

## AMENDING THE GEPHARDT RULE

In its original form, the Gephardt rule required the engrossment of a joint resolution changing the temporary public debt limit. In 1983, the separate temporary and permanent statutory limits on the public debt were combined into one permanent statutory limit (Pub. L. 98-34). To reflect this, the House adopted H. Res. 241 (98<sup>th</sup> Congress), which amended the rule, agreed to on June 23, 1983.

Thereafter, the automatically engrossed joint resolution contained a change to the permanent statutory limit. The rules were also changed to provide that where a budget resolution contains more than one public debt limit figure (for the current and the next fiscal year), only one joint resolution be engrossed, containing the debt limit figure for the current fiscal year with a time limitation, and the debt limit figure for the following fiscal year as the permanent limit.

From the Congressional Record:

### AMENDING RULE XLIX OF THE RULES OF HOUSE OF THE REPRESENTATIVES CONCERNING METHOD OF ESTABLISHING STATUTORY LIMIT ON PUBLIC DEBT

Mr. Derrick. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 241, and ask for its immediate consideration. The Clerk read the resolution, as follows:

#### H. RES. 241

*Resolved*, That clause 2 of rule XLIX of the Rules of the House of Representatives is amended to read as follows:

"2. The matter after the resolving clause in any joint resolution described in clause 1 shall be as follows: 'That subsection (b) of section 3101 of title 31, United States Code, is amended by striking out the dollar limitation contained in such subsection and inserting in lieu thereof "\$\_\_\_\_".', with the blank being filled in with a limitation equal to the appropriate level of the public debt as set forth, pursuant to section 301(a)(5) of the Congressional Budget Act of 1974, in the concurrent resolution on the budget (whether such resolution was adopted under section 301, 304, or 310 of such Act). Only one joint resolution shall be prepared under clause 1 upon the adoption of any concurrent resolution on the budget; and, if the concurrent resolution set forth a different appropriate level of the public debt (pursuant to such section 301(a)(5)) for each of two separate periods, the blank referred to in the preceding sentence shall be filled in with both the limitation which is to apply for the later of the two periods (specifying the date on which that limitation is to take effect) and the limitation which is to apply for the earlier of such

periods.”

Sec. 2. The first sentence of clause 1 of rule XLIX of the Rules of the House of Representatives is amended by striking out “by an amount equal to the difference between such limit and such appropriate level”.

#### FLOOR DISCUSSION ON H. RES. 241

The SPEAKER pro tempore. The gentleman from South Carolina (Mr. DERRICK) is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, under the customs of the House, I yield 30 minutes for the purposes of debate only to the gentleman from Mississippi (Mr. LoTT), and pending that, I yield myself such time as I may consume.

Mr. DERRICK. Mr. Speaker, House Resolution 241 will amend rule XLIX of the Rules of the House of Representatives so that Rule XLIX will reflect changes recently made in the method of changing the statutory limit on the public debt.

House rule XLIX currently directs that, upon adoption of a concurrent resolution on the budget which recommends a change in the limit on the national debt, a joint resolution temporarily increasing (decreasing) the debt limit by the amount recommended in the budget resolution is engrossed by the enrolling clerk, deemed to have passed the House, and is transmitted to the Senate for further legislative action.

If such a concurrent resolution on the budget recommends different appropriate limits on the public debt for two different time periods, two joint resolutions are deemed to have passed, each one changing the debt limit temporarily for one of the two time periods concerned.

From 1969 until enactment of Public Law 98-34 (H.R. 2990) this past May, the U.S. public debt limit consisted of two parts: a permanent debt limit set forth in section 3101(b) of title 31, United States Code, and a temporary increase in that limit, with an expiration date on or before the last day of the fiscal year.

Public Law 98-34, which increased the debt limit to 1,389,000,000,000 (1 trillion, 389 billion dollars) also changed the method of increasing the debt limit. Rather than temporarily increasing the debt limit, it amended the permanent statutory limit contained in section 3101(b) of title 31 to raise that level to the full amount required to allow the Federal Government to meet its financing needs.

In keeping with this change House Resolution 241 would amend rule XLIX so that a joint resolution triggered by the passage of a concurrent resolution on the budget would change the debt limit by amending the permanent limit on the national debt, rather than temporarily increasing that limit. House Resolution 241 also provides that only one joint resolution will be triggered by the passage of a single concurrent resolution on the budget, even if such a concurrent resolution on the budget recommends two different debt limits for 2 different fiscal years.

In such a situation, the joint resolution would provide that the limit recommended for the later period shall be the permanent statutory limit, except that the limit recommended for the earlier period shall be in effect for the duration of that period.

Thus, while only one joint resolution is engrossed and deemed passed, two different debt limits are set. The amount recommended in the budget resolution as the appropriate debt limit level for the current fiscal year will be the effective limit from enactment of the joint resolution until the end of the current fiscal year; thereafter, the amount recommended in the budget resolution as the appropriate level of the public debt for the coming fiscal year will be the statutory limit on the public debt until subsection (b) of section 3101 of title 31 is further amended to increase or decrease it.

The Committee on Rules agrees with the finding of the Committee on Ways and Means that the "use of combined permanent and temporary debt limits complicated both debt management and congressional procedure. . . has outlived whatever usefulness it may have had . . ." and "has become a source of confusion to the public. . ." (House Report 98-121, to accompany H.R. 2990).

The Committee on Rules also believes that it is unnecessary and confusing to have the enactment of a single concurrent resolution on the budget trigger the engrossment and passage of two separate joint resolutions to increase or decrease the public debt.

The committee, therefore, recommends passage of House Resolution 241 so that rule XLIX will conform to the practice of amending the permanent limit on the national debt, rather than increasing the debt limit temporarily, established by the enactment of Public Law 98-34 earlier this year; and so that Congress can eliminate the duplication of effort required by passage of two joint resolutions to achieve a single result.

Mr. Speaker, I urge adoption of House Resolution 241. I yield to the gentleman from Mississippi (Mr. Lott) for the purposes of debate only.

Mr. LOTT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, House Resolution 241 amends House rule XLIV regarding an automatic procedure for transferring the public debt limit figure in a final budget resolution to a joint resolution to be sent to the Senate. This is the so-called Gephardt rule adopted back in 1978 to reduce the number of votes Congress would have to take every time it raised the public debt limit. Under the Gephardt rule, once a conference report on a budget resolution was finally adopted, the enrolling clerk in the House would prepare for engrossment a joint resolution containing the amount by which the debt limit was temporarily increased in the budget resolution over the permanent debt limit. That resolution was then sent to the Senate, thus avoiding the need for the Ways and Means Committee to report a separate bill and the House to vote a second time on the same matter.

Mr. Speaker, this year it was necessary for the Ways and Means Committee to report a debt limit bill to fill a gap left by the last budget resolution. In that bill the Ways and Means Committee eliminated the fiction of temporary increases and provided for a new permanent debt limit. At the sometime, the chairman of the Ways and Means Committee requested that House Rule XLIV be amended to reflect this change, and also that the rule permit coupling two debt limit figures in the same joint resolution under the Gephardt procedure—one figure for the current fiscal year if there is a revised resolution, and one for the succeeding fiscal year. While the Rules Committee did not carry out the Ways and Means request at that time, the resolution before us today

would accomplish that objective.

Mr. Speaker, under the proposed amendment to House rule XLIV, it would be made clear that the Gephardt procedure would be changed to reflect the new permanent public debt limit as opposed to the previous temporary public debt increases. And the rule would also provide for the inclusion of a single joint resolution both the debt levels for the current fiscal year as set forth in a revised resolution, and for the succeeding fiscal year as set forth in the first budget resolution, if two such periods are provided for in a single budget resolution. The rule would further state that the later debt level would specify a debt on which it is to take effect, which would ordinarily be the beginning of the next fiscal year.

Mr. Speaker, the Rules Committee had before it two options. The option not adopted would have required that if two debt levels were included in a budget resolution, the higher of the two would be transferred to the joint resolution. In a statement to our committee, the gentleman from New York (Mr. Conable) indicated he would prefer this option since it would help avoid the possibility of a gap occurring between the former ceiling and effective date of the latter ceiling. In other words, we could bump up against the ceiling for the current fiscal year before October 1 when the higher ceiling would take effect. In that instance, much as was required this year, the Ways and Means Committee would be required to report a debt bill to cover the gap. This runs contrary to the original purpose of the Gephardt rule which was to reduce House votes on debt levels bills. Nevertheless, the rule before us is the one preferred by the chairman of the Ways and Means Committee, and the Rules Committee deferred to his choice in this matter. I do not think this is a major or partisan issue, and will not oppose this rule. Mr. Speaker, I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution. The previous question was ordered. The resolution was agreed to. A motion to reconsider was laid on the table.

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