AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO THE RULES COMMITTEE PRINT FOR H.R. 3762
OFFERED BY MR. VAN HOLLEN OF MARYLAND

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; FINDINGS.

(a) SHORT TITLE.—This Act may be cited as the “Prevent a December Government Shutdown Act”.

(b) FINDINGS.—Congress finds the following:

(1) The Budget Control Act of 2011 set tight discretionary spending caps and required additional deficit reduction to be accomplished either through bipartisan, bicameral negotiations or, as a fallback, through sequestration that would further cut discretionary and mandatory spending levels. The threat of such draconian and arbitrary cuts was intended to encourage lawmakers to negotiate a thoughtfully designed substitute package of revenue increases and targeted spending cuts.

(2) The negotiations that followed were unsuccessful and the initial sequester took place in fiscal year 2013.
(3) While the threat of a sequester had not led to an agreement, the reality of a sequester did. Lawmakers negotiated a two-year agreement that set higher levels of both defense and non-defense discretionary (NDD) spending for fiscal years 2014 and 2015.

(4) A similar agreement is necessary now to avoid deep budget cuts in the current fiscal year, which began on October 1, 2015.

(5) Senator John McCain and Representative Mac Thornberry, the Chairs of the Senate and House Armed Services Committees, have criticized the level of defense spending allowed under sequestration: “These cuts are seriously undermining the capabilities, readiness, morale and modernization of the armed forces. The senior military leaders of the Army, Navy, Air Force and Marine Corps have all testified to our committees that, with defense spending at sequestration levels, they cannot execute the National Military Strategy.”

(6) The impact of the cuts on NDD spending is becoming increasingly clear. NDD United—an alliance of more than 2,500 organizations trying to protect NDD investments that benefit all Americans—made the case that “these self-imposed cuts
are dragging down our economic recovery, ham-
pering business growth and development, weakening
public health preparedness and response, reducing
resources for our nation’s schools and colleges, com-
promising federal oversight and fraud recovery, hin-
dering scientific discovery, eroding our infrastruc-
ture, and threatening our ability to address emer-
gencies around the world.” The impact can also be
seen in the bills reported by the House Committee
on Appropriations for fiscal year 2016. Among other
things, those bills would cut the Department of Edu-
cation by $2.8 billion below the current level, take
away housing vouchers from thousands of families,
and provide $1.4 billion less than the President re-
quested for the Department of Veterans Affairs.

(7) The sequester—in addition to endangering
our defense, reducing investments in our future, and
risking harm to vulnerable Americans—will weaken
the nation’s ongoing economic recovery. A recent
analysis by the Congressional Budget Office found
that eliminating the sequester would increase Gross
Domestic Product by 0.4 percent in 2016 and 0.2
percent in 2017. It would also increase employment
by 500,000 next year and 300,000 in 2017.
(8) Providing relief from the sequester will also make it possible for Congress to act on appropriations legislation before temporary government funding expires in December, averting a government shutdown if funding is not in place.

(9) The last Government shutdown lasted for 16 days in 2013. The Office of Management and Budget later found that the shutdown cost the economy about 120,000 private-sector jobs and shrunk GDP growth in that quarter by 0.2 percent to 0.6 percent. The country lost 6.6 million days’ worth of work through furloughs of Federal employees; national parks lost $500 million in visitor spending; $4 billion in tax refunds were delayed; nearly 6,300 children lost access to Head Start; and hundreds of food safety inspections were delayed.

(10) Therefore, to prevent another Government shutdown and allow appropriations bills for fiscal year 2016 to fund vital services at necessary levels, immediate negotiations on a budget agreement are needed. An essential component of those negotiations should be to raise the discretionary spending caps for defense and non-defense, eliminating the non-defense sequester and reducing the defense sequester by the same amount.
(11) It is preferable that Congress agree to offset the cost of the sequester relief with deficit reduction from closing special interest tax loopholes. However, it is imperative that the sequester relief occur regardless of whether the agreement for offsetting deficit reduction is reached.

SEC. 2. BIPARTISAN, BICAMERAL AGREEMENT ON SEQUESTER RELIEF.

(a) IN GENERAL.—A bipartisan measure shall be negotiated, by the individuals appointed under subsection (b), that—

(1) increases the discretionary spending limit for fiscal year 2016 in section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(c)), with the increases equally applied to the revised security category and the revised nonsecurity category for such fiscal year; and

(2) includes provisions that reduce the deficit by an amount deemed appropriate.

(b) APPOINTMENT OF MEMBERS.—Not later than 1 day after the date of enactment of this Act—

(1) the Speaker of the House of Representatives shall determine the total number of individuals that shall negotiate the measure described under subsection (a); and
(2) the Speaker, the Minority Leader of the House of Representatives, the Majority Leader of the Senate, and the Minority Leader of the Senate shall each appoint one quarter of the total number of individuals determined under paragraph (1).

(c) APPROVAL AND CONSIDERATION OF MEASURE.—

(1) APPROVAL.—The measure described in subsection (a) shall require the approval of a majority of the individuals appointed under subsection (b)(2).

(2) CONSIDERATION.—If approved under paragraph (1), the measure shall be considered under the procedures set forth in section 402 of the Budget Control Act of 2011 (Public Law 112–25), other than subsection (g), and except that in applying such section, “October 30, 2015” shall be substituted for “December 9, 2011” and “November 16, 2015” shall be substituted for “December 23, 2011” in each place it appears.

SEC. 3. ALTERNATIVE ADJUSTMENT TO DISCRETIONARY SPENDING LIMIT FOR FISCAL YEAR 2016.

(a) SECURITY AND NONSECURITY DISCRETIONARY SPENDING LIMIT ADJUSTMENTS.—If the measure described under section 2(a) is not enacted into law before November 17, 2015, effective upon November 17, 2015,
the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901 et seq.) is amended as follows:

(1) In section 251(c), in paragraph (3)(A), by striking the dollar amount and inserting “$559,600,000,000”.

(2) In section 251A—

(A) in paragraph (10)(A), by striking the period at the end and inserting “and for fiscal year 2016 by the Prevent a December Government Shutdown Act.”; and

(B) in paragraph (10)(B), by striking “and 2015” and inserting “2015, and 2016”.

(b) APPLICATION.—Any adjustment made to the discretionary spending limit for fiscal year 2016 in section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(c)) by the Office of Management and Budget before the date of enactment of this Act shall have no force or effect. The preceding sentence shall only apply if the measure described under section 2(a) is not enacted into law before November 17, 2015.