

S 251

A bill to prohibit the provision of Federal funds to State and local governments for payment of obligations, to prohibit the Board of Governors of the Federal Reserve System from financially assisting State and local governments, and for other purposes.

Congress: 112 (2011–2013, Ended)

Chamber: Senate

Policy Area: Economics and Public Finance

Introduced: Feb 1, 2011

Current Status: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

Latest Action: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Feb 1, 2011)

Official Text: <https://www.congress.gov/bill/112th-congress/senate-bill/251>

Sponsor

Name: Sen. Vitter, David [R-LA]

Party: Republican • **State:** LA • **Chamber:** Senate

Cosponsors (19 total)

| Cosponsor | Party / State | Role | Date Joined |
|-----------------------------------|---------------|------|--------------|
| Sen. Crapo, Mike [R-ID] | R · ID | | Feb 1, 2011 |
| Sen. DeMint, Jim [R-SC] | R · SC | | Feb 1, 2011 |
| Sen. Blunt, Roy [R-MO] | R · MO | | Feb 2, 2011 |
| Sen. Chambliss, Saxby [R-GA] | R · GA | | Feb 2, 2011 |
| Sen. Coats, Daniel [R-IN] | R · IN | | Feb 2, 2011 |
| Sen. Coburn, Tom [R-OK] | R · OK | | Feb 2, 2011 |
| Sen. Cornyn, John [R-TX] | R · TX | | Feb 2, 2011 |
| Sen. Hatch, Orrin G. [R-UT] | R · UT | | Feb 2, 2011 |
| Sen. Hutchison, Kay Bailey [R-TX] | R · TX | | Feb 2, 2011 |
| Sen. Johnson, Ron [R-WI] | R · WI | | Feb 2, 2011 |
| Sen. Kirk, Mark Steven [R-IL] | R · IL | | Feb 2, 2011 |
| Sen. Kyl, Jon [R-AZ] | R · AZ | | Feb 2, 2011 |
| Sen. Risch, James E. [R-ID] | R · ID | | Feb 2, 2011 |
| Sen. Thune, John [R-SD] | R · SD | | Feb 2, 2011 |
| Sen. Wicker, Roger F. [R-MS] | R · MS | | Feb 2, 2011 |
| Sen. Ayotte, Kelly [R-NH] | R · NH | | Feb 14, 2011 |
| Sen. Johanns, Mike [R-NE] | R · NE | | Apr 4, 2011 |
| Sen. Barrasso, John [R-WY] | R · WY | | May 19, 2011 |
| Sen. Corker, Bob [R-TN] | R · TN | | Jun 15, 2011 |

Committee Activity

| Committee | Chamber | Activity | Date |
|---|---------|-------------|-------------|
| Banking, Housing, and Urban Affairs Committee | Senate | Referred To | Feb 1, 2011 |

Subjects & Policy Tags

Policy Area:

Economics and Public Finance

Related Bills

| Bill | Relationship | Last Action |
|-----------|--------------|---|
| 112 S 184 | Related bill | Jan 25, 2011: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. |

Summary (as of Feb 1, 2011)

Prohibits the use of federal funds to purchase or guarantee obligations of, issue lines of credit to, or provide direct or indirect grants-and-aid to any state, municipal, local, or county government which, on or after January 26, 2011, has defaulted on its obligations, is at risk of defaulting, or is likely to default, without such federal assistance.

Prohibits the Secretary of the Treasury from using, directly or indirectly, general fund revenues or borrowed funds to purchase or guarantee any asset or obligation of any such state, municipal, local, or county government.

Prohibits the Board of Governors of the Federal Reserve System from: (1) providing or extending to, or authorizing with respect to, such a state, municipal, local, or county government, or other entity with taxing authority or bonding authority, any funds, loan guarantees, credits, or any other financial instrument or other authority, including bond purchases; or (2) otherwise assisting such a government entity under any Board authority.

Waives the application of this Act for federal assistance provided in response to a natural disaster.

Actions Timeline

- **Feb 1, 2011:** Introduced in Senate
- **Feb 1, 2011:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.