



Wednesday, July 22, 2009

House Meets At...	Votes Predicted At...
10:00 a.m. For Legislative Business Fifteen "One-minutes" Per Side	Last vote: 6:00 – 7:00 p.m.

Any anticipated Member absences for votes this week should be reported immediately to the Office of the Majority Whip at 226-3210.

Floor Schedule and Procedure

- **H. Res. 665 – Rule providing for consideration of H.R. 2920 – Statutory Pay-As-You-Go Act of 2009 (Rep. Arcuri – Rules):** The structured rule provides for one hour of general debate equally divided and controlled by the Chair and Ranking Minority Member of the Committee on the Budget. The rule provides that the amendment in the nature of a substitute printed in part A of the Rules Committee report accompanying the resolution, modified by the amendment printed in part B of the Rules Committee report, shall be considered as adopted and the bill, as amended, shall be considered as read. The rule makes in order the amendment in the nature of a substitute printed in part C of the Rules Committee report accompanying the resolution if offered by Rep. Paul Ryan or his designee. The amendment in the nature of a substitute shall be considered as read and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent. The rule provides one motion to recommit the bill with or without instructions. The rule provides that for purposes of the concurrent resolution on the budget, the amounts specified in section 421(a)(2)(A) and section 421(a)(2)(C) shall be considered to be those reflected in section 314 and section 316 of the House companion measure. Debate on the rule will be managed by Rep. Arcuri, and consideration will proceed as follows:
 - One hour of debate on the rule.
 - Possible vote on a Democratic Motion ordering the previous question. **Members are urged to VOTE YES.**
 - Vote on adoption of the rule. **Members are urged to VOTE YES.**

- **H.R. 2920 – Statutory Pay-As-You-Go Act of 2009 (Reps. Hoyer/Spratt – Budget)**: Pursuant to H.Res. 665, general debate on the bill will be managed by Budget Committee Chair Rep. John Spratt or his designee. Consideration on the bill will proceed as follows:
 - One hour of general debate on the bill.
 - One hour of debate and possible vote on Republican amendment in the nature of a substitute. **Members are urged to VOTE NO on the Republican substitute.**
 - Possible debate and vote on Republican motion to recommit the bill.
 - Vote on final passage of the bill. **Members are urged to VOTE YES.**

- **Suspension Bills**: Today, the House will consider several bills on the Suspension calendar. Bills considered on the Suspension calendar are debatable for 40 minutes; may not be amended; and require a two-thirds vote for passage. If a recorded vote is requested, it will be postponed.
 1. **H.Res. 654** - Honoring the Organization for Security and Cooperation in Europe Mediterranean Partners for Cooperation (Rep. Hastings (FL) - Foreign Affairs)
 2. **H.Res. 538** - Resolution supporting Olympic Day and encouraging the International Olympic Committee to select Chicago, Illinois, as the host city for the 2016 Olympic and Paralympic Games (Rep. Schakowsky - Foreign Affairs)
 3. **H.Res. 285** - Congratulating the people of the Republic of Lithuania for its 1000th anniversary and celebrating the rich history of Lithuania (Rep. Shimkus - Foreign Affairs)
 4. **H.R. 1511** - Torture Victims Relief Reauthorization Act of 2009 (Rep. Smith (NJ) - Foreign Affairs)
 5. **H.Res. 519** - Expressing appreciation to the people and Government of Canada for their long history of friendship and cooperation with the people and Government of the United States (Rep. Stupak - Foreign Affairs)

- **Dispose of H.Res. ____ - Raising a question of the privileges of the House (Rep. Flake – *Privileged Resolution*)**
 - Vote on Democratic motion to table the resolution. **Members are urged to VOTE YES.**

- **Postponed Suspension Votes:**

1. **H.R. 1675** - Frank Melville Supportive Housing Investment Act of 2009 (Rep. Murphy (CT) - Financial Services)
2. **H.R. 2938** - To extend the deadline for commencement of construction of a hydroelectric project (Rep. Costello - Energy and Commerce)
3. **H.Res. 69** - Recognizing the need to continue research into the causes, treatment, education, and an eventual cure for diabetes (Rep. Baca - Energy and Commerce)
4. **H.R. 3119** - To designate the facility of the United States Postal Service located at 867 Stockton Street in San Francisco, California, as the "Lim Poon Lee Post Office" (Rep. Pelosi - Oversight and Government Reform)
5. **H.Res. 534** - Supporting the goals and ideals of "National Children and Families Day" (Rep. Edwards (MD) - Oversight and Government Reform)
6. **H.R. 2972** - To designate the facility of the United States Postal Service located at 115 West Edward Street in Erath, Louisiana, as the "Conrad DeRouen, Jr. Post Office" (Rep. Boustany - Oversight and Government Reform)
7. **H.Res. 566** - Congratulating the 2008-2009 National Basketball Association Champions, the Los Angeles Lakers, on an outstanding and historic season (Rep. Waters - Oversight and Government Reform)
8. **H.Res. 350** - Honoring the life and accomplishments of Harry Kalas for his invaluable contributions to the national past-time of baseball, the community, and the Nation (Rep. Sestak - Oversight and Government Reform)

Bill Summary & Key Issues

Summary of H.R. 2920 – Statutory Pay-As-You-Go Act of 2009

Passage of Statutory PAYGO is critical to Health Care Reform – Passage of America's Affordable Health Choices Act of 2009 will be made significantly easier after Statutory Pay-As-You-Go Act of 2009 is passed. When statutory PAYGO is passed, some resources provided to fix the Medicare physicians' payments sustainable growth rate system will no longer count against the deficit-neutral requirement for the overall health care reform bill – freeing up almost one-quarter of one trillion dollars to address core issues such as expanding health insurance coverage.

This legislation reestablishes the statutory "pay-as-you-go" (PAYGO) requirements that helped turn deficits into surpluses during the 1990s under the Clinton Administration. It is vital that this Caucus show strong support for

reinstating the budget discipline of PAYGO, which is based on the simple principle of paying for what we buy. In order to successfully implement important new programs for the American people, such as health care reform, we need to make sure that we are protecting the Nation's fiscal health, too.

How did we get here? A number of factors have brought us to this cash-strapped point, including:

- Reckless tax cuts.
- The cost of two wars that were funded outside the budget process.
- The abandonment in the Bush years of the PAYGO principle that our country should pay for what it buys.
- Entitlement programs that have grown on autopilot.
- The necessary, though costly, efforts to get our economy out of recession.

What will this PAYGO legislation do?

- Require that all new policies reducing revenues or expanding entitlement spending enacted during a session of Congress be offset over five and ten years.
- Include an exemption for legislation designated as emergency, as Congress did in the American Recovery and Reinvestment Act.
- Allow legislation extending designated current policies to be extended without offsets:
 - Medicare physician payments.
 - Alternative Minimum Tax.
 - Extension of child tax credit, marriage penalty relief and reduction in income tax rates for taxpayers with incomes below \$250,000
 - The current estate tax exemption and rate
- Require any future extension of upper income tax cuts to be offset.
- Force a serious examination of wasteful subsidies in the budget and tax loopholes that can be eliminated to offset more worthwhile programs.
- Force advocates of tax cuts to acknowledge the costs and show how they would pay for them.
- Ensure that we can afford to fund America's most important priorities consistently for future generations.
- Exempt any spending on discretionary programs funded in appropriations bills, such as:
 - LIHEAP
 - WIC
 - Head Start
 - housing assistance
 - Pell grants
- Establish an enforcement mechanism: a sequester in non-exempt mandatory programs at the end of the year if Congress has not paid for the costs of all legislation enacted during the year. Certain designated programs are exempt from the sequester, including:
 - Social Security
 - Medicaid
 - Food Stamps
 - Other programs targeted at low-income populations

Why is PAYGO important?

- Statutory PAYGO is a priority for President Obama.

- He endorsed the concept early in his campaign
- Now, it is a central part of his effort to demonstrate his commitment to fiscal responsibility.
- We must balance short-term deficit spending for economic recovery with a commitment to restoring fiscal discipline in the long-term.
- The large deficits we inherited as a result of the reckless borrow-and-spend policies of the previous administration have put pressure on funding for important Democratic priorities such as education, clean energy, and more.
- We must ensure that regardless of who is in power, PAYGO will be a powerful impediment to reckless tax cuts financed by debt.

Republican Amendment in the Nature of a Substitute to .R. 2920 – Statutory Pay-As-You-Go Act of 2009

1. **Paul Ryan:** The Republican substitute completely gets rid of the Pay-As-You-Go rules contained in the base bill. Instead, it puts in place a different set of budget enforcement mechanisms, none of which focus directly on constraining the unbalanced tax cuts that have caused so much of our fiscal problems in the first place. First, the Republican substitute places tight caps on all discretionary spending – defense and non-defense – at levels far below what was included in this year’s budget resolution, meaning that passing appropriations bills at the levels in this year’s budget resolution would produce across-the-board cuts to defense and non-defense discretionary programs. The Republican substitute also imposes caps on total spending at levels significantly below what was in our budget resolution, which would cause additional across-the-board spending cuts. The Republican substitute also includes deficit targets, again enforced with across-the-board spending cuts. Unlike the base bill, which entirely protects low-income programs from across-the-board cuts, the Republican substitute allows some cuts to most low-income programs.

(60 minutes)

Members are urged to VOTE NO.

Quote of the Day

“The ‘pay-as-you-go’ rule is very simple. Congress can only spend a dollar if it saves a dollar elsewhere. And this principle guides responsible families managing a budget. And it is no coincidence that this rule was in place when we moved from record deficits to record surpluses in the 1990s -- and that when this rule was abandoned, we returned to record deficits that doubled the national debt.”

— President Barack Obama