

112TH CONGRESS
2^D SESSION

H. R. 4966

[Report No. 112-]

To amend the Balanced Budget and Emergency Deficit Control Act of 1985 to replace the sequester established by the Budget Control Act of 2011.

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2012

Mr. RYAN of Wisconsin 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

MAY --, 2012

Reported from the Committee on the Budget with an amendment

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A BILL

To amend the Balanced Budget and Emergency Deficit Control Act of 1985 to replace the sequester established by the Budget Control Act of 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 “Sequester Replacement
5 Act of 2012”.

6 **SEC. 2. CONTINGENT EFFECTIVE DATE.**

7 This Act and the amendments made by it shall take
8 effect upon the enactment of the Act provided for in sec-
9 tion 201 of H. Con. Res. 112 (112th Congress) and this
10 Act and the amendments made by it shall have no force
11 or effect if such Act provided for in such section is not
12 enacted.

13 **SEC. 3. PROTECTING VETERANS PROGRAMS FROM SEQUES-**
14 **TER.**

15 Section 256(e)(2)(E) of the Balanced Budget and
16 Emergency Deficit Control Act of 1985 is repealed.

17 **SEC. 4. ACHIEVING \$19 BILLION IN DISCRETIONARY SAV-**
18 **INGS.**

19 (a) REVISED 2013 DISCRETIONARY SPENDING
20 LIMIT.—Paragraph (2) of section 251(c) of the Balanced
21 Budget and Emergency Deficit Control Act of 1985 is
22 amended to read as follows:

23 “(2) with respect to fiscal year 2013, for the
24 discretionary category, \$1,047,000,000,000 in new
25 budget authority;”.

1 (b) DISCRETIONARY SAVINGS.—Section 251A(7)(A)
2 of the Balanced Budget and Emergency Deficit Control
3 Act of 1985 is amended to read as follows:

4 “(A) FISCAL YEAR 2013.—

5 “(i) FISCAL YEAR 2013 ADJUST-
6 MENT.—On January 2, 2013, the discre-
7 tionary category set forth in section
8 ~~251(e)(2)(A)~~ 251(c)(2) shall be decreased
9 by \$19,104,000,000 in budget authority.

10 “(ii) SUPPLEMENTAL SEQUESTRATION
11 ORDER.—On January 15, 2013, OMB
12 shall issue a supplemental sequestration
13 report for fiscal year 2013 and take the
14 form of a final sequestration report as set
15 forth in section 254(f)(2) and using the
16 procedures set forth in section 253(f), to
17 eliminate any discretionary spending
18 breach of the spending limit set forth in
19 section ~~251(e)(2)(A)~~ 251(c)(2) as adjusted
20 by clause (i), and the President shall order
21 a sequestration, if any, as required by such
22 report.”.

1 **SEC. 5. CONFORMING AMENDMENTS TO SECTION 314 OF**
2 **THE CONGRESSIONAL BUDGET AND IM-**
3 **POUNDMENT CONTROL ACT OF 1974.**

4 Section 314(a) of the Congressional Budget Act of
5 1974 is amended to read as follows:

6 “(a) ADJUSTMENTS.—

7 “(1) IN GENERAL.—The chair of the Committee
8 on the Budget of the House of Representatives or
9 the Senate may make adjustments as set forth in
10 paragraph (2) for a bill or joint resolution, amend-
11 ment thereto or conference report thereon, by the
12 amount of new budget authority and outlays flowing
13 therefrom in the same amount as required by section
14 251(b) of the Balanced Budget and Emergency Def-
15 icit Control Act of 1985.

16 “(2) MATTERS TO BE ADJUSTED.—The chair of
17 the Committee on the Budget of the House of Rep-
18 resentatives or the Senate may make the adjust-
19 ments referred to in paragraph (1) to—

20 “(A) the allocations made pursuant to the
21 appropriate concurrent resolution on the budget
22 pursuant to section 302(a);

23 “(B) the budgetary aggregates as set forth
24 in the appropriate concurrent resolution on the
25 budget; and

1 “(C) the discretionary spending limits, if
2 any, set forth in the appropriate concurrent res-
3 olution on the budget.”.

4 **SEC. 6. TREATMENT FOR PAYGO PURPOSES.**

5 The budgetary effects of this Act and any amendment
6 made by it, and the budgetary effects of the Act provided
7 for by section 201 of H. Con. Res. 112 (112th Congress),
8 shall not be entered on either PAYGO scorecard main-
9 tained pursuant to section 4(d) of the Statutory Pay-As-
10 You-Go Act of 2010.

11 **SEC. 7. ELIMINATION OF THE FISCAL YEAR 2013 SEQUES-**
12 **TRATION FOR DEFENSE DIRECT SPENDING.**

13 Any sequestration order issued by the President
14 under the Balanced Budget and Emergency Deficit Con-
15 trol Act of 1985 to carry out reductions to direct spending
16 for the defense function (050) for fiscal year 2013 pursu-
17 ant to section 251A of such Act shall have no force or
18 effect.