

AMENDMENT NO. _____ Calendar No. _____

Purpose: To reimpose statutory pay-as-you-go.

IN THE SENATE OF THE UNITED STATES—111th Cong., 2d Sess.

H. J. Res. 45

Increasing the statutory limit on the public debt.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by _____

Viz:

1 At the appropriate place insert the following:

2 **TITLE _____—STATUTORY PAY-AS-**
3 **YOU-GO ACT OF 2010**

4 **SEC. 1. SHORT TITLE.**

5 This title may be cited as the “Statutory Pay-As-
6 You-Go Act of 2010”.

7 **SEC. 2. PURPOSE.**

8 The purpose of this title is to reestablish a statutory
9 procedure to enforce a rule of budget neutrality on new
10 revenue and direct spending legislation.

1 **SEC. 3. DEFINITIONS AND APPLICATIONS.**

2 As used in this title—

3 (1) The term “BBEDCA” means the Balanced
4 Budget and Emergency Deficit Control Act of 1985.

5 (2) The definitions set forth in section 3 of the
6 Congressional Budget and Impoundment Control
7 Act of 1974 and in section 250 of BBEDCA shall
8 apply to this title, except to the extent that they are
9 specifically modified as follows:

10 (A) The term “outyear” means a fiscal
11 year one or more years after the budget year.

12 (B) In section 250(c)(8)(C), the reference
13 to the food stamp program shall be deemed to
14 be a reference to the Supplemental Nutrition
15 Assistance Program.

16 (3) The term “AMT” means the Alternative
17 Minimum Tax for individuals under sections 55–59
18 of the Internal Revenue Code of 1986, the term
19 “EGTRRA” means the Economic Growth and Tax
20 Relief Reconciliation Act of 2001 (Public Law 107–
21 16), and the term “JGTRRA” means the Jobs and
22 Growth Tax Relief and Reconciliation Act of 2003
23 (Public Law 108–27).

24 (4)(A) The term “budgetary effects” means the
25 amount by which PAYGO legislation changes outlays
26 flowing from direct spending or revenues relative to

1 the baseline and shall be determined on the basis of
2 estimates prepared under section 4. Budgetary ef-
3 fects that increase outlays flowing from direct
4 spending or decrease revenues are termed “costs”
5 and budgetary effects that increase revenues or de-
6 crease outlays flowing from direct spending are
7 termed “savings”. Budgetary effects shall not in-
8 clude any costs associated with debt service.

9 (B) For purposes of these definitions, off-budg-
10 et effects shall not be counted as budgetary effects.

11 (C) Solely for purposes of recording entries on
12 a PAYGO scorecard, provisions in appropriation
13 Acts are also considered to be budgetary effects for
14 purposes of this title if such provisions make outyear
15 modifications to substantive law, except that provi-
16 sions for which the outlay effects net to zero over a
17 period consisting of the current year, the budget
18 year, and the 4 subsequent years shall not be consid-
19 ered budgetary effects. For purposes of this para-
20 graph, the term, “modifications to substantive law”
21 refers to changes to or restrictions on entitlement
22 law or other mandatory spending contained in ap-
23 propriations Acts, notwithstanding section 250(e)(8)
24 of BBEDCA. Provisions in appropriations Acts that
25 are neither outyear modifications to substantive law

1 nor changes in revenues have no budgetary effects
2 for purposes of this title.

3 (5) The term “debit” refers to the net total
4 amount, when positive, by which costs recorded on
5 the PAYGO scorecards for a fiscal year exceed sav-
6 ings recorded on those scorecards for that year.

7 (6) The term “entitlement law” refers to a sec-
8 tion of law which provides entitlement authority.

9 (7) The term “PAYGO legislation” or a
10 “PAYGO Act” refers to a bill or joint resolution
11 that affects direct spending or revenue relative to
12 the baseline. The budgetary effects of changes in
13 revenues and outyear modifications to substantive
14 law included in appropriation Acts as defined in
15 paragraph (4) shall be treated as if they were con-
16 tained in PAYGO legislation or a PAYGO Act.

17 (8) The term “timing shift” refers to a delay of
18 the date on which outlays flowing from direct spend-
19 ing would otherwise occur from the ninth outyear to
20 the tenth outyear or an acceleration of the date on
21 which revenues would otherwise occur from the tenth
22 outyear to the ninth outyear.

23 **SEC. 4. PAYGO ESTIMATES AND PAYGO SCORECARDS.**

24 (a) PAYGO ESTIMATES.—

25 (1) REQUIRED DESIGNATION IN PAYGO ACTS.—

1 (A) HOUSE OF REPRESENTATIVES.—To
2 establish the budgetary effects of a PAYGO Act
3 consistent with the determination made by the
4 Chairman of the House Budget Committee, a
5 PAYGO Act originated in or amended by the
6 House of Representatives may include the fol-
7 lowing statement: “The budgetary effects of
8 this Act, for the purpose of complying with the
9 Statutory Pay-As-You-Go-Act of 2010, shall be
10 determined by reference to the latest statement
11 titled ‘Budgetary Effects of PAYGO Legisla-
12 tion’ for this Act, submitted for printing in the
13 Congressional Record by the Chairman of the
14 House Budget Committee, provided that such
15 statement has been submitted prior to the vote
16 on passage.”.

17 (B) SENATE.—To establish the budgetary
18 effects of a PAYGO Act consistent with the de-
19 termination made by the Chairman of the Sen-
20 ate Budget Committee, a PAYGO Act origi-
21 nated in or amended by the Senate shall include
22 the following statement: “The budgetary effects
23 of this Act, for the purpose of complying with
24 the Statutory Pay-As-You-Go-Act of 2010, shall
25 be determined by reference to the latest state-

1 ment titled ‘Budgetary Effects of PAYGO Leg-
2 islation’ for this Act, submitted for printing in
3 the Congressional Record by the Chairman of
4 the Senate Budget Committee, provided that
5 such statement has been submitted prior to the
6 vote on passage.’’.

7 (C) CONFERENCE REPORTS AND AMEND-
8 MENTS BETWEEN THE HOUSES.—To establish
9 the budgetary effects of the conference report
10 on a PAYGO Act, or an amendment to an
11 amendment between Houses on a PAYGO Act,
12 which if estimated shall be estimated jointly by
13 the Chairmen of the House and Senate Budget
14 Committees, the conference report or amend-
15 ment between the Houses shall include the fol-
16 lowing statement: “The budgetary effects of
17 this Act, for the purpose of complying with the
18 Statutory Pay-As-You-Go-Act of 2010, shall be
19 determined by reference to the latest statement
20 titled ‘Budgetary Effects of PAYGO Legisla-
21 tion’ for this Act, jointly submitted for printing
22 in the Congressional Record by the Chairmen of
23 the House and Senate Budget Committees, pro-
24 vided that such statement has been submitted
25 prior to the vote on passage in the House act-

1 ing first on this conference report or amend-
2 ment between the Houses.”.

3 (2) DETERMINATION OF BUDGETARY EFFECTS
4 OF PAYGO ACTS.—

5 (A) ORIGINAL LEGISLATION.—

6 (i) STATEMENT AND ESTIMATE.—

7 Prior to a vote on passage of a PAYGO
8 Act originated or amended by one House,
9 the Chairman of the Budget Committee of
10 that House may submit for printing in the
11 Congressional Record a statement titled
12 “Budgetary Effects of PAYGO Legisla-
13 tion” which shall include an estimate of
14 the budgetary effects of that Act, if avail-
15 able prior to passage of the Act by that
16 House and shall submit, if applicable, an
17 identification of any current policy adjust-
18 ments made pursuant to section 7 of this
19 Act. The timely submission of such a state-
20 ment, in conjunction with the appropriate
21 designation made pursuant to paragraph
22 (1)(A) or (1)(B), as applicable, shall estab-
23 lish the budgetary effects of the PAYGO
24 Act for the purposes of this Act.

1 (ii) EFFECT.—The latest statement
2 submitted by the Chairman of the Budget
3 Committee of that House prior to passage
4 shall supersede any prior statements sub-
5 mitted in the Congressional Record and
6 shall be valid only if the PAYGO Act is not
7 further amended by either House.

8 (iii) FAILURE TO SUBMIT ESTI-
9 MATE.—If—

10 (I) the estimate required by
11 clause (i) has not been submitted
12 prior to passage by that House;

13 (II) such estimate has been sub-
14 mitted but is no longer valid due to a
15 subsequent amendment to the
16 PAYGO Act; or

17 (III) the designation required
18 pursuant to this subsection has not
19 been made;

20 the budgetary effects of the PAYGO Act
21 shall be determined under subsection
22 (d)(3), provided that this clause shall not
23 apply if a valid designation is subsequently
24 included in that PAYGO Act pursuant to

1 paragraph (1)(C) and a statement is sub-
2 mitted pursuant to subparagraph (B).

3 (B) CONFERENCE REPORTS AND AMEND-
4 MENTS BETWEEN HOUSES.—

5 (i) IN GENERAL.—Prior to the adop-
6 tion of a report of a committee of con-
7 ference on a PAYGO Act in either House,
8 or disposition of an amendment to an
9 amendment between Houses on a PAYGO
10 Act, the Chairmen of the Budget Commit-
11 tees of the House and Senate may jointly
12 submit for printing in the Congressional
13 Record a statement titled “Budgetary Ef-
14 fects of PAYGO Legislation” which shall
15 include an estimate of the budgetary ef-
16 fects of that Act if available prior to pas-
17 sage of the Act by the House acting first
18 on the legislation and shall submit, if ap-
19 plicable, an identification of any current
20 policy adjustments made pursuant to sec-
21 tion 7 of this title. The timely submission
22 of such a statement, in conjunction with
23 the appropriate designation made pursuant
24 to paragraph (1)(C), shall establish the

1 budgetary effects of the PAYGO Act for
2 the purposes of this Act.

3 (ii) FAILURE TO SUBMIT ESTIMATE.—

4 If such estimate has not been submitted
5 prior to the adoption of a report of a com-
6 mittee of conference by either House, or if
7 the designation required pursuant to this
8 subsection has not been made, the budg-
9 etary effects of the PAYGO Act shall be
10 determined under subsection (d)(3).

11 (3) PROCEDURE IN THE SENATE.—In the Sen-
12 ate, upon submission of a statement titled “Budg-
13 etary Effects of PAYGO Legislation” by the Chair-
14 man of the Senate Budget Committee for printing in
15 the Congressional Record, the Legislative Clerk shall
16 read the statement.

17 (4) JURISDICTION OF THE BUDGET COMMIT-
18 TEES.—For the purposes of enforcing section 306 of
19 the Congressional Budget Act of 1974, a designation
20 made pursuant to paragraph (1)(A), (1)(B), or
21 (1)(C), that includes only the language specifically
22 prescribed therein, shall not be considered a matter
23 within the jurisdiction of either the Senate or House
24 Committees on the Budget.

25 (b) CBO PAYGO ESTIMATES.—

1 (1) IN GENERAL.—

2 (A) ESTIMATES.—Section 308(a) of the
3 Congressional Budget Act of 1974 is amended
4 by adding at the end the following new para-
5 graph:

6 “(3) CBO PAYGO ESTIMATES.—

7 “(A) The Chairs of the Committees on the
8 Budget of the House and Senate, as applicable,
9 shall request from the Director of the Congres-
10 sional Budget Office an estimate of the budg-
11 etary effects of PAYGO legislation.

12 “(B) Estimates shall be prepared using
13 baseline estimates supplied by the Congres-
14 sional Budget Office, consistent with section
15 257 of the Balanced Budget and Emergency
16 Deficit Control Act of 1985.

17 “(C) The Director shall not count timing
18 shifts, as that term is defined at section 3(8) of
19 the Statutory Pay-As-You-Go Act of 2010, in
20 estimates of the budgetary effects of PAYGO
21 Legislation.”.

22 (B) SIDEHEADING.—The side heading of
23 section 308(a) of the Congressional Budget Act
24 of 1974 is amended by striking “Reports on”

1 (2) GUIDELINES.—Section 308 of the Congres-
2 sional Budget Act of 1974 is amended by adding at
3 the end the following new subsection:

4 “(d) Scorekeeping Guidelines.—Estimates under this
5 section shall be provided in accordance with the
6 scorekeeping guidelines determined under section
7 252(d)(5) of the Balanced Budget and Emergency Deficit
8 Control Act of 1985.”.

9 (c) CURRENT POLICY ADJUSTMENTS FOR CERTAIN
10 LEGISLATION.—

11 (1) IN GENERAL.—For any provision of legisla-
12 tion that meets the criteria in subsection (c), (d), (e)
13 or (f) of section 7, the Chairs of the Committees on
14 the Budget of the House and Senate, as applicable,
15 shall request that CBO adjust the estimate of budg-
16 etary effects of that legislation pursuant to para-
17 graph (2) for the purposes of this title. A single
18 piece of legislation may contain provisions that meet
19 criteria in more than one of the subsections referred
20 to in the preceding sentence. CBO shall adjust esti-
21 mates for legislation designated under subsection (a)
22 and estimated under subsection (b). OMB shall ad-
23 just estimates for legislation estimated under sub-
24 section (d)(3).

25 (2) ADJUSTMENTS.—

1 (A) ESTIMATES.—CBO or OMB, as appli-
2 cable, shall exclude from the estimate of budg-
3 etary effects any budgetary effects of a provi-
4 sion that meets the criteria in subsection (c),
5 (d), (e) or (f) of section 7, to the extent that
6 those budgetary effects, when combined with all
7 other excluded budgetary effects of any other
8 previously designated provisions of enacted leg-
9 islation under the same subsection of section 7,
10 do not exceed the maximum applicable current
11 policy adjustment defined under the applicable
12 subsection of section 7 for the applicable 10-
13 year period.

14 (B) BASELINE.—Any estimate made pur-
15 suant to subparagraph (A), shall be prepared
16 using baseline estimates supplied by the Con-
17 gressional Budget Office, consistent with sec-
18 tion 257 of the BBEDCA. CBO estimates of
19 legislation adjusted for current policy shall in-
20 clude a separate presentation of costs excluded
21 from the calculation of budgetary effects for the
22 legislation, as well as an updated total of all ex-
23 cluded costs of provisions within subsection (c),
24 (d), or (e) of section 7, as applicable, and in the
25 case of paragraph (1) of section 7(f), within

1 any of the subparagraphs (A) through (L) of
2 such paragraph, as applicable.

3 (3) LIMITATION ON AVAILABILITY OF EXCESS
4 SAVINGS.—

5 (A) PROHIBITION ON USE OF EXCESS SAV-
6 ING FOR INELIGIBLE POLICIES.—To the extent
7 the adjustment for current policy of any provi-
8 sion estimated under this subsection exceeds the
9 estimated budgetary effects of that provision,
10 these excess savings shall not be available to
11 offset the costs of any provisions not otherwise
12 eligible for a current policy adjustment under
13 section 7, and shall not be counted on the
14 PAYGO scorecards established pursuant to sub-
15 sections (d)(4) and (d)(5).

16 (B) PROHIBITION ON USE OF EXCESS SAV-
17 INGS ACROSS BUDGET AREAS.—For provisions
18 eligible for a current policy adjustment under
19 subsections (c) through (f) of section 7, to the
20 extent the adjustment for current policy of any
21 provision exceeds the estimated budgetary ef-
22 fects of that same provision, the excess savings
23 shall be available only to offset the costs of
24 other provisions that qualify for a current policy
25 adjustment in that same subsection. Each para-

1 graph in section 7(f)(1) shall be considered a
2 separate subsection for purposes of this section.

3 (4) FURTHER GUIDANCE ON ESTIMATING
4 BUDGETARY EFFECTS.—Estimates of budgetary ef-
5 fects under this subsection shall be consistent with
6 the guidance provided at section 7(h).

7 (5) INCLUSION OF STATEMENT.—For PAYGO
8 legislation adjusted pursuant to section 7, the Chair-
9 man of the House or Senate Budget Committee, as
10 applicable, shall include in any statement titled
11 “Budgetary Effects of PAYGO Legislation”, sub-
12 mitted for that legislation pursuant to section 4, an
13 explanation of the current policy designation and ad-
14 justments.

15 (d) OMB PAYGO SCORECARDS.—

16 (1) IN GENERAL.—OMB shall maintain and
17 make publicly available a continuously updated docu-
18 ment containing two PAYGO scorecards displaying
19 the budgetary effects of PAYGO legislation as deter-
20 mined under section 308 of the Congressional Budg-
21 et Act of 1974, applying the look-back requirement
22 in subsection (e) and the averaging requirement in
23 subsection (f), and a separate addendum displaying
24 the estimates of the costs of provisions designated in
25 statute as emergency requirements.

1 (2) ESTIMATES IN LEGISLATION.—Except as
2 provided in paragraph (3), in making the calcula-
3 tions for the PAYGO scorecards, OMB shall use the
4 budgetary effects included by reference in the appli-
5 cable legislation pursuant to subsection (a).

6 (3) OMB PAYGO ESTIMATES.—If a PAYGO Act
7 does not contain a valid reference to its budgetary
8 effects consistent with subsection (a), OMB shall es-
9 timate the budgetary effects of that legislation upon
10 its enactment. The OMB estimate shall be based on
11 the approaches to scorekeeping set forth in section
12 308 of the Congressional Budget Act of 1974, as
13 amended by this title, and subsection (g)(4), and
14 shall use the same economic and technical assump-
15 tions as used in the most recent budget submitted
16 by the President under section 1105(a) of title 31 of
17 the United States Code.

18 (4) 5-YEAR SCORECARD.—The first scorecard
19 shall display the budgetary effects of PAYGO legis-
20 lation in each year over the 5-year period beginning
21 in the budget year.

22 (5) 10-YEAR SCORECARD.—The second score-
23 card shall display the budgetary effects of PAYGO
24 legislation in each year over the 10-year period be-
25 ginning in the budget year.

1 (6) COMMUNITY LIVING ASSISTANCE SERVICES
2 AND SUPPORTS ACT.—Neither scorecard maintained
3 by OMB pursuant to this subsection shall include
4 net savings from any provisions of legislation titled
5 “Community Living Assistance Services and Sup-
6 ports Act”, which establishes a Federal insurance
7 program for long-term care, if such legislation is en-
8 acted into law, or amended, subsequent to the date
9 of enactment of this title.

10 (e) LOOK-BACK TO CAPTURE CURRENT-YEAR EF-
11 FECTS.—For purposes of this section, OMB shall treat the
12 budgetary effects of PAYGO legislation enacted during a
13 session of Congress that occur during the current year as
14 though they occurred in the budget year.

15 (f) AVERAGING USED TO MEASURE COMPLIANCE
16 OVER 5-YEAR AND 10-YEAR PERIODS.—OMB shall cumu-
17 late the budgetary effects of a PAYGO Act over the budg-
18 et year (which includes any look-back effects under sub-
19 section (e)) and—

20 (1) for purposes of the 5-year scorecard re-
21 ferred to in subsection (d)(4), the four subsequent
22 outyears, divide that cumulative total by five, and
23 enter the quotient in the budget-year column and in
24 each subsequent column of the 5-year PAYGO score-
25 card; and

1 (2) for purposes of the 10-year scorecard re-
2 ferred to in subsection (d)(5), the nine subsequent
3 outyears, divide that cumulative total by ten, and
4 enter the quotient in the budget-year column and in
5 each subsequent column of the 10-year PAYGO
6 scorecard.

7 (g) EMERGENCY LEGISLATION.—

8 (1) DESIGNATION IN STATUTE.—If a provision
9 of direct spending or revenue legislation in a
10 PAYGO Act is enacted as an emergency requirement
11 that the Congress so designates in statute pursuant
12 to this section, the amounts of new budget authority,
13 outlays, and revenue in all fiscal years resulting
14 from that provision shall be treated as an emergency
15 requirement for the purposes of this Act.

16 (2) DESIGNATION IN THE HOUSE OF REP-
17 RESENTATIVES.—If a PAYGO Act includes a provi-
18 sion expressly designated as an emergency for the
19 purposes of this title, the Chair shall put the ques-
20 tion of consideration with respect thereto.

21 (3) POINT OF ORDER IN THE SENATE.—

22 (A) IN GENERAL.—When the Senate is
23 considering a PAYGO Act, if a point of order
24 is made by a Senator against an emergency
25 designation in that measure, that provision

1 making such a designation shall be stricken
2 from the measure and may not be offered as an
3 amendment from the floor.

4 (B) SUPERMAJORITY WAIVER AND AP-
5 PEALS.—

6 (i) WAIVER.—Subparagraph (A) may
7 be waived or suspended in the Senate only
8 by an affirmative vote of three-fifths of the
9 Members, duly chosen and sworn.

10 (ii) APPEALS.—Appeals in the Senate
11 from the decisions of the Chair relating to
12 any provision of this subsection shall be
13 limited to 1 hour, to be equally divided be-
14 tween, and controlled by, the appellant and
15 the manager of the bill or joint resolution,
16 as the case may be. An affirmative vote of
17 three-fifths of the Members of the Senate,
18 duly chosen and sworn, shall be required to
19 sustain an appeal of the ruling of the
20 Chair on a point of order raised under this
21 subsection.

22 (C) DEFINITION OF AN EMERGENCY DES-
23 IGNATION.—For purposes of subparagraph (A),
24 a provision shall be considered an emergency
25 designation if it designates any item as an

1 emergency requirement pursuant to this sub-
2 section.

3 (D) FORM OF THE POINT OF ORDER.—A
4 point of order under subparagraph (A) may be
5 raised by a Senator as provided in section 313
6 (e) of the Congressional Budget Act of 1974.

7 (E) CONFERENCE REPORTS.—When the
8 Senate is considering a conference report on, or
9 an amendment between the Houses in relation
10 to, a PAYGO Act, upon a point of order being
11 made by any Senator pursuant to this section,
12 and such point of order being sustained, such
13 material contained in such conference report
14 shall be deemed stricken, and the Senate shall
15 proceed to consider the question of whether the
16 Senate shall recede from its amendment and
17 concur with a further amendment, or concur in
18 the House amendment with a further amend-
19 ment, as the case may be, which further amend-
20 ment shall consist of only that portion of the
21 conference report or House amendment, as the
22 case may be, not so stricken. Any such motion
23 in the Senate shall be debatable. In any case in
24 which such point of order is sustained against
25 a conference report (or Senate amendment de-

1 rived from such conference report by operation
2 of this subsection), no further amendment shall
3 be in order.

4 (4) EFFECT OF DESIGNATION ON SCORING.—If
5 a provision is designated as an emergency require-
6 ment under this Act, CBO or OMB, as applicable,
7 shall not include the budgetary effects of such a pro-
8 vision in its estimate of the budgetary effects of that
9 PAYGO legislation.

10 **SEC. 5. ANNUAL REPORT AND SEQUESTRATION ORDER.**

11 (a) ANNUAL REPORT.—Not later than 14 days (ex-
12 cluding weekends and holidays) after Congress adjourns
13 to end a session, OMB shall make publicly available and
14 cause to be printed in the Federal Register an annual
15 PAYGO report. The report shall include an up-to-date
16 document containing the PAYGO scorecards, a description
17 of any current policy adjustments made under section
18 4(c), information about emergency legislation (if any) des-
19 ignated under section 4(g), information about any seques-
20 tration if required by subsection (b), and other data and
21 explanations that enhance public understanding of this
22 title and actions taken under it.

23 (b) SEQUESTRATION ORDER.—If the annual report
24 issued at the end of a session of Congress under sub-
25 section (a) shows a debit on either PAYGO scorecard for

1 the budget year, OMB shall prepare and the President
2 shall issue and include in that report a sequestration order
3 that, upon issuance, shall reduce budgetary resources of
4 direct spending programs by enough to offset that debit
5 as prescribed in section 6. If there is a debit on both score-
6 cards, the order shall fully offset the larger of the two
7 debits. OMB shall transmit the order and the report to
8 the House of Representatives and the Senate. If the Presi-
9 dent issues a sequestration order, the annual report shall
10 contain, for each budget account to be sequestered, esti-
11 mates of the baseline level of budgetary resources subject
12 to sequestration, the amount of budgetary resources to be
13 sequestered, and the outlay reductions that will occur in
14 the budget year and the subsequent fiscal year because
15 of that sequestration.

16 **SEC. 6. CALCULATING A SEQUESTRATION.**

17 (a) REDUCING NONEXEMPT BUDGETARY RE-
18 SOURCES BY A UNIFORM PERCENTAGE.—

19 (1) IN GENERAL.—OMB shall calculate the uni-
20 form percentage by which the budgetary resources of
21 nonexempt direct spending programs are to be se-
22 questered such that the outlay savings resulting
23 from that sequestration, as calculated under sub-
24 section (b), shall offset the budget-year debit, if any,
25 on the applicable PAYGO scorecard. If the uniform

1 percentage calculated under the prior sentence ex-
2 ceeds 4 percent, the Medicare programs described in
3 section 256(d) of BBEDCA shall be reduced by 4
4 percent and the uniform percentage by which the
5 budgetary resources of all other nonexempt direct
6 spending programs are to be sequestered shall be in-
7 creased, as necessary, so that the sequestration of
8 Medicare and of all other nonexempt direct spending
9 programs together produce the required outlay sav-
10 ings.

11 (2) PROGRAMS AND ACTIVITIES IN UNIFIED
12 BUDGET ONLY.—Subject to the exemptions set forth
13 in section 11, OMB shall determine the uniform per-
14 centage required under paragraph (1) with respect
15 to programs and activities contained in the unified
16 budget only.

17 (b) OUTLAY SAVINGS.—In determining the amount
18 by which a sequestration offsets a budget-year debit, OMB
19 shall count—

20 (1) the amount by which the sequestration in a
21 crop year of crop support payments, pursuant to
22 section 256(j) of BBEDCA, reduces outlays in the
23 budget year and the subsequent fiscal year;

24 (2) the amount by which the sequestration of
25 Medicare payments in the 12-month period following

1 the sequestration order, pursuant to section 256(d)
2 of BBEDCA, reduces outlays in the budget year and
3 the subsequent fiscal year; and

4 (3) the amount by which the sequestration in
5 the budget year of the budgetary resources of other
6 nonexempt mandatory programs reduces outlays in
7 the budget year and in the subsequent fiscal year.

8 **SEC. 7. ADJUSTMENT FOR CURRENT POLICIES.**

9 (a) PURPOSE.—The purpose of this section is to pro-
10 vide for adjustments of estimates of budgetary effects of
11 PAYGO legislation for legislation affecting 4 areas of the
12 budget—

13 (1) payments made under section 1848 of the
14 Social Security Act (referred to in this section as
15 “Payment for Physicians’ Services”);

16 (2) the Estate and Gift Tax under subtitle B of
17 the Internal Revenue Code of 1986;

18 (3) the AMT; and

19 (4) provisions of EGTRRA or JGTRRA that
20 amended the Internal Revenue Code of 1986 (or
21 provisions in later statutes further amending the
22 amendments made by EGTRRA or JGTRRA), other
23 than—

1 (A) the provisions of those 2 Acts that
2 were made permanent by the Pension Protec-
3 tion Act of 2006 (Public Law 109–280);

4 (B) amendments to the Estate and Gift
5 Tax referred to in paragraph (2);

6 (C) the AMT referred to in paragraph (3);
7 and

8 (D) the income tax rates on ordinary in-
9 come that apply to individuals with adjusted
10 gross incomes greater than \$200,000 for a sin-
11 gle filer and \$250,000 for joint filers.

12 (b) DURATION.—This section shall remain in effect
13 through December 31, 2011.

14 (c) MEDICARE PAYMENTS TO PHYSICIANS.—

15 (1) CRITERIA.—Legislation that includes provi-
16 sions amending or superseding the system for updat-
17 ing payments under subsections (d) and (f) of sec-
18 tion 1848 of the Social Security Act shall trigger the
19 current policy adjustment required by this title.

20 (2) ADJUSTMENT.—The amount of the max-
21 imum current policy adjustment shall be the dif-
22 ference between—

23 (A) estimated net outlays attributable to
24 the payment rates and related parameters in
25 accordance with subsections (d) and (f) of sec-

1 tion 1848 of the Social Security Act (as sched-
2 uled on December 31, 2009, to be in effect);
3 and

4 (B) what those net outlays would have
5 been if—

6 (i) the nominal payment rates and re-
7 lated parameters in effect for 2009 had
8 been in effect through December 31, 2014,
9 without change; and

10 (ii) thereafter, the nominal payment
11 rates and related parameters described in
12 subparagraph (A) had applied and the as-
13 sumption described in clause (i) had never
14 applied.

15 (3) LIMITATION.—If the provisions in the legis-
16 lation that cause it to meet the criteria in paragraph
17 (1) cover a time period that ends before December
18 31, 2014, subject to the maximum adjustment pro-
19 vided for under paragraph (2), the amount of each
20 current policy adjustment made pursuant to this sec-
21 tion shall be limited to the difference between—

22 (A) estimated net outlays attributable to
23 the payment rates and related parameters spec-
24 ified in that section of the Social Security Act
25 (as scheduled on December 31, 2009, to be in

1 effect for the period of time covered by the rel-
2 evant provisions of the eligible legislation); and

3 (B) what those net outlays would have
4 been if the nominal payment rates and related
5 parameters in effect for 2009 had been in ef-
6 fect, without change, for the same period of
7 time covered by the relevant provisions of the
8 eligible legislation as under subparagraph (A).

9 (d) ESTATE AND GIFT TAX.—

10 (1) CRITERIA.—Legislation that includes provi-
11 sions amending the Estate and Gift Tax under sub-
12 title B of the Internal Revenue Code of 1986 shall
13 trigger the current policy adjustment required by
14 this title.

15 (2) ADJUSTMENT.—The amount of the max-
16 imum current policy adjustment shall be the dif-
17 ference between—

18 (A) total revenues projected to be collected
19 under the Internal Revenue Code of 1986 (as
20 scheduled on December 31, 2009, to be in ef-
21 fect); and

22 (B) what those revenue collections would
23 have been if, on the date of enactment of the
24 legislation meeting the criteria in paragraph
25 (1), estate and gift tax law had instead been

1 amended so that the tax rates, nominal exemp-
2 tion amounts, and related parameters in effect
3 for tax year 2009 had remained in effect
4 through December 31, 2011, with nominal ex-
5 emption amounts indexed for inflation after
6 2009 consistent with subsection (g).

7 (3) LIMITATION.—If the provisions in the legis-
8 lation that cause it to meet the criteria in paragraph
9 (1) cover a time period that ends before December
10 31, 2011, subject to the maximum adjustment pro-
11 vided for under paragraph (2), the amount of each
12 current policy adjustment made pursuant to this sec-
13 tion shall be limited to the difference between—

14 (A) total revenues projected to be collected
15 under the Internal Revenue Code of 1986 (as
16 scheduled on December 31, 2009, to be in ef-
17 fect for the period of time covered by the rel-
18 evant provisions of the eligible legislation); and

19 (B) what those revenues would have been
20 if the estate and gift tax law rates, nominal ex-
21 emption amounts, and related parameters in ef-
22 fect for 2009, with nominal exemption amounts
23 indexed for inflation after 2009 consistent with
24 subsection (g), had been in effect for the same
25 period of time covered by the relevant provi-

1 sions of the eligible legislation as under sub-
2 paragraph (A).

3 (4) DURATION OF POLICY ADJUSTMENT.—Ad-
4 justments made pursuant to this subsection are
5 available for policies affecting the estate and gift tax
6 through only December 31, 2011. Any adjustments
7 shall include budgetary effects in all years from
8 these policy changes.

9 (e) AMT RELIEF.—

10 (1) CRITERIA.—Legislation that includes provi-
11 sions extending AMT relief shall trigger the current
12 policy adjustment required by this title.

13 (2) ADJUSTMENT.—The amount of the max-
14 imum current policy adjustment shall be the dif-
15 ference between—

16 (A) total revenues projected to be collected
17 under the Internal Revenue Code of 1986 (as
18 scheduled on December 31, 2009, to be in ef-
19 fect); and

20 (B) what those revenue collections would
21 have been if, on the date of enactment of legis-
22 lation meeting the criteria in paragraph (1),
23 AMT law had instead been amended by making
24 commensurate adjustments in the exemption
25 amounts for joint and single filers in such a

1 manner that the number of taxpayers with
2 AMT liability or lost credits that occur as a re-
3 sult of the AMT would not be estimated to ex-
4 ceed the number of taxpayers affected by the
5 AMT in tax year 2008 in any year for which re-
6 lief is provided, through December 31, 2011.

7 (3) LIMITATION.—If the provisions in the legis-
8 lation that cause it to meet the criteria in paragraph
9 (1) cover a time period that ends before December
10 31, 2011, subject to the maximum adjustment pro-
11 vided for under paragraph (2), the amount of each
12 current policy adjustment made pursuant to this sec-
13 tion shall be limited to the difference between—

14 (A) total revenues projected to be collected
15 under the Internal Revenue Code of 1986 (as
16 scheduled on December 31, 2009, to be in ef-
17 fect for the period of time covered by the rel-
18 evant provisions of the eligible legislation); and

19 (B) what those revenues would have been
20 if, on the date of enactment of legislation meet-
21 ing the criteria in paragraph (1), AMT law had
22 instead been amended by making commensurate
23 adjustments in the exemption amounts for joint
24 and single filers in such a manner that the
25 number of taxpayers with AMT liability or lost

1 credits that occur as a result of the AMT would
2 not be estimated to exceed the number of AMT
3 taxpayers in tax year 2008 for the same period
4 of time covered by the relevant provisions of the
5 eligible legislation as under subparagraph (A).

6 (4) DURATION OF POLICY ADJUSTMENT.—Ad-
7 justments made pursuant to this subsection are
8 available for policies affecting the AMT through only
9 December 31, 2011. Any adjustments shall include
10 budgetary effects in all years from these policy
11 changes.

12 (f) PERMANENT EXTENSION OF MIDDLE-CLASS TAX
13 CUTS.—

14 (1) CRITERIA.—Legislation that includes provi-
15 sions extending middle-class tax cuts shall trigger
16 the current policy adjustment required by this title
17 if those provisions extend 1 or more of the following
18 provisions:

19 (A) The 10 percent bracket as in effect for
20 tax year 2010, as provided for under section
21 101(a) of EGTRRA and any later amendments
22 through December 31, 2009.

23 (B) The child tax credit as in effect for tax
24 year 2010, as provided for under section 201 of

1 EGTRRA and any later amendments through
2 December 31, 2009.

3 (C) Tax benefits for married couples as in
4 effect for tax year 2010, as provided for under
5 title III of EGTRRA and any later amendments
6 through December 31, 2009.

7 (D) The adoption credit as in effect in tax
8 year 2010, as provided for under section 202 of
9 EGTRRA and any later amendments through
10 December 31, 2009.

11 (E) The dependent care credit as in effect
12 in tax year 2010, as provided for under section
13 204 of EGTRRA and any later amendments
14 through December 31, 2009.

15 (F) The employer-provided child care cred-
16 it as in effect in tax year 2010, as provided for
17 under section 205 of EGTRRA and any later
18 amendments through December 31, 2009.

19 (G) The education tax benefits as in effect
20 in tax year 2010, as provided for under title IV
21 of EGTRRA and any later amendments
22 through December 31, 2009.

23 (H) The 25 and 28 percent brackets as in
24 effect for tax year 2010, as provided for under

1 section 101(a) of EGTRRA and any later
2 amendments through December 31, 2009.

3 (I) The 33 percent bracket as in effect for
4 tax year 2010, as provided for under section
5 101(a) of EGTRRA and any later amendment
6 through December 31, 2009, affecting tax-
7 payers with adjusted gross income of \$200,000
8 or less for single filers and \$250,000 or less for
9 joint filers in tax year 2010, with these income
10 levels indexed for inflation in each subsequent
11 year consistent with subsection (g).

12 (J) The rates on income derived from cap-
13 ital gains and qualified dividends as in effect
14 for tax year 2010, as provided for under sec-
15 tions 301 and 302 of JGTRRA and any later
16 amendment through December 31, 2009, affect-
17 ing taxpayers with adjusted gross income of
18 \$200,000 or less for single filers and \$250,000
19 for joint filers with these income levels indexed
20 for inflation in each subsequent year consistent
21 with subsection (g).

22 (K) The phaseout of personal exemptions
23 and the overall limitation on itemized deduc-
24 tions as in effect for tax year 2010, as provided
25 for under sections 102 and 103 of EGTRRA of

1 2001, respectively, and any later amendment
2 through December 31, 2009, affecting taxpayer
3 with adjusted gross income of \$200,000 or less
4 for single filers and \$250,000 for joint filers,
5 with these income levels indexed for inflation in
6 each subsequent year consistent with subsection
7 (g).

8 (L) The increase in the limitations on ex-
9 pensing depreciable business assets for small
10 businesses under section 179(b) of the Internal
11 Revenue Code of 1986 as in effect in tax year
12 2010, as provided under section 202 of
13 JGTRRA and any later amendment through
14 December 31, 2009.

15 (2) ADJUSTMENT.—The amount of the max-
16 imum current policy adjustment shall be the dif-
17 ference between—

18 (A) total revenues projected to be collected
19 and outlays to be paid under the Internal Rev-
20 enue Code of 1986 (as scheduled on December
21 31, 2009, to be in effect); and

22 (B) what those revenue collections and out-
23 lay payments would have been if, on the date of
24 enactment of legislation meeting the criteria in

1 paragraph (1), the provisions identified in para-
2 graph (1) were made permanent.

3 (3) LIMITATION.—If the provisions in the legis-
4 lation that cause it to meet the criteria in paragraph
5 (1) are not permanent, subject to the maximum ad-
6 justment provided for under paragraph (2), the
7 amount of each current policy adjustment made pur-
8 suant to this section shall be limited to the dif-
9 ference between—

10 (A) total revenues projected to be collected
11 and outlays to be paid under the Internal Rev-
12 enue Code of 1986 (as scheduled on December
13 31, 2009, to be in effect for the period of time
14 covered by the relevant provisions of the eligible
15 legislation); and

16 (B) what those revenue collections and out-
17 lay payments would have been if, on the date of
18 enactment of legislation meeting the criteria in
19 paragraph (1), the provisions identified in para-
20 graph (1) had been in effect, without change,
21 for the same period of time covered by the rel-
22 evant provisions of the eligible legislation as
23 under subparagraph (A).

24 (g) INDEXING FOR INFLATION.—Indexed amounts
25 are assumed to increase in each year by an amount equal

1 to the cost-of-living adjustment determined under section
2 1(f)(3) of the Internal Revenue Code of 1986 for the cal-
3 endar year in which the taxable year begins, determined
4 by substituting “calendar year 2008” for “calendar year
5 1992” in subparagraph (B) of such section.

6 (h) GUIDANCE ON ESTIMATES AND CURRENT POLICY
7 ADJUSTMENTS.—

8 (1) MIDDLE CLASS TAX CUTS.—For purposes
9 of estimates made pursuant to subsection (f)—

10 (A) each of the income tax provisions shall
11 be estimated as though the AMT had remained
12 at current law as scheduled on December 31,
13 2009 to be in effect; and

14 (B) if more than 1 of the income tax provi-
15 sions is included in a single piece of legislation,
16 those provisions shall be estimated in the order
17 in which they appear.

18 (2) AMT.—For purposes of estimates made
19 pursuant to subsection (e), changes to the AMT
20 shall be estimated as if, on the date of enactment of
21 legislation meeting the criteria in subsection (e)(1),
22 all of the income tax provisions identified in sub-
23 section (f)(1) were made permanent.

24 **SEC. 8. APPLICATION OF BBEDCA.**

25 For purposes of this title—

1 (1) notwithstanding section 275 of BBEDCA,
2 the provisions of sections 255, 256, 257, and 274 of
3 BBEDCA, as amended by this title, shall apply to
4 the provisions of this title;

5 (2) references in sections 255, 256, 257, and
6 274 to “this part” or “this title” shall be interpreted
7 as applying to this title;

8 (3) references in sections 255, 256, 257, and
9 274 of BBEDCA to “section 254” shall be inter-
10 preted as referencing section 5 of this title;

11 (4) the reference in section 256(b) of BBEDCA
12 to “section 252 or 253” shall be interpreted as ref-
13 erencing section 5 of this title;

14 (5) the reference in section 256(d)(1) of
15 BBEDCA to “section 252 or 253” shall be inter-
16 preted as referencing section 6 of this title;

17 (6) the reference in section 256(d)(4) of
18 BBEDCA to “section 252 or 253” shall be inter-
19 preted as referencing section 5 of this title;

20 (7) section 256(k) of BBEDCA shall apply to
21 a sequestration, if any, under this title; and

22 (8) references in section 257(e) of BBEDCA to
23 “section 251, 252, or 253” shall be interpreted as
24 referencing section 4 of this title.

1 **SEC. 9. TECHNICAL CORRECTIONS.**

2 (a) Section 250(c)(18) of BBEDCA is amended by
3 striking “the expenses the Federal deposit insurance agen-
4 cies” and inserting “the expenses of the Federal deposit
5 insurance agencies”.

6 (b) Section 256(k)(1) of BBEDCA is amended by
7 striking “in paragraph (5)” and inserting “in paragraph
8 (6)”.

9 **SEC. 10. CONFORMING AMENDMENTS.**

10 (a) Section 256(a) of BBEDCA is repealed.

11 (b) Section 256(b) of BBEDCA is amended by strik-
12 ing “origination fees under sections 438(c)(2) and 455(c)
13 of that Act shall each be increased by 0.50 percentage
14 point.” and inserting in lieu thereof “origination fees
15 under sections 438(c)(2) and (6) and 455(c) and loan
16 processing and issuance fees under section
17 428(f)(1)(A)(ii) of that Act shall each be increased by the
18 uniform percentage specified in that sequestration order,
19 and, for student loans originated during the period of the
20 sequestration, special allowance payments under section
21 438(b) of that Act accruing during the period of the se-
22 questration shall be reduced by the uniform percentage
23 specified in that sequestration order.”.

24 (c) Section 256(c) of BBEDCA is repealed.

25 (d) Section 256(d) of BBEDCA is amended—

1 (1) by redesignating paragraphs (2), (3), and
2 (4) as paragraphs (3), (5), and (6);

3 (2) by amending paragraph (1) to read as fol-
4 lows:

5 “(1) CALCULATION OF REDUCTION IN PAYMENT
6 AMOUNTS.—To achieve the total percentage reduc-
7 tion in those programs required by section 252 or
8 253, subject to paragraph (2), and notwithstanding
9 section 710 of the Social Security Act, OMB shall
10 determine, and the applicable Presidential order
11 under section 254 shall implement, the percentage
12 reduction that shall apply, with respect to the health
13 insurance programs under title XVIII of the Social
14 Security Act—

15 “(A) in the case of parts A and B of such
16 title, to individual payments for services fur-
17 nished during the one-year period beginning on
18 the first day of the first month beginning after
19 the date the order is issued (or, if later, the
20 date specified in paragraph (4)); and

21 “(B) in the case of parts C and D, to
22 monthly payments under contracts under such
23 parts for the same one-year period;

1 such that the reduction made in payments under
2 that order shall achieve the required total percentage
3 reduction in those payments for that period.”.

4 (3) by inserting after paragraph (1) the fol-
5 lowing:

6 “(2) UNIFORM REDUCTION RATE; MAXIMUM
7 PERMISSIBLE REDUCTION.—Reductions in payments
8 for programs and activities under such title XVIII
9 pursuant to a sequestration order under section 254
10 shall be at a uniform rate, which shall not exceed 4
11 percent, across all such programs and activities sub-
12 ject to such order.”;

13 (4) by inserting after paragraph (3), as redesign-
14 nated, the following:

15 “(4) TIMING OF SUBSEQUENT SEQUESTRATION
16 ORDER.—A sequestration order required by section
17 252 or 253 with respect to programs under such
18 title XVIII shall not take effect until the first month
19 beginning after the end of the effective period of any
20 prior sequestration order with respect to such pro-
21 grams, as determined in accordance with paragraph
22 (1).”;

23 (5) in paragraph (6), as redesignated, to read
24 as follows:

1 “(6) SEQUESTRATION DISREGARDED IN COM-
2 PUTING PAYMENT AMOUNTS.—The Secretary of
3 Health and Human Services shall not take into ac-
4 count any reductions in payment amounts which
5 have been or may be effected under this part, for
6 purposes of computing any adjustments to payment
7 rates under such title XVIII, specifically including—

8 “(A) the part C growth percentage under
9 section 1853(e)(6);

10 “(B) the part D annual growth rate under
11 section 1860D–2(b)(6); and

12 “(C) application of risk corridors to part D
13 payment rates under section 1860D–15(e).”;
14 and

15 (6) by adding after paragraph (6), as redesign-
16 nated, the following:

17 “(7) EXEMPTIONS FROM SEQUESTRATION.—In
18 addition to the programs and activities specified in
19 section 255, the following shall be exempt from se-
20 questration under this part:

21 “(A) PART D LOW-INCOME SUBSIDIES.—
22 Premium and cost-sharing subsidies under sec-
23 tion 1860D–14 of the Social Security Act.

1 “(B) PART D CATASTROPHIC SUBSIDY.—
2 Payments under section 1860D–15(b) and
3 (e)(2)(B) of the Social Security Act.

4 “(C) QUALIFIED INDIVIDUAL (QI) PRE-
5 MIUMS.—Payments to States for coverage of
6 Medicare cost-sharing for certain low-income
7 Medicare beneficiaries under section 1933 of
8 the Social Security Act.”.

9 **SEC. 11. EXEMPT PROGRAMS AND ACTIVITIES.**

10 (a) DESIGNATIONS.—Section 255 of BBEDCA is
11 amended by redesignating subsection (i) as (j) and strik-
12 ing “1998” and inserting in lieu thereof “2010”.

13 (b) SOCIAL SECURITY, VETERANS PROGRAMS, NET
14 INTEREST, AND TAX CREDITS.—Subsections (a) through
15 (d) of section 255 of BBEDCA are amended to read as
16 follows:

17 “(a) SOCIAL SECURITY BENEFITS AND TIER I RAIL-
18 ROAD RETIREMENT BENEFITS.—Benefits payable under
19 the old-age, survivors, and disability insurance program
20 established under title II of the Social Security Act (42
21 U.S.C. 401 et seq.), and benefits payable under section
22 231b(a), 231b(f)(2), 231c(a), and 231c(f) of title 45
23 United States Code, shall be exempt from reduction under
24 any order issued under this part.

1 “(b) VETERANS PROGRAMS.—The following pro-
2 grams shall be exempt from reduction under any order
3 issued under this part:

4 “All programs administered by the Department
5 of Veterans Affairs.

6 “Special Benefits for Certain World War II
7 Veterans (28–0401–0–1–701).

8 “(c) NET INTEREST.—No reduction of payments for
9 net interest (all of major functional category 900) shall
10 be made under any order issued under this part.

11 “(d) REFUNDABLE INCOME TAX CREDITS.—Pay-
12 ments to individuals made pursuant to provisions of the
13 Internal Revenue Code of 1986 establishing refundable
14 tax credits shall be exempt from reduction under any order
15 issued under this part.”.

16 (c) OTHER PROGRAMS AND ACTIVITIES, LOW-IN-
17 COME PROGRAMS, AND ECONOMIC RECOVERY PRO-
18 GRAMS.—Subsections (g) and (h) of section 255 of
19 BBEDCA are amended to read as follows:

20 “(g) OTHER PROGRAMS AND ACTIVITIES.—

21 “(1)(A) The following budget accounts and ac-
22 tivities shall be exempt from reduction under any
23 order issued under this part:

1 “Activities resulting from private dona-
2 tions, bequests, or voluntary contributions to
3 the Government.

4 “Activities financed by voluntary payments
5 to the Government for goods or services to be
6 provided for such payments.

7 “Administration of Territories, Northern
8 Mariana Islands Covenant grants (14-0412-0-
9 1-808).

10 “Advances to the Unemployment Trust
11 Fund and Other Funds (16-0327-0-1-600).

12 “Black Lung Disability Trust Fund Refi-
13 nancing (16-0329-0-1-601).

14 “Bonneville Power Administration Fund
15 and borrowing authority established pursuant
16 to section 13 of Public Law 93-454 (1974), as
17 amended (89-4045-0-3-271).

18 “Claims, Judgments, and Relief Acts (20-
19 1895-0-1-808).

20 “Compact of Free Association (14-0415-
21 0-1-808).

22 “Compensation of the President (11-
23 0209-01-1-802).

24 “Comptroller of the Currency, Assessment
25 Funds (20-8413-0-8-373).

1 “Continuing Fund, Southeastern Power
2 Administration (89-5653-0-2-271).

3 “Continuing Fund, Southwestern Power
4 Administration (89-5649-0-2-271).

5 “Dual Benefits Payments Account (60-
6 0111-0-1-601).

7 “Emergency Fund, Western Area Power
8 Administration (89-5069-0-2-271).

9 “Exchange Stabilization Fund (20-4444-
10 0-3-155).

11 “Farm Credit Administration Operating
12 Expenses Fund (78-4131-0-3-351).

13 “Farm Credit System Insurance Corpora-
14 tion, Farm Credit Insurance Fund (78-4171-
15 0-3-351).

16 “Federal Deposit Insurance Corporation,
17 Deposit Insurance Fund (51-4596-0-4-373).

18 “Federal Deposit Insurance Corporation,
19 FSLIC Resolution Fund (51-4065-0-3-373).

20 “Federal Deposit Insurance Corporation,
21 Noninterest Bearing Transaction Account
22 Guarantee (51-4458-0-3-373).

23 “Federal Deposit Insurance Corporation,
24 Senior Unsecured Debt Guarantee (51-4457-
25 0-3-373).

1 “Federal Home Loan Mortgage Corpora-
2 tion (Freddie Mac).

3 “Federal Housing Finance Agency, Admin-
4 istrative Expenses (95-5532-0-2-371).

5 “Federal National Mortgage Corporation
6 (Fannie Mae).

7 “Federal Payment to the District of Co-
8 lumbia Judicial Retirement and Survivors An-
9 nuity Fund (20-1713-0-1-752).

10 “Federal Payment to the District of Co-
11 lumbia Pension Fund (20-1714-0-1-601).

12 “Federal Payments to the Railroad Retire-
13 ment Accounts (60-0113-0-1-601).

14 “Federal Reserve Bank Reimbursement
15 Fund (20-1884-0-1-803).

16 “Financial Agent Services (20-1802-0-1-
17 803).

18 “Foreign Military Sales Trust Fund (11-
19 8242-0-7-155).

20 “Hazardous Waste Management, Con-
21 servation Reserve Program (12-4336-0-3-
22 999).

23 “Host Nation Support Fund for Relocation
24 (97-8337-0-7-051).

1 “Internal Revenue Collections for Puerto
2 Rico (20–5737–0–2–806).

3 “Intragovernmental funds, including those
4 from which the outlays are derived primarily
5 from resources paid in from other government
6 accounts, except to the extent such funds are
7 augmented by direct appropriations for the fis-
8 cal year during which an order is in effect.

9 “Medical Facilities Guarantee and Loan
10 Fund (75–9931–0–3–551).

11 “National Credit Union Administration,
12 Central Liquidity Facility (25–4470–0–3–373).

13 “National Credit Union Administration,
14 Corporate Credit Union Share Guarantee Pro-
15 gram (25–4476–0–3–376).

16 “National Credit Union Administration,
17 Credit Union Homeowners Affordability Relief
18 Program (25–4473–0–3–371).

19 “National Credit Union Administration,
20 Credit Union Share Insurance Fund (25–4468–
21 0–3–373).

22 “National Credit Union Administration,
23 Credit Union System Investment Program (25–
24 4474–0–3–376).

1 “National Credit Union Administration,
2 Operating fund (25-4056-0-3-373).

3 “National Credit Union Administration,
4 Share Insurance Fund Corporate Debt Guar-
5 antee Program (25-4469-0-3-376).

6 “National Credit Union Administration,
7 U.S. Central Federal Credit Union Capital Pro-
8 gram (25-4475-0-3-376).

9 “Office of Thrift Supervision (20-4108-0-
10 3-373).

11 “Panama Canal Commission Compensation
12 Fund (16-5155-0-2-602).

13 “Payment of Vietnam and USS Pueblo
14 prisoner-of-war claims within the Salaries and
15 Expenses, Foreign Claims Settlement account
16 (15-0100-0-1-153).

17 “Payment to Civil Service Retirement and
18 Disability Fund (24-0200-0-1-805).

19 “Payment to Department of Defense Medi-
20 care-Eligible Retiree Health Care Fund (97-
21 0850-0-1-054).

22 “Payment to Judiciary Trust Funds (10-
23 0941-0-1-752).

24 “Payment to Military Retirement Fund
25 (97-0040-0-1-054).

1 “Payment to the Foreign Service Retirement and Disability Fund (19-0540-0-1-153).

2 “Payments to Copyright Owners (03-5175-0-2-376).

3 “Payments to Health Care Trust Funds (75-0580-0-1-571).

4 “Payment to Radiation Exposure Compensation Trust Fund (15-0333-0-1-054).

5 “Payments to Social Security Trust Funds (28-0404-0-1-651).

6 “Payments to the United States Territories, Fiscal Assistance (14-0418-0-1-806).

7 “Payments to trust funds from excise taxes or other receipts properly creditable to such trust funds.

8 “Payments to widows and heirs of deceased Members of Congress (00-0215-0-1-801).

9 “Postal Service Fund (18-4020-0-3-372).

10 “Radiation Exposure Compensation Trust Fund (15-8116-0-1-054).

11 “Reimbursement to Federal Reserve Banks (20-0562-0-1-803).

12 “Salaries of Article III judges.

1 “Soldiers and Airmen’s Home, payment of
2 claims (84–8930–0–7–705).

3 “Tennessee Valley Authority Fund, except
4 nonpower programs and activities (64–4110–0–
5 3–999).

6 “Tribal and Indian trust accounts within
7 the Department of the Interior which fund
8 prior legal obligations of the Government or
9 which are established pursuant to Acts of Con-
10 gress regarding Federal management of tribal
11 real property or other fiduciary responsibilities,
12 including but not limited to Tribal Special
13 Fund (14–5265–0–2–452), Tribal Trust Fund
14 (14–8030–0–7–452), White Earth Settlement
15 (14–2204–0–1–452), and Indian Water Rights
16 and Habitat Acquisition (14–5505–0–2–303).

17 “United Mine Workers of America 1992
18 Benefit Plan (95–8260–0–7–551).

19 “United Mine Workers of America 1993
20 Benefit Plan (95–8535–0–7–551).

21 “United Mine Workers of America Com-
22 bined Benefit Fund (95–8295–0–7–551).

23 “United States Enrichment Corporation
24 Fund (95–4054–0–3–271).

1 “Universal Service Fund (27–5183–0–2–
2 376).

3 “Vaccine Injury Compensation (75–0320–
4 0–1–551).

5 “Vaccine Injury Compensation Program
6 Trust Fund (20–8175–0–7–551).

7 “(B) The following Federal retirement and dis-
8 ability accounts and activities shall be exempt from
9 reduction under any order issued under this part:

10 “Black Lung Disability Trust Fund (20–
11 8144–0–7–601).

12 “Central Intelligence Agency Retirement
13 and Disability System Fund (56–3400–0–1–
14 054).

15 “Civil Service Retirement and Disability
16 Fund (24–8135–0–7–602).

17 “Comptrollers general retirement system
18 (05–0107–0–1–801).

19 “Contributions to U.S. Park Police annu-
20 ity benefits, Other Permanent Appropriations
21 (14–9924–0–2–303).

22 “Court of Appeals for Veterans Claims Re-
23 tirement Fund (95–8290–0–7–705).

24 “Department of Defense Medicare-Eligible
25 Retiree Health Care Fund (97–5472–0–2–551).

1 “District of Columbia Federal Pension
2 Fund (20-5511-0-2-601).

3 “District of Columbia Judicial Retirement
4 and Survivors Annuity Fund (20-8212-0-7-
5 602).

6 “Energy Employees Occupational Illness
7 Compensation Fund (16-1523-0-1-053).

8 “Foreign National Employees Separation
9 Pay (97-8165-0-7-051).

10 “Foreign Service National Defined Con-
11 tributions Retirement Fund (19-5497-0-2-
12 602).

13 “Foreign Service National Separation Li-
14 ability Trust Fund (19-8340-0-7-602).

15 “Foreign Service Retirement and Dis-
16 ability Fund(19-8186-0-7-602).

17 “Government Payment for Annuitants,
18 Employees Health Benefits (24-0206-0-1-
19 551).

20 “Government Payment for Annuitants,
21 Employee Life Insurance (24-0500-0-1-602).

22 “Judicial Officers’ Retirement Fund (10-
23 8122-0-7-602).

24 “Judicial Survivors’ Annuities Fund (10-
25 8110-0-7-602).

1 “Military Retirement Fund (97–8097–0–
2 7–602).

3 “National Railroad Retirement Investment
4 Trust (60–8118–0–7–601).

5 “National Oceanic and Atmospheric Ad-
6 ministration retirement (13–1450–0–1–306).

7 “Pensions for former Presidents (47–
8 0105–0–1–802).

9 “Postal Service Retiree Health Benefits
10 Fund (24–5391–0–2–551).

11 “Public Safety Officer Benefits (15–0403–
12 0–1–754).

13 “Rail Industry Pension Fund (60–8011–
14 0–7–601).

15 “Retired Pay, Coast Guard (70–0602–0–
16 1–403).

17 “Retirement Pay and Medical Benefits for
18 Commissioned Officers, Public Health Service
19 (75–0379–0–1–551).

20 “Special Benefits for Disabled Coal Miners
21 (16–0169–0–1–601).

22 “Special Benefits, Federal Employees’
23 Compensation Act (16–1521–0–1–600).

24 “Special Workers Compensation Expenses
25 (16–9971–0–7–601).

1 “Tax Court Judges Survivors Annuity
2 Fund (23–8115–0–7–602).

3 “United States Court of Federal Claims
4 Judges’ Retirement Fund (10–8124–0–7–602).

5 “United States Secret Service, DC Annuity
6 (70–0400–0–1–751).

7 “Voluntary Separation Incentive Fund
8 (97–8335–0–7–051).

9 “(2) Prior legal obligations of the Government
10 in the following budget accounts and activities shall
11 be exempt from any order issued under this part:

12 “Biomass Energy Development (20–0114–
13 0–1–271).

14 “Check Forgery Insurance Fund (20–
15 4109–0–3–803).

16 “Credit liquidating accounts.

17 “Credit reestimates.

18 “Employees Life Insurance Fund (24–
19 8424–0–8–602).

20 “Federal Aviation Insurance Revolving
21 Fund (69–4120–0–3–402).

22 “Federal Crop Insurance Corporation
23 Fund (12–4085–0–3–351).

1 “Federal Emergency Management Agency,
2 National Flood Insurance Fund (58-4236-0-
3 3-453).

4 “Geothermal resources development fund
5 (89-0206-0-1-271).

6 “Low-Rent Public Housing—Loans and
7 Other Expenses (86-4098-0-3-604).

8 “Maritime Administration, War Risk In-
9 surance Revolving Fund (69-4302-0-3-403).

10 “Natural Resource Damage Assessment
11 Fund (14-1618-0-1-302).

12 “Overseas Private Investment Corporation,
13 Noncredit Account (71-4184-0-3-151).

14 “Pension Benefit Guaranty Corporation
15 Fund (16-4204-0-3-601).

16 “San Joaquin Restoration Fund (14-
17 5537-0-2-301).

18 “Servicemembers’ Group Life Insurance
19 Fund (36-4009-0-3-701).

20 “Terrorism Insurance Program (20-0123-
21 0-1-376).

22 “(h) LOW-INCOME PROGRAMS.—The following pro-
23 grams shall be exempt from reduction under any order
24 issued under this part:

1 “Academic Competitiveness/Smart Grant Pro-
2 gram (91-0205-0-1-502).

3 “Child Care Entitlement to States (75-1550-
4 0-1-609).

5 “Child Enrollment Contingency Fund (75-
6 5551-0-2-551).

7 “Child Nutrition Programs (with the exception
8 of special milk programs) (12-3539-0-1-605).

9 “Children’s Health Insurance Fund (75-0515-
10 0-1-551).

11 “Commodity Supplemental Food Program (12-
12 3507-0-1-605).

13 “Contingency Fund (75-1522-0-1-609).

14 “Family Support Programs (75-1501-0-1-
15 609).

16 “Federal Pell Grants under section 401 Title
17 IV of the Higher Education Act.

18 “Grants to States for Medicaid (75-0512-0-1-
19 551).

20 “Payments for Foster Care and Permanency
21 (75-1545-0-1-609).

22 “Supplemental Nutrition Assistance Program
23 (12-3505-0-1-605).

24 “Supplemental Security Income Program (28-
25 0406-0-1-609).

1 “Temporary Assistance for Needy Families
2 (75-1552-0-1-609).”.

3 (d) ADDITIONAL EXCLUDED PROGRAMS.—Section
4 255 of BBEDCA is amended by adding the following after
5 subsection (h):

6 “(i) ECONOMIC RECOVERY PROGRAMS.—The fol-
7 lowing programs shall be exempt from reduction under
8 any order issued under this part:

9 “GSE Preferred Stock Purchase Agreements
10 (20-0125-0-1-371).

11 “Office of Financial Stability (20-0128-0-1-
12 376).

13 “Special Inspector General for the Troubled
14 Asset Relief Program (20-0133-0-1-376).

15 “(j) SPLIT TREATMENT PROGRAMS.—Each of the
16 following programs shall be exempt from any order under
17 this part to the extent that the budgetary resources of
18 such programs are subject to obligation limitations in ap-
19 propriations bills:

20 “Federal-Aid Highways (69-8083-0-7-401).

21 “Highway Traffic Safety Grants (69-8020-0-7-
22 401).

23 “Operations and Research NHTSA and National
24 Driver Register (69-8016-0-7-401).

1 “Motor Carrier Safety Operations and Programs
2 (69–8159–0–7–401).

3 “Motor Carrier Safety Grants (69–8158–0–7–401).

4 “Formula and Bus Grants (69–8350–0–7–401).

5 “Grants-In-Aid for Airports (69–8106–0–7–402).”.

6 **SEC. 12. DETERMINATIONS AND POINTS OF ORDER.**

7 Nothing in this title shall be construed as limiting
8 the authority of the chairmen of the Committees on the
9 Budget of the House and Senate under section 312 of the
10 Congressional Budget Act of 1974. CBO may consult with
11 the Chairmen of the House and Senate Budget Commit-
12 tees to resolve any ambiguities in this title.