

113TH CONGRESS
1ST SESSION

H. R. 1970

To direct the Secretary of the Treasury to ensure that social security benefits are paid, to prioritize payments when the United States is not able to issue new obligations due to the statutory debt limit, and to address a lapse in appropriations to fund the Armed Forces.

IN THE HOUSE OF REPRESENTATIVES

MAY 14, 2013

Mr. GOHMERT introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To direct the Secretary of the Treasury to ensure that social security benefits are paid, to prioritize payments when the United States is not able to issue new obligations due to the statutory debt limit, and to address a lapse in appropriations to fund the Armed Forces.

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

3 **SECTION 1. TIMELY PAYMENT OF SOCIAL SECURITY BENE-**
4 **FITS IF STATUTORY DEBT LIMIT IS REACHED.**

5 (a) IN GENERAL.—Section 1145 of the Social Secu-
6 rity Act (42 U.S.C. 1320b–15) is amended—

1 (1) by redesignating subsections (b) and (c) as
2 subsections (c) and (d), respectively; and

3 (2) by inserting after subsection (a) the fol-
4 lowing new subsection:

5 “(b) TIMELY PAYMENT OF BENEFITS IF STATUTORY
6 DEBT LIMIT IS REACHED.—

7 “(1) DISINVESTMENT OF FUND TO MAKE CUR-
8 RENT BENEFIT PAYMENTS.—For the purpose of
9 making payment of cash benefits or administrative
10 expenses during any debt limit default period, public
11 debt obligations held by the applicable Federal fund
12 shall be sold or redeemed in an amount not to ex-
13 ceed the sum of—

14 “(A) the face amount of obligations held
15 by such fund which mature during such month;
16 plus

17 “(B) the amount necessary only for the
18 purpose of making payment of such benefits or
19 administrative expenses and only to the extent
20 cash assets of the applicable Federal fund are
21 not available during such period for making
22 payment of such benefits or administrative ex-
23 penses.

24 “(2) ISSUANCE OF CORRESPONDING DEBT.—

25 For purposes of undertaking the sale or redemption

1 of public debt obligations held by the applicable Fed-
2 eral fund pursuant to paragraph (1), the Secretary
3 of the Treasury shall issue corresponding public debt
4 obligations to the public in order to obtain the
5 amounts necessary for payment of benefits or ad-
6 ministrative expenses from the applicable Federal
7 fund, notwithstanding the public debt limit.

8 “(3) DEFINITIONS.—For purposes of this sub-
9 section—

10 “(A) DEBT LIMIT DEFAULT PERIOD.—The
11 term ‘debt limit default period’ means a period
12 for which cash benefits or administrative ex-
13 penses would not otherwise be payable from the
14 applicable Federal fund by reason of an inabil-
15 ity to issue further public debt obligations be-
16 cause of the public debt limit.

17 “(B) APPLICABLE FEDERAL FUND.—The
18 term ‘applicable Federal fund’ means a Federal
19 fund specified in paragraph (1) or (2) of sub-
20 section (d).”.

21 (b) CONFORMING AMENDMENTS.—

22 (1) Section 1145 of the Social Security Act, as
23 amended by subsection (a), is amended—

24 (A) by redesignating subsection (d) as sub-
25 section (e), and

1 (B) by inserting after subsection (c) the
 2 following new subsection:

3 “(d) PUBLIC DEBT LIMIT.—For purposes of this sec-
 4 tion, the term ‘public debt limit’ means the limitation es-
 5 tablished under section 3101 of title 31, United States
 6 Code, as increased under section 3101A of such title.”.

7 (2) Section 1145(c) of the Social Security Act,
 8 as amended by subsection (a), is amended by strik-
 9 ing “established under section 3101 of title 31,
 10 United States Code”.

11 **SEC. 2. PRIORITIZATION OF PAYMENTS IN EVENT THAT**
 12 **STATUTORY DEBT LIMIT IS REACHED.**

13 Section 3101 of title 31, United States Code, is
 14 amended by adding at the end the following new sub-
 15 section:

16 “(d) In the event that the Secretary of the Treasury
 17 is not able to issue obligations to make all payments au-
 18 thorized by law due to the limitation under subsection (b)
 19 (as increased under section 3101A), the Secretary shall
 20 give equal priority to the following: payments of principal
 21 and interest on public debt; payments of amounts that the
 22 Secretary of Defense (and the Secretary of Homeland Se-
 23 curity in the case of the Coast Guard) determines to be
 24 necessary to continue pay and allowances (without inter-
 25 ruption) to the Army, Navy, Air Force, Marine Corps, and

1 Coast Guard, including reserve components thereof, who
 2 perform active service; payments determined by the Presi-
 3 dent (and reported to the Congress) to be necessary to
 4 continue United States priorities of its vital national secu-
 5 rity interests; and payments for items and services under
 6 title XVIII of the Social Security Act (relating to Medi-
 7 care).”.

8 **SEC. 3. CONTINUANCE OF MILITARY PAY AND ALLOW-**
 9 **ANCES DURING PERIODS OF LAPSED APPRO-**
 10 **PRIATIONS.**

11 (a) CONTINUANCE OF PAY.—Chapter 19 of title 37,
 12 United States Code, is amended by adding at the end the
 13 following new section:

14 **“SEC. 1015. CONTINUANCE OF PAY AND ALLOWANCES DUR-**
 15 **ING PERIODS OF LAPSED APPROPRIATIONS.**

16 “(a) DEFINITIONS.—In this section:

17 “(1) The term ‘military personnel accounts’
 18 means the military personnel, reserve personnel, and
 19 National Guard personnel accounts of the Depart-
 20 ment of Defense, generally title I of an annual De-
 21 partment of Defense appropriations Act, and the
 22 corresponding accounts for the Department of
 23 Homeland Security used to provide pay and allow-
 24 ances for members of the Coast Guard.

1 “(2) The term ‘pay and allowances’ means
2 basic pay, bonuses and special pay, allowances and
3 any other forms of compensation available for mem-
4 bers of the armed forces under this title or otherwise
5 paid from the military personnel accounts.

6 “(3) The term ‘period of lapsed appropriations’,
7 when used with respect to members of the armed
8 forces, means any period during which appropria-
9 tions are not available due to the absence of the
10 timely enactment of any Act or joint resolution (in-
11 cluding any Act or joint resolution making con-
12 tinuing appropriations) appropriating funds for the
13 payment of the pay and allowances of members of
14 the armed forces.

15 “(b) APPROPRIATION OF FUNDS TO CONTINUE PAY-
16 MENT OF PAY AND ALLOWANCES.—For any period of
17 lapsed appropriations, there are appropriated, out of any
18 moneys in the Treasury not otherwise appropriated, to the
19 Secretary of Defense (and the Secretary of Homeland Se-
20 curity in the case of the Coast Guard) to allow the Sec-
21 retary of Defense (and the Secretary of Homeland Secu-
22 rity in the case of the Coast Guard) to continue to provide
23 pay and allowances (without interruption) to members of
24 the United States armed forces.

1 “(c) LIMITATION ON AMOUNTS PAID.—This section
2 only authorizes the expenditure of funds during a period
3 of lapsed appropriations for the pay and allowances of a
4 member of the armed forces at a rate that is equal to the
5 rate in effect for that member immediately before the start
6 of the period of lapsed appropriations. The rate for a
7 member may neither exceed the rate in effect immediately
8 before the start of the period of lapsed appropriations nor
9 be less than that rate, unless reduced by disciplinary ac-
10 tion under the Uniform Code of Military Justice.

11 “(d) RELATION TO OTHER PAY AUTHORITIES.—This
12 section shall not be construed to affect the entitlement of
13 a member of the armed forces to an amount of pay and
14 allowances that exceeds the amount of pay and allowances
15 authorized to be paid under this section and to which the
16 member becomes entitled under other applicable provisions
17 of law.

18 “(e) EFFECT OF END OF PERIOD OF LAPSED AP-
19 PROPRIATIONS.—Expenditures made for any fiscal year
20 pursuant to this section shall be charged to the applicable
21 appropriation, fund, or authorization whenever the regular
22 appropriation bill (or other bill or joint resolution making
23 continuing appropriations through the end of the fiscal
24 year) becomes law.”.

- 1 (b) CLERICAL AMENDMENT.—The table of sections
2 at the beginning of such chapter is amended by adding
3 at the end the following new item:

“1015. Continuance of pay and allowances during periods of lapsed appropriations.”.

