

# H. R. 2

---

## AN ACT

To give the President item veto authority over appropriation Acts and targeted tax benefits in revenue Acts.

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

3        **SECTION 1. SHORT TITLE.**

4        This Act may be cited as the “Line Item Veto Act”.

5        **SEC. 2. LINE ITEM VETO AUTHORITY.**

6        (a) IN GENERAL.—Notwithstanding the provisions of  
7        part B of title X of The Congressional Budget and Im-  
8        poundment Control Act of 1974, and subject to the provi-  
9        sions of this section, the President may rescind all or part  
10       of the dollar amount of any discretionary budget authority  
11       specified in an appropriation Act or conference report or  
12       joint explanatory statement accompanying a conference  
13       report on the Act, or veto any targeted tax benefit which  
14       is subject to the terms of this Act if the President—

15                (1) determines that—

16                        (A) such rescission or veto would help re-  
17                        duce the Federal budget deficit;

1 (B) such rescission or veto will not impair  
2 any essential Government functions; and

3 (C) such rescission or veto will not harm  
4 the national interest; and

5 (2) notifies the Congress of such rescission or  
6 veto by a special message not later than ten calendar  
7 days (not including Sundays) after the date of en-  
8 actment of an appropriation Act providing such  
9 budget authority or a revenue or reconciliation Act  
10 containing a targeted tax benefit.

11 (b) DEFICIT REDUCTION.—In each special message,  
12 the President may also propose to reduce the appropriate  
13 discretionary spending limit set forth in section 601(a)(2)  
14 of the Congressional Budget Act of 1974 by an amount  
15 that does not exceed the total amount of discretionary  
16 budget authority rescinded by that message.

17 (c) SEPARATE MESSAGES.—The President shall sub-  
18 mit a separate special message for each appropriation Act  
19 and for each revenue or reconciliation Act under this sec-  
20 tion.

21 (d) LIMITATION.—No special message submitted by  
22 the President under this section may change any prohibi-  
23 tion or limitation of discretionary budget authority set  
24 forth in any appropriation Act.

1           (e) SPECIAL RULE FOR FISCAL YEAR 1995 APPRO-  
2 PRIATION MEASURES.—Notwithstanding subsection  
3 (a)(2), in the case of any unobligated discretionary budget  
4 authority provided by any appropriation Act for fiscal year  
5 1995, the President may rescind all or part of that discre-  
6 tionary budget authority under the terms of this Act if  
7 the President notifies the Congress of such rescission by  
8 a special message not later than ten calendar days (not  
9 including Sundays) after the date of enactment of this  
10 Act.

11 **SEC. 3. LINE ITEM VETO EFFECTIVE UNLESS DIS-**  
12 **APPROVED.**

13           (a)(1) Any amount of budget authority rescinded  
14 under this Act as set forth in a special message by the  
15 President shall be deemed canceled unless, during the pe-  
16 riod described in subsection (b), a rescission/receipts dis-  
17 approval bill making available all of the amount rescinded  
18 is enacted into law.

19           (2) Any provision of law vetoed under this Act as set  
20 forth in a special message by the President shall be  
21 deemed repealed unless, during the period described in  
22 subsection (b), a rescission/receipts disapproval bill restor-  
23 ing that provision is enacted into law.

24           (b) The period referred to in subsection (a) is—

1           (1) a congressional review period of twenty cal-  
2       endar days of session, beginning on the first cal-  
3       endar day of session after the date of submission of  
4       the special message, during which Congress must  
5       complete action on the rescission/receipts disapproval  
6       bill and present such bill to the President for ap-  
7       proval or disapproval;

8           (2) after the period provided in paragraph (1),  
9       an additional ten days (not including Sundays) dur-  
10      ing which the President may exercise his authority  
11      to sign or veto the rescission/receipts disapproval  
12      bill; and

13          (3) if the President vetoes the rescission/re-  
14      ceipts disapproval bill during the period provided in  
15      paragraph (2), an additional five calendar days of  
16      session after the date of the veto.

17          (c) If a special message is transmitted by the Presi-  
18      dent under this Act and the last session of the Congress  
19      adjourns sine die before the expiration of the period de-  
20      scribed in subsection (b), the rescission or veto, as the case  
21      may be, shall not take effect. The message shall be deemed  
22      to have been retransmitted on the first Monday in Feb-  
23      ruary of the succeeding Congress and the review period  
24      referred to in subsection (b) (with respect to such mes-  
25      sage) shall run beginning after such first day.

1 **SEC. 4. DEFINITIONS.**

2 As used in this Act:

3 (1) The term “rescission/receipts disapproval  
4 bill” means a bill or joint resolution which only dis-  
5 approves, in whole, rescissions of discretionary budg-  
6 et authority or only disapproves vetoes of targeted  
7 tax benefits in a special message transmitted by the  
8 President under this Act and—

9 (A) which does not have a preamble;

10 (B)(i) in the case of a special message re-  
11 garding rescissions, the matter after the enact-  
12 ing clause of which is as follows: “That Con-  
13 gress disapproves each rescission of discre-  
14 tionary budget authority of the President as  
15 submitted by the President in a special message  
16 on \_\_\_\_\_”, the blank space being filled in  
17 with the appropriate date and the public law to  
18 which the message relates; and

19 (ii) in the case of a special message re-  
20 garding vetoes of targeted tax benefits, the  
21 matter after the enacting clause of which is as  
22 follows: “That Congress disapproves each veto  
23 of targeted tax benefits of the President as sub-  
24 mitted by the President in a special message on  
25 \_\_\_\_\_”, the blank space being filled in with

1 the appropriate date and the public law to  
2 which the message relates; and

3 (C) the title of which is as follows: “A bill  
4 disapproving the recommendations submitted by  
5 the President on \_\_\_\_\_”, the blank space  
6 being filled in with the date of submission of  
7 the relevant special message and the public law  
8 to which the message relates.

9 (2) The term “calendar days of session” shall  
10 mean only those days on which both Houses of Con-  
11 gress are in session.

12 (3) The term “targeted tax benefit” means any  
13 provision of a revenue or reconciliation Act deter-  
14 mined by the President to provide a Federal tax de-  
15 duction, credit, exclusion, preference, or other con-  
16 cession to 100 or fewer beneficiaries. Any partner-  
17 ship, limited partnership, trust, or S corporation,  
18 and any subsidiary or affiliate of the same parent  
19 corporation, shall be deemed and counted as a single  
20 beneficiary regardless of the number of partners,  
21 limited partners, beneficiaries, shareholders, or affili-  
22 ated corporate entities.

23 (4) The term “appropriation Act” means any  
24 general or special appropriation Act, and any Act or

1 joint resolution making supplemental, deficiency, or  
2 continuing appropriations.

3 **SEC. 5. CONGRESSIONAL CONSIDERATION OF LINE ITEM**  
4 **VETOES.**

5 (a) **PRESIDENTIAL SPECIAL MESSAGE.**—Whenever  
6 the President rescinds any budget authority as provided  
7 in this Act or vetoes any provision of law as provided in  
8 this Act, the President shall transmit to both Houses of  
9 Congress a special message specifying—

10 (1) the amount of budget authority rescinded or  
11 the provision vetoed;

12 (2) any account, department, or establishment  
13 of the Government to which such budget authority  
14 is available for obligation, and the specific project or  
15 governmental functions involved;

16 (3) the reasons and justifications for the deter-  
17 mination to rescind budget authority or veto any  
18 provision pursuant to this Act;

19 (4) to the maximum extent practicable, the esti-  
20 mated fiscal, economic, and budgetary effect of the  
21 rescission or veto; and

22 (5) all actions, circumstances, and consider-  
23 ations relating to or bearing upon the rescission or  
24 veto and the decision to effect the rescission or veto,  
25 and to the maximum extent practicable, the esti-

1 mated effect of the rescission upon the objects, pur-  
2 poses, and programs for which the budget authority  
3 is provided.

4 (b) TRANSMISSION OF MESSAGES TO HOUSE AND  
5 SENATE.—

6 (1) Each special message transmitted under  
7 this Act shall be transmitted to the House of Rep-  
8 resentatives and the Senate on the same day, and  
9 shall be delivered to the Clerk of the House of Rep-  
10 resentatives if the House is not in session, and to  
11 the Secretary of the Senate if the Senate is not in  
12 session. Each special message so transmitted shall  
13 be referred to the appropriate committees of the  
14 House of Representatives and the Senate. Each such  
15 message shall be printed as a document of each  
16 House.

17 (2) Any special message transmitted under this  
18 Act shall be printed in the first issue of the Federal  
19 Register published after such transmittal.

20 (c) INTRODUCTION OF RESCISSION/RECEIPTS DIS-  
21 APPROVAL BILLS.—The procedures set forth in subsection  
22 (d) shall apply to any rescission/receipts disapproval bill  
23 introduced in the House of Representatives not later than  
24 the third calendar day of session beginning on the day

1 after the date of submission of a special message by the  
2 President under section 2.

3 (d) CONSIDERATION IN THE HOUSE OF REPRESENT-  
4 ATIVES.—(1) The committee of the House of Representa-  
5 tives to which a rescission/receipts disapproval bill is re-  
6 ferred shall report it without amendment, and with or  
7 without recommendation, not later than the eighth cal-  
8 endar day of session after the date of its introduction. If  
9 the committee fails to report the bill within that period,  
10 it is in order to move that the House discharge the com-  
11 mittee from further consideration of the bill. A motion to  
12 discharge may be made only by an individual favoring the  
13 bill (but only after the legislative day on which a Member  
14 announces to the House the Member's intention to do so).  
15 The motion is highly privileged. Debate thereon shall be  
16 limited to not more than one hour, the time to be divided  
17 in the House equally between a proponent and an oppo-  
18 nent. The previous question shall be considered as ordered  
19 on the motion to its adoption without intervening motion.  
20 A motion to reconsider the vote by which the motion is  
21 agreed to or disagreed to shall not be in order.

22 (2) After a rescission/receipts disapproval bill is re-  
23 ported or the committee has been discharged from further  
24 consideration, it is in order to move that the House resolve  
25 into the Committee of the Whole House on the State of

1 the Union for consideration of the bill. All points of order  
2 against the bill and against consideration of the bill are  
3 waived. The motion is highly privileged. The previous  
4 question shall be considered as ordered on that motion to  
5 its adoption without intervening motion. A motion to re-  
6 consider the vote by which the motion is agreed to or dis-  
7 agreed to shall not be in order. During consideration of  
8 the bill in the Committee of the Whole, the first reading  
9 of the bill shall be dispensed with. General debate shall  
10 proceed without intervening motion, shall be confined to  
11 the bill, and shall not exceed two hours equally divided  
12 and controlled by a proponent and an opponent of the bill.  
13 No amendment to the bill is in order, except any Member  
14 may move to strike the disapproval of any rescission or  
15 rescissions of budget authority or any proposed repeal of  
16 a targeted tax benefit, as applicable, if supported by 49  
17 other Members. At the conclusion of the consideration of  
18 the bill for amendment, the Committee shall rise and re-  
19 port the bill to the House. The previous question shall be  
20 considered as ordered on the bill and amendments thereto  
21 to final passage without intervening motion. A motion to  
22 reconsider the vote on passage of the bill shall not be in  
23 order.

24 (3) Appeals from the decisions of the Chair relating  
25 to the application of the rules of the House of Representa-

1 tives to the procedure relating to a bill described in sub-  
2 section (a) shall be decided without debate.

3 (4) It shall not be in order to consider more than  
4 one bill described in subsection (c) or more than one mo-  
5 tion to discharge described in paragraph (1) with respect  
6 to a particular special message.

7 (5) Consideration of any rescission/receipts dis-  
8 approval bill under this subsection is governed by the rules  
9 of the House of Representatives except to the extent spe-  
10 cifically provided by the provisions of this Act.

11 (e) CONSIDERATION IN THE SENATE.—

12 (1) Any rescission/receipts disapproval bill re-  
13 ceived in the Senate from the House shall be consid-  
14 ered in the Senate pursuant to the provisions of this  
15 Act.

16 (2) Debate in the Senate on any rescission/re-  
17 cepts disapproval bill and debatable motions and ap-  
18 peals in connection therewith, shall be limited to not  
19 more than ten hours. The time shall be equally di-  
20 vided between, and controlled by, the majority leader  
21 and the minority leader or their designees.

22 (3) Debate in the Senate on any debatable mo-  
23 tions or appeal in connection with such bill shall be  
24 limited to one hour, to be equally divided between,  
25 and controlled by the mover and the manager of the

1 bill, except that in the event the manager of the bill  
2 is in favor of any such motion or appeal, the time  
3 in opposition thereto shall be controlled by the mi-  
4 nority leader or his designee. Such leaders, or either  
5 of them, may, from the time under their control on  
6 the passage of the bill, allot additional time to any  
7 Senator during the consideration of any debatable  
8 motion or appeal.

9 (4) A motion to further limit debate is not de-  
10 batable. A motion to recommit (except a motion to  
11 recommit with instructions to report back within a  
12 specified number of days not to exceed one, not  
13 counting any day on which the Senate is not in ses-  
14 sion) is not in order.

15 (f) POINTS OF ORDER.—

16 (1) It shall not be in order in the Senate to  
17 consider any rescission/receipts disapproval bill that  
18 relates to any matter other than the rescission of  
19 budget authority or veto of the provision of law  
20 transmitted by the President under this Act.

21 (2) It shall not be in order in the Senate to  
22 consider any amendment to a rescission/receipts dis-  
23 approval bill.

1           (3) Paragraphs (1) and (2) may be waived or  
2           suspended in the Senate only by a vote of three-  
3           fifths of the members duly chosen and sworn.

4 **SEC. 6. REPORTS OF THE GENERAL ACCOUNTING OFFICE.**

5           Beginning on January 6, 1996, and at one-year inter-  
6           vals thereafter, the Comptroller General shall submit a re-  
7           port to each House of Congress which provides the follow-  
8           ing information:

9           (1) A list of each proposed Presidential rescis-  
10          sion of discretionary budget authority and veto of a  
11          targeted tax benefit submitted through special mes-  
12          sages for the fiscal year ending during the preceding  
13          calendar year, together with their dollar value, and  
14          an indication of whether each rescission of discre-  
15          tionary budget authority or veto of a targeted tax  
16          benefit was accepted or rejected by Congress.

17          (2) The total number of proposed Presidential  
18          rescissions of discretionary budget authority and ve-  
19          toes of a targeted tax benefit submitted through spe-  
20          cial messages for the fiscal year ending during the  
21          preceding calendar year, together with their total  
22          dollar value.

23          (3) The total number of Presidential rescissions  
24          of discretionary budget authority or vetoes of a tar-  
25          geted tax benefit submitted through special mes-

1 sages for the fiscal year ending during the preceding  
2 calendar year and approved by Congress, together  
3 with their total dollar value.

4 (4) A list of rescissions of discretionary budget  
5 authority initiated by Congress for the fiscal year  
6 ending during the preceding calendar year, together  
7 with their dollar value, and an indication of whether  
8 each such rescission was accepted or rejected by  
9 Congress.

10 (5) The total number of rescissions of discre-  
11 tionary budget authority initiated and accepted by  
12 Congress for the fiscal year ending during the pre-  
13 ceding calendar year, together with their total dollar  
14 value.

15 (6) A summary of the information provided by  
16 paragraphs (2), (3) and (5) for each of the ten fiscal  
17 years ending before the fiscal year during this cal-  
18 endar year.

19 **SEC. 7. JUDICIAL REVIEW.**

20 (a) EXPEDITED REVIEW.—

21 (1) Any Member of Congress may bring an ac-  
22 tion, in the United States District Court for the Dis-  
23 trict of Columbia, for declaratory judgment and in-  
24 junctive relief on the ground that any provision of  
25 this Act violates the Constitution.

1           (2) A copy of any complaint in an action  
2 brought under paragraph (1) shall be promptly de-  
3 livered to the Secretary of the Senate and the Clerk  
4 of the House of Representatives, and each House of  
5 Congress shall have the right to intervene in such  
6 action.

7           (3) Any action brought under paragraph (1)  
8 shall be heard and determined by a three-judge  
9 court in accordance with section 2284 of title 28,  
10 United States Code.

11 Nothing in this section or in any other law shall infringe  
12 upon the right of the House of Representatives to inter-  
13 vene in an action brought under paragraph (1) without  
14 the necessity of adopting a resolution to authorize such  
15 intervention.

16           (b) APPEAL TO SUPREME COURT.—Notwithstanding  
17 any other provision of law, any order of the United States  
18 District Court for the District of Columbia which is issued  
19 pursuant to an action brought under paragraph (1) of sub-  
20 section (a) shall be reviewable by appeal directly to the  
21 Supreme Court of the United States. Any such appeal  
22 shall be taken by a notice of appeal filed within 10 days  
23 after such order is entered; and the jurisdictional state-  
24 ment shall be filed within 30 days after such order is en-  
25 tered. No stay of an order issued pursuant to an action

1 brought under paragraph (1) of subsection (a) shall be  
2 issued by a single Justice of the Supreme Court.

3 (c) EXPEDITED CONSIDERATION.—It shall be the  
4 duty of the District Court for the District of Columbia  
5 and the Supreme Court of the United States to advance  
6 on the docket and to expedite to the greatest possible ex-  
7 tent the disposition of any matter brought under sub-  
8 section (a).

Passed the House of Representatives February 6,  
1995.

Attest:

*Clerk.*



104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# **H. R. 2**

---

## **AN ACT**

To give the President item veto authority over appropriation Acts and targeted tax benefits in revenue Acts.