

113TH CONGRESS
1ST SESSION

H. R. 1202

To prevent a fiscal crisis by enacting legislation to balance the Federal budget through reductions of discretionary and mandatory spending.

IN THE HOUSE OF REPRESENTATIVES

MARCH 14, 2013

Mr. AUSTIN SCOTT of Georgia (for himself, Mr. DUNCAN of South Carolina, and Mr. WESTMORELAND) introduced the following bill; which was referred to the Committee on the Budget, and in addition to the Committee on Rules, 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 prevent a fiscal crisis by enacting legislation to balance the Federal budget through reductions of discretionary and mandatory spending.

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 “One Percent Spending
5 Reduction Act of 2013”.

6 **SEC. 2. CONGRESSIONAL FINDINGS AND PURPOSE.**

7 (a) FINDINGS.—The Congress finds the following:

1 (1) The fiscal crisis faced by the Federal Gov-
2 ernment demands immediate action.

3 (2) The dramatic growth in spending and debt
4 in recent years threatens our economic and national
5 security:

6 (A) Federal spending has grown from 18
7 percent of GDP in 2001 to nearly 23 percent
8 of GDP in 2012.

9 (B) Total Federal debt exceeds
10 \$16,000,000,000,000 and is projected to in-
11 crease each year over the next 10 years.

12 (C) Without action, the Federal Govern-
13 ment will continue to run massive deficits in the
14 next decade and total Federal debt will rise to
15 \$26,000,000,000,000 by 2023.

16 (D) Interest payments on this debt will
17 soon rise to the point where balancing the
18 budget as a matter of policy is beyond the reach
19 of Congress.

20 (3) Due to recent tax hikes, Federal revenues
21 are scheduled to rise to approximately 19 percent of
22 GDP, a full percentage point above the average of
23 about 18 percent of GDP over the past 40 years.

24 (4) Absent reform, the growth of Social Secu-
25 rity, Medicare, Medicaid, and other health-related

1 spending will overwhelm all other Federal programs
2 and consume all projected tax revenues.

3 (b) PURPOSE.—The purpose of this Act is to address
4 the fiscal crisis by—

5 (1) acting quickly to balance the Federal budget
6 and eliminate the parade of deficits and bal-
7 looning interest payments;

8 (2) achieving balance by reducing spending one
9 percent per year until spending equals projected
10 long-term revenues; and

11 (3) reforming entitlement programs to ensure
12 long-term fiscal stability and balance.

13 **SEC. 3. ESTABLISHMENT AND ENFORCEMENT OF SPEND-**
14 **ING CAP.**

15 (a) OUTLAY CAPS.—The Balanced Budget and
16 Emergency Deficit Control Act of 1985 is amended by in-
17 serting after section 253 the following:

18 **“SEC. 253A. ESTABLISHING OUTLAY CAPS.**

19 “In this section, the term ‘outlay cap’ means:

20 “(a) FISCAL YEAR 2014.—For fiscal year 2014, the
21 aggregate projected outlays (less interest payments) for
22 fiscal year 2013 (as estimated by the Congressional Budg-
23 et Office prior to March, 2013), less one percent.

24 “(b) FISCAL YEAR 2015.—For fiscal year 2015, the
25 aggregate projected outlays (less interest payments) for

1 fiscal year 2014 (as estimated by the Congressional Budg-
2 et Office prior to March, 2014), less one percent.

3 “(c) FISCAL YEAR 2016.—For fiscal year 2016, the
4 aggregate projected outlays (less interest payments) for
5 fiscal year 2015 (as estimated by the Congressional Budg-
6 et Office prior to March, 2015), less one percent.

7 “(d) FISCAL YEAR 2017.—For fiscal year 2017, the
8 aggregate projected outlays (less interest payments) for
9 fiscal year 2016 (as estimated by the Congressional Budg-
10 et Office prior to March, 2016), less one percent.

11 “(e) FISCAL YEAR 2018.—For fiscal year 2018, the
12 aggregate projected outlays (less interest payments) for
13 fiscal year 2017 (as estimated by the Congressional Budg-
14 et Office prior to March, 2017), less one percent.

15 “(f) FISCAL YEAR 2019 AND SUBSEQUENT FISCAL
16 YEARS.—For fiscal year 2019 and for each subsequent
17 fiscal year, 18 percent of Gross Domestic Product for that
18 calendar year (as estimated by the Congressional Budget
19 Office prior to March of the previous fiscal year).”.

20 (b) CONFORMING AMENDMENTS TO BBEDCA.—

21 (1) SEQUESTRATION PREVIEW REPORTS.—Sec-
22 tion 254(c)(4) of the Balanced Budget and Emer-
23 gency Deficit Control Act of 1985 is amended to
24 read as follows:

1 “(4) OUTLAY CAP SEQUESTRATION REPORTS.—
2 The preview reports shall set forth for the budget
3 year estimates for the following:

4 “(A)(i) For each of budget years 2014
5 through 2019: the aggregate projected outlays
6 (less net interest payment), less one percent.

7 “(ii) For budget year 2020 and each sub-
8 sequent budget year: the estimated gross do-
9 mestic product (GDP) for that budget year.

10 “(B) The amount of reductions required
11 under section 253A.

12 “(C) The sequestration percentage nec-
13 essary to achieve the required reduction under
14 section 253A.”.

15 (2) FINAL SEQUESTRATION REPORTS.—Section
16 254(f)(3) of the Balanced Budget and Emergency
17 Deficit Control Act of 1985 is amended to read as
18 follows:

19 “(3) OUTLAY CAPS SEQUESTRATION RE-
20 PORTS.—The final reports shall contain all the infor-
21 mation required in the outlay cap sequestration pre-
22 view reports. In addition, these report shall contain,
23 for the budget year, for each account to be seques-
24 tered, estimates of the baseline level of sequestrable
25 budgetary resources and resulting outlays and the

1 amount of budgetary sources to be sequestered and
2 result in outlay reductions. The report shall also
3 contain estimates of the effects on outlays on the se-
4 questration of each outyear for direct spending pro-
5 grams.”.

6 (c) ENFORCEMENT.—Title III of the Congressional
7 Budget Act of 1974 is amended by adding after section
8 315 the following:

9 **“SEC. 316. ENFORCEMENT PROCEDURES.**

10 “(a) OUTLAY CAPS.—It shall not be in order in the
11 House of Representatives or the Senate to consider any
12 bill, joint resolution, amendment, or conference report that
13 includes any provision that would cause the most recently
14 reported, current outlay cap set forth in section 253A of
15 the Balanced Budget and Emergency Deficit Control Act
16 of 1985 to be breached.

17 “(b) WAIVER OR SUSPENSION.—

18 “(1) IN THE SENATE.—The provisions of this
19 section may be waived or suspended in the Senate
20 only by the affirmative vote of two-thirds of the
21 Members, duly chosen and sworn.

22 “(2) IN THE HOUSE.—The provisions of this
23 section may be waived or suspended in the House of
24 Representatives only by a rule or order proposing
25 only to waive such provisions by an affirmative vote

1 of two-thirds of the Members, duly chosen and
2 sworn.

3 “(c) POINT OF ORDER PROTECTION.—In the House,
4 it shall not be in order to consider a rule or order that
5 waives the application of paragraph (2) of subsection (b).

6 “(d) MOTION TO SUSPEND.—It shall not be in order
7 for the Speaker to entertain a motion to suspend the appli-
8 cation of this section under clause 1 of rule XV.”.

9 **SEC. 4. CONFORMING AMENDMENTS.**

10 The table of contents set forth in—

11 (1) section 1(b) of the Congressional Budget
12 and Impoundment Control Act of 1974 is amended
13 by inserting after the item relating to section 315
14 the following new item:

“Sec. 316. Enforcement procedures.”;

15 and

16 (2) section 250(a) of the Balanced Budget and
17 Emergency Deficit Control Act of 1985 is amended
18 by inserting after the item relating to section 253
19 the following new item:

“Sec. 253A. Establishing outlay caps.”.

20 **SEC. 5. EFFECTIVE DATE.**

21 This Act and the amendments made by it shall apply
22 to fiscal year 2014 and subsequent fiscal years, including

- 1 any reports and calculations required for implementation
- 2 in fiscal year 2014.

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