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Blue Dog Leaders: "We have an obligation to see that PAYGO reaches the President's desk"

Washington, DC – Today, Representative Baron Hill (D-IN) and Representative Allen Boyd (D-FL), leaders of the fiscally conservative Democratic Blue Dog Coalition, joined House Majority Leader Steny Hoyer and OMB Director Peter Orszag to introduce the statutory pay-as-you-go (PAYGO) legislation formally transmitted to Congress by the President last week. PAYGO, the same proven effective budget enforcement tool that was implemented with bipartisan support in the early 90's, has been a top priority for the Blue Dogs for over 15 years.

"We have real momentum now in enacting statutory PAYGO legislation," said **Representative Baron Hill** (D-IN), Blue Dog Co-Chair for Policy. "The President has put his words into action, and the Blue Dogs will continue to work for this shared goal of seriously addressing our longterm fiscal health."

"Our federal government cannot continue to live outside its means and put our national security at risk by relying on foreign creditors to pay for our priorities," said **Representative Allen Boyd** (D-FL), Chairman of the Blue Dog Budget and Financial Services Task Force. "Reinstituting PAYGO discipline into law is one proven effective tool to rein in spending and draw down the debt, and this bill sends a clear message to the American people that the Democrats in the House are serious about restoring fiscal responsibility to the federal government. I look forward to working with the Administration and my colleagues in Congress to advance this top Democratic priority."

"The interest we already pay each year on the national debt is more than we spend on education and veterans combined. The sooner we put PAYGO into place, the sooner we will have this money to invest in our priorities," said **Representative Charlie Melancon** (D-LA), Blue Dog Co-Chair for Communications. "We have an obligation to our children and grandchildren to see that this critical piece of legislation reaches the President's desk."

In offering their support, Blue Dogs noted that they look forward to working with their colleagues in both the House and Senate to pass a workable statutory PAYGO bill that will be effective in reining in spending and drawing down the debt.

"Just like any responsible American family, Congress needs to find a way to spend within its means," said **Representative Stephanie Herseth Sandlin** (D-SD), Blue Dog Co-Chair for Administration. "With an ally in the White House and a growing list of supporters in Congress, we are gaining momentum toward a return to this proven and powerful tool of fiscal responsibility. The time to act is now, and we can't simply continue to mortgage our future on the backs of our grandchildren."

"Enacting statutory PAYGO is an important step toward restoring fiscal responsibility in government," said **Representative Jim Cooper** (D-TN), Vice-Chairman of the Blue Dog Budget and Financial Services Task Force. "The first rule of holes is 'stop digging,' and statutory PAYGO forces Congress to put down the shovel. It's time to start living within our means again."

"To continue down a fiscally reckless path dependent on foreign investors poses serious nationalsecurity implications," said **Representative John Tanner** (D-TN), a founding member of the Blue Dog Coalition. "If we have to draft our foreign policy to appease lenders who may not see the world as we do, we create a national security vulnerability and risk our economic freedom. Increased debt also requires that we shift a growing percentage of our revenue base to pay interest, revenue that could otherwise be spent on economic development in the United States; no country has ever been strong and free with an uneducated, unhealthy workforce."

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 52 members of the Blue Dog Coalition. For more information, visit the Blue Dog Website at <u>http://www.house.gov/melancon/BlueDogs/</u>.

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