

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO THE HOUSE AMENDMENT TO THE SENATE
AMENDMENT TO H.R. 1314
OFFERED BY MR. SCHWEIKERT OF ARIZONA**

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Debt Ceiling Alter-
3 native Act”.

**4 SEC. 2. ENSURING THE GOVERNMENT DOES NOT DEFAULT
5 ON ITS DEBT OBLIGATIONS.**

6 (a) IN GENERAL.—If the Department of the Treas-
7 ury issues a marketable borrowing estimate for a quarter
8 that estimates that the debt of the United States, as de-
9 fined in section 3101 of title 31, United States Code, will
10 reach the statutory limit during such quarter, the Presi-
11 dent shall ensure that the aggregate of the amounts depos-
12 ited in the Treasury from the sale of assets described
13 under subsection (b) and the disposal of real property pur-
14 suant to subchapter VII of chapter 5 of subtitle I of title
15 40, United States Code, and the amount of any recision
16 of unobligated balances pursuant to section 5, is sufficient

1 to prevent the debt of the United States from reaching
2 such statutory limit during such quarter.

3 (b) AUTHORITY TO SELL ASSETS.—For purposes of
4 subsection (a), the President may order the sale of the
5 following assets, with the proceeds from such sales depos-
6 ited in the Treasury:

7 (1) On-balance sheet non-performing mortgages
8 of the Federal National Mortgage Association.

9 (2) Other mortgages owned or held by the Fed-
10 eral National Mortgage Association.

11 (3) Real estate owned properties of the Federal
12 National Mortgage Association.

13 (4) On-balance sheet non-performing mortgages
14 of the Federal Home Loan Mortgage Corporation.

15 (5) Other mortgages owned or held by the Fed-
16 eral Home Loan Mortgage Corporation.

17 (6) Real estate owned properties of the Federal
18 Home Loan Mortgage Corporation.

19 (7) Mortgage-backed securities held by the
20 Board of Governors of the Federal Reserve System
21 or any Federal reserve bank.

22 (c) USE OF FUNDS.—Any funds realized through this
23 Act must be used for the retirement of old debt and
24 issuance of new debt.

1 **SEC. 3. DISPOSAL OF REAL PROPERTY.**

2 (a) IN GENERAL.—Chapter 5 of subtitle I of title 40,
3 United States Code, is amended by adding at the end the
4 following:

5 “SUBCHAPTER VII—EXPEDITED DISPOSAL OF
6 REAL PROPERTY

7 “§ 621. Definitions

8 “In this subchapter:

9 “(1) DIRECTOR.—The term ‘Director’ means
10 the Director of the Office of Management and Budg-
11 et.

12 “(2) EXPEDITED DISPOSAL OF REAL PROP-
13 erty.—The term ‘expedited disposal of real prop-
14 erty’ means a demolition of real property or a sale
15 of real property for cash that is conducted under the
16 requirements of section 545.

17 “(3) LANDHOLDING AGENCY.—The term ‘land-
18 holding agency’ has the meaning given that term
19 under section 501(i)(3) of the McKinney-Vento
20 Homeless Assistance Act (42 U.S.C. 11411(i)(3)).

21 “(4) REAL PROPERTY.—

22 “(A) IN GENERAL.—The term ‘real prop-
23 erty’ means—

24 “(i) a parcel of real property under
25 the administrative jurisdiction of the Fed-
26 eral Government that is—

1 “(I) excess;
2 “(II) surplus;
3 “(III) underperforming; or
4 “(IV) otherwise not meeting the
5 needs of the Federal Government, as
6 determined by the Director; and
7 “(ii) a building or other structure lo-
8 cated on real property described under
9 clause (i).

10 “(B) EXCLUSION.—The term ‘real prop-
11 erty’ excludes any parcel of real property or
12 building or other structure located on such real
13 property that is to be closed or realigned under
14 the Defense Base Closure and Realignment Act
15 of 1990 (part A of title XXIX of Public Law
16 101–510; 10 U.S.C. 2687 note).

17 “(5) REPRESENTATIVE OF THE HOMELESS.—
18 The term ‘representative of the homeless’ has the
19 meaning given that term under section 501(i)(4) of
20 the McKinney-Vento Homeless Assistance Act (42
21 U.S.C. 11411(i)(4)).

22 **“§ 622. Pilot program**

23 “(a) ESTABLISHMENT.—The Director of the Office
24 of Management and Budget shall conduct a pilot program,
25 to be known as the ‘Federal Real Property Disposal Pilot

1 Program’, under which real property that is not meeting
2 Federal Government needs may be disposed of in accord-
3 ance with this subchapter.

4 “(b) TERMINATION.—The Federal Real Property
5 Disposal Pilot Program shall terminate 5 years after the
6 date of the enactment of this subchapter.

7 **“§ 623. Selection of real properties**

8 “(a) AGENCY RECOMMENDATION OF PROPERTIES.—
9 The head of each executive agency shall recommend can-
10 didate disposition real properties to the Director for par-
11 ticipation in the pilot program established under section
12 622.

13 “(b) SELECTION OF PROPERTIES.—The Director,
14 with the concurrence of the head of the executive agency
15 concerned and consistent with the criteria established in
16 this subchapter, may then select such candidate real prop-
17 erties for participation in the pilot program and notify the
18 recommending agency accordingly.

19 “(c) WEBSITE REQUIRED.—The Director shall en-
20 sure that all real properties selected for disposition under
21 this section are listed on a website that shall—

22 “(1) be updated routinely; and

23 “(2) include the functionality to allow members
24 of the public, at their option, to receive such updates
25 through electronic mail.

1 “(d) NOTIFICATION OF PILOT PROGRAM.—The Sec-
2 retary of Housing and Urban Development shall ensure
3 that efforts are taken to inform representatives of the
4 homeless about—

5 “(1) the pilot program established under section
6 622; and

7 “(2) the website under subsection (c).

8 “(e) AVAILABILITY OF INFORMATION.—The Sec-
9 retary of Housing and Urban Development shall—

10 “(1) make available to the public upon request
11 all information (other than valuation information),
12 regardless of format, in the possession of the De-
13 partment of Housing and Urban Development relat-
14 ing to the properties listed on the website under sub-
15 section (c), including environmental assessment
16 data; and

17 “(2) maintain a current list of agency contacts
18 for making referrals to inquiries for information re-
19 lating to specific properties.

20 **“§ 624. Suitability determination**

21 “(a) SUITABILITY OF PROPERTY TO ASSIST THE
22 HOMELESS.—After the Director selects the candidate real
23 properties that may participate in the pilot program under
24 section 623, the Secretary of Housing and Urban Develop-

1 ment shall determine whether each such real property is
2 suitable for use to assist the homeless.

3 “(b) SUITABILITY DETERMINATION REQUIRE-
4 MENTS.—The Secretary of Housing and Urban Develop-
5 ment shall base the suitability determination required
6 under subsection (a)—

7 “(1) on the suitability criteria identified by the
8 Secretary of Housing and Urban Development under
9 section 501(a) of the McKinney-Vento Homeless As-
10 sistance Act (42 U.S.C. 11411(a));

11 “(2) for real properties located within a Federal
12 installation, campus, or compound, on whether such
13 property can easily be transported to an off-site lo-
14 cation; and

15 “(3) for real properties where the predominant
16 use is other than housing, on whether the size of the
17 real property is equal to or greater than 100,000
18 square feet.

19 “(c) INFORMATION REQUIRED TO BE PUBLISHED
20 ON THE WEBSITE.—Immediately after a determination of
21 suitability is made under this section, the Director shall
22 publish, on the website described in section 623(c) the fol-
23 lowing information:

24 “(1) The address of each such real property.

1 “(2) The result of the suitability determination
2 required under subsection (a) for each such real
3 property.

4 “(3) The date on which the suitability deter-
5 mination was made.

6 **“§ 625. Unsuitable real property**

7 “(a) 20-DAY HOLD REQUIRED AFTER DETERMINA-
8 TION OF UNSUITABILITY.—If real property is determined
9 unsuitable under section 624, such real property may not
10 be disposed of or otherwise used for any other purpose
11 for at least 20 days after such determination was made.

12 “(b) APPEAL.—

13 “(1) SECONDARY REVIEW OF DETERMINA-
14 TION.—Not later than 20 days after real property
15 has been determined unsuitable under section 624
16 and before disposal of the real property in accord-
17 ance with subsection (d), any representative of the
18 homeless may appeal to the Secretary of Housing
19 and Urban Development for a secondary review of
20 such determination.

21 “(2) CLEAR AND CONVINCING EVIDENCE.—Not
22 later than 20 days after real property has been de-
23 termined unsuitable under subsection (b)(3) of sec-
24 tion 624, the Secretary of Housing and Urban De-
25 velopment shall deem such real property suitable

1 notwithstanding the requirements of that subsection
2 if a representative of the homeless has produced
3 clear and convincing evidence that such property can
4 be utilized for the benefit of the homeless. Any de-
5 termination under this paragraph shall be committed
6 to the unreviewable discretion of the Secretary of
7 Housing and Urban Development.

8 “(c) FINAL SUITABILITY DETERMINATION.—Not
9 later than 20 days after the receipt of any appeal under
10 subsection (b), the Secretary of Housing and Urban De-
11 velopment shall respond to such appeal and shall make
12 a final suitability determination regarding the real prop-
13 erty.

14 “(d) DISPOSAL OF UNSUITABLE REAL PROPERTY.—

15 “(1) NO APPEAL.—If at the end of the 20-day
16 period required under subsection (a), no appeal for
17 review of a determination of unsuitability is received
18 by the Secretary of Housing and Urban Develop-
19 ment, such real property shall be disposed of in ac-
20 cordance with section 627.

21 “(2) DETERMINATION OF UNSUITABILITY
22 AFTER SECONDARY REVIEW.—If after conducting a
23 secondary review of a determination of unsuitability
24 under subsection (b), the Secretary of Housing and
25 Urban Development determines that the real prop-

1 erty remains unsuitable under subsection (c), such
2 real property shall be disposed of in accordance with
3 section 627.

4 “(3) DETERMINATION OF SUITABILITY AFTER
5 SECONDARY REVIEW.—If after conducting a sec-
6 ondary review of a determination of unsuitability
7 under subsection (b), the Secretary of Housing and
8 Urban Development determines that the real prop-
9 erty is suitable under subsection (c), such real prop-
10 erty shall be treated as suitable property for pur-
11 poses of section 626.

12 **“§ 626. Suitable real property**

13 “(a) DISPOSAL OF SUITABLE REAL PROPERTY.—

14 “(1) APPLICATION FOR TRANSFER OF PROP-
15 erty.—If real property is determined suitable under
16 section 624 or upon a secondary review under sec-
17 tion 625(d), any representative of the homeless shall
18 have not more than 90 days after such determina-
19 tion to submit an application to the Secretary of
20 Health and Human Services for the transfer of the
21 real property to that representative. If an applica-
22 tion cannot be completed within the 90-day period
23 due to non-material factors, the Secretary of Health
24 and Human Services, with the concurrence of the

1 appropriate landholding agency, may grant reason-
2 able extensions.

3 “(2) NO APPLICATION SUBMITTED.—If at the
4 end of the time period described under paragraph
5 (1), no representative of the homeless has submitted
6 an application, such real property shall be disposed
7 of in accordance with section 627.

8 “(b) CONSIDERATION OF APPLICATION.—

9 “(1) ASSESSMENT OF APPLICATION.—Not later
10 than 20 days after the receipt of any application
11 under subsection (a)(1), the Secretary of Health and
12 Human Services shall assess such application and
13 determine whether to approve or deny the request
14 for the transfer of the real property to such appli-
15 cant.

16 “(2) DENIAL OF APPLICATION.—If the applica-
17 tion of a representative of the homeless is denied by
18 the Secretary of Health and Human Services under
19 paragraph (1), such real property shall be disposed
20 of in accordance with section 627.

21 “(3) APPROVAL OF APPLICATION.—If the appli-
22 cation of a representative of the homeless is ap-
23 proved by the Secretary of Health and Human Serv-
24 ices under paragraph (1), such real property shall be
25 made promptly available to that representative by

1 permit or lease, or by deed, as a public health use
2 under subsections (a) through (d) of section 550.

3 **“§ 627. Expedited disposal requirements**

4 “(a) FAIR MARKET VALUE REQUIRED.—Real prop-
5 erty sold under the pilot program established under this
6 subchapter shall be sold at not less than the fair market
7 value, as determined by the Director in consultation with
8 the head of the executive agency. Costs associated with
9 such disposal may not exceed the fair market value of the
10 property unless the Director approves incurring such
11 costs.

12 “(b) MONETARY PROCEEDS REQUIRED.—Real prop-
13 erty may be sold under the pilot program established
14 under this subchapter only if the property will generate
15 monetary proceeds to the Federal Government, as pro-
16 vided in subsection (a). A disposal of real property under
17 the pilot program may not include any exchange, trade,
18 transfer, acquisition of like-kind property, or other non-
19 cash transaction as part of the disposal.

20 “(c) CONSTRUCTION.—Nothing in this subchapter
21 shall be construed as terminating or in any way limiting
22 authorities that are otherwise available to agencies under
23 other provisions of law to dispose of Federal real property,
24 except as provided in subsection (d).

1 “(d) EXPEDITED DISPOSAL EXEMPTIONS.—Any ex-
2 pedited disposal of real property conducted under this sub-
3 chapter shall not be subject to—

4 “(1) subchapter IV of this chapter;

5 “(2) sections 550 and 553 of this title;

6 “(3) section 501 of the McKinney-Vento Home-
7 less Assistance Act (42 U.S.C. 11411);

8 “(4) any other provision of law authorizing the
9 no-cost conveyance of real property owned by the
10 Federal Government; or

11 “(5) any congressional notification requirement
12 other than that in section 545.

13 **“§ 628. Special rules for deposit and use of proceeds**
14 **from disposal of real property**

15 “(a) REIMBURSEMENT OF ADMINISTRATIVE EX-
16 PENSES.—Executive agencies that dispose of real property
17 under this subchapter shall be reimbursed from the pro-
18 ceeds, if any, from such disposal for the administrative
19 expenses associated with such disposal. Such amounts
20 shall be credited as offsetting collections to the account
21 that incurred such expenses, to remain available until ex-
22 pended.

23 “(b) DEPOSIT OF PROCEEDS.—

24 “(1) IN GENERAL.—After payment of the ad-
25 ministrative expenses described under subsection (a),

1 the balance of the proceeds shall be distributed as
2 follows:

3 “(A) 80 percent shall be deposited into the
4 Treasury as miscellaneous receipts.

5 “(B) 20 percent shall be deposited into the
6 account of the agency that owned the real prop-
7 erty and initiated the disposal action.

8 “(2) FEDERAL REAL PROPERTY CAPITAL IM-
9 PROVEMENTS AND DISPOSAL ACTIVITY FUNDS.—
10 Funds deposited under paragraph (1)(A) shall re-
11 main available until expended for the period of the
12 pilot program, for activities related to Federal real
13 property capital improvements and disposal activi-
14 ties. Upon termination of the pilot program, any un-
15 obligated amounts shall be transferred to the general
16 fund of the Treasury.

17 **“§ 629. Limitation on number of permissible cash**
18 **sales**

19 “The total number of cash sales of real properties
20 to be disposed of under this subchapter over the 5-year
21 term of the Federal Real Property Disposal Pilot Program
22 shall not exceed 750.

23 **“§ 630. Government Accountability Office study**

24 “(a) STUDY REQUIRED.—Not later than 36 months
25 after the date of enactment of this subchapter, the Comp-

1 troller General of the United States shall submit to Con-
2 gress and make publicly available a study of the effective-
3 ness of the pilot program.

4 “(b) CONTENTS OF STUDY.—The study described
5 under subsection (a) shall include at a minimum—

6 “(1) recommendations for permanent reforms
7 to statutes governing real property disposals and no
8 cost conveyances; and

9 “(2) recommendations for improving the perma-
10 nent process by which Federal properties are made
11 available for use by the homeless.”.

12 (b) TECHNICAL AND CONFORMING AMENDMENT.—
13 The table of sections for chapter 5 of subtitle I of title
14 40, United States Code, is amended by inserting after the
15 item relating to section 611 the following:

“SUBCHAPTER VII—EXPEDITED DISPOSAL OF REAL PROPERTY

“§ 621. Definitions.

“§ 622. Pilot program.

“§ 623. Selection of real properties.

“§ 624. Suitability determination.

“§ 625. Unsuitable real property.

“§ 626. Suitable real property.

“§ 627. Expedited disposal requirements.

“§ 628. Special rules for deposit and use of proceeds from disposal of real prop-
erty.

“§ 629. Limitation on number of permissible cash sales.

“§ 630. Government Accountability Office study.”.

16 **SEC. 4. PAYMENT OF PRINCIPAL AND INTEREST ON PUBLIC**
17 **DEBT AND SOCIAL SECURITY TRUST FUNDS.**

18 (a) IN GENERAL.—In the event that the debt of the
19 United States Government, as defined in section 3101 of

1 title 31, United States Code, reaches the statutory limit,
2 the Secretary of the Treasury shall, in addition to any
3 other authority provided by law, issue obligations under
4 chapter 31 of title 31, United States Code, to pay with
5 legal tender, and solely for the purpose of paying, the prin-
6 cipal and interest on obligations of the United States de-
7 scribed in subsection (b) after the date of the enactment
8 of this Act.

9 (b) OBLIGATIONS DESCRIBED.—For purposes of this
10 subsection, obligations described in this subsection are ob-
11 ligations which are—

12 (1) held by the public, or

13 (2) held by the Old-Age and Survivors Insur-
14 ance Trust Fund and Disability Insurance Trust
15 Fund.

16 (c) PROHIBITION ON COMPENSATION FOR MEMBERS
17 OF CONGRESS.—None of the obligations issued under sub-
18 section (a) may be used to pay compensation for Members
19 of Congress.

20 (d) OBLIGATIONS EXEMPT FROM PUBLIC DEBT
21 LIMIT.—Obligations issued under subsection (a) shall not
22 be taken into account in applying the limitation in section
23 3101(b) of title 31, United States Code, to the extent that
24 such obligation would otherwise cause the limitation in

1 section 3101(b) of title 31, United States Code, to be ex-
2 ceeded.

3 (e) REPORT ON CERTAIN ACTIONS.—

4 (1) IN GENERAL.—If, after the date of the en-
5 actment of this Act, the Secretary of the Treasury
6 exercises his authority under subsection (a), the Sec-
7 retary shall thereafter submit a report each week the
8 authority is in use providing an accounting relating
9 to—

10 (A) the principal on mature obligations
11 and interest that is due or accrued of the
12 United States, and

13 (B) any obligations issued pursuant to
14 subsection (a).

15 (2) SUBMISSION.—The report required by para-
16 graph (1) shall be submitted to the Committee on
17 Ways and Means of the House of Representatives
18 and the Committee on Finance of the Senate.

19 **SEC. 5. RESCISSION OF UNOBLIGATED BALANCES.**

20 (a) IN GENERAL.—If a Federal budget deficit exists
21 in 2015, not later than July 16, 2016, of the funds made
22 available before October 1, 2011, the President may re-
23 scind any unobligated balances of such funds.

24 (b) REPORT.—On the same date that the President
25 orders a rescission under subsection (a), the President

1 shall submit a report to Congress containing the total
2 amounts of the funds rescinded and the affected accounts.

