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ONE HUNDRED TWELFTH CONGRESS

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March 15, 2011

The Honorable Paul Ryan
Chairman
Committee on the Budget
207 Cannon House Office Building
Washington, DC 20515

Dear Chairman Ryan:

On March 14, 2011, the Committee on Rules met, in open session with a quorum present, and adopted by voice vote the Committee's Views and Estimates on the President's Proposed Budget for Fiscal Year 2012.

Pursuant to Clause 4(f)(1) of rule X of the Rules of the House of Representatives, I submit to the Committee on the Budget the Committee's Views and Estimates.

Sincerely,

A handwritten signature in blue ink that reads "David Dreier". The signature is written in a cursive, flowing style.

David Dreier

Cc: The Honorable Louise M. Slaughter
The Honorable Chris Van Hollen

[COMMITTEE PRINT]

112TH CONGRESS }
1st Session }

HOUSE OF REPRESENTATIVES

VIEWS AND ESTIMATES
ON
THE PRESIDENT'S PROPOSED BUDGET FOR
FISCAL YEAR 2012

MARCH 14, 2011. Approved by the Committee on Rules.

Mr. DREIER, from the Committee on Rules, submitted to the Committee on the Budget the following

R E P O R T

Clause 4(f)(1) of rule X of the Rules of the House of Representatives requires each standing committee to submit to the Committee on the Budget, not later than six weeks after the submission of the budget by the President, its views and estimates with respect to the President's proposals.

Although the Committee on Rules has no jurisdiction over spending or revenue measures required for inclusion in a budget resolution pursuant to section 301(a) of the Congressional Budget Act of 1974, it is customary for the Committee on Rules to transmit, on occasion, its views pertaining to specific budget process proposals typically contained in the President's Budget, which either in whole or in part fall under the jurisdiction of the Committee on Rules.

BACKGROUND

In any discussion of reforms intended to improve the Federal budget process the focus falls in two places: changes external to the House and changes internal to the House. In any discussion of in-

ternal House changes, the Committee on Rules is at the center of substantive changes to the rules of the House, which are adopted on the opening day of each Congress, and provisions of the Congressional Budget Act that fall within the Committee's jurisdiction. Some of the substantive changes to House rules and separate orders adopted on the opening day of the 112th Congress, which were designed to encourage spending reductions rather than tax increases, include:

- Requiring spending reductions to offset spending increases through the creation of CUTGO;
- Creating "spending reduction" accounts in appropriations bills to ensure that spending cuts can reduce the costs of appropriations bills rather than be used as offsets for additional spending.
- Repealing the "Gephardt rule" to provide for a separate vote in the House on public debt-limit legislation.

VIEWS AND ESTIMATES

The annual budget process continues to present challenges to the Legislative and Executive branches of government. The mechanisms currently in place are limited in their ability to address critical issues such as the need for discretionary budget cuts and long-term entitlement reform. While, to his credit, the President continues to support proposals offered by prior Administrations, including enhanced rescission authority, limiting the use of advanced appropriations, and program integrity funding, the President fails to propose policies or processes that will have significant impact on government overspending in either the short-term or long-term.

The House has focused its attention on job creation and economic growth through, in part, a renewed focus on bringing spending back in line with revenues. Unfortunately, the President's Budget fails to address the most pressing issues facing our Nation, including the unsustainable paths of discretionary and mandatory spending.

For example, the President's Budget proposes to freeze an already bloated discretionary budget for five years, failing to make the tough choices needed to get the Nation back on track. The

President's Budget also fails to address the Nation's long-term unfunded liability in our entitlement programs.

The Nation, and by extension the taxpayers, are facing record deficits and record levels of public debt. Congress must lead where the President failed to do so and continue to propose budget process reforms, spending reductions, and entitlement reforms to get the Nation's fiscal house in order.

The Rules Committee continues to support the adoption of a two year budget cycle, which will give Members the opportunity to conduct thorough oversight of the Federal budget and Executive branch agencies and programs. The Committee also continues to support the establishment of a joint select committee on budget process reform. The Committee recognizes that ultimately a bicameral solution is necessary in order to successfully implement reforms to the congressional budget process.

COMMITTEE CONSIDERATION

The Committee on Rules met in open session on March 14, 2011 and ordered the measure reported by a voice vote, a quorum being present.