



A bipartisan solution to the nation's fiscal crisis

By Sens. Kent Conrad (D-N.D.) and Judd Gregg (R-N.H.) - 12/17/09 05:29 PM ET

While we find ourselves on opposite sides in the current health reform debate, we are united in believing much more needs to be done to put our nation's fiscal house in order. And we have concluded the only way that Congress will gain control of the explosion in deficits and debt is through the establishment of a special bipartisan process.

The fiscal hurdle we face is enormous. The deficit in 2009 was \$1.4 trillion and could go even higher this year. And despite being raised eight times over the last eight years to more than \$12 trillion, the federal debt limit is about to be reached again.

As troubling as that is, our long-term outlook is dramatically worse. Gross federal debt is projected to exceed 100 percent of GDP within a few years, reaching levels not seen since World War II. However, unlike the period following the Second World War, our debt is only expected to grow ever skyward if nothing is done. This long-term imbalance is driven primarily by soaring expenditures in Medicare, Medicaid and Social Security due to rising healthcare costs and a retiring baby boom generation. At the same time, we face a revenue shortfall from a tax system that is so outdated and inefficient that hundreds of billions of dollars in taxes owed go uncollected each year.

Those who insist there is no crisis in Social Security and Medicare are undermining the very programs they seek to protect. Social Security and Medicare are both currently cash negative and headed for insolvency. We need to reform these programs so they remain viable and strong for current and future generations. And we also need to act to prevent exploding interest payments on our rising debt from threatening other critical priorities such as education, healthcare, national security and law enforcement.

Some have argued that House and Senate committees with jurisdiction over health, retirement and revenue issues should individually take up legislation to address the imbalance.

But that path will never work. The inability of the regular legislative process to meaningfully act on this couldn't be clearer. Experts have warned for decades of the coming fiscal tsunami, yet, little has been done about it in recent years except to exacerbate the problem. And the longer Congress and the administration wait to act, the harder the choices become. We need to establish policies now that will kick in after the current economic downturn has ended that phase in over time solutions to ensure the long-term fiscal stability of the federal government.

We believe the Bipartisan Task Force for Responsible Fiscal Action Act we introduced this week can serve as the basis for a new process to tackle this fiscal challenge. We believe the task force will work because it is based on several key principles:

First, all of the task force members would be directly accountable to the American people. The panel would consist entirely of currently-serving members of Congress selected by Democratic and Republican leaders, as well as administration officials. This means bipartisan leadership at the highest levels of our government would be responsible for the panel's outcome.

Second, everything would be on the table, including spending and revenues. We can't solve this challenge by looking at only one side of the ledger.

Third, the task force recommendations would be considered by Congress under expedited procedures with a vote required.

Fourth, and most importantly, the task force would ensure a bipartisan outcome. Fourteen of the 18 task force members would have to agree to report the recommendations. And final passage would require supermajorities in both the Senate and House. This is the only way that the changes needed are going to be adopted and maintained over time. No one party can or will do this on its own. Both parties must be invested in the outcome and committed to its success.

Bipartisan support for our approach is strong and growing. Within days of the bill's introduction, it already had 35 co-sponsors in the Senate. The economic strength and vitality of our nation is at stake. The Obama administration and leaders on both sides of the aisle in Congress need to join us in this effort and show they are serious about solving this problem together.

Conrad and Gregg are the chairman and ranking member, respectively, of the Senate Budget Committee.

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