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Pay-As-You-Go to Become Law

Commonsense budget enforcement tool will drive down deficits, reduce out-of-control government spending

Washington, DC – Today, leading members of the fiscally conservative Democratic Blue Dog Coalition released the following statements on final passage of statutory pay-as-you-go (PAYGO) legislation.

"Our country simply has no choice but to return to PAYGO, the single-most important thing our generation can do for those who come after us," said **Representative John Tanner** (D-TN), a founding member of the Blue Dogs. "Many of us have long looked forward to our country's return to the days of paying its own bills, a concept familiar to American families and businesses, but the abandonment of which led to structural deficits starting in the early years of this century."

"This is a tremendous victory for the American people. For far too long Washington avoided making the same tough financial decisions Americans are forced to make every day. But today we said enough is enough and we've got to stop digging ourselves deeper into debt," said **Representative Allen Boyd** (D-FL), Chairman of the Blue Dog Budget and Financial Services Task Force. "Reinstating PAYGO is a critical first step toward improving the fiscal health of our nation and will allow us to focus on other challenges facing the American people, like finding a good job, buying a house, and saving for college or retirement."

"The Blue Dogs have fought for nine years to restore the same statutory pay-as-you-go rules that brought about budget surpluses in the 1990's," said **Representative Jim Matheson** (D-UT), Blue Dog Co-Chair for Communications. "This proven effective, bipartisan budget enforcement tool was signed into law by both President George H.W. Bush and President Bill Clinton, and we look forward to sending this same commonsense legislation to President Obama's desk."

"This is a direct response to what I've been hearing from my Southern Indiana constituents – let's get serious about curbing Washington's spending and addressing our deficit," said **Representative Baron Hill** (D-IN), Blue Dog Co-Chair for Policy. "Statutory PAYGO is the guaranteed mechanism to make Congress balance its checkbook like families all across this great nation have to do."

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“Pay-as-you-go is a serious and proven tool to force the federal government to spend within its means,” said **Representative Stephanie Herseth Sandlin** (D-SD), Blue Dog Co-Chair for Administration. “The passage of pay-as-you-go rules into law today represents an enormous victory for anyone who cares about our country’s fiscal future and the national debt.”

Wasteful government spending became the norm in Washington throughout the previous administration,” said **Representative Heath Shuler** (D-NC), Blue Dog Whip. “Today the Blue Dogs demonstrated their dedication and commitment to restoring fiscal discipline to the federal government by voting to put an end to this kind of unnecessary deficit spending. For the first time in years, we’re on the way to making real fiscal reform happen.

“Middle Tennessee families are tightening their belts and living on a budget. The Federal Government needs to do the same,” said **Representative Jim Cooper** (D-TN). “PAYGO will tighten the federal government’s belt, just as it did the last time we had balanced budgets, in 1998, 1999, and 2000.”

“Pay-as-you-go rules are simple, common sense budgeting practices that everyone uses. It is the same budget discipline any family has – if you remodel the kitchen, you’ve got to cut back on the vacation,” said **Representative Earl Pomeroy** (D-ND). “You can have a budget but if you do not stick to it you end up in a financial mess. PAYGO gave the federal government the discipline to reach budget surpluses in the 1990s and once PAYGO expired, our country was led into deep deficits. But now, as a matter of federal law, when the government spends additional funding in one place, it will be required to cut that same amount in another place. The path to fiscal sanity is going to take a lot of tough choices, but this vote is a big step in the right direction.”

The fiscally conservative Democratic Blue Dog Coalition was formed in 1995 with the goal of representing the center of the House of Representatives and appealing to the mainstream values of the American public. The Blue Dogs are dedicated to a core set of beliefs that transcend partisan politics, including a deep commitment to the financial stability and national security of the United States. Currently there are 54 members of the Blue Dog Coalition. For more information, visit the Blue Dog Website at <http://www.house.gov/melancon/BlueDogs/>.

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