

112TH CONGRESS
1ST SESSION

S. 439

To provide for comprehensive budget reform in order to increase transparency and reduce the deficit.

IN THE SENATE OF THE UNITED STATES

MARCH 2, 2011

Mr. THUNE (for himself, Mr. CRAPO, Mr. INHOFE, Mr. KIRK, Mr. CHAMBLISS, Mr. JOHANNIS, and Mr. PORTMAN) introduced the following bill; which was read twice and referred to the Committee on the Budget

A BILL

To provide for comprehensive budget reform in order to increase transparency and reduce the deficit.

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 AND TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Deficit Reduction and Budget Reform Act of 2011”.

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

Sec. 1. Short title and table of contents.

TITLE I—JOINT BUDGET RESOLUTION

Sec. 101. Purposes.

Sec. 102. Timetable.

- Sec. 103. Joint resolution on the budget.
- Sec. 104. Budget required before spending bills may be considered.
- Sec. 105. Amendments to joint resolutions on the budget.
- Sec. 106. Continuing appropriations.

TITLE II—BIENNIAL BUDGET

- Sec. 201. Effective date.
- Sec. 202. Revision of timetable.
- Sec. 203. Amendments to the Congressional Budget and Impoundment Control Act of 1974.
- Sec. 204. Amendments to Rules of the House of Representatives.
- Sec. 205. Two-year appropriations; title and style of appropriation Acts.
- Sec. 206. Multiyear authorizations.
- Sec. 207. Government strategic and performance plans on a biennial basis.
- Sec. 208. Biennial appropriation bills.
- Sec. 209. Assistance by Federal agencies to standing committees of the Senate and the House of Representatives.

TITLE III—DISCRETIONARY SPENDING LIMITS

Subtitle A—Spending Limits

- Sec. 301. Discretionary spending limits.

Subtitle B—Reports and Orders

- Sec. 311. Reports and orders.
- Sec. 312. Spending limits enforcement.
- Sec. 313. Spending reduction order.

TITLE IV—LEGISLATIVE LINE-ITEM VETO

- Sec. 401. Short title.
- Sec. 402. Legislative line-item veto.
- Sec. 403. Technical and conforming amendments.
- Sec. 404. Rescission measures considered.

TITLE V—BIENNIAL BUDGET DEFICIT REDUCTION

- Sec. 501. Joint Committee on Deficit Reduction.
- Sec. 502. Biennial budget deficit reduction legislation.
- Sec. 503. Debt buyback fund.

TITLE VI—PAYGO HONESTY WITH RESPECT TO TRUST FUNDS
AND EMERGENCY DESIGNATIONS

- Sec. 601. PAYGO and trust funds.
- Sec. 602. Emergency designations.

TITLE VII—CREDIT REFORM

- Sec. 701. Credit Reform Act treatment of the purchase of private stock, equity, or capital.

TITLE VIII—RESPONSIBLE HEALTH CARE BUDGETING LIMITS

Subtitle A—Cost Containment of the CLASS Program

“First Session—Continued

April 15	Congress completes action on joint resolution on the budget.
June 10	House Appropriations Committee reports last annual appropriation bill.
June 15	Congress completes action on reconciliation legislation.
June 30	House completes action on annual appropriation bills.
October 1	Fiscal year begins.”.

1 **SEC. 103. JOINT RESOLUTION ON THE BUDGET.**

2 (a) CONTENT OF JOINT RESOLUTIONS ON THE
3 BUDGET.—Section 301(a)(4) of the Congressional Budget
4 Act of 1974 is amended to read as follows:

5 “(4) subtotals of new budget authority and out-
6 lays for nondefense discretionary spending, defense
7 discretionary spending, Medicare, Medicaid, other di-
8 rect spending (excluding interest), and interest; and
9 for emergencies (for the reserve fund in section
10 317(b) and for military operations in section
11 317(c));”.

12 (b) ADDITIONAL MATTERS IN JOINT RESOLUTION.—
13 Section 301(b) of the Congressional Budget Act of 1974
14 is amended as follows:

15 (1) Strike paragraphs (1), and (6) through (9).

16 (2) Redesignate paragraphs (2), (3), (4), and
17 (5) accordingly.

18 (3) Amend paragraph (3), as redesignated, to
19 read as follows:

1 “(3) set forth such other matters, and require
2 such other procedures, relating to the budget as may
3 be appropriate to carry out the purposes of the Act,
4 but shall not include a suspension or alteration of
5 the application of the motion to strike a provision as
6 set forth in section 310(d)(2) or (h)(2)(F).”.

7 (c) REQUIRED CONTENTS OF REPORT.—Section
8 301(e)(2) of the Congressional Budget Act of 1974 is
9 amended as follows:

10 (1) Redesignate subparagraphs (A), (B), (C),
11 (D), (E), and (F) as subparagraphs (B), (C), (E),
12 (F), (H), and (I), respectively.

13 (2) Before subparagraph (B) (as redesignated),
14 insert the following new subparagraph:

15 “(A) new budget authority and outlays for
16 each major functional category, based on alloca-
17 tions of the total levels set forth pursuant to
18 subsection (a)(1);”.

19 (3) In subparagraph (C) (as redesignated),
20 strike “mandatory” and insert “direct spending”.

21 (4) After subparagraph (C) (as redesignated),
22 insert the following new subparagraph:

23 “(D) a measure, as a percentage of gross
24 domestic product, of total outlays, total Federal
25 revenues, the surplus or deficit, and new out-

1 lays for nondefense discretionary spending, de-
2 fense spending, Medicare, Medicaid and other
3 direct spending as set forth in such resolu-
4 tion;”.

5 (5) After subparagraph (F) (as redesignated),
6 insert the following new subparagraph:

7 “(G) if the joint resolution on the budget
8 includes any allocation to a committee other
9 than the Committee on Appropriations of levels
10 in excess of current law levels, a justification
11 for not subjecting any program, project, or ac-
12 tivity (for which the allocation is made) to an-
13 nual discretionary appropriations;”.

14 (d) ADDITIONAL CONTENTS OF REPORT.—Section
15 301(e)(3) of the Congressional Budget Act of 1974 is
16 amended as follows:

17 (1) Redesignate subparagraphs (A) and (B) as
18 subparagraphs (B) and (C), respectively, strike sub-
19 paragraphs (C) and (D), and redesignate subpara-
20 graph (E) as subparagraph (D) and strike the pe-
21 riod and insert “; and”.

22 (2) Before subparagraph (B), insert the fol-
23 lowing new subparagraph:

24 “(A) new budget authority and outlays for
25 each major functional category, based on alloca-

1 tions of the total levels set forth pursuant to
2 subsection (a)(1);”.

3 (3) At the end, add the following new subpara-
4 graph:

5 “(E) set forth, if required by subsection
6 (f), the calendar year in which, in the opinion
7 of the Congress, the goals for reducing unem-
8 ployment set forth in section 4(b) of the Em-
9 ployment Act of 1946 should be achieved.”.

10 (e) BUDGET PRESENTATION.—After section
11 301(e)(3) add the following new paragraph:

12 “(4) BUDGET FORMAT.—In addition to the con-
13 tents that may be included in the report pursuant to
14 paragraph (3), a presentation of the functional cat-
15 egories may also be included as follows:

16 “(A) PRINCIPAL FEDERAL OBLIGATIONS.—
17 Activities intrinsic to the Federal Government
18 (including both discretionary and mandatory
19 spending) as follows:

20 “(i) National defense;

21 “(ii) International affairs;

22 “(iii) Veterans benefits and services;

23 and

24 “(iv) Administration of justice.

1 “(B) FEDERALLY SUPPORTED DOMESTIC
2 PRIORITIES.—The total domestic discretionary
3 spending levels as follows:

4 “(i) Total domestic discretionary
5 spending.

6 “(ii) Optional inclusion of additional
7 specific recommended levels.

8 “(C) MAJOR DOMESTIC ENTITLEMENTS.—
9 Major domestic direct spending programs as
10 follows:

11 “(i) Medicare.

12 “(ii) Medicaid.

13 “(iii) Other direct spending.

14 “(iv) Optional inclusion of additional
15 specific recommended levels.

16 “(D) GENERAL GOVERNMENT AND FINAN-
17 CIAL MANAGEMENT.—Funding for financing
18 government operations as follows:

19 “(i) General government.

20 “(ii) Net interest.

21 “(iii) Allowances.

22 “(iv) Offsetting receipts.”.

23 (f) PRESIDENT’S BUDGET SUBMISSION TO CON-
24 GRESS.—(1) The first two sentences of section 1105(a)
25 of title 31, United States Code, are amended to read as

1 follows: “On or after the first Monday in January but not
2 later than the first Monday in February of each year the
3 President shall submit a budget of the United States Gov-
4 ernment for the following fiscal year which shall set forth
5 the following levels:

6 “(A) Totals of new budget authority and out-
7 lays.

8 “(B) Total Federal revenues and the amount, if
9 any, by which the aggregate level of Federal reve-
10 nues should be increased or decreased by bills and
11 resolutions to be reported by the appropriate com-
12 mittees.

13 “(C) The surplus or deficit in the budget.

14 “(D) Subtotals of new budget authority and
15 outlays for nondefense discretionary spending, de-
16 fense discretionary spending, direct spending (ex-
17 cluding interest), and interest, and for emergencies
18 (for the reserve fund in section 317(b) and for mili-
19 tary operations in section 317(c)).

20 “(E) The public debt.

21 Each budget submission shall include a budget message
22 and summary and supporting information and, as a sepa-
23 rately delineated statement, the levels requires in the pre-
24 ceding sentence for at least each of the 4 ensuing fiscal
25 years.”.

1 (2) The third sentence of section 1105(a) of title 31,
2 United States Code, is amended by inserting “submission”
3 after “budget”.

4 (g) **LIMITATION ON THE CONTENT OF BUDGET RES-**
5 **OLUTIONS.**—Section 305 of the Congressional Budget Act
6 of 1974 is amended by adding at the end the following
7 new subsection:

8 “(e) **LIMITATION ON CONTENTS.**—(1) It shall not be
9 in order in the House of Representatives or in the Senate
10 to consider any joint resolution on the budget or any
11 amendment thereto or conference report thereon that con-
12 tains any matter referred to in paragraph (2).

13 “(2) Any joint resolution on the budget or any
14 amendment thereto or conference report thereon that con-
15 tains any matter not permitted in section 301 (a) or (b)
16 shall not be treated in the House of Representatives or
17 the Senate as a budget resolution under subsection (a) or
18 (b) or as a conference report on a budget resolution under
19 subsection (c) of this section.”.

20 **SEC. 104. BUDGET REQUIRED BEFORE SPENDING BILLS**
21 **MAY BE CONSIDERED.**

22 (a) **AMENDMENTS TO SECTION 302.**—Section 302 of
23 the Congressional Budget Act of 1974 is amended—

24 (1) in subsection (a), by striking paragraph (5);

25 and

1 days, Sundays, or legal holidays except when that House
2 of Congress is in session) after the date of such referral,
3 the committee shall be automatically discharged from fur-
4 ther consideration of such resolution and such resolution
5 shall be placed on the appropriate calendar.

6 “(b) PROCEDURE IN THE HOUSE OF REPRESENTA-
7 TIVES AND THE SENATE.—

8 “(1) Except as provided in paragraph (2), the
9 provisions of section 305 for the consideration in the
10 House of Representatives and in the Senate of joint
11 resolutions on the budget and conference reports
12 thereon shall also apply to the consideration of con-
13 current resolutions on the budget introduced under
14 subsection (a) and conference reports thereon.

15 “(2) Debate in the Senate on any concurrent
16 resolution on the budget or joint resolution on the
17 budget introduced under subsection (a), and all
18 amendments thereto and debatable motions and ap-
19 peals in connection therewith, shall be limited to not
20 more than 10 hours and in the House of Represent-
21 atives such debate shall be limited to not more than
22 3 hours.

23 “(c) CONTENTS OF CONCURRENT RESOLUTIONS.—
24 Any concurrent resolution on the budget introduced under
25 subsection (a) shall be in compliance with section 301.

1 “(d) EFFECT OF CONCURRENT RESOLUTION ON THE
 2 BUDGET.—Notwithstanding any other provision of this
 3 title, whenever a concurrent resolution on the budget de-
 4 scribed in subsection (a) is agreed to, then the aggregates,
 5 allocations, and reconciliation directives (if any) contained
 6 in the report accompanying such concurrent resolution or
 7 in such concurrent resolution shall be considered to be the
 8 aggregates, allocations, and reconciliation directives for all
 9 purposes of sections 302, 303, and 311 for the applicable
 10 fiscal years and such concurrent resolution shall be
 11 deemed to be a joint resolution for all purposes of this
 12 title and the Rules of the House of Representatives and
 13 any reference to the date of enactment of a joint resolution
 14 on the budget shall be deemed to be a reference to the
 15 date agreed to when applied to such concurrent resolu-
 16 tion.”.

17 (2) The table of contents set forth in section 1(b) of
 18 the Congressional Budget and Impoundment Control Act
 19 of 1974 is amended by inserting after the item relating
 20 to section 315 the following new item:

“Sec. 316. Expedited procedures upon veto of joint resolution on the budget.”.

21 **SEC. 105. AMENDMENTS TO JOINT RESOLUTIONS ON THE**
 22 **BUDGET.**

23 (a) DEFINITION.—Paragraph (4) of section 3 of the
 24 Congressional Budget Act of 1974 is amended to read as
 25 follows:

1 “(4) the term ‘joint resolution on the budget’
2 means—

3 “(A) a joint resolution setting forth the
4 budget for the United States Government for a
5 fiscal year as provided in section 301; and

6 “(B) any other joint resolution revising the
7 budget for the United States Government for a
8 fiscal year as described in section 304.”.

9 (b) ADDITIONAL AMENDMENTS TO THE CONGRES-
10 SIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF
11 1974.—(1)(A) Sections 301, 302, 303, 305, 308, 310,
12 311, 312, 314, 405, and 904 of the Congressional Budget
13 Act of 1974 (2 U.S.C. 621 et seq.) are amended by strik-
14 ing “concurrent” each place it appears and inserting
15 “joint”.

16 (B) Section 301 of the Congressional Budget Act of
17 1974 is further amended by striking the last sentence.

18 (C)(i) Sections 302(d), 302(g), 308(a)(1)(A), and
19 310(d)(1) of the Congressional Budget Act of 1974 are
20 amended by striking “most recently agreed to concurrent
21 resolution on the budget” each place it occurs and insert-
22 ing “most recently enacted joint resolution on the budget
23 or agreed to concurrent resolution on the budget (as appli-
24 cable)”.

1 (ii) The section heading of section 301 is amended
2 by striking “ANNUAL ADOPTION OF CONCURRENT RESO-
3 LUTION” and inserting “JOINT RESOLUTIONS”; and

4 (iii) Section 304 of such Act is amended to read as
5 follows:

6 “PERMISSIBLE REVISIONS OF BUDGET RESOLUTIONS
7 “SEC. 304. At any time after the joint resolution on
8 the budget for a fiscal year has been enacted pursuant
9 to section 301, and before the end of such fiscal year, the
10 two Houses and the President may enact a joint resolution
11 on the budget which revises or reaffirms the joint resolu-
12 tion on the budget for such fiscal year most recently en-
13 acted, and for purposes of the enforcement of the Congres-
14 sional Budget Act of 1974, the chairman of the Budget
15 Committee of the House of Representatives or the Senate,
16 as applicable, may adjust levels as needed for the enforce-
17 ment off of the budget resolution.”.

18 (D) Sections 302, 303, 310, and 311, of such Act
19 are amended by striking “agreed to” each place it appears
20 and by inserting “enacted”.

21 (2)(A) Paragraph (4) of section 3 of the Congres-
22 sional Budget and Impoundment Control Act of 1974 is
23 amended by striking “concurrent” each place it appears
24 and by inserting “joint”.

25 (B) The table of contents set forth in section 1(b)
26 of such Act is amended—

1 (i) in the item relating to section 301, by strik-
 2 ing “Annual adoption of concurrent resolution” and
 3 inserting “Joint resolutions”;

4 (ii) by striking the item relating to section 303
 5 and inserting the following:

“Sec. 303. Consideration of budget-related legislation before budget becomes
 law.”;

6 and

7 (iii) by striking “concurrent” and inserting
 8 “joint” in the item relating to section 305.

9 (c) CONFORMING AMENDMENTS TO THE RULES OF
 10 THE HOUSE OF REPRESENTATIVES.—Clauses 1(d)(1),
 11 4(a)(4), 4(b)(2), 4(f)(1)(A), and 4(f)(2) of rule X, clause
 12 10 of rule XVIII, clause 10 of rule XX, and clauses 7
 13 and 10 of rule XXI of the Rules of the House of Rep-
 14 resentatives are amended by striking “concurrent” each
 15 place it appears and inserting “joint”.

16 (d) CONFORMING AMENDMENTS TO THE BALANCED
 17 BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF
 18 1985.—Section 258C(b)(1) of the Balanced Budget and
 19 Emergency Deficit Control Act of 1985 (2 U.S.C.
 20 907d(b)(1)) is amended by striking “concurrent” and in-
 21 serting “joint”.

22 (e) CONFORMING AMENDMENTS TO SECTION 310
 23 REGARDING RECONCILIATION DIRECTIVES.—(1) The side
 24 heading of section 310(a) of the Congressional Budget Act

1 of 1974 (as amended by section 105(b)) is further amend-
2 ed by inserting “JOINT EXPLANATORY STATEMENT AC-
3 COMPANYING CONFERENCE REPORT ON” before “JOINT”.

4 (2) Section 310(a) of such Act is amended by striking
5 “A” and inserting “The joint explanatory statement ac-
6 companying the conference report on a”.

7 (3) The first sentence of section 310(b) of such Act
8 is amended by striking “If” and inserting “If the joint
9 explanatory statement accompanying the conference re-
10 port on”.

11 (4) Section 310(c)(1) of such Act is amended by in-
12 serting “the joint explanatory statement accompanying
13 the conference report on” after “pursuant to”.

14 (f) CONFORMING AMENDMENTS TO SECTION 3 RE-
15 GARDING DIRECT SPENDING.—Section 3 of the Congres-
16 sional Budget and Impoundment Control Act of 1974 is
17 amended by adding at the end the following new para-
18 graph:

19 “(11) The term ‘direct spending’ has the mean-
20 ing given to such term in section 250(c)(8) of the
21 Balanced Budget and Emergency Deficit Control
22 Act of 1985.”.

1 **SEC. 106. CONTINUING APPROPRIATIONS.**

2 (a) IN GENERAL.—Chapter 13 of title 31, United
3 States Code, is amended by inserting after section 1310
4 the following new section:

5 **“§ 1311. Continuing appropriations**

6 “(a)(1) If any regular appropriation bill for each fis-
7 cal year in a biennium does not become law before the
8 beginning of such biennium or a joint resolution making
9 continuing appropriations is not in effect, there are appro-
10 priated for the 2 years of the biennium, out of any money
11 in the Treasury not otherwise appropriated, and out of
12 applicable corporate or other revenues, receipts, and
13 funds, excluding any budget authority designated as an
14 emergency or temporary funding for projects or activities
15 that are not part of ongoing operations, such sums as may
16 be necessary to continue any project or activity for which
17 funds were provided in the preceding fiscal year—

18 “(A) for defense, veterans, and homeland secu-
19 rity spending—

20 “(i) in the corresponding regular appro-
21 priation Act for such preceding fiscal year; or

22 “(ii) if the corresponding regular appro-
23 priation bill for such preceding fiscal year did
24 not become law, then in a joint resolution mak-
25 ing continuing appropriations for such pre-
26 ceeding fiscal year; and

1 “(B) for spending not described in subpara-
2 graph (A), total level allowable for the appropriate
3 accounts under section 251 of the Balanced Budget
4 and Emergency Deficit Control of Act of 1985 in
5 the same proportion of funding that such accounts
6 received the preceding fiscal year.

7 “(2) Appropriations and funds made available, and
8 authority granted, for a project or activity for any fiscal
9 year pursuant to this section shall be at a rate of oper-
10 ations not in excess of the lower of—

11 “(A) the rate of operations provided for in the
12 regular appropriation Act providing for such project
13 or activity for the preceding fiscal year;

14 “(B) in the absence of such an Act, the rate of
15 operations provided for such project or activity pur-
16 suant to a joint resolution making continuing appro-
17 priations for such preceding fiscal year;

18 “(C) the rate of operations provided for in the
19 regular appropriation bill as passed by the House of
20 Representatives or the Senate for the fiscal year in
21 question, except that the lower of these two versions
22 shall be ignored for any project or activity for which
23 there is a budget request if no funding is provided
24 for that project or activity in either version; or

1 “(D) the annualized rate of operations provided
2 for in the most recently enacted joint resolution
3 making continuing appropriations for part of that
4 fiscal year or any funding levels established under
5 the provisions of this Act.

6 “(3) Appropriations and funds made available, and
7 authority granted, for any fiscal year pursuant to this sec-
8 tion for a project or activity shall be available for the pe-
9 riod beginning with the first day of a lapse in appropria-
10 tions and ending with the earlier of—

11 “(A) the date on which the applicable regular
12 appropriation bill for such fiscal year becomes law
13 (whether or not such law provides for such project
14 or activity) or a continuing resolution making appro-
15 priations becomes law, as the case may be; or

16 “(B) the last day of such fiscal year.

17 “(b) An appropriation or funds made available, or au-
18 thority granted, for a project or activity for any fiscal year
19 pursuant to this section shall be subject to the terms and
20 conditions imposed with respect to the appropriation made
21 or funds made available for the preceding fiscal year, or
22 authority granted for such project or activity under cur-
23 rent law.

24 “(c) Appropriations and funds made available, and
25 authority granted, for any project or activity for any fiscal

1 year pursuant to this section shall cover all obligations or
2 expenditures incurred for such project or activity during
3 the portion of such fiscal year for which this section ap-
4 plies to such project or activity.

5 “(d) Expenditures made for a project or activity for
6 any fiscal year pursuant to this section shall be charged
7 to the applicable appropriation, fund, or authorization
8 whenever a regular appropriation bill or a joint resolution
9 making continuing appropriations until the end of a fiscal
10 year providing for such project or activity for such period
11 becomes law.

12 “(e) This section shall not apply to a project or activ-
13 ity during a fiscal year if any other provision of law (other
14 than an authorization of appropriations)—

15 “(1) makes an appropriation, makes funds
16 available, or grants authority for such project or ac-
17 tivity to continue for such period; or

18 “(2) specifically provides that no appropriation
19 shall be made, no funds shall be made available, or
20 no authority shall be granted for such project or ac-
21 tivity to continue for such period.

22 “(f) For purposes of this section, the term ‘regular
23 appropriation bill’ means any annual appropriation bill
24 making appropriations, otherwise making funds available,

1 or granting authority, for any of the following categories
2 of projects and activities:

3 “(1) Agriculture, rural development, Food and
4 Drug Administration, and related agencies pro-
5 grams.

6 “(2) The Department of Defense.

7 “(3) Energy and water development, and re-
8 lated agencies.

9 “(4) State, foreign operations, and related pro-
10 grams.

11 “(5) The Department of Homeland Security.

12 “(6) The Department of the Interior, Environ-
13 mental Protection Agency, and related agencies.

14 “(7) The Departments of Labor, Health and
15 Human Services, and Education, and related agen-
16 cies.

17 “(8) Military construction, veterans affairs, and
18 related agencies.

19 “(9) Science, the Departments of State, Jus-
20 tice, and Commerce, and related agencies.

21 “(10) The Departments of Transportation,
22 Housing and Urban Development, and related agen-
23 cies.

24 “(11) The Legislative Branch.

“First Session—Continued

May 15	Congress completes action on joint resolution on the biennial budget.
May 15	Biennial appropriation bills may be considered in the House of Representatives.
June 10	House Appropriations Committee reports last biennial appropriation bill.
June 30	House completes action on biennial appropriation bills.
October 1	Biennium begins.

“Second Session

On or before:	Action to be completed:
February 15	President submits budget review.
Not later than 6 weeks after President submits budget review.	Congressional Budget Office submits report to Budget Committees.
The last day of the session	Congress completes action on bills and resolutions authorizing new budget authority for the succeeding biennium.

1 “(b) SPECIAL RULE.—In the case of any first session
2 of Congress that begins in any year during which the term
3 of a President (except a President who succeeds himself)
4 begins, the following dates shall supersede those set forth
5 in subsection (a):

“First Session

On or before:	Action to be completed:
First Monday in April	President submits budget recommendations.
April 20	Committees submit views and estimates to Budget Committees.
May 15	Budget Committees report joint resolution on the biennial budget.
June 1	Congress completes action on joint resolution on the biennial budget.
June 1	Biennial appropriation bills may be considered in the House of Representatives.
July 1	House Appropriations Committee reports last biennial appropriation bill.
July 20	House completes action on biennial appropriation bills.
October 1	Biennium begins.”.

1 **SEC. 203. AMENDMENTS TO THE CONGRESSIONAL BUDGET**
2 **AND IMPOUNDMENT CONTROL ACT OF 1974.**

3 (a) **DECLARATION OF PURPOSE.**—Section 2(2) of the
4 Congressional Budget and Impoundment Control Act of
5 1974 (2 U.S.C. 621(2)) is amended by striking “each
6 year” and inserting “biennially”.

7 (b) **DEFINITIONS.**—

8 (1) **BUDGET RESOLUTION.**—Section 3(4) of
9 such Act (2 U.S.C. 622(4)) is amended by striking
10 “fiscal year” each place it appears and inserting “bi-
11 ennium”.

12 (2) **BIENNIUM.**—Section 3 of such Act (2
13 U.S.C. 622) (as amended by section 113(a)) is fur-
14 ther amended by adding at the end the following
15 new paragraph:

16 “(13) The term ‘biennium’ means the period of
17 2 consecutive fiscal years beginning on October 1 of
18 any odd-numbered year.”.

19 (c) **BIENNIAL JOINT RESOLUTION ON THE BUDG-**
20 **ET.**—

21 (1) **CONTENTS OF RESOLUTION.**—Section
22 301(a) of such Act (2 U.S.C. 632(a)) is amended—

23 (A) in the matter preceding paragraph (1)

24 by—

1 (i) striking “April 15 of each year”
2 and inserting “May 15 of each odd-num-
3 bered year”;

4 (ii) striking “the fiscal year beginning
5 on October 1 of such year” the first place
6 it appears and inserting “the biennium be-
7 ginning on October 1 of such year”;

8 (iii) striking “the fiscal year beginning
9 on October 1 of such year” the second
10 place it appears and inserting “each fiscal
11 year in such period”; and

12 (iv) striking “each of the four ensuing
13 fiscal years” and inserting “each fiscal
14 year in the next 2 bienniums”;

15 (B) in paragraph (6), by striking “for the
16 fiscal year” and inserting “for each fiscal year
17 in the biennium”; and

18 (C) in paragraph (7), by striking “for the
19 fiscal year” and inserting “for each fiscal year
20 in the biennium”.

21 (2) ADDITIONAL MATTERS.—Section 301(b) of
22 such Act (2 U.S.C. 632(b)) is amended—

23 (A) in paragraph (3), by striking “for such
24 fiscal year” and inserting “for either fiscal year
25 in such biennium”; and

1 (B) in paragraph (7), by striking “for the
2 first fiscal year” and inserting “for each fiscal
3 year in the biennium”.

4 (3) VIEWS OF OTHER COMMITTEES.—Section
5 301(d) of such Act (2 U.S.C. 632(d)) is amended by
6 inserting “(or, if applicable, as provided by section
7 300(b))” after “United States Code”.

8 (4) HEARINGS.—Section 301(e)(1) of such Act
9 (2 U.S.C. 632(e)) is amended by—

10 (A) striking “fiscal year” and inserting
11 “biennium”; and

12 (B) inserting after the second sentence the
13 following: “On or before April 1 of each odd-
14 numbered year (or, if applicable, as provided by
15 section 300(b)), the Committee on the Budget
16 of each House shall report to its House the
17 joint resolution on the budget referred to in
18 subsection (a) for the biennium beginning on
19 October 1 of that year.”.

20 (5) GOALS FOR REDUCING UNEMPLOYMENT.—
21 Section 301(f) of such Act (2 U.S.C. 632(f)) is
22 amended by striking “fiscal year” each place it ap-
23 pears and inserting “biennium”.

24 (6) ECONOMIC ASSUMPTIONS.—Section
25 301(g)(1) of such Act (2 U.S.C. 632(g)(1)) is

1 amended by striking “for a fiscal year” and insert-
2 ing “for a biennium”.

3 (7) SECTION HEADING.—The section heading of
4 section 301 of such Act is amended by striking “AN-
5 NUAL” and inserting “BIENNIAL”.

6 (8) TABLE OF CONTENTS.—The item relating
7 to section 301 in the table of contents set forth in
8 section 1(b) of such Act is amended by striking “An-
9 nual” and inserting “Biennial”.

10 (d) COMMITTEE ALLOCATIONS.—Section 302 of such
11 Act (2 U.S.C. 633) is amended—

12 (1) in subsection (a)(1) by—

13 (A) striking “for the first fiscal year of the
14 resolution,” and inserting “for each fiscal year
15 in the biennium,”;

16 (B) striking “for that period of fiscal
17 years” and inserting “for all fiscal years cov-
18 ered by the resolution”; and

19 (C) striking “for the fiscal year of that
20 resolution” and inserting “for each fiscal year
21 in the biennium”;

22 (2) in subsection (f)(1), by striking “for a fiscal
23 year” and inserting “for a biennium”;

1 (3) in subsection (f)(1), by striking “first fiscal
2 year” and inserting “either fiscal year of the bien-
3 nium”;

4 (4) in subsection (f)(2)(A), by—

5 (A) striking “first fiscal year” and insert-
6 ing “each fiscal year of the biennium”; and

7 (B) striking “the total of fiscal years” and
8 inserting “the total of all fiscal years covered by
9 the resolution”; and

10 (5) in subsection (g)(1)(A), by striking “April”
11 and inserting “May”.

12 (e) SECTION 303 POINT OF ORDER.—Section 303 of
13 such Act (2 U.S.C. 634(a)) is amended by striking “for
14 a fiscal year” and inserting “for a biennium” and by strik-
15 ing “the first fiscal year” and inserting “each fiscal year
16 of the biennium”.

17 (f) PERMISSIBLE REVISIONS OF JOINT RESOLUTIONS
18 ON THE BUDGET.—Section 304 of such Act (2 U.S.C.
19 635) is amended—

20 (1) by striking “fiscal year” the first two places
21 it appears and inserting “biennium”;

22 (2) by striking “for such fiscal year”; and

23 (3) by inserting before the period “for such bi-
24 ennium”.

1 (g) PROCEDURES FOR CONSIDERATION OF BUDGET
2 RESOLUTIONS.—Section 305(a)(3) of such Act (2 U.S.C.
3 636(b)(3)) is amended by striking “fiscal year” and in-
4 serting “biennium”.

5 (h) COMPLETION OF HOUSE COMMITTEE ACTION ON
6 APPROPRIATION BILLS.—Section 307 of such Act (2
7 U.S.C. 638) is amended—

8 (1) by striking “each year” and inserting “each
9 odd-numbered year (or, if applicable, as provided by
10 section 300(b), July 1)”;

11 (2) by striking “annual” and inserting “bien-
12 nial”;

13 (3) by striking “fiscal year” and inserting “bi-
14 ennium”; and

15 (4) by striking “that year” and inserting “each
16 odd-numbered year”.

17 (i) COMPLETION OF HOUSE ACTION ON REGULAR
18 APPROPRIATION BILLS.—Section 309 of such Act (2
19 U.S.C. 640) is amended—

20 (1) by striking “It” and inserting “Except
21 whenever section 300(b) is applicable, it”;

22 (2) by inserting “of any odd-numbered calendar
23 year” after “July”;

24 (3) by striking “annual” and inserting “bien-
25 nial”; and

1 (4) by striking “fiscal year” and inserting “bi-
2 ennium”.

3 (j) RECONCILIATION PROCESS.—Section 310 of such
4 Act (2 U.S.C. 641) is amended—

5 (1) in subsection (a), in the matter preceding
6 paragraph (1), by striking “any fiscal year” and in-
7 serting “any biennium”;

8 (2) in subsection (a)(1), by striking “such fiscal
9 year” each place it appears and inserting “any fiscal
10 year covered by such resolution”; and

11 (3) by striking subsection (f) and redesignating
12 subsection (g) as subsection (f).

13 (k) SECTION 311 POINT OF ORDER.—

14 (1) IN THE HOUSE OF REPRESENTATIVES.—
15 Section 311(a)(1) of such Act (2 U.S.C. 642(a)) is
16 amended—

17 (A) by striking “for a fiscal year” and in-
18 serting “for a biennium”;

19 (B) by striking “the first fiscal year” each
20 place it appears and inserting “either fiscal
21 year of the biennium”; and

22 (C) by striking “that first fiscal year” and
23 inserting “each fiscal year in the biennium”.

24 (2) IN THE SENATE.—Section 311(a)(2) of
25 such Act is amended—

1 (A) in subparagraph (A), by striking “for
2 the first fiscal year” and inserting “for either
3 fiscal year of the biennium”; and

4 (B) in subparagraph (B)—

5 (i) by striking “that first fiscal year”
6 the first place it appears and inserting
7 “each fiscal year in the biennium”; and

8 (ii) by striking “that first fiscal year
9 and the ensuing fiscal years” and inserting
10 “all fiscal years”.

11 (3) SOCIAL SECURITY LEVELS.—Section
12 311(a)(3) of such Act is amended by—

13 (A) striking “for the first fiscal year” and
14 inserting “each fiscal year in the biennium”;
15 and

16 (B) striking “that fiscal year and the ensu-
17 ing fiscal years” and inserting “all fiscal
18 years”.

19 (1) MAXIMUM DEFICIT AMOUNT POINT OF ORDER.—
20 Section 312(e) of the Congressional Budget Act of 1974
21 (2 U.S.C. 643) is amended—

22 (1) by striking “for a fiscal year” and inserting
23 “for a biennium”;

1 (2) in paragraph (1), by striking “first fiscal
2 year” and inserting “either fiscal year in the bien-
3 nium”;

4 (3) in paragraph (2), by striking “that fiscal
5 year” and inserting “either fiscal year in the bien-
6 nium”; and

7 (4) in the matter following paragraph (2), by
8 striking “that fiscal year” and inserting “the appli-
9 cable fiscal year”.

10 **SEC. 204. AMENDMENTS TO RULES OF THE HOUSE OF REP-**
11 **RESENTATIVES.**

12 (a) Clause 4(a)(1)(A) of rule X of the Rules of the
13 House of Representatives is amended by inserting “odd-
14 numbered” after “each”.

15 (b) Clause 4(a)(4) of rule X of the Rules of the House
16 of Representatives is amended by striking “fiscal year”
17 and inserting “biennium”.

18 (c) Clause 4(b)(2) of rule X of the Rules of the House
19 of Representatives is amended by striking “each fiscal
20 year” and inserting “the biennium”.

21 (d) Clause 4(b) of rule X of the Rules of the House
22 of Representatives is amended by striking “and” at the
23 end of subparagraph (5), by striking the period and insert-
24 ing “; and” at the end of subparagraph (6), and by adding
25 at the end the following new subparagraph:

1 “(7) use the second session of each Congress to
2 study issues with long-term budgetary and economic
3 implications, including holding hearings to receive
4 testimony from committees of jurisdiction to identify
5 problem areas and to report on the results of over-
6 sight; and by January 1 of each odd-number year,
7 issuing a report to the Speaker which identifies the
8 key issues facing the Congress in the next bien-
9 nium.”.

10 (e) Clause 4(e) of rule X of the Rules of the House
11 of Representatives is amended by striking “annually” each
12 place it appears and inserting “biennially” and by striking
13 “annual” and inserting “biennial”.

14 (f) Clause 4(f) of rule X of the Rules of the House
15 of Representatives is amended—

16 (1) by inserting “during each odd-numbered
17 year” after “submits his budget”;

18 (2) by striking “fiscal year” the first place it
19 appears and inserting “biennium”; and

20 (3) by striking “that fiscal year” and inserting
21 “each fiscal year in such ensuing biennium”.

22 (g) Clause 11(i) of rule X of the Rules of the House
23 of Representatives is amended by striking “during the
24 same or preceding fiscal year”.

1 (h) Clause 3(d)(2)(A) of rule XIII of the Rules of
 2 the House of Representatives is amended by striking
 3 “five” both places it appears and inserting “six”.

4 (i) Clause 5(a)(1) of rule XIII of the Rules of the
 5 House of Representatives is amended by striking “fiscal
 6 year after September 15 in the preceding fiscal year” and
 7 inserting “biennium after September 15 of the calendar
 8 year in which such biennium begins”.

9 **SEC. 205. TWO-YEAR APPROPRIATIONS; TITLE AND STYLE**
 10 **OF APPROPRIATION ACTS.**

11 Section 105 of title 1, United States Code, is amend-
 12 ed to read as follows:

13 **“§ 105. Title and style of appropriations Acts**

14 “(a) The style and title of all Acts making appropria-
 15 tions for the support of the Government shall be as fol-
 16 lows: ‘An Act making appropriations (here insert the ob-
 17 ject) for each fiscal year in the biennium of fiscal years
 18 (here insert the fiscal years of the biennium).’.

19 “(b) All Acts making regular appropriations for the
 20 support of the Government shall be enacted for a biennium
 21 and shall specify the amount of appropriations provided
 22 for each fiscal year in such period.

23 “(c) For purposes of this section, the term ‘biennium’
 24 has the same meaning as in section 3(13) of the Congres-

1 sional Budget and Impoundment Control Act of 1974 (2
2 U.S.C. 622(13)).”.

3 **SEC. 206. MULTIYEAR AUTHORIZATIONS.**

4 (a) IN GENERAL.—Title III of the Congressional
5 Budget Act of 1974 (as amended by section 115(a)) is
6 further amended by adding at the end the following new
7 section:

8 “MULTIYEAR AUTHORIZATIONS OF APPROPRIATIONS

9 “SEC. 318. (a) It shall not be in order in the House
10 of Representatives or the Senate to consider any measure
11 that contains a specific authorization of appropriations for
12 any purpose unless the measure includes such a specific
13 authorization of appropriations for that purpose for not
14 less than each fiscal year in one or more bienniums.

15 “(b)(1) For purposes of this section, a specific au-
16 thorization of appropriations is an authorization for the
17 enactment of an amount of appropriations or amounts not
18 to exceed an amount of appropriations (whether stated as
19 a sum certain, as a limit, or as such sums as may be nec-
20 essary) for any purpose for a fiscal year.

21 “(2) Subsection (a) does not apply with respect to
22 an authorization of appropriations for a single fiscal year
23 for any program, project, or activity if the measure con-
24 taining that authorization includes a provision expressly
25 stating the following: ‘Congress finds that no authoriza-
26 tion of appropriation will be required for [Insert name of

1 applicable program, project, or activity] for any subse-
 2 quent fiscal year.’.

3 “(c) For purposes of this section, the term ‘measure’
 4 means a bill, joint resolution, amendment, motion, or con-
 5 ference report.”.

6 (b) AMENDMENT TO TABLE OF CONTENTS.—The
 7 table of contents set forth in section 1(b) of the Congres-
 8 sional Budget and Impoundment Control Act of 1974 is
 9 amended by adding after the item relating to section 317
 10 the following new item:

“Sec. 318. Multiyear authorizations of appropriations.”.

11 **SEC. 207. GOVERNMENT STRATEGIC AND PERFORMANCE**
 12 **PLANS ON A BIENNIAL BASIS.**

13 (a) STRATEGIC PLANS.—Section 306 of title 5,
 14 United States Code, is amended—

15 (1) in subsection (a), by striking “September
 16 30, 1997” and inserting “September 30, 2010”;

17 (2) in subsection (b)—

18 (A) by striking “at least every three years”
 19 and all that follows thereafter and inserting “at
 20 least every 4 years, except that strategic plans
 21 submitted by September 30, 2010, shall be up-
 22 dated and revised by September 30, 2012”; and

23 (B) by striking “five years forward” and
 24 inserting “six years forward”; and

1 (3) in subsection (c), by inserting a comma
2 after “section” the second place it appears and add-
3 ing “including a strategic plan submitted by Sep-
4 tember 30, 2010, meeting the requirements of sub-
5 section (a)”.

6 (b) BUDGET CONTENTS AND SUBMISSION TO CON-
7 GRESS.—Paragraph (28) of section 1105(a) of title 31,
8 United States Code, is amended by striking “beginning
9 with fiscal year 1999, a” and inserting “beginning with
10 fiscal year 2012, a biennial”.

11 (c) PERFORMANCE PLANS.—Section 1115 of title 31,
12 United States Code, is amended—

13 (1) in subsection (a)—

14 (A) in the matter before paragraph (1) by
15 striking “an annual” and inserting “a bien-
16 nial”;

17 (B) in paragraph (1) by inserting after
18 “program activity” the following: “for both
19 years 1 and 2 of the biennial plan”;

20 (C) in paragraph (5) by striking “and”
21 after the semicolon;

22 (D) in paragraph (6) by striking the period
23 and inserting a semicolon; and inserting “and”
24 after the inserted semicolon; and

1 (E) by adding after paragraph (6) the fol-
2 lowing:

3 “(7) cover each fiscal year of the biennium be-
4 ginning with the first fiscal year of the next biennial
5 budget cycle.”;

6 (2) in subsection (d) by striking “annual” and
7 inserting “biennial”; and

8 (3) in paragraph (6) of subsection (g) by strik-
9 ing “annual” and inserting “biennial”.

10 (d) MANAGERIAL ACCOUNTABILITY AND FLEXI-
11 BILITY.—Section 9703 of title 31, United States Code, re-
12 lating to managerial accountability, is amended—

13 (1) in subsection (a)—

14 (A) in the first sentence by striking “an-
15 nual”; and

16 (B) by striking “section 1105(a)(29)” and
17 inserting “section 1105(a)(28)”;

18 (2) in subsection (e)—

19 (A) in the first sentence by striking “one
20 or” before “two years”;

21 (B) in the second sentence by striking “a
22 subsequent year” and inserting “for a subse-
23 quent 2-year period”; and

24 (C) in the third sentence by striking
25 “three” and inserting “four”.

1 (e) STRATEGIC PLANS.—Section 2802 of title 39,
2 United States Code, is amended—

3 (1) in subsection (a), by striking “September
4 30, 1997” and inserting “September 30, 2010”;

5 (2) in subsection (b), by striking “at least every
6 three years” and inserting “at least every 4 years
7 except that strategic plans submitted by September
8 30, 2010, shall be updated and revised by September
9 30, 2013”;

10 (3) in subsection (b), by striking “five years
11 forward” and inserting “six years forward”; and

12 (4) in subsection (c), by inserting a comma
13 after “section” the second place it appears and in-
14 serting “including a strategic plan submitted by
15 September 30, 2010, meeting the requirements of
16 subsection (a)”.

17 (f) PERFORMANCE PLANS.—Section 2803(a) of title
18 39, United States Code, is amended—

19 (1) in the matter before paragraph (1), by
20 striking “an annual” and inserting “a biennial”;

21 (2) in paragraph (1), by inserting after “pro-
22 gram activity” the following: “for both years 1 and
23 2 of the biennial plan”;

24 (3) in paragraph (5), by striking “and” after
25 the semicolon;

1 (4) in paragraph (6), by striking the period and
2 inserting “; and”; and

3 (5) by adding after paragraph (6) the following:

4 “(7) cover each fiscal year of the biennium be-
5 ginning with the first fiscal year of the next biennial
6 budget cycle.”.

7 (g) COMMITTEE VIEWS OF PLANS AND REPORTS.—
8 Section 301(d) of the Congressional Budget Act (2 U.S.C.
9 632(d)) is amended by adding at the end “Each committee
10 of the Senate or the House of Representatives shall review
11 the strategic plans, performance plans, and performance
12 reports, required under section 306 of title 5, United
13 States Code, and sections 1115 and 1116 of title 31,
14 United States Code, of all agencies under the jurisdiction
15 of the committee. Each committee may provide its views
16 on such plans or reports to the Committee on the Budget
17 of the applicable House.”.

18 (h) PROGRAM FORMULAS IN PERFORMANCE
19 PLANS.—Section 1115(b) of title 31, United States Code,
20 is amended—

21 (1) in paragraph (9), by striking “and” after
22 the semicolon;

23 (2) in paragraph (10), by striking the period
24 and inserting “; and”; and

25 (3) by inserting at the end the following:

1 “(11) a description of the formulas used for the
2 program and program funding decisions including
3 the criteria and factors used and the weight given to
4 each of these factors.”.

5 **SEC. 208. BIENNIAL APPROPRIATION BILLS.**

6 (a) IN THE HOUSE OF REPRESENTATIVES.—Clause
7 2(a) of rule XXI of the Rules of the House of Representa-
8 tives is amended by adding at the end the following new
9 subparagraph:

10 “(3)(A) Except as provided by subdivision (B), an ap-
11 propriation may not be reported in a general appropriation
12 bill (other than a supplemental appropriation bill), and
13 may not be in order as an amendment thereto, unless it
14 provides new budget authority or establishes a level of ob-
15 ligations under contract authority for each fiscal year of
16 a biennium.

17 “(B) Subdivision (A) does not apply with respect to
18 an appropriation for a single fiscal year for any program,
19 project, or activity if the bill or amendment thereto con-
20 taining that appropriation includes a provision expressly
21 stating the following: ‘Congress finds that no additional
22 funding beyond one fiscal year will be required and the
23 [Insert name of applicable program, project, or activity]
24 will be completed or terminated after the amount provided
25 has been expended.’.

1 mation received, compiled, or maintained by the agency
2 as part of the operation or administration of a program,
3 or specifically compiled pursuant to a request in support
4 of a review of a program, as may be requested by the
5 chairman and ranking minority member of such com-
6 mittee.

7 (c) SUMMARIES BY COMPTROLLER GENERAL.—With-
8 in 30 days after the receipt of a request from a chairman
9 and ranking minority member of a standing committee
10 having jurisdiction over a program being reviewed and
11 studied by such committee under this section, the Comp-
12 troller General of the United States shall furnish to such
13 committee summaries of any audits or reviews of such pro-
14 gram which the Comptroller General has completed during
15 the preceding 6 years.

16 (d) CONGRESSIONAL ASSISTANCE.—Consistent with
17 their duties and functions under law, the Comptroller Gen-
18 eral of the United States, the Director of the Congres-
19 sional Budget Office, and the Director of the Congres-
20 sional Research Service shall continue to furnish (con-
21 sistent with established protocols) to each standing com-
22 mittee of the House of Representatives or the Senate such
23 information, studies, analyses, and reports as the chair-
24 man and ranking minority member may request to assist

1 the committee in conducting reviews and studies of pro-
 2 grams under this section.

3 **TITLE III—DISCRETIONARY**
 4 **SPENDING LIMITS**
 5 **Subtitle A—Spending Limits**

6 **SEC. 301. DISCRETIONARY SPENDING LIMITS.**

7 (a) DISCRETIONARY SPENDING LIMITS.—Section
 8 251 of the Balanced Budget and Emergency Deficit Con-
 9 trol of Act of 1985 is amended to read as follows:

10 “(a) DISCRETIONARY SPENDING LIMITS.—The total
 11 level of discretionary spending for all non-security discre-
 12 tionary spending programs, projects, and activities means,
 13 in any fiscal year in which there is a deficit through fiscal
 14 year 2021, an amount of non-security discretionary spend-
 15 ing outlays not exceeding the levels for fiscal year 2008
 16 as adjusted for inflation.

17 “(b) NON-SECURITY SPENDING.—In this section, the
 18 term non-security discretionary spending means discre-
 19 tionary spending other than spending for the Department
 20 of Defense, the Department of Veterans Affairs, homeland
 21 security activities, and intelligence related activities within
 22 the Department of State.

23 “(c) TIMING OF SEQUESTRATION REPORT.—Within
 24 15 calendar days after Congress adjourns to end a session

1 OMB shall issue a final spending reduction report to re-
2 duce an excess spending amount.

3 “(d) SPENDING REDUCTION ORDER.—A spending re-
4 duction ordered pursuant to subsection (b) shall be imple-
5 mented using the procedures set forth in section 256.”.

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

“Sec. 251. Discretionary spending limits.”.

10 **Subtitle B—Reports and Orders**

11 **SEC. 311. REPORTS AND ORDERS.**

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

14 **“SEC. 254. REPORTS AND ORDERS.**

15 “(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.

16 “(b) SUBMISSION AND AVAILABILITY OF REPORTS.—

17 Each report required by this section shall be submitted
18 to the Budget Committees of the House of Representatives
19 and the Senate. On the following day a notice of the report
20 shall be printed in the Federal Register.

1 “(c) SEQUESTRATION PREVIEW REPORTS.—

2 “(1) REPORTING REQUIREMENT.—On the dates
3 specified in subsection (a), OMB and CBO shall
4 issue a preview report regarding discretionary se-
5 questration based on laws enacted through those
6 dates.

7 “(2) DISCRETIONARY SPENDING LIMIT SEQUES-
8 TRATION REPORT.—The preview reports shall set
9 forth estimates for the current year and each subse-
10 quent year through 2021 of the applicable discre-
11 tionary spending limits and an explanation of any
12 adjustments in such limits under section 251.

13 “(3) EXPLANATION OF DIFFERENCES.—The
14 OMB reports shall explain the differences between
15 OMB and CBO estimates for each item set forth in
16 this subsection.

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

22 “(e) FINAL SEQUESTRATION REPORTS.—

23 “(1) REPORTING REQUIREMENT.—On the dates
24 specified in subsection (a), OMB and CBO shall

1 issue a final sequestration report, updated to reflect
2 laws enacted through those dates.

3 “(2) DISCRETIONARY SPENDING SEQUESTRA-
4 TION REPORTS.—The final reports shall set forth es-
5 timates for each of the following:

6 “(A) For the current year and each subse-
7 quent year the applicable discretionary spending
8 limits for each category and an explanation of
9 any adjustments in such limits under section
10 251.

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

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

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

1 “(3) EXPLANATION OF DIFFERENCES.—The
2 OMB report shall explain any differences between
3 OMB and CBO estimates of the amount of any re-
4 quired sequestration percentage. The OMB report
5 shall also explain differences in the amount of
6 sequesterable resources for any budget account to be
7 reduced if such difference is greater than
8 \$5,000,000.

9 “(4) PRESIDENTIAL ORDER.—On the date spec-
10 ified in subsection (a), if in its final sequestration
11 report OMB estimates that any sequestration is re-
12 quired, the President shall issue an order fully im-
13 plementing without change all sequestrations re-
14 quired by the OMB calculations set forth in that re-
15 port. This order shall be effective on issuance.

16 “(f) WITHIN-SESSION SEQUESTRATION REPORTS.—
17 If an appropriation for a fiscal year in progress is enacted
18 (after Congress adjourns to end the session for that budg-
19 et year and before July 1 of that fiscal year) that causes
20 a breach, 10 days later CBO shall issue a report con-
21 taining the information required in subsection (e)(2). Fif-
22 teen days after enactment, OMB shall issue a report con-
23 taining the information required in subsections (e)(2) and
24 (e)(4). On the same day as the OMB report, the President
25 shall issue an order fully implementing without change all

1 sequestrations required by the OMB calculations set forth
2 in that report. This order shall be effective on issuance.

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

7 “(1) the extent to which each order issued by
8 the President under this section complies with all of
9 the requirements contained in this part, either certi-
10 fying that the order fully and accurately complies
11 with such requirements or indicating the respects in
12 which it does not; and

13 “(2) the extent to which each report issued by
14 OMB or CBO under this section complies with all of
15 the requirements contained in this part, either certi-
16 fying that the report fully and accurately complies
17 with such requirements or indicating the respects in
18 which it does not.

19 “(h) LOW-GROWTH REPORT.—At any time, CBO
20 shall notify the Congress if—

21 “(1) during the period consisting of the quarter
22 during which such notification is given, the quarter
23 preceding such notification, and the 4 quarters fol-
24 lowing such notification, CBO or OMB has deter-
25 mined that real economic growth is projected or esti-

1 mated to be less than zero with respect to each of
2 any 2 consecutive quarters within such period; or

3 “(2) the most recent of the Department of
4 Commerce’s advance preliminary or final reports of
5 actual real economic growth indicate that the rate of
6 real economic growth for each of the most recently
7 reported quarter and the immediately preceding
8 quarter is less than one percent.

9 “(i) ECONOMIC AND TECHNICAL ASSUMPTIONS.—In
10 all reports required by this section, OMB shall use the
11 same economic and technical assumptions as used in the
12 most recent budget submitted by the President under sec-
13 tion 1105(a) of title 31, United States Code”.

14 **SEC. 312. SPENDING LIMITS ENFORCEMENT.**

15 (a) CONFORMING AMENDMENTS TO SECTION 312.—
16 Section 312 of the Congressional Budget Act of 1974 is
17 amended—

18 (1) by striking subsection (a) and inserting the
19 following:

20 “(a) BUDGET COMMITTEE DETERMINATIONS.—For
21 purposes of this title, the levels of new budget authority,
22 outlays, direct spending, deficits, revenues, and debt, or
23 the increases or decreases of such levels for purpose of
24 section 303, shall be determined on the basis of estimates

1 made by the Committee on the Budget of the House of
2 Representatives or the Senate, as applicable.”; and

3 (2) by striking subsections (b) and (c) and re-
4 designating subsections (d), (e), and (f) as (h), (i),
5 and (j).

6 (b) ENFORCEMENT AMENDMENTS TO SECTION
7 312.—Section 312 of the Congressional Budget Act of
8 1974 is further amended by adding at the end the fol-
9 lowing new subsections after subsection (a):

10 “(b) 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, concurrent resolution, or conference re-
14 port that—

15 “(1) causes the discretionary spending limits
16 for the budget year to be breached;

17 “(2) increases the discretionary spending limits
18 for the budget year or any ensuing fiscal year; or

19 “(3) includes any provision that has the effect
20 of modifying the application of section 251 of the
21 Balanced Budget and Emergency Deficit Control
22 Act of 1985.

23 “(c) SEQUESTRATION APPLICATION.—It shall not be
24 in order in the House of Representatives or the Senate

1 to consider any bill, joint resolution, amendment, concur-
2 rent resolution, or conference report that—

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

8 “(2) includes any provision that has the effect
9 of modifying the application of section 251 to any
10 program subject to sequestration or exempt from se-
11 questration.

12 “(d) WAIVER OR SUSPENSION.—The provisions of
13 this section may be waived or suspended:

14 “(1) IN THE SENATE.—In the Senate only by
15 the affirmative vote of three-fifths of the Members,
16 duly chosen and sworn.

17 “(2) IN THE HOUSE OF REPRESENTATIVES.—In
18 the House of Representatives:

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

23 “(B) It shall not be in order to consider a
24 rule or order that waives the application of sub-
25 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. 313. SPENDING REDUCTION ORDER.**

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 (discre-
13 tionary spending limits).

14 “(b) GENERAL RULES.—OMB shall include in its
15 final spending sequestration report a requirement that
16 each nonexempt spending account shall be reduced by an
17 amount of budget authority calculated by multiplying the
18 baseline level of budgetary resources in that account at
19 that time by the uniform percentage necessary to reduce
20 outlays sufficient to eliminate an excess spending amount.

21 “(c) DISCRETIONARY SPENDING SEQUESTRATION.—

22 “(1) ELIMINATING A BREACH.—Each non-
23 exempt account shall be reduced by an amount of
24 budget authority calculated by multiplying the base-
25 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 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—(A) the
22 annualized amount otherwise available by law in that
23 account under that or a subsequent part-year appro-
24 priation; and (B) when a full-year appropriation for

1 that account is enacted, from the amount otherwise
2 provided by the full year appropriation.

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

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

17 “(6) ESTIMATES.—

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

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

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

15 “(C) EXPLANATION OF DIFFERENCES BE-
16 TWEEN OMB AND CBO ESTIMATES.—If OMB
17 determines that there is a significant difference
18 between OMB and CBO reports prepared pur-
19 suant to subparagraph (A) and (B), OMB shall
20 consult with the Committees on the Budget of
21 the House of Representatives and the Senate
22 regarding that difference and that consultation
23 shall include, to extent practicable, written com-
24 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 the Congress under this para-
8 graph. OMB and CBO shall prepare estimates
9 under 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 “(d) DISCRETIONARY SEQUESTRATION LIMITA-
22 TION.—If appropriations for a fiscal year do not require
23 a sequester pursuant to the discretionary spending limits
24 set forth in this Act, discretionary accounts shall not be

1 subject to sequestration under sections 252A, 252B, or
2 253.

3 “(e) EXPEDITED CONSIDERATION OF SPENDING RE-
4 DUCATION BILL.—

5 “(1) INTRODUCTION.—

6 “(A) RECONVENING.—

7 “(i) IN THE HOUSE OF REPRESENTA-
8 TIVES.—Upon receipt of a spending reduc-
9 tion bill (referred to in this section as a
10 ‘spending reduction bill’) under section
11 252A(b), the Speaker, if the House would
12 otherwise be adjourned, shall notify the
13 Members of the House that, pursuant to
14 this subsection, the House shall convene
15 not later than two weeks after the receipt
16 of the spending reduction bill.

17 “(ii) IN THE SENATE.—

18 “(I) CONVENING.—Upon receipt
19 of a spending reduction bill, if the
20 Senate has adjourned or recessed for
21 more than 2 days, the majority leader
22 of the Senate, after consultation with
23 the minority leader of the Senate,
24 shall notify the Members of the Sen-
25 ate that, pursuant to this section, the

1 Senate shall convene not later two
2 weeks after receipt of the spending re-
3 duction bill.

4 “(II) ADJOURNING.—No concur-
5 rent resolution adjourning the Senate
6 for more than 3 days shall be in order
7 until the Senate votes on passage of
8 the spending reduction bill.

9 “(B) INTRODUCTION OF SPENDING REDUC-
10 TION BILL.—The spending reduction bill, upon
11 receipt by the Congress, shall be introduced not
12 later two weeks after the receipt of the spend-
13 ing reduction bill, in the Senate and in the
14 House of Representatives by the majority leader
15 of each House of Congress, for himself, the mi-
16 nority leader of each House of Congress, for
17 himself, or any member of the House des-
18 ignated by the majority leader or minority lead-
19 er. If the spending reduction bill is not intro-
20 duced in accordance with the preceding sen-
21 tence in either House of Congress, then any
22 Member of that House may introduce the
23 spending reduction bill on any day thereafter.
24 Upon introduction, the spending reduction bill

1 shall be referred to the appropriate committees
2 under subparagraph (C).

3 “(C) COMMITTEE CONSIDERATION.—A
4 spending reduction bill introduced in either
5 House of Congress shall be jointly referred to
6 the committee or committees of jurisdiction and
7 the Committee on the Budget of that House,
8 which committees shall report the bill without
9 any revision and with a favorable recommenda-
10 tion, an unfavorable recommendation, or with-
11 out recommendation, not later than 7 calendar
12 days after the date of introduction of the bill in
13 that House, or the first day thereafter on which
14 that House is in session. If any committee fails
15 to report the bill within that period, that com-
16 mittee shall be automatically discharged from
17 consideration of the bill, and the bill shall be
18 placed on the appropriate calendar.

19 “(2) EXPEDITED PROCEDURES.—

20 “(A) FAST TRACK CONSIDERATION IN
21 HOUSE OF REPRESENTATIVES.—

22 “(i) PROCEEDING TO CONSIDER-
23 ATION.—It shall be in order, not later than
24 2 days of session after the date on which
25 a spending reduction bill is reported or dis-

1 charged from all committees to which it
2 was referred, for the majority leader of the
3 House of Representatives or the majority
4 leader's designee, to move to proceed to
5 the consideration of the spending reduction
6 bills. It shall also be in order for any Mem-
7 ber of the House of Representatives to
8 move to proceed to the consideration of the
9 spending reduction bills at any time after
10 the conclusion of such 2-day period. All
11 points of order against the motion are
12 waived. Such a motion shall not be in
13 order after the House has disposed of a
14 motion to proceed on the spending reduc-
15 tion bills. The previous question shall be
16 considered as ordered on the motion to its
17 adoption without intervening motion. The
18 motion shall not be debatable. A motion to
19 reconsider the vote by which the motion is
20 disposed of shall not be in order.

21 “(ii) CONSIDERATION.—A spending
22 reduction bill shall be considered as read.
23 All points of order against a spending re-
24 duction bill and against its consideration
25 are waived. The previous question shall be

1 considered as ordered on a spending reduc-
2 tion bill to its passage without intervening
3 motion except 100 hours of debate equally
4 divided and controlled by the proponent
5 and an opponent, and any motion to limit
6 debate. A motion to reconsider the vote on
7 passage of a spending reduction bill shall
8 not be in order.

9 “(iii) APPEALS.—Appeals from deci-
10 sions of the chair relating to the applica-
11 tion of the Rules of the House of Rep-
12 resentatives to the procedure relating to a
13 spending reduction bill shall be decided
14 without debate.

15 “(iv) APPLICATION OF HOUSE
16 RULES.—Except to the extent specifically
17 provided in paragraph (2)(A), consider-
18 ation of a spending reduction bill shall be
19 governed by the Rules of the House of
20 Representatives. It shall not be in order in
21 the House of Representatives to consider
22 any spending reduction bill introduced pur-
23 suant to the provisions of this subsection
24 under a suspension of the rules pursuant
25 to Clause 1 of House Rule XV, or under

1 a special rule reported by the House Com-
2 mittee on Rules.

3 “(v) NO AMENDMENTS.—No amend-
4 ment to a spending reduction bill shall be
5 in order in the House of Representatives.

6 “(vi) VOTE ON PASSAGE.—Imme-
7 diately following the conclusion of consider-
8 ation of a spending reduction bill, the vote
9 on passage of a spending reduction bill
10 shall occur without any intervening action
11 or motion, requiring an affirmative vote of
12 the majority of the Members, duly chosen
13 and sworn. If the spending reduction bill is
14 passed, the Clerk of the House of Rep-
15 resentatives shall cause the bill to be trans-
16 mitted to the Senate before the close of the
17 next day of session of the House. The vote
18 on passage on both spending reduction
19 bills shall occur not later than 1 month
20 after the date on which a spending reduc-
21 tion bill is reported or discharged from all
22 committees to which it was referred.

23 “(vii) VOTE.—The House Committee
24 on Rules may not report a rule or order
25 that would have the effect of causing a

1 spending reduction bill to be approved by
2 a vote of less than the majority of the
3 Members, duly chosen and sworn.

4 “(B) FAST TRACK CONSIDERATION IN SEN-
5 ATE.—

6 “(i) IN GENERAL.—Notwithstanding
7 Rule XXII of the Standing Rules of the
8 Senate, it is in order, not later than 2 days
9 of session after the date on which a spend-
10 ing reduction bill is reported or discharged
11 from all committees to which it was re-
12 ferred, for the majority leader of the Sen-
13 ate or the majority leader’s designee to
14 move to proceed to the consideration of a
15 spending reduction bill. It shall also be in
16 order for any Member of the Senate to
17 move to proceed to the consideration of a
18 spending reduction bill at any time after
19 the conclusion of such 2-day period. A mo-
20 tion to proceed is in order even though a
21 previous motion to the same effect has
22 been disagreed to. All points of order
23 against the motion to proceed to a spend-
24 ing reduction bill are waived. The motion
25 to proceed is not debatable. The motion is

1 not subject to a motion to postpone. A mo-
2 tion to reconsider the vote by which the
3 motion is agreed to or disagreed to shall
4 not be in order. If a motion to proceed to
5 the consideration of a spending reduction
6 bill is agreed to, the spending reduction bill
7 shall remain the unfinished business until
8 disposed of.

9 “(ii) DEBATE.—All points of order
10 against a spending reduction bill and
11 against consideration of a spending reduc-
12 tion bill are waived. Consideration of a
13 spending reduction bill and of all debatable
14 motions and appeals in connection there-
15 with shall not exceed a total of 100 hours.
16 Debate shall be divided equally between
17 the majority and minority leaders or their
18 designees. A motion further to limit debate
19 on a spending reduction bill is in order,
20 shall require an affirmative vote of the ma-
21 jority of the Members duly chosen and
22 sworn, and is not debatable. Any debatable
23 motion or appeal is debatable for not to ex-
24 ceed 1 hour, to be divided equally between
25 those favoring and those opposing the mo-

1 tion or appeal. All time used for consider-
2 ation of a spending reduction bill, includ-
3 ing time used for quorum calls and voting,
4 shall be counted against the total 100
5 hours of consideration.

6 “(iii) NO AMENDMENTS.—An amend-
7 ment to a spending reduction bill, or a mo-
8 tion to postpone, or a motion to proceed to
9 the consideration of other business, or a
10 motion to recommit the spending reduction
11 bill, is not in order.

12 “(iv) VOTE ON PASSAGE.—The vote
13 on passage shall occur immediately fol-
14 lowing the conclusion of the debate on a
15 spending reduction bill, and a single
16 quorum call at the conclusion of the debate
17 if requested. Passage shall require an af-
18 firmative vote of the majority of the Mem-
19 bers, duly chosen and sworn. The vote on
20 passage shall of both spending reduction
21 bills shall occur not later than 1 month
22 after the date on which a spending reduc-
23 tion bill is reported or discharged from all
24 committees to which it was referred.

1 “(v) ADJOURNMENT.—If, after 1
2 month from the date on which a spending
3 reduction bill is reported or discharged
4 from all committees to which it was re-
5 ferred, either House has failed to adopt a
6 motion to proceed to the spending reduc-
7 tion bill, paragraph (1)(A)(ii)(II) shall not
8 apply.

9 “(vi) RULINGS OF THE CHAIR ON
10 PROCEDURE.—Appeals from the decisions
11 of the Chair relating to the application of
12 the rules of the Senate, as the case may
13 be, to the procedure relating to a spending
14 reduction bill shall be decided without de-
15 bate.

16 “(C) RULES TO COORDINATE ACTION WITH
17 OTHER HOUSE.—

18 “(i) REFERRAL.—If, before the pas-
19 sage by 1 House of a spending reduction
20 bill of that House, that House receives
21 from the other House a spending reduction
22 bill, then the spending reduction bill of the
23 other House shall not be referred to a com-
24 mittee and shall immediately be placed on
25 the calendar.

1 “(ii) PROCEDURE.—If the Senate re-
2 ceives the spending reduction bill passed by
3 the House of Representatives before the
4 Senate has voted on passage of the spend-
5 ing reduction bill—

6 “(I) the procedure in the Senate
7 shall be the same as if no spending re-
8 duction bill had been received from
9 House of Representatives; and

10 “(II) the vote on passage in the
11 Senate shall be on the spending re-
12 duction bill of the House of Rep-
13 resentatives.

14 “(iii) TREATMENT OF SPENDING RE-
15 DUCION BILL OF OTHER HOUSE.—If 1
16 House fails to introduce or consider a
17 spending reduction bill under this section,
18 the spending reduction bill of the other
19 House shall be entitled to expedited floor
20 procedures under this section.

21 “(iv) TREATMENT OF COMPANION
22 MEASURES IN THE SENATE.—If following
23 passage of the spending reduction bill in
24 the Senate, the Senate then receives the
25 spending reduction bill from the House of

1 Representatives, the House-passed spend-
2 ing reduction bill shall not be debatable.
3 The vote on passage of the spending reduc-
4 tion bill in the Senate shall be considered
5 to be the vote on passage of the spending
6 reduction bill received from the House of
7 Representatives.

8 “(v) VETOES.—If the President vetoes
9 the spending reduction bill, debate on a
10 veto message in the Senate under this sec-
11 tion shall be 1 hour equally divided be-
12 tween the majority and minority leaders or
13 their designees.

14 “(3) SUSPENSION.—No motion to suspend the
15 application of this subsection shall be in order in the
16 Senate or in the House of Representatives.”.

17 (b) LOW-GROWTH AMENDMENT.—Amend section
18 258(b) of the Balanced Budget and Emergency Deficit
19 Control Act of 1985 to read as follows:

20 “(b) SUSPENSION OF SEQUESTRATION PROCE-
21 DURES.—Upon the enactment of a declaration of war or
22 a joint resolution described in subsection (a)—

23 “(1) the subsequent issuance of any sequestra-
24 tion report to enforce the spending limits in section

1 252B or the Deficit Limits in section 253 order is
2 precluded;

3 “(2) sections 302(f), 310(d), 311(a), of the
4 Congressional Budget Act of 1974 are suspended;
5 and

6 “(3) section 1103 of title 31, United States
7 Code, is suspended.”.

8 (c) TECHNICAL AND CONFORMING AMENDMENTS.—

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

11 (2) CONFORMING AMENDMENT.—The item relating
12 to section 256 in the table of contents set forth in section
13 250(a) of the Balanced Budget and Emergency Deficit
14 Control Act of 1985 is amended to read as follows:

“Sec. 256. Spending reduction order.”.

15 **TITLE IV—LEGISLATIVE LINE-**
16 **ITEM VETO**

17 **SEC. 401. SHORT TITLE.**

18 This subtitle may be cited as the “Legislative Line-
19 Item Veto Act of 2011”.

20 **SEC. 402. LEGISLATIVE LINE-ITEM VETO.**

21 (a) IN GENERAL.—Title X of the Congressional
22 Budget and Impoundment Control Act of 1974 (2 U.S.C.
23 621 et seq.) is amended by striking all of part B (except
24 for sections 1016 and 1013, which are redesignated as sec-

1 tions 1020 and 1021, respectively) and part C and insert-
 2 ing the following:

3 “PART B—LEGISLATIVE LINE-ITEM VETO

4 “LINE-ITEM VETO AUTHORITY

5 “SEC. 1011. (a) PROPOSED CANCELLATIONS.—With-
 6 in 45 calendar days after the enactment of any bill or joint
 7 resolution providing any discretionary budget authority,
 8 item of direct spending, limited tariff benefit, or targeted
 9 tax benefit, the President may propose, in the manner pro-
 10 vided in subsection (b), the cancellation of any dollar
 11 amount of such discretionary budget authority, item of di-
 12 rect spending, or targeted tax benefit. If the 45 calendar-
 13 day period expires during a period where either House of
 14 Congress stands adjourned sine die at the end of a Con-
 15 gress or for a period greater than 45 calendar days, the
 16 President may propose a cancellation under this section
 17 and transmit a special message under subsection (b) on
 18 the first calendar day of session following such a period
 19 of adjournment.

20 “(b) TRANSMITTAL OF SPECIAL MESSAGE.—

21 “(1) SPECIAL MESSAGE.—

22 “(A) IN GENERAL.—The President may
 23 transmit to the Congress a special message pro-
 24 posing to cancel any dollar amounts of discre-
 25 tionary budget authority, items of direct spend-

1 ing, limited tariff benefits, or targeted tax bene-
2 fits.

3 “(B) CONTENTS OF SPECIAL MESSAGE.—
4 Each special message shall specify, with respect
5 to the discretionary budget authority, items of
6 direct spending proposed, limited tariff benefits,
7 or targeted tax benefits to be canceled—

8 “(i) the dollar amount of discretionary
9 budget authority, the specific item of direct
10 spending (that OMB, after consultation
11 with CBO, estimates to increase budget
12 authority or outlays as required by section
13 1017(9)), the limited tariff benefit, or the
14 targeted tax benefit that the President pro-
15 poses be canceled;

16 “(ii) any account, department, or es-
17 tablishment of the Government to which
18 such discretionary budget authority is
19 available for obligation, and the specific
20 project or governmental functions involved;

21 “(iii) the reasons why such discre-
22 tionary budget authority, item of direct
23 spending, limited tariff benefit, or targeted
24 tax benefit should be canceled;

1 “(iv) to the maximum extent prac-
2 ticable, the estimated fiscal, economic, and
3 budgetary effect (including the effect on
4 outlays and receipts in each fiscal year) of
5 the proposed cancellation;

6 “(v) to the maximum extent prac-
7 ticable, all facts, circumstances, and con-
8 siderations relating to or bearing upon the
9 proposed cancellation and the decision to
10 propose the cancellation, and the estimated
11 effect of the proposed cancellation upon
12 the objects, purposes, or programs for
13 which the discretionary budget authority,
14 item of direct spending, limited tariff ben-
15 efit, or the targeted tax benefit is provided;

16 “(vi) a numbered list of cancellations
17 to be included in an approval bill that, if
18 enacted, cancels discretionary budget au-
19 thority, items of direct spending, limited
20 tariff benefit, or targeted tax benefits pro-
21 posed in that special message; and

22 “(vii) if the special message is trans-
23 mitted subsequent to or at the same time
24 as another special message, a detailed ex-
25 planation why the proposed cancellations

1 are not substantially similar to any other
2 proposed cancellation in such other mes-
3 sage.

4 “(C) DUPLICATIVE PROPOSALS PROHIB-
5 ITED.—The President may not propose to can-
6 cel the same or substantially similar discre-
7 tionary budget authority, item of direct spend-
8 ing, limited tariff benefit, or targeted tax ben-
9 efit more than one time under this Act.

10 “(D) MAXIMUM NUMBER OF SPECIAL MES-
11 SAGES.—The President may not transmit to the
12 Congress more than 5 special messages under
13 this subsection related to any bill or joint reso-
14 lution described in subsection (a), but may
15 transmit not more than 10 special messages for
16 any omnibus budget reconciliation or appropria-
17 tion measure.

18 “(2) ENACTMENT OF APPROVAL BILL.—

19 “(A) DEFICIT REDUCTION.—Amounts of
20 budget authority, items of direct spending, lim-
21 ited tariff benefit, or targeted tax benefits
22 which are canceled pursuant to enactment of a
23 bill as provided under this section shall be dedi-
24 cated only to reducing the deficit or increasing
25 the surplus.

1 “(B) ADJUSTMENT OF LEVELS IN THE
2 JOINT RESOLUTION ON THE BUDGET.—Not
3 later than 5 days after the date of enactment
4 of an approval bill as provided under this sec-
5 tion, the chairs of the Committees on the Budg-
6 et of the Senate and the House of Representa-
7 tives shall revise allocations and aggregates and
8 other appropriate levels under the appropriate
9 joint resolution on the budget to reflect the can-
10 cellation, and the applicable committees shall
11 report revised suballocations pursuant to sec-
12 tion 302(b), as appropriate.

13 “(C) ADJUSTMENTS TO STATUTORY LIM-
14 ITS.—After enactment of an approval bill as
15 provided under this section, the Office of Man-
16 agement and Budget shall revise applicable lim-
17 its under the Balanced Budget and Emergency
18 Deficit Control Act of 1985, as appropriate.

19 “(D) TRUST FUNDS AND SPECIAL
20 FUNDS.—Notwithstanding subparagraph (A),
21 nothing in this part shall be construed to re-
22 quire or allow the deposit of amounts derived
23 from a trust fund or special fund which are
24 canceled pursuant to enactment of a bill as pro-
25 vided under this section to any other fund.

1 “PROCEDURES FOR EXPEDITED CONSIDERATION

2 “SEC. 1012. (a) EXPEDITED CONSIDERATION.—

3 “(1) IN GENERAL.—The majority leader or mi-
4 nority leader of each House or his designee shall (by
5 request) introduce an approval bill as defined in sec-
6 tion 1017 not later than the third day of session of
7 that House after the date of receipt of a special mes-
8 sage transmitted to the Congress under section
9 1011(b). If the bill is not introduced as provided in
10 the preceding sentence in either House, then, on the
11 fourth day of session of that House after the date
12 of receipt of the special message, any Member of
13 that House may introduce the bill.

14 “(2) CONSIDERATION IN THE HOUSE OF REP-
15 REPRESENTATIVES.—

16 “(A) REFERRAL AND REPORTING.—Any
17 committee of the House of Representatives to
18 which an approval bill is referred shall report it
19 to the House of Representatives without amend-
20 ment not later than the seventh legislative day
21 after the date of its introduction. If a com-
22 mittee fails to report the bill within that period
23 or the House of Representatives has adopted a
24 joint resolution providing for adjournment sine
25 die at the end of a Congress, such committee

1 shall be automatically discharged from further
2 consideration of the bill and it shall be placed
3 on the appropriate calendar.

4 “(B) PROCEEDING TO CONSIDERATION.—
5 After an approval bill is reported by or dis-
6 charged from committee or the House of Rep-
7 resentatives has adopted a joint resolution pro-
8 viding for adjournment sine die at the end of a
9 Congress, it shall be in order to move to pro-
10 ceed to consider the approval bill in the House
11 of Representatives within two legislative days
12 after the day on which the proponent announces
13 his intention to offer the motion. Such a motion
14 shall not be in order after the House of Rep-
15 resentatives has disposed of a motion to proceed
16 with respect to that special message. The pre-
17 vious question shall be considered as ordered on
18 the motion to its adoption without intervening
19 motion. A motion to reconsider the vote by
20 which the motion is disposed of shall not be in
21 order.

22 “(C) CONSIDERATION.—The approval bill
23 shall be considered as read. All points of order
24 against an approval bill and against its consid-
25 eration are waived. The previous question shall

1 be considered as ordered on an approval bill to
2 its passage without intervening motion except
3 five hours of debate equally divided and con-
4 trolled by the proponent and an opponent and
5 one motion to limit debate on the bill. A motion
6 to reconsider the vote on passage of the bill
7 shall not be in order.

8 “(D) SENATE BILL.—An approval bill re-
9 ceived from the Senate shall not be referred to
10 committee.

11 “(3) CONSIDERATION IN THE SENATE.—

12 “(A) MOTION TO PROCEED TO CONSIDER-
13 ATION.—A motion to proceed to the consider-
14 ation of a bill under this subsection in the Sen-
15 ate shall not be debatable. It shall not be in
16 order to move to reconsider the vote by which
17 the motion to proceed is agreed to or disagreed
18 to.

19 “(B) LIMITS ON DEBATE.—Debate in the
20 Senate on a bill under this subsection, and all
21 debatable motions and appeals in connection
22 therewith (including debate pursuant to sub-
23 paragraph (D)), shall not exceed 10 hours,
24 equally divided and controlled in the usual
25 form.

1 “(C) APPEALS.—Debate in the Senate on
2 any debatable motion or appeal in connection
3 with a bill under this subsection shall be limited
4 to not more than 1 hour, to be equally divided
5 and controlled in the usual form.

6 “(D) MOTION TO LIMIT DEBATE.—A mo-
7 tion in the Senate to further limit debate on a
8 bill under this subsection is not debatable.

9 “(E) MOTION TO RECOMMIT.—A motion to
10 recommit a bill under this subsection is not in
11 order.

12 “(F) CONSIDERATION OF THE HOUSE OF
13 REPRESENTATIVES BILL.—

14 “(i) IN GENERAL.—If the Senate has
15 received the House of Representatives com-
16 panion bill to the bill introduced in the
17 Senate prior to the vote required under
18 paragraph (1)(C), then the Senate may
19 consider, and the vote under paragraph
20 (1)(c) may occur on, the House of Rep-
21 resentatives companion bill.

22 “(ii) PROCEDURE AFTER VOTE ON
23 SENATE BILL.—If the Senate votes, pursu-
24 ant to paragraph (1)(C), on the bill intro-
25 duced in the Senate, then immediately fol-

1 lowing that vote, or upon receipt of the
2 House of Representatives companion bill,
3 the House of Representatives bill shall be
4 deemed to be considered, read the third
5 time, and the vote on passage of the Sen-
6 ate bill shall be considered to be the vote
7 on the bill received from the House of Rep-
8 resentatives.

9 “(b) AMENDMENTS PROHIBITED.—No amendment
10 to, or motion to strike a provision from, a bill considered
11 under this section shall be in order in either the Senate
12 or the House of Representatives.

13 “PRESIDENTIAL DEFERRAL AUTHORITY

14 “SEC. 1013. (a) TEMPORARY PRESIDENTIAL AU-
15 THORITY TO WITHHOLD DISCRETIONARY BUDGET AU-
16 THORITY.—

17 “(1) IN GENERAL.—At the same time as the
18 President transmits to the Congress a special mes-
19 sage pursuant to section 1011(b), the President may
20 direct that any dollar amount of discretionary budg-
21 et authority to be canceled in that special message
22 shall not be made available for obligation for a pe-
23 riod not to exceed 45 calendar days from the date
24 the President transmits the special message to the
25 Congress.

1 “(2) EARLY AVAILABILITY.—The President
2 shall make any dollar amount of discretionary budg-
3 et authority deferred pursuant to paragraph (1)
4 available at a time earlier than the time specified if
5 he determines that continuation of the deferral not
6 further the purposes of this Act.

7 “(b) TEMPORARY PRESIDENTIAL AUTHORITY TO
8 SUSPEND DIRECT SPENDING.—

9 “(1) IN GENERAL.—At the same time as the
10 President transmits to the Congress a special mes-
11 sage pursuant to section 1011(b), the President may
12 suspend the implementation of any item of direct
13 spending proposed to be canceled in that special
14 message for a period not to exceed 45 calendar days
15 from the date the President transmits the special
16 message to the Congress.

17 “(2) EARLY AVAILABILITY.—The President
18 shall terminate the suspension of any item of direct
19 spending at a time earlier than the time specified if
20 he determines that continuation of the suspension
21 will not further the purposes of this Act.

22 “(c) TEMPORARY PRESIDENTIAL AUTHORITY TO
23 SUSPEND A LIMITED TARIFF BENEFIT.—

24 “(1) IN GENERAL.—At the same time as the
25 President transmits to the Congress a special mes-

1 sage pursuant to section 1011(b), the President may
2 suspend the implementation of any limited tariff
3 benefit proposed to be canceled in that special mes-
4 sage for a period not to exceed 45 calendar days
5 from the date the President transmits the special
6 message to the Congress.

7 “(2) EARLY AVAILABILITY.—The President
8 shall terminate the suspension of any limited tariff
9 benefit at a time earlier than the time specified if he
10 determines that continuation of the suspension will
11 not further the purposes of this Act.

12 “(d) TEMPORARY PRESIDENTIAL AUTHORITY TO
13 SUSPEND A TARGETED TAX BENEFIT.—

14 “(1) IN GENERAL.—At the same time as the
15 President transmits to the Congress a special mes-
16 sage pursuant to section 1011(b), the President may
17 suspend the implementation of any targeted tax ben-
18 efit proposed to be repealed in that special message
19 for a period not to exceed 45 calendar days from the
20 date the President transmits the special message to
21 the Congress.

22 “(2) EARLY AVAILABILITY.—The President
23 shall terminate the suspension of any targeted tax
24 benefit at a time earlier than the time specified if he

1 determines that continuation of the suspension will
2 not further the purposes of this Act.

3 “(e) EXTENSION OF 45-DAY PERIOD.—The Presi-
4 dent may transmit to the Congress not more than one sup-
5 plemental special message to extend the period to suspend
6 the implementation of any discretionary budget authority,
7 item of direct spending, limited tariff benefit, or targeted
8 tax benefit, as applicable, by an additional 45 calendar
9 days. Any such supplemental message may not be trans-
10 mitted to the Congress before the 40th day of the 45-day
11 period set forth in the preceding message or later than
12 the last day of such period.

13 “IDENTIFICATION OF TARGETED TAX BENEFITS

14 “SEC. 1014. (a) STATEMENT.—The chairman of the
15 Committee on Ways and Means of the House of Rep-
16 resentatives and the chairman of the Committee on Fi-
17 nance of the Senate acting jointly (hereafter in this sub-
18 section referred to as the ‘chairmen’) shall review any rev-
19 enue or reconciliation bill or joint resolution which in-
20 cludes any amendment to the Internal Revenue Code of
21 1986 that is being prepared for filing by a committee of
22 conference of the two Houses, and shall identify whether
23 such bill or joint resolution contains any targeted tax ben-
24 efits. The chairmen shall provide to the committee of con-
25 ference a statement identifying any such targeted tax ben-
26 efits or declaring that the bill or joint resolution does not

1 contain any targeted tax benefits. Any such statement
 2 shall be made available to any Member of Congress by
 3 the chairmen immediately upon request.

4 “(b) STATEMENT INCLUDED IN LEGISLATION.—

5 “(1) IN GENERAL.—Notwithstanding any other
 6 rule of the House of Representatives or any rule or
 7 precedent of the Senate, any revenue or reconcili-
 8 ation bill or joint resolution which includes any
 9 amendment to the Internal Revenue Code of 1986
 10 reported by a committee of conference of the two
 11 Houses may include, as a separate section of such
 12 bill or joint resolution, the information contained in
 13 the statement of the chairmen, but only in the man-
 14 ner set forth in paragraph (2).

15 “(2) APPLICABILITY.—The separate section
 16 permitted under subparagraph (A) shall read as fol-
 17 lows: ‘Section 1021 of the Congressional Budget and
 18 Impoundment Control Act of 1974 shall
 19 _____ apply to _____.’, with
 20 the blank spaces being filled in with—

21 “(A) in any case in which the chairmen
 22 identify targeted tax benefits in the statement
 23 required under subsection (a), the word ‘only’
 24 in the first blank space and a list of all of the

1 specific provisions of the bill or joint resolution
2 in the second blank space; or

3 “(B) in any case in which the chairmen de-
4clare that there are no targeted tax benefits in
5the statement required under subsection (a),
6the word ‘not’ in the first blank space and the
7phrase ‘any provision of this Act’ in the second
8blank space.

9 “(c) IDENTIFICATION IN REVENUE ESTIMATE.—
10 With respect to any revenue or reconciliation bill or joint
11 resolution with respect to which the chairmen provide a
12 statement under subsection (a), the Joint Committee on
13 Taxation shall—

14 “(1) in the case of a statement described in
15 subsection (b)(2)(A), list the targeted tax benefits in
16 any revenue estimate prepared by the Joint Com-
17 mittee on Taxation for any conference report which
18 accompanies such bill or joint resolution, or

19 “(2) in the case of a statement described in 13
20 subsection (b)(2)(B), indicate in such revenue esti-
21 mate that no provision in such bill or joint resolution
22 has been identified as a targeted tax benefit.

23 “(d) PRESIDENT’S AUTHORITY.—If any revenue or
24 reconciliation bill or joint resolution is signed into law—

1 “(1) with a separate section described in sub-
2 section (b)(2), then the President may use the au-
3 thority granted in this section only with respect to
4 any targeted tax benefit in that law, if any, identi-
5 fied in such separate section; or

6 “(2) without a separate section described in
7 subsection (b)(2), then the President may use the
8 authority granted in this section with respect to any
9 targeted tax benefit in that law.

10 “TREATMENT OF CANCELLATIONS

11 “SEC. 1015. The cancellation of any dollar amount
12 of discretionary budget authority, item of direct spending,
13 limited tariff benefit, or targeted tax benefit shall take ef-
14 fect only upon enactment of the applicable approval bill.
15 If an approval bill is not enacted into law before the end
16 of the applicable period under section 1013, then all pro-
17 posed cancellations contained in that bill shall be null and
18 void and any such dollar amount of discretionary budget
19 authority, item of direct spending, limited tariff benefit,
20 or targeted tax benefit shall be effective as of the original
21 date provided in the law to which the proposed cancella-
22 tions applied.

23 “REPORTS BY COMPTROLLER GENERAL

24 “SEC. 1016. With respect to each special message
25 under this part, the Comptroller General shall issue to the
26 Congress a report determining whether any discretionary

1 budget authority is not made available for obligation or
2 item of direct spending, limited tariff benefit, or targeted
3 tax benefit continues to be suspended after the deferral
4 authority set forth in section 1013 of the President has
5 expired.

6 “DEFINITIONS

7 “SEC. 1017. As used in this part:

8 “(1) APPROPRIATION LAW.—The term ‘appro-
9 priation law’ means an Act referred to in section
10 105 of title 1, United States Code, including any
11 general or special appropriation Act, or any Act
12 making supplemental, deficiency, or continuing ap-
13 propriations, that has been signed into law pursuant
14 to article I, section 7, of the Constitution of the
15 United States.

16 “(2) APPROVAL BILL.—The term ‘approval bill’
17 means a bill or joint resolution which only approves
18 proposed cancellations of dollar amounts of discre-
19 tionary budget authority, items of new direct spend-
20 ing, limited tariff benefits, or targeted tax benefits
21 in a special message transmitted by the President
22 under this part and—

23 “(A) the title of which is as follows: ‘A bill
24 approving the proposed cancellations trans-
25 mitted by the President on _____’, the blank
26 space being filled in with the date of trans-

1 mission of the relevant special message and the
2 public law number to which the message re-
3 lates;

4 “(B) which does not have a preamble; and

5 “(C) which provides only the following
6 after the enacting clause: ‘That the Congress
7 approves of proposed cancellations _____’, the
8 blank space being filled in with a list of the
9 cancellations contained in the President’s spe-
10 cial message, ‘as transmitted by the President
11 in a special message on _____’, the blank
12 space being filled in with the appropriate date,
13 ‘regarding _____.’, the blank space being
14 filled in with the public law number to which
15 the special message relates;

16 “(D) which only includes proposed can-
17 cellations that are estimated by CBO to meet
18 the definition of discretionary budgetary au-
19 thority or items of direct spending, or limited
20 tariff benefits, or that are identified as targeted
21 tax benefits pursuant to section 1014;

22 “(E) if any proposed cancellation other
23 than discretionary budget authority or targeted
24 tax benefits is estimated by CBO to not meet
25 the definition of item of direct spending, then

1 the approval bill shall include at the end: ‘The
2 President shall cease the suspension of the im-
3 plementation of the following under section
4 1013 of the Impoundment Control Act of 1974:
5 _____’, the blank space being filled in
6 with the list of such proposed cancellations; and

7 “(F) if no CBO estimate is available, then
8 the entire list of legislative provisions proposed
9 by the President is inserted in the second blank
10 space in subparagraph (C).

11 “(3) CALENDAR DAY.—The term ‘calendar day’
12 means a standard 24-hour period beginning at mid-
13 night.

14 “(4) CANCEL OR CANCELLATION.—The terms
15 ‘cancel’ or ‘cancellation’ means to prevent—

16 “(A) budget authority from having legal
17 force or effect;

18 “(B) in the case of entitlement authority,
19 to prevent the specific legal obligation of the
20 United States from having legal force or effect;

21 “(C) in the case of the food stamp pro-
22 gram, to prevent the specific provision of law
23 that provides such benefit from having legal
24 force or effect; or

1 “(D) a limited tariff benefit from having
2 legal force or effect, and to make any necessary,
3 conforming statutory change to ensure that
4 such limited tariff benefit is not implemented;
5 or

6 “(E) a targeted tax benefit from having
7 legal force or effect, and to make any necessary,
8 conforming statutory change to ensure that
9 such targeted tax benefit is not implemented
10 and that any budgetary resources are appro-
11 priately canceled.

12 “(5) CONGRESSIONAL BUDGET OFFICE.—The
13 term ‘CBO’ means the Director of the Congressional
14 Budget Office.

15 “(6) DIRECT SPENDING.—The term ‘direct
16 spending’ means—

17 “(A) budget authority provided by law
18 (other than an appropriation law);

19 “(B) entitlement authority; and

20 “(C) the food stamp program.

21 “(7) AMOUNT OF DISCRETIONARY BUDGET AU-
22 THORITY.—(A) Except as provided in subparagraph
23 (B), the term ‘dollar amount of discretionary budget
24 authority’ means the entire dollar amount of budget
25 authority—

1 “(i) specified in an appropriation law,
2 or the entire dollar amount of budget au-
3 thority or obligation limitation required to
4 be allocated by a specific proviso in an ap-
5 propriation law for which a specific dollar
6 figure was not included;

7 “(ii) represented separately in any
8 table, chart, or explanatory text included
9 in the statement of managers or the gov-
10 erning committee report accompanying
11 such law;

12 “(iii) required to be allocated for a
13 specific program, project, or activity in a
14 law (other than an appropriation law) that
15 mandates the expenditure of budget au-
16 thority from accounts, programs, projects,
17 or activities for which budget authority is
18 provided in an appropriation law;

19 “(iv) represented by the product of
20 the estimated procurement cost and the
21 total quantity of items specified in an ap-
22 propriation law or included in the state-
23 ment of managers or the governing com-
24 mittee report accompanying such law; or

1 “(v) represented by the product of the
2 estimated procurement cost and the total
3 quantity of items required to be provided
4 in a law (other than an appropriation law)
5 that mandates the expenditure of budget
6 authority from accounts, programs,
7 projects, or activities for which budget au-
8 thority is provided in an appropriation law.

9 “(B) The term ‘dollar amount of discre-
10 tionary budget authority’ does not include—

11 “(i) direct spending;

12 “(ii) budget authority in an appro-
13 priation law which funds direct spending
14 provided for in other law;

15 “(iii) any existing budget authority
16 canceled in an appropriation law; or

17 “(iv) any restriction, condition, or lim-
18 itation in an appropriation law or the ac-
19 companying statement of managers or
20 committee reports on the expenditure of
21 budget authority for an account, program,
22 project, or activity, or on activities involv-
23 ing such expenditure.

24 “(8) ITEM OF DIRECT SPENDING.—The term
25 ‘item of direct spending’ means any provision of law

1 that results in an increase in budget authority or
2 outlays for direct spending relative to the most re-
3 cent levels calculated consistent with the method-
4 ology used to calculate a baseline under section 257
5 of the Balanced Budget and Emergency Deficit Con-
6 trol Act of 1985 and included with a budget submis-
7 sion under section 1105(a) of title 31, United States
8 Code, in the first year or the 5-year period for which
9 the item is effective. However, such item does not in-
10 clude an extension or reauthorization of existing di-
11 rect spending, but instead only refers to provisions
12 of law that increase such direct spending.

13 “(9) LIMITED TARIFF BENEFIT.—The term
14 ‘limited tariff benefit’ means any provision of law
15 that modifies the Harmonized Tariff Schedule of the
16 United States in a manner that benefits 10 or fewer
17 entities (as defined in paragraph (12)(B)).

18 “(10) OMB.—The term ‘OMB’ means the Di-
19 rector of the Office of Management and Budget.

20 “(11) OMNIBUS RECONCILIATION OR APPRO-
21 PRIATION MEASURE.—The term ‘omnibus reconcili-
22 ation or appropriation measure’ means—

23 “(A) in the case of a reconciliation bill, any
24 such bill that is reported to its House by the
25 Committee on the Budget; or

1 “(B) in the case of an appropriation meas-
2 sure, any such measure that provides appropria-
3 tions for programs, projects, or activities falling
4 within 2 or more section 302(b) suballocations.

5 “(12) TARGETED TAX BENEFIT.—(A) The term
6 ‘targeted tax benefit’ means any revenue-losing pro-
7 vision that provides a Federal tax deduction, credit,
8 exclusion, or preference to ten or fewer beneficiaries
9 (determined with respect to either present law or
10 any provision of which the provision is a part) under
11 the Internal Revenue Code of 1986 in any year for
12 which the provision is in effect;

13 “(B) for purposes of subparagraph (A)—

14 “(i) all businesses and associations
15 that are members of the same controlled
16 group of corporations (as defined in sec-
17 tion 1563(a) of the Internal Revenue Code
18 of 1986) shall be treated as a single bene-
19 ficiary;

20 “(ii) all shareholders, partners, mem-
21 bers, or beneficiaries of a corporation,
22 partnership, association, or trust or estate,
23 respectively, shall be treated as a single
24 beneficiary;

1 “(iii) all employees of an employer
2 shall be treated as a single beneficiary;

3 “(iv) all qualified plans of an em-
4 ployer shall be treated as a single bene-
5 ficiary;

6 “(v) all beneficiaries of a qualified
7 plan shall be treated as a single bene-
8 ficiary;

9 “(vi) all contributors to a charitable
10 organization shall be treated as a single
11 beneficiary;

12 “(vii) all holders of the same bond
13 issue shall be treated as a single bene-
14 ficiary; and

15 “(viii) if a corporation, partnership,
16 association, trust or estate is the bene-
17 ficiary of a provision, the shareholders of
18 the corporation, the partners of the part-
19 nership, the members of the association, or
20 the beneficiaries of the trust or estate shall
21 not also be treated as beneficiaries of such
22 provision;

23 “(C) for the purpose of this paragraph, the
24 term ‘revenue-losing provision’ means any pro-
25 vision that is estimated to result in a reduction

1 in Federal tax revenues (determined with re-
2 spect to either present law or any provision of
3 which the provision is a part) for any one of the
4 two following periods—

5 “(i) the first fiscal year for which the
6 provision is effective; or

7 “(ii) the period of the five fiscal years
8 beginning with the first fiscal year for
9 which the provision is effective;

10 “(D) the term ‘targeted tax benefit’ does
11 not include any provision which applies uni-
12 formly to an entire industry; and

13 “(E) the terms used in this paragraph
14 shall have the same meaning as those terms
15 have generally in the Internal Revenue Code of
16 1986, unless otherwise expressly provided.

17 “EXPIRATION

18 “SEC. 1018. This title shall have no force or effect
19 on or after October 1, 2021.

20 “DEFICIT REDUCTION

21 “SEC. 1019. All spending reductions related to this
22 title shall be for deficit reduction.”.

23 **SEC. 403. TECHNICAL AND CONFORMING AMENDMENTS.**

24 (a) EXERCISE OF RULEMAKING POWERS.—Section
25 904 of the Congressional Budget Act of 1974 (2 U.S.C.
26 621 note) is amended—

1 (1) in subsection (a), by striking “1017” and
2 inserting “1012”; and

3 (2) in subsection (d), by striking “section
4 1017” and inserting “section 1012”.

5 (b) ANALYSIS BY CONGRESSIONAL BUDGET OF-
6 FICE.—Section 402 of the Congressional Budget Act of
7 1974 is amended by inserting “(a)” after “402.” and by
8 adding at the end the following new subsection:

9 “(b) Upon the receipt of a special message under sec-
10 tion 1011 proposing to cancel any item of direct spending,
11 the Director of the Congressional Budget Office shall pre-
12 pare an estimate of the savings in budget authority or out-
13 lays resulting from such proposed cancellation relative to
14 the most recent levels calculated consistent with the meth-
15 odology used to calculate a baseline under section 257 of
16 the Balanced Budget and Emergency Deficit Control Act
17 of 1985 and included with a budget submission under sec-
18 tion 1105(a) of title 31, United States Code, and transmit
19 such estimate to the chairmen of the Committees on the
20 Budget of the House of Representatives and Senate.”.

21 (c) CLERICAL AMENDMENTS.—(1) Section 1(a) of
22 the Congressional Budget and Impoundment Control Act
23 of 1974 is amended by striking the last sentence.

24 (2) Section 1021(c) of such Act (as redesignated) is
25 amended is amended by striking “rescinded or that is to

1 be reserved” and insert “canceled” and by striking
2 “1012” and inserting “1011”.

3 (3) TABLE OF CONTENTS.—The table of contents set
4 forth in section 1(b) of the Congressional Budget and Im-
5 poundment Control Act of 1974 is amended by deleting
6 the contents for parts B and C of title X and inserting
7 the following:

“PART B—LEGISLATIVE LINE-ITEM VETO

- “Sec. 1011. Line-item veto authority.
- “Sec. 1012. Procedures for expedited consideration.
- “Sec. 1013. Presidential deferral authority.
- “Sec. 1014. Identification of targeted tax benefits.
- “Sec. 1015. Treatment of cancellations.
- “Sec. 1016. Reports by Comptroller General.
- “Sec. 1017. Definitions.
- “Sec. 1018. Expiration.
- “Sec. 1019. Deficit reduction.
- “Sec. 1020. Suits by Comptroller General.
- “Sec. 1021. Proposed deferrals of budget authority.”.

8 (d) EFFECTIVE DATE.—The amendments made by
9 this subtitle shall take effect on the date of its enactment
10 and apply only to any dollar amount of discretionary budg-
11 et authority, item of direct spending, or targeted tax ben-
12 efit provided in an Act enacted on or after the date of
13 enactment of this Act.

14 **SEC. 404. RESCISSION MEASURES CONSIDERED.**

15 (a) RULES AMENDMENT.—Clause 6(c) of rule XIII
16 of the Rules of the House of Representatives is amended
17 by inserting before the period “, or a rule or order that
18 limits any amendment otherwise in order to a rescission
19 bill”.

1 (b) AUTOMATIC ALLOCATIONS REDUCTIONS.—
 2 Clause 4(b) of rule X of the Rules of the House of Rep-
 3 resentatives is amended by inserting “(1)” after “(b)”, by
 4 redesignating subparagraphs (1) through (6) as subdivi-
 5 sions (A) through (F), respectively, and by adding at the
 6 end the following:

7 “(2)(A) Whenever a rescission bill passes the House
 8 of Representatives, the Committee on the Budget shall im-
 9 mediately reduce the applicable allocations under section
 10 302(a) of the Congressional Budget Act of 1974 by the
 11 total amount of reductions in budget authority and in out-
 12 lays resulting from such rescission bill.

13 “(B) As used in this subparagraph, the term ‘rescis-
 14 sion bill’ means a bill or joint resolution which only re-
 15 scinds, in whole or in part, budget authority and which
 16 includes only titles corresponding to the most recently en-
 17 acted appropriation bills that continue to include unobli-
 18 gated balances.”.

19 (c) PRIVILEGED DISCHARGE RESOLUTIONS.—Rule
 20 XIII of the Rules of the House of Representatives is
 21 amended by adding at the end the following new clause:

22 “8. (a) By February 1, May 1, July 30, and Novem-
 23 ber 11 of each session, the majority leader shall introduce
 24 a rescission bill. If such bill is not introduced by that date,
 25 then whenever a rescission bill is introduced during a ses-

1 sion on or after that date, a motion to discharge the com-
2 mittee from its consideration shall be privileged after the
3 10-legislative day period beginning on that date for the
4 first 5 such bills.

5 “(b) It shall not be in order to offer any amendment
6 to a rescission bill except an amendment that increases
7 the amount of budget authority that such bill rescinds.

8 “(c) As used in this clause and in clause 6, the term
9 ‘rescission bill’ has the meaning given such term in clause
10 4(b)(2)(B) of rule X.”.

11 (d) POINT OF ORDER.—Rule XXI of the Rules of the
12 House of Representatives (as amended by subsection (d))
13 is further amended by adding at the end the following new
14 clause:

15 “9. It shall not be in order to consider any rescission
16 bill, or conference report thereon or amendment thereto,
17 unless—

18 “(1) in the case of such bill or conference re-
19 port thereon, it is made available to Members and
20 the general public on the Internet for at least 48
21 hours before its consideration; or

22 “(2)(A) in the case of an amendment to such
23 rescission bill made in order by a rule, it is made
24 available to Members and the general public on the
25 Internet within one hour after the rule is filed; or

1 “(B) in the case of an amendment under an
2 open rule, it is made available to Members and the
3 general public on the Internet immediately after
4 being offered; in a format that is searchable and
5 sortable.

6 “(3) No amendment to an amendment to a re-
7 scission bill shall be in order unless germane to the
8 amendment to which it is offered.”.

9 **TITLE V—BIENNIAL BUDGET**
10 **DEFICIT REDUCTION**

11 **SEC. 501. JOINT COMMITTEE ON DEFICIT REDUCTION.**

12 (a) ESTABLISHMENT AND COMPOSITION.—

13 (1) IN GENERAL.—There is established a Joint
14 Committee on Deficit Reduction (referred to in this
15 Act as the “joint committee”) to be composed of 20
16 members as follows:

17 (A) Ten members of the House of Rep-
18 resentatives, including 5 members appointed
19 from the majority party by the Speaker of the
20 House and 5 members from the minority party
21 to be appointed by the minority leader.

22 (B) Ten members of the Senate, including
23 5 members appointed from the majority party
24 by the majority leader of the Senate and 5

1 members from the minority party to be ap-
2 pointed by the minority leader.

3 (2) VACANCY.—A vacancy in the joint com-
4 mittee shall not affect the power of the remaining
5 members to execute the functions of the joint com-
6 mittee, and shall be filled in the same manner as the
7 original selection.

8 (3) AGREEMENT.—No recommendation shall be
9 made by the joint committee except upon the major-
10 ity vote of the members from each House, respec-
11 tively.

12 (4) PUBLIC MEETINGS.—The joint committee
13 shall hold not fewer than 5 public hearings in pre-
14 paring legislation as required under section 502.

15 (b) DUTIES.—The joint committee shall be respon-
16 sible for reporting biennial legislation as provided in sec-
17 tion 502.

18 (c) RESOURCES.—The joint committee may utilize
19 the resources of the House and Senate.

20 **SEC. 502. BIENNIAL BUDGET DEFICIT REDUCTION LEGISLA-**
21 **TION.**

22 (a) AGENCY REPORTS.—Not later than June 1st of
23 each odd numbered year, the Government Accountability
24 Office and Congressional Budget Office shall report to the
25 joint committee—

1 (1) recommendations for eliminating waste,
2 fraud, abuse, and ineffective, duplicative, or out-
3 dated Government programs and recommendations
4 for streamlining, consolidating, or eliminating waste-
5 ful Government programs; and

6 (2) the projected savings of the recommenda-
7 tions over the 2-year period of the current budget
8 cycle.

9 (b) DEFICIT REDUCTION TARGET.—In this section,
10 the term “deficit reduction target” means savings over the
11 2-year period of the current budget cycle of 10 percent
12 of the 2 preceding years’ budget deficit but not exceeding
13 10 percent of the preceding year’s outlays and not less
14 than 1 percent of the preceding year’s outlays.

15 (c) LEGISLATION.—

16 (1) INTRODUCTION.—Not later than July 15th
17 of each odd numbered year, the chairman or ranking
18 member of the joint committee or their designees
19 shall introduce legislation (referred to in this Act as
20 the “legislation”) which shall be referred to the joint
21 committee—

22 (A) to eliminate or reduce spending on
23 wasteful, fraudulent, abusive, ineffective, dupli-
24 cative, or outdated Government programs; and

1 (B) that achieves a savings equal to or
2 greater than the deficit reduction target.

3 (2) DISCHARGE.—After the legislation is intro-
4 duced and made public for at least 72 hours, the
5 joint committee shall discharge the legislation not
6 later than 2 weeks after introduction to the House
7 and the Senate and report the legislation with a fa-
8 vorable recommendation, unfavorable recommenda-
9 tion, or no recommendation.

10 (3) CONSIDERATION.—Once the legislation is
11 discharged from the joint committee, it shall be in
12 order in the House or the Senate, as appropriate, to
13 move to the legislation not later than September
14 15th of the year of introduction. The legislation
15 shall not be subject to amendment or points of
16 order. Debate on the legislation shall be limited to
17 20 hours in the Senate and 3 hours in the House.

18 (4) OTHER HOUSE.—Upon passage of legisla-
19 tion in the House or the Senate under paragraph
20 (3), it shall be in order for the other house to move
21 to the respective bill not later than September 25th
22 with the same rules of debate.

23 (5) VETO.—If the legislation is vetoed, both the
24 House and the Senate shall vote on whether override
25 the veto not later than 1 week after the veto.

1 (d) ADJUSTMENT OF BUDGET CAPS.—If legislation
2 is enacted pursuant to this title, the Chairmen of the
3 House and Senate Committees on the Budget shall reduce
4 the appropriate budgetary allocations and levels in the
5 most recently enacted budget resolution to reflect the re-
6 ductions achieved by such legislation, including the discre-
7 tionary spending caps established in title III.

8 **SEC. 503. DEBT BUYBACK FUND.**

9 (a) ESTABLISHMENT.—There is established in the
10 Treasury of the United States a trust fund to be known
11 as the “Debt Buyback Fund” (in this section referred to
12 as the “Trust Fund”).

13 (b) SAVINGS.—There is appropriated to the Trust
14 Fund amounts equivalent to the reductions in Federal
15 spending, as estimated by the Secretary of the Treasury
16 from time to time, as a result of the laws enacted pursuant
17 to this title.

18 (c) USE OF FUNDS.—The Secretary of the Treasury
19 shall use the moneys in the Trust Fund solely to pay at
20 maturity, or to redeem or buy before maturity, an obliga-
21 tion of the Government included in the public debt.

22 (d) PROHIBITION ON REISSUING DEBT.—Any obliga-
23 tion of the Government which is paid, redeemed, or bought
24 with money from the Trust Fund shall be canceled and
25 retired and may not be reissued.

1 **TITLE VI—PAYGO HONESTY**
2 **WITH RESPECT TO TRUST**
3 **FUNDS AND EMERGENCY**
4 **DESIGNATIONS**

5 **SEC. 601. PAYGO AND TRUST FUNDS.**

6 (a) IN GENERAL.—Any increase in revenues or re-
7 duced spending in a Federal trust fund resulting from a
8 bill, amendment, resolution, motion, or conference report
9 shall—

10 (1) not be counted for purposes of offsetting
11 revenues, receipts, or discretionary spending under
12 the Congressional Budget Act of 1974 or the Statu-
13 tory Pay-As-You-Go Act of 2010; and

14 (2) only be used for the purposes of the Federal
15 trust as provided by law.

16 (b) INTERGOVERNMENTAL TRANSFERS.—Nothing in
17 this section shall impact intergovernmental lending from
18 a Federal trust fund to annual government operations.

19 **SEC. 602. EMERGENCY DESIGNATIONS.**

20 Section 4(g)(3) of the Statutory Pay-As-You-Go Act
21 of 2010 (Public Law 111–139) is amended to read as fol-
22 lows:

23 “(3) PROCEDURE IN THE SENATE AND VOTE
24 REQUIREMENT.—

1 “(A) IN GENERAL.—When the Senate is
2 considering a PAYGO Act, any provision mak-
3 ing an emergency designation shall be stricken
4 from the measure and may not be offered as an
5 amendment from the floor unless a waiver is of-
6 fered and agreed to.

7 “(B) SUPERMAJORITY WAIVER AND AP-
8 PEALS.—

9 “(i) WAIVER.—Subparagraph (A) may
10 be waived or suspended in the Senate only
11 by an affirmative vote of two-thirds of the
12 Members, duly chosen and sworn.

13 “(ii) APPEALS.—Appeals in the Sen-
14 ate from the decisions of the Chair relating
15 to any provision of this subsection shall be
16 limited to 1 hour, to be equally divided be-
17 tween, and controlled by, the appellant and
18 the manager of the bill or joint resolution,
19 as the case may be. An affirmative vote of
20 two-thirds of the Members of the Senate,
21 duly chosen and sworn, shall be required to
22 sustain an appeal of the ruling of the
23 Chair on a point of order raised under this
24 subsection.

1 “(C) WAIVER PETITION.—Prior to making
2 a motion to waive under this paragraph, a Sen-
3 ator shall file a petition—

4 “(i) signed by 16 members requesting
5 the waiver;

6 “(ii) with a Member of both the ma-
7 jority and minority signing; and

8 “(iii) stating that the spending is an
9 emergency as described in subparagraph
10 (D).

11 “(D) EMERGENCY SPENDING.—

12 “(i) IN GENERAL.—For purposes of
13 this subparagraph, spending is emergency
14 spending if the spending is—

15 “(I) necessary, essential, or vital
16 (not merely useful or beneficial);

17 “(II) sudden, quickly coming into
18 being, and not building up over time;

19 “(III) an urgent, pressing, and
20 compelling need requiring immediate
21 action;

22 “(IV) subject to clause (ii), un-
23 foreseen, unpredictable, and unantici-
24 pated; and

1 “(V) not permanent, temporary
2 in nature.

3 “(ii) UNFORSEEN.—An emergency
4 that is part of an aggregate level of antici-
5 pated emergencies, particularly when nor-
6 mally estimated in advance, is not unfore-
7 seen.”.

8 **TITLE VII—CREDIT REFORM**

9 **SEC. 701. CREDIT REFORM ACT TREATMENT OF THE PUR-** 10 **CHASE OF PRIVATE STOCK, EQUITY, OR CAP-** 11 **ITAL.**

12 Section 502(5) of the Federal Credit Reform Act of
13 1990 (2 U.S.C. 661a(5)) is amended by inserting at the
14 end the following:

15 “(G) The cost of the purchase of stock, equity,
16 capital, or debt instruments, or the option to pur-
17 chase any such assets, of a private or publicly-traded
18 company or any enterprise under the conservator-
19 ship of the Federal Government shall be determined
20 on a fair value basis according to Financial Account-
21 ing Standards No. 157 of the Financial Accounting
22 Standards Board.”.

1 **TITLE** **VIII—RESPONSIBLE**
2 **HEALTH CARE BUDGETING**
3 **LIMITS**

4 **Subtitle A—Cost Containment of**
5 **the CLASS Program**

6 **SEC. 801. CLASS FUNDING WARNING.**

7 For purposes of section 1105(i) of title 31, United
8 States Code, and this subtitle, a determination in 2 con-
9 secutive annual reports of the Board of Trustees of the
10 CLASS Independence Fund established under section
11 3206 of the Public Health Service Act (42 U.S.C. 300ll-
12 5) that the CLASS Independence Fund is not projected
13 to be actuarially sound over the 75-year period addressed
14 in each such report shall be treated as a CLASS funding
15 warning in the year in which the second such report is
16 made.

17 **SEC. 802. PRESIDENTIAL SUBMISSION OF LEGISLATION.**

18 (a) IN GENERAL.—Section 1105 of title 31, United
19 States Code, is amended by adding at the end the fol-
20 lowing new subsection:

21 “(i)(1) If a CLASS funding warning under section
22 801 of the Deficit Reduction and Budget Reform Act of
23 2011 is made in a year, the President shall submit to Con-
24 gress, within the 15-day period beginning on the date of
25 the budget submission to Congress under subsection (a)

1 for the succeeding year, proposed legislation to respond
2 to such warning.

3 “(2) Paragraph (1) does not apply if, during the year
4 in which the warning is made, legislation is enacted which
5 makes the CLASS Independence Fund established under
6 section 3206 of the Public Health Service Act (42 U.S.C.
7 300ll–5) actuarially sound for the 75-year period that be-
8 gins in such year not later than 30 days after the date
9 of the enactment of such legislation.”.

10 (b) SENSE OF CONGRESS.—It is the sense of Con-
11 gress that legislation submitted pursuant to section
12 1105(i) of title 31, United States Code, in a year should
13 be designed to make the CLASS Independence Fund es-
14 tablished under section 3206 of the Public Health Service
15 Act (42 U.S.C. 300ll–5) actuarially sound for the 75-year
16 period that begins in such year.

17 **SEC. 803. PROCEDURES IN THE HOUSE OF REPRESENTA-**
18 **TIVES.**

19 (a) INTRODUCTION AND REFERRAL OF PRESIDENT’S
20 LEGISLATIVE PROPOSAL.—

21 (1) INTRODUCTION.—In the case of a legislative
22 proposal submitted by the President pursuant to sec-
23 tion 1105(i) of title 31, United States Code, within
24 the 15-day period specified in paragraph (1) of such
25 section, the majority leader of the House of Rep-

1 representatives (or his designee) and the Minority
2 Leader of the House of Representatives (or his des-
3 ignee) shall introduce such proposal (by request),
4 the title of which is as follows: “A bill to respond to
5 a CLASS funding warning.” Such bill shall be intro-
6 duced within 3 legislative days after Congress re-
7 ceives such proposal.

8 (2) REFERRAL.—Any legislation introduced
9 pursuant to paragraph (1) shall be referred to the
10 appropriate committees of the House of Representa-
11 tives.

12 (b) DIRECTION TO THE APPROPRIATE HOUSE COM-
13 MITTEES.—

14 (1) IN GENERAL.—In the House, in any year
15 during which the President is required to submit
16 proposed legislation to Congress under section
17 1105(i) of title 31, United States Code, the appro-
18 priate committees shall report CLASS funding legis-
19 lation by not later than June 30 of such year.

20 (2) CLASS FUNDING LEGISLATION.—For pur-
21 poses of this section, the term “CLASS funding leg-
22 islation” means—

23 (A) legislation introduced pursuant to sub-
24 section (a)(1), but only if the legislative pro-
25 posal upon which the legislation is based was

1 submitted within the 15-day period referred to
2 in such subsection; or

3 (B) any bill the title of which is as follows:
4 “A bill to respond to a CLASS funding warn-
5 ing.”.

6 (3) CERTIFICATION.—With respect to any
7 CLASS funding legislation or any amendment to
8 such legislation to respond to a CLASS funding
9 warning, the chairman of the Committee on the
10 Budget of the House shall certify—

11 (A) whether or not such legislation makes
12 the CLASS Independence Fund established
13 under section 3206 of the Public Health Service
14 Act (42 U.S.C. 300ll–5) actuarially sound for
15 the 75-year period that begins with the year in
16 which the legislation is introduced; and

17 (B) with respect to such an amendment,
18 whether the legislation, as amended, would
19 make the CLASS Independence Fund estab-
20 lished under section 3206 of the Public Health
21 Service Act (42 U.S.C. 300ll–5) actuarially
22 sound for the 75-year period that begins with
23 the year in which the amendment is offered.

24 (4) AMENDMENTS.—During any committee
25 consideration of any CLASS funding legislation,

1 only an amendment to such legislation that is ger-
2 mane and for which there is an affirmative certifi-
3 cation under paragraph (3)(B) shall be in order.

4 (c) FALLBACK PROCEDURE FOR FLOOR CONSIDER-
5 ATION IF THE HOUSE FAILS TO VOTE ON FINAL PAS-
6 SAGE BY JULY 30.—

7 (1) After July 30 of any year during which the
8 President is required to submit proposed legislation
9 to Congress under section 1105(i) of title 31, United
10 States Code, unless the House of Representatives
11 has voted on final passage of any CLASS funding
12 legislation for which there is an affirmative certifi-
13 cation under subsection (b)(3)(A), then, after the ex-
14 piration of not less than 30 calendar days (and con-
15 currently 5 legislative days), it is in order to move
16 to discharge any committee to which CLASS fund-
17 ing legislation which has such a certification and
18 which has been referred to such committee for 30
19 calendar days from further consideration of the leg-
20 islation.

21 (2) A motion to discharge may be made only by
22 an individual favoring the legislation, may be made
23 only if supported by one-fifth of the total member-
24 ship of the House (a quorum being present), and is
25 highly privileged in the House. Debate thereon shall

1 be limited to not more than one hour, the time to
2 be divided in the House equally between those favor-
3 ing and those opposing the motion. An amendment
4 to the motion is not in order, and it is not in order
5 to move to reconsider the vote by which the motion
6 is agreed to or disagreed to.

7 (3) Notwithstanding paragraph (1), it shall not
8 be in order to move to discharge a committee from
9 further consideration of CLASS funding legislation
10 pursuant to this subsection during a session of a
11 Congress if, during the previous session of the Con-
12 gress, the House passed CLASS funding legislation
13 for which there is an affirmative certification under
14 subsection (b)(3)(A).

15 (d) FLOOR CONSIDERATION IN THE HOUSE OF DIS-
16 CHARGED LEGISLATION.—

17 (1) In the House, not later than 3 legislative
18 days after any committee has been discharged from
19 further consideration of legislation under subsection
20 (c), the Speaker shall resolve the House into the
21 Committee of the Whole for consideration of the leg-
22 islation.

23 (2) The first reading of the legislation shall be
24 dispensed with. All points of order against consider-
25 ation of the legislation are waived. General debate

1 shall be confined to the legislation and shall not ex-
2 ceed five hours, which shall be divided equally be-
3 tween those favoring and those opposing the legisla-
4 tion. After general debate the legislation shall be
5 considered for amendment under the five-minute
6 rule. During consideration of the legislation, no
7 amendments shall be in order in the House or in the
8 Committee of the Whole except those which are ger-
9 mane and for which there has been an affirmative
10 certification under subsection (b)(3)(B). All points
11 of order against consideration of any such amend-
12 ment in the Committee of the Whole are waived.
13 The legislation, together with any amendments
14 which shall be in order, shall be considered as read.
15 During the consideration of the bill for amendment,
16 the Chairman of the Committee of the Whole may
17 accord priority in recognition on the basis of wheth-
18 er the Member offering an amendment has caused it
19 to be printed in the portion of the Congressional
20 Record designated for that purpose in clause 8 of
21 Rule XVIII of the Rules of the House of Represent-
22 atives. Debate on any amendment shall not exceed
23 one hour, which shall be divided equally between
24 those favoring and those opposing the amendment,
25 and no pro forma amendments shall be offered dur-

1 ing the debate. The total time for debate on all
2 amendments shall not exceed 10 hours. At the con-
3 clusion of consideration of the legislation for amend-
4 ment, the Committee shall rise and report the legis-
5 lation to the House with such amendments as may
6 have been adopted. The previous question shall be
7 considered as ordered on the legislation and amend-
8 ments thereto to final passage without intervening
9 motion except one motion to recommit with or with-
10 out instructions. If the Committee of the Whole rises
11 and reports that it has come to no resolution on the
12 bill, then on the next legislative day the House shall,
13 immediately after the third daily order of business
14 under clause 1 of Rule XIV of the Rules of the
15 House of Representatives, resolve into the Com-
16 mittee of the Whole for further consideration of the
17 bill.

18 (3) All appeals from the decisions of the Chair
19 relating to the application of the Rules of the House
20 of Representatives to the procedure relating to any
21 such legislation shall be decided without debate.

22 (4) Except to the extent specifically provided in
23 the preceding provisions of this subsection, consider-
24 ation of any such legislation and amendments there-
25 to (or any conference report thereon) shall be gov-

1 erned by the Rules of the House of Representatives
2 applicable to other bills and resolutions, amend-
3 ments, and conference reports in similar cir-
4 cumstances.

5 (e) LEGISLATIVE DAY DEFINED.—As used in this
6 section, the term “legislative day” means a day on which
7 the House of Representatives is in session.

8 (f) RESTRICTION ON WAIVER.—In the House, the
9 provisions of this section may be waived only by a rule
10 or order proposing only to waive such provisions.

11 (g) RULEMAKING POWER.—The provisions of this
12 section are enacted by the Congress—

13 (1) as an exercise of the rulemaking power of
14 the House of Representatives and, as such, shall be
15 considered as part of the rules of that House and
16 shall supersede other rules only to the extent that
17 they are inconsistent therewith; and

18 (2) with full recognition of the constitutional
19 right of that House to change the rules (so far as
20 they relate to the procedures of that House) at any
21 time, in the same manner, and to the same extent
22 as in the case of any other rule of that House.

23 **SEC. 804. PROCEDURES IN THE SENATE.**

24 (a) INTRODUCTION AND REFERRAL OF PRESIDENT’S
25 LEGISLATIVE PROPOSAL.—

1 (1) INTRODUCTION.—In the case of a legislative
2 proposal submitted by the President pursuant to sec-
3 tion 1105(i) of title 31, United States Code, within
4 the 15-day period specified in paragraph (1) of such
5 section, the majority leader and minority leader of
6 the Senate (or their designees) shall introduce such
7 proposal (by request), the title of which is as follows:
8 “A bill to respond to a CLASS funding warning.”
9 Such bill shall be introduced within 3 days of session
10 after Congress receives such proposal.

11 (2) REFERRAL.—Any legislation introduced
12 pursuant to paragraph (1) shall be referred to the
13 Committee on Health, Education, Labor, and Pen-
14 sions.

15 (b) CLASS FUNDING LEGISLATION.—For purposes
16 of this section, the term “CLASS funding legislation”
17 means—

18 (1) legislation introduced pursuant to sub-
19 section (a)(1), but only if the legislative proposal
20 upon which the legislation is based was submitted
21 within the 15-day period referred to in such sub-
22 section; or

23 (2) any bill the title of which is as follows: “A
24 bill to respond to a CLASS funding warning.”.

25 (c) QUALIFICATION FOR SPECIAL PROCEDURES.—

1 (1) IN GENERAL.—The special procedures set
2 forth in subsections (d), (e), and (f) shall apply to
3 CLASS funding legislation, as described in sub-
4 section (b), only if the legislation—

5 (A) is CLASS funding legislation that is
6 passed by the House of Representatives; or

7 (B) contains matter within the jurisdiction
8 of the Committee on Health, Education, Labor,
9 and Pensions in the Senate.

10 (2) FAILURE TO QUALIFY FOR SPECIAL PROCE-
11 DURES.—If the CLASS funding legislation does not
12 satisfy paragraph (1), then the legislation shall be
13 considered under the ordinary procedures of the
14 Standing Rules of the Senate.

15 (d) DISCHARGE.—

16 (1) IN GENERAL.—If the Committee on Health,
17 Education, Labor, and Pensions has not reported
18 CLASS funding legislation described in subsection
19 (c)(1) by June 30 of a year in which the President
20 is required to submit CLASS funding legislation to
21 Congress under section 1105(i) of title 31, United
22 States Code, then any Senator may move to dis-
23 charge the Committee of any single CLASS funding
24 legislation measure.

1 (2) DEBATE LIMITS.—Debate in the Senate on
2 any such motion to discharge, and all appeals in
3 connection therewith, shall be limited to not more
4 than 2 hours. The time shall be equally divided be-
5 tween, and controlled by, the maker of the motion
6 and the majority leader, or their designees, except
7 that in the event the majority leader is in favor of
8 such motion, the time in opposition thereto shall be
9 controlled by the minority leader or the minority
10 leader’s designee. A point of order under this sub-
11 section may be made at any time. It is not in order
12 to move to proceed to another measure or matter
13 while such motion (or the motion to reconsider such
14 motion) is pending.

15 (3) AMENDMENTS.—No amendment to the mo-
16 tion to discharge shall be in order.

17 (4) EXCEPTION IF CERTIFIED LEGISLATION EN-
18 ACTED.—Notwithstanding paragraph (1), it shall
19 not be in order to discharge the Committee from
20 further consideration of CLASS funding legislation
21 pursuant to this subsection during a session of a
22 Congress if the chairman of the Committee on the
23 Budget of the Senate certifies that CLASS funding
24 legislation has been enacted that makes the CLASS
25 Independence Fund established under section 3206

1 of the Public Health Service Act (42 U.S.C. 300ll–
2 5) actuarially sound for the 75-year period that be-
3 gins with the year in which the legislation is en-
4 acted.

5 (e) CONSIDERATION.—

6 (1) MOTION TO PROCEED.—After the date on
7 which the Committee on Health, Education, Labor,
8 and Pensions has reported CLASS funding legisla-
9 tion described in subsection (c)(1), or has been dis-
10 charged (under subsection (d)) from further consid-
11 eration of, such legislation, it is in order (even
12 though a previous motion to the same effect has
13 been disagreed to) for any Member of the Senate to
14 move to proceed to the consideration of such legisla-
15 tion. Adoption of the motion shall require an affirm-
16 ative vote of the majority of the Members, duly cho-
17 sen and sworn.

18 (2) DEBATE.—All points of order against a
19 CLASS funding legislation and against consideration
20 of a CLASS funding legislation are waived. Consid-
21 eration of a spending reduction bill and of all debat-
22 able motions and appeals in connection therewith
23 shall not exceed a total of 30 hours. Debate shall be
24 divided equally between the majority and minority
25 leaders or their designees. A motion further to limit

1 debate on a CLASS funding legislation is in order,
2 shall require an affirmative vote of the majority of
3 the Members duly chosen and sworn, and is not de-
4 batable. Any debatable motion or appeal is debatable
5 for not to exceed 1 hour, to be divided equally be-
6 tween those favoring and those opposing the motion
7 or appeal. All time used for consideration of a
8 CLASS funding legislation, including time used for
9 quorum calls and voting, shall be counted against
10 the total 30 hours of consideration.

11 (f) ONLY GERMANE, ACTUARIALLY SOUND AMEND-
12 MENTS PERMITTED.—During any committee or floor con-
13 sideration of any CLASS funding legislation, only an
14 amendment to such legislation that is germane and for
15 which there has been an affirmative certification under
16 subsection (d)(4) shall be in order.

17 (g) RULES OF THE SENATE.—This section is enacted
18 by the Senate—

19 (1) as an exercise of the rulemaking power of
20 the Senate and as such it is deemed a part of the
21 rules of the Senate, but applicable only with respect
22 to the procedure to be followed in the Senate in the
23 case of a bill described in this paragraph, and it su-
24 persedes other rules only to the extent that it is in-
25 consistent with such rules; and

1 (2) with full recognition of the constitutional
 2 right of the Senate to change the rules (so far as re-
 3 lating to the procedure of the Senate) at any time,
 4 in the same manner, and to the same extent as in
 5 the case of any other rule of the Senate.

6 **Subtitle B—Modification of Medi-**
 7 **care Cost Containment Trigger**

8 **SEC. 811. MODIFICATION OF MEDICARE COST CONTAIN-**
 9 **MENT TRIGGER.**

10 Section 801(a) of the Medicare Prescription Drug,
 11 Improvement, and Modernization Act of 2003 (42 U.S.C.
 12 1395i note) is amended by adding at the end the following
 13 new paragraph:

14 “(4) DISREGARD OF PPACA.—On and after the
 15 date of the enactment of this paragraph, any deter-
 16 mination under subparagraph (A) (with respect to
 17 compiling information) or subparagraph (B) of para-
 18 graph (1) shall be made as if the provisions of, and
 19 amendments made by, the Patient Protection and
 20 Affordable Care Act (Public Law 111–148) and the
 21 Health Care and Education Reconciliation Act of
 22 2010 (Public Law 11–152), had not been enacted.”.

○