

113TH CONGRESS
1ST SESSION

H. R. 3296

To authorize the United States Department of Treasury to prioritize certain payments in the event that the debt limit is reached.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 16, 2013

Mr. GALLEGO introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To authorize the United States Department of Treasury to prioritize certain payments in the event that the debt limit is reached.

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. SHORT TITLE.**

4 This Act may be cited as the “Pay America First
5 Act”.

1 **SEC. 2. AUTHORITY TO PROTECT AMERICA'S SENIORS, VET-**
2 **ERANS, AND OTHER DOMESTIC PAYMENTS**
3 **PRIOR TO DEBT OBLIGATIONS TO FOREIGN**
4 **BONDHOLDERS.**

5 This Act shall take effect if the United States Gov-
6 ernment defaults on its legal obligations for the first time
7 in its history, as evidenced by the Secretary of the Treas-
8 ury taking any of the following actions:

9 (1) Withhold from making payments of debt obliga-
10 tions to foreign bond holders, including those in China,
11 Iran, and the Cayman Islands, before making payments
12 of debt obligations to programs as listed below:

13 (a) Make a payment of a debt obligation to the
14 Social Security and Medicare trust funds or redeem
15 a debt obligation held by those trust funds.

16 (b) Redeem a debt obligation held by a trust
17 fund providing veterans benefits, including the Vet-
18 erans Special Life Insurance Fund, the Veterans Re-
19 opened Insurance Fund, the Armed Forces Retirement
20 Home Fund, and the Court of Veteran Ap-
21 peals Retirement Fund.

22 (c) Redeem a debt obligation held by an
23 intragovernmental fund with the purpose of assisting
24 Americans during a natural disaster, including re-
25 serves for the National Flood Insurance Program

1 and other disaster relief funds appropriated to the
2 President.

3 (d) Make a payment of debt obligations to the
4 Department of Defense, including civilian and uni-
5 formed personnel (Army, Navy, Marines, Air Force),
6 military active pay and military retirement benefits,
7 and military benefits to their families.

8 **SEC. 3. REPORT ON CERTAIN ACTIONS.**

9 (1) In general, after the date of the enactment of this
10 Act, the Secretary of Treasury exercises his or her author-
11 ity under subsection (a), the Secretary shall thereafter
12 submit a report each week to Congress on the payments
13 issued and amount of revenues incoming and remaining
14 reserves for upcoming payments issued.

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