

113TH CONGRESS
1ST SESSION

H. R. 593

To amend the Balanced Budget and Emergency Deficit Control Act of 1985 to modify the discretionary spending limits to take into account savings resulting from the reduction in the number of Federal employees.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 8, 2013

Mr. McKEON (for himself, Mrs. HARTZLER, Mr. BROOKS of Alabama, Mr. HUNTER, Mr. THORNBERRY, Mrs. WALORSKI, Mr. WILSON of South Carolina, Mr. RIGELL, Mr. JONES, Mr. CONAWAY, Mr. FRANKS of Arizona, Mr. TURNER, Mr. MILLER of Florida, Mr. PALAZZO, Mrs. NOEM, Mr. AUSTIN SCOTT of Georgia, Mr. HECK of Nevada, Mr. RUNYAN, Mr. SALMON, Mr. BISHOP of Utah, Mr. LoBIONDO, Mr. ROGERS of Alabama, Mr. COFFMAN, Mr. SHUSTER, and Mr. KLINE) introduced the following bill; which was referred to the Committee on Oversight and Government Reform, and in addition to the Committees on the Budget, House Administration, and Appropriations, 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 amend the Balanced Budget and Emergency Deficit Control Act of 1985 to modify the discretionary spending limits to take into account savings resulting from the reduction in the number of Federal employees.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Down Payment to Pro-
3 tect National Security Act of 2013”.

4 **SEC. 2. FINDINGS AND SENSE OF CONGRESS.**

5 (a) FINDINGS.—Congress makes the following find-
6 ings:

7 (1) On April 13, 2011, in a speech at George
8 Washington University, the President outlined his
9 plan to further reduce military spending by \$400 bil-
10 lion through fiscal year 2023.

11 (2) On August 2, 2011, the President signed
12 into law, S. 365, the Budget Control Act of 2011,
13 which reduced discretionary spending and estab-
14 lished a sequestration effective January 2, 2013,
15 pursuant to the Balanced Budget and Emergency
16 Deficit Control Act of 1985 (Gramm-Rudman-Hol-
17 lings Act) in the event that additional deficit reduc-
18 tion could not be found. To this end, the Budget
19 Control Act of 2011 also established a Joint Select
20 Committee on Deficit Reduction charged with identi-
21 fying \$1.2 trillion in additional savings by Novem-
22 ber, 2011.

23 (3) The Joint Select Committee on Deficit Re-
24 duction was unable to reach an agreement, which re-
25 sulted in new spending caps for national defense for
26 fiscal year 2013.

1 (4) On March 29, 2012, the House of Rep-
2 resentatives passed H. Con. Res. 112, the budget
3 resolution for fiscal year 2013, which included rec-
4 onciliation instructions directing House Committees
5 to craft legislation that would achieve the savings re-
6 quired to replace the sequestration called for in fis-
7 cal year 2013, as established by the Budget Control
8 Act of 2011.

9 (5) On May 10, 2012, the House of Represent-
10 atives passed H.R. 5652, the Sequestration Replace-
11 ment Reconciliation Act of 2012, which would re-
12 place the \$98 billion sequestration of discretionary
13 spending called for in 2013, as established by the
14 Budget Control Act of 2011, by making changes in
15 law to reduce mandatory spending by \$310 billion
16 through fiscal year 2022.

17 (6) Acting Director of the Office of Manage-
18 ment and Budget, Jeffery Zients, testified before the
19 House Armed Services Committee on August 1,
20 2012, “Sequestration, by design, is bad policy, and
21 Congress should pass balanced deficit reduction to
22 avoid it.”.

23 (7) On August 7, 2012, the President signed
24 into law, H.R. 5872, the Sequestration Trans-
25 parency Act of 2012, which required the President

1 to submit to Congress a detailed report on the im-
2 plementation of the sequestration for fiscal year
3 2013 by September 6, 2012. The President failed to
4 submit the report by the due date and the report did
5 not provide a detailed assessment of potential im-
6 pacts of sequestration, stating instead that, “no
7 amount of planning can mitigate the significant im-
8 pact of the sequestration”.

9 (8) On September 11, 2012, Bob Woodward re-
10 leased “The Price of Politics”, documenting the ori-
11 gins of sequestration in the Budget Control Act of
12 2011 negotiations, stating, “[Jack] Lew, [Rob]
13 Nabors, [Gene] Sperling and Bruce Reed, Biden’s
14 chief of staff, had finally decided to propose using
15 language from the 1985 Gramm-Rudman-Hollings
16 deficit reduction law as the model for the trigger.
17 . . . It would require a sequester with half the cuts
18 from Defense, and the other half from domestic pro-
19 grams. There would be no chance the Republicans
20 would want to pull the trigger and allow the seques-
21 ter to force massive cuts to Defense.”.

22 (9) On October 22, 2012, referring to the up-
23 coming implementation of sequestration on the U.S.
24 military, the President said, “it will not happen”.

1 (10) On January 2, 2013, the President signed
2 into law, H.R. 8, the American Taxpayer Relief Act
3 of 2012, which moved the effective date of the se-
4 questration to March 1, 2013. Fifty percent of the
5 required offset was generated through tax increases,
6 while 25 percent came from additional cuts to de-
7 fense discretionary spending and the remaining 25
8 percent from domestic discretionary spending. No
9 reduction to mandatory spending was included in
10 H.R. 8.

11 (11) To date, Congress has enacted and the
12 President has signed into law \$1.1 trillion in discre-
13 tionary spending cuts, plus an additional \$600 bil-
14 lion in tax increases, with no spending reductions in
15 mandatory programs.

16 (12) Should sequestration occur on March 1,
17 2013, an additional \$800 billion in across the board
18 defense and domestic discretionary cuts will be ap-
19 plied over a 9-year period, with negligible reductions
20 in mandatory spending.

21 (13) On January 14, 2013, all seven members
22 of the Joint Chiefs of Staff signed a letter to the
23 congressional defense committees stating, “Should
24 this looming readiness crisis be left unaddressed, we
25 will have to ground aircraft, return ships to port,

1 and stop driving combat vehicles in training. Train-
2 ing will be reduced by almost half of what we were
3 planning just three months ago. . . . We will also be
4 unable to reset and restore the force's full-spectrum
5 combat capability after over a decade of hard fight-
6 ing in Iraq and Afghanistan. . . . Under current
7 budgetary uncertainty, we are at grave risk of an
8 imposed mismatch between the size of our Nation's
9 military force and the funding required to maintain
10 its readiness, which will inevitably lead to a hollow
11 force.”.

12 (14) The Joint Chiefs of Staff further stated,
13 “We are also now planning for the potential to fur-
14 lough up to nearly 800,000 defense civilians who are
15 essential to critical functions like maintenance, intel-
16 ligence, logistics, contracting, and health care.”.

17 (15) On January 28, 2013, the Vice Chairman
18 of the Joint Chiefs of Staff stated “I know of no
19 other time in history when we have come potentially
20 down this far, this fast, in the defense budget. . . .
21 There could be, for the first time in my career, in-
22 stances where we may be asked to respond to a cri-
23 sis and we will have to say that we cannot.”.

24 (16) On February 5, 2013, the President pro-
25 posed to further delay the sequestration using the

1 same model adopted in H.R. 8, the American Tax-
2 payer Relief Act of 2012, 50 percent through tax in-
3 creases, 25 percent through additional cuts to de-
4 fense discretionary, and 25 percent through addi-
5 tional cuts to domestic discretionary programs. For
6 fiscal year 2013, the President's proposal would re-
7 sult in an additional \$21 billion cut to the military.

8 (b) SENSE OF CONGRESS.—It is the sense of Con-
9 gress that:

10 (1) Full sequestration is a failed Administration
11 policy that must be averted.

12 (2) Without growing the economy and reducing
13 the rate of growth in mandatory spending programs,
14 the United States will continue to run deficits, even
15 if defense and domestic discretionary programs were
16 defunded in their entirety.

17 (3) Having enacted defense and domestic dis-
18 cretionary spending reductions and raised taxes,
19 truly balanced deficit reduction must include sub-
20 stantive reductions in mandatory spending.

21 (4) The President's short term plan to avert se-
22 questration lacks balance and would continue to
23 raise taxes and slash defense and domestic discre-
24 tionary spending, exacerbating the readiness crisis

1 described by the Joint Chiefs of Staff, rather than
2 addressing the drivers of our debt.

3 (5) Secretary Panetta was correct in his assess-
4 ment of January 10, 2013 that the civilian furloughs
5 resulting from full sequestration would also, “. . .
6 further harm our readiness and create hardship on
7 them and their families. In a word—in a word, we
8 would be forced to . . . hollow out the defense force
9 of this nation.”.

10 (6) Any plan to avert sequestration and provide
11 additional time for political negotiations on a truly
12 balanced deficit reduction package must use addi-
13 tional savings that do not increase the risk to mili-
14 tary personnel or degrade the readiness or capabili-
15 ties of our Armed Forces. This goal can be achieved
16 by providing tools to reshape the Federal civilian
17 workforce without furloughs.

18 **SEC. 3. REDUCTION IN THE NUMBER OF FEDERAL EMPLOY-**
19 **EES.**

20 (a) DEFINITION.—In this section, the term “agency”
21 means an executive agency as defined under section 105
22 of title 5, United States Code.

23 (b) DETERMINATION OF NUMBER OF EMPLOYEES.—
24 Not later than 60 days after the date of enactment of this
25 Act, the Director of the Office of Management and Budget

1 shall determine the number of full-time employees em-
2 ployed in each agency. The head of each agency shall co-
3 operate with the Director of the Office of Management
4 and Budget in making the determinations.

5 (c) REPLACEMENT HIRE RATE.—

6 (1) IN GENERAL.—During the period described
7 under paragraph (2), the head of each agency may
8 hire no more than 1 employee in that agency for
9 every 3 employees who leave employment in that
10 agency.

11 (2) PERIOD OF REPLACEMENT HIRE RATE.—

12 Paragraph (1) shall apply to each agency during the
13 period beginning 60 days after the date of enact-
14 ment of this Act through the date on which the Di-
15 rector of the Office of Management and Budget
16 makes a determination that the number of full-time
17 employees employed in that agency is 10 percent less
18 than the number of full-time employees employed in
19 that agency determined under subsection (a).

20 (d) WAIVERS.—This section may be waived upon a
21 determination by the President that—

22 (1) the existence of a state of war or other na-
23 tional security concern so requires; or

1 (2) the existence of an extraordinary emergency
 2 threatening life, health, public safety, property, or
 3 the environment so requires.

4 **SEC. 4. REDUCTION OF DISCRETIONARY SPENDING LIMITS**
 5 **TO ACHIEVE SAVINGS FROM FEDERAL EM-**
 6 **PLOYEE PROVISIONS.**

7 Paragraphs (2) through (10) of section 251(c) of the
 8 Balanced Budget and Emergency Deficit Control Act of
 9 1985 are amended to read as follows:

10 “(2) with respect to fiscal year 2013, for the
 11 discretionary category, \$1,043,000,000,000 in new
 12 budget authority;

13 “(3) with respect to fiscal year 2014—

14 “(A) for the security category,
 15 \$549,000,000,000 in budget authority; and

16 “(B) for the nonsecurity category,
 17 \$500,000,000,000 in budget authority;

18 “(4) with respect to fiscal year 2015—

19 “(A) for the security category,
 20 \$562,000,000,000 in budget authority; and

21 “(B) for the nonsecurity category,
 22 \$514,000,000,000 in budget authority;

23 “(5) with respect to fiscal year 2016—

24 “(A) for the security category,
 25 \$573,000,000,000 in budget authority; and

1 “(B) for the nonsecurity category,
2 \$523,000,000,000 in budget authority;

3 “(6) with respect to fiscal year 2017—

4 “(A) for the security category,
5 \$586,000,000,000 in budget authority; and

6 “(B) for the nonsecurity category,
7 \$534,000,000,000 in budget authority;

8 “(7) with respect to fiscal year 2018—

9 “(A) for the security category,
10 \$599,000,000,000 in budget authority; and

11 “(B) for the nonsecurity category,
12 \$546,000,000,000 in budget authority;

13 “(8) with respect to fiscal year 2019—

14 “(A) for the security category,
15 \$612,000,000,000 in budget authority; and

16 “(B) for the nonsecurity category,
17 \$559,000,000,000 in budget authority;

18 “(9) with respect to fiscal year 2020—

19 “(A) for the security category,
20 \$626,000,000,000 in budget authority; and

21 “(B) for the nonsecurity category,
22 \$571,000,000,000 in budget authority; and

23 “(10) with respect to fiscal year 2021—

24 “(A) for the security category,
25 \$640,000,000,000 in budget authority; and

1 “(B) for the nonsecurity category,
2 \$583,000,000,000 in budget authority;”.

3 **SEC. 5. CALCULATION OF TOTAL DEFICIT REDUCTION.**

4 Section 251A of the Balanced Budget and Emer-
5 gency Deficit Control Act of 1985 is amended—

6 (1)(A) in paragraph (3)(A), by striking
7 “\$1,200,000,000,000” and inserting
8 “\$1,091,000,000,000” and in paragraph (3)(D), by
9 striking “9” and inserting “8”; and

10 (B) in paragraph (3)(C), by inserting “and”
11 after the semicolon, in paragraph (3)(D) by striking
12 “; and” and inserting a period, and by striking para-
13 graph (3)(E);

14 (2) in paragraph (4), by striking “On March 1,
15 2013, for fiscal year 2013, and in” and inserting
16 “In”;

17 (3) in paragraphs (5) and (6), by striking
18 “2013” each place it appears and inserting “2014”;
19 and

20 (4) in paragraph (7), by striking subparagraph
21 (A) and by striking “(B) FISCAL YEARS 2014–2021.—
22 ”, moving the remaining text 2 ems to the left, and
23 redesignating clauses (i) and (ii) as subparagraphs
24 (A) and (B), respectively.

1 **SEC. 6. TRANSFER AUTHORITY FOR FUNDING OF DEPART-**
2 **MENT OF DEFENSE UNDER CONTINUING RES-**
3 **OLUTION AND SEQUESTER CONSISTENT**
4 **WITH AMOUNTS AUTHORIZED BY NATIONAL**
5 **DEFENSE AUTHORIZATION ACT FOR FISCAL**
6 **YEAR 2013.**

7 (a) IN GENERAL.—In accordance with subsection (b),
8 the Secretary of Defense may transfer amounts appro-
9 priated for the Department of Defense by the Continuing
10 Appropriations Resolution (Public Law 112–175) among
11 accounts of the Department of Defense.

12 (b) TRANSFERS CONSISTENT WITH AMOUNTS AP-
13 PROPRIATED OR AUTHORIZED.—In the event of any trans-
14 fers under subsection (a), the total amount in any account
15 of the Department of Defense that is available for obliga-
16 tion and expenditure in fiscal year 2013 shall be consistent
17 with, and may not exceed—

18 (1) if a regular appropriation Act making ap-
19 propriations for the Department of Defense for fis-
20 cal year 2013 is enacted before the date of the
21 transfer, the level provided for that account for that
22 fiscal year by applicable provisions of such Act; or

23 (2) if no such Act is enacted before the date of
24 the transfer, the amount authorized to be appro-
25 priated for that account for that fiscal year by appli-
26 cable provisions of division A of the National De-

1 fense Authorization Act for Fiscal Year 2013 (Pub-
2 lic Law 112–239).

3 (c) NOTICE TO CONGRESS.—Not later than 15 days
4 before any transfer under subsection (a), the Secretary of
5 Defense shall submit to the congressional defense commit-
6 tees a report setting forth a description of the transfer,
7 including the amount of the transfer and the accounts
8 from and to which the funds were transferred.

9 (d) TRANSFER SUBJECT TO NOTIFICATION RE-
10 QUIREMENTS.—In addition to the notice required under
11 subsection (c), a transfer under subsection (a) shall be
12 subject to the applicable notification requirements for re-
13 programming in division A of Public Law 112–74.

14 (e) TRANSFER AUTHORITY.—The transfer authority
15 provided by subsection (a) is in addition to any other
16 transfer authority provided by law.

17 (f) DEFINITION.—In this section, the term “congres-
18 sional defense committees” has the meaning given that
19 term in section 101(a)(16) of title 10, United States Code.

20 **SEC. 7. NO COST-OF-LIVING ADJUSTMENTS FOR MEMBERS**
21 **OF CONGRESS.**

22 Notwithstanding any other provision of law, no ad-
23 justment shall be made under section 601(a) of the Legis-
24 lative Reorganization Act of 1946 (2 U.S.C. 31) (relating
25 to cost-of-living adjustments for Members of Congress) for

- 1 any fiscal year for which the Congressional Budget Office
- 2 determines there is a Federal budget deficit.

