

109<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 4890

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

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 7, 2006

Mr. RYAN of Wisconsin (for himself, Mr. DREIER, Mr. FEENEY, Mr. CHOCOLA, Mr. GREEN of Wisconsin, Mr. KINGSTON, Mr. HENSARLING, Mr. HERGER, Mr. HAYWORTH, Mr. ISTOOK, Mr. SHAYS, Mr. WILSON of South Carolina, Mr. SESSIONS, Mr. RYUN of Kansas, Mr. GARRETT of New Jersey, Mr. FLAKE, Mr. CANTOR, Mrs. MUSGRAVE, Mr. CONAWAY, Mr. MATHESON, Mr. INGLIS of South Carolina, Mr. PENCE, Mr. FORTUÑO, Mr. BACHUS, Mr. UPTON, Mr. PLATTS, Mr. BURTON of Indiana, Mr. MCHENRY, Mr. MORAN of Kansas, Mr. PITTS, Mr. ROYCE, Mr. POMBO, Mr. SHADEGG, Mr. BEAUPREZ, Mrs. BONO, Mr. KIRK, Mr. MACK, Mr. TERRY, Mr. KENNEDY of Minnesota, Mr. PUTNAM, Mr. KLINE, Mr. CANNON, Mr. RENZI, Mr. GALLEGLY, Mrs. BLACKBURN, Mr. SENSENBRENNER, Mr. ENGLISH of Pennsylvania, and Mr. UDALL of Colorado) 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 and Impoundment Control Act of 1974 to provide for the expedited consideration of certain proposed rescissions of budget authority.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Legislative Line Item  
3 Veto Act of 2006”.

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

5 (a) IN GENERAL.—Title X of the Congressional  
6 Budget and Impoundment Control Act of 1974 (2 U.S.C.  
7 621 et seq.) is amended by striking part C and inserting  
8 the following:

9 “PART C—LEGISLATIVE LINE ITEM VETO

10 “SEC. 1021. (a) PROPOSED RESCISSIONS.—The  
11 President may propose, at the time and in the manner  
12 provided in subsection (b), the rescission of any dollar  
13 amount of discretionary budget authority or the rescission,  
14 in whole or in part, of any item of direct spending.

15 “(b) TRANSMITTAL OF SPECIAL MESSAGE.—

16 “(1) SPECIAL MESSAGE.—

17 “(A) IN GENERAL.—The President may  
18 transmit to Congress a special message pro-  
19 posing to rescind any dollar amount of discre-  
20 tionary budget authority or any item of direct  
21 spending.

22 “(B) CONTENTS OF SPECIAL MESSAGE.—

23 Each special message shall specify, with respect  
24 to the budget authority or item of direct spend-  
25 ing proposed to be rescinded—

1           “(i) the amount of budget authority  
2           or the specific item of direct spending that  
3           the President proposes be rescinded;

4           “(ii) any account, department, or es-  
5           tablishment of the Government to which  
6           such budget authority or item of direct  
7           spending is available for obligation, and  
8           the specific project or governmental func-  
9           tions involved;

10          “(iii) the reasons why such budget au-  
11          thority or item of direct spending should  
12          be rescinded;

13          “(iv) to the maximum extent prac-  
14          ticable, the estimated fiscal, economic, and  
15          budgetary effect (including the effect on  
16          outlays and receipts in each fiscal year) of  
17          the proposed rescission;

18          “(v) to the maximum extent prac-  
19          ticable, all facts, circumstances, and con-  
20          siderations relating to or bearing upon the  
21          proposed rescission and the decision to ef-  
22          fect the proposed rescission, and the esti-  
23          mated effect of the proposed rescission  
24          upon the objects, purposes, and programs

1 for which the budget authority or item of  
2 direct spending is provided; and

3 “(vi) a draft bill that, if enacted,  
4 would rescind the budget authority or item  
5 of direct spending proposed to be rescinded  
6 in that special message.

7 “(2) ENACTMENT OF RESCISSION BILL.—

8 “(A) DEFICIT REDUCTION.—Amounts of  
9 budget authority or items of direct spending  
10 which are rescinded pursuant to enactment of a  
11 bill as provided under this section shall be dedi-  
12 cated only to deficit reduction and shall not be  
13 used as an offset for other spending increases.

14 “(B) ADJUSTMENT OF COMMITTEE ALLO-  
15 CATIONS.—Not later than 5 days after the date  
16 of enactment of a rescission bill as provided  
17 under this section, the chairs of the Committees  
18 on the Budget of the Senate and the House of  
19 Representatives shall revise levels under section  
20 311(a) and adjust the committee allocations  
21 under section 302(a) to reflect the rescission,  
22 and the appropriate committees shall report re-  
23 vised allocations pursuant to section 302(b), as  
24 appropriate.

1           “(C) ADJUSTMENTS TO CAPS.—After en-  
2           actment of a rescission bill as provided under  
3           this section, the Office of Management and  
4           Budget shall revise applicable limits under the  
5           Balanced Budget and Emergency Deficit Con-  
6           trol Act, as appropriate.

7           “(c) PROCEDURES FOR EXPEDITED CONSIDER-  
8           ATION.—

9           “(1) IN GENERAL.—

10           “(A) INTRODUCTION.—Before the close of  
11           the second day of session of the Senate and the  
12           House of Representatives, respectively, after the  
13           date of receipt of a special message transmitted  
14           to Congress under subsection (b), the majority  
15           leader or minority leader of each House shall  
16           introduce (by request) a bill to rescind the  
17           amounts of budget authority or items of direct  
18           spending, as specified in the special message  
19           and the President’s draft bill. If the bill is not  
20           introduced as provided in the preceding sen-  
21           tence in either House, then, on the third day of  
22           session of that House after the date of receipt  
23           of that special message, any Member of that  
24           House may introduce the bill.

1           “(B) REFERRAL AND REPORTING.—The  
2 bill shall be referred to the appropriate com-  
3 mittee. The committee shall report the bill with-  
4 out substantive revision and with or without  
5 recommendation. The committee shall report  
6 the bill not later than the fifth day of session  
7 of that House after the date of introduction of  
8 the bill in that House. If the committee fails to  
9 report the bill within that period, the committee  
10 shall be automatically discharged from consider-  
11 ation of the bill, and the bill shall be placed on  
12 the appropriate calendar.

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

24           “(2) CONSIDERATION IN THE HOUSE OF REP-  
25 RESENTATIVES.—

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

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

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

24          “(D) APPLICATION OF HOUSE RULES.—  
25          Except to the extent specifically provided in this

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

8 “(3) CONSIDERATION IN THE SENATE.—

9 “(A) MOTION TO PROCEED TO CONSIDER-  
10 ATION.—A motion to proceed to the consider-  
11 ation of a bill under this subsection in the Sen-  
12 ate shall not be debatable. It shall not be in  
13 order to move to reconsider the vote by which  
14 the motion to proceed is agreed to or disagreed  
15 to.

16 “(B) LIMITS ON DEBATE.—Debate in the  
17 Senate on a bill under this subsection, and all  
18 debatable motions and appeals in connection  
19 therewith (including debate pursuant to sub-  
20 paragraph (D)), shall not exceed 10 hours,  
21 equally divided and controlled in the usual  
22 form.

23 “(C) APPEALS.—Debate in the Senate on  
24 any debatable motion or appeal in connection  
25 with a bill under this subsection shall be limited

1 to not more than 1 hour, to be equally divided  
2 and controlled in the usual form.

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

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

9 “(F) CONSIDERATION OF THE HOUSE  
10 BILL.—

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

18 “(ii) PROCEDURE AFTER VOTE ON  
19 SENATE BILL.—If the Senate votes, pursu-  
20 ant to paragraph (1)(C), on the bill intro-  
21 duced in the Senate, then immediately fol-  
22 lowing that vote, or upon receipt of the  
23 House companion bill, the House bill shall  
24 be deemed to be considered, read the third  
25 time, and the vote on passage of the Sen-

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

3           “(d) AMENDMENTS AND DIVISIONS PROHIBITED.—

4 No amendment to a bill considered under this section shall  
5 be in order in either the Senate or the House of Rep-  
6 resentatives. It shall not be in order to demand a division  
7 of the question in the House of Representatives (or in a  
8 Committee of the Whole). No motion to suspend the appli-  
9 cation of this subsection shall be in order in the House  
10 of Representatives, nor shall it be in order in the House  
11 of Representatives to suspend the application of this sub-  
12 section by unanimous consent.

13           “(e) TEMPORARY PRESIDENTIAL AUTHORITY TO  
14 WITHHOLD.—

15                   “(1) IN GENERAL.—At the same time as the  
16 President transmits to Congress a special message  
17 pursuant to subsection (b), the President may direct  
18 that any dollar amount of discretionary budget au-  
19 thority proposed to be rescinded in that special mes-  
20 sage shall not be made available for obligation for a  
21 period not to exceed 180 calendar days from the  
22 date the President transmits the special message to  
23 Congress.

24                   “(2) EARLY AVAILABILITY.—The President  
25 may make any dollar amount of discretionary budget

1 authority deferred pursuant to paragraph (1) avail-  
2 able at a time earlier than the time specified by the  
3 President if the President determines that continu-  
4 ation of the deferral would not further the purposes  
5 of this Act.

6 “(f) TEMPORARY PRESIDENTIAL AUTHORITY TO  
7 SUSPEND.—

8 “(1) IN GENERAL.—At the same time as the  
9 President transmits to Congress a special message  
10 pursuant to subsection (b), the President may sus-  
11 pend the execution of any item of direct spending  
12 proposed to be rescinded in that special message for  
13 a period not to exceed 180 calendar days from the  
14 date the President transmits the special message to  
15 Congress.

16 “(2) EARLY AVAILABILITY.—The President  
17 may terminate the suspension of any item of direct  
18 spending at a time earlier than the time specified by  
19 the President if the President determines that con-  
20 tinuation of the suspension would not further the  
21 purposes of this Act.

22 “(g) DEFINITIONS.—For purposes of this section—

23 “(1) the term ‘appropriation law’ means any  
24 general or special appropriation Act, and any Act or

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

3 “(2) the term ‘deferral’ has, with respect to any  
4 dollar amount of discretionary budget authority, the  
5 same meaning as the phrase ‘deferral of budget au-  
6 thority’ defined in section 1011(1) in part B (2  
7 U.S.C. 682(1));

8 “(3) the term ‘dollar amount of discretionary  
9 budget authority’ means the entire dollar amount of  
10 budget authority and obligation limitations—

11 “(A) specified in an appropriation law, or  
12 the entire dollar amount of budget authority re-  
13 quired to be allocated by a specific proviso in an  
14 appropriation law for which a specific dollar fig-  
15 ure was not included;

16 “(B) represented separately in any table,  
17 chart, or explanatory text included in the state-  
18 ment of managers or the governing committee  
19 report accompanying such law;

20 “(C) required to be allocated for a specific  
21 program, project, or activity in a law (other  
22 than an appropriation law) that mandates the  
23 expenditure of budget authority from accounts,  
24 programs, projects, or activities for which budg-  
25 et authority is provided in an appropriation law;

1           “(D) represented by the product of the es-  
2           timated procurement cost and the total quantity  
3           of items specified in an appropriation law or in-  
4           cluded in the statement of managers or the gov-  
5           erning committee report accompanying such  
6           law; or

7           “(E) represented by the product of the es-  
8           timated procurement cost and the total quantity  
9           of items required to be provided in a law (other  
10          than an appropriation law) that mandates the  
11          expenditure of budget authority from accounts,  
12          programs, projects, or activities for which dollar  
13          amount of discretionary budget authority is  
14          provided in an appropriation law;

15          “(4) the terms ‘rescind’ or ‘rescission’ mean to  
16          modify or repeal a provision of law to prevent—

17                 “(A) budget authority from having legal  
18                 force or effect;

19                 “(B) in the case of entitlement authority,  
20                 to prevent the specific legal obligation of the  
21                 United States from having legal force or effect;  
22                 and

23                 “(C) in the case of the food stamp pro-  
24                 gram, to prevent the specific provision of law

1           that provides such benefit from having legal  
2           force or effect;

3           “(5) the term ‘direct spending’ means budget  
4           authority provided by law (other than an appropria-  
5           tion law); entitlement authority; and the food stamp  
6           program;

7           “(6) the term ‘item of direct spending’ means  
8           any specific provision of law enacted after the effec-  
9           tive date of the Legislative Line Item Veto Act of  
10          2006 that is estimated to result in a change in  
11          budget authority or outlays for direct spending rela-  
12          tive to the most recent levels calculated pursuant to  
13          section 257 of the Balanced Budget and Emergency  
14          Deficit Control Act of 1985 and included with a  
15          budget submission under section 1105(a) of title 31,  
16          United States Code, and with respect to estimates  
17          made after that budget submission that are not in-  
18          cluded with it, estimates consistent with the eco-  
19          nomic and technical assumptions underlying the  
20          most recently submitted President’s budget;

21          “(7) the term ‘suspend the execution’ means,  
22          with respect to an item of direct spending or a tar-  
23          geted tax benefit, to stop for a specified period, in  
24          whole or in part, the carrying into effect of the spe-  
25          cific provision of law that provides such benefit; and

1 “(8)(A) the term ‘targeted tax benefit’ means—

2 “(i) any revenue-losing provision that pro-  
3 vides a Federal tax deduction, credit, exclusion,  
4 or preference to 100 or fewer beneficiaries  
5 under the Internal Revenue Code of 1986 in  
6 any fiscal year for which the provision is in ef-  
7 fect; and

8 “(ii) any Federal tax provision that pro-  
9 vides temporary or permanent transitional relief  
10 for 10 or fewer beneficiaries in any fiscal year  
11 from a change to the Internal Revenue Code of  
12 1986;

13 “(B) a provision shall not be treated as de-  
14 scribed in subparagraph (A)(i) if the effect of that  
15 provision is that—

16 “(i) all persons in the same industry or en-  
17 gaged in the same type of activity receive the  
18 same treatment;

19 “(ii) all persons owning the same type of  
20 property, or issuing the same type of invest-  
21 ment, receive the same treatment; or

22 “(iii) any difference in the treatment of  
23 persons is based solely on—

1           “(I) in the case of businesses and as-  
2           sociations, the size or form of the business  
3           or association involved;

4           “(II) in the case of individuals, gen-  
5           eral demographic conditions, such as in-  
6           come, marital status, number of depend-  
7           ents, or tax-return-filing status;

8           “(III) the amount involved; or

9           “(IV) a generally-available election  
10          under the Internal Revenue Code of 1986;

11          “(C) a provision shall not be treated as de-  
12          scribed in subparagraph (A)(ii) if—

13                 “(i) it provides for the retention of prior  
14                 law with respect to all binding contracts or  
15                 other legally enforceable obligations in existence  
16                 on a date contemporaneous with congressional  
17                 action specifying such date; or

18                 “(ii) it is a technical correction to pre-  
19                 viously enacted legislation that is estimated to  
20                 have no revenue effect;

21          “(D) 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 qualified plans of an employer  
4 shall be treated as a single beneficiary;

5 “(iii) all holders of the same bond issue  
6 shall be treated as a single beneficiary; and

7 “(iv) if a corporation, partnership, associa-  
8 tion, trust or estate is the beneficiary of a pro-  
9 vision, the shareholders of the corporation, the  
10 partners of the partnership, the members of the  
11 association, or the beneficiaries of the trust or  
12 estate shall not also be treated as beneficiaries  
13 of such provision;

14 “(E) for the purpose of this paragraph, the  
15 term ‘revenue-losing provision’ means any provision  
16 that results in a reduction in Federal tax revenues  
17 for any one of the two following periods—

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

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

23 “(F) the terms used in this paragraph shall  
24 have the same meaning as those terms have gen-

1 erally in the Internal Revenue Code of 1986, unless  
2 otherwise expressly provided.

3 “(h) APPLICATION TO TARGETED TAX BENEFITS.—  
4 The President may propose the repeal of any targeted tax  
5 benefit in any bill that includes such a benefit, under the  
6 same conditions, and subject to the same Congressional  
7 consideration, as a proposal under this section to rescind  
8 an item of direct spending.”.

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

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

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

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

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

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

1           (2) TABLE OF CONTENTS.—The table of contents set  
2 forth in section 1(b) of the Congressional Budget and Im-  
3 poundment Control Act of 1974 is amended by deleting  
4 the contents for part C of title X and inserting the fol-  
5 lowing:

“PART C—LEGISLATIVE LINE ITEM VETO

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

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

10          (e) EFFECTIVE DATE.—The amendments made by  
11 this Act shall—

12           (1) take effect on the date of enactment of this  
13 Act; and

14           (2) apply only to any dollar amount of discre-  
15 tionary budget authority, item of direct spending, or  
16 targeted tax benefit provided in an Act enacted on  
17 or after the date of enactment of this Act.

○