

112TH CONGRESS
1ST SESSION

S. 1290

To impose discretionary and certain mandatory spending caps and correct the fiscal recklessness of 2001 through 2011.

IN THE SENATE OF THE UNITED STATES

JUNE 28, 2011

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

A BILL

To impose discretionary and certain mandatory spending caps and correct the fiscal recklessness of 2001 through 2011.

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 Cap Act of
5 2011”.

6 **SEC. 2. SENSE OF CONGRESS.**

7 It is the sense of Congress that Congress should
8 enact comprehensive tax reform that lowers marginal
9 rates, broadens the base, and simplifies the tax code to

1 increase economic growth while generating revenues that
2 are in line with the historical average of 18% of GDP.

3 **SEC. 3. MODIFICATION OF THE CONGRESSIONAL BUDGET**

4 **ACT.**

5 Title III of the Congressional Budget Act of 1974
6 is amended by inserting at the end the following:

7 **“SEC. 316. DISCRETIONARY SPENDING LIMITS.**

8 “(a) IN GENERAL.—It shall not be in order in the
9 House of Representatives or the Senate to consider any
10 bill, joint resolution, amendment, or conference report that
11 includes any provision that would cause the discretionary
12 spending limits as set forth in this section to be exceeded.

13 “(b) LIMITS.—In this section, the term ‘discretionary
14 spending limits’ has the following meaning:

15 “(1) For fiscal year 2012—

16 “(A) for the defense category (budget
17 function 050), \$575,790,000,000 in budget au-
18 thority; and

19 “(B) for the non-defense category,
20 \$435,000,000,000 in budget authority.

21 “(2) For fiscal year 2013—

22 “(A) for the defense category (budget
23 function 050), \$593,476,000,000 in budget au-
24 thority; and

1 “(B) for the non-defense category,
2 \$435,000,000,000 in budget authority.

3 “(3) For fiscal year 2014—

4 “(A) for the defense category (budget
5 function 050), \$609,549,000,000 in budget au-
6 thority; and

7 “(B) for the non-defense category,
8 \$435,000,000,000 in budget authority.

9 “(4) For fiscal year 2015—

10 “(A) for the defense category (budget
11 function 050), \$621,853,000,000 in budget au-
12 thority; and

13 “(B) for the non-defense category,
14 \$435,000,000,000 in budget authority.

15 “(5) For fiscal year 2016—

16 “(A) for the defense category (budget
17 function 050), \$634,895,000,000 in budget au-
18 thority; and

19 “(B) for the non-defense category,
20 \$435,000,000,000 in budget authority.

21 “(6) For fiscal year 2017—

22 “(A) for the defense category (budget
23 function 050), \$646,458,000,000 in budget au-
24 thority; and

1 “(B) for the non-defense category,
2 \$435,000,000,000 in budget authority.

3 “(7) For fiscal year 2018—

4 “(A) for the defense category (budget
5 function 050), \$658,261,000,000 in budget au-
6 thority; and

7 “(B) for the non-defense category,
8 \$435,000,000,000 in budget authority.

9 “(8) For fiscal year 2019—

10 “(A) for the defense category (budget
11 function 050), \$667,000,000,000 in budget au-
12 thority; and

13 “(B) for the non-defense category,
14 \$435,000,000,000 in budget authority.

15 “(9) For fiscal year 2020—

16 “(A) for the defense category (budget
17 function 050), \$671,000,000,000 in budget au-
18 thority; and

19 “(B) for the non-defense category,
20 \$443,500,000,000 in budget authority.

21 “(10) For fiscal year 2021—

22 “(A) for the defense category (budget
23 function 050), \$695,000,000,000 in budget au-
24 thority; and

1 “(B) for the non-defense category,
2 \$457,700,000,000 in budget authority.

3 “(c) ADJUSTMENTS.—After the reporting of a bill or
4 joint resolution relating to overseas deployments described
5 in subsection (d), or the offering of an amendment thereto
6 or the submission of a conference report thereon—

7 “(1) the Chairman of the Senate Committee on
8 the budget may adjust the discretionary spending
9 limits provided in this section, the budgetary aggre-
10 gates in the concurrent resolution on the budget
11 most recently adopted by the Senate and the House
12 of Representatives, and allocations pursuant to sec-
13 tion 302(a) of the Congressional Budget Act of
14 1974, by the amount of new budget authority in
15 that measure for that purpose and the outlays flow-
16 ing there from; and

17 “(2) following any adjustment under paragraph
18 (1), the Senate Committee on Appropriations may
19 report appropriately revised suballocations pursuant
20 to section 302(b) of the Congressional Budget Act of
21 1974 to carry out this subsection.

22 “(d) OVERSEAS DEPLOYMENTS.—If a bill or joint
23 resolution is reported making appropriations for fiscal
24 year 2012, 2013, 2014, 2015, 2016, or 2017 that provides
25 funding for overseas deployments and activities under-

1 taken as a result of a declaration of war or Congressional
2 authorization of force, the allowable adjustments provided
3 for in subsection (c) shall not exceed the following:

4 “(1) For fiscal year 2012, \$126,500,000,000 in
5 budget authority.

6 “(2) For fiscal year 2013, \$50,000,000,000 in
7 budget authority.

8 “(3) For fiscal year 2014, \$50,000,000,000 in
9 budget authority.

10 “(4) For fiscal year 2015, \$50,000,000,000 in
11 budget authority.

12 “(5) For fiscal year 2016, \$30,800,000,000 in
13 budget authority.

14 “(6) For fiscal year 2017, \$8,500,000,000 in
15 budget authority.

16 “(e) POINT OF ORDER IN THE SENATE.—

17 “(1) WAIVER.—The provisions of this section
18 shall be waived or suspended in the Senate only—

19 “(A) by the affirmative vote of two-thirds
20 of the Members, duly chosen and sworn; or

21 “(B) in the case of defense budget author-
22 ity, if Congress declares war or authorizes the
23 use of force.

24 “(2) APPEAL.—Appeals in the Senate from de-
25 cisions of the Chair relating to any provision of this

1 section shall be limited to one hour, to be equally di-
 2 vided between, and controlled by, the appellant and
 3 the manager of the measure. An affirmative vote of
 4 two-thirds of the Members of the Senate, duly cho-
 5 sen and sworn, shall be required to sustain an ap-
 6 peal of the ruling of the Chair on a point of order
 7 raised under this section.

8 **“SEC. 317. CERTAIN MANDATORY SPENDING LIMITS.**

9 “(a) IN GENERAL.—It shall not be in order in the
 10 House of Representatives or the Senate to consider any
 11 bill, joint resolution, amendment, or conference report that
 12 includes any provision that would cause total on-budget
 13 mandatory spending, except as excluded in subsection (b),
 14 to exceed the limits specified in subsection (c).

15 “(b) EXEMPT FROM SPECIFIED LIMITS.—The man-
 16 datory components of the following functions are exempt
 17 from the limits specified in subsection (c):

18 “(1) Social Security, function 650.

19 “(2) Medicare, function 570.

20 “(3) Veterans Benefits and Services, function
 21 700.

22 “(4) Net Interest, function 900.

23 “(c) LIMITS ON REMAINING MANDATORY SPEND-
 24 ING.—The total combined budget authority for all manda-

1 tory spending not exempted in subsection (b) shall not ex-
2 ceed the following limits:

3 “(1) For fiscal year 2012, \$701,640,000,000 in
4 budget authority.

5 “(2) For fiscal year 2013, \$648,701,000,000 in
6 budget authority.

7 “(3) For fiscal year 2014, \$580,743,000,000 in
8 budget authority.

9 “(4) For fiscal year 2015, \$575,423,000,000 in
10 budget authority.

11 “(5) For fiscal year 2016, \$574,072,000,000 in
12 budget authority.

13 “(6) For fiscal year 2017, \$568,519,000,000 in
14 budget authority.

15 “(7) For fiscal year 2018, \$558,645,000,000 in
16 budget authority.

17 “(8) For fiscal year 2019, \$558,869,000,000 in
18 budget authority.

19 “(9) For fiscal year 2020, \$566,867,000,000 in
20 budget authority.

21 “(10) For fiscal year 2021, \$588,162,000,000
22 in budget authority.

23 “(d) POINT OF ORDER IN THE SENATE.—

24 “(1) WAIVER.—The provisions of this section
25 shall be waived or suspended in the Senate only by

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

3 “(2) APPEAL.—Appeals in the Senate from de-
4 cisions of the Chair relating to any provision of this
5 section shall be limited to one hour, to be equally di-
6 vided between, and controlled by, the appellant and
7 the manager of the measure. An affirmative vote of
8 two-thirds of the Members of the Senate, duly cho-
9 sen and sworn, shall be required to sustain an ap-
10 peal of the ruling of the Chair on a point of order
11 raised under this section.

12 **“SEC. 318. LIMITS FOR SOCIAL SECURITY.**

13 “(a) IN GENERAL.—It shall not be in order in the
14 House of Representatives or the Senate to consider any
15 bill, joint resolution, amendment, or conference report that
16 includes any provision that would cause total mandatory
17 spending for Social Security (function 650) to exceed the
18 limits specified in subsection (b).

19 “(b) LIMITS.—

20 “(1) IN GENERAL.—For purposes of this sec-
21 tion the limits are as follows:

22 “(A) For fiscal year 2012, total outlays
23 shall be \$760,356,000,000.

24 “(B) For fiscal year 2013, total outlays
25 shall be \$798,614,000,000.

1 “(C) For fiscal year 2014, total outlays
2 shall be \$841,440,000,000.

3 “(D) For fiscal year 2015, total outlays
4 shall be \$887,837,000,000.

5 “(E) For fiscal year 2016, total outlays
6 shall be \$938,547,000,000.

7 “(F) For fiscal year 2017, total outlays
8 shall be \$995,325,000,000.

9 “(G) For fiscal year 2018, total outlays
10 shall be \$1,057,552,000,000.

11 “(H) For fiscal year 2019, total outlays
12 shall be \$1,123,629,000,000.

13 “(I) For fiscal year 2020, total outlays
14 shall be \$1,193,747,000,000.

15 “(J) For fiscal year 2021, total outlays
16 shall be \$1,265,566,000,000.

17 “(2) EXCEPTION.—If the Congressional Budget
18 Office determines that projected outlays are expected
19 to exceed the limits specified above due to changes
20 in cost-of-living adjustments contained in present
21 law subsection (c) shall not apply.

22 “(c) POINT OF ORDER IN THE SENATE.—

23 “(1) WAIVER.—The provisions of this section
24 shall be waived or suspended in the Senate only by

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

3 “(2) APPEAL.—Appeals in the Senate from de-
4 cisions of the Chair relating to any provision of this
5 section shall be limited to one hour, to be equally di-
6 vided between, and controlled by, the appellant and
7 the manager of the measure. An affirmative vote of
8 two-thirds of the Members of the Senate, duly cho-
9 sen and sworn, shall be required to sustain an ap-
10 peal of the ruling of the Chair on a point of order
11 raised under this section.

12 **“SEC. 319. LIMITS FOR MEDICARE.**

13 “(a) IN GENERAL.—It shall not be in order in the
14 House of Representatives or the Senate to consider any
15 bill, joint resolution, amendment, or conference report that
16 includes any provision that would cause total mandatory
17 spending for Medicare (function 570) to exceed the limits
18 specified in subsection (b).

19 “(b) LIMITS.—For purposes of this section the limits
20 are as follows:

21 “(1) For fiscal year 2012, total outlays, exclud-
22 ing offsetting receipts, shall be \$488,060,000,000.

23 “(2) For fiscal year 2013, total outlays, exclud-
24 ing offsetting receipts, shall be \$530,767,000,000.

1 “(3) For fiscal year 2014, total outlays, exclud-
2 ing offsetting receipts, shall be \$560,744,000,000.

3 “(4) For fiscal year 2015, total outlays, exclud-
4 ing offsetting receipts, shall be \$585,256,000,000.

5 “(5) For fiscal year 2016, total outlays, exclud-
6 ing offsetting receipts, shall be \$634,769,000,000.

7 “(6) For fiscal year 2017, total outlays, exclud-
8 ing offsetting receipts, shall be \$657,799,000,000.

9 “(7) For fiscal year 2018, total outlays, exclud-
10 ing offsetting receipts, shall be \$682,951,000,000.

11 “(8) For fiscal year 2019, total outlays, exclud-
12 ing offsetting receipts, shall be \$745,186,000,000.

13 “(9) For fiscal year 2020, total outlays, exclud-
14 ing offsetting receipts, shall be \$800,853,000,000.

15 “(10) For fiscal year 2021, total outlays, ex-
16 cluding offsetting receipts, shall be
17 \$858,830,000,000.

18 “(c) POINT OF ORDER IN THE SENATE.—

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

23 “(2) APPEAL.—Appeals in the Senate from de-
24 cisions of the Chair relating to any provision of this
25 section shall be limited to one hour, to be equally di-

1 vided between, and controlled by, the appellant and
2 the manager of the measure. An affirmative vote of
3 two-thirds of the Members of the Senate, duly cho-
4 sen and sworn, shall be required to sustain an ap-
5 peal of the ruling of the Chair on a point of order
6 raised under this section.

7 **“SEC. 320. LIMITS FOR MANDATORY FUNCTION 700 SPEND-**
8 **ING.**

9 “(a) IN GENERAL.—It shall not be in order in the
10 House of Representatives or the Senate to consider any
11 bill, joint resolution, amendment, or conference report that
12 includes any provision that would cause total mandatory
13 spending for Veterans Benefits and Services (function
14 700) to exceed the limits specified in subsection (b).

15 “(b) LIMITS.—For purposes of this section the limits
16 are as follows:

17 “(1) For fiscal year 2012, total outlays shall
18 not exceed \$69,400,000,000.

19 “(2) For fiscal year 2013, total outlays shall
20 not exceed \$69,400,000,000.

21 “(3) For fiscal year 2014, total outlays shall
22 not exceed \$71,350,000,000.

23 “(4) For fiscal year 2015, total outlays shall
24 not exceed \$73,300,000,000.

1 “(5) For fiscal year 2016, total outlays shall
2 not exceed \$80,500,000,000.

3 “(6) For fiscal year 2017, total outlays shall
4 not exceed \$77,310,000,000.

5 “(7) For fiscal year 2018, total outlays shall
6 not exceed \$74,250,000,000.

7 “(8) For fiscal year 2019, total outlays shall
8 not exceed \$81,600,000,000.

9 “(9) For fiscal year 2020, total outlays shall
10 not exceed \$83,830,000,000.

11 “(10) For fiscal year 2021, total outlays shall
12 not exceed \$86,100,000,000.

13 “(c) POINT OF ORDER IN THE SENATE.—

14 “(1) WAIVER.—The provisions of this section
15 shall be waived or suspended in the Senate only by
16 the affirmative vote of two-thirds of the Members,
17 duly chosen and sworn.

18 “(2) APPEAL.—Appeals in the Senate from de-
19 cisions of the Chair relating to any provision of this
20 section shall be limited to one hour, to be equally di-
21 vided between, and controlled by, the appellant and
22 the manager of the measure. An affirmative vote of
23 two-thirds of the Members of the Senate, duly cho-
24 sen and sworn, shall be required to sustain an ap-

1 peal of the ruling of the Chair on a point of order
2 raised under this section.”.

3 **SEC. 4. STATUTORY ENFORCEMENT OF SPENDING CAPS**
4 **THROUGH SEQUESTRATION.**

5 The Balanced Budget and Emergency Deficit Control
6 Act of 1985 is amended by inserting after section 253 the
7 following:

8 **“SEC. 253A. ENFORCEMENT OF DISCRETIONARY AND MAN-**
9 **DATORY CAPS.**

10 “(a) ANNUAL REPORT AND SEQUESTRATION
11 ORDER.—

12 “(1) REPORT.—Not later than 30 calendar
13 days following the start of each fiscal year, the Of-
14 fice of Management and Budget shall make publicly
15 available and cause to be printed in the Federal
16 Register an annual report containing expected budg-
17 et authority and outlays for the categories and limits
18 established in sections 316 through 320 of the Con-
19 gressional Budget Act of 1974.

20 “(2) ORDER.—If the annual report issued by
21 OMB, as required by paragraph (1), shows any cat-
22 egory exceeding specified spending caps, OMB shall
23 prepare and the President shall issue and include in
24 that report a sequestration order that, upon
25 issuance, shall reduce budgetary resources by an

1 amount sufficient to bring spending in line with that
2 category's statutory cap.

3 “(3) EFFECTIVE DATE.—The sequestration
4 order shall take effect no later than 60 days after
5 completion by the OMB.

6 “(b) CALCULATING A SEQUESTRATION.—

7 “(1) IN GENERAL.—OMB shall calculate the
8 uniform percentage each program within a category
9 that has exceeded its spending cap shall be reduced
10 to bring that category's budget authority and/or out-
11 lays in line with the limits referred to in subsection
12 (a)(1).

13 “(2) IMPLEMENTATION.—The sequesters shall
14 be implemented as follows:

15 “(A) For the discretionary limits in section
16 316 of the Congressional Budget Act of 1974,
17 pursuant to the section 251 with each category
18 sequestered separately.

19 “(B) For the mandatory limits in section
20 317 of the Congressional Budget Act of 1974,
21 pursuant to the Statutory Pay-As-You-Go Act
22 of 2010, except that section 7 of such Act shall
23 not apply.

24 “(C) For the Social Security limits in sec-
25 tion 318 of the Congressional Budget Act of

1 1974, the Social Security Administration shall
2 modify the program so that all benefits and ad-
3 ministrative expenses are reduced in a uniform
4 fashion by a percentage sufficient to allow the
5 program to operate under its cap.

6 “(D) For the Medicare limit in section 319
7 of the Congressional Budget Act of 1974, the
8 Centers for Medicare & Medicaid Services
9 (CMS) shall modify the program so that all
10 outlays are reduced by a uniform percentage
11 sufficient to bring the program under its cap.

12 “(E) For the Veterans Benefits and Serv-
13 ices limit in section 320 of the Congressional
14 Budget Act of 1974, the Secretary of Defense
15 and the Secretary of Veterans Affairs shall
16 modify the program so that the program oper-
17 ates under its spending cap.

18 “(c) MODIFICATION OF PRESIDENTIAL ORDER.—

19 “(1) IN GENERAL.—At any time after the Di-
20 rector of OMB issues a sequestration report, Con-
21 gress may override the order through the passage of
22 a law that either waives or supersedes the spending
23 limitations for that category of federal spending for
24 that fiscal year.

1 “(2) SENATE.—In the Senate, any motion to
2 move to consideration of a bill to waive, modify, or
3 in any way alter a sequestration order shall be sub-
4 ject to a point of order that can only be waived
5 through an affirmative vote of two-thirds of the
6 Members, duly chosen and sworn. This point of
7 order shall not apply to defense spending while the
8 nation is engaged in a conflict which has been justi-
9 fied through a declaration of war or a Congressional
10 authorization of force.”.

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