

117TH CONGRESS
1ST SESSION

S. 1253

To cap noninterest Federal spending as a percentage of potential GDP to right-size the Government, grow the economy, and balance the budget.

IN THE SENATE OF THE UNITED STATES

APRIL 20, 2021

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

A BILL

To cap noninterest Federal spending as a percentage of potential GDP to right-size the Government, grow the economy, and balance the budget.

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 title may be cited as the “Maximizing America’s
5 Prosperity Act of 2021”.

6 **SEC. 2. TOTAL SPENDING LIMITS.**

7 (a) TOTAL SPENDING LIMITS.—Section 251 of the
8 Balanced Budget and Emergency Deficit Control Act of
9 1985 (2 U.S.C. 901) is amended to read as follows:

1 **“SEC. 251. TOTAL SPENDING LIMITS.**

2 “(a) PROJECTIONS.—

3 “(1) OMB REPORT.—OMB shall prepare a re-
4 port comparing projected total spending under sec-
5 tion 257 and the total spending limits in subsection
6 (c), and include such report in the budget as sub-
7 mitted by the President annually under section
8 1105(a) of title 31, United States Code.

9 “(2) CBO REPORT.—CBO shall prepare a re-
10 port comparing projected total spending under sec-
11 tion 257 and the total spending limits in subsection
12 (c), and include such report in the CBO annual
13 baseline and reestimate of the President’s budget.

14 “(3) INCLUSION IN SPENDING REDUCTION OR-
15 DERS.—Reports prepared pursuant to this sub-
16 section shall be included in a spending reduction
17 order issued under subsection (b).

18 “(b) SPENDING REDUCTION ORDER.—

19 “(1) IN GENERAL.—Within 15 calendar days
20 after Congress adjourns to end a session, there shall
21 be a spending reduction order under section
22 254(f)(4).

23 “(2) CALCULATION OF SPENDING REDUC-
24 TION.—Subject to paragraph (3), each non-exempt
25 budget account shall be reduced by a dollar amount
26 calculated by multiplying the enacted level of

1 sequestrable budgetary resources in that account at
2 that time by the uniform percentage necessary to
3 achieve the required automatic spending reduction.

4 “(3) LIMITATION ON REDUCTION.—No budget
5 account shall be subject to a spending reduction of
6 more than 5 percent of the budgetary resources of
7 the budget account.

8 “(c) FISCAL YEARS OF THE TOTAL SPENDING PE-
9 RIOD.—The total spending limit for each fiscal year shall
10 be as follows:

11 “(1) Fiscal year 2022: 18.9 percent of potential
12 GDP.

13 “(2) Fiscal year 2023: 18.6 percent of potential
14 GDP.

15 “(3) Fiscal year 2024: 18.2 percent of potential
16 GDP.

17 “(4) Fiscal year 2025: 18.4 percent of potential
18 GDP.

19 “(5) Fiscal year 2026: 18.4 percent of potential
20 GDP.

21 “(6) Fiscal year 2027: 18.2 percent of potential
22 GDP.

23 “(7) Fiscal year 2028: 18.6 percent of potential
24 GDP.

1 “(8) Fiscal year 2029: 17.9 percent of potential
2 GDP.

3 “(9) Fiscal year 2030: 17.7 percent of potential
4 GDP.

5 “(10) Fiscal year 2031 and subsequent fiscal
6 years: 17.5 percent of potential GDP.

7 “(d) REDUCTION FOR UNFUNDED FEDERAL MAN-
8 DATES.—The amount determined under subsection (c)
9 with respect to each fiscal year shall be reduced by an
10 amount equal to the amount of the unfunded direct costs
11 with respect to such fiscal year of Federal mandates (as
12 such terms are defined in section 421 of the Congressional
13 Budget Act of 1974 (2 U.S.C. 658)) enacted after the date
14 of the enactment of the Maximizing America’s Prosperity
15 Act of 2021. Such amount shall not be treated as being
16 less than zero with respect to any fiscal year.”.

17 (b) DEFINITIONS.—Section 250(c) of the Balanced
18 Budget and Emergency Deficit Control Act of 1985 (2
19 U.S.C. 900(c)) is amended by adding at the end the fol-
20 lowing:

21 “(22)(A) The term ‘total spending’ means all
22 budget authority and outlays of the Government ex-
23 cluding net interest.

24 “(B) The term ‘total spending limit’ means the
25 maximum permissible total spending of the Govern-

1 ment set forth as a percentage of estimated potential
2 GDP specified in section 251(c).

3 “(23) The term ‘potential GDP’ means the
4 gross domestic product that would occur if the econ-
5 omy were at full employment, not exceeding the em-
6 ployment level at which inflation would accelerate.”.

7 (c) CONFORMING AMENDMENTS.—Part C of the Bal-
8 anced Budget and Emergency Deficit Control Act of 1985
9 (2 U.S.C. 900 et seq.) is amended—

10 (1) in section 254 (2 U.S.C. 904)—

11 (A) in subsection (a), in the table, by in-
12 serting “and spending reduction” after “seques-
13 tration” each place it appears;

14 (B) in subsection (c)—

15 (i) in the subsection heading, by in-
16 serting “AND SPENDING REDUCTION”
17 after “SEQUESTRATION”;

18 (ii) in paragraph (1), by striking “dis-
19 cretionary, pay-as-you-go, and deficit se-
20 questration” and inserting “pay-as-you-go
21 and deficit sequestration and regarding
22 spending reduction”;

23 (iii) by striking paragraph (2) and in-
24 serting the following:

1 “(2) SPENDING REDUCTION REPORT.—The pre-
 2 view reports shall set forth for the budget year esti-
 3 mates for each of the following:

4 “(A) Estimated total spending.

5 “(B) Estimate of potential GDP.

6 “(C) The spending reduction necessary to
 7 comply with the total spending limit under sec-
 8 tion 251(c).”;

9 (C) in subsection (e)—

10 (i) in the subsection heading, by in-
 11 serting “AND SPENDING REDUCTION”
 12 after “SEQUESTRATION”; and

13 (ii) by inserting “and spending reduc-
 14 tion” after “sequestration” each place it
 15 appears; and

16 (D) in subsection (f)—

17 (i) in the subsection heading, by in-
 18 serting “AND SPENDING REDUCTION”
 19 after “SEQUESTRATION”;

20 (ii) in paragraph (1), by inserting
 21 “and spending reduction” after “sequestra-
 22 tion”;

23 (iii) by striking paragraph (2);

1 (iv) by redesignating paragraphs (3),
 2 (4), and (5) as paragraphs (2), (3), and
 3 (4), respectively; and

4 (v) in paragraph (2), as so redesign-
 5 nated—

6 (I) in the heading, by inserting
 7 “AND SPENDING REDUCTION ” before
 8 “ REPORTS”;

9 (II) in the first sentence, by in-
 10 serting “spending reduction report”
 11 after “preview reports”; and

12 (III) by striking the second sen-
 13 tence and inserting the following: “In
 14 addition, these reports shall contain,
 15 for the budget year, for each account
 16 to be sequestered or subject to a
 17 spending reduction, as the case may
 18 be, estimates of the baseline level of
 19 sequestrable or reducible budgetary
 20 resources and resulting outlays and
 21 the amount of budgetary resources to
 22 be sequestered or reduced and result-
 23 ing outlay reductions.”;

1 (vi) in paragraph (3), as so redesignated,
 2 nated, by striking “sequesterable” and inserting
 3 “sequestrable or reducible”; and

4 (vii) in paragraph (4), as so redesignated—

6 (I) by inserting “or spending reduction” after “final sequestration”;

8 (II) by inserting “or spending reduction” before “is required”; and

10 (III) by inserting “or spending reductions, as the case may be,” after
 12 “sequestrations”;

13 (2) in section 257(a) (2 U.S.C. 907(a)), by inserting
 14 “total spending,” after “outlays,”; and

15 (3) in section 258C(a)(1) (2 U.S.C. 907d(a)(1))—

17 (A) by inserting “or spending reduction” after “sequestration” each place the term appears;
 19 and

20 (B) by striking “252 or 253” and inserting
 21 “251, 252, or 253”.

22 (d) TABLE OF CONTENTS.—The table of contents in
 23 section 250(a) of the Balanced Budget and Emergency
 24 Deficit Control Act of 1985 (2 U.S.C. 900(a)) is amended

1 by striking the item relating to section 251 and inserting
 2 the following:

“Sec. 251. Total spending limits.”.

3 **SEC. 3. ALLOCATION FOR EMERGENCIES.**

4 (a) IN GENERAL.—Section 302(a) of the Congres-
 5 sional Budget Act of 1974 (2 U.S.C. 633(a)) is amended
 6 by adding at the end the following new paragraph:

7 “(6) ALLOCATION TO THE COMMITTEES ON AP-
 8 PROPRIATIONS FOR EMERGENCIES.—Of the amounts
 9 of new budget authority and outlays allocated to the
 10 Committees on Appropriations for the first fiscal
 11 year of the concurrent resolution on the budget, 1
 12 percent shall be designated as for emergencies and
 13 may be used for no other purpose.”.

14 (b) BUDGET OF THE PRESIDENT.—Section
 15 1105(a)(14) of title 31, United States Code, is amended
 16 by inserting “, including an amount for emergency spend-
 17 ing not less than 1 percent of all discretionary spending
 18 for that year” before the period.

19 **SEC. 4. PRESIDENT’S BUDGET SUBMISSIONS TO CONGRESS.**

20 Section 1105 of title 31, United States Code, is
 21 amended by adding at the end the following new sub-
 22 section:

23 “(i)(1) The budget transmitted pursuant to sub-
 24 section (a) shall be in compliance with the statutory cap

1 on Federal spending set forth in the Maximizing Amer-
 2 ica’s Prosperity Act of 2021.

3 “(2) Any budget transmitted pursuant to subsection
 4 (a) or paragraph (1) for a fiscal year shall include a
 5 prioritization of spending (as described in section
 6 256(a)(2) of the Balanced Budget and Emergency Deficit
 7 Control Act of 1985), by ranking all programs, projects,
 8 and activities of the Government in five categories from
 9 the—

10 “(A) vital to the general welfare and requires
 11 national policy;

12 “(B) important to the general welfare and re-
 13 quires national policy;

14 “(C) important to the general welfare and bene-
 15 fits from national policy;

16 “(D) advances the general welfare and can
 17 largely be accomplished by non-Federal entities; and

18 “(E) does not clearly advance the general wel-
 19 fare and may be unsuited for national policy;

20 with not less than 12 percent of total spending falling into
 21 any one category.”.

22 **SEC. 5. CONCURRENT RESOLUTIONS ON THE BUDGET.**

23 (a) IN GENERAL.—Section 312 of the Congressional
 24 Budget Act of 1974 (2 U.S.C. 643) is amended by adding
 25 at the end the following new subsection:

1 “(g) STATUTORY CAP ON TOTAL FEDERAL SPEND-
2 ING POINT OF ORDER.—It shall not be in order in the
3 House of Representatives or the Senate to consider any
4 concurrent resolution on the budget that sets forth total
5 Federal outlays for any fiscal year in excess of those set
6 forth for that fiscal year in section 252A of the Balanced
7 Budget and Emergency Deficit Control Act of 1985.”.

8 (b) CONFORMING AMENDMENT.—Subsections (c)(2)
9 and (d)(3) of section 904 of the Congressional Budget Act
10 of 1974 (2 U.S.C. 621 note) are each amended by striking
11 “and 312(c)” and inserting “312(c), and 312(g)”.

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