



BUDGET COMMITTEE



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**PREPARED OPENING STATEMENT OF
SENATE BUDGET COMMITTEE CHAIRMAN JUDD GREGG**

**HEARING ON S. 2381, A BILL TO AMEND THE CONGRESSIONAL BUDGET
AND IMPOUNDMENT CONTROL ACT OF 1974 TO PROVIDE LINE ITEM
RESCISSION AUTHORITY**

**WITNESSES: THE HONORABLE ROBERT C. BYRD, UNITED STATES SENATE;
MR. AUSTIN SMYTHE, ACTING DEPUTY DIRECTOR, OFFICE OF
MANAGEMENT AND BUDGET; DR. DONALD MARRON, ACTING DIRECTOR,
CONGRESSIONAL BUDGET OFFICE; MR. CHARLES J. COOPER, COOPER &
KIRK, PLLC; DR. LOUIS FISHER, SPECIALIST AT THE LAW LIBRARY,
LIBRARY OF CONGRESS**

Good morning and thank you all for joining us today. Today the Committee will be hearing from several knowledgeable panels on the line item rescission proposal the President has submitted to the Congress. I thank the witnesses for their expertise and look forward to their testimony.

While our nation's economy continues to grow, as evidenced by the robust Gross Domestic Product numbers announced by the Department of Commerce on Friday and increase in consumer spending announced yesterday, we are still experiencing sizeable federal deficits. If allowed to continue, these deficits will have a significant negative impact on our economy and, combined with the massive entitlement obligations our nation faces when the Baby Boomers retire, threaten to simply overwhelm our nation's finances. The budget resolution passed by the Senate in March works to address this by cutting the federal deficit in half over the next five years, in part by keeping downward pressure on federal spending. But federal spending is still too high, and I believe a line item rescission authority would be a useful tool for the Executive Branch to work with Congress to negate wasteful spending.

Granting the Executive Branch line-item authority is certainly not a new concept, as Congress for many years has taken swings at multiple proposals without much success. I look forward to hearing how this proposal eliminates the obstacles

experienced by previous rescission bills, while still giving the President the opportunity to require Congress to take a second look at national spending priorities.

I thank the witnesses for taking the time to meet with us today and discuss this important issue.