APPROPRIATIONS ALERT

BY THE COMMITTEE ON THE BUDGET, REPUBLICAN CAUCUS

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APPROPRIATIONS STATUS WHEN \$21 BILLION = \$204 BILLION

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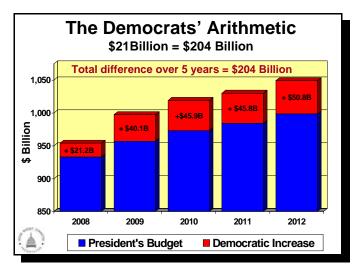
Having set up a fiscal showdown with the White House, Democratic leaders continue to lowball their real differences with the President in annually appropriated (discretionary) spending levels. What they call a "mere 2-percent" increase over the President (\$21.2 billion) actually translates to \$204 billion when extended over the next 5 years. That's the number Members should remember - and it's the amount of increase taxpayers will have to pay for.

With that, here is a summary of key points in the looming budgetary confrontation:

- Today's Spending Continues Tomorrow, and Tomorrow, and Tomorrow. The Democrats' \$21-billion boost is only their first-year (2008) increase over the President. That figure gets permanently built into government spending, and then keeps growing. In a few years – as the late Senator Dirksen might say – it does add up to real money: to a total of \$204 billion by 2012 (see chart below).
- There's a Reason for the 'Tax-and-Spend' Label. The 5-year Democratic budget plan – which includes at least the second-largest tax hike in history – increases total 2008 discretionary spending by 9 percent, triple the inflation rate, compared with 2007. This includes a \$26-billion increase for domestic programs. Thus the Democrats are reclaiming their tax-and-spend brand the old-fashioned way: they're earning it.
- Welcome to the Democrats' First Fiscal Year. As everyone knows, fiscal year 2008 – the first for which the new Democratic majority are wholly accountable – started three weeks ago (on 1 October) without even one annual spending bill having been sent to the President. The temporary stopgap

spending bill now in place runs out on 16 November 2007 – but at the rate they are going, the Democrats could easily drag out the budget duel until well past Thanksgiving.

The Coming Train Wreck is *Intentional.* Clearly, the looming budgetary collision is a deliberate choice of the Democratic majority. They are attempting to pressure the President into accepting their higher spending. The victims, as usual, will be the taxpayers.



Authorized by Paul Ryan, Ranking Republican