20 (12 U.S.C. 1719(d)) is amended by strik-
21 ing the fourth sentence.

22 (ii) SUBORDINATE OBLIGATIONS.—
23 Section 304(e) of the Federal National
24 Mortgage Association Charter Act (12

1 U.S.C. 1719(e)) is amended by striking the
2 fourth sentence.

3 (B) FREDDIE MAC.—Section 306 of the
4 Federal Home Loan Mortgage Corporation Act
5 (12 U.S.C. 1455) is amended by striking sub-
6 section (g).

7 (8) RECOUPMENT OF COSTS FOR FEDERAL
8 GUARANTEE.—

9 (A) ASSESSMENTS.—The Director of the
10 Federal Housing Finance Agency shall establish
11 and collect from each enterprise assessments in
12 the amount determined under subparagraph
13 (B). In determining the method and timing for
14 making such assessments, the Director shall
15 take into consideration the determinations and
16 conclusions of the study under subsection (b) of
17 this section.

18 (B) DETERMINATION OF COSTS OF GUAR-
19 ANTEE.—Assessments under subparagraph (A)
20 with respect to an enterprise shall be in such
21 amount as the Director determines necessary to
22 recoup to the Federal Government the full value
23 of the benefit the enterprise receives from the
24 guarantee provided by the Federal Government
25 for the obligations and financial viability of the

1 enterprise, based upon the dollar value of such
2 benefit in the market to such enterprise when
3 not operating under conservatorship or receiver-
4 ship. To determine such amount, the Director
5 shall establish a risk-based pricing mechanism
6 as the Director considers appropriate, taking
7 into consideration the determinations and con-
8 clusions of the study under subsection (b) of
9 this section.

10 (C) TREATMENT OF RECOUPED
11 AMOUNTS.—The Director shall cover into the
12 general fund of the Treasury any amounts re-
13 ceived from assessments made under this para-
14 graph.

15 (b) GAO STUDY REGARDING RECOUPMENT OF
16 COSTS FOR FEDERAL GOVERNMENT GUARANTEE.—The
17 Comptroller General of the United States shall conduct
18 a study to determine a risk-based pricing mechanism to
19 accurately determine the value of the benefit the enter-
20 prises receive from the guarantee provided by the Federal
21 Government for the obligations and financial viability of
22 the enterprises. Such study shall establish a dollar value
23 of such benefit in the market to each enterprise when not
24 operating under conservatorship or receivership, shall ana-
25 lyze various methods of the Federal Government assessing

1 a charge for such value received (including methods involv-
2 ing an annual fee or a fee for each mortgage purchased
3 or securitized), and shall make a recommendation of the
4 best such method for assessing such charge. Not later
5 than 12 months after the date of the enactment of this
6 Act, the Comptroller General shall submit to the Congress
7 a report setting forth the determinations and conclusions
8 of such study.

9 **SEC. 605. REQUIRED WIND DOWN OF OPERATIONS AND DIS-**
10 **SOLUTION OF ENTERPRISE.**

11 (a) **APPLICABILITY.**—This section shall apply to an
12 enterprise upon the expiration of the 3-year period that
13 begins upon the expiration of the period referred to in sec-
14 tion 603(b).

15 (b) **REPEAL OF CHARTER.**—Upon the applicability of
16 this section to an enterprise, the charter for the enterprise
17 is repealed and the enterprise shall have no authority to
18 conduct new business under such charter, except that the
19 provisions of such charter in effect immediately before
20 such repeal shall continue to apply with respect to the
21 rights and obligations of any holders of outstanding debt
22 obligations and mortgage-backed securities of the enter-
23 prise.

24 (c) **WIND DOWN.**—Upon the applicability of this sec-
25 tion to an enterprise, the Director and the Secretary of

1 the Treasury shall jointly take such action, and may pre-
2 scribe such regulations and procedures, as may be nec-
3 essary to wind down the operations of an enterprise as
4 an entity chartered by the United States Government over
5 the duration of the 10-year period beginning upon the ap-
6 plicability of this section to the enterprise (pursuant to
7 subsection (a)) in an orderly manner consistent with this
8 Act and the ongoing obligations of the enterprise.

9 (d) DIVISION OF ASSETS AND LIABILITIES; AUTHOR-
10 ITY TO ESTABLISH HOLDING CORPORATION AND DIS-
11 SOLUTION TRUST FUND.—The action and procedures re-
12 quired under subsection (c)—

13 (1) shall include the establishment and execu-
14 tion of plans to provide for an equitable division and
15 distribution of assets and liabilities of the enterprise,
16 including any liability of the enterprise to the United
17 States Government or a Federal reserve bank that
18 may continue after the end of the period described
19 in subsection (c); and

20 (2) may provide for establishment of—

21 (A) a holding corporation organized under
22 the laws of any State of the United States or
23 the District of Columbia for the purposes of the
24 reorganization and restructuring of the enter-
25 prise; and

1 (B) one or more trusts to which to trans-
2 fer—

3 (i) remaining debt obligations of the
4 enterprise, for the benefit of holders of
5 such remaining obligations; or

6 (ii) remaining mortgages held for the
7 purpose of backing mortgage-backed secu-
8 rities, for the benefit of holders of such re-
9 maining securities.

10 **TITLE VII—MISCELLANEOUS**

11 **SEC. 701. LIMITATION ON GOVERNMENT PRINTING COSTS.**

12 Not later than 180 days after the date of enactment
13 of this Act, the Director of the Office of Management and
14 Budget shall coordinate with the heads of Federal depart-
15 ments and independent agencies to—

16 (1) determine which Government publications
17 could be available on Government Web sites and no
18 longer printed and to devise a strategy to reduce
19 overall Government printing costs over the 10-year
20 period beginning with fiscal year 2012, except that
21 the Director shall ensure that essential printed docu-
22 ments prepared for Social Security recipients, Medi-
23 care beneficiaries, and other populations in areas
24 with limited Internet access or use continue to re-
25 main available;

1 (2) establish Governmentwide Federal guide-
2 lines on employee printing;

3 (3) issue on the Office of Management and
4 Budget's public Web site the results of a cost-benefit
5 analysis on implementing a digital signature system
6 and on establishing employee printing identification
7 systems, such as the use of individual employee
8 cards or codes, to monitor the amount of printing
9 done by Federal employees; except that the Director
10 of the Office of Management and Budget shall en-
11 sure that Federal employee printing costs unrelated
12 to national defense, homeland security, border secu-
13 rity, national disasters, and other emergencies do
14 not exceed \$860,000,000 annually; and

15 (4) issue guidelines requiring every department,
16 agency, commission, or office to list at a prominent
17 place near the beginning of each publication distrib-
18 uted to the public and issued or paid for by the Fed-
19 eral Government—

20 (A) the name of the issuing agency, de-
21 partment, commission, or office;

22 (B) the total number of copies of the docu-
23 ment printed;

24 (C) the collective cost of producing and
25 printing all of the copies of the document; and

1 (D) the name of the firm publishing the
2 document.

3 **SEC. 702. DEPOSIT OF IRS USER FEES AS GENERAL RE-**
4 **CEIPTS.**

5 Notwithstanding any other provision of law (includ-
6 ing section 3 under the heading “Administrative Provi-
7 sions—Internal Revenue Service” of title I of Public Law
8 103–329), any fees for services provided by the Internal
9 Revenue Service shall, unless otherwise provided by an ap-
10 propriations Act, be deposited in the Treasury as general
11 receipts and shall not be expended by the Internal Rev-
12 enue Service.

13 **SEC. 703. LIMITATION OF GOVERNMENT TRAVEL COSTS.**

14 (a) IN GENERAL.—Notwithstanding any other provi-
15 sion of law, the total amount which is paid or reimbursed
16 by an agency under subchapter I of chapter 57 of title
17 5, United States Code (relating to travel and subsistence
18 expenses; mileage allowances for official travel by Federal
19 employees) may not, for any of the next 5 fiscal years be-
20 ginning after the date of enactment of this Act, exceed
21 50 percent of the total amount so paid or reimbursed by
22 such agency for the fiscal year in which such date of enact-
23 ment occurs.

1 (b) EXCEPTIONS.—For purposes of carrying out sub-
2 section (a), there shall not be taken into account the
3 amounts paid or reimbursed for—

4 (1) any subsistence or travel expenses for
5 threatened law enforcement personnel, as described
6 in section 5706a of title 5, United States Code; or

7 (2) any other expenses for which an exception
8 is established under subsection (c) for reasons relat-
9 ing to national security or public safety.

10 (c) REGULATIONS.—Any regulations necessary to
11 carry out this section shall, in consultation with the Direc-
12 tor of the Office of Management and Budget, be pre-
13 scribed by the same respective authorities as are respon-
14 sible for prescribing regulations under section 5707 of title
15 5, United States Code.

16 **SEC. 704. REDUCTION IN FEDERAL VEHICLE COSTS.**

17 Notwithstanding any other provision of law—

18 (1) of the amounts made available to the Gen-
19 eral Services Administration for the acquisition of
20 new vehicles for the Federal fleet for fiscal year
21 2011 and remaining unobligated as of the date of
22 enactment of this Act, an amount equal to 20 per-
23 cent of all such amounts is rescinded;

24 (2) for fiscal year 2012 and each fiscal year
25 thereafter—

1 (A) the amount made available to the Gen-
 2 eral Services Administration for the acquisition
 3 of new vehicles for the Federal fleet shall not
 4 exceed an amount equal to 80 percent of the
 5 amount made available for the acquisition of
 6 those vehicles for fiscal year 2011 (before appli-
 7 cation of subsection (a)); and

8 (B) the number of new vehicles acquired
 9 by the General Services Administration for the
 10 Federal fleet shall not exceed a number equal to
 11 50 percent of the vehicles so acquired for fiscal
 12 year 2011; and

13 (3) any amounts made available under Public
 14 Law 111-5 for the acquisition of new vehicles for
 15 the Federal fleet shall be disregarded for purposes of
 16 determining the baseline.

17 **SEC. 705. REPEALS OF PROHIBITIONS ON PUBLIC-PRIVATE**
 18 **COMPETITIONS FOR CONVERSION TO CON-**
 19 **TRACTOR PERFORMANCE OF FUNCTIONS**
 20 **PERFORMED BY FEDERAL EMPLOYEES PUR-**
 21 **SUANT TO OFFICE OF MANAGEMENT AND**
 22 **BUDGET CIRCULAR A-76.**

23 (a) REPEALS IN PUBLIC LAW 111-117.—The fol-
 24 lowing provisions of law are repealed:

1 **SEC. 707. RESCISSION OF HEALTH INSURANCE REFORM IM-**
 2 **PLEMENTATION FUNDS.**

3 Of the funds made available by section 1005(b) of
 4 the Health Care and Education Reconciliation Act of 2010
 5 (Public Law 111–152; 42 U.S.C. 18121(b)), the unobli-
 6 gated balance is rescinded.

7 **SEC. 708. TAXPAYER-GENERATED DEFICIT REDUCTION.**

8 (a) DESIGNATION OF INCOME TAX PAYMENTS TO
 9 REDUCE THE DEFICIT.—

10 (1) DESIGNATION.—Subchapter A of chapter
 11 61 of the Internal Revenue Code of 1986 (relating
 12 to returns and records) is amended by adding at the
 13 end the following new part:

14 **“PART IX—DESIGNATION ON INCOME TAX**
 15 **RETURNS FOR REDUCTION OF DEFICIT**

“Sec. 6097. Designation for reduction of the deficit.

16 **“SEC. 6097. DESIGNATION FOR REDUCTION OF THE DEF-**
 17 **ICIT.**

18 “(a) IN GENERAL.—Every individual, regardless of
 19 income tax liability for the taxable year, may designate
 20 that an amount (not less than \$1 and not more than \$10)
 21 shall be paid over for the purpose of reducing the deficit
 22 of the United States. In the case of a joint return of hus-
 23 band and wife, each spouse may so designate an amount.

24 “(b) INCOME TAX LIABILITY.—For purposes of sub-
 25 section (a), the income tax liability of an individual for

1 any taxable year is the amount of the tax imposed by
2 chapter 1 on such individual for such taxable year (as
3 shown on his return), reduced by the sum of the credits
4 (as shown in his return) allowable under part IV of sub-
5 chapter A of chapter 1 (other than subpart C thereof).

6 “(c) MANNER AND TIME OF DESIGNATION.—Rules
7 similar to the rules of section 6096(c) shall apply for pur-
8 poses of this section, except that the designation shall be
9 accompanied by the following statement: ‘The Federal
10 budget will be reduced by an amount equal to ten times
11 the amount you elect in the box.’

12 “(d) AMOUNT INCREASE.—In the case of each tax-
13 able year beginning after 2011, the maximum dollar
14 amount that may be designated under subsection (a) shall
15 be increased by \$1. In the case of a joint return of hus-
16 band and wife, such amount shall increase by \$2 each tax-
17 able year.”

18 (2) CLERICAL AMENDMENT.—The table of
19 parts for subchapter A of chapter 61 of such Code
20 is amended by adding at the end the following new
21 item:

“PART IX—DESIGNATION OF INCOME TAX PAYMENTS TO REDUCE THE
DEFICIT.”

22 (3) EFFECTIVE DATE.—The amendments made
23 by this section shall apply to taxable years beginning
24 after December 31, 2010.

1 (b) TAXPAYER-GENERATED SEQUESTRATION OF
2 FEDERAL SPENDING TO REDUCE THE DEFICIT.—

3 (1) SEQUESTRATION TO REDUCE DEFICIT.—

4 Part C of the Balanced Budget and Emergency Def-
5 icit Control Act of 1985 is amended by inserting
6 after section 253 the following new section:

7 **“SEC. 253A. SEQUESTRATION TO REDUCE THE DEFICIT.**

8 **“(a) SEQUESTRATION.—**

9 **“(1) TIMING.—**Within 15 calendar days after
10 the date Congress adjourns to end a session, and on
11 the same day as sequestration (if any) under sec-
12 tions 251, 252, and 253, but after any sequestration
13 required by those sections, there shall be a seques-
14 tration to eliminate the deficit equivalent to the
15 amount calculated under paragraph (2).

16 **“(2) CALCULATION.—**

17 **“(A) OMB CALCULATION.—**Before October
18 1st of each calendar year, OMB shall calculate
19 the total amount designated under section 6097
20 of the Internal Revenue Code of 1986.

21 **“(B) FEDERAL SPENDING REDUCTION.—**

22 In accordance with the deadline under para-
23 graph (1), OMB shall apply an across the board
24 reduction in Federal spending in an amount
25 equal to the product of—

1 “(i) the amount calculated under sub-
2 paragraph (A); and

3 “(ii) 10.

4 “(3) CARRYOVER.—Any amounts not calculated
5 by OMB by the October 1st deadline, as set forth
6 in subparagraph (2)(A), shall be applied to the fol-
7 lowing fiscal year Federal spending reduction pursu-
8 ant to this section.

9 “(b) APPLICABILITY.—

10 “(1) IN GENERAL.—Except as provided by
11 paragraph (2), each account of the United States
12 shall be reduced by a dollar amount calculated by
13 multiplying the level of budgetary resources in that
14 account at that time by the uniform percentage nec-
15 essary to carry out subsection (a). All obligational
16 authority so reduced shall be done in a manner that
17 makes such reductions permanent.

18 “(2) EXEMPT ACCOUNTS.—The following pro-
19 grams shall be exempt from reduction under any
20 order issued under this section:

21 “(A) Benefits payable under the old-age,
22 survivors, and disability insurance program es-
23 tablished under title II of the Social Security
24 Act.

1 (C) in subsection (c), by redesignating
2 paragraph (5) as paragraph (6) and by insert-
3 ing after paragraph (4) the following new para-
4 graph:

5 “(5) REPORTS ON SEQUESTRATION TO REDUCE
6 THE DEFICIT.—The preview reports shall set forth
7 for the budget year estimates for each of the fol-
8 lowing:

9 “(A) The aggregate amount designated
10 under section 6097 of the Internal Revenue
11 Code of 1986 for the last calendar year ending
12 before the budget year.

13 “(B) The amount of reductions required
14 under section 253A and the deficit remaining
15 after those reductions have been made.

16 “(C) The sequestration percentage nec-
17 essary to achieve the required reduction in ac-
18 counts under section 253A(a).”; and

19 (D) in subsection (f), by redesignating
20 paragraphs (4) and (5) as paragraphs (5) and
21 (6), respectively, and by inserting after para-
22 graph (3) the following new paragraph:

23 “(4) REPORTS ON SEQUESTRATION TO REDUCE
24 THE DEFICIT.—The final reports shall contain all of

1 the information contained in the deficit taxation des-
2 ignation report required on October 1.”.

3 (3) **EFFECTIVE DATE.**—Notwithstanding sec-
4 tion 275(b) of the Balanced Budget and Emergency
5 Deficit Control Act of 1985, the expiration date set
6 forth in that section shall not apply to the amend-
7 ments made by this Act. On the date specified in
8 section 253A of the Balanced Budget and Emer-
9 gency Deficit Control Act of 1985, as amended by
10 this section, the President shall issue an order fully
11 implementing the sequestration required by section
12 253A of such Act, as amended by this section. This
13 order shall be effective on issuance.

14 **SEC. 709. LIMITATION ON FUNDS TO IMPLEMENT CERTAIN**
15 **HEALTH CARE LAWS.**

16 The Continuing Appropriations Act, 2011 (Public
17 Law 111–242), as amended by section 101, is amended
18 by adding at the end the following:

19 “SEC. 167. No appropriations or funds made avail-
20 able or authority granted pursuant to section 101(b)(1)
21 may be used to carry out any program under, promulgate
22 any regulation pursuant to, or defend against any lawsuit
23 challenging any provision of Public Law 111–148 or Pub-

- 1 lie Law 111–152 or any amendment made by either such
- 2 Public Law.”.

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