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[Report No. 109-283]

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

JUNE 15, 2006

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, Mr. CHAMBLISS, Mr. MCCONNELL, Mr. BUNNING, Mr. DOMENICI, Mr. INHOFE, Mr. SUNUNU, Mr. SANTORUM, Mrs. DOLE, Mr. ALLEN, and Mr. MARTINEZ) introduced the following bill; which was read twice and referred to the Committee on the Budget

JULY 14, 2006

Reported by Mr. GREGG, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

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,*

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

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

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

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 seind 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;

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

4 (6) to require automatic spending reduction rec-
5 onciliation directives to achieve annual deficit tar-
6 gets;

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

11 (8) to require Congress to act upon legislation
12 to ensure the solvency of the Social Security and
13 Medicare Programs;

14 (9) to require Congress to act upon legislation
15 to identify and eliminate waste and duplication in
16 Federal programs;

17 (10) to establish biennial budgeting;

18 (11) to strengthen and improve the Congres-
19 sional budget resolution and reconciliation process;
20 and

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

1 **SEC. 3. SEVERABILITY.**

2 If any provision of this Act, an amendment made by
 3 this Act, or the application of such provision or amend-
 4 ment to any person or circumstance is held to be unconsti-
 5 tutional, the remainder of this Act, the amendments made
 6 by this Act, and the application of the provisions of such
 7 to any person or circumstance shall not be affected there-
 8 by.

9 **TITLE I—LEGISLATIVE LINE**
 10 **ITEM VETO ACT OF 2006**

11 **SEC. 101. SHORT TITLE.**

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

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

15 (a) **IN GENERAL.**—Title X of the Congressional
 16 Budget and Impoundment Control Act of 1974 (2 U.S.C.
 17 621 et seq.) is amended by striking part C and inserting
 18 the following:

19 **“PART C—LEGISLATIVE LINE ITEM VETO**
 20 **“EXPEDITED CONSIDERATION OF CERTAIN PROPOSED**
 21 **RESCISSIONS**

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

1 “(b) TRANSMITTAL OF SPECIAL MESSAGE.—

2 “(1) SPECIAL MESSAGE.—

3 “(A) IN GENERAL.—

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

10 “(ii) TIMING.—Special messages may
11 be transmitted under clause (i)—

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

15 “(II) 3 other times as determined
16 by the President.

17 “(iii) LIMITATIONS.—

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

1 “(H) RESUBMITTAL.—If Con-
2 gress rejects or does not complete ac-
3 tion on a bill introduced under this
4 Act, the President may resubmit some
5 or all of the dollar amounts of discre-
6 tionary budget authority, items of di-
7 rect spending, and targeted tax bene-
8 fits in that bill in not more than 1 ad-
9 ditional special message under this
10 part or part B.

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

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

1 “(ii) the specific items of direct spend-
2 ing and targeted tax benefits proposed for
3 rescission and the dollar amounts of the
4 reductions in budget authority and outlays
5 or increases in receipts that would result
6 from enactment of such rescission for the
7 time periods set forth in subparagraph
8 (A)(iii);

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

20 “(I) the fiscal year in which the
21 proposal is submitted; and

22 “(II) each of the 10 following fis-
23 cal years beginning with the fiscal
24 year after the fiscal year in which the
25 proposal is submitted;

1 “(iv) any account, department, or es-
2 tablishment of the Government to which
3 such dollar amount of discretionary budget
4 authority or item of direct spending is
5 available for obligation, and the specific
6 project or governmental functions involved;

7 “(v) the reasons why such dollar
8 amount of discretionary budget authority
9 or item of direct spending or targeted tax
10 benefit should be rescinded;

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

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

23 “(viii) a draft bill that, if enacted,
24 would rescind the budget authority, items
25 of direct spending and targeted tax bene-

1 fits proposed to be rescinded in that spe-
2 cial message.

3 ~~“(2) ANALYSIS BY CONGRESSIONAL BUDGET~~
4 ~~OFFICE AND JOINT COMMITTEE ON TAXATION.—~~

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

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

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

23 ~~“(B) METHODOLOGY.—~~The estimates re-
24 quired by subparagraph (A) shall be made re-
25 lative to the most recent levels calculated con-

1 sistent with the methodology used to calculate
2 a baseline under section 257 of the Balanced
3 Budget and Emergency Control Act of 1985
4 and included with a budget submission under
5 section 1105(a) of title 31, United States Code,
6 and transmitted to the chairmen of the Com-
7 mittees on the Budget of the House of Rep-
8 resentatives and Senate.

9 ~~“(3) ENACTMENT OF RESCISSION BILL.—~~

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

17 ~~“(B) ADJUSTMENT OF BUDGET TAR-~~
18 ~~GETS.—~~Not later than 5 days after the date of
19 enactment of a rescission bill as provided under
20 this section, the chairs of the Committees on
21 the Budget of the Senate and the House of
22 Representatives shall revise spending and rev-
23 enue levels under section 311(a) of the Con-
24 gressional Budget Act of 1974 and adjust the
25 committee allocations under section 302(a) of

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

16 “(C) ADJUSTMENTS TO CAPS.—After en-
 17 actment of a rescission bill as provided under
 18 this section, the President shall revise applica-
 19 ble limits under the Stop Over Spending Act of
 20 2006, as appropriate.

21 “(e) PROCEDURES FOR EXPEDITED CONSIDER-
 22 ATION.—

23 “(1) IN GENERAL.—

24 “(A) INTRODUCTION.—Before the close of
 25 the second day of session of the Senate and the

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

17 “(B) REFERRAL AND REPORTING.—

18 “(i) ONE COMMITTEE.—The bill shall
19 be referred by the presiding officer to the
20 appropriate committee. The committee
21 shall report the bill without any revision
22 and with a favorable, an unfavorable, or
23 without recommendation, not later than
24 the fifth day of session of that House after
25 the date of introduction of the bill in that

1 House. If the committee fails to report the
2 bill within that period, the committee shall
3 be automatically discharged from consider-
4 ation of the bill, and the bill shall be
5 placed on the appropriate calendar.

6 “(ii) MULTIPLE COMMITTEES.—

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

13 “(II) VIEWS OF COMMITTEE.—

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

22 “(III) REPORTING.—The Com-

23 mittee on the Budget shall report the
24 bill not later than the fifth day of ses-
25 sion of that House after the date of

1 introduction of the bill in that House,
2 without any revision and with a favor-
3 able or unfavorable recommendation,
4 or without recommendation, together
5 with the recommendations of any
6 committee to which the bill has been
7 referred.

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

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

1 “(2) CONSIDERATION IN THE HOUSE OF REP-
2 PRESENTATIVES.—

3 “(A) MOTION TO PROCEED TO CONSIDER-
4 ATION.—A motion in the House of Representa-
5 tives to proceed to the consideration of a bill
6 under this subsection shall be highly privileged
7 and not debatable. An amendment to the mo-
8 tion shall not be in order, nor shall it be in
9 order to move to reconsider the vote by which
10 the motion is agreed to or disagreed to.

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

21 “(C) APPEALS.—Appeals from decisions of
22 the chair relating to the application of the
23 Rules of the House of Representatives to the
24 procedure relating to a bill under this section
25 shall be decided without debate.

1 “(D) APPLICATION OF HOUSE RULES.—

2 Except to the extent specifically provided in this
3 section, consideration of a bill under this sec-
4 tion shall be governed by the Rules of the
5 House of Representatives. It shall not be in
6 order in the House of Representatives to con-
7 sider any bill introduced pursuant to the provi-
8 sions of this section under a suspension of the
9 rules or under a special rule.

10 “(3) CONSIDERATION IN THE SENATE.—

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

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

1 “(C) DEBATABLE MOTIONS AND AP-
2 PEALS.—Debate in the Senate on any debatable
3 motion or appeal in connection with a bill under
4 this subsection shall be limited to not more
5 than 1 hour from the time allotted for debate,
6 to be equally divided and controlled in the usual
7 form.

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

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

14 “(F) CONSIDERATION OF THE HOUSE
15 BILL.—

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

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

1 duced in the Senate, the Senate bill shall
 2 be held pending receipt of the House mes-
 3 sage on the bill. Upon receipt of the House
 4 companion bill, the House bill shall be
 5 deemed to be considered, read for the third
 6 time, and the vote on passage of the Sen-
 7 ate bill shall be considered to be the vote
 8 on the bill received from the House.

9 “(d) AMENDMENTS AND DIVISIONS PROHIBITED.—

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

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

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

22 “(e) TEMPORARY PRESIDENTIAL AUTHORITY TO
 23 WITHHOLD.—

24 “(1) AVAILABILITY.—The President may not
 25 withhold any dollar amount of discretionary budget

1 authority until the President transmits and Congress
2 receives a special message pursuant to subsection
3 (b). Upon receipt by Congress of a special message
4 pursuant to subsection (b), the President may direct
5 that any dollar amount of discretionary budget au-
6 thority proposed to be rescinded in that special mes-
7 sage shall be withheld from obligation for a period
8 not to exceed 45 calendar days from the date of re-
9 ceipt by Congress.

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

16 “(f) TEMPORARY PRESIDENTIAL AUTHORITY TO
17 SUSPEND.—

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

1 period not to exceed 45 calendar days from the date
2 of receipt by Congress.

3 “(2) EARLY AVAILABILITY.—The President
4 may terminate the suspension of any item of direct
5 spending or targeted tax benefit suspended pursuant
6 to paragraph (1) at an earlier time if the President
7 determines that continuation of the suspension
8 would not further the purposes of this Act.

9 “(g) DEFINITIONS.—In this section:

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

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

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

21 “(4) DOLLAR AMOUNT OF DISCRETIONARY
22 BUDGET AUTHORITY.—The term ‘dollar amount of
23 discretionary budget authority’ means the dollar
24 amount of budget authority and obligation limita-
25 tions—

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

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

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

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

23 “(E) represented by the product of the es-
24 timated procurement cost and the total quantity
25 of items required to be provided in a law (other

1 than an appropriation law) that mandates obli-
2 gations from accounts, programs, projects, or
3 activities for which dollar amount of discre-
4 tionary budget authority or an obligation limita-
5 tion is provided in an appropriation law.

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

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

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

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

23 “(7) ITEM OF DIRECT SPENDING.—The term
24 ‘item of direct spending’ means any specific provi-
25 sion of law enacted after the effective date of the

1 Legislative Line Item Veto Act of 2006 that is esti-
2 mated to result in an increase in budget authority
3 or outlays for direct spending relative to the most
4 recent levels calculated consistent with the method-
5 ology described in section 257 of the Balanced
6 Budget and Emergency Deficit Control Act of 1985
7 and included with a budget submission under section
8 1105(a) of title 31, United States Code, and, with
9 respect to estimates made after that budget submis-
10 sion that are not included with it, estimates con-
11 sistent with the economic and technical assumptions
12 underlying the most recently submitted President's
13 budget.

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

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

21 “(A) estimated by the Joint Committee on
22 Taxation to result in a loss of revenues relative
23 to the most recent levels calculated consistent
24 with the methodology described in section 257
25 of the Balanced Budget and Emergency Deficit

1 Control Act of 1985 and included with a budget
2 submission under section 1105(a) of title 31,
3 United States Code, and with respect to esti-
4 mates made after that budget submission that
5 are not included with it, estimates consistent
6 with the economic and technical assumptions
7 underlying the most recently submitted Presi-
8 dent's budget; and

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

14 “(h) CONGRESSIONAL IDENTIFICATION OF TAR-
15 GETED TAX BENEFITS.—

16 “(1) STATEMENT BY JOINT TAX COMMITTEE.—

17 The Joint Committee on Taxation shall review any
18 revenue or reconciliation bill or joint resolution
19 which includes any amendment to the Internal Rev-
20 enue Code of 1986 that is being prepared for filing
21 by a committee of conference of the 2 Houses, and
22 shall identify, prior to consideration of such con-
23 ference report, whether such bill or joint resolution
24 contains any targeted tax benefits. The Joint Com-
25 mittee on Taxation shall provide to the committee of

1 conference a statement identifying any such targeted
 2 tax benefits or declaring that the bill or joint resolu-
 3 tion does not contain any targeted tax benefits. The
 4 statement shall be included in the statement of man-
 5 agers to accompany such conference report and
 6 made available to any Member of Congress by the
 7 Joint Committee on Taxation immediately upon re-
 8 quest.

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

20 (b) EXERCISE OF RULEMAKING POWERS.—Section
 21 904 of the Congressional Budget Act of 1974 (2 U.S.C.
 22 621 note) is amended—

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

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

3 (c) CLERICAL AMENDMENTS.—

4 (1) SHORT TITLE.—Section 1(a) of the Con-
5 gressional Budget and Impoundment Control Act of
6 1974 is amended by—

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

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

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

“PART C—LEGISLATIVE LINE ITEM VETO

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

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

22 (e) EFFECTIVE DATE AND EXPIRATION.—

23 (1) EFFECTIVE DATE.—The amendments made
24 by this Act shall—

1 (A) take effect on the date of enactment of
2 this Act; and

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

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

9 **TITLE II—DEFICIT REDUCTION**
10 **Subtitle A—Definitions,**
11 **Administration, and Sequestration**

12 **SEC. 201. DEFINITIONS.**

13 In this subtitle:

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

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

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

24 (2) BREACH.—The term “breach” means, for
25 any fiscal year, the amount by which discretionary

1 budget authority enacted for that year exceeds the
2 spending limit for budget authority for that year.

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

11 ~~(4) BUDGET YEAR.—~~The term “budget year”
12 means, with respect to a session of Congress, the fis-
13 cal year of the Government that starts on October
14 ~~1~~ of the calendar year in which that session begins.

15 ~~(5) CBO.—~~The term “CBO” means the Direc-
16 tor of the Congressional Budget Office.

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

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

24 ~~(B) with respect to estimates made after~~
25 ~~that budget submission that are not included~~

1 with it, the estimates consistent with the eco-
2 nomic and technical assumptions underlying the
3 most recently submitted President's budget;
4 and

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

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

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

1 3111(a) of the Internal Revenue Code of 1954 (26
2 U.S.C. 1401, 3101, 3111) during such fiscal year
3 shall be included in total revenues for such fiscal
4 year, and the disbursements of each such Trust
5 Fund for such fiscal year shall be included in total
6 budget outlays for such fiscal year. Notwithstanding
7 any other provision of law except to the extent pro-
8 vided by section 710(a) of the Social Security Act
9 (42 U.S.C. 911) the receipts, revenues, disburse-
10 ments, budget authority, and outlays of each off-
11 budget Federal entity for a fiscal year shall be in-
12 cluded in total budget authority, total budget out-
13 lays, and total revenues and the amounts of budget
14 authority and outlays set forth for each major func-
15 tional category, for such fiscal year.

16 (9) DIRECT SPENDING.—The term “direct
17 spending” shall have the meaning given such term
18 in section 3(3) of the Congressional Budget Act of
19 1974.

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

1 (11) DISCRETIONARY SPENDING LIMIT.—The
2 term “discretionary spending limit” shall mean the
3 amounts specified in section 212.

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

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

12 (14) SEQUESTRATION.—The term “sequestra-
13 tion” —

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

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

1 **SEC. 202. ADMINISTRATION, RECONCILIATION, AND EF-**
 2 **ECT OF SEQUESTRATION.**

3 (a) **TIMETABLE.**—The timetable with respect to this
 4 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.

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

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

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

4 (2) Except as otherwise provided, the same per-
5 centage sequestration shall apply to all programs,
6 projects, and activities within a budget account (with
7 programs, projects, and activities as delineated in
8 the appropriation Act or accompanying report for
9 the relevant fiscal year covering that account).

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

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

24 (5) Budgetary resources sequestered in special
25 fund accounts and offsetting collections sequestered

1 in appropriation accounts shall not be available for
2 obligation during the fiscal year in which the seques-
3 tration occurs, but shall be available in subsequent
4 years to the extent otherwise provided in law.

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

12 **SEC. 203. GAO COMPLIANCE REPORT.**

13 Upon request of the Committee on the Budget of the
14 House of Representatives or the Senate, the Comptroller
15 General shall submit to the Congress and the President
16 a report on—

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

23 (2) the extent to which each report issued by
24 OMB or CBO under this section complies with all of
25 the requirements contained in this title, either certi-

1 fying that the report fully and accurately complies
 2 with such requirements or indicating the respects in
 3 which it does not.

4 **Subtitle B—Discretionary** 5 **Spending Limits**

6 **SEC. 211. DISCRETIONARY SEQUESTRATION REPORTS.**

7 (a) DISCRETIONARY SEQUESTRATION PREVIEW RE-
 8 PORTS.—

9 (1) REPORTING REQUIREMENT.—

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

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

24 (C) CONSULTATION.—Any determination
 25 or change under subparagraph (B) may only be

1 made after consultation with the Committees on
2 Appropriations and the Budget of the House of
3 Representatives and the Senate, and that con-
4 sultation shall include written communication to
5 such committees that affords such committees
6 the opportunity to comment before official ac-
7 tion is taken with respect to such changes.

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

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

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

1 (e) FINAL DISCRETIONARY SEQUESTRATION RE-
2 PORTS.—

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

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

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

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

17 (C) The sequestration percentages nec-
18 essary to eliminate the breach.

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

23 (3) EXPLANATION OF DIFFERENCES.—The
24 OMB report shall explain any differences between
25 OMB and CBO estimates for any breach and any

1 required discretionary sequestration percentages.
2 The OMB report shall also explain differences in the
3 amount of sequesterable resources for any budget
4 account to be reduced if such difference is greater
5 than \$5,000,000.

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

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

18 **SEC. 212. LIMITS.**

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

22 (1) with respect to fiscal year 2007,
23 \$872,504,000,000 in new budget authority;

24 (2) with respect to fiscal year 2008,
25 \$895,358,000,000 in new budget authority;

1 (3) with respect to fiscal year 2009,
2 \$919,516,000,000 in new budget authority; and

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

7 (b) ADJUSTMENTS.—

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

22 (2) FEDERAL TAX GAP INITIATIVE.—If an ap-
23 propriation bill or joint resolution is enacted for fis-
24 eal year 2007, 2008, or 2009, that includes
25 \$6,824,000,000 plus an additional amount for the

1 enhanced tax enforcement initiative of the Internal
2 Revenue Service, the adjustment shall be the amount
3 of budget authority in that measure for that initia-
4 tive but not to exceed—

5 (A) with respect to fiscal year 2007,
6 \$274,000,000 in new budget authority;

7 (B) with respect to fiscal year 2008,
8 \$414,000,000 in new budget authority; and

9 (C) with respect to fiscal year 2009,
10 \$554,000,000 in new budget authority.

11 ~~(e) ENFORCEMENT.—~~

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

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

21 ~~(3) PART-YEAR APPROPRIATIONS.—~~If, on the
22 date the report is issued under paragraph (1), there
23 is in effect an Act making continuing appropriations
24 for part of a fiscal year for any budget account, then

1 the dollar sequestration calculated for that account
2 under paragraph (2) shall be subtracted from—

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

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

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

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

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

4 (d) ESTIMATES.—

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

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

15 (A) the CBO estimate of that legislation;

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

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

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

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

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

11 **Subtitle C—Maximum Deficit** 12 **Amount Limitation**

13 **SEC. 221. MAXIMUM DEFICIT AMOUNT.**

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

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

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

22 (3) with respect to 2009, equals 1.75 percent of
 23 the Gross Domestic Product for 2009, as estimated
 24 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 Ree-
4 conciliation 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 (c) 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 ree-
24 conciliation 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 SECUR-
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) EXTRANEIOUS 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 ceede 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 THER 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 retirement 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 budg- et submission.	Committees submit views and estimates to Budget Committees:
April 1	Budget Committees report concurrent resolu- tion on the biennial budget.

“First Session—Continued

May 15	Congress completes action on concurrent resolution on the biennial budget.
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 (c) 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 (4) 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(e) 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 ceeding 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 “(e) 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 (3) in subsection (c), by inserting a comma
2 after “section” the second place it appears and add-
3 ing “including a strategic plan submitted by Sep-
4 tember 30, 2007 meeting the requirements of sub-
5 section (a)”.

6 (b) BUDGET CONTENTS AND SUBMISSION TO CON-
7 GRESS.—Paragraph (28) of section 1105(a) of title 31,
8 United States Code, is amended by striking “beginning
9 with fiscal year 1999, a” and inserting “beginning with
10 fiscal year 2008, a biennial”.

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

13 (1) in subsection (a)—

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

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

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

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

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

3 “(7) cover 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 (e), 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(e)(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 COMMENDATIONS.—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 caney 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 (e)(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.—

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 Ae-
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(e)(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, and
17 in the House of Representatives, by the Speaker, or
18 the Speaker's designee. Upon such introduction, the
19 Commission bill shall be referred to the appropriate
20 committees of Congress under paragraph (2). If the
21 Commission bill is not introduced in accordance with
22 the preceding sentence, then any member of Con-
23 gress may introduce the Commission bill in their re-
24 spective House of Congress beginning on the date
25 that is the 5th calendar day that such House is in

1 session following the date of the submission of such
2 aggregate legislative language provisions:

3 ~~(2)~~ COMMITTEE CONSIDERATION.—

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

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

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

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

3 ~~(b) EXPEDITED PROCEDURE.—~~

4 ~~(1) CONSIDERATION.—~~

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

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

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

14 (C) LIMITED DEBATE.—Debate on the
15 Commission bill and all amendments thereto
16 and on all debatable motions and appeals in
17 connection therewith shall be limited to not
18 more than 50 hours, which shall be divided
19 equally between those favoring and those oppos-
20 ing the Commission bill. A motion further to
21 limit debate on the Commission bill is in order
22 and is not debatable. All time used for consider-
23 ation of the Commission bill, including time
24 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 (e) 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 sessing 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 (H) 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 eordance 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 Sen-
18 ate, or the majority leader's designee, or the
19 Speaker of the House of Representatives, or the
20 Speaker's designee, shall move to proceed to the
21 consideration of the Commission bill. It shall
22 also be in order for any member of the Senate
23 or the House of Representatives, respectively, to
24 move to proceed to the consideration of the

1 Commission bill at any time after the conclu-
2 sion 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 Budget
24 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(e) of the Congressional Budget Act of
18 1974 (2 U.S.C. 639(e)) 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 (e), 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 (c)—

7 (A) in paragraph (1), by inserting “, mo-
8 tions in relation to a request for conference,”
9 after “under subsection (b)”; and

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. EXTRANEOUS 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 p r i a t e t o w i t h d r a w s u c h w a r n i n g , a s w e l l a s t h e l e v e l s o f
 2 n e t d i r e c t s p e n d i n g a s r e q u i r e d u n d e r s u b s e c t i o n (b) , s h a l l
 3 b e p r o v i d e d b y t h e c h a i r m a n o f t h e C o m m i t t e e o n t h e
 4 B u d g e t .

5 “(f) CANCELLATIONS.—If legislation is enacted to re-
 6 d u c e t h e g e n e r a l f u n d c o n t r i b u t i o n b e l o w 4 5 p e r c e n t , a s
 7 d e t e r m i n e d b y t h e c h a i r m a n o f t h e C o m m i t t e e o n t h e
 8 B u d g e t , a n y n o t i f i c a t i o n o f a M e d i c a r e f u n d i n g w a r n i n g
 9 i s w i t h d r a w n .” .

10 **SEC. 513. APPROPRIATIONS REQUESTS OF THE PRESIDENT.**

11 Section 1108(e) of title 31, United States Code, is
 12 a m e n d e d b y s t r i k i n g “ C o n g r e s s o r a ” a n d i n s e r t i n g “ C o n -
 13 g r e s s a n d a ” .

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

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

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

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 BUDGET 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 des-*
8 *ignated as an “emergency” as a mechanism to cir-*
9 *cumvent spending caps;*

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

13 *(6) to require automatic spending reduction rec-*
14 *onciliation directives to achieve annual deficit targets;*

15 *(7) to put in place automatic sequester proce-*
16 *dures to reduce discretionary and mandatory spend-*
17 *ing when either statutory caps have been exceeded or*
18 *deficit targets have not been met;*

19 *(8) to require Congress to act upon legislation to*
20 *ensure the solvency of the Social Security and Medi-*
21 *care Programs;*

1 (9) to require Congress to act upon legislation to
2 identify and eliminate waste and duplication in Fed-
3 eral programs;

4 (10) to establish biennial budgeting;

5 (11) to strengthen and improve the Congressional
6 budget resolution and reconciliation process; and

7 (12) to provide short term and long term solu-
8 tions to ensure the financial security of our nation so
9 that our children and grandchildren will not be sad-
10 dled with insurmountable debt.

11 **SEC. 3. SEVERABILITY.**

12 *If any provision of this Act, an amendment made by*
13 *this Act, or the application of such provision or amendment*
14 *to any person or circumstance is held to be unconstitu-*
15 *tional, the remainder of this Act, the amendments made by*
16 *this Act, and the application of the provisions of such to*
17 *any person or circumstance shall not be affected thereby.*

18 **TITLE I—LEGISLATIVE LINE**

19 **ITEM VETO ACT OF 2006**

20 **SEC. 101. SHORT TITLE.**

21 *This title may be cited as the “Legislative Line Item*
22 *Veto Act of 2006”.*

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

24 (a) *IN GENERAL.*—*Title X of the Congressional Budget*
25 *and Impoundment Control Act of 1974 (2 U.S.C. 621 et*

1 *seq.) is amended by striking part C and inserting the fol-*
 2 *lowing:*

3 *“PART C—LEGISLATIVE LINE ITEM VETO*

4 *“EXPEDITED CONSIDERATION OF CERTAIN PROPOSED*
 5 *RESCISSIONS*

6 *“SEC. 1021. (a) PROPOSED RESCISSIONS.—The Presi-*
 7 *dent may send a special message, at the time and in the*
 8 *manner provided in subsection (b), that proposes to rescind*
 9 *dollar amounts of discretionary budget authority, items of*
 10 *direct spending, and targeted tax benefits.*

11 *“(b) TRANSMITTAL OF SPECIAL MESSAGE.—*

12 *“(1) SPECIAL MESSAGE.—*

13 *“(A) IN GENERAL.—*

14 *“(i) FOUR MESSAGES.—The President*
 15 *may transmit to Congress not to exceed 4*
 16 *special messages per calendar year, pro-*
 17 *posing to rescind dollar amounts of discre-*
 18 *tionary budget authority, items of direct*
 19 *spending, and targeted tax benefits.*

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

22 *“(I) with the President’s budget*
 23 *submitted pursuant to section 1105 of*
 24 *title 31, United States Code; and*

1 “(II) 3 other times as determined
2 by the President.

3 “(iii) LIMITATIONS.—

4 “(I) IN GENERAL.—Special mes-
5 sages shall be submitted within 1 cal-
6 endar year of the date of enactment of
7 any dollar amount of discretionary
8 budget authority, item of direct spend-
9 ing, or targeted tax benefit the Presi-
10 dent proposes to rescind pursuant to
11 this Act.

12 “(II) RESUBMITTAL REJECTED.—
13 If Congress rejects a bill introduced
14 under this part, the President may not
15 resubmit any of the dollar amounts of
16 discretionary budget authority, items
17 of direct spending, or targeted tax ben-
18 efits in that bill under this part, or
19 part B with respect to dollar amounts
20 of discretionary budget authority.

21 “(III) RESUBMITTAL AFTER SINE
22 DIE.—If Congress does not complete ac-
23 tion on a bill introduced under this
24 part because Congress adjourns sine
25 die, the President may resubmit some

1 *or all of the dollar amounts of discre-*
2 *tionary budget authority, items of di-*
3 *rect spending, and targeted tax benefits*
4 *in that bill in not more than 1 subse-*
5 *quent special message under this part,*
6 *or part B with respect to dollar*
7 *amounts of discretionary budget au-*
8 *thority.*

9 *“(B) CONTENTS OF SPECIAL MESSAGE.—*

10 *Each special message shall specify, with respect*
11 *to the dollar amount of discretionary budget au-*
12 *thority, item of direct spending, or targeted tax*
13 *benefit proposed to be rescinded—*

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

23 *“(ii) the specific items of direct spend-*
24 *ing and targeted tax benefits proposed for*
25 *rescission and the dollar amounts of the re-*

1 *ductions in budget authority and outlays or*
2 *increases in receipts that would result from*
3 *enactment of such rescission for the time pe-*
4 *riods set forth in clause (iii);*

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

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

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

21 *“(iv) any account, department, or es-*
22 *tablishment of the Government to which*
23 *such dollar amount of discretionary budget*
24 *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 or*
5 *item of direct spending or targeted tax ben-*
6 *efit should be rescinded;*

7 “(vi) *the estimated fiscal and economic*
8 *impacts, of the proposed rescission;*

9 “(vii) *to the maximum extent prac-*
10 *ticable, all facts, circumstances, and consid-*
11 *erations relating to or bearing upon the*
12 *proposed rescission and the decision to effect*
13 *the proposed rescission, and the estimated*
14 *effect of the proposed rescission upon the ob-*
15 *jects, purposes, and programs for which the*
16 *budget authority or items of direct spending*
17 *or targeted tax benefits are provided; and*

18 “(viii) *a draft bill that, if enacted,*
19 *would rescind the budget authority, items of*
20 *direct spending and targeted tax benefits*
21 *proposed to be rescinded in that special*
22 *message.*

23 “(2) *ANALYSIS BY CONGRESSIONAL BUDGET OF-*
24 *FICE AND JOINT COMMITTEE ON TAXATION.—*

1 “(A) *IN GENERAL.*—Upon the receipt of a
2 special message under this part proposing to re-
3 scind dollar amounts of discretionary budget au-
4 thority, items of direct spending, and targeted
5 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 and
10 shall include in its estimate, an analysis
11 prepared by the Joint Committee on Tax-
12 ation related to targeted tax benefits; and

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

18 “(B) *METHODOLOGY.*—The estimates re-
19 quired by subparagraph (A) shall be made rel-
20 ative to the most recent levels calculated con-
21 sistent with the methodology used to calculate a
22 baseline under section 257 of the Balanced Budg-
23 et and Emergency Control Act of 1985 and in-
24 cluded with a budget submission under section
25 1105(a) of title 31, United States Code, and

1 *transmitted to the chairmen of the Committees*
2 *on the Budget of the House of Representatives*
3 *and Senate.*

4 “(3) *ENACTMENT OF RESCISSION BILL.—*

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

12 “(B) *ADJUSTMENT OF BUDGET TARGETS.—*

13 *Not later than 5 days after the date of enactment*
14 *of a rescission bill as provided under this part,*
15 *the chairs of the Committees on the Budget of the*
16 *Senate and the House of Representatives shall re-*
17 *visе spending and revenue levels under section*
18 *311(a) of the Congressional Budget Act of 1974*
19 *and adjust the committee allocations under sec-*
20 *tion 302(a) of the Congressional Budget Act of*
21 *1974 or any other adjustments as may be appro-*
22 *priate to reflect the rescission. The adjustments*
23 *shall reflect the budgetary effects of such rescis-*
24 *sions as estimated by the President pursuant to*
25 *paragraph (1)(B)(iii). The appropriate commit-*

1 *tees shall report revised allocations pursuant to*
2 *section 302(b) of the Congressional Budget Act of*
3 *1974. Notwithstanding any other provision of*
4 *law, the revised allocations and aggregates shall*
5 *be considered to have been made under a concur-*
6 *rent resolution on the budget agreed to under the*
7 *Congressional Budget Act of 1974 and shall be*
8 *enforced under the procedures of that Act.*

9 *“(C) ADJUSTMENTS TO CAPS.—After enact-*
10 *ment of a rescission bill as provided under this*
11 *part, the President shall revise applicable limits*
12 *under the Stop Over Spending Act of 2006, as*
13 *appropriate.*

14 *“(c) PROCEDURES FOR EXPEDITED CONSIDER-*
15 *ATION.—*

16 *“(1) IN GENERAL.—*

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

1 *the President’s draft bill to rescind the amounts*
2 *of budget authority or items of direct spending*
3 *or targeted tax benefits, as specified in the spe-*
4 *cial message and the President’s draft bill. If the*
5 *bill is not introduced as provided in the pre-*
6 *ceding sentence in either House, then, on the*
7 *third day of session of that House after the date*
8 *of receipt of that special message, any Member of*
9 *that House may introduce the bill.*

10 “(B) REFERRAL AND REPORTING.—

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

24 “(ii) MULTIPLE COMMITTEES.—

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

7 “(II) *VIEWS OF COMMITTEE.*—
8 Any committee, other than the Com-
9 mittee on the Budget, to which a bill is
10 referred under this clause may submit
11 a favorable, an unfavorable rec-
12 ommendation, without recommenda-
13 tion with respect to the bill to the Com-
14 mittee on the Budget prior to the re-
15 porting or discharge of the bill.

16 “(III) *REPORTING.*—The Com-
17 mittee on the Budget shall report the
18 bill not later than the fifth day of ses-
19 sion of that House after the date of in-
20 troduction of the bill in that House,
21 without any revision and with a favor-
22 able or unfavorable recommendation,
23 or with no recommendation, together
24 with the recommendations of any com-

1 *mittee to which the bill has been re-*
2 *ferred.*

3 “(IV) *DISCHARGE.*—*If the Com-*
4 *mittee on the Budget fails to report the*
5 *bill within that period, the committee*
6 *shall be automatically discharged from*
7 *consideration of the bill, and the bill*
8 *shall be placed on the appropriate cal-*
9 *endar.*

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

19 “(2) *CONSIDERATION IN THE HOUSE OF REP-*
20 *RESENTATIVES.*—

21 “(A) *MOTION TO PROCEED TO CONSIDER-*
22 *ATION.*—*A motion in the House of Representa-*
23 *tives to proceed to the consideration of a bill*
24 *under this subsection shall be highly privileged*
25 *and not debatable. An amendment to the motion*

1 shall not be in order, nor shall it be in order to
2 move to reconsider the vote by which the motion
3 is agreed to or disagreed to.

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

13 “(C) *APPEALS.*—Appeals from decisions of
14 the chair relating to the application of the Rules
15 of the House of Representatives to the procedure
16 relating to a bill under this part shall be decided
17 without debate.

18 “(D) *APPLICATION OF HOUSE RULES.*—Ex-
19 cept to the extent specifically provided in this
20 part, consideration of a bill under this part shall
21 be governed by the Rules of the House of Rep-
22 resentatives. It shall not be in order in the House
23 of Representatives to consider any bill intro-
24 duced pursuant to the provisions of this part

1 *under a suspension of the rules or under a spe-*
2 *cial rule.*

3 “(3) *CONSIDERATION IN THE SENATE.*—

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

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

18 “(C) *DEBATABLE MOTIONS AND APPEALS.*—
19 *Debate in the Senate on any debatable motion or*
20 *appeal in connection with a bill under this sub-*
21 *section shall be limited to not more than 1 hour*
22 *from the time allotted for debate, to be equally*
23 *divided and controlled in the usual form.*

1 “(D) *MOTION TO LIMIT DEBATE.*—*A motion*
2 *in the Senate to further limit debate on a bill*
3 *under this subsection is not debatable.*

4 “(E) *MOTION TO RECOMMIT.*—*A motion to*
5 *recommit a bill under this subsection is not in*
6 *order.*

7 “(F) *CONSIDERATION OF THE HOUSE*
8 *BILL.*—

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

16 “(ii) *PROCEDURE AFTER VOTE ON*
17 *SENATE BILL.*—*If the Senate votes, pursu-*
18 *ant to paragraph (1)(C), on the bill intro-*
19 *duced in the Senate, the Senate bill shall be*
20 *held pending receipt of the House message*
21 *on the bill. Upon receipt of the House com-*
22 *panion bill, the House bill shall be deemed*
23 *to be considered, read for the third time,*
24 *and the vote on passage of the Senate bill*

1 *shall be considered to be the vote on the bill*
2 *received from the House.*

3 “(d) *AMENDMENTS AND DIVISIONS PROHIBITED.*—

4 “(1) *IN GENERAL.*—*No amendment to a bill con-*
5 *sidered under this part shall be in order in either the*
6 *Senate or the House of Representatives.*

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

10 “(3) *NO SUSPENSION.*—*No motion to suspend the*
11 *application of this subsection shall be in order in the*
12 *House of Representatives, nor shall it be in order in*
13 *either the House of Representatives or the Senate to*
14 *suspend the application of this subsection by unani-*
15 *mous consent.*

16 “(e) *TEMPORARY PRESIDENTIAL AUTHORITY TO*
17 *WITHHOLD.*—

18 “(1) *AVAILABILITY.*—*The President may not*
19 *withhold any dollar amount of discretionary budget*
20 *authority until the President transmits and Congress*
21 *receives a special message pursuant to subsection (b).*
22 *Upon receipt by Congress of a special message pursu-*
23 *ant to subsection (b), the President may direct that*
24 *any dollar amount of discretionary budget authority*
25 *proposed to be rescinded in that special message shall*

1 *be withheld from obligation for a period not to exceed*
2 *45 calendar days from the date of receipt by Congress.*

3 “(2) *EARLY AVAILABILITY.*—*The President may*
4 *make any dollar amount of discretionary budget au-*
5 *thority withheld from obligation pursuant to para-*
6 *graph (1) available at an earlier time if the President*
7 *determines that continued withholding would not fur-*
8 *ther the purposes of this Act.*

9 “(f) *TEMPORARY PRESIDENTIAL AUTHORITY TO SUS-*
10 *PEND.*—

11 “(1) *SUSPEND.*—

12 “(A) *IN GENERAL.*—*The President may not*
13 *suspend the execution of any item of direct*
14 *spending or targeted tax benefit until the Presi-*
15 *dent transmits and Congress receives a special*
16 *message pursuant to subsection (b). Upon receipt*
17 *by Congress of a special message, the President*
18 *may suspend the execution of any item of direct*
19 *spending or targeted tax benefit proposed to be*
20 *rescinded in that message for a period not to ex-*
21 *ceed 45 calendar days from the date of receipt by*
22 *Congress.*

23 “(B) *LIMITATION ON 45-DAY PERIOD.*—*The*
24 *45-day period described in subparagraph (A)*
25 *shall be reduced by the number of days contained*

1 *in the period beginning on the effective date of*
2 *the item of direct spending or targeted tax ben-*
3 *efit; and ending on the date that is the later of—*

4 “(i) *the effective date of the item of di-*
5 *rect spending or targeted benefit; or*

6 “(ii) *the date that Congress receives the*
7 *special message.*

8 “(C) *CLARIFICATION.—Notwithstanding*
9 *subparagraph (B), in the case of an item of di-*
10 *rect spending or targeted tax benefit with an ef-*
11 *fective date within 45 days after the date of en-*
12 *actment, the beginning date of the period cal-*
13 *culated under subparagraph (B) shall be the date*
14 *that is 45 days after the date of enactment and*
15 *the ending date shall be the date that is the later*
16 *of—*

17 “(i) *the date that is 45 days after en-*
18 *actment; or*

19 “(ii) *the date that Congress receives the*
20 *special message.*

21 “(2) *EARLY AVAILABILITY.—The President may*
22 *terminate the suspension of any item of direct spend-*
23 *ing or targeted tax benefit suspended pursuant to*
24 *paragraph (1) at an earlier time if the President de-*

1 *termines that continuation of the suspension would*
2 *not further the purposes of this Act.*

3 “(g) *DEFINITIONS.—In this part:*

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

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

12 “(3) *DAYS OF SESSION.—The term ‘days of ses-*
13 *sion’ means only those days on which both Houses of*
14 *Congress are in session.*

15 “(4) *DOLLAR AMOUNT OF DISCRETIONARY BUDG-*
16 *ET AUTHORITY.—The term ‘dollar amount of discre-*
17 *tionary budget authority’ means the dollar amount of*
18 *budget authority and obligation limitations—*

19 “(A) *specified in an appropriation law, or*
20 *the dollar amount of budget authority required*
21 *to be allocated by a specific proviso in an appro-*
22 *priation law for which a specific dollar figure*
23 *was not included;*

24 “(B) *represented separately in any table,*
25 *chart, or explanatory text included in the state-*

1 *ment of managers or the governing committee re-*
2 *port accompanying such law;*

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

10 *“(D) represented by the product of the esti-*
11 *mated procurement cost and the total quantity of*
12 *items specified in an appropriation law or in-*
13 *cluded in the statement of managers or the gov-*
14 *erning committee report accompanying such law;*
15 *or*

16 *“(E) represented by the product of the esti-*
17 *mated procurement cost and the total quantity of*
18 *items required to be provided in a law (other*
19 *than an appropriation law) that mandates obli-*
20 *gations from accounts, programs, projects, or ac-*
21 *tivities for which dollar amount of discretionary*
22 *budget authority or an obligation limitation is*
23 *provided in an appropriation law.*

24 *“(5) RESCIND OR RESCISSION.—The term ‘re-*
25 *scind’ or ‘rescission’ means—*

1 “(A) *in the case of a dollar amount of dis-*
2 *cretionary budget authority, to reduce or repeal*
3 *a provision of law to prevent that budget author-*
4 *ity or obligation limitation from having legal*
5 *force or effect; and*

6 “(B) *in the case of direct spending or tar-*
7 *geted tax benefit, to repeal a provision of law in*
8 *order to prevent the specific legal obligation of*
9 *the United States from having legal force or ef-*
10 *fect.*

11 “(6) *DIRECT SPENDING.—The term ‘direct*
12 *spending’ means budget authority provided by law*
13 *(other than an appropriation law), mandatory spend-*
14 *ing provided in appropriation Acts, and entitlement*
15 *authority.*

16 “(7) *ITEM OF DIRECT SPENDING.—The term*
17 *‘item of direct spending’ means any specific provision*
18 *of law enacted after the effective date of the Legisla-*
19 *tive Line Item Veto Act of 2006 that is estimated to*
20 *result in an increase in budget authority or outlays*
21 *for direct spending relative to the most recent levels*
22 *calculated consistent with the methodology described*
23 *in section 257 of the Balanced Budget and Emergency*
24 *Deficit Control Act of 1985 and included with a*
25 *budget submission under section 1105(a) of title 31,*

1 *United States Code, and, with respect to estimates*
2 *made after that budget submission that are not in-*
3 *cluded with it, estimates consistent with the economic*
4 *and technical assumptions underlying the most re-*
5 *cently submitted President’s budget.*

6 “(8) *SUSPEND THE EXECUTION.*—*The term ‘sus-*
7 *pend the execution’ means, with respect to an item of*
8 *direct spending or a targeted tax benefit, to stop the*
9 *carrying into effect of the specific provision of law*
10 *that provides such benefit; and*

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

13 “(A) *estimated by the Joint Committee on*
14 *Taxation to result in a loss of revenues relative*
15 *to the most recent levels calculated consistent*
16 *with the methodology described in section 257 of*
17 *the Balanced Budget and Emergency Deficit*
18 *Control Act of 1985 and included with a budget*
19 *submission under section 1105(a) of title 31,*
20 *United States Code, and with respect to esti-*
21 *mates made after that budget submission that*
22 *are not included with it, estimates consistent*
23 *with the economic and technical assumptions un-*
24 *derlying the most recently submitted President’s*
25 *budget; and*

1 “(B) *having the practical effect of providing*
2 *more favorable tax treatment to a particular tax-*
3 *payer or limited group of taxpayers when com-*
4 *pared with other similarly situated taxpayers.*

5 “(h) *CONGRESSIONAL IDENTIFICATION OF TARGETED*
6 *TAX BENEFITS.—*

7 “(1) *STATEMENT BY JOINT TAX COMMITTEE.—*
8 *The Joint Committee on Taxation shall review any*
9 *revenue or reconciliation bill or joint resolution which*
10 *includes any amendment to the Internal Revenue*
11 *Code of 1986 that is being prepared for filing by a*
12 *committee of conference of the 2 Houses, and shall*
13 *identify, prior to consideration of such conference re-*
14 *port, whether such bill or joint resolution contains*
15 *any targeted tax benefits. The Joint Committee on*
16 *Taxation shall provide to the committee of conference*
17 *a statement identifying any such targeted tax benefits*
18 *or declaring that the bill or joint resolution does not*
19 *contain any targeted tax benefits. The statement shall*
20 *be included in the statement of managers to accom-*
21 *pany such conference report and made available to*
22 *any Member of Congress by the Joint Committee on*
23 *Taxation immediately upon request.*

24 “(2) *STATEMENT INCLUDED IN LEGISLATION.—*
25 *Notwithstanding any other rule of the House of Rep-*

1 *representatives or any rule or precedent of the Senate,*
2 *any revenue or reconciliation bill or joint resolution,*
3 *which includes any amendment to the Internal Rev-*
4 *enue Code of 1986 reported by a committee of con-*
5 *ference of the House of Representatives and the Sen-*
6 *ate, may include, as a separate section of such bill or*
7 *joint resolution, the information contained in the*
8 *statement of the Joint Committee on Taxation.”.*

9 *(b) EXERCISE OF RULEMAKING POWERS.—Section*
10 *904 of the Congressional Budget Act of 1974 (2 U.S.C. 621*
11 *note) is amended—*

12 *(1) in subsection (a), by striking “and 1017”*
13 *and inserting “1017, and 1021”; and*

14 *(2) in subsection (d), by striking “section 1017”*
15 *and inserting “sections 1017 and 1021”.*

16 *(c) CLERICAL AMENDMENTS.—*

17 *(1) SHORT TITLE.—Section 1(a) of the Congres-*
18 *sional Budget and Impoundment Control Act of 1974*
19 *is amended by—*

20 *(A) striking “Parts A and B” before “title*
21 *X” and inserting “Parts A, B, and C”; and*

22 *(B) striking the last sentence and inserting*
23 *at the end the following new sentence: “Part C*
24 *of title X also may be cited as the ‘Legislative*
25 *Line Item Veto Act of 2006’.”.*

1 (2) *TABLE OF CONTENTS.*—*The table of contents*
 2 *set forth in section 1(b) of the Congressional Budget*
 3 *and Impoundment Control Act of 1974 is amended by*
 4 *deleting the contents for part C of title X and insert-*
 5 *ing the following:*

“PART C—LEGISLATIVE LINE ITEM VETO

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

6 (d) *SEVERABILITY.*—*If any provision of this Act or the*
 7 *amendments made by it is held to be unconstitutional, the*
 8 *remainder of this Act and the amendments made by it shall*
 9 *not be affected by the holding.*

10 (e) *EFFECTIVE DATE AND EXPIRATION.*—

11 (1) *EFFECTIVE DATE.*—*The amendments made*
 12 *by this Act shall—*

13 (A) *take effect on the date of enactment of*
 14 *this Act; and*

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

19 (2) *EXPIRATION.*—*The amendments made by*
 20 *this Act shall expire on December 31, 2010.*

1 **TITLE II—DEFICIT REDUCTION**
2 **Subtitle A—Definitions,**
3 **Administration, and Sequestration**

4 **SEC. 201. DEFINITIONS.**

5 *In this title:*

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

7 (A) *for discretionary budget authority, an*
8 *item for which appropriations are made in any*
9 *appropriation Act; and*

10 (B) *for items not provided for in appro-*
11 *priation Acts, direct spending and outlays there-*
12 *from identified in the program and finance*
13 *schedules contained in the appendix to the Budg-*
14 *et of the United States for the current year.*

15 (2) *BREACH.*—The term “breach” means, for
16 *any fiscal year, the amount by which discretionary*
17 *budget authority enacted for that year exceeds the*
18 *spending limit for budget authority for that year.*

19 (3) *BUDGET AUTHORITY; NEW BUDGET AUTHOR-*
20 *ITY; AND OUTLAYS.*—The terms “budget authority”,
21 “new budget authority”, and “outlays” have the
22 meanings given to such terms in section 3 of the Con-
23 gressional Budget and Impoundment Control Act of
24 1974 (2 U.S.C. 622).

1 (4) *BUDGET YEAR.*—*The term “budget year”*
2 *means, with respect to a session of Congress, the fiscal*
3 *year of the Government that starts on October 1 of the*
4 *calendar year in which that session begins.*

5 (5) *CBO.*—*The term “CBO” means the Director*
6 *of the Congressional Budget Office.*

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

8 (A) *with respect to the Office of Manage-*
9 *ment and Budget estimates included with a*
10 *budget submission under section 1105(a) of title*
11 *31, United States Code, the estimates consistent*
12 *with the economic and technical assumptions un-*
13 *derlying that budget;*

14 (B) *with respect to estimates made after*
15 *that budget submission that are not included*
16 *with it, the estimates consistent with the eco-*
17 *nomical and technical assumptions underlying the*
18 *most recently submitted President’s budget; and*

19 (C) *with respect to the Congressional Budg-*
20 *et Office, estimates consistent with the economic*
21 *and technical assumptions as required by section*
22 *202(e)(1) of the Congressional Budget Act of*
23 *1974.*

1 (7) *CURRENT YEAR.*—*The term “current year”*
2 *means, with respect to a budget year, the fiscal year*
3 *that immediately precedes that budget year.*

4 (8) *DEFICIT.*—*The term “deficit” means, with*
5 *respect to any fiscal year, the amount by which total*
6 *budget outlays for such fiscal year exceed total govern-*
7 *mental receipts for such fiscal year. In calculating the*
8 *deficit for purposes of comparison with the maximum*
9 *deficit amount under section 221 and in calculating*
10 *the excess deficit for purposes of subtitle C (notwith-*
11 *standing section 710(a) of the Social Security Act (42*
12 *U.S.C. 911)) for any fiscal year, the receipts of the*
13 *Federal Old-Age and Survivors Insurance Trust Fund*
14 *and the Federal Disability Insurance Trust Fund for*
15 *such fiscal year and the taxes payable under sections*
16 *1401(a), 3101(a), and 3111(a) of the Internal Rev-*
17 *enue Code of 1954 (26 U.S.C. 1401, 3101, 3111) dur-*
18 *ing such fiscal year shall be included in total revenues*
19 *for such fiscal year, and the disbursements of each*
20 *such Trust Fund for such fiscal year shall be included*
21 *in total budget outlays for such fiscal year. Notwith-*
22 *standing any other provision of law except to the ex-*
23 *tent provided by section 710(a) of the Social Security*
24 *Act (42 U.S.C. 911) the receipts, revenues, disburse-*
25 *ments, budget authority, and outlays of each off-budg-*

1 *et Federal entity for a fiscal year shall be included*
2 *in total budget authority, total budget outlays, and*
3 *total revenues and the amounts of budget authority*
4 *and outlays set forth for each major functional cat-*
5 *egory, for such fiscal year.*

6 (9) *DIRECT SPENDING.*—*The term “direct spend-*
7 *ing” shall have the meaning given such term in sec-*
8 *tion 3(3) of the Congressional Budget Act of 1974.*

9 (10) *DISCRETIONARY BUDGET AUTHORITY.*—*The*
10 *term “discretionary budget authority” means budg-*
11 *etary authority (except to fund mandatory programs)*
12 *provided in appropriation Acts.*

13 (11) *DISCRETIONARY SPENDING LIMIT.*—*The*
14 *term “discretionary spending limit” shall mean the*
15 *amounts specified in section 212.*

16 (12) *EXCESS DEFICIT AMOUNT.*—*The term “ex-*
17 *cess deficit amount”, with respect to any fiscal year,*
18 *means the amount of the deficit reduced by the esti-*
19 *mated reductions of outlays resulting from any se-*
20 *questration in subtitle C, that exceeds the maximum*
21 *deficit amount.*

22 (13) *OMB.*—*The term “OMB” means the Direc-*
23 *tor of the Office of Management and Budget.*

24 (14) *SEQUESTRATION.*—*The term “sequestra-*
25 *tion”—*

1 (A) *with respect to discretionary budget au-*
 2 *thority, means the cancellation or reduction of*
 3 *budget authority (except budget authority to*
 4 *fund mandatory programs) provided in appro-*
 5 *priation Acts; and*

6 (B) *with respect to the excess deficit*
 7 *amount, means the amount cancelled or reduced*
 8 *from direct spending and outlays flowing there-*
 9 *from.*

10 **SEC. 202. ADMINISTRATION, RECONCILIATION, AND EFFECT**
 11 **OF SEQUESTRATION.**

12 (a) *TIMETABLE.—The timetable with respect to this*
 13 *title is as follows:*

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

1 **(b) PRESIDENTIAL ORDER.**—

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

9 **(2) SPECIAL RULE.**—*If the date specified for the*
10 *submission of a Presidential order under subsection*
11 *(a) falls on a Sunday or legal holiday, such order*
12 *shall be issued on the following day.*

13 **(c) EFFECTS OF SEQUESTRATION.**—*The effects of se-*
14 *questration shall be as follows:*

15 **(1) Budgetary resources sequestered from any ac-**
16 *count shall be permanently cancelled, except as pro-*
17 *vided in paragraph (5).*

18 **(2) Except as otherwise provided, the same per-**
19 *centage sequestration shall apply to all programs,*
20 *projects, and activities within a budget account (with*
21 *programs, projects, and activities as delineated in the*
22 *appropriation Act or accompanying report for the*
23 *relevant fiscal year covering that account).*

24 **(3) Administrative regulations or similar actions**
25 *implementing a sequestration shall be made within*

1 120 days of the sequestration order. To the extent that
2 formula allocations differ at different levels of budg-
3 etary resources within an account, program, project,
4 or activity, the sequestration shall be interpreted as
5 producing a lower total appropriation, with the re-
6 maining amount of the appropriation being obligated
7 in a manner consistent with program allocation for-
8 mulas in substantive law.

9 (4) Except as otherwise provided in this subtitle,
10 obligations or budgetary resources in sequestered ac-
11 counts shall be reduced only in the fiscal year in
12 which a sequester occurs.

13 (5) Budgetary resources sequestered in special
14 fund accounts and offsetting collections sequestered in
15 appropriation accounts shall not be available for obli-
16 gation during the fiscal year in which the sequestra-
17 tion occurs, but shall be available in subsequent years
18 to the extent otherwise provided in law.

19 (d) *SUBMISSION AND AVAILABILITY OF REPORTS.*—
20 Each report required by this section shall be submitted, in
21 the case of CBO, to the House of Representatives, the Sen-
22 ate, and OMB and, in the case of OMB, to the House of
23 Representatives, the Senate, and the President on the day
24 it is issued. On the following day a notice of the report
25 shall be printed in the Federal Register.

1 **SEC. 203. GAO COMPLIANCE REPORT.**

2 *Upon request of the Committee on the Budget of the*
 3 *House of Representatives or the Senate, the Comptroller*
 4 *General shall submit to the Congress and the President a*
 5 *report on—*

6 *(1) the extent to which each order issued by the*
 7 *President under this title complies with all of the re-*
 8 *quirements contained in this title, either certifying*
 9 *that the order fully and accurately complies with such*
 10 *requirements or indicating the respects in which it*
 11 *does not; and*

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

18 ***Subtitle B—Discretionary Spending***
 19 ***Limits***

20 **SEC. 211. DISCRETIONARY SEQUESTRATION REPORTS.**

21 *(a) DISCRETIONARY SEQUESTRATION PREVIEW RE-*
 22 *PORTS.—*

23 *(1) REPORTING REQUIREMENT.—*

24 *(A) IN GENERAL.—On the dates specified in*
 25 *section 202(a), OMB shall report to the Presi-*
 26 *dent and Congress and CBO shall report to Con-*

1 *gress a Discretionary Sequestration Preview Re-*
2 *port regarding discretionary sequestration based*
3 *on laws enacted through those dates.*

4 (B) *PRESIDENT'S BUDGET.*—*When the*
5 *President submits the budget under section 1105*
6 *of title 31, United States Code, OMB shall cal-*
7 *culate and the budget shall include adjustments*
8 *to discretionary spending limits (and those lim-*
9 *its as cumulatively adjusted) for the budget year*
10 *and each outyear to reflect adjustments under*
11 *section 212(b).*

12 (C) *CONSULTATION.*—*Any determination or*
13 *change under subparagraph (B) may only be*
14 *made after consultation with the Committees on*
15 *Appropriations and the Budget of the House of*
16 *Representatives and the Senate, and that con-*
17 *sultation shall include written communication to*
18 *such committees that affords such committees the*
19 *opportunity to comment before official action is*
20 *taken with respect to such changes.*

21 (2) *DISCRETIONARY.*—*The Discretionary Seques-*
22 *tration Preview Report shall set forth estimates for*
23 *the current year and each subsequent year through*
24 *2009 of the applicable discretionary spending limits*
25 *and an explanation of any adjustments in such limits*

1 *under section 212, and a projection of budget author-*
2 *ity exceeding discretionary caps subject to sequester.*

3 (3) *EXPLANATION OF DIFFERENCES.—The OMB*
4 *reports shall explain the differences between OMB and*
5 *CBO estimates for each item set forth in this sub-*
6 *section.*

7 (b) *DISCRETIONARY SEQUESTRATION REPORTS.—On*
8 *the dates specified in section 202(a), OMB and CBO shall*
9 *issue Discretionary Sequestration Reports, reflecting laws*
10 *enacted through those dates, containing all of the informa-*
11 *tion required in the Discretionary Sequestration Preview*
12 *Reports.*

13 (c) *FINAL DISCRETIONARY SEQUESTRATION RE-*
14 *PORTS.—*

15 (1) *REPORTING REQUIREMENTS.—On the dates*
16 *specified in section 202(a), OMB and CBO shall each*
17 *issue a Final Discretionary Sequestration Report, up-*
18 *dated to reflect laws enacted through those dates.*

19 (2) *DISCRETIONARY SPENDING.—The Final Dis-*
20 *cretionary Sequestration Reports shall set forth esti-*
21 *mates for each of the following:*

22 (A) *For the current year and each subse-*
23 *quent year through 2009; the applicable discre-*
24 *tionary spending limits.*

1 (B) *For the current year, if applicable, and*
2 *the budget year; the new budget authority and*
3 *the breach, if any.*

4 (C) *The sequestration percentages necessary*
5 *to eliminate the breach.*

6 (D) *For the budget year, for each account to*
7 *be sequestered, the level of enacted, sequesterable*
8 *budget authority and resulting estimated outlays*
9 *to be sequestered.*

10 (3) *EXPLANATION OF DIFFERENCES.—The OMB*
11 *report shall explain any differences between OMB and*
12 *CBO estimates for any breach and any required dis-*
13 *cretionary sequestration percentages. The OMB report*
14 *shall also explain differences in the amount of*
15 *sequesterable resources for any budget account to be*
16 *reduced if such difference is greater than \$5,000,000.*

17 (d) *ECONOMIC AND TECHNICAL ASSUMPTIONS.—In all*
18 *reports required by this section, OMB shall use the same*
19 *economic and technical assumptions as used in the most*
20 *recent budget submitted by the President under section*
21 *1105(a) of title 31, United States Code.*

22 (e) *ADJUSTMENTS.—When OMB submits a report*
23 *under this section for a fiscal year, OMB shall calculate,*
24 *and the subsequent reports and budgets submitted by the*
25 *President under section 1105(a) of title 31, United States*

1 *Code shall include, adjustments to discretionary spending*
2 *limits (and those limits as adjusted) for the fiscal year and*
3 *each succeeding year.*

4 **SEC. 212. LIMITS.**

5 (a) *DISCRETIONARY SPENDING LIMITS.*—*As used in*
6 *this subtitle, the term “discretionary spending limit”*
7 *means—*

8 (1) *with respect to fiscal year 2007,*
9 *\$872,504,000,000 in new budget authority;*

10 (2) *with respect to fiscal year 2008,*
11 *\$895,358,000,000 in new budget authority;*

12 (3) *with respect to fiscal year 2009,*
13 *\$919,516,000,000 in new budget authority; and*

14 (4) *with respect to fiscal years following 2009,*
15 *the President shall recommend and the Congress shall*
16 *consider legislation setting limits for those fiscal*
17 *years.*

18 (b) *ADJUSTMENTS.*—

19 (1) *EMERGENCY SPENDING.*—*If, for fiscal year*
20 *2007, 2008, or 2009, appropriations for discretionary*
21 *accounts are enacted that the President designates as*
22 *emergency requirements, and that the Congress so des-*
23 *ignates in statute, the adjustment shall be the total of*
24 *such appropriations in discretionary accounts des-*
25 *ignated as emergency requirements, but not to exceed*

1 \$90,000,000,000 for fiscal year 2007, \$50,000,000,000
2 for 2008, and \$30,000,000,000 for 2009. Appropria-
3 tions designated as emergencies in excess of these lim-
4 itations shall be treated as new budget authority for
5 the purpose of calculating a breach of the discre-
6 tionary spending limits.

7 (2) *FEDERAL TAX GAP INITIATIVE.*—If an appro-
8 priation bill or joint resolution is enacted for fiscal
9 year 2007, 2008, or 2009, that includes
10 \$6,824,000,000 plus an additional amount for the en-
11 hanced tax enforcement initiative of the Internal Rev-
12 enue Service, the adjustment shall be the amount of
13 budget authority in that measure for that initiative
14 but not to exceed—

15 (A) with respect to fiscal year 2007,
16 \$274,000,000 in new budget authority;

17 (B) with respect to fiscal year 2008,
18 \$414,000,000 in new budget authority; and

19 (C) with respect to fiscal year 2009,
20 \$554,000,000 in new budget authority.

21 (c) *ENFORCEMENT.*—

22 (1) *SEQUESTRATION.*—On the date specified in
23 section 202(a), there shall be a sequestration to elimi-
24 nate a budget-year breach.

1 (2) *ELIMINATING A BREACH.*—*Each account*
2 *shall be reduced by a dollar amount calculated by*
3 *multiplying the enacted level of budget authority for*
4 *that year in that account at that time by the uniform*
5 *percentage necessary to eliminate a breach of the dis-*
6 *cretionary spending limit.*

7 (3) *PART-YEAR APPROPRIATIONS.*—*If, on the*
8 *date the report is issued under paragraph (1), there*
9 *is in effect an Act making continuing appropriations*
10 *for part of a fiscal year for any budget account, then*
11 *the dollar sequestration calculated for that account*
12 *under paragraph (2) shall be subtracted from—*

13 (A) *the annualized amount otherwise avail-*
14 *able by law in that account under that or a sub-*
15 *sequent part-year appropriation; and*

16 (B) *when a full-year appropriation for that*
17 *account is enacted, from the amount otherwise*
18 *provided by the full-year appropriation.*

19 (4) *LOOK-BACK.*—*If, after June 30, an appro-*
20 *priation for the fiscal year in progress is enacted that*
21 *causes a breach for that year (after taking into ac-*
22 *count any previous sequestration), the discretionary*
23 *spending limit for the next fiscal year shall be re-*
24 *duced by the amount of that breach.*

1 (5) *WITHIN-SESSION SEQUESTRATION REPORTS*
2 *AND ORDER.*—*If an appropriation for a fiscal year in*
3 *progress is enacted (after Congress adjourns to end the*
4 *session for that budget year and before July 1 of that*
5 *fiscal year) that causes a breach, 10 days later CBO*
6 *shall issue a report containing the information re-*
7 *quired in section 211(c). Fifteen days after enact-*
8 *ment, OMB shall issue a report containing the infor-*
9 *mation required in section 211(c). On the same day*
10 *as the OMB report, the President shall issue an order*
11 *fully implementing without change all sequestrations*
12 *required by the OMB calculations set forth in that re-*
13 *port. This order shall be effective on issuance.*

14 (d) *ESTIMATES.*—

15 (1) *CBO ESTIMATES.*—*As soon as practicable*
16 *after Congress completes action on any legislation*
17 *providing discretionary appropriations, CBO shall*
18 *provide an estimate to OMB of that legislation.*

19 (2) *OMB ESTIMATES.*—*Not later than 7 cal-*
20 *endar days (excluding Saturdays, Sundays, and legal*
21 *holidays) after the date of enactment of any discre-*
22 *tionary appropriations, OMB shall transmit a report*
23 *to the House of Representatives and to the Senate*
24 *containing—*

25 (A) *the CBO estimate of that legislation;*

1 (B) an OMB estimate of that legislation
2 using current economic and technical assump-
3 tions; and

4 (C) an explanation of any difference be-
5 tween the 2 estimates.

6 (3) *DIFFERENCES.*—If during the preparation of
7 the report under paragraph (2), OMB determines that
8 there is a difference between the OMB and CBO esti-
9 mates, OMB shall consult with the Committees on the
10 Budget of the House of Representatives and the Sen-
11 ate regarding that difference and that consultation, to
12 the extent practicable, shall include written commu-
13 nication to such committees that affords such commit-
14 tees the opportunity to comment before the issuance of
15 that report.

16 (4) *ASSUMPTIONS AND GUIDELINES.*—OMB and
17 CBO shall prepare estimates under this paragraph in
18 conformance with scorekeeping guidelines determined
19 after consultation among the House and Senate Com-
20 mittees on the Budget, CBO, and OMB.

21 (5) *DEFERRALS AND RESCISSIONS.*—Deferrals
22 and rescissions proposed under the Impoundment
23 Control Act of 1974 for the budget year shall not be
24 taken into account in determining such budget base.

1 ***Subtitle C—Maximum Deficit***
2 ***Amount Limitation***

3 **SEC. 221. MAXIMUM DEFICIT AMOUNT.**

4 *In this subtitle, the term “maximum deficit amount”*
5 *means—*

6 (1) *with respect to 2007, equals 2.75 percent of*
7 *the Gross Domestic Product for 2007, as estimated by*
8 *OMB for 2007;*

9 (2) *with respect to 2008, equals 2.25 percent of*
10 *the Gross Domestic Product for 2008, as estimated by*
11 *OMB for 2008;*

12 (3) *with respect to 2009, equals 1.75 percent of*
13 *the Gross Domestic Product for 2009, as estimated by*
14 *OMB for 2009;*

15 (4) *with respect to 2010, equals 1.25 percent of*
16 *the Gross Domestic Product for 2010, as estimated by*
17 *OMB for 2010;*

18 (5) *with respect to 2011, equals 0.75 percent of*
19 *the Gross Domestic Product for 2011, as estimated by*
20 *OMB for 2011; and*

21 (6) *with respect to 2012 and thereafter, equals*
22 *0.5 percent of Gross Domestic Product for 2012 and*
23 *thereafter, as estimated by OMB for 2012, and there-*
24 *after.*

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

2 (a) *MAXIMUM DEFICIT AMOUNT PREVIEW REPORT BY*
3 *OMB AND CBO.*—

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

7 (A) *the deficit;*

8 (B) *the maximum deficit amount; and*

9 (C) *any excess deficit amount for the budget*
10 *year.*

11 (2) *REPORT.*—*OMB shall report to the President*
12 *and Congress and CBO shall report to Congress esti-*
13 *imating the budget base levels of total revenues and*
14 *total budget outlays for the budget year, identifying*
15 *the deficit, the maximum deficit amount, and the*
16 *amount of any deficit excess for such fiscal year, the*
17 *base from which direct spending reductions are taken*
18 *and the amounts based upon uniform percentages, by*
19 *which such direct spending accounts must be reduced*
20 *for the budget year, in accordance with the succeeding*
21 *provisions of this part, in order to eliminate such ex-*
22 *cess based on laws enacted through those dates.*

23 (3) *DETERMINATION OF REDUCTIONS.*—*The*
24 *amounts based upon uniform percentages, by which*
25 *accounts must be reduced for the budget year shall be*
26 *determined by, subject to the exemptions set forth in*

1 *section 227, the reductions necessary to eliminate the*
 2 *excess deficit amount for the fiscal year.*

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

5 (A) *BUDGET BASE.—In computing the*
 6 *amounts and percentages by which accounts*
 7 *must be reduced during a fiscal year as set forth*
 8 *in the report required under paragraph (2) for*
 9 *such fiscal year, OMB and CBO shall use cur-*
 10 *rent economic and technical assumptions con-*
 11 *sistent with the methodology set forth in section*
 12 *257 of the Balanced Budget and Enforcement*
 13 *Deficit Control Act of 1985.*

14 (B) *DEFERRALS AND RESCISSIONS.—Defer-*
 15 *als and rescissions proposed under the Im-*
 16 *poundment Control Act of 1974 for the budget*
 17 *year shall not be taken into account in deter-*
 18 *mining such budget base.*

19 (C) *EXPLANATION OF DIFFERENCES.—The*
 20 *OMB shall explain the differences between OMB*
 21 *and CBO estimates for each item in the report.*

22 (b) *REVISED ESTIMATES AND MAXIMUM DEFICIT*
 23 *AMOUNT RECONCILIATION REPORTS.—*

24 (1) *RECONCILIATION REPORT BY OMB AND*
 25 *CBO.—On the date specified in section 202(a), the Di-*

1 *rector of OMB shall submit to the President and Con-*
2 *gress, and the Director of CBO shall submit to Con-*
3 *gress, a revised report—*

4 *(A) indicating whether and to what extent,*
5 *as a result of laws enacted and regulations pro-*
6 *mulgated after the submission of their maximum*
7 *deficit amount preview report under subsection*
8 *(a), the excess deficit identified in the report sub-*
9 *mitted under such subsection has been elimi-*
10 *nated, reduced, or increased; and*

11 *(B) adjusting the determinations for the ef-*
12 *fects of any discretionary sequestration that may*
13 *be required under subtitle B.*

14 *The reconciliation report submitted under this para-*
15 *graph shall contain estimates, determinations, and*
16 *specifications for all of the items contained in the pre-*
17 *view report and the OMB report shall be based on the*
18 *same economic and technical assumptions and em-*
19 *ploy the same methodologies as applied in the supple-*
20 *mental budget estimates submitted under section 1106*
21 *of title 31, United States Code, and the CBO report*
22 *shall be based on the most recent report required by*
23 *section 202(e)(2) of the Congressional Budget Act of*
24 *1974. Estimates shall be consistent with methodology*
25 *in section 257 of the Balanced Budget and Enforce-*

1 *ment Act Deficit Control Act of 1985. The reports*
2 *shall provide for the determination of reductions in*
3 *the manner specified in subsection (a)(3).*

4 (2) *EXPLANATION OF DIFFERENCES.—The OMB*
5 *shall explain the differences between OMB and CBO*
6 *estimates for each item in the reconciliation report.*

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

13 (d) *PRINTING OF REPORTS.—Each report submitted*
14 *under this section shall be printed in the Federal Register*
15 *on the date it is issued; and the reports of the Director of*
16 *OMB submitted to the Congress under subsection (b) shall*
17 *be printed as documents of the House of Representatives*
18 *and the Senate.*

19 (e) *ESTIMATES.—*

20 (1) *CBO ESTIMATES.—As soon as practicable*
21 *after Congress completes action on any legislation*
22 *under this section, CBO shall provide an estimate to*
23 *OMB of that legislation.*

24 (2) *OMB ESTIMATES.—Not later than 7 cal-*
25 *endar days (excluding Saturdays, Sundays, and legal*

1 *holidays) after the date of enactment of any direct*
2 *spending, OMB shall transmit a report to the House*
3 *of Representatives and to the Senate containing—*

4 *(A) the CBO estimate of that legislation;*

5 *(B) an OMB estimate of that legislation*
6 *using current economic and technical assump-*
7 *tions; and*

8 *(C) an explanation of any difference be-*
9 *tween the 2 estimates.*

10 *(3) DIFFERENCES.—If during the preparation of*
11 *the report under paragraph (2), OMB determines that*
12 *there is a difference between the OMB and CBO esti-*
13 *mates, OMB shall consult with the Committees on the*
14 *Budget of the House of Representatives and the Sen-*
15 *ate regarding that difference and that consultation, to*
16 *the extent practicable, shall include written commu-*
17 *nication to such committees that affords such commit-*
18 *tees the opportunity to comment before the issuance of*
19 *that report.*

20 *(4) ASSUMPTIONS AND GUIDELINES.—OMB and*
21 *CBO shall prepare estimates under this paragraph in*
22 *conformance with scorekeeping guidelines determined*
23 *after consultation among the House and Senate Com-*
24 *mittees on the Budget, CBO, and OMB.*

1 **SEC. 223. CONGRESSIONAL RESPONSE TO OMB AND CBO**
2 **RECONCILIATION REPORT.**

3 *(a) REPORTING OF RESOLUTIONS, AND RECONCILI-*
4 *ATION BILLS AND RESOLUTIONS, IN THE SENATE.—*

5 *(1) COMMITTEE ALTERNATIVES TO PRESI-*
6 *DENTIAL ORDER.—For the purpose of assisting the*
7 *Committees on the Budget of the House and Senate*
8 *in preparing Reconciliation Directive Reports under*
9 *paragraph (3) and not later than 20 days after the*
10 *submission of the OMB Reconciliation Report, each*
11 *standing committee of the House and Senate may*
12 *submit to the Committees on the Budget of the House*
13 *and Senate information of the type described in sec-*
14 *tion 301(d) of the Congressional Budget Act of 1974*
15 *with respect to alternatives to the order envisioned by*
16 *such report insofar as such order affects laws within*
17 *the jurisdiction of the committee.*

18 *(2) APPLICATION OF THE CONGRESSIONAL BUDG-*
19 *ET ACT OF 1974.—Sections 305 and 310 of the Con-*
20 *gressional Budget Act of 1974 shall apply to any bill*
21 *considered under this section, except as otherwise pro-*
22 *vided in this section.*

23 *(3) RECONCILIATION DIRECTIVES.—On the date*
24 *specified in section 202(a), the Chairmen of the Com-*
25 *mittees on the Budget of the House and Senate shall*
26 *submit a Reconciliation Directive Report to the Presi-*

1 *dent of the Senate or the Speaker of the House for ap-*
2 *propriate referral to the committees of its House, the*
3 *OMB Reconciliation Report containing the maximum*
4 *deficit amount and the excess deficit and reconcili-*
5 *ation directives. Such directives shall—*

6 *(A) specify the total amount by which—*

7 *(i) direct spending budget authority*
8 *and outlays for such fiscal year; and*

9 *(ii) governmental receipts, other than*
10 *income taxes, estate and gift taxes, excise*
11 *taxes, payroll taxes, or tariffs, for such fis-*
12 *cal year;*

13 *are to be changed; and*

14 *(B) include directives to committees to rec-*
15 *ommend changes in laws within their jurisdic-*
16 *tion—*

17 *(i) to accomplish the total amount of*
18 *deficit reduction necessary to eliminate the*
19 *excess deficit so that the deficit does not ex-*
20 *ceed the maximum deficit amount set forth*
21 *in the OMB Reconciliation Report; and*

22 *(ii) with amounts required for each*
23 *committee proportionally based on the out-*
24 *lays allocated to that committee for pro-*
25 *grams under section 302(a) of the Congres-*

1 *sional Budget Act of 1974 in the most re-*
2 *cent adopted concurrent resolution on the*
3 *budget.*

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

9 (5) *BUDGET COMMITTEE ACTION.*—*Upon receipt*
10 *of the recommendations received in response to direc-*
11 *tives referred to in paragraph (3), the Budget Com-*
12 *mittees shall report to the House and Senate, a rec-*
13 *onciliation bill carrying out all such recommenda-*
14 *tions.*

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

20 (1) *each such committee so directed shall make*
21 *such recommendations to the Committee on the Budg-*
22 *et of its House, which upon receiving all such rec-*
23 *ommendations, shall report to its House reconcili-*
24 *ation legislation carrying out all such recommenda-*
25 *tions without any substantive revision; and*

1 (2) *in the event that any committee fails to com-*
2 *ply with its directive, then the Committees on the*
3 *Budget may report amendments recommending*
4 *changes within the jurisdiction of the noncompliant*
5 *committee to achieve the changes contained in the di-*
6 *rective.*

7 (c) *ADJUSTMENT OF BUDGET TARGETS.—Upon enact-*
8 *ment of a reconciliation bill conference report, the chairmen*
9 *of the Committees on the Budget of the Senate and the*
10 *House of Representatives shall revise spending and revenue*
11 *levels under section 311(a) of the Congressional Budget Act*
12 *of 1974 and adjust the committee allocations under section*
13 *302(a) of the Congressional Budget Act of 1974, or any*
14 *other adjustments as may be appropriate to reflect any*
15 *changes made in the reconciliation bill. Notwithstanding*
16 *any other provision of law, the revised allocations and ag-*
17 *gregates shall be considered to have been made under a con-*
18 *current resolution on the budget agreed to under the Con-*
19 *gressional Budget Act of 1974, and shall be enforced under*
20 *the procedures of that Act.*

21 (d) *COMPLIANCE WITH RECONCILIATION DIREC-*
22 *TIVES.—Secondary or indirect effects of the legislative rec-*
23 *ommendations submitted by any committee of the House*
24 *of Representatives or the Senate that is directed, shall be*
25 *attributed to the committee proposing the change in law,*

1 *but shall not be considered for the purpose of determining*
2 *compliance with such directives.*

3 *(e) LIMITATION ON AMENDMENTS TO RECONCILIATION*
4 *BILLS.—*

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

19 *(2) SENATE.—It shall not be in order in the*
20 *Senate to consider any amendment to a reconciliation*
21 *bill if such amendment would have the effect of in-*
22 *creasing any specific budget outlay level above the*
23 *level of such outlay reductions provided (for the fiscal*
24 *year covered) in the reconciliation directives or would*
25 *have the effect of reducing governmental receipts in-*

1 *creases below the level of such increases in such gov-*
2 *ernmental receipts provided (for such fiscal year) in*
3 *the reconciliation directives, unless such amendment*
4 *makes a reduction in other specific budget outlays, an*
5 *increase in other specific governmental receipts, or a*
6 *combination thereof (for such fiscal year) at least*
7 *equivalent to any increase in outlays or decrease in*
8 *governmental receipts provided by such amendment,*
9 *except that a motion to strike a provision shall al-*
10 *ways be in order.*

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

18 *(4) HOUSE RULES.—The Committee on Rules of*
19 *the House of Representatives may make in order*
20 *amendments to achieve changes specified by reconcili-*
21 *ation directives if a committee or committees of the*
22 *House fail to submit recommended changes to its*
23 *Committee on the Budget pursuant to its instruction.*

24 *(f) PROCEDURE IN THE SENATE.—Consideration in*
25 *the Senate on any reconciliation bill reported under this*

1 *subsection, and all amendments thereto and debatable mo-*
2 *tions and appeals in connection therewith, shall be limited*
3 *to not more than 20 hours.*

4 *(g) LIMITATION ON CHANGES TO THE SOCIAL SECU-*
5 *RITY ACT.—Notwithstanding any other provision of law, it*
6 *shall not be in order in the Senate or the House of Rep-*
7 *resentatives to consider any reconciliation bill, or any*
8 *amendment thereto or conference report thereon, that con-*
9 *tains recommendations with respect to the old-age, sur-*
10 *vivors, and disability insurance program established under*
11 *title II of the Social Security Act.*

12 *(h) EXTRANEOUS MATTER IN RECONCILIATION LEGIS-*
13 *LATION.—*

14 *(1) IN GENERAL.—When the Senate is consid-*
15 *ering a reconciliation bill pursuant to this section*
16 *(whether that bill originated in the Senate or the*
17 *House), upon a point of order being made by any*
18 *Senator against material extraneous to the instruc-*
19 *tions to a committee which is contained in any title*
20 *or provision of the bill or offered as an amendment*
21 *to the bill, and the point of order is sustained by the*
22 *Chair, any part of said title or provision that con-*
23 *tains material extraneous to the directives to said*
24 *Committee as defined in paragraph (2), shall be*

1 *deemed stricken from the bill and may not be offered*
2 *as an amendment from the floor.*

3 (2) *EXTRANEOUS PROVISIONS.—Except as pro-*
4 *vided in paragraph (3)—*

5 (A) *a provision of a reconciliation bill con-*
6 *sidered pursuant to this subsection shall be con-*
7 *sidered extraneous if such provision does not*
8 *produce a decrease in outlays or an increase in*
9 *governmental receipts, including changes in out-*
10 *lays and governmental receipts brought about by*
11 *changes in the terms and conditions under which*
12 *outlays are made or governmental receipts are*
13 *required to be collected;*

14 (B) *a provision that is not in the jurisdic-*
15 *tion of the Committee with jurisdiction over said*
16 *title or provision shall be considered extraneous*
17 *(except that amendments reported by the Com-*
18 *mittee on the Budget to achieve compliance with*
19 *reconciliation directives shall be in order not-*
20 *withstanding any other rule of the Senate and*
21 *not be deemed extraneous);*

22 (C) *a provision shall be considered to be ex-*
23 *traneous if it increases, or would increase, net*
24 *outlays, or if it decreases, or would decrease, gov-*
25 *ernmental receipts during a fiscal year after the*

1 *fiscal years covered by such reconciliation bill,*
2 *and such increases or decreases are greater than*
3 *outlay reductions or governmental receipts in-*
4 *creases resulting from other provisions in such*
5 *title in such year; and*

6 *(D) a provision shall be considered extra-*
7 *neous if it violates section 310(g) of the Congres-*
8 *sional Budget Act of 1974.*

9 *(3) SENATE-ORIGINATED PROVISIONS.—A Sen-*
10 *ate-originated provision shall not be considered extra-*
11 *neous under paragraph (2) if the Chairman and*
12 *Ranking Minority Member of the Committee on the*
13 *Budget and the Chairman and Ranking Minority*
14 *Member of the Committee which reported the provi-*
15 *sion certify that—*

16 *(A) the provision mitigates direct effects*
17 *clearly attributable to a provision changing out-*
18 *lays or revenue and both provisions together*
19 *produce a net reduction in the deficit;*

20 *(B) the provision will result in a substan-*
21 *tial reduction in outlays or a substantial in-*
22 *crease in governmental receipts during fiscal*
23 *years after the fiscal years covered by the rec-*
24 *onciliation bill or reconciliation resolution;*

1 (C) a reduction of outlays or an increase in
2 governmental receipts is likely to occur as a re-
3 sult of the provision, in the event of new regula-
4 tions authorized by the provision or likely to be
5 proposed, court rulings on pending litigation, or
6 relationships between economic indices and stip-
7 ulated statutory triggers pertaining to the provi-
8 sion, other than the regulations, court rulings, or
9 relationships currently projected by the Congres-
10 sional Budget Office for scorekeeping purposes;
11 or

12 (D) such provision will be likely to produce
13 a significant reduction in outlays or increase in
14 governmental receipts but, due to insufficient
15 data, such reduction or increase cannot be reli-
16 ably estimated.

17 (4) COMMITTEE REPORTED PROVISIONS.—a pro-
18 vision reported by a committee shall not be considered
19 extraneous under paragraph (2) if—

20 (A) the provision is an integral part of a
21 provision or title, which if introduced as a bill,
22 would be referred to such committee, and the
23 provision sets forth the procedure to carry out or
24 implement the substantive provisions that were

1 *reported and which fall within the jurisdiction of*
2 *such committee; or*

3 *(B) the provision states an exception to, or*
4 *a special application of, the general provision or*
5 *title of which it is a part and such general pro-*
6 *vision or title if introduced as a bill, would be*
7 *referred to such committee.*

8 (5) *TECHNICAL AND CONFORMING AMEND-*
9 *MENTS.—Technical and conforming provisions shall*
10 *not be considered extraneous under this subsection.*

11 (6) *EXTRANEOUS MATERIALS.—Upon the report-*
12 *ing of a reconciliation bill pursuant to this subsection*
13 *in the Senate, and again upon the submission of a*
14 *conference report on such a reconciliation bill, the*
15 *Committee on the Budget of the Senate shall submit*
16 *for the record a list of material considered to be extra-*
17 *neous under paragraph (2) (A), (C), and (D), to the*
18 *instructions of a committee as provided in this sec-*
19 *tion. The inclusion or exclusion of a provision shall*
20 *not constitute a determination of extraneousness by*
21 *the Presiding Officer of the Senate.*

22 (7) *CONFERENCE REPORTS.—When the Senate is*
23 *considering a conference report on, or an amendment*
24 *between the Houses in relation to, a reconciliation bill*
25 *pursuant to this section, upon a point of order being*

1 *made by any Senator against extraneous material*
2 *meeting the definition of this subsection, and such*
3 *point of order being sustained, such material con-*
4 *tained in such conference report or amendment shall*
5 *be deemed stricken, and the Senate shall proceed,*
6 *without intervening action or motion, to consider the*
7 *question of whether the Senate shall recede from its*
8 *amendment and concur with a further amendment, or*
9 *concur in the House amendment with a further*
10 *amendment, as the case may be, which further*
11 *amendment shall consist of only that portion of the*
12 *conference report or House amendment, as the case*
13 *may be, not so stricken. Any such motion in the Sen-*
14 *ate shall be debatable for two hours. In any case in*
15 *which such point of order is sustained against a con-*
16 *ference report (or Senate amendment derived from*
17 *such conference report by operation of this sub-*
18 *section), no further amendment shall be in order.*

19 *(i) DETERMINATIONS AND POINTS OF ORDER.—Not-*
20 *withstanding any other law or rule of the Senate, it shall*
21 *be in order for a Senator to raise a single point of order*
22 *that several provisions of a bill, resolution, amendment, mo-*
23 *tion, or conference report violate this section. The Presiding*
24 *Officer may sustain the point of order as to some or all*
25 *of the provisions against which the Senator raised the point*

1 of order. If the Presiding Officer so sustains the point of
2 order as to some of the provisions (including provisions of
3 an amendment, motion, or conference report) against which
4 the Senator raised the point of order, then only those provi-
5 sions (including provisions of an amendment, motion, or
6 conference report) against which the Presiding Officer sus-
7 tains the point of order shall be deemed stricken pursuant
8 to this section. Before the Presiding Officer rules on such
9 a point of order, any Senator may move to waive such a
10 point of order as it applies to some or all of the provisions
11 against which the point of order was raised. Such a motion
12 to waive is amendable in accordance with the rules and
13 precedents of the Senate. After the Presiding Officer rules
14 on such a point of order, any Senator may appeal the rul-
15 ing of the Presiding Officer on such a point of order as
16 it applies to some or all of the provisions on which the Pre-
17 siding Officer ruled.

18 **SEC. 224. REVISED ESTIMATES AND FINAL MAXIMUM DEF-**

19 **ICIT AMOUNT SEQUESTRATION REPORTS.**

20 (a) *REVISED ESTIMATES, DETERMINATIONS, AND*
21 *FINAL MAXIMUM DEFICIT AMOUNT SEQUESTRATION RE-*
22 *PORTS.*—On the dates specified in section 202(a), OMB
23 shall submit to the President and Congress, and CBO shall
24 submit to Congress, a revised report—

1 (1) *indicating whether and to what extent, as a*
2 *result of laws enacted and regulations promulgated*
3 *after the submission of their preview report under sec-*
4 *tion 222(a), the excess deficit identified in the report*
5 *submitted under such subsection has been eliminated,*
6 *reduced, or increased; and*

7 (2) *adjusting the determinations made under sec-*
8 *tion 222(a) to the extent necessary.*

9 *The final report submitted under this subsection shall con-*
10 *tain estimates, determinations, and specifications for all of*
11 *the items contained in the maximum deficit amount rec-*
12 *onciliation report and shall be based on the same economic*
13 *and technical assumptions and employ the same methodolo-*
14 *gies shall be based on the supplemental budget estimates*
15 *under section 1106 of title 31, United States Code, and the*
16 *CBO report shall be based on the most recent report re-*
17 *quired by section 202(e)(2) of the Congressional Budget Act*
18 *of 1974. Estimates shall be consistent with the methodology*
19 *under section 257 of the Balanced Budget and Enforcement*
20 *Act Deficit Control Act of 1985. The reports shall provide*
21 *for the determination of reductions in the manner specified*
22 *in section 222(a)(3).*

23 (b) *DATES FOR SUBMISSION OF REPORTS AND*
24 *ISSUANCE OF ORDERS.—If the date specified for the sub-*
25 *mission of a report by the Director of OMB under this sec-*

1 *tion falls on a Sunday or legal holiday, such report shall*
2 *be submitted or such order issued on the following day.*

3 *(c) PRINTING OF REPORTS.—Each report submitted*
4 *under this section shall be printed in the Federal Register*
5 *on the date it is issued; and the reports of the Director of*
6 *OMB submitted to the Congress under subsection (a)(1)*
7 *shall be printed as documents of the House of Representa-*
8 *tives and the Senate.*

9 **SEC. 225. MAXIMUM DEFICIT AMOUNT-PRESIDENTIAL**
10 **ORDER.**

11 *(a) IN GENERAL.—On the date specified in section*
12 *202(a) and following the submission of a report by the Di-*
13 *rector of OMB to the President and Congress under section*
14 *224 that identifies an amount by which the deficit for a*
15 *fiscal year will exceed the maximum deficit amount for such*
16 *fiscal year the President, in strict accordance with the re-*
17 *quirements set forth in section 227, shall eliminate the full*
18 *amount of the deficit excess by issuing an order that elimi-*
19 *nates the direct spending authority and outlays resulting*
20 *therefrom in accordance with such report from each budget*
21 *account activity as identified in the program and financing*
22 *schedules contained in the appendix to the Budget of the*
23 *United States Government for that fiscal year, applying the*
24 *same reduction percentage as the percentage by which the*
25 *account is reduced in such report.*

1 **(b) ORDER TO BE BASED ON OMB REPORT.**—The
2 order must provide for reductions in the manner specified
3 in section 224, and must be consistent with such report in
4 all respects. The President may not modify or recalculate
5 any of the estimates, determinations, specifications, bases,
6 amounts or percentages set forth in the report submitted
7 under section 224 in determining the reductions to be speci-
8 fied in the order with respect to budget activities, within
9 an account.

10 **(c) EFFECT OF SEQUESTRATION UNDER PRESI-**
11 **DENTIAL ORDER.**—Amounts sequestered under an order
12 issued by the President under subsection (a) for a fiscal
13 year shall be permanently cancelled in accordance with
14 such final order.

15 **(d) ACCOMPANYING MESSAGE.**—At the time the ac-
16 tions described in the preceding provisions of this subsection
17 with respect to any fiscal year are taken, the President shall
18 transmit to both Houses of the Congress a message con-
19 taining all the information required by this section and fur-
20 ther specifying in strict accordance with subsection (b)—

21 (1) within each account, and the amounts which
22 are to be sequestered or reduced for each such pro-
23 gram, project, and activity or budget account activ-
24 ity; and

1 (2) *such other supporting details as the President*
2 *may determine to be appropriate.*

3 *Upon receipt in the Senate and the House of Representa-*
4 *tives, the message shall be referred to all committees with*
5 *jurisdiction over programs, projects, and activities affected*
6 *by the order.*

7 (e) *EFFECTIVE DATE OF ORDER.—The order issued by*
8 *the President under subsection (a) with respect to any fiscal*
9 *year shall be effective as of the date of its issuance.*

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

11 (a) *SPECIAL PROCEDURES IN THE EVENT OF LOW*
12 *ECONOMIC GROWTH.—*

13 (1) *IN GENERAL.—The Director of the Congres-*
14 *sional Budget Office shall notify the Congress at any*
15 *time if—*

16 (A) *during the period consisting of the*
17 *quarter during which such notification is given,*
18 *the quarter preceding such notification, and the*
19 *four quarters following such notification, such*
20 *Office or the Office of Management and Budget*
21 *has determined that real economic growth is pro-*
22 *jected or estimated to be less than zero with re-*
23 *spect to each of any two consecutive quarters*
24 *within such period, or*

1 (B) the Department of Commerce prelimi-
2 nary reports of actual real economic growth (or
3 any subsequent revision thereof) indicate that the
4 rate of real economic growth for each of the most
5 recent reported quarter and the immediately pre-
6 ceding quarter is less than one percent.

7 Upon such notification the majority leader of each
8 House shall introduce a joint resolution (in the form
9 set forth in paragraph (2)) declaring that the condi-
10 tions specified in this paragraph are met and sus-
11 pending the relevant provisions of this title for the re-
12 mainder of the current fiscal year or for the following
13 fiscal year or both.

14 (2) *FORM OF JOINT RESOLUTION.*—

15 (A) *MATTER.*—The matter after the resolv-
16 ing clause in any joint resolution introduced
17 pursuant to paragraph (1) shall be as follows:
18 “That the Congress declares that the conditions
19 specified in section 226(a)(1) of the Stop Over
20 Spending Act of 2006 are met and the provisions
21 of that Act, including sequestration of discre-
22 tionary spending under subtitle B and sequestra-
23 tion of direct spending under subtitle C of that
24 Act are suspended for the remainder of the cur-
25 rent year, and for the fiscal year following the

1 *current year. This joint resolution shall not have*
2 *the effect of suspending any final order which*
3 *was issued for the current fiscal year under the*
4 *SOS Act if such order was issued before the date*
5 *of the enactment of this joint resolution.*

6 *(B) TITLE.—The title of the joint resolution*
7 *shall be “Joint resolution suspending certain*
8 *provisions of law pursuant to SOS Act.” and the*
9 *joint resolution shall not contain any preamble.*

10 *(b) COMMITTEE ACTION.—Each joint resolution intro-*
11 *duced pursuant to subsection (a) shall be referred to the*
12 *Committee on the Budget of the appropriate House; and*
13 *such Committee shall report the joint resolution to its House*
14 *without amendment on or before the fifth day on which such*
15 *House is in session after the date on which the joint resolu-*
16 *tion is introduced. If the Committee fails to report the joint*
17 *resolution within the five-day period referred to in the pre-*
18 *ceding sentence, it shall be automatically discharged from*
19 *further consideration of the joint resolution, and the joint*
20 *resolution shall be placed on the appropriate calendar.*

21 *(c) CONSIDERATION OF JOINT RESOLUTION.—*

22 *(1) IN GENERAL.—A vote on final passage of a*
23 *joint resolution reported to a House of the Congress*
24 *or discharged pursuant to subsection (b) shall be*
25 *taken on or before the close of the fifth calendar day*

1 of session of such House after the date on which the
2 joint resolution is reported to such House or after the
3 Committee has been discharged from further consider-
4 ation of the joint resolution. If prior to the passage
5 by one House of a joint resolution of that House, that
6 House received the same joint resolution from the
7 other House, then—

8 (A) the procedure in that House shall be the
9 same as if no such joint resolution had been re-
10 ceived from the other House; and

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

13 When the joint resolution is agreed to, the Clerk of the
14 House of Representatives (in the case of a House joint
15 resolution agreed to in the House of Representatives)
16 or the Secretary of the Senate (in the case of a Senate
17 joint resolution agreed to in the Senate) shall cause
18 the joint resolution to be engrossed, certified, and
19 transmitted to the other House of Congress as soon as
20 practicable.

21 (2) HOUSE.—

22 (A) PROCEEDING.—A motion in the House
23 of Representatives to proceed to the consideration
24 of a joint resolution under this subsection shall
25 be highly privileged and not debatable. An

1 *amendment to the motion shall not be in order,*
2 *nor shall it be in order to move to reconsider the*
3 *vote by which the motion is agreed to or dis-*
4 *agreed to.*

5 *(B) DEBATE.—Debate in the House of Rep-*
6 *resentatives on a joint resolution under this sub-*
7 *section shall be limited to not more than 5 hours,*
8 *which shall be divided equally between those fa-*
9 *vorizing and those opposing the joint resolution. A*
10 *motion to postpone, made in the House of Rep-*
11 *resentatives with respect to the consideration of*
12 *a joint resolution under this subsection, and a*
13 *motion to proceed to the consideration of other*
14 *business, shall not be in order. A motion further*
15 *to limit debate shall not be debatable. It shall not*
16 *be in order to move to table or to recommit a*
17 *joint resolution under this subsection or to move*
18 *to reconsider the vote by which the joint resolu-*
19 *tion is agreed to or disagreed to.*

20 *(C) APPEALS.—All appeals from the deci-*
21 *sions of the Chair relating to the application of*
22 *the Rules of the House of Representatives to the*
23 *procedure relating to a joint resolution under*
24 *this subsection shall be decided without debate.*

1 (D) *FORM OF RESOLUTION.*—Except to the
2 extent specifically provided in this subsection or
3 in paragraph (4), consideration of a joint resolu-
4 tion under this paragraph shall be governed by
5 the Rules of the House of Representatives.

6 (3) *SENATE.*—

7 (A) *PROCEEDING.*—A motion in the Senate
8 to proceed to the consideration of a joint resolu-
9 tion under this subsection shall be privileged and
10 not debatable. An amendment to the motion shall
11 not be in order, nor shall it be in order to move
12 to reconsider the vote by which the motion is
13 agreed to or disagreed to.

14 (B) *DEBATE.*—Debate in the Senate on a
15 joint resolution under this subsection, and all de-
16 batable motions and appeals in connection there-
17 with, shall be limited to not more than five
18 hours. The time shall be equally divided between,
19 and controlled by, the majority leader and the
20 minority leader or their designees.

21 (C) *MOTIONS AND APPEALS.*—Debate in the
22 Senate on any debatable motion or appeal in
23 connection with a joint resolution under this
24 subsection shall be limited to not more than one
25 hour, to be equally divided between, and con-

1 *trolled by, the mover and the manager of the*
 2 *joint resolution, except that in the event the*
 3 *manager of the joint resolution is in favor of any*
 4 *such motion or appeal, the time in opposition*
 5 *thereto shall be controlled by the minority leader*
 6 *or his designee.*

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

12 (4) *NO AMENDMENTS.*—*No amendment to a joint*
 13 *resolution considered under this subsection shall be in*
 14 *order in either the House of Representatives or the*
 15 *Senate.*

16 **SEC. 227. EXEMPTIONS FROM SEQUESTRATION.**

17 (a) *IN GENERAL.*—*Except as provided in subsection*
 18 (i), *all direct spending and outlays flowing therefrom shall*
 19 *be subject to the sequestration procedures under this subtitle.*

20 (b) *EXEMPTIONS.*—

21 (1) *SOCIAL SECURITY BENEFITS AND TIER I*
 22 *RAILROAD RETIREMENT BENEFITS.*—*Benefits payable*
 23 *under the old-age, survivors, and disability insurance*
 24 *program established under title II of the Social Secu-*
 25 *rity Act, or in benefits payable under section 3(a),*

1 3(f)(3), 4(a), or 4(f) of the Railroad Retirement Act
2 of 1974, shall be exempt from any reduction under
3 any order issued under this part.

4 (2) *IN BUDGET.*—

5 (A) *PRESIDENT'S BUDGET.*—*The President*
6 *shall include in the budget submitted pursuant*
7 *to section 1105 of title 31, United States Code,*
8 *exemptions from sequestration procedures for*
9 *specific accounts or activities where amounts are*
10 *not available for sequestration (which includes*
11 *outlays for interest on the public debt, outlays*
12 *for claims against the United States, outlays for*
13 *miscellaneous permanent appropriations and*
14 *outlays for existing contracts.)*

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

18 (C) *APPLICATION.*—*The exemptions pro-*
19 *vided in paragraph (1) and the exemptions sub-*
20 *mitted by the President under this paragraph*
21 *shall stand as the only exemptions to sequestra-*
22 *tion procedures under this subtitle, unless other-*
23 *wise 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 amend-*
 4 *ed by adding at the end thereof the following:*

5 *“(i) The budget transmitted pursuant to subsection (a)*
 6 *for a fiscal year shall be prepared consistent with section*
 7 *257 of the Balanced Budget and Emergency Deficit Control*
 8 *Act of 1985, in such a manner as to ensure that the discre-*
 9 *tionary spending limits under section 212 of the Stop Over*
 10 *Spending Act of 2006 and the deficit for such fiscal year*
 11 *shall not exceed the maximum deficit amount for such fiscal*
 12 *year.”.*

13 **TITLE III—BIENNIAL BUDGET**
 14 **AND APPROPRIATIONS**

15 **SEC. 301. REVISION OF TIMETABLE.**

16 *Section 300 of the Congressional Budget Act of 1974*
 17 *(2 U.S.C. 631) is amended to read as follows:*

18 *“TIMETABLE*

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

“First Session

On or before:

First Monday in Feb-
ruary.

February 15

Action to be completed:

President submits the biennial budget rec-
ommendations.

Congressional Budget Office submits report to
Budget Committees.

“First Session—Continued

<i>Not later than 6 weeks after the biennial budget submission.</i>	<i>Committees submit views and estimates to Budget Committees.</i>
<i>April 1</i>	<i>Budget Committees report concurrent resolution on the biennial budget.</i>
<i>May 15</i>	<i>Congress completes action on concurrent resolution on the biennial budget.</i>
<i>May 15</i>	<i>Biennial appropriation bills may be considered in the House.</i>
<i>June 10</i>	<i>House Appropriations Committee reports last biennial appropriation bill.</i>
<i>June 30</i>	<i>House completes action on biennial appropriation bills.</i>
<i>August 1</i>	<i>Congress completes action on reconciliation legislation.</i>
<i>October 1</i>	<i>Biennium begins.</i>

“Second Session

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

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, the*
5 *following dates shall supersede those set forth in subsection*
6 *(a):*

“First Session

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

“First Session—Continued

*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 year”*
6 *and inserting “biennially”.*

7 (b) *DEFINITIONS.*—

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

12 (2) *BIENNIUM.*—Section 3 of such Act (2 U.S.C.
13 *622) is further amended by adding at the end the fol-*
14 *lowing 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”.*

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

3 (A) *in the matter preceding paragraph (1)*

4 *by—*

5 (i) *striking “April 15 of each year”*
6 *and inserting “May 15 of each odd-num-*
7 *bered year”;*

8 (ii) *striking “the fiscal year beginning*
9 *on October 1 of such year” the first place it*
10 *appears and inserting “the biennium begin-*
11 *ning on October 1 of such year”; and*

12 (iii) *striking “the fiscal year beginning*
13 *on October 1 of such year” the second place*
14 *it appears and inserting “each fiscal year*
15 *in such period”;*

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

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

22 (3) *ADDITIONAL MATTERS.—Section 301(b)(3) of*
23 *such Act (2 U.S.C. 632(b)) is amended by striking*
24 *“for such fiscal year” and inserting “for either fiscal*
25 *year in such biennium”.*

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

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

7 (A) striking “fiscal year” and inserting “bi-
8 ennium”; and

9 (B) inserting after the second sentence the
10 following: “On or before April 1 of each odd-
11 numbered year (or, if applicable, as provided by
12 section 300(b)), the Committee on the Budget of
13 each House shall report to its House the concur-
14 rent resolution on the budget referred to in sub-
15 section (a) for the biennium beginning on Octo-
16 ber 1 of that year.”.

17 (6) *GOALS FOR REDUCING UNEMPLOYMENT.*—
18 Section 301(f) of such Act (2 U.S.C. 632(f)) is amend-
19 ed by striking “fiscal year” each place it appears and
20 inserting “biennium”.

21 (7) *ECONOMIC ASSUMPTIONS.*—Section 301(g)(1)
22 of such Act (2 U.S.C. 632(g)(1)) is amended by strik-
23 ing “for a fiscal year” and inserting “for a bien-
24 nium”.

1 (8) *TABLE OF CONTENTS.*—*The item relating to*
2 *section 301 in the table of contents set forth in section*
3 *1(b) of such Act is amended by striking “Annual”*
4 *and inserting “Biennial”.*

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

7 (1) *in subsection (a)*

8 (A) *in paragraph (1), by—*

9 (i) *striking “for the first fiscal year of*
10 *the resolution,” and inserting “for each fis-*
11 *cal year in the biennium,”;*

12 (ii) *striking “for that period of fiscal*
13 *years” and inserting “for all fiscal years*
14 *covered by the resolution”;* and

15 (iii) *striking “for the fiscal year of*
16 *that resolution” and inserting “for each fis-*
17 *cal year in the biennium”;* and

18 (B) *in paragraph (5), by striking “April*
19 *15” and inserting “May 15 or June 1 (under*
20 *section 300(b))”;*

21 (2) *in subsection (b), by striking “budget year”*
22 *and inserting “biennium”;*

23 (3) *in subsection (c) by striking “for a fiscal*
24 *year” each place it appears and inserting “for each*
25 *fiscal year in the biennium”;*

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

3 (5) *in subsection (f)(1), by striking “the first fis-*
4 *cal year” and inserting “each fiscal year of the bien-*
5 *niium”;*

6 (6) *in subsection (f)(2)(A), by—*

7 (A) *striking “the first fiscal year” and in-*
8 *serting “each fiscal year of the biennium”;* and

9 (B) *striking “the total of fiscal years” and*
10 *inserting “the total of all fiscal years covered by*
11 *the resolution”;* and

12 (7) *in subsection (g)(1)(A), by striking “April”*
13 *and inserting “May”.*

14 (e) *SECTION 303 POINT OF ORDER.—*

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

17 (A) *striking “the first fiscal year” and in-*
18 *serting “each fiscal year of the biennium”;* and

19 (B) *striking “that fiscal year” each place it*
20 *appears and inserting “that biennium”.*

21 (2) *EXCEPTIONS IN THE HOUSE.—Section*
22 *303(b)(1) of such Act (2 U.S.C. 634(b)) is amended—*

23 (A) *in subparagraph (A), by striking “the*
24 *budget year” and inserting “the biennium”;* 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 “bi-
7 ennium”; 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 insert-
16 ing “for such biennium”.

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

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

22 (2) in subsection (b)(3), by striking “fiscal year”
23 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 *ennial”;*

8 (3) *by striking “fiscal year” and inserting “bien-*
9 *niium”;* and

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

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

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

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

19 (3) *by striking “fiscal year” and inserting “bien-*
20 *niium”.*

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 *niium”;* 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 year*
11 *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 such*
15 *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 years”.

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

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

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

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

19 (4) in the matter following paragraph (2), by
20 striking “that fiscal year” and inserting “the applica-
21 ble 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 1974
9 (2 U.S.C. 622(11)).”.

10 (b) *BUDGET CONTENTS AND SUBMISSION TO THE CON-*
11 *GRESS.*—

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

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

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

1 *fiscal year for which the budget is submitted and the*
2 *4 fiscal years after that year” and inserting “each fis-*
3 *cal year in the biennium for which the budget is sub-*
4 *mitted and in the succeeding 4 fiscal years”.*

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

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

15 (5) *FUNCTIONS AND ACTIVITIES.*—Section
16 *1105(a)(12) of title 31, United States Code, is amend-*
17 *ed in subparagraph (A), by striking “the fiscal year”*
18 *and inserting “each fiscal year in the biennium”.*

19 (6) *ALLOWANCES.*—Section 1105(a)(13) of title
20 *31, United States Code, is amended by striking “the*
21 *fiscal year” and inserting “each fiscal year in the bi-*
22 *ennium”.*

23 (7) *ALLOWANCES FOR UNCONTROLLED EXPENDI-*
24 *TURES.*—Section 1105(a)(14) of title 31, *United*
25 *States Code, is amended by striking “that year” and*

1 *inserting “each fiscal year in the biennium for which*
2 *the budget is submitted”.*

3 (8) *TAX EXPENDITURES.*—*Section 1105(a)(16) of*
4 *title 31, United States Code, is amended by striking*
5 *“the fiscal year” and inserting “each fiscal year in*
6 *the biennium”.*

7 (9) *FUTURE YEARS.*—*Section 1105(a)(17) of title*
8 *31, United States Code, is amended—*

9 (A) *by striking “the fiscal year following*
10 *the fiscal year” and inserting “each fiscal year*
11 *in the biennium following the biennium”;*

12 (B) *by striking “that following fiscal year”*
13 *and inserting “each such fiscal year”; and*

14 (C) *by striking “fiscal year before the fiscal*
15 *year” and inserting “biennium before the bien-*
16 *niium”.*

17 (10) *PRIOR YEAR OUTLAYS.*—*Section*
18 *1105(a)(18) of title 31, United States Code, is amend-*
19 *ed—*

20 (A) *by striking “the prior fiscal year” and*
21 *inserting “each of the 2 most recently completed*
22 *fiscal years,”;*

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

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

3 (11) PRIOR YEAR RECEIPTS.—Section
4 1105(a)(19) of title 31, United States Code, is amend-
5 ed—

6 (A) by striking “the prior fiscal year” and
7 inserting “each of the 2 most recently completed
8 fiscal years”;

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

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

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

17 (d) RECOMMENDATIONS TO MEET ESTIMATED DEFICI-
18 ENCIES.—Section 1105(c) of title 31, United States Code,
19 is amended—

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

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

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

3 (e) CAPITAL INVESTMENT ANALYSIS.—Section
4 1105(e)(1) of title 31, United States Code, is amended by
5 striking “ensuing fiscal year” and inserting “biennium to
6 which such budget relates”.

7 (f) SUPPLEMENTAL BUDGET ESTIMATES AND
8 CHANGES.—

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

11 (A) in the matter preceding paragraph (1),
12 by—

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

16 (ii) striking “fiscal year” and insert-
17 ing “biennium”;

18 (B) in paragraph (1), by striking “that fis-
19 cal year” and inserting “each fiscal year in such
20 biennium”;

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

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

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

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

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

8 (C) *striking “submitted before July 16” and*
9 *inserting “required by this subsection”.*

10 (g) *CURRENT PROGRAMS AND ACTIVITIES ESTI-*
11 *MATES.—*

12 (1) *IN GENERAL.*—Section 1109(a) of title 31,
13 *United States Code, is amended—*

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

19 (B) *by striking “the following fiscal year”*
20 *and inserting “each fiscal year of such period”.*

21 (2) *JOINT ECONOMIC COMMITTEE.*—Section
22 *1109(b) of title 31, United States Code, is amended*
23 *by striking “March 1 of each year” and inserting*
24 *“within 6 weeks of the President’s budget submission*
25 *for each odd-numbered year (or, if applicable, as pro-*

1 *vided by section 300(b) of the Congressional Budget*
 2 *Act of 1974)*”.

3 *(h) YEAR-AHEAD REQUESTS FOR AUTHORIZING LEG-*
 4 *ISLATION.—Section 1110 of title 31, United States Code,*
 5 *is amended by—*

6 *(1) striking “May 16” and inserting “March*
 7 *31”; and*

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

12 **SEC. 304. TWO-YEAR APPROPRIATIONS; TITLE AND STYLE**
 13 **OF APPROPRIATIONS ACTS.**

14 *Section 105 of title 1, United States Code, is amended*
 15 *to read as follows:*

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

17 *“(a) The style and title of all Acts making appropria-*
 18 *tions for the support of the Government shall be as follows:*
 19 *‘An Act making appropriations (here insert the object) for*
 20 *each fiscal year in the biennium of fiscal years (here insert*
 21 *the fiscal years of the biennium).’.*

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

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

5 **SEC. 305. MULTIYEAR AUTHORIZATIONS.**

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

9 “AUTHORIZATIONS OF APPROPRIATIONS

10 “SEC. 316. (a) *POINT OF ORDER.*—It shall not be in
 11 order in the House of Representatives or the Senate to con-
 12 sider—

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

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

25 “(b) *APPLICABILITY.*—In the Senate, subsection (a)
 26 shall not apply to—

1 “(1) any measure that is privileged for consider-
2 ation pursuant to a rule or statute;

3 “(2) any matter considered in Executive Session;
4 or

5 “(3) an appropriations measure or reconciliation
6 bill.”.

7 (b) *AMENDMENT TO TABLE OF CONTENTS.*—The table
8 of contents set forth in section 1(b) of the Congressional
9 Budget and Impoundment Control Act of 1974 is amended
10 by adding after the item relating to section 315 the fol-
11 lowing new item:

 “Sec. 316. Authorizations of appropriations.”.

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

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

15 (1) in subsection (a), by striking “September 30,
16 1997” and inserting “September 30, 2007”;

17 (2) in subsection (b)—

18 (A) by striking “five years forward” and
19 inserting “6 years forward”;

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

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

24 (3) in subsection (c), by inserting a comma after
25 “section” the second place it appears and adding “in-

1 *cluding a strategic plan submitted by September 30,*
2 *2007 meeting the requirements of subsection (a)”.*

3 *(b) BUDGET CONTENTS AND SUBMISSION TO CON-*
4 *GRESS.—Paragraph (28) of section 1105(a) of title 31,*
5 *United States Code, is amended by striking “beginning*
6 *with fiscal year 1999, a” and inserting “beginning with*
7 *fiscal year 2008, a biennial”.*

8 *(c) PERFORMANCE PLANS.—Section 1115 of title 31,*
9 *United States Code, is amended—*

10 *(1) in subsection (a)—*

11 *(A) in the matter before paragraph (1) by*
12 *striking “an annual” and inserting “a bien-*
13 *ennial”;*

14 *(B) in paragraph (1) by inserting after*
15 *“program activity” the following: “for both years*
16 *1 and 2 of the biennial plan”;*

17 *(C) in paragraph (5) by striking “and”*
18 *after the semicolon ;*

19 *(D) in paragraph (6) by striking the period*
20 *and inserting a semicolon; and inserting “and”*
21 *after the inserted semicolon; and*

22 *(E) by adding after paragraph (6) the fol-*
23 *lowing:*

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

1 (2) *in subsection (d) by striking “annual” and*
2 *inserting “biennial”; and*

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

5 (d) *MANAGERIAL ACCOUNTABILITY AND FLEXI-*
6 *BILITY.—Section 9703 of title 31, United States Code, relat-*
7 *ing to managerial accountability, is amended—*

8 (1) *in subsection (a)—*

9 (A) *in the first sentence by striking “an-*
10 *nual”; and*

11 (B) *by striking “section 1105(a)(29)” and*
12 *inserting “section 1105(a)(28)”; and*

13 (2) *in subsection (e)—*

14 (A) *in the first sentence by striking “one*
15 *or” before “years”;*

16 (B) *in the second sentence by striking “a*
17 *subsequent year” and inserting “a subsequent 2-*
18 *year period”; and*

19 (C) *in the third sentence by striking “three”*
20 *and inserting “4”.*

21 (e) *PILOT PROJECTS FOR PERFORMANCE BUDG-*
22 *ETING.—Section 1119 of title 31, United States Code, is*
23 *amended—*

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

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

3 (f) *STRATEGIC PLANS.—Section 2802 of title 39,*
4 *United States Code, is amended—*

5 (1) *in subsection (a), by striking “September 30,*
6 *1997” and inserting “September 30, 2005”;*

7 (2) *in subsection (b), by striking “five years for-*
8 *ward” and inserting “6 years forward”;*

9 (3) *in subsection (b), by striking “at least every*
10 *three years” and inserting “at least every 4 years”;*
11 *and*

12 (4) *in subsection (c), by inserting a comma after*
13 *“section” the second place it appears and inserting*
14 *“including a strategic plan submitted by September*
15 *30, 2005 meeting the requirements of subsection (a)”.*

16 (g) *PERFORMANCE PLANS.—Section 2803(a) of title*
17 *39, United States Code, is amended—*

18 (1) *in the matter before paragraph (1), by strik-*
19 *ing “an annual” and inserting “a biennial”;*

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

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

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

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

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

6 (h) *COMMITTEE VIEWS OF PLANS AND REPORTS.—*

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

17 (i) *EFFECTIVE DATE.—*

18 (1) *IN GENERAL.—The amendments made by*
19 *this section shall take effect on the date of enactment*
20 *of this Act.*

21 (2) *AGENCY ACTIONS.—Effective on and after the*
22 *date of enactment of this Act, each agency shall take*
23 *such actions as necessary to prepare and submit any*
24 *plan or report in accordance with the amendments*
25 *made by this Act.*

1 **SEC. 307. BIENNIAL APPROPRIATION BILLS.**

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

5 “*CONSIDERATION OF BIENNIAL APPROPRIATIONS BILLS*

6 “*SEC. 317. It shall not be in order in the House of*
 7 *Representatives or the Senate in any odd-numbered year*
 8 *to consider any regular bill providing new budget authority*
 9 *or a limitation on obligations under the jurisdiction of any*
 10 *of the subcommittees of the Committees on Appropriations*
 11 *for only the first fiscal year of a biennium, unless the pro-*
 12 *gram, project, or activity for which the new budget author-*
 13 *ity or obligation limitation is provided will require no ad-*
 14 *ditional authority beyond 1 year and will be completed or*
 15 *terminated after the amount provided has been expended.”.*

16 (b) *AMENDMENT TO TABLE OF CONTENTS.*—*The table*
 17 *of contents set forth in section 1(b) of the Congressional*
 18 *Budget and Impoundment Control Act of 1974 is amended*
 19 *by adding after the item relating to section 316 the fol-*
 20 *lowing new item:*

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

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

22 *Not later than 60 days after the date of enactment of*
 23 *this Act, the Director of OMB shall report to the Committees*
 24 *on the Budget of the House of Representatives and the Sen-*
 25 *ate any changes in law to the Congressional Budget Act*

1 of 1974 and the provisions of this Act required to conform
2 with a biennial budget process.

3 **SEC. 309. EFFECTIVE DATE.**

4 *Except as provided in sections 306 and 308, this title*
5 *and the amendments made by this Act shall take effect on*
6 *January 1, 2007, and shall apply to budget resolutions and*
7 *appropriations for the biennium beginning with fiscal year*
8 *2008.*

9 **TITLE IV—COMMISSIONS**
10 **Subtitle A—National Commission**
11 **on Entitlement Solvency**

12 **SEC. 401. DEFINITIONS.**

13 *In this subtitle:*

14 (1) *ADMINISTRATOR.—The term “Adminis-*
15 *trator” means the Administrator of the Centers for*
16 *Medicare & Medicaid Services.*

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

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

24 (4) *COMMISSION BILL.—The term “Commission*
25 *bill” means a bill consisting of the proposed legisla-*

1 *tive language provisions of the Commission intro-*
2 *duced under section 403(a).*

3 (5) *COMMISSIONER.*—*The term “Commissioner”*
4 *means the Commissioner of Social Security.*

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

8 (7) *MEDICAID.*—*The term “Medicaid” means the*
9 *program established under title XIX of the Social Se-*
10 *curity Act (42 U.S.C. 1396 et seq.)*

11 (8) *MEDICARE.*—*The term “Medicare” means the*
12 *program established under title XVIII of the Social*
13 *Security Act (42 U.S.C. 1395 et seq.).*

14 (9) *SOCIAL SECURITY.*—*The term “Social Secu-*
15 *urity” means the program of old-age, survivors, and*
16 *disability insurance benefits established under title II*
17 *of the Social Security Act (42 U.S.C. 401 et seq.).*

18 (10) *SOLVENCY.*—*The term “solvency” means—*

19 (A) *in relation to Social Security, any year*
20 *in which the balance ratio (as defined under sec-*
21 *tion 709(b) of the Social Security Act (42 U.S.C.*
22 *910(b)) of the Federal Old-Age and Survivors In-*
23 *surance Trust Fund and the Federal Disability*
24 *Insurance Trust Fund established under section*

1 201 of the Social Security Act (42 U.S.C. 401)
2 is greater than zero;

3 (B) in relation to the Medicare program,
4 any year in which there is not excess general
5 revenue medicare funding (as defined in section
6 801(c)(1) of the Medicare Prescription Drug, Im-
7 provement, and Modernization Act of 2003 (Pub-
8 lic Law 108–173; 117 Stat. 2358)); and

9 (C) in relation to Medicaid, any year after
10 2012 in which Gross Domestic Product growth is
11 greater than zero and growth in total Medicaid
12 spending does not exceed growth in Gross Domes-
13 tic Product.

14 **SEC. 402. ESTABLISHMENT OF COMMISSION.**

15 (a) *ESTABLISHMENT.*—There is established a commis-
16 sion to be known as the “National Commission on Entitle-
17 ment Solvency”.

18 (b) *PURPOSE.*—The Commission shall conduct a com-
19 prehensive review of the Social Security, Medicare, and
20 Medicaid programs for the following purposes:

21 (1) *REVIEW.*—Reviewing relevant analyses of the
22 current and long-term actuarial financial condition
23 of the Social Security, Medicare, and Medicaid pro-
24 grams.

1 (2) *IDENTIFYING PROBLEMS.*—*Identifying prob-*
2 *lems that may threaten the long-term solvency of the*
3 *Social Security, Medicare, and Medicaid programs.*

4 (3) *ANALYZING POTENTIAL SOLUTIONS.*—*Ana-*
5 *lyzing potential solutions to problems that threaten*
6 *the long-term solvency of the Social Security, Medi-*
7 *care, and Medicaid programs.*

8 (4) *PROVIDING RECOMMENDATIONS.*—*Providing*
9 *recommendations that will ensure the long-term sol-*
10 *vency of the Social Security, Medicare, and Medicaid*
11 *programs and the provision of appropriate benefits.*

12 (c) *DUTIES.*—

13 (1) *IN GENERAL.*—*The Commission shall conduct*
14 *a comprehensive review of the Social Security, Medi-*
15 *care, and Medicaid programs consistent with the pur-*
16 *poses described in subsection (b) and shall submit the*
17 *report required under paragraph (2).*

18 (2) *REPORT AND RECOMMENDATIONS.*—

19 (A) *IN GENERAL.*—*Not later than May 1,*
20 *2007, the Commission shall submit a report on*
21 *the long-term solvency of the Social Security,*
22 *Medicare, and Medicaid programs that contains*
23 *a detailed statement of the findings, conclusions,*
24 *and recommendations of the Commission to the*

1 *President, Congress, the Commissioner, and the*
2 *Administrator.*

3 (B) *FINDINGS, CONCLUSIONS, AND REC-*
4 *COMMENDATIONS.—A finding, conclusion, or rec-*
5 *ommendation of the Commission shall be in-*
6 *cluded in the report under subparagraph (A)*
7 *only if not less than 10 members of the Commis-*
8 *sion voted for such finding, conclusion, or rec-*
9 *ommendation.*

10 (C) *LEGISLATIVE LANGUAGE.—If a rec-*
11 *ommendation submitted under subparagraph (A)*
12 *involves legislative action, the report shall in-*
13 *clude proposed legislative language to carry out*
14 *such action.*

15 (d) *MEMBERSHIP.—*

16 (1) *NUMBER AND APPOINTMENT.—The Commis-*
17 *sion shall be composed of 15 members of whom—*

18 (A) *3 shall be appointed by the President;*

19 (B) *3 shall be appointed by the majority*
20 *leader of the Senate;*

21 (C) *3 shall be appointed by the minority*
22 *leader of the Senate;*

23 (D) *3 shall be appointed by the Speaker of*
24 *the House of Representatives; and*

1 (E) 3 shall be appointed by the minority
2 leader of the House of Representatives.

3 (2) *BIPARTISANSHIP.*—Not more than 2 of the 3
4 members appointed by each of the persons identified
5 in subparagraphs (A) through (E) of paragraph (1)
6 may be affiliated with the same political party.

7 (3) *CO-CHAIRPERSONS.*—The President shall des-
8 ignate 2 Co-chairpersons from among the members of
9 the Commission appointed under paragraph (1). The
10 Co-chairpersons may not be affiliated with the same
11 political party.

12 (4) *DATE.*—Members of the Commission shall be
13 appointed by not later than 30 days after the date of
14 enactment of this Act.

15 (5) *PERIOD OF APPOINTMENT.*—Members shall be
16 appointed for the life of the Commission. Any va-
17 cancy in the Commission shall not affect its powers,
18 but shall be filled in the same manner as the original
19 appointment.

20 (6) *TERMINATION.*—The Commission shall ter-
21minate on the date that is 90 days after the Commis-
22sion submits the report required under subsection
23 (c)(2).

24 (e) *ADMINISTRATION.*—

1 (1) *QUORUM.*—*Eight members of the Commis-*
2 *sion shall constitute a quorum for purposes of voting,*
3 *but a quorum is not required for members to meet*
4 *and hold hearings.*

5 (2) *MEETINGS.*—*The Commission shall meet at*
6 *the call of the Chairpersons or a majority of its mem-*
7 *bers.*

8 (3) *HEARINGS.*—*Subject to paragraph (7), the*
9 *Commission may, for the purpose of carrying out this*
10 *subtitle—*

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

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

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

23 (4) *SUBPOENAS.*—

24 (A) *ISSUANCE.*—

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

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

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

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

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

24 (5) *COMPENSATION.*—*Members of the Commis-*
25 *sion shall serve without any additional compensation*

1 *for their work on the Commission. However, members*
2 *may be allowed travel expenses, including per diem in*
3 *lieu of subsistence, in accordance with sections 5702*
4 *and 5703 of title 5, United States Code, while away*
5 *from their homes or regular places of business in per-*
6 *formance of services for the Commission.*

7 (6) *STAFF.—*

8 (A) *IN GENERAL.—With the approval of a*
9 *majority of the Commission, the chairperson of*
10 *the Commission may appoint an executive direc-*
11 *tor and such other additional personnel as may*
12 *be necessary to enable the Commission to per-*
13 *form its duties.*

14 (B) *ACTUARIAL EXPERTS AND CONSULT-*
15 *ANTS.—With the approval of a majority of the*
16 *Commission, the Executive Director may procure*
17 *temporary and intermittent services under sec-*
18 *tion 3109(b) of title 5, United States Code.*

19 (C) *COMPENSATION.—Upon the approval of*
20 *the chairperson, the executive director may fix*
21 *the compensation of the executive director and*
22 *other personnel without regard to chapter 51 and*
23 *subchapter III of chapter 53 of title 5, United*
24 *States Code, relating to classification of positions*
25 *and General Schedule pay rates, except that the*

1 *rate of pay for the executive director and other*
2 *personnel may not exceed the maximum rate*
3 *payable for a position at GS-15 of the General*
4 *Schedule under section 5332 of such title.*

5 (D) *PERSONNEL AS FEDERAL EMPLOY-*
6 *EES.—*

7 (i) *IN GENERAL.—The executive direc-*
8 *tor and any personnel of the Commission*
9 *who are employees shall be employees under*
10 *section 2105 of title 5, United States Code,*
11 *for purposes of chapters 63, 81, 83, 84, 85,*
12 *87, 89, 89A, 89B, and 90 of that title.*

13 (ii) *MEMBERS OF COMMISSION.—Sub-*
14 *paragraph (i) shall not be construed to*
15 *apply to members of the Commission.*

16 (E) *FEDERAL AGENCIES.—*

17 (i) *DETAIL OF GOVERNMENT EMPLOY-*
18 *EES.—Upon the request of the Commission,*
19 *the head of any Federal agency may detail,*
20 *without reimbursement by the Commission,*
21 *any of the personnel of such agency to the*
22 *Commission to assist in carrying out the*
23 *duties of the Commission. Any such detail*
24 *shall not interrupt or otherwise affect the*

1 *civil service status or privileges of the Fed-*
2 *eral employee.*

3 (ii) *TECHNICAL ASSISTANCE.*—*Upon*
4 *the request of the Commission, the head of*
5 *a Federal agency shall provide such tech-*
6 *nical assistance to the Commission as the*
7 *Commission determines to be necessary to*
8 *carry out its duties.*

9 (7) *INFORMATION.*—

10 (A) *RESOURCES.*—*The Commission shall*
11 *have reasonable access to materials, resources,*
12 *statistical data, and other information the Com-*
13 *mission determines to be necessary to carry out*
14 *its duties from the Library of Congress, the Chief*
15 *Actuary of Social Security, the Chief Actuary of*
16 *the Centers for Medicare & Medicaid Services,*
17 *the Congressional Budget Office, and other agen-*
18 *cies and representatives of the executive and leg-*
19 *islative branches of the Federal Government. The*
20 *Chairpersons shall make requests for such access*
21 *in writing when necessary.*

22 (B) *RECEIPT, HANDLING, STORAGE, AND*
23 *DISSEMINATION OF INFORMATION.*—*Information*
24 *shall only be received, handled, stored, and dis-*
25 *seminated by members of the Commission and its*

1 *staff consistent with all applicable statutes, regu-*
 2 *lations, and Executive orders.*

3 (C) *LIMITATION OF ACCESS TO TAX INFOR-*
 4 *MATION.—Information requested, subpoenaed, or*
 5 *otherwise accessed under this subtitle shall not*
 6 *include tax data from the United States Internal*
 7 *Revenue Service, the release of which would oth-*
 8 *erwise be in violation of law.*

9 (8) *POSTAL SERVICES.—The Commission may*
 10 *use the United States mails in the same manner and*
 11 *under the same conditions as other departments and*
 12 *agencies of the Federal Government.*

13 (f) *FUNDING.—The Commission shall receive, from*
 14 *amounts appropriated to the Commissioner and the Admin-*
 15 *istrator, respectively, for fiscal year 2007 for administrative*
 16 *expenses, such sums as are necessary to carry out the pur-*
 17 *poses of this section.*

18 **SEC. 403. EXPEDITED CONSIDERATION OF COMMISSION**

19 **RECOMMENDATIONS.**

20 (a) *INTRODUCTION AND COMMITTEE CONSIDER-*
 21 *ATION.—*

22 (1) *INTRODUCTION.—The aggregate legislative*
 23 *language provisions submitted pursuant to section*
 24 *402(c)(2)(C) shall be combined into a Commission*
 25 *bill and shall be introduced in the Senate by the ma-*

1 *majority leader, or the majority leader's designee, and in*
2 *the House of Representatives, by the Speaker, or the*
3 *Speaker's designee. Upon such introduction, the Com-*
4 *mission bill shall be referred to the appropriate com-*
5 *mittees of Congress under paragraph (2). If the Com-*
6 *mission bill is not introduced in accordance with the*
7 *preceding sentence, then any member of Congress may*
8 *introduce the Commission bill in their respective*
9 *House of Congress beginning on the date that is the*
10 *5th calendar day that such House is in session fol-*
11 *lowing the date of the submission of such aggregate*
12 *legislative language provisions.*

13 (2) *COMMITTEE CONSIDERATION.—*

14 (A) *REFERRAL.—A Commission bill intro-*
15 *duced in the Senate shall be referred to the Com-*
16 *mittee on Finance of the Senate. A Commission*
17 *bill introduced in the House of Representatives*
18 *shall be referred to the Committee on Ways and*
19 *Means and the Committee on Energy and Com-*
20 *merce of the House of Representatives.*

21 (B) *REPORTING.—Not later than 30 cal-*
22 *endar days after the introduction of the Commis-*
23 *sion bill, each Committee of Congress to which*
24 *the Commission bill was referred shall report the*
25 *bill or a bill as reported by such Committee. All*

1 *committee amendments must comply with the re-*
2 *quirements of section 402(b)(4) of this subtitle.*

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

15 (b) *EXPEDITED PROCEDURE.*—

16 (1) *CONSIDERATION.*—

17 (A) *IN GENERAL.*—*Not later than 7 cal-*
18 *endar days after the date on which a committee*
19 *reports a Commission bill, or such bill as*
20 *amended, or has been discharged from consider-*
21 *ation of a Commission bill, the Majority Leader*
22 *of the Senate, or the Majority Leader's designee,*
23 *or the Speaker of the House of Representatives,*
24 *or the Speaker's designee, shall move to proceed*
25 *to the consideration of the Commission bill or*

1 *such bill as amended. It shall also be in order for*
2 *any member of the Senate or the House of Rep-*
3 *resentatives, respectively, to move to proceed to*
4 *the consideration of the Commission bill at any*
5 *time after the conclusion of such 7-day period.*

6 *(B) MOTION TO PROCEED.—A motion to*
7 *proceed to the consideration of the Commission*
8 *bill is highly privileged in the House of Rep-*
9 *resentatives and is privileged in the Senate and*
10 *is not debatable. The motion is not subject to*
11 *amendment, to a motion to postpone consider-*
12 *ation of the Commission bill, or to a motion to*
13 *proceed to the consideration of other business. A*
14 *motion to reconsider the vote by which the mo-*
15 *tion to proceed is agreed to or not agreed to shall*
16 *not be in order. If the motion to proceed is*
17 *agreed to, the Senate or the House of Representa-*
18 *tives, as the case may be, shall immediately pro-*
19 *ceed to consideration of the Commission bill*
20 *without intervening motion, order, or other busi-*
21 *ness, and the Commission bill shall remain the*
22 *unfinished business of the Senate or the House of*
23 *Representatives, as the case may be, until dis-*
24 *posed of.*

1 (C) *LIMITED DEBATE.*—*Debate on the Com-*
2 *mission bill and all amendments thereto and on*
3 *all debatable motions and appeals in connection*
4 *therewith shall be limited to not more than 50*
5 *hours, which shall be divided equally between*
6 *those favoring and those opposing committee*
7 *amendments to the Commission bill or the Com-*
8 *mission bill. A motion further to limit debate on*
9 *the Commission bill is in order and is not debat-*
10 *able. All time used for consideration of the Com-*
11 *mission bill, including time used for quorum*
12 *calls (except quorum calls immediately preceding*
13 *a vote) and voting, shall come from the 50 hours*
14 *of debate.*

15 (D) *AMENDMENTS.*—*No amendment that is*
16 *not germane to the provisions of committee*
17 *amendments to the Commission bill or the Com-*
18 *mission bill shall be in order in the Senate. All*
19 *amendments must comply with the requirements*
20 *of section 402(b)(4) of this subtitle. In the Sen-*
21 *ate, an amendment, any amendment to an*
22 *amendment, or any debatable motion or appeal*
23 *is debatable for not to exceed 1 hour to be di-*
24 *vided equally between those favoring and those*
25 *opposing the amendment, motion, or appeal.*

1 (E) *MOTION TO RECOMMIT.*—

2 (i) *VOTE.*—Upon expiration of time
3 for debate, the measure shall be recommitted
4 to committee for further consideration un-
5 less by a $\frac{3}{5}$ vote of the Members, duly cho-
6 sen and sworn, the Senate agrees to proceed
7 to final passage.

8 (ii) *RECOMMITAL.*—If the bill is re-
9 committed to committee under clause (i),
10 any new amendments to the Commission
11 bill shall be considered under the provisions
12 of section 403(b).

13 (F) *VOTE ON FINAL PASSAGE.*—Imme-
14 diately following the conclusion of the debate the
15 Commission bill, the disposition of any pending
16 amendments under subparagraph (D), a motion
17 to recommit under subparagraph (E), and a re-
18 quest to establish the presence of a quorum, the
19 vote on final passage of the Commission bill shall
20 occur.

21 (G) *OTHER MOTIONS NOT IN ORDER.*—A
22 motion to postpone consideration of committee
23 amendments to the Commission bill or the Com-
24 mission bill, or a motion to proceed to the con-
25 sideration of other business is not in order. A

1 *motion to reconsider the vote by which the Com-*
2 *mission bill is agreed to or not agreed to is not*
3 *in order.*

4 (2) *CONSIDERATION BY OTHER HOUSE.—If, be-*
5 *fore the passage by one House of the Commission bill*
6 *that was introduced in such House, such House re-*
7 *ceives from the other House a Commission bill as*
8 *passed by such other House—*

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

13 (B) *the procedure in the House in receipt of*
14 *the Commission bill of the other House, with re-*
15 *spect to the Commission bill that was introduced*
16 *in the House in receipt of the Commission bill*
17 *of the other House, shall be the same as if no*
18 *Commission bill had been received from the other*
19 *House; and*

20 (C) *notwithstanding subparagraph (B), the*
21 *vote on final passage shall be on the Commission*
22 *bill of the other House.*

23 *Upon disposition of a Commission bill that is re-*
24 *ceived by one House from the other House, it shall no*

1 *longer be in order to consider the Commission bill*
2 *that was introduced in the receiving House.*

3 (3) *CONSIDERATION IN CONFERENCE.—*

4 (A) *CONVENING OF CONFERENCE.—Immediately*
5 *upon final passage of a Commission bill*
6 *that results in a disagreement between the two*
7 *Houses of Congress with respect to a Commission*
8 *bill, conferees shall be appointed and a con-*
9 *ference convened.*

10 (B) *ACTION ON CONFERENCE REPORTS IN*
11 *THE SENATE.—*

12 (i) *MOTION TO PROCEED.—The motion*
13 *to proceed to consideration in the Senate of*
14 *the conference report on a Commission bill*
15 *may be made even though a previous mo-*
16 *tion to the same effect has been disagreed to.*

17 (ii) *DEBATE.—During the consider-*
18 *ation in the Senate of the conference report*
19 *(including a message between Houses) on a*
20 *Commission bill, and all amendments in*
21 *disagreement, including all amendments*
22 *thereto, and debatable motions and appeals*
23 *in connection therewith, consideration shall*
24 *be limited to 20 hours, equally divided and*
25 *controlled by the majority leader and the*

1 *minority leader or their designees. Debate*
2 *on any debatable motion or appeal related*
3 *to the conference report (or a message be-*
4 *tween Houses) shall be limited to 1 hour, to*
5 *be equally divided between, and controlled*
6 *by, the mover and the manager of the con-*
7 *ference report (or a message between*
8 *Houses).*

9 *(iii) MOTION TO RECOMMIT.—*

10 *(I) VOTE.—Upon expiration of*
11 *time for debate, the conference report*
12 *and any amendments in disagreement*
13 *shall be recommitted to committee for*
14 *further consideration unless by a $\frac{3}{5}$*
15 *vote of the Senate, duly chosen and*
16 *sworn, the Senate agrees to proceed to*
17 *final passage.*

18 *(II) RECOMMITAL.—If the con-*
19 *ference report is recommitted under*
20 *subclause (I), the conference report ac-*
21 *companying the bill shall be recommit-*
22 *ted to the Conference Committee or it*
23 *shall be in order for the Senate to im-*
24 *mediately proceed without intervening*

1 *action to consideration of a motion for*
2 *a new conference.*

3 *(iv) CONFERENCE REPORT DE-*
4 *FEATED.—Should the conference report be*
5 *defeated, debate on any request for a new*
6 *conference and the appointment of conferees*
7 *shall be limited to 1 hour, to be equally di-*
8 *vided between, and controlled by, the man-*
9 *ager of the conference report and the minor-*
10 *ity leader or the minority leader's designee,*
11 *and should any motion be made to instruct*
12 *the conferees before the conferees are named,*
13 *debate on such motion shall be limited to 1/2*
14 *hour, to be equally divided between, and*
15 *controlled by, the mover and the manager of*
16 *the conference report. Debate on any*
17 *amendment to any such instructions shall*
18 *be limited to 20 minutes, to be equally di-*
19 *vided between and controlled by the mover*
20 *and the manager of the conference report.*
21 *In all cases when the manager of the con-*
22 *ference report is in favor of any motion, ap-*
23 *peal, or amendment, the time in opposition*
24 *shall be under the control of the minority*
25 *leader or the minority leader's designee.*

1 (v) *AMENDMENTS IN DISAGREEE-*
2 *MENT.—In any case in which there are*
3 *amendments in disagreement, time on each*
4 *amendment shall be limited to 30 minutes,*
5 *to be equally divided between, and con-*
6 *trolled by, the manager of the conference re-*
7 *port and the minority leader or the minor-*
8 *ity leader’s designee. No amendment that is*
9 *not germane to the provisions of such*
10 *amendments shall be received.*

11 (c) *RULES OF THE SENATE AND THE HOUSE OF REP-*
12 *RESENTATIVES.—This section is enacted by Congress—*

13 (1) *as an exercise of the rulemaking power of the*
14 *Senate and the House of Representatives, respectively,*
15 *and is deemed to be part of the rules of each House,*
16 *respectively, but applicable only with respect to the*
17 *procedure to be followed in that House in the case of*
18 *a Commission bill, and it supersedes other rules only*
19 *to the extent that it is inconsistent with such rules;*
20 *and*

21 (2) *with full recognition of the constitutional*
22 *right of either House to change the rules (so far as*
23 *they relate to the procedure of that House) at any*
24 *time, in the same manner, and to the same extent as*
25 *in the case of any other rule of that House.*

1 **Subtitle B—Commission on Con-**
2 **gressional Budgetary Account-**
3 **ability and Review of Federal**
4 **Agencies**

5 **SEC. 411. DEFINITIONS.**

6 *In this subtitle:*

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

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

10 (B) *the Executive Office of the President.*

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

15 (3) *COMMISSION BILL.*—The term “Commission
16 *bill” means only a bill which is introduced as pro-*
17 *vided under section 416, and contains the proposed*
18 *legislation included in the report submitted to Con-*
19 *gress under section 413(b)(3), without modification.*

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

22 **SEC. 412. ESTABLISHMENT OF COMMISSION.**

23 (a) *ESTABLISHMENT.*—There is established the Com-
24 *mission on Congressional Budgetary Accountability and*

1 *Review of Federal Agencies (referred to in this subtitle as*
2 *the “Commission”).*

3 (b) *MEMBERSHIP.—*

4 (1) *IN GENERAL.—The Commission shall consist*
5 *of 15 members, of which, not later than 30 days after*
6 *the date of enactment of this Act—*

7 (A) *3 shall be appointed by the President;*

8 (B) *3 shall be appointed by the majority*
9 *leader of the Senate;*

10 (C) *3 shall be appointed by the minority*
11 *leader of the Senate;*

12 (D) *3 shall be appointed by the Speaker of*
13 *the House of Representatives; and*

14 (E) *3 shall be appointed by the minority*
15 *leader of the House of Representatives.*

16 (2) *CHAIRPERSON AND VICE CHAIRPERSON.—The*
17 *President shall designate a Chairperson and Vice*
18 *Chairperson from among the members of the Commis-*
19 *sion. The Chairperson and the Vice Chairperson may*
20 *not be affiliated with the same political party.*

21 (c) *TIMING.—Members of the Commission shall be ap-*
22 *pointed by not later than 30 days after the date of enact-*
23 *ment of this Act.*

24 (d) *PERIOD OF APPOINTMENT; VACANCIES.—Members*
25 *shall be appointed for the life of the Commission. Any va-*

1 *cancy in the Commission shall not affect its powers, but*
2 *shall be filled in the same manner as the original appoint-*
3 *ment.*

4 *(e) MEETINGS.—*

5 *(1) INITIAL MEETING.—Not later than 30 days*
6 *after the date on which all members of the Commis-*
7 *sion have been appointed, the Commission shall hold*
8 *its first meeting.*

9 *(2) SUBSEQUENT MEETINGS.—The Commission*
10 *shall meet at the call of the chairperson.*

11 *(f) QUORUM.—A majority of the members of the Com-*
12 *mission shall constitute a quorum, but a lesser number of*
13 *members may hold hearings.*

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

15 *(a) SYSTEMATIC ASSESSMENT OF PROGRAMS BY THE*
16 *PRESIDENT.—*

17 *(1) IN GENERAL.—Not later than 1 year after*
18 *the date of enactment of this Act and each of the next*
19 *3 years thereafter, the President shall—*

20 *(A) establish a systematic method for assess-*
21 *ing the effectiveness and accountability of agency*
22 *programs in accordance with paragraph (2) and*
23 *divide the programs into 4 approximately equal*
24 *budgetary parts based on the size of the budget*

1 *and number of personnel of the agency program;*
2 *and*

3 *(B) submit, to the Commission each year,*
4 *an assessment of the programs within each part*
5 *(one each year) that use the method established*
6 *under subparagraph (A).*

7 (2) *METHOD OBJECTIVES.—The method estab-*
8 *lished under paragraph (1) shall—*

9 *(A) recognize different types of Federal pro-*
10 *grams;*

11 *(B) assess programs based on the achieve-*
12 *ment of performance goals (as defined under sec-*
13 *tion 1115(g)(4) of title 31, United States Code);*

14 *(C) assess programs based in part on the*
15 *adequacy of the program's performance meas-*
16 *ures, financial management, and other factors*
17 *determined by the President;*

18 *(D) assess programs based in part on*
19 *whether the program has fulfilled the legislative*
20 *intent surrounding the creation of the program,*
21 *taking into account any change in legislative in-*
22 *tent during the program's existence; and*

23 *(E) assess programs based in part on col-*
24 *laborative analysis, with the program or agency,*

1 *of program policy and goals which may not fit*
2 *into easily measurable performance goals.*

3 (3) *COMMON PERFORMANCE MEASURES.—Not*
4 *later than 1 year after the date of enactment of this*
5 *Act, the President shall identify common performance*
6 *measures for programs covered in paragraph (1) that*
7 *have similar functions and, to the extent feasible, pro-*
8 *vide the Commission with data on such performance*
9 *measures.*

10 (b) *EVALUATION AND PLAN BY COMMISSION.—*

11 (1) *DEVELOPMENT.—The method established*
12 *under subsection (a) shall be subject to review and*
13 *change by the Commission. If the Commission makes*
14 *any changes in the method, the Commission shall no-*
15 *tify Congress not later than 1 year after reviewing the*
16 *first assessment from the President under this section.*

17 (2) *CONSIDERATION OF ASSESSMENTS.—The*
18 *Commission shall consider assessments submitted*
19 *under subsection (a) when evaluating programs under*
20 *this subsection.*

21 (3) *ASSESSMENT AND LEGISLATION.—*

22 (A) *IN GENERAL.—The Commission shall—*
23 (i) *evaluate all agencies and programs*
24 *within those agencies in each unit identified*
25 *in the systemic assessment under subsection*

1 (a) (one each year over the next 4 years),
2 using the criteria under subsection (a) sub-
3 ject to modification under paragraph (1);
4 and

5 (ii) submit to Congress each of the next
6 4 years beginning January 1, 2008, with
7 respect to each evaluation under clause
8 (i)—

9 (I) a plan with recommendations
10 of the agencies and programs that
11 should be realigned or eliminated with-
12 in each part; and

13 (II) proposed legislation to imple-
14 ment the plan described under sub-
15 clause (I).

16 (B) *RELOCATION OF FEDERAL EMPLOY-*
17 *EES.—The proposed legislation under subpara-*
18 *graph (A) shall provide that if the position of an*
19 *employee of an agency is eliminated as a result*
20 *of the implementation of the plan under sub-*
21 *paragraph (A)(i), the affected agency shall make*
22 *reasonable efforts to relocate such employee to*
23 *another position within the agency or within an-*
24 *other Federal agency.*

25 (4) *CRITERIA.—*

1 (A) *DUPLICATIVE.*—If 2 or more agencies or
2 programs are performing the same essential
3 function and the function can be consolidated or
4 streamlined into a single agency or program, the
5 Commission shall recommend that the agencies
6 or programs be realigned.

7 (B) *WASTEFUL OR INEFFICIENT.*—The
8 Commission may recommend the realignment or
9 elimination of any agency or program that has
10 wasted Federal funds by—

11 (i) *egregious spending;*

12 (ii) *mismanagement of resources and*
13 *personnel; or*

14 (iii) *use of such funds for personal ben-*
15 *efit or the benefit of a special interest group.*

16 (C) *OUTDATED, IRRELEVANT, OR FAILED.*—
17 The Commission shall recommend the elimi-
18 nation of any agency or program that—

19 (i) *has completed its intended purpose;*

20 (ii) *has become irrelevant; or*

21 (iii) *has failed to meet its objectives.*

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

23 (a) *HEARINGS.*—Subject to subsection (d), the chair-
24 person of the Commission, or his or her designee, may, for
25 the purpose of carrying out this subtitle—

1 (1) *hold such hearings, sit and act at such times*
2 *and places, take such testimony, receive such evidence,*
3 *and administer such oaths as the chairperson of the*
4 *Commission considers advisable;*

5 (2) *require, by subpoena or otherwise, the attend-*
6 *ance and testimony of such witnesses as the chair-*
7 *person of the Commission considers advisable; and*

8 (3) *require, by subpoena or otherwise, the pro-*
9 *duction of such books, records, correspondence, memo-*
10 *randa, papers, documents, tapes, and other evi-*
11 *dentiary materials relating to any matter under in-*
12 *vestigation by the Commission.*

13 **(b) Subpoenas.—**

14 **(1) Issuance.—**

15 **(A) In general.—***A subpoena may be issued*
16 *under this subsection only—*

17 *(i) by the agreement of the chairman*
18 *and the vice chairman of the Commission;*

19 *or*

20 *(ii) by the affirmative vote of 8 mem-*
21 *bers of the Commission.*

22 **(B) Signature.—***Subpoenas issued under*
23 *this subsection (a) may be issued under the sig-*
24 *nature of the chairman of the Commission and*
25 *may be served by any person designated by the*

1 *chairman or by a member designated by a ma-*
2 *jority of the Commission.*

3 (2) *ENFORCEMENT.*—*In the case of contumacy or*
4 *failure to obey a subpoena issued under subsection*
5 *(a), the United States district court for the judicial*
6 *district in which the subpoenaed person resides, is*
7 *served, or may be found, may issue an order requir-*
8 *ing such person to appear at any designated place to*
9 *testify or to produce documentary or other evidence.*
10 *Any failure to obey the order of the court may be*
11 *punished by the court as a contempt of that court.*

12 (c) *TECHNICAL ASSISTANCE.*—*Upon the request of the*
13 *Commission, the head of a Federal agency shall provide*
14 *such technical assistance to the Commission as the Commis-*
15 *sion determines to be necessary to carry out its duties.*

16 (d) *INFORMATION.*—

17 (1) *IN GENERAL.*—*The Commission shall have*
18 *reasonable access to budgetary, performance or pro-*
19 *grammatic materials, resources, statistical data, and*
20 *other information the Commission determines to be*
21 *necessary to carry out its duties from the Congres-*
22 *sional Budget Office, and other agencies and rep-*
23 *resentatives of the executive and legislative branches*
24 *of the Federal Government. The Chairpersons shall*

1 *make requests for such access in writing when nec-*
2 *essary.*

3 (2) *RECEIPT, HANDLING, STORAGE, AND DIS-*
4 *SEMINATION OF INFORMATION.—Information shall*
5 *only be received, handled, stored, and disseminated by*
6 *members of the Commission and its staff consistent*
7 *with all applicable statutes, regulations, and Execu-*
8 *tive orders.*

9 (3) *LIMITATION OF ACCESS TO PERSONAL TAX*
10 *INFORMATION.—Information requested, subpoenaed,*
11 *or otherwise accessed under this subtitle shall not in-*
12 *clude tax data from the United States Internal Rev-*
13 *enue Service, the release of which would otherwise be*
14 *in violation of law.*

15 (e) *RECEIPT, HANDLING, STORAGE, AND DISSEMINA-*
16 *TION OF INFORMATION.—Information shall only be re-*
17 *ceived, handled, stored, and disseminated by members of the*
18 *Commission and its staff consistent with all applicable stat-*
19 *utes, regulations, and Executive orders.*

20 (f) *POSTAL SERVICES.—The Commission may use the*
21 *United States mails in the same manner and under the*
22 *same conditions as other departments and agencies of the*
23 *Federal Government.*

24 **SEC. 415. COMMISSION PERSONNEL MATTERS.**

25 (a) *COMPENSATION OF MEMBERS.—*

1 (1) *NON-FEDERAL MEMBERS.*—*Except as pro-*
2 *vided under subsection (b), each member of the Com-*
3 *mission who is not an officer or employee of the Fed-*
4 *eral Government shall not be compensated.*

5 (2) *FEDERAL OFFICERS OR EMPLOYEES.*—*All*
6 *members of the Commission who are officers or em-*
7 *ployees of the United States shall serve without com-*
8 *ensation in addition to that received for their serv-*
9 *ices as officers or employees of the United States.*

10 (b) *TRAVEL EXPENSES.*—*The members of the Commis-*
11 *sion shall be allowed travel expenses, including per diem*
12 *in lieu of subsistence, at rates authorized for employees of*
13 *agencies under subchapter I of chapter 57 of title 5, United*
14 *States Code, while away from their homes or regular places*
15 *of business in the performance of services for the Commis-*
16 *sion.*

17 (c) *STAFF.*—

18 (1) *IN GENERAL.*—*With the approval of the ma-*
19 *jority of the Commission, the chairperson of the Com-*
20 *mission may, appoint an executive director and such*
21 *other additional personnel as may be necessary to en-*
22 *able the Commission to perform its duties. The em-*
23 *ployment of an executive director shall be subject to*
24 *confirmation by the Commission.*

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

11 (3) *PERSONNEL AS FEDERAL EMPLOYEES.*—

12 (A) *IN GENERAL.*—The executive director
13 and any personnel of the Commission who are
14 employees shall be employees under section 2105
15 of title 5, United States Code, for purposes of
16 chapters 63, 81, 83, 84, 85, 87, 89, 89A, 89B,
17 and 90 of that title.

18 (B) *MEMBERS OF COMMISSION.*—Subpara-
19 graph (A) shall not be construed to apply to
20 members of the Commission.

21 (d) *DETAIL OF GOVERNMENT EMPLOYEES.*—Any Fed-
22 eral Government employee may be detailed to the Commis-
23 sion without reimbursement from the Commission, and such
24 detail shall be without interruption or loss of civil service
25 status or privilege.

1 (e) *PROCUREMENT OF TEMPORARY AND INTERMIT-*
2 *TENT SERVICES.*—*With the approval of the majority of the*
3 *Commission, the chairperson of the Commission may pro-*
4 *cure temporary and intermittent services under section*
5 *3109(b) of title 5, United States Code, at rates for individ-*
6 *uals which do not exceed the daily equivalent of the annual*
7 *rate of basic pay prescribed for level V of the Executive*
8 *Schedule under section 5316 of such title.*

9 **SEC. 416. EXPEDITED CONSIDERATION OF REFORM PRO-**
10 **POSALS.**

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

13 (1) *INTRODUCTION.*—*The Commission bill lan-*
14 *guage provisions submitted pursuant to section*
15 *413(b)(3) shall be introduced in the Senate by the*
16 *majority leader, or the majority leader's designee, and*
17 *in the House of Representatives, by the Speaker, or*
18 *the Speaker's designee. Upon such introduction, the*
19 *Commission bill shall be referred to the appropriate*
20 *committees of Congress under paragraph (2). If the*
21 *Commission bill is not introduced in accordance with*
22 *the preceding sentence, then any member of Congress*
23 *may introduce the Commission bill in their respective*
24 *House of Congress beginning on the date that is the*
25 *5th calendar day that such House is in session fol-*

1 *lowing the date of the submission of such aggregate*
2 *legislative language provisions.*

3 (2) *COMMITTEE CONSIDERATION.—*

4 (A) *REFERRAL.—A Commission bill intro-*
5 *duced under paragraph (1) shall be referred to*
6 *any appropriate committee of jurisdiction in the*
7 *Senate, any appropriate committee of jurisdic-*
8 *tion in the House of Representatives, the Com-*
9 *mittee on the Budget of the Senate and the Com-*
10 *mittee on the Budget of the House of Representa-*
11 *tives. A committee to which a Commission bill is*
12 *referred under this paragraph may review and*
13 *comment on such bill, may report such bill to the*
14 *respective House, and may not amend such bill.*

15 (B) *REPORTING.—Not later than 30 cal-*
16 *endar days after the introduction of the Commis-*
17 *sion bill, each Committee of Congress to which*
18 *the Commission bill was referred shall report the*
19 *bill.*

20 (C) *DISCHARGE OF COMMITTEE.—If a com-*
21 *mittee to which is referred a Commission bill has*
22 *not reported such Commission bill at the end of*
23 *30 calendar days after its introduction or at the*
24 *end of the first day after there has been reported*
25 *to the House involved a Commission bill, which-*

1 *ever is earlier, such committee shall be deemed to*
2 *be discharged from further consideration of such*
3 *Commission bill, and such Commission bill shall*
4 *be placed on the appropriate calendar of the*
5 *House involved.*

6 **(b) EXPEDITED PROCEDURE.—**

7 **(1) CONSIDERATION.—**

8 **(A) IN GENERAL.—***Not later than 7 cal-*
9 *endar days after the date on which a committee*
10 *has reported a Commission bill or been dis-*
11 *charged from consideration of a Commission bill,*
12 *the majority leader of the Senate, or the majority*
13 *leader's designee, or the Speaker of the House of*
14 *Representatives, or the Speaker's designee, shall*
15 *move to proceed to the consideration of the Com-*
16 *mission bill. It shall also be in order for any*
17 *member of the Senate or the House of Represent-*
18 *atives, respectively, to move to proceed to the*
19 *consideration of the Commission bill at any time*
20 *after the conclusion of such 7-day period.*

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

1 *ment, to a motion to postpone consideration of*
2 *the Commission bill, or to a motion to proceed*
3 *to the consideration of other business. A motion*
4 *to reconsider the vote by which the motion to*
5 *proceed is agreed to or not agreed to shall not be*
6 *in order. If the motion to proceed is agreed to,*
7 *the Senate or the House of Representatives, as*
8 *the case may be, shall immediately proceed to*
9 *consideration of the Commission bill without in-*
10 *tervening motion, order, or other business, and*
11 *the Commission bill shall remain the unfinished*
12 *business of the Senate or the House of Represent-*
13 *atives, as the case may be, until disposed of.*

14 (C) *LIMITED DEBATE.*—*Debate on the Com-*
15 *mission bill and on all debatable motions and*
16 *appeals in connection therewith shall be limited*
17 *to not more than 10 hours, which shall be di-*
18 *vided equally between those favoring and those*
19 *opposing the Commission bill. A motion further*
20 *to limit debate on the Commission bill is in*
21 *order and is not debatable. All time used for con-*
22 *sideration of the Commission bill, including time*
23 *used for quorum calls (except quorum calls im-*
24 *mediately preceding a vote) and voting, shall*
25 *come from the 10 hours of debate.*

1 (D) *AMENDMENTS.*—No amendment to the
2 Commission bill shall be in order in the Senate
3 and the House of Representatives.

4 (E) *VOTE ON FINAL PASSAGE.*—Immediately following the conclusion of the debate on
5 the Commission bill, the vote on final passage of
6 the Commission bill shall occur.

8 (F) *OTHER MOTIONS NOT IN ORDER.*—A
9 motion to postpone consideration of the Commis-
10 sion bill, a motion to proceed to the consider-
11 ation of other business, or a motion to recommit
12 the Commission bill is not in order. A motion to
13 reconsider the vote by which the Commission bill
14 is agreed to or not agreed to is not in order.

15 (2) *CONSIDERATION BY OTHER HOUSE.*—If, be-
16 fore the passage by one House of the Commission bill
17 that was introduced in such House, such House re-
18 ceives from the other House a Commission bill as
19 passed by such other House—

20 (A) the Commission bill of the other House
21 shall not be referred to a committee and may
22 only be considered for final passage in the House
23 that receives it under subparagraph (C);

24 (B) the procedure in the House in receipt of
25 the Commission bill of the other House, with re-

1 *spect to the Commission bill that was introduced*
 2 *in the House in receipt of the Commission bill*
 3 *of the other House, shall be the same as if no*
 4 *Commission bill had been received from the other*
 5 *House; and*

6 *(C) notwithstanding subparagraph (B), the*
 7 *vote on final passage shall be on the Commission*
 8 *bill of the other House.*

9 *Upon disposition of a Commission bill that is re-*
 10 *ceived by one House from the other House, it shall no*
 11 *longer be in order to consider the Commission bill*
 12 *that was introduced in the receiving House.*

13 *(c) RULES OF THE SENATE AND THE HOUSE OF REP-*
 14 *RESENTATIVES.—This section is enacted by Congress—*

15 *(1) as an exercise of the rulemaking power of the*
 16 *Senate and the House of Representatives, respectively,*
 17 *and is deemed to be part of the rules of each House,*
 18 *respectively, but applicable only with respect to the*
 19 *procedure to be followed in that House in the case of*
 20 *a Commission bill, and it supersedes other rules only*
 21 *to the extent that it is inconsistent with such rules;*
 22 *and*

23 *(2) with full recognition of the constitutional*
 24 *right of either House to change the rules (so far as*
 25 *they relate to the procedure of that House) at any*

1 *time, in the same manner, and to the same extent as*
 2 *in the case of any other rule of that House.*

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

4 *The Commission shall terminate 90 days after the date*
 5 *on which the Commission submits the final evaluation and*
 6 *plan report under section 413.*

7 **SEC. 418. AUTHORIZATION OF APPROPRIATIONS.**

8 *There are authorized to be appropriated such sums as*
 9 *may be necessary for carrying out this Act for each of the*
 10 *fiscal years 2007 through 2011.*

11 **TITLE V—BUDGET PROCESS**
 12 **REFORMS**

13 **SEC. 501. DEFINITIONS.**

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

16 (1) *redesignating paragraphs (3) through (10) as*
 17 *paragraphs (7) through (14), respectively;*

18 (2) *adding after paragraph (3) the following:*

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

21 “(A) *budget authority provided by law other*
 22 *than appropriation Acts;*

23 “(B) *mandatory spending provided in ap-*
 24 *propriation Acts; and*

25 “(C) *entitlement authority.*

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

5 “(5) *GOVERNMENTAL RECEIPTS.*—*The term ‘gov-*
6 *ernmental receipts’ means revenue or collections from*
7 *the public based on the government’s exercise of its*
8 *sovereign powers, including but not limited to indi-*
9 *vidual and corporate income taxes, social insurance*
10 *taxes, customs, fines, compulsory license fees, deposits*
11 *of earnings by the Federal Reserve System, duties,*
12 *tariffs, other fees, miscellaneous receipts, gifts, and*
13 *contributions.*

14 “(6) *SECONDARY OR INDIRECT EFFECTS.*—*The*
15 *term ‘secondary or indirect effects’ means changes in*
16 *direct spending or government receipts other than the*
17 *direct, observable effects of changes in legislation on*
18 *related accounts, including—*

19 “(A) *the impact of changes in spending leg-*
20 *islation on Federal tax receipts or the impact of*
21 *changes in Federal tax laws on total Federal*
22 *spending; or*

23 “(B) *the impacts on spending or govern-*
24 *ment receipts if there is no statutory connection*
25 *or established interaction between a legislative*

1 *proposal and its impact on the operation of cur-*
2 *rent law.”; and*

3 *(3) adding at the end the following:*

4 *“(15) BUDGET YEAR.—The term ‘budget year’*
5 *means, with respect to a session of Congress, the fiscal*
6 *year of the Government that starts on October 1 of the*
7 *calendar year in which that session begins.*

8 *“(16) 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 **SEC. 502. ANNUAL CONCURRENT RESOLUTION ON THE**
12 **BUDGET.**

13 *Section 301 of the Congressional Budget Act of 1974*
14 *(2 U.S.C. 632) is amended—*

15 *(1) in subsection (a)—*

16 *(A) in paragraph (2), by striking “Federal*
17 *revenues” both places it appears and inserting*
18 *“governmental receipts”;*

19 *(B) in paragraph (4), by striking “major*
20 *functional category” and inserting “standing, se-*
21 *lect, or special committee of the House of Rep-*
22 *resentatives and the Senate, as appropriate,”;*

23 *(C) in paragraphs (6) and (7), by striking*
24 *“For” and inserting “for”; and*

1 (D) in the matter following paragraph (7),
2 by striking “old age” and inserting “old-age”;

3 (2) in subsection (b)—

4 (A) in paragraph (3), by striking “entitle-
5 ment authority” and inserting “direct spend-
6 ing”; and

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

12 (3) in subsection (d)—

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

16 (B) in the first sentence, by striking “its
17 views” and inserting “its specific recommenda-
18 tions for changes in law within the jurisdiction
19 of the committee making the submission that re-
20 sult in deficit reduction and its views”; and

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

23 (4) in subsection (e)—

24 (A) in paragraph (2)—

1 (i) by redesignating subparagraphs (B)
2 through (D) as subparagraphs (C) through
3 (E), respectively;

4 (ii) by redesignating subparagraphs
5 (E) and (F) as subparagraphs (G) and (H),
6 respectively;

7 (iii) by inserting after subparagraph
8 (A) the following:

9 “(B) with respect to the Committee on Ap-
10 propriations of the House of Representatives and
11 Senate, an estimate of total new budget author-
12 ity and total outlays with the estimates divided
13 between discretionary and mandatory amounts”;
14 and

15 (iv) by adding after subparagraph (E),
16 as redesignated, the following:

17 “(F) with respect to each standing, select, or
18 special committee of the House of Representatives
19 and Senate, an estimate of governmental receipts
20 within the jurisdiction of that committee;” and

21 (B) in paragraph (3)(B), by—

22 (i) striking “Federal revenues” and in-
23 serting “governmental receipts”; and

24 (ii) striking “such revenues” and in-
25 sert “such governmental receipts”.

1 **SEC. 503. COMMITTEE ALLOCATIONS.**

2 *Section 302 of the Congressional Budget Act of 1974*
3 *(2 U.S.C. 633(a)) is amended—*

4 *(1) in subsection (a), by striking paragraph (3)*
5 *and inserting the following:*

6 *“(3) FURTHER DIVISION OF AMOUNTS IN THE*
7 *HOUSE.—The amounts allocated to each committee of*
8 *the House of Representatives for each fiscal year,*
9 *other than the Committee on Appropriations, shall be*
10 *further divided between amounts provided or required*
11 *by law on the date of filing of that conference report*
12 *and amounts not so provided or required. The*
13 *amounts allocated to the Committee on Appropria-*
14 *tions shall be further divided between discretionary*
15 *and mandatory amounts or programs, as appro-*
16 *priate.”; and*

17 *(2) in subsection (g)(2), by striking “committee”*
18 *and inserting “Committee”.*

19 **SEC. 504. BUDGET RESOLUTION ADOPTION.**

20 *Section 303(a) of the Congressional Budget Act of 1974*
21 *(2 U.S.C. 634(a)) is amended to read as follows:*

22 *“(a) IN GENERAL.—Beginning on the first day of a*
23 *new session of Congress, and until the concurrent resolution*
24 *for the fiscal year beginning in October of the year the new*
25 *session of Congress begins has been agreed to, it shall not*
26 *be in order to consider with respect to the budget year cov-*

1 *ered by that resolution, any bill or joint resolution, amend-*
 2 *ment or motion thereto, or conference report thereon that—*

3 “(1) *provides budget authority for the budget*
 4 *year;*

5 “(2) *provides an increase or decrease in govern-*
 6 *mental receipts during the budget year;*

7 “(3) *provides an increase or decrease in the pub-*
 8 *lic debt limit for the budget year;*

9 “(4) *in the Senate only, provides new direct*
 10 *spending for the budget year; or*

11 “(5) *in the Senate only, provides for an increase*
 12 *or decrease in outlays for the budget year.”.*

13 **SEC. 505. CONSIDERATION OF THE BUDGET RESOLUTION.**

14 *Section 305 of the Congressional Budget Act of 1974*
 15 *(2 U.S.C. 636) is amended by—*

16 (1) *redesignating subsection (d) as subsection (e);*
 17 *and*

18 (2) *striking subsections (b) and (c) and inserting*
 19 *the following:*

20 “(b) *PROCEDURE IN SENATE AFTER REPORT OF COM-*
 21 *MITTEE; CONSIDERATION; AMENDMENTS.—*

22 “(1) *Consideration in the Senate on any concur-*
 23 *rent resolution on the budget, and all amendments*
 24 *thereto and debatable motions and appeals in connec-*
 25 *tion therewith, shall be limited to not more than 50*

1 *hours, except that with respect to any concurrent reso-*
2 *lution referred to in section 304 all such debate shall*
3 *be limited to not more than 15 hours. The time shall*
4 *be equally divided between, and controlled by, the ma-*
5 *jority leader and the minority leader or their des-*
6 *ignees.*

7 *“(2) Debate in the Senate on any amendment to*
8 *a concurrent resolution on the budget shall be limited*
9 *to 2 hours, to be equally divided between, and con-*
10 *trolled by, the mover and the manager of the concur-*
11 *rent resolution, and debate on any amendment to an*
12 *amendment, debatable motion, or appeal shall be lim-*
13 *ited to 1 hour to be equally divided between, and con-*
14 *trolled by, the mover and the manager of the concur-*
15 *rent resolution, except that in the event the manager*
16 *of the concurrent resolution is in favor of any such*
17 *amendment, motion, or appeal, the time in opposition*
18 *thereto shall be controlled by the minority leader or*
19 *his designee. No dilatory motion, or dilatory amend-*
20 *ment shall be in order. Amendments that are not ger-*
21 *mane to the provisions of such concurrent resolution*
22 *shall not be in order. For the purpose of this Act,*
23 *amendments that are predominantly precatory shall*
24 *not be in order. Such managers, or either leader,*
25 *may, from the time under their control on the consid-*

1 *eration of the concurrent resolution, allot additional*
2 *time to any Senator during the consideration of any*
3 *amendment, debatable motion, or appeal.*

4 *“(3) Following the presentation of opening state-*
5 *ments on the concurrent resolution on the budget for*
6 *a fiscal year by the chairman and ranking minority*
7 *member of the Committee on the Budget of the Senate,*
8 *there shall be a period of up to 4 hours for debate on*
9 *economic goals and policies.*

10 *“(4) Subject to the other limitations of this Act,*
11 *only if a concurrent resolution on the budget reported*
12 *by the Committee on the Budget of the Senate sets*
13 *forth the economic goals (as described in sections*
14 *3(a)(2) and 4(b) of the Employment Act of 1946)*
15 *which the estimates, amounts, and levels (as described*
16 *in section 301(a)) set forth in such resolution are de-*
17 *signed to achieve, shall it be in order to offer to such*
18 *resolution an amendment relating to such goals, and*
19 *such amendment shall be in order only if it also pro-*
20 *poses to alter such estimates, amounts, and levels in*
21 *germane fashion in order to be consistent with the*
22 *goals proposed in such amendment.*

23 *“(5) A motion to further limit consideration is*
24 *not debatable. A motion to recommit (except a motion*
25 *to recommit with instructions to report back within*

1 *a specified number of days, not to exceed 3, not count-*
2 *ing any day on which the Senate is not in session)*
3 *is not in order. Debate on any such motion to recom-*
4 *mit shall be limited to 1 hour, to be equally divided*
5 *between, and controlled by, the mover and the man-*
6 *ager of the concurrent resolution.*

7 *“(6) Notwithstanding any other rule, an amend-*
8 *ment or series of amendments to a concurrent resolu-*
9 *tion on the budget proposed in the Senate shall al-*
10 *ways be in order if such amendment or series of*
11 *amendments proposes to change any figure or figures*
12 *then contained in such concurrent resolution so as to*
13 *make such concurrent resolution mathematically con-*
14 *sistent or so as to maintain such consistency.*

15 *“(c) REQUEST FOR CONFERENCE IN THE SENATE.—*
16 *Consideration of all motions in relation to a request for*
17 *a conference with the House of Representatives shall be lim-*
18 *ited to not more than 1 hour and debate on a motion to*
19 *instruct the conferees shall be limited to 20 minutes to be*
20 *equally divided between, and controlled by, the mover and*
21 *the manager of the concurrent resolution, except that in the*
22 *event the manager of the concurrent resolution is in favor*
23 *of any such amendment, motion, or appeal, the time in op-*
24 *position thereto shall be controlled by the minority leader*
25 *or his designee.*

1 “(d) *ACTION ON CONFERENCE REPORTS IN THE SEN-*
2 *ATE.*—

3 “(1) *A motion to proceed to the consideration of*
4 *the conference report on any concurrent resolution on*
5 *the budget (or a reconciliation bill or resolution) may*
6 *be made even though a previous motion to the same*
7 *effect has been disagreed to.*

8 “(2) *During the consideration in the Senate of a*
9 *conference report (including a message between*
10 *Houses) on any concurrent resolution on the budget,*
11 *including all amendments in disagreement, and all*
12 *amendments thereto, and debatable motions and ap-*
13 *peals in connection therewith, consideration shall be*
14 *limited to 10 hours, to be equally divided between,*
15 *and controlled by, the majority leader and minority*
16 *leader or their designees. Debate on any debatable mo-*
17 *tion or appeal related to the conference report (or a*
18 *message between Houses) shall be limited to 1 hour,*
19 *to be equally divided between, and controlled by, the*
20 *mover and the manager of the conference report (or*
21 *a message between Houses).*

22 “(3) *Should the conference report be defeated,*
23 *consideration of any request for a new conference and*
24 *the appointment of conferees shall be limited to 1*
25 *hour, to be equally divided between, and controlled by,*

1 *the manager of the conference report and the minority*
2 *leader or his designee, and should any motion be*
3 *made to instruct the conferees before the conferees are*
4 *named, debate on such motion shall be limited to 20*
5 *minutes, to be equally divided between, and controlled*
6 *by, the mover and the manager of the conference re-*
7 *port. Debate on any amendment to any such instruc-*
8 *tions shall be limited to 10 minutes, to be equally di-*
9 *vided between and controlled by the mover and the*
10 *manager of the conference report. In all cases when*
11 *the manager of the conference report is in favor of*
12 *any motion, appeal, or amendment, the time in oppo-*
13 *sition shall be under the control of the minority lead-*
14 *er or his designee.*

15 *“(4) In any case in which there are amendments*
16 *in disagreement, the time for debate on each amend-*
17 *ment shall be limited to 30 minutes, to be equally di-*
18 *vided between, and controlled by, the manager of the*
19 *conference report and the minority leader or his des-*
20 *ignee. No amendment that is not germane to the pro-*
21 *visions of such amendments shall be received.”.*

22 **SEC. 506. BUDGET PROJECTIONS.**

23 *Section 308(c) of the Congressional Budget Act of 1974*
24 *(2 U.S.C. 639(c)) is amended—*

1 (1) in paragraph (2), by striking “revenues” and
2 inserting “governmental receipts”; and

3 (2) in paragraph (4), by striking “entitlement”
4 and inserting “direct spending”.

5 **SEC. 507. RECONCILIATION.**

6 Section 310 of the Congressional Budget Act of 1974
7 (2 U.S.C. 641) is amended—

8 (1) in subsection (a), by striking paragraphs (1)
9 and (2) and inserting the following:

10 “(1) specify the total amount by which—

11 “(A) new budget authority;

12 “(B) budget authority;

13 “(C) new direct spending authority; and

14 “(D) governmental receipts other than in-
15 come taxes, estate and gift taxes, excise taxes or
16 payroll taxes, duties, or tariffs;

17 contained in laws, bills, and resolutions within the
18 jurisdiction of a committee is to be changed for any
19 of the fiscal years covered by the resolution and direct
20 that committee to determine and recommend changes
21 to accomplish a change of such total amount;

22 “(2) specify the total amount by which govern-
23 mental receipts including income taxes, estate and
24 gift taxes, excise taxes or social insurance taxes, mis-
25 cellaneous receipts, duties, or tariffs are to be changed

1 *and direct that the committees having jurisdiction to*
2 *determine and recommend changes in the govern-*
3 *mental receipt laws, bills, and resolutions to accom-*
4 *plish a change of such total amount;”;*

5 *(2) by striking subsection (b) and inserting the*
6 *following:*

7 *“(b) LEGISLATIVE PROCEDURE.—*

8 *“(1) If a conference report on a concurrent reso-*
9 *lution containing reconciliation instructions to 1 or*
10 *more committees to determine and recommend*
11 *changes in laws, bills, or resolutions is agreed to in*
12 *accordance with subsection (a)—*

13 *“(A) each such committee so instructed shall*
14 *promptly make such determination and rec-*
15 *ommendations and submit such recommenda-*
16 *tions to the Committee on the Budget of its*
17 *House, which upon receiving all such rec-*
18 *ommendations, shall report to its House rec-*
19 *onciliation legislation carrying out all such rec-*
20 *ommendations without any substantive revision;*
21 *and*

22 *“(B) in the event that any committee fails*
23 *to comply with its instruction, then the Commit-*
24 *tees on the Budget may report amendments rec-*
25 *ommending changes within the jurisdiction of*

1 *the noncompliant committee to achieve the*
2 *changes contained in the instruction.*

3 “(2) *For purposes of this subsection, a reconcili-*
4 *ation resolution is a concurrent resolution directing*
5 *the Clerk of the House of Representatives or the Sec-*
6 *retary of the Senate, as the case may be, to make*
7 *specified changes in bills and resolutions which have*
8 *not been enrolled.”;*

9 (3) *in subsection (c), by adding at the end the*
10 *following:*

11 “(3) *Secondary or indirect effects of the legislative rec-*
12 *ommendations submitted by any committee of the House*
13 *of Representatives or the Senate that is instructed pursuant*
14 *to a concurrent resolution on the budget, shall be attributed*
15 *to the committee proposing the change in law, but shall not*
16 *be considered for the purpose of determining compliance*
17 *with such instructions.”;*

18 (4) *by striking paragraphs (1) through (4) of*
19 *subsection (d) and inserting the following:*

20 “(1) *It shall not be in order in the House of Represent-*
21 *atives to consider any amendment to a reconciliation bill*
22 *or reconciliation resolution if such amendment would have*
23 *the effect of increasing any specific budget outlays above*
24 *the level of such outlays provided in the bill or resolution*
25 *(for the fiscal years covered by the reconciliation instruc-*

1 tions set forth in the most recently agreed to concurrent res-
2 olution on the budget), or would have the effect of reducing
3 any specific governmental receipts below the level of such
4 governmental receipts provided in the bill or resolution (for
5 such fiscal years), unless such amendment makes at least
6 an equivalent reduction in other specific budget outlays, an
7 equivalent increase in other specific governmental receipts,
8 or an equivalent combination thereof (for such fiscal years),
9 except that a motion to strike a provision providing new
10 budget authority or new entitlement authority may be in
11 order.

12 “(2) It shall not be in order in the Senate to consider
13 any amendment to a reconciliation bill or reconciliation
14 resolution if such amendment would have the effect of de-
15 creasing any specific budget outlay reductions below the
16 level of such outlay reductions provided (for the fiscal years
17 covered) in the reconciliation instructions which relate to
18 such bill or resolution set forth in a resolution providing
19 for reconciliation, or would have the effect of reducing gov-
20 ernmental receipts increases below the level of such increases
21 in such governmental receipts provided (for such fiscal
22 years) in such instructions relating to such bill or resolu-
23 tion, unless such amendment makes a reduction in other
24 specific budget outlays, an increase in other specific govern-
25 mental receipts, or a combination thereof (for such fiscal

1 years) at least equivalent to any increase in outlays or de-
 2 crease in governmental receipts provided by such amend-
 3 ment, except that a motion to strike a provision shall al-
 4 ways be in order.

5 “(3) Paragraphs (1) and (2) shall not apply if a dec-
 6 laration of war by the Congress is in effect.

7 “(4) For purposes of this section, the levels of budget
 8 authority, outlays, and governmental receipts for a fiscal
 9 year shall be determined on the basis of estimates made by
 10 the Committee on the Budget of the House of Representa-
 11 tives or of the Senate, as the case may be.”; and

12 (5) in subsection (e)—

13 (A) in paragraph (1), by inserting “, mo-
 14 tions in relation to a request for conference,”
 15 after “under subsection (b)”;

16 (B) in paragraph (2), by striking “Debate”
 17 and inserting “Consideration”.

18 **SEC. 508. BUDGETING LEVELS.**

19 Section 311(a) of the Congressional Budget Act of 1974
 20 (2 U.S.C.642(a)) is amended—

21 (1) in the matter after subparagraph (C) in
 22 paragraph (1), by striking “total revenues” and in-
 23 serting “total governmental receipts”; and

24 (2) in paragraph (2)(B), by striking “revenues”
 25 and inserting “governmental receipts”.

1 **SEC. 509. DETERMINATIONS AND POINTS OF ORDER.**

2 (a) *IN GENERAL.*—Section 312 of the Congressional
3 Budget Act of 1974 (2 U.S.C. 643) is amended—

4 (1) in subsection (a), by striking “revenues” and
5 inserting “governmental receipts”;

6 (2) by striking subsections (b) and (c);

7 (3) by redesignating subsections (d) through (f)
8 as subsections (b) through (d), respectively; and

9 (4) by adding at the end the following:

10 “(e) *CONGRESSIONAL BUDGET OFFICE SCORE FOR*
11 *CONFERENCE REPORTS.*—It shall not be in order to con-
12 sider a report of a committee of conference unless an official
13 written cost estimate or table by the Congressional Budget
14 Office is available at the time of consideration.”.

15 (b) *SUPERMAJORITY POINTS OF ORDER.*—Subsections
16 (c)(1) and (d)(2) of section 904 of the Congressional Budget
17 and Impoundment Control Act of 1974 (2 U.S.C. 621 note)
18 are amended by—

19 (1) inserting “312(e),” after “310(d)(2),”; and

20 (2) inserting “and section 223 of the Stop Over
21 Spending Act of 2006” after “of this Act”.

22 **SEC. 510. EXTRANEOUS MATTER IN RECONCILIATION LEG-**
23 **ISLATION.**

24 Section 313 of the Congressional Budget Act of 1974
25 (2 U.S.C. 644) is amended—

1 (1) *in subsection (a) by striking “or section*
2 *258C” through “1985”;*

3 (2) *in subsection (b), by—*

4 (A) *striking paragraph (1) and inserting*
5 *the following:*

6 “(1)(A) *Except as provided in paragraph (2), a provi-*
7 *sion of a reconciliation bill or reconciliation resolution con-*
8 *sidered pursuant to section 310 shall be considered extra-*
9 *neous if such provision does not produce a change in out-*
10 *lays or governmental receipts, including changes in outlays*
11 *and governmental receipts brought about by changes in the*
12 *terms and conditions under which outlays are made or gov-*
13 *ernmental receipts are required to be collected (but a provi-*
14 *sion in which outlay decreases or governmental receipts in-*
15 *creases exactly offset outlay increases or governmental re-*
16 *ceipts decreases shall not be considered extraneous by virtue*
17 *of this subparagraph); (B) except with respect to consider-*
18 *ation of conference reports, any provision producing an in-*
19 *crease in outlays or decrease in governmental receipts shall*
20 *be considered extraneous if the net effect of provisions re-*
21 *ported by the committee reporting the title containing the*
22 *provision is that the committee fails to achieve its reconcili-*
23 *ation instructions, or if the increase in outlays or decreases*
24 *in governmental receipts exceeds 20 percent of the total*
25 *change required in a committee’s instruction; (C) a provi-*

1 sion that is not in the jurisdiction of the Committee with
 2 jurisdiction over said title or provision shall be considered
 3 extraneous (except that amendments reported by the Com-
 4 mittee on the Budget to achieve compliance with reconcili-
 5 ation instructions shall not be extraneous); (D) a provision
 6 shall be considered to be extraneous if it increases, or would
 7 increase, net outlays, or if it decreases, or would decrease
 8 governmental receipts during a fiscal year after the fiscal
 9 years covered by such reconciliation bill or reconciliation
 10 resolution, and such increases or decreases are greater than
 11 outlay reductions or governmental receipts increases result-
 12 ing from other provisions in such title in such year; and
 13 (E) a provision shall be considered extraneous if it violates
 14 section 310(g).”; and

15 (B) adding at the end the following:

16 “(4) Technical and conforming provisions shall not be
 17 considered extraneous under this section.”; and

18 (3) in subsection (d)(1), by striking “(b)(1)(E),
 19 or (b)(1)(F)” and inserting “(b)(1)(E)”.

20 **SEC. 511. ADJUSTMENTS.**

21 Title III of the Congressional Budget Act of 1974 (2
 22 U.S.C. 621 et seq.) is amended by—

23 (1) striking section 314; and

24 (2) redesignating section 315 as section 314.

1 **SEC. 512. DIRECT SPENDING LIMITATION.**

2 *Title III of the Congressional Budget Act of 1974 (2*
3 *U.S.C. 621 et seq.) is amended by adding at the end the*
4 *following:*

5 *“DIRECT SPENDING LIMITATION*

6 *“SEC. 315. (a) IN GENERAL.—The chairman of the*
7 *Committee on the Budget of the Senate may submit to the*
8 *Senate a notification of a Medicare funding warning if the*
9 *chairman projects that within 7 years General Fund of the*
10 *Treasury contributions to Medicare funding, expressed as*
11 *a percentage of total Medicare outlays, will exceed 45 per-*
12 *cent.*

13 *“(b) POINT OF ORDER.—It shall not be in order to*
14 *consider any bill, joint resolution, amendment or conference*
15 *report that would cause any increase in direct spending,*
16 *net of proposals to change direct spending, receipts, or reve-*
17 *nues contained in the measure, if a Medicare Funding*
18 *warning has been submitted to the Senate pursuant to sub-*
19 *section (a) for 2 consecutive calendar years.*

20 *“(c) WAIVER.—This section may be waived or sus-*
21 *pending only by an affirmative vote of three-fifths of the*
22 *members, duly chosen and sworn.*

23 *“(d) APPEALS.—An affirmative vote of three-fifths of*
24 *the Members, duly chosen and sworn, shall be required to*
25 *sustain an appeal of the ruling of the Chair on a point*
26 *of order raised under this section.*

1 “(e) *DETERMINATIONS.*—*For the purposes of this sec-*
2 *tion, the determination of whether Medicare funding war-*
3 *rants a funding warning and when it may be appropriate*
4 *to withdraw such warning, as well as the levels of net direct*
5 *spending as required under subsection (b), shall be provided*
6 *by the chairman of the Committee on the Budget.*

7 “(f) *CANCELLATIONS.*—*If legislation is enacted to re-*
8 *duce the general fund contribution below 45 percent, as de-*
9 *termined by the chairman of the Committee on the Budget,*
10 *any notification of a Medicare funding warning is with-*
11 *drawn.”.*

12 **SEC. 513. APPROPRIATIONS REQUESTS OF THE PRESIDENT.**

13 *Section 1108(e) of title 31, United States Code, is*
14 *amended by striking “Congress or a” and inserting “Con-*
15 *gress and a”.*

Calendar No. 520

109TH CONGRESS
2^D SESSION

S. 3521

[Report No. 109-283]

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.

JUNE 14, 2006

Reported with an amendment