

## **Just the Facts: Republicans' Failed Record on Promoting Fiscal Sustainability and Reducing Deficits**

Having campaigned on promises to tackle our deficits and debt, the House Republican Majority has abandoned its responsibility to work toward long-term fiscal sustainability in a bipartisan way, instead ushering in an era of economic uncertainty characterized by government shutdowns, the risk of defaulting on our nation's debts, and retroactive extensions. In fact, House Republicans have repeatedly brought to the Floor legislation that would add billions to our deficits and balloon our debt.

### **REPUBLICAN PROMISE: FISCAL RESPONSIBILITY**

*House Republicans ran on a platform of serving as responsible stewards of the federal budget and pledged to reduce deficits and the debt. In their Pledge to America, they promised to restore fiscal responsibility and end uncertainty for the economy:*

“We will curb Washington’s spending habits and promote job creation, bring down the deficit, and build long-term fiscal stability.”

“A plan to create jobs, end economic uncertainty, and make America more competitive must be the first and most urgent domestic priority of our government.”

### **REPUBLICAN REALITY: INCREASING DEFICITS AND THE DEBT, WALKING AWAY FROM FISCAL RESPONSIBILITY**

*House Republicans’ rhetoric was short-lived. They passed bill after bill that would increase the deficit and add uncertainty to our economy:*

- H.R. 3393 – The American Opportunity Tax Credit adds \$97 billion to the deficit [7/23/14]
- H.R. 4718 – An unpaid-for bonus depreciation credit extension adds \$287 billion to the deficit [7/11/14]
- H.R. 4935 – A bill to expand the Child Tax Credit for higher-income Americans while allowing it to expire for those who need it most adds \$115 billion to the deficit [6/23/14]
- H.R. 4457 – An unpaid-for, permanent extension of small business expensing credit adds \$73 billion to the deficit [6/12/14]
- H.R. 4435 – An S-Corporation built-in gains five-year extension adds \$1.5 billion to the deficit [6/12/14]
- H.R. 4438 – An unpaid-for, permanent extension of the R&D tax credit adds \$156 billion to the deficit [5/9/2014]
- H.Con.Res. 96 – Republicans’ budget for fiscal year included over \$1.2 trillion in unaccounted savings [4/10/14]
- H.R. 2575 – Over 53 votes to repeal and undermine the Affordable Care Act, including a bill to undermine the Affordable Care Act by changing the definition of “full-time” employment adds \$74 billion to the deficit [4/3/14]
- H.R. 1797 – A bill to limit women’s access to health care options adds \$300 million to the deficit [6/18/13]
- H.Res 5 – The Republican Rules package exempted trillions of dollars in additional deficit increasing tax cuts from Congressional scoring rules. [1/5/11]

*And throughout the 112<sup>th</sup> and 113<sup>th</sup> Congresses, House Republicans have stoked economic instability by walking away at critical moments from possible compromise to prevent default, keep the government open, and adopt a big and balanced agreement to address our fiscal challenges:*

- House Republican leadership has refused to take up the Senate's bipartisan comprehensive immigration reform that would slash the deficit by \$179 billion in the first ten years. [6/30/2014]
- 144 Republicans voted against re-opening the government, after a 16-day shutdown that cost the economy \$24 billion. [10/16/13]
- Republicans refused to work with House Democrats to replace the sequester, allowing the arbitrary, across-the-board spending cuts to go into effect. [2/1/13]
- 151 Republicans voted against a measure to prevent the fiscal cliff, and GOP leadership relied on 172 Democrats to pass the bill. [1/1/13]
- 86 Republicans voted against the omnibus for nine appropriations bills for Fiscal Year 2012, and GOP leadership relied on 149 Democrats to pass the bill.[12/16/11]
- House and Senate Republicans walked away from the Joint Select Committee on Deficit Reduction, setting the country up to face arbitrary spending cuts known as sequestration. [11/21/2011]
- 101 Republicans voted against a conference report for the Agriculture, Commerce-Justice-Science, and Transportation-HUD appropriations bills for Fiscal Year 2012, and GOP leadership relied on 165 Democrats to pass the bill. [11/17/11]
- 66 Republicans voted against legislation to ensure our nation paid its bills, and GOP leadership relied on 95 Democrats in order to avoid default and ensure America would meet its obligations. [8/1/11]
- Speaker John Boehner backed out of debt-ceiling talks with President Obama. [7/22/2011]
- Majority Leader Eric Cantor walked out of the budget negotiations led by Vice President Joe Biden. [6/23/2011]
- 59 Republicans voted against a Continuing Resolution to keep the government funded for the year, and GOP leadership relied on 81 Democrats to pass the bill. [4/14/11]
- 54 Republicans voted against a Continuing Resolution that would keep the government funded for three weeks, and GOP leadership relied on 85 Democrats to pass the bill. [3/15/11]
- Republican Congressmen Paul Ryan, Jeb Hensarling, and Dave Camp walked away from the Bowles-Simpson Bipartisan Fiscal Commission. [12/3/10]

## **REPUBLICAN REALITY: PUTTING CONDITIONS ON PAYING OUR NATION'S BILLS, TAKING OUR NATION TO THE BRINK OF DEFAULT**

*Instead of acting responsibly to ensure America pays its bills, House Republicans took our nation to the brink of default several times. They put extreme and unrelated conditions on raising the debt limit and passed partisan legislation that brought us closer to default:*

- Pay China First – House Republicans passed a bill that planned for a default by promising to pay China before our troops, veterans, seniors, and small businesses. [5/9/13]
- No Budget, No Pay – House Republicans also passed unserious legislation to suspend the debt limit for four months, failing to provide certainty to the business community and Americans. [1/23/13]
- Balanced Budget Amendment – House Republicans went so far as to pass a dangerous version of a Balanced Budget Amendment to the Constitution, which would have increased the risk of default on our nation's obligations by requiring a 3/5 vote to raise the debt ceiling. [11/17/11]

- Republican Default Act – House Republicans passed a short-term proposal that put the economy and creditworthiness of the nation at risk after Speaker Boehner walked away from a compromise with the President. [7/28/11]
- Cut, End, and Default – House Republicans passed a draconian “Cut, Cap, and Balance” bill, which would end Medicare, drastically cut Medicaid, and increased the risk of the U.S. defaulting. [7/18/11]

## REPUBLICAN REALITY: EMBRACING SEQUESTER, THEN REFUSING TO TAKE RESPONSIBILITY FOR THE CONSEQUENCES

*After House Republicans walked away from several critical negotiations to address the deficit, including the Joint Select Committee on Deficit Reduction, and refused to address it in the fiscal cliff deal, the budget sequester took effect in March 2013. At first, many expressed their unwavering support for these cuts:*

- **Speaker John Boehner**: “When you look at this final agreement that we came to with the White House, I got 98 percent of what I wanted. I’m pretty happy.” [CBS Evening News, [8/1/11](#)]
- **Budget Chairman Paul Ryan**: “What conservatives like me have been fighting for, for years, are statutory caps on spending, legal caps in law that says government agencies cannot spend over a set amount of money. And if they breach that amount across the board, sequester comes in to cut that spending, and you can’t turn that off without a super-majority vote. We got that in law... I wanted 100% of what I wanted, but I got 66%. That’s better than nothing. We got good spending cuts. Not as much as I want, but I’m going to take these spending cuts and I’m going to fight for some more tomorrow.” [Fox News Interview with Sean Hannity, [8/1/11](#)]
- **Rep. Tim Huelskamp (KS-1)**: “[Sequestration] will be the first significant tea party victory in that we got what we set out to do in changing Washington.” [Washington Post, [2/25/13](#)]
- **Rep. Renee Ellmers (NC-2)**: “I do believe it will start a very important process that will help our economy to start to grow.” [Washington Post, [2/25/13](#)]
- **Rep. Mike Pompeo (KS-4)**: “The sequester is here, it’s time, we’ve got to get these spending reductions in place... It’s going to be a home run. We’re doing what the American people asked the United States House of Representatives to do in 2010 when I came here.” [Politico, [2/13/13](#)]
- **Rep. Mick Mulvaney (SC-5)**: “We want to keep the sequester in place and take the cuts we can get.” [Dow Jones Business News, [2/8/13](#)]
- **Rep. Tom Cole (OK-4)**: “We would rather see those cuts happen ... I can assure you that there will not be a political blink on this. These cuts will occur.” [U.S. News and World Report, [2/6/13](#)]

*But as we got closer to feeling the impact of the arbitrary, across the board cuts, House Republicans shifted their stance and began playing the blame game:*

- **Speaker John Boehner**: “We’re weeks away from the president’s sequester... And the president laid out no plan to eliminate the sequester and the harmful cuts that will come of it.” [NBC News, [2/14/13](#)]
- **Budget Chairman Paul Ryan**: “The president and his party leaders that insisted on this makeup, this formula. Defense spending is not half of all federal spending, but it’s half of the cuts approximately in the sequester. We disagreed with that then, and we disagree with it now.” [MSNBC, [8/23/12](#)]

## **REPUBLICAN REALITY: SHUTTING DOWN GOVERNMENT, REFUSING TO END SIXTEEN-DAY GOVERNMENT SHUTDOWN**

*Instead of working to ensure our government was funded and could serve the American people, House Republicans led a sixteen-day shutdown of the federal government in October 2013:*

On fifteen occasions, House Democrats tried to offer the Senate's clean continuing resolution, which would have reopened the government immediately with no preconditions, on the House Floor. House Republicans blocked it each time:

- PQ on Wednesday, October 2
- MTR H.J.Res 70 on Wednesday, October 2
- MTR H.R.3230 on Thursday, October 3
- MTR H.J.Res 72 on Thursday, October 3
- PQ on Friday, October 4
- MTR on H.J.Res 85 on Friday, October 4
- MTR on H.J.Res 75 on Friday, October 4
- MTR on H.J. Res 77 on Monday, October 7
- MTR on H.J. Res 84 on Tuesday, October 8
- MTR on H.R. 3273 on Tuesday, October 8
- MTR on H.J. Res 90 on Wednesday, October 9
- MTR on H.J. Res 79 on Thursday, October 10
- MTR on H.J. Res 80 on Friday, October 11
- Unanimous consent request on Friday, October 11
- Unanimous consent request on Saturday, October 12

And rather than work on a bipartisan agreement to re-open the government, House Republicans were more interested in political games:

“Now that Boehner has survived several days of the shutdown, his friends say there is no point in moving a clean funding resolution... **They said the shutdown is leverage in talks with Obama and the Democrats about lifting the debt ceiling. The two issues have bled together, they said, adding that reopening the government would weaken the speaker's hand...** ‘Why in the world would you do that? You know, that doesn't encourage anything. That's basically at this point a surrender to the Democratic position,’ said Rep. Tom Cole (R-Okla.), a close Boehner ally.” [Washington Post, [10/2/13](#)]

“Speaker John Boehner rallied his troops this morning at a closed-door conference meeting at the Capitol. Democrats are trying to ‘annihilate us,’ he told his members. ‘We can get through this if we stick together.’ The Ohio Republican added that a ‘grand bargain’ is off the table. **What he wants is something that ‘builds on the gains we've made over the past three years, puts points on the board,** and doesn't raise taxes.” [National Review, [10/8/13](#)]

## **REPUBLICAN REALITY: REPUBLICANS HAVE OFFERED BUDGET GIMMICKS INSTEAD OF SERIOUS SOLUTIONS:**

*When the numbers did not work in their favor, House Republicans simply ignored them, choosing to pass off their deficit-ballooning budgets as deficit reduction using gimmicks and magic asterisks:*

- Voted to adopt “dynamic scoring” gimmick to cover up a \$1.2 trillion deficit in their budget. [\[4/4/14\]](#)
- Voted to ignore inflation and erode the purchasing power of discretionary spending programs. [\[4/8/14\]](#) [CBPP: Baseline Reform Act Is a Step in the Wrong Direction, [1/24/12](#)]
- Voted to make credit programs appear more expensive than they actually are. [\[4/7/14\]](#) [House “Budget Transparency” Bill Would Make Budget More Opaque, [6/18/13](#)]

## CRITICISM OF REPUBLICANS’ TACTICS FROM THE BUSINESS COMMUNITY AND DEFENSE COMMUNITY

*From shutting down the government to taking the nation to the brink of default, the business community has issued warning after warning that House Republicans’ irresponsible actions have serious consequences:*

**“The most prominent names in business, labor and the nonprofit world on Friday demanded that Washington ‘immediately’ end the government shutdown...** ‘Our three disparate sectors share a common view — no one benefits from the current shut-down and everyone will be harmed if the government defaults.’” [The Hill, [10/12/13](#)]

**“As companies begin reporting third-quarter financial results this week, executives are warning that a long-term government shutdown could crimp their businesses,** especially if they are close to federal installations or have customers near the poverty line... Scores of companies in nearly 200 public filings have already cautioned investors that their businesses could suffer from the shutdown, in its ninth day Wednesday. Among them: J.C. Penney Co., Family Dollar Stores Inc. and Humana Inc., which all warned this week of the potential bottom-line consequences of broad federal furloughs and agency closures.” [Wall Street Journal, [10/11/13](#)]

**“[Business Roundtable President John] Engler said: ‘I have not heard a single CEO say not raising the debt limit and having a default, technical or otherwise, would be a good thing. There is great apprehension and very serious concern if we ever went down that path.’”** [Business Roundtable, [10/8/13](#)]

**“Wall Street is clear about who’s to blame for the government shutdown and a looming debt default: tea party Republicans...** Wall Street’s frustration over the current fiscal impasse is shared by the larger business community, which has tried through groups like the Chamber of Commerce to convince lawmakers that the threat of shutting down the government or failing to raise the borrowing limit should not be used as negotiating ploys.” [Politico, [10/2/13](#)]

**“...14 CEOs warned that a failure to raise the debt limit would endanger the economic recovery, and that the fallout from such inaction would spell doom for the economy...** ‘A default on our nation’s obligations, or a downgrade of America’s credit rating, would be a tremendous blow to business and investor confidence — raising interest rates for everyone who borrows, undermining the value of the dollar and roiling stock and bond markets — and, therefore, dramatically worsening our nation’s already difficult economic circumstances,’ they wrote. ‘Given this very real risk, policymakers must correct our fiscal course now, inspire market confidence by paying all of our bills on time, and demonstrate that America is a democracy capable of putting differences aside to solve our most challenging problems.’” [The Hill, [7/28/11](#)]

**“As the deadline for debt ceiling negotiations looms, the business community is growing uneasy.** Microsoft, one of the country’s biggest companies, is among the voices of corporate America calling for compromise in the heated debate. Microsoft General Counsel Brad Smith said he’s hopeful both parties can cross party lines to find resolution. ‘All of us in the business community have been watching that issue unfold. I think like most Americans, we’ve been confident that people will come to a common agreement,’ Smith told

POLITICO. ‘Of course with each passing day and the approaching deadline, **there is a heightening sense of nervousness in the business community.**’ [Politico, [7/26/11](#)]

“**I’m embarrassed to be a Republican,**’ a GOP [donor] told us. ‘**These guys don’t understand capital markets.** This isn’t about who wins an election. **This is about whether people are going to be able to finance a house.**” [Politico, [7/19/11](#)]

“**A sprawling coalition of Wall Street and Main Street business leaders sent an unmistakable message to lawmakers Tuesday: Enough squabbling. Get the debt ceiling raised....** The message, sent in a letter to President Obama and every member of Congress, **puts pressure on GOP lawmakers,** who have staked out an uncompromising stance against raising taxes in the partisan wrangling over the country’s borrowing limit.” [Washington Post, [7/12/11](#)]

*The defense and intelligence communities have also warned of the consequences of the Republican policy of sequestration on military readiness and the economy:*

“**These and other effects of sequestration are weakening the United States’ ability to respond effectively to a major crisis in the world beyond the war zone in Afghanistan...To have this happen under any circumstance is irresponsible. To have it happen as the result of a self-inflicted wound is outrageous....** Today, unfortunately, we are governing by crisis after crisis after crisis...Neither Congress nor the nation can afford to become resigned to failure. If brave men and women in uniform can put their lives on the line every day to defend our nation, then surely members of Congress can take the risks to do what is necessary to keep America strong. That is not just their responsibility. It is their solemn oath.” [Former Defense Secretary **Leon Panetta**, Washington Post, [9/5/13](#)]

“Across-the-board budget cuts will jeopardize intelligence agencies’ ability to protect U.S. national security, warned Director of National Intelligence James Clapper at a Senate hearing Tuesday... **So let me now be blunt for you and for the American people: Sequestration forces the intelligence community to reduce all intelligence activities and functions without regard to impact on our mission. In my considered judgment as the nation’s senior intelligence officer, sequestration jeopardizes our nation’s safety and security—and this jeopardy will increase over time.**” [National Journal, [3/13/13](#)]

“**Boeing Chief Executive Jim McNerney said this week that his defense division was laying off a ‘significant’ number of people... ‘Sequestration is the single greatest example of Washington-induced uncertainty that I’ve ever seen in my life,**’ McNerney told a conference sponsored by The Atlantic magazine. ‘The point is, we have to anticipate the worst and hope for the best.’” [Reuters, [5/10/12](#)]

## **REVIEWS OF REPUBLICANS’ FISCAL IRRESPONSIBILITY**

*Poll after poll shows that the majority of Americans hold House Republicans responsible for the harm and uncertainty caused by shutting down the government, allowing sequestration to take effect, and failing to pay our nation’s bills:*

- “Fifty-four percent of those questioned say they would blame the GOP in Congress if the debt ceiling isn’t raised.” [CNN/ORC Poll, [2/3/14](#)]
- “Fifty-three percent of those polled blamed Republicans for the shutdown... Asked about the current budget battle, 70% of participants faulted Republicans in Congress for putting their political agenda ahead of what’s good for the country.” [Wall Street Journal, [10/10/13](#)]
- “Overall, 62 percent [of Americans] mainly blamed Republicans for the shutdown.” [Business Insider, [10/9/13](#)]

*Office of Democratic Whip Steny H. Hoyer, 09/18/14*



- “Americans disapprove of the sequester cuts by 53-39; 64 percent say they’ll hurt the economy; 60 percent say they’ll hurt the government’s ability to provide basic services; and 69 percent say they’ll hurt the military.” [Washington Post, [3/13/13](#)]
- “Americans hold Congressional Republicans responsible for the sequester cuts by 47-33.” [Washington Post, [3/13/13](#)]

*And reviews of Republicans’ inability to act responsibly to meet our obligations, provide the economy with certainty, and restore fiscal responsibility are not kind:*

“Just last month, House Republicans pointed to the importance of deficit reduction in championing the Ryan-Republican budget, boasting that they were ‘finally ending the practice of spending money we don’t have,’ and that ‘Americans deserve a fiscally responsible plan.’ **How quickly things change. The House Ways and Means Committee voted this week to add \$310 billion to the U.S. deficit by making permanent six tax credits for businesses. The measures are completely unpaid for -- they would grow the deficit by \$310 billion. And next week House Republicans plan to begin to bring these bills to the floor for a vote.**” [Huffington Post, [5/2/14](#)]

“**What have House Republicans managed to accomplish in a week of government shutdown? Damage the livelihood of millions of Americans? Check.** Government secretaries, food-truck operators, cleaners who work in motels near national parks: They’re all hurting. **Waste billions of taxpayer dollars? Check.** It costs a lot to shut agencies, Web sites and parks, and it will cost a lot to reopen them. Meanwhile, the House has voted to pay the salaries, eventually, of hundreds of thousands of employees whom it has ordered not to work. That’s an odd way to manage an enterprise. **Interfere with key government operations? Check... Rattle the markets, slow an economy in recovery, interrupt potentially lifesaving research at the National Institutes of Health? Check, check and check.** Derail the hated Obamacare? Ch . . . — oh, no, wait a minute.” [Washington Post Editorial, [10/7/13](#)]

“**Just when Speaker John Boehner should be warning his members not to use the debt ceiling as a threat, he is doing exactly the opposite. Instead of reminding lawmakers that they are obligated to pay for the debts they voted to incur, he is once again waving the dull saber of default... It’s more than ‘unfair’ to wage this fight again; it’s a reckless abdication of Mr. Boehner’s responsibility to guide House Republicans away from the brink.** Too many Tea Party members of the House have spread the dangerous falsehood that a default would be of little consequence, that it would merely shake up Washington a bit and cut the deficit, which is already declining. One of them, Ted Yoho of Florida, recently said that a default would actually raise the government’s credit rating. No responsible economist or business leader agrees with that.” [New York Times Editorial, [8/28/13](#)]

“If the debt ceiling talks fail, **independents voters will see that Democrats were willing to compromise but Republicans were not.** If responsible Republicans don’t take control, independents will conclude that Republican fanaticism caused this default. **They will conclude that Republicans are not fit to govern. And they will be right.**” [David Brooks, New York Times, [7/5/11](#)]

“...**there is now clear evidence that the uncertainty over the federal debt ceiling is already having the negative impact on financial markets that the Republican leadership has said will not occur.** Just because it may not yet be obvious to everyone doesn’t mean it’s not happening.” [Stan Collender, Roll Call, [6/7/11](#)]