



Reid's Joke Of A Bill

Only Senate Majority Leader Harry Reid And The Democrats Could Put Forth A Bill To Replace The Sequester That Actually Increases The Deficit

OBAMA AND SENATE DEMOCRATS LINE UP BEHIND A BILL THAT WOULD INCREASE THE NATION'S DEFICITS

Yesterday, Senate Majority Leader Harry Reid (D-NV) Unveiled The "American Family Economic Protection Act" To Replace The Sequester. "Today, Senate Majority Leader Harry Reid, unveiled the American Family Economic Protection Act -- legislation to replace the indiscriminate, across the board federal spending cuts known as 'the sequester' with an alternative deficit reduction proposal that includes a balanced mix of spending cuts and revenue increases." (Press Release, "Summary Of The American Family Economic Protection Act," [Senate Finance Committee](#), 2/27/13)

Hours Later, The Congressional Budget Office Estimated That The Plan Would Increase The Deficit By \$7.2 Billion. "S. 388 would eliminate the automatic spending reductions scheduled to occur under current law for 2013 and would partially eliminate the reductions scheduled for 2014. The bill also would eliminate direct payments to certain agricultural producers, provide funding for agricultural disaster assistance, and exempt from sequestration all mandatory funding provided for the Department of Agriculture. In addition, S. 388 would ensure that taxpayers with annual income above \$5 million face an average tax rate of at least 30 percent on their income, and it would extend an existing per-barrel tax on oil production to oil produced from tar sands. CBO and the staff of the Joint Committee on Taxation (JCT) estimate that enacting the bill would increase budget deficits from changes in direct spending and revenues by \$7.2 billion over the 2013-2023 period." ("S. 388: American Family Economic Protection Act Of 2013," [Congressional Budget Office](#), 2/27/13)

Obama Backs The Bill Put Forth In The Democrat Senate, Despite The Fact That It Would Increase Deficits. "White House-backed legislation in the Senate to replace \$85 billion in across-the-board spending cuts would raise the deficit through the end of the budget year by tens of billions of dollars, officials said late Wednesday as the two parties maneuvered for public support on economic issues." (David Espo, "Senate Dems' Bill Light On Deficit Cuts In 2013," [The Associated Press](#), 2/28/13)

Both House Proposals To Replace The Sequester Were Projected To Achieve Significant Deficit Reduction

FLASHBACK: The House Proposal To Replace The Sequester Put Forth In December Would Have Decreased The Deficit By \$217.7 Billion. “The Congressional Budget Office (CBO) has reviewed H.R. 6684, the Spending Reduction Act of 2012, as posted on the Web site of the House Committee on Rules on December 19, 2012. The enclosed table shows estimates of the legislation’s effects on direct spending and revenues, assuming enactment around January 1, 2013. Assuming enactment around January 1, 2013, CBO and the staff of the Joint Committee on Taxation estimate that enacting H.R. 6684 would yield net deficit reduction of \$217.7 billion over the 2013-2022 period.” (Douglas W. Elmendorf, CBO Director, [Letter To Rep. David Drier](#), 12/20/12)

FLASHBACK: The House Proposal To Replace The Sequester Put Forth In May Would Have Decreased The Deficit By \$333 Billion. “The Congressional Budget Office (CBO) has reviewed the Sequester Replacement Reconciliation Act, as ordered reported by the House Committee on the Budget on May 7, 2012. The two enclosed tables present estimates of the legislation’s effects on direct spending and revenues under two alternative enactment date assumptions. Table 1 provides estimates assuming enactment around October 1, 2012, while Table 2 provides estimates assuming enactment by July 1, 2012, as you directed in your letter to CBO dated April 2, 2012. Assuming enactment around October 1, 2012, CBO and the staff of the Joint Committee on Taxation (JCT) estimate that the reconciliation act would reduce deficits by \$15.3 billion over the 2012-2013 period, by \$136.9 billion over the 2012-2017 period, and by \$328.0 billion over the 2012-2022 period. Under assumed enactment by July 1, 2012, CBO and JCT estimate that the legislation would reduce deficits by \$19.7 billion over the 2012-2013 period, by \$142.0 billion over the 2012-2017 period, and by \$333.0 billion over the 2012-2022 period.” (Douglas W. Elmendorf, CBO Director, [Letter To Rep. Paul Ryan](#), 5/8/12)