

106TH CONGRESS
2D SESSION

S. 1977

To review, reform, and terminate unnecessary and inequitable Federal subsidies.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 19, 1999

Mr. MCCAIN (for himself, Mr. THOMPSON, Mr. LIEBERMAN, and Mr. ABRAHAM) introduced the following bill; which was read twice and referred to the Committee on Governmental Affairs

FEBRUARY 2, 2000

Ordered that when the Governmental Affairs Committee reports S. 1977, the bill then be sequentially referred to the Committee on Finance for a period of up to 45 session days and that if the bill is not reported by the end of that period it then be discharged from the Committee on Finance and placed back on the calendar

A BILL

To review, reform, and terminate unnecessary and inequitable Federal subsidies.

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 “Corporate Subsidy Re-
5 form Commission Act of 1999”.

1 **SEC. 2. FINDINGS.**

2 The Congress finds that—

3 (1) Federal subsidies, including tax advantages,
4 which may have been enacted with a valid purpose
5 for specific industries or industry segments can—

6 (A) fall subject to abuse, causing unantici-
7 pated and unjustified windfalls to some indus-
8 tries and industry segments; or

9 (B) become obsolete, anticompetitive, or no
10 longer in the public interest, making such sub-
11 sidies unnecessary or undesired;

12 (2) it is unfair to force the United States tax-
13 payer to support unnecessary subsidies, including
14 tax advantages, that do not provide a substantial
15 public benefit or serve the public interest;

16 (3) the Congress and the President have been
17 unable to evaluate methodically those Federal sub-
18 sidies that are unfair and unnecessary and require
19 reform or elimination; and

20 (4) a Commission to advise the President and
21 Congress is essential to a comprehensive review of
22 such unfair corporate subsidies and to the reform or
23 elimination of such subsidies.

24 **SEC. 3. PURPOSE.**

25 The purpose of this Act is to establish a fair and de-
26 liberative process that will result in the timely identifica-

1 tion, review, and reform or elimination of unnecessary and
2 inequitable subsidies, including tax advantages, provided
3 by the Federal Government to entities or industries en-
4 gaged in profitmaking enterprises.

5 **SEC. 4. DEFINITION.**

6 In this Act, the term “inequitable Federal subsidy”
7 means a payment, benefit, service, or tax advantage
8 that—

9 (1) is provided by the Federal Government to
10 any corporation, partnership, joint venture, associa-
11 tion, or business trust, not to include—

12 (A) a nonprofit organization described
13 under section 501(c)(3) of the Internal Revenue
14 Code of 1986 that is exempt from taxation
15 under section 501(a) of the Internal Revenue
16 Code of 1986; or

17 (B) a State or local government or Indian
18 Tribe or Alaska Native village or regional or vil-
19 lage corporation as defined in or established
20 pursuant to the Alaska Native Claims Settle-
21 ment Act (43 U.S.C. 1601 et seq.);

22 (2) is provided without a reasonable expecta-
23 tion, demonstrated with the use of reliable perform-
24 ance criteria, that actions or activities undertaken or
25 performed in return for such payment, benefit, serv-

1 ice, or tax advantage would result in a return or
2 benefit, quantifiable or nonquantifiable, to the public
3 at least as great as the payment, benefit, service, or
4 tax advantage;

5 (3) provides an unfair competitive advantage or
6 financial windfall; and

7 (4) shall not include a payment, benefit, service,
8 or tax advantage that—

9 (A) is awarded for the purposes of re-
10 search and development that—

11 (i) is in the broad public interest on
12 the basis of a peer reviewed or other open,
13 competitive, merit-based procedure;

14 (ii) is for a purpose consistent with
15 the mission of the agency;

16 (iii) supports competing technologies
17 at levels appropriate to their potential, as
18 determined by an appropriate priority set-
19 ting process; and

20 (iv) the private sector cannot reason-
21 ably be expected to undertake without Fed-
22 eral support at a level or in a timeframe
23 consistent with the payment, benefit, serv-
24 ice, or tax advantage's potential to provide
25 broad economic or other public benefit;

1 (B) primarily benefits public health, safety,
2 the environment, or education;

3 (C) is necessary to comply with inter-
4 national trade or treaty obligations;

5 (D) is certified by the United States Trade
6 Representative as specifically intended and as
7 substantially needed to protect the foreign trade
8 interests of the United States; or

9 (E) is for the purpose of procurement of
10 property or services by the United States Gov-
11 ernment.

12 **SEC. 5. THE COMMISSION.**

13 (a) ESTABLISHMENT.—There is established an inde-
14 pendent commission to be known as the “Corporate Sub-
15 sidy Reform Commission” (hereafter in this Act, referred
16 to as the “Commission”).

17 (b) DUTIES.—The Commission shall—

18 (1) examine the programs and tax laws of the
19 Federal Government and identify programs and tax
20 laws that provide inequitable Federal subsidies;

21 (2) review inequitable Federal subsidies; and

22 (3) submit the report required under section
23 6(b) to the President and the Congress.

24 (c) LIMITATIONS.—

1 (1) CREATION OF NEW PROGRAMS OR TAXES.—

2 This Act is not intended to result in the creation of
3 new programs or taxes, and the Commission estab-
4 lished in this section shall limit its activities to re-
5 viewing existing programs or tax laws with the goal
6 of ensuring fairness and equity in the operation and
7 application of such programs and laws.

8 (2) ELIMINATION OF AGENCIES AND DEPART-

9 MENTS.—The Commission shall limit its rec-
10 ommendations to the termination or reform of pay-
11 ments, benefits, services, or tax advantages, rather
12 than the termination of Federal agencies or depart-
13 ments.

14 (d) ADVISORY COMMITTEE.—The Commission shall
15 be considered an advisory committee within the meaning
16 of the Federal Advisory Committee Act (5 U.S.C. App.).

17 (e) APPOINTMENT.—

18 (1) MEMBERS.—The Commissioners shall be
19 appointed for the life of the Commission and shall
20 be composed of nine members of whom—

21 (A) 3 shall be appointed by the President
22 of the United States;

23 (B) 2 shall be appointed by the Speaker of
24 the House of Representatives;

1 (C) 1 shall be appointed by the minority
2 Leader of the House of Representatives;

3 (D) 2 shall be appointed by the majority
4 Leader of the Senate; and

5 (E) 1 shall be appointed by the minority
6 Leader of the Senate.

7 (2) CONSULTATION REQUIRED.—The President,
8 the Speaker of the House of Representatives, the mi-
9 nority leader of the House of Representatives, the
10 majority leader of the Senate, and the minority lead-
11 er of the Senate shall consult among themselves
12 prior to the appointment of the members of the
13 Commission in order to achieve, to the maximum ex-
14 tent possible, fair and equitable representation of
15 various points of view with respect to the matters to
16 be studied by the Commission under subsection (b).

17 (3) APPOINTMENTS.—During the period of
18 January 1, 2001 through January 31, 2001, the
19 President shall submit to the Senate the names of
20 3 individuals for appointment to the Commission.

21 (4) FAILURE TO APPOINT.—If the President
22 does not submit to Congress the names of 3 individ-
23 uals for appointment to the Commission on or before
24 the date specified in paragraph (3), the process es-
25 tablished under this Act shall be terminated.

1 (5) CHAIRMAN.—At the time the President
2 nominates individuals for appointment to the Com-
3 mission the President shall designate 1 such indi-
4 vidual who shall serve as Chairman of the Commis-
5 sion.

6 (6) BACKGROUND.—The members shall rep-
7 resent a broad array of expertise covering, to the ex-
8 tent practical, all subject matter, programs, and tax
9 laws the Commission is likely to review.

10 (f) TERMS.—Each member of the Commission in-
11 cluding the Chairman shall serve until the termination of
12 the Commission.

13 (g) MEETINGS.—

14 (1) INITIAL MEETING.—Not later than April 1,
15 2001, the Commission shall conduct its first meet-
16 ing.

17 (2) OPEN MEETINGS.—Each meeting of the
18 Commission shall be open to the public. In cases
19 where classified information, trade secrets, or per-
20 sonnel matters are discussed, the Chairman may
21 close the meeting. All proceedings, information, and
22 deliberations of the Commission shall be available,
23 upon request, to the chairman and ranking member
24 of the relevant committees of Congress.

1 (h) VACANCIES.—A vacancy on the Commission shall
2 be filled in the same manner as the original appointment.

3 (i) PAY AND TRAVEL EXPENSES.—

4 (1) PAY.—Notwithstanding section 7 of the
5 Federal Advisory Committee Act (5 U.S.C. App.),
6 each Commissioner, other than the Chairman, shall
7 be paid at a rate equal to the daily equivalent of the
8 minimum annual rate of basic pay for level IV of the
9 Executive Schedule under section 5315 of title 5,
10 United States Code, for each day (including travel
11 time) during which the member is engaged in the ac-
12 tual performance of duties vested in the Commis-
13 sion.

14 (2) CHAIRMAN.—Notwithstanding section 7 of
15 the Federal Advisory Committee Act (5 U.S.C.
16 App.), the Chairman shall be paid for each day re-
17 ferred to in paragraph (1) at a rate equal to the
18 daily payment of the minimum annual rate of basic
19 pay payable for level III of the Executive Schedule
20 under section 5314 of title 5, United States Code.

21 (3) TRAVEL EXPENSES.—Members shall receive
22 travel expenses, including per diem in lieu of subsist-
23 ence, in accordance with section 5702 and 5703 of
24 title 5, United States Code.

25 (j) DIRECTOR OF STAFF.—

1 (1) QUALIFICATIONS.—The Chairman shall ap-
2 point a Director who has not served in any of the
3 entities or industries that the Commission intends to
4 review during the 12 months preceding the date of
5 such appointment.

6 (2) PAY.—Notwithstanding section 7 of the
7 Federal Advisory Committee Act (5 U.S.C. App.),
8 the Director shall be paid at the rate of basic pay
9 payable for level IV of the Executive Schedule under
10 section 5315 of title 5, United States Code.

11 (3) REPORTS.—On administrative and per-
12 sonnel matters, the Director shall submit periodic
13 reports to the Chairman of the Commission and the
14 chairman and ranking member of the Committee on
15 Governmental Affairs of the Senate and the Com-
16 mittee on Government Reform and Oversight of the
17 House of the Representatives.

18 (k) STAFF.—

19 (1) ADDITIONAL PERSONNEL.—Subject to para-
20 graphs (2) and (4), the Director, with the approval
21 of the Commission, may appoint and fix the pay of
22 additional personnel.

23 (2) APPOINTMENTS.—The Director may make
24 such appointments without regard to the provisions
25 of title 5, United States Code, governing appoint-

1 ments in the competitive service, and any personnel
2 so appointed may be paid without regard to the pro-
3 visions of chapter 51 and subchapter III of chapter
4 53 of that title relating to classification and General
5 Schedule pay rates.

6 (3) DETAILEES.—Upon the request of the Di-
7 rector, the head of any Federal department or agen-
8 cy may detail any of the personnel of that depart-
9 ment or agency to the Commission to assist the
10 Commission in accordance with an agreement en-
11 tered into with the Commission.

12 (4) RESTRICTIONS ON PERSONNEL AND
13 DETAILEES.—The following restrictions shall apply
14 to personnel and detailees of the Commission:

15 (A) PERSONNEL.—Not more than one-
16 third of the personnel detailed to the Commis-
17 sion may be on detail from Federal agencies
18 that deal directly or indirectly with the Federal
19 subsidiaries the Commission intends to review.

20 (B) ANALYSTS.—Not more than one-fifth
21 of the professional analysts of the Commission
22 may be persons detailed from a Federal agency
23 that deals directly or indirectly with the Federal
24 subsidiaries the Commission intends to review.

1 (C) LEAD ANALYST.—No person detailed
2 from a Federal agency to the Commission may
3 be assigned as the lead professional analyst
4 with respect to an entity or industry the Com-
5 mission intends to review if the person has been
6 involved in regulatory or policymaking decisions
7 affecting any such entity or industry in the 12
8 months preceding such assignment.

9 (D) DETAILEE.—A person may not be de-
10 tailed from a Federal agency to the Commission
11 if, within 12 months before the detail is to
12 begin, that person participated personally and
13 substantially in any matter within that par-
14 ticular agency concerning the preparation of
15 recommendations under this Act.

16 (E) FEDERAL OFFICER OR EMPLOYEE.—
17 No member of a Federal agency, and no officer
18 or employee of a Federal agency, may—

19 (i) prepare any report concerning the
20 effectiveness, fitness, or efficiency of the
21 performance on the staff of the Commis-
22 sion of any person detailed from a Federal
23 agency to that staff;

24 (ii) review the preparation of such re-
25 port; or

1 (iii) approve or disapprove such a re-
2 port.

3 (F) LIMITATION ON STAFF SIZE.—(i) Sub-
4 ject to clause (ii), there may not be more than
5 25 persons (including any detailees) on the
6 staff at any time.

7 (ii) The Commission may increase per-
8 sonnel in excess of the limitation under clause
9 (i), 15 days after submitting notification of
10 such increase to the Committee on Govern-
11 mental Affairs of the Senate and the Committee
12 on Government Reform and Oversight of the
13 House of Representatives.

14 (G) LIMITATION ON FEDERAL OFFICER.—
15 No member of a Federal agency and no em-
16 ployee of a Federal agency may serve as a Com-
17 missioner or as a paid member of the staff.

18 (5) ASSISTANCE.—

19 (A) IN GENERAL.—The Comptroller Gen-
20 eral of the United States may provide assist-
21 ance, including the detailing of employees, to
22 the Commission in accordance with an agree-
23 ment entered into with the Commission.

24 (B) CONSULTATION.—The Commission
25 and the Comptroller General of the United

1 States shall consult with the Committee on
2 Governmental Affairs of the Senate and the
3 Committee on Government Reform and Over-
4 sight of the House of Representatives on the
5 agreement referred to under subparagraph (A)
6 before entering into such agreement.

7 (l) OTHER AUTHORITY.—

8 (1) EXPERTS AND CONSULTANTS.—The Com-
9 mission may procure by contract, to the extent funds
10 are available, the temporary or intermittent services
11 of experts or consultants pursuant to section 3109
12 of title 5, United States Code.

13 (2) LEASING.—The Commission may lease
14 space and acquire personal property to the extent
15 that funds are available.

16 (m) FUNDING.—

17 (1) COMMISSION.—There are authorized to be
18 appropriated to the Commission such funds as are
19 necessary to carry out its duties under this Act.

20 (2) COMPTROLLER GENERAL.—There are au-
21 thorized to be appropriated to the Comptroller Gen-
22 eral of the United States such funds as are nec-
23 essary to carry out its duties under subsection (k)(5)
24 and section 6(b)(5).

1 (n) TERMINATION.—The Commission shall terminate
2 on September 1, 2002.

3 **SEC. 6. PROCEDURE FOR MAKING RECOMMENDATIONS TO**
4 **TERMINATE CORPORATE SUBSIDIES.**

5 (a) AGENCY PLAN.—

6 (1) IN GENERAL.—Not later than April 1,
7 2001, or the date budget documents are submitted
8 to Congress in 2001, whichever is earlier, in support
9 of the budget of each Federal department or agency,
10 the head of each department or agency shall include
11 in such documents a list identifying all programs or
12 tax laws within that department or agency that the
13 head of the department or agency determines pro-
14 vide inequitable Federal subsidies.

15 (2) CONTENTS.—Such a list shall include—

16 (A) a detailed description of each program
17 or tax law in question;

18 (B) a statement detailing the extent to
19 which a payment, benefit, service, or tax advan-
20 tage meets the provisions of section 4;

21 (C) a statement summarizing the legisla-
22 tive history and purpose of such payment, ben-
23 efit, service, or tax advantage, and the laws or
24 policies directly or indirectly giving rise to the
25 need for such programs or tax laws; and

1 (D) a recommendation to the Commission
2 regarding actions to be taken under section
3 5(b)(3).

4 (3) INTERNATIONAL TRADE PROGRAMS.—As
5 part of its agency plan submitted pursuant to this
6 subsection, the United States Trade Representative
7 shall survey all federally supported international
8 trade programs in all Federal agencies and shall cer-
9 tify to the Commission which of those programs
10 meet the requirements of section 4(4)(D). The
11 Trade Representative shall provide the Commission
12 a detailed statement of the reasons each program
13 was or was not so certified as part of its agency
14 plan.

15 (b) REVIEW AND RECOMMENDATIONS BY THE COM-
16 MISSION.—

17 (1) REVIEW AND HEARINGS.—At any time after
18 the submission of the budget documents to Con-
19 gress, the Commission shall conduct public hearings
20 on the recommendations included in the lists re-
21 quired under subsection (a). All testimony before the
22 Commission at a public hearing conducted under
23 this paragraph shall be presented under oath.

24 (2) REPORT OF COMMISSION.—

1 (A) REPORT TO PRESIDENT.—Not later
2 than November 30, 2001, the Commission shall
3 submit a report to the President containing the
4 Commission's findings and recommendations
5 for termination, modification, or retention of
6 each of the inequitable Federal subsidies re-
7 viewed by the Commission. Such findings and
8 recommendations shall specify—

9 (i) all actions, circumstances, and con-
10 siderations relating to or bearing upon the
11 recommendations; and

12 (ii) to the maximum extent prac-
13 ticable, the estimated effect of the rec-
14 ommendations upon the policies, laws and
15 programs directly or indirectly affected by
16 the recommendations.

17 (B) CHANGES IN RECOMMENDATIONS.—
18 Subject to the deadline in subparagraph (A), in
19 making its recommendations, the Commission
20 may make changes in any of the recommenda-
21 tions made by a department or agency if the
22 Commission determines that such department
23 or agency deviated substantially from the provi-
24 sions of section 4.

1 (C) CHANGES.—In the case of a change in
2 the recommendations made by a department or
3 agency, the Commission may make the change
4 only if the Commission—

5 (i) makes the determination required
6 under subparagraph (B); and

7 (ii) conducts a public hearing on the
8 Commission’s proposed changes.

9 (D) APPLICATION.—Subparagraph (C)
10 shall apply to a change by the Commission in
11 a department or agency recommendation that
12 would—

13 (i) add or delete a payment, benefit,
14 service, or tax advantage to the list rec-
15 ommended for termination;

16 (ii) add or delete a payment, benefit,
17 service, or tax advantage to the list rec-
18 ommended for modification; or

19 (iii) increase or decrease the extent of
20 a recommendation to modify a payment,
21 benefit, service, or tax advantage included
22 in a department’s or agency’s rec-
23 ommendation.

24 (3) JUSTIFICATION.—The Commission shall ex-
25 plain and justify in the report submitted to the

1 President under paragraph (2) any recommendation
2 made by the Commission that is different from a
3 recommendation made by an agency under sub-
4 section (a).

5 (4) REPORT TO CONGRESS.—After November
6 30, 2001, or after the date the Commission submits
7 recommendations to the President, the Commission
8 shall, upon request, promptly provide to any Member
9 of Congress the information used by the Commission
10 in making its recommendations.

11 (5) COMPTROLLER GENERAL.—The Comp-
12 troller General of the United States shall—

13 (A) assist the Commission, to the extent
14 requested, in the Commission's review and anal-
15 ysis of the list, statements, and recommenda-
16 tions made by departments and agencies under
17 subsection (a); and

18 (B) not later than 60 days after April 1,
19 2001, or the public release of the President's
20 budget documents in 2001, whichever is earlier,
21 submit to the Congress and to the Commission
22 a report containing a detailed analysis of the
23 list, statements, and recommendations of each
24 department or agency.

25 (c) REVIEW BY THE PRESIDENT.—

1 (1) IN GENERAL.—Not later than December 31,
2 2001, the President shall submit a report to the
3 Commission and to the Congress containing the
4 President’s approval or disapproval of the Commis-
5 sion’s recommendations submitted under subsection
6 (b).

7 (2) APPROVAL.—If the President approves all
8 the recommendations of the Commission, the Presi-
9 dent shall submit a copy of such recommendations
10 to the Congress, together with a certification of such
11 approval.

12 (3) DISAPPROVAL.—If the President dis-
13 approves the recommendations of the Commission in
14 whole or in part, the President shall submit to the
15 Commission and the Congress the reasons for that
16 disapproval. Not later than February 1, 2002, the
17 Commission shall submit to the President a revised
18 list of recommendations.

19 (4) REVISION.—If the President approves all of
20 the revised recommendations of the Commission sub-
21 mitted to the President under paragraph (3), the
22 President shall submit a copy of such revised rec-
23 ommendations to the Congress, together with a cer-
24 tification of such approval.

1 (5) APPROVAL OF ENTIRE PACKAGE.—The
2 President may only submit an approval certificate
3 that pertains to the entire package of recommenda-
4 tions submitted by the Commission under subsection
5 (b)(2) or paragraph (3) of this subsection.

6 (6) FAILURE TO SUBMIT.—If the President
7 does not submit to the Congress an approval and
8 certification described in paragraph (2) or (4) by
9 February 15, 2002, the process established under
10 this Act shall be terminated.

11 **SEC. 7. CONGRESSIONAL CONSIDERATION.**

12 (a) SUBMISSION OF RECOMMENDATIONS OF THE
13 PRESIDENT.—If the President submits the Commission
14 recommendations to the Congress under section 6(e) (2)
15 or (4), such recommendations shall be accompanied by in-
16 formation specifying—

17 (1) the reasons and justifications for the rec-
18 ommendations;

19 (2) to the maximum extent practicable, the esti-
20 mated fiscal, economic, and budgetary impact of ac-
21 cepting the recommendations;

22 (3) the amount of the projected savings result-
23 ing from each recommendation;

24 (4) all actions, circumstances, and consider-
25 ations relating to or bearing upon the recommenda-

1 tions and to the maximum extent practicable, the es-
2 timated effect of the recommendations upon the poli-
3 cies, laws and programs directly or indirectly af-
4 fected by the recommendations; and

5 (5) the specific changes in Federal statute nec-
6 essary to implement the recommendations.

7 (b) SUBMISSION OF RECOMMENDATIONS TO THE
8 SENATE AND HOUSE OF REPRESENTATIVES.—

9 (1) SUBMISSION TO CONGRESS.—The rec-
10 ommendations submitted by the President to the
11 Congress under subsection (a) shall be submitted to
12 the Senate and the House of Representatives on the
13 same day, and shall be delivered to the Secretary of
14 the Senate if the Senate is not in session, and to the
15 Clerk of the House of the Representatives if the
16 House is not in session.

17 (2) FEDERAL REGISTER.—Any recommenda-
18 tions and accompanying information submitted
19 under subsection (a) shall be printed in the first
20 issue of the Federal Register after such submission.

21 (c) INTRODUCTION.—

22 (1) DATE OF INTRODUCTION.—The Majority
23 Leader of the Senate or his designee, and the Speak-
24 er of the House of Representatives, or his designee,
25 shall introduce a bill (or bills as provided under

1 paragraph (2)) that implements the recommenda-
2 tions submitted by the President under subsection
3 (a), not later than the later of 14 calendar days in
4 session after the date on which—

5 (A) the Senate or the House of Represent-
6 atives received the recommendations submitted
7 by the President under subsection (a), if the
8 Senate or the House of Representatives (as ap-
9 plicable) is in session on the date of such sub-
10 mission; or

11 (B) the Senate or the House of Represent-
12 atives is first in session after such recommenda-
13 tions are submitted, if the Senate or the House
14 of Representatives (as applicable) is not in ses-
15 sion on the date of such submission.

16 (2) MULTIPLE BILLS.—The majority leader of
17 the Senate, or his designee, or the Speaker of the
18 House of Representatives, or his designee, shall in-
19 troduce a bill or separate bills ensuring that all such
20 recommendations will be implemented.

21 (d) COMMITTEE REFERRAL AND ACTION.—

22 (1) IN GENERAL.—

23 (A) CONSIDERATION AND REPORT.—Any
24 committee to which a bill or bills introduced
25 under subsection (c) is referred shall report

1 such bill not later than 120 calendar days after
2 the date of referral. No amendment during
3 committee consideration of a bill or bills intro-
4 duced under subsection (c) shall be in order un-
5 less that amendment is confined to terminating
6 or reforming an inequitable Federal subsidy as
7 defined in section 4 of this Act. Any such re-
8 ported bill shall be referred to the Committee
9 on Governmental Affairs of the Senate or the
10 Committee on Government Reform and Over-
11 sight of the House of Representatives, as appli-
12 cable.

13 (B) COMMITTEES ON FINANCE AND WAYS
14 AND MEANS.—

15 (i) IN GENERAL.—Any bill referred to
16 the Committee on Finance or the Com-
17 mittee on Ways and Means that contains
18 revenue increases may be amended to in-
19 clude reductions in revenues in the form of
20 tax cuts in an amount up to the amount
21 of the revenue increases.

22 (ii) SCORECARD.—If the bill referred
23 to in clause (i) is enacted into law, any
24 amount of revenue reductions not made by
25 the bill as provided in clause (i) shall be

1 credited to the pay-as-you-go scorecard
2 under section 252 of the Balanced Budget
3 and Emergency Deficit Control Act of
4 1985 and may only be offset by legislation
5 reducing revenues.

6 (2) DISCHARGE.—If a committee does not re-
7 port a bill within the 120-day period as provided
8 under paragraph (1), such bill shall be discharged
9 from the committee and referred to the Committee
10 on Governmental Affairs of the Senate or the Com-
11 mittee on Government Reform and Oversight of the
12 House of Representatives, as applicable.

13 (3) REPORT TO FLOOR; CONSOLIDATION.—

14 (A) IN GENERAL.—Not later than the first
15 day the Senate or the House of Representatives
16 (as applicable) is in session following 10 cal-
17 endar days in session after the end of the 120-
18 day period described under paragraphs (1) and
19 (2), the Committee on Governmental Affairs of
20 the Senate and the Committee on Government
21 Reform and Oversight of the House of Rep-
22 resentatives, as applicable, shall—

23 (i) consolidate all bills referred under
24 paragraphs (1) and (2) into a single bill
25 (without substantive amendment) and re-

1 port such bill to the Senate or the House
2 of Representatives; or

3 (ii) if only 1 bill is referred under
4 paragraph (1) or (2), report such bill
5 (without amendment) to the Senate or
6 House of Representatives.

7 (B) LEGISLATIVE CALENDAR.—The bill re-
8 ported under subparagraph (A) shall be placed
9 on the legislative calendar of the appropriate
10 House.

11 (e) PROCEDURE IN SENATE AFTER REPORT OF COM-
12 MITTEE; DEBATE; AMENDMENTS.—

13 (1) DEBATE ON BILL.—Debate in the Senate
14 on a bill reported by the Committee on Govern-
15 mental Affairs under subsection (d)(3), and all
16 amendments thereto and debatable motions and ap-
17 peals in connection therewith, shall be limited to not
18 more than 30 hours. The time shall be equally di-
19 vided between, and controlled by, the Majority Lead-
20 er and Minority Leader or their designees.

21 (2) DEBATE ON AMENDMENTS.—Debate in the
22 Senate on any amendment to the bill shall be limited
23 to 1 hour, to be equally divided between, and con-
24 trolled by, the mover and the manager of the bill,
25 and debate on any amendment to an amendment,

1 debatable motion, or appeal shall be limited to 30
2 minutes, to be equally divided between, and con-
3 trolled by, the mover and the manager of the bill, ex-
4 cept that in the event the manager of the bill is in
5 favor of any such amendment, motion or appeal, the
6 time in opposition thereto shall be controlled by the
7 minority leader or his designee.

8 (3) LIMIT OF DEBATE.—(A) A motion to fur-
9 ther limit debate is not debatable. A motion by the
10 majority leader or his designee to extend debate is
11 not debatable. A motion to recommit is not in order.

12 (B)(i) No amendment to the bill reported by
13 the Committee on Governmental Affairs under sub-
14 section (d)(3) shall be in order unless—

15 (I) that amendment is confined to termi-
16 nating or reforming an inequitable Federal sub-
17 sidy as defined by section 4 of this Act; and

18 (II) that amendment is germane to the bill
19 reported by the Committee on Governmental
20 Affairs.

21 (ii) For the purposes of a bill described under
22 clause (i), the term “germane” means only amend-
23 ments which strike language from such bill, or re-
24 store language in the bill or bills introduced under
25 subsection (c).

1 (4) CONFERENCE REPORTS.—

2 (A) MOTION TO PROCEED.—A motion to
3 proceed to the consideration of the conference
4 report on a bill subject to the procedures of this
5 section and reported to the Senate may be
6 made even though a previous motion to the
7 same effect has been disagreed to.

8 (B) TIME LIMITATION.—The consideration
9 in the Senate of the conference report on the
10 bill and any amendments in disagreement there-
11 to, including all debatable motions and appeals
12 in connection therewith, shall be limited to 5
13 hours, to be equally divided between, and con-
14 trolled by, the majority leader and minority
15 leader or their designees. Debate on any debat-
16 able motion, appeal related to the conference re-
17 port, or any amendment to an amendment in
18 disagreement, shall be limited to 30 minutes, to
19 be equally divided between, and controlled by,
20 the mover and the manager of the conference
21 report (or a message between Houses).

22 (f) PROCEDURE IN HOUSE OF REPRESENTATIVES
23 AFTER REPORT OF THE COMMITTEE; DEBATE.—

24 (1) MOTION TO CONSIDER.—When the Com-
25 mittee on Government Reform and Oversight of the

1 House of Representatives reports a bill under sub-
2 section (d)(3) it is in order (at any time after the
3 fifth day (excluding Saturdays, Sundays, and legal
4 holidays) following the day on which any committee
5 report filed on a bill referred under subsection (d)(1)
6 to the Committee on Government Reform and Over-
7 sight has been available to Members of the House)
8 to move to proceed to the consideration of the bill
9 reported to the House of Representatives. The mo-
10 tion is highly privileged and is not debatable. An
11 amendment to the motion is not in order, and it is
12 not in order to move to reconsider the vote by which
13 the motion is agreed to or disagreed to.

14 (2) DEBATE.—General debate on the bill in the
15 House of Representatives shall be limited to not
16 more than 10 hours, which shall be divided equally
17 between the majority and minority parties. A motion
18 further to limit debate is not debatable. A motion to
19 postpone debate is not in order, and it is not in
20 order to move to reconsider the vote by which the
21 bill is agreed to or disagreed to.

22 (3) TERMS OF CONSIDERATION.—Consideration
23 of the bill by the House of Representatives shall be
24 in the Committee of the Whole, and the bill shall be
25 considered for amendment under the 5-minute rule

1 in accordance with the applicable provisions of rule
2 XXIII of the Rules of the House of Representatives.
3 After the committee rises and reports the bill back
4 to the House, the previous question shall be consid-
5 ered as ordered on the bill and any amendments
6 thereto to final passage without intervening motion.

7 (4) LIMIT ON DEBATE.—Debate in the House
8 of Representatives on the conference report on a bill
9 subject to the procedures under this section and re-
10 ported to the House of Representatives shall be lim-
11 ited to not more than 5 hours, which shall be divided
12 equally between the majority and minority parties. A
13 motion further to limit debate is not debatable. A
14 motion to recommit the conference report is not in
15 order, and it is not in order to move to reconsider
16 the vote by which the conference report is agreed to
17 or disagreed to. A motion to postpone is not in
18 order.

19 (5) APPEALS.—Appeals from decisions of the
20 Chair relating to the application of the Rules of the
21 House of Representatives to the procedure relating
22 to the bill shall be decided without debate.

23 (g) RULES OF THE SENATE AND HOUSE OF REP-
24 RESENTATIVES.—This section is enacted by Congress—

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

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

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