H. Res. 1000

In the House of Representatives, U. S.,

September 14, 2006.

Resolved,

SECTION 1. EARMARKING REFORM IN THE HOUSE OF REPRESENTATIVES.

(a) In the House of Representatives, it shall not be in order to consider—

(1) a bill reported by a committee unless the report includes a list of earmarks in the bill or in the report (and the names of Members who submitted requests to the committee for earmarks included in such list); or

(2) a conference report to accompany a bill unless the joint explanatory statement prepared by the managers on the part of the House and the managers on the part of the Senate includes a list of earmarks in the conference report or joint statement (and the names of Members who submitted requests to the committee for earmarks included in such list) that were not committed to the conference committee by either House, not in a

report specified in paragraph (1), and not in a report of a committee of the Senate on a companion measure.

(3) In order to be cognizable by the Chair, a point of order raised under paragraph (1) may be based only on the failure of a report of a committee to include a list required by paragraph (1).

(b) In the House of Representatives, it shall not be in order to consider—

(1) a bill carrying a tax measure reported by the Committee on Ways and Means as to which the Joint Committee on Taxation has—

(A) identified a tax earmark pursuant to subsection (e), unless the report on the bill includes a list of tax earmarks in the bill or report (and the names of Members who submitted requests to the committee for tax earmarks included in such list); or

(B) failed to provide an analysis under subsection (e); or

(2) a conference report to accompany a bill carrying a tax measure as to which the Joint Committee on Taxation has—

(A) identified a tax earmark pursuant to subsection (e), unless the joint explanatory statement prepared by the managers on the part of the House

and the managers on the part of the Senate includes a list of tax earmarks in the conference report or joint statement (and the names of Members who submitted requests to the committee for tax earmarks included in such list) that were not committed to the conference committee by either House, not in a report specified in paragraph (1), and not in a report of a committee of the Senate on a companion measure; or

(B) failed to provide an analysis under subsection (e).

(3) A point of order under paragraph (1) or (2) may not be cognizable by the Chair if the Joint Committee on Taxation has provided an analysis under subsection (e) and has not identified a tax earmark.

(c)(1) In the House of Representatives, it shall not be in order to consider a rule or order that waives the application of subsection (a)(2) or (b)(2).

(2) A point of order that a rule or order waives the application of subsection (b)(2)(A) may not be cognizable by the Chair if the Joint Committee on Taxation has provided an analysis under subsection (e) and has not identified a tax earmark.

(3) In order to be cognizable by the Chair, a point of order that a rule or order waives the application of subsection

(b)(2)(A) must specify the precise language of the rule or order and any pertinent analysis by the Joint Committee on Taxation contained in the joint statement of managers.

(d)(1) As disposition of a point of order under subsection (a) or (b), the Chair shall put the question of consideration with respect to the proposition that is the subject of the point of order.

(2) As disposition of a point of order under subsection (c) with respect to a rule or order relating to a conference report, the Chair shall put the question of consideration as follows: ''Shall the House now consider the resolution notwithstanding the assertion of [the maker of the point of order] that the object of the resolution introduces a new earmark or new earmarks?''.

(3) The question of consideration under this subsection (other than one disposing of a point of order under subsection (b)) shall be debatable for 15 minutes by the Member initiating the point of order and for 15 minutes by an opponent, but shall otherwise be decided without intervening motion except one that the House adjourn.

(e) The Joint Committee on Taxation shall review any bill containing a tax measure that is being reported by the Committee on Ways and Means or prepared for filing by a committee of conference of the two Houses, and shall identify whether such bill contains any tax earmarks. The Joint Com-

mittee on Taxation shall provide to the Committee on Ways and Means or the committee of conference a statement identifying any such tax earmarks or declaring that the bill or joint resolution does not contain any tax earmarks, and such statement shall be included in the report on the bill or joint statement of managers, as applicable. Any such statement shall also be made available to any Member of Congress by the Joint Committee on Taxation immediately upon request.

SEC. 2. DEFINITIONS.

(a) For the purpose of this resolution, the term ''earmark'' means a provision in a bill or conference report, or language in an accompanying committee report or joint statement of managers—

(1) with respect to a general appropriation bill, or conference report thereon, providing or recommending an amount of budget authority for a contract, loan, loan guarantee, grant, or other expenditure with or to a non-Federal entity, if—

(A) such entity is specifically identified in the report or bill; or

(B) if the discretionary budget authority is allocated outside of the statutory or administrative formula-driven or competitive bidding process and is targeted or directed to an identifiable entity, specific State, or Congressional district; or

(2) with respect to a measure other than that specified in paragraph (1), or conference report thereon, providing authority, including budget authority, or recommending the exercise of authority, including budget authority, for a contract, loan, loan guarantee, grant, loan authority, or other expenditure with or to a non-Federal entity, if—

(A) such entity is specifically identified in the report or bill;

(B) if the authorization for, or provision of, budget authority, contract authority loan authority or other expenditure is allocated outside of the statutory or administrative formula-driven or competitive bidding process and is targeted or directed to an identifiable entity, specific State, or Congressional district; or

(C) if such authorization for, or provision of, budget authority, contract authority, loan authority or other expenditure preempts statutory or administrative State allocation authority.

(b)(1) For the purpose of this resolution, the term ''tax earmark'' means any revenue-losing provision that provides a Federal tax deduction, credit, exclusion, or preference to only one beneficiary (determined with respect to either present law or any provision of which the provision is a part) under the

Internal Revenue Code of 1986 in any year for which the provision is in effect;

(2) for purposes of paragraph (1)—

(A) all businesses and associations that are members of the same controlled group of corporations (as defined in section 1563(a) of the Internal Revenue Code of 1986) shall be treated as a single beneficiary;

(B) all shareholders, partners, members, or beneficiaries of a corporation, partnership, association, or trust or estate, respectively, shall be treated as a single beneficiary;

(C) all employees of an employer shall be treated as a single beneficiary;

(D) all qualified plans of an employer shall be treated as a single beneficiary;

(E) all beneficiaries of a qualified plan shall be treated as a single beneficiary;

(F) all contributors to a charitable organization shall be treated as a single beneficiary;

(G) all holders of the same bond issue shall be treated as a single beneficiary; and

(H) if a corporation, partnership, association, trust or estate is the beneficiary of a provision, the shareholders of the corporation, the partners of the partnership, the members of the association, or the beneficiaries

of the trust or estate shall not also be treated as beneficiaries of such provision;

(3) for the purpose of this subsection, the term ''revenue-losing provision'' means any provision that is estimated to result in a reduction in Federal tax revenues (determined with respect to either present law or any provision of which the provision is a part) for any one of the two following periods—

(A) the first fiscal year for which the provision is effective; or

(B) the period of the 5 fiscal years beginning with the first fiscal year for which the provision is effective; and

(4) the terms used in this subsection shall have the same meaning as those terms have generally in the Internal Revenue Code of 1986, unless otherwise expressly provided.

(c) For the purpose of this resolution—

(1) government-sponsored enterprises, Federal facilities, and Federal lands shall be considered Federal entities;

(2) to the extent that the non-Federal entity is a State, unit of local government, territory, an Indian tribe, a foreign government or an intergovernmental international organization, the provision or language shall not be considered an earmark unless the provision

or language also specifies the specific purpose for which the designated budget authority is to be expended;

(3) the term ''budget authority'' shall have the same meaning as such term is defined in section 3 of the Congressional Budget Act of 1974 (2 U.S.C. 622); and

(4) an obligation limitation shall be treated as though it is budget authority.

Attest:

Clerk.