

**Calendar No. 112**112TH CONGRESS  
1ST SESSION**S. 1420**

To require that the United States Government prioritize all obligations on the debt held by the public, Social Security benefits, and military pay in the event that the debt limit is reached, and for other purposes.

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**IN THE SENATE OF THE UNITED STATES**

JULY 27, 2011

Mr. TOOMEY (for himself, Mr. VITTER, Mr. PAUL, Mr. RUBIO, Mr. LEE, Mr. RISCH, Mr. DEMINT, Mr. HOEVEN, Mr. COATS, Mr. BARRASSO, Mr. BOOZMAN, Mr. CHAMBLISS, Mr. COBURN, Mr. CORNYN, Mr. CRAPO, Mr. ENZI, Mr. GRAHAM, Mr. GRASSLEY, Mr. HATCH, Mr. HELLER, Mrs. HUTCHISON, Mr. INHOFE, Mr. JOHANNIS, Mr. JOHNSON of Wisconsin, Mr. KIRK, Mr. LUGAR, Mr. MORAN, Mr. ROBERTS, Mr. WICKER, Ms. AYOTTE, Mr. ISAKSON, Mr. BLUNT, and Mr. CORKER) introduced the following bill; which was read the first time

JULY 27, 2011

Read the second time and placed on the calendar

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**A BILL**

To require that the United States Government prioritize all obligations on the debt held by the public, Social Security benefits, and military pay in the event that the debt limit is reached, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This title may be cited as the “Ensuring the Full  
3 Faith and Credit of the United States and Protecting  
4 America’s Soldiers and Seniors Act”.

5 **SEC. 2. FINDINGS.**

6 Congress finds the following:

7 (1) The Secretary of the Treasury is legally re-  
8 quired to carry out the obligations set forth in Pub-  
9 lic Law 104-121.

10 (2) The debt obligations held by the Social Se-  
11 curity trust fund may only be redeemed in order to  
12 pay Social Security benefits and necessary adminis-  
13 trative expenses.

14 (3) So long as there is a positive balance of as-  
15 sets in the Social Security trust fund, an appropriate  
16 amount of obligations may be converted into an  
17 equal amount of publicly held debt in order to fi-  
18 nance the full and timely payment of all Social Secu-  
19 rity obligations without exceeding the debt ceiling.

20 **SEC. 3. PRIORITIZE OBLIGATIONS ON THE DEBT HELD BY**  
21 **THE PUBLIC, SOCIAL SECURITY BENEFITS,**  
22 **AND MILITARY PAY.**

23 In the event that the debt of the United States Gov-  
24 ernment reaches the statutory limit as defined in section  
25 3101 of title 31, United States Code, the following shall

1 take equal priority over all other obligations incurred by  
2 the Government of the United States:

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

7           (2) The authority of the Commissioner of Social  
8 Security to pay monthly old-age, survivors' and dis-  
9 ability insurance benefits under title II of the Social  
10 Security Act.

11           (3) The payment of pay and allowances for  
12 members of the Armed Forces on active duty.

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