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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,*

~~SECTION 1. SHORT TITLE; TABLE OF CONTENTS.~~

~~(a) SHORT TITLE.—This Act may be cited as the "Stop Over Spending Act of 2006".~~

~~(b) TABLE OF CONTENTS.—The table of contents for 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.~~

~~SEC. 2. PURPOSES.~~

~~The purposes of this Act are—~~

~~(1) to enable the President and Congress to rescind wasteful spending in an expedited manner;~~

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

~~(3) to reinstate statutory discretionary caps;~~

~~(4) to reduce the practice of using spending designated as an "emergency" as a mechanism to circumvent spending caps;~~

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

~~(6) to require automatic spending reduction reconciliation directives to achieve annual deficit targets;~~

~~(7) to put in place automatic sequester procedures to reduce discretionary and mandatory spending when either statutory caps have been exceeded or deficit targets have not been met;~~

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

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

~~(10) to establish biennial budgeting;~~

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

~~(12) to provide short term and long term solutions to ensure the financial security of our nation so that our children and grandchildren will not be saddled with insurmountable debt.~~

SEC. 3. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

TITLE I—LEGISLATIVE LINE ITEM VETO ACT OF 2006

SEC. 101. SHORT TITLE.

This title may be cited as the "Legislative Line Item Veto Act of 2006".

SEC. 102. LEGISLATIVE LINE ITEM VETO.

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

"PART C—LEGISLATIVE LINE ITEM VETO

"EXPEDITED CONSIDERATION OF CERTAIN PROPOSED RESCISSIONS

"SEC. 1021. (a) PROPOSED RESCISSIONS.—The President may send a special message, at the time and in the manner provided in subsection (b), that proposes to rescind dollar amounts of discretionary budget authority, items of direct spending, and targeted tax benefits.

~~"(b) TRANSMITTAL OF SPECIAL MESSAGE.—~~

~~"(1) SPECIAL MESSAGE.—~~

~~"(A) IN GENERAL.—~~

~~"(i) FOUR MESSAGES.—The President may transmit to Congress not to exceed 4 special messages per calendar year, proposing to rescind dollar amounts of discretionary budget authority, items of direct spending, and targeted tax benefits.~~

~~"(ii) TIMING.—Special messages may be transmitted under clause (i)—~~

~~"(I) with the President's budget submitted pursuant to section 1105 of title 31, United States Code; and~~

~~"(II) 3 other times as determined by the President.~~

~~"(iii) LIMITATIONS.—~~

~~"(I) IN GENERAL.—Special messages shall be submitted within 1 calendar year of the date of enactment of any dollar amount of discretionary budget authority, item of direct spending, or targeted tax benefit the President proposes to rescind pursuant to this Act.~~

~~"(II) RESUBMITTAL.—If Congress rejects or does not complete action on a bill introduced under this Act, the President may resubmit some or all of the dollar amounts of discretionary budget authority, items of direct spending, and targeted tax benefits in that bill in not more than 1 additional special message under this part or part B.~~

~~"(B) CONTENTS OF SPECIAL MESSAGE.—Each special message shall specify, with respect to the dollar amount of discretionary budget authority, item of direct spending, or targeted tax benefit proposed to be rescinded—~~

~~"(i) the dollar amount of discretionary budget authority available and proposed for rescission from accounts, departments, or establishments of the government and the dollar amount of the reduction in outlays that would result from the enactment of such rescission of discretionary budget authority for the time periods set forth in subparagraph (A)(iii);~~

~~"(ii) the specific items of direct spending and targeted tax benefits proposed for rescission and the dollar amounts of the reductions in budget authority and outlays or increases in receipts that would result from enactment of such rescission for the time periods set forth in subparagraph (A)(iii);~~

~~"(iii) the budgetary effects of proposals for rescission, estimated as of the date the President submits the special message, relative to the most recent levels calculated consistent with the methodology described in section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 and included with a budget submission under section 1105(a) of title 31, United States Code, for the time periods of—~~

~~"(I) the fiscal year in which the proposal is submitted; and~~

~~"(II) each of the 10 following fiscal years beginning with the fiscal year after the fiscal year in which the proposal is submitted;~~

~~"(iv) any account, department, or establishment of the Government to which such dollar amount of discretionary budget authority or item of direct spending is available for obligation, and the specific project or governmental functions involved;~~

~~"(v) the reasons why such dollar amount of discretionary budget authority or item of direct spending or targeted tax benefit should be rescinded;~~

~~"(vi) the estimated fiscal and economic impacts, of the proposed rescission;~~

~~"(vii) to the maximum extent practicable, all facts, circumstances, and considerations relating to or bearing upon the proposed rescission and the decision to effect the proposed rescission, and the estimated effect of the proposed rescission upon the objects, purposes, and programs for which the budget authority or items of direct spending or targeted tax benefits are provided; and~~

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

~~fits proposed to be rescinded in that special message.~~

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

~~"(A) IN GENERAL.—Upon the receipt of a special message under this section proposing to rescind dollar amounts of discretionary budget authority, items of direct spending, and targeted tax benefits—~~

~~"(i) the Director of the Congressional Budget Office shall prepare an estimate of the savings in budget authority or outlays resulting from such proposed rescission and shall include in its estimate, an analysis prepared by the Joint Committee on Taxation related to targeted tax benefits; and~~

~~"(ii) the Director of the Joint Committee on Taxation shall prepare an estimate and forward such estimate to the Congressional Budget Office, of the savings from repeal of targeted tax benefits.~~

~~"(B) METHODOLOGY.—The estimates required by subparagraph (A) shall be made relative to the most recent levels calculated con-~~

~~sistent with the methodology used to calculate a baseline under section 257 of the Balanced Budget and Emergency Control Act of 1985 and included with a budget submission under section 1105(a) of title 31, United States Code, and transmitted to the chairmen of the Committees on the Budget of the House of Representatives and Senate.~~

~~"(3) ENACTMENT OF RESCISSION BILL.—~~

~~"(A) DEFICIT REDUCTION.—Amounts of budget authority or items of direct spending or targeted tax benefit that are rescinded pursuant to enactment of a bill as provided under this section shall be dedicated only to deficit reduction and shall not be used as an offset for other spending increases or revenue reductions.~~

~~"(B) ADJUSTMENT OF BUDGET TARGETS.—Not later than 5 days after the date of enactment of a rescission bill as provided under this section, the chairs of the Committees on the Budget of the Senate and the House of Representatives shall revise spending and revenue levels under section 311(a) of the Congressional Budget Act of 1974 and adjust the committee allocations under section 302(a) of~~

~~the Congressional Budget Act of 1974 or any other adjustments as may be appropriate to reflect the rescission. The adjustments shall reflect the budgetary effects of such rescissions as estimated by the President pursuant to paragraph (1)(B)(iii). The appropriate committees shall report revised allocations pursuant to section 302(b) of the Congressional Budget Act of 1974. Notwithstanding any other provision of law, the revised allocations and aggregates shall be considered to have been made under a concurrent resolution on the budget agreed to under the Congressional Budget Act of 1974 and shall be enforced under the procedures of that Act.~~

~~"(C) ADJUSTMENTS TO CAPS.—After enactment of a rescission bill as provided under this section, the President shall revise applicable limits under the Stop Over Spending Act of 2006, as appropriate.~~

~~"(c) PROCEDURES FOR EXPEDITED CONSIDERATION.—~~

~~"(1) IN GENERAL.—~~

~~"(A) INTRODUCTION.—Before the close of the second day of session of the Senate and the~~

House of Representatives, respectively, after the date of receipt of a special message transmitted to Congress under subsection (b), the majority leader of each House, for himself, or minority leader of each House, for himself, or a Member of that House designated by that majority leader or minority leader shall introduce (by request) the President's draft bill to rescind the amounts of budget authority or items of direct spending or targeted tax benefits, as specified in the special message and the President's draft bill. If the bill is not introduced as provided in the preceding sentence in either House, then, on the third day of session of that House after the date of receipt of that special message, any Member of that House may introduce the bill.

"(B) REFERRAL AND REPORTING.—

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

~~House. If the committee fails to report the bill within that period, the committee shall be automatically discharged from consideration of the bill, and the bill shall be placed on the appropriate calendar.~~

~~"(ii) MULTIPLE COMMITTEES.—~~

~~"(I) REFERRALS.—If a bill contains provisions in the jurisdiction of more than 1 committee, the bill shall be jointly referred to the committees of jurisdiction and the Committee on the Budget.~~

~~"(II) VIEWS OF COMMITTEE.—Any committee, other than the Committee on the Budget, to which a bill is referred under this clause may submit a favorable, an unfavorable recommendation, without recommendation with respect to the bill to the Committee on the Budget prior to the reporting or discharge of the bill.~~

~~"(III) REPORTING.—The Committee on the Budget shall report the bill not later than the fifth day of session of that House after the date of~~

~~introduction of the bill in that House, without any revision and with a favorable or unfavorable recommendation, or without recommendation, together with the recommendations of any committee to which the bill has been referred.~~

~~"(IV) DISCHARGE.—If the Committee on the Budget fails to report the bill within that period, the committee shall be automatically discharged from consideration of the bill, and the bill shall be placed on the appropriate calendar.~~

~~"(C) FINAL PASSAGE.—A vote on final passage of the bill shall be taken in the Senate and the House of Representatives on or before the close of the 10th day of session of that House after the date of the introduction of the bill in that House. If the bill is passed, the Clerk of the House of Representatives shall cause the bill to be transmitted to the Senate before the close of the next day of session of the House.~~

~~"(2) CONSIDERATION IN THE HOUSE OF REPRESENTATIVES.—~~

~~"(A) MOTION TO PROCEED TO CONSIDERATION.—A motion in the House of Representatives to proceed to the consideration of a bill under this subsection shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.~~

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

~~"(C) APPEALS.—Appeals from decisions of the chair relating to the application of the Rules of the House of Representatives to the procedure relating to a bill under this section shall be decided without debate.~~

~~"(D) APPLICATION OF HOUSE RULES.—Except to the extent specifically provided in this section, consideration of a bill under this section shall be governed by the Rules of the House of Representatives. It shall not be in order in the House of Representatives to consider any bill introduced pursuant to the provisions of this section under a suspension of the rules or under a special rule.~~

~~"(3) CONSIDERATION IN THE SENATE.—~~

~~"(A) MOTION TO PROCEED TO CONSIDERATION.—A motion to proceed to the consideration of a bill under this subsection in the Senate shall not be debatable. A motion to proceed to consideration of the bill may be made even though a previous motion to the same effect has been disagreed to. It shall not be in order to move to reconsider the vote by which the motion to proceed is agreed to or disagreed to.~~

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

~~"(C) DEBATABLE MOTIONS AND APPEALS.—Debate in the Senate on any debatable motion or appeal in connection with a bill under this subsection shall be limited to not more than 1 hour from the time allotted for debate, to be equally divided and controlled in the usual form.~~

~~"(D) MOTION TO LIMIT DEBATE.—A motion in the Senate to further limit debate on a bill under this subsection is not debatable.~~

~~"(E) MOTION TO RECOMMIT.—A motion to recommit a bill under this subsection is not in order.~~

~~"(F) CONSIDERATION OF THE HOUSE BILL.—~~

~~"(i) IN GENERAL.—If the Senate has received the House companion bill to the bill introduced in the Senate prior to the vote required under paragraph (1)(C), then the Senate shall consider, and the vote under paragraph (1)(C) shall occur on, the House companion bill.~~

~~"(ii) PROCEDURE AFTER VOTE ON SENATE BILL.—If the Senate votes, pursuant to paragraph (1)(C), on the bill intro-~~

~~duced in the Senate, the Senate bill shall be held pending receipt of the House message on the bill. Upon receipt of the House companion bill, the House bill shall be deemed to be considered, read for the third time, and the vote on passage of the Senate bill shall be considered to be the vote on the bill received from the House.~~

~~"(d) AMENDMENTS AND DIVISIONS PROHIBITED.—~~

~~"(1) IN GENERAL.—No amendment to a bill considered under this section shall be in order in either the Senate or the House of Representatives.~~

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

~~"(3) NO SUSPENSION.—No motion to suspend the application of this subsection shall be in order in the House of Representatives, nor shall it be in order in either the House of Representatives or the Senate to suspend the application of this subsection by unanimous consent.~~

~~"(e) TEMPORARY PRESIDENTIAL AUTHORITY TO WITHHOLD.—~~

~~"(1) AVAILABILITY.—The President may not withhold any dollar amount of discretionary budget~~

~~authority until the President transmits and Congress receives a special message pursuant to subsection (b). Upon receipt by Congress of a special message pursuant to subsection (b), the President may direct that any dollar amount of discretionary budget authority proposed to be rescinded in that special message shall be withheld from obligation for a period not to exceed 45 calendar days from the date of receipt by Congress.~~

~~"(2) EARLY AVAILABILITY.—The President may make any dollar amount of discretionary budget authority withheld from obligation pursuant to paragraph (1) available at an earlier time if the President determines that continued withholding would not further the purposes of this Act.~~

~~"(f) TEMPORARY PRESIDENTIAL AUTHORITY TO SUSPEND.—~~

~~"(1) SUSPEND.—The President may not suspend the execution of any item of direct spending or targeted tax benefit until the President transmits and Congress receives a special message pursuant to subsection (b). Upon receipt by Congress of a special message, the President may suspend the execution of any item of direct spending or targeted tax benefit proposed to be rescinded in that message for a~~

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

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

~~"(g) DEFINITIONS.—In this section:~~

~~"(1) APPROPRIATION LAW.—The term 'appropriation law' means any general or special appropriation Act, and any Act or joint resolution making supplemental, deficiency, or continuing appropriations.~~

~~"(2) CALENDAR DAY.—The term 'calendar day' means a standard 24-hour period beginning at midnight.~~

~~"(3) DAYS OF SESSION.—The term 'days of session' means only those days on which both Houses of Congress are in session.~~

~~"(4) DOLLAR AMOUNT OF DISCRETIONARY BUDGET AUTHORITY.—The term 'dollar amount of discretionary budget authority' means the dollar amount of budget authority and obligation limitations—~~

~~"(A) specified in an appropriation law, or the dollar amount of budget authority required to be allocated by a specific proviso in an appropriation law for which a specific dollar figure was not included;~~

~~"(B) represented separately in any table, chart, or explanatory text included in the statement of managers or the governing committee report accompanying such law;~~

~~"(C) required to be allocated for a specific program, project, or activity in a law (other than an appropriation law) that mandates obligations from or within accounts, programs, projects, or activities for which budget authority or an obligation limitation is provided in an appropriation law;~~

~~"(D) represented by the product of the estimated procurement cost and the total quantity of items specified in an appropriation law or included in the statement of managers or the governing committee report accompanying such law; or~~

~~"(E) represented by the product of the estimated procurement cost and the total quantity of items required to be provided in a law (other~~

than an appropriation law) that mandates obligations from accounts, programs, projects, or activities for which dollar amount of discretionary budget authority or an obligation limitation is provided in an appropriation law.

"(5) RESCIND OR RESCISSION.—The term 'rescind' or 'rescission' means—

"(A) in the case of a dollar amount of discretionary budget authority, to reduce or repeal a provision of law to prevent that budget authority or obligation limitation from having legal force or effect; and

"(B) in the case of direct spending or targeted tax benefit, to repeal a provision of law in order to prevent the specific legal obligation of the United States from having legal force or effect.

"(6) DIRECT SPENDING.—The term 'direct spending' means budget authority provided by law (other than an appropriation law), mandatory spending provided in appropriation Acts, and entitlement authority.

"(7) ITEM OF DIRECT SPENDING.—The term 'item of direct spending' means any specific provision of law enacted after the effective date of the

~~Legislative Line Item Veto Act of 2006 that is estimated to result in an increase in budget authority or outlays for direct spending relative to the most recent levels calculated consistent with the methodology described in section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 and included with a budget submission under section 1105(a) of title 31, United States Code, and, with respect to estimates made after that budget submission that are not included with it, estimates consistent with the economic and technical assumptions underlying the most recently submitted President's budget.~~

~~"(8) SUSPEND THE EXECUTION.—The term 'suspend the execution' means, with respect to an item of direct spending or a targeted tax benefit, to stop the carrying into effect of the specific provision of law that provides such benefit; and~~

~~"(9) TARGETED TAX BENEFIT.—The term 'targeted tax benefit' means only those provisions—~~

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

~~Control Act of 1985 and included with a budget submission under section 1105(a) of title 31, United States Code, and with respect to estimates made after that budget submission that are not included with it, estimates consistent with the economic and technical assumptions underlying the most recently submitted President's budget; and~~

~~"(B) having the practical effect of providing more favorable tax treatment to a particular taxpayer or limited group of taxpayers when compared with other similarly situated taxpayers.~~

~~"(h) CONGRESSIONAL IDENTIFICATION OF TARGETED TAX BENEFITS.—~~

~~"(1) STATEMENT BY JOINT TAX COMMITTEE.—~~ ~~The Joint Committee on Taxation shall review any revenue or reconciliation bill or joint resolution which includes any amendment to the Internal Revenue Code of 1986 that is being prepared for filing by a committee of conference of the 2 Houses, and shall identify, prior to consideration of such conference report, whether such bill or joint resolution contains any targeted tax benefits. The Joint Committee on Taxation shall provide to the committee of~~

~~conference a statement identifying any such targeted tax benefits or declaring that the bill or joint resolution does not contain any targeted tax benefits. The statement shall be included in the statement of managers to accompany such conference report and made available to any Member of Congress by the Joint Committee on Taxation immediately upon request.~~

~~"(2) STATEMENT INCLUDED IN LEGISLATION.—Notwithstanding any other rule of the House of Representatives or any rule or precedent of the Senate, any revenue or reconciliation bill or joint resolution, which includes any amendment to the Internal Revenue Code of 1986 reported by a committee of conference of the House of Representatives and the Senate, may include, as a separate section of such bill or joint resolution, the information contained in the statement of the Joint Committee on Taxation.".~~

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

~~(1) in subsection (a), by striking "and 1017" and inserting "1017, and 1021"; and~~

~~(2) in subsection (d), by striking "section 1017" and inserting "sections 1017 and 1021".~~

~~(c) CLERICAL AMENDMENTS.—~~

~~(1) SHORT TITLE.—Section 1(a) of the Congressional Budget and Impoundment Control Act of 1974 is amended by—~~

~~(A) striking "Parts A and B" before "title X" and inserting "Parts A, B, and C"; and~~

~~(B) striking the last sentence and inserting at the end the following new sentence: "Part C of title X also may be cited as the 'Legislative Line Item Veto Act of 2006'.".~~

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

~~"PART C—LEGISLATIVE LINE ITEM VETO~~

~~"Sec. 1021. Expedited consideration of certain proposed rescissions.".~~

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

~~(e) EFFECTIVE DATE AND EXPIRATION.—~~

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

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

(B) apply to any dollar amount of discretionary budget authority, item of direct spending, or targeted tax benefit provided in an Act enacted on or after September 1, 2006.

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

TITLE II—DEFICIT REDUCTION

Subtitle A—Definitions, Administration, and Sequestration

SEC. 201. DEFINITIONS.

In this subtitle:

(1) ACCOUNT.—The term ''account'' means—

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

(B) for items not provided for in appropriation Acts, direct spending and outlays therefrom identified in the program and finance schedules contained in the appendix to the Budget of the United States for the current year.

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

~~budget authority enacted for that year exceeds the spending limit for budget authority for that year.~~

~~(3) BUDGET AUTHORITY; NEW BUDGET AUTHORITY; AND OUTLAYS.—The terms "budget authority", "new budget authority", and "outlays" have the meanings given to such terms in section 3 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622). For purposes of subtitle B an obligation limitation shall be treated as budget authority.~~

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

~~(5) CBO.—The term "CBO" means the Director of the Congressional Budget Office.~~

~~(6) CURRENT.—The term "current" means—~~

~~(A) with respect to the Office of Management and Budget estimates included with a budget submission under section 1105(a) of title 31, United States Code, the estimates consistent with the economic and technical assumptions underlying that budget;~~

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

~~with it, the estimates consistent with the economic and technical assumptions underlying the most recently submitted President's budget; and~~

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

~~(7) CURRENT YEAR.—The term "current year" means, with respect to a budget year, the fiscal year that immediately precedes that budget year.~~

~~(8) DEFICIT.—The term "deficit" means, with respect to any fiscal year, the amount by which total budget outlays for such fiscal year exceed total governmental receipts for such fiscal year. In calculating the deficit for purposes of comparison with the maximum deficit amount under section 221 and in calculating the excess deficit for purposes of subtitle C (notwithstanding section 710(a) of the Social Security Act (42 U.S.C. 911)) for any fiscal year, the receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for such fiscal year and the taxes payable under sections 1401(a), 3101(a), and~~

~~3111(a) of the Internal Revenue Code of 1954 (26 U.S.C. 1401, 3101, 3111) during such fiscal year shall be included in total revenues for such fiscal year, and the disbursements of each such Trust Fund for such fiscal year shall be included in total budget outlays for such fiscal year. Notwithstanding any other provision of law except to the extent provided by section 710(a) of the Social Security Act (42 U.S.C. 911) the receipts, revenues, disbursements, budget authority, and outlays of each off-budget Federal entity for a fiscal year shall be included in total budget authority, total budget outlays, and total revenues and the amounts of budget authority and outlays set forth for each major functional category, for such fiscal year.~~

~~(9) DIRECT SPENDING.—The term "direct spending" shall have the meaning given such term in section 3(3) of the Congressional Budget Act of 1974.~~

~~(10) DISCRETIONARY BUDGET AUTHORITY.—The term "discretionary budget authority" means budgetary authority (except to fund mandatory programs) provided in appropriation Acts.~~

~~(11) DISCRETIONARY SPENDING LIMIT.—The term "discretionary spending limit" shall mean the amounts specified in section 212.~~

~~(12) EXCESS DEFICIT AMOUNT.—The term "excess deficit amount", with respect to any fiscal year, means the amount of the deficit reduced by the estimated reductions of outlays resulting from any sequestration in subtitle C, that exceeds the maximum deficit amount.~~

~~(13) OMB.—The term "OMB" means the Director of the Office of Management and Budget.~~

~~(14) SEQUESTRATION.—The term "sequestration" —~~

~~(A) with respect to discretionary budget authority, means the cancellation or reduction of budget authority (except budget authority to fund mandatory programs) provided in appropriation Acts; and~~

~~(B) with respect to the excess deficit amount, means the amount cancelled or reduced from direct spending and outlays flowing therefrom.~~

~~SEC. 202. ADMINISTRATION, RECONCILIATION, AND EFFECT OF SEQUESTRATION.~~

~~(a) TIMETABLE.—The timetable with respect to this 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.~~

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

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

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

~~(2) Except as otherwise provided, the same percentage sequestration shall apply to all programs, projects, and activities within a budget account (with programs, projects, and activities as delineated in the appropriation Act or accompanying report for the relevant fiscal year covering that account).~~

~~(3) Administrative regulations or similar actions implementing a sequestration shall be made within 120 days of the sequestration order. To the extent that formula allocations differ at different levels of budgetary resources within an account, program, project, or activity, the sequestration shall be interpreted as producing a lower total appropriation, with the remaining amount of the appropriation being obligated in a manner consistent with program allocation formulas in substantive law.~~

~~(4) Except as otherwise provided in this subtitle, obligations or budgetary resources in sequestered accounts shall be reduced only in the fiscal year in which a sequester occurs.~~

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

~~in appropriation accounts shall not be available for obligation during the fiscal year in which the sequestration occurs, but shall be available in subsequent years to the extent otherwise provided in law.~~

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

~~SEC. 203. GAO COMPLIANCE REPORT.~~

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

~~(1) the extent to which each order issued by the President under this title complies with all of the requirements contained in this title, either certifying that the order fully and accurately complies with such requirements or indicating the respects in which it does not; and~~

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

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

~~Subtitle B—Discretionary Spending Limits~~

~~SEC. 211. DISCRETIONARY SEQUESTRATION REPORTS.~~

~~(a) DISCRETIONARY SEQUESTRATION PREVIEW REPORTS.—~~

~~(1) REPORTING REQUIREMENT.—~~

~~(A) IN GENERAL.—On the dates specified in section 202(a), OMB shall report to the President and Congress and CBO shall report to Congress a Discretionary Sequestration Preview Report regarding discretionary sequestration based on laws enacted through those dates.~~

~~(B) PRESIDENT'S BUDGET.—When the President submits the budget under section 1105 of title 31, United States Code, OMB shall calculate and the budget shall include adjustments to discretionary spending limits (and those limits as cumulatively adjusted) for the budget year and each outyear to reflect changes in concepts and definitions.~~

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

~~made after consultation with the Committees on Appropriations and the Budget of the House of Representatives and the Senate, and that consultation shall include written communication to such committees that affords such committees the opportunity to comment before official action is taken with respect to such changes.~~

~~(2) DISCRETIONARY.—The Discretionary Sequestration Preview Report shall set forth estimates for the current year and each subsequent year through 2009 of the applicable discretionary spending limits and an explanation of any adjustments in such limits under section 212, and a projection of budget authority exceeding discretionary caps subject to sequester.~~

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

~~(b) DISCRETIONARY SEQUESTRATION REPORTS.—On the dates specified in section 202(a), OMB and CBO shall issue Discretionary Sequestration Reports, reflecting laws enacted through those dates, containing all of the information required in the Discretionary Sequestration Preview Reports.~~

~~(c) FINAL DISCRETIONARY SEQUESTRATION REPORTS.—~~

~~(1) REPORTING REQUIREMENTS.—On the dates specified in section 202(a), OMB and CBO shall each issue a Final Discretionary Sequestration Report, updated to reflect laws enacted through those dates.~~

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

~~(A) For the current year and each subsequent year through 2009, the applicable discretionary spending limits.~~

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

~~(C) The sequestration percentages necessary to eliminate the breach.~~

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

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

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

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

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

~~SEC. 212. LIMITS.~~

~~(a) DISCRETIONARY SPENDING LIMITS.—As used in this subtitle, the term "discretionary spending limit" means—~~

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

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

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

~~(4) with respect to fiscal years following 2009, The President shall recommend and the Congress shall consider legislation setting limits for those fiscal years.~~

~~(b) ADJUSTMENTS.—~~

~~(1) EMERGENCY SPENDING.—If, for fiscal year 2007, 2008, or 2009, appropriations for discretionary accounts are enacted that the President designates as emergency requirements, and that the Congress so designates in statute, the adjustment shall be the total of such appropriations in discretionary accounts designated as emergency requirements, but not to exceed $90,000,000,000 for fiscal year 2007, $50,000,000,000 for 2008, and $30,000,000,000 for 2009. Appropriations designated as emergencies in excess of these limitations shall be treated as new budget authority for the purpose of calculating a breach of the discretionary spending limits.~~

~~(2) FEDERAL TAX GAP INITIATIVE.—If an appropriation bill or joint resolution is enacted for fiscal year 2007, 2008, or 2009, that includes $6,824,000,000 plus an additional amount for the~~

~~enhanced tax enforcement initiative of the Internal Revenue Service, the adjustment shall be the amount of budget authority in that measure for that initiative but not to exceed—~~

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

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

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

~~(c) ENFORCEMENT.—~~

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

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

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

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

~~(A) the annualized amount otherwise available by law in that account under that or a subsequent part-year appropriation; and~~

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

~~(4) LOOK-BACK.—If, after June 30, an appropriation for the fiscal year in progress is enacted that causes a breach for that year (after taking into account any previous sequestration), the discretionary spending limit for the next fiscal year shall be reduced by the amount of that breach.~~

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

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

~~(d) ESTIMATES.—~~

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

~~(2) OMB ESTIMATES.—Not later than 7 calendar days (excluding Saturdays, Sundays, and legal holidays) after the date of enactment of any discretionary appropriations, OMB shall transmit a report to the House of Representatives and to the Senate containing—~~

~~(A) the CBO estimate of that legislation;~~

~~(B) an OMB estimate of that legislation using current economic and technical assumptions; and~~

~~(C) an explanation of any difference between the 2 estimates.~~

~~(3) DIFFERENCES.—If during the preparation of the report under paragraph (2), OMB determines that there is a difference between the OMB and CBO estimates, OMB shall consult with the Committees on the Budget of the House of Representa-~~

~~tives and the Senate regarding that difference and that consultation, to the extent practicable, shall include written communication to such committees that affords such committees the opportunity to comment before the issuance of that report.~~

~~(4) ASSUMPTIONS AND GUIDELINES.—OMB and CBO shall prepare estimates under this paragraph in conformance with scorekeeping guidelines determined after consultation among the House and Senate Committees on the Budget, CBO, and OMB.~~

~~Subtitle C—Maximum Deficit Amount Limitation~~

~~SEC. 221. MAXIMUM DEFICIT AMOUNT.~~

~~In this subtitle, the term "maximum deficit amount" means—~~

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

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

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

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

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

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

~~SEC. 222. REPORTING OF EXCESS DEFICITS.~~

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

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

~~(A) the deficit;~~

~~(B) the maximum deficit amount; and~~

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

~~(2) REPORT.—OMB shall report to the President and Congress and CBO shall report to Congress estimating the budget base levels of total revenues and total budget outlays for the budget year, identifying the deficit, the maximum deficit amount,~~

~~and the amount of any deficit excess for such fiscal year, the base from which direct spending reductions are taken and the amounts and percentages by which such direct spending accounts must be reduced for the budget year, in accordance with the succeeding provisions of this part, in order to eliminate such excess based on laws enacted through those dates.~~

~~(3) DETERMINATION OF REDUCTIONS.—The amounts and percentages by which accounts must be reduced for the budget year shall be determined by, subject to the exemptions set forth in section 227, the reductions necessary to eliminate the excess deficit amount for the fiscal year.~~

~~(4) BASIS FOR DIRECTORS' ESTIMATES, DETERMINATIONS, AND SPECIFICATIONS.—~~

~~(A) BUDGET BASE.—In computing the amounts and percentages by which accounts must be reduced during a fiscal year as set forth in the report required under paragraph (2) for such fiscal year, OMB and CBO shall use current economic and technical assumptions consistent with the methodology set forth in section 257 of the Balanced Budget and Enforcement Deficit Control Act of 1985.~~

~~(B) DEFERRALS AND RESCISSIONS.—Deferrals and rescissions proposed under the Impoundment Control Act of 1974 for the budget year shall not be taken into account in determining such budget base.~~

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

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

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

~~(A) indicating whether and to what extent, as a result of laws enacted and regulations promulgated after the submission of their maximum deficit amount preview report under subsection (a), the excess deficit identified in the report submitted under such subsection has been eliminated, reduced, or increased; and~~

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

~~The reconciliation report submitted under this paragraph shall contain estimates, determinations, and specifications for all of the items contained in the preview report and the OMB report shall be based on the same economic and technical assumptions and employ the same methodologies as applied in the supplemental budget estimates submitted under section 1106 of title 31, United States Code, and the CBO report shall be based on the most recent report required by section 202(e)(2) of the Congressional Budget Act of 1974. Estimates shall be consistent with methodology in section 257 of the Balanced Budget and Enforcement Act Deficit Control Act of 1985. The reports shall provide for the determination of reductions in the manner specified in subsection (a)(3).~~

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

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

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

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

~~SEC. 223. CONGRESSIONAL RESPONSE TO OMB AND CBO RECONCILIATION REPORT.~~

~~(a) REPORTING OF RESOLUTIONS, AND RECONCILIATION BILLS AND RESOLUTIONS, IN THE SENATE.—~~

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

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

~~(2) CBA.—Sections 305 and 310 of the Congressional Budget Act of 1974 shall apply to any bill considered under this section, except as otherwise provided in this section.~~

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

~~(A) specify the total amount by which—~~

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

~~(ii) governmental receipts, other than income taxes, estate and gift taxes, excise taxes, payroll taxes, or tariffs, for such fiscal year, are to be changed; and~~

~~(B) include directives to committees to recommend changes in laws within their jurisdiction to accomplish the total amount of deficit~~

~~reduction necessary to eliminate the excess deficit so that the deficit does not exceed the maximum deficit amount set forth in the OMB Reconciliation Report.~~

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

~~(5) BUDGET COMMITTEE ACTION.—Upon receipt of the recommendations received in response to directives referred to in paragraph (3), the Budget Committees shall report to the House and Senate, a reconciliation bill carrying out all such recommendations.~~

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

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

~~ation legislation carrying out all such recommendations without any substantive revision; and~~

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

~~(c) ADJUSTMENT OF BUDGET TARGETS.—Upon enactment of a reconciliation bill conference report, the chairmen of the Committees on the Budget of the Senate and the House of Representatives shall revise spending and revenue levels under section 311(a) of the Congressional Budget Act of 1974 and adjust the committee allocations under section 302(a) of the Congressional Budget Act of 1974, or any other adjustments as may be appropriate to reflect any changes made in the reconciliation bill. Notwithstanding any other provision of law, the revised allocations and aggregates shall be considered to have been made under a concurrent resolution on the budget agreed to under the Congressional Budget Act of 1974, and shall be enforced under the procedures of that Act.~~

~~(d) COMPLIANCE WITH RECONCILIATION DIRECTIVES.—Secondary or indirect effects of the legislative~~

~~recommendations submitted by any committee of the House of Representatives or the Senate that is directed, shall be attributed to the committee proposing the change in law, but shall not be considered for the purpose of determining compliance with such directives.~~

~~(c) LIMITATION ON AMENDMENTS TO RECONCILIATION BILLS.—~~

~~(1) HOUSE OF REPRESENTATIVES.—It shall not be in order in the House of Representatives to consider any amendment to a reconciliation bill if such amendment would have the effect of increasing any specific budget outlays above the level of such outlays provided in the bill (for the fiscal years covered by the reconciliation directives), or would have the effect of reducing any specific governmental receipts below the level of such governmental receipts provided in the bill (for such fiscal year), unless such amendment makes at least an equivalent reduction in other specific budget outlays, an equivalent increase in other specific governmental receipts, or an equivalent combination thereof (for such fiscal year).~~

~~(2) SENATE.—It shall not be in order in the Senate to consider any amendment to a reconciliation bill if such amendment would have the effect of increasing any specific budget outlay level above~~

~~the level of such outlay reductions provided (for the fiscal year covered) in the reconciliation directives or would have the effect of reducing governmental receipts increases below the level of such increases in such governmental receipts provided (for such fiscal year) in the reconciliation directives, unless such amendment makes a reduction in other specific budget outlays, an increase in other specific governmental receipts, or a combination thereof (for such fiscal year) at least equivalent to any increase in outlays or decrease in governmental receipts provided by such amendment, except that a motion to strike a provision shall always be in order.~~

~~(3) BUDGET AUTHORITY, OUTLAYS, AND RECEIPTS.—For purposes of this section, the levels of budget authority, outlays, and governmental receipts for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the House of Representatives or of the Senate, as the case may be.~~

~~(4) HOUSE RULES.—The Committee on Rules of the House of Representatives may make in order amendments to achieve changes specified by reconciliation directives if a committee or committees of the House fail to submit recommended changes to~~

~~its Committee on the Budget pursuant to its instruction.~~

~~(f) PROCEDURE IN THE SENATE.—~~

~~(1) IN GENERAL.—Except as provided in paragraph (2), the provisions of section 305 for the consideration in the Senate of concurrent resolutions on the budget and conference reports thereon, shall also apply to the consideration in the Senate of reconciliation bills reported under this subsection, motions in relation to a request for conference, and conference reports thereon.~~

~~(2) SENATE CONSIDERATION.—Consideration in the Senate on any reconciliation bill reported under this subsection, and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours.~~

~~(g) LIMITATION ON CHANGES TO THE SOCIAL SECURITY ACT.—Notwithstanding any other provision of law, it shall not be in order in the Senate or the House of Representatives to consider any reconciliation bill, or any amendment thereto or conference report thereon, that contains recommendations with respect to the old-age, survivors, and disability insurance program established under title II of the Social Security Act.~~

~~(h) EXTRANEOUS MATTER IN RECONCILIATION LEGISLATION.—~~

~~(1) IN GENERAL.—When the Senate is considering a reconciliation bill pursuant to this section (whether that bill originated in the Senate or the House), upon a point of order being made by any Senator against material extraneous to the instructions to a committee which is contained in any title or provision of the bill or offered as an amendment to the bill, and the point of order is sustained by the Chair, any part of said title or provision that contains material extraneous to the directives to said Committee as defined in paragraph (2), shall be deemed stricken from the bill and may not be offered as an amendment from the floor.~~

~~(2) EXTRANEOUS PROVISIONS.—Except as provided in paragraph (3)—~~

~~(A) a provision of a reconciliation bill considered pursuant to this subsection shall be considered extraneous if such provision does not produce a decrease in outlays or an increase in governmental receipts, including changes in outlays and governmental receipts brought about by changes in the terms and conditions under~~

~~which outlays are made or governmental receipts are required to be collected;~~

~~(B) a provision that is not in the jurisdiction of the Committee with jurisdiction over said title or provision shall be considered extraneous (except that amendments reported by the Committee on the Budget to achieve compliance with reconciliation directives shall not be deemed extraneous);~~

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

~~(D) a provision shall be considered extraneous if it violates section 310(g) of the Congressional Budget Act of 1974.~~

~~(3) SENATE-ORIGINATED PROVISIONS.—A Senate-originated provision shall not be considered extraneous under paragraph (2) if the Chairman and Ranking Minority Member of the Committee on the~~

~~Budget and the Chairman and Ranking Minority Member of the Committee which reported the provision certify that—~~

~~(A) the provision mitigates direct effects clearly attributable to a provision changing outlays or revenue and both provisions together produce a net reduction in the deficit;~~

~~(B) the provision will result in a substantial reduction in outlays or a substantial increase in governmental receipts during fiscal years after the fiscal years covered by the reconciliation bill or reconciliation resolution;~~

~~(C) a reduction of outlays or an increase in governmental receipts is likely to occur as a result of the provision, in the event of new regulations authorized by the provision or likely to be proposed, court rulings on pending litigation, or relationships between economic indices and stipulated statutory triggers pertaining to the provision, other than the regulations, court rulings, or relationships currently projected by the Congressional Budget Office for scorekeeping purposes; or~~

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

~~governmental receipts but, due to insufficient data, such reduction or increase cannot be reliably estimated.~~

~~(4) COMMITTEE REPORTED PROVISIONS.—a provision reported by a committee shall not be considered extraneous under paragraph (2) if—~~

~~(A) the provision is an integral part of a provision or title, which if introduced as a bill, would be referred to such committee, and the provision sets forth the procedure to carry out or implement the substantive provisions that were reported and which fall within the jurisdiction of such committee; or~~

~~(B) the provision states an exception to, or a special application of, the general provision or title of which it is a part and such general provision or title if introduced as a bill, would be referred to such committee.~~

~~(5) TECHNICAL AND CONFORMING AMENDMENTS.—Technical and conforming provisions shall not be considered extraneous under this subsection.~~

~~(6) EXTRANEOUS MATERIALS.—Upon the reporting of a reconciliation bill pursuant to this subsection in the Senate, and again upon the submission of a conference report on such a reconciliation~~

~~bill, the Committee on the Budget of the Senate shall submit for the record a list of material considered to be extraneous under paragraph (2) (A), (C), and (D), to the instructions of a committee as provided in this section. The inclusion or exclusion of a provision shall not constitute a determination of extraneousness by the Presiding Officer of the Senate.~~

~~(7) CONFERENCE REPORTS.—When the Senate is considering a conference report on, or an amendment between the Houses in relation to, a reconciliation bill pursuant to this section, upon a point of order being made by any Senator against extraneous material meeting the definition of this subsection, and such point of order being sustained, such material contained in such conference report or amendment shall be deemed stricken, and the Senate shall proceed, without intervening action or motion, to consider the question of whether the Senate shall recede from its amendment and concur with a further amendment, or concur in the House amendment with a further amendment, as the case may be, which further amendment shall consist of only that portion of the conference report or House amendment, as the case may be, not so stricken. Any such~~

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

~~(i) DETERMINATIONS AND POINTS OF ORDER.—Notwithstanding any other law or rule of the Senate, it shall be in order for a Senator to raise a single point of order that several provisions of a bill, resolution, amendment, motion, or conference report violate this section. The Presiding Officer may sustain the point of order as to some or all of the provisions against which the Senator raised the point of order. If the Presiding Officer so sustains the point of order as to some of the provisions (including provisions of an amendment, motion, or conference report) against which the Senator raised the point of order, then only those provisions (including provisions of an amendment, motion, or conference report) against which the Presiding Officer sustains the point of order shall be deemed stricken pursuant to this section. Before the Presiding Officer rules on such a point of order, any Senator may move to waive such a point of order as it applies to some or all of the provisions against which the point of order was raised. Such a motion to waive is amendable in accordance~~

with the rules and precedents of the Senate. After the Presiding Officer rules on such a point of order, any Senator may appeal the ruling of the Presiding Officer on such a point of order as it applies to some or all of the provisions on which the Presiding Officer ruled.

SEC. 224. REVISED ESTIMATES AND FINAL MAXIMUM DEFICIT AMOUNT SEQUESTRATION REPORTS.

(a) REVISED ESTIMATES, DETERMINATIONS, AND FINAL MAXIMUM DEFICIT AMOUNT SEQUESTRATION REPORTS.—On the dates specified in section 202(a), OMB shall submit to the President and Congress, and CBO shall submit to Congress, a revised report—

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

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

The final report submitted under this subsection shall contain estimates, determinations, and specifications for all of the items contained in the maximum deficit amount reconciliation report and shall be based on the same economic and technical assumptions and employ the same meth-

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

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

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

SEC. 225. MAXIMUM DEFICIT AMOUNT-PRESIDENTIAL ORDER.

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

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

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

~~(c) EFFECT OF SEQUESTRATION UNDER PRESIDENTIAL ORDER.—Amounts sequestered under an order issued by the President under subsection (a) for a fiscal~~

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

~~(d) ACCOMPANYING MESSAGE.—At the time the actions described in the preceding provisions of this subsection with respect to any fiscal year are taken, the President shall transmit to both Houses of the Congress a message containing all the information required by this section and further specifying in strict accordance with subsection (b)—~~

~~(1) within each account, and the amounts which are to be sequestered or reduced for each such program, project, and activity or budget account activity; and~~

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

~~Upon receipt in the Senate and the House of Representatives, the message shall be referred to all committees with jurisdiction over programs, projects, and activities affected by the order.~~

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

~~SEC. 226. CONGRESSIONAL RESPONSE TO LOW GROWTH.~~

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

~~(1) IN GENERAL.—The Director of the Congressional Budget Office shall notify the Congress at any time if—~~

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

~~(B) the Department of Commerce preliminary reports of actual real economic growth (or any subsequent revision thereof) indicate that the rate of real economic growth for each of the most recent reported quarter and the immediately preceding quarter is less than one percent.~~

~~Upon such notification the majority leader of each House shall introduce a joint resolution (in the form set forth in paragraph (2)) declaring that the conditions specified in this paragraph are met and sus-~~

~~pending the relevant provisions of this title for the remainder of the current fiscal year or for the following fiscal year or both.~~

~~(2) FORM OF JOINT RESOLUTION.—~~

~~(A) MATTER.—The matter after the resolving clause in any joint resolution introduced pursuant to paragraph (1) shall be as follows: "That the Congress declares that the conditions specified in section 226(a)(1) of the Stop Over Spending Act of 2006 are met and the provisions of that Act, including sequestration of discretionary spending under subtitle B of that Act are suspended for the remainder of the current year, and for the fiscal year following the current year. This joint resolution shall not have the effect of suspending any final order which was issued for the current fiscal year under the SOS Act if such order was issued before the date of the enactment of this joint resolution.~~ ~~.~~

~~(B) TITLE.—The title of the joint resolution shall be "Joint resolution suspending certain provisions of law pursuant to SOS Act." and the joint resolution shall not contain any preamble.~~

~~(b) COMMITTEE ACTION.—Each joint resolution introduced pursuant to subsection (a) shall be referred to the Committee on the Budget of the House involved; and such Committee shall report the joint resolution to its House without amendment on or before the fifth day on which such House is in session after the date on which the joint resolution is introduced. If the Committee fails to report the joint resolution within the five-day period referred to in the preceding sentence, it shall be automatically discharged from further consideration of the joint resolution, and the joint resolution shall be placed on the appropriate calendar.~~

~~(c) CONSIDERATION OF JOINT RESOLUTION.—~~

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

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

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

~~When the joint resolution is agreed to, the Clerk of the House of Representatives (in the case of a House joint resolution agreed to in the House of Representatives) or the Secretary of the Senate (in the case of a Senate joint resolution agreed to in the Senate) shall cause the joint resolution to be engrossed, certified, and transmitted to the other House of the Congress as soon as practicable.~~

~~(2) HOUSE.—~~

~~(A) PROCEEDING.—A motion in the House of Representatives to proceed to the consideration of a joint resolution under this subsection shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.~~

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

~~hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion to postpone, made in the House of Representatives with respect to the consideration of a joint resolution under this subsection, and a motion to proceed to the consideration of other business, shall not be in order. A motion further to limit debate shall not be debatable. It shall not be in order to move to table or to recommit a joint resolution under this subsection or to move to reconsider the vote by which the joint resolution is agreed to or disagreed to.~~

~~(C) APPEALS.—All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a joint resolution under this subsection shall be decided without debate.~~

~~(D) FORM OF RESOLUTION.—Except to the extent specifically provided in this subsection or in paragraph (4), consideration of a joint resolution under this paragraph shall be governed by the Rules of the House of Representatives.~~

~~(3) SENATE.—~~

~~(A) PROCEEDING.—A motion in the Senate to proceed to the consideration of a joint resolution under this subsection shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.~~

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

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

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

~~(D) LIMIT DEBATE OR RECOMMIT.—A motion in the Senate to further limit debate on a joint resolution under this subsection is not debatable. A motion to table or to recommit a joint resolution under this subsection is not in order.~~

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

~~SEC. 227. EXEMPTIONS FROM SEQUESTRATION.~~

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

~~(b) EXCEPTIONS.—~~

~~(1) SOCIAL SECURITY BENEFITS AND THER I RAILROAD RETIREMENT BENEFITS.—Benefits payable under the old-age, survivors, and disability insurance program established under title II of the Social Security Act, or in benefits payable under section 3(a), 3(f)(3), 4(a), or 4(f) of the Railroad Re-~~

~~tirement Act of 1974, shall be exempt from any reduction under any order issued under this part.~~

~~(2) IN BUDGET.—~~

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

~~(B) JUSTIFICATION.—The President shall include a justification for each exemption submitted pursuant to subparagraph (A).~~

~~(C) APPLICATION.—The exemptions provided in paragraph (1) and the exemptions submitted by the President under this paragraph shall stand as the only exemptions to sequestration procedures under this subtitle, unless otherwise provided by law.~~

SEC. 228. SUBMISSION OF PRESIDENT'S BUDGET; MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.

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

"(i) The budget transmitted pursuant to subsection (a) for a fiscal year shall be prepared consistent with section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985, in such a manner as to ensure that the deficit for such fiscal year shall not exceed the maximum deficit amount for such fiscal year.".

TITLE III—BIENNIAL BUDGETARY AND APPROPRIATIONS

SEC. 301. REVISION OF TIMETABLE.

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

"TIMETABLE

"SEC. 300. (a) IN GENERAL.—Except as provided by subsection (b), the timetable with respect to the congressional budget process for any Congress (beginning with the One Hundred Tenth Congress) is as follows:

"First Session

On or before:	Action to be completed:
First Monday in February.	President submits the biennial budget recommendations.
February 15	Congressional Budget Office submits report to Budget Committees.
Not later than 6 weeks after the biennial budget submission.	Committees submit views and estimates to Budget Committees.
April 1	Budget Committees report concurrent resolution 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.".~~

~~SEC. 302. AMENDMENTS TO THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974.~~

~~(a) DECLARATION OF PURPOSE.—Section 2(2) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 621(2)) is amended by striking "each year" and inserting "biennially".~~

~~(b) DEFINITIONS.—~~

~~(1) BUDGET RESOLUTION.—Section 3(4) of such Act (2 U.S.C. 622(4)) is amended by striking "fiscal year" each place it appears and inserting "biennium".~~

~~(2) BIENNIUM.—Section 3 of such Act (2 U.S.C. 622) is further amended by adding at the end the following new paragraph:~~

~~"(11) The term 'biennium' means the period of 2 consecutive fiscal years beginning on October 1 of any odd-numbered year.".~~

~~(c) BIENNIAL CONCURRENT RESOLUTION ON THE BUDGET.—~~

~~(1) SECTION HEADING.—The section heading of section 301 of such Act is amended by striking "**ANNUAL**" and inserting "**BIENNIAL**".~~

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

~~(A) in the matter preceding paragraph (1) by—~~

~~(i) striking "April 15 of each year" and inserting "May 15 of each odd-numbered year";~~

~~(ii) striking "the fiscal year beginning on October 1 of such year" the first place it appears and inserting "the biennium beginning on October 1 of such year"; and~~

~~(iii) striking "the fiscal year beginning on October 1 of such year" the second place it appears and inserting "each fiscal year in such period";~~

~~(B) in paragraph (6), by striking "for the fiscal year" and inserting "for each fiscal year in the biennium"; and~~

~~(C) in paragraph (7), by striking "for the fiscal year" and inserting "for each fiscal year in the biennium".~~

~~(3) ADDITIONAL MATTERS.—Section 301(b)(3) of such Act (2 U.S.C. 632(b)) is amended by striking "for such fiscal year" and inserting "for either fiscal year in such biennium".~~

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

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

~~(A) striking "fiscal year" and inserting "biennium"; and~~

~~(B) inserting after the second sentence the following: "On or before April 1 of each odd-numbered year (or, if applicable, as provided by section 300(b)), the Committee on the Budget of each House shall report to its House the concurrent resolution on the budget referred to in subsection (a) for the biennium beginning on October 1 of that year.".~~

~~(6) GOALS FOR REDUCING UNEMPLOYMENT.—Section 301(f) of such Act (2 U.S.C. 632(f)) is amended by striking "fiscal year" each place it appears and inserting "biennium".~~

~~(7) ECONOMIC ASSUMPTIONS.—Section 301(g)(1) of such Act (2 U.S.C. 632(g)(1)) is amended by striking "for a fiscal year" and inserting "for a biennium".~~

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

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

~~(1) in subsection (a)~~

~~(A) in paragraph (1), by—~~

~~(i) striking "for the first fiscal year of the resolution," and inserting "for each fiscal year in the biennium,";~~

~~(ii) striking "for that period of fiscal years" and inserting "for all fiscal years covered by the resolution"; and~~

~~(iii) striking "for the fiscal year of that resolution" and inserting "for each fiscal year in the biennium"; and~~

~~(B) in paragraph (5), by striking "April 15" and inserting "May 15 or June 1 (under section 300(b))";~~

~~(2) in subsection (b), by striking "budget year" and inserting "biennium";~~

~~(3) in subsection (c) by striking "for a fiscal year" each place it appears and inserting "for each fiscal year in the biennium";~~

~~(4) in subsection (f)(1), by striking "for a fiscal year" and inserting "for a biennium";~~

~~(5) in subsection (f)(1), by striking "the first fiscal year" and inserting "each fiscal year of the biennium";~~

~~(6) in subsection (f)(2)(A), by—~~

~~(A) striking "the first fiscal year" and inserting "each fiscal year of the biennium"; and~~

~~(B) striking "the total of fiscal years" and inserting "the total of all fiscal years covered by the resolution"; and~~

~~(7) in subsection (g)(1)(A), by striking "April" and inserting "May".~~

~~(c) SECTION 303 POINT OF ORDER.—~~

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

~~(A) striking "the first fiscal year" and inserting "each fiscal year of the biennium"; and~~

~~(B) striking "that fiscal year" each place it appears and inserting "that biennium".~~

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

~~(A) in subparagraph (A), by striking "the budget year" and inserting "the biennium"; and~~

~~(B) in subparagraph (B), by striking "the fiscal year" and inserting "the biennium".~~

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

~~(A) striking "fiscal year" and inserting "biennium"; and~~

~~(B) striking "that year" and inserting "each fiscal year of that biennium".~~

~~(f) PERMISSIBLE REVISIONS OF CONCURRENT RESOLUTIONS ON THE BUDGET.—Section 304 of such Act (2 U.S.C. 635) is amended—~~

~~(1) by striking "fiscal year" the first two places it appears and inserting "biennium"; and~~

~~(2) by striking "for such fiscal year" and inserting "for such biennium".~~

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

~~(1) in subsection (a)(3), by striking "fiscal year" and inserting "biennium"; and~~

~~(2) in subsection (b)(3), by striking "fiscal year" and inserting "biennium".~~

~~(h) COMPLETION OF HOUSE ACTION ON APPROPRIATION BILLS.—Section 307 of such Act (2 U.S.C. 638) is amended—~~

~~(1) by striking "each year" and inserting "each odd-numbered year";~~

~~(2) by striking "annual" and inserting "biennial";~~

~~(3) by striking "fiscal year" and inserting "biennium"; and~~

~~(4) by striking "that year" and inserting "each odd-numbered year".~~

~~(i) COMPLETION OF ACTION ON REGULAR APPROPRIATION BILLS.—Section 309 of such Act (2 U.S.C. 640) is amended—~~

~~(1) by inserting "of any odd-numbered calendar year" after "July";~~

~~(2) by striking "annual" and inserting "biennial"; and~~

~~(3) by striking "fiscal year" and inserting "biennium".~~

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

~~(1) in the matter preceding paragraph (1), by striking "any fiscal year" and inserting "any biennium"; and~~

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

~~(k) SECTION 311 POINT OF ORDER.—~~

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

~~(A) by striking "for a fiscal year" and inserting "for a biennium";~~

~~(B) by striking "the first fiscal year" each place it appears and inserting "either fiscal year of the biennium"; and~~

~~(C) by striking "that first fiscal year" and inserting "each fiscal year in the biennium".~~

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

~~(A) in subparagraph (A), by striking "for the first fiscal year" and inserting "for either fiscal year of the biennium"; and~~

~~(B) in subparagraph (B)—~~

~~(i) by striking "that first fiscal year" the first place it appears and inserting "each fiscal year in the biennium"; and~~

~~(ii) by striking "that first fiscal year and the ensuing fiscal years" and inserting "all fiscal years".~~

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

~~(A) striking "for the first fiscal year" and inserting "each fiscal year in the biennium"; and~~

~~(B) striking "that fiscal year and the ensuing fiscal years" and inserting "all fiscal years".~~

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

~~(1) by striking "for a fiscal year" and inserting "for a biennium";~~

~~(2) in paragraph (1), by striking "the first fiscal year" and inserting "either fiscal year in the biennium";~~

~~(3) in paragraph (2), by striking "that fiscal year" and inserting "either fiscal year in the biennium"; and~~

~~(4) in the matter following paragraph (2), by striking "that fiscal year" and inserting "the applicable fiscal year".~~

~~SEC. 303. AMENDMENTS TO TITLE 31, UNITED STATES CODE.~~

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

~~"(3) 'biennium' has the meaning given to such term in paragraph (11) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(11)).".~~

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

~~(1) SCHEDULE.—The matter preceding paragraph (1) in section 1105(a) of title 31, United States Code, is amended to read as follows:~~

~~"(a) On or before the first Monday in February of each odd-numbered year (or, if applicable, as provided by section 300(b) of the Congressional Budget Act of 1974), beginning with the One Hundred Tenth Congress, the President shall transmit to the Congress, the budget for the biennium beginning on October 1 of such calendar year. The budget of the United States Government transmitted under this subsection shall include a budget message and summary and supporting information. The President shall include in each budget the following:".~~

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

~~"the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting "each fiscal year in the biennium for which the budget is submitted and in the succeeding 4 fiscal years".~~

~~(3) RECEIPTS.—Section 1105(a)(6) of title 31, United States Code, is amended by striking "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting "each fiscal year in the biennium for which the budget is submitted and in the succeeding 4 years".~~

~~(4) BALANCE STATEMENTS.—Section 1105(a)(9)(C) of title 31, United States Code, is amended by striking "the fiscal year" and inserting "each fiscal year in the biennium".~~

~~(5) FUNCTIONS AND ACTIVITIES.—Section 1105(a)(12) of title 31, United States Code, is amended in subparagraph (A), by striking "the fiscal year" and inserting "each fiscal year in the biennium".~~

~~(6) ALLOWANCES.—Section 1105(a)(13) of title 31, United States Code, is amended by striking "the fiscal year" and inserting "each fiscal year in the biennium".~~

~~(7) ALLOWANCES FOR UNCONTROLLED EXPENDITURES.—Section 1105(a)(14) of title 31, United States Code, is amended by striking "that year" and inserting "each fiscal year in the biennium for which the budget is submitted".~~

~~(8) TAX EXPENDITURES.—Section 1105(a)(16) of title 31, United States Code, is amended by striking "the fiscal year" and inserting "each fiscal year in the biennium".~~

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

~~(A) by striking "the fiscal year following the fiscal year" and inserting "each fiscal year in the biennium following the biennium";~~

~~(B) by striking "that following fiscal year" and inserting "each such fiscal year"; and~~

~~(C) by striking "fiscal year before the fiscal year" and inserting "biennium before the biennium".~~

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

~~(A) by striking "the prior fiscal year" and inserting "each of the 2 most recently completed fiscal years,";~~

~~(B) by striking "for that year" and inserting "with respect to those fiscal years"; and~~

~~(C) by striking "in that year" and inserting "in those fiscal years".~~

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

~~(A) by striking "the prior fiscal year" and inserting "each of the 2 most recently completed fiscal years";~~

~~(B) by striking "for that year" and inserting "with respect to those fiscal years"; and~~

~~(C) by striking "in that year" each place it appears and inserting "in those fiscal years".~~

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

~~(d) RECOMMENDATIONS TO MEET ESTIMATED DEFICIENCIES.—Section 1105(c) of title 31, United States Code, is amended—~~

~~(1) by striking "the fiscal year for" the first place it appears and inserting "each fiscal year in the biennium for";~~

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

~~(3) by striking "for that year" and inserting "for each fiscal year of the biennium".~~

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

~~(f) SUPPLEMENTAL BUDGET ESTIMATES AND CHANGES.—~~

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

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

~~(i) inserting after "Before July 16 of each year" the following: "and February 15 of each even-numbered year"; and~~

~~(ii) striking "fiscal year" and inserting "biennium";~~

~~(B) in paragraph (1), by striking "that fiscal year" and inserting "each fiscal year in such biennium";~~

~~(C) in paragraph (2), by striking "fiscal year" and inserting "biennium"; and~~

~~(D) in paragraph (3), by striking "fiscal year" and inserting "biennium".~~

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

~~(A) striking "the fiscal year" and inserting "each fiscal year in the biennium";~~

~~(B) inserting after "Before July 16 of each year" the following: "and February 15 of each even-numbered year"; and~~

~~(C) striking "submitted before July 16" and inserting "required by this subsection".~~

~~(g) CURRENT PROGRAMS AND ACTIVITIES ESTIMATES.—~~

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

~~(A) by striking "On or before the first Monday after January 3 of each year (on or before February 5 in 1986)" and inserting "At the same time the budget required by section 1105 is submitted for a biennium"; and~~

~~(B) by striking "the following fiscal year" and inserting "each fiscal year of such period".~~

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

~~"within 6 weeks of the President's budget submission for each odd-numbered year (or, if applicable, as provided by section 300(b) of the Congressional Budget Act of 1974)".~~

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

~~(1) striking "May 16" and inserting "March 31"; and~~

~~(2) striking "year before the year in which the fiscal year begins" and inserting "calendar year preceding the calendar year in which the biennium begins".~~

~~SEC. 304. TWO-YEAR APPROPRIATIONS; TITLE AND STYLE OF APPROPRIATIONS ACTS.~~

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

~~"§ 105. Title and style of appropriations Acts~~

~~"(a) The style and title of all Acts making appropriations for the support of the Government shall be as follows: 'An Act making appropriations (here insert the object) for each fiscal year in the biennium of fiscal years (here insert the fiscal years of the biennium).'.~~

~~"(b) All Acts making regular appropriations for the support of the Government shall be enacted for a biennium~~

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

"(c) For purposes of this section, the term 'biennium' has the same meaning as in section 3(11) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(11)).".

SEC. 305. MULTIYEAR AUTHORIZATIONS.

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

"AUTHORIZATIONS OF APPROPRIATIONS

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

"(1) any bill, joint resolution, amendment, motion, or conference report that authorizes appropriations for a period of less than 2 fiscal years, unless the program, project, or activity for which the appropriations are authorized will require no further appropriations and will be completed or terminated after the appropriations have been expended; and

"(2) in any odd-numbered year, any authorization or revenue bill or joint resolution until Congress completes action on the biennial budget resolution, all regular biennial appropriations bills, and all reconciliation 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~~

~~(3) in subsection (c), by inserting a comma after "section" the second place it appears and adding "including a strategic plan submitted by September 30, 2007 meeting the requirements of subsection (a)".~~

~~(b) BUDGET CONTENTS AND SUBMISSION TO CONGRESS.—Paragraph (28) of section 1105(a) of title 31, United States Code, is amended by striking "beginning with fiscal year 1999, a" and inserting "beginning with fiscal year 2008, a biennial".~~

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

~~(1) in subsection (a)—~~

~~(A) in the matter before paragraph (1) by striking "an annual" and inserting "a biennial";~~

~~(B) in paragraph (1) by inserting after "program activity" the following: "for both years 1 and 2 of the biennial plan";~~

~~(C) in paragraph (5) by striking "and" after the semicolon;~~

~~(D) in paragraph (6) by striking the period and inserting a semicolon; and inserting "and" after the inserted semicolon; and~~

~~(E) by adding after paragraph (6) the following:~~

~~"(7) cover a 2-year period beginning with the first fiscal year of the next biennial budget cycle.";~~

~~(2) in subsection (d) by striking "annual" and inserting "biennial"; and~~

~~(3) in paragraph (6) of subsection (g) by striking "annual" and inserting "biennial".~~

~~(d) MANAGERIAL ACCOUNTABILITY AND FLEXIBILITY.—Section 9703 of title 31, United States Code, relating to managerial accountability, is amended—~~

~~(1) in subsection (a)—~~

~~(A) in the first sentence by striking "annual"; and~~

~~(B) by striking "section 1105(a)(29)" and inserting "section 1105(a)(28)";~~

~~(2) in subsection (c)—~~

~~(A) in the first sentence by striking "one or" before "years";~~

~~(B) in the second sentence by striking "a subsequent year" and inserting "a subsequent 2-year period"; and~~

~~(C) in the third sentence by striking "three" and inserting "4".~~

~~(e) PILOT PROJECTS FOR PERFORMANCE BUDGETING.—Section 1119 of title 31, United States Code, is amended—~~

~~(1) in paragraph (1) of subsection (d), by striking "annual" and inserting "biennial"; and~~

~~(2) in subsection (e), by striking "annual" and inserting "biennial".~~

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

~~(1) in subsection (a), by striking "September 30, 1997" and inserting "September 30, 2005";~~

~~(2) in subsection (b), by striking "five years forward" and inserting "6 years forward";~~

~~(3) in subsection (b), by striking "at least every three years" and inserting "at least every 4 years"; and~~

~~(4) in subsection (c), by inserting a comma after "section" the second place it appears and inserting "including a strategic plan submitted by September 30, 2005 meeting the requirements of subsection (a)".~~

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

~~(1) in the matter before paragraph (1), by striking "an annual" and inserting "a biennial";~~

~~(2) in paragraph (1), by inserting after "program activity" the following: "for both years 1 and 2 of the biennial plan";~~

~~(3) in paragraph (5), by striking "and" after the semicolon;~~

~~(4) in paragraph (6), by striking the period and inserting "; and"; and~~

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

~~"(7) cover a 2-year period beginning with the first fiscal year of the next biennial budget cycle.".~~

~~(h) COMMITTEE VIEWS OF PLANS AND REPORTS.—Section 301(d) of the Congressional Budget Act (2 U.S.C. 632(d)) is amended by adding at the end "Each committee of the Senate or the House of Representatives shall review the strategic plans, performance plans, and performance reports, required under section 306 of title 5, United States Code, and sections 1115 and 1116 of title 31, United States Code, of all agencies under the jurisdiction of the committee. Each committee may provide its views on such plans or reports to the Committee on the Budget of the applicable House.".~~

~~(i) EFFECTIVE DATE.—~~

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

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

~~SEC. 307. BIENNIAL APPROPRIATION BILLS.~~

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

~~"CONSIDERATION OF BIENNIAL APPROPRIATIONS BILLS~~

~~"SEC. 317. It shall not be in order in the House of Representatives or the Senate in any odd-numbered year to consider any regular bill providing new budget authority or a limitation on obligations under the jurisdiction of any of the subcommittees of the Committees on Appropriations for only the first fiscal year of a biennium, unless the program, project, or activity for which the new budget authority or obligation limitation is provided will require no additional authority beyond 1 year and will be completed or terminated after the amount provided has been expended.".~~

~~(b) AMENDMENT TO TABLE OF CONTENTS.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is~~

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

~~"Sec. 317. Consideration of biennial appropriations bills.".~~

~~SEC. 308. REPORT ON CHANGES IN LAW.~~

~~Not later than 60 days after the date of enactment of this Act, the Director of OMB shall report to the Committees on the Budget of the House of Representatives and the Senate any changes in law to the Congressional Budget Act of 1974 and the provisions of this Act required to conform with a biennial budget process.~~

~~SEC. 309. EFFECTIVE DATE.~~

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

~~TITLE IV—COMMISSIONS~~

~~Subtitle A—National Commission on Entitlement Solvency~~

~~SEC. 401. DEFINITIONS.~~

~~In this subtitle:~~

~~(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Centers for Medicare & Medicaid Services.~~

~~(2) CALENDAR DAY.—The term "calendar day" means a calendar day other than 1 in which either~~

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

~~(3) COMMISSION.—The term "Commission" means the National Commission on Entitlement Solvency established under section 402(a).~~

~~(4) COMMISSION BILL.—The term "Commission bill" means a bill consisting of the proposed legislative language provisions of the Commission introduced under section 403(a).~~

~~(5) COMMISSIONER.—The term "Commissioner" means the Commissioner of Social Security.~~

~~(6) LONG-TERM.—The term "long-term" means a period of not less than 75 years beginning on the date of enactment of this Act.~~

~~(7) MEDICAID.—The term "Medicaid" means the program established under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.)~~

~~(8) MEDICARE.—The term "Medicare" means the program established under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).~~

~~(9) SOCIAL SECURITY.—The term "Social Security" means the program of old-age, survivors, and disability insurance benefits established under title II of the Social Security Act (42 U.S.C. 401 et seq.).~~

1 ~~(10) SOLVENCY.—The term "solvency"~~
2 ~~means—~~
3 ~~(A) in relation to Social Security, any year~~
4 ~~in which the balance ratio (as defined under~~
5 ~~section 709(b) of the Social Security Act (42~~
6 ~~U.S.C. 910(b)) of the Federal Old-Age and~~
7 ~~Survivors Insurance Trust Fund and the Fed-~~
8 ~~eral Disability Insurance Trust Fund estab-~~
9 ~~lished under section 201 of the Social Security~~
10 ~~Act (42 U.S.C. 401) is greater than zero;~~
11 ~~(B) in relation to the Medicare program,~~
12 ~~any year in which there is not excess general~~
13 ~~revenue medicare funding (as defined in section~~
14 ~~801(c)(1) of the Medicare Prescription Drug,~~
15 ~~Improvement, and Modernization Act of 2003~~
16 ~~(Public Law 108–173; 117 Stat. 2358)); and~~
17 ~~(C) In relation to Medicaid, any year after~~
18 ~~2012 in which Gross Domestic Product growth~~
19 ~~is greater than zero and growth in total Med-~~
20 ~~icaid spending does not exceed growth in Gross~~
21 ~~Domestic Product.~~
22 **~~SEC. 402. ESTABLISHMENT OF COMMISSION.~~**
23 ~~(a) ESTABLISHMENT.—There is established a com-~~
24 ~~mission to be known as the "National Commission on En-~~
25 ~~titlement Solvency".~~

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

~~(1) REVIEW.—Reviewing relevant analyses of the current and long-term actuarial financial condition of the Social Security, Medicare, and Medicaid programs.~~

~~(2) IDENTIFYING PROBLEMS.—Identifying problems that may threaten the long-term solvency of the Social Security, Medicare, and Medicaid programs.~~

~~(3) ANALYZING POTENTIAL SOLUTIONS.—Analyzing potential solutions to problems that threaten the long-term solvency of the Social Security, Medicare, and Medicaid programs.~~

~~(4) PROVIDING RECOMMENDATIONS.—Providing recommendations that will ensure the long-term solvency of the Social Security, Medicare, and Medicaid programs and the provision of appropriate benefits.~~

~~(c) DUTIES.—~~

~~(1) IN GENERAL.—The Commission shall conduct a comprehensive review of the Social Security, Medicare, and Medicaid programs consistent with the purposes described in subsection (b) and shall submit the report required under paragraph (2).~~

~~(2) REPORT AND RECOMMENDATIONS.—~~

~~(A) IN GENERAL.—Not later than May 1, 2007, the Commission shall submit a report on the long-term solvency of the Social Security, Medicare, and Medicaid programs that contains a detailed statement of the findings, conclusions, and recommendations of the Commission to the President, Congress, the Commissioner, and the Administrator.~~

~~(B) FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS.—A finding, conclusion, or recommendation of the Commission shall be included in the report under subparagraph (A) only if not less than 10 members of the Commission voted for such finding, conclusion, or recommendation.~~

~~(C) LEGISLATIVE LANGUAGE.—If a recommendation submitted under subparagraph (A) involves legislative action, the report shall include proposed legislative language to carry out such action.~~

~~(d) MEMBERSHIP.—~~

~~(1) NUMBER AND APPOINTMENT.—The Commission shall be composed of 15 members of whom—~~

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

~~(B) 3 shall be appointed by the majority leader of the Senate;~~

~~(C) 3 shall be appointed by the minority leader of the Senate;~~

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

~~(E) 3 shall be appointed by the minority leader of the House of Representatives.~~

~~(2) CO-CHAIRPERSONS.—The President shall designate 2 Co-chairpersons from among the members of the Commission appointed under paragraph (1). The Co-chairpersons may not be affiliated with the same political party.~~

~~(3) DATE.—Members of the Commission shall be appointed by not later than 30 days after the date of enactment of this Act.~~

~~(4) PERIOD OF APPOINTMENT.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.~~

~~(5) TERMINATION.—The Commission shall terminate on the date that is 90 days after the Com-~~

~~mission submits the report required under subsection (c)(2).~~

~~(e) ADMINISTRATION.—~~

~~(1) QUORUM.—Eight members of the Commission shall constitute a quorum for purposes of voting, but a quorum is not required for members to meet and hold hearings.~~

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

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

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

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

~~(C) require, by subpoena or otherwise, the production of such books, records, correspondence, memoranda, papers, documents, tapes, and other evidentiary materials relating to any matter under investigation by the Commission.~~

~~(4) SUBPOENAS.—~~

~~(A) ISSUANCE.—~~

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

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

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

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

~~(B) ENFORCEMENT.—In the case of contumacy or failure to obey a subpoena issued under this subsection, the United States district court for the judicial district in which the subpoenaed person resides, is served, or may be found, may issue an order requiring such person to appear at any designated place to testify or to produce documentary or other evidence. Any failure to obey the order of the court may be punished by the court as a contempt of that court.~~

~~(5) COMPENSATION.—Members of the Commission shall serve without any additional compensation for their work on the Commission. However, members may be allowed travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code, while away from their homes or regular places of business in performance of services for the Commission.~~

~~(6) STAFF.—~~

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

~~(B) STAFF APPOINTMENT.—The Executive Director may appoint such personnel as the Executive Director and the Commission determines to be appropriate.~~

~~(C) ACTUARIAL EXPERTS AND CONSULTANTS.—With the approval of the Commission, the Executive Director may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.~~

~~(D) FEDERAL AGENCIES.—~~

~~(i) DETAIL OF GOVERNMENT EMPLOYEES.—Upon the request of the Commission, the head of any Federal agency may~~

~~detail, without reimbursement by the Commission, any of the personnel of such agency to the Commission to assist in carrying out the duties of the Commission. Any such detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.~~

~~(ii) TECHNICAL ASSISTANCE.—Upon the request of the Commission, the head of a Federal agency shall provide such technical assistance to the Commission as the Commission determines to be necessary to carry out its duties.~~

~~(E) RESOURCES.—The Commission shall have reasonable access to materials, resources, statistical data, and other information the Commission determines to be necessary to carry out its duties from the Library of Congress, the Chief Actuary of Social Security, the Chief Actuary of the Centers for Medicare & Medicaid Services, the Congressional Budget Office, and other agencies and representatives of the executive and legislative branches of the Federal Government. The Chairpersons shall make re-~~

~~quests for such access in writing when necessary.~~

~~(f) FUNDING.—The Commission shall receive, from amounts appropriated to the Commissioner and the Administrator, respectively, for fiscal year 2007 for administrative expenses, such sums as are necessary to carry out the purposes of this section.~~

~~SEC. 403. EXPEDITED CONSIDERATION OF COMMISSION RECOMMENDATIONS.~~

~~(a) INTRODUCTION AND COMMITTEE CONSIDERATION.—~~

~~(1) INTRODUCTION.—The aggregate legislative language provisions submitted pursuant to section 402(c)(2)(C) shall be combined into a Commission bill and shall be introduced in the Senate by the majority leader, or the majority leader's designee, and in the House of Representatives, by the Speaker, or the Speaker's designee. Upon such introduction, the Commission bill shall be referred to the appropriate committees of Congress under paragraph (2). If the Commission bill is not introduced in accordance with the preceding sentence, then any member of Congress may introduce the Commission bill in their respective House of Congress beginning on the date that is the 5th calendar day that such House is in~~

~~session following the date of the submission of such aggregate legislative language provisions.~~

~~(2) COMMITTEE CONSIDERATION.—~~

~~(A) REFERRAL.—A Commission bill introduced in the Senate shall be referred to the Committee on Finance of the Senate. A Commission bill introduced in the House of Representatives shall be referred to the Committee on Ways and Means and the Committee on Energy and Commerce of the House of Representatives.~~

~~(B) REPORTING.—Not later than 30 calendar days after the introduction of the Commission bill, each Committee of Congress to which the Commission bill was referred shall report the bill or a committee amendment thereto.~~

~~(C) DISCHARGE OF COMMITTEE.—If a committee to which is referred a Commission bill has not reported such Commission bill at the end of 30 calendar days after its introduction or at the end of the first day after there has been reported to the House involved a Commission bill, whichever is earlier, such committee shall be deemed to be discharged from further consideration of such Commission bill,~~

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

~~(b) EXPEDITED PROCEDURE.—~~

~~(1) CONSIDERATION.—~~

~~(A) IN GENERAL.—Not later than 7 calendar days after the date on which a committee has been discharged from consideration of a Commission bill, the majority leader of the Senate, or the majority leader's designee, or the Speaker of the House of Representatives, or the Speaker's designee, shall move to proceed to the consideration of the committee amendment to the Commission bill, and if there is no such amendment, to the Commission bill. It shall also be in order for any member of the Senate or the House of Representatives, respectively, to move to proceed to the consideration of the Commission bill at any time after the conclusion of such 7-day period.~~

~~(B) MOTION TO PROCEED.—A motion to proceed to the consideration of a Commission bill is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, to a motion to postpone consider-~~

~~ation of the Commission bill, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion to proceed is agreed to or not agreed to shall not be in order. If the motion to proceed is agreed to, the Senate or the House of Representatives, as the case may be, shall immediately proceed to consideration of the Commission bill without intervening motion, order, or other business, and the Commission bill shall remain the unfinished business of the Senate or the House of Representatives, as the case may be, until disposed of.~~

~~(C) LIMITED DEBATE.—Debate on the Commission bill and all amendments thereto and on all debatable motions and appeals in connection therewith shall be limited to not more than 50 hours, which shall be divided equally between those favoring and those opposing the Commission bill. A motion further to limit debate on the Commission bill is in order and is not debatable. All time used for consideration of the Commission bill, including time used for quorum calls (except quorum calls im-~~

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

~~(D) AMENDMENTS.—No amendment that is not germane to the provisions of the Commission bill shall be in order in the Senate. In the Senate, an amendment, any amendment to an amendment, or any debatable motion or appeal is debatable for not to exceed 1 hour to be divided equally between those favoring and those opposing the amendment, motion, or appeal.~~

~~(E) VOTE ON FINAL PASSAGE.—Immediately following the conclusion of the debate on the Commission bill, the disposition of any pending amendments under subparagraph (D), and a request to establish the presence of a quorum, the vote on final passage of the Commission bill shall occur.~~

~~(F) OTHER MOTIONS NOT IN ORDER.—A motion to postpone consideration of the Commission bill, a motion to proceed to the consideration of other business, or a motion to recommit the Commission bill is not in order. A motion to reconsider the vote by which the Commission bill is agreed to or not agreed to is not in order.~~

~~(2) CONSIDERATION BY OTHER HOUSE.—If, before the passage by one House of the Commission bill that was introduced in such House, such House receives from the other House a Commission bill as passed by such other House—~~

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

~~(B) the procedure in the House in receipt of the Commission bill of the other House, with respect to the Commission bill that was introduced in the House in receipt of the Commission bill of the other House, shall be the same as if no Commission bill had been received from the other House; and~~

~~(C) notwithstanding subparagraph (B), the vote on final passage shall be on the Commission bill of the other House.~~

~~Upon disposition of a Commission bill that is received by one House from the other House, it shall no longer be in order to consider the Commission bill that was introduced in the receiving House.~~

~~(3) CONSIDERATION IN CONFERENCE.—~~

~~(A) CONVENING OF CONFERENCE.—Immediately upon final passage of a Commission bill that results in a disagreement between the two Houses of Congress with respect to a Commission bill, conferees shall be appointed and a conference convened.~~

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

~~(i) MOTION TO PROCEED.—The motion to proceed to consideration in the Senate of the conference report on a Commission bill may be made even though a previous motion to the same effect has been disagreed to.~~

~~(ii) DEBATE.—During the consideration in the Senate of the conference report (including a message between Houses) on a Commission bill, and all amendments in disagreement, including all amendments thereto, and debatable motions and appeals in connection therewith, consideration shall be limited to 20 hours, equally divided and controlled by the majority leader and the minority leader or their designees. Debate on any debatable motion or appeal related~~

~~to the conference report (or a message between Houses) shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the conference report (or a message between Houses).~~

~~(iii) CONFERENCE REPORT DEFEATED.—Should the conference report be defeated, debate on any request for a new conference and the appointment of conferees shall be limited to 1 hour, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or the minority leader's designee, and should any motion be made to instruct the conferees before the conferees are named, debate on such motion shall be limited to ½ hour, to be equally divided between, and controlled by, the mover and the manager of the conference report. Debate on any amendment to any such instructions shall be limited to 20 minutes, to be equally divided between and controlled by the mover and the manager of the conference report. In all cases when~~

~~the manager of the conference report is in favor of any motion, appeal, or amendment, the time in opposition shall be under the control of the minority leader or the minority leader's designee.~~

~~(iv) AMENDMENTS IN DISAGREEMENT.—In any case in which there are amendments in disagreement, time on each amendment shall be limited to 30 minutes, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or the minority leader's designee. No amendment that is not germane to the provisions of such amendments shall be received.~~

~~(v) LIMITATION ON MOTION TO RECOMMIT.—A motion to recommit the conference report is not in order.~~

~~(c) RULES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES.—This section is enacted by Congress—~~

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

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

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

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

~~SEC. 411. DEFINITIONS.~~

~~In this subtitle:~~

~~(1) AGENCY.—The term "agency" means—~~

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

~~(B) the Executive Office of the President.~~

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

~~(3) COMMISSION BILL.—The term "Commission bill" means only a bill which is introduced as pro-~~

~~vided under section 416, and contains the proposed legislation included in the report submitted to Congress under section 413(b)(3), without modification.~~

~~(4) PROGRAM.—The term "program" means any activity or function of an agency.~~

~~SEC. 412. ESTABLISHMENT OF COMMISSION.~~

~~(a) ESTABLISHMENT.—There is established the Commission on Congressional Budgetary Accountability and Review of Federal Agencies (referred to in this subtitle as the "Commission").~~

~~(b) MEMBERSHIP.—~~

~~(1) IN GENERAL.—The Commission shall consist of 15 members, of which, not later than 30 days after the date of enactment of this Act—~~

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

~~(B) 3 shall be appointed by the majority leader of the Senate;~~

~~(C) 3 shall be appointed by the minority leader of the Senate;~~

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

~~(E) 3 shall be appointed by the minority leader of the House of Representatives.~~

~~(2) CHAIRPERSON AND VICE CHAIRPERSON.—The President shall designate a Chairperson and~~

~~Vice Chairperson from among the members of the Commission. The Chairperson and the Vice Chairperson may not be affiliated with the same political party.~~

~~(c) TIMING.—Members of the Commission shall be appointed by not later than 30 days after the date of enactment of this Act.~~

~~(d) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.~~

~~(e) MEETINGS.—~~

~~(1) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.~~

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

~~(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.~~

~~SEC. 413. DUTIES OF THE COMMISSION.~~

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

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

~~(A) establish a systematic method for assessing the effectiveness and accountability of agency programs in accordance with paragraph (2) and divide the programs into 4 approximately equal budgetary parts based on the size of the budget and number of personnel of the agency program; and~~

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

~~(2) METHOD OBJECTIVES.—The method established under paragraph (1) shall—~~

~~(A) recognize different types of Federal programs;~~

~~(B) assess programs based on the achievement of performance goals (as defined under section 1115(g)(4) of title 31, United States Code);~~

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

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

~~(D) assess programs based in part on whether the program has fulfilled the legislative intent surrounding the creation of the program, taking into account any change in legislative intent during the program's existence; and~~

~~(E) assess programs based in part on collaborative analysis, with the program or agency, of program policy and goals which may not fit into easily measurable performance goals.~~

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

~~(b) EVALUATION AND PLAN BY COMMISSION.—~~

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

~~viewing the first assessment from the President under this section.~~

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

~~(3) ASSESSMENT AND LEGISLATION.—~~

~~(A) IN GENERAL.—The Commission shall—~~

~~(i) evaluate all agencies and programs within those agencies in each unit identified in the systemic assessment under subsection (a) (one each year over the next 4 years), using the criteria under subsection (a) subject to modification under paragraph (1); and~~

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

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

~~(II) proposed legislation to implement the plan described under subclause (I).~~

~~(B) RELOCATION OF FEDERAL EMPLOYEES.—The proposed legislation under subparagraph (A) shall provide that if the position of an employee of an agency is eliminated as a result of the implementation of the plan under subparagraph (A)(i), the affected agency shall make reasonable efforts to relocate such employee to another position within the agency or within another Federal agency.~~

~~(4) CRITERIA.—~~

~~(A) DUPLICATIVE.—If 2 or more agencies or programs are performing the same essential function and the function can be consolidated or streamlined into a single agency or program, the Commission shall recommend that the agencies or programs be realigned.~~

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

~~(i) egregious spending;~~

~~(ii) mismanagement of resources and personnel; or~~

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

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

~~(i) has completed its intended purpose;~~

~~(ii) has become irrelevant; or~~

~~(iii) has failed to meet its objectives.~~

~~SEC. 414. POWERS OF THE COMMISSION.~~

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

~~(1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and administer such oaths as the chairperson of the Commission considers advisable;~~

~~(2) require, by subpoena or otherwise, the attendance and testimony of such witnesses as the chairperson of the Commission considers advisable; and~~

~~(3) require, by subpoena or otherwise, the production of such books, records, correspondence, memoranda, papers, documents, tapes, and other evidentiary materials relating to any matter under investigation by the Commission.~~

~~(b) Subpoenas.—~~

~~(1) Issuance.—~~

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

~~(i) by the agreement of the chairman and the vice chairman of the Commission; or~~

~~(ii) by the affirmative vote of 8 members of the Commission.~~

~~(B) Signature.—Subpoenas issued under this subsection (a) may be issued under the signature of the chairman of the Commission and may be served by any person designated by the chairman or by a member designated by a majority of the Commission.~~

~~(2) ENFORCEMENT.—In the case of contumacy or failure to obey a subpoena issued under subsection (a), the United States district court for the judicial district in which the subpoenaed person resides, is served, or may be found, may issue an order~~

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

~~(c) TECHNICAL ASSISTANCE.—Upon the request of the Commission, the head of a Federal agency shall provide such technical assistance to the Commission as the Commission determines to be necessary to carry out its duties.~~

~~(d) INFORMATION.—The Commission shall have reasonable access to budgetary, performance or programmatic materials, resources, statistical data, and other information the Commission determines to be necessary to carry out its duties from the Congressional Budget Office, and other agencies and representatives of the executive and legislative branches of the Federal Government. The Chairpersons shall make requests for such access in writing when necessary.~~

~~(e) RECEIPT, HANDLING, STORAGE, AND DISSEMINATION OF INFORMATION.—Information shall only be received, handled, stored, and disseminated by members of the Commission and its staff consistent with all applicable statutes, regulations, and Executive orders.~~

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

~~SEC. 415. COMMISSION PERSONNEL MATTERS.~~

~~(a) COMPENSATION OF MEMBERS.—~~

~~(1) NON-FEDERAL MEMBERS.—Except as provided under subsection (b), each member of the Commission who is not an officer or employee of the Federal Government shall not be compensated.~~

~~(2) FEDERAL OFFICERS OR EMPLOYEES.—All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.~~

~~(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.~~

~~(c) STAFF.—~~

~~(1) IN GENERAL.—The chairperson of the Commission may, appoint an executive director and such~~

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

~~(2) COMPENSATION.—Upon the approval of the chairperson, the executive director may fix the compensation of the executive director and other personnel without regard to chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the maximum rate payable for a position at GS–15 of the General Schedule under section 5332 of such title.~~

~~(3) PERSONNEL AS FEDERAL EMPLOYEES.—~~

~~(A) IN GENERAL.—The executive director and any personnel of the Commission who are employees shall be employees under section 2105 of title 5, United States Code, for purposes of chapters 63, 81, 83, 84, 85, 87, 89, 89A, 89B, and 90 of that title.~~

~~(B) MEMBERS OF COMMISSION.—Subparagraph (A) shall not be construed to apply to members of the Commission.~~

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

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

~~SEC. 416. EXPEDITED CONSIDERATION OF REFORM PROPOSALS.~~

~~(a) INTRODUCTION AND COMMITTEE CONSIDERATION.—~~

~~(1) INTRODUCTION.—The Commission bill language provisions submitted pursuant to section 413(b)(3) shall be introduced in the Senate by the majority leader, or the majority leader's designee, and in the House of Representatives, by the Speaker, or the Speaker's designee. Upon such introduction, the Commission bill shall be referred to the appropriate committees of Congress under paragraph (2). If the Commission bill is not introduced in ac-~~

~~cordance with the preceding sentence, then any member of Congress may introduce the Commission bill in their respective House of Congress beginning on the date that is the 5th calendar day that such House is in session following the date of the submission of such aggregate legislative language provisions.~~

~~(2) COMMITTEE CONSIDERATION.—~~

~~(A) REFERRAL.—A Commission bill introduced under paragraph (1) shall be referred to any appropriate committee of jurisdiction in the Senate, any appropriate committee of jurisdiction in the House of Representatives, the Committee on the Budget of the Senate and the Committee on the Budget of the House of Representatives. A committee to which a Commission bill is referred under this paragraph may review and comment on such bill, may report such bill to the respective House, and may not amend such bill.~~

~~(B) REPORTING.—Not later than 30 calendar days after the introduction of the Commission bill, each Committee of Congress to which the Commission bill was referred shall report the bill.~~

~~(C) DISCHARGE OF COMMITTEE.—If a committee to which is referred a Commission bill has not reported such Commission bill at the end of 30 calendar days after its introduction or at the end of the first day after there has been reported to the House involved a Commission bill, whichever is earlier, such committee shall be deemed to be discharged from further consideration of such Commission bill, and such Commission bill shall be placed on the appropriate calendar of the House involved.~~

~~(b) EXPEDITED PROCEDURE.—~~

~~(1) CONSIDERATION.—~~

~~(A) IN GENERAL.—Not later than 7 calendar days after the date on which a committee has been discharged from consideration of a Commission bill, the majority leader of the Senate, or the majority leader's designee, or the Speaker of the House of Representatives, or the Speaker's designee, shall move to proceed to the consideration of the Commission bill. It shall also be in order for any member of the Senate or the House of Representatives, respectively, to move to proceed to the consideration of the~~

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

~~(B) MOTION TO PROCEED.—A motion to proceed to the consideration of a Commission bill is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, to a motion to postpone consideration of the Commission bill, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion to proceed is agreed to or not agreed to shall not be in order. If the motion to proceed is agreed to, the Senate or the House of Representatives, as the case may be, shall immediately proceed to consideration of the Commission bill without intervening motion, order, or other business, and the Commission bill shall remain the unfinished business of the Senate or the House of Representatives, as the case may be, until disposed of.~~

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

be divided equally between those favoring and those opposing the Commission bill. A motion further to limit debate on the Commission bill is in order and is not debatable. All time used for consideration of the Commission bill, including time used for quorum calls (except quorum calls immediately preceding a vote) and voting, shall come from the 10 hours of debate.

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

(E) VOTE ON FINAL PASSAGE.—Immediately following the conclusion of the debate on the Commission bill, the vote on final passage of the Commission bill shall occur.

(F) OTHER MOTIONS NOT IN ORDER.—A motion to postpone consideration of the Commission bill, a motion to proceed to the consideration of other business, or a motion to recommit the Commission bill is not in order. A motion to reconsider the vote by which the Commission bill is agreed to or not agreed to is not in order.

(2) CONSIDERATION BY OTHER HOUSE.—If, before the passage by one House of the Commission

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

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

~~(B) the procedure in the House in receipt of the Commission bill of the other House, with respect to the Commission bill that was introduced in the House in receipt of the Commission bill of the other House, shall be the same as if no Commission bill had been received from the other House; and~~

~~(C) notwithstanding subparagraph (B), the vote on final passage shall be on the Commission bill of the other House.~~

~~Upon disposition of a Commission bill that is received by one House from the other House, it shall no longer be in order to consider the Commission bill that was introduced in the receiving House.~~

~~(c) RULES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES.—This section is enacted by Congress—~~

~~(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and is deemed to be part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a Commission bill, and it supersedes other rules only to the extent that it is inconsistent with such rules; and~~

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

~~SEC. 417. TERMINATION OF THE COMMISSION.~~

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

~~SEC. 418. AUTHORIZATION OF APPROPRIATIONS.~~

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

~~TITLE V—BUDGET PROCESS REFORMS~~

~~SEC. 501. DEFINITIONS.~~

~~Section 3 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622) is amended by—~~

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

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

~~"(3) DIRECT SPENDING.—The term 'direct spending' means—~~

~~"(A) budget authority provided by law other than appropriation Acts;~~

~~"(B) mandatory spending provided in appropriation Acts; and~~

~~"(C) entitlement authority.~~

~~"(4) DISCRETIONARY APPROPRIATIONS.—The term 'discretionary appropriations' means budgetary resources (except to fund direct spending programs) provided in appropriation Acts.~~

~~"(5) GOVERNMENTAL RECEIPTS.—The term 'governmental receipts' means revenue or collections from the public based on the government's exercise of its sovereign powers, including but not limited to individual and corporate income taxes, social insurance taxes, customs, duties, fines, compulsory license~~

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

~~"(6) SECONDARY OR INDIRECT EFFECTS.—The term 'secondary or indirect effects' means changes in direct spending or government receipts other than the direct, observable effects of changes in legislation on related accounts, including—~~

~~"(A) the impact of changes in spending legislation on Federal tax receipts or the impact of changes in Federal tax laws on total Federal spending; or~~

~~"(B) the impacts on spending or government receipts if there is no statutory connection or established interaction between a legislative proposal and its impact on the operation of current law."; and~~

~~(3) adding at the end the following:~~

~~"(15) BUDGET YEAR.—The term 'budget year' means, with respect to a session of Congress, the fiscal year of the Government that starts on October 1 of the calendar year in which that session begins.~~

~~"(16) CURRENT YEAR.—The term 'current year' means, with respect to a budget year, the fiscal year that immediately precedes that budget year.".~~

~~SEC. 502. ANNUAL CONCURRENT RESOLUTION ON THE BUDGET.~~

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

~~(1) in subsection (a)—~~

~~(A) in paragraph (2), by striking "Federal revenues" both places it appears and inserting "governmental receipts";~~

~~(B) in paragraph (4), by striking "major functional category" and inserting "standing, select, or special committee of the House of Representatives and the Senate, as appropriate,";~~

~~(C) in paragraphs (6) and (7), by striking "For" and inserting "for"; and~~

~~(D) in the matter following paragraph (7), by striking "old age" and inserting "old-age".~~

~~(2) in subsection (b)—~~

~~(A) in paragraph (3), by striking "entitlement authority" and inserting "direct spending"; and~~

~~(B) in paragraph (7), by inserting "is described in detail to allow the Chairman of the Committee on the Budget to determine whether it qualifies for such revision and the legislation" after "that legislation";~~

~~(3) in subsection (d)—~~

~~(A) in the caption, by striking "and estimates of" and inserting ", estimates, and recommendations for deficit reduction from all";~~

~~(B) in the first sentence, by striking "its views" and inserting "its specific recommendations for changes in law within the jurisdiction of the committee making the submission that result in deficit reduction and its views"; and~~

~~(C) in the third sentence, by striking "or functions"; and~~

~~(4) in subsection (e)—~~

~~(A) in paragraph (2)—~~

~~(i) by redesignating subparagraphs (B) through (D) as subparagraphs (C) through (E), respectively;~~

~~(ii) by redesignating subparagraphs (E) and (F) as subparagraphs (G) and (H), respectively;~~

~~(iii) by inserting after subparagraph (A) the following:~~

~~"(B) with respect to the Committee on Appropriations of the House of Representatives and Senate, an estimate of total new budget authority and total outlays with the estimates di-~~

~~vided between discretionary and mandatory amounts'';~~ ~~and~~

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

~~''(F) with respect to each standing, select, or special committee of the House of Representatives and Senate, an estimate of governmental receipts within the jurisdiction of that committee;'';~~ ~~and~~

~~(B) in paragraph (3)(B), by—~~

~~(i) striking ''Federal revenues'' and inserting ''governmental receipts'';~~ ~~and~~

~~(ii) striking ''such revenues'' and insert ''such governmental receipts''.~~

~~SEC. 503. COMMITTEE ALLOCATIONS.~~

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

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

~~''(3) FURTHER DIVISION OF AMOUNTS IN THE HOUSE.—The amounts allocated to each committee of the House of Representatives for each fiscal year, other than the Committee on Appropriations, shall be further divided between amounts provided or required by law on the date of filing of that conference~~

~~report and amounts not so provided or required. The amounts allocated to the Committee on Appropriations shall be further divided between discretionary and mandatory amounts or programs, as appropriate.''; and~~

~~(2) in subsection (g)(2), by striking ''committee'' and inserting ''Committee''.~~

~~SEC. 504. BUDGET RESOLUTION ADOPTION.~~

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

~~''(a) IN GENERAL.—Beginning on the first day of a new session of Congress, and until the concurrent resolution for the fiscal year beginning in October of the year the new session of Congress begins, it shall not be in order to consider with respect to the budget year covered by that resolution, any bill or joint resolution, amendment or motion thereto, or conference report thereon that—~~

~~''(1) provides budget authority for the budget year;~~

~~''(2) provides an increase or decrease in governmental receipts during the budget year;~~

~~''(3) provides an increase or decrease in the public debt limit for the budget year;~~

~~''(4) in the Senate only, provides new direct 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~~

~~concurrent resolution, and debate on any amendment to an amendment, debatable motion, or appeal shall be limited to 1 hour to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution, except that in the event the manager of the concurrent resolution is in favor of any such amendment, motion, or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. No dilatory motion, or dilatory amendment shall be in order. Amendments that are not germane to the provisions of such concurrent resolution shall not be in order. For the purpose of this Act, amendments that are predominantly precatory shall not be in order. Such managers, or either leader, may, from the time under their control on the consideration of the concurrent resolution, allot additional time to any Senator during the consideration of any amendment, debatable motion, or appeal.~~

~~"(3) Following the presentation of opening statements on the concurrent resolution on the budget for a fiscal year by the chairman and ranking minority member of the Committee on the Budget of the Senate, there shall be a period of up to 4 hours for debate on economic goals and policies.~~

~~"(4) Subject to the other limitations of this Act, only if a concurrent resolution on the budget reported by the Committee on the Budget of the Senate sets forth the economic goals (as described in sections 3(a)(2) and 4(b) of the Employment Act of 1946) which the estimates, amounts, and levels (as described in section 301(a)) set forth in such resolution are designed to achieve, shall it be in order to offer to such resolution an amendment relating to such goals, and such amendment shall be in order only if it also proposes to alter such estimates, amounts, and levels in germane fashion in order to be consistent with the goals proposed in such amendment.~~

~~"(5) A motion to further limit consideration is not debatable. A motion to recommit (except a motion to recommit with instructions to report back within a specified number of days, not to exceed 3, not counting any day on which the Senate is not in session) is not in order. Debate on any such motion to recommit shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution.~~

~~"(6) Notwithstanding any other rule, an amendment or series of amendments to a concurrent~~

~~resolution on the budget proposed in the Senate shall always be in order if such amendment or series of amendments proposes to change any figure or figures then contained in such concurrent resolution so as to make such concurrent resolution mathematically consistent or so as to maintain such consistency.~~

~~"(c) REQUEST FOR CONFERENCE IN THE SENATE.—Consideration of all motions in relation to a request for a conference with the House of Representatives shall be limited to not more than 1 hour and debate on a motion to instruct the conferees shall be limited to 20 minutes to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution, except that in the event the manager of the concurrent resolution is in favor of any such amendment, motion, or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee.~~

~~"(d) ACTION ON CONFERENCE REPORTS IN THE SENATE.—~~

~~"(1) A motion to proceed to the consideration of the conference report on any concurrent resolution on the budget (or a reconciliation bill or resolution) may be made even though a previous motion to the same effect has been disagreed to.~~

~~"(2) During the consideration in the Senate of a conference report (including a message between Houses) on any concurrent resolution on the budget, including all amendments in disagreement, and all amendments thereto, and debatable motions and appeals in connection therewith, consideration shall be limited to 10 hours, to be equally divided between, and controlled by, the majority leader and minority leader or their designees. Debate on any debatable motion or appeal related to the conference report (or a message between Houses) shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the conference report (or a message between Houses).~~

~~"(3) Should the conference report be defeated, consideration of any request for a new conference and the appointment of conferees shall be limited to 1 hour, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee, and should any motion be made to instruct the conferees before the conferees are named, debate on such motion shall be limited to 20 minutes, to be equally divided between, and controlled by, the mover and the manager of the conference report. Debate on any amendment to any~~

~~such instructions shall be limited to 10 minutes, to be equally divided between and controlled by the mover and the manager of the conference report. In all cases when the manager of the conference report is in favor of any motion, appeal, or amendment, the time in opposition shall be under the control of the minority leader or his designee.~~

~~"(4) In any case in which there are amendments in disagreement, the time for debate on each amendment shall be limited to 30 minutes, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee. No amendment that is not germane to the provisions of such amendments shall be received.".~~

~~SEC. 506. BUDGET PROJECTIONS.~~

~~Section 308(e) of the Congressional Budget Act of 1974 (2 U.S.C. 639(e)) is amended—~~

~~(1) in paragraph (2), by striking "revenues" and inserting "governmental receipts"; and~~

~~(2) in paragraph (4), by striking "entitlement" and inserting "direct spending".~~

~~SEC. 507. RECONCILIATION.~~

~~Section 310 of the Congressional Budget Act of 1974 (2 U.S.C. 641) is amended—~~

~~(1) in subsection (a), by striking paragraphs (1) and (2) and inserting the following:~~

~~"(1) specify the total amount by which—~~

~~"(A) new budget authority;~~

~~"(B) budget authority;~~

~~"(C) new direct spending authority; and~~

~~"(D) governmental receipts other than income taxes, estate and gift taxes, excise taxes or payroll taxes, or tariffs;~~

~~contained in laws, bills, and resolutions within the jurisdiction of a committee is to be changed for any of the fiscal years covered by the resolution and direct that committee to determine and recommend changes to accomplish a change of such total amount;~~

~~"(2) specify the total amount by which governmental receipts including income taxes, estate and gift taxes, excise taxes or social insurance taxes, miscellaneous receipts, or tariffs are to be changed and direct that the committees having jurisdiction to determine and recommend changes in the governmental receipt laws, bills, and resolutions to accomplish a change of such total amount;";~~

~~(2) by striking subsection (b) and inserting the 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~~

make specified changes in bills and resolutions which have not been enrolled.'';

(3) in subsection (c), by adding at the end the following:

''(3) Secondary or indirect effects of the legislative recommendations submitted by any committee of the House of Representatives or the Senate that is instructed pursuant to a concurrent resolution on the budget, shall be attributed to the committee proposing the change in law, but shall not be considered for the purpose of determining compliance with such instructions.'';

(4) by striking paragraphs (1) through (4) of subsection (d) and inserting the following:

''(1) It shall not be in order in the House of Representatives to consider any amendment to a reconciliation bill or reconciliation resolution if such amendment would have the effect of increasing any specific budget outlays above the level of such outlays provided in the bill or resolution (for the fiscal years covered by the reconciliation instructions set forth in the most recently agreed to concurrent resolution on the budget), or would have the effect of reducing any specific governmental receipts below the level of such governmental receipts provided in the bill or resolution (for such fiscal years), unless such amendment makes at least an equivalent reduction in other specific

~~budget outlays, an equivalent increase in other specific governmental receipts, or an equivalent combination thereof (for such fiscal years), except that a motion to strike a provision providing new budget authority or new entitlement authority may be in order.~~

~~"(2) It shall not be in order in the Senate to consider any amendment to a reconciliation bill or reconciliation resolution if such amendment would have the effect of decreasing any specific budget outlay reductions below the level of such outlay reductions provided (for the fiscal years covered) in the reconciliation instructions which relate to such bill or resolution set forth in a resolution providing for reconciliation, or would have the effect of reducing governmental receipts increases below the level of such increases in such governmental receipts provided (for such fiscal years) in such instructions relating to such bill or resolution, unless such amendment makes a reduction in other specific budget outlays, an increase in other specific governmental receipts, or a combination thereof (for such fiscal years) at least equivalent to any increase in outlays or decrease in governmental receipts provided by such amendment, except that a motion to strike a provision shall always be in order.~~

~~"(3) Paragraphs (1) and (2) shall not apply if a declaration of war by the Congress is in effect.~~

~~"(4) For purposes of this section, the levels of budget authority, outlays, and governmental receipts for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the House of Representatives or of the Senate, as the case may be."; and~~

~~(5) in subsection (c)—~~

~~(A) in paragraph (1), by inserting ", motions in relation to a request for conference," after "under subsection (b)"; and~~

~~(B) in paragraph (2), by striking "Debate" and inserting "Consideration".~~

~~SEC. 508. BUDGETING LEVELS.~~

~~Section 311(a) of the Congressional Budget Act of 1974 (2 U.S.C.642(a)) is amended—~~

~~(1) in the matter after subparagraph (C) in paragraph (1), by striking "total revenues" and inserting "total governmental receipts"; and~~

~~(2) in paragraph (2)(B), by striking "revenues" and inserting "governmental receipts".~~

~~SEC. 509. DETERMINATIONS AND POINTS OF ORDER.~~

~~(a) IN GENERAL.—Section 312 of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended—~~

~~(1) in subsection (a), by striking "revenues" and inserting "governmental receipts";~~

~~(2) by striking subsections (b) and (c);~~

~~(3) by redesignating subsections (d) through (f) as subsections (b) through (d), respectively; and~~

~~(4) by adding at the end the following:~~

~~"(e) CONGRESSIONAL BUDGET OFFICE SCORE FOR CONFERENCE REPORTS.—It shall not be in order to consider a report of a committee of conference unless an official written cost estimate or table by the Congressional Budget Office is available at the time of consideration.".~~

~~(b) SUPERMAJORITY POINTS OF ORDER.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 621 note) are amended by—~~

~~(1) inserting "312(c)," after "310(d)(2),"; and~~

~~(2) nserting "and section 223 of the Stop Over Spending Act of 2006" after "of this Act".~~

~~SEC. 510. EXTRANEOUS MATTER IN RECONCILIATION LEGISLATION.~~

~~Section 313 of the Congressional Budget Act of 1974 (2 U.S.C. 644) is amended—~~

~~(1) in subsection (a) by striking "or section 258C" through "1985";~~

~~(2) in subsection (b), by—~~

~~(A) striking paragraph (1) and inserting 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 ~~ceipts 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~~

not be extraneous); (D) a provision shall be considered to be extraneous if it increases, or would increase, net outlays, or if it decreases, or would decrease governmental receipts during a fiscal year after the fiscal years covered by such reconciliation bill or reconciliation resolution, and such increases or decreases are greater than outlay reductions or governmental receipts increases resulting from other provisions in such title in such year; and (E) a provision shall be considered extraneous if it violates section 310(g).''; and

(B) adding at the end the following:

''(4) Technical and conforming provisions shall not be considered extraneous under this section.''; and

(3) in subsection (d)(1), by striking ''(b)(1)(E), or (b)(1)(F)'' and inserting ''(b)(1)(E)''.

SEC. 511. ADJUSTMENTS.

Title III of the Congressional Budget Act of 1974 (2 U.S.C. 621 et seq.) is amended by—

(1) striking section 314; and

(2) redesignating section 315 as section 314.

SEC. 512. DIRECT SPENDING LIMITATION.

Title III of the Congressional Budget Act of 1974 (2 U.S.C. 621 et seq.) is amended by adding at the end 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-~~

~~priate to withdraw such warning, as well as the levels of net direct spending as required under subsection (b), shall be provided by the chairman of the Committee on the Budget.~~

~~"(f) CANCELLATIONS.—If legislation is enacted to reduce the general fund contribution below 45 percent, as determined by the chairman of the Committee on the Budget, any notification of a Medicare funding warning is withdrawn.".~~

~~SEC. 513. APPROPRIATIONS REQUESTS OF THE PRESIDENT.~~

~~Section 1108(c) of title 31, United States Code, is amended by striking "Congress or a" and inserting "Congress and a".~~

SECTION 1. SHORT TITLE: TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Stop Over Spending Act of 2006".

(b) TABLE OF CONTENTS.—The table of contents for 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;*

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

(10) to establish biennial budgeting;

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

(12) to provide short term and long term solutions to ensure the financial security of our nation so that our children and grandchildren will not be saddled with insurmountable debt.

SEC. 3. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

TITLE I—LEGISLATIVE LINE ITEM VETO ACT OF 2006

SEC. 101. SHORT TITLE.

This title may be cited as the "Legislative Line Item Veto Act of 2006".

SEC. 102. LEGISLATIVE LINE ITEM VETO.

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

seq.) is amended by striking part C and inserting the following:

"PART C—LEGISLATIVE LINE ITEM VETO

"EXPEDITED CONSIDERATION OF CERTAIN PROPOSED RESCISSIONS

"SEC. 1021. (a) PROPOSED RESCISSIONS.—The President may send a special message, at the time and in the manner provided in subsection (b), that proposes to rescind dollar amounts of discretionary budget authority, items of direct spending, and targeted tax benefits.

"(b) TRANSMITTAL OF SPECIAL MESSAGE.—

"(1) SPECIAL MESSAGE.—

"(A) IN GENERAL.—

"(i) FOUR MESSAGES.—The President may transmit to Congress not to exceed 4 special messages per calendar year, proposing to rescind dollar amounts of discretionary budget authority, items of direct spending, and targeted tax benefits.

"(ii) TIMING.—Special messages may be transmitted under clause (i)—

"(I) with the President's budget submitted pursuant to section 1105 of title 31, United States Code; and

"(II) 3 other times as determined by the President.

"(iii) LIMITATIONS.—

"(I) IN GENERAL.—Special messages shall be submitted within 1 calendar year of the date of enactment of any dollar amount of discretionary budget authority, item of direct spending, or targeted tax benefit the President proposes to rescind pursuant to this Act.

"(II) RESUBMITTAL REJECTED.—If Congress rejects a bill introduced under this part, the President may not resubmit any of the dollar amounts of discretionary budget authority, items of direct spending, or targeted tax benefits in that bill under this part, or part B with respect to dollar amounts of discretionary budget authority.

"(III) RESUBMITAL AFTER SINE DIE.—If Congress does not complete action on a bill introduced under this part because Congress adjourns sine die, the President may resubmit some

or all of the dollar amounts of discretionary budget authority, items of direct spending, and targeted tax benefits in that bill in not more than 1 subsequent special message under this part, or part B with respect to dollar amounts of discretionary budget authority.

"(B) CONTENTS OF SPECIAL MESSAGE.—Each special message shall specify, with respect to the dollar amount of discretionary budget authority, item of direct spending, or targeted tax benefit proposed to be rescinded—

"(i) the dollar amount of discretionary budget authority available and proposed for rescission from accounts, departments, or establishments of the government and the dollar amount of the reduction in outlays that would result from the enactment of such rescission of discretionary budget authority for the time periods set forth in clause (iii);

"(ii) the specific items of direct spending and targeted tax benefits proposed for rescission and the dollar amounts of the re-

ductions in budget authority and outlays or increases in receipts that would result from enactment of such rescission for the time periods set forth in clause (iii);

"(iii) the budgetary effects of proposals for rescission, estimated as of the date the President submits the special message, relative to the most recent levels calculated consistent with the methodology described in section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 and included with a budget submission under section 1105(a) of title 31, United States Code, for the time periods of—

"(I) the fiscal year in which the proposal is submitted; and

"(II) each of the 10 following fiscal years beginning with the fiscal year after the fiscal year in which the proposal is submitted;

"(iv) any account, department, or establishment of the Government to which such dollar amount of discretionary budget authority or item of direct spending is

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

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

"(vi) the estimated fiscal and economic impacts, of the proposed rescission;

"(vii) to the maximum extent practicable, all facts, circumstances, and considerations relating to or bearing upon the proposed rescission and the decision to effect the proposed rescission, and the estimated effect of the proposed rescission upon the objects, purposes, and programs for which the budget authority or items of direct spending or targeted tax benefits are provided; and

"(viii) a draft bill that, if enacted, would rescind the budget authority, items of direct spending and targeted tax benefits proposed to be rescinded in that special message.

"(2) ANALYSIS BY CONGRESSIONAL BUDGET OFFICE AND JOINT COMMITTEE ON TAXATION.—

"(A) IN GENERAL.—Upon the receipt of a special message under this part proposing to rescind dollar amounts of discretionary budget authority, items of direct spending, and targeted tax benefits—

"(i) the Director of the Congressional Budget Office shall prepare an estimate of the savings in budget authority or outlays resulting from such proposed rescission and shall include in its estimate, an analysis prepared by the Joint Committee on Taxation related to targeted tax benefits; and

"(ii) the Director of the Joint Committee on Taxation shall prepare an estimate and forward such estimate to the Congressional Budget Office, of the savings from repeal of targeted tax benefits.

"(B) METHODOLOGY.—The estimates required by subparagraph (A) shall be made relative to the most recent levels calculated consistent with the methodology used to calculate a baseline under section 257 of the Balanced Budget and Emergency Control Act of 1985 and included with a budget submission under section 1105(a) of title 31, United States Code, and

transmitted to the chairmen of the Committees on the Budget of the House of Representatives and Senate.

"(3) ENACTMENT OF RESCISSION BILL.—

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

"(B) ADJUSTMENT OF BUDGET TARGETS.—Not later than 5 days after the date of enactment of a rescission bill as provided under this part, the chairs of the Committees on the Budget of the Senate and the House of Representatives shall revise spending and revenue levels under section 311(a) of the Congressional Budget Act of 1974 and adjust the committee allocations under section 302(a) of the Congressional Budget Act of 1974 or any other adjustments as may be appropriate to reflect the rescission. The adjustments shall reflect the budgetary effects of such rescissions as estimated by the President pursuant to paragraph (1)(B)(iii). The appropriate commit-

tees shall report revised allocations pursuant to section 302(b) of the Congressional Budget Act of 1974. Notwithstanding any other provision of law, the revised allocations and aggregates shall be considered to have been made under a concurrent resolution on the budget agreed to under the Congressional Budget Act of 1974 and shall be enforced under the procedures of that Act.

"(C) ADJUSTMENTS TO CAPS.—After enactment of a rescission bill as provided under this part, the President shall revise applicable limits under the Stop Over Spending Act of 2006, as appropriate.

"(c) PROCEDURES FOR EXPEDITED CONSIDERATION.—

"(1) IN GENERAL.—

"(A) INTRODUCTION.—Before the close of the second day of session of the Senate and the House of Representatives, respectively, after the date of receipt of a special message transmitted to Congress under subsection (b), the majority leader of each House, for himself, or minority leader of each House, for himself, or a Member of that House designated by that majority leader or minority leader shall introduce (by request)

the President's draft bill to rescind the amounts of budget authority or items of direct spending or targeted tax benefits, as specified in the special message and the President's draft bill. If the bill is not introduced as provided in the preceding sentence in either House, then, on the third day of session of that House after the date of receipt of that special message, any Member of that House may introduce the bill.

"(B) REFERRAL AND REPORTING.—

"(i) ONE COMMITTEE.—The bill shall be referred by the presiding officer to the appropriate committee. The committee shall report the bill without any revision and with a favorable, an unfavorable, or without recommendation, not later than the fifth day of session of that House after the date of introduction of the bill in that House. If the committee fails to report the bill within that period, the committee shall be automatically discharged from consideration of the bill, and the bill shall be placed on the appropriate calendar.

"(ii) MULTIPLE COMMITTEES.—

"(I) REFERRALS.—If a bill contains provisions in the jurisdiction of more than 1 committee, the bill shall be jointly referred to the committees of jurisdiction and the Committee on the Budget.

"(II) VIEWS OF COMMITTEE.—Any committee, other than the Committee on the Budget, to which a bill is referred under this clause may submit a favorable, an unfavorable recommendation, without recommendation with respect to the bill to the Committee on the Budget prior to the reporting or discharge of the bill.

"(III) REPORTING.—The Committee on the Budget shall report the bill not later than the fifth day of session of that House after the date of introduction of the bill in that House, without any revision and with a favorable or unfavorable recommendation, or with no recommendation, together with the recommendations of any com-

mittee to which the bill has been referred.

"(IV) DISCHARGE.—If the Committee on the Budget fails to report the bill within that period, the committee shall be automatically discharged from consideration of the bill, and the bill shall be placed on the appropriate calendar.

"(C) FINAL PASSAGE.—A vote on final passage of the bill shall be taken in the Senate and the House of Representatives on or before the close of the 10th day of session of that House after the date of the introduction of the bill in that House. If the bill is passed, the Clerk of the House of Representatives shall cause the bill to be transmitted to the Senate before the close of the next day of session of the House.

"(2) CONSIDERATION IN THE HOUSE OF REPRESENTATIVES.—

"(A) MOTION TO PROCEED TO CONSIDERATION.—A motion in the House of Representatives to proceed to the consideration of a bill under this subsection shall be highly privileged and not debatable. An amendment to the motion

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

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

"(C) APPEALS.—Appeals from decisions of the chair relating to the application of the Rules of the House of Representatives to the procedure relating to a bill under this part shall be decided without debate.

"(D) APPLICATION OF HOUSE RULES.—Except to the extent specifically provided in this part, consideration of a bill under this part shall be governed by the Rules of the House of Representatives. It shall not be in order in the House of Representatives to consider any bill introduced pursuant to the provisions of this part

under a suspension of the rules or under a special rule.

"(3) CONSIDERATION IN THE SENATE.—

"(A) MOTION TO PROCEED TO CONSIDERATION.—A motion to proceed to the consideration of a bill under this subsection in the Senate shall not be debatable. A motion to proceed to consideration of the bill may be made even though a previous motion to the same effect has been disagreed to. It shall not be in order to move to reconsider the vote by which the motion to proceed is agreed to or disagreed to.

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

"(C) DEBATABLE MOTIONS AND APPEALS.—Debate in the Senate on any debatable motion or appeal in connection with a bill under this subsection shall be limited to not more than 1 hour from the time allotted for debate, to be equally divided and controlled in the usual form.

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

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

"(F) CONSIDERATION OF THE HOUSE BILL.—

"(i) IN GENERAL.—If the Senate has received the House companion bill to the bill introduced in the Senate prior to the vote required under paragraph (1)(C), then the Senate shall consider, and the vote under paragraph (1)(C) shall occur on, the House companion bill.

"(ii) PROCEDURE AFTER VOTE ON SENATE BILL.—If the Senate votes, pursuant to paragraph (1)(C), on the bill introduced in the Senate, the Senate bill shall be held pending receipt of the House message on the bill. Upon receipt of the House companion bill, the House bill shall be deemed to be considered, read for the third time, and the vote on passage of the Senate bill

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

"(d) AMENDMENTS AND DIVISIONS PROHIBITED.—

"(1) IN GENERAL.—No amendment to a bill considered under this part shall be in order in either the Senate or the House of Representatives.

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

"(3) NO SUSPENSION.—No motion to suspend the application of this subsection shall be in order in the House of Representatives, nor shall it be in order in either the House of Representatives or the Senate to suspend the application of this subsection by unanimous consent.

"(e) TEMPORARY PRESIDENTIAL AUTHORITY TO WITHHOLD.—

"(1) AVAILABILITY.—The President may not withhold any dollar amount of discretionary budget authority until the President transmits and Congress receives a special message pursuant to subsection (b). Upon receipt by Congress of a special message pursuant to subsection (b), the President may direct that any dollar amount of discretionary budget authority proposed to be rescinded in that special message shall

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

"(2) EARLY AVAILABILITY.—The President may make any dollar amount of discretionary budget authority withheld from obligation pursuant to paragraph (1) available at an earlier time if the President determines that continued withholding would not further the purposes of this Act.

"(f) TEMPORARY PRESIDENTIAL AUTHORITY TO SUSPEND.—

"(1) SUSPEND.—

"(A) IN GENERAL.—The President may not suspend the execution of any item of direct spending or targeted tax benefit until the President transmits and Congress receives a special message pursuant to subsection (b). Upon receipt by Congress of a special message, the President may suspend the execution of any item of direct spending or targeted tax benefit proposed to be rescinded in that message for a period not to exceed 45 calendar days from the date of receipt by Congress.

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

in the period beginning on the effective date of the item of direct spending or targeted tax benefit; and ending on the date that is the later of—

"(i) the effective date of the item of direct spending or targeted benefit; or

"(ii) the date that Congress receives the special message.

"(C) CLARIFICATION.—Notwithstanding subparagraph (B), in the case of an item of direct spending or targeted tax benefit with an effective date within 45 days after the date of enactment, the beginning date of the period calculated under subparagraph (B) shall be the date that is 45 days after the date of enactment and the ending date shall be the date that is the later of—

"(i) the date that is 45 days after enactment; or

"(ii) the date that Congress receives the special message.

"(2) EARLY AVAILABILITY.—The President may terminate the suspension of any item of direct spending or targeted tax benefit suspended pursuant to paragraph (1) at an earlier time if the President de-

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

"(g) DEFINITIONS.—In this part:

"(1) APPROPRIATION LAW.—The term 'appropriation law' means any general or special appropriation Act, and any Act or joint resolution making supplemental, deficiency, or continuing appropriations.

"(2) CALENDAR DAY.—The term 'calendar day' means a standard 24-hour period beginning at midnight.

"(3) DAYS OF SESSION.—The term 'days of session' means only those days on which both Houses of Congress are in session.

"(4) DOLLAR AMOUNT OF DISCRETIONARY BUDGET AUTHORITY.—The term 'dollar amount of discretionary budget authority' means the dollar amount of budget authority and obligation limitations—

"(A) specified in an appropriation law, or the dollar amount of budget authority required to be allocated by a specific proviso in an appropriation law for which a specific dollar figure was not included;

"(B) represented separately in any table, chart, or explanatory text included in the state-

ment of managers or the governing committee report accompanying such law;

"(C) required to be allocated for a specific program, project, or activity in a law (other than an appropriation law) that mandates obligations from or within accounts, programs, projects, or activities for which budget authority or an obligation limitation is provided in an appropriation law;

"(D) represented by the product of the estimated procurement cost and the total quantity of items specified in an appropriation law or included in the statement of managers or the governing committee report accompanying such law; or

"(E) represented by the product of the estimated procurement cost and the total quantity of items required to be provided in a law (other than an appropriation law) that mandates obligations from accounts, programs, projects, or activities for which dollar amount of discretionary budget authority or an obligation limitation is provided in an appropriation law.

"(5) RESCIND OR RESCISSION.—The term 'rescind' or 'rescission' means—

"(A) in the case of a dollar amount of discretionary budget authority, to reduce or repeal a provision of law to prevent that budget authority or obligation limitation from having legal force or effect; and

"(B) in the case of direct spending or targeted tax benefit, to repeal a provision of law in order to prevent the specific legal obligation of the United States from having legal force or effect.

"(6) DIRECT SPENDING.—The term 'direct spending' means budget authority provided by law (other than an appropriation law), mandatory spending provided in appropriation Acts, and entitlement authority.

"(7) ITEM OF DIRECT SPENDING.—The term 'item of direct spending' means any specific provision of law enacted after the effective date of the Legislative Line Item Veto Act of 2006 that is estimated to result in an increase in budget authority or outlays for direct spending relative to the most recent levels calculated consistent with the methodology described in section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 and included with a budget submission under section 1105(a) of title 31,

United States Code, and, with respect to estimates made after that budget submission that are not included with it, estimates consistent with the economic and technical assumptions underlying the most recently submitted President's budget.

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

"(9) TARGETED TAX BENEFIT.—The term 'targeted tax benefit' means only those provisions—

"(A) estimated by the Joint Committee on Taxation to result in a loss of revenues relative to the most recent levels calculated consistent with the methodology described in section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 and included with a budget submission under section 1105(a) of title 31, United States Code, and with respect to estimates made after that budget submission that are not included with it, estimates consistent with the economic and technical assumptions underlying the most recently submitted President's budget; and

"(B) having the practical effect of providing more favorable tax treatment to a particular taxpayer or limited group of taxpayers when compared with other similarly situated taxpayers.

"(h) CONGRESSIONAL IDENTIFICATION OF TARGETED TAX BENEFITS.—

"(1) STATEMENT BY JOINT TAX COMMITTEE.—The Joint Committee on Taxation shall review any revenue or reconciliation bill or joint resolution which includes any amendment to the Internal Revenue Code of 1986 that is being prepared for filing by a committee of conference of the 2 Houses, and shall identify, prior to consideration of such conference report, whether such bill or joint resolution contains any targeted tax benefits. The Joint Committee on Taxation shall provide to the committee of conference a statement identifying any such targeted tax benefits or declaring that the bill or joint resolution does not contain any targeted tax benefits. The statement shall be included in the statement of managers to accompany such conference report and made available to any Member of Congress by the Joint Committee on Taxation immediately upon request.

"(2) STATEMENT INCLUDED IN LEGISLATION.—Notwithstanding any other rule of the House of Rep-

resentatives or any rule or precedent of the Senate, any revenue or reconciliation bill or joint resolution, which includes any amendment to the Internal Revenue Code of 1986 reported by a committee of conference of the House of Representatives and the Senate, may include, as a separate section of such bill or joint resolution, the information contained in the statement of the Joint Committee on Taxation.".

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

(1) in subsection (a), by striking "and 1017" and inserting "1017, and 1021"; and

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

(c) CLERICAL AMENDMENTS.—

(1) SHORT TITLE.—Section 1(a) of the Congressional Budget and Impoundment Control Act of 1974 is amended by—

(A) striking "Parts A and B" before "title X" and inserting "Parts A, B, and C"; and

(B) striking the last sentence and inserting at the end the following new sentence: "Part C of title X also may be cited as the 'Legislative Line Item Veto Act of 2006'.".

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

"PART C—LEGISLATIVE LINE ITEM VETO

"Sec. 1021. Expedited consideration of certain proposed rescissions.".

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

(e) EFFECTIVE DATE AND EXPIRATION.—

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

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

(B) apply to any dollar amount of discretionary budget authority, item of direct spending, or targeted tax benefit provided in an Act enacted on or after September 1, 2006.

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

TITLE II—DEFICIT REDUCTION

Subtitle A—Definitions, Administration, and Sequestration

SEC. 201. DEFINITIONS.

In this title:

(1) ACCOUNT.—The term "account" means—

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

(B) for items not provided for in appropriation Acts, direct spending and outlays therefrom identified in the program and finance schedules contained in the appendix to the Budget of the United States for the current year.

(2) BREACH.—The term "breach" means, for any fiscal year, the amount by which discretionary budget authority enacted for that year exceeds the spending limit for budget authority for that year.

(3) BUDGET AUTHORITY; NEW BUDGET AUTHORITY; AND OUTLAYS.—The terms "budget authority", "new budget authority", and "outlays" have the meanings given to such terms in section 3 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622).

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

(5) CBO.—The term "CBO" means the Director of the Congressional Budget Office.

(6) CURRENT.—The term "current" means—

(A) with respect to the Office of Management and Budget estimates included with a budget submission under section 1105(a) of title 31, United States Code, the estimates consistent with the economic and technical assumptions underlying that budget;

(B) with respect to estimates made after that budget submission that are not included with it, the estimates consistent with the economic and technical assumptions underlying the most recently submitted President's budget; and

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

(7) CURRENT YEAR.—The term "current year" means, with respect to a budget year, the fiscal year that immediately precedes that budget year.

(8) DEFICIT.—The term "deficit" means, with respect to any fiscal year, the amount by which total budget outlays for such fiscal year exceed total governmental receipts for such fiscal year. In calculating the deficit for purposes of comparison with the maximum deficit amount under section 221 and in calculating the excess deficit for purposes of subtitle C (notwithstanding section 710(a) of the Social Security Act (42 U.S.C. 911)) for any fiscal year, the receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for such fiscal year and the taxes payable under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954 (26 U.S.C. 1401, 3101, 3111) during such fiscal year shall be included in total revenues for such fiscal year, and the disbursements of each such Trust Fund for such fiscal year shall be included in total budget outlays for such fiscal year. Notwithstanding any other provision of law except to the extent provided by section 710(a) of the Social Security Act (42 U.S.C. 911) the receipts, revenues, disbursements, budget authority, and outlays of each off-budg-

et Federal entity for a fiscal year shall be included in total budget authority, total budget outlays, and total revenues and the amounts of budget authority and outlays set forth for each major functional category, for such fiscal year.

(9) DIRECT SPENDING.—The term "direct spending" shall have the meaning given such term in section 3(3) of the Congressional Budget Act of 1974.

(10) DISCRETIONARY BUDGET AUTHORITY.—The term "discretionary budget authority" means budgetary authority (except to fund mandatory programs) provided in appropriation Acts.

(11) DISCRETIONARY SPENDING LIMIT.—The term "discretionary spending limit" shall mean the amounts specified in section 212.

(12) EXCESS DEFICIT AMOUNT.—The term "excess deficit amount", with respect to any fiscal year, means the amount of the deficit reduced by the estimated reductions of outlays resulting from any sequestration in subtitle C, that exceeds the maximum deficit amount.

(13) OMB.—The term "OMB" means the Director of the Office of Management and Budget.

(14) SEQUESTRATION.—The term "sequestration"—

(A) with respect to discretionary budget authority, means the cancellation or reduction of budget authority (except budget authority to fund mandatory programs) provided in appropriation Acts; and

(B) with respect to the excess deficit amount, means the amount cancelled or reduced from direct spending and outlays flowing therefrom.

SEC. 202. ADMINISTRATION, RECONCILIATION, AND EFFECT OF SEQUESTRATION.

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

(b) PRESIDENTIAL ORDER.—

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

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

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

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

(2) Except as otherwise provided, the same percentage sequestration shall apply to all programs, projects, and activities within a budget account (with programs, projects, and activities as delineated in the appropriation Act or accompanying report for the relevant fiscal year covering that account).

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

120 days of the sequestration order. To the extent that formula allocations differ at different levels of budgetary resources within an account, program, project, or activity, the sequestration shall be interpreted as producing a lower total appropriation, with the remaining amount of the appropriation being obligated in a manner consistent with program allocation formulas in substantive law.

(4) Except as otherwise provided in this subtitle, obligations or budgetary resources in sequestered accounts shall be reduced only in the fiscal year in which a sequester occurs.

(5) Budgetary resources sequestered in special fund accounts and offsetting collections sequestered in appropriation accounts shall not be available for obligation during the fiscal year in which the sequestration occurs, but shall be available in subsequent years to the extent otherwise provided in law.

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

SEC. 203. GAO COMPLIANCE REPORT.

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

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

(2) the extent to which each report issued by OMB or CBO under this section complies with all of the requirements contained in this title, either certifying that the report fully and accurately complies with such requirements or indicating the respects in which it does not.

Subtitle B—Discretionary Spending Limits

SEC. 211. DISCRETIONARY SEQUESTRATION REPORTS.

(a) DISCRETIONARY SEQUESTRATION PREVIEW REPORTS.—

(1) REPORTING REQUIREMENT.—

(A) IN GENERAL.—On the dates specified in section 202(a), OMB shall report to the President and Congress and CBO shall report to Con-

gress a Discretionary Sequestration Preview Report regarding discretionary sequestration based on laws enacted through those dates.

(B) PRESIDENT'S BUDGET.—When the President submits the budget under section 1105 of title 31, United States Code, OMB shall calculate and the budget shall include adjustments to discretionary spending limits (and those limits as cumulatively adjusted) for the budget year and each outyear to reflect adjustments under section 212(b).

(C) CONSULTATION.—Any determination or change under subparagraph (B) may only be made after consultation with the Committees on Appropriations and the Budget of the House of Representatives and the Senate, and that consultation shall include written communication to such committees that affords such committees the opportunity to comment before official action is taken with respect to such changes.

(2) DISCRETIONARY.—The Discretionary Sequestration Preview Report shall set forth estimates for the current year and each subsequent year through 2009 of the applicable discretionary spending limits and an explanation of any adjustments in such limits

under section 212, and a projection of budget authority exceeding discretionary caps subject to sequester.

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

(b) DISCRETIONARY SEQUESTRATION REPORTS.—On the dates specified in section 202(a), OMB and CBO shall issue Discretionary Sequestration Reports, reflecting laws enacted through those dates, containing all of the information required in the Discretionary Sequestration Preview Reports.

(c) FINAL DISCRETIONARY SEQUESTRATION REPORTS.—

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

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

(A) For the current year and each subsequent year through 2009; the applicable discretionary spending limits.

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

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

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

(3) EXPLANATION OF DIFFERENCES.—The OMB report shall explain any differences between OMB and CBO estimates for any breach and any required discretionary sequestration percentages. The OMB report shall also explain differences in the amount of sequesterable resources for any budget account to be reduced if such difference is greater than $5,000,000.

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

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

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

SEC. 212. LIMITS.

(a) DISCRETIONARY SPENDING LIMITS.—As used in this subtitle, the term "discretionary spending limit" means—

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

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

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

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

(b) ADJUSTMENTS.—

(1) EMERGENCY SPENDING.—If, for fiscal year 2007, 2008, or 2009, appropriations for discretionary accounts are enacted that the President designates as emergency requirements, and that the Congress so designates in statute, the adjustment shall be the total of such appropriations in discretionary accounts designated as emergency requirements, but not to exceed

$90,000,000,000 for fiscal year 2007, $50,000,000,000 for 2008, and $30,000,000,000 for 2009. Appropriations designated as emergencies in excess of these limitations shall be treated as new budget authority for the purpose of calculating a breach of the discretionary spending limits.

(2) FEDERAL TAX GAP INITIATIVE.—If an appropriation bill or joint resolution is enacted for fiscal year 2007, 2008, or 2009, that includes $6,824,000,000 plus an additional amount for the enhanced tax enforcement initiative of the Internal Revenue Service, the adjustment shall be the amount of budget authority in that measure for that initiative but not to exceed—

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

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

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

(c) ENFORCEMENT.—

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

(2) ELIMINATING A BREACH.—Each account shall be reduced by a dollar amount calculated by multiplying the enacted level of budget authority for that year in that account at that time by the uniform percentage necessary to eliminate a breach of the discretionary spending limit.

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

(A) the annualized amount otherwise available by law in that account under that or a subsequent part-year appropriation; and

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

(4) LOOK-BACK.—If, after June 30, an appropriation for the fiscal year in progress is enacted that causes a breach for that year (after taking into account any previous sequestration), the discretionary spending limit for the next fiscal year shall be reduced by the amount of that breach.

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

(d) ESTIMATES.—

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

(2) OMB ESTIMATES.—Not later than 7 calendar days (excluding Saturdays, Sundays, and legal holidays) after the date of enactment of any discretionary appropriations, OMB shall transmit a report to the House of Representatives and to the Senate containing—

(A) the CBO estimate of that legislation;

(B) an OMB estimate of that legislation using current economic and technical assumptions; and

(C) an explanation of any difference between the 2 estimates.

(3) DIFFERENCES.—If during the preparation of the report under paragraph (2), OMB determines that there is a difference between the OMB and CBO estimates, OMB shall consult with the Committees on the Budget of the House of Representatives and the Senate regarding that difference and that consultation, to the extent practicable, shall include written communication to such committees that affords such committees the opportunity to comment before the issuance of that report.

(4) ASSUMPTIONS AND GUIDELINES.—OMB and CBO shall prepare estimates under this paragraph in conformance with scorekeeping guidelines determined after consultation among the House and Senate Committees on the Budget, CBO, and OMB.

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

Subtitle C—Maximum Deficit Amount Limitation

SEC. 221. MAXIMUM DEFICIT AMOUNT.

In this subtitle, the term "maximum deficit amount" means—

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

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

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

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

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

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

SEC. 222. REPORTING OF EXCESS DEFICITS.

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

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

(A) the deficit;

(B) the maximum deficit amount; and

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

(2) REPORT.—OMB shall report to the President and Congress and CBO shall report to Congress estimating the budget base levels of total revenues and total budget outlays for the budget year, identifying the deficit, the maximum deficit amount, and the amount of any deficit excess for such fiscal year, the base from which direct spending reductions are taken and the amounts based upon uniform percentages, by which such direct spending accounts must be reduced for the budget year, in accordance with the succeeding provisions of this part, in order to eliminate such excess based on laws enacted through those dates.

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

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

(4) BASIS FOR DIRECTORS' ESTIMATES, DETERMINATIONS, AND SPECIFICATIONS.—

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

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

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

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

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

rector of OMB shall submit to the President and Congress, and the Director of CBO shall submit to Congress, a revised report—

(A) indicating whether and to what extent, as a result of laws enacted and regulations promulgated after the submission of their maximum deficit amount preview report under subsection (a), the excess deficit identified in the report submitted under such subsection has been eliminated, reduced, or increased; and

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

The reconciliation report submitted under this paragraph shall contain estimates, determinations, and specifications for all of the items contained in the preview report and the OMB report shall be based on the same economic and technical assumptions and employ the same methodologies as applied in the supplemental budget estimates submitted under section 1106 of title 31, United States Code, and the CBO report shall be based on the most recent report required by section 202(e)(2) of the Congressional Budget Act of 1974. Estimates shall be consistent with methodology in section 257 of the Balanced Budget and Enforce-

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

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

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

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

(e) ESTIMATES.—

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

(2) OMB ESTIMATES.—Not later than 7 calendar days (excluding Saturdays, Sundays, and legal

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

(A) the CBO estimate of that legislation;

(B) an OMB estimate of that legislation using current economic and technical assumptions; and

(C) an explanation of any difference between the 2 estimates.

(3) DIFFERENCES.—If during the preparation of the report under paragraph (2), OMB determines that there is a difference between the OMB and CBO estimates, OMB shall consult with the Committees on the Budget of the House of Representatives and the Senate regarding that difference and that consultation, to the extent practicable, shall include written communication to such committees that affords such committees the opportunity to comment before the issuance of that report.

(4) ASSUMPTIONS AND GUIDELINES.—OMB and CBO shall prepare estimates under this paragraph in conformance with scorekeeping guidelines determined after consultation among the House and Senate Committees on the Budget, CBO, and OMB.

SEC. 223. CONGRESSIONAL RESPONSE TO OMB AND CBO RECONCILIATION REPORT.

(a) REPORTING OF RESOLUTIONS, AND RECONCILIATION BILLS AND RESOLUTIONS, IN THE SENATE.—

(1) COMMITTEE ALTERNATIVES TO PRESIDENTIAL ORDER.—For the purpose of assisting the Committees on the Budget of the House and Senate in preparing Reconciliation Directive Reports under paragraph (3) and not later than 20 days after the submission of the OMB Reconciliation Report, each standing committee of the House and Senate may submit to the Committees on the Budget of the House and Senate information of the type described in section 301(d) of the Congressional Budget Act of 1974 with respect to alternatives to the order envisioned by such report insofar as such order affects laws within the jurisdiction of the committee.

(2) APPLICATION OF THE CONGRESSIONAL BUDGET ACT OF 1974.—Sections 305 and 310 of the Congressional Budget Act of 1974 shall apply to any bill considered under this section, except as otherwise provided in this section.

(3) RECONCILIATION DIRECTIVES.—On the date specified in section 202(a), the Chairmen of the Committees on the Budget of the House and Senate shall submit a Reconciliation Directive Report to the Presi-

dent of the Senate or the Speaker of the House for appropriate referral to the committees of its House, the OMB Reconciliation Report containing the maximum deficit amount and the excess deficit and reconciliation directives. Such directives shall—

(A) specify the total amount by which—

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

(ii) governmental receipts, other than income taxes, estate and gift taxes, excise taxes, payroll taxes, or tariffs, for such fiscal year;

are to be changed; and

(B) include directives to committees to recommend changes in laws within their jurisdiction—

(i) to accomplish the total amount of deficit reduction necessary to eliminate the excess deficit so that the deficit does not exceed the maximum deficit amount set forth in the OMB Reconciliation Report; and

(ii) with amounts required for each committee proportionally based on the outlays allocated to that committee for programs under section 302(a) of the Congres-

sional Budget Act of 1974 in the most recent adopted concurrent resolution on the budget.

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

(5) BUDGET COMMITTEE ACTION.—Upon receipt of the recommendations received in response to directives referred to in paragraph (3), the Budget Committees shall report to the House and Senate, a reconciliation bill carrying out all such recommendations.

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

(1) each such committee so directed shall make such recommendations to the Committee on the Budget of its House, which upon receiving all such recommendations, shall report to its House reconciliation legislation carrying out all such recommendations without any substantive revision; and

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

(c) ADJUSTMENT OF BUDGET TARGETS.—Upon enactment of a reconciliation bill conference report, the chairmen of the Committees on the Budget of the Senate and the House of Representatives shall revise spending and revenue levels under section 311(a) of the Congressional Budget Act of 1974 and adjust the committee allocations under section 302(a) of the Congressional Budget Act of 1974, or any other adjustments as may be appropriate to reflect any changes made in the reconciliation bill. Notwithstanding any other provision of law, the revised allocations and aggregates shall be considered to have been made under a concurrent resolution on the budget agreed to under the Congressional Budget Act of 1974, and shall be enforced under the procedures of that Act.

(d) COMPLIANCE WITH RECONCILIATION DIRECTIVES.—Secondary or indirect effects of the legislative recommendations submitted by any committee of the House of Representatives or the Senate that is directed, shall be attributed to the committee proposing the change in law,

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

(e) LIMITATION ON AMENDMENTS TO RECONCILIATION BILLS.—

(1) HOUSE OF REPRESENTATIVES.—It shall not be in order in the House of Representatives to consider any amendment to a reconciliation bill if such amendment would have the effect of increasing any specific budget outlays above the level of such outlays provided in the bill (for the fiscal years covered by the reconciliation directives), or would have the effect of reducing any specific governmental receipts below the level of such governmental receipts provided in the bill (for such fiscal year), unless such amendment makes at least an equivalent reduction in other specific budget outlays, an equivalent increase in other specific governmental receipts, or an equivalent combination thereof (for such fiscal year).

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

creases below the level of such increases in such governmental receipts provided (for such fiscal year) in the reconciliation directives, unless such amendment makes a reduction in other specific budget outlays, an increase in other specific governmental receipts, or a combination thereof (for such fiscal year) at least equivalent to any increase in outlays or decrease in governmental receipts provided by such amendment, except that a motion to strike a provision shall always be in order.

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

(4) HOUSE RULES.—The Committee on Rules of the House of Representatives may make in order amendments to achieve changes specified by reconciliation directives if a committee or committees of the House fail to submit recommended changes to its Committee on the Budget pursuant to its instruction.

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

subsection, and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours.

(g) LIMITATION ON CHANGES TO THE SOCIAL SECURITY ACT.—Notwithstanding any other provision of law, it shall not be in order in the Senate or the House of Representatives to consider any reconciliation bill, or any amendment thereto or conference report thereon, that contains recommendations with respect to the old-age, survivors, and disability insurance program established under title II of the Social Security Act.

(h) EXTRANEOUS MATTER IN RECONCILIATION LEGISLATION.—

(1) IN GENERAL.—When the Senate is considering a reconciliation bill pursuant to this section (whether that bill originated in the Senate or the House), upon a point of order being made by any Senator against material extraneous to the instructions to a committee which is contained in any title or provision of the bill or offered as an amendment to the bill, and the point of order is sustained by the Chair, any part of said title or provision that contains material extraneous to the directives to said Committee as defined in paragraph (2), shall be

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

(2) EXTRANEOUS PROVISIONS.—Except as provided in paragraph (3)—

(A) a provision of a reconciliation bill considered pursuant to this subsection shall be considered extraneous if such provision does not produce a decrease in outlays or an increase in governmental receipts, including changes in outlays and governmental receipts brought about by changes in the terms and conditions under which outlays are made or governmental receipts are required to be collected;

(B) a provision that is not in the jurisdiction of the Committee with jurisdiction over said title or provision shall be considered extraneous (except that amendments reported by the Committee on the Budget to achieve compliance with reconciliation directives shall be in order notwithstanding any other rule of the Senate and not be deemed extraneous);

(C) a provision shall be considered to be extraneous if it increases, or would increase, net outlays, or if it decreases, or would decrease, governmental receipts during a fiscal year after the

fiscal years covered by such reconciliation bill, and such increases or decreases are greater than outlay reductions or governmental receipts increases resulting from other provisions in such title in such year; and

(D) a provision shall be considered extraneous if it violates section 310(g) of the Congressional Budget Act of 1974.

(3) SENATE-ORIGINATED PROVISIONS.—A Senate-originated provision shall not be considered extraneous under paragraph (2) if the Chairman and Ranking Minority Member of the Committee on the Budget and the Chairman and Ranking Minority Member of the Committee which reported the provision certify that—

(A) the provision mitigates direct effects clearly attributable to a provision changing outlays or revenue and both provisions together produce a net reduction in the deficit;

(B) the provision will result in a substantial reduction in outlays or a substantial increase in governmental receipts during fiscal years after the fiscal years covered by the reconciliation bill or reconciliation resolution;

(C) a reduction of outlays or an increase in governmental receipts is likely to occur as a result of the provision, in the event of new regulations authorized by the provision or likely to be proposed, court rulings on pending litigation, or relationships between economic indices and stipulated statutory triggers pertaining to the provision, other than the regulations, court rulings, or relationships currently projected by the Congressional Budget Office for scorekeeping purposes; or

(D) such provision will be likely to produce a significant reduction in outlays or increase in governmental receipts but, due to insufficient data, such reduction or increase cannot be reliably estimated.

(4) COMMITTEE REPORTED PROVISIONS.—a provision reported by a committee shall not be considered extraneous under paragraph (2) if—

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

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

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

(5) TECHNICAL AND CONFORMING AMENDMENTS.—Technical and conforming provisions shall not be considered extraneous under this subsection.

(6) EXTRANEOUS MATERIALS.—Upon the reporting of a reconciliation bill pursuant to this subsection in the Senate, and again upon the submission of a conference report on such a reconciliation bill, the Committee on the Budget of the Senate shall submit for the record a list of material considered to be extraneous under paragraph (2) (A), (C), and (D), to the instructions of a committee as provided in this section. The inclusion or exclusion of a provision shall not constitute a determination of extraneousness by the Presiding Officer of the Senate.

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

made by any Senator against extraneous material meeting the definition of this subsection, and such point of order being sustained, such material contained in such conference report or amendment shall be deemed stricken, and the Senate shall proceed, without intervening action or motion, to consider the question of whether the Senate shall recede from its amendment and concur with a further amendment, or concur in the House amendment with a further amendment, as the case may be, which further amendment shall consist of only that portion of the conference report or House amendment, as the case may be, not so stricken. Any such motion in the Senate shall be debatable for two hours. In any case in which such point of order is sustained against a conference report (or Senate amendment derived from such conference report by operation of this subsection), no further amendment shall be in order.

(i) DETERMINATIONS AND POINTS OF ORDER.—Notwithstanding any other law or rule of the Senate, it shall be in order for a Senator to raise a single point of order that several provisions of a bill, resolution, amendment, motion, or conference report violate this section. The Presiding Officer may sustain the point of order as to some or all of the provisions against which the Senator raised the point

of order. If the Presiding Officer so sustains the point of order as to some of the provisions (including provisions of an amendment, motion, or conference report) against which the Senator raised the point of order, then only those provisions (including provisions of an amendment, motion, or conference report) against which the Presiding Officer sustains the point of order shall be deemed stricken pursuant to this section. Before the Presiding Officer rules on such a point of order, any Senator may move to waive such a point of order as it applies to some or all of the provisions against which the point of order was raised. Such a motion to waive is amendable in accordance with the rules and precedents of the Senate. After the Presiding Officer rules on such a point of order, any Senator may appeal the ruling of the Presiding Officer on such a point of order as it applies to some or all of the provisions on which the Presiding Officer ruled.

SEC. 224. REVISED ESTIMATES AND FINAL MAXIMUM DEFICIT AMOUNT SEQUESTRATION REPORTS.

(a) REVISED ESTIMATES, DETERMINATIONS, AND FINAL MAXIMUM DEFICIT AMOUNT SEQUESTRATION REPORTS.—On the dates specified in section 202(a), OMB shall submit to the President and Congress, and CBO shall submit to Congress, a revised report—

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

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

The final report submitted under this subsection shall contain estimates, determinations, and specifications for all of the items contained in the maximum deficit amount reconciliation report and shall be based on the same economic and technical assumptions and employ the same methodologies shall be based on the supplemental budget estimates under section 1106 of title 31, United States Code, and the CBO report shall be based on the most recent report required by section 202(e)(2) of the Congressional Budget Act of 1974. Estimates shall be consistent with the methodology under section 257 of the Balanced Budget and Enforcement Act Deficit Control Act of 1985. The reports shall provide for the determination of reductions in the manner specified in section 222(a)(3).

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

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

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

SEC. 225. MAXIMUM DEFICIT AMOUNT-PRESIDENTIAL ORDER.

(a) IN GENERAL.—On the date specified in section 202(a) and following the submission of a report by the Director of OMB to the President and Congress under section 224 that identifies an amount by which the deficit for a fiscal year will exceed the maximum deficit amount for such fiscal year the President, in strict accordance with the requirements set forth in section 227, shall eliminate the full amount of the deficit excess by issuing an order that eliminates the direct spending authority and outlays resulting therefrom in accordance with such report from each budget account activity as identified in the program and financing schedules contained in the appendix to the Budget of the United States Government for that fiscal year, applying the same reduction percentage as the percentage by which the account is reduced in such report.

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

(c) EFFECT OF SEQUESTRATION UNDER PRESIDENTIAL ORDER.—Amounts sequestered under an order issued by the President under subsection (a) for a fiscal year shall be permanently cancelled in accordance with such final order.

(d) ACCOMPANYING MESSAGE.—At the time the actions described in the preceding provisions of this subsection with respect to any fiscal year are taken, the President shall transmit to both Houses of the Congress a message containing all the information required by this section and further specifying in strict accordance with subsection (b)—

(1) within each account, and the amounts which are to be sequestered or reduced for each such program, project, and activity or budget account activity; and

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

Upon receipt in the Senate and the House of Representatives, the message shall be referred to all committees with jurisdiction over programs, projects, and activities affected by the order.

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

SEC. 226. CONGRESSIONAL RESPONSE TO LOW GROWTH.

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

(1) IN GENERAL.—The Director of the Congressional Budget Office shall notify the Congress at any time if—

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

(B) the Department of Commerce preliminary reports of actual real economic growth (or any subsequent revision thereof) indicate that the rate of real economic growth for each of the most recent reported quarter and the immediately preceding quarter is less than one percent.

Upon such notification the majority leader of each House shall introduce a joint resolution (in the form set forth in paragraph (2)) declaring that the conditions specified in this paragraph are met and suspending the relevant provisions of this title for the remainder of the current fiscal year or for the following fiscal year or both.

(2) FORM OF JOINT RESOLUTION.—

(A) MATTER.—The matter after the resolving clause in any joint resolution introduced pursuant to paragraph (1) shall be as follows: "That the Congress declares that the conditions specified in section 226(a)(1) of the Stop Over Spending Act of 2006 are met and the provisions of that Act, including sequestration of discretionary spending under subtitle B and sequestration of direct spending under subtitle C of that Act are suspended for the remainder of the current year, and for the fiscal year following the

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

(B) TITLE.—The title of the joint resolution shall be "Joint resolution suspending certain provisions of law pursuant to SOS Act." and the joint resolution shall not contain any preamble.

(b) COMMITTEE ACTION.—Each joint resolution introduced pursuant to subsection (a) shall be referred to the Committee on the Budget of the appropriate House; and such Committee shall report the joint resolution to its House without amendment on or before the fifth day on which such House is in session after the date on which the joint resolution is introduced. If the Committee fails to report the joint resolution within the five-day period referred to in the preceding sentence, it shall be automatically discharged from further consideration of the joint resolution, and the joint resolution shall be placed on the appropriate calendar.

(c) CONSIDERATION OF JOINT RESOLUTION.—

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

of session of such House after the date on which the joint resolution is reported to such House or after the Committee has been discharged from further consideration of the joint resolution. If prior to the passage by one House of a joint resolution of that House, that House received the same joint resolution from the other House, then—

(A) the procedure in that House shall be the same as if no such joint resolution had been received from the other House; and

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

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

(2) HOUSE.—

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

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

(B) DEBATE.—Debate in the House of Representatives on a joint resolution under this subsection shall be limited to not more than 5 hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion to postpone, made in the House of Representatives with respect to the consideration of a joint resolution under this subsection, and a motion to proceed to the consideration of other business, shall not be in order. A motion further to limit debate shall not be debatable. It shall not be in order to move to table or to recommit a joint resolution under this subsection or to move to reconsider the vote by which the joint resolution is agreed to or disagreed to.

(C) APPEALS.—All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a joint resolution under this subsection shall be decided without debate.

(D) FORM OF RESOLUTION.—Except to the extent specifically provided in this subsection or in paragraph (4), consideration of a joint resolution under this paragraph shall be governed by the Rules of the House of Representatives.

(3) SENATE.—

(A) PROCEEDING.—A motion in the Senate to proceed to the consideration of a joint resolution under this subsection shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

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

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

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

(D) LIMIT DEBATE OR RECOMMIT.—A motion in the Senate to further limit debate on a joint resolution under this subsection is not debatable. A motion to table or to recommit a joint resolution under this subsection is not in order.

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

SEC. 227. EXEMPTIONS FROM SEQUESTRATION.

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

(b) EXEMPTIONS.—

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

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

(2) IN BUDGET.—

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

(B) JUSTIFICATION.—The President shall include a justification for each exemption submitted pursuant to subparagraph (A).

(C) APPLICATION.—The exemptions provided in paragraph (1) and the exemptions submitted by the President under this paragraph shall stand as the only exemptions to sequestration procedures under this subtitle, unless otherwise provided by law.

SEC. 228. SUBMISSION OF PRESIDENT'S BUDGET; MAXIMUM DEFICIT AMOUNT MAY NOT BE EXCEEDED.

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

"(i) The budget transmitted pursuant to subsection (a) for a fiscal year shall be prepared consistent with section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985, in such a manner as to ensure that the discretionary spending limits under section 212 of the Stop Over Spending Act of 2006 and the deficit for such fiscal year shall not exceed the maximum deficit amount for such fiscal year.".

TITLE III—BIENNIAL BUDGET AND APPROPRIATIONS

SEC. 301. REVISION OF TIMETABLE.

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

"TIMETABLE

"SEC. 300. (a) IN GENERAL.—Except as provided by subsection (b), the timetable with respect to the congressional budget process for any Congress (beginning with the One Hundred Tenth Congress) is as follows:

"First Session

On or before:	*Action to be completed:*
First Monday in February.	*President submits the biennial budget recommendations.*
February 15	*Congressional Budget Office submits report to Budget Committees.*

"First Session—Continued

Not later than 6 weeks after the biennial budget submission.	*Committees submit views and estimates to Budget Committees.*
April 1	*Budget Committees report concurrent resolution on the biennial budget.*
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, the*
5 *following dates shall supersede those set forth in subsection*
6 *(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.*

"First Session—Continued

August 1	*Congress completes action on reconciliation legislation.*
October 1	*Biennium begins.".*

SEC. 302. AMENDMENTS TO THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974.

(a) DECLARATION OF PURPOSE.—Section 2(2) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 621(2)) is amended by striking "each year" and inserting "biennially".

(b) DEFINITIONS.—

(1) BUDGET RESOLUTION.—Section 3(4) of such Act (2 U.S.C. 622(4)) is amended by striking "fiscal year" each place it appears and inserting "biennium".

(2) BIENNIUM.—Section 3 of such Act (2 U.S.C. 622) is further amended by adding at the end the following new paragraph:

"(11) The term 'biennium' means the period of 2 consecutive fiscal years beginning on October 1 of any odd-numbered year.".

(c) BIENNIAL CONCURRENT RESOLUTION ON THE BUDGET.—

*(1) SECTION HEADING.—The section heading of section 301 of such Act is amended by striking "**ANNUAL**" and inserting "**BIENNIAL**".*

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

(A) in the matter preceding paragraph (1) by—

(i) striking "April 15 of each year" and inserting "May 15 of each odd-numbered year";

(ii) striking "the fiscal year beginning on October 1 of such year" the first place it appears and inserting "the biennium beginning on October 1 of such year"; and

(iii) striking "the fiscal year beginning on October 1 of such year" the second place it appears and inserting "each fiscal year in such period";

(B) in paragraph (6), by striking "for the fiscal year" and inserting "for each fiscal year in the biennium"; and

(C) in paragraph (7), by striking "for the fiscal year" and inserting "for each fiscal year in the biennium".

(3) ADDITIONAL MATTERS.—Section 301(b)(3) of such Act (2 U.S.C. 632(b)) is amended by striking "for such fiscal year" and inserting "for either fiscal year in such biennium".

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

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

(A) striking "fiscal year" and inserting "biennium"; and

(B) inserting after the second sentence the following: "On or before April 1 of each odd-numbered year (or, if applicable, as provided by section 300(b)), the Committee on the Budget of each House shall report to its House the concurrent resolution on the budget referred to in subsection (a) for the biennium beginning on October 1 of that year.".

(6) GOALS FOR REDUCING UNEMPLOYMENT.—Section 301(f) of such Act (2 U.S.C. 632(f)) is amended by striking "fiscal year" each place it appears and inserting "biennium".

(7) ECONOMIC ASSUMPTIONS.—Section 301(g)(1) of such Act (2 U.S.C. 632(g)(1)) is amended by striking "for a fiscal year" and inserting "for a biennium".

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

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

(1) in subsection (a)

(A) in paragraph (1), by—

(i) striking "for the first fiscal year of the resolution," and inserting "for each fiscal year in the biennium,";

(ii) striking "for that period of fiscal years" and inserting "for all fiscal years covered by the resolution"; and

(iii) striking "for the fiscal year of that resolution" and inserting "for each fiscal year in the biennium"; and

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

(2) in subsection (b), by striking "budget year" and inserting "biennium";

(3) in subsection (c) by striking "for a fiscal year" each place it appears and inserting "for each fiscal year in the biennium";

(4) in subsection (f)(1), by striking "for a fiscal year" and inserting "for a biennium";

(5) in subsection (f)(1), by striking "the first fiscal year" and inserting "each fiscal year of the biennium";

(6) in subsection (f)(2)(A), by—

(A) striking "the first fiscal year" and inserting "each fiscal year of the biennium"; and

(B) striking "the total of fiscal years" and inserting "the total of all fiscal years covered by the resolution"; and

(7) in subsection (g)(1)(A), by striking "April" and inserting "May".

(e) SECTION 303 POINT OF ORDER.—

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

(A) striking "the first fiscal year" and inserting "each fiscal year of the biennium"; and

(B) striking "that fiscal year" each place it appears and inserting "that biennium".

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

(A) in subparagraph (A), by striking "the budget year" and inserting "the biennium"; and

(B) in subparagraph (B), by striking "the fiscal year" and inserting "the biennium".

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

(A) striking "fiscal year" and inserting "biennium"; and

(B) striking "that year" and inserting "each fiscal year of that biennium".

(f) PERMISSIBLE REVISIONS OF CONCURRENT RESOLUTIONS ON THE BUDGET.—Section 304 of such Act (2 U.S.C. 635) is amended—

(1) by striking "fiscal year" the first two places it appears and inserting "biennium"; and

(2) by striking "for such fiscal year" and inserting "for such biennium".

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

(1) in subsection (a)(3), by striking "fiscal year" and inserting "biennium"; and

(2) in subsection (b)(3), by striking "fiscal year" and inserting "biennium".

(h) COMPLETION OF HOUSE ACTION ON APPROPRIATION BILLS.—Section 307 of such Act (2 U.S.C. 638) is amended—

(1) by striking "each year" and inserting "each odd-numbered year";

(2) by striking "annual" and inserting "biennial";

(3) by striking "fiscal year" and inserting "biennium"; and

(4) by striking "that year" and inserting "each odd-numbered year".

(i) COMPLETION OF ACTION ON REGULAR APPROPRIATION BILLS.—Section 309 of such Act (2 U.S.C. 640) is amended—

(1) by inserting "of any odd-numbered calendar year" after "July";

(2) by striking "annual" and inserting "biennial"; and

(3) by striking "fiscal year" and inserting "biennium".

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

(1) in the matter preceding paragraph (1), by striking "any fiscal year" and inserting "any biennium"; and

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

(k) SECTION 311 POINT OF ORDER.—

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

(A) by striking "for a fiscal year" and inserting "for a biennium";

(B) by striking "the first fiscal year" each place it appears and inserting "either fiscal year of the biennium"; and

(C) by striking "that first fiscal year" and inserting "each fiscal year in the biennium".

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

(A) in subparagraph (A), by striking "for the first fiscal year" and inserting "for either fiscal year of the biennium"; and

(B) in subparagraph (B)—

(i) by striking "that first fiscal year" the first place it appears and inserting "each fiscal year in the biennium"; and

(ii) by striking "that first fiscal year and the ensuing fiscal years" and inserting "all fiscal years".

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

(A) striking "for the first fiscal year" and inserting "each fiscal year in the biennium"; and

(B) striking "that fiscal year and the ensuing fiscal years" and inserting "all fiscal years".

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

(1) by striking "for a fiscal year" and inserting "for a biennium";

(2) in paragraph (1), by striking "the first fiscal year" and inserting "either fiscal year in the biennium";

(3) in paragraph (2), by striking "that fiscal year" and inserting "either fiscal year in the biennium"; and

(4) in the matter following paragraph (2), by striking "that fiscal year" and inserting "the applicable fiscal year".

SEC. 303. AMENDMENTS TO TITLE 31, UNITED STATES CODE.

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

"(3) 'biennium' has the meaning given to such term in paragraph (11) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(11)).".

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

(1) SCHEDULE.—The matter preceding paragraph (1) in section 1105(a) of title 31, United States Code, is amended to read as follows:

"(a) On or before the first Monday in February of each odd-numbered year (or, if applicable, as provided by section 300(b) of the Congressional Budget Act of 1974), beginning with the One Hundred Tenth Congress, the President shall transmit to the Congress, the budget for the biennium beginning on October 1 of such calendar year. The budget of the United States Government transmitted under this subsection shall include a budget message and summary and supporting information. The President shall include in each budget the following:".

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

fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting "each fiscal year in the biennium for which the budget is submitted and in the succeeding 4 fiscal years".

(3) RECEIPTS.—Section 1105(a)(6) of title 31, United States Code, is amended by striking "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting "each fiscal year in the biennium for which the budget is submitted and in the succeeding 4 years".

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

(5) FUNCTIONS AND ACTIVITIES.—Section 1105(a)(12) of title 31, United States Code, is amended in subparagraph (A), by striking "the fiscal year" and inserting "each fiscal year in the biennium".

(6) ALLOWANCES.—Section 1105(a)(13) of title 31, United States Code, is amended by striking "the fiscal year" and inserting "each fiscal year in the biennium".

(7) ALLOWANCES FOR UNCONTROLLED EXPENDITURES.—Section 1105(a)(14) of title 31, United States Code, is amended by striking "that year" and

inserting "each fiscal year in the biennium for which the budget is submitted".

(8) TAX EXPENDITURES.—Section 1105(a)(16) of title 31, United States Code, is amended by striking "the fiscal year" and inserting "each fiscal year in the biennium".

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

(A) by striking "the fiscal year following the fiscal year" and inserting "each fiscal year in the biennium following the biennium";

(B) by striking "that following fiscal year" and inserting "each such fiscal year"; and

(C) by striking "fiscal year before the fiscal year" and inserting "biennium before the biennium".

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

(A) by striking "the prior fiscal year" and inserting "each of the 2 most recently completed fiscal years,";

(B) by striking "for that year" and inserting "with respect to those fiscal years"; and

(C) by striking "in that year" and inserting "in those fiscal years".

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

(A) by striking "the prior fiscal year" and inserting "each of the 2 most recently completed fiscal years";

(B) by striking "for that year" and inserting "with respect to those fiscal years"; and

(C) by striking "in that year" each place it appears and inserting "in those fiscal years".

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

(d) RECOMMENDATIONS TO MEET ESTIMATED DEFICIENCIES.—Section 1105(c) of title 31, United States Code, is amended—

(1) by striking "the fiscal year for" the first place it appears and inserting "each fiscal year in the biennium for";

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

(3) by striking "for that year" and inserting "for each fiscal year of the biennium".

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

(f) SUPPLEMENTAL BUDGET ESTIMATES AND CHANGES.—

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

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

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

(ii) striking "fiscal year" and inserting "biennium";

(B) in paragraph (1), by striking "that fiscal year" and inserting "each fiscal year in such biennium";

(C) in paragraph (2), by striking "fiscal year" and inserting "biennium"; and

(D) in paragraph (3), by striking "fiscal year" and inserting "biennium".

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

(A) striking "the fiscal year" and inserting "each fiscal year in the biennium";

(B) inserting after "Before July 16 of each year" the following: "and February 15 of each even-numbered year"; and

(C) striking "submitted before July 16" and inserting "required by this subsection".

(g) CURRENT PROGRAMS AND ACTIVITIES ESTIMATES.—

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

(A) by striking "On or before the first Monday after January 3 of each year (on or before February 5 in 1986)" and inserting "At the same time the budget required by section 1105 is submitted for a biennium"; and

(B) by striking "the following fiscal year" and inserting "each fiscal year of such period".

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

vided by section 300(b) of the Congressional Budget Act of 1974)".

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

(1) striking "May 16" and inserting "March 31"; and

(2) striking "year before the year in which the fiscal year begins" and inserting "calendar year preceding the calendar year in which the biennium begins".

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

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

"§ 105. Title and style of appropriations Acts

"(a) The style and title of all Acts making appropriations for the support of the Government shall be as follows: 'An Act making appropriations (here insert the object) for each fiscal year in the biennium of fiscal years (here insert the fiscal years of the biennium).'.

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

"(c) For purposes of this section, the term 'biennium' has the same meaning as in section 3(11) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(11)).".

SEC. 305. MULTIYEAR AUTHORIZATIONS.

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

"AUTHORIZATIONS OF APPROPRIATIONS

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

"(1) any bill, joint resolution, amendment, motion, or conference report that authorizes appropriations for a period of less than 2 fiscal years, unless the program, project, or activity for which the appropriations are authorized will require no further appropriations and will be completed or terminated after the appropriations have been expended; and

"(2) in any odd-numbered year, any authorization or revenue bill or joint resolution until Congress completes action on the biennial budget resolution, all regular biennial appropriations bills, and all reconciliation bills.

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

"(1) any measure that is privileged for consideration pursuant to a rule or statute;

"(2) any matter considered in Executive Session; or

"(3) an appropriations measure or reconciliation bill.".

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

"Sec. 316. Authorizations of appropriations.".

SEC. 306. GOVERNMENT PLANS ON A BIENNIAL BASIS.

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

(1) in subsection (a), by striking "September 30, 1997" and inserting "September 30, 2007";

(2) in subsection (b)—

(A) by striking "five years forward" and inserting "6 years forward";

(B) by striking "at least every three years" and inserting "at least every 4 years"; and

(C) by striking beginning with ", except that" through "four years"; and

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

cluding a strategic plan submitted by September 30, 2007 meeting the requirements of subsection (a)".

(b) BUDGET CONTENTS AND SUBMISSION TO CONGRESS.—Paragraph (28) of section 1105(a) of title 31, United States Code, is amended by striking "beginning with fiscal year 1999, a" and inserting "beginning with fiscal year 2008, a biennial".

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

(1) in subsection (a)—

(A) in the matter before paragraph (1) by striking "an annual" and inserting "a biennial";

(B) in paragraph (1) by inserting after "program activity" the following: "for both years 1 and 2 of the biennial plan";

(C) in paragraph (5) by striking "and" after the semicolon ;

(D) in paragraph (6) by striking the period and inserting a semicolon; and inserting "and" after the inserted semicolon; and

(E) by adding after paragraph (6) the following:

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

(2) in subsection (d) by striking "annual" and inserting "biennial"; and

(3) in paragraph (6) of subsection (g) by striking "annual" and inserting "biennial".

(d) MANAGERIAL ACCOUNTABILITY AND FLEXIBILITY.—Section 9703 of title 31, United States Code, relating to managerial accountability, is amended—

(1) in subsection (a)—

(A) in the first sentence by striking "annual"; and

(B) by striking "section 1105(a)(29)" and inserting "section 1105(a)(28)"; and

(2) in subsection (e)—

(A) in the first sentence by striking "one or" before "years";

(B) in the second sentence by striking "a subsequent year" and inserting "a subsequent 2-year period"; and

(C) in the third sentence by striking "three" and inserting "4".

(e) PILOT PROJECTS FOR PERFORMANCE BUDGETING.—Section 1119 of title 31, United States Code, is amended—

(1) in paragraph (1) of subsection (d), by striking "annual" and inserting "biennial"; and

(2) in subsection (e), by striking "annual" and inserting "biennial".

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

(1) in subsection (a), by striking "September 30, 1997" and inserting "September 30, 2005";

(2) in subsection (b), by striking "five years forward" and inserting "6 years forward";

(3) in subsection (b), by striking "at least every three years" and inserting "at least every 4 years"; and

(4) in subsection (c), by inserting a comma after "section" the second place it appears and inserting "including a strategic plan submitted by September 30, 2005 meeting the requirements of subsection (a)".

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

(1) in the matter before paragraph (1), by striking "an annual" and inserting "a biennial";

(2) in paragraph (1), by inserting after "program activity" the following: "for both years 1 and 2 of the biennial plan";

(3) in paragraph (5), by striking "and" after the semicolon;

(4) in paragraph (6), by striking the period and inserting "; and"; and

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

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

(h) COMMITTEE VIEWS OF PLANS AND REPORTS.—Section 301(d) of the Congressional Budget Act (2 U.S.C. 632(d)) is amended by adding at the end "Each committee of the Senate or the House of Representatives shall review the strategic plans, performance plans, and performance reports, required under section 306 of title 5, United States Code, and sections 1115 and 1116 of title 31, United States Code, of all agencies under the jurisdiction of the committee. Each committee may provide its views on such plans or reports to the Committee on the Budget of the applicable House.".

(i) EFFECTIVE DATE.—

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

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

SEC. 307. BIENNIAL APPROPRIATION BILLS.

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

"CONSIDERATION OF BIENNIAL APPROPRIATIONS BILLS

"SEC. 317. It shall not be in order in the House of Representatives or the Senate in any odd-numbered year to consider any regular bill providing new budget authority or a limitation on obligations under the jurisdiction of any of the subcommittees of the Committees on Appropriations for only the first fiscal year of a biennium, unless the program, project, or activity for which the new budget authority or obligation limitation is provided will require no additional authority beyond 1 year and will be completed or terminated after the amount provided has been expended.".

(b) AMENDMENT TO TABLE OF CONTENTS.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding after the item relating to section 316 the following new item:

"Sec. 317. Consideration of biennial appropriations bills.".

SEC. 308. REPORT ON CHANGES IN LAW.

Not later than 60 days after the date of enactment of this Act, the Director of OMB shall report to the Committees on the Budget of the House of Representatives and the Senate any changes in law to the Congressional Budget Act

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

SEC. 309. EFFECTIVE DATE.

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

TITLE IV—COMMISSIONS

Subtitle A—National Commission on Entitlement Solvency

SEC. 401. DEFINITIONS.

In this subtitle:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Centers for Medicare & Medicaid Services.

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

(3) COMMISSION.—The term "Commission" means the National Commission on Entitlement Solvency established under section 402(a).

(4) COMMISSION BILL.—The term "Commission bill" means a bill consisting of the proposed legisla-

tive language provisions of the Commission introduced under section 403(a).

(5) COMMISSIONER.—The term "Commissioner" means the Commissioner of Social Security.

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

(7) MEDICAID.—The term "Medicaid" means the program established under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.)

(8) MEDICARE.—The term "Medicare" means the program established under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(9) SOCIAL SECURITY.—The term "Social Security" means the program of old-age, survivors, and disability insurance benefits established under title II of the Social Security Act (42 U.S.C. 401 et seq.).

(10) SOLVENCY.—The term "solvency" means—

(A) in relation to Social Security, any year in which the balance ratio (as defined under section 709(b) of the Social Security Act (42 U.S.C. 910(b)) of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund established under section

201 of the Social Security Act (42 U.S.C. 401) is greater than zero;

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

(C) in relation to Medicaid, any year after 2012 in which Gross Domestic Product growth is greater than zero and growth in total Medicaid spending does not exceed growth in Gross Domestic Product.

SEC. 402. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the "National Commission on Entitlement Solvency".

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

(1) REVIEW.—Reviewing relevant analyses of the current and long-term actuarial financial condition of the Social Security, Medicare, and Medicaid programs.

(2) IDENTIFYING PROBLEMS.—Identifying problems that may threaten the long-term solvency of the Social Security, Medicare, and Medicaid programs.

(3) ANALYZING POTENTIAL SOLUTIONS.—Analyzing potential solutions to problems that threaten the long-term solvency of the Social Security, Medicare, and Medicaid programs.

(4) PROVIDING RECOMMENDATIONS.—Providing recommendations that will ensure the long-term solvency of the Social Security, Medicare, and Medicaid programs and the provision of appropriate benefits.

(c) DUTIES.—

(1) IN GENERAL.—The Commission shall conduct a comprehensive review of the Social Security, Medicare, and Medicaid programs consistent with the purposes described in subsection (b) and shall submit the report required under paragraph (2).

(2) REPORT AND RECOMMENDATIONS.—

(A) IN GENERAL.—Not later than May 1, 2007, the Commission shall submit a report on the long-term solvency of the Social Security, Medicare, and Medicaid programs that contains a detailed statement of the findings, conclusions, and recommendations of the Commission to the

President, Congress, the Commissioner, and the Administrator.

(B) FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS.—A finding, conclusion, or recommendation of the Commission shall be included in the report under subparagraph (A) only if not less than 10 members of the Commission voted for such finding, conclusion, or recommendation.

(C) LEGISLATIVE LANGUAGE.—If a recommendation submitted under subparagraph (A) involves legislative action, the report shall include proposed legislative language to carry out such action.

(d) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—The Commission shall be composed of 15 members of whom—

(A) 3 shall be appointed by the President;

(B) 3 shall be appointed by the majority leader of the Senate;

(C) 3 shall be appointed by the minority leader of the Senate;

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

(E) 3 shall be appointed by the minority leader of the House of Representatives.

(2) BIPARTISANSHIP.—Not more than 2 of the 3 members appointed by each of the persons identified in subparagraphs (A) through (E) of paragraph (1) may be affiliated with the same political party.

(3) CO-CHAIRPERSONS.—The President shall designate 2 Co-chairpersons from among the members of the Commission appointed under paragraph (1). The Co-chairpersons may not be affiliated with the same political party.

(4) DATE.—Members of the Commission shall be appointed by not later than 30 days after the date of enactment of this Act.

(5) PERIOD OF APPOINTMENT.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(6) TERMINATION.—The Commission shall terminate on the date that is 90 days after the Commission submits the report required under subsection (c)(2).

(e) ADMINISTRATION.—

(1) QUORUM.—Eight members of the Commission shall constitute a quorum for purposes of voting, but a quorum is not required for members to meet and hold hearings.

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

(3) HEARINGS.—Subject to paragraph (7), the Commission may, for the purpose of carrying out this subtitle—

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

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

(C) require, by subpoena or otherwise, the production of such books, records, correspondence, memoranda, papers, documents, tapes, and other evidentiary materials relating to any matter under investigation by the Commission.

(4) SUBPOENAS.—

(A) ISSUANCE.—

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

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

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

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

(B) ENFORCEMENT.—In the case of contumacy or failure to obey a subpoena issued under this subsection, the United States district court for the judicial district in which the subpoenaed person resides, is served, or may be found, may issue an order requiring such person to appear at any designated place to testify or to produce documentary or other evidence. Any failure to obey the order of the court may be punished by the court as a contempt of that court.

(5) COMPENSATION.—Members of the Commission shall serve without any additional compensation

for their work on the Commission. However, members may be allowed travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code, while away from their homes or regular places of business in performance of services for the Commission.

(6) STAFF.—

(A) IN GENERAL.—With the approval of a majority of the Commission, the chairperson of the Commission may appoint an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties.

(B) ACTUARIAL EXPERTS AND CONSULTANTS.—With the approval of a majority of the Commission, the Executive Director may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(C) COMPENSATION.—Upon the approval of the chairperson, the executive director may fix the compensation of the executive director and other personnel without regard to chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the

rate of pay for the executive director and other personnel may not exceed the maximum rate payable for a position at GS–15 of the General Schedule under section 5332 of such title.

(D) PERSONNEL AS FEDERAL EMPLOYEES.—

(i) IN GENERAL.—The executive director and any personnel of the Commission who are employees shall be employees under section 2105 of title 5, United States Code, for purposes of chapters 63, 81, 83, 84, 85, 87, 89, 89A, 89B, and 90 of that title.

(ii) MEMBERS OF COMMISSION.—Subparagraph (i) shall not be construed to apply to members of the Commission.

(E) FEDERAL AGENCIES.—

(i) DETAIL OF GOVERNMENT EMPLOYEES.—Upon the request of the Commission, the head of any Federal agency may detail, without reimbursement by the Commission, any of the personnel of such agency to the Commission to assist in carrying out the duties of the Commission. Any such detail shall not interrupt or otherwise affect the

civil service status or privileges of the Federal employee.

(ii) TECHNICAL ASSISTANCE.—Upon the request of the Commission, the head of a Federal agency shall provide such technical assistance to the Commission as the Commission determines to be necessary to carry out its duties.

(7) INFORMATION.—

(A) RESOURCES.—The Commission shall have reasonable access to materials, resources, statistical data, and other information the Commission determines to be necessary to carry out its duties from the Library of Congress, the Chief Actuary of Social Security, the Chief Actuary of the Centers for Medicare & Medicaid Services, the Congressional Budget Office, and other agencies and representatives of the executive and legislative branches of the Federal Government. The Chairpersons shall make requests for such access in writing when necessary.

(B) RECEIPT, HANDLING, STORAGE, AND DISSEMINATION OF INFORMATION.—Information shall only be received, handled, stored, and disseminated by members of the Commission and its

staff consistent with all applicable statutes, regulations, and Executive orders.

(C) LIMITATION OF ACCESS TO TAX INFORMATION.—Information requested, subpoenaed, or otherwise accessed under this subtitle shall not include tax data from the United States Internal Revenue Service, the release of which would otherwise be in violation of law.

(8) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(f) FUNDING.—The Commission shall receive, from amounts appropriated to the Commissioner and the Administrator, respectively, for fiscal year 2007 for administrative expenses, such sums as are necessary to carry out the purposes of this section.

SEC. 403. EXPEDITED CONSIDERATION OF COMMISSION RECOMMENDATIONS.

(a) INTRODUCTION AND COMMITTEE CONSIDERATION.—

(1) INTRODUCTION.—The aggregate legislative language provisions submitted pursuant to section 402(c)(2)(C) shall be combined into a Commission bill and shall be introduced in the Senate by the ma-

jority leader, or the majority leader's designee, and in the House of Representatives, by the Speaker, or the Speaker's designee. Upon such introduction, the Commission bill shall be referred to the appropriate committees of Congress under paragraph (2). If the Commission bill is not introduced in accordance with the preceding sentence, then any member of Congress may introduce the Commission bill in their respective House of Congress beginning on the date that is the 5th calendar day that such House is in session following the date of the submission of such aggregate legislative language provisions.

(2) COMMITTEE CONSIDERATION.—

(A) REFERRAL.—A Commission bill introduced in the Senate shall be referred to the Committee on Finance of the Senate. A Commission bill introduced in the House of Representatives shall be referred to the Committee on Ways and Means and the Committee on Energy and Commerce of the House of Representatives.

(B) REPORTING.—Not later than 30 calendar days after the introduction of the Commission bill, each Committee of Congress to which the Commission bill was referred shall report the bill or a bill as reported by such Committee. All

committee amendments must comply with the requirements of section 402(b)(4) of this subtitle.

(C) DISCHARGE OF COMMITTEE.—If a committee to which is referred a Commission bill has not reported a Commission bill or such bill as amended, at the end of 30 calendar days after its introduction or at the end of the first day after there has been reported to the House involved a Commission bill or such bill as amended, whichever is earlier, such committee shall be deemed to be discharged from further consideration of such Commission bill, and such Commission bill shall be placed on the appropriate calendar of the House involved.

(b) EXPEDITED PROCEDURE.—

(1) CONSIDERATION.—

(A) IN GENERAL.—Not later than 7 calendar days after the date on which a committee reports a Commission bill, or such bill as amended, or has been discharged from consideration of a Commission bill, the Majority Leader of the Senate, or the Majority Leader's designee, or the Speaker of the House of Representatives, or the Speaker's designee, shall move to proceed to the consideration of the Commission bill or

such bill as amended. It shall also be in order for any member of the Senate or the House of Representatives, respectively, to move to proceed to the consideration of the Commission bill at any time after the conclusion of such 7-day period.

(B) MOTION TO PROCEED.—A motion to proceed to the consideration of the Commission bill is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, to a motion to postpone consideration of the Commission bill, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion to proceed is agreed to or not agreed to shall not be in order. If the motion to proceed is agreed to, the Senate or the House of Representatives, as the case may be, shall immediately proceed to consideration of the Commission bill without intervening motion, order, or other business, and the Commission bill shall remain the unfinished business of the Senate or the House of Representatives, as the case may be, until disposed of.

(C) LIMITED DEBATE.—Debate on the Commission bill and all amendments thereto and on all debatable motions and appeals in connection therewith shall be limited to not more than 50 hours, which shall be divided equally between those favoring and those opposing committee amendments to the Commission bill or the Commission bill. A motion further to limit debate on the Commission bill is in order and is not debatable. All time used for consideration of the Commission bill, including time used for quorum calls (except quorum calls immediately preceding a vote) and voting, shall come from the 50 hours of debate.

(D) AMENDMENTS.—No amendment that is not germane to the provisions of committee amendments to the Commission bill or the Commission bill shall be in order in the Senate. All amendments must comply with the requirements of section 402(b)(4) of this subtitle. In the Senate, an amendment, any amendment to an amendment, or any debatable motion or appeal is debatable for not to exceed 1 hour to be divided equally between those favoring and those opposing the amendment, motion, or appeal.

(E) MOTION TO RECOMMIT.—

(i) VOTE.—Upon expiration of time for debate, the measure shall be recommitted to committee for further consideration unless by a 3/5 vote of the Members, duly chosen and sworn, the Senate agrees to proceed to final passage.

(ii) RECOMMITAL.—If the bill is recommitted to committee under clause (i), any new amendments to the Commission bill shall be considered under the provisions of section 403(b).

(F) VOTE ON FINAL PASSAGE.—Immediately following the conclusion of the debate the Commission bill, the disposition of any pending amendments under subparagraph (D), a motion to recommit under subparagraph (E), and a request to establish the presence of a quorum, the vote on final passage of the Commission bill shall occur.

(G) OTHER MOTIONS NOT IN ORDER.—A motion to postpone consideration of committee amendments to the Commission bill or the Commission bill, or a motion to proceed to the consideration of other business is not in order. A

motion to reconsider the vote by which the Commission bill is agreed to or not agreed to is not in order.

(2) CONSIDERATION BY OTHER HOUSE.—If, before the passage by one House of the Commission bill that was introduced in such House, such House receives from the other House a Commission bill as passed by such other House—

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

(B) the procedure in the House in receipt of the Commission bill of the other House, with respect to the Commission bill that was introduced in the House in receipt of the Commission bill of the other House, shall be the same as if no Commission bill had been received from the other House; and

(C) notwithstanding subparagraph (B), the vote on final passage shall be on the Commission bill of the other House.

Upon disposition of a Commission bill that is received by one House from the other House, it shall no

longer be in order to consider the Commission bill that was introduced in the receiving House.

(3) CONSIDERATION IN CONFERENCE.—

(A) CONVENING OF CONFERENCE.—Immediately upon final passage of a Commission bill that results in a disagreement between the two Houses of Congress with respect to a Commission bill, conferees shall be appointed and a conference convened.

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

(i) MOTION TO PROCEED.—The motion to proceed to consideration in the Senate of the conference report on a Commission bill may be made even though a previous motion to the same effect has been disagreed to.

(ii) DEBATE.—During the consideration in the Senate of the conference report (including a message between Houses) on a Commission bill, and all amendments in disagreement, including all amendments thereto, and debatable motions and appeals in connection therewith, consideration shall be limited to 20 hours, equally divided and controlled by the majority leader and the

minority leader or their designees. Debate on any debatable motion or appeal related to the conference report (or a message between Houses) shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the conference report (or a message between Houses).

(iii) MOTION TO RECOMMIT.—

(I) VOTE.—Upon expiration of time for debate, the conference report and any amendments in disagreement shall be recommitted to committee for further consideration unless by a 3/5 vote of the Senate, duly chosen and sworn, the Senate agrees to proceed to final passage.

(II) RECOMMITAL.—If the conference report is recommitted under subclause (I), the conference report accompanying the bill shall be recommitted to the Conference Committee or it shall be in order for the Senate to immediately proceed without intervening

action to consideration of a motion for a new conference.

(iv) CONFERENCE REPORT DEFEATED.—Should the conference report be defeated, debate on any request for a new conference and the appointment of conferees shall be limited to 1 hour, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or the minority leader's designee, and should any motion be made to instruct the conferees before the conferees are named, debate on such motion shall be limited to ½ hour, to be equally divided between, and controlled by, the mover and the manager of the conference report. Debate on any amendment to any such instructions shall be limited to 20 minutes, to be equally divided between and controlled by the mover and the manager of the conference report. In all cases when the manager of the conference report is in favor of any motion, appeal, or amendment, the time in opposition shall be under the control of the minority leader or the minority leader's designee.

(v) AMENDMENTS IN DISAGREEMENT.—In any case in which there are amendments in disagreement, time on each amendment shall be limited to 30 minutes, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or the minority leader's designee. No amendment that is not germane to the provisions of such amendments shall be received.

(c) RULES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and is deemed to be part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a Commission bill, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

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

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

SEC. 411. DEFINITIONS.

In this subtitle:

(1) AGENCY.—The term "agency" means—

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

(B) the Executive Office of the President.

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

(3) COMMISSION BILL.—The term "Commission bill" means only a bill which is introduced as provided under section 416, and contains the proposed legislation included in the report submitted to Congress under section 413(b)(3), without modification.

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

SEC. 412. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established the Commission on Congressional Budgetary Accountability and

Review of Federal Agencies (referred to in this subtitle as the "Commission").

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Commission shall consist of 15 members, of which, not later than 30 days after the date of enactment of this Act—

(A) 3 shall be appointed by the President;

(B) 3 shall be appointed by the majority leader of the Senate;

(C) 3 shall be appointed by the minority leader of the Senate;

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

(E) 3 shall be appointed by the minority leader of the House of Representatives.

(2) CHAIRPERSON AND VICE CHAIRPERSON.—The President shall designate a Chairperson and Vice Chairperson from among the members of the Commission. The Chairperson and the Vice Chairperson may not be affiliated with the same political party.

(c) TIMING.—Members of the Commission shall be appointed by not later than 30 days after the date of enactment of this Act.

(d) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any va-

cancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(e) MEETINGS.—

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

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

(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

SEC. 413. DUTIES OF THE COMMISSION.

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

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

(A) establish a systematic method for assessing the effectiveness and accountability of agency programs in accordance with paragraph (2) and divide the programs into 4 approximately equal budgetary parts based on the size of the budget

and number of personnel of the agency program; and

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

(2) METHOD OBJECTIVES.—The method established under paragraph (1) shall—

(A) recognize different types of Federal programs;

(B) assess programs based on the achievement of performance goals (as defined under section 1115(g)(4) of title 31, United States Code);

(C) assess programs based in part on the adequacy of the program's performance measures, financial management, and other factors determined by the President;

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

(E) assess programs based in part on collaborative analysis, with the program or agency,

of program policy and goals which may not fit into easily measurable performance goals.

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

(b) EVALUATION AND PLAN BY COMMISSION.—

(1) DEVELOPMENT.—The method established under subsection (a) shall be subject to review and change by the Commission. If the Commission makes any changes in the method, the Commission shall notify Congress not later than 1 year after reviewing the first assessment from the President under this section.

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

(3) ASSESSMENT AND LEGISLATION.—

(A) IN GENERAL.—The Commission shall—

(i) evaluate all agencies and programs within those agencies in each unit identified in the systemic assessment under subsection

(a) (one each year over the next 4 years), using the criteria under subsection (a) subject to modification under paragraph (1); and

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

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

(II) proposed legislation to implement the plan described under subclause (I).

(B) RELOCATION OF FEDERAL EMPLOYEES.—The proposed legislation under subparagraph (A) shall provide that if the position of an employee of an agency is eliminated as a result of the implementation of the plan under subparagraph (A)(i), the affected agency shall make reasonable efforts to relocate such employee to another position within the agency or within another Federal agency.

(4) CRITERIA.—

(A) DUPLICATIVE.—If 2 or more agencies or programs are performing the same essential function and the function can be consolidated or streamlined into a single agency or program, the Commission shall recommend that the agencies or programs be realigned.

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

(i) egregious spending;

(ii) mismanagement of resources and personnel; or

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

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

(i) has completed its intended purpose;

(ii) has become irrelevant; or

(iii) has failed to meet its objectives.

SEC. 414. POWERS OF THE COMMISSION.

(a) HEARINGS.—Subject to subsection (d), the chairperson of the Commission, or his or her designee, may, for the purpose of carrying out this subtitle—

(1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and administer such oaths as the chairperson of the Commission considers advisable;

(2) require, by subpoena or otherwise, the attendance and testimony of such witnesses as the chairperson of the Commission considers advisable; and

(3) require, by subpoena or otherwise, the production of such books, records, correspondence, memoranda, papers, documents, tapes, and other evidentiary materials relating to any matter under investigation by the Commission.

(b) Subpoenas.—

(1) Issuance.—

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

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

(ii) by the affirmative vote of 8 members of the Commission.

(B) Signature.—Subpoenas issued under this subsection (a) may be issued under the signature of the chairman of the Commission and may be served by any person designated by the

chairman or by a member designated by a majority of the Commission.

(2) ENFORCEMENT.—In the case of contumacy or failure to obey a subpoena issued under subsection (a), the United States district court for the judicial district in which the subpoenaed person resides, is served, or may be found, may issue an order requiring such person to appear at any designated place to testify or to produce documentary or other evidence. Any failure to obey the order of the court may be punished by the court as a contempt of that court.

(c) TECHNICAL ASSISTANCE.—Upon the request of the Commission, the head of a Federal agency shall provide such technical assistance to the Commission as the Commission determines to be necessary to carry out its duties.

(d) INFORMATION.—

(1) IN GENERAL.—The Commission shall have reasonable access to budgetary, performance or programmatic materials, resources, statistical data, and other information the Commission determines to be necessary to carry out its duties from the Congressional Budget Office, and other agencies and representatives of the executive and legislative branches of the Federal Government. The Chairpersons shall

make requests for such access in writing when necessary.

(2) RECEIPT, HANDLING, STORAGE, AND DISSEMINATION OF INFORMATION.—Information shall only be received, handled, stored, and disseminated by members of the Commission and its staff consistent with all applicable statutes, regulations, and Executive orders.

(3) LIMITATION OF ACCESS TO PERSONAL TAX INFORMATION.—Information requested, subpoenaed, or otherwise accessed under this subtitle shall not include tax data from the United States Internal Revenue Service, the release of which would otherwise be in violation of law.

(e) RECEIPT, HANDLING, STORAGE, AND DISSEMINATION OF INFORMATION.—Information shall only be received, handled, stored, and disseminated by members of the Commission and its staff consistent with all applicable statutes, regulations, and Executive orders.

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

SEC. 415. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—

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

(2) FEDERAL OFFICERS OR EMPLOYEES.—All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—

(1) IN GENERAL.—With the approval of the majority of the Commission, the chairperson of the Commission may, appoint an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—Upon the approval of the chairperson, the executive director may fix the compensation of the executive director and other personnel without regard to chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the maximum rate payable for a position at GS–15 of the General Schedule under section 5332 of such title.

(3) PERSONNEL AS FEDERAL EMPLOYEES.—

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

(B) MEMBERS OF COMMISSION.—Subparagraph (A) shall not be construed to apply to members of the Commission.

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

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—With the approval of the majority of the Commission, the chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

SEC. 416. EXPEDITED CONSIDERATION OF REFORM PROPOSALS.

(a) INTRODUCTION AND COMMITTEE CONSIDERATION.—

(1) INTRODUCTION.—The Commission bill language provisions submitted pursuant to section 413(b)(3) shall be introduced in the Senate by the majority leader, or the majority leader's designee, and in the House of Representatives, by the Speaker, or the Speaker's designee. Upon such introduction, the Commission bill shall be referred to the appropriate committees of Congress under paragraph (2). If the Commission bill is not introduced in accordance with the preceding sentence, then any member of Congress may introduce the Commission bill in their respective House of Congress beginning on the date that is the 5th calendar day that such House is in session fol-

lowing the date of the submission of such aggregate legislative language provisions.

(2) COMMITTEE CONSIDERATION.—

(A) REFERRAL.—A Commission bill introduced under paragraph (1) shall be referred to any appropriate committee of jurisdiction in the Senate, any appropriate committee of jurisdiction in the House of Representatives, the Committee on the Budget of the Senate and the Committee on the Budget of the House of Representatives. A committee to which a Commission bill is referred under this paragraph may review and comment on such bill, may report such bill to the respective House, and may not amend such bill.

(B) REPORTING.—Not later than 30 calendar days after the introduction of the Commission bill, each Committee of Congress to which the Commission bill was referred shall report the bill.

(C) DISCHARGE OF COMMITTEE.—If a committee to which is referred a Commission bill has not reported such Commission bill at the end of 30 calendar days after its introduction or at the end of the first day after there has been reported to the House involved a Commission bill, which-

ever is earlier, such committee shall be deemed to be discharged from further consideration of such Commission bill, and such Commission bill shall be placed on the appropriate calendar of the House involved.

(b) EXPEDITED PROCEDURE.—

(1) CONSIDERATION.—

(A) IN GENERAL.—Not later than 7 calendar days after the date on which a committee has reported a Commission bill or been discharged from consideration of a Commission bill, the majority leader of the Senate, or the majority leader's designee, or the Speaker of the House of Representatives, or the Speaker's designee, shall move to proceed to the consideration of the Commission bill. It shall also be in order for any member of the Senate or the House of Representatives, respectively, to move to proceed to the consideration of the Commission bill at any time after the conclusion of such 7-day period.

(B) MOTION TO PROCEED.—A motion to proceed to the consideration of a Commission bill is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amend-

ment, to a motion to postpone consideration of the Commission bill, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion to proceed is agreed to or not agreed to shall not be in order. If the motion to proceed is agreed to, the Senate or the House of Representatives, as the case may be, shall immediately proceed to consideration of the Commission bill without intervening motion, order, or other business, and the Commission bill shall remain the unfinished business of the Senate or the House of Representatives, as the case may be, until disposed of.

(C) LIMITED DEBATE.—Debate on the Commission bill and on all debatable motions and appeals in connection therewith shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the Commission bill. A motion further to limit debate on the Commission bill is in order and is not debatable. All time used for consideration of the Commission bill, including time used for quorum calls (except quorum calls immediately preceding a vote) and voting, shall come from the 10 hours of debate.

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

(E) VOTE ON FINAL PASSAGE.—Immediately following the conclusion of the debate on the Commission bill, the vote on final passage of the Commission bill shall occur.

(F) OTHER MOTIONS NOT IN ORDER.—A motion to postpone consideration of the Commission bill, a motion to proceed to the consideration of other business, or a motion to recommit the Commission bill is not in order. A motion to reconsider the vote by which the Commission bill is agreed to or not agreed to is not in order.

(2) CONSIDERATION BY OTHER HOUSE.—If, before the passage by one House of the Commission bill that was introduced in such House, such House receives from the other House a Commission bill as passed by such other House—

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

(B) the procedure in the House in receipt of the Commission bill of the other House, with re-

spect to the Commission bill that was introduced in the House in receipt of the Commission bill of the other House, shall be the same as if no Commission bill had been received from the other House; and

(C) notwithstanding subparagraph (B), the vote on final passage shall be on the Commission bill of the other House.

Upon disposition of a Commission bill that is received by one House from the other House, it shall no longer be in order to consider the Commission bill that was introduced in the receiving House.

(c) RULES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and is deemed to be part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a Commission bill, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as they relate to the procedure of that House) at any

time, in the same manner, and to the same extent as in the case of any other rule of that House.

SEC. 417. TERMINATION OF THE COMMISSION.

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

SEC. 418. AUTHORIZATION OF APPROPRIATIONS.

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

TITLE V—BUDGET PROCESS REFORMS

SEC. 501. DEFINITIONS.

Section 3 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622) is amended by—

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

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

"(3) DIRECT SPENDING.—The term 'direct spending' means—

"(A) budget authority provided by law other than appropriation Acts;

"(B) mandatory spending provided in appropriation Acts; and

"(C) entitlement authority.

"(4) DISCRETIONARY APPROPRIATIONS.—The term 'discretionary appropriations' means budgetary resources (except to fund direct spending programs) provided in appropriation Acts.

"(5) GOVERNMENTAL RECEIPTS.—The term 'governmental receipts' means revenue or collections from the public based on the government's exercise of its sovereign powers, including but not limited to individual and corporate income taxes, social insurance taxes, customs, fines, compulsory license fees, deposits of earnings by the Federal Reserve System, duties, tariffs, other fees, miscellaneous receipts, gifts, and contributions.

"(6) SECONDARY OR INDIRECT EFFECTS.—The term 'secondary or indirect effects' means changes in direct spending or government receipts other than the direct, observable effects of changes in legislation on related accounts, including—

"(A) the impact of changes in spending legislation on Federal tax receipts or the impact of changes in Federal tax laws on total Federal spending; or

"(B) the impacts on spending or government receipts if there is no statutory connection or established interaction between a legislative

proposal and its impact on the operation of current law.''; and

(3) adding at the end the following:

''(15) BUDGET YEAR.—The term 'budget year' means, with respect to a session of Congress, the fiscal year of the Government that starts on October 1 of the calendar year in which that session begins.

''(16) CURRENT YEAR.—The term 'current year' means, with respect to a budget year, the fiscal year that immediately precedes that budget year.''.

SEC. 502. ANNUAL CONCURRENT RESOLUTION ON THE BUDGET.

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

(1) in subsection (a)—

(A) in paragraph (2), by striking ''Federal revenues'' both places it appears and inserting ''governmental receipts'';

(B) in paragraph (4), by striking ''major functional category'' and inserting ''standing, select, or special committee of the House of Representatives and the Senate, as appropriate,'';

(C) in paragraphs (6) and (7), by striking ''For'' and inserting ''for''; and

(D) in the matter following paragraph (7), by striking "old age" and inserting "old-age";

(2) in subsection (b)—

(A) in paragraph (3), by striking "entitlement authority" and inserting "direct spending"; and

(B) in paragraph (7), by inserting "is described in detail to allow the Chairman of the Committee on the Budget to determine whether it qualifies for such revision and the legislation" after "that legislation";

(3) in subsection (d)—

(A) in the caption, by striking "and estimates of" and inserting ", estimates, and recommendations for deficit reduction from all";

(B) in the first sentence, by striking "its views" and inserting "its specific recommendations for changes in law within the jurisdiction of the committee making the submission that result in deficit reduction and its views"; and

(C) in the third sentence, by striking "or functions"; and

(4) in subsection (e)—

(A) in paragraph (2)—

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

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

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

"(B) with respect to the Committee on Appropriations of the House of Representatives and Senate, an estimate of total new budget authority and total outlays with the estimates divided between discretionary and mandatory amounts"; and

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

"(F) with respect to each standing, select, or special committee of the House of Representatives and Senate, an estimate of governmental receipts within the jurisdiction of that committee;"; and

(B) in paragraph (3)(B), by—

(i) striking "Federal revenues" and inserting "governmental receipts"; and

(ii) striking "such revenues" and insert "such governmental receipts".

SEC. 503. COMMITTEE ALLOCATIONS.

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

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

"(3) FURTHER DIVISION OF AMOUNTS IN THE HOUSE.—The amounts allocated to each committee of the House of Representatives for each fiscal year, other than the Committee on Appropriations, shall be further divided between amounts provided or required by law on the date of filing of that conference report and amounts not so provided or required. The amounts allocated to the Committee on Appropriations shall be further divided between discretionary and mandatory amounts or programs, as appropriate."; and

(2) in subsection (g)(2), by striking "committee" and inserting "Committee".

SEC. 504. BUDGET RESOLUTION ADOPTION.

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

"(a) IN GENERAL.—Beginning on the first day of a new session of Congress, and until the concurrent resolution for the fiscal year beginning in October of the year the new session of Congress begins has been agreed to, it shall not be in order to consider with respect to the budget year cov-

ered by that resolution, any bill or joint resolution, amendment or motion thereto, or conference report thereon that—

"(1) provides budget authority for the budget year;

"(2) provides an increase or decrease in governmental receipts during the budget year;

"(3) provides an increase or decrease in the public debt limit for the budget year;

"(4) in the Senate only, provides new direct spending for the budget year; or

"(5) in the Senate only, provides for an increase or decrease in outlays for the budget year.".

SEC. 505. CONSIDERATION OF THE BUDGET RESOLUTION.

Section 305 of the Congressional Budget Act of 1974 (2 U.S.C. 636) is amended by—

(1) redesignating subsection (d) as subsection (e); and

(2) striking subsections (b) and (c) and inserting the following:

"(b) PROCEDURE IN SENATE AFTER REPORT OF COMMITTEE; CONSIDERATION; AMENDMENTS.—

"(1) Consideration in the Senate on any concurrent resolution on the budget, and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 50

hours, except that with respect to any concurrent resolution referred to in section 304 all such debate shall be limited to not more than 15 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

"(2) Debate in the Senate on any amendment to a concurrent resolution on the budget shall be limited to 2 hours, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution, and debate on any amendment to an amendment, debatable motion, or appeal shall be limited to 1 hour to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution, except that in the event the manager of the concurrent resolution is in favor of any such amendment, motion, or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. No dilatory motion, or dilatory amendment shall be in order. Amendments that are not germane to the provisions of such concurrent resolution shall not be in order. For the purpose of this Act, amendments that are predominantly precatory shall not be in order. Such managers, or either leader, may, from the time under their control on the consid-

eration of the concurrent resolution, allot additional time to any Senator during the consideration of any amendment, debatable motion, or appeal.

"(3) Following the presentation of opening statements on the concurrent resolution on the budget for a fiscal year by the chairman and ranking minority member of the Committee on the Budget of the Senate, there shall be a period of up to 4 hours for debate on economic goals and policies.

"(4) Subject to the other limitations of this Act, only if a concurrent resolution on the budget reported by the Committee on the Budget of the Senate sets forth the economic goals (as described in sections 3(a)(2) and 4(b) of the Employment Act of 1946) which the estimates, amounts, and levels (as described in section 301(a)) set forth in such resolution are designed to achieve, shall it be in order to offer to such resolution an amendment relating to such goals, and such amendment shall be in order only if it also proposes to alter such estimates, amounts, and levels in germane fashion in order to be consistent with the goals proposed in such amendment.

"(5) A motion to further limit consideration is not debatable. A motion to recommit (except a motion to recommit with instructions to report back within

a specified number of days, not to exceed 3, not counting any day on which the Senate is not in session) is not in order. Debate on any such motion to recommit shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution.

"(6) Notwithstanding any other rule, an amendment or series of amendments to a concurrent resolution on the budget proposed in the Senate shall always be in order if such amendment or series of amendments proposes to change any figure or figures then contained in such concurrent resolution so as to make such concurrent resolution mathematically consistent or so as to maintain such consistency.

"(c) REQUEST FOR CONFERENCE IN THE SENATE.—Consideration of all motions in relation to a request for a conference with the House of Representatives shall be limited to not more than 1 hour and debate on a motion to instruct the conferees shall be limited to 20 minutes to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution, except that in the event the manager of the concurrent resolution is in favor of any such amendment, motion, or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee.

"(d) ACTION ON CONFERENCE REPORTS IN THE SENATE.—

"(1) A motion to proceed to the consideration of the conference report on any concurrent resolution on the budget (or a reconciliation bill or resolution) may be made even though a previous motion to the same effect has been disagreed to.

"(2) During the consideration in the Senate of a conference report (including a message between Houses) on any concurrent resolution on the budget, including all amendments in disagreement, and all amendments thereto, and debatable motions and appeals in connection therewith, consideration shall be limited to 10 hours, to be equally divided between, and controlled by, the majority leader and minority leader or their designees. Debate on any debatable motion or appeal related to the conference report (or a message between Houses) shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the conference report (or a message between Houses).

"(3) Should the conference report be defeated, consideration of any request for a new conference and the appointment of conferees shall be limited to 1 hour, to be equally divided between, and controlled by,

the manager of the conference report and the minority leader or his designee, and should any motion be made to instruct the conferees before the conferees are named, debate on such motion shall be limited to 20 minutes, to be equally divided between, and controlled by, the mover and the manager of the conference report. Debate on any amendment to any such instructions shall be limited to 10 minutes, to be equally divided between and controlled by the mover and the manager of the conference report. In all cases when the manager of the conference report is in favor of any motion, appeal, or amendment, the time in opposition shall be under the control of the minority leader or his designee.

"(4) In any case in which there are amendments in disagreement, the time for debate on each amendment shall be limited to 30 minutes, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee. No amendment that is not germane to the provisions of such amendments shall be received.".

SEC. 506. BUDGET PROJECTIONS.

Section 308(c) of the Congressional Budget Act of 1974 (2 U.S.C. 639(c)) is amended—

(1) in paragraph (2), by striking "revenues" and inserting "governmental receipts"; and

(2) in paragraph (4), by striking "entitlement" and inserting "direct spending".

SEC. 507. RECONCILIATION.

Section 310 of the Congressional Budget Act of 1974 (2 U.S.C. 641) is amended—

(1) in subsection (a), by striking paragraphs (1) and (2) and inserting the following:

"(1) specify the total amount by which—

"(A) new budget authority;

"(B) budget authority;

"(C) new direct spending authority; and

"(D) governmental receipts other than income taxes, estate and gift taxes, excise taxes or payroll taxes, duties, or tariffs;

contained in laws, bills, and resolutions within the jurisdiction of a committee is to be changed for any of the fiscal years covered by the resolution and direct that committee to determine and recommend changes to accomplish a change of such total amount;

"(2) specify the total amount by which governmental receipts including income taxes, estate and gift taxes, excise taxes or social insurance taxes, miscellaneous receipts, duties, or tariffs are to be changed

and direct that the committees having jurisdiction to determine and recommend changes in the governmental receipt laws, bills, and resolutions to accomplish a change of such total amount;";

(2) by striking subsection (b) and inserting the following:

"(b) LEGISLATIVE PROCEDURE.—

"(1) If a conference report on a concurrent resolution containing reconciliation instructions to 1 or more committees to determine and recommend changes in laws, bills, or resolutions is agreed to in accordance with subsection (a)—

"(A) each such committee so instructed shall promptly make such determination and recommendations and submit such recommendations to the Committee on the Budget of its House, which upon receiving all such recommendations, shall report to its House reconciliation legislation carrying out all such recommendations without any substantive revision; and

"(B) in the event that any committee fails to comply with its instruction, then the Committees on the Budget may report amendments recommending changes within the jurisdiction of

the noncompliant committee to achieve the changes contained in the instruction.

"(2) For purposes of this subsection, a reconciliation resolution is a concurrent resolution directing the Clerk of the House of Representatives or the Secretary of the Senate, as the case may be, to make specified changes in bills and resolutions which have not been enrolled.";

(3) in subsection (c), by adding at the end the following:

"(3) Secondary or indirect effects of the legislative recommendations submitted by any committee of the House of Representatives or the Senate that is instructed pursuant to a concurrent resolution on the budget, shall be attributed to the committee proposing the change in law, but shall not be considered for the purpose of determining compliance with such instructions.";

(4) by striking paragraphs (1) through (4) of subsection (d) and inserting the following:

"(1) It shall not be in order in the House of Representatives to consider any amendment to a reconciliation bill or reconciliation resolution if such amendment would have the effect of increasing any specific budget outlays above the level of such outlays provided in the bill or resolution (for the fiscal years covered by the reconciliation instruc-

tions set forth in the most recently agreed to concurrent resolution on the budget), or would have the effect of reducing any specific governmental receipts below the level of such governmental receipts provided in the bill or resolution (for such fiscal years), unless such amendment makes at least an equivalent reduction in other specific budget outlays, an equivalent increase in other specific governmental receipts, or an equivalent combination thereof (for such fiscal years), except that a motion to strike a provision providing new budget authority or new entitlement authority may be in order.

"(2) It shall not be in order in the Senate to consider any amendment to a reconciliation bill or reconciliation resolution if such amendment would have the effect of decreasing any specific budget outlay reductions below the level of such outlay reductions provided (for the fiscal years covered) in the reconciliation instructions which relate to such bill or resolution set forth in a resolution providing for reconciliation, or would have the effect of reducing governmental receipts increases below the level of such increases in such governmental receipts provided (for such fiscal years) in such instructions relating to such bill or resolution, unless such amendment makes a reduction in other specific budget outlays, an increase in other specific governmental receipts, or a combination thereof (for such fiscal

years) at least equivalent to any increase in outlays or decrease in governmental receipts provided by such amendment, except that a motion to strike a provision shall always be in order.

"(3) Paragraphs (1) and (2) shall not apply if a declaration of war by the Congress is in effect.

"(4) For purposes of this section, the levels of budget authority, outlays, and governmental receipts for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the House of Representatives or of the Senate, as the case may be."; and

(5) in subsection (e)—

(A) in paragraph (1), by inserting ", motions in relation to a request for conference," after "under subsection (b)"; and

(B) in paragraph (2), by striking "Debate" and inserting "Consideration".

SEC. 508. BUDGETING LEVELS.

Section 311(a) of the Congressional Budget Act of 1974 (2 U.S.C.642(a)) is amended—

(1) in the matter after subparagraph (C) in paragraph (1), by striking "total revenues" and inserting "total governmental receipts"; and

(2) in paragraph (2)(B), by striking "revenues" and inserting "governmental receipts".

SEC. 509. DETERMINATIONS AND POINTS OF ORDER.

(a) IN GENERAL.—Section 312 of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended—

(1) in subsection (a), by striking "revenues" and inserting "governmental receipts";

(2) by striking subsections (b) and (c);

(3) by redesignating subsections (d) through (f) as subsections (b) through (d), respectively; and

(4) by adding at the end the following:

"(e) CONGRESSIONAL BUDGET OFFICE SCORE FOR CONFERENCE REPORTS.—It shall not be in order to consider a report of a committee of conference unless an official written cost estimate or table by the Congressional Budget Office is available at the time of consideration.".

(b) SUPERMAJORITY POINTS OF ORDER.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 621 note) are amended by—

(1) inserting "312(e)," after "310(d)(2),"; and

(2) inserting "and section 223 of the Stop Over Spending Act of 2006" after "of this Act".

SEC. 510. EXTRANEOUS MATTER IN RECONCILIATION LEGISLATION.

Section 313 of the Congressional Budget Act of 1974 (2 U.S.C. 644) is amended—

(1) in subsection (a) by striking "or section 258C" through "1985";

(2) in subsection (b), by—

(A) striking paragraph (1) and inserting the following:

"(1)(A) Except as provided in paragraph (2), a provision of a reconciliation bill or reconciliation resolution considered pursuant to section 310 shall be considered extraneous if such provision does not produce a change in outlays or governmental receipts, including changes in outlays and governmental receipts brought about by changes in the terms and conditions under which outlays are made or governmental receipts are required to be collected (but a provision in which outlay decreases or governmental receipts increases exactly offset outlay increases or governmental receipts decreases shall not be considered extraneous by virtue of this subparagraph); (B) except with respect to consideration of conference reports, any provision producing an increase in outlays or decrease in governmental receipts shall be considered extraneous if the net effect of provisions reported by the committee reporting the title containing the provision is that the committee fails to achieve its reconciliation instructions, or if the increase in outlays or decreases in governmental receipts exceeds 20 percent of the total change required in a committee's instruction; (C) a provi-

sion that is not in the jurisdiction of the Committee with jurisdiction over said title or provision shall be considered extraneous (except that amendments reported by the Committee on the Budget to achieve compliance with reconciliation instructions shall not be extraneous); (D) a provision shall be considered to be extraneous if it increases, or would increase, net outlays, or if it decreases, or would decrease governmental receipts during a fiscal year after the fiscal years covered by such reconciliation bill or reconciliation resolution, and such increases or decreases are greater than outlay reductions or governmental receipts increases resulting from other provisions in such title in such year; and (E) a provision shall be considered extraneous if it violates section 310(g).''; and

(B) adding at the end the following:

''(4) Technical and conforming provisions shall not be considered extraneous under this section.''; and

(3) in subsection (d)(1), by striking ''(b)(1)(E), or (b)(1)(F)'' and inserting ''(b)(1)(E)''.

SEC. 511. ADJUSTMENTS.

Title III of the Congressional Budget Act of 1974 (2 U.S.C. 621 et seq.) is amended by—

(1) striking section 314; and

(2) redesignating section 315 as section 314.

SEC. 512. DIRECT SPENDING LIMITATION.

Title III of the Congressional Budget Act of 1974 (2 U.S.C. 621 et seq.) is amended by adding at the end the following:

"DIRECT SPENDING LIMITATION

"SEC. 315. (a) IN GENERAL.—The chairman of the Committee on the Budget of the Senate may submit to the Senate a notification of a Medicare funding warning if the chairman projects that within 7 years General Fund of the Treasury contributions to Medicare funding, expressed as a percentage of total Medicare outlays, will exceed 45 percent.

"(b) POINT OF ORDER.—It shall not be in order to consider any bill, joint resolution, amendment or conference report that would cause any increase in direct spending, net of proposals to change direct spending, receipts, or revenues contained in the measure, if a Medicare Funding warning has been submitted to the Senate pursuant to subsection (a) for 2 consecutive calendar years.

"(c) WAIVER.—This section may be waived or suspended only by an affirmative vote of three-fifths of the members, duly chosen and sworn.

"(d) APPEALS.—An affirmative vote of three-fifths of the Members, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

"(e) DETERMINATIONS.—For the purposes of this section, the determination of whether Medicare funding warrants a funding warning and when it may be appropriate to withdraw such warning, as well as the levels of net direct spending as required under subsection (b), shall be provided by the chairman of the Committee on the Budget.

"(f) CANCELLATIONS.—If legislation is enacted to reduce the general fund contribution below 45 percent, as determined by the chairman of the Committee on the Budget, any notification of a Medicare funding warning is withdrawn.".

SEC. 513. APPROPRIATIONS REQUESTS OF THE PRESIDENT.

Section 1108(e) of title 31, United States Code, is amended by striking "Congress or a" and inserting "Congress and a".

Calendar No. 520

109TH CONGRESS
2D 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.

JULY 14, 2006

Reported with an amendment