

111TH CONGRESS  
1ST SESSION

# H. R. 1390

To amend the Congressional Budget and Impoundment Control Act of 1974 to provide for the expedited consideration of certain proposed rescissions of budget authority, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 9, 2009

Mr. BUCHANAN introduced the following bill; which was referred to the Committee on the Budget, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Congressional Budget and Impoundment Control Act of 1974 to provide for the expedited consideration of certain proposed rescissions of budget authority, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Earmark Account-  
5 ability and Reform Act of 2009”.

1 **SEC. 2. LEGISLATIVE LINE ITEM VETO.**

2 (a) IN GENERAL.—Title X of the Congressional  
3 Budget and Impoundment Control Act of 1974 (2 U.S.C.  
4 621 et seq.) is amended by striking all of part B (except  
5 for sections 1016 and 1013, which are redesignated as sec-  
6 tions 1019 and 1020, respectively) and part C and insert-  
7 ing the following:

8 “PART B—LEGISLATIVE LINE-ITEM VETO

9 “LINE ITEM VETO AUTHORITY

10 “SEC. 1011. (a) Within 45 calendar days after the  
11 enactment of any bill or joint resolution providing any dis-  
12 cretionary budget authority, item of direct spending, or  
13 targeted tax benefit, the President may propose, in the  
14 manner provided in subsection (b), the cancellation of any  
15 dollar amount of such discretionary budget authority, item  
16 of direct spending, or targeted tax benefit. If the 45 cal-  
17 endar-day period expires during a period where either  
18 House of Congress stands adjourned sine die at the end  
19 of a Congress or for a period greater than 45 calendar  
20 days, the President may propose a cancellation under this  
21 section and transmit a special message under subsection  
22 (b) on the first calendar day of session following such a  
23 period of adjournment.

24 “(b) TRANSMITTAL OF SPECIAL MESSAGE.—

25 “(1) SPECIAL MESSAGE.—

1           “(A) IN GENERAL.—The President may  
2 transmit to the Congress a special message pro-  
3 posing to cancel any dollar amounts of discre-  
4 tionary budget authority, items of direct spend-  
5 ing, or targeted tax benefits.

6           “(B) CONTENTS OF SPECIAL MESSAGE.—  
7 Each special message shall specify, with respect  
8 to the discretionary budget authority, items of  
9 direct spending proposed, or targeted tax bene-  
10 fits to be canceled—

11           “(i) the dollar amount of discretionary  
12 budget authority, the specific item of direct  
13 spending (that OMB, after consultation  
14 with CBO, estimates to increase budget  
15 authority or outlays as required by section  
16 1017(9)), or the targeted tax benefit that  
17 the President proposes be canceled;

18           “(ii) any account, department, or es-  
19 tablishment of the Government to which  
20 such discretionary budget authority is  
21 available for obligation, and the specific  
22 project or governmental functions involved;

23           “(iii) the reasons why such discre-  
24 tionary budget authority, item of direct

1 spending, or targeted tax benefit should be  
2 canceled;

3 “(iv) to the maximum extent prac-  
4 ticable, the estimated fiscal, economic, and  
5 budgetary effect (including the effect on  
6 outlays and receipts in each fiscal year) of  
7 the proposed cancellation;

8 “(v) to the maximum extent prac-  
9 ticable, all facts, circumstances, and con-  
10 siderations relating to or bearing upon the  
11 proposed cancellation and the decision to  
12 effect the proposed cancellation, and the  
13 estimated effect of the proposed cancella-  
14 tion upon the objects, purposes, or pro-  
15 grams for which the discretionary budget  
16 authority, item of direct spending, or the  
17 targeted tax benefit is provided;

18 “(vi) a numbered list of cancellations  
19 to be included in an approval bill that, if  
20 enacted, would cancel discretionary budget  
21 authority, items of direct spending, or tar-  
22 geted tax benefits proposed in that special  
23 message; and

24 “(vii) if the special message is trans-  
25 mitted subsequent to or at the same time

1 as another special message, a detailed ex-  
2 planation why the proposed cancellations  
3 are not substantially similar to any other  
4 proposed cancellation in such other mes-  
5 sage.

6 “(C) DUPLICATIVE PROPOSALS PROHIB-  
7 ITED.—The President may not propose to can-  
8 cel the same or substantially similar discre-  
9 tionary budget authority, item of direct spend-  
10 ing, or targeted tax benefit more than one time  
11 under this Act.

12 “(D) MAXIMUM NUMBER OF SPECIAL MES-  
13 SAGES.—The President may not transmit to the  
14 Congress more than 5 special messages under  
15 this subsection related to any bill or joint reso-  
16 lution described in subsection (a), but may  
17 transmit not more than 10 special messages for  
18 any omnibus budget reconciliation or appropria-  
19 tion measure.

20 “(2) ENACTMENT OF APPROVAL BILL.—

21 “(A) DEFICIT REDUCTION.—Amounts of  
22 budget authority, items of direct spending, or  
23 targeted tax benefits which are canceled pursu-  
24 ant to enactment of a bill as provided under

1 this section shall be dedicated only to reducing  
2 the deficit or increasing the surplus.

3 “(B) ADJUSTMENT OF LEVELS IN THE  
4 CONCURRENT RESOLUTION ON THE BUDGET.—  
5 Not later than 5 days after the date of enact-  
6 ment of an approval bill as provided under this  
7 section, the chairs of the Committees on the  
8 Budget of the Senate and the House of Rep-  
9 resentatives shall revise allocations and aggre-  
10 gates and other appropriate levels under the ap-  
11 propriate concurrent resolution on the budget to  
12 reflect the cancellation, and the applicable com-  
13 mittees shall report revised suballocations pur-  
14 suant to section 302(b), as appropriate.

15 “(C) ADJUSTMENTS TO STATUTORY LIM-  
16 ITS.—After enactment of an approval bill as  
17 provided under this section, the Office of Man-  
18 agement and Budget shall revise applicable lim-  
19 its under the Balanced Budget and Emergency  
20 Deficit Control Act of 1985, as appropriate.

21 “(D) TRUST FUNDS AND SPECIAL  
22 FUNDS.—Notwithstanding subparagraph (A),  
23 nothing in this part shall be construed to re-  
24 quire or allow the deposit of amounts derived  
25 from a trust fund or special fund which are

1 canceled pursuant to enactment of a bill as pro-  
2 vided under this section to any other fund.

3 “PROCEDURES FOR EXPEDITED CONSIDERATION

4 “SEC. 1012. (a) EXPEDITED CONSIDERATION.—

5 “(1) IN GENERAL.—The majority leader of each  
6 House or his designee shall (by request) introduce  
7 an approval bill as defined in section 1017 not later  
8 than the fifth day of session of that House after the  
9 date of receipt of a special message transmitted to  
10 the Congress under section 1011(b).

11 “(2) CONSIDERATION IN THE HOUSE OF REP-  
12 RESENTATIVES.—

13 “(A) REFERRAL AND REPORTING.—Any  
14 committee of the House of Representatives to  
15 which an approval bill is referred shall report it  
16 to the House without amendment not later than  
17 the seventh legislative day after the date of its  
18 introduction. If a committee fails to report the  
19 bill within that period or the House has adopt-  
20 ed a concurrent resolution providing for ad-  
21 journment sine die at the end of a Congress, it  
22 shall be in order to move that the House dis-  
23 charge the committee from further consider-  
24 ation of the bill. Such a motion shall be in  
25 order only at a time designated by the Speaker  
26 in the legislative schedule within two legislative

1 days after the day on which the proponent an-  
2 nounces his intention to offer the motion. Such  
3 a motion shall not be in order after a committee  
4 has reported an approval bill with respect to  
5 that special message or after the House has dis-  
6 posed of a motion to discharge with respect to  
7 that special message. The previous question  
8 shall be considered as ordered on the motion to  
9 its adoption without intervening motion except  
10 twenty minutes of debate equally divided and  
11 controlled by the proponent and an opponent. If  
12 such a motion is adopted, the House shall pro-  
13 ceed immediately to consider the approval bill  
14 in accordance with subparagraph (C). A motion  
15 to reconsider the vote by which the motion is  
16 disposed of shall not be in order.

17 “(B) PROCEEDING TO CONSIDERATION.—

18 After an approval bill is reported or a com-  
19 mittee has been discharged from further consid-  
20 eration, or the House has adopted a concurrent  
21 resolution providing for adjournment sine die at  
22 the end of a Congress, it shall be in order to  
23 move to proceed to consider the approval bill in  
24 the House. Such a motion shall be in order only  
25 at a time designated by the Speaker in the leg-



1           islative schedule within two legislative days  
2           after the day on which the proponent announces  
3           his intention to offer the motion. Such a motion  
4           shall not be in order after the House has dis-  
5           posed of a motion to proceed with respect to  
6           that special message. The previous question  
7           shall be considered as ordered on the motion to  
8           its adoption without intervening motion. A mo-  
9           tion to reconsider the vote by which the motion  
10          is disposed of shall not be in order.

11           “(C) CONSIDERATION.—The approval bill  
12          shall be considered as read. All points of order  
13          against an approval bill and against its consid-  
14          eration are waived. The previous question shall  
15          be considered as ordered on an approval bill to  
16          its passage without intervening motion except  
17          five hours of debate equally divided and con-  
18          trolled by the proponent and an opponent and  
19          one motion to limit debate on the bill. A motion  
20          to reconsider the vote on passage of the bill  
21          shall not be in order.

22           “(D) SENATE BILL.—An approval bill re-  
23          ceived from the Senate shall not be referred to  
24          committee.

25           “(3) CONSIDERATION IN THE SENATE.—

1           “(A) MOTION TO PROCEED TO CONSIDER-  
2           ATION.—A motion to proceed to the consider-  
3           ation of a bill under this subsection in the Sen-  
4           ate shall not be debatable. It shall not be in  
5           order to move to reconsider the vote by which  
6           the motion to proceed is agreed to or disagreed  
7           to.

8           “(B) LIMITS ON DEBATE.—Debate in the  
9           Senate on a bill under this subsection, and all  
10          debatable motions and appeals in connection  
11          therewith (including debate pursuant to sub-  
12          paragraph (D)), shall not exceed 10 hours,  
13          equally divided and controlled in the usual  
14          form.

15          “(C) APPEALS.—Debate in the Senate on  
16          any debatable motion or appeal in connection  
17          with a bill under this subsection shall be limited  
18          to not more than 1 hour, to be equally divided  
19          and controlled in the usual form.

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

23          “(E) MOTION TO RECOMMIT.—A motion to  
24          recommit a bill under this subsection is not in  
25          order.

1                   “(F) CONSIDERATION OF THE HOUSE  
2 BILL.—

3                   “(i) IN GENERAL.—If the Senate has  
4 received the House companion bill to the  
5 bill introduced in the Senate prior to the  
6 vote required under paragraph (1)(C), then  
7 the Senate may consider, and the vote  
8 under paragraph (1)(C) may occur on, the  
9 House companion bill.

10                   “(ii) PROCEDURE AFTER VOTE ON  
11 SENATE BILL.—If the Senate votes, pursu-  
12 ant to paragraph (1)(C), on the bill intro-  
13 duced in the Senate, then immediately fol-  
14 lowing that vote, or upon receipt of the  
15 House companion bill, the House bill shall  
16 be deemed to be considered, read the third  
17 time, and the vote on passage of the Sen-  
18 ate bill shall be considered to be the vote  
19 on the bill received from the House.

20                   “(b) AMENDMENTS PROHIBITED.—No amendment  
21 to, or motion to strike a provision from, a bill considered  
22 under this section shall be in order in either the Senate  
23 or the House of Representatives.

1 “PRESIDENTIAL DEFERRAL AUTHORITY

2 “SEC. 1013. (a) TEMPORARY PRESIDENTIAL AU-  
3 THORITY TO WITHHOLD DISCRETIONARY BUDGET AU-  
4 THORITY.—

5 “(1) IN GENERAL.—At the same time as the  
6 President transmits to the Congress a special mes-  
7 sage pursuant to section 1011(b), the President may  
8 direct that any dollar amount of discretionary budg-  
9 et authority to be canceled in that special message  
10 shall not be made available for obligation for a pe-  
11 riod not to exceed 45 calendar days from the date  
12 the President transmits the special message to the  
13 Congress.

14 “(2) EARLY AVAILABILITY.—The President  
15 shall make any dollar amount of discretionary budg-  
16 et authority deferred pursuant to paragraph (1)  
17 available at a time earlier than the time specified by  
18 the President if the President determines that con-  
19 tinuation of the deferral would not further the pur-  
20 poses of this Act.

21 “(b) TEMPORARY PRESIDENTIAL AUTHORITY TO  
22 SUSPEND DIRECT SPENDING.—

23 “(1) IN GENERAL.—At the same time as the  
24 President transmits to the Congress a special mes-  
25 sage pursuant to section 1011(b), the President may

1 suspend the implementation of any item of direct  
2 spending proposed to be canceled in that special  
3 message for a period not to exceed 45 calendar days  
4 from the date the President transmits the special  
5 message to the Congress.

6 “(2) EARLY AVAILABILITY.—The President  
7 shall terminate the suspension of any item of direct  
8 spending at a time earlier than the time specified by  
9 the President if the President determines that con-  
10 tinuation of the suspension would not further the  
11 purposes of this Act.

12 “(c) TEMPORARY PRESIDENTIAL AUTHORITY TO  
13 SUSPEND A TARGETED TAX BENEFIT.—

14 “(1) IN GENERAL.—At the same time as the  
15 President transmits to the Congress a special mes-  
16 sage pursuant to section 1011(b), the President may  
17 suspend the implementation of any targeted tax ben-  
18 efit proposed to be repealed in that special message  
19 for a period not to exceed 45 calendar days from the  
20 date the President transmits the special message to  
21 the Congress.

22 “(2) EARLY AVAILABILITY.—The President  
23 shall terminate the suspension of any targeted tax  
24 benefit at a time earlier than the time specified by  
25 the President if the President determines that con-

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

3 “(d) EXTENSION OF 45-DAY PERIOD.—The Presi-  
4 dent may transmit to the Congress not more than one sup-  
5 plemental special message to extend the period to suspend  
6 the implementation of any discretionary budget authority,  
7 item of direct spending, or targeted tax benefit, as applica-  
8 ble, by an additional 45 calendar days. Any such supple-  
9 mental message may not be transmitted to the Congress  
10 before the 40th day of the 45-day period set forth in the  
11 preceding message or later than the last day of such pe-  
12 riod.

13 “IDENTIFICATION OF TARGETED TAX BENEFITS

14 “SEC. 1014. (a) STATEMENT.—The chairman of the  
15 Committee on Ways and Means of the House of Rep-  
16 resentatives and the chairman of the Committee on Fi-  
17 nance of the Senate acting jointly (hereafter in this sub-  
18 section referred to as the ‘chairmen’) shall review any rev-  
19 enue or reconciliation bill or joint resolution which in-  
20 cludes any amendment to the Internal Revenue Code of  
21 1986 that is being prepared for filing by a committee of  
22 conference of the two Houses, and shall identify whether  
23 such bill or joint resolution contains any targeted tax ben-  
24 efits. The chairmen shall provide to the committee of con-  
25 ference a statement identifying any such targeted tax ben-  
26 efits or declaring that the bill or joint resolution does not

1 contain any targeted tax benefits. Any such statement  
 2 shall be made available to any Member of Congress by  
 3 the chairmen immediately upon request.

4 “(b) STATEMENT INCLUDED IN LEGISLATION.—

5 “(1) IN GENERAL.—Notwithstanding any other  
 6 rule of the House of Representatives or any rule or  
 7 precedent of the Senate, any revenue or reconcili-  
 8 ation bill or joint resolution which includes any  
 9 amendment to the Internal Revenue Code of 1986  
 10 reported by a committee of conference of the two  
 11 Houses may include, as a separate section of such  
 12 bill or joint resolution, the information contained in  
 13 the statement of the chairmen, but only in the man-  
 14 ner set forth in paragraph (2).

15 “(2) APPLICABILITY.—The separate section  
 16 permitted under subparagraph (A) shall read as fol-  
 17 lows: ‘Section 1021 of the Congressional Budget and  
 18 Impoundment Control Act of 1974 shall  
 19 \_\_\_\_\_ apply to \_\_\_\_\_.’, with  
 20 the blank spaces being filled in with—

21 “(A) in any case in which the chairmen  
 22 identify targeted tax benefits in the statement  
 23 required under subsection (a), the word ‘only’  
 24 in the first blank space and a list of all of the  
 25 specific provisions of the bill or joint resolution

1 identified by the chairmen in such statement in  
2 the second blank space; or

3 “(B) in any case in which the chairmen de-  
4 clare that there are no targeted tax benefits in  
5 the statement required under subsection (a),  
6 the word ‘not’ in the first blank space and the  
7 phrase ‘any provision of this Act’ in the second  
8 blank space.

9 “(c) IDENTIFICATION IN REVENUE ESTIMATE.—  
10 With respect to any revenue or reconciliation bill or joint  
11 resolution with respect to which the chairmen provide a  
12 statement under subsection (a), the Joint Committee on  
13 Taxation shall—

14 “(1) in the case of a statement described in  
15 subsection (b)(2)(A), list the targeted tax benefits  
16 identified by the chairmen in such statement in any  
17 revenue estimate prepared by the Joint Committee  
18 on Taxation for any conference report which accom-  
19 panies such bill or joint resolution, or

20 “(2) in the case of a statement described in 13  
21 subsection (b)(2)(B), indicate in such revenue esti-  
22 mate that no provision in such bill or joint resolution  
23 has been identified as a targeted tax benefit.

24 “(d) PRESIDENT’S AUTHORITY.—If any revenue or  
25 reconciliation bill or joint resolution is signed into law—



1           “(1) with a separate section described in sub-  
2           section (b)(2), then the President may use the au-  
3           thority granted in this section only with respect to  
4           any targeted tax benefit in that law, if any, identi-  
5           fied in such separate section; or

6           “(2) without a separate section described in  
7           subsection (b)(2), then the President may use the  
8           authority granted in this section with respect to any  
9           targeted tax benefit in that law.

10                   “TREATMENT OF CANCELLATIONS

11           “SEC. 1015. The cancellation of any dollar amount  
12 of discretionary budget authority, item of direct spending,  
13 or targeted tax benefit shall take effect only upon enact-  
14 ment of the applicable approval bill. If an approval bill  
15 is not enacted into law before the end of the applicable  
16 period under section 1013, then all proposed cancellations  
17 contained in that bill shall be null and void and any such  
18 dollar amount of discretionary budget authority, item of  
19 direct spending, or targeted tax benefit shall be effective  
20 as of the original date provided in the law to which the  
21 proposed cancellations applied.

22                   “REPORTS BY COMPTROLLER GENERAL

23           “SEC. 1016. With respect to each special message  
24 under this part, the Comptroller General shall issue to the  
25 Congress a report determining whether any discretionary  
26 budget authority is not made available for obligation or

1 item of direct spending or targeted tax benefit continues  
2 to be suspended after the deferral authority set forth in  
3 section 1013 of the President has expired.

4 “DEFINITIONS

5 “SEC. 1017. As used in this part:

6 “(1) APPROPRIATION LAW.—The term ‘appro-  
7 priation law’ means an Act referred to in section  
8 105 of title 1, United States Code, including any  
9 general or special appropriation Act, or any Act  
10 making supplemental, deficiency, or continuing ap-  
11 propriations, that has been signed into law pursuant  
12 to article I, section 7, of the Constitution of the  
13 United States.

14 “(2) APPROVAL BILL.—The term ‘approval bill’  
15 means a bill or joint resolution which only approves  
16 proposed cancellations of dollar amounts of discre-  
17 tionary budget authority, items of new direct spend-  
18 ing, or targeted tax benefits in a special message  
19 transmitted by the President under this part and—

20 “(A) the title of which is as follows: ‘A bill  
21 approving the proposed cancellations trans-  
22 mitted by the President on \_\_\_\_\_’, the blank  
23 space being filled in with the date of trans-  
24 mission of the relevant special message and the  
25 public law number to which the message re-  
26 lates;

1           “(B) which does not have a preamble; and

2           “(C) which provides only the following  
3 after the enacting clause: ‘That the Congress  
4 approves of proposed cancellations \_\_\_\_\_’, the  
5 blank space being filled in with a list of the  
6 cancellations contained in the President’s spe-  
7 cial message, ‘as transmitted by the President  
8 in a special message on \_\_\_\_\_’, the blank  
9 space being filled in with the appropriate date,  
10 ‘regarding \_\_\_\_\_.’, the blank space being  
11 filled in with the public law number to which  
12 the special message relates;

13           “(D) which only includes proposed can-  
14 cellations that are estimated by CBO to meet  
15 the definition of discretionary budgetary au-  
16 thority or items of direct spending, or that are  
17 identified as targeted tax benefits pursuant to  
18 section 1014;

19           “(E) if any proposed cancellation other  
20 than discretionary budget authority or targeted  
21 tax benefits is estimated by CBO to not meet  
22 the definition of item of direct spending, then  
23 the approval bill shall include at the end: ‘The  
24 President shall cease the suspension of the im-  
25 plementation of the following under section

1           1013 of the Earmark Accountability and Re-  
2           form Act of 2007: \_\_\_\_\_’, the blank space  
3           being filled in with the list of such proposed  
4           cancellations; and

5           “(F) if no CBO estimate is available, then  
6           the entire list of legislative provisions proposed  
7           by the President is inserted in the second blank  
8           space in subparagraph (C).

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

12          “(4) CANCEL OR CANCELLATION.—The terms  
13          ‘cancel’ or ‘cancellation’ means to prevent—

14                 “(A) budget authority from having legal  
15                 force or effect;

16                 “(B) in the case of entitlement authority,  
17                 to prevent the specific legal obligation of the  
18                 United States from having legal force or effect;

19                 “(C) in the case of the food stamp pro-  
20                 gram, to prevent the specific provision of law  
21                 that provides such benefit from having legal  
22                 force or effect; or

23                 “(D) a targeted tax benefit from having  
24                 legal force or effect; and

1 to make any necessary, conforming statutory change  
2 to ensure that such targeted tax benefit is not imple-  
3 mented and that any budgetary resources are appro-  
4 priately canceled.

5 “(5) CBO.—The term ‘CBO’ means the Direc-  
6 tor of the Congressional Budget Office.

7 “(6) DIRECT SPENDING.—The term ‘direct  
8 spending’ means—

9 “(A) budget authority provided by law  
10 (other than an appropriation law);

11 “(B) entitlement authority; and

12 “(C) the food stamp program.

13 “(7) DOLLAR AMOUNT OF DISCRETIONARY  
14 BUDGET AUTHORITY.—(A) Except as provided in  
15 subparagraph (B), the term ‘dollar amount of dis-  
16 cretionary budget authority’ means the entire dollar  
17 amount of budget authority—

18 “(i) specified in an appropriation law, or  
19 the entire dollar amount of budget authority or  
20 obligation limitation required to be allocated by  
21 a specific proviso in an appropriation law for  
22 which a specific dollar figure was not included;

23 “(ii) represented separately in any table,  
24 chart, or explanatory text included in the state-

1           ment of managers or the governing committee  
2           report accompanying such law;

3           “(iii) required to be allocated for a specific  
4           program, project, or activity in a law (other  
5           than an appropriation law) that mandates the  
6           expenditure of budget authority from accounts,  
7           programs, projects, or activities for which budg-  
8           et authority is provided in an appropriation law;

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

15          “(v) represented by the product of the esti-  
16          mated procurement cost and the total quantity  
17          of items required to be provided in a law (other  
18          than an appropriation law) that mandates the  
19          expenditure of budget authority from accounts,  
20          programs, projects, or activities for which budg-  
21          et authority is provided in an appropriation law.

22          “(B) The term ‘dollar amount of discretionary  
23          budget authority’ does not include—

24                 “(i) direct spending;

1           “(ii) budget authority in an appropriation  
2 law which funds direct spending provided for in  
3 other law;

4           “(iii) any existing budget authority can-  
5 celed in an appropriation law; or

6           “(iv) any restriction, condition, or limita-  
7 tion in an appropriation law or the accom-  
8 panying statement of managers or committee  
9 reports on the expenditure of budget authority  
10 for an account, program, project, or activity, or  
11 on activities involving such expenditure.

12           “(8) ITEM OF DIRECT SPENDING.—The term  
13 ‘item of direct spending’ means any provision of law  
14 that results in an increase in budget authority or  
15 outlays for direct spending relative to the most re-  
16 cent levels calculated consistent with the method-  
17 ology used to calculate a baseline under section 257  
18 of the Balanced Budget and Emergency Deficit Con-  
19 trol Act of 1985 and included with a budget submis-  
20 sion under section 1105(a) of title 31, United States  
21 Code, in the first year or the 5-year period for which  
22 the item is effective. However, such item does not in-  
23 clude an extension or reauthorization of existing di-  
24 rect spending, but instead only refers to provisions  
25 of law that increase such direct spending.

1           “(9) OMB.—The term ‘OMB’ means the Direc-  
2           tor of the Office of Management and Budget.

3           “(10) OMNIBUS RECONCILIATION OR APPRO-  
4           PRIATION MEASURE.—The term ‘omnibus reconcili-  
5           ation or appropriation measure’ means—

6                   “(A) in the case of a reconciliation bill, any  
7                   such bill that is reported to its House by the  
8                   Committee on the Budget; or

9                   “(B) in the case of an appropriation meas-  
10                  sure, any such measure that provides appropria-  
11                  tions for programs, projects, or activities falling  
12                  within 2 or more section 302(b) suballocations.

13           “(11) TARGETED TAX BENEFIT.—(A) The term  
14           ‘targeted tax benefit’ means any revenue-losing pro-  
15           vision that provides a Federal tax deduction, credit,  
16           exclusion, or preference to only one beneficiary (de-  
17           termined with respect to either present law or any  
18           provision of which the provision is a part) under the  
19           Internal Revenue Code of 1986 in any year for  
20           which the provision is in effect;

21                   “(B) for purposes of subparagraph (A)—

22                           “(i) all businesses and associations that  
23                           are members of the same controlled group of  
24                           corporations (as defined in section 1563(a) of



1 the Internal Revenue Code of 1986) shall be  
2 treated as a single beneficiary;

3 “(ii) all shareholders, partners, members,  
4 or beneficiaries of a corporation, partnership,  
5 association, or trust or estate, respectively, shall  
6 be treated as a single beneficiary;

7 “(iii) all employees of an employer shall be  
8 treated as a single beneficiary;

9 “(iv) all qualified plans of an employer  
10 shall be treated as a single beneficiary;

11 “(v) all beneficiaries of a qualified plan  
12 shall be treated as a single beneficiary;

13 “(vi) all contributors to a charitable orga-  
14 nization shall be treated as a single beneficiary;

15 “(vii) all holders of the same bond issue  
16 shall be treated as a single beneficiary; and

17 “(viii) if a corporation, partnership, asso-  
18 ciation, trust or estate is the beneficiary of a  
19 provision, the shareholders of the corporation,  
20 the partners of the partnership, the members of  
21 the association, or the beneficiaries of the trust  
22 or estate shall not also be treated as bene-  
23 ficiaries of such provision;

24 “(C) for the purpose of this paragraph, the  
25 term ‘revenue-losing provision’ means any provision

1 that is estimated to result in a reduction in Federal  
 2 tax revenues (determined with respect to either  
 3 present law or any provision of which the provision  
 4 is a part) for any one of the two following periods—

5 “(i) the first fiscal year for which the pro-  
 6 vision is effective; or

7 “(ii) the period of the 5 fiscal years begin-  
 8 ning with the first fiscal year for which the pro-  
 9 vision is effective; and

10 “(D) the terms used in this paragraph shall  
 11 have the same meaning as those terms have gen-  
 12 erally in the Internal Revenue Code of 1986, unless  
 13 otherwise expressly provided.

14 “EXPIRATION

15 “SEC. 1018. This title shall have no force or effect  
 16 on or after October 1, 2013.”.

17 **SEC. 3. TECHNICAL AND CONFORMING AMENDMENTS.**

18 (a) EXERCISE OF RULEMAKING POWERS.—Section  
 19 904 of the Congressional Budget Act of 1974 (2 U.S.C.  
 20 621 note) is amended—

21 (1) in subsection (a), by striking “1017” and  
 22 inserting “1012”; and

23 (2) in subsection (d), by striking “section  
 24 1017” and inserting “section 1012”.

25 (b) ANALYSIS BY CONGRESSIONAL BUDGET OF-  
 26 FICE.—Section 402 of the Congressional Budget Act of

1 1974 is amended by inserting “(a)” after “402.” and by  
2 adding at the end the following new subsection:

3 “(b) Upon the receipt of a special message under sec-  
4 tion 1011 proposing to cancel any item of direct spending,  
5 the Director of the Congressional Budget Office shall pre-  
6 pare an estimate of the savings in budget authority or out-  
7 lays resulting from such proposed cancellation relative to  
8 the most recent levels calculated consistent with the meth-  
9 odology used to calculate a baseline under section 257 of  
10 the Balanced Budget and Emergency Deficit Control Act  
11 of 1985 and included with a budget submission under sec-  
12 tion 1105(a) of title 31, United States Code, and transmit  
13 such estimate to the chairmen of the Committees on the  
14 Budget of the House of Representatives and Senate.”.

15 (c) CLERICAL AMENDMENTS.—(1) Section 1(a) of  
16 the Congressional Budget and Impoundment Control Act  
17 of 1974 is amended by striking the last sentence.

18 (2) Section 1022(c) of such Act (as redesignated) is  
19 amended is amended by striking “rescinded or that is to  
20 be reserved” and insert “canceled” and by striking  
21 “1012” and inserting “1011”.

22 (3) TABLE OF CONTENTS.—The table of contents set  
23 forth in section 1(b) of the Congressional Budget and Im-  
24 poundment Control Act of 1974 is amended by deleting

- 1 the contents for parts B and C of title X and inserting  
 2 the following:

“PART B—LEGISLATIVE LINE-ITEM VETO

- “Sec. 1011. Line item veto authority.  
 “Sec. 1012. Procedures for expedited consideration.  
 “Sec. 1013. Presidential deferral authority.  
 “Sec. 1014. Identification of targeted tax benefits.  
 “Sec. 1015. Treatment of cancellations.  
 “Sec. 1016. Reports by comptroller general.  
 “Sec. 1017. Definitions.  
 “Sec. 1018. Expiration.  
 “Sec. 1019. Suits by Comptroller General.  
 “Sec. 1020. Proposed deferrals of budget authority.”.

- 3 (d) **EFFECTIVE DATE.**—The amendments made by  
 4 this Act shall take effect on the date of its enactment and  
 5 apply only to any dollar amount of discretionary budget  
 6 authority, item of direct spending, or targeted tax benefit  
 7 provided in an Act enacted on or after the date of enact-  
 8 ment of this Act.

9 **SEC. 4. SENSE OF CONGRESS ON ABUSE OF PROPOSED**  
 10 **CANCELLATIONS.**

- 11 It is the sense of Congress no President or any execu-  
 12 tive branch official should condition the inclusion or exclu-  
 13 sion or threaten to condition the inclusion or exclusion of  
 14 any proposed cancellation in any special message under  
 15 this section upon any vote cast or to be cast by any Mem-  
 16 ber of either House of Congress.

17 **SEC. 5. OUT OF SCOPE EARMARKS.**

- 18 Rule XXII of the Rules of the House of Representa-  
 19 tives is amended by adding at the end the following new  
 20 clause:

1       “14.(a) Any earmark that was not committed to con-  
2       ference by either the House of Representatives or the Sen-  
3       ate in their disagreeing votes on a measure shall be consid-  
4       ered out of scope under clause 9 of this rule.

5       “(b) As used in this clause, the term ‘earmark’ has  
6       the meaning given such term by clause 9(d) of rule XXI.”.

7       **SEC. 6. ENFORCING THE 3-DAY LAYOVER.**

8       Clause 6 of rule XIII of the Rules of the House of  
9       Representatives is amended by adding at the end the fol-  
10      lowing new clause:

11      “(h) A report by the Committee on Rules on a rule  
12      or order waiving the three-day layover requirement of  
13      clause 4 of rule XIII or of clause 8 of rule XXII may  
14      not be called up for consideration except when so deter-  
15      mined by a vote of two-thirds of the Members voting, a  
16      quorum being present.”.

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