

119TH CONGRESS
1ST SESSION

H. R. 182

To ensure the payment of interest and principal of the debt of the United States.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 3, 2025

Mr. MCCLINTOCK introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To ensure the payment of interest and principal of the debt of the United States.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Default Prevention
5 Act”.

6 **SEC. 2. PAYMENT OF OBLIGATIONS.**

7 (a) IN GENERAL.—At any time that the debt of the
8 United States Government subject to limitation under sec-
9 tion 3101 of title 31, United States Code, has reached the
10 limitation imposed under such section, the Secretary of

1 the Treasury (hereafter in this section referred to as “the
2 Secretary”) shall—

3 (1) pay Tier I obligations as such obligations
4 become due,

5 (2) issue such obligations under chapter 31 of
6 title 31, United States Code, as—

7 (A) are necessary to make the payments
8 described in paragraph (1), or

9 (B) are to be held exclusively by a trust
10 fund referred to in subsection (b)(1)(A),

11 (3) pay Tier III obligations only to the extent
12 that the Secretary can still pay all Tier II obliga-
13 tions as such obligations become due,

14 (4) pay Tier IV obligations only to the extent
15 that the Secretary can still pay all Tier II and Tier
16 III obligations as such obligations become due,

17 (5) pay Tier V obligations only to the extent
18 that the Secretary can still pay all Tier II, Tier III,
19 and Tier IV obligations as such obligations become
20 due, and

21 (6) submit to the Committee on Ways and
22 Means of the House of Representatives and the
23 Committee on Finance of the Senate a weekly writ-
24 ten report containing the information described in
25 subsection (d).

1 (b) DEFINITIONS.—For purposes of this section—

2 (1) TIER I OBLIGATIONS.—The term “Tier I
3 obligations” means payments necessary to provide
4 any of the following:

5 (A) Payment with legal tender pursuant to
6 the authority provided under section 3123 of
7 title 31, United States Code, of principal and
8 interest on debt held by—

9 (i) the public,

10 (ii) the Federal Old-Age and Sur-
11 vivors Insurance Trust Fund or the Fed-
12 eral Disability Insurance Trust Fund, or

13 (iii) the Federal Hospital Insurance
14 Trust Fund or the Federal Supplementary
15 Medical Insurance Trust Fund.

16 (B) Payments under the Medicare program
17 under title XVIII of the Social Security Act (42
18 U.S.C. 1395 et seq.).

19 (2) TIER II OBLIGATIONS.—The term “Tier II
20 obligations” means payments necessary to provide
21 any of the following:

22 (A) Any obligation of the Department of
23 Defense.

24 (B) Benefits under laws administered by
25 the Secretary of Veterans Affairs.

1 (3) TIER III OBLIGATIONS.—The term “Tier III
2 obligations” means any obligation of the United
3 States which is not a Tier I, Tier II, Tier IV, or
4 Tier V obligation.

5 (4) TIER IV OBLIGATIONS.—The term “Tier IV
6 obligations” means any payment which constitutes
7 any of the following:

8 (A) Compensation for any Federal em-
9 ployee for official time under section 7131 of
10 such title 5, United States Code.

11 (B) Any payment for travel expenses for
12 any officer or employee of the Executive branch
13 of Government, including the President and
14 Vice President, unless such payment is a Tier
15 I or Tier II obligation.

16 (C) Compensation of any officer or em-
17 ployee of the Executive branch of Government
18 (other than an individual in the competitive
19 service, as defined in section 2102 of title 5,
20 United States Code), including the President
21 and Vice President, unless such compensation is
22 a Tier I or Tier II obligation.

23 (5) TIER V OBLIGATIONS.—The term “Tier V
24 obligations” means compensation of any Member of

1 Congress (as that term is defined in section 2106 of
2 title 5, United States Code).

3 (c) COORDINATION WITH PUBLIC DEBT LIMIT.—Ob-
4 ligations issued under subsection (a)(2) shall not be taken
5 into account as subject to the limitation imposed under
6 section 3101(b) of title 31, United States Code. The pre-
7 ceding sentence shall not apply with respect to any obliga-
8 tion after the first date (after the issuance of such obliga-
9 tion) on which any modification or suspension of such lim-
10 itation takes effect.

11 (d) WEEKLY REPORTS.—The written report referred
12 to in subsection (a)(6) shall include, with respect to the
13 period covered by such report—

14 (1) the amount of Tier I obligations paid under
15 subsection (a)(1) during such period,

16 (2) the amount of obligations issued under sub-
17 section (a)(2) during such period, and

18 (3) the amount of Tier II obligations, Tier III
19 obligations, Tier IV obligations, and Tier V obliga-
20 tions which were paid during such period (stated
21 separately for each tier) and the aggregate amount
22 of such obligations which were due and unpaid as of
23 the close of such period (stated separately for each
24 tier).

1 (e) NO INFERENCE WITH RESPECT TO EXISTING
2 AUTHORITY TO PRIORITIZE PAYMENTS.—During any pe-
3 riod with respect to which this section does not apply,
4 nothing in this section shall be interpreted to restrict the
5 authority of the Secretary to prioritize the payment of cer-
6 tain obligations over other obligations.

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