



The Limit, Save, Grow Act of 2023

Section-By-Section

DIVISION A—Limit Federal Spending

TITLE I—DISCRETIONARY SPENDING LIMITS FOR DISCRETIONARY CATEGORY

Sec. 101. Discretionary spending limits. - Establishes caps on discretionary spending from Fiscal Years (FY) 2024 through 2033. Sets FY24 caps at the FY22 level of \$1.471 trillion. Levels are allowed to grow by 1% per year through FY33. The section also reapplies the disaster funding cap adjustment formula and updates and carries forward program integrity cap adjustments at CBO baseline levels.

Discretionary spending limits:

FY24:	1,470,979
FY25:	1,485,689
FY26:	1,500,546
FY27:	1,515,551
FY28:	1,530,707
FY29:	1,546,014
FY30:	1,561,474
FY31:	1,577,089
FY32:	1,592,859
FY33:	1,608,788

DIVISION B—Save Taxpayer Dollars

TITLE I—RECISSION OF UNOBLIGATED COVID FUNDING

Sec. 201. Rescission of Unobligated COVID Funding. Rescinds all unobligated balances of amounts appropriated or otherwise made available by the American Rescue Plan Act of 2021 (Public Law 117–2), and by each of Public Laws 116–123, 116–127, 116–136, and 116–139 and divisions M and N of Public Law 116–260.

TITLE II—PROHIBIT UNFAIR STUDENT LOAN GIVEAWAYS

Sec. 211. Nullification and repeal of certain rules, regulations, policies, and executive actions relating to Federal student loans. - This section prohibits the student loan debt forgiveness plan announced by President Biden on August 24, 2022, which forgives up to \$20,000 in student debt for most borrowers. In addition, this section prohibits the Biden Administration’s proposed Income-Driven Repayment (IDR) plan.

Sec. 212. Limitation on authority of Secretary to propose or issue regulations and executive actions. - Prohibits, after the date of enactment of this section, the Secretary of Education from issuing any new rule or action with respect to student loans that is economically significant or that has the effect of increasing the subsidy cost of such loan programs.

TITLE III—REPEAL MARKET DISTORTING GREEN TAX CREDITS

Sec. 221. Amendment of 1986 Code. - States that the below sections are in reference to the Internal Revenue Code of 1986.

Sec. 222. Modification of credit for electricity produced from certain renewable resources. - Restores prior law for the production tax credit (PTC) for electricity produced from certain renewable resources to a pre-inflation adjusted base rates of 1.5 cents per kWh for wind, closed-loop biomass, and geothermal, and to a pre-inflation adjusted base of 1.2 cents per kWh for open loop biomass, small irrigation power, municipal solid waste, hydropower, and marine and hydrokinetic power constructed before December 31, 2021. Repeals PTC extension through 2024, prevailing wage requirements, domestic content bonus, and energy community bonus.

Sec. 223. Modification of energy credit. – Restores prior law for the investment tax credit (ITC) for investments in certain energy property to 26 percent ITC in 2022 and a 22 percent ITC in 2023 for solar, fiber optic solar, fuel cells, small wind, and waste energy recovery property. Restores a 10 percent ITC for microturbines, combined heat and power, and geothermal heat pumps expiring in 2023. Restores a 30 percent ITC for offshore wind expiring in 2025 and a permanent 10 percent ITC for solar and geothermal. Repeals the ITC extension through 2024, expansion to energy storage, biogas, microgrid controllers, dynamic glass, and linear generators, and repeals the domestic content bonus and the energy community, bonus.

Sec. 224. Repeal of increase in energy credit for solar and wind facilities placed in service in connection with low-income communities. - Repeals the new tax credit for “environmental justice solar and wind capacity.”

Sec. 225. Modification of credit for carbon oxide sequestration. - Restores prior law with respect to the credit for carbon oxide sequestration. For geologically sequestered CO₂, the credit \$31.77 per metric ton in 2020, increasing to \$50 by 2026, and then is inflation adjusted. For geologically sequestered CO₂ used in enhanced oil recovery, the credit was \$20.22 per metric ton in 2020, increasing to \$35 by 2026, and then is inflation adjusted. For other qualified uses of CO₂, the credit is \$20.22 per metric ton in 2020, increasing by \$35 by 2026, and then is inflation adjusted. Repeals the base credit rate of \$17 (and bonus credit rate of \$85) per metric ton of CO₂ stored in geological formations; the base credit rate of \$12 (and bonus credit rate of \$60) per metric ton of CO₂ used in enhanced oil recovery or in commercial use that results in permanent sequestration; the base credit rate of \$36 (and bonus rate of \$180) per metric ton for direct air capture stored in geological formations; and the base credit rate of \$26 (and bonus rate of \$130) per metric ton for direct air capture used in enhanced oil recovery. In all cases, the bonus rates were achieved by meeting prevailing wage requirements.

Sec. 226. Repeal of zero-emission nuclear power production credit. - Repeals the new tax credit for zero-emission nuclear power.

Sec. 227. Modification of incentives for biodiesel, renewable diesel, and alternative fuels. - Restores prior law for tax incentives for biodiesel, renewable diesel, and alternative fuels, changing the expiration date from 2025 to 2022.

Sec. 228. Modification of incentives for second generation biofuels. - Restores prior law for tax incentives for second generation biofuels, changing the expiration date from 2025 to 2022.

Sec. 229. Repeal of sustainable aviation fuel credit. - Repeals the new tax credit for the sale or mixture of sustainable aviation fuel.

Sec. 230. Repeal of clean hydrogen credit. - Repeals the new tax credit for the production of clean hydrogen.

Sec. 231. Modification of nonbusiness energy property credit. - Restores prior law for the nonbusiness energy property tax credit expired in 2021. Repeals extension of the credit through 2032 and the expanded scope of qualifying investments.

Sec. 232. Residential clean energy credit reverted to credit for residential energy efficient property. - Restores the 26 percent credit through 2022 and the 22 percent credit in 2023, expiring after 2023. Repeals the 30 percent credit in 2022 and the expanded scope to battery storage technology placed in service in 2023 or later.

Sec. 233. Modification of energy efficient commercial buildings deduction. - Restores prior law for the energy efficient commercial buildings deduction, where the maximum value of the base deduction is \$0.50 per square foot, increased by \$0.02 per square foot for every percentage point by which the designed energy cost savings exceed 25 percent against the reference standard, not to exceed \$1.00 per square foot. Repeals the bonus deduction through 2031 of \$2.50 per square foot, increased by \$0.10 per square foot for every percentage point by which designed energy cost savings exceed 25 percent against the reference standard, not to exceed \$5.00 per square foot.

Sec. 234. Modifications to new energy efficient home credit. - Restores prior law for the new energy efficient home credit, providing a \$2,000 credit for energy efficient single family and manufactured new homes meeting certain energy star requirements, and that expired in 2021. Repeals credit increase to \$5,000 and extension of the credit through 2032.

Sec. 235. Modification of clean vehicle credit. - Restores prior law for the tax credit for qualifying plug-in electric vehicles of \$7,500 credit (\$2,917 with battery of 5kWh \$417 for each kWh over), subject to a per-manufacturer limit of 200,000 vehicles. Repeals the new \$7,500 credit for clean vehicles (\$3,750 if battery critical minerals are extracted from a free trade agreement country, Plus \$3,750 if the battery is manufactured or assembled in North America), subject to an income limit of \$150,000 (\$300,000 for joint filers). The MSRP vehicle eligibility limit is \$80,000 for vans, SUVs, and trucks, and \$55,000 for any other vehicle.

Sec. 236. Repeal of credit for previously owned clean vehicles. - Repeals the new tax credit for buyers of previously owned qualified plug-in electric and fuel cell vehicles.

Sec. 237. Repeal of credit for qualified commercial clean vehicles. - Repeals the new tax credit for qualified commercial clean vehicles.

Sec. 238. Alternative fuel refueling property credit. - Restores prior law for the fuel refueling property credit expired on December 31, 2022.

Sec. 239. Advanced energy project credit extension reversed. - Restores prior law for the qualified advanced energy manufacturing tax credit, returning to the allocation initially capped at \$2.3B and awarded by the Secretary of the Treasury. Repeals an additional \$10 billion in tax credits to qualifying projects, starting in 2023, and \$4 billion set aside for qualifying projects in census tracts in which a coal mine or coal power plant has closed.

Sec. 240. Repeal of advanced manufacturing production credit. - Repeals the new production tax credit for the domestic production and sale of qualifying solar and wind components.

Sec. 241. Repeal of clean electricity production credit. - Repeals the new clean electricity production tax credit.

Sec. 242. Repeal of clean electricity investment credit. - Repeals the new clean electricity investment tax credit.

Sec. 243. Modification of cost recovery for qualified facilities, qualified property, and energy storage technology removed. - Repeals the provision allowing any facility qualifying for the clean electricity PTC or the clean electricity ITC to be treated as 5-year property under the modified accelerated cost recovery system (MACRS).

Sec. 244. Repeal of clean fuel production credit. - Repeals the new tax credit for domestic clean fuel production.

Sec. 245. Repeal of sections relating to elective payment for energy property and electricity produced from certain renewable resources; transfer of credits. - Repeal of the provision that allows certain organization to treat certain tax credit amounts as payments of tax.

TITLE IV—FAMILY AND SMALL BUSINESS TAXPAYER PROTECTION

Sec. 251. Rescission of certain balances made available to the Internal Revenue Service. - Inserts the text of House-passed H.R. 23, rescinding unobligated balances from the amounts provided to the Internal Revenue Service (IRS) in the Inflation Reduction Act (P.L. 117-169).

DIVISION C—Grow the Economy

TITLE I—TEMPORARY ASSISTANCE TO NEEDY FAMILIES

Sec. 301. Recalibration of the caseload reduction credit. - Currently, states can receive caseload reduction credits (CRCs) for decreasing the number of individuals on their TANF caseload relative to an outdated, 2005 caseload level. This section would reset the baseline year for calculation of the CRC to FY 2022, similar to what Congress did in the Deficit Reduction Act of 2005. In addition, this section makes a corresponding change to update the base year for disregarding any caseload declines resulting from changes to state eligibility criteria to FY 2022.

Sec. 302. Eliminating excess maintenance of effort spending in determining caseload reduction credit. - Under Department of Health and Human Services (HHS) regulations, states may receive CRCs for spending in excess of their maintenance of effort requirement—the amount of funding states are required to provide from their own budget under the TANF block grant. This section would nullify this HHS regulation and thus prevent states from “buying down” their work participation rate (WPR) and reducing the link between work as a requirement for government assistance.

Sec. 303. Elimination of small checks scheme. - In order to meet their required WPR, some states send Supplemental Nutrition Assistance Program (SNAP) recipients who are already working a small TANF check so the state can officially count them as part of the TANF caseload and towards their WPR. This section would disincentivize states from doing “small checks” by requiring those families in separate state programs (e.g., working parents in SNAP) to comply with child support and other requirements in TANF.

Sec. 304. Reporting of work outcomes. - This provision would require HHS to collect data from states on outcome metrics for TANF recipients aligned with employment metrics in the Workforce Innovation and Opportunity Act to provide Congress with data to evaluate TANF’s ability to move individuals off the sidelines into sustainable employment and self-sufficiency.

Sec. 305. Effective date. - Establishes the effective date of the TANF reforms in the previous four sections as October 1, 2025.

TITLE II—SNAP EXEMPTIONS

Sec. 311. Age-related exemption from work requirement to receive SNAP. - Currently, SNAP’s able-bodied adults without dependents (ABAWD) time limit and subsequent work requirement applies to individuals aged 18-49. This section would adjust it to ages 18-55.

Sec. 312. Rule of construction for exemption adjustment. - States are allowed to annually exempt up to 12% of ABAWDs from the federal work requirement. States have interpreted the law as allowing them to carry over unused exemptions from year to year, building up large balances and allowing them to exempt more individuals from work requirements. This provision would end the ability of states to carryforward these exemptions, beginning in 2025.

TITLE III—COMMUNITY ENGAGEMENT REQUIREMENT FOR APPLICABLE INDIVIDUALS

Sec. 321. Community engagement requirement for applicable individuals. - This section would apply work requirements to ABAWDs in the Medicaid program, similar to how it is applied in other federal welfare programs, like SNAP. Specifically, the section would adopt the definition used for SNAP ABAWD and age applicability of 19-55. ABAWDs in Medicaid would then be required to work, community service, or a work training program for at least 80 hours per month in order to remain eligible for Medicaid.

TITLE IV—REGULATIONS FROM THE EXECUTIVE IN NEED OF SCRUTINY

Sec. 331. Short title. - Establishes that this title may be cited as the “Regulations from the Executive in Need of Scrutiny (REINS) Act of 2023”.

Sec. 332. Purpose. - Establishes the purpose of the REINS Act, which is to increase accountability and transparency in the Federal regulatory process by requiring Congress to approve all new major regulations.

Sec. 333. Congressional review of agency rulemaking. - Requires and establishes a process for congressional approval of all major rules, defined as rules that would result in an annual impact on the economy of \$100 million or more, a major increase in costs or prices, or significant adverse effects on competition, employment, investment, productivity, innovation, or American economic competitiveness. The provision does not apply to monetary policy.

Sec. 334. Budgetary effects of rules subject to section 802 of title 5, United States Code. - Provides that any rule subject to the congressional approval procedure set forth in the above section affecting budget authority, outlays, or receipts shall be assumed to be effective unless it is not approved by Congress.

Sec. 335. Government Accountability Office study of rules. - Requires the Government Accountability Office (GAO) to conduct a study on how many rules and major rules are in effect and the total estimated costs of such rules, to be submitted within a year of enactment.

DIVISION D—H.R. 1 – Division D inserts the text of H.R. 1, the Lower Energy Costs Act, as it was engrossed following House passage on March 30, 2023.

DIVISION E—Increase in Debt Limit

Sec. 40001. Increase in debt limit. - This section suspends the debt limit through the earlier of March 31, 2024, or \$1.5 trillion.