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

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

SEC. 10. DEPARTMENT OF DEFENSE SPENDING RE-
DUCTIONS IN THE ABSENCE OF AN UNQUALI-
FIED AUDIT OPINION.

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

(b) REQUIRED REDUCTION.—If a department, agen-
cy, or other element of the Department of Defense does
not achieve an unqualified audit opinion on its full finan-
cial statements under the audit required by subsection (a)
in a fiscal year—
(1) the amount available to such department, agency, or element for the subsequent fiscal year shall be equal to—

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

(B) the lesser of—

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

(ii) $100,000,000;

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

(3) the Secretary shall deposit in the general fund of the Treasury for purposes of deficit reduction all amounts unavailable to departments, agencies, and elements of the Department in the fiscal year pursuant to determinations made under paragraph (1).
(c) ACCOUNTS EXCLUDED.—The following accounts are excluded from any reduction required by subsection (b)(1):

(1) Military personnel, reserve personnel, and National Guard personnel accounts of the Department of Defense.

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

(d) RATE OF PAY FOR FEDERAL CIVILIAN EMPLOYEES NOT AFFECTED.—Any reduction pursuant to subsection (b) may not reduce or have the effect of reducing the rate of pay to which any individual occupying a position in the civil service (as that term is defined in section 2101 of title 5, United States Code) is entitled to.