



No. 2

January 28, 2013

H.R. 325 – No Budget, No Pay Act of 2013

Noteworthy

- **Floor Situation:** The Senate may consider H.R. 325 during the week of January 28. No unanimous consent agreement is in effect for consideration of this bill.
- **Background:** H.R. 325 passed the House on January 23 by a vote of [285-144](#). The bill would allow Treasury borrowing through May 18 to be exempt from the debt limit. If passed, the debt limit would be the last major budget deadline to be reached this spring: sequester (March 1), continuing resolution (March 27), deadline to adopt a budget resolution (April 15), and debt limit (May 18 or later).

Bill Provisions

Section 1 – Short Title

The short title is the “No Budget, No Pay Act of 2013”.

Section 2 – Temporary Suspension of Debt Ceiling

This section suspends application of the debt limit statute – 31 U.S.C. 3101(b) – until May 19, 2013. It exempts from the debt limit all borrowing necessary to fund government operations from the date of enactment through May 18, 2013. On May 19, the debt limit will be raised by the amount of new debt issued from the enactment of this bill through May 18, 2013. The bill provides that borrowing will not be exempted from the debt limit unless such borrowing was required to fund an obligation that required payment before May 19, 2013.

Section 3 – Holding Salaries of Members of Congress in Escrow Upon Failure to Agree to Budget Resolution

This section requires that each chamber agree to their own budget resolution for fiscal year 2014 by April 15, 2013, or else compensation for Members will be deposited into an escrow account

and will not be paid to Members until (1) the day when the chamber in question passes a budget resolution, or (2) the last day of the 113th Congress. The bill does not require that both chambers agree to the same budget resolution. The payment on the last day of the 113th Congress is intended to make H.R. 325 compliant with the 27th Amendment, which provides that “No law varying the compensation for the services of the Senators and Representatives shall take effect, until an election of Representatives shall have intervened.”

The Treasury Secretary is ordered to provide payroll administrators for the House and Senate with assistance necessary to carry out this section.

The section includes delegates and resident commissioners in the definition of “Member”.

Administration Position

In its Statement of Administration Policy for H.R. 325, the Administration [said](#) that it “supports a long-term increase in the debt limit” but that it “would not oppose a short-term solution to the debt limit.”

Cost

According to [CBO](#), the bill “would not have a significant impact on the federal budget.” The Bipartisan Policy Center has [estimated](#) that the bill would eventually raise the debt limit by \$450 billion.

Possible Amendments

There is no agreement on possible amendments at this time.

RPC Staff Contact: Spencer Wayne, 224-2946