



REPUBLICAN CAUCUS

THE COMMITTEE ON THE BUDGET

B-71 Cannon House Office Building
Washington, DC 20515
Representative Paul D. Ryan, *Ranking Republican*

Phone: (202)-226-7270
http://www.house.gov/budget_republicans/
Augustine T. Smythe, *Republican Staff Director*

For Immediate Release:
June 28, 2010

Contact: Conor Sweeney
202-226-7270

SPENDING – AND SPINNING – OUT OF CONTROL

Ranking Member Paul Ryan sets the record straight on Democrats' unprecedented budget failure: "Spin is no substitute for a real budget"

WASHINGTON – House Democrats have already admitted failure on their most fundamental governing responsibility. House Majority Leader Steny Hoyer made clear last week that for the first time in the modern era, no effort will be made to offer a congressional budget. Since this admission, House Democrats have waged a press offensive to deliberately mischaracterize their deeming resolution as a "budget" in hopes that the media – and the American people – give Congressional Democrats a pass on their failure to pass a budget.

In [speeches](#), [interviews](#), [releases](#) and [more](#), Democrats have sought to evade responsibility for addressing record deficits and debt; use the fiscal commission as cover for their refusal to get a grip on out-of-control spending; and spin their budget failure into something it is not.

In response to recent comments on the budget from leading House Democrats, House Budget Committee Ranking Republican Paul Ryan (WI) issued the following statement:

"This year's budget failure is not only unprecedented – but especially alarming given the urgent need to set our government's finances on a sustainable fiscal course. Democrats' efforts to deliberately mischaracterize their budget failure demonstrate a failure of governance and a failure of leadership. A 'budget enforcement resolution' begs the question: what budget is this resolution enforcing?"

"American families struggling to meet their own budgets deserve better. Spin is no substitute for a real budget, real spending restraints, and real leadership."

The following key points should be kept in mind:

- 1) Is a House resolution that deems spending levels for the appropriations committee, makes modifications to the pay-go rule, and calls for the deficit commission to address the long-term problem a "budget" as Majority Leader Hoyer has stated, or the "full equivalent" of a budget as Budget Committee Chairman Spratt has stated?

No. The 1974 Budget Act sets out several clear requirements for a budget resolution, none of which are adhered to by what Democrats are calling a "budget enforcement resolution."

- A deeming resolution does not align overall spending, tax, deficit, and debt levels.
- A deeming resolution does nothing to address the runaway spending of Federal entitlement programs.

- A deeming resolution provides no enforceable restraints or tough decisions, but instead gives a green light to the Appropriators for the spending spree to continue.
- Past uses of a deeming resolution reflected a budget that was debated and passed by the Budget Committee and the House. This year's "budget enforcement resolution" has no budget to "enforce."

2) How can Democrats claim to be restraining spending?

They can't. The House Democrats' deeming resolution claims fiscal restraint by supposedly freezing non-defense discretionary spending. But this comes after:

- Locking in a 24 percent increase in this spending category since President Obama took office in 2009;
- Providing a "temporary" 84 percent spending increase through their failed "stimulus" legislation – much of which is quickly becoming permanent;
- Shifting billion of dollars in discretionary budget requests to the mandatory category – creating new entitlements while congratulating themselves for "cutting spending".

Even employing these budget gimmicks, the House deeming resolution still does not produce restraint. Rather, it increases overall discretionary spending by \$30 billion over the 2010 enacted level – a 2.8 percent increase.

3) How can Democrats claim credit for their much celebrated pay-as-you-go [pay-go] procedure?

They can't. The pay-go charade has been used mainly to justify tax increases, and ignored whenever offsets for new spending have been inconvenient. Pay-go is a public relations slogan designed to distract attention from the gusher of new spending, deficits, and debt accumulated by the President and the Democratic Congress in their continued pursuit of a larger, more intrusive Federal government.

Pay-go has been ignored more than a dozen times in the 111th Congress. Under this "new era of responsibility," Democrats have increased spending by trillions of dollars; raised taxes by over half-a-trillion dollars; and pushed the deficit to \$1.5 trillion. ABC News' Jonathan Karl exposes the spend-as-you-go fallacy here: <http://www.youtube.com/watch?v=CqTOXPqrOjI>.

Since enactment of the Congressional Budget and Impoundment Control Act of 1974, the House has never failed to mark up and pass its own budget resolution. The "budget enforcement" measure conjured up by the Democratic Majority cannot overcome their unprecedented collapse of congressional budgeting. It creates skepticism in global financial markets that the U.S. government is even capable of managing its fiscal affairs. The uncertainty it creates inhibits job creation and economic growth.

###