

**PART C: TEXT OF AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO BE MADE IN ORDER**

**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H.R. 2920  
OFFERED BY MR. RYAN OF WISCONSIN**

Strike all after the enacting clause and insert the following:

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

**2 (a) SHORT TITLE.**—This Act may be cited as the  
**3 “Budget Control Act of 2009”.**

**4 (b) TABLE OF CONTENTS.**—

Sec. 1. Short title; table of contents.

**TITLE I—DISCRETIONARY SPENDING LIMITS**

Sec. 101. Discretionary spending limits.

Sec. 102. Adjustments to discretionary spending limits.

Sec. 103. Conforming amendments.

**TITLE II—TOTAL SPENDING LIMITS**

Sec. 201. Total spending limits.

Sec. 202. Effective date.

**TITLE III—DEFICIT LIMITS**

Sec. 301. Deficit limits.

Sec. 302. Effective date.

**TITLE IV—GENERAL PROVISIONS**

Sec. 401. Spending reduction orders for total spending limits and deficit limits.

Sec. 402. Enforcement procedures under the Congressional Budget Act.

Sec. 403. Definitions.

Sec. 404. Amendments to section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985.

1                   **TITLE I—DISCRETIONARY**  
2                   **SPENDING LIMITS**

3   **SEC. 101. DISCRETIONARY SPENDING LIMITS.**

4           Section 251(c) of the Balanced Budget and Emer-  
5   gency Deficit Control Act of 1985 is amended by striking  
6   paragraphs (1) through (13) and inserting the following  
7   new paragraphs:

8           “(1) For fiscal year 2010—

9                   “(A) for the general purpose category,  
10                   \$1,048,000,000,000 in new budget authority  
11                   and \$1,302,000,000,000 in outlays;

12                   “(B) for the overseas contingency oper-  
13                   ations category, \$130,000,000,000 in new  
14                   budget authority and \$67,000,000,000 in out-  
15                   lays;

16           “(2) For fiscal year 2011—

17                   “(A) for the general purpose category,  
18                   \$1,058,000,000,000 in new budget authority  
19                   and \$1,233,000,000,000 in outlays;

20                   “(B) for the overseas contingency oper-  
21                   ations category, \$50,000,000,000 in new budget  
22                   authority and \$70,000,000,000 in outlays;

23           “(3) For fiscal year 2012—

1           “(A) for the general purpose category,  
2           \$1,069,000,000,000 in new budget authority  
3           and \$1,171,000,000,000 in outlays;

4           “(B) for the overseas contingency oper-  
5           ations category, \$50,000,000,000 in new budget  
6           authority and \$54,000,000,000 in outlays;

7           “(4) For fiscal year 2013—

8           “(A) for the general purpose category,  
9           \$1,079,000,000,000 in new budget authority  
10          and \$1,161,000,000,000 in outlays;

11          “(B) for the overseas contingency oper-  
12          ations category, \$50,000,000,000 in new budget  
13          authority and \$50,000,000,000 in outlays;

14          “(5) For fiscal year 2014—

15          “(A) for the general purpose category,  
16          \$1,094,000,000,000 in new budget authority  
17          and \$1,161,000,000,000 in outlays;

18          “(B) for the overseas contingency oper-  
19          ations category, \$50,000,000,000 in new budget  
20          authority and \$50,000,000,000 in outlays;”.

21 **SEC. 102. ADJUSTMENTS TO DISCRETIONARY SPENDING**  
22 **LIMITS.**

23          Section 251(b) of the Balanced Budget and Emer-  
24          gency Deficit Control Act of 1985 is amended to read as  
25          follows:

1       “(b) ADJUSTMENTS TO DISCRETIONARY SPENDING  
2 LIMITS.—

3           “(1) CONCEPTS AND DEFINITIONS.—When the  
4 President submits the budget under section 1105 of  
5 title 31, United States Code, OMB shall calculate  
6 and the budget shall include adjustments to discre-  
7 tionary spending limits (and those limits as cumula-  
8 tively adjusted) for the budget year and each out-  
9 year to reflect changes in concepts and definitions.  
10 Such changes shall equal the baseline levels of new  
11 budget authority and outlays using up-to-date con-  
12 cepts and definitions minus those levels using the  
13 concepts and definitions in effect before such  
14 changes. Such changes may only be made after con-  
15 sultation with the Committees on Appropriations  
16 and the Budget of the House of Representatives and  
17 the Senate and that consultation shall include writ-  
18 ten communication to such committees that affords  
19 such committees the opportunity to comment before  
20 official action is taken for such changes.

21           “(2) ADJUSTMENTS.—

22           “(A) EMERGENCY DESIGNATION.—If ap-  
23 propriations for discretionary accounts are en-  
24 acted that the President designates as emer-  
25 gency requirements and that the Congress so

1           designates in statute, the adjustment shall be  
2           the total of such appropriations in discretionary  
3           accounts designated as emergency requirements  
4           and the outlays flowing in all fiscal years from  
5           such appropriations.

6           “(B) OVERSEAS CONTINGENCY OPER-  
7           ATIONS DESIGNATION.—If appropriations for  
8           discretionary accounts are enacted that the  
9           President designates as overseas contingency  
10          operations related to the global war on ter-  
11          rorism that the Congress so designates in stat-  
12          ute, the adjustment shall be the total of such  
13          appropriations in discretionary accounts des-  
14          ignated as overseas contingency operations and  
15          the outlays flowing in all fiscal years from such  
16          appropriations.

17          “(3) SPECIAL OUTLAY ALLOWANCE.—If, in any  
18          fiscal year, outlays for a category exceed the discre-  
19          tionary spending limit for that category but new  
20          budget authority does not exceed its limit for that  
21          category (after application of the first step of a  
22          spending reduction described in subsection (a)(2), if  
23          necessary), the adjustment in outlays for a fiscal  
24          year is the amount of the excess but not to exceed

1       0.5 percent of the sum of the adjusted discretionary  
2       spending limits on outlays for that fiscal year.”.

3 **SEC. 103. CONFORMING AMENDMENTS.**

4           (1) Section 275(b) of the Balanced Budget and  
5       Emergency Deficit Control Act of 1985 is amended  
6       by striking “2002” and inserting “2019” and by  
7       striking “2006” and inserting “2019”;

8           (2) Sections 254(c)(2)(A) and (f) of the Bal-  
9       anced Budget and Emergency Deficit Control Act of  
10      1985 are amended by striking “2002” and inserting  
11      “2014”

12           **TITLE II—TOTAL SPENDING**  
13                           **LIMITS**

14 **SEC. 201. TOTAL SPENDING LIMITS.**

15       TOTAL SPENDING LIMITS.—After section 253 of the  
16      Balanced Budget and Emergency Deficit Control Act of  
17      1985, add the following new section:

18 **“SEC. 253A. ENFORCING TOTAL SPENDING LIMITS.**

19       “(a) PROJECTIONS.—

20           “(1) LONG-TERM PROJECTIONS.—For each of  
21      at least 10 fiscal years within the guideline period:

22                   “(A) OMB shall prepare a report of the  
23      projected spending amount and the guideline  
24      spending amount (as defined in section 250(c))  
25      and include such report in the budget as sub-

1           mitted by the President annually under section  
2           1105(a) of title 31, United States Code.

3           “(B) CBO shall prepare a report of the  
4           projected spending amount and the guideline  
5           spending amount (as defined in section 250(c))  
6           and include such report in the CBO annual  
7           baseline and reestimate of the President’s budg-  
8           et.

9           “(2) INCLUSION IN SPENDING REDUCTION OR-  
10          DERS.—Reports prepared pursuant to subsection (a)  
11          shall be included in the spending reduction report  
12          set forth in subsection (b).

13          “(b) SPENDING REDUCTION REPORT.—Within 15  
14          calendar days after Congress adjourns to end a session  
15          and on the same day as a spending reduction order (if  
16          any) under sections 251 and 253A, but after any spending  
17          reduction required by section 251, OMB shall issue a  
18          spending reduction report to reduce an excess spending  
19          amount (if any).

20          “(c) SPENDING REDUCTION ORDER.—A spending re-  
21          duction ordered pursuant to subsection (b) shall be imple-  
22          mented using the procedures set forth in section 256A.

23          “(d) GUIDELINE PERIOD.—The guideline period  
24          shall be as follows:

25                 “(1) Fiscal year 2010: 24.6 percent.

- 1 “(2) Fiscal year 2011: 23.2 percent.  
2 “(3) Fiscal year 2012: 21.7 percent.  
3 “(4) Fiscal year 2013: 21.7 percent.  
4 “(5) Fiscal year 2014: 21.8percent.  
5 “(6) Fiscal year 2015: 21.8 percent.  
6 “(7) Fiscal year 2016: 21.7 percent.  
7 “(8) Fiscal year 2017: 21.7 percent.  
8 “(9) Fiscal year 2018: 21.7 percent.  
9 “(10) Fiscal year 2019: 21.7 percent.  
10 “(11) Fiscal year 2020 and each subsequent  
11 fiscal year: 21.7 percent.”.

12 **SEC. 202. EFFECTIVE DATE.**

13 This title shall apply to fiscal year 2010 and subse-  
14 quent fiscal years.

15 **TITLE III—DEFICIT LIMITS**

16 **SEC. 301. DEFICIT LIMITS.**

17 Amend section 253 of the Balanced Budget and  
18 Emergency Deficit Control Act of 1985 to read as follows:

19 **“SEC. 253. ENFORCING DEFICIT LIMITS.**

20 “(a) **ENFORCING DEFICIT LIMITS.**— In this section,  
21 the term ‘deficit limit’ means an amount, as estimated by  
22 OMB, that equals—

- 23 “(1) 8 percent of GDP for 2010;  
24 “(2) 6 percent of GDP for 2011;  
25 “(3) 4 percent of GDP for 2012;

1           “(4) 3 percent of GDP for 2013;

2           “(5) 3 percent of GDP for 2014;

3           “(6) 3 percent of GDP for 2015;

4           “(7) 3 percent of GDP for 2016;

5           “(8) 3 percent of GDP for 2017;

6           “(9) 3 percent of GDP for 2018; and

7           “(10) 3 percent of GDP for 2019.

8           “(b) SPENDING REDUCTION REPORT.—Within 15  
9 calendar days after Congress adjourns to end a session  
10 and on the same day as a spending reduction order (if  
11 any) under sections 251 and 253A, but after any spending  
12 reduction required by section 251 and 253A, OMB shall  
13 issue a spending reduction report to reduce an excess  
14 spending amount (if any).

15           “(c) SPENDING REDUCTION ORDER.—A spending re-  
16 duction ordered pursuant to subsection (b) shall be imple-  
17 mented using the procedures set forth in section 256A.”

18 **SEC. 302. EFFECTIVE DATE.**

19           This title shall apply to fiscal year 2010 and subse-  
20 quent fiscal years through fiscal year 2019.

1                   **TITLE IV—GENERAL**  
2                   **PROVISIONS**

3   **SEC. 401. SPENDING REDUCTION ORDERS FOR TOTAL**  
4                   **SPENDING LIMITS AND DEFICIT LIMITS.**

5           The Balanced Budget and Emergency Deficit Control  
6 Act of 1985 is amended by adding after section 256 the  
7 following:

8   **“SEC. 256A. SPENDING REDUCTION ORDERS FOR TOTAL**  
9                   **SPENDING LIMITS AND DEFICIT LIMITS.**

10           “(a) **APPLICATION.**—A spending reduction order  
11 issued pursuant to this part shall apply to eliminate  
12 breaches of the limits set forth in sections 253 (deficit lim-  
13 its) and 253A (total spending limits) of the Balanced  
14 Budget and Emergency Deficit Control Act of 1985.

15           “(b) **SPENDING REDUCTION ORDERS.**—

16           “(1) **ELIMINATING A SPENDING EXCESS.**—  
17           OMB shall include in its spending reduction order a  
18           requirement that each spending account shall be re-  
19           duced by an amount of budget authority calculated  
20           by multiplying the baseline level of budgetary re-  
21           sources in that account at that time by the uniform  
22           percentage necessary to reduce outlays sufficient to  
23           eliminate an excess spending amount.

1           “(2) EXEMPTIONS.—The following shall be ex-  
2           empt from reduction under any order issued under  
3           this part:

4                   “(A) NET INTEREST.—Payments for net  
5                   interest (set forth in function 900).

6                   “(B) SOCIAL SECURITY.—Benefits payable  
7                   under the old-age, survivors, and disability in-  
8                   surance program established under title II of  
9                   the Social Security Act.

10                  “(C) VETERANS PROGRAMS.—Benefits  
11                  payable by the Department of Veterans affairs  
12                  and other programs providing benefits to vet-  
13                  erans.

14                  “(D) OBLIGATED BALANCES.—Obligated  
15                  balances of budget authority carried over from  
16                  prior fiscal years shall be exempt from reduc-  
17                  tion under any order issued under this part.

18                  “(E) CONSTITUTIONAL OBLIGATIONS.—  
19                  Any obligations of the Federal Government re-  
20                  quired to be paid under the U.S. Constitution  
21                  or contractual obligations as determined by  
22                  OMB shall be exempt from reduction under any  
23                  order issued under this part.

1           “(F) UNEMPLOYMENT INSURANCE.—Bene-  
2           fits payable under unemployment insurance  
3           payments.

4           “(G) EMERGENCY LEGISLATION.—Provi-  
5           sions of spending legislation the President des-  
6           ignates as an emergency requirement and the  
7           Congress so designates in statute.

8           “(H) OVERSEAS CONTINGENCY OPER-  
9           ATIONS DESIGNATION.—Provisions of spending  
10          legislation the President designates as overseas  
11          contingency operations related to the global war  
12          on terrorism and the Congress so designates in  
13          statute.

14          “(I) DISCRETIONARY SPENDING.—Discre-  
15          tionary spending if the discretionary spending  
16          limits set forth in section 251(c) are not exceed-  
17          ed.

18          “(3) APPLICATION TO FAST GROWING PRO-  
19          GRAMS.—Any program whose growth in the budget  
20          year is less than the rate of inflation as determined  
21          by OMB shall be exempt from a spending reduction  
22          issued under this title.

23          “(4) LIMITATION ON SPENDING REDUCTIONS.—  
24          No program shall be subject to a spending reduction  
25          of more than 1 percent of its budgetary resources.

1           “(5) UNIFORM PERCENTAGE.—The percentage  
2           required to produce a spending reduction, as ordered  
3           by a spending reduction order, shall be calculated by  
4           OMB by adding all budgetary resources of the Gov-  
5           ernment, and reducing that amount by an amount  
6           sufficient to reduce the total amount of outlays of  
7           the Government to equal, or lower, a level of outlays  
8           than the amount set forth in the guideline period.

9           “(6) EFFECT OF A SPENDING REDUCTION  
10          ORDER.—Upon the issue of a spending reduction  
11          order, a spending reduction shall be ordered for all  
12          nonexempt spending accounts. The spending reduc-  
13          tion shall be effective as follows:

14                 “(A) Budgetary resources subject to a  
15                 spending reduction to any discretionary account  
16                 shall be permanently cancelled.

17                 “(B) The same percentage spending reduc-  
18                 tion shall apply to all programs, projects, and  
19                 activities within a budget account (with pro-  
20                 grams, projects, and activities as delineated in  
21                 the appropriation Act or accompanying report  
22                 for the relevant fiscal year covering that ac-  
23                 count, or for accounts not included in appro-  
24                 priation Acts, as delineated in the most recently  
25                 submitted President’s budget).

1           “(C) Administrative regulations imple-  
2           menting a spending reduction shall be made  
3           within 120 days of the issue of a spending re-  
4           duction order.

5           “(D) Budgetary resources subject to a  
6           spending reduction in revolving, trust, and spe-  
7           cial fund accounts and offsetting collections  
8           subject to a spending reduction in appropriation  
9           accounts shall not be available for obligation  
10          during the fiscal year in which the spending re-  
11          duction is issued, and shall be available in sub-  
12          sequent years only to the extent as provided by  
13          law.

14          “(7) INAPPLICABILITY OF SECTIONS 255 AND  
15          256.—Sections 255 and 256 shall not apply to  
16          spending reduction orders under this section.”.

17   **SEC. 402. ENFORCEMENT PROCEDURES UNDER THE CON-**  
18                           **GRESSIONAL BUDGET ACT.**

19          (a) ENFORCEMENT.—Title III of the Congressional  
20          Budget Act of 1974 is amended by adding after section  
21          315 the following new section:

22   **“SEC. 316. ENFORCEMENT PROCEDURES.**

23          “(a) DISCRETIONARY SPENDING LIMITS.—It shall  
24          not be in order in the House of Representatives or the  
25          Senate to consider any bill, joint resolution, amendment,

1 or conference report that includes any provision that  
2 would cause the discretionary spending limits as set forth  
3 in section 251(c) of the Balanced Budget and Emergency  
4 Deficit Control Act of 1985 to be exceeded.

5 “(b) TOTAL SPENDING LIMITS.—It shall not be in  
6 order in the House of Representatives or the Senate to  
7 consider any bill, joint resolution, amendment, or con-  
8 ference report that includes any provision that would  
9 cause the total spending limits set forth in section 253A  
10 of the Balanced Budget and Emergency Deficit Control  
11 Act of 1985 to be exceeded.

12 “(c) DEFICIT LIMITS.—It shall not be in order in the  
13 House of Representatives or the Senate to consider any  
14 bill, joint resolution, amendment, or conference report that  
15 includes any provision that would cause the total deficit  
16 limits set forth in section 253 of the Balanced Budget and  
17 Emergency Deficit Control Act of 1985 to be exceeded.

18 “(d) WAIVER OR SUSPENSION.—

19 “(1) IN THE SENATE.—The provisions of this  
20 section may be waived or suspended in the Senate  
21 only by the affirmative vote of two-thirds of the  
22 Members, duly chosen and sworn.

23 “(2) IN THE HOUSE.—The provisions of this  
24 section may be waived or suspended in the House of  
25 Representatives only by a rule or order proposing

1       only to waive such provisions by an affirmative vote  
2       of two-thirds of the Members, duly chosen and  
3       sworn.

4       “(e) POINT OF ORDER PROTECTION.—In the House,  
5 it shall not be in order to consider a rule or order that  
6 waives the application of paragraph (2) of subsection (c).

7       “(f) MOTION TO SUSPEND.—It shall not be in order  
8 for the Speaker to entertain a motion to suspend the appli-  
9 cation of this section under clause 1 of rule XV.”.

10       (b) TABLE OF CONTENTS.—The table of contents set  
11 forth in section 1(b) of the Congressional Budget and Im-  
12 poundment Control Act of 1974 is amended by inserting  
13 after the item relating to section 315 the following new  
14 item:

“Sec. 316. Enforcement procedures.”.

15 **SEC. 403. DEFINITIONS.**

16       Section 250(c)(4) of the Balanced Budget and Emer-  
17 gency Deficit Control Act of 1985 is amended by striking  
18 paragraph (4), redesignating the succeeding paragraphs  
19 accordingly, and adding the following paragraphs:

20       “(19) The term ‘spending reduction’ refers to  
21 the cancellation of budgetary resources provided by  
22 discretionary appropriations or mandatory spending.

23       “(20) The term ‘GDP’, for any fiscal year,  
24 means the gross domestic product during such fiscal

1 year consistent with Department of Commerce defi-  
2 nitions.

3 “(21) The term ‘total spending’ means the total  
4 aggregate outlays of the Federal Government.

5 “(22) The term ‘guideline period’ means the pe-  
6 riod of fiscal years set forth in section 253A(d).

7 “(23) The term ‘projected spending amount’  
8 means the amount of total outlays of the Federal  
9 Government for a fiscal year within the guideline pe-  
10 riod.

11 “(24) The term ‘guideline spending amount’  
12 means the amount of total outlays of the Federal  
13 Government for a fiscal year as a percentage of  
14 GDP for such fiscal year within the guideline period.

15 “(25) The term ‘excess spending amount’  
16 means the amount by which a projected spending  
17 amount exceeds the guideline spending amount for a  
18 fiscal year within the guideline period.

19 “(26) The term ‘spending reduction order’  
20 means a spending reduction order as defined in sec-  
21 tion 253A(e).

22 “(27) The term ‘advance appropriation’ means  
23 appropriations that first become available one fiscal  
24 year or more beyond the fiscal year for which an ap-

1       appropriation Act making such funds available is en-  
2       acted.

3               “(28)(A) The term ‘emergency requirement’  
4       means any provision that provides new budget au-  
5       thority and resulting outlays for a situation that  
6       poses a threat to life, property, or national security  
7       and is—

8               “(i) sudden, quickly coming into being, and  
9       not building up over time;

10              “(ii) an urgent, pressing, and compelling  
11       need requiring immediate action;

12              “(iii) unforeseen, unpredictable, and unan-  
13       ticipated; and

14              “(iv) not permanent, temporary in nature.

15              “(B) An emergency that is part of an aggregate  
16       level of anticipated emergencies, particularly when  
17       normally estimated in advance, is not unforeseen.”.

18 **SEC. 404. BUDGET SCORING OF EXTENSION OF TAX RELIEF.**

19       For legislation described in paragraph (1), (2), or (3)  
20       of this section, the estimates shall be adjusted to assume  
21       the extension of the following provisions as appropriate:

22              (1) for the estate and gift tax, assume that the  
23       tax rates, nominal exemption amounts, and related  
24       parameters in effect for tax year 2010 remain in ef-  
25       fect thereafter without change;

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(2) for the AMT, assume that the exemption amounts and related parameters in effect for tax year 2009 are increased in each subsequent year by an amount equal to the cost-of-living adjustment determined under section 1(f)(3) of the Internal Revenue Code of 1986 for the calendar year in which the taxable year begins, determined by substituting "calendar year 2008" for "calendar year 1992" in subparagraph (B) thereof; and

(3) for the income tax provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 and the Jobs and Growth Tax Relief Reconciliation Act of 2003, assume that each such separate provision in effect for tax year 2010 remains in effect thereafter without change, other than applicable indexing.

