

115TH CONGRESS
1ST SESSION

H. R. 3719

To establish a direct spending safeguard limitation on any direct spending program without a specific level of authorized spending, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 8, 2017

Ms. FOXX (for herself and Mr. WOODALL) introduced the following bill; which was referred to the Committee on the Budget

A BILL

To establish a direct spending safeguard limitation on any direct spending program without a specific level of authorized spending, and for other purposes.

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 “Spending Safeguard
5 Act”.

6 **SEC. 2. SPENDING LIMITATION ON DIRECT SPENDING PRO-**
7 **GRAMS.**

8 (a) ESTABLISHMENT OF SPENDING SAFEGUARD
9 LIMITATION.—

1 (1) IN GENERAL.—The Director of the Office of
2 Management and Budget shall establish a spending
3 limitation (in this Act referred to as a “spending
4 safeguard limitation”) with respect to any direct
5 spending program not later than 90 days after any
6 such program is enacted or reauthorized (as the case
7 may be).

8 (2) DETERMINATION OF SPENDING SAFEGUARD
9 LIMITATION.—The spending safeguard limitation es-
10 tablished under paragraph (1) for a direct spending
11 program shall be equal to—

12 (A) with respect to any such program
13 within budget function 050 (Defense), 550
14 (Health), 570 (Medicare), 600 (Income Secu-
15 rity), 650 (Social Security), or 700 (Veterans
16 Benefits and Services), 120 percent of the cost
17 of the program; and

18 (B) with respect to any such program
19 within any other budget function, 110 percent
20 of the cost of the program.

21 (3) DETERMINATION OF COST OF PROGRAM.—
22 For purposes of paragraphs (2)(A) and (B), the cost
23 of the program shall be the estimated six-year cost
24 of the program, as determined by the Director using
25 the scorecards or estimate (as the case may be) ap-

1 plicable to the program under section 4 of the Statu-
2 tory Pay-As-You-Go Act of 2010 (2 U.S.C. 933).

3 (b) SPENDING SAFEGUARD LIMITATION SCORE-
4 CARDS.—

5 (1) IN GENERAL.—The Director shall maintain
6 and make publicly available a spending safeguard
7 limitation scorecard displaying the spending level for
8 any direct spending program that is subject to a
9 spending safeguard limitation pursuant to this Act.

10 (2) MONTHLY COSTS.—Not later than 7 days
11 after the end of each month beginning after the first
12 full month in which such a direct spending program
13 is operational, the Secretary of the Treasury shall
14 transmit to the Director a report listing the total
15 amount of spending for any direct spending program
16 listed on the scorecard.

17 (3) OMB BIENNIAL REPORT.—After the end of
18 any six-month period, the Director shall submit a re-
19 port to the Committees on the Budget of the House
20 of Representatives and the Senate containing the
21 total level of spending for any such direct spending
22 program and the relation between such level and the
23 spending safeguard limitation applicable to such pro-
24 gram.

25 (c) PRESIDENT BUDGET SUBMISSIONS.—

1 (1) ANNUAL.—Section 1105(a) of title 31,
2 United States Code, is amended by adding at the
3 end the following:

4 “(40) a report on the total level of spending for
5 any direct spending program subject to a spending
6 safeguard limitation pursuant to the Spending Safe-
7 guard Act, and the relation between such level and
8 the spending safeguard limitation applicable to such
9 program.”.

10 (2) MID-SESSION.—Section 1106(a)(1)(C) of
11 such title is amended by striking “section
12 1105(a)(8) and (9)(B) and (C)” and inserting “sec-
13 tion 1105(a)(8), (9) (B) and (C), and (40)”.

14 (d) PROCEDURES IN CASE OF BREACH.—

15 (1) SPENDING LIMITATION BREACH REPORT.—

16 If the Director determines, using the reports sub-
17 mitted under subsection (b)(2), that a direct spend-
18 ing program listed on the scorecard established
19 under subsection (b) will reach the applicable spend-
20 ing safeguard limitation within six months, the Di-
21 rector shall transmit, not later than 15 days after
22 the date of such determination, a report to the Com-
23 mittees on the Budget of the House of Representa-
24 tives and the Senate and the committees that have
25 jurisdiction over the program.

1 (2) OBLIGATION LIMITATION.—If the Director
2 determines, using the reports submitted under sub-
3 section (b)(2), that such a direct spending program
4 has reached the applicable spending safeguard limi-
5 tation—

6 (A) effective 30 days after such determina-
7 tion, no funds may be obligated to carry out
8 such program; and

9 (B) on the date of such determination, the
10 Director shall submit a report to the Commit-
11 tees on the Budget of the House of Representa-
12 tives and the Senate and the committees that
13 have jurisdiction over the program that such an
14 obligation limitation has been imposed.

15 (e) AGENCY PROCEDURES.—Any Federal agency im-
16 plementing a direct spending program listed on the score-
17 card established under subsection (b) shall ensure that any
18 contract, offer of benefits, or other material provided to
19 the program participants includes information specifying
20 that the program is subject to a spending safeguard limi-
21 tation that may impact future availability of funds to pay
22 benefits.

23 (f) DEFINITIONS.—In this Act—

24 (1) the term “Director” means the Director of
25 the Office of Management and Budget;

1 (2) the term “direct spending” has the meaning
2 given such term in section 250(c)(8) of the Balanced
3 Budget and Emergency Deficit Control Act of 1985
4 (2 U.S.C. 900(c)(8)); and

5 (3) the term “direct spending program” means
6 any Federal program funded by direct spending
7 that—

8 (A) is enacted or reauthorized after the
9 date of enactment of this Act; and

10 (B) does not have, in statute, a specific
11 level (expressed as a dollar amount) of author-
12 ization of appropriations.

13 (g) PROHIBITION ON NEW AUTHORIZATION OF
14 FUNDING.—No additional funds are authorized to be ap-
15 propriated to carry out this Act.

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