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113TH CONGRESS
1ST SESSION

H. R. 3052

To require that the Government prioritize all obligations on the debt held by the public in the event that the debt limit is reached, to require the sale of Federal assets, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 2, 2013

Mr. SCHWEIKERT introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Oversight and Government Reform, Financial Services, and Appropriations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To require that the Government prioritize all obligations on the debt held by the public in the event that the debt limit is reached, to require the sale of Federal assets, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Debt Ceiling Alternative Act''.

SEC. 2. ENSURING THE GOVERNMENT DOES NOT DEFAULT ON ITS DEBT OBLIGATIONS.

(a) IN GENERAL.—If the Department of the Treasury issues a marketable borrowing estimate for a quarter that estimates that the debt of the United States, as defined in section 3101 of title 31, United States Code, will reach the statutory limit during such quarter, the President shall ensure that the aggregate of the amounts deposited in the Treasury from the sale of assets described under subsection (b) and the disposal of real property pursuant to subchapter VII of chapter 5 of subtitle I of title 40, United States Code, and the amount of any recision of unobligated balances pursuant to section 5, is sufficient to prevent the debt of the United States from reaching such statutory limit during such quarter.

(b) AUTHORITY TO SELL ASSETS.—For purposes of subsection (a), the President may order the sale of the following assets, with the proceeds from such sales deposited in the Treasury:

(1) On-balance sheet non-performing mortgages of the Federal National Mortgage Association.

(2) Other mortgages owned or held by the Federal National Mortgage Association.

(3) Real estate owned properties of the Federal National Mortgage Association.

(4) On-balance sheet non-performing mortgages of the Federal Home Loan Mortgage Corporation.

(5) Other mortgages owned or held by the Federal Home Loan Mortgage Corporation.

(6) Real estate owned properties of the Federal Home Loan Mortgage Corporation.

(7) Mortgage-backed securities held by the Board of Governors of the Federal Reserve System or any Federal reserve bank.

(c) USE OF FUNDS.—Any funds realized through this Act must be used for the retirement of old debt and issuance of new debt.

SEC. 3. DISPOSAL OF REAL PROPERTY.

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

''SUBCHAPTER VII—EXPEDITED DISPOSAL OF REAL PROPERTY

''§ 621. Definitions

''In this subchapter:

''(1) DIRECTOR.—The term 'Director' means the Director of the Office of Management and Budget.

''(2) EXPEDITED DISPOSAL OF REAL PROPERTY.—The term 'expedited disposal of real property' means a demolition of real property or a sale of real property for cash that is conducted under the requirements of section 545.

"(3) LANDHOLDING AGENCY.—The term 'landholding agency' has the meaning given that term under section 501(i)(3) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411(i)(3)).

"(4) REAL PROPERTY.—

"(A) IN GENERAL.—The term 'real property' means—

"(i) a parcel of real property under the administrative jurisdiction of the Federal Government that is—

"(I) excess;

"(II) surplus;

"(III) underperforming; or

"(IV) otherwise not meeting the needs of the Federal Government, as determined by the Director; and

"(ii) a building or other structure located on real property described under clause (i).

"(B) EXCLUSION.—The term 'real property' excludes any parcel of real property or building or other structure located on such real property that is to be closed or realigned under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

"(5) REPRESENTATIVE OF THE HOMELESS.—The term 'representative of the homeless' has the meaning given that term under section 501(i)(4) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411(i)(4)).

"§ 622. Pilot program

"(a) ESTABLISHMENT.—The Director of the Office of Management and Budget shall conduct a pilot program, to be known as the 'Federal Real Property Disposal Pilot Program', under which real property that is not meeting Federal Government needs may be disposed of in accordance with this subchapter.

"(b) TERMINATION.—The Federal Real Property Disposal Pilot Program shall terminate 5 years after the date of the enactment of this subchapter.

"§ 623. Selection of real properties

"(a) AGENCY RECOMMENDATION OF PROPERTIES.—The head of each executive agency shall recommend candidate disposition real properties to the Director for participation in the pilot program established under section 622.

"(b) SELECTION OF PROPERTIES.—The Director, with the concurrence of the head of the executive agency concerned and consistent with the criteria established in this subchapter, may then select such candidate real properties for participation in the pilot program and notify the recommending agency accordingly.

"(c) WEBSITE REQUIRED.—The Director shall ensure that all real properties selected for disposition under this section are listed on a website that shall—

"(1) be updated routinely; and

"(2) include the functionality to allow members of the public, at their option, to receive such updates through electronic mail.

"(d) NOTIFICATION OF PILOT PROGRAM.—The Secretary of Housing and Urban Development shall ensure that efforts are taken to inform representatives of the homeless about—

"(1) the pilot program established under section 622; and

"(2) the website under subsection (c).

"(e) AVAILABILITY OF INFORMATION.—The Secretary of Housing and Urban Development shall—

"(1) make available to the public upon request all information (other than valuation information), regardless of format, in the possession of the Department of Housing and Urban Development relating to the properties listed on the website under subsection (c), including environmental assessment data; and

''(2) maintain a current list of agency contacts for making referrals to inquiries for information relating to specific properties.

''§ 624. Suitability determination

''(a) SUITABILITY OF PROPERTY TO ASSIST THE HOMELESS.—After the Director selects the candidate real properties that may participate in the pilot program under section 623, the Secretary of Housing and Urban Development shall determine whether each such real property is suitable for use to assist the homeless.

''(b) SUITABILITY DETERMINATION REQUIREMENTS.—The Secretary of Housing and Urban Development shall base the suitability determination required under subsection (a)—

''(1) on the suitability criteria identified by the Secretary of Housing and Urban Development under section 501(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411(a));

''(2) for real properties located within a Federal installation, campus, or compound, on whether such property can easily be transported to an off-site location; and

"(3) for real properties where the predominant use is other than housing, on whether the size of the real property is equal to or greater than 100,000 square feet.

"(c) INFORMATION REQUIRED TO BE PUBLISHED ON THE WEBSITE.—Immediately after a determination of suitability is made under this section, the Director shall publish, on the website described in section 623(c) the following information:

"(1) The address of each such real property.

"(2) The result of the suitability determination required under subsection (a) for each such real property.

"(3) The date on which the suitability determination was made.

"§ 625. Unsuitable real property

"(a) 20-DAY HOLD REQUIRED AFTER DETERMINATION OF UNSUITABILITY.—If real property is determined unsuitable under section 624, such real property may not be disposed of or otherwise used for any other purpose for at least 20 days after such determination was made.

"(b) APPEAL.—

"(1) SECONDARY REVIEW OF DETERMINATION.—Not later than 20 days after real property has been determined unsuitable under section 624 and before disposal of the real property in accordance with subsection (d), any representative of the homeless may appeal to the Secretary of Housing and Urban Development for a secondary review of such determination.

"(2) CLEAR AND CONVINCING EVIDENCE.—Not later than 20 days after real property has been determined unsuitable under subsection (b)(3) of section 624, the Secretary of Housing and Urban Development shall deem such real property suitable notwithstanding the requirements of that subsection if a representative of the homeless has produced clear and convincing evidence that such property can be utilized for the benefit of the homeless. Any determination under this paragraph shall be committed to the unreviewable discretion of the Secretary of Housing and Urban Development.

"(c) FINAL SUITABILITY DETERMINATION.—Not later than 20 days after the receipt of any appeal under subsection (b), the Secretary of Housing and Urban Development shall respond to such appeal and shall make a final suitability determination regarding the real property.

"(d) DISPOSAL OF UNSUITABLE REAL PROPERTY.—

"(1) NO APPEAL.—If at the end of the 20-day period required under subsection (a), no appeal for review of a determination of unsuitability is received by the Secretary of Housing and Urban Development, such real property shall be disposed of in accordance with section 627.

"(2) DETERMINATION OF UNSUITABILITY AFTER SECONDARY REVIEW.—If after conducting a secondary review of a determination of unsuitability under subsection (b), the Secretary of Housing and Urban Development determines that the real property remains unsuitable under subsection (c), such real property shall be disposed of in accordance with section 627.

"(3) DETERMINATION OF SUITABILITY AFTER SECONDARY REVIEW.—If after conducting a secondary review of a determination of unsuitability under subsection (b), the Secretary of Housing and Urban Development determines that the real property is suitable under subsection (c), such real property shall be treated as suitable property for purposes of section 626.

"§ 626. Suitable real property

"(a) DISPOSAL OF SUITABLE REAL PROPERTY.—

"(1) APPLICATION FOR TRANSFER OF PROPERTY.—If real property is determined suitable under section 624 or upon a secondary review under section 625(d), any representative of the homeless shall have not more than 90 days after such determination to submit an application to the Secretary of Health and Human Services for the transfer of the real property to that representative. If an application cannot be completed within the 90-day period due to non-material factors, the Secretary of Health and Human Services, with the concurrence of the appropriate landholding agency, may grant reasonable extensions.

"(2) NO APPLICATION SUBMITTED.—If at the end of the time period described under paragraph (1), no representative of the homeless has submitted an application, such real property shall be disposed of in accordance with section 627.

"(b) CONSIDERATION OF APPLICATION.—

"(1) ASSESSMENT OF APPLICATION.—Not later than 20 days after the receipt of any application under subsection (a)(1), the Secretary of Health and Human Services shall assess such application and determine whether to approve or deny the request for the transfer of the real property to such applicant.

"(2) DENIAL OF APPLICATION.—If the application of a representative of the homeless is denied by the Secretary of Health and Human Services under paragraph (1), such real property shall be disposed of in accordance with section 627.

"(3) APPROVAL OF APPLICATION.—If the application of a representative of the homeless is approved by the Secretary of Health and Human Services under paragraph (1), such real property shall be made promptly available to that representative by permit or lease, or by deed, as a public health use under subsections (a) through (d) of section 550.

"§ 627. Expedited disposal requirements

"(a) FAIR MARKET VALUE REQUIRED.—Real property sold under the pilot program established under this subchapter shall be sold at not less than the fair market value, as determined by the Director in consultation with the head of the executive agency. Costs associated with such disposal may not exceed the fair market value of the property unless the Director approves incurring such costs.

"(b) MONETARY PROCEEDS REQUIRED.—Real property may be sold under the pilot program established under this subchapter only if the property will generate monetary proceeds to the Federal Government, as provided in subsection (a). A disposal of real property under the pilot program may not include any exchange, trade, transfer, acquisition of like-kind property, or other noncash transaction as part of the disposal.

''(c) CONSTRUCTION.—Nothing in this subchapter shall be construed as terminating or in any way limiting authorities that are otherwise available to agencies under other provisions of law to dispose of Federal real property, except as provided in subsection (d).

''(d) EXPEDITED DISPOSAL EXEMPTIONS.—Any expedited disposal of real property conducted under this subchapter shall not be subject to—

''(1) subchapter IV of this chapter;

''(2) sections 550 and 553 of this title;

''(3) section 501 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411);

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

''(5) any congressional notification requirement other than that in section 545.

"§ 628. Special rules for deposit and use of proceeds from disposal of real property

"(a) REIMBURSEMENT OF ADMINISTRATIVE EXPENSES.—Executive agencies that dispose of real property under this subchapter shall be reimbursed from the proceeds, if any, from such disposal for the administrative expenses associated with such disposal. Such amounts shall be credited as offsetting collections to the account that incurred such expenses, to remain available until expended.

"(b) DEPOSIT OF PROCEEDS.—

"(1) IN GENERAL.—After payment of the administrative expenses described under subsection (a), the balance of the proceeds shall be distributed as follows:

"(A) 80 percent shall be deposited into the Treasury as miscellaneous receipts.

"(B) 20 percent shall be deposited into the account of the agency that owned the real property and initiated the disposal action.

"(2) FEDERAL REAL PROPERTY CAPITAL IMPROVEMENTS AND DISPOSAL ACTIVITY FUNDS.—Funds deposited under paragraph (1)(A) shall remain available until expended for the period of the pilot program, for activities related to Federal real property capital improvements and disposal activities. Upon termination of the pilot program, any unobligated amounts shall be transferred to the general fund of the Treasury.

"§ 629. Limitation on number of permissible cash sales

"The total number of cash sales of real properties to be disposed of under this subchapter over the 5-year term of the Federal Real Property Disposal Pilot Program shall not exceed 750.

"§ 630. Government Accountability Office study

"(a) STUDY REQUIRED.—Not later than 36 months after the date of enactment of this subchapter, the Comptroller General of the United States shall submit to Congress and make publicly available a study of the effectiveness of the pilot program.

"(b) CONTENTS OF STUDY.—The study described under subsection (a) shall include at a minimum—

"(1) recommendations for permanent reforms to statutes governing real property disposals and no cost conveyances; and

"(2) recommendations for improving the permanent process by which Federal properties are made available for use by the homeless.".

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of subtitle I of title

40, United States Code, is amended by inserting after the item relating to section 611 the following:

"SUBCHAPTER VII—EXPEDITED DISPOSAL OF REAL PROPERTY

SEC. 4. PAYMENT OF PRINCIPAL AND INTEREST ON PUBLIC DEBT AND SOCIAL SECURITY TRUST FUNDS.

(a) IN GENERAL.—In the event that the debt of the United States Government, as defined in section 3101 of title 31, United States Code, reaches the statutory limit, the Secretary of the Treasury shall, in addition to any other authority provided by law, issue obligations under chapter 31 of title 31, United States Code, to pay with legal tender, and solely for the purpose of paying, the principal and interest on obligations of the United States described in subsection (b) after the date of the enactment of this Act.

(b) OBLIGATIONS DESCRIBED.—For purposes of this subsection, obligations described in this subsection are obligations which are—

(1) held by the public, or

(2) held by the Old-Age and Survivors Insurance Trust Fund and Disability Insurance Trust Fund.

(c) PROHIBITION ON COMPENSATION FOR MEMBERS OF CONGRESS.—None of the obligations issued under subsection (a) may be used to pay compensation for Members of Congress.

(d) OBLIGATIONS EXEMPT FROM PUBLIC DEBT LIMIT.—Obligations issued under subsection (a) shall not be taken into account in applying the limitation in section 3101(b) of title 31, United States Code, to the extent that such obligation would otherwise cause the limitation in section 3101(b) of title 31, United States Code, to be exceeded.

(e) REPORT ON CERTAIN ACTIONS.—

(1) IN GENERAL.—If, after the date of the enactment of this Act, the Secretary of the Treasury exercises his authority under subsection (a), the Secretary shall thereafter submit a report each week the authority is in use providing an accounting relating to—

(A) the principal on mature obligations and interest that is due or accrued of the United States, and

(B) any obligations issued pursuant to subsection (a).

(2) SUBMISSION.—The report required by paragraph (1) shall be submitted to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

SEC. 5. RESCISSION OF UNOBLIGATED BALANCES.

(a) IN GENERAL.—If a Federal budget deficit exists in 2014, not later than July 16, 2015, of the funds made available before October 1, 2009, the President may rescind any unobligated balances of such funds.

(b) REPORT.—On the same date that the President orders a rescission under subsection (a), the President shall submit a report to Congress containing the total amounts of the funds rescinded and the affected accounts.

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