112th Congress 2d Session

H. R. 6365

IN THE SENATE OF THE UNITED STATES

September 19, 2012

Received; read twice and referred to the Committee on the Budget

AN ACT

To amend the Balanced Budget and Emergency Deficit Control Act of 1985 to replace the sequester established by the Budget Control Act of 2011.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,
SECTION 1. SHORT TITLE.

This Act may be cited as the “National Security and Job Protection Act”.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Current law requires that there be across-the-board cuts, known as a “sequester”, imposed on January 2, 2013. The sequester will result in a 10 percent reduction in non-military personnel programs of the Department of Defense and an 8 percent reduction in certain domestic programs, such as the National Institutes of Health (NIH) and border security.

(2) Intended as a mechanism to force action, there is bipartisan agreement that the sequester going into place would undercut key responsibilities of the Federal Government.

(3) As the Administration stated in its fiscal year 2013 budget request, “[Sequestration] would lead to significant cuts to critical domestic programs such as education and research and cuts to defense programs that could undermine our national security. * * * [C]uts of this magnitude done in an across-the-board fashion would be devastating both to defense and non-defense programs.” (The Budget

(4) On March 29, 2012, The House of Representatives passed H. Con. Res. 112, the budget resolution for fiscal year 2013, which includes reconciliation instructions directing House Committees to craft legislation that would achieve the savings required to replace the sequestration called for in fiscal year 2013, as established by the Budget Control Act of 2011.

(5) On May 10, 2012, the House of Representatives passed H.R. 5652, the Sequestration Replacement Reconciliation Act of 2012, which would replace the $98 billion sequestration of discretionary spending called for in 2013, as established by the Budget Control Act of 2011, by making changes in law to reduce direct spending by $310 billion through fiscal year 2022.

(6) An analysis of the impact of the sequestration prepared for the Chairman of the House Armed Services Committee found that if left in place, sequestration would cut the military to its smallest size since before the Second World War, all while we are still a nation at war in Afghanistan, facing in-
creased threats from Iran and North Korea, unrest in the Middle East, and a rising China.

(7) Major consequences identified by the House Armed Services Committee include the following:

(A) 200,000 soldiers and Marines separated from service, bringing our force well below our pre-9/11 levels.

(B) Ability to respond to contingencies in North Korea or Iran at jeopardy.

(C) The smallest ground force since 1940.

(D) A fleet of fewer than 230 ships, the smallest level since 1915.

(E) The smallest tactical fighter force in the history of the Air Force.

(F) Our nuclear triad that has kept the U.S. and 30 of our allies safe for decades will be in jeopardy.

(G) Reductions of 20 percent in defense civilian personnel.

(H) Two BRAC rounds of base closings.

(House Armed Services Committee memo entitled “Assessment of Impacts of Budget Cuts”, September 22, 2011).
(8) Secretary Panetta and the professional mili-
tary leadership have also looked at the impact of se-
questration and reached similar conclusions.

(9) Secretary Panetta stated, “If the maximum
sequestration is triggered, the total cut will rise to
about $1 trillion compared with the FY 2012 plan.
The impacts of these cuts would be devastating for
the Department * * * Facing such large reductions,
we would have to reduce the size of the military
sharply. Rough estimates suggest after ten years of
these cuts, we would have the smallest ground force
since 1940, the smallest number of ships since 1915,
and the smallest Air Force in its history.” (Sec-
retary Panetta, Letter to Senator John McCain, No-
ember 14, 2011).

(10) General Dempsey, Chairman of the Joint
Chiefs of Staff, stated, “[S]equestration leaves me
three places to go to find the additional money: op-
erations, maintenance, and training. That’s the defi-
nition of a hollow force.”.

(11) The individual branch service chiefs echoed
General Dempsey:

(A) “Cuts of this magnitude would be cat-
astrophic to the military * * * My assessment
is that the nation would incur an unacceptable
level of strategic and operational risk.”—General Ray T. Odierno, Chief Of Staff, United States Army.

(B) “A severe and irreversible impact on the Navy’s future”—Admiral Jonathan W. Greenert, Chief of Naval Operations.

(C) “A Marine Corps below the end strength that’s necessary to support even one major contingency,”—General James F. Amos, Commandant of the Marine Corps.

(D) “Even the most thoroughly deliberated strategy may not be able to overcome dire consequences,”—General Norton A. Schwartz, Chief of Staff, United States Air Force (Testimony of Service Chief before House Armed Services Committee, November 2, 2011).

(12) According to an analysis by the House Appropriations Committee, the sequester will also have a significant impact on non-defense discretionary programs, including the following:

(A) Automatically reducing Head Start by $650 million, resulting in 75,000 fewer slots for children in the program.

(B) Automatically reducing the National Institutes of Health (NIH) by $2.4 billion, an
amount equal to nearly half of total NIH
spending on cancer this year.

(C) A reduction of approximately 1,870
Border Patrol Agents (a reduction of nearly 9
percent of the total number of agents).

(13) Beyond the negative impacts sequestration
will have on defense readiness, it will also undermine
the industrial base needed to equip our armed forces
with the weapons and technology they need to com-
plete their mission. A study released by the National
Association of Manufacturers suggests that 1.1 mil-
lion workers in the supply chain could be adversely
affected, including 3.4 percent of workers in the
aerospace industry, 3.3 percent of the workforce in
the shipbuilding industry and 10 percent of the
workers in the search and navigation equipment in-
dustry.

SEC. 3. CONDITIONAL REPLACEMENT FOR FY 2013 SEQUE-
STER.

(a) CONTINGENT EFFECTIVE DATE.—This section
and the amendments made by it shall take effect upon
the enactment of—

(1) the Act contemplated in section 201 of H.
Con. Res. 112 (112th Congress) that achieves at
least the deficit reduction called for in such section for such periods; or

(2) similar legislation that achieves outlay reductions within five years after the date of enactment that equal or exceed the outlay reductions flowing from the budget authority reductions mandated by sections 251A(7)(A) and 251A(8) of the Balanced Budget and Emergency Deficit Control Act of 1985, as in force immediately before the date of enactment of this Act, as it applies to direct spending in the defense function for fiscal year 2013 combined with the outlay reductions flowing from the amendment to section 251A(7)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985 made by subsection (c) of this section.

(b) Revised 2013 Discretionary Spending Limit.—Paragraph (2) of section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:

“(2) with respect to fiscal year 2013, for the discretionary category, $1,047,000,000,000 in new budget authority;”.

(e) Discretionary Savings.—Section 251A(7)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:
“(A) Fiscal Year 2013.—

“(i) Fiscal Year 2013 Adjustment.—On January 2, 2013, the discretionary category set forth in section 251(c)(2) shall be decreased by $19,104,000,000 in budget authority.

“(ii) Enforcement of Discretionary Spending Caps.—OMB shall issue a supplemental report consistent with the requirements set forth in section 254(f)(2) for fiscal year 2013 using the procedures set forth in section 253(f) on April 15, 2013, to eliminate any discretionary spending breach of the spending limit set forth in section 251(c)(2) as adjusted by clause (i), and the President shall issue an order to eliminate the breach, if any, identified in such report.”.

(d) Elimination and Conditional Replacement of the Fiscal Year 2013 Sequestration for Direct Spending.—

(1) Elimination.—Any sequestration order issued by the President under the Balanced Budget and Emergency Deficit Control Act of 1985 to carry out reductions to direct spending for the defense
function (050) for fiscal year 2013 pursuant to section 251A of such Act shall have no force or effect.

(2) CONDITIONAL REPLACEMENT.—To the extent that legislation enacted pursuant to section 3(a)(2) achieves outlay reductions that exceed the outlay reductions flowing from the budget authority reductions required in section 251A(8) of the Balanced Budget and Emergency Deficit Control Act of 1985, as in force immediately before the date of enactment of this Act, the direct spending reductions for the nonsecurity category for fiscal year 2013 otherwise required to be ordered pursuant to such section shall be reduced by that amount, and Congress so designates for such purpose.

SEC. 4. PRESIDENTIAL SUBMISSION.

Not later than October 15, 2012, the President shall transmit to Congress a legislative proposal that meets the requirements of section 3(a)(2) of this Act.

Passed the House of Representatives September 13, 2012.

Attest: KAREN L. HAAS,

Clerk.