

SUMMARY of the Sessions-McCaskill Discretionary Caps Amendment:

- Makes the next 3 years (FY11-FY13) of the Fiscal Year 2010 budget resolution discretionary spending levels binding (the FY 2010 budget allows for approximately 1-2% increases per year in both defense and non-defense spending) – the caps in the amendment are exactly those we voted to pass in last year’s budget
- Allows UNLIMITED emergency spending with only a 3/5 point of order (same as current law)
- Does not impact stimulus bills passed in this fiscal year
- Very similar to the plan proposed by President Obama in his State of the Union and in his FY11 Budget
- Specifies spending levels for “defense” and “non-defense” programs consistent with the resolution
- Requires a two-thirds vote of 67 Senators to waive the annual caps for a REGULAR appropriations bill
- Does not apply the caps to spending for any military action in which Congress has provided an authorization for the use of force (including Afghanistan and Iraq)
- This approach is substantially similar to what the President has called for and to what Congress did throughout the 1990s with strong bipartisan support.
- The amendment is supported by the [Concord Coalition](#), the [Committee for a Responsible Federal Budget](#), Citizens Against Government Waste, National Taxpayers Union, the Heritage Foundation, former CBO and OMB director Alice Rivlin, and former CBO director Douglas Holtz-Eakin
- Bipartisan budget experts at think tanks are available for discussion of this amendment upon request
- This amendment was supported by a majority of the members of the Senate Budget Committee last time it was considered, and it gives the budget committee more power by strengthening the budget resolution it passed last year

Q and A on the Sessions-McCaskill discretionary spending cap amendment:

Question: Would Sessions-McCaskill prevent the federal government from responding to emergencies?

Answer: No. The Sessions-McCaskill amendment makes NO changes to current emergency spending procedures. Items designated as emergencies are exempted from spending caps, and are subject to only a 3/5 point of order.

Question: Would Sessions-McCaskill prevent us from continuing to provide additional unemployment and COBRA benefits in the future?

Answer: No. First of all, all mandatory spending is exempt from the caps. In addition, all emergency spending is exempt from the caps.

Question: Would Sessions-McCaskill prevent Congress from adequately funding the missions in Iraq and Afghanistan?

Answer: No. In addition to exempting all emergency spending, the amendment explicitly waives the defense budget cap “if Congress declares war or authorizes the use of force.”

Question: Would Sessions-McCaskill prevent Congress from caring for Veterans?

Answer: The FY2010 Budget Resolution incorporated significant increases in funding for Veterans (an 11% increase for FY10, which built on large increases in FY08 and FY09). In addition, a significant amount of veterans spending is mandatory and thus not subject to our caps. Veterans funding can displace lower priority items within the budget caps, and Congress can pass emergency funding for additional needs. In fact, an emergency supplemental for Veterans’ health care received 99 votes in 2005.

Myth: The sponsors claim they will balance the budget by focusing on non-defense discretionary spending (18% of the federal budget).

Fact: If Congress cannot even restrain discretionary spending after large increases in FY09, FY10, and the stimulus package, how will we be able to reform major entitlements like Social Security and Medicare? Restraining discretionary spending growth is important symbolically, and will result in real budget savings. The President himself estimates that a three year freeze in discretionary spending not related to defense, veterans, or foreign affairs will result in \$250 billion in savings over 10 years. The Committee for a Responsible Federal Budget estimates that if we let discretionary spending grow according to the rate of GDP instead of inflation (historically, it has been higher than either one), it will cost us an additional \$1.7 trillion over the next 10 years. They also issued a report that said that simply freezing non-war related discretionary spending for one year would save us \$60 billion in one year and \$600 billion over 10 years.