



PRESS RELEASE

COMMITTEE FOR A RESPONSIBLE FEDERAL BUDGET

FOR IMMEDIATE RELEASE

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The Committee Criticizes Abuse of the Budget Process For Both Tax Cuts and Spending Increases

WASHINGTON – The Committee for a Responsible Federal Budget expressed dismay over the growing use of gimmicks to circumvent budget rules, citing both the pending emergency supplemental bill and the tax reconciliation legislation as problematic.

The emergency supplemental appropriations bill passed by the Senate includes billions of dollars of unrelated, non-emergency items. This follows several years in which supplemental appropriations bills contained routine defense spending items that should have been funded through the regular appropriations process. “The irresponsible practice of using war supplementals to provide routine defense funding has now spread to domestic spending as well,” said The Honorable Bill Frenzel, Co-Chairman of the Committee for a Responsible Federal Budget. “Clearly, gimmicks beget more gimmicks.”

Meanwhile, the tax reconciliation conference report relies on a number of timing gimmicks to mask the revenue loss after 2010. This maneuver is an effort to avoid triggering the Senate rule prohibiting budget reconciliation from increasing long-term deficits. “This gimmickry sends a message that budget rules do not need to be taken seriously,” said The Honorable Leon Panetta, Co-Chairman of the Committee. “It will be increasingly difficult to enforce fiscal discipline on any legislation in such an environment.”

“There has been a lot of talk about new budget rules to impose greater discipline on the budget process,” said Maya MacGuineas, the Committee’s President. How can we expect new rules to succeed when Congress is relying on blatant gimmicks to avoid, or even comply, with those that are currently in place?” said MacGuineas.

The Committee for a Responsible Federal Budget is a bipartisan organization committed to educating policy makers and the public about issues related to fiscal policy. The Committee is located at the New America Foundation. www.crfb.org.