

LEGAL UPDATES

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Congressional Leaders Finalize Super Committee Appointments

Last night, Congressional leaders finalized their appointments to the 12-member panel of the Joint Committee on Deficit Reduction, also known as the "Super Committee." The committee was established as part of the agreement between President Obama and Congress to raise the federal debt ceiling through the Budget Control Act of 2011 (Pub.L. 112-25) that the president signed into law on August 2, 2011. In exchange, the new law details at least \$2 trillion in budget savings over a 10-year time period, which will occur in two steps. The first \$900 billion is the result of negotiations between Republicans and Democrats leading up to the agreement and will occur immediately. The balance becomes the responsibility of the Super Committee.

The committee is both bicameral and bipartisan, with three members from each side of the aisle in both the House of Representatives and the Senate. Its objective is to identify between \$1.2 trillion to \$1.5 trillion in budget savings over a 10-year time period. According to the law, the panel must forward debt reduction legislation to the Congress by November 23, 2011, which cannot be amended on either the House or Senate floor and must be passed by both the House and Senate by December 23, 2011.

If the Super Committee cannot agree to a package of budget cuts or if Congress cannot pass at least \$1.2 trillion in budget cuts by December 23, 2011, automatic budget cuts will be triggered immediately across the board. The automatic budget cuts triggered if Congress fails to act are evenly divided between security and non-security programs and would apply to both mandatory and discretionary spending from years 2013 to 2021. The automatic spending cuts are partially designed to be unagreeable with both parties in an attempt to force a compromise solution in the Super Committee. While it is unlikely, it is possible that the Super Committee would propose cuts

greater than \$1.2 trillion mandated by the Budget Control Act given the increased pressure from the credit rating agencies.

The following individuals were selected to serve on the Super Committee:

Senate Democrats

Max Baucus (Montana)
John Kerry (Massachusetts)
Patty Murray (Washington)

Senate Republicans

Jon Kyl (Arizona)
Pat Toomey (Pennsylvania)
Rob Portman (Ohio)

House Democrats

Chris Van Hollen (Maryland)
Jim Clyburn (South Carolina)
Xavier Becerra (California)

House Republicans

Dave Camp (Michigan)
Jeb Hensarling (Texas)
Fred Upton (Michigan)

What This Means to You

Husch Blackwell's Government Affairs team is uniquely positioned to assist clients in understanding the unprecedented influence and authority granted to this congressional committee. Its broad jurisdiction gives the committee the latitude to approve of a comprehensive range of spending cuts and/or revenue increases. Since many of our business clients work with the federal government and/or federal funds, this committee may be of great interest.

Our professionals have long established relationships with a number of Super Committee members. Most notably, Steve Kupka worked alongside Energy & Commerce Committee Chairman Fred Upton (R-MI) at the Office of Management & Budget (OMB) during the Reagan Administration, and Adam Sachs served as Chief Democratic Counsel and Staff Director to a House Subcommittee led by Assistant Democratic Leader Jim Clyburn (D-SC) during the late 90s. Our Governmental Affairs team will be monitoring the activities of the Super Committee and engaging in advocacy for our clients as needed.

Contact Info

Should you have further questions, please contact your Husch Blackwell attorney or the individuals listed below.

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