

107TH CONGRESS
1ST SESSION

H. R. 1521

To amend the Balanced Budget and Emergency Deficit Control Act of 1985 to provide for sequestration of Federal spending in excess of 18 percent of gross domestic product.

IN THE HOUSE OF REPRESENTATIVES

APRIL 4, 2001

Mr. SMITH of Michigan (for himself, Mr. KINGSTON, Mr. AKIN, Mr. HOSTETTLER, Mr. SCHAFFER, Mr. HOEKSTRA, Mr. DEMINT, Mr. LARGENT, Mr. BARTLETT of Maryland, Mr. FLAKE, Mr. SAM JOHNSON of Texas, Mr. DOOLITTLE, Mr. GOODE, Mr. JONES of North Carolina, Mr. SOUDER, and Mr. TANCREDO) introduced the following bill; which was referred to the Committee on the Budget

A BILL

To amend the Balanced Budget and Emergency Deficit Control Act of 1985 to provide for sequestration of Federal spending in excess of 18 percent of gross domestic product.

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. SEQUESTRATION OF FEDERAL SPENDING IN**
2 **EXCESS OF 18 PERCENT OF GROSS DOMESTIC**
3 **PRODUCT.**

4 (a) SEQUESTRATION TO REDUCE THE PUBLIC
5 DEBT.—Part C of the Balanced Budget and Emergency
6 Deficit Control Act of 1985 is amended by adding after
7 section 253 the following new section:

8 **“SEC. 253A. SEQUESTRATION TO FEDERAL SPENDING.**

9 “(a) SEQUESTRATION.—For any of fiscal years 2002
10 through 2006, within 15 days after Congress adjourns to
11 end a session, and on the same day as a sequestration
12 (if any) under sections 251 and 252, but after any seques-
13 tration of budget-year budgetary resources required by
14 those sections, there shall be a sequestration equivalent
15 to the amount by which total outlays exceed 18 percent
16 of the gross domestic product for that fiscal year as deter-
17 mined by OMB.

18 “(b) APPLICABILITY.—Each non-exempt account
19 shall be reduced by a dollar amount calculated by multi-
20 plying the level of budgetary resources in that account at
21 that time by the uniform percentage necessary to carry
22 out subsection (a). All obligational authority reduced
23 under this section shall be done in a manner that makes
24 such reductions permanent.”.

25 (b) REPORTS.—Section 254 of the Balanced Budget
26 and Emergency Deficit Control Act of 1985 is amended—

1 (1) in subsection (c)(1), by inserting striking
2 “and” and by inserting “, and sequestration to re-
3 duce spending to 18 percent of gross domestic prod-
4 uct” before “based on”;

5 (2) in subsection (c), by redesignating para-
6 graph (4) as paragraph (5) and by inserting after
7 paragraph (3) the following new paragraph:

8 “(4) SEQUESTRATION TO REDUCE SPENDING
9 REPORTS.—The preview reports shall set forth for
10 the budget year estimates for each of the following:

11 “(A) The gross domestic product.

12 “(B) The total amount of outlays.

13 “(C) The sequestration percentage nec-
14 essary to achieve the required reduction in ac-
15 counts under section 253A(b).”; and

16 (3) in subsection (f), by redesignating para-
17 graphs (4) and (5) as paragraphs (5) and (6), re-
18 spectively, and by inserting after paragraph (3) the
19 following new paragraph:

20 “(4) SEQUESTRATION TO REDUCE SPENDING
21 REPORTS.—The final reports shall contain all of the
22 information contained in the sequestration to reduce
23 spending reports.”.

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