



# BUDGET COMMITTEE

Judd Gregg, Ranking Member  
<http://budget.senate.gov/republican>

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**For Immediate Release**

**July 13, 2010**

**Colloquy between Senators Gregg and Alexander on Curbing Government  
Spending  
July 13, 2010  
(unofficial transcript)**

**Mr. Gregg:** I want to continue the discussion raised by the Senator from Tennessee relative to the letter which has been signed by all the Republican members of the Appropriations Committee. This is a unique event in my experience.

I had the great honor and privilege of serving on this Committee now for 14 years, and I've never participated in this type of an undertaking, which is basically the Appropriations Committee, Republicans at least, stepping up and doing the responsible thing in the area of trying to control the fiscal policy of this country when the Budget Committee has left the field. The Budget Committee didn't leave the field arbitrarily. It's just that the other side of the aisle decided they didn't want to do the budget for some reason.

Actually I know the reason. The reason we are not doing a budget of the country the way we're supposed to do is that the budget shows that we are in dire straits. We're going to have a \$1.4 trillion to \$1.6 trillion deficit this year. Next year it looks like we're going to have a deficit in the range of \$1.4 trillion. And for the next ten years, every year under the Obama Budget and under the spending plans in the Democratic leadership in this Congress, we're talking an average of \$1 trillion-a-year deficits.

That adds up to a doubling of the debt in five years and a tripling of the debt in ten years. And the American people understand that we can't do this, that we cannot continue that type of profligate spending, that type of out-of-control spending.

Unfortunately, the other party, which now controls with significant majorities both in the House and the Senate, is unwilling to step up and produce a budget which brings those numbers down, which makes us more responsible in the areas of spending and reduces the debt burden on our children.

And so the Republican members of the Senate Appropriations Committee have said, 'Enough. We want to stop this out-of-control spending. We want to have a spending

proposal in place that makes sense.' And we've picked a number that is very reasonable. It's essentially a freeze at last year's levels.

And it's a number which has been supported, interestingly enough, on this floor when it was offered as the Senator Sessions-Senator McCaskill amendment on four different occasions by a majority of the Senate, and with all the Republican members voting for this type of a freeze, essential freeze, and with between 16 and 18 Democratic senators voting for this because there is a full understanding, at least on our side of the aisle and by some members on the other side of the aisle who did vote for this, that we've got to do something about controlling spending around here.

And so this letter essentially says that before we start marking up any bills in the Appropriations Committee, we have to have an understanding as to how much we're going to spend. Is that an unusual idea? Is it a terribly radical idea that we should reach a number, an overall agreement as to what we're going to spend around here before we start producing spending bills? No, it's not. It is what the budget is supposed to do.

But we don't have a budget because people don't want to talk about how big the debt is around here because they're afraid if the American people figure it out, they'll get more outraged. What we're saying in this letter is that we, as Republican members of the Appropriations Committee, expect there to be a budget for the Appropriations Committee, even though there wasn't one passed by the full Senate with a top-line number being essentially the number in the Sessions-McCaskill amendment. This amounts to a freeze proposal, freezing at 2010 levels essentially. And we will test every subcommittee Appropriations bill that comes forward on the basis of that number.

And that we hope that our colleagues on the other side of the aisle, both on the Appropriations Committee, and those who aren't on the Appropriations Committee, will join us in this effort because it is a sincere effort and a reasonable effort since it's already been voted on here with a majority of both sides, with all of our side voting for it and a majority of the Senate voting for it.

It is a reasonable number to set forward as the goal. Yes, it does mean a significant reduction. We've got to be forthright about this, and this is what we need to do quite honestly. It does mean a significant reduction from what the President requested. It means a significant reduction from what the Senate Budget Committee passed in Committee, which budget was never brought to the floor of the Senate because they did not want to shine lights even on that budget. There is no question it is a reduction and a fairly significant reduction from those numbers.

But it is a reasonable number, and it is an important number because it says that we are willing to be disciplined about our spending around here. And that's what we're going to have to do. We're going to have to make these types of tough choices. This is an effort by the Republican members of the Appropriations Committee to make it clear that we are willing to make those types of difficult choices.

**Mr. Alexander:** I wonder if the Senator from New Hampshire would accept a question.

**Mr. Gregg:** Yes, I accept a question from the Senator from Tennessee.

**Mr. Alexander:** I would ask the Senator who served as Chairman of the Budget Committee of the Senate and is now its Ranking Member -- there is no one in the Senate more familiar with the numbers in the Senate Budget—is it not true that this request by Republican members of the Senate Appropriations Committee comes at a time when many Americans and most Senators feel that the level of the Federal debt is at crisis levels, threatens the security of our country. And that it comes at a time when the Congress has not produced a Budget. And it comes at a time when there have been substantial increases over the last year and a half in the 38% of the Budget that's discretionary spending. So would the Senator from New Hampshire, who's long served on both the Budget and the Appropriations Committee, not agree that the first job of Senate appropriators is not to decide where to spend the money, but to decide how much money there is to spend, especially this year when there's no Budget?

**Mr. Gregg:** I think the Senator from Tennessee is absolutely right. How can we run a country and a government of a country if we're not willing to decide on how much we're going to spend and then stick to it?

The reason spending is so out of control around here is because every week for the last eight to ten weeks, we've seen a new bill brought to the floor of the Senate which has added to the debt and the deficit of this country.

And interestingly enough, five months ago we passed a bill on this floor with great fanfare from the other side of the aisle called Pay-Go, which said that all the bills that came to the floor of the Senate were going to be subject to a test. This test essentially said that before you spent any money, you paid for it. Since then, nearly \$200 billion has been proposed or passed by the Senate which violated the very rule that we allegedly passed to try to discipline the Senate.

So it's very clear unless you set out some hard perimeters, unless you set out specific limits, and that's what the letter to the Appropriations committee from the Republicans does, we'll just bring bill after bill here out of committee and spend money we don't have, and where does it all go? Well, it all goes to our children as debt and we have to borrow it from the Chinese or we have to borrow it from somebody else, and then we have to pay the interest on that, and spending taxpayer dollars on interest doesn't do us any good as a nation.

In fact, under the President's own projections, his own budget, the interest on the federal debt will exceed any other item of spending in the federal budget on the discretionary side within seven years. We will spend more on interest, because we're adding all this deficit and debt, than we spent on national defense. What a waste of money that is. So unless we get some discipline around here on the spending side, this deficit's going to grow, the debt's going to grow.

I saw a most interesting figure, and I think the Senator from Tennessee has seen it, too. Since Senator Obama has been President, for every second he has been President, \$56,000 has been added to the debt of the United States. \$56,000. That's the mean income of Americans today. So every second he's been in office, he's wiped out the income of some American that's working, because now it is going to have to be spent to wipe out that debt.

This week we're going to take up another supplemental bill here. Does the Senator know how much debt that bill will add if it is passed in the form that the Administration and the Democrats have asked this week?

**Mr. Alexander:** No.

**Mr. Gregg:** I think \$27 billion of new deficit and debt.

**Mr. Alexander:** I wonder if I could ask the Senator another question. He was talking about the increase in debt. It took the first 43 Presidents of the United States and the Congresses they served with about 230 years to run up \$5.8 trillion in debt, but President Obama's 10-year proposal through 2018 would add another \$11.8 trillion. In other words--am I right that the first 43 presidents piled up \$5.8 trillion in debt and this president's 10-year budget through 2018 would double that?

**Mr. Gregg:** Triple it. The Senator is off by 100%. But close. In the next five years, the President will double the national debt under his projected deficit, under the deficits which he's projecting under his budget, and in the next 10 years he will triple the national debt. And, as you say, if you take all the Presidents from George Washington through George W. Bush, put all the debt that they added on the books of the United States, through all those administrations, cumulatively, add them all together, President Obama will have added more debt than all the prior Presidents added, the first 43 Presidents of this country, just in 4 1/2 years of his administration.

**Mr. Alexander:** Mr. President, I have one other question, if I may, for the Senator from New Hampshire. We hear commentators say, 'Why don't those Senators work across party lines?' You have had years of experience on Appropriations and Budget. In the present circumstance where we have a debt crisis and where we have no budget for next year, and we won't have, would he not agree that at the beginning of the process, taking a number that has been voted on by a majority of the Senate and has widespread bipartisan support, is a constructive bipartisan approach that ought to be able to gain the respect of Democratic Appropriators and Democratic Senators, and we could work together this year to essentially freeze discretionary spending as a first step toward reining in federal spending? In other words, we have message amendments, each side trying to score a point. Isn't this a proposal that deserves respect as a serious attempt to restrain the debt and that should earn bipartisan support?

**Mr. Gregg:** I thank the Senator from Tennessee for his point. It is valid. This is a bipartisan proposal for all intents and purposes. It was voted on, and got 57 votes, maybe it got 58, and there are only 41 Republicans. So, clearly, it had a large number of Democratic votes from the other side of the aisle because the number is reasonable. A freeze is a reasonable number on the non-defense discretionary side at a time when we're running deficits that are over \$1.4 trillion.

You've got to start somewhere. All great journeys begin with a step, and so this is the place where we should start right here by freezing non-defense discretionary spending. And, we, as Republican Appropriators, said that we're willing to do it, and I think the Senator from Tennessee is right. This is an attempt to reach across the aisle and bring in a bipartisan coalition to accomplish this using a number that has already received significant bipartisan support.

Mr. President, I yield the floor

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## United States Senate

COMMITTEE ON APPROPRIATIONS

WASHINGTON, DC 20510-6025

<http://appropriations.senate.gov>

July 13, 2010

CHARLES J. HOUY, STAFF DIRECTOR  
BRUCE EVANS, MINORITY STAFF DIRECTOR

Dear Mr. Chairman,

As Republican members of the Appropriations Committee, we are writing to express our views regarding the Fiscal Year 2011 appropriations process.

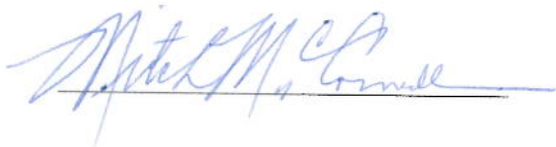
The Committee is operating in a particularly difficult environment during this Congress. The enormity of the Federal debt poses a direct threat to our national security and demands restraint of Federal spending. Developing a consensus approach to funding the operations of the Federal government in such an environment is a significant challenge.

Despite the clear need for a long term plan that would bring our nation's debt under control, it is apparent that Congress will be denied the opportunity to debate a Federal budget this year. Our Committee will instead be compelled to choose a discretionary top-line number outside the context of a comprehensive budget resolution.

Over the last two years discretionary spending has increased by 17%, not including stimulus spending. With stimulus spending included the increase soars to 84%. We note that a bipartisan majority of the Senate has voted several times in recent months on the Sessions-McCaskill proposal to impose a discretionary top-line for Fiscal Year 2011 that essentially freezes non-defense spending, and which would result in significant reductions in spending from the President's budget proposal. This is a clear indication of the broad concern that exists about levels of Federal spending.

We are confident that, working together, our Committee can produce bills that responsibly address fundamental government needs in a fiscally responsible manner. We will not, however, be able to support appropriations bills that do not conform to this top-line number.

Sincerely,



July 13, 2010

Joel Gray

Connors

Susan Collins

Bob Bennett

Will Bond

Richard Shelby

Liz Berry Hutchinson

Sam Brownback

George V. Voinovich

Joe Nease