

The “One Percent Spending Reduction Act of 2011”

U.S. Representative Connie Mack



“You cannot escape the responsibility of tomorrow by evading it today.”

~President Abraham Lincoln

A Path to Balancing the Federal Budget

The Mack “One Percent Spending Reduction Act of 2011” (H.R. 1848) will achieve a balanced federal budget, beginning in 2019, by bringing federal spending down to average federal revenue over the past 30 years, which is 18% of gross domestic product (GDP).

KEY PROVISIONS:

- **One Percent Spending Reduction per Year:** The Mack One Percent bill cuts total spending – mandatory and discretionary – by *one percent* each year for six consecutive fiscal years, beginning in fiscal year 2012.
 - FY 2012 – \$3.382 trillion*, *less one percent* => \$3.348 trillion cap
 - FY 2013 – \$3.348 trillion, *less one percent* => \$3.315 trillion cap
 - FY 2014 – \$3.315 trillion, *less one percent* => \$3.282 trillion cap
 - FY 2015 – \$3.282 trillion, *less one percent* => \$3.249 trillion cap
 - FY 2016 – \$3.249 trillion, *less one percent* => \$3.216 trillion cap
 - FY 2017 – \$3.216 trillion, *less one percent* => \$3.184 trillion cap
- **Overall Spending Cap in FY 2018:** The bill sets an overall spending cap of 18 percent of GDP beginning in fiscal year 2018.
- **Enforcement of Spending Cuts:** The one percent spending cuts would be achieved one of two ways: either 1) Congress and the President work together to enact program reforms and cut federal spending by one percent each year; or 2) If Congress and the President fail to do so, the bill triggers automatic, across-the-board spending cuts to ensure the one percent reduction is realized.

*Congressional Budget Office March 2011 Baseline for Total Outlays minus Net Interest