UNAUTHORIZED SPENDING ACCOUNTABILITY

USA ACT

ACT OF 2019

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Mandatory Sequester and Sunset for Unauthorized Programs

• The bill puts all unauthorized programs on a pathway to sunset in 3 years, which is enforced by a reduction in overall budget authority based upon the total value of unauthorized programs.

• In the first year after expiration, overall budget authority is reduced by 10 percent of the total value of unauthorized spending. In the second and third years, that increases to 15 percent. The programs in question would sunset at the end of the third fiscal year after expiration.

• If the program/agency receives a reauthorization at any point in the 3-year sequester/sunset window, the mandatory sequester and sunset clauses are vacated and the program is allowed to operate at full funding.

• The 3-year path to sunset would be triggered for any program that is unauthorized after enactment of the bill. The bill also requires any reauthorization following enactment to include a sunset clause.

Establishment of the Spending Accountability Commission (SAC)

• The purpose of the Commission is to: 1) establish a full authorization schedule of all discretionary programs and agencies; 2) conduct a review of all mandatory spending programs; and 3) assist in finding mandatory cuts to be used as potential offsets to restore budget authority that was reduced due to unauthorized programs.

• The Commission would be tasked with establishing a 3-year schedule for federal programs funded by discretionary spending. Such programs would be put on that 3-year schedule after enactment.

• Programs would be allowed to be reauthorized sooner than their designation in the 3-year authorization window, and an authorization would automatically reset their sunset.

• The Commission would also be required to submit a sequester and sunset schedule for any unauthorized programs to Congress. After submission of the schedule, the Commission would conduct a comprehensive review of mandatory spending.

Sequester and Sunset of Unauthorized Programs in subsequent years.

• The Commission establishes a schedule of three-year reauthorization cycles for all discretionary programs. The first cycle will begin after the implementation of the authorization schedule, when all discretionary programs will have been authorized or sunset.

• The sequester schedule for unauthorized programs established in the bill remains in effect in perpetuity. The Commission has the flexibility to propose a new sequester schedule for programs that remain unauthorized outside of their target reauthorization date. This proposal would be required to be approved by Congress.

• In order to override sequester, in any year where programs remain unauthorized, the Commission is require to report mandatory cuts in an amount equal to the total amount of the discretionary sequester. These cuts would be reported for floor consideration. Congress would be required to enact the spending cuts recommended by the Commission, or the sequester would remain.