



September 12, 2012

H.R. 6365, the National Security and Job Protection Act

- **Does nothing to stop the sequester**

The bill is another attempt by Republicans to claim they are stopping the sequester scheduled to begin on January 2, 2013. However, the bill actually does nothing to stop it for even one day; all changes in the bill are contingent on Congress passing additional legislation that cuts spending.

- **Is not a balanced approach to deficit reduction**

This bill would prevent sequestration from taking effect on January 2 only if Congress first enacts additional legislation that cuts spending by at least the amount of the one-year sequester. That legislation must either comply with the reconciliation instructions in the Republican budget resolution or it must cut spending by at least the amount of deficit reduction that would have resulted from the 2013 sequester. This bill explicitly rejects any revenue increases to cut the deficit. This is not the balanced approach recommended by every bipartisan group that has evaluated our fiscal challenge. In fact, 98 percent of House Republicans have signed a pledge stating that they will not close a single tax loophole or end a single tax break for millionaires to help reduce our deficit – and, to date, this pledge has trumped their claims about wanting to reduce the deficit and protect defense spending.

- **Reinforces the Republican reconciliation bill's cuts to key services**

The reconciliation bill the House passed this spring lays out the Republican approach to replacing the sequester: it shreds the safety net for vulnerable Americans, denying hundreds of thousands of low-income children, women, seniors, and other Americans the vital assistance that helps them make it from day to day. In fact, that reconciliation bill specifically cuts programs – such as basic nutrition assistance and health care coverage – that would be protected from cuts under sequestration. Today's bill reinforces the Republican choice to insist on painful cuts while protecting subsidies for big oil companies and tax breaks for the wealthiest Americans.

- **Cuts 2013 discretionary spending by \$19 billion**

Under this bill, appropriations will still be substantially cut below the existing Budget Control Act level of \$1,047 billion for 2013. The reason is that part of the savings to replace the 2013 sequester comes from lowering discretionary spending by an additional \$19 billion. Because the bill removes the firewall between defense and non-defense spending, and because Republicans seek more funding for defense than allowed under the current caps, non-defense spending would face a cut larger than \$19 billion.

- **Breaks the bipartisan deal on discretionary spending struck in the Budget Control Act**

Republicans and Democrats agreed in the Budget Control Act that discretionary spending for next year would be set at \$1,047 billion. With this bill, Republicans are breaking the deal by requiring an additional \$19 billion in cuts for 2013.

- **Requires extra spending cuts to prevent cuts to Medicare and student loans**

If Congress cuts spending by enough to offset the savings that would have come from the 2013 sequestration of discretionary spending and from mandatory defense spending, then the sequester is automatically stopped in those two areas. But under this bill, stopping the sequester on non-defense mandatory programs – which includes Medicare and student loans, among others – requires additional spending cuts and a special designation by Congress.

- **Requires the President to submit spending cut legislation**

The bill requires the President to submit legislation by October 15 to cut spending by at least the amount of the 2013 sequester, and prohibits the President from including any revenue as part of his plan to replace the sequester. However, the President has already proposed a balanced deficit reduction plan that more than offsets the savings from sequestration for the full period through 2021, not just for 2013.

- **Democrats have a real plan to prevent and replace the sequester**

Democrats have also offered a plan to replace next year's harmful sequestration cuts with the same amount of deficit reduction achieved through a mix of spending reductions and cuts to tax breaks for the wealthy and powerful special interests. That is the balanced approach recommended by every bipartisan group that has evaluated our fiscal challenge. Unfortunately, Republicans have repeatedly opposed our proposal.