

President Obama's Pink Slip Plan for America

"As he travels around the country, President Obama better have a big bag of pink slips with him, because he is the one pushing for these defense cuts that economists say will result in massive job losses." -- Doug Lamborn (CO-05)

Across-the-board Cuts to Defense

Beginning January 2, 2013 the federal government will begin making \$1.2 trillion in automatic cuts, or sequestration, as the result of a law signed by President Obama last August. Defense spending represents less than 20 percent of our federal budget, but represents 50 percent of the automatic cuts. Under President Obama's cuts, the military would be cut \$55 billion every year beginning in 2013 through 2021.

Massive Job Losses

The Center for Regional Analysis at George Mason University released a [study](#) in July 2012 that finds nationwide more than 2 million jobs will be lost as a result of sequestration.

Colorado stands to lose:

- 18,442 DoD jobs
- 24,120 non-DoD jobs
- **42,562: total jobs**

Harm to National Defense

It is widely accepted throughout the DOD and in Congress that these additional budget cuts plus the already mandated \$487 billion DOD budget reduction from the 2011 Budget Control Act would do significant harm to the military capability of the United States and the defense industrial base.

These defense cuts would result in the smallest Army since 1940, the smallest Navy since 1916, and the smallest Air Force in our history.

Background:

On August 1, 2011 President Obama signed into law the Budget Control Act which raised the debt ceiling in exchange for spending cuts and created a so-called super committee charged with finding further deficit reductions. The supercommittee's role was to find at least an additional \$1.2 trillion in deficit reduction savings. If this supercommittee failed to find the required deficit savings then automatic and arbitrary cuts, or a sequester, will hit nearly every federal program over the next nine years starting in 2013.

Congressman Lamborn voted against the Budget Control Act because it did not include enough structural changes to government and because he believed a supercommittee failure was likely and would lead to even more dangerous defense cuts.

Congressman Lamborn Action to Avert Train Wreck

August 1, 2011 – The Budget Control Act becomes law. Congressman Lamborn opposed this agreement.

November 2, 2011 – Congressman Lamborn attends the first of many hearings by the Armed Services Committee on the consequences of sequestration.

November 21, 2011 – The “Supercommittee” fails to reach an agreement to reduce the deficit by the required \$1.2 trillion. The sequester is triggered in 2013.

December 14, 2011 – Congressman Buck McKeon (R-CA), Chairman of the House Armed Services Committee introduces HR 3662, the Down Payment to Protect National Security Act, which replaces the deficit reduction from the sequester with savings from the reductions in the federal workforce. Congressman Lamborn is one of the original co-sponsors.

May 10, 2012 – The House of Representatives passes HR 5652, *The Sequester Replacement Reconciliation Act*, which replaces the deficit reduction from a “sequester” of discretionary spending with reforms in mandatory spending. Congressman Lamborn votes in favor of the commonsense plan.

May 18, 2012 – The House of Representatives passes HR 4310, the National Defense Authorization Act, which authorizes important defense programs to guide our military going forward. Congressman Lamborn votes in favor of this legislation.

July 18, 2012 – The House of Representatives passes HR 5872, the Sequestration Transparency Act, which would force the Obama Administration to provide detail concerning how the sequester would impact each spending category and program. Despite numerous requests for this information the administration has refused to be transparent with Congress or the public regarding implementation of the sequester.

Letters

From the very beginning, Congressman Lamborn has been engaged on this issue, signing onto two letters to President Obama and two to Senate Majority Leader Harry Reid calling for cooperating in averting sequestration. Congressman Lamborn has made it very clear that defense sequestration will harm our national defense, and cost American jobs.

[Letter to President Obama #1](#)

[Letter to President Obama #2](#)

[Letter to Senate Majority Leader Harry Reid #1](#)

[Letter to Senate Majority Leader Harry Reid #2](#)

Senate Inaction

- Over 1100 days without a Budget
- No plans to replace or delay the sequester
- Has not passed Defense Authorization

- Has not passed Defense Appropriation

Coming Next...

November 1, 2012 – Major defense contractors are expected to announce thousands of layoffs. By law contractors must inform the government 60 days before they intend to lay off employees. Many defense companies have indicated they may be forced to begin issuing pink slips if the sequester is not stopped.

January, 2 2013 – Department of Defense to cut \$55 billion from budget.