

Calendar No. 3

113TH CONGRESS
1ST SESSION

S. 81

To provide guidance and priorities for Federal Government obligations in the event that the debt limit is reached.

IN THE SENATE OF THE UNITED STATES

JANUARY 23 (legislative day, JANUARY 3), 2013

Mr. PAUL introduced the following bill; which was read the first time

JANUARY 28, 2013

Read the second time and placed on the calendar

A BILL

To provide guidance and priorities for Federal Government obligations 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 “Default Prevention
5 Act”.

6 **SEC. 2. PRIORITIZING OBLIGATIONS.**

7 In the event that the debt of the United States Gov-
8 ernment reaches the statutory level as defined in section

1 3101 of title 31, United States Code, the following expend-
2 itures shall be granted priority over all other obligations
3 incurred by the United States Government:

4 (1) The authority of the Department of Treas-
5 ury provided in section 3123 of title 31, United
6 States Code, to pay with legal tender the principal
7 and interest on debt held by the public.

8 (2) The full payment of compensation, allow-
9 ances, and benefits for members of the Armed
10 Forces on active duty.

11 (3) The authority of the Commissioner of Social
12 Security to pay monthly old-age survivors' and dis-
13 ability insurance benefits under title II of the Social
14 Security Act.

15 (4) The authority of the Secretary of Health
16 and Human Services to make payments for items
17 and services furnished to beneficiaries under the
18 Medicare program under title XVIII of the Social
19 Security Act and related provisions.

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