104TH CONGRESS 2D SESSION

H. R. 3136

To provide for enactment of the Senior Citizens' Right to Work Act of 1996, the Line Item Veto Act, and the Small Business Growth and Fairness Act of 1996, and to provide for a permanent increase in the public debt limit.

IN THE HOUSE OF REPRESENTATIVES

March 21, 1996

Mr. Archer introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on the Budget, Rules, the Judiciary, Small Business, and Government Reform and Oversight, 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

A BILL

To provide for enactment of the Senior Citizens' Right to Work Act of 1996, the Line Item Veto Act, and the Small Business Growth and Fairness Act of 1996, and to provide for a permanent increase in the public debt limit.

- 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 "Contract with America
- 5 Advancement Act of 1996".

I—SOCIAL TITLE **SECURITY EARNINGS** LIMITATION 2 **AMENDMENTS** 3 SEC. 101. SHORT TITLE OF TITLE. 5 This title may be cited as the "Senior Citizens' Right to Work Act of 1996". 7 SEC. 102. INCREASES IN MONTHLY EXEMPT AMOUNT FOR 8 PURPOSES OF THE SOCIAL SECURITY EARN-9 INGS LIMIT. 10 (a) Increase in Monthly Exempt Amount for 11 Individuals WHO HAVE ATTAINED RETIREMENT AGE.—Section 203(f)(8)(D) of the Social Security Act (42) U.S.C. 403(f)(8)(D)) is amended to read as follows: 13 14 "(D) Notwithstanding any other provision of 15 this subsection, the exempt amount which is applica-16 ble to an individual who has attained retirement age 17 (as defined in section 216(l)) before the close of the 18 taxable year involved shall be— 19 "(i) for each month of any taxable year 20 ending after 1995 and before 1997, 21 \$1,166.662/3,22 "(ii) for each month of any taxable year 23 ending after 1996 and before 1998, \$1,250.00,

1	"(iii) for each month of any taxable year
2	ending after 1997 and before 1999,
3	\$1,333.331/3,
4	"(iv) for each month of any taxable year
5	ending after 1998 and before 2000,
6	\$1,416.662/3,
7	"(v) for each month of any taxable year
8	ending after 1999 and before 2001, \$1,500.00,
9	"(vi) for each month of any taxable year
10	ending after 2000 and before 2002,
11	$$2,083.33\frac{1}{3}$, and
12	"(vii) for each month of any taxable year
13	ending after 2001 and before 2003,
14	\$2,500.00.".
15	(b) Conforming Amendments.—
16	(1) Section $203(f)(8)(B)(ii)$ of such Act (42)
17	U.S.C. 403(f)(8)(B)(ii)) is amended—
18	(A) by striking "the taxable year ending
19	after 1993 and before 1995" and inserting "the
20	taxable year ending after 2001 and before 2003
21	(with respect to individuals described in sub-
22	paragraph (D)) or the taxable year ending after
23	1993 and before 1995 (with respect to other in-
24	dividuals)"; and

- 1 (B) in subclause (II), by striking "for 2 1992" and inserting "for 2000 (with respect to 3 individuals described in subparagraph (D)) or
- 4 1992 (with respect to other individuals)".
- 5 (2) The second sentence of section 223(d)(4)(A) 6 of such Act (42 U.S.C. 423(d)(4)(A)) is amended by 7 striking "the exempt amount under section 203(f)(8)
- 8 which is applicable to individuals described in sub-
- 9 paragraph (D) thereof" and inserting the following:
- 10 "an amount equal to the exempt amount which
- would be applicable under section 203(f)(8), to indi-
- viduals described in subparagraph (D) thereof, if
- section 102 of the Senior Citizens' Right to Work
- 14 Act of 1996 had not been enacted".
- (c) Effective Date.—The amendments made by
- 16 this section shall apply with respect to taxable years end-
- 17 ing after 1995.

18 SEC. 103. CONTINUING DISABILITY REVIEWS.

- 19 (a) Authorization for Appropriations for Con-
- 20 Tinuing Disability Reviews.—Section 201(g)(1)(A) of
- 21 the Social Security Act (42 U.S.C. 401(g)(1)(A)) is
- 22 amended by adding at the end the following: "Of the
- 23 amounts authorized to be made available out of the Fed-
- 24 eral Old-Age and Survivors Insurance Trust Fund and the
- 25 Federal Disability Insurance Trust Fund under the pre-

- 1 ceding sentence, there are hereby authorized to be made
- 2 available from either or both of such Trust Funds for con-
- 3 tinuing disability reviews—
- 4 "(i) for fiscal year 1996, \$260,000,000;
- 5 "(ii) for fiscal year 1997, \$360,000,000;
- 6 "(iii) for fiscal year 1998, \$570,000,000;
- 7 "(iv) for fiscal year 1999, \$720,000,000;
- 8 "(v) for fiscal year 2000, \$720,000,000;
- 9 "(vi) for fiscal year 2001, \$720,000,000; and
- "(viii) for fiscal year 2002, \$720,000,000.
- 11 For purposes of this subparagraph, the term 'continuing
- 12 disability review' means a review conducted pursuant to
- 13 section 221(i) and a review or disability eligibility redeter-
- 14 mination conducted to determine the continuing disability
- 15 and eligibility of a recipient of benefits under the supple-
- 16 mental security income program under title XVI, including
- 17 any review or redetermination conducted pursuant to sec-
- 18 tion 207 or 208 of the Social Security Independence and
- 19 Program Improvements Act of 1994 (Public Law 103-
- 20 296).".
- 21 (b) Adjustment to Discretionary Spending
- 22 Limits.—Section 251(b)(2) of the Balanced Budget and
- 23 Emergency Deficit Control Act of 1985 is amended by
- 24 adding the following new subparagraph:

1	"(H) Continuing disability reviews.—
2	(i) Whenever a bill or joint resolution making
3	appropriations for fiscal year 1996, 1997, 1998
4	1999, 2000, 2001, or 2002 is enacted that
5	specifies an amount for continuing disability re-
6	views under the heading 'Limitation on Admin-
7	istrative Expenses' for the Social Security Ad-
8	ministration, the adjustments for that fiscal
9	year shall be the additional new budget author-
10	ity provided in that Act for such reviews for
11	that fiscal year and the additional outlays flow-
12	ing from such amounts, but shall not exceed—
13	"(I) for fiscal year 1996, \$15,000,000
14	in additional new budget authority and
15	\$60,000,000 in additional outlays;
16	"(II) for fiscal year 1997
17	\$25,000,000 in additional new budget au-
18	thority and \$160,000,000 in additional
19	outlays;
20	"(III) for fiscal year 1998
21	\$145,000,000 in additional new budget au-
22	thority and \$370,000,000 in additional
23	outlays;
24	"(IV) for fiscal year 1999
25	\$280,000,000 in additional new budget au-

1	thority and \$520,000,000 in additional
2	outlays;
3	"(V) for fiscal year 2000,
4	\$317,500,000 in additional new budget au-
5	thority and \$520,000,000 in additional
6	outlays;
7	"(VI) for fiscal year 2001,
8	\$317,500,000 in additional new budget au-
9	thority and \$520,000,000 in additional
10	outlays; and
11	"(VII) for fiscal year 2002,
12	\$317,500,000 in additional new budget au-
13	thority and \$520,000,000 in additional
14	outlays.
15	"(ii) As used in this subparagraph—
16	"(I) the term 'continuing disability re-
17	views' has the meaning given such term by
18	section 201(g)(1)(A) of the Social Security
19	Act;
20	"(II) the term 'additional new budget
21	authority' means new budget authority
22	provided for a fiscal year, in excess of
23	\$100,000,000, for the Supplemental Secu-
24	rity Income program and specified to pay
25	for the costs of continuing disability re-

1 views attributable to the Supplemental Se-2 curity Income program; and "(III) the term 'additional outlays' 3 means outlays, in excess of \$200,000,000 in a fiscal year, flowing from the amounts 6 specified for continuing disability reviews 7 under the heading 'Limitation on Administrative Expenses' for the Social Security 8 9 Administration, including outlays in that 10 fiscal year flowing from amounts specified 11 in Acts enacted for prior fiscal years (but 12 not before 1996).". 13 (c) Budget Allocation Adjustment by Budget 14 Committee.—Section 606 of the Congressional Budget 15 and Impoundment Control Act of 1974 is amended by adding the following new subsection: 16 17 "(e) Continuing Disability Review Adjust-18 MENT.— 19 "(1) In General.—(A) For fiscal year 1996, 20 upon the enactment of the Contract with America 21 Advancement Act of 1996, the Chairmen of the 22 Committees on the Budget of the Senate and House 23 of Representatives shall make the adjustments re-24 ferred to in subparagraph (C) to reflect \$15,000,000 25 in additional new budget authority and \$60,000,000

in additional outlays for continuing disability reviews
(as defined in section 201(g)(1)(A) of the Social Security Act).

- "(B) When the Committee on Appropriations reports an appropriations measure for fiscal year 1997, 1998, 1999, 2000, 2001, or 2002 that specifies an amount for continuing disability reviews under the heading 'Limitation on Administrative Expenses' for the Social Security Administration, or when a conference committee submits a conference report thereon, the Chairman of the Committee on the Budget of the Senate or House of Representatives (whichever is appropriate) shall make the adjustments referred to in subparagraph (C) to reflect the additional new budget authority for continuing disability reviews provided in that measure or conference report and the additional outlays flowing from such amounts for continuing disability reviews.
- "(C) The adjustments referred to in this subparagraph consist of adjustments to—
 - "(i) the discretionary spending limits for that fiscal year as set forth in the most recently adopted concurrent resolution on the budget;
- 24 "(ii) the allocations to the Committees on 25 Appropriations of the Senate and the House of

Representatives for that fiscal year under sections 302(a) and 602(a); and

"(iii) the appropriate budgetary aggregates for that fiscal year in the most recently adopted concurrent resolution on the budget.

"(D) The adjustments under this paragraph for any fiscal year shall not exceed the levels set forth in section 251(b)(2)(H) of the Balanced Budget and Emergency Deficit Control Act of 1985 for that fiscal year. The adjusted discretionary spending limits, allocations, and aggregates under this paragraph shall be considered the appropriate limits, allocations, and aggregates for purposes of congressional enforcement of this Act and concurrent budget resolutions under this Act.

"(2) REPORTING REVISED SUBALLOCATIONS.—
Following the adjustments made under paragraph
(1), the Committees on Appropriations of the Senate
and the House of Representatives may report appropriately revised suballocations pursuant to sections
302(b) and 602(b) of this Act to carry out this subsection.

"(3) Definitions.—As used in this section, the terms 'continuing disability reviews', 'additional new budget authority', and 'additional outlays' shall

1 have the same meanings as provided in section 2 251(b)(2)(H)(ii) of the Balanced Budget and Emer-3 gency Deficit Control Act of 1985.".

(d) Use of Funds and Reports.—

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- (1) In General.—The Commissioner of Social Security shall ensure that funds made available for continuing disability reviews (as defined in section 201(g)(1)(A) of the Social Security Act) are used, to the greatest extent practicable, to maximize the combined savings in the old-age, survivors, and disability insurance, supplemental security income, medicare, and medicaid programs.
- (2) Report.—The Commissioner of Social Security shall provide annually (at the conclusion of each of the fiscal years 1996 through 2002) to the Congress a report on continuing disability reviews which includes—
 - (A) the amount spent on continuing disability reviews in the fiscal year covered by the report, and the number of reviews conducted, by category of review;
 - (B) the results of the continuing disability reviews in terms of cessations of benefits or determinations of continuing eligibility, by program; and

1	(C) the estimated savings over the short-,
2	medium-, and long-term to the old-age, survi-
3	vors, and disability insurance, supplemental se-
4	curity income, medicare, and medicaid pro-
5	grams from continuing disability reviews which
6	result in cessations of benefits and the esti-
7	mated present value of such savings.
8	(e) Office of Chief Actuary in the Social Se-
9	CURITY ADMINISTRATION.—
10	(1) In general.—Section 702 of the Social
11	Security Act (42 U.S.C. 902) is amended—
12	(A) by redesignating subsections (c) and
13	(d) as subsections (d) and (e), respectively; and
14	(B) by inserting after subsection (b) the
15	following new subsection:
16	"Chief Actuary
17	"(c)(1) There shall be in the Administration a Chief
18	Actuary, who shall be appointed by, and in direct line of
19	authority to, the Commissioner. The Chief Actuary shall
20	be appointed from individuals who have demonstrated, by
21	their education and experience, superior expertise in the
22	actuarial sciences. The Chief Actuary shall serve as the
23	chief actuarial officer of the Administration, and shall ex-
24	ercise such duties as are appropriate for the office of the
25	Chief Actuary and in accordance with professional stand-

- ards of actuarial independence. The Chief Actuary may be removed only for cause. 3 "(2) The Chief Actuary shall be compensated at the highest rate of basic pay for the Senior Executive Service under section 5382(b) of title 5, United States Code.". 6 (2) Effective date of subsection.—The 7 amendments made by this subsection shall take ef-8 fect on the date of the enactment of this Act. SEC. 104. ENTITLEMENT OF STEPCHILDREN TO CHILD'S IN-10 SURANCE BENEFITS BASED ON ACTUAL DE-11 PENDENCY ON STEPPARENT SUPPORT. 12 (a) Requirement of Actual Dependency for 13 FUTURE ENTITLEMENTS.— 14 (1) IN GENERAL.—Section 202(d)(4) of the So-15 cial Security Act (42 U.S.C. 402(d)(4)) is amended by striking "was living with or". 16 17 (2) Effective date.—The amendment made 18 by paragraph (1) shall apply with respect to benefits 19 of individuals who become entitled to such benefits
- 22 (b) Termination of Child's Insurance Bene-

for months after the third month following the

- 23 FITS BASED ON WORK RECORD OF STEPPARENT UPON
- 24 Natural Parent's Divorce From Stepparent.—

month in which this Act is enacted.

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1	(1) In General.—Section 202(d)(1) of the So-
2	cial Security Act (42 U.S.C. 402(d)(1)) is amend-
3	ed —
4	(A) by striking "or" at the end of subpara-
5	graph (F);
6	(B) by striking the period at the end of
7	subparagraph (G) and inserting "; or"; and
8	(C) by inserting after subparagraph (G)
9	the following new subparagraph:
10	"(H) if the benefits under this subsection are
11	based on the wages and self-employment income of
12	a stepparent who is subsequently divorced from such
13	child's natural parent, the month after the month in
14	which such divorce becomes final.".
15	(2) Notification.—Section 202(d) of such Act
16	(42 U.S.C. 402(d)) is amended by adding the follow-
17	ing new paragraph:
18	"(10) For purposes of paragraph (1)(H)—
19	"(A) each stepparent shall notify the Commis-
20	sioner of Social Security of any divorce upon such
21	divorce becoming final; and
22	"(B) the Commissioner shall annually notify
23	any stepparent of the rule for termination described
24	in paragraph (1)(H) and of the requirement de-
25	scribed in subparagraph (A).".

1	(3) Effective dates.—
2	(A) The amendments made by paragraph
3	(1) shall apply with respect to final divorces oc-
4	curring after the third month following the
5	month in which this Act is enacted.
6	(B) The amendment made by paragraph
7	(2) shall take effect on the date of the enact-
8	ment of this Act.
9	SEC. 105. DENIAL OF DISABILITY BENEFITS TO DRUG AD-
10	DICTS AND ALCOHOLICS.
11	(a) Amendments Relating to Title II Disabil-
12	ITY BENEFITS.—
13	(1) In general.—Section 223(d)(2) of the So-
14	cial Security Act (42 U.S.C. 423(d)(2)) is amended
15	by adding at the end the following:
16	"(C) An individual shall not be considered to be
17	disabled for purposes of this title if alcoholism or
18	drug addiction would (but for this subparagraph) be
19	a contributing factor material to the Commissioner's
20	determination that the individual is disabled.".
21	(2) Representative payee require-
22	MENTS.—
23	(A) Section $205(j)(1)(B)$ of such Act (42)
24	U.S.C. $405(j)(1)(B)$) is amended to read as fol-
25	lows:

1	"(B) In the case of an individual entitled to benefits
2	based on disability, the payment of such benefits shall be
3	made to a representative payee if the Commissioner of So-
4	cial Security determines that such payment would serve
5	the interest of the individual because the individual also
6	has an alcoholism or drug addiction condition (as deter-
7	mined by the Commissioner) and the individual is incapa-
8	ble of managing such benefits.".
9	(B) Section $205(j)(2)(C)(v)$ of such Act
10	(42 U.S.C. $405(j)(2)(C)(v)$) is amended by
11	striking "entitled to benefits" and all that fol-
12	lows through "under a disability" and inserting
13	"described in paragraph (1)(B)".
14	(C) Section $205(j)(2)(D)(ii)(II)$ of such
15	Act (42 U.S.C. $405(j)(2)(D)(ii)(II)$) is amended
16	by striking all that follows "15 years, or" and
17	inserting "described in paragraph (1)(B).".
18	(D) Section $205(j)(4)(A)(i)(II)$ of such Act
19	(42 U.S.C. $405(j)(4)(A)(ii)(II)$) is amended by
20	striking "entitled to benefits" and all that fol-
21	lows through "under a disability" and inserting
22	"described in paragraph (1)(B)".
23	(3) Treatment referrals for individuals
24	WITH AN ALCOHOLISM OR DRUG ADDICTION CONDI-
25	TION.—Section 222 of such Act (42 U.S.C. 422) is

1	amended by adding at the end the following new
2	subsection:
3	"Treatment Referrals for Individuals with an Alcoholism
4	or Drug Addiction Condition
5	"(e) In the case of any individual whose benefits
6	under this title are paid to a representative payee pursu-
7	ant to section 205(j)(1)(B), the Commissioner of Social
8	Security shall refer such individual to the appropriate
9	State agency administering the State plan for substance
10	abuse treatment services approved under subpart II of
11	part B of title XIX of the Public Health Service Act (42
12	U.S.C. 300x–21 et seq.).".
13	(4) Conforming amendment.—Subsection (c)
14	of section 225 of such Act (42 U.S.C. 425(c)) is re-
15	pealed.
16	(5) Effective dates.—
17	(A) The amendments made by paragraphs
18	(1) and (4) shall apply to any individual who
19	applies for, or whose claim is finally adjudicated
20	by the Commissioner of Social Security with re-
21	spect to, benefits under title II of the Social Se-
22	curity Act based on disability on or after the
23	date of the enactment of this Act, and, in the
24	case of any individual who has applied for, and
25	whose claim has been finally adjudicated by the

Commissioner with respect to, such benefits before such date of enactment, such amendments shall apply only with respect to such benefits for months beginning on or after January 1, 1997.

- (B) The amendments made by paragraphs (2) and (3) shall apply with respect to benefits for which applications are filed after the third month following the month in which this Act is enacted.
- (C) Within 90 days after the date of the enactment of this Act, the Commissioner of Social Security shall notify each individual who is entitled to monthly insurance benefits under title II of the Social Security Act based on disability for the month in which this Act is enacted and whose entitlement to such benefits would terminate by reason of the amendments made by this subsection. If such an individual reapplies for benefits under title II of such Act (as amended by this Act) based on disability within 120 days after the date of the enactment of this Act, the Commissioner of Social Security shall, not later than January 1, 1997, complete the entitlement redetermination (including a

1 new medical determination) with respect to 2 such individual pursuant to the procedures of 3 such title. 4 (b) Amendments Relating to SSI Benefits.— (1) IN GENERAL.—Section 1614(a)(3) of the 6 Social Security Act (42 U.S.C. 1382c(a)(3)) is 7 amended by adding at the end the following: 8 "(I) Notwithstanding subparagraph (A), an individual shall not be considered to be disabled for purposes of this title if alcoholism or drug addiction would (but for 10 this subparagraph) be a contributing factor material to 12 the Commissioner's determination that the individual is 13 disabled.". Representative 14 (2)PAYEE REQUIRE-15 MENTS.— 16 (A) Section 1631(a)(2)(A)(ii)(II) of such 17 Act (42 U.S.C. 1383(a)(2)(A)(ii)(II)) is amend-18 ed to read as follows: 19 "(II) In the case of an individual eligible for benefits 20 under this title by reason of disability, the payment of 21 such benefits shall be made to a representative payee if the Commissioner of Social Security determines that such payment would serve the interest of the individual because the individual also has an alcoholism or drug addiction

condition (as determined by the Commissioner) and the individual is incapable of managing such benefits.". 3 (B) Section 1631(a)(2)(B)(vii) of such Act 4 (42 U.S.C. 1383(a)(2)(B)(vii)) is amended by striking "eligible for benefits" and all that fol-5 6 lows through "is disabled" and inserting "de-7 scribed in subparagraph (A)(ii)(II)". 8 (C) Section 1631(a)(2)(B)(ix)(II) of such 9 Act (42)U.S.C. 1383(a)(2)(B)(ix)(II) is 10 amended by striking all that follows "15 years, 11 or" and inserting "described in subparagraph 12 (A)(ii)(II).". 13 (D) Section 1631(a)(2)(D)(i)(II) of such 14 Act (42 U.S.C. 1383(a)(2)(D)(i)(II)) is amend-15 ed by striking "eligible for benefits" and all 16 that follows through "is disabled" and inserting 17 "described in subparagraph (A)(ii)(II)". 18 (3) Treatment referrals for individuals 19 WITH AN ALCOHOLISM OR DRUG ADDICTION CONDI-20 TION.—Title XVI of such Act (42 U.S.C. 1381 et 21 seq.) is amended by adding at the end the following 22 new section: 23 "TREATMENT REFERRALS FOR INDIVIDUALS WITH AN 24 ALCOHOLISM OR DRUG ADDICTION CONDITION 25 "Sec. 1636. In the case of any individual whose bene-

fits under this title are paid to a representative payee pur-

- 1 suant to section 1631(a)(2)(A)(ii)(II), the Commissioner
- 2 of Social Security shall refer such individual to the appro-
- 3 priate State agency administering the State plan for sub-
- 4 stance abuse treatment services approved under subpart
- 5 II of part B of title XIX of the Public Health Service Act
- 6 (42 U.S.C. 300x-21 et seq.).".
- 7 (4) Conforming Amendments.—
- 8 (A) Section 1611(e) of such Act (42)
- 9 U.S.C. 1382(e)) is amended by striking para-
- 10 graph (3).
- 11 (B) Section 1634 of such Act (42 U.S.C.
- 12 1383c) is amended by striking subsection (e).
- 13 (5) Effective dates.—
- 14 (A) The amendments made by paragraphs
- (1) and (4) shall apply to any individual who
- applies for, or whose claim is finally adjudicated
- by the Commissioner of Social Security with re-
- spect to, supplemental security income benefits
- under title XVI of the Social Security Act based
- on disability on or after the date of the enact-
- 21 ment of this Act, and, in the case of any indi-
- vidual who has applied for, and whose claim has
- been finally adjudicated by the Commissioner
- 24 with respect to, such benefits before such date
- of enactment, such amendments shall apply

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only with respect to such benefits for months beginning on or after January 1, 1997.

- (B) The amendments made by paragraphs (2) and (3) shall apply with respect to supplemental security income benefits under title XVI of the Social Security Act for which applications are filed after the third month following the month in which this Act is enacted.
- (C) Within 90 days after the date of the enactment of this Act, the Commissioner of Social Security shall notify each individual who is eligible for supplemental security income benefits under title XVI of the Social Security Act for the month in which this Act is enacted and whose eligibility for such benefits would terminate by reason of the amendments made by this subsection. If such an individual reapplies for supplemental security income benefits under title XVI of such Act (as amended by this Act) within 120 days after the date of the enactment of this Act, the Commissioner of Social Security shall, not later than January 1, 1997, complete the eligibility redetermination (including a new medical determination) with respect to such in-

- 1 dividual pursuant to the procedures of such 2 title.
- 3 (D) For purposes of this paragraph, the 4 phrase "supplemental security income benefits 5 under title XVI of the Social Security Act" in-6 cludes supplementary payments pursuant to an 7 agreement for Federal administration under 8 section 1616(a) of the Social Security Act and 9 payments pursuant to an agreement entered into under section 212(b) of Public Law 93-66. 10
- 11 (c) Conforming Amendment.—Section 201(c) of 12 the Social Security Independence and Program Improve-13 ments Act of 1994 (42 U.S.C. 425 note) is repealed.
- (d) Supplemental Funding for Alcohol and
 Substance Abuse Treatment Programs.—
- 16 (1) IN GENERAL.—Out of any money in the 17 Treasury not otherwise appropriated, there are here-18 by appropriated to supplement State and Tribal pro-19 grams funded under section 1933 of the Public 20 Health U.S.C. Service Act (42)300x-33), 21 \$50,000,000 for each of the fiscal years 1997 and 22 1998.
- 23 (2) Additional funds.—Amounts appro-24 priated under paragraph (1) shall be in addition to 25 any funds otherwise appropriated for allotments

- under section 1933 of the Public Health Service Act (42 U.S.C. 300x–33) and shall be allocated pursuant to such section 1933.
- 4 (3) USE OF FUNDS.—A State or Tribal govern5 ment receiving an allotment under this subsection
 6 shall consider as priorities, for purposes of expend7 ing funds allotted under this subsection, activities
 8 relating to the treatment of the abuse of alcohol and
 9 other drugs.

10 SEC. 106. PILOT STUDY OF EFFICACY OF PROVIDING INDI-

- 11 VIDUALIZED INFORMATION TO RECIPIENTS
 12 OF OLD-AGE AND SURVIVORS INSURANCE
- 13 **BENEFITS.**
- 14 (a) In General.—During a 2-year period beginning 15 as soon as practicable in 1996, the Commissioner of Social Security shall conduct a pilot study of the efficacy of pro-16 viding certain individualized information to recipients of monthly insurance benefits under section 202 of the Social 18 19 Security Act, designed to promote better understanding 20 of their contributions and benefits under the social secu-21 rity system. The study shall involve solely beneficiaries whose entitlement to such benefits first occurred in or after 1984 and who have remained entitled to such benefits for a continuous period of not less than 5 years. The number of such recipients involved in the study shall be

- 1 of sufficient size to generate a statistically valid sample
- 2 for purposes of the study, but shall not exceed 600,000
- 3 beneficiaries.
- 4 (b) ANNUALIZED STATEMENTS.—During the course
- 5 of the study, the Commissioner shall provide to each of
- 6 the beneficiaries involved in the study one annualized
- 7 statement, setting forth the following information:
- 8 (1) an estimate of the aggregate wages and 9 self-employment income earned by the individual on 10 whose wages and self-employment income the benefit
- is based, as shown on the records of the Commis-
- sioner as of the end of the last calendar year ending
- prior to the beneficiary's first month of entitlement;
- 14 (2) an estimate of the aggregate of the em-
- ployee and self-employment contributions, and the
- aggregate of the employer contributions (separately
- identified), made with respect to the wages and self-
- 18 employment income on which the benefit is based, as
- shown on the records of the Commissioner as of the
- 20 end of the calendar year preceding the beneficiary's
- 21 first month of entitlement; and
- 22 (3) an estimate of the total amount paid as
- benefits under section 202 of the Social Security Act
- based on such wages and self-employment income, as
- shown on the records of the Commissioner as of the

- 1 end of the last calendar year preceding the issuance
- 2 of the statement for which complete information is
- 3 available.
- 4 (c) Inclusion With Matter Otherwise Distrib-
- 5 UTED TO BENEFICIARIES.—The Commissioner shall en-
- 6 sure that reports provided pursuant to this section are,
- 7 to the maximum extent practicable, included with other
- 8 reports currently provided to beneficiaries on an annual
- 9 basis.
- 10 (d) Report to the Congress.—The Commissioner
- 11 shall report to each House of the Congress regarding the
- 12 results of the pilot study conducted pursuant to this sec-
- 13 tion not later than 60 days after the completion of such
- 14 study.
- 15 SEC. 107. PROTECTION OF SOCIAL SECURITY AND MEDI-
- 16 CARE TRUST FUNDS.
- 17 (a) In General.—Part A of title XI of the Social
- 18 Security Act (42 U.S.C. 1301 et seq.) is amended by add-
- 19 ing at the end the following new section:
- 20 "PROTECTION OF SOCIAL SECURITY AND MEDICARE
- 21 TRUST FUNDS
- "Sec. 1145. (a) In General.—No officer or em-
- 23 ployee of the United States shall—
- 24 "(1) delay the deposit of any amount into (or
- delay the credit of any amount to) any Federal fund

1	or otherwise vary from the normal terms, proce-
2	dures, or timing for making such deposits or credits
3	"(2) refrain from the investment in public debt
4	obligations of amounts in any Federal fund, or
5	"(3) redeem prior to maturity amounts in any
6	Federal fund which are invested in public debt obli-
7	gations for any purpose other than the payment of
8	benefits or administrative expenses from such Fed-
9	eral fund.
10	"(b) Public Debt Obligation.—For purposes of
11	this section, the term 'public debt obligation' means any
12	obligation subject to the public debt limit established
13	under section 3101 of title 31, United States Code.
14	"(c) Federal Fund.—For purposes of this section,
15	the term 'Federal fund' means—
16	"(1) the Federal Old-Age and Survivors Insur-
17	ance Trust Fund;
18	"(2) the Federal Disability Insurance Trust
19	Fund;
20	"(3) the Federal Hospital Insurance Trust
21	Fund; and
22	"(4) the Federal Supplementary Medical Insur-
23	ance Trust Fund.".

1	(b) Effective Date.—The amendment made by
2	this section shall take effect on the date of the enactment
3	of this Act.
4	SEC. 108. PROFESSIONAL STAFF FOR THE SOCIAL SECU-
5	RITY ADVISORY BOARD.
6	Section 703(i) of the Social Security Act (42
7	U.S.C. 903(i)) is amended in the first sentence by insert-
8	ing after "Staff Director" the following: ", and three pro-
9	fessional staff members one of whom shall be appointed
10	from among individuals approved by the members of the
11	Board who are not members of the political party rep-
12	resented by the majority of the Board,".
13	TITLE II—LINE ITEM VETO
14	SEC. 201. SHORT TITLE.
15	This title may be cited as the "Line Item Veto Act".
16	SEC. 202. LINE ITEM VETO AUTHORITY.
17	(a) In General.—Title X of the Congressional
18	Budget and Impoundment Control Act of 1974 (2 U.S.C.
19	681 et seq.) is amended by adding at the end the following
20	new part:
21	"PART C—LINE ITEM VETO
22	"LINE ITEM VETO AUTHORITY
23	"Sec. 1021. (a) In General.—Notwithstanding the

provisions of parts A and B, and subject to the provisions

25 of this part, the President may, with respect to any bill

or joint resolution that has been signed into law pursuant to Article I, section 7, of the Constitution of the United 3 States, cancel in whole— "(1) any dollar amount of discretionary budget 4 5 authority; 6 "(2) any item of new direct spending; or "(3) any limited tax benefit: 7 8 if the President— "(A) determines that such cancellation will— 9 "(i) reduce the Federal budget deficit; 10 "(ii) not impair any essential Government 11 12 functions; and "(iii) not harm the national interest; and 13 14 "(B) notifies the Congress of such cancellation 15 by transmitting a special message, in accordance 16 with section 1022, within five calendar days (exclud-17 ing Sundays) after the enactment of the law provid-18 ing the dollar amount of discretionary budget au-19 thority, item of new direct spending, or limited tax 20 benefit that was canceled. "(b) IDENTIFICATION OF CANCELLATIONS.—In iden-21 tifying dollar amounts of discretionary budget authority, items of new direct spending, and limited tax benefits for cancellation, the President shall—

1	"(1) consider the legislative history, construc-
2	tion, and purposes of the law which contains such
3	dollar amounts, items, or benefits;
4	"(2) consider any specific sources of informa-
5	tion referenced in such law or, in the absence of spe-
6	cific sources of information, the best available infor-
7	mation; and
8	"(3) use the definitions contained in section
9	1026 in applying this part to the specific provisions
10	of such law.
11	"(c) Exception for Disapproval Bills.—The au-
12	thority granted by subsection (a) shall not apply to any
13	dollar amount of discretionary budget authority, item of
14	new direct spending, or limited tax benefit contained in
15	any law that is a disapproval bill as defined in section
16	1026.
17	"SPECIAL MESSAGES
18	"Sec. 1022. (a) In General.—For each law from
19	which a cancellation has been made under this part, the
20	President shall transmit a single special message to the
21	Congress.
22	"(b) Contents.—
23	"(1) The special message shall specify—
24	"(A) the dollar amount of discretionary
25	budget authority, item of new direct spending,
26	or limited tax benefit which has been canceled,

1	and provide a corresponding reference number
2	for each cancellation;
3	"(B) the determinations required under
4	section 1021(a), together with any supporting
5	material;
6	"(C) the reasons for the cancellation;
7	"(D) to the maximum extent practicable,
8	the estimated fiscal, economic, and budgetary
9	effect of the cancellation;
10	"(E) all facts, circumstances and consider-
11	ations relating to or bearing upon the cancella-
12	tion, and to the maximum extent practicable,
13	the estimated effect of the cancellation upon the
14	objects, purposes and programs for which the
15	canceled authority was provided; and
16	"(F) include the adjustments that will be
17	made pursuant to section 1024 to the discre-
18	tionary spending limits under section 601 and
19	an evaluation of the effects of those adjust-
20	ments upon the sequestration procedures of sec-
21	tion 251 of the Balanced Budget and Emer-
22	gency Deficit Control Act of 1985.
23	"(2) In the case of a cancellation of any dollar
24	amount of discretionary budget authority or item of

1	new direct spending, the special message shall also
2	include, if applicable-
3	"(A) any account, department, or estab-
4	lishment of the Government for which such
5	budget authority was to have been available for
6	obligation and the specific project or govern-
7	mental functions involved;
8	"(B) the specific States and congressional
9	districts, if any, affected by the cancellation;
10	and
11	"(C) the total number of cancellations im-
12	posed during the current session of Congress on
13	States and congressional districts identified in
14	subparagraph (B).
15	"(c) Transmission of Special Messages to
16	House and Senate.—
17	"(1) The President shall transmit to the Con-
18	gress each special message under this part within
19	five calendar days (excluding Sundays) after enact-
20	ment of the law to which the cancellation applies.
21	Each special message shall be transmitted to the
22	House of Representatives and the Senate on the
23	same calendar day. Such special message shall be
24	delivered to the Clerk of the House of Representa-

- 1 tives if the House is not in session, and to the Sec-
- 2 retary of the Senate if the Senate is not in session.
- 3 "(2) Any special message transmitted under
- 4 this part shall be printed in the first issue of the
- 5 Federal Register published after such transmittal.
- 6 "CANCELLATION EFFECTIVE UNLESS DISAPPROVED
- 7 "Sec. 1023. (a) In General.—The cancellation of
- 8 any dollar amount of discretionary budget authority, item
- 9 of new direct spending, or limited tax benefit shall take
- 10 effect upon receipt in the House of Representatives and
- 11 the Senate of the special message notifying the Congress
- 12 of the cancellation. If a disapproval bill for such special
- 13 message is enacted into law, then all cancellations dis-
- 14 approved in that law shall be null and void and any such
- 15 dollar amount of discretionary budget authority, item of
- 16 new direct spending, or limited tax benefit shall be effec-
- 17 tive as of the original date provided in the law to which
- 18 the cancellation applied.
- 19 "(b) Commensurate Reductions in Discre-
- 20 TIONARY BUDGET AUTHORITY.—Upon the cancellation of
- 21 a dollar amount of discretionary budget authority under
- 22 subsection (a), the total appropriation for each relevant
- 23 account of which that dollar amount is a part shall be
- 24 simultaneously reduced by the dollar amount of that can-
- 25 cellation.

1	"DEFICIT REDUCTION
2	"Sec. 1024. (a) In General.—
3	"(1) DISCRETIONARY BUDGET AUTHORITY.—
4	OMB shall, for each dollar amount of discretionary
5	budget authority and for each item of new direct
6	spending canceled from an appropriation law under
7	section 1021(a)—
8	"(A) reflect the reduction that results from
9	such cancellation in the estimates required by
10	section 251(a)(7) of the Balanced Budget and
11	Emergency Deficit Control Act of 1985 in ac-
12	cordance with that Act, including an estimate of
13	the reduction of the budget authority and the
14	reduction in outlays flowing from such reduc-
15	tion of budget authority for each outyear; and
16	"(B) include a reduction to the discre-
17	tionary spending limits for budget authority
18	and outlays in accordance with the Balanced
19	Budget and Emergency Deficit Control Act of
20	1985 for each applicable fiscal year set forth in
21	section 601(a)(2) by amounts equal to the
22	amounts for each fiscal year estimated pursuant
23	to subparagraph (A).
24	"(2) Direct spending and limited tax
25	BENEFITS.—(A) OMB shall, for each item of new

- direct spending or limited tax benefit canceled from a law under section 1021(a), estimate the deficit decrease caused by the cancellation of such item or benefit in that law and include such estimate as a separate entry in the report prepared pursuant to section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985.
- 8 "(B) OMB shall not include any change in the 9 deficit resulting from a cancellation of any item of new direct spending or limited tax benefit, or the en-10 11 actment of a disapproval bill for any such cancella-12 tion, under this part in the estimates and reports re-13 quired by sections 252(b) and 254 of the Balanced 14 Budget and Emergency Deficit Control Act of 1985. 15 "(b) Adjustments to Spending Limits.—After ten calendar days (excluding Sundays) after the expiration 16 17 of the time period in section 1025(b)(1) for expedited con-18 gressional consideration of a disapproval bill for a special 19 message containing a cancellation of discretionary budget
- 20 authority, OMB shall make the reduction included in sub-21 section (a)(1)(B) as part of the next sequester report re-22 quired by section 254 of the Balanced Budget and Emer-
- 23 gency Deficit Control Act of 1985.
- 24 "(c) EXCEPTION.—Subsection (b) shall not apply to 25 a cancellation if a disapproval bill or other law that dis-

- 1 approves that cancellation is enacted into law prior to 10
- 2 calendar days (excluding Sundays) after the expiration of
- 3 the time period set forth in section 1025(b)(1).
- 4 "(d) Congressional Budget Office Esti-
- 5 Mates.—As soon as practicable after the President makes
- 6 a cancellation from a law under section 1021(a), the Di-
- 7 rector of the Congressional Budget Office shall provide the
- 8 Committees on the Budget of the House of Representa-
- 9 tives and the Senate with an estimate of the reduction of
- 10 the budget authority and the reduction in outlays flowing
- 11 from such reduction of budget authority for each outyear.
- 12 "EXPEDITED CONGRESSIONAL CONSIDERATION OF
- 13 DISAPPROVAL BILLS
- "Sec. 1025. (a) Receipt and Referral of Spe-
- 15 CIAL MESSAGE.—Each special message transmitted under
- 16 this part shall be referred to the Committee on the Budget
- 17 and the appropriate committee or committees of the Sen-
- 18 ate and the Committee on the Budget and the appropriate
- 19 committee or committees of the House of Representatives.
- 20 Each such message shall be printed as a document of the
- 21 House of Representatives.
- 22 "(b) Time Period for Expedited Procedures.—
- "(1) There shall be a congressional review pe-
- riod of 30 calendar days of session, beginning on the
- 25 first calendar day of session after the date on which
- the special message is received in the House of Rep-

- resentatives and the Senate, during which the procedures contained in this section shall apply to both Houses of Congress.
- 4 "(2) In the House of Representatives the proce-5 dures set forth in this section shall not apply after 6 the end of the period described in paragraph (1).
- 7 "(3) If Congress adjourns at the end of a Con-8 gress prior to the expiration of the period described 9 in paragraph (1) and a disapproval bill was then 10 pending in either House of Congress or a committee 11 thereof (including a conference committee of the two Houses of Congress), or was pending before the 12 13 President, a disapproval bill for the same special 14 message may be introduced within the first five cal-15 endar days of session of the next Congress and shall 16 be treated as a disapproval bill under this part, and 17 the time period described in paragraph (1) shall 18 commence on the day of introduction of that dis-19 approval bill.
- 20 "(c) Introduction of Disapproval Bills.—(1)
- 21 In order for a disapproval bill to be considered under the
- 22 procedures set forth in this section, the bill must meet the
- 23 definition of a disapproval bill and must be introduced no
- 24 later than the fifth calendar day of session following the
- 25 beginning of the period described in subsection (b)(1).

- 1 "(2) In the case of a disapproval bill introduced in
- 2 the House of Representatives, such bill shall include in
- 3 the first blank space referred to in section 1026(6)(C) a
- 4 list of the reference numbers for all cancellations made
- 5 by the President in the special message to which such dis-
- 6 approval bill relates.
- 7 "(d) Consideration in the House of Rep-
- 8 RESENTATIVES.—(1) Any committee of the House of Rep-
- 9 resentatives to which a disapproval bill is referred shall
- 10 report it without amendment, and with or without rec-
- 11 ommendation, not later than the seventh calendar day of
- 12 session after the date of its introduction. If any committee
- 13 fails to report the bill within that period, it is in order
- 14 to move that the House discharge the committee from fur-
- 15 ther consideration of the bill, except that such a motion
- 16 may not be made after the committee has reported a dis-
- 17 approval bill with respect to the same special message. A
- 18 motion to discharge may be made only by a Member favor-
- 19 ing the bill (but only at a time or place designated by the
- 20 Speaker in the legislative schedule of the day after the
- 21 calendar day on which the Member offering the motion
- 22 announces to the House his intention to do so and the
- 23 form of the motion). The motion is highly privileged. De-
- 24 bate thereon shall be limited to not more than one hour,
- 25 the time to be divided in the House equally between a pro-

- 1 ponent and an opponent. The previous question shall be
- 2 considered as ordered on the motion to its adoption with-
- 3 out intervening motion. A motion to reconsider the vote
- 4 by which the motion is agreed to or disagreed to shall not
- 5 be in order.
- 6 "(2) After a disapproval bill is reported or a commit-
- 7 tee has been discharged from further consideration, it is
- 8 in order to move that the House resolve into the Commit-
- 9 tee of the Whole House on the State of the Union for con-
- 10 sideration of the bill. If reported and the report has been
- 11 available for at least one calendar day, all points of order
- 12 against the bill and against consideration of the bill are
- 13 waived. If discharged, all points of order against the bill
- 14 and against consideration of the bill are waived. The mo-
- 15 tion is highly privileged. A motion to reconsider the vote
- 16 by which the motion is agreed to or disagreed to shall not
- 17 be in order. During consideration of the bill in the Com-
- 18 mittee of the Whole, the first reading of the bill shall be
- 19 dispensed with. General debate shall proceed, shall be con-
- 20 fined to the bill, and shall not exceed one hour equally
- 21 divided and controlled by a proponent and an opponent
- 22 of the bill. The bill shall be considered as read for amend-
- 23 ment under the five-minute rule. Only one motion to rise
- 24 shall be in order, except if offered by the manager. No
- 25 amendment to the bill is in order, except any Member if

- 1 supported by 49 other Members (a quorum being present)
- 2 may offer an amendment striking the reference number
- 3 or numbers of a cancellation or cancellations from the bill.
- 4 Consideration of the bill for amendment shall not exceed
- 5 one hour excluding time for recorded votes and quorum
- 6 calls. No amendment shall be subject to further amend-
- 7 ment, except pro forma amendments for the purposes of
- 8 debate only. At the conclusion of the consideration of the
- 9 bill for amendment, the Committee shall rise and report
- 10 the bill to the House with such amendments as may have
- 11 been adopted. The previous question shall be considered
- 12 as ordered on the bill and amendments thereto to final
- 13 passage without intervening motion. A motion to recon-
- 14 sider the vote on passage of the bill shall not be in order.
- 15 "(3) Appeals from decisions of the Chair regarding
- 16 application of the rules of the House of Representatives
- 17 to the procedure relating to a disapproval bill shall be de-
- 18 cided without debate.
- 19 "(4) It shall not be in order to consider under this
- 20 subsection more than one disapproval bill for the same
- 21 special message except for consideration of a similar Sen-
- 22 ate bill (unless the House has already rejected a dis-
- 23 approval bill for the same special message) or more than
- 24 one motion to discharge described in paragraph (1) with
- 25 respect to a disapproval bill for that special message.

1	"(e) Consideration in the Senate.—
2	"(1) Referral and Reporting.—Any dis-
3	approval bill introduced in the Senate shall be re-
4	ferred to the appropriate committee or committees.
5	A committee to which a disapproval bill has been re-
6	ferred shall report the bill not later than the seventh
7	day of session following the date of introduction of
8	that bill. If any committee fails to report the bill
9	within that period, that committee shall be auto-
10	matically discharged from further consideration of
11	the bill and the bill shall be placed on the Calendar.
12	"(2) DISAPPROVAL BILL FROM HOUSE.—When
13	the Senate receives from the House of Representa-
14	tives a disapproval bill, such bill shall not be referred
15	to committee and shall be placed on the Calendar.
16	"(3) Consideration of single disapproval
17	BILL.—After the Senate has proceeded to the con-
18	sideration of a disapproval bill for a special message,
19	then no other disapproval bill originating in that
20	same House relating to that same message shall be
21	subject to the procedures set forth in this sub-
22	section.
23	"(4) Amendments.—
24	"(A) Amendments in order.—The only

amendments in order to a disapproval bill are—

1	"(i) an amendment that strikes the
2	reference number of a cancellation from
3	the disapproval bill; and
4	"(ii) an amendment that only inserts
5	the reference number of a cancellation in-
6	cluded in the special message to which the
7	disapproval bill relates that is not already
8	contained in such bill.
9	"(B) WAIVER OR APPEAL.—An affirmative
10	vote of three-fifths of the Senators, duly chosen
11	and sworn, shall be required in the Senate—
12	"(i) to waive or suspend this para-
13	graph; or
14	"(ii) to sustain an appeal of the ruling
15	of the Chair on a point of order raised
16	under this paragraph.
17	"(5) MOTION NONDEBATABLE.—A motion to
18	proceed to consideration of a disapproval bill under
19	this subsection shall not be debatable. It shall not be
20	in order to move to reconsider the vote by which the
21	motion to proceed was adopted or rejected, although
22	subsequent motions to proceed may be made under
23	this paragraph.
24	"(6) Limit on consideration.— (A) After no
25	more than 10 hours of consideration of a dis-

- approval bill, the Senate shall proceed, without intervening action or debate (except as permitted under paragraph (9)), to vote on the final disposition thereof to the exclusion of all amendments not then pending and to the exclusion of all motions, except a motion to reconsider or to table.
 - "(B) A single motion to extend the time for consideration under subparagraph (A) for no more than an additional five hours is in order prior to the expiration of such time and shall be decided without debate.
 - "(C) The time for debate on the disapproval bill shall be equally divided between the Majority Leader and the Minority Leader or their designees.
 - "(7) DEBATE ON AMENDMENTS.—Debate on any amendment to a disapproval bill shall be limited to one hour, equally divided and controlled by the Senator proposing the amendment and the majority manager, unless the majority manager is in favor of the amendment, in which case the minority manager shall be in control of the time in opposition.
 - "(8) NO MOTION TO RECOMMIT.—A motion to recommit a disapproval bill shall not be in order.
- 24 "(9) DISPOSITION OF SENATE DISAPPROVAL
 25 BILL.—If the Senate has read for the third time a

disapproval bill that originated in the Senate, then it shall be in order at any time thereafter to move to proceed to the consideration of a disapproval bill for the same special message received from the House of Representatives and placed on the Calendar pursuant to paragraph (2), strike all after the enacting clause, substitute the text of the Senate disapproval bill, agree to the Senate amendment, and vote on final disposition of the House disapproval bill, all without any intervening action or debate.

"(10) Consideration of House Message.—
Consideration in the Senate of all motions, amendments, or appeals necessary to dispose of a message from the House of Representatives on a disapproval bill shall be limited to not more than four hours. Debate on each motion or amendment shall be limited to 30 minutes. Debate on any appeal or point of order that is submitted in connection with the disposition of the House message shall be limited to 20 minutes. Any time for debate shall be equally divided and controlled by the proponent and the majority manager, unless the majority manager is a proponent of the motion, amendment, appeal, or point

of order, in which case the minority manager shall be in control of the time in opposition.

"(f) Consideration in Conference—

- "(1) Convening of conference.—In the case of disagreement between the two Houses of Congress with respect to a disapproval bill passed by both Houses, conferees should be promptly appointed and a conference promptly convened, if necessary.
- "(2) House consideration.—(A) Notwithstanding any other rule of the House of Representatives, it shall be in order to consider the report of a committee of conference relating to a disapproval bill provided such report has been available for one calendar day (excluding Saturdays, Sundays, or legal holidays, unless the House is in session on such a day) and the accompanying statement shall have been filed in the House.
- "(B) Debate in the House of Representatives on the conference report and any amendments in disagreement on any disapproval bill shall each be limited to not more than one hour equally divided and controlled by a proponent and an opponent. A motion to further limit debate is not debatable. A motion to recommit the conference report is not in

- order, and it is not in order to move to reconsider the vote by which the conference report is agreed to or disagreed to.
 - "(3) Senate consideration.—Consideration in the Senate of the conference report and any amendments in disagreement on a disapproval bill shall be limited to not more than four hours equally divided and controlled by the Majority Leader and the Minority Leader or their designees. A motion to recommit the conference report is not in order.
 - "(4) LIMITS ON SCOPE.—(A) When a disagreement to an amendment in the nature of a substitute has been referred to a conference, the conferees shall report those cancellations that were included in both the bill and the amendment, and may report a cancellation included in either the bill or the amendment, but shall not include any other matter.
 - "(B) When a disagreement on an amendment or amendments of one House to the disapproval bill of the other House has been referred to a committee of conference, the conferees shall report those cancellations upon which both Houses agree and may report any or all of those cancellations upon which there is disagreement, but shall not include any other matter.

1	"DEFINITIONS
2	"Sec. 1026. As used in this part:
3	"(1) Appropriation law.—The term 'appro-
4	priation law' means an Act referred to in section
5	105 of title 1, United States Code, including any
6	general or special appropriation Act, or any Act
7	making supplemental, deficiency, or continuing ap-
8	propriations, that has been signed into law pursuant
9	to Article I, section 7, of the Constitution of the
10	United States.
11	"(2) CALENDAR DAY.—The term 'calendar day'
12	means a standard 24-hour period beginning at mid-
13	night.
14	"(3) CALENDAR DAYS OF SESSION.—The term
15	'calendar days of session' shall mean only those days
16	on which both Houses of Congress are in session.
17	"(4) Cancel.—The term 'cancel' or 'cancella-
18	tion' means—
19	"(A) with respect to any dollar amount of
20	discretionary budget authority, to rescind;
21	"(B) with respect to any item of new direct
22	spending—
23	"(i) that is budget authority provided
24	by law (other than an appropriation law),

1	to prevent such budget authority from hav-
2	ing legal force or effect;
3	"(ii) that is entitlement authority, to
4	prevent the specific legal obligation of the
5	United States from having legal force or
6	effect; or
7	"(iii) through the food stamp pro-
8	gram, to prevent the specific provision of
9	law that results in an increase in budget
10	authority or outlays for that program from
11	having legal force or effect; and
12	"(C) with respect to a limited tax benefit,
13	to prevent the specific provision of law that pro-
14	vides such benefit from having legal force or ef-
15	fect.
16	"(5) Direct spending.—The term 'direct
17	spending' means—
18	"(A) budget authority provided by law
19	(other than an appropriation law);
20	"(B) entitlement authority; and
21	"(C) the food stamp program.
22	"(6) DISAPPROVAL BILL.—The term 'dis-
23	approval bill' means a bill or joint resolution which
24	only disapproves one or more cancellations of dollar
25	amounts of discretionary budget authority, items of

1	new direct spending, or limited tax benefits in a spe-
2	cial message transmitted by the President under this
3	part and—
4	"(A) the title of which is as follows: 'A bill
5	disapproving the cancellations transmitted by
6	the President on, the blank space
7	being filled in with the date of transmission of
8	the relevant special message and the public law
9	number to which the message relates;
10	"(B) which does not have a preamble; and
11	"(C) which provides only the following
12	after the enacting clause: 'That Congress dis-
13	approves of cancellations, the blank
14	space being filled in with a list by reference
15	number of one or more cancellations contained
16	in the President's special message, 'as transmit-
17	ted by the President in a special message on
18	', the blank space being filled in with
19	the appropriate date, 'regarding', the
20	blank space being filled in with the public law
21	number to which the special message relates.
22	"(7) Dollar amount of discretionary
23	BUDGET AUTHORITY.—(A) Except as provided in
24	subparagraph (B), the term 'dollar amount of dis-

1	cretionary budget authority' means the entire dollar
2	amount of budget authority—
3	"(i) specified in an appropriation law, or
4	the entire dollar amount of budget authority re-
5	quired to be allocated by a specific proviso in ar
6	appropriation law for which a specific dollar fig-
7	ure was not included;
8	"(ii) represented separately in any table
9	chart, or explanatory text included in the state-
10	ment of managers or the governing committee
11	report accompanying such law;
12	"(iii) required to be allocated for a specific
13	program, project, or activity in a law (other
14	than an appropriation law) that mandates the
15	expenditure of budget authority from accounts
16	programs, projects, or activities for which budge
17	et authority is provided in an appropriation law
18	"(iv) represented by the product of the es-
19	timated procurement cost and the total quantity
20	of items specified in an appropriation law or in-
21	cluded in the statement of managers or the gov-
22	erning committee report accompanying such
23	law; and
24	"(v) represented by the product of the esti-
25	mated procurement cost and the total quantity

1	of items required to be provided in a law (other
2	than an appropriation law) that mandates the
3	expenditure of budget authority from accounts,
4	programs, projects, or activities for which budg-
5	et authority is provided in an appropriation law.
6	"(B) The term 'dollar amount of discretionary
7	budget authority' does not include—
8	"(i) direct spending;
9	"(ii) budget authority in an appropriation
10	law which funds direct spending provided for in
11	other law;
12	"(iii) any existing budget authority re-
13	scinded or canceled in an appropriation law; or
14	"(iv) any restriction, condition, or limita-
15	tion in an appropriation law or the accompany-
16	ing statement of managers or committee reports
17	on the expenditure of budget authority for an
18	account, program, project, or activity, or on ac-
19	tivities involving such expenditure.
20	"(8) Item of New Direct spending.—The
21	term 'item of new direct spending' means any spe-
22	cific provision of law that is estimated to result in
23	an increase in budget authority or outlays for direct
24	spending relative to the most recent levels calculated

1	pursuant to section 257 of the Balanced Budget and
2	Emergency Deficit Control Act of 1985.
3	"(9) Limited tax benefit.—(A) The term
4	'limited tax benefit' means—
5	"(i) any revenue-losing provision which
6	provides a Federal tax deduction, credit, exclu-
7	sion, or preference to 100 or fewer beneficiaries
8	under the Internal Revenue Code of 1986 in
9	any fiscal year for which the provision is in ef-
10	fect; and
11	"(ii) any Federal tax provision which pro-
12	vides temporary or permanent transitional relief
13	for 10 or fewer beneficiaries in any fiscal year
14	from a change to the Internal Revenue Code of
15	1986.
16	"(B) A provision shall not be treated as de-
17	scribed in subparagraph (A)(i) if the effect of that
18	provision is that—
19	"(i) all persons in the same industry or en-
20	gaged in the same type of activity receive the
21	same treatment;
22	"(ii) all persons owning the same type of
23	property, or issuing the same type of invest-
24	ment, receive the same treatment; or

1	"(iii) any difference in the treatment of
2	persons is based solely on—
3	"(I) in the case of businesses and as-
4	sociations, the size or form of the business
5	or association involved;
6	"(II) in the case of individuals, gen-
7	eral demographic conditions, such as in-
8	come, marital status, number of depend-
9	ents, or tax return filing status;
10	"(III) the amount involved; or
11	"(IV) a generally-available election
12	under the Internal Revenue Code of 1986.
13	"(C) A provision shall not be treated as de-
14	scribed in subparagraph (A)(ii) if—
15	"(i) it provides for the retention of prior
16	law with respect to all binding contracts or
17	other legally enforceable obligations in existence
18	on a date contemporaneous with congressional
19	action specifying such date; or
20	"(ii) it is a technical correction to pre-
21	viously enacted legislation that is estimated to
22	have no revenue effect.
23	"(D) For purposes of subparagraph (A)—
24	"(i) all businesses and associations which
25	are related within the meaning of sections

1	707(b) and 1563(a) of the Internal Revenue
2	Code of 1986 shall be treated as a single bene-
3	ficiary;
4	"(ii) all qualified plans of an employer
5	shall be treated as a single beneficiary;
6	"(iii) all holders of the same bond issue
7	shall be treated as a single beneficiary; and
8	"(iv) if a corporation, partnership, associa-
9	tion, trust or estate is the beneficiary of a pro-
10	vision, the shareholders of the corporation, the
11	partners of the partnership, the members of the
12	association, or the beneficiaries of the trust or
13	estate shall not also be treated as beneficiaries
14	of such provision.
15	"(E) For purposes of this paragraph, the term
16	'revenue-losing provision' means any provision which
17	results in a reduction in Federal tax revenues for
18	any one of the two following periods—
19	"(i) the first fiscal year for which the pro-
20	vision is effective; or
21	"(ii) the period of the 5 fiscal years begin-
22	ning with the first fiscal year for which the pro-
23	vision is effective.
24	"(F) The terms used in this paragraph shall
25	have the same meaning as those terms have gen-

- 1 erally in the Internal Revenue Code of 1986, unless
- 2 otherwise expressly provided.
- 3 "(10) OMB.—The term 'OMB' means the Di-
- 4 rector of the Office of Management and Budget.
- 5 "IDENTIFICATION OF LIMITED TAX BENEFITS
- 6 "Sec. 1027. (a) Statement by Joint Tax Com-
- 7 MITTEE.—The Joint Committee on Taxation shall review
- 8 any revenue or reconciliation bill or joint resolution which
- 9 includes any amendment to the Internal Revenue Code of
- 10 1986 that is being prepared for filing by a committee of
- 11 conference of the two Houses, and shall identify whether
- 12 such bill or joint resolution contains any limited tax bene-
- 13 fits. The Joint Committee on Taxation shall provide to
- 14 the committee of conference a statement identifying any
- 15 such limited tax benefits or declaring that the bill or joint
- 16 resolution does not contain any limited tax benefits. Any
- 17 such statement shall be made available to any Member of
- 18 Congress by the Joint Committee on Taxation imme-
- 19 diately upon request.
- 20 "(b) Statement Included in Legislation.—(1)
- 21 Notwithstanding any other rule of the House of Rep-
- 22 resentatives or any rule or precedent of the Senate, any
- 23 revenue or reconciliation bill or joint resolution which in-
- 24 cludes any amendment to the Internal Revenue Code of
- 25 1986 reported by a committee of conference of the two
- 26 Houses may include, as a separate section of such bill or

- 1 joint resolution, the information contained in the state-
- 2 ment of the Joint Committee on Taxation, but only in the
- 3 manner set forth in paragraph (2).
- 4 "(2) The separate section permitted under paragraph
- 5 (1) shall read as follows: 'Section 1021(a)(3) of the Con-
- 6 gressional Budget and Impoundment Control Act of 1974
- 7 shall ______ apply to ______.', with the blank
- 8 spaces being filled in with —
- 9 "(A) in any case in which the Joint Committee
- on Taxation identifies limited tax benefits in the
- 11 statement required under subsection (a), the word
- 12 'only' in the first blank space and a list of all of the
- specific provisions of the bill or joint resolution iden-
- tified by the Joint Committee on Taxation in such
- statement in the second blank space; or
- 16 "(B) in any case in which the Joint Committee
- on Taxation declares that there are no limited tax
- benefits in the statement required under subsection
- 19 (a), the word 'not' in the first blank space and the
- 20 phrase 'any provision of this Act' in the second
- blank space.
- 22 "(c) President's Authority.—If any revenue or
- 23 reconciliation bill or joint resolution is signed into law pur-
- 24 suant to Article I, section 7, of the Constitution of the
- 25 United States—

"(1) with a separate section described in subsection (b)(2), then the President may use the authority granted in section 1021(a)(3) only to cancel any limited tax benefit in that law, if any, identified in such separate section; or

"(2) without a separate section described in subsection (b)(2), then the President may use the authority granted in section 1021(a)(3) to cancel any limited tax benefit in that law that meets the definition in section 1026.

11 "(d) Congressional Identifications of Limited

12 Tax Benefits.—There shall be no judicial review of the

13 congressional identification under subsections (a) and (b)

14 of a limited tax benefit in a conference report.".

15 SEC. 203. JUDICIAL REVIEW.

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(a) Expedited Review.—

(1) Any Member of Congress or any individual adversely affected by part C of title X of the Congressional Budget and Impoundment Control Act of 1974 may bring an action, in the United States District Court for the District of Columbia, for declaratory judgment and injunctive relief on the ground that any provision of this part violates the Constitution.

- 1 (2) A copy of any complaint in an action 2 brought under paragraph (1) shall be promptly de-3 livered to the Secretary of the Senate and the Clerk 4 of the House of Representatives, and each House of 5 Congress shall have the right to intervene in such 6 action.
- 7 (3) Nothing in this section or in any other law 8 shall infringe upon the right of the House of Rep-9 resentatives to intervene in an action brought under 10 paragraph (1) without the necessity of adopting a 11 resolution to authorize such intervention.
- 12 (b) APPEAL TO SUPREME COURT.—Notwithstanding any other provision of law, any order of the United States District Court for the District of Columbia which is issued 14 15 pursuant to an action brought under paragraph (1) of subsection (a) shall be reviewable by appeal directly to the 16 17 Supreme Court of the United States. Any such appeal 18 shall be taken by a notice of appeal filed within 10 cal-19 endar days after such order is entered; and the jurisdic-20 tional statement shall be filed within 30 calendar days 21 after such order is entered. No stay of an order issued pursuant to an action brought under paragraph (1) of sub-23 section (a) shall be issued by a single Justice of the Supreme Court.

- 1 (c) Expedited Consideration.—It shall be the
- 2 duty of the District Court for the District of Columbia
- 3 and the Supreme Court of the United States to advance
- 4 on the docket and to expedite to the greatest possible ex-
- 5 tent the disposition of any matter brought under sub-
- 6 section (a).

7 SEC. 204. CONFORMING AMENDMENTS.

- 8 (a) Short Titles.—Section 1(a) of the Congres-
- 9 sional Budget and Impoundment Control Act of 1974 is
- 10 amended by—
- 11 (1) striking "and" before "title X" and insert-
- ing a period;
- 13 (2) inserting "Parts A and B of" before "title
- 14 X"; and
- 15 (3) inserting at the end the following new sen-
- tence: "Part C of title X may be cited as the 'Line
- 17 Item Veto Act of 1996'.".
- 18 (b) Table of Contents.—The table of contents set
- 19 forth in section 1(b) of the Congressional Budget and Im-
- 20 poundment Control Act of 1974 is amended by adding at
- 21 the end the following:

"PART C—LINE ITEM VETO

- "Sec. 1021. Line item veto authority.
- "Sec. 1022. Special messages.
- "Sec. 1023. Cancellation effective unless disapproved.
- "Sec. 1024. Deficit reduction.
- "Sec. 1025. Expedited congressional consideration of disapproval bills.
- "Sec. 1026. Definitions.
- "Sec. 1027. Identification of limited tax benefits.".

1	(c) Exercise of Rulemaking Powers.—Section
2	904(a) of the Congressional Budget Act of 1974 is amend-
3	ed by striking "and 1017" and inserting ", 1017, 1025,
4	and 1027".
5	SEC. 205. EFFECTIVE DATES.
6	This Act and the amendments made by it shall take
7	effect and apply to measures enacted on the earlier of—
8	(1) the day after the enactment into law, pursu-
9	ant to Article I, section 7, of the Constitution of the
10	United States, of an Act entitled "An Act to provide
11	for a seven-year plan for deficit reduction and
12	achieve a balanced Federal budget."; or
13	(2) January 1, 1997;
14	and shall have no force or effect on or after January 1,
15	2005.
16	TITLE III—SMALL BUSINESS
17	REGULATORY FAIRNESS
18	SEC. 301. SHORT TITLE.
19	This title may be cited as the "Small Business
20	Growth and Fairness Act of 1996".
21	Subtitle A—Regulatory Compliance
22	Simplification
23	SEC. 311. DEFINITIONS.
24	For nurnoses of this subtitle and subtitle B—

- 1 (1) the terms "rule" and "small entity" have 2 the same meanings as in section 601 of title 5, Unit-3 ed States Code;
- 4 (2) the term "agency" has the same meaning as 5 in section 551 of title 5, United States Code; and
- 6 (3) the term "small entity compliance guide"
 7 means a document designated as such by an agency.

8 SEC. 312. COMPLIANCE GUIDES.

9 (a) Compliance Guide.—For each rule or group of 10 related rules for which an agency is required to prepare a final regulatory flexibility analysis under section 604 of 11 12 title 5, United States Code, the agency shall publish one or more guides to assist small entities in complying with the rule, and shall designate such publications as "small 14 15 entity compliance guides". The guides shall explain the actions a small entity is required to take to comply with a 16 rule or group of rules. The agency shall, in its sole discretion, taking into account the subject matter of the rule 18 19 and the language of relevant statutes, ensure that the guide is written using sufficiently plain language likely to 20 21 be understood by affected small entities. Agencies may prepare separate guides covering groups or classes of simi-23 larly affected small entities, and may cooperate with associations of small entities to develop and distribute such 25 guides.

- 1 (b) Comprehensive Source of Information.—
- 2 Agencies shall cooperate to make available to small enti-
- 3 ties through comprehensive sources of information, the
- 4 small entity compliance guides and all other available in-
- 5 formation on statutory and regulatory requirements af-
- 6 fecting small entities.
- 7 (c) Limitation on Judicial Review.—An agency's
- 8 small entity compliance guide shall not be subject to judi-
- 9 cial review, except that in any civil or administrative ac-
- 10 tion against a small entity for a violation occurring after
- 11 the effective date of this section, the content of the small
- 12 entity compliance guide may be considered as evidence of
- 13 the reasonableness or appropriateness of any proposed
- 14 fines, penalties or damages.

15 SEC. 313. INFORMAL SMALL ENTITY GUIDANCE.

- 16 (a) General.—Whenever appropriate in the interest
- 17 of administering statutes and regulations within the juris-
- 18 diction of an agency, it shall be the practice of the agency
- 19 to answer inquiries by small entities concerning informa-
- 20 tion on and advice about compliance with such statutes
- 21 and regulations, interpreting and applying the law to spe-
- 22 cific sets of facts supplied by the small entity. In any civil
- 23 or administrative action against a small entity, guidance
- 24 given by an agency applying the law to facts provided by
- 25 the small entity may be considered as evidence of the rea-

1	sonableness or appropriateness of any proposed fines, pen-
2	alties or damages sought against such small entity.
3	(b) Program.—Each agency regulating the activities
4	of small entities shall establish a program for responding
5	to such inquiries no later than 1 year after enactment of
6	this section, utilizing existing functions and personnel of
7	the agency to the extent practicable.
8	SEC. 314. SERVICES OF SMALL BUSINESS DEVELOPMENT
9	CENTERS.
10	Section 21(c)(3) of the Small Business Act (15
11	U.S.C. 648(c)(3)) is amended—
12	(1) in subparagraph (O), by striking "and" at
13	the end;
14	(2) in subparagraph (P), by striking the period
15	at the end and inserting a semicolon; and
16	(3) by inserting after subparagraph (P) the fol-
17	lowing new subparagraphs:
18	"(Q) providing assistance to small business
19	concerns regarding regulatory requirements;
20	and
21	"(R) developing informational publications,
22	establishing resource centers of reference mate-
23	rials, and distributing compliance guides pub-
24	lished under section 312(a) of the Small Busi-
25	ness Growth and Fairness Act of 1996.".

1 SEC. 315. COOPERATION ON GUIDANCE.

2	Agencies may, to the extent resources are available
3	and where appropriate, in cooperation with the states, de-
4	velop guides that fully integrate requirements of both Fed-
5	eral and state regulations where regulations within an
6	agency's area of interest at the Federal and state levels
7	impact small businesses. Where regulations vary among
8	the states, separate guides may be created for separate
9	states in cooperation with State agencies.
10	Subtitle B—Regulatory
11	Enforcement Reforms
12	SEC. 321. SMALL BUSINESS AND AGRICULTURE ENFORCE-
13	MENT OMBUDSMAN.
14	The Small Business Act (15 U.S.C. 631 et seq.) is
15	amended—
16	(1) by redesignating section 30 as section 31;
17	and
18	(2) by inserting after section 29 the following
19	new section:
20	"SEC. 30. OVERSIGHT OF REGULATORY ENFORCEMENT.
21	"(a) Definitions.—For purposes of this section, the
22	term—
23	"(1) "Board" means a Regional Small Business
24	Regulatory Fairness Board established under sub-
25	section (c); and

1 "(2) "Ombudsman" means the Small Business 2 and Agriculture Regulatory Enforcement Ombuds-3 man designated under subsection (b).

"(b) SBA ENFORCEMENT OMBUDSMAN.—

"(1) Not later than 180 days after the date of enactment of this section, the Administration shall designate a Small Business and Agriculture Regulatory Enforcement Ombudsman utilizing personnel of the Small Business Administration to the extent practicable. Other agencies shall assist the Ombudsman and take actions as necessary to ensure compliance with the requirements of this section. Nothing in this section is intended to replace or diminish the activities of any Ombudsman or similar office in any other agency.

"(2) The Ombudsman shall—

"(A) work with each agency with regulatory authority over small businesses to ensure that small business concerns that receive or are subject to an audit, on-site inspection, compliance assistance effort, or other enforcement related communication or contact by agency personnel are provided with a means to comment on the enforcement activity conducted by such personnel;

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"(B) establish means to receive comments from small business concerns regarding actions by agency employees conducting compliance or enforcement activities with respect to the small business concern, means to refer comments to the Inspector General of the affected agency in the appropriate circumstances, and otherwise seek to maintain the identity of the person and small business concern making such comments on a confidential basis to the same extent as employee identities are protected under section 7 of the Inspector General Act of 1978 (5 U.S.C.App.);

"(C) based on substantiated comments received from small business concerns and the Boards, annually report to Congress and affected agencies evaluating the enforcement activities of agency personnel including a rating of the responsiveness to small business of the various regional and program offices of each agency;

"(D) coordinate and report annually on the activities, findings and recommendations of the Boards to the Administration and to the heads of affected agencies; and

1	"(E) provide the affected agency with an
2	opportunity to comment on draft reports pre-
3	pared under subparagraph (C) and include a
4	section of the final report in which the affected
5	agency may make such comments as are not
6	addressed by the Ombudsman in revisions to
7	the draft.
8	"(c) REGIONAL SMALL BUSINESS REGULATORY
9	Fairness Boards.—
10	"(1) Not later than 180 days after the date of
11	enactment of this section, the Administration shall
12	establish a Small Business Regulatory Fairness
13	Board in each regional office of the Small Business
14	Administration.
15	"(2) Each Board established under paragraph
16	(1) shall—
17	"(A) meet at least annually to advise the
18	Ombudsman on matters of concern to small
19	businesses relating to the enforcement activities
20	of agencies;
21	"(B) report to the Ombudsman on sub-
22	stantiated instances of excessive enforcement
23	actions of agencies against small business con-
24	cerns including any findings or recommenda-

1	tions of the Board as to agency enforcement
2	policy or practice; and
3	"(C) prior to publication, provide comment
4	on the annual report of the Ombudsman pre-
5	pared under subsection (b).
6	"(3) Each Board shall consist of five members
7	appointed by the Administration, who are owners,
8	operators, or officers of small business concerns,
9	after receiving the recommendations of the chair and
10	ranking minority member of the Committees on
11	Small Business of the House of Representatives and
12	the Senate. Not more than three of the Board mem-
13	bers shall be of the same political party. No member
14	shall be an officer or employee of the Federal Gov-
15	ernment, in either the executive branch or the Con-
16	gress.
17	"(4) Members of the Board shall serve for
18	terms of three years or less.
19	"(5) The Administration shall select a chair
20	from among the members of the Board who shall
21	serve for not more than 2 years as chair.
22	"(6) A majority of the members of the Board
23	shall constitute a quorum for the conduct of busi-
24	ness, but a lesser number may hold hearings.

''(d) Powers of the Boards.

- 1 "(1) The Board may hold such hearings and 2 collect such information as appropriate for carrying 3 out this section.
 - "(2) The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.
 - "(3) The Board may accept donations of services necessary to conduct its business, provided that the donations and their sources are disclosed by the Board.
- 12 "(4) Members of the Board shall serve without 13 compensation, provided that, members of the Board 14 shall be allowed travel expenses, including per diem 15 in lieu of subsistence, at rates authorized for em-16 ployees of agencies under subchapter I of chapter 57 17 of title 5, United States Code, while away from their 18 homes or regular places of business in the perform-19 ance of services for the Board.".

20 SEC. 322. RIGHTS OF SMALL ENTITIES IN ENFORCEMENT

21 ACTIONS.

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- 22 (a) In General.—Each agency regulating the activi-
- 23 ties of small entities shall establish a policy or program
- 24 within 1 year of enactment of this section to provide for
- 25 the reduction, and under appropriate circumstances for

- 1 the waiver, of civil penalties for violations of a statutory
- 2 or regulatory requirement by a small entity. Under appro-
- 3 priate circumstances, an agency may consider ability to
- 4 pay in determining penalty assessments on small entities.
- 5 (b) CONDITIONS AND EXCLUSIONS.—Subject to the
- 6 requirements or limitations of other statutes, policies or
- 7 programs established under this section shall contain con-
- 8 ditions or exclusions which may include, but shall not be
- 9 limited to—
- 10 (1) requiring the small entity to correct the vio-11 lation within a reasonable correction period;
- 12 (2) limiting the applicability to violations dis-13 covered by the small entity through participation in 14 a compliance assistance or audit program operated
- or supported by the agency or a state;
- 16 (3) excluding small entities that have been sub-17 ject to multiple enforcement actions by the agency;
- (4) excluding violations involving willful or
 eriminal conduct;
- 20 (5) excluding violations that pose serious
- 21 health, safety or environmental threats; and
- 22 (6) requiring a good faith effort to comply with the law.
- 24 (c) Reporting.—Agencies shall report to Congress
- 25 no later than 2 years from the effective date on the scope

- 1 of their program or policy, the number of enforcement ac-
- 2 tions against small entities that qualified or failed to qual-
- 3 ify for the program or policy, and the total amount of pen-
- 4 alty reductions and waivers.

5 Subtitle C—Strengthening

Regulatory Flexibility

- 7 SEC. 331. JUDICIAL REVIEW.
- 8 (a) AMENDMENT.—Section 611 of title 5, United
- 9 States Code, is amended to read as follows:
- 10 "§ 611. Judicial review
- 11 "(a)(1) Not later than one year, notwithstanding any
- 12 other provision of law, after the effective date of a final
- 13 rule with respect to which an agency—
- "(A) certified, pursuant to section 605(b), that
- such rule would not have a significant economic im-
- pact on a substantial number of small entities; or
- 17 "(B) prepared a final regulatory flexibility anal-
- ysis pursuant to section 604,
- 19 an affected small entity may petition for the judicial re-
- 20 view of such certification or analysis in accordance with
- 21 the terms of this subsection. A court having jurisdiction
- 22 to review such rule for compliance with the provisions of
- 23 section 553 or under any other provision of law shall have
- 24 jurisdiction to review such certification or analysis. In the
- 25 case where an agency delays the issuance of a final regu-

- 1 latory flexibility analysis pursuant to section 608(b), a pe-
- 2 tition for judicial review under this subsection shall be
- 3 filed not later than one year, notwithstanding any other
- 4 provision of law, after the date the analysis is made avail-
- 5 able to the public.
- 6 "(2) For purposes of this subsection, the term 'af-
- 7 fected small entity' means a small entity that is or will
- 8 be adversely affected by the final rule.
- 9 "(3) Nothing in this subsection shall be construed to
- 10 affect the authority of any court to stay the effective date
- 11 of any rule or provision thereof under any other provision
- 12 of law.
- (4)(A) In the case where the agency certified that
- 14 such rule would not have a significant economic impact
- 15 on a substantial number of small entities, the court may
- 16 order the agency to prepare a final regulatory flexibility
- 17 analysis pursuant to section 604 if the court determines,
- 18 on the basis of the rulemaking record, that the certifi-
- 19 cation was arbitrary, capricious, an abuse of discretion,
- 20 or otherwise not in accordance with law.
- 21 "(B) In the case where the agency prepared a final
- 22 regulatory flexibility analysis, the court may order the
- 23 agency to take corrective action consistent with the re-
- 24 quirements of section 604 if the court determines, on the
- 25 basis of the rulemaking record, that the final regulatory

- 1 flexibility analysis was prepared by the agency without ob-
- 2 servance of procedure required by section 604.
- 3 "(5) If, by the end of the 90-day period beginning
- 4 on the date of the order of the court pursuant to para-
- 5 graph (4) (or such longer period as the court may pro-
- 6 vide), the agency fails, as appropriate—
- 7 "(A) to prepare the analysis required by section
- 8 604; or
- 9 "(B) to take corrective action consistent with
- the requirements of section 604,
- 11 the court may stay the rule or grant such other relief as
- 12 it deems appropriate.
- 13 "(6) In making any determination or granting any
- 14 relief authorized by this subsection, the court shall take
- 15 due account of the rule of prejudicial error.
- 16 "(b) In an action for the judicial review of a rule,
- 17 any regulatory flexibility analysis for such rule (including
- 18 an analysis prepared or corrected pursuant to subsection
- 19 (a)(4)) shall constitute part of the whole record of agency
- 20 action in connection with such review.
- 21 "(c) Nothing in this section bars judicial review of
- 22 any other impact statement or similar analysis required
- 23 by any other law if judicial review of such statement or
- 24 analysis is otherwise provided by law.".

1	(b) Effective Date.—The amendment made by
2	subsection (a) shall apply only to final agency rules issued
3	after the date of enactment of this Act.
4	SEC. 332. RULES COMMENTED ON BY SBA CHIEF COUNSEL
5	FOR ADVOCACY.
6	(a) In General.—Section 612 of title 5, United
7	States Code, is amended by adding at the end the follow-
8	ing new subsection:
9	"(d) ACTION BY THE SBA CHIEF COUNSEL FOR AD-
10	VOCACY.—
11	"(1) Transmittal of Proposed Rules and
12	INITIAL REGULATORY FLEXIBILITY ANALYSIS TO
13	SBA CHIEF COUNSEL FOR ADVOCACY.—On or before
14	the 30th day preceding the date of publication by an
15	agency of general notice of proposed rulemaking for
16	a rule, the agency shall transmit to the Chief Coun-
17	sel for Advocacy of the Small Business Administra-
18	tion—
19	"(A) a copy of the proposed rule; and
20	"(B)(i) a copy of the initial regulatory
21	flexibility analysis for the rule if required under
22	section 603; or
23	"(ii) a determination by the agency that an
24	initial regulatory flexibility analysis is not re-

- quired for the proposed rule under section 603 and an explanation for the determination.
 - "(2) STATEMENT OF EFFECT.—On or before the 15th day following receipt of a proposed rule and initial regulatory flexibility analysis from an agency under paragraph (1), the Chief Counsel for Advocacy may transmit to the agency a written statement of the effect of the proposed rule on small entities.
 - "(3) RESPONSE.—If the Chief Counsel for Advocacy transmits to an agency a statement of effect on a proposed rule in accordance with paragraph (2), the agency shall publish the statement, together with the response of the agency to the statement, in the Federal Register at the time of publication of general notice of proposed rulemaking for the rule.
 - "(4) SPECIAL RULE.—Any proposed rules issued by an appropriate Federal banking agency (as that term is defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), the National Credit Union Administration, or the Office of Federal Housing Enterprise Oversight, in connection with the implementation of monetary policy or to ensure the safety and soundness of federally insured depository institutions, any affiliate of such an institution, credit unions, or government sponsored hous-

- 1 ing enterprises or to protect the Federal deposit in-
- 2 surance funds shall not be subject to the require-
- ments of this subsection.".
- 4 (b) Conforming Amendment.—Section 603(a) of
- 5 title 5, United States Code, is amended by inserting "in
- 6 accordance with section 612(d)" before the period at the
- 7 end of the last sentence.
- 8 SEC. 333. SENSE OF CONGRESS REGARDING SBA CHIEF
- 9 **COUNSEL FOR ADVOCACY.**
- 10 It is the sense of Congress that the Chief Counsel
- 11 for Advocacy of the Small Business Administration should
- 12 be permitted to appear as amicus curiae in any action or
- 13 case brought in a court of the United States for the pur-
- 14 pose of reviewing a rule.

15 Subtitle D—Congressional Review

- 16 SEC. 341. CONGRESSIONAL REVIEW OF AGENCY RULE-
- 17 MAKING.
- 18 Title 5, United States Code, is amended by inserting
- 19 immediately after chapter 7 the following new chapter:

20 "CHAPTER 8—CONGRESSIONAL REVIEW

21 **OF AGENCY RULEMAKING**

[&]quot;Sec.

[&]quot;801. Congressional review.

[&]quot;802. Congressional disapproval procedure.

[&]quot;803. Special rule on statutory, regulatory, and judicial deadlines.

[&]quot;804. Definitions.

[&]quot;805. Judicial review.

[&]quot;806. Applicability; severability.

[&]quot;807. Exemption for monetary policy.

[&]quot;808. Effective date of certain rules.

1 "§ 801. Congressional review

2	"(a)(1)(A) Before a rule can take effect as a final
3	rule, the Federal agency promulgating such rule shall sub-
4	mit to each House of the Congress and to the Comptroller
5	General a report containing—
6	"(i) a copy of the rule;
7	"(ii) a concise general statement relating to the
8	rule, including whether it is a major rule; and
9	"(iii) the proposed effective date of the rule.
10	"(B) The Federal agency promulgating the rule shall
11	make available to the Comptroller General, and, upon re-
12	quest, to each House of Congress—
13	"(i) a complete copy of the cost-benefit analysis
14	of the rule, if any;
15	"(ii) the agency's actions relevant to sections
16	603, 604, 605, 607, and 609;
17	"(iii) the agency's actions relevant to sections
18	202, 203, 204, and 205 of the Unfunded Mandates
19	Reform Act of 1995; and
20	"(iv) any other relevant information or require-
21	ments under any other Act and any relevant Execu-
22	tive orders.
23	"(C) Upon receipt, each House shall provide copies
24	to the Chairman and Ranking Member of each standing

25 committee with jurisdiction under the rules of the House

1	of Representatives or the Senate to report a bill to amend
2	the provision of law under which the rule is issued.
3	"(2)(A) The Comptroller General shall provide a re-
4	port on each major rule to the committees of jurisdiction
5	in each House of the Congress by the end of 15 calendar
6	days after the submission or publication date as provided
7	in section 802(b)(2). The report of the Comptroller Gen-
8	eral shall include an assessment of the agency's compli-
9	ance with procedural steps required by paragraph $(1)(B)$.
10	"(B) Federal agencies shall cooperate with the Comp-
11	troller General by providing information relevant to the
12	Comptroller General's report under subparagraph (A).
13	"(3) A major rule relating to a report submitted
14	under paragraph (1) shall take effect as a final rule, the
15	latest of—
16	"(A) the later of the date occurring 60 days
17	(excluding days either House of Congress is ad-
18	journed for more than 3 days during a session of
19	Congress) after the date on which—
20	"(i) the Congress receives the report sub-
21	mitted under paragraph (1); or
22	"(ii) the rule is published in the Federal
23	Register;
24	"(B) if the Congress passes a joint resolution of
25	disapproval described under section 802 relating to

- 1 the rule, and the President signs a veto of such reso-
- 2 lution, the earlier date—
- 3 "(i) on which either House of Congress
- 4 votes and fails to override the veto of the Presi-
- 5 dent; or
- 6 "(ii) occurring 30 session days after the
- 7 date on which the Congress received the veto
- 8 and objections of the President; or
- 9 "(C) the date the rule would have otherwise
- taken effect, if not for this section (unless a joint
- 11 resolution of disapproval under section 802 is en-
- 12 acted).
- 13 "(4) Except for a major rule, a rule shall take effect
- 14 as otherwise provided by law after submission to Congress
- 15 under paragraph (1).
- 16 "(5) Notwithstanding paragraph (3), the effective
- 17 date of a rule shall not be delayed by operation of this
- 18 chapter beyond the date on which either House of Con-
- 19 gress votes to reject a joint resolution of disapproval under
- 20 section 802.
- 21 "(b)(1) A rule or proposed rule shall not take effect
- 22 (or continue) as a final rule, if the Congress enacts a joint
- 23 resolution of disapproval described under section 802.
- 24 "(2) A rule or proposed rule that does not take effect
- 25 (or does not continue) under paragraph (1) may not be

- 1 reissued in substantially the same form, and a new rule
- 2 that is substantially the same as such a rule or proposed
- 3 rule may not be issued, unless the reissued or new rule
- 4 is specifically authorized by a law enacted after the date
- 5 of the joint resolution disapproving the original rule.
- 6 "(c)(1) Notwithstanding any other provision of this
- 7 section (except subject to paragraph (3)), a rule that
- 8 would not take effect by reason of this chapter may take
- 9 effect, if the President makes a determination under para-
- 10 graph (2) and submits written notice of such determina-
- 11 tion to the Congress.
- 12 "(2) Paragraph (1) applies to a determination made
- 13 by the President by Executive order that the rule should
- 14 take effect because such rule is—
- 15 "(A) necessary because of an imminent threat
- to health or safety or other emergency;
- 17 "(B) necessary for the enforcement of criminal
- laws;
- "(C) necessary for national security; or
- 20 "(D) issued pursuant to a statute implementing
- 21 an international trade agreement.
- 22 "(3) An exercise by the President of the authority
- 23 under this subsection shall have no effect on the proce-
- 24 dures under section 802 or the effect of a joint resolution
- 25 of disapproval under this section.

- 1 "(d)(1) In addition to the opportunity for review oth-
- 2 erwise provided under this chapter, in the case of any rule
- 3 that is published in the Federal Register (as a rule that
- 4 shall take effect as a final rule) during the period begin-
- 5 ning on the date occurring 60 days before the date the
- 6 Congress adjourns a session of Congress through the date
- 7 on which the same or succeeding Congress first convenes
- 8 its next session, section 802 shall apply to such rule in
- 9 the succeeding session of Congress.
- 10 "(2)(A) In applying section 802 for purposes of such
- 11 additional review, a rule described under paragraph (1)
- 12 shall be treated as though—
- "(i) such rule were published in the Federal
- Register (as a rule that shall take effect as a final
- rule) on the 15th session day after the succeeding
- 16 Congress first convenes; and
- 17 "(ii) a report on such rule were submitted to
- 18 Congress under subsection (a)(1) on such date.
- 19 "(B) Nothing in this paragraph shall be construed
- 20 to affect the requirement under subsection (a)(1) that a
- 21 report shall be submitted to Congress before a final rule
- 22 can take effect.
- 23 "(3) A rule described under paragraph (1) shall take
- 24 effect as a final rule as otherwise provided by law (includ-
- 25 ing other subsections of this section).

- 1 "(e)(1) Section 802 shall apply in accordance with
- 2 its terms to any major rule that was published in the Fed-
- 3 eral Register (as a rule that shall take effect as a final
- 4 rule) in the period beginning on November 20, 1994,
- 5 through the date of enactment of this title.
- 6 "(2) In applying section 802 for purposes of Congres-
- 7 sional review, a rule described under paragraph (1) shall
- 8 be treated as though—
- 9 "(A) such rule were published in the Federal
- Register (as a rule that shall take effect as a final
- 11 rule) on the date of enactment of this title; and
- 12 "(B) a report on such rule were submitted to
- Congress under subsection (a)(1) on such date.
- 14 "(3) The effectiveness of a rule described under para-
- 15 graph (1) shall be as otherwise provided by law, unless
- 16 the rule is made of no force or effect under section 802.
- 17 "(4) The Comptroller General shall not be required
- 18 to report on a rule described in paragraph (1) unless so
- 19 requested by a committee of jurisdiction of either House
- 20 of Congress.
- 21 "(f) Any rule that takes effect and later is made of
- 22 no force or effect by enactment of a joint resolution under
- 23 section 802 shall be treated as though such rule had never
- 24 taken effect.

- 1 "(g) If the Congress does not enact a joint resolution
- 2 of disapproval under section 802, no court or agency may
- 3 infer any intent of the Congress from any action or inac-
- 4 tion of the Congress with regard to such rule, related stat-
- 5 ute, or joint resolution of disapproval.

6 "§ 802. Congressional disapproval procedure

- 7 "(a) Joint Resolution Defined.—For purposes
- 8 of this section, the term 'joint resolution' means only—
- 9 "(1) a joint resolution introduced in the period
- beginning on the date on which the report referred
- to in section 801(a) is received by Congress and end-
- ing 60 days thereafter (excluding days either House
- of Congress is adjourned for more than 3 days dur-
- ing a session of Congress), the matter after the re-
- solving clause of which is as follows: 'That Congress
- disapproves the rule submitted by the ____ relating
- to _____, and such rule shall have no force or effect.'
- 18 (The blank spaces being appropriately filled in); or
- "(2) a joint resolution the matter after the re-
- solving clause of which is as follows: 'That the Con-
- gress disapproves the proposed rule published by the
- 22 ______ relating to _____, and such proposed
- rule shall not be issued or take effect as a final
- rule.' (the blank spaces being appropriately filled in)

1 "(b)(1) A joint resolution described in subsection (a) 2 shall be referred to the committees in each House of Con-3 gress with jurisdiction. 4 "(2) For purposes of this section, the term 'submis-5 sion or publication date' means— 6 "(A) in the case of a joint resolution described 7 in subsection (a)(1) the later of the date on which— 8 "(i) the Congress receives the report sub-9 mitted under section 801(a)(1); or "(ii) the rule is published in the Federal 10 11 Register; or "(B) in the case of a joint resolution described 12 13 in subsection (a)(2), the date of introduction of the 14 joint resolution. 15 "(c) In the Senate, if the committee to which is referred a joint resolution described in subsection (a) has 16 not reported such joint resolution (or an identical joint 17 18 resolution) at the end of 20 calendar days after the sub-19 mission or publication date defined under subsection 20 (b)(2), such committee may be discharged from further 21 consideration of such joint resolution upon a petition supported in writing by 30 Members of the Senate, and such joint resolution shall be placed on the appropriate cal-24 endar.

- 1 "(d)(1) In the Senate, when the committee to which
- 2 a joint resolution is referred has reported, or when a com-
- 3 mittee is discharged (under subsection (c)) from further
- 4 consideration of, a joint resolution described in subsection
- 5 (a), it is at any time thereafter in order (even though a
- 6 previous motion to the same effect has been disagreed to)
- 7 for a motion to proceed to the consideration of the joint
- 8 resolution, and all points of order against the joint resolu-
- 9 tion (and against consideration of the joint resolution) are
- 10 waived. The motion is not subject to amendment, or to
- 11 a motion to postpone, or to a motion to proceed to the
- 12 consideration of other business. A motion to reconsider the
- 13 vote by which the motion is agreed to or disagreed to shall
- 14 not be in order. If a motion to proceed to the consideration
- 15 of the joint resolution is agreed to, the joint resolution
- 16 shall remain the unfinished business of the Senate until
- 17 disposed of.
- 18 "(2) In the Senate, debate on the joint resolution,
- 19 and on all debatable motions and appeals in connection
- 20 therewith, shall be limited to not more than 10 hours,
- 21 which shall be divided equally between those favoring and
- 22 those opposing the joint resolution. A motion further to
- 23 limit debate is in order and not debatable. An amendment
- 24 to, or a motion to postpone, or a motion to proceed to

the consideration of other business, or a motion to recom-2 mit the joint resolution is not in order. 3 "(3) In the Senate, immediately following the conclusion of the debate on a joint resolution described in sub-5 section (a), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the 6 Senate, the vote on final passage of the joint resolution 8 shall occur. 9 "(4) Appeals from the decisions of the Chair relating 10 to the application of the rules of the Senate to the procedure relating to a joint resolution described in subsection 12 (a) shall be decided without debate. 13 "(e) If, before the passage by one House of a joint resolution of that House described in subsection (a), that 14 15 House receives from the other House a joint resolution described in subsection (a), then the following procedures 16 17 shall apply: 18 "(1) The joint resolution of the other House 19 shall not be referred to a committee. "(2) With respect to a joint resolution described 20 21 in subsection (a) of the House receiving the joint 22 resolution— "(A) the procedure in that House shall be 23

the same as if no joint resolution had been re-

ceived from the other House; but

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1	"(B) the vote on final passage shall be on
2	the joint resolution of the other House.
3	"(f) This section is enacted by Congress—

"(f) This section is enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution described in subsection (a), and it supersedes other rules only to the extent that it is inconsistent with such rules; and "(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time,

in the same manner, and to the same extent as in the case of any other rule of that House.

17 "§ 803. Special rule on statutory, regulatory, and judi-

18 cial deadlines

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19 "(a) In the case of any deadline for, relating to, or involving any rule which does not take effect (or the effec-21 tiveness of which is terminated) because of enactment of a joint resolution under section 802, that deadline is ex-23 tended until the date 1 year after the date of the joint resolution. Nothing in this subsection shall be construed

1	to affect a deadline merely by reason of the postponement
2	of a rule's effective date under section 801(a).
3	"(b) The term 'deadline' means any date certain for
4	fulfilling any obligation or exercising any authority estab-
5	lished by or under any Federal statute or regulation, or
6	by or under any court order implementing any Federal
7	statute or regulation.
8	"§ 804. Definitions
9	"(a) For purposes of this chapter—
10	"(1) The term 'Federal agency' means any
11	agency as that term is defined in section 551(1) (re-
12	lating to administrative procedure).
13	"(2) The term "major rule" means any rule
14	subject to section 553(c) that has resulted in or is
15	likely to result in—
16	"(A) an annual effect on the economy of
17	\$100,000,000 or more;
18	"(B) a major increase in costs or prices for
19	consumers, individual industries, Federal,
20	State, or local government agencies, or geo-
21	graphic regions; or
22	"(C) significant adverse effects on competi-
23	tion, employment, investment, productivity, in-
24	novation, or on the ability of United States-

- 1 based enterprises to compete with foreign-based
- 2 enterprises in domestic and export markets.
- 3 The term does not include any rule promulgated
- 4 under the Telecommunications Act of 1996 and the
- 5 amendments made by that Act.
- 6 "(3) The term 'final rule' means any final rule
- 7 or interim final rule.
- 8 "(b) As used in subsection (a)(3), the term 'rule' has
- 9 the meaning given such term in section 551, except that
- 10 such term does not include any rule of particular applica-
- 11 bility including a rule that approves or prescribes for the
- 12 future rates, wages, prices, services, or allowances there-
- 13 for, corporate or financial structures, reorganizations,
- 14 mergers, or acquisitions thereof, or accounting practices
- 15 or disclosures bearing on any of the foregoing or any rule
- 16 of agency organization, personnel, procedure, practice or
- 17 any routine matter.

18 **"§ 805. Judicial review**

- 19 "No determination, finding, action, or omission under
- 20 this chapter shall be subject to judicial review.

21 "§ 806. Applicability; severability

- 22 "(a) This chapter shall apply notwithstanding any
- 23 other provision of law.
- 24 "(b) If any provision of this chapter or the applica-
- 25 tion of any provision of this chapter to any person or cir-

- 1 cumstance, is held invalid, the application of such provi-
- 2 sion to other persons or circumstances, and the remainder
- 3 of this chapter, shall not be affected thereby.

4 "§ 807. Exemption for monetary policy

- 5 "Nothing in this chapter shall apply to rules that con-
- 6 cern monetary policy proposed or implemented by the
- 7 Board of Governors of the Federal Reserve System or the
- 8 Federal Open Market Committee.

9 "§ 808. Effective date of certain rules

- 10 "Notwithstanding section 801, any rule that estab-
- 11 lishes, modifies, opens, closes, or conducts a regulatory
- 12 program for a commercial, recreational, or subsistence ac-
- 13 tivity related to hunting, fishing, or camping may take ef-
- 14 fect at such time as the Federal agency promulgating the
- 15 rule determines.".

16 SEC. 342. EFFECTIVE DATE.

- 17 The amendment made by section 341 shall take effect
- 18 on the date of enactment of this Act.
- 19 SEC. 343. TECHNICAL AMENDMENT.
- The table of chapters for part I of title 5, United
- 21 States Code, is amended by inserting immediately after
- the item relating to chapter 7 the following:

1 TITLE IV—PUBLIC DEBT LIMIT

- 2 SEC. 401. INCREASE IN PUBLIC DEBT LIMIT.
- 3 Subsection (b) of section 3101 of title 31, United
- 4 States Code, is amended by striking the dollar limitation
- 5 contained in such subsection and inserting
- 6 "\$5,500,000,000,000".

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