

109TH CONGRESS
2D SESSION

S. _____

To establish a new budget process to create a comprehensive plan to rein in spending, reduce the deficit, and regain control of the Federal budget process.

IN THE SENATE OF THE UNITED STATES

Mr. GREGG (for himself, Mr. FRIST, Mr. ALLARD, Mr. ENZI, Mr. SESSIONS, Mr. CRAPO, Mr. ENSIGN, Mr. CORNYN, Mr. ALEXANDER, Mr. GRAHAM, Mr. KYL, Mr. THOMAS, Mr. CRAIG, Mr. BROWNBACK, Mr. ISAKSON, Mr. DEMINT, Mr. MCCAIN, Mr. VITTER, Mr. THUNE, and Mr. CHAMBLISS) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To establish a new budget process to create a comprehensive plan to rein in spending, reduce the deficit, and regain control of the Federal budget process.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE: TABLE OF CONTENTS..**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Stop Over Spending Act of 2006”.

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

2

- Sec. 1. Short title: Table of contents..
- Sec. 2. Purposes.
- Sec. 3. Severability.

TITLE I—LEGISLATIVE LINE ITEM VETO ACT OF 2006

- Sec. 101. Short title.
- Sec. 102. Legislative line item veto.

TITLE II—DEFICIT REDUCTION

Subtitle A—Definitions, Administration, and Sequestration

- Sec. 201. Definitions.
- Sec. 202. Administration, reconciliation, and effect of sequestration.
- Sec. 203. GAO Compliance Report.

Subtitle B—Discretionary Spending Limits

- Sec. 211. Discretionary Sequestration Reports.
- Sec. 212. Limits.

Subtitle C—Maximum Deficit Amount Limitation

- Sec. 221. Maximum Deficit Amount.
- Sec. 222. Reporting of excess deficits.
- Sec. 223. Congressional response to OMB and CBO Reconciliation Report.
- Sec. 224. Revised estimates and final maximum deficit amount sequestration reports.
- Sec. 225. Maximum deficit amount-Presidential order.
- Sec. 226. Congressional response to low growth.
- Sec. 227. Exemptions from sequestration.
- Sec. 228. Submission of President's budget; maximum deficit amount may not be exceeded.

TITLE III—BIENNIAL BUDGETARY AND APPROPRIATIONS

- Sec. 301. Revision of timetable.
- Sec. 302. Amendments to the Congressional Budget and Impoundment Control Act of 1974.
- Sec. 303. Amendments to title 31, United States Code.
- Sec. 304. Two-year appropriations; title and style of appropriations Acts.
- Sec. 305. Multiyear authorizations.
- Sec. 306. Government plans on a biennial basis.
- Sec. 307. Biennial appropriation bills.
- Sec. 308. Report on changes in law.
- Sec. 309. Effective date.

TITLE IV—COMMISSIONS

Subtitle A—National Commission on Entitlement Solvency

- Sec. 401. Definitions.
- Sec. 402. Establishment of Commission.
- Sec. 403. Expedited consideration of Commission recommendations.

Subtitle B—Commission on Congressional Budgetary Accountability and Review of Federal Agencies

- Sec. 411. Definitions.
- Sec. 412. Establishment of Commission.
- Sec. 413. Duties of the Commission.
- Sec. 414. Powers of the Commission.
- Sec. 415. Commission personnel matters.
- Sec. 416. Expedited consideration of reform proposals.
- Sec. 417. Termination of the Commission.
- Sec. 418. Authorization of appropriations.

TITLE V—BUDGET PROCESS REFORMS

- Sec. 501. Definitions.
- Sec. 502. Annual Concurrent Resolution on the Budget.
- Sec. 503. Committee allocations.
- Sec. 504. Budget resolution adoption.
- Sec. 505. Consideration of the budget resolution.
- Sec. 506. Budget projections.
- Sec. 507. Reconciliation.
- Sec. 508. Budgeting levels.
- Sec. 509. Determinations and points of order.
- Sec. 510. Extraneous matter in reconciliation legislation.
- Sec. 511. Adjustments.
- Sec. 512. Direct spending limitation.
- Sec. 513. Appropriations requests of the President.

1 **SEC. 2. PURPOSES.**

2 The purposes of this Act are—

3 (1) to enable the President and Congress to re-
4 scind wasteful spending in an expedited manner;

5 (2) to effectively balance the budget by 2012;

6 (3) to reinstate statutory discretionary caps;

7 (4) to reduce the practice of using spending
8 designated as an “emergency” as a mechanism to
9 circumvent spending caps;

10 (5) to establish targets for the deficit as its
11 share of the United States economy, specifically as
12 a percentage of Gross Domestic Product;

1 (6) to require automatic spending reduction rec-
2 conciliation directives to achieve annual deficit tar-
3 gets;

4 (7) to put in place automatic sequester proce-
5 dures to reduce discretionary and mandatory spend-
6 ing when either statutory caps have been exceeded
7 or deficit targets have not been met;

8 (8) to require Congress to act upon legislation
9 to ensure the solvency of the Social Security and
10 Medicare Programs;

11 (9) to require Congress to act upon legislation
12 to identify and eliminate waste and duplication in
13 Federal programs;

14 (10) to establish biennial budgeting;

15 (11) to strengthen and improve the Congres-
16 sional budget resolution and reconciliation process;
17 and

18 (12) to provide short term and long term solu-
19 tions to ensure the financial security of our nation
20 so that our children and grandchildren will not be
21 saddled with insurmountable debt.

22 **SEC. 3. SEVERABILITY.**

23 If any provision of this Act, an amendment made by
24 this Act, or the application of such provision or amend-
25 ment to any person or circumstance is held to be unconsti-

1 tutional, the remainder of this Act, the amendments made
2 by this Act, and the application of the provisions of such
3 to any person or circumstance shall not be affected there-
4 by.

5 **TITLE I—LEGISLATIVE LINE**
6 **ITEM VETO ACT OF 2006**

7 **SEC. 101. SHORT TITLE.**

8 This title may be cited as the “Legislative Line Item
9 Veto Act of 2006”.

10 **SEC. 102. LEGISLATIVE LINE ITEM VETO.**

11 (a) IN GENERAL.—Title X of the Congressional
12 Budget and Impoundment Control Act of 1974 (2 U.S.C.
13 621 et seq.) is amended by striking part C and inserting
14 the following:

15 “PART C—LEGISLATIVE LINE ITEM VETO

16 “EXPEDITED CONSIDERATION OF CERTAIN PROPOSED
17 RESCISSIONS

18 “SEC. 1021. (a) PROPOSED RESCISSIONS.—The
19 President may send a special message, at the time and
20 in the manner provided in subsection (b), that proposes
21 to rescind dollar amounts of discretionary budget author-
22 ity, items of direct spending, and targeted tax benefits.

23 “(b) TRANSMITTAL OF SPECIAL MESSAGE.—

24 “(1) SPECIAL MESSAGE.—

25 “(A) IN GENERAL.—

1 “(i) **FOUR MESSAGES.**—The President
2 may transmit to Congress not to exceed 4
3 special messages per calendar year, pro-
4 posing to rescind dollar amounts of discre-
5 tionary budget authority, items of direct
6 spending, and targeted tax benefits.

7 “(ii) **TIMING.**—Special messages may
8 be transmitted under clause (i)—

9 “(I) with the President’s budget
10 submitted pursuant to section 1105 of
11 title 31, United States Code; and

12 “(II) 3 other times as determined
13 by the President.

14 “(iii) **LIMITATIONS.**—

15 “(I) **IN GENERAL.**—Special mes-
16 sages shall be submitted within 1 cal-
17 endar year of the date of enactment of
18 any dollar amount of discretionary
19 budget authority, item of direct
20 spending, or targeted tax benefit the
21 President proposes to rescind pursu-
22 ant to this Act.

23 “(II) **RESUBMITTAL.**—If Con-
24 gress rejects or does not complete ac-
25 tion on a bill introduced under this

1 Act, the President may resubmit some
2 or all of the dollar amounts of discre-
3 tionary budget authority, items of di-
4 rect spending, and targeted tax bene-
5 fits in that bill in not more than 1 ad-
6 ditional special message under this
7 part or part B.

8 “(B) CONTENTS OF SPECIAL MESSAGE.—
9 Each special message shall specify, with respect
10 to the dollar amount of discretionary budget au-
11 thority, item of direct spending, or targeted tax
12 benefit proposed to be rescinded—

13 “(i) the dollar amount of discretionary
14 budget authority available and proposed
15 for rescission from accounts, departments,
16 or establishments of the government and
17 the dollar amount of the reduction in out-
18 lays that would result from the enactment
19 of such rescission of discretionary budget
20 authority for the time periods set forth in
21 subparagraph (A)(iii);

22 “(ii) the specific items of direct spend-
23 ing and targeted tax benefits proposed for
24 rescission and the dollar amounts of the
25 reductions in budget authority and outlays

1 or increases in receipts that would result
2 from enactment of such rescission for the
3 time periods set forth in subparagraph
4 (A)(iii);

5 “(iii) the budgetary effects of pro-
6 posals for rescission, estimated as of the
7 date the President submits the special
8 message, relative to the most recent levels
9 calculated consistent with the methodology
10 described in section 257 of the Balanced
11 Budget and Emergency Deficit Control Act
12 of 1985 and included with a budget sub-
13 mission under section 1105(a) of title 31,
14 United States Code, for the time periods
15 of—

16 “(I) the fiscal year in which the
17 proposal is submitted; and

18 “(II) each of the 10 following fis-
19 cal years beginning with the fiscal
20 year after the fiscal year in which the
21 proposal is submitted;

22 “(iv) any account, department, or es-
23 tablishment of the Government to which
24 such dollar amount of discretionary budget
25 authority or item of direct spending is

1 available for obligation, and the specific
2 project or governmental functions involved;

3 “(v) the reasons why such dollar
4 amount of discretionary budget authority
5 or item of direct spending or targeted tax
6 benefit should be rescinded;

7 “(vi) the estimated fiscal and eco-
8 nomic impacts, of the proposed rescission;

9 “(vii) to the maximum extent prac-
10 ticable, all facts, circumstances, and con-
11 siderations relating to or bearing upon the
12 proposed rescission and the decision to ef-
13 fect the proposed rescission, and the esti-
14 mated effect of the proposed rescission
15 upon the objects, purposes, and programs
16 for which the budget authority or items of
17 direct spending or targeted tax benefits are
18 provided; and

19 “(viii) a draft bill that, if enacted,
20 would rescind the budget authority, items
21 of direct spending and targeted tax bene-
22 fits proposed to be rescinded in that spe-
23 cial message.

24 “(2) ANALYSIS BY CONGRESSIONAL BUDGET
25 OFFICE AND JOINT COMMITTEE ON TAXATION.—

1 “(A) IN GENERAL.—Upon the receipt of a
2 special message under this section proposing to
3 rescind dollar amounts of discretionary budget
4 authority, items of direct spending, and tar-
5 geted tax benefits—

6 “(i) the Director of the Congressional
7 Budget Office shall prepare an estimate of
8 the savings in budget authority or outlays
9 resulting from such proposed rescission
10 and shall include in its estimate, an anal-
11 ysis prepared by the Joint Committee on
12 Taxation related to targeted tax benefits;
13 and

14 “(ii) the Director of the Joint Com-
15 mittee on Taxation shall prepare an esti-
16 mate and forward such estimate to the
17 Congressional Budget Office, of the sav-
18 ings from repeal of targeted tax benefits.

19 “(B) METHODOLOGY.—The estimates re-
20 quired by subparagraph (A) shall be made rel-
21 ative to the most recent levels calculated con-
22 sistent with the methodology used to calculate
23 a baseline under section 257 of the Balanced
24 Budget and Emergency Control Act of 1985
25 and included with a budget submission under

1 section 1105(a) of title 31, United States Code,
2 and transmitted to the chairmen of the Com-
3 mittees on the Budget of the House of Rep-
4 resentatives and Senate.

5 “(3) ENACTMENT OF RESCISSION BILL.—

6 “(A) DEFICIT REDUCTION.—Amounts of
7 budget authority or items of direct spending or
8 targeted tax benefit that are rescinded pursuant
9 to enactment of a bill as provided under this
10 section shall be dedicated only to deficit reduc-
11 tion and shall not be used as an offset for other
12 spending increases or revenue reductions.

13 “(B) ADJUSTMENT OF BUDGET TAR-
14 GETS.—Not later than 5 days after the date of
15 enactment of a rescission bill as provided under
16 this section, the chairs of the Committees on
17 the Budget of the Senate and the House of
18 Representatives shall revise spending and rev-
19 enue levels under section 311(a) of the Con-
20 gressional Budget Act of 1974 and adjust the
21 committee allocations under section 302(a) of
22 the Congressional Budget Act of 1974 or any
23 other adjustments as may be appropriate to re-
24 flect the rescission. The adjustments shall re-
25 flect the budgetary effects of such rescissions as

1 estimated by the President pursuant to para-
2 graph (1)(B)(iii). The appropriate committees
3 shall report revised allocations pursuant to sec-
4 tion 302(b) of the Congressional Budget Act of
5 1974. Notwithstanding any other provision of
6 law, the revised allocations and aggregates shall
7 be considered to have been made under a con-
8 current resolution on the budget agreed to
9 under the Congressional Budget Act of 1974
10 and shall be enforced under the procedures of
11 that Act.

12 “(C) ADJUSTMENTS TO CAPS.—After en-
13 actment of a rescission bill as provided under
14 this section, the President shall revise applica-
15 ble limits under the Stop Over Spending Act of
16 2006, as appropriate.

17 “(c) PROCEDURES FOR EXPEDITED CONSIDER-
18 ATION.—

19 “(1) IN GENERAL.—

20 “(A) INTRODUCTION.—Before the close of
21 the second day of session of the Senate and the
22 House of Representatives, respectively, after the
23 date of receipt of a special message transmitted
24 to Congress under subsection (b), the majority
25 leader of each House, for himself, or minority

1 leader of each House, for himself, or a Member
2 of that House designated by that majority lead-
3 er or minority leader shall introduce (by re-
4 quest) the President’s draft bill to rescind the
5 amounts of budget authority or items of direct
6 spending or targeted tax benefits, as specified
7 in the special message and the President’s draft
8 bill. If the bill is not introduced as provided in
9 the preceding sentence in either House, then,
10 on the third day of session of that House after
11 the date of receipt of that special message, any
12 Member of that House may introduce the bill.

13 “(B) REFERRAL AND REPORTING.—

14 “(i) ONE COMMITTEE.—The bill shall
15 be referred by the presiding officer to the
16 appropriate committee. The committee
17 shall report the bill without any revision
18 and with a favorable, an unfavorable, or
19 without recommendation, not later than
20 the fifth day of session of that House after
21 the date of introduction of the bill in that
22 House. If the committee fails to report the
23 bill within that period, the committee shall
24 be automatically discharged from consider-

1 ation of the bill, and the bill shall be
2 placed on the appropriate calendar.

3 “(ii) MULTIPLE COMMITTEES.—

4 “(I) REFERRALS.—If a bill con-
5 tains provisions in the jurisdiction of
6 more than 1 committee, the bill shall
7 be jointly referred to the committees
8 of jurisdiction and the Committee on
9 the Budget.

10 “(II) VIEWS OF COMMITTEE.—

11 Any committee, other than the Com-
12 mittee on the Budget, to which a bill
13 is referred under this clause may sub-
14 mit a favorable, an unfavorable rec-
15 ommendation, without recommenda-
16 tion with respect to the bill to the
17 Committee on the Budget prior to the
18 reporting or discharge of the bill.

19 “(III) REPORTING.—The Com-

20 mittee on the Budget shall report the
21 bill not later than the fifth day of ses-
22 sion of that House after the date of
23 introduction of the bill in that House,
24 without any revision and with a favor-
25 able or unfavorable recommendation,

1 or without recommendation, together
2 with the recommendations of any
3 committee to which the bill has been
4 referred.

5 “(IV) DISCHARGE.—If the Com-
6 mittee on the Budget fails to report
7 the bill within that period, the com-
8 mittee shall be automatically dis-
9 charged from consideration of the bill,
10 and the bill shall be placed on the ap-
11 propriate calendar.

12 “(C) FINAL PASSAGE.—A vote on final
13 passage of the bill shall be taken in the Senate
14 and the House of Representatives on or before
15 the close of the 10th day of session of that
16 House after the date of the introduction of the
17 bill in that House. If the bill is passed, the
18 Clerk of the House of Representatives shall
19 cause the bill to be transmitted to the Senate
20 before the close of the next day of session of the
21 House.

22 “(2) CONSIDERATION IN THE HOUSE OF REP-
23 RESENTATIVES.—

24 “(A) MOTION TO PROCEED TO CONSIDER-
25 ATION.—A motion in the House of Representa-

1 tives to proceed to the consideration of a bill
2 under this subsection shall be highly privileged
3 and not debatable. An amendment to the mo-
4 tion shall not be in order, nor shall it be in
5 order to move to reconsider the vote by which
6 the motion is agreed to or disagreed to.

7 “(B) LIMITS ON DEBATE.—Debate in the
8 House of Representatives on a bill under this
9 subsection shall not exceed 4 hours, which shall
10 be divided equally between those favoring and
11 those opposing the bill. A motion further to
12 limit debate shall not be debatable. It shall not
13 be in order to move to recommit a bill under
14 this subsection or to move to reconsider the
15 vote by which the bill is agreed to or disagreed
16 to.

17 “(C) APPEALS.—Appeals from decisions of
18 the chair relating to the application of the
19 Rules of the House of Representatives to the
20 procedure relating to a bill under this section
21 shall be decided without debate.

22 “(D) APPLICATION OF HOUSE RULES.—
23 Except to the extent specifically provided in this
24 section, consideration of a bill under this sec-
25 tion shall be governed by the Rules of the

1 House of Representatives. It shall not be in
2 order in the House of Representatives to con-
3 sider any bill introduced pursuant to the provi-
4 sions of this section under a suspension of the
5 rules or under a special rule.

6 “(3) CONSIDERATION IN THE SENATE.—

7 “(A) MOTION TO PROCEED TO CONSIDER-
8 ATION.—A motion to proceed to the consider-
9 ation of a bill under this subsection in the Sen-
10 ate shall not be debatable. A motion to proceed
11 to consideration of the bill may be made even
12 though a previous motion to the same effect has
13 been disagreed to. It shall not be in order to
14 move to reconsider the vote by which the mo-
15 tion to proceed is agreed to or disagreed to.

16 “(B) LIMITS ON DEBATE.—Debate in the
17 Senate on a bill under this subsection, and all
18 debatable motions and appeals in connection
19 therewith, shall not exceed a total of 10 hours,
20 equally divided and controlled in the usual
21 form.

22 “(C) DEBATABLE MOTIONS AND AP-
23 PEALS.—Debate in the Senate on any debatable
24 motion or appeal in connection with a bill under
25 this subsection shall be limited to not more

1 than 1 hour from the time allotted for debate,
2 to be equally divided and controlled in the usual
3 form.

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

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

10 “(F) CONSIDERATION OF THE HOUSE
11 BILL.—

12 “(i) IN GENERAL.—If the Senate has
13 received the House companion bill to the
14 bill introduced in the Senate prior to the
15 vote required under paragraph (1)(C), then
16 the Senate shall consider, and the vote
17 under paragraph (1)(C) shall occur on, the
18 House companion bill.

19 “(ii) PROCEDURE AFTER VOTE ON
20 SENATE BILL.—If the Senate votes, pursu-
21 ant to paragraph (1)(C), on the bill intro-
22 duced in the Senate, the Senate bill shall
23 be held pending receipt of the House mes-
24 sage on the bill. Upon receipt of the House
25 companion bill, the House bill shall be

1 deemed to be considered, read for the third
2 time, and the vote on passage of the Sen-
3 ate bill shall be considered to be the vote
4 on the bill received from the House.

5 “(d) AMENDMENTS AND DIVISIONS PROHIBITED.—

6 “(1) IN GENERAL.—No amendment to a bill
7 considered under this section shall be in order in ei-
8 ther the Senate or the House of Representatives.

9 “(2) NO DIVISION.—It shall not be in order to
10 demand a division of the question in the House of
11 Representatives (or in a Committee of the Whole).

12 “(3) NO SUSPENSION.—No motion to suspend
13 the application of this subsection shall be in order
14 in the House of Representatives, nor shall it be in
15 order in either the House of Representatives or the
16 Senate to suspend the application of this subsection
17 by unanimous consent.

18 “(e) TEMPORARY PRESIDENTIAL AUTHORITY TO
19 WITHHOLD.—

20 “(1) AVAILABILITY.—The President may not
21 withhold any dollar amount of discretionary budget
22 authority until the President transmits and Congress
23 receives a special message pursuant to subsection
24 (b). Upon receipt by Congress of a special message
25 pursuant to subsection (b), the President may direct

1 that any dollar amount of discretionary budget au-
2 thority proposed to be rescinded in that special mes-
3 sage shall be withheld from obligation for a period
4 not to exceed 45 calendar days from the date of re-
5 ceipt by Congress.

6 “(2) EARLY AVAILABILITY.—The President
7 may make any dollar amount of discretionary budget
8 authority withheld from obligation pursuant to para-
9 graph (1) available at an earlier time if the Presi-
10 dent determines that continued withholding would
11 not further the purposes of this Act.

12 “(f) TEMPORARY PRESIDENTIAL AUTHORITY TO
13 SUSPEND.—

14 “(1) SUSPEND.—The President may not sus-
15 pend the execution of any item of direct spending or
16 targeted tax benefit until the President transmits
17 and Congress receives a special message pursuant to
18 subsection (b). Upon receipt by Congress of a special
19 message, the President may suspend the execution
20 of any item of direct spending or targeted tax ben-
21 efit proposed to be rescinded in that message for a
22 period not to exceed 45 calendar days from the date
23 of receipt by Congress.

24 “(2) EARLY AVAILABILITY.—The President
25 may terminate the suspension of any item of direct

1 spending or targeted tax benefit suspended pursuant
2 to paragraph (1) at an earlier time if the President
3 determines that continuation of the suspension
4 would not further the purposes of this Act.

5 “(g) DEFINITIONS.—In this section:

6 “(1) APPROPRIATION LAW.—The term ‘appro-
7 priation law’ means any general or special appro-
8 priation Act, and any Act or joint resolution making
9 supplemental, deficiency, or continuing appropria-
10 tions.

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

14 “(3) DAYS OF SESSION.—The term ‘days of
15 session’ means only those days on which both
16 Houses of Congress are in session.

17 “(4) DOLLAR AMOUNT OF DISCRETIONARY
18 BUDGET AUTHORITY.—The term ‘dollar amount of
19 discretionary budget authority’ means the dollar
20 amount of budget authority and obligation limita-
21 tions—

22 “(A) specified in an appropriation law, or
23 the dollar amount of budget authority required
24 to be allocated by a specific proviso in an ap-

1 appropriation law for which a specific dollar figure
2 was not included;

3 “(B) represented separately in any table,
4 chart, or explanatory text included in the state-
5 ment of managers or the governing committee
6 report accompanying such law;

7 “(C) required to be allocated for a specific
8 program, project, or activity in a law (other
9 than an appropriation law) that mandates obli-
10 gations from or within accounts, programs,
11 projects, or activities for which budget authority
12 or an obligation limitation is provided in an ap-
13 propriation law;

14 “(D) represented by the product of the es-
15 timated procurement cost and the total quantity
16 of items specified in an appropriation law or in-
17 cluded in the statement of managers or the gov-
18 erning committee report accompanying such
19 law; or

20 “(E) represented by the product of the es-
21 timated procurement cost and the total quantity
22 of items required to be provided in a law (other
23 than an appropriation law) that mandates obli-
24 gations from accounts, programs, projects, or
25 activities for which dollar amount of discre-

1 tionary budget authority or an obligation limita-
2 tion is provided in an appropriation law.

3 “(5) RESCIND OR RESCISSION.—The term ‘re-
4 scind’ or ‘rescission’ means—

5 “(A) in the case of a dollar amount of dis-
6 cretionary budget authority, to reduce or repeal
7 a provision of law to prevent that budget au-
8 thority or obligation limitation from having
9 legal force or effect; and

10 “(B) in the case of direct spending or tar-
11 geted tax benefit, to repeal a provision of law
12 in order to prevent the specific legal obligation
13 of the United States from having legal force or
14 effect.

15 “(6) DIRECT SPENDING.—The term ‘direct
16 spending’ means budget authority provided by law
17 (other than an appropriation law), mandatory spend-
18 ing provided in appropriation Acts, and entitlement
19 authority.

20 “(7) ITEM OF DIRECT SPENDING.—The term
21 ‘item of direct spending’ means any specific provi-
22 sion of law enacted after the effective date of the
23 Legislative Line Item Veto Act of 2006 that is esti-
24 mated to result in an increase in budget authority
25 or outlays for direct spending relative to the most

1 recent levels calculated consistent with the method-
2 ology described in section 257 of the Balanced
3 Budget and Emergency Deficit Control Act of 1985
4 and included with a budget submission under section
5 1105(a) of title 31, United States Code, and, with
6 respect to estimates made after that budget submis-
7 sion that are not included with it, estimates con-
8 sistent with the economic and technical assumptions
9 underlying the most recently submitted President’s
10 budget.

11 “(8) SUSPEND THE EXECUTION.—The term
12 ‘suspend the execution’ means, with respect to an
13 item of direct spending or a targeted tax benefit, to
14 stop the carrying into effect of the specific provision
15 of law that provides such benefit; and

16 “(9) TARGETED TAX BENEFIT.—The term ‘tar-
17 geted tax benefit’ means only those provisions—

18 “(A) estimated by the Joint Committee on
19 Taxation to result in a loss of revenues relative
20 to the most recent levels calculated consistent
21 with the methodology described in section 257
22 of the Balanced Budget and Emergency Deficit
23 Control Act of 1985 and included with a budget
24 submission under section 1105(a) of title 31,
25 United States Code, and with respect to esti-

1 mates made after that budget submission that
2 are not included with it, estimates consistent
3 with the economic and technical assumptions
4 underlying the most recently submitted Presi-
5 dent's budget; and

6 “(B) having the practical effect of pro-
7 viding more favorable tax treatment to a par-
8 ticular taxpayer or limited group of taxpayers
9 when compared with other similarly situated
10 taxpayers.

11 “(h) CONGRESSIONAL IDENTIFICATION OF TAR-
12 GETED TAX BENEFITS.—

13 “(1) STATEMENT BY JOINT TAX COMMITTEE.—
14 The Joint Committee on Taxation shall review any
15 revenue or reconciliation bill or joint resolution
16 which includes any amendment to the Internal Rev-
17 enue Code of 1986 that is being prepared for filing
18 by a committee of conference of the 2 Houses, and
19 shall identify, prior to consideration of such con-
20 ference report, whether such bill or joint resolution
21 contains any targeted tax benefits. The Joint Com-
22 mittee on Taxation shall provide to the committee of
23 conference a statement identifying any such targeted
24 tax benefits or declaring that the bill or joint resolu-
25 tion does not contain any targeted tax benefits. The

1 statement shall be included in the statement of man-
2 agers to accompany such conference report and
3 made available to any Member of Congress by the
4 Joint Committee on Taxation immediately upon re-
5 quest.

6 “(2) STATEMENT INCLUDED IN LEGISLA-
7 TION.—Notwithstanding any other rule of the House
8 of Representatives or any rule or precedent of the
9 Senate, any revenue or reconciliation bill or joint
10 resolution, which includes any amendment to the In-
11 ternal Revenue Code of 1986 reported by a com-
12 mittee of conference of the House of Representatives
13 and the Senate, may include, as a separate section
14 of such bill or joint resolution, the information con-
15 tained in the statement of the Joint Committee on
16 Taxation.”.

17 (b) EXERCISE OF RULEMAKING POWERS.—Section
18 904 of the Congressional Budget Act of 1974 (2 U.S.C.
19 621 note) is amended—

20 (1) in subsection (a), by striking “and 1017”
21 and inserting “1017, and 1021”; and

22 (2) in subsection (d), by striking “section
23 1017” and inserting “sections 1017 and 1021”.

24 (c) CLERICAL AMENDMENTS.—

1 (1) SHORT TITLE.—Section 1(a) of the Con-
2 gressional Budget and Impoundment Control Act of
3 1974 is amended by—

4 (A) striking “Parts A and B” before “title
5 X” and inserting “Parts A, B, and C”; and

6 (B) striking the last sentence and inserting
7 at the end the following new sentence: “Part C
8 of title X also may be cited as the ‘Legislative
9 Line Item Veto Act of 2006’.”.

10 (2) TABLE OF CONTENTS.—The table of con-
11 tents set forth in section 1(b) of the Congressional
12 Budget and Impoundment Control Act of 1974 is
13 amended by deleting the contents for part C of title
14 X and inserting the following:

“PART C—LEGISLATIVE LINE ITEM VETO

“Sec. 1021. Expedited consideration of certain proposed rescissions.”.

15 (d) SEVERABILITY.—If any provision of this Act or
16 the amendments made by it is held to be unconstitutional,
17 the remainder of this Act and the amendments made by
18 it shall not be affected by the holding.

19 (e) EFFECTIVE DATE AND EXPIRATION.—

20 (1) EFFECTIVE DATE.—The amendments made
21 by this Act shall—

22 (A) take effect on the date of enactment of
23 this Act; and

1 (B) apply to any dollar amount of discre-
2 tionary budget authority, item of direct spend-
3 ing, or targeted tax benefit provided in an Act
4 enacted on or after September 1, 2006.

5 (2) EXPIRATION.—The amendments made by
6 this Act shall expire on December 31, 2010.

7 **TITLE II—DEFICIT REDUCTION**
8 **Subtitle A—Definitions,**
9 **Administration, and Sequestration**

10 **SEC. 201. DEFINITIONS.**

11 In this subtitle:

12 (1) ACCOUNT.—The term “account” means—

13 (A) for discretionary budget authority, an
14 item for which appropriations are made in any
15 appropriation Act; and

16 (B) for items not provided for in appro-
17 priation Acts, direct spending and outlays
18 therefrom identified in the program and finance
19 schedules contained in the appendix to the
20 Budget of the United States for the current
21 year.

22 (2) BREACH.—The term “breach” means, for
23 any fiscal year, the amount by which discretionary
24 budget authority enacted for that year exceeds the
25 spending limit for budget authority for that year.

1 (3) BUDGET AUTHORITY; NEW BUDGET AU-
2 THORITY; AND OUTLAYS.—The terms “budget au-
3 thority”, “new budget authority”, and “outlays”
4 have the meanings given to such terms in section 3
5 of the Congressional Budget and Impoundment Con-
6 trol Act of 1974 (2 U.S.C. 622). For purposes of
7 subtitle B an obligation limitation shall be treated as
8 budget authority.

9 (4) BUDGET YEAR.—The term “budget year”
10 means, with respect to a session of Congress, the fis-
11 cal year of the Government that starts on October
12 1 of the calendar year in which that session begins.

13 (5) CBO.—The term “CBO” means the Direc-
14 tor of the Congressional Budget Office.

15 (6) CURRENT.—The term “current” means—

16 (A) with respect to the Office of Manage-
17 ment and Budget estimates included with a
18 budget submission under section 1105(a) of
19 title 31, United States Code, the estimates con-
20 sistent with the economic and technical assump-
21 tions underlying that budget;

22 (B) with respect to estimates made after
23 that budget submission that are not included
24 with it, the estimates consistent with the eco-
25 nomic and technical assumptions underlying the

1 most recently submitted President’s budget;
2 and

3 (C) with respect to the Congressional
4 Budget Office, estimates consistent with the
5 economic and technical assumptions as required
6 by section 202(e)(1) of the Congressional Budget
7 Act of 1974.

8 (7) CURRENT YEAR.—The term “current year”
9 means, with respect to a budget year, the fiscal year
10 that immediately precedes that budget year.

11 (8) DEFICIT.—The term “deficit” means, with
12 respect to any fiscal year, the amount by which total
13 budget outlays for such fiscal year exceed total gov-
14 ernmental receipts for such fiscal year. In calcu-
15 lating the deficit for purposes of comparison with
16 the maximum deficit amount under section 221 and
17 in calculating the excess deficit for purposes of sub-
18 title C (notwithstanding section 710(a) of the Social
19 Security Act (42 U.S.C. 911)) for any fiscal year,
20 the receipts of the Federal Old-Age and Survivors
21 Insurance Trust Fund and the Federal Disability
22 Insurance Trust Fund for such fiscal year and the
23 taxes payable under sections 1401(a), 3101(a), and
24 3111(a) of the Internal Revenue Code of 1954 (26
25 U.S.C. 1401, 3101, 3111) during such fiscal year

1 shall be included in total revenues for such fiscal
2 year, and the disbursements of each such Trust
3 Fund for such fiscal year shall be included in total
4 budget outlays for such fiscal year. Notwithstanding
5 any other provision of law except to the extent pro-
6 vided by section 710(a) of the Social Security Act
7 (42 U.S.C. 911) the receipts, revenues, disburse-
8 ments, budget authority, and outlays of each off-
9 budget Federal entity for a fiscal year shall be in-
10 cluded in total budget authority, total budget out-
11 lays, and total revenues and the amounts of budget
12 authority and outlays set forth for each major func-
13 tional category, for such fiscal year.

14 (9) DIRECT SPENDING.—The term “direct
15 spending” shall have the meaning given such term
16 in section 3(3) of the Congressional Budget Act of
17 1974.

18 (10) DISCRETIONARY BUDGET AUTHORITY.—
19 The term “discretionary budget authority” means
20 budgetary authority (except to fund mandatory pro-
21 grams) provided in appropriation Acts.

22 (11) DISCRETIONARY SPENDING LIMIT.—The
23 term “discretionary spending limit” shall mean the
24 amounts specified in section 212.

1 (12) EXCESS DEFICIT AMOUNT.—The term “ex-
2 cess deficit amount”, with respect to any fiscal year,
3 means the amount of the deficit reduced by the esti-
4 mated reductions of outlays resulting from any se-
5 questration in subtitle C, that exceeds the maximum
6 deficit amount.

7 (13) OMB.—The term “OMB” means the Di-
8 rector of the Office of Management and Budget.

9 (14) SEQUESTRATION.—The term “sequestra-
10 tion” —

11 (A) with respect to discretionary budget
12 authority, means the cancellation or reduction
13 of budget authority (except budget authority to
14 fund mandatory programs) provided in appro-
15 priation Acts; and

16 (B) with respect to the excess deficit
17 amount, means the amount cancelled or re-
18 duced from direct spending and outlays flowing
19 therefrom.

20 **SEC. 202. ADMINISTRATION, RECONCILIATION, AND EF-**
21 **FECT OF SEQUESTRATION.**

22 (a) TIMETABLE.—The timetable with respect to this
23 title is as follows:

Date	Action to be completed
5 days before the President's budget submission	CBO Discretionary Sequestration and Maximum Deficit Amount Preview Report.
The President's budget submission	OMB Discretionary Sequestration and Maximum Deficit Amount Preview Report.
August 15	CBO Discretionary Sequestration and Maximum Deficit Amount Reconciliation Report.
August 20	OMB Discretionary Sequestration and Maximum Deficit Amount Reconciliation Report.
September 15	Budget Committee Reconciliation Directives.
20 days after Budget Committee Action	Committees Respond to Reconciliation Directives
10 days after end of session	CBO Final Discretionary Sequestration and Maximum Deficit Amount Sequestration Report.
15 days after end of session	OMB Final Discretionary Sequestration and Maximum Deficit Amount Sequestration Report/Presidential Sequestration Order.

1 (b) **PRESIDENTIAL ORDER.**—On the date specified in
2 subsection (a), if in its Final Sequestration Report, OMB
3 estimates that any sequestration is required, the President
4 shall issue an order fully implementing without change all
5 sequestrations required by the OMB calculations set forth
6 in that report. This order shall be effective on issuance.

7 (c) **EFFECTS OF SEQUESTRATION.**—The effects of
8 sequestration shall be as follows:

9 (1) Budgetary resources sequestered from any
10 account shall be permanently cancelled, except as
11 provided in paragraph (5).

12 (2) Except as otherwise provided, the same per-
13 centage sequestration shall apply to all programs,

1 projects, and activities within a budget account (with
2 programs, projects, and activities as delineated in
3 the appropriation Act or accompanying report for
4 the relevant fiscal year covering that account).

5 (3) Administrative regulations or similar ac-
6 tions implementing a sequestration shall be made
7 within 120 days of the sequestration order. To the
8 extent that formula allocations differ at different
9 levels of budgetary resources within an account, pro-
10 gram, project, or activity, the sequestration shall be
11 interpreted as producing a lower total appropriation,
12 with the remaining amount of the appropriation
13 being obligated in a manner consistent with program
14 allocation formulas in substantive law.

15 (4) Except as otherwise provided in this sub-
16 title, obligations or budgetary resources in seques-
17 tered accounts shall be reduced only in the fiscal
18 year in which a sequester occurs.

19 (5) Budgetary resources sequestered in special
20 fund accounts and offsetting collections sequestered
21 in appropriation accounts shall not be available for
22 obligation during the fiscal year in which the seques-
23 tration occurs, but shall be available in subsequent
24 years to the extent otherwise provided in law.

1 (d) SUBMISSION AND AVAILABILITY OF REPORTS.—
2 Each report required by this section shall be submitted,
3 in the case of CBO, to the House of Representatives, the
4 Senate, and OMB and, in the case of OMB, to the House
5 of Representatives, the Senate, and the President on the
6 day it is issued. On the following day a notice of the report
7 shall be printed in the Federal Register.

8 **SEC. 203. GAO COMPLIANCE REPORT.**

9 Upon request of the Committee on the Budget of the
10 House of Representatives or the Senate, the Comptroller
11 General shall submit to the Congress and the President
12 a report on—

13 (1) the extent to which each order issued by the
14 President under this title complies with all of the re-
15 quirements contained in this title, either certifying
16 that the order fully and accurately complies with
17 such requirements or indicating the respects in
18 which it does not; and

19 (2) the extent to which each report issued by
20 OMB or CBO under this section complies with all of
21 the requirements contained in this title, either certi-
22 fying that the report fully and accurately complies
23 with such requirements or indicating the respects in
24 which it does not.

1 **Subtitle B—Discretionary**
2 **Spending Limits**

3 **SEC. 211. DISCRETIONARY SEQUESTRATION REPORTS.**

4 (a) DISCRETIONARY SEQUESTRATION PREVIEW RE-
5 PORTS.—

6 (1) REPORTING REQUIREMENT.—

7 (A) IN GENERAL.—On the dates specified
8 in section 202(a), OMB shall report to the
9 President and Congress and CBO shall report
10 to Congress a Discretionary Sequestration Pre-
11 view Report regarding discretionary sequestra-
12 tion based on laws enacted through those dates.

13 (B) PRESIDENT’S BUDGET.—When the
14 President submits the budget under section
15 1105 of title 31, United States Code, OMB
16 shall calculate and the budget shall include ad-
17 justments to discretionary spending limits (and
18 those limits as cumulatively adjusted) for the
19 budget year and each outyear to reflect changes
20 in concepts and definitions.

21 (C) CONSULTATION.—Any determination
22 or change under subparagraph (B) may only be
23 made after consultation with the Committees on
24 Appropriations and the Budget of the House of
25 Representatives and the Senate, and that con-

1 sultation shall include written communication to
2 such committees that affords such committees
3 the opportunity to comment before official ac-
4 tion is taken with respect to such changes.

5 (2) DISCRETIONARY.—The Discretionary Se-
6 questration Preview Report shall set forth estimates
7 for the current year and each subsequent year
8 through 2009 of the applicable discretionary spend-
9 ing limits and an explanation of any adjustments in
10 such limits under section 212, and a projection of
11 budget authority exceeding discretionary caps sub-
12 ject to sequester.

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 (b) DISCRETIONARY SEQUESTRATION REPORTS.—On
18 the dates specified in section 202(a), OMB and CBO shall
19 issue Discretionary Sequestration Reports, reflecting laws
20 enacted through those dates, containing all of the informa-
21 tion required in the Discretionary Sequestration Preview
22 Reports.

23 (c) FINAL DISCRETIONARY SEQUESTRATION RE-
24 PORTS.—

1 (1) REPORTING REQUIREMENTS.—On the dates
2 specified in section 202(a), OMB and CBO shall
3 each issue a Final Discretionary Sequestration Re-
4 port, updated to reflect laws enacted through those
5 dates.

6 (2) DISCRETIONARY SPENDING.—The Final
7 Discretionary Sequestration Reports shall set forth
8 estimates for each of the following:

9 (A) For the current year and each subse-
10 quent year through 2009; the applicable discre-
11 tionary spending limits.

12 (B) For the current year, if applicable, and
13 the budget year; the new budget authority and
14 the breach, if any.

15 (C) The sequestration percentages nec-
16 essary to eliminate the breach.

17 (D) For the budget year, for each account
18 to be sequestered, the level of enacted,
19 sequesterable budget authority and resulting es-
20 timated outlays to be sequestered.

21 (3) EXPLANATION OF DIFFERENCES.—The
22 OMB report shall explain any differences between
23 OMB and CBO estimates for any breach and any
24 required discretionary sequestration percentages.
25 The OMB report shall also explain differences in the

1 amount of sequesterable resources for any budget
2 account to be reduced if such difference is greater
3 than \$5,000,000.

4 (d) ECONOMIC AND TECHNICAL ASSUMPTIONS.—In
5 all reports required by this section, OMB shall use the
6 same economic and technical assumptions as used in the
7 most recent budget submitted by the President under sec-
8 tion 1105(a) of title 31, United States Code.

9 (e) ADJUSTMENTS.—When OMB submits a report
10 under this section for a fiscal year, OMB shall calculate,
11 and the subsequent reports and budgets submitted by the
12 President under section 1105(a) of title 31, United States
13 Code shall include, adjustments to discretionary spending
14 limits (and those limits as adjusted) for the fiscal year
15 and each succeeding year.

16 **SEC. 212. LIMITS.**

17 (a) DISCRETIONARY SPENDING LIMITS.—As used in
18 this subtitle, the term “discretionary spending limit”
19 means—

20 (1) with respect to fiscal year 2007,
21 \$872,504,000,000 in new budget authority;

22 (2) with respect to fiscal year 2008,
23 \$895,358,000,000 in new budget authority;

24 (3) with respect to fiscal year 2009,
25 \$919,516,000,000 in new budget authority; and

1 (4) with respect to fiscal years following 2009,
2 The President shall recommend and the Congress
3 shall consider legislation setting limits for those fis-
4 cal years.

5 (b) ADJUSTMENTS.—

6 (1) EMERGENCY SPENDING.—If, for fiscal year
7 2007, 2008, or 2009, appropriations for discre-
8 tionary accounts are enacted that the President des-
9 ignates as emergency requirements, and that the
10 Congress so designates in statute, the adjustment
11 shall be the total of such appropriations in discre-
12 tionary accounts designated as emergency require-
13 ments, but not to exceed \$90,000,000,000 for fiscal
14 year 2007, \$50,000,000,000 for 2008, and
15 \$30,000,000,000 for 2009. Appropriations des-
16 ignated as emergencies in excess of these limitations
17 shall be treated as new budget authority for the pur-
18 pose of calculating a breach of the discretionary
19 spending limits.

20 (2) FEDERAL TAX GAP INITIATIVE.—If an ap-
21 propriation bill or joint resolution is enacted for fis-
22 cal year 2007, 2008, or 2009, that includes
23 \$6,824,000,000 plus an additional amount for the
24 enhanced tax enforcement initiative of the Internal
25 Revenue Service, the adjustment shall be the amount

1 of budget authority in that measure for that initia-
2 tive but not to exceed—

3 (A) with respect to fiscal year 2007,
4 \$274,000,000 in new budget authority;

5 (B) with respect to fiscal year 2008,
6 \$414,000,000 in new budget authority; and

7 (C) with respect to fiscal year 2009,
8 \$554,000,000 in new budget authority.

9 (c) ENFORCEMENT.—

10 (1) SEQUESTRATION.—On the date specified in
11 section 202(a), there shall be a sequestration to
12 eliminate a budget-year breach.

13 (2) ELIMINATING A BREACH.—Each account
14 shall be reduced by a dollar amount calculated by
15 multiplying the enacted level of budget authority for
16 that year in that account at that time by the uni-
17 form percentage necessary to eliminate a breach of
18 the discretionary spending limit.

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

1 (A) the annualized amount otherwise avail-
2 able by law in that account under that or a sub-
3 sequent part-year appropriation; and

4 (B) when a full-year appropriation for that
5 account is enacted, from the amount otherwise
6 provided by the full-year appropriation.

7 (4) LOOK-BACK.—If, after June 30, an appro-
8 priation for the fiscal year in progress is enacted
9 that causes a breach for that year (after taking into
10 account any previous sequestration), the discre-
11 tionary spending limit for the next fiscal year shall
12 be reduced by the amount of that breach.

13 (5) WITHIN-SESSION SEQUESTRATION REPORTS
14 AND ORDER.—If an appropriation for a fiscal year
15 in progress is enacted (after Congress adjourns to
16 end the session for that budget year and before July
17 1 of that fiscal year) that causes a breach, 10 days
18 later CBO shall issue a report containing the infor-
19 mation required in section 211(c). Fifteen days after
20 enactment, OMB shall issue a report containing the
21 information required in section 211(c). On the same
22 day as the OMB report, the President shall issue an
23 order fully implementing without change all seques-
24 trations required by the OMB calculations set forth

1 in that report. This order shall be effective on
2 issuance.

3 (d) ESTIMATES.—

4 (1) CBO ESTIMATES.—As soon as practicable
5 after Congress completes action on any legislation
6 providing discretionary appropriations, CBO shall
7 provide an estimate to OMB of that legislation.

8 (2) OMB ESTIMATES.—Not later than 7 cal-
9 endar days (excluding Saturdays, Sundays, and legal
10 holidays) after the date of enactment of any discre-
11 tionary appropriations, OMB shall transmit a report
12 to the House of Representatives and to the Senate
13 containing—

14 (A) the CBO estimate of that legislation;

15 (B) an OMB estimate of that legislation
16 using current economic and technical assump-
17 tions; and

18 (C) an explanation of any difference be-
19 tween the 2 estimates.

20 (3) DIFFERENCES.—If during the preparation
21 of the report under paragraph (2), OMB determines
22 that there is a difference between the OMB and
23 CBO estimates, OMB shall consult with the Com-
24 mittees on the Budget of the House of Representa-
25 tives and the Senate regarding that difference and

1 that consultation, to the extent practicable, shall in-
2 clude written communication to such committees
3 that affords such committees the opportunity to
4 comment before the issuance of that report.

5 (4) ASSUMPTIONS AND GUIDELINES.—OMB
6 and CBO shall prepare estimates under this para-
7 graph in conformance with scorekeeping guidelines
8 determined after consultation among the House and
9 Senate Committees on the Budget, CBO, and OMB.

10 **Subtitle C—Maximum Deficit** 11 **Amount Limitation**

12 **SEC. 221. MAXIMUM DEFICIT AMOUNT.**

13 In this subtitle, the term “maximum deficit amount”
14 means—

15 (1) with respect to 2007, equals 2.75 percent of
16 the Gross Domestic Product for 2007, as estimated
17 by OMB for 2007;

18 (2) with respect to 2008, equals 2.25 percent of
19 the Gross Domestic Product for 2008, as estimated
20 by OMB for 2008;

21 (3) with respect to 2009, equals 1.75 percent of
22 the Gross Domestic Product for 2009, as estimated
23 by OMB for 2009;

1 (4) with respect to 2010, equals 1.25 percent of
2 the Gross Domestic Product for 2010, as estimated
3 by OMB for 2010;

4 (5) with respect to 2011, equals 0.75 percent of
5 the Gross Domestic Product for 2011, as estimated
6 by OMB for 2011; and

7 (6) with respect to 2012 and thereafter, equals
8 0.5 percent of Gross Domestic Product for 2012 and
9 thereafter, as estimated by OMB for 2012, and
10 thereafter.

11 **SEC. 222. REPORTING OF EXCESS DEFICITS.**

12 (a) MAXIMUM DEFICIT AMOUNT PREVIEW REPORT
13 BY OMB AND CBO.—

14 (1) ESTIMATES AND DETERMINATIONS.—On
15 the dates specified in section 202(a), OMB and CBO
16 shall with respect to each fiscal year estimate—

17 (A) the deficit;

18 (B) the maximum deficit amount; and

19 (C) any excess deficit amount for the
20 budget year.

21 (2) REPORT.—OMB shall report to the Presi-
22 dent and Congress and CBO shall report to Con-
23 gress estimating the budget base levels of total reve-
24 nues and total budget outlays for the budget year,
25 identifying the deficit, the maximum deficit amount,

1 and the amount of any deficit excess for such fiscal
2 year, the base from which direct spending reductions
3 are taken and the amounts and percentages by
4 which such direct spending accounts must be re-
5 duced for the budget year, in accordance with the
6 succeeding provisions of this part, in order to elimi-
7 nate such excess based on laws enacted through
8 those dates.

9 (3) DETERMINATION OF REDUCTIONS.—The
10 amounts and percentages by which accounts must be
11 reduced for the budget year shall be determined by,
12 subject to the exemptions set forth in section 227,
13 the reductions necessary to eliminate the excess def-
14 icit amount for the fiscal year.

15 (4) BASIS FOR DIRECTORS' ESTIMATES, DETER-
16 MINATIONS, AND SPECIFICATIONS.—

17 (A) BUDGET BASE.—In computing the
18 amounts and percentages by which accounts
19 must be reduced during a fiscal year as set
20 forth in the report required under paragraph
21 (2) for such fiscal year, OMB and CBO shall
22 use current economic and technical assumptions
23 consistent with the methodology set forth in
24 section 257 of the Balanced Budget and En-
25 forcement Deficit Control Act of 1985.

1 (B) DEFERRALS AND RESCISSIONS.—De-
2 ferrals and rescissions proposed under the Im-
3 poundment Control Act of 1974 for the budget
4 year shall not be taken into account in deter-
5 mining such budget base.

6 (C) EXPLANATION OF DIFFERENCES.—
7 The OMB shall explain the differences between
8 OMB and CBO estimates for each item in the
9 report.

10 (b) REVISED ESTIMATES AND MAXIMUM DEFICIT
11 AMOUNT RECONCILIATION REPORTS.—

12 (1) RECONCILIATION REPORT BY OMB AND
13 CBO.—On the date specified in section 202(a), the
14 Director of OMB shall submit to the President and
15 Congress, and the Director of CBO shall submit to
16 Congress, a revised report—

17 (A) indicating whether and to what extent,
18 as a result of laws enacted and regulations pro-
19 mulgated after the submission of their max-
20 imum deficit amount preview report under sub-
21 section (a), the excess deficit identified in the
22 report submitted under such subsection has
23 been eliminated, reduced, or increased; and

1 (B) adjusting the determinations for the
2 effects of any discretionary sequestration that
3 may be required under subtitle B.

4 The reconciliation report submitted under this para-
5 graph shall contain estimates, determinations, and
6 specifications for all of the items contained in the
7 preview report and the OMB report shall be based
8 on the same economic and technical assumptions
9 and employ the same methodologies as applied in the
10 supplemental budget estimates submitted under sec-
11 tion 1106 of title 31, United States Code, and the
12 CBO report shall be based on the most recent report
13 required by section 202(e)(2) of the Congressional
14 Budget Act of 1974. Estimates shall be consistent
15 with methodology in section 257 of the Balanced
16 Budget and Enforcement Act Deficit Control Act of
17 1985. The reports shall provide for the determina-
18 tion of reductions in the manner specified in sub-
19 section (a)(3).

20 (2) EXPLANATION OF DIFFERENCES.—The
21 OMB shall explain the differences between OMB
22 and CBO estimates for each item in the reconcili-
23 ation report.

24 (c) DATES FOR SUBMISSION OF REPORTS AND
25 ISSUANCE OF ORDERS.—If the date specified for the sub-

1 mission of a report by the Director of OMB under this
2 section falls on a Sunday or legal holiday, such report shall
3 be submitted or such order issued on the following day.

4 (d) PRINTING OF REPORTS.—Each report submitted
5 under this section shall be printed in the Federal Register
6 on the date it is issued; and the reports of the Director
7 of OMB submitted to the Congress under subsection (b)
8 shall be printed as documents of the House of Representa-
9 tives and the Senate.

10 **SEC. 223. CONGRESSIONAL RESPONSE TO OMB AND CBO**

11 **RECONCILIATION REPORT.**

12 (a) REPORTING OF RESOLUTIONS, AND RECONCILI-
13 ATION BILLS AND RESOLUTIONS, IN THE SENATE.—

14 (1) COMMITTEE ALTERNATIVES TO PRESI-
15 DENTIAL ORDER.—For the purpose of assisting the
16 Committees on the Budget of the House and Senate
17 in preparing Reconciliation Directive Reports under
18 paragraph (3) and not later than 20 days after the
19 submission of the OMB Reconciliation Report, each
20 standing committee of the House and Senate may
21 submit to the Committees on the Budget of the
22 House and Senate information of the type described
23 in section 301(d) of the Congressional Budget Act of
24 1974 with respect to alternatives to the order envi-

1 sioned by such report insofar as such order affects
2 laws within the jurisdiction of the committee.

3 (2) CBA.—Sections 305 and 310 of the Con-
4 gressional Budget Act of 1974 shall apply to any bill
5 considered under this section, except as otherwise
6 provided in this section.

7 (3) RECONCILIATION DIRECTIVES.—On the
8 date specified in section 202(a), the Chairmen of the
9 Committees on the Budget of the House and Senate
10 shall submit a Reconciliation Directive Report to the
11 President of the Senate or the Speaker of the House
12 for appropriate referral to the committees of its
13 House, the OMB Reconciliation Report containing
14 the maximum deficit amount and the excess deficit
15 and reconciliation directives. Such directives shall—

16 (A) specify the total amount by which—

17 (i) direct spending budget authority
18 and outlays for such fiscal year; and

19 (ii) governmental receipts, other than
20 income taxes, estate and gift taxes, excise
21 taxes, payroll taxes, or tariffs, for such fis-
22 cal year, are to be changed; and

23 (B) include directives to committees to rec-
24 ommend changes in laws within their jurisdic-
25 tion to accomplish the total amount of deficit

1 reduction necessary to eliminate the excess def-
2 icit so that the deficit does not exceed the max-
3 imum deficit amount set forth in the OMB Rec-
4 onciliation Report.

5 (4) RESPONSE OF COMMITTEES.—Committees
6 directed pursuant to paragraph (3), shall submit
7 their recommendations to comply with the directives
8 to the Budget Committee no later than 20 days
9 after the directives referred to in paragraph (3) are
10 issued.

11 (5) BUDGET COMMITTEE ACTION.—Upon re-
12 ceipt of the recommendations received in response to
13 directives referred to in paragraph (3), the Budget
14 Committees shall report to the House and Senate, a
15 reconciliation bill carrying out all such recommenda-
16 tions.

17 (b) LEGISLATIVE PROCEDURE.—If a Reconciliation
18 Directive Report containing reconciliation directives to 1
19 or more committees to determine and recommend changes
20 in laws, bills, or resolutions is issued in accordance with
21 subsection (a)(3)—

22 (1) each such committee so directed shall make
23 such recommendations to the Committee on the
24 Budget of its House, which upon receiving all such
25 recommendations, shall report to its House reconcili-

1 ation legislation carrying out all such recommenda-
2 tions without any substantive revision; and

3 (2) in the event that any committee fails to
4 comply with its directive, then the Committees on
5 the Budget may report amendments recommending
6 changes within the jurisdiction of the noncompliant
7 committee to achieve the changes contained in the
8 directive.

9 (c) ADJUSTMENT OF BUDGET TARGETS.—Upon en-
10 actment of a reconciliation bill conference report, the
11 chairmen of the Committees on the Budget of the Senate
12 and the House of Representatives shall revise spending
13 and revenue levels under section 311(a) of the Congres-
14 sional Budget Act of 1974 and adjust the committee allo-
15 cations under section 302(a) of the Congressional Budget
16 Act of 1974, or any other adjustments as may be appro-
17 priate to reflect any changes made in the reconciliation
18 bill. Notwithstanding any other provision of law, the re-
19 vised allocations and aggregates shall be considered to
20 have been made under a concurrent resolution on the
21 budget agreed to under the Congressional Budget Act of
22 1974, and shall be enforced under the procedures of that
23 Act.

24 (d) COMPLIANCE WITH RECONCILIATION DIREC-
25 TIVES.—Secondary or indirect effects of the legislative

1 recommendations submitted by any committee of the
2 House of Representatives or the Senate that is directed,
3 shall be attributed to the committee proposing the change
4 in law, but shall not be considered for the purpose of de-
5 termining compliance with such directives.

6 (e) LIMITATION ON AMENDMENTS TO RECONCILI-
7 ATION BILLS.—

8 (1) HOUSE OF REPRESENTATIVES.—It shall not
9 be in order in the House of Representatives to con-
10 sider any amendment to a reconciliation bill if such
11 amendment would have the effect of increasing any
12 specific budget outlays above the level of such out-
13 lays provided in the bill (for the fiscal years covered
14 by the reconciliation directives), or would have the
15 effect of reducing any specific governmental receipts
16 below the level of such governmental receipts pro-
17 vided in the bill (for such fiscal year), unless such
18 amendment makes at least an equivalent reduction
19 in other specific budget outlays, an equivalent in-
20 crease in other specific governmental receipts, or an
21 equivalent combination thereof (for such fiscal year).

22 (2) SENATE.—It shall not be in order in the
23 Senate to consider any amendment to a reconcili-
24 ation bill if such amendment would have the effect
25 of increasing any specific budget outlay level above

1 the level of such outlay reductions provided (for the
2 fiscal year covered) in the reconciliation directives or
3 would have the effect of reducing governmental re-
4 ceipts increases below the level of such increases in
5 such governmental receipts provided (for such fiscal
6 year) in the reconciliation directives, unless such
7 amendment makes a reduction in other specific
8 budget outlays, an increase in other specific govern-
9 mental receipts, or a combination thereof (for such
10 fiscal year) at least equivalent to any increase in
11 outlays or decrease in governmental receipts pro-
12 vided by such amendment, except that a motion to
13 strike a provision shall always be in order.

14 (3) BUDGET AUTHORITY, OUTLAYS, AND RE-
15 CEIPTS.—For purposes of this section, the levels of
16 budget authority, outlays, and governmental receipts
17 for a fiscal year shall be determined on the basis of
18 estimates made by the Committee on the Budget of
19 the House of Representatives or of the Senate, as
20 the case may be.

21 (4) HOUSE RULES.—The Committee on Rules
22 of the House of Representatives may make in order
23 amendments to achieve changes specified by rec-
24 onciliation directives if a committee or committees of
25 the House fail to submit recommended changes to

1 its Committee on the Budget pursuant to its instruc-
2 tion.

3 (f) PROCEDURE IN THE SENATE.—

4 (1) IN GENERAL.—Except as provided in para-
5 graph (2), the provisions of section 305 for the con-
6 sideration in the Senate of concurrent resolutions on
7 the budget and conference reports thereon, shall also
8 apply to the consideration in the Senate of reconcili-
9 ation bills reported under this subsection, motions in
10 relation to a request for conference, and conference
11 reports thereon.

12 (2) SENATE CONSIDERATION.—Consideration in
13 the Senate on any reconciliation bill reported under
14 this subsection, and all amendments thereto and de-
15 batable motions and appeals in connection therewith,
16 shall be limited to not more than 20 hours.

17 (g) LIMITATION ON CHANGES TO THE SOCIAL SECU-
18 RITY ACT.—Notwithstanding any other provision of law,
19 it shall not be in order in the Senate or the House of Rep-
20 resentatives to consider any reconciliation bill, or any
21 amendment thereto or conference report thereon, that con-
22 tains recommendations with respect to the old-age, sur-
23 vivors, and disability insurance program established under
24 title II of the Social Security Act.

1 (h) EXTRANEOUS MATTER IN RECONCILIATION LEG-
2 ISLATION.—

3 (1) IN GENERAL.—When the Senate is consid-
4 ering a reconciliation bill pursuant to this section
5 (whether that bill originated in the Senate or the
6 House), upon a point of order being made by any
7 Senator against material extraneous to the instruc-
8 tions to a committee which is contained in any title
9 or provision of the bill or offered as an amendment
10 to the bill, and the point of order is sustained by the
11 Chair, any part of said title or provision that con-
12 tains material extraneous to the directives to said
13 Committee as defined in paragraph (2), shall be
14 deemed stricken from the bill and may not be of-
15 fered as an amendment from the floor.

16 (2) EXTRANEOUS PROVISIONS.—Except as pro-
17 vided in paragraph (3)—

18 (A) a provision of a reconciliation bill con-
19 sidered pursuant to this subsection shall be con-
20 sidered extraneous if such provision does not
21 produce a decrease in outlays or an increase in
22 governmental receipts, including changes in out-
23 lays and governmental receipts brought about
24 by changes in the terms and conditions under

1 which outlays are made or governmental re-
2 ceipts are required to be collected;

3 (B) a provision that is not in the jurisdic-
4 tion of the Committee with jurisdiction over
5 said title or provision shall be considered extra-
6 neous (except that amendments reported by the
7 Committee on the Budget to achieve compliance
8 with reconciliation directives shall not be
9 deemed extraneous);

10 (C) a provision shall be considered to be
11 extraneous if it increases, or would increase, net
12 outlays, or if it decreases, or would decrease,
13 governmental receipts during a fiscal year after
14 the fiscal years covered by such reconciliation
15 bill, and such increases or decreases are greater
16 than outlay reductions or governmental receipts
17 increases resulting from other provisions in
18 such title in such year; and

19 (D) a provision shall be considered extra-
20 neous if it violates section 310(g) of the Con-
21 gressional Budget Act of 1974.

22 (3) SENATE-ORIGINATED PROVISIONS.—A Sen-
23 ate-originated provision shall not be considered ex-
24 traneous under paragraph (2) if the Chairman and
25 Ranking Minority Member of the Committee on the

1 Budget and the Chairman and Ranking Minority
2 Member of the Committee which reported the provi-
3 sion certify that—

4 (A) the provision mitigates direct effects
5 clearly attributable to a provision changing out-
6 lays or revenue and both provisions together
7 produce a net reduction in the deficit;

8 (B) the provision will result in a substan-
9 tial reduction in outlays or a substantial in-
10 crease in governmental receipts during fiscal
11 years after the fiscal years covered by the rec-
12 onciliation bill or reconciliation resolution;

13 (C) a reduction of outlays or an increase in
14 governmental receipts is likely to occur as a re-
15 sult of the provision, in the event of new regula-
16 tions authorized by the provision or likely to be
17 proposed, court rulings on pending litigation, or
18 relationships between economic indices and stip-
19 ulated statutory triggers pertaining to the pro-
20 vision, other than the regulations, court rulings,
21 or relationships currently projected by the Con-
22 gressional Budget Office for scorekeeping pur-
23 poses; or

24 (D) such provision will be likely to produce
25 a significant reduction in outlays or increase in

1 governmental receipts but, due to insufficient
2 data, such reduction or increase cannot be reli-
3 ably estimated.

4 (4) COMMITTEE REPORTED PROVISIONS.—a
5 provision reported by a committee shall not be con-
6 sidered extraneous under paragraph (2) if—

7 (A) the provision is an integral part of a
8 provision or title, which if introduced as a bill,
9 would be referred to such committee, and the
10 provision sets forth the procedure to carry out
11 or implement the substantive provisions that
12 were reported and which fall within the jurisdic-
13 tion of such committee; or

14 (B) the provision states an exception to, or
15 a special application of, the general provision or
16 title of which it is a part and such general pro-
17 vision or title if introduced as a bill, would be
18 referred to such committee.

19 (5) TECHNICAL AND CONFORMING AMEND-
20 MENTS.—Technical and conforming provisions shall
21 not be considered extraneous under this subsection.

22 (6) EXTRANEOUS MATERIALS.—Upon the re-
23 porting of a reconciliation bill pursuant to this sub-
24 section in the Senate, and again upon the submis-
25 sion of a conference report on such a reconciliation

1 bill, the Committee on the Budget of the Senate
2 shall submit for the record a list of material consid-
3 ered to be extraneous under paragraph (2) (A), (C),
4 and (D), to the instructions of a committee as pro-
5 vided in this section. The inclusion or exclusion of
6 a provision shall not constitute a determination of
7 extraneousness by the Presiding Officer of the Sen-
8 ate.

9 (7) CONFERENCE REPORTS.—When the Senate
10 is considering a conference report on, or an amend-
11 ment between the Houses in relation to, a reconcili-
12 ation bill pursuant to this section, upon a point of
13 order being made by any Senator against extraneous
14 material meeting the definition of this subsection,
15 and such point of order being sustained, such mate-
16 rial contained in such conference report or amend-
17 ment shall be deemed stricken, and the Senate shall
18 proceed, without intervening action or motion, to
19 consider the question of whether the Senate shall re-
20 cede from its amendment and concur with a further
21 amendment, or concur in the House amendment
22 with a further amendment, as the case may be,
23 which further amendment shall consist of only that
24 portion of the conference report or House amend-
25 ment, as the case may be, not so stricken. Any such

1 motion in the Senate shall be debatable for two
2 hours. In any case in which such point of order is
3 sustained against a conference report (or Senate
4 amendment derived from such conference report by
5 operation of this subsection), no further amendment
6 shall be in order.

7 (i) DETERMINATIONS AND POINTS OF ORDER.—Not-
8 withstanding any other law or rule of the Senate, it shall
9 be in order for a Senator to raise a single point of order
10 that several provisions of a bill, resolution, amendment,
11 motion, or conference report violate this section. The Pre-
12 siding Officer may sustain the point of order as to some
13 or all of the provisions against which the Senator raised
14 the point of order. If the Presiding Officer so sustains the
15 point of order as to some of the provisions (including pro-
16 visions of an amendment, motion, or conference report)
17 against which the Senator raised the point of order, then
18 only those provisions (including provisions of an amend-
19 ment, motion, or conference report) against which the Pre-
20 siding Officer sustains the point of order shall be deemed
21 stricken pursuant to this section. Before the Presiding Of-
22 ficer rules on such a point of order, any Senator may move
23 to waive such a point of order as it applies to some or
24 all of the provisions against which the point of order was
25 raised. Such a motion to waive is amendable in accordance

1 with the rules and precedents of the Senate. After the Pre-
2 siding Officer rules on such a point of order, any Senator
3 may appeal the ruling of the Presiding Officer on such
4 a point of order as it applies to some or all of the provi-
5 sions on which the Presiding Officer ruled.

6 **SEC. 224. REVISED ESTIMATES AND FINAL MAXIMUM DEF-**
7 **ICIT AMOUNT SEQUESTRATION REPORTS.**

8 (a) REVISED ESTIMATES, DETERMINATIONS, AND
9 FINAL MAXIMUM DEFICIT AMOUNT SEQUESTRATION RE-
10 PORTS.—On the dates specified in section 202(a), OMB
11 shall submit to the President and Congress, and CBO
12 shall submit to Congress, a revised report—

13 (1) indicating whether and to what extent, as a
14 result of laws enacted and regulations promulgated
15 after the submission of their preview report under
16 section 222(a), the excess deficit identified in the re-
17 port submitted under such subsection has been
18 eliminated, reduced, or increased; and

19 (2) adjusting the determinations made under
20 section 222(a) to the extent necessary.

21 The final report submitted under this subsection shall con-
22 tain estimates, determinations, and specifications for all
23 of the items contained in the maximum deficit amount rec-
24 onciliation report and shall be based on the same economic
25 and technical assumptions and employ the same meth-

1 odologies shall be based on the supplemental budget esti-
2 mates under section 1106 of title 31, United states Code,
3 and the CBO report shall be based on the most recent
4 report required by section 202(e)(2) of the Congressional
5 Budget Act of 1974. Estimates shall be consistent with
6 section 257 of the Balanced Budget and Enforcement Act
7 Deficit Control Act of 1985. The reports shall provide for
8 the determination of reductions in the manner specified
9 in section 222(a)(3).

10 (b) DATES FOR SUBMISSION OF REPORTS AND
11 ISSUANCE OF ORDERS.—If the date specified for the sub-
12 mission of a report by the Director of OMB under this
13 section falls on a Sunday or legal holiday, such report shall
14 be submitted or such order issued on the following day.

15 (c) PRINTING OF REPORTS.—Each report submitted
16 under this section shall be printed in the Federal Register
17 on the date it is issued; and the reports of the Director
18 of OMB submitted to the Congress under subsection
19 (a)(1) shall be printed as documents of the House of Rep-
20 resentatives and the Senate.

21 **SEC. 225. MAXIMUM DEFICIT AMOUNT-PRESIDENTIAL**
22 **ORDER.**

23 (a) IN GENERAL.—On the date specified in section
24 202(a) and following the submission of a report by the
25 Director of OMB to the President and Congress under

1 section 224 that identifies an amount by which the deficit
2 for a fiscal year will exceed the maximum deficit amount
3 for such fiscal year the President, in strict accordance with
4 the requirements set forth in section 227, shall eliminate
5 the full amount of the deficit excess by issuing an order
6 that eliminates the direct spending authority and outlays
7 resulting therefrom in accordance with such report from
8 each budget account activity as identified in the program
9 and financing schedules contained in the appendix to the
10 Budget of the United States Government for that fiscal
11 year, applying the same reduction percentage as the per-
12 centage by which the account is reduced in such report.

13 (b) ORDER TO BE BASED ON OMB REPORT.—The
14 order must provide for reductions in the manner specified
15 in section 224, and must be consistent with such report
16 in all respects. The President may not modify or recal-
17 culate any of the estimates, determinations, specifications,
18 bases, amounts or percentages set forth in the report sub-
19 mitted under section 224 in determining the reductions
20 to be specified in the order with respect to budget activi-
21 ties, within an account.

22 (c) EFFECT OF SEQUESTRATION UNDER PRESI-
23 DENTIAL ORDER.—Amounts sequestered under an order
24 issued by the President under subsection (a) for a fiscal

1 year shall be permanently cancelled in accordance with
2 such final order.

3 (d) ACCOMPANYING MESSAGE.—At the time the ac-
4 tions described in the preceding provisions of this sub-
5 section with respect to any fiscal year are taken, the Presi-
6 dent shall transmit to both Houses of the Congress a mes-
7 sage containing all the information required by this sec-
8 tion and further specifying in strict accordance with sub-
9 section (b)—

10 (1) within each account, and the amounts which
11 are to be sequestered or reduced for each such pro-
12 gram, project, and activity or budget account activ-
13 ity; and

14 (2) such other supporting details as the Presi-
15 dent may determine to be appropriate.

16 Upon receipt in the Senate and the House of Representa-
17 tives, the message shall be referred to all committees with
18 jurisdiction over programs, projects, and activities affected
19 by the order.

20 (e) EFFECTIVE DATE OF INITIAL ORDER.—The
21 order issued by the President under subsection (a) with
22 respect to any fiscal year shall be effective as of the date
23 of its issuance.

1 **SEC. 226. CONGRESSIONAL RESPONSE TO LOW GROWTH.**

2 (a) SPECIAL PROCEDURES IN THE EVENT OF LOW
3 ECONOMIC GROWTH.—

4 (1) IN GENERAL.—The Director of the Con-
5 gressional Budget Office shall notify the Congress at
6 any time if—

7 (A) during the period consisting of the
8 quarter during which such notification is given,
9 the quarter preceding such notification, and the
10 four quarters following such notification, such
11 Office or the Office of Management and Budget
12 has determined that real economic growth is
13 projected or estimated to be less than zero with
14 respect to each of any two consecutive quarters
15 within such period, or

16 (B) the Department of Commerce prelimi-
17 nary reports of actual real economic growth (or
18 any subsequent revision thereof) indicate that
19 the rate of real economic growth for each of the
20 most recent reported quarter and the imme-
21 diately preceding quarter is less than one per-
22 cent.

23 Upon such notification the Majority Leader of each
24 House shall introduce a joint resolution (in the form
25 set forth in paragraph (2)) declaring that the condi-
26 tions specified in this paragraph are met and sus-

1 pending the relevant provisions of this title for the
2 remainder of the current fiscal year or for the fol-
3 lowing fiscal year or both.

4 (2) FORM OF JOINT RESOLUTION.—

5 (A) MATTER.—The matter after the re-
6 solving clause in any joint resolution introduced
7 pursuant to paragraph (1) shall be as follows:
8 “That the Congress declares that the conditions
9 specified in section 226(a)(1) of the Stop Over
10 Spending Act of 2006 are met and the provi-
11 sions of that Act, including sequestration of dis-
12 cretionary spending under subtitle B of that
13 Act are suspended for the remainder of the cur-
14 rent year, and for the fiscal year following the
15 current year. This joint resolution shall not
16 have the effect of suspending any final order
17 which was issued for the current fiscal year
18 under the SOS Act if such order was issued be-
19 fore the date of the enactment of this joint res-
20 olution. .

21 (B) TITLE.—The title of the joint resolu-
22 tion shall be “Joint resolution suspending cer-
23 tain provisions of law pursuant to SOS Act.”
24 and the joint resolution shall not contain any
25 preamble.

1 (b) COMMITTEE ACTION.—Each joint resolution in-
2 troduced pursuant to subsection (a) shall be referred to
3 the Committee on the Budget of the House involved; and
4 such Committee shall report the joint resolution to its
5 House without amendment on or before the fifth day on
6 which such House is in session after the date on which
7 the joint resolution is introduced. If the Committee fails
8 to report the joint resolution within the five-day period
9 referred to in the preceding sentence, it shall be automati-
10 cally discharged from further consideration of the joint
11 resolution, and the joint resolution shall be placed on the
12 appropriate calendar.

13 (c) CONSIDERATION OF JOINT RESOLUTION.—

14 (1) IN GENERAL.—A vote on final passage of a
15 joint resolution reported to a House of the Congress
16 or discharged pursuant to subsection (b) shall be
17 taken on or before the close of the fifth calendar day
18 of session of such House after the date on which the
19 joint resolution is reported to such House or after
20 the Committee has been discharged from further
21 consideration of the joint resolution. If prior to the
22 passage by one House of a joint resolution of that
23 House, that House received the same joint resolution
24 from the other House, then—

1 (A) the procedure in that House shall be
2 the same as if no such joint resolution had been
3 received from the other House, but

4 (B) the vote on final passage shall be on
5 the joint resolution of the other House.

6 When the joint resolution is agreed to, the Clerk of
7 the House of Representatives (in the case of a
8 House joint resolution agreed to in the House of
9 Representatives) or the Secretary of the Senate (in
10 the case of a Senate joint resolution agreed to in the
11 Senate) shall cause the joint resolution to be en-
12 grossed, certified, and transmitted to the other
13 House of the Congress as soon as practicable.

14 (2) HOUSE.—

15 (A) PROCEEDING.—A motion in the House
16 of Representatives to proceed to the consider-
17 ation of a joint resolution under this subsection
18 shall be highly privileged and not debatable. An
19 amendment to the motion shall not be in order,
20 nor shall it be in order to move to reconsider
21 the vote by which the motion is agreed to or
22 disagreed to.

23 (B) DEBATE.—Debate in the House of
24 Representatives on a joint resolution under this
25 subsection shall be limited to not more than 5

1 hours, which shall be divided equally between
2 those favoring and those opposing the joint res-
3 olution. A motion to postpone, made in the
4 House of Representatives with respect to the
5 consideration of a joint resolution under this
6 subsection, and a motion to proceed to the con-
7 sideration of other business, shall not be in
8 order. A motion further to limit debate shall
9 not be debatable. It shall not be in order to
10 move to table or to recommit a joint resolution
11 under this subsection or to move to reconsider
12 the vote by which the joint resolution is agreed
13 to or disagreed to.

14 (C) APPEALS.—All appeals from the deci-
15 sions of the Chair relating to the application of
16 the Rules of the House of Representatives to
17 the procedure relating to a joint resolution
18 under this subsection shall be decided without
19 debate.

20 (D) FORM OF RESOLUTION.—Except to
21 the extent specifically provided in this sub-
22 section or in paragraph (4), consideration of a
23 joint resolution under this paragraph shall be
24 governed by the Rules of the House of Rep-
25 resentatives.

1 (3) SENATE.—

2 (A) PROCEEDING.—A motion in the Sen-
3 ate to proceed to the consideration of a joint
4 resolution under this subsection shall be privi-
5 leged and not debatable. An amendment to the
6 motion shall not be in order, nor shall it be in
7 order to move to reconsider the vote by which
8 the motion is agreed to or disagreed to.

9 (B) DEBATE.—Debate in the Senate on a
10 joint resolution under this subsection, and all
11 debatable motions and appeals in connection
12 therewith, shall be limited to not more than five
13 hours. The time shall be equally divided be-
14 tween, and controlled by, the majority leader
15 and the minority leader or their designees.

16 (C) MOTIONS AND APPEALS.—Debate in
17 the Senate on any debatable motion or appeal
18 in connection with a joint resolution under this
19 subsection shall be limited to not more than one
20 hour, to be equally divided between, and con-
21 trolled by, the mover and the manager of the
22 joint resolution, except that in the event the
23 manager of the joint resolution is in favor of
24 any such motion or appeal, the time in opposi-

1 tion thereto shall be controlled by the minority
2 leader or his designee.

3 (D) LIMIT DEBATE OR RECOMMIT.—A mo-
4 tion in the Senate to further limit debate on a
5 joint resolution under this subsection is not de-
6 batable. A motion to table or to recommit a
7 joint resolution under this subsection is not in
8 order.

9 (4) NO AMENDMENTS.—No amendment to a
10 joint resolution considered under this subsection
11 shall be in order in either the House of Representa-
12 tives or the Senate.

13 **SEC. 227. EXEMPTIONS FROM SEQUESTRATION.**

14 (a) IN GENERAL.—Except as provided in subsection
15 (b), all direct spending and outlays flowing therefrom shall
16 be subject to the sequestration procedures under this sub-
17 title.

18 (b) EXCEPTIONS.—

19 (1) SOCIAL SECURITY BENEFITS AND TIER I
20 RAILROAD RETIREMENT BENEFITS.—Benefits pay-
21 able under the old-age, survivors, and disability in-
22 surance program established under title II of the So-
23 cial Security Act, or in benefits payable under sec-
24 tion 3(a), 3(f)(3), 4(a), or 4(f) of the Railroad Re-

1 tirement Act of 1974, shall be exempt from any re-
2 duction under any order issued under this part.

3 (2) IN BUDGET.—

4 (A) PRESIDENT'S BUDGET.—The Presi-
5 dent shall include in the budget submitted pur-
6 suant to section 1105 of title 31, United States
7 Code, exemptions from sequestration procedures
8 for specific accounts or activities where
9 amounts are not available for sequestration
10 (which includes outlays for interest on the pub-
11 lic debt, outlays for claims against the United
12 States, outlays for miscellaneous permanent ap-
13 propriations and outlays for existing contracts.)

14 (B) JUSTIFICATION.—The President shall
15 include a justification for each exemption sub-
16 mitted pursuant to subparagraph (A).

17 (C) APPLICATION.—The exemptions pro-
18 vided in paragraph (1) and the exemptions sub-
19 mitted by the President under this paragraph
20 shall stand as the only exemptions to sequestra-
21 tion procedures under this subtitle, unless oth-
22 erwise provided by law.

1 **SEC. 228. SUBMISSION OF PRESIDENT’S BUDGET; MAXIMUM**
2 **DEFICIT AMOUNT MAY NOT BE EXCEEDED.**

3 Section 1105 of title 31, United States Code, is
4 amended by adding at the end thereof the following:

5 “(i) The budget transmitted pursuant to subsection
6 (a) for a fiscal year shall be prepared consistent with sec-
7 tion 257 of the Balanced Budget and Emergency Deficit
8 Control Act of 1985, in such a manner as to ensure that
9 the deficit for such fiscal year shall not exceed the max-
10 imum deficit amount for such fiscal year.”.

11 **TITLE III—BIENNIAL BUDG-**
12 **ETARY AND APPROPRIATIONS**

13 **SEC. 301. REVISION OF TIMETABLE.**

14 Section 300 of the Congressional Budget Act of 1974
15 (2 U.S.C. 631) is amended to read as follows:

16 “TIMETABLE

17 “SEC. 300. (a) IN GENERAL.—Except as provided by
18 subsection (b), the timetable with respect to the congres-
19 sional budget process for any Congress (beginning with
20 the One Hundred Tenth Congress) is as follows:

“First Session

On or before:	Action to be completed:
First Monday in Feb- ruary.	President submits the biennial budget rec- ommendations.
February 15	Congressional Budget Office submits report to Budget Committees.
Not later than 6 weeks after the biennial bud- get submission.	Committees submit views and estimates to Budget Committees.
April 1	Budget Committees report concurrent resolu- tion on the biennial budget.
May 15	Congress completes action on concurrent reso- lution on the biennial budget.

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“First Session—Continued

May 15	Biennial appropriation bills may be considered in the House.
June 10	House Appropriations Committee reports last biennial appropriation bill.
June 30	House completes action on biennial appropriation bills.
August 1	Congress completes action on reconciliation legislation.
October 1	Biennium begins.
.....	Second Session
On or before:	Action to be completed:
February 15	President submits biennial 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 immediately following
3 a leap year and during which the term of a President (ex-
4 cept a President who succeeds himself or herself) begins,
5 the following dates shall supersede those set forth in sub-
6 section (a):

“First Session

On or before:	Action to be completed:
First Monday in April	President submits the biennial budget recommendations.
April 20	Committees submit views and estimates to Budget Committees.
May 15	Budget Committees report concurrent resolution on the biennial budget.
June 1	Congress completes action on concurrent resolution on the biennial budget.
July 1	Biennial appropriation bills may be considered in the House.
July 20	House completes action on biennial appropriation bills.
August 1	Congress completes action on reconciliation legislation.
October 1	Biennium begins.”.

1 **SEC. 302. 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) is further amended by adding at the
14 end the following new paragraph:

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

18 (c) **BIENNIAL CONCURRENT RESOLUTION ON THE**
19 **BUDGET.**—

20 (1) **SECTION HEADING.**—The section heading of
21 section 301 of such Act is amended by striking “**AN-**
22 **NUAL**” and inserting “**BIENNIAL**”.

23 (2) **CONTENTS OF RESOLUTION.**—Section
24 301(a) of such Act (2 U.S.C. 632(a)) is amended—

25 (A) in the matter preceding paragraph (1)
26 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”; and

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”;

12 (B) in paragraph (6), by striking “for the
13 fiscal year” and inserting “for each fiscal year
14 in the biennium”; and

15 (C) in paragraph (7), by striking “for the
16 fiscal year” and inserting “for each fiscal year
17 in the biennium”.

18 (3) ADDITIONAL MATTERS.—Section 301(b)(3)
19 of such Act (2 U.S.C. 632(b)) is amended by strik-
20 ing “for such fiscal year” and inserting “for either
21 fiscal year in such biennium”.

22 (4) VIEWS OF OTHER COMMITTEES.—Section
23 301(d) of such Act (2 U.S.C. 632(d)) is amended by
24 inserting “(or, if applicable, as provided by section
25 300(b))” after “United States Code”.

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

3 (A) striking “fiscal year” and inserting
4 “biennium”; and

5 (B) inserting after the second sentence the
6 following: “On or before April 1 of each odd-
7 numbered year (or, if applicable, as provided by
8 section 300(b)), the Committee on the Budget
9 of each House shall report to its House the con-
10 current resolution on the budget referred to in
11 subsection (a) for the biennium beginning on
12 October 1 of that year.”.

13 (6) GOALS FOR REDUCING UNEMPLOYMENT.—
14 Section 301(f) of such Act (2 U.S.C. 632(f)) is
15 amended by striking “fiscal year” each place it ap-
16 pears and inserting “biennium”.

17 (7) ECONOMIC ASSUMPTIONS.—Section
18 301(g)(1) of such Act (2 U.S.C. 632(g)(1)) is
19 amended by striking “for a fiscal year” and insert-
20 ing “for a biennium”.

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

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

3 (1) in subsection (a)

4 (A) in paragraph (1), by—

5 (i) striking “for the first fiscal year of
6 the resolution,” and inserting “for each
7 fiscal year in the biennium,”;

8 (ii) striking “for that period of fiscal
9 years” and inserting “for all fiscal years
10 covered by the resolution”; and

11 (iii) striking “for the fiscal year of
12 that resolution” and inserting “for each
13 fiscal year in the biennium”; and

14 (B) in paragraph (5), by striking “April
15 15” and inserting “May 15 or June 1 (under
16 section 300(b))”;

17 (2) in subsection (b), by striking “budget year”
18 and inserting “biennium”;

19 (3) in subsection (c) by striking “for a fiscal
20 year” each place it appears and inserting “for each
21 fiscal year in the biennium”;

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

1 (5) in subsection (f)(1), by striking “the first
2 fiscal year” and inserting “each fiscal year of the bi-
3 ennium”;

4 (6) in subsection (f)(2)(A), by—

5 (A) striking “the first fiscal year” and in-
6 serting “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 (7) in subsection (g)(1)(A), by striking “April”
11 and inserting “May”.

12 (e) SECTION 303 POINT OF ORDER.—

13 (1) IN GENERAL.—Section 303(a) of such Act
14 (2 U.S.C. 634(a)) is amended by—

15 (A) striking “the first fiscal year” and in-
16 serting “each fiscal year of the biennium”; and

17 (B) striking “that fiscal year” each place
18 it appears and inserting “that biennium”.

19 (2) EXCEPTIONS IN THE HOUSE.—Section
20 303(b)(1) of such Act (2 U.S.C. 634(b)) is amend-
21 ed—

22 (A) in subparagraph (A), by striking “the
23 budget year” and inserting “the biennium”;
24 and

1 (B) in subparagraph (B), by striking “the
2 fiscal year” and inserting “the biennium”.

3 (3) APPLICATION TO THE SENATE.—Section
4 303(c)(1) of such Act (2 U.S.C. 634(c)) is amended
5 by—

6 (A) striking “fiscal year” and inserting
7 “biennium”; and

8 (B) striking “that year” and inserting
9 “each fiscal year of that biennium”.

10 (f) PERMISSIBLE REVISIONS OF CONCURRENT RESO-
11 LUTIONS ON THE BUDGET.—Section 304 of such Act (2
12 U.S.C. 635) is amended—

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

15 (2) by striking “for such fiscal year” and in-
16 serting “for such biennium”.

17 (g) PROCEDURES FOR CONSIDERATION OF BUDGET
18 RESOLUTIONS.—Section 305 of such Act (2 U.S.C.
19 636(3)) is amended—

20 (1) in subsection (a)(3), by striking “fiscal
21 year” and inserting “biennium”; and

22 (2) in subsection (b)(3), by striking “fiscal
23 year” and inserting “biennium”.

1 (h) COMPLETION OF HOUSE ACTION ON APPROPRIA-
2 TION BILLS.—Section 307 of such Act (2 U.S.C. 638) is
3 amended—

4 (1) by striking “each year” and inserting “each
5 odd-numbered year”;

6 (2) by striking “annual” and inserting “bien-
7 nial”;

8 (3) by striking “fiscal year” and inserting “bi-
9 ennium”; and

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

12 (i) COMPLETION OF ACTION ON REGULAR APPRO-
13 PRIATION BILLS.—Section 309 of such Act (2 U.S.C.
14 640) is amended—

15 (1) by inserting “of any odd-numbered calendar
16 year” after “July”;

17 (2) by striking “annual” and inserting “bien-
18 nial”; and

19 (3) by striking “fiscal year” and inserting “bi-
20 ennium”.

21 (j) RECONCILIATION PROCESS.—Section 310(a) of
22 such Act (2 U.S.C. 641(a)) is amended—

23 (1) in the matter preceding paragraph (1), by
24 striking “any fiscal year” and inserting “any bien-
25 nium”; and

1 (2) in paragraph (1) by striking “such fiscal
2 year” each place it appears and inserting “any fiscal
3 year covered by such resolution”.

4 (k) SECTION 311 POINT OF ORDER.—

5 (1) IN THE HOUSE.—Section 311(a)(1) of such
6 Act (2 U.S.C. 642(a)) is amended—

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

9 (B) by striking “the first fiscal year” each
10 place it appears and inserting “either fiscal
11 year of the biennium”; and

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

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

16 (A) in subparagraph (A), by striking “for
17 the first fiscal year” and inserting “for either
18 fiscal year of the biennium”; and

19 (B) in subparagraph (B)—

20 (i) by striking “that first fiscal year”
21 the first place it appears and inserting
22 “each fiscal year in the biennium”; and

23 (ii) by striking “that first fiscal year
24 and the ensuing fiscal years” and inserting
25 “all fiscal years”.

1 (3) SOCIAL SECURITY LEVELS.—Section
2 311(a)(3) of such Act is amended by—

3 (A) striking “for the first fiscal year” and
4 inserting “each fiscal year in the biennium”;
5 and

6 (B) striking “that fiscal year and the ensu-
7 ing fiscal years” and inserting “all fiscal
8 years”.

9 (1) MAXIMUM DEFICIT AMOUNT POINT OF ORDER.—
10 Section 312(c) of the Congressional Budget Act of 1974
11 (2 U.S.C. 643) is amended—

12 (1) by striking “for a fiscal year” and inserting
13 “for a biennium”;

14 (2) in paragraph (1), by striking “the first fis-
15 cal year” and inserting “either fiscal year in the bi-
16 ennium”;

17 (3) in paragraph (2), by striking “that fiscal
18 year” and inserting “either fiscal year in the bien-
19 nium”; and

20 (4) in the matter following paragraph (2), by
21 striking “that fiscal year” and inserting “the appli-
22 cable fiscal year”.

1 **SEC. 303. AMENDMENTS TO TITLE 31, UNITED STATES**
2 **CODE.**

3 (a) DEFINITION.—Section 1101 of title 31, United
4 States Code, is amended by adding at the end thereof the
5 following new paragraph:

6 “(3) ‘biennium’ has the meaning given to such
7 term in paragraph (11) of section 3 of the Congres-
8 sional Budget and Impoundment Control Act of
9 1974 (2 U.S.C. 622(11)).”.

10 (b) BUDGET CONTENTS AND SUBMISSION TO THE
11 CONGRESS.—

12 (1) SCHEDULE.—The matter preceding para-
13 graph (1) in section 1105(a) of title 31, United
14 States Code, is amended to read as follows:

15 “(a) On or before the first Monday in February of
16 each odd-numbered year (or, if applicable, as provided by
17 section 300(b) of the Congressional Budget Act of 1974),
18 beginning with the One Hundred Tenth Congress, the
19 President shall transmit to the Congress, the budget for
20 the biennium beginning on October 1 of such calendar
21 year. The budget of the United States Government trans-
22 mitted under this subsection shall include a budget mes-
23 sage and summary and supporting information. The
24 President shall include in each budget the following:”.

25 (2) EXPENDITURES.—Section 1105(a)(5) of
26 title 31, United States Code, is amended by striking

1 “the fiscal year for which the budget is submitted
2 and the 4 fiscal years after that year” and inserting
3 “each fiscal year in the biennium for which the
4 budget is submitted and in the succeeding 4 fiscal
5 years”.

6 (3) RECEIPTS.—Section 1105(a)(6) of title 31,
7 United States Code, is amended by striking “the fis-
8 cal year for which the budget is submitted and the
9 4 fiscal years after that year” and inserting “each
10 fiscal year in the biennium for which the budget is
11 submitted and in the succeeding 4 years”.

12 (4) BALANCE STATEMENTS.—Section
13 1105(a)(9)(C) of title 31, United States Code, is
14 amended by striking “the fiscal year” and inserting
15 “each fiscal year in the biennium”.

16 (5) FUNCTIONS AND ACTIVITIES.—Section
17 1105(a)(12) of title 31, United States Code, is
18 amended in subparagraph (A), by striking “the fis-
19 cal year” and inserting “each fiscal year in the bien-
20 nium”.

21 (6) ALLOWANCES.—Section 1105(a)(13) of title
22 31, United States Code, is amended by striking “the
23 fiscal year” and inserting “each fiscal year in the bi-
24 ennium”.

1 (7) ALLOWANCES FOR UNCONTROLLED EX-
2 PENDITURES.—Section 1105(a)(14) of title 31,
3 United States Code, is amended by striking “that
4 year” and inserting “each fiscal year in the bien-
5 nium for which the budget is submitted”.

6 (8) TAX EXPENDITURES.—Section 1105(a)(16)
7 of title 31, United States Code, is amended by strik-
8 ing “the fiscal year” and inserting “each fiscal year
9 in the biennium”.

10 (9) FUTURE YEARS.—Section 1105(a)(17) of
11 title 31, United States Code, is amended—

12 (A) by striking “the fiscal year following
13 the fiscal year” and inserting “each fiscal year
14 in the biennium following the biennium”;

15 (B) by striking “that following fiscal year”
16 and inserting “each such fiscal year”; and

17 (C) by striking “fiscal year before the fis-
18 cal year” and inserting “biennium before the bi-
19 ennium”.

20 (10) PRIOR YEAR OUTLAYS.—Section
21 1105(a)(18) of title 31, United States Code, is
22 amended—

23 (A) by striking “the prior fiscal year” and
24 inserting “each of the 2 most recently com-
25 pleted fiscal years,”;

1 (B) by striking “for that year” and insert-
2 ing “with respect to those fiscal years”; and

3 (C) by striking “in that year” and insert-
4 ing “in those fiscal years”.

5 (11) PRIOR YEAR RECEIPTS.—Section
6 1105(a)(19) of title 31, United States Code, is
7 amended—

8 (A) by striking “the prior fiscal year” and
9 inserting “each of the 2 most recently com-
10 pleted fiscal years”;

11 (B) by striking “for that year” and insert-
12 ing “with respect to those fiscal years”; and

13 (C) by striking “in that year” each place
14 it appears and inserting “in those fiscal years”.

15 (c) ESTIMATED EXPENDITURES OF LEGISLATIVE
16 AND JUDICIAL BRANCHES.—Section 1105(b) of title 31,
17 United States Code, is amended by striking “each year”
18 and inserting “each even-numbered year”.

19 (d) RECOMMENDATIONS TO MEET ESTIMATED DE-
20 FICIENCIES.—Section 1105(c) of title 31, United States
21 Code, is amended—

22 (1) by striking “the fiscal year for” the first
23 place it appears and inserting “each fiscal year in
24 the biennium for”;

1 (2) by striking “the fiscal year for” the second
2 place it appears and inserting “each fiscal year of
3 the biennium, as the case may be, for”; and

4 (3) by striking “for that year” and inserting
5 “for each fiscal year of the biennium”.

6 (e) CAPITAL INVESTMENT ANALYSIS.—Section
7 1105(e)(1) of title 31, United States Code, is amended
8 by striking “ensuing fiscal year” and inserting “biennium
9 to which such budget relates”.

10 (f) SUPPLEMENTAL BUDGET ESTIMATES AND
11 CHANGES.—

12 (1) IN GENERAL.—Section 1106(a) of title 31,
13 United States Code, is amended—

14 (A) in the matter preceding paragraph (1),
15 by—

16 (i) inserting after “Before July 16 of
17 each year” the following: “and February
18 15 of each even-numbered year”; and

19 (ii) striking “fiscal year” and insert-
20 ing “biennium”;

21 (B) in paragraph (1), by striking “that fis-
22 cal year” and inserting “each fiscal year in
23 such biennium”;

24 (C) in paragraph (2), by striking “fiscal
25 year” and inserting “biennium”; and

1 (D) in paragraph (3), by striking “fiscal
2 year” and inserting “biennium”.

3 (2) CHANGES.—Section 1106(b) of title 31,
4 United States Code, is amended by—

5 (A) striking “the fiscal year” and inserting
6 “each fiscal year in the biennium”;

7 (B) inserting after “Before July 16 of each
8 year” the following: “and February 15 of each
9 even-numbered year”; and

10 (C) striking “submitted before July 16”
11 and inserting “required by this subsection”.

12 (g) CURRENT PROGRAMS AND ACTIVITIES ESTI-
13 MATES.—

14 (1) IN GENERAL.—Section 1109(a) of title 31,
15 United States Code, is amended—

16 (A) by striking “On or before the first
17 Monday after January 3 of each year (on or be-
18 fore February 5 in 1986)” and inserting “At
19 the same time the budget required by section
20 1105 is submitted for a biennium”; and

21 (B) by striking “the following fiscal year”
22 and inserting “each fiscal year of such period”.

23 (2) JOINT ECONOMIC COMMITTEE.—Section
24 1109(b) of title 31, United States Code, is amended
25 by striking “March 1 of each year” and inserting

1 “within 6 weeks of the President’s budget submis-
2 sion for each odd-numbered year (or, if applicable,
3 as provided by section 300(b) of the Congressional
4 Budget Act of 1974)”.

5 (h) YEAR-AHEAD REQUESTS FOR AUTHORIZING
6 LEGISLATION.—Section 1110 of title 31, United States
7 Code, is amended by—

8 (1) striking “May 16” and inserting “March
9 31”; and

10 (2) striking “year before the year in which the
11 fiscal year begins” and inserting “calendar year pre-
12 ceding the calendar year in which the biennium be-
13 gins”.

14 **SEC. 304. TWO-YEAR APPROPRIATIONS; TITLE AND STYLE**
15 **OF APPROPRIATIONS ACTS.**

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

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

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

24 “(b) All Acts making regular appropriations for the
25 support of the Government shall be enacted for a biennium

1 and shall specify the amount of appropriations provided
2 for each fiscal year in such period.

3 “(c) For purposes of this section, the term ‘biennium’
4 has the same meaning as in section 3(11) of the Congres-
5 sional Budget and Impoundment Control Act of 1974 (2
6 U.S.C. 622(11)).”.

7 **SEC. 305. MULTIYEAR AUTHORIZATIONS.**

8 (a) IN GENERAL.—Title III of the Congressional
9 Budget Act of 1974 is amended by adding at the end the
10 following new section:

11 “AUTHORIZATIONS OF APPROPRIATIONS

12 “SEC. 316. (a) POINT OF ORDER.—It shall not be
13 in order in the House of Representatives or the Senate
14 to consider—

15 “(1) any bill, joint resolution, amendment, mo-
16 tion, or conference report that authorizes appropria-
17 tions for a period of less than 2 fiscal years, unless
18 the program, project, or activity for which the ap-
19 propriations are authorized will require no further
20 appropriations and will be completed or terminated
21 after the appropriations have been expended; and

22 “(2) in any odd-numbered year, any authoriza-
23 tion or revenue bill or joint resolution until Congress
24 completes action on the biennial budget resolution,
25 all regular biennial appropriations bills, and all rec-
26 onciliation bills.

1 “(b) APPLICABILITY.—In the Senate, subsection (a)
2 shall not apply to—

3 “(1) any measure that is privileged for consid-
4 eration pursuant to a rule or statute;

5 “(2) any matter considered in Executive Ses-
6 sion; or

7 “(3) an appropriations measure or reconcili-
8 ation bill.”.

9 (b) AMENDMENT TO TABLE OF CONTENTS.—The
10 table of contents set forth in section 1(b) of the Congres-
11 sional Budget and Impoundment Control Act of 1974 is
12 amended by adding after the item relating to section 315
13 the following new item:

“Sec. 316. Authorizations of appropriations”.

14 **SEC. 306. GOVERNMENT PLANS ON A BIENNIAL BASIS.**

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

17 (1) in subsection (a), by striking “September
18 30, 1997” and inserting “September 30, 2007”;

19 (2) in subsection (b)—

20 (A) by striking “five years forward” and
21 inserting “6 years forward”;

22 (B) by striking “at least every three years”
23 and inserting “at least every 4 years”; and

24 (C) by striking beginning with “, except
25 that” through “four years”; and

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

3 “(7) cover a 2-year period beginning with the
4 first fiscal year of the next biennial budget cycle.”;

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

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

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

12 (1) in subsection (a)—

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

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

17 (2) in subsection (e)—

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

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

23 (C) in the third sentence by striking
24 “three” and inserting “4”.

1 (e) PILOT PROJECTS FOR PERFORMANCE BUDG-
2 ETING.—Section 1119 of title 31, United States Code, is
3 amended—

4 (1) in paragraph (1) of subsection (d), by strik-
5 ing “annual” and inserting “biennial”; and

6 (2) in subsection (e), by striking “annual” and
7 inserting “biennial”.

8 (f) STRATEGIC PLANS.—Section 2802 of title 39,
9 United States Code, is amended—

10 (1) in subsection (a), by striking “September
11 30, 1997” and inserting “September 30, 2005”;

12 (2) in subsection (b), by striking “five years
13 forward” and inserting “6 years forward”;

14 (3) in subsection (b), by striking “at least every
15 three years” and inserting “at least every 4 years”;

16 and

17 (4) in subsection (c), by inserting a comma
18 after “section” the second place it appears and in-
19 serting “including a strategic plan submitted by
20 September 30, 2005 meeting the requirements of
21 subsection (a)”.

22 (g) PERFORMANCE PLANS.—Section 2803(a) of title
23 39, United States Code, is amended—

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

1 (2) in paragraph (1), by inserting after “pro-
2 gram activity” the following: “for both years 1 and
3 2 of the biennial plan”;

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

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

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

9 “(7) cover a 2-year period beginning with the
10 first fiscal year of the next biennial budget cycle.”.

11 (h) COMMITTEE VIEWS OF PLANS AND REPORTS.—

12 Section 301(d) of the Congressional Budget Act (2 U.S.C.

13 632(d)) is amended by adding at the end “Each committee

14 of the Senate or the House of Representatives shall review

15 the strategic plans, performance plans, and performance

16 reports, required under section 306 of title 5, United

17 States Code, and sections 1115 and 1116 of title 31,

18 United States Code, of all agencies under the jurisdiction

19 of the committee. Each committee may provide its views

20 on such plans or reports to the Committee on the Budget

21 of the applicable House.”.

22 (i) EFFECTIVE DATE.—

23 (1) IN GENERAL.—The amendments made by

24 this section shall take effect on the date of enact-

25 ment of this Act.

1 (2) AGENCY ACTIONS.—Effective on and after
2 the date of enactment of this Act, each agency shall
3 take such actions as necessary to prepare and sub-
4 mit any plan or report in accordance with the
5 amendments made by this Act.

6 **SEC. 307. BIENNIAL APPROPRIATION BILLS.**

7 (a) IN GENERAL.—Title III of the Congressional
8 Budget Act of 1974 (2 U.S.C. 631 et seq.) is amended
9 by adding at the end the following:

10 “CONSIDERATION OF BIENNIAL APPROPRIATIONS BILLS

11 “SEC. 317. It shall not be in order in the House of
12 Representatives or the Senate in any odd-numbered year
13 to consider any regular bill providing new budget authority
14 or a limitation on obligations under the jurisdiction of any
15 of the subcommittees of the Committees on Appropria-
16 tions for only the first fiscal year of a biennium, unless
17 the program, project, or activity for which the new budget
18 authority or obligation limitation is provided will require
19 no additional authority beyond 1 year and will be com-
20 pleted or terminated after the amount provided has been
21 expended.”.

22 (b) AMENDMENT TO TABLE OF CONTENTS.—The
23 table of contents set forth in section 1(b) of the Congres-
24 sional Budget and Impoundment Control Act of 1974 is

1 amended by adding after the item relating to section 316
2 the following new item:

“Sec. 317. Consideration of biennial appropriations bills”.

3 **SEC. 308. REPORT ON CHANGES IN LAW.**

4 Not later than 60 days after the date of enactment
5 of this Act, the Director of OMB shall report to the Com-
6 mittees on the Budget of the House of Representatives
7 and the Senate any changes in law to the Congressional
8 Budget Act of 1974 and the provisions of this Act required
9 to conform with a biennial budget process.

10 **SEC. 309. EFFECTIVE DATE.**

11 Except as provided in sections 306 and 308, this title
12 and the amendments made by this Act shall take effect
13 on January 1, 2007, and shall apply to budget resolutions
14 and appropriations for the biennium beginning with fiscal
15 year 2008.

16 **TITLE IV—COMMISSIONS**
17 **Subtitle A—National Commission**
18 **on Entitlement Solvency**

19 **SEC. 401. DEFINITIONS.**

20 In this subtitle:

21 (1) ADMINISTRATOR.—The term “Adminis-
22 trator” means the Administrator of the Centers for
23 Medicare & Medicaid Services.

24 (2) CALENDAR DAY.—The term “calendar day”
25 means a calendar day other than 1 in which either

1 House is not in session because of an adjournment
2 of more than 3 days to a date certain.

3 (3) COMMISSION.—The term “Commission”
4 means the National Commission on Entitlement Sol-
5 vency established under section 402(a).

6 (4) COMMISSION BILL.—The term “Commission
7 bill” means a bill consisting of the proposed legisla-
8 tive language provisions of the Commission intro-
9 duced under section 403(a).

10 (5) COMMISSIONER.—The term “Commis-
11 sioner” means the Commissioner of Social Security.

12 (6) LONG-TERM.—The term “long-term” means
13 a period of not less than 75 years beginning on the
14 date of enactment of this Act.

15 (7) MEDICAID.—The term “Medicaid” means
16 the program established under title XIX of the So-
17 cial Security Act (42 U.S.C. 1396 et seq.)

18 (8) MEDICARE.—The term “Medicare” means
19 the program established under title XVIII of the So-
20 cial Security Act (42 U.S.C. 1395 et seq.).

21 (9) SOCIAL SECURITY.—The term “Social Secu-
22 rity” means the program of old-age, survivors, and
23 disability insurance benefits established under title
24 II of the Social Security Act (42 U.S.C. 401 et
25 seq.).

1 (10) SOLVENCY.—The term “solvency”
2 means—

3 (A) in relation to Social Security, any year
4 in which the balance ratio (as defined under
5 section 709(b) of the Social Security Act (42
6 U.S.C. 910(b)) of the Federal Old-Age and
7 Survivors Insurance Trust Fund and the Fed-
8 eral Disability Insurance Trust Fund estab-
9 lished under section 201 of the Social Security
10 Act (42 U.S.C. 401) is greater than zero;

11 (B) in relation to the Medicare program,
12 any year in which there is not excess general
13 revenue medicare funding (as defined in section
14 801(c)(1) of the Medicare Prescription Drug,
15 Improvement, and Modernization Act of 2003
16 (Public Law 108–173; 117 Stat. 2358)); and

17 (C) In relation to Medicaid, any year after
18 2012 in which Gross Domestic Product growth
19 is greater than zero and growth in total Med-
20 icaid spending does not exceed growth in Gross
21 Domestic Product.

22 **SEC. 402. ESTABLISHMENT OF COMMISSION.**

23 (a) ESTABLISHMENT.—There is established a com-
24 mission to be known as the “National Commission on En-
25 titlement Solvency”.

1 (b) PURPOSE.—The Commission shall conduct a
2 comprehensive review of the Social Security, Medicare,
3 and Medicaid programs for the following purposes:

4 (1) REVIEW.—Reviewing relevant analyses of
5 the current and long-term actuarial financial condi-
6 tion of the Social Security, Medicare, and Medicaid
7 programs.

8 (2) IDENTIFYING PROBLEMS.—Identifying
9 problems that may threaten the long-term solvency
10 of the Social Security, Medicare, and Medicaid pro-
11 grams.

12 (3) ANALYZING POTENTIAL SOLUTIONS.—Ana-
13 lyzing potential solutions to problems that threaten
14 the long-term solvency of the Social Security, Medi-
15 care, and Medicaid programs.

16 (4) PROVIDING RECOMMENDATIONS.—Providing
17 recommendations that will ensure the long-term sol-
18 vency of the Social Security, Medicare, and Medicaid
19 programs and the provision of appropriate benefits.

20 (c) DUTIES.—

21 (1) IN GENERAL.—The Commission shall con-
22 duct a comprehensive review of the Social Security,
23 Medicare, and Medicaid programs consistent with
24 the purposes described in subsection (b) and shall
25 submit the report required under paragraph (2).

1 (2) REPORT AND RECOMMENDATIONS.—

2 (A) IN GENERAL.—Not later than May 1,
3 2007, the Commission shall submit a report on
4 the long-term solvency of the Social Security,
5 Medicare, and Medicaid programs that contains
6 a detailed statement of the findings, conclu-
7 sions, and recommendations of the Commission
8 to the President, Congress, the Commissioner,
9 and the Administrator.

10 (B) FINDINGS, CONCLUSIONS, AND REC-
11 OMMENDATIONS.—A finding, conclusion, or rec-
12 ommendation of the Commission shall be in-
13 cluded in the report under subparagraph (A)
14 only if not less than 10 members of the Com-
15 mission voted for such finding, conclusion, or
16 recommendation.

17 (C) LEGISLATIVE LANGUAGE.—If a rec-
18 ommendation submitted under subparagraph
19 (A) involves legislative action, the report shall
20 include proposed legislative language to carry
21 out such action.

22 (d) MEMBERSHIP.—

23 (1) NUMBER AND APPOINTMENT.—The Com-
24 mission shall be composed of 15 members of
25 whom—

1 (A) 3 shall be appointed by the President;

2 (B) 3 shall be appointed by the Majority

3 Leader of the Senate;

4 (C) 3 shall be appointed by the Minority

5 Leader of the Senate;

6 (D) 3 shall be appointed by the Speaker of

7 the House of Representatives; and

8 (E) 3 shall be appointed by the Minority

9 Leader of the House of Representatives.

10 (2) CO-CHAIRPERSONS.—The President shall

11 designate 2 Co-chairpersons from among the mem-

12 bers of the Commission appointed under paragraph

13 (1). The Co-chairpersons may not be affiliated with

14 the same political party.

15 (3) DATE.—Members of the Commission shall

16 be appointed by not later than 30 days after the

17 date of enactment of this Act.

18 (4) PERIOD OF APPOINTMENT.—Members shall

19 be appointed for the life of the Commission. Any va-

20 cancy in the Commission shall not affect its powers,

21 but shall be filled in the same manner as the origi-

22 nal appointment.

23 (5) TERMINATION.—The Commission shall ter-

24minate on the date that is 90 days after the Com-

1 mission submits the report required under sub-
2 section (c)(2).

3 (e) ADMINISTRATION.—

4 (1) QUORUM.—Eight members of the Commis-
5 sion shall constitute a quorum for purposes of vot-
6 ing, but a quorum is not required for members to
7 meet and hold hearings.

8 (2) MEETINGS.—The Commission shall meet at
9 the call of the Chairpersons or a majority of its
10 members.

11 (3) HEARINGS.—The Commission may, for the
12 purpose of carrying out this subtitle—

13 (A) hold such hearings, sit and act at such
14 times and places, take such testimony, receive
15 such evidence, and administer such oaths the
16 Commission considers advisable;

17 (B) require, by subpoena or otherwise, the
18 attendance and testimony of such witnesses the
19 Commission considers advisable; and

20 (C) require, by subpoena or otherwise, the
21 production of such books, records, correspond-
22 ence, memoranda, papers, documents, tapes,
23 and other evidentiary materials relating to any
24 matter under investigation by the Commission.

25 (4) SUBPOENAS.—

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1 (A) ISSUANCE.—

2 (i) IN GENERAL.—A subpoena may be
3 issued under this subsection only—

4 (I) by the agreement of the Co-
5 chairpersons; or

6 (II) by the affirmative vote of 8
7 members of the Commission.

8 (ii) SIGNATURE.—Subpoenas issued
9 under this subsection may be issued under
10 the signature of both Co-chairpersons of
11 the Commission and may be served by any
12 person designated by the chairman or by a
13 member designated by a majority of the
14 Commission.

15 (B) ENFORCEMENT.—In the case of contu-
16 macy or failure to obey a subpoena issued
17 under this subsection, the United States district
18 court for the judicial district in which the sub-
19 poenaed person resides, is served, or may be
20 found, may issue an order requiring such per-
21 son to appear at any designated place to testify
22 or to produce documentary or other evidence.
23 Any failure to obey the order of the court may
24 be punished by the court as a contempt of that
25 court.

1 (5) COMPENSATION.—Members of the Commis-
2 sion shall serve without any additional compensation
3 for their work on the Commission. However, mem-
4 bers may be allowed travel expenses, including per
5 diem in lieu of subsistence, in accordance with sec-
6 tions 5702 and 5703 of title 5, United States Code,
7 while away from their homes or regular places of
8 business in performance of services for the Commis-
9 sion.

10 (6) STAFF.—

11 (A) DIRECTOR.—The Commission shall
12 have a staff headed by an Executive Director.

13 (B) STAFF APPOINTMENT.—The Executive
14 Director may appoint such personnel as the Ex-
15 ecutive Director and the Commission deter-
16 mines to be appropriate.

17 (C) ACTUARIAL EXPERTS AND CONSULT-
18 ANTS.—With the approval of the Commission,
19 the Executive Director may procure temporary
20 and intermittent services under section 3109(b)
21 of title 5, United States Code.

22 (D) FEDERAL AGENCIES.—

23 (i) DETAIL OF GOVERNMENT EMPLOY-
24 EES.—Upon the request of the Commis-
25 sion, the head of any Federal agency may

1 detail, without reimbursement by the Com-
2 mission, any of the personnel of such agen-
3 cy to the Commission to assist in carrying
4 out the duties of the Commission. Any
5 such detail shall not interrupt or otherwise
6 affect the civil service status or privileges
7 of the Federal employee.

8 (ii) TECHNICAL ASSISTANCE.—Upon
9 the request of the Commission, the head of
10 a Federal agency shall provide such tech-
11 nical assistance to the Commission as the
12 Commission determines to be necessary to
13 carry out its duties.

14 (E) RESOURCES.—The Commission shall
15 have reasonable access to materials, resources,
16 statistical data, and other information the Com-
17 mission determines to be necessary to carry out
18 its duties from the Library of Congress, the
19 Chief Actuary of Social Security, the Chief Ac-
20 tuary of the Centers for Medicare & Medicaid
21 Services, the Congressional Budget Office, and
22 other agencies and representatives of the execu-
23 tive and legislative branches of the Federal
24 Government. The Chairpersons shall make re-

1 quests for such access in writing when nec-
2 essary.

3 (f) FUNDING.—The Commission shall receive, from
4 amounts appropriated to the Commissioner and the Ad-
5 ministrator, respectively, for fiscal year 2007 for adminis-
6 trative expenses, such sums as are necessary to carry out
7 the purposes of this section.

8 **SEC. 403. EXPEDITED CONSIDERATION OF COMMISSION**
9 **RECOMMENDATIONS.**

10 (a) INTRODUCTION AND COMMITTEE CONSIDER-
11 ATION.—

12 (1) INTRODUCTION.—The aggregate legislative
13 language provisions submitted pursuant to section
14 402(c)(2)(C) shall be combined into a Commission
15 bill and shall be introduced in the Senate by the Ma-
16 jority Leader, or the Majority Leader's designee,
17 and in the House of Representatives, by the Speak-
18 er, or the Speaker's designee. Upon such introduc-
19 tion, the Commission bill shall be referred to the ap-
20 propriate committees of Congress under paragraph
21 (2). If the Commission bill is not introduced in ac-
22 cordance with the preceding sentence, then any
23 member of Congress may introduce the Commission
24 bill in their respective House of Congress beginning
25 on the date that is the 5th calendar day that such

1 House is in session following the date of the submis-
2 sion of such aggregate legislative language provi-
3 sions.

4 (2) COMMITTEE CONSIDERATION.—

5 (A) REFERRAL.—A Commission bill intro-
6 duced in the Senate shall be referred to the
7 Committee on Finance of the Senate. A Com-
8 mission bill introduced in the House of Rep-
9 resentatives shall be referred to the Committee
10 on Ways and Means and the Committee on En-
11 ergy and Commerce of the House of Represent-
12 atives.

13 (B) REPORTING.—Not later than 30 cal-
14 endar days after the introduction of the Com-
15 mission bill, each Committee of Congress to
16 which the Commission bill was referred shall re-
17 port the bill or a committee amendment thereto.

18 (C) DISCHARGE OF COMMITTEE.—If a
19 committee to which is referred a Commission
20 bill has not reported such Commission bill at
21 the end of 30 calendar days after its introduc-
22 tion or at the end of the first day after there
23 has been reported to the House involved a Com-
24 mission bill, whichever is earlier, such com-
25 mittee shall be deemed to be discharged from

1 further consideration of such Commission bill,
2 and such Commission bill shall be placed on the
3 appropriate calendar of the House involved.

4 (b) EXPEDITED PROCEDURE.—

5 (1) CONSIDERATION.—

6 (A) IN GENERAL.—Not later than 7 cal-
7 endar days after the date on which a committee
8 has been discharged from consideration of a
9 Commission bill, the Majority Leader of the
10 Senate, or the Majority Leader's designee, or
11 the Speaker of the House of Representatives, or
12 the Speaker's designee, shall move to proceed to
13 the consideration of the committee amendment
14 to the Commission bill, and if there is no such
15 amendment, to the Commission bill. It shall
16 also be in order for any member of the Senate
17 or the House of Representatives, respectively, to
18 move to proceed to the consideration of the
19 Commission bill at any time after the conclu-
20 sion of such 7-day period.

21 (B) MOTION TO PROCEED.—A motion to
22 proceed to the consideration of a Commission
23 bill is highly privileged in the House of Rep-
24 resentatives and is privileged in the Senate and
25 is not debatable. The motion is not subject to

1 amendment, to a motion to postpone consider-
2 ation of the Commission bill, or to a motion to
3 proceed to the consideration of other business.
4 A motion to reconsider the vote by which the
5 motion to proceed is agreed to or not agreed to
6 shall not be in order. If the motion to proceed
7 is agreed to, the Senate or the House of Rep-
8 resentatives, as the case may be, shall imme-
9 diately proceed to consideration of the Commis-
10 sion bill without intervening motion, order, or
11 other business, and the Commission bill shall
12 remain the unfinished business of the Senate or
13 the House of Representatives, as the case may
14 be, until disposed of.

15 (C) LIMITED DEBATE.—Debate on the
16 Commission bill and all amendments thereto
17 and on all debatable motions and appeals in
18 connection therewith shall be limited to not
19 more than 50 hours, which shall be divided
20 equally between those favoring and those oppos-
21 ing the Commission bill. A motion further to
22 limit debate on the Commission bill is in order
23 and is not debatable. All time used for consider-
24 ation of the Commission bill, including time
25 used for quorum calls (except quorum calls im-

1 mediately preceding a vote) and voting, shall
2 come from the 50 hours of debate.

3 (D) AMENDMENTS.—No amendment that
4 is not germane to the provisions of the Commis-
5 sion bill shall be in order in the Senate. In the
6 Senate, an amendment, any amendment to an
7 amendment, or any debatable motion or appeal
8 is debatable for not to exceed 1 hour to be di-
9 vided equally between those favoring and those
10 opposing the amendment, motion, or appeal.

11 (E) VOTE ON FINAL PASSAGE.—Imme-
12 diately following the conclusion of the debate on
13 the Commission bill, the disposition of any
14 pending amendments under subparagraph (D),
15 and a request to establish the presence of a
16 quorum, the vote on final passage of the Com-
17 mission bill shall occur.

18 (F) OTHER MOTIONS NOT IN ORDER.—A
19 motion to postpone consideration of the Com-
20 mission bill, a motion to proceed to the consid-
21 eration of other business, or a motion to recom-
22 mit the Commission bill is not in order. A mo-
23 tion to reconsider the vote by which the Com-
24 mission bill is agreed to or not agreed to is not
25 in order.

1 (2) CONSIDERATION BY OTHER HOUSE.—If, be-
2 fore the passage by one House of the Commission
3 bill that was introduced in such House, such House
4 receives from the other House a Commission bill as
5 passed by such other House—

6 (A) the Commission bill of the other House
7 shall not be referred to a committee and may
8 only be considered for final passage in the
9 House that receives it under subparagraph (C);

10 (B) the procedure in the House in receipt
11 of the Commission bill of the other House, with
12 respect to the Commission bill that was intro-
13 duced in the House in receipt of the Commis-
14 sion bill of the other House, shall be the same
15 as if no Commission bill had been received from
16 the other House; and

17 (C) notwithstanding subparagraph (B), the
18 vote on final passage shall be on the Commis-
19 sion bill of the other House.

20 Upon disposition of a Commission bill that is re-
21 ceived by one House from the other House, it shall
22 no longer be in order to consider the Commission bill
23 that was introduced in the receiving House.

24 (3) CONSIDERATION IN CONFERENCE.—

1 (A) CONVENING OF CONFERENCE.—Imme-
2 diately upon final passage of a Commission bill
3 that results in a disagreement between the two
4 Houses of Congress with respect to a Commis-
5 sion bill, conferees shall be appointed and a
6 conference convened.

7 (B) ACTION ON CONFERENCE REPORTS IN
8 THE SENATE.—

9 (i) MOTION TO PROCEED.—The mo-
10 tion to proceed to consideration in the Sen-
11 ate of the conference report on a Commis-
12 sion bill may be made even though a pre-
13 vious motion to the same effect has been
14 disagreed to.

15 (ii) DEBATE.—During the consider-
16 ation in the Senate of the conference re-
17 port (including a message between Houses)
18 on a Commission bill, and all amendments
19 in disagreement, including all amendments
20 thereto, and debatable motions and appeals
21 in connection therewith, consideration shall
22 be limited to 20 hours, equally divided and
23 controlled by the Majority Leader and the
24 Minority Leader or their designees. Debate
25 on any debatable motion or appeal related

1 to the conference report (or a message be-
2 tween Houses) shall be limited to 1 hour,
3 to be equally divided between, and con-
4 trolled by, the mover and the manager of
5 the conference report (or a message be-
6 tween Houses).

7 (iii) CONFERENCE REPORT DE-
8 FEATED.—Should the conference report be
9 defeated, debate on any request for a new
10 conference and the appointment of con-
11 fererees shall be limited to 1 hour, to be
12 equally divided between, and controlled by,
13 the manager of the conference report and
14 the minority leader or the minority leader's
15 designee, and should any motion be made
16 to instruct the conferees before the con-
17 fererees are named, debate on such motion
18 shall be limited to ½ hour, to be equally
19 divided between, and controlled by, the
20 mover and the manager of the conference
21 report. Debate on any amendment to any
22 such instructions shall be limited to 20
23 minutes, to be equally divided between and
24 controlled by the mover and the manager
25 of the conference report. In all cases when

1 the manager of the conference report is in
2 favor of any motion, appeal, or amend-
3 ment, the time in opposition shall be under
4 the control of the minority leader or the
5 minority leader's designee.

6 (iv) AMENDMENTS IN DISAGREE-
7 MENT.—In any case in which there are
8 amendments in disagreement, time on each
9 amendment shall be limited to 30 minutes,
10 to be equally divided between, and con-
11 trolled by, the manager of the conference
12 report and the minority leader or the mi-
13 nority leader's designee. No amendment
14 that is not germane to the provisions of
15 such amendments shall be received.

16 (v) LIMITATION ON MOTION TO RE-
17 COMMIT.—A motion to recommit the con-
18 ference report is not in order.

19 (c) RULES OF THE SENATE AND THE HOUSE OF
20 REPRESENTATIVES.—This section is enacted by Con-
21 gress—

22 (1) as an exercise of the rulemaking power of
23 the Senate and the House of Representatives, re-
24 spectively, and is deemed to be part of the rules of
25 each House, respectively, but applicable only with re-

1 spect to the procedure to be followed in that House
2 in the case of a Commission bill, and it supersedes
3 other rules only to the extent that it is inconsistent
4 with such rules; and

5 (2) with full recognition of the constitutional
6 right of either House to change the rules (so far as
7 they relate to the procedure of that House) at any
8 time, in the same manner, and to the same extent
9 as in the case of any other rule of that House.

10 **Subtitle B—Commission on Con-**
11 **gressional Budgetary Account-**
12 **ability and Review of Federal**
13 **Agencies**

14 **SEC. 411. DEFINITIONS.**

15 In this subtitle:

16 (1) AGENCY.—The term “agency” means—

17 (A) an Executive agency, as defined under
18 section 105 of title 5, United States Code; and

19 (B) the Executive Office of the President.

20 (2) CALENDAR DAY.—The term “calendar day”
21 means a calendar day other than 1 on which either
22 House is not in session because of an adjournment
23 of more than 3 days to a date certain.

24 (3) COMMISSION BILL.—The term “Commission
25 bill” means only a bill which is introduced as pro-

1 vided under section 416, and contains the proposed
2 legislation included in the report submitted to Con-
3 gress under section 413(b)(3), without modification.

4 (4) PROGRAM.—The term “program” means
5 any activity or function of an agency.

6 **SEC. 412. ESTABLISHMENT OF COMMISSION.**

7 (a) ESTABLISHMENT.—There is established the Com-
8 mission on Congressional Budgetary Accountability and
9 Review of Federal Agencies (referred to in this subtitle
10 as the “Commission”).

11 (b) MEMBERSHIP.—

12 (1) IN GENERAL.—The Commission shall con-
13 sist of 15 members, of which, not later than 30 days
14 after the date of enactment of this Act—

15 (A) 3 shall be appointed by the President;

16 (B) 3 shall be appointed by the Majority
17 Leader of the Senate;

18 (C) 3 shall be appointed by the Minority
19 Leader of the Senate;

20 (D) 3 shall be appointed by the Speaker of
21 the House of Representatives; and

22 (E) 3 shall be appointed by the Minority
23 Leader of the House of Representatives.

24 (2) CHAIRPERSON AND VICE CHAIRPERSON.—

25 The President shall designate a Chairperson and

1 Vice Chairperson from among the members of the
2 Commission. The Chairperson and the Vice Chair-
3 person may not be affiliated with the same political
4 party.

5 (c) TIMING.—Members of the Commission shall be
6 appointed by not later than 30 days after the date of en-
7 actment of this Act.

8 (d) PERIOD OF APPOINTMENT; VACANCIES.—Mem-
9 bers shall be appointed for the life of the Commission. Any
10 vacancy in the Commission shall not affect its powers, but
11 shall be filled in the same manner as the original appoint-
12 ment.

13 (e) MEETINGS.—

14 (1) INITIAL MEETING.—Not later than 30 days
15 after the date on which all members of the Commis-
16 sion have been appointed, the Commission shall hold
17 its first meeting.

18 (2) SUBSEQUENT MEETINGS.—The Commission
19 shall meet at the call of the chairperson.

20 (f) QUORUM.—A majority of the members of the
21 Commission shall constitute a quorum, but a lesser num-
22 ber of members may hold hearings.

23 **SEC. 413. DUTIES OF THE COMMISSION.**

24 (a) SYSTEMATIC ASSESSMENT OF PROGRAMS BY THE
25 PRESIDENT.—

1 (1) IN GENERAL.—Not later than 1 year after
2 the date of enactment of this Act and each of the
3 next 3 years thereafter, the President shall—

4 (A) establish a systematic method for as-
5 sassing the effectiveness and accountability of
6 agency programs in accordance with paragraph
7 (2) and divide the programs into 4 approxi-
8 mately equal budgetary parts based on the size
9 of the budget and number of personnel of the
10 agency program; and

11 (B) submit, to the Commission each year,
12 an assessment of the programs within each part
13 (one each year) that use the method established
14 under subparagraph (A).

15 (2) METHOD OBJECTIVES.—The method estab-
16 lished under paragraph (1) shall—

17 (A) recognize different types of Federal
18 programs;

19 (B) assess programs based on the achieve-
20 ment of performance goals (as defined under
21 section 1115(g)(4) of title 31, United States
22 Code);

23 (C) assess programs based in part on the
24 adequacy of the program's performance meas-

1 ures, financial management, and other factors
2 determined by the President;

3 (D) assess programs based in part on
4 whether the program has fulfilled the legislative
5 intent surrounding the creation of the program,
6 taking into account any change in legislative in-
7 tent during the program's existence; and

8 (E) assess programs based in part on col-
9 laborative analysis, with the program or agency,
10 of program policy and goals which may not fit
11 into easily measurable performance goals.

12 (3) COMMON PERFORMANCE MEASURES.—Not
13 later than 1 year after the date of enactment of this
14 Act, the President shall identify common perform-
15 ance measures for programs covered in paragraph
16 (1) that have similar functions and, to the extent
17 feasible, provide the Commission with data on such
18 performance measures.

19 (b) EVALUATION AND PLAN BY COMMISSION.—

20 (1) DEVELOPMENT.—The method established
21 under subsection (a) shall be subject to review and
22 change by the Commission. If the Commission
23 makes any changes in the method, the Commission
24 shall notify Congress not later than 1 year after re-

1 viewing the first assessment from the President
2 under this section.

3 (2) CONSIDERATION OF ASSESSMENTS.—The
4 Commission shall consider assessments submitted
5 under subsection (a) when evaluating programs
6 under this subsection.

7 (3) ASSESSMENT AND LEGISLATION.—

8 (A) IN GENERAL.—The Commission
9 shall—

10 (i) evaluate all agencies and programs
11 within those agencies in each unit identi-
12 fied in the systemic assessment under sub-
13 section (a) (one each year over the next 4
14 years), using the criteria under subsection
15 (a) subject to modification under para-
16 graph (1); and

17 (ii) submit to Congress each of the
18 next 4 years beginning January 1, 2008,
19 with respect to each evaluation under
20 clause (i)—

21 (I) a plan with recommendations
22 of the agencies and programs that
23 should be realigned or eliminated
24 within each part; and

1 (II) proposed legislation to imple-
2 ment the plan described under sub-
3 clause (I).

4 (B) RELOCATION OF FEDERAL EMPLOY-
5 EES.—The proposed legislation under subpara-
6 graph (A) shall provide that if the position of
7 an employee of an agency is eliminated as a re-
8 sult of the implementation of the plan under
9 subparagraph (A)(i), the affected agency shall
10 make reasonable efforts to relocate such em-
11 ployee to another position within the agency or
12 within another Federal agency.

13 (4) CRITERIA.—

14 (A) DUPLICATIVE.—If 2 or more agencies
15 or programs are performing the same essential
16 function and the function can be consolidated
17 or streamlined into a single agency or program,
18 the Commission shall recommend that the agen-
19 cies or programs be realigned.

20 (B) WASTEFUL OR INEFFICIENT.—The
21 Commission may recommend the realignment or
22 elimination of any agency or program that has
23 wasted Federal funds by—

24 (i) egregious spending;

1 (ii) mismanagement of resources and
2 personnel; or

3 (iii) use of such funds for personal
4 benefit or the benefit of a special interest
5 group.

6 (C) OUTDATED, IRRELEVANT, OR
7 FAILED.—The Commission shall recommend
8 the elimination of any agency or program
9 that—

10 (i) has completed its intended pur-
11 pose;

12 (ii) has become irrelevant; or

13 (iii) has failed to meet its objectives.

14 **SEC. 414. POWERS OF THE COMMISSION.**

15 (a) HEARINGS.—The chairperson of the Commission,
16 or his or her designee, may, for the purpose of carrying
17 out this subtitle—

18 (1) hold such hearings, sit and act at such
19 times and places, take such testimony, receive such
20 evidence, and administer such oaths as the chair-
21 person of the Commission considers advisable;

22 (2) require, by subpoena or otherwise, the at-
23 tendance and testimony of such witnesses as the
24 chairperson of the Commission considers advisable;
25 and

1 (3) require, by subpoena or otherwise, the pro-
2 duction of such books, records, correspondence,
3 memoranda, papers, documents, tapes, and other
4 evidentiary materials relating to any matter under
5 investigation by the Commission.

6 (b) Subpoenas.—

7 (1) Issuance.—

8 (A) In general.—A subpoena may be
9 issued under this subsection only—

10 (i) by the agreement of the chairman
11 and the vice chairman of the Commission;

12 or

13 (ii) by the affirmative vote of 8 mem-
14 bers of the Commission.

15 (B) Signature.—Subpoenas issued under
16 this subsection (a) may be issued under the sig-
17 nature of the chairman of the Commission and
18 may be served by any person designated by the
19 chairman or by a member designated by a ma-
20 jority of the Commission.

21 (2) ENFORCEMENT.—In the case of contumacy
22 or failure to obey a subpoena issued under sub-
23 section (a), the United States district court for the
24 judicial district in which the subpoenaed person re-
25 sides, is served, or may be found, may issue an order

1 requiring such person to appear at any designated
2 place to testify or to produce documentary or other
3 evidence. Any failure to obey the order of the court
4 may be punished by the court as a contempt of that
5 court.

6 (c) TECHNICAL ASSISTANCE.—Upon the request of
7 the Commission, the head of a Federal agency shall pro-
8 vide such technical assistance to the Commission as the
9 Commission determines to be necessary to carry out its
10 duties.

11 (d) INFORMATION.—The Commission shall have rea-
12 sonable access to budgetary, performance or pro-
13 grammatic materials, resources, statistical data, and other
14 information the Commission determines to be necessary
15 to carry out its duties from the Congressional Budget Of-
16 fice, and other agencies and representatives of the execu-
17 tive and legislative branches of the Federal Government.
18 The Chairpersons shall make requests for such access in
19 writing when necessary.

20 (e) RECEIPT, HANDLING, STORAGE, AND DISSEMINA-
21 TION OF INFORMATION.—Information shall only be re-
22 ceived, handled, stored, and disseminated by members of
23 the Commission and its staff consistent with all applicable
24 statutes, regulations, and Executive orders.

1 (f) **POSTAL SERVICES.**—The Commission may use
2 the United States mails in the same manner and under
3 the same conditions as other departments and agencies of
4 the Federal Government.

5 **SEC. 415. COMMISSION PERSONNEL MATTERS.**

6 (a) **COMPENSATION OF MEMBERS.**—

7 (1) **NON-FEDERAL MEMBERS.**—Except as pro-
8 vided under subsection (b), each member of the
9 Commission who is not an officer or employee of the
10 Federal Government shall not be compensated.

11 (2) **FEDERAL OFFICERS OR EMPLOYEES.**—All
12 members of the Commission who are officers or em-
13 ployees of the United States shall serve without com-
14 pensation in addition to that received for their serv-
15 ices as officers or employees of the United States.

16 (b) **TRAVEL EXPENSES.**—The members of the Com-
17 mission shall be allowed travel expenses, including per
18 diem in lieu of subsistence, at rates authorized for employ-
19 ees of agencies under subchapter I of chapter 57 of title
20 5, United States Code, while away from their homes or
21 regular places of business in the performance of services
22 for the Commission.

23 (c) **STAFF.**—

24 (1) **IN GENERAL.**—The chairperson of the Com-
25 mission may, appoint an executive director and such

1 other additional personnel as may be necessary to
2 enable the Commission to perform its duties. The
3 employment of an executive director shall be subject
4 to confirmation by the Commission.

5 (2) COMPENSATION.—Upon the approval of the
6 chairperson, the executive director may fix the com-
7 pensation of the executive director and other per-
8 sonnel without regard to chapter 51 and subchapter
9 III of chapter 53 of title 5, United States Code, re-
10 lating to classification of positions and General
11 Schedule pay rates, except that the rate of pay for
12 the executive director and other personnel may not
13 exceed the maximum rate payable for a position at
14 GS-15 of the General Schedule under section 5332
15 of such title.

16 (3) PERSONNEL AS FEDERAL EMPLOYEES.—

17 (A) IN GENERAL.—The executive director
18 and any personnel of the Commission who are
19 employees shall be employees under section
20 2105 of title 5, United States Code, for pur-
21 poses of chapters 63, 81, 83, 84, 85, 87, 89,
22 89A, 89B, and 90 of that title.

23 (B) MEMBERS OF COMMISSION.—Subpara-
24 graph (A) shall not be construed to apply to
25 members of the Commission.

1 (d) DETAIL OF GOVERNMENT EMPLOYEES.—Any
2 Federal Government employee may be detailed to the
3 Commission without reimbursement from the Commission,
4 and such detail shall be without interruption or loss of
5 civil service status or privilege.

6 (e) PROCUREMENT OF TEMPORARY AND INTERMIT-
7 TENT SERVICES.—The chairperson of the Commission
8 may procure temporary and intermittent services under
9 section 3109(b) of title 5, United States Code, at rates
10 for individuals which do not exceed the daily equivalent
11 of the annual rate of basic pay prescribed for level V of
12 the Executive Schedule under section 5316 of such title.

13 **SEC. 416. EXPEDITED CONSIDERATION OF REFORM PRO-**
14 **POSALS.**

15 (a) INTRODUCTION AND COMMITTEE CONSIDER-
16 ATION.—

17 (1) INTRODUCTION.—The Commission bill lan-
18 guage provisions submitted pursuant to section
19 413(b)(3) shall be introduced in the Senate by the
20 Majority Leader, or the Majority Leader's designee,
21 and in the House of Representatives, by the Speak-
22 er, or the Speaker's designee. Upon such introduc-
23 tion, the Commission bill shall be referred to the ap-
24 propriate committees of Congress under paragraph
25 (2). If the Commission bill is not introduced in ac-

1 cordance with the preceding sentence, then any
2 member of Congress may introduce the Commission
3 bill in their respective House of Congress beginning
4 on the date that is the 5th calendar day that such
5 House is in session following the date of the submis-
6 sion of such aggregate legislative language provi-
7 sions.

8 (2) COMMITTEE CONSIDERATION.—

9 (A) REFERRAL.—A Commission bill intro-
10 duced under paragraph (1) shall be referred to
11 any appropriate committee of jurisdiction in the
12 Senate, any appropriate committee of jurisdic-
13 tion in the House of Representatives, the Com-
14 mittee on the Budget of the Senate and the
15 Committee on the Budget of the House of Rep-
16 resentatives. A committee to which a Commis-
17 sion bill is referred under this paragraph may
18 review and comment on such bill, may report
19 such bill to the respective House, and may not
20 amend such bill.

21 (B) REPORTING.—Not later than 30 cal-
22 endar days after the introduction of the Com-
23 mission bill, each Committee of Congress to
24 which the Commission bill was referred shall re-
25 port the bill.

1 (C) DISCHARGE OF COMMITTEE.—If a
2 committee to which is referred a Commission
3 bill has not reported such Commission bill at
4 the end of 30 calendar days after its introduc-
5 tion or at the end of the first day after there
6 has been reported to the House involved a Com-
7 mission bill, whichever is earlier, such com-
8 mittee shall be deemed to be discharged from
9 further consideration of such Commission bill,
10 and such Commission bill shall be placed on the
11 appropriate calendar of the House involved.

12 (b) EXPEDITED PROCEDURE.—

13 (1) CONSIDERATION.—

14 (A) IN GENERAL.—Not later than 7 cal-
15 endar days after the date on which a committee
16 has been discharged from consideration of a
17 Commission bill, the Majority Leader of the
18 Senate, or the Majority Leader’s designee, or
19 the Speaker of the House of Representatives, or
20 the Speaker’s designee, shall move to proceed to
21 the consideration of the Commission bill. It
22 shall also be in order for any member of the
23 Senate or the House of Representatives, respec-
24 tively, to move to proceed to the consideration

1 of the Commission bill at any time after the
2 conclusion of such 7-day period.

3 (B) MOTION TO PROCEED.—A motion to
4 proceed to the consideration of a Commission
5 bill is highly privileged in the House of Rep-
6 resentatives and is privileged in the Senate and
7 is not debatable. The motion is not subject to
8 amendment, to a motion to postpone consider-
9 ation of the Commission bill, or to a motion to
10 proceed to the consideration of other business.
11 A motion to reconsider the vote by which the
12 motion to proceed is agreed to or not agreed to
13 shall not be in order. If the motion to proceed
14 is agreed to, the Senate or the House of Rep-
15 resentatives, as the case may be, shall imme-
16 diately proceed to consideration of the Commis-
17 sion bill without intervening motion, order, or
18 other business, and the Commission bill shall
19 remain the unfinished business of the Senate or
20 the House of Representatives, as the case may
21 be, until disposed of.

22 (C) LIMITED DEBATE.—Debate on the
23 Commission bill and on all debatable motions
24 and appeals in connection therewith shall be
25 limited to not more than 10 hours, which shall

1 be divided equally between those favoring and
2 those opposing the Commission bill. A motion
3 further to limit debate on the Commission bill
4 is in order and is not debatable. All time used
5 for consideration of the Commission bill, includ-
6 ing time used for quorum calls (except quorum
7 calls immediately preceding a vote) and voting,
8 shall come from the 10 hours of debate.

9 (D) AMENDMENTS.—No amendment to the
10 Commission bill shall be in order in the Senate
11 and the House of Representatives.

12 (E) VOTE ON FINAL PASSAGE.—Imme-
13 diately following the conclusion of the debate on
14 the Commission bill, the vote on final passage
15 of the Commission bill shall occur.

16 (F) OTHER MOTIONS NOT IN ORDER.—A
17 motion to postpone consideration of the Com-
18 mission bill, a motion to proceed to the consid-
19 eration of other business, or a motion to recom-
20 mit the Commission bill is not in order. A mo-
21 tion to reconsider the vote by which the Com-
22 mission bill is agreed to or not agreed to is not
23 in order.

24 (2) CONSIDERATION BY OTHER HOUSE.—If, be-
25 fore the passage by one House of the Commission

1 bill that was introduced in such House, such House
2 receives from the other House a Commission bill as
3 passed by such other House—

4 (A) the Commission bill of the other House
5 shall not be referred to a committee and may
6 only be considered for final passage in the
7 House that receives it under subparagraph (C);

8 (B) the procedure in the House in receipt
9 of the Commission bill of the other House, with
10 respect to the Commission bill that was intro-
11 duced in the House in receipt of the Commis-
12 sion bill of the other House, shall be the same
13 as if no Commission bill had been received from
14 the other House; and

15 (C) notwithstanding subparagraph (B), the
16 vote on final passage shall be on the Commis-
17 sion bill of the other House.

18 Upon disposition of a Commission bill that is re-
19 ceived by one House from the other House, it shall
20 no longer be in order to consider the Commission bill
21 that was introduced in the receiving House.

22 (c) RULES OF THE SENATE AND THE HOUSE OF
23 REPRESENTATIVES.—This section is enacted by Con-
24 gress—

1 (1) as an exercise of the rulemaking power of
2 the Senate and the House of Representatives, re-
3 spectively, and is deemed to be part of the rules of
4 each House, respectively, but applicable only with re-
5 spect to the procedure to be followed in that House
6 in the case of a Commission bill, and it supersedes
7 other rules only to the extent that it is inconsistent
8 with such rules; and

9 (2) with full recognition of the constitutional
10 right of either House to change the rules (so far as
11 they relate to the procedure of that House) at any
12 time, in the same manner, and to the same extent
13 as in the case of any other rule of that House.

14 **SEC. 417. TERMINATION OF THE COMMISSION.**

15 The Commission shall terminate 90 days after the
16 date on which the Commission submits the final evaluation
17 and plan report under section 413.

18 **SEC. 418. AUTHORIZATION OF APPROPRIATIONS.**

19 There are authorized to be appropriated such sums
20 as may be necessary for carrying out this Act for each
21 of the fiscal years 2007 through 2011.

1 **TITLE V—BUDGET PROCESS**
2 **REFORMS**

3 **SEC. 501. DEFINITIONS.**

4 Section 3 of the Congressional Budget and Impound-
5 ment Control Act of 1974 (2 U.S.C. 622) is amended by—

6 (1) redesignating paragraphs (3) through (10)
7 as paragraphs (7) through (14), respectively;

8 (2) adding after paragraph (3) the following:

9 “(3) **DIRECT SPENDING.**—The term ‘direct
10 spending’ means—

11 “(A) budget authority provided by law
12 other than appropriation Acts;

13 “(B) mandatory spending provided in ap-
14 propriation Acts; and

15 “(C) entitlement authority.

16 “(4) **DISCRETIONARY APPROPRIATIONS.**—The
17 term ‘discretionary appropriations’ means budgetary
18 resources (except to fund direct spending programs)
19 provided in appropriation Acts.

20 “(5) **GOVERNMENTAL RECEIPTS.**—The term
21 ‘governmental receipts’ means revenue or collections
22 from the public based on the government’s exercise
23 of its sovereign powers, including but not limited to
24 individual and corporate income taxes, social insur-
25 ance taxes, customs, duties, fines, compulsory license

1 fees, deposits of earnings by the Federal Reserve
2 System, tariffs, other fees, miscellaneous receipts,
3 gifts, and contributions.

4 “(6) SECONDARY OR INDIRECT EFFECTS.—The
5 term ‘secondary or indirect effects’ means changes
6 in direct spending or government receipts other than
7 the direct, observable effects of changes in legislation
8 on related accounts, including—

9 “(A) the impact of changes in spending
10 legislation on Federal tax receipts or the impact
11 of changes in Federal tax laws on total Federal
12 spending; or

13 “(B) the impacts on spending or govern-
14 ment receipts if there is no statutory connection
15 or established interaction between a legislative
16 proposal and its impact on the operation of cur-
17 rent law.”; and

18 (3) adding at the end the following:

19 “(15) BUDGET YEAR.—The term ‘budget year’
20 means, with respect to a session of Congress, the fis-
21 cal year of the Government that starts on October
22 1 of the calendar year in which that session begins.

23 “(16) CURRENT YEAR.—The term ‘current
24 year’ means, with respect to a budget year, the fiscal
25 year that immediately precedes that budget year.”.

1 **SEC. 502. ANNUAL CONCURRENT RESOLUTION ON THE**
2 **BUDGET.**

3 Section 301 of the Congressional Budget Act of 1974
4 (2 U.S.C. 632) is amended—

5 (1) in subsection (a)—

6 (A) in paragraph (2), by striking “Federal
7 revenues” both places it appears and inserting
8 “governmental receipts”;

9 (B) in paragraph (4), by striking “major
10 functional category” and inserting “standing,
11 select, or special committee of the House of
12 Representatives and the Senate, as appro-
13 priate,”;

14 (C) in paragraphs (6) and (7), by striking
15 “For” and inserting “for”; and

16 (D) in the matter following paragraph (7),
17 by striking “old age” and inserting “old-age”.

18 (2) in subsection (b)—

19 (A) in paragraph (3), by striking “entitle-
20 ment authority” and inserting “direct spend-
21 ing”; and

22 (B) in paragraph (7), by inserting “is de-
23 scribed in detail to allow the Chairman of the
24 Committee on the Budget to determine whether
25 it qualifies for such revision and the legislation”
26 after “that legislation”;

1 (3) in subsection (d)—

2 (A) in the caption, by striking “and esti-
3 mates of” and inserting “, estimates, and rec-
4 ommendations for deficit reduction from all”;

5 (B) in the first sentence, by striking “its
6 views” and inserting “its specific recommenda-
7 tions for changes in law within the jurisdiction
8 of the committee making the submission that
9 result in deficit reduction and its views”; and

10 (C) in the third sentence, by striking “or
11 functions”; and

12 (4) in subsection (e)—

13 (A) in paragraph (2)—

14 (i) by redesignating subparagraphs
15 (B) through (D) as subparagraphs (C)
16 through (E), respectively;

17 (ii) by redesignating subparagraphs
18 (E) and (F) as subparagraphs (G) and
19 (H), respectively;

20 (iii) by inserting after subparagraph
21 (A) the following:

22 “(B) with respect to the Committee on Ap-
23 propriations of the House of Representatives
24 and Senate, an estimate of total new budget au-
25 thority and total outlays with the estimates di-

1 vided between discretionary and mandatory
2 amounts”; and

3 (iv) by adding after subparagraph
4 (E), as redesignated, the following:

5 “(F) with respect to each standing, select,
6 or special committee of the House of Represent-
7 atives and Senate, an estimate of governmental
8 receipts within the jurisdiction of that com-
9 mittee;”; and

10 (B) in paragraph (3)(B), by—

11 (i) striking “Federal revenues” and
12 inserting “governmental receipts”; and

13 (ii) striking “such revenues” and in-
14 sert “such governmental receipts”.

15 **SEC. 503. COMMITTEE ALLOCATIONS.**

16 Section 302 of the Congressional Budget Act of 1974
17 (2 U.S.C. 633(a)) is amended—

18 (1) in subsection (a), by striking paragraph (3)
19 and inserting the following:

20 “(3) FURTHER DIVISION OF AMOUNTS IN THE
21 HOUSE.—The amounts allocated to each committee
22 of the House of Representatives for each fiscal year,
23 other than the Committee on Appropriations, shall
24 be further divided between amounts provided or re-
25 quired by law on the date of filing of that conference

1 report and amounts not so provided or required. The
2 amounts allocated to the Committee on Appropria-
3 tions shall be further divided between discretionary
4 and mandatory amounts or programs, as appro-
5 priate.”; and

6 (2) in subsection (g)(2), by striking “com-
7 mittee” and inserting “Committee”.

8 **SEC. 504. BUDGET RESOLUTION ADOPTION.**

9 Section 303(a) of the Congressional Budget Act of
10 1974 (2 U.S.C. 634(a)) is amended to read as follows:

11 “(a) IN GENERAL.—Beginning on the first day of a
12 new session of Congress, and until the concurrent resolu-
13 tion for the fiscal year beginning in October of the year
14 the new session of Congress begins, it shall not be in order
15 to consider with respect to the budget year covered by that
16 resolution, any bill or joint resolution, amendment or mo-
17 tion thereto, or conference report thereon that—

18 “(1) provides budget authority for the budget
19 year;

20 “(2) provides an increase or decrease in govern-
21 mental receipts during the budget year;

22 “(3) provides an increase or decrease in the
23 public debt limit for the budget year;

24 “(4) in the Senate only, provides new direct
25 spending for the budget year; or

1 “(5) in the Senate only, provides for an in-
2 crease or decrease in outlays for the budget year.”.

3 **SEC. 505. CONSIDERATION OF THE BUDGET RESOLUTION.**

4 Section 305 of the Congressional Budget Act of 1974
5 (2 U.S.C. 636) is amended by—

6 (1) redesignating subsection (d) as subsection
7 (e); and

8 (2) striking subsections (b) and (c) and insert-
9 ing the following:

10 “(b) PROCEDURE IN SENATE AFTER REPORT OF
11 COMMITTEE; CONSIDERATION; AMENDMENTS.—

12 “(1) Consideration in the Senate on any con-
13 current resolution on the budget, and all amend-
14 ments thereto and debatable motions and appeals in
15 connection therewith, shall be limited to not more
16 than 50 hours, except that with respect to any con-
17 current resolution referred to in section 304 all such
18 debate shall be limited to not more than 15 hours.
19 The time shall be equally divided between, and con-
20 trolled by, the majority leader and the minority lead-
21 er or their designees.

22 “(2) Debate in the Senate on any amendment
23 to a concurrent resolution on the budget shall be
24 limited to 2 hours, to be equally divided between,
25 and controlled by, the mover and the manager of the

1 concurrent resolution, and debate on any amend-
2 ment to an amendment, debatable motion, or appeal
3 shall be limited to 1 hour to be equally divided be-
4 tween, and controlled by, the mover and the man-
5 ager of the concurrent resolution, except that in the
6 event the manager of the concurrent resolution is in
7 favor of any such amendment, motion, or appeal, the
8 time in opposition thereto shall be controlled by the
9 minority leader or his designee. No dilatory motion,
10 or dilatory amendment shall be in order. Amend-
11 ments that are not germane to the provisions of
12 such concurrent resolution shall not be in order. For
13 the purpose of this Act, amendments that are pre-
14 dominantly precatory shall not be in order. Such
15 managers, or either leader, may, from the time
16 under their control on the consideration of the con-
17 current resolution, allot additional time to any Sen-
18 ator during the consideration of any amendment, de-
19 batable motion, or appeal.

20 “(3) Following the presentation of opening
21 statements on the concurrent resolution on the
22 budget for a fiscal year by the chairman and rank-
23 ing minority member of the Committee on the Budg-
24 et of the Senate, there shall be a period of up to 4
25 hours for debate on economic goals and policies.

1 “(4) Subject to the other limitations of this Act,
2 only if a concurrent resolution on the budget re-
3 ported by the Committee on the Budget of the Sen-
4 ate sets forth the economic goals (as described in
5 sections 3(a)(2) and 4(b) of the Employment Act of
6 1946) which the estimates, amounts, and levels (as
7 described in section 301(a)) set forth in such resolu-
8 tion are designed to achieve, shall it be in order to
9 offer to such resolution an amendment relating to
10 such goals, and such amendment shall be in order
11 only if it also proposes to alter such estimates,
12 amounts, and levels in germane fashion in order to
13 be consistent with the goals proposed in such
14 amendment.

15 “(5) A motion to further limit consideration is
16 not debatable. A motion to recommit (except a mo-
17 tion to recommit with instructions to report back
18 within a specified number of days, not to exceed 3,
19 not counting any day on which the Senate is not in
20 session) is not in order. Debate on any such motion
21 to recommit shall be limited to 1 hour, to be equally
22 divided between, and controlled by, the mover and
23 the manager of the concurrent resolution.

24 “(6) Notwithstanding any other rule, an
25 amendment or series of amendments to a concurrent

1 resolution on the budget proposed in the Senate
2 shall always be in order if such amendment or series
3 of amendments proposes to change any figure or fig-
4 ures then contained in such concurrent resolution so
5 as to make such concurrent resolution mathemati-
6 cally consistent or so as to maintain such consist-
7 ency.

8 “(c) REQUEST FOR CONFERENCE IN THE SENATE.—
9 Consideration of all motions in relation to a request for
10 a conference with the House of Representatives shall be
11 limited to not more than 1 hour and debate on a motion
12 to instruct the conferees shall be limited to 20 minutes
13 to be equally divided between, and controlled by, the mover
14 and the manager of the concurrent resolution, except that
15 in the event the manager of the concurrent resolution is
16 in favor of any such amendment, motion, or appeal, the
17 time in opposition thereto shall be controlled by the minor-
18 ity leader or his designee.

19 “(d) ACTION ON CONFERENCE REPORTS IN THE
20 SENATE.—

21 “(1) A motion to proceed to the consideration
22 of the conference report on any concurrent resolu-
23 tion on the budget (or a reconciliation bill or resolu-
24 tion) may be made even though a previous motion
25 to the same effect has been disagreed to.

1 “(2) During the consideration in the Senate of
2 a conference report (including a message between
3 Houses) on any concurrent resolution on the budget,
4 including all amendments in disagreement, and all
5 amendments thereto, and debatable motions and ap-
6 peals in connection therewith, consideration shall be
7 limited to 10 hours, to be equally divided between,
8 and controlled by, the majority leader and minority
9 leader or their designees. Debate on any debatable
10 motion or appeal related to the conference report (or
11 a message between Houses) shall be limited to 1
12 hour, to be equally divided between, and controlled
13 by, the mover and the manager of the conference re-
14 port (or a message between Houses).

15 “(3) Should the conference report be defeated,
16 consideration of any request for a new conference
17 and the appointment of conferees shall be limited to
18 1 hour, to be equally divided between, and controlled
19 by, the manager of the conference report and the
20 minority leader or his designee, and should any mo-
21 tion be made to instruct the conferees before the
22 conferees are named, debate on such motion shall be
23 limited to 20 minutes, to be equally divided between,
24 and controlled by, the mover and the manager of the
25 conference report. Debate on any amendment to any

1 such instructions shall be limited to 10 minutes, to
2 be equally divided between and controlled by the
3 mover and the manager of the conference report. In
4 all cases when the manager of the conference report
5 is in favor of any motion, appeal, or amendment, the
6 time in opposition shall be under the control of the
7 minority leader or his designee.

8 “(4) In any case in which there are amend-
9 ments in disagreement, the time for debate on each
10 amendment shall be limited to 30 minutes, to be
11 equally divided between, and controlled by, the man-
12 ager of the conference report and the minority lead-
13 er or his designee. No amendment that is not ger-
14 mane to the provisions of such amendments shall be
15 received.”.

16 **SEC. 506. BUDGET PROJECTIONS.**

17 Section 308(c) of the Congressional Budget Act of
18 1974 (2 U.S.C. 639(c)) is amended—

19 (1) in paragraph (2), by striking “revenues”
20 and inserting “governmental receipts”; and

21 (2) in paragraph (4), by striking “entitlement”
22 and inserting “direct spending”.

23 **SEC. 507. RECONCILIATION.**

24 Section 310 of the Congressional Budget Act of 1974
25 (2 U.S.C. 641) is amended—

1 (1) in subsection (a), by striking paragraphs
2 (1) and (2) and inserting the following:

3 “(1) specify the total amount by which—

4 “(A) new budget authority;

5 “(B) budget authority;

6 “(C) new direct spending authority; and

7 “(D) governmental receipts other than in-
8 come taxes, estate and gift taxes, excise taxes
9 or payroll taxes, or tariffs;

10 contained in laws, bills, and resolutions within the
11 jurisdiction of a committee is to be changed for any
12 of the fiscal years covered by the resolution and di-
13 rect that committee to determine and recommend
14 changes to accomplish a change of such total
15 amount;

16 “(2) specify the total amount by which govern-
17 mental receipts including income taxes, estate and
18 gift taxes, excise taxes or social insurance taxes,
19 miscellaneous receipts, or tariffs are to be changed
20 and direct that the committees having jurisdiction to
21 determine and recommend changes in the govern-
22 mental receipt laws, bills, and resolutions to accom-
23 plish a change of such total amount;”;

24 (2) by striking subsection (b) and inserting the
25 following:

1 “(b) LEGISLATIVE PROCEDURE.—

2 “(1) If a conference report on a concurrent res-
3 olution containing reconciliation instructions to 1 or
4 more committees to determine and recommend
5 changes in laws, bills, or resolutions is agreed to in
6 accordance with subsection (a)—

7 “(A) each such committee so instructed
8 shall promptly make such determination and
9 recommendations and submit such rec-
10 ommendations to the Committee on the Budget
11 of its House, which upon receiving all such rec-
12 ommendations, shall report to its House rec-
13 onciliation legislation carrying out all such rec-
14 ommendations without any substantive revision;
15 and

16 “(B) in the event that any committee fails
17 to comply with its instruction, then the Com-
18 mittees on the Budget may report amendments
19 recommending changes within the jurisdiction
20 of the noncompliant committee to achieve the
21 changes contained in the instruction.

22 “(2) For purposes of this subsection, a rec-
23 onciliation resolution is a concurrent resolution di-
24 recting the Clerk of the House of Representatives or
25 the Secretary of the Senate, as the case may be, to

1 make specified changes in bills and resolutions which
2 have not been enrolled.”;

3 (3) in subsection (c), by adding at the end the
4 following:

5 “(3) Secondary or indirect effects of the legislative
6 recommendations submitted by any committee of the
7 House of Representatives or the Senate that is instructed
8 pursuant to a concurrent resolution on the budget, shall
9 be attributed to the committee proposing the change in
10 law, but shall not be considered for the purpose of deter-
11 mining compliance with such instructions.”;

12 (4) by striking paragraphs (1) through (4) of
13 subsection (d) and inserting the following:

14 “(1) It shall not be in order in the House of Rep-
15 resentatives to consider any amendment to a reconciliation
16 bill or reconciliation resolution if such amendment would
17 have the effect of increasing any specific budget outlays
18 above the level of such outlays provided in the bill or reso-
19 lution (for the fiscal years covered by the reconciliation
20 instructions set forth in the most recently agreed to con-
21 current resolution on the budget), or would have the effect
22 of reducing any specific governmental receipts below the
23 level of such governmental receipts provided in the bill or
24 resolution (for such fiscal years), unless such amendment
25 makes at least an equivalent reduction in other specific

1 budget outlays, an equivalent increase in other specific
2 governmental receipts, or an equivalent combination there-
3 of (for such fiscal years), except that a motion to strike
4 a provision providing new budget authority or new entitle-
5 ment authority may be in order.

6 “(2) It shall not be in order in the Senate to consider
7 any amendment to a reconciliation bill or reconciliation
8 resolution if such amendment would have the effect of de-
9 creasing any specific budget outlay reductions below the
10 level of such outlay reductions provided (for the fiscal
11 years covered) in the reconciliation instructions which re-
12 late to such bill or resolution set forth in a resolution pro-
13 viding for reconciliation, or would have the effect of reduc-
14 ing governmental receipts increases below the level of such
15 increases in such governmental receipts provided (for such
16 fiscal years) in such instructions relating to such bill or
17 resolution, unless such amendment makes a reduction in
18 other specific budget outlays, an increase in other specific
19 governmental receipts, or a combination thereof (for such
20 fiscal years) at least equivalent to any increase in outlays
21 or decrease in governmental receipts provided by such
22 amendment, except that a motion to strike a provision
23 shall always be in order.

24 “(3) Paragraphs (1) and (2) shall not apply if a dec-
25 laration of war by the Congress is in effect.

1 “(4) For purposes of this section, the levels of budget
2 authority, outlays, and governmental receipts for a fiscal
3 year shall be determined on the basis of estimates made
4 by the Committee on the Budget of the House of Rep-
5 resentatives or of the Senate, as the case may be.”; and

6 (5) in subsection (e)—

7 (A) in paragraph (1), by inserting “, mo-
8 tions in relation to a request for conference,”
9 after “under subsection (b)”;

10 (B) in paragraph (2), by striking “Debate”
11 and inserting “Consideration”.

12 **SEC. 508. BUDGETING LEVELS.**

13 Section 311(a) of the Congressional Budget Act of
14 1974 (2 U.S.C.642(a)) is amended—

15 (1) in the matter after subparagraph (C) in
16 paragraph (1), by striking “total revenues” and in-
17 serting “total governmental receipts”; and

18 (2) in paragraph (2)(B), by striking “revenues”
19 and inserting “governmental receipts”.

20 **SEC. 509. DETERMINATIONS AND POINTS OF ORDER.**

21 (a) IN GENERAL.—Section 312 of the Congressional
22 Budget Act of 1974 (2 U.S.C. 643) is amended—

23 (1) in subsection (a), by striking “revenues”
24 and inserting “governmental receipts”;

25 (2) by striking subsections (b) and (c);

1 (3) by redesignating subsections (d) through (f)
2 as subsections (b) through (d), respectively; and

3 (4) by adding at the end the following:

4 “(e) CONGRESSIONAL BUDGET OFFICE SCORE FOR
5 CONFERENCE REPORTS.—It shall not be in order to con-
6 sider a report of a committee of conference unless an offi-
7 cial written cost estimate or table by the Congressional
8 Budget Office is available at the time of consideration.”.

9 (b) SUPERMAJORITY POINTS OF ORDER.—Sub-
10 sections (c)(1) and (d)(2) of section 904 of the Congres-
11 sional Budget and Impoundment Control Act of 1974 (2
12 U.S.C. 621 note) are amended by—

13 (1) inserting “312(e),” after “310(d)(2),”; and

14 (2) inserting “and section 223 of the Stop Over
15 Spending Act of 2006” after “of this Act”.

16 **SEC. 510. EXTRANEIOUS MATTER IN RECONCILIATION LEG-**
17 **ISLATION.**

18 Section 313 of the Congressional Budget Act of 1974
19 (2 U.S.C. 644) is amended—

20 (1) in subsection (a) by striking “or section
21 258C” through “1985”;

22 (2) in subsection (b), by—

23 (A) striking paragraph (1) and inserting
24 the following:

1 “(1)(A) Except as provided in paragraph (2), a provi-
2 sion of a reconciliation bill or reconciliation resolution con-
3 sidered pursuant to section 310 shall be considered extra-
4 neous if such provision does not produce a change in out-
5 lays or governmental receipts, including changes in outlays
6 and governmental receipts brought about by changes in
7 the terms and conditions under which outlays are made
8 or governmental receipts are required to be collected (but
9 a provision in which outlay decreases or governmental re-
10 cepts increases exactly offset outlay increases or govern-
11 mental receipts decreases shall not be considered extra-
12 neous by virtue of this subparagraph); (B) except with re-
13 spect to consideration of conference reports, any provision
14 producing an increase in outlays or decrease in govern-
15 mental receipts shall be considered extraneous if the net
16 effect of provisions reported by the committee reporting
17 the title containing the provision is that the committee
18 fails to achieve its reconciliation instructions, or if the in-
19 crease in outlays or decreases in governmental receipts ex-
20 ceeds 20 percent of the total change required in a commit-
21 tee’s instruction; (C) a provision that is not in the jurisdic-
22 tion of the Committee with jurisdiction over said title or
23 provision shall be considered extraneous (except that
24 amendments reported by the Committee on the Budget to
25 achieve compliance with reconciliation instructions shall

1 not be extraneous); (D) a provision shall be considered to
2 be extraneous if it increases, or would increase, net out-
3 lays, or if it decreases, or would decrease governmental
4 receipts during a fiscal year after the fiscal years covered
5 by such reconciliation bill or reconciliation resolution, and
6 such increases or decreases are greater than outlay reduc-
7 tions or governmental receipts increases resulting from
8 other provisions in such title in such year; and (E) a provi-
9 sion shall be considered extraneous if it violates section
10 310(g).”; and

11 (B) adding at the end the following:

12 “(4) Technical and conforming provisions shall not
13 be considered extraneous under this section.”; and

14 (3) in subsection (d)(1), by striking “(b)(1)(E),
15 or (b)(1)(F)” and inserting “(b)(1)(E)”.

16 **SEC. 511. ADJUSTMENTS.**

17 Title III of the Congressional Budget Act of 1974
18 (2 U.S.C. 621 et seq.) is amended by—

19 (1) striking section 314; and

20 (2) redesignating section 315 as section 314.

21 **SEC. 512. DIRECT SPENDING LIMITATION.**

22 Title III of the Congressional Budget Act of 1974
23 (2 U.S.C. 621 et seq.) is amended by adding at the end
24 the following:

1 “DIRECT SPENDING LIMITATION

2 “SEC. 315. (a) IN GENERAL.—The chairman of the
3 Committee on the Budget of the Senate may submit to
4 the Senate a notification of a Medicare funding warning
5 if the chairman projects that within 7 years General Fund
6 of the Treasury contributions to Medicare funding, ex-
7 pressed as a percentage of total Medicare outlays, will ex-
8 ceed 45 percent.

9 “(b) POINT OF ORDER.—It shall not be in order to
10 consider any bill, joint resolution, amendment or con-
11 ference report that would cause any increase in direct
12 spending, net of proposals to change direct spending, re-
13 ceipts, or revenues contained in the measure, if a Medicare
14 Funding warning has been submitted to the Senate pursu-
15 ant to subsection (a) for 2 consecutive calendar years.

16 “(c) WAIVER.—This section may be waived or sus-
17 pended only by an affirmative vote of three-fifths of the
18 members, duly chosen and sworn.

19 “(d) APPEALS.—An affirmative vote of three-fifths of
20 the Members, duly chosen and sworn, shall be required
21 to sustain an appeal of the ruling of the Chair on a point
22 of order raised under this section.

23 “(e) DETERMINATIONS.—For the purposes of this
24 section, the determination of whether Medicare funding
25 warrants a funding warning and when it may be appro-

1 piate to withdraw such warning, as well as the levels of
2 net direct spending as required under subsection (b), shall
3 be provided by the chairman of the Committee on the
4 Budget.

5 “(f) CANCELLATIONS.—If legislation is enacted to re-
6 duce the general fund contribution below 45 percent, as
7 determined by the chairman of the Committee on the
8 Budget, any notification of a Medicare funding warning
9 is withdrawn.”.

10 **SEC. 513. APPROPRIATIONS REQUESTS OF THE PRESIDENT.**

11 Section 1108(e) of title 31, United States Code, is
12 amended by striking “Congress or a” and inserting “Con-
13 gress and a”.