

AMENDMENT TO THE RULES COMMITTEE PRINT
116-57
OFFERED BY MR. DEFAZIO OF OREGON

At the end of subtitle A of title X insert the following new section:

1 **SEC. 10_____ . DEPARTMENT OF DEFENSE SPENDING RE-**
2 **DUCTIONS IN THE ABSENCE OF AN UNQUALI-**
3 **FIED AUDIT OPINION.**

4 (a) **AUDIT REQUIREMENT.**—In fiscal year 2025, and
5 each fiscal year thereafter until the Secretary of Defense
6 certifies that the Department of Defense achieved, in the
7 prior fiscal year, an unqualified audit opinion for the full
8 financial statements of each department, agency, or other
9 element of the Department of Defense for the applicable
10 calendar year, the full financial statements of each depart-
11 ment, agency, or other element of the Department of De-
12 fense for the calendar year ending in such fiscal year shall
13 be audited.

14 (b) **REQUIRED REDUCTION.**—If a department, agen-
15 cy, or other element of the Department of Defense does
16 not achieve an unqualified audit opinion on its full finan-
17 cial statements under the audit required by subsection (a)
18 in a fiscal year—

1 (1) the amount available to such department,
2 agency, or element for the subsequent fiscal year
3 shall be equal to—

4 (A) the amount otherwise authorized to be
5 appropriated for such department, agency, or
6 element for that fiscal year; minus

7 (B) the lesser of—

8 (i) an amount equal to 0.5 percent of
9 the amount described in subparagraph (A);
10 or

11 (ii) \$100,000,000;

12 (2) the amount unavailable to such department,
13 agency, or element for that fiscal year pursuant to
14 paragraph (1) shall be applied on a pro rata basis
15 against each program, project, and activity of such
16 department, agency, or element in that fiscal year;
17 and

18 (3) the Secretary shall deposit in the general
19 fund of the Treasury for purposes of deficit reduc-
20 tion all amounts unavailable to departments, agen-
21 cies, and elements of the Department in the fiscal
22 year pursuant to determinations made under para-
23 graph (1).

1 (c) ACCOUNTS EXCLUDED.—The following accounts
2 are excluded from any reduction required by subsection
3 (b)(1):

4 (1) Military personnel, reserve personnel, and
5 National Guard personnel accounts of the Depart-
6 ment of Defense.

7 (2) The Defense Health Program account of
8 the Department of Defense.

9 (d) RATE OF PAY FOR FEDERAL CIVILIAN EMPLOY-
10 EES NOT AFFECTED.—Any reduction pursuant to sub-
11 section (b) may not reduce or have the effect of reducing
12 the rate of pay to which any individual occupying a posi-
13 tion in the civil service (as that term is defined in section
14 2101 of title 5, United States Code) is entitled to.

