

114TH CONGRESS
2D SESSION

S. 3182

To provide further means of accountability of the United States debt and promote fiscal responsibility.

IN THE SENATE OF THE UNITED STATES

JULY 13, 2016

Mr. HATCH introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To provide further means of accountability of the United States debt and promote fiscal responsibility.

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 “Debt Management and
5 Fiscal Responsibility Act of 2016”.

6 **SEC. 2. SECRETARY OF THE TREASURY REPORT TO CON-**
7 **GRESS BEFORE REACHING DEBT LIMIT.**

8 (a) IN GENERAL.—Subchapter II of chapter 31 of
9 title 31, United States Code, is amended by adding at the
10 end the following:

1 **“§ 3131. Report before reaching debt limit**

2 “(a) IN GENERAL.—Not later than 60 days and not
3 earlier than 21 days before any date on which the Sec-
4 retary of the Treasury anticipates the public debt will
5 reach the limit specified under section 3101, as modified
6 by section 3101A, the Secretary shall appear before the
7 Committee on Ways and Means of the House of Rep-
8 resentatives and the Committee on Finance of the Senate,
9 to submit the information described under subsection (b).

10 “(b) INFORMATION REQUIRED TO BE PRE-
11 SENTED.—In an appearance described under subsection
12 (a), the Secretary of the Treasury shall submit the fol-
13 lowing:

14 “(1) DEBT REPORT.—A report on the state of
15 the public debt, including—

16 “(A) the historical levels of the debt, cur-
17 rent amount and composition of the debt, and
18 future projections of the debt;

19 “(B) the historical levels of Federal rev-
20 enue, including corporate and individual Fed-
21 eral income taxes as a percent of the gross do-
22 mestic product;

23 “(C) the drivers and composition of future
24 debt;

1 “(D) how, if the debt limit is raised, the
2 United States will meet debt obligations, includ-
3 ing principal and interest;

4 “(E) any reduction measures the Secretary
5 intends to take to fund Federal Government ob-
6 ligations if the debt limit is not raised, includ-
7 ing—

8 “(i) notifying Congress when the limit
9 has been reached; and

10 “(ii) notifying Congress when the Sec-
11 retary has begun taking such measures
12 and specifying which measures are cur-
13 rently being used;

14 “(F) if the President recommends that
15 Congress adopt, in general, a balanced budget
16 amendment to the Constitution of the United
17 States to help control the accumulation of fu-
18 ture debt; and

19 “(G) the most recent contingency plans
20 formulated for any default on United States
21 Treasury securities (stemming from, for exam-
22 ple, cyberattack, terrorist attack, severe weather
23 event, debt limit impasse, or any other contin-
24 gency that could interrupt Treasury access to

1 funding markets) or downgrade of the credit
2 rating of the United States.

3 “(2) STATEMENT OF INTENT.—A detailed ex-
4 planation of—

5 “(A) proposals of the President to reduce
6 the public debt in the short term (the current
7 and following fiscal year), medium term (ap-
8 proximately 3 to 5 fiscal years), and long term
9 (approximately 10 fiscal years), and proposals
10 of the President to adjust the debt-to-gross do-
11 mestic product ratio;

12 “(B) the impact an increased debt limit
13 will have on future Federal Government spend-
14 ing, debt service, and the position of the United
15 States dollar as the international reserve cur-
16 rency;

17 “(C) projections of fiscal health and sus-
18 tainability of major direct-spending entitlement
19 programs (including Social Security, Medicare,
20 and Medicaid);

21 “(D) the plan of the President for each
22 week that the debt of the United States is at
23 the statutory limit, to publicly disclose, on the
24 Web site of the Department of the Treasury—

1 “(i) all reduction measures currently
2 being used by the Secretary to avoid de-
3 faulting on obligations of the Federal Gov-
4 ernment;

5 “(ii) with respect to each reduction
6 measure, whether or not such measure is
7 currently being used—

8 “(I) the total dollar amount of
9 such measure that has been used; and

10 “(II) the total dollar amount of
11 such measure that the Secretary esti-
12 mates is still available for use; and

13 “(iii) the date on which the Secretary
14 estimates that all reduction measures will
15 be exhausted, and the Federal Government
16 will begin defaulting on its obligations; and

17 “(E) any extraordinary measures the Sec-
18 retary intends to take to fund Federal Govern-
19 ment obligations if the debt limit is not raised,
20 a projection of how long such extraordinary
21 measures will fund the Federal Government,
22 and a projection of the administrative cost of
23 taking such extraordinary measures.

24 “(3) PROGRESS REPORT.—

1 “(A) IN GENERAL.—A detailed report on
2 the progress of implementing all proposals of
3 the President described under subparagraph
4 (A) of paragraph (2).

5 “(B) EXCEPTION.—The report described
6 under this paragraph shall only be submitted if
7 the Secretary of the Treasury has already ap-
8 peared at least once pursuant to this section
9 during any term of office for a particular Presi-
10 dent.

11 “(c) PUBLIC ACCESS TO INFORMATION.—The Sec-
12 retary of the Treasury shall place on the homepage of the
13 Department of the Treasury a link to a webpage that shall
14 serve as a repository of information made available to the
15 public for at least 6 months following the date of release
16 of the relevant information, including—

17 “(1) the debt report submitted under subsection
18 (b)(1);

19 “(2) the detailed explanation submitted under
20 subsection (b)(2);

21 “(3) the progress report submitted under sub-
22 section (b)(3); and

23 “(4) the comprehensive summaries of contin-
24 gency plans formulated for any debt default on
25 United States Treasury securities or downgrade of

1 the credit rating of the United States submitted
2 under subsection (b)(1)(G).

3 “(d) REDUCTION MEASURES DEFINED.—For pur-
4 poses of this section, the term ‘reduction measures’ means
5 each of the following:

6 “(1) Directing or approving the issuance of
7 debt by the Federal Financing Bank for the purpose
8 of entering into an exchange transaction for debt
9 that is subject to the limit under this section.

10 “(2) Suspending investments in the Govern-
11 ment Securities Investment Fund of the Thrift Sav-
12 ings Fund.

13 “(3) Suspending investments in the stabiliza-
14 tion fund established under section 5302.

15 “(4) Suspending new investments in the Civil
16 Service Retirement and Disability Fund or the Post-
17 al Service Retiree Health Benefits Fund.

18 “(5) Selling or redeeming securities, obligations,
19 or other invested assets of the Civil Service Retire-
20 ment and Disability Fund or the Postal Service Re-
21 tiree Health Benefits Fund before maturity.

22 “(6) Such other measures as the Secretary de-
23 termines appropriate.”.

24 (b) CLERICAL AMENDMENT.—The table of sections
25 for chapter 31 of title 31, United States Code, is amended

1 by inserting after the item relating to section 3130 the
 2 following:

“3131. Report before reaching debt limit.”.

3 **SEC. 3. ACCESS TO CERTAIN TREASURY DEPARTMENT**
 4 **DATA.**

5 Upon written request from the Chairman of the Com-
 6 mittee on Finance of the Senate or the Committee on
 7 Ways and Means of the House of Representatives, the
 8 Secretary of the Treasury shall provide to the requesting
 9 Chairman financial and economic data relevant to deter-
 10 mining the amount of the public debt of the United States,
 11 including—

12 (1) cash flow and debt transaction information
 13 used in preparing the Daily Treasury Statement, in-
 14 cluding current balances, receipts, and payments;

15 (2) operating cash balance projections;

16 (3) relevant information regarding any extraor-
 17 dinary measures taken to prevent the public debt
 18 from exceeding limitation imposed by section
 19 3101(b) of title 31, United States Code, including—

20 (A) measures taken with respect to invest-
 21 ments in the Civil Service Retirement and Dis-
 22 ability Fund;

23 (B) the suspension of the issuance of obli-
 24 gations to the Government Securities Invest-
 25 ment Fund In the Thrift Savings Fund; and

1 (C) measures taken with respect to the
2 stabilization fund under section 5302 of title 31
3 of such Code;

4 (4) contingency plans for addressing delayed
5 payments on debt obligations; and

6 (5) contingency plans for addressing ratings
7 downgrades on debt obligations.

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