



PRESS RELEASE

COMMITTEE FOR A RESPONSIBLE FEDERAL BUDGET

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The Committee Urges Congress to Focus on the Budget

Politics is Not More Important than the Fiscal Health of the Country

WASHINGTON -- The Committee for a Responsible Federal Budget expressed dismay today that Congress has delayed efforts to comply with the budget process or address the nation's fiscal challenges until after the November elections.

Congress will enter the new fiscal year on October 1 with no budget in place. It is unlikely that more than two appropriations bills will pass before the end of the year. Instead of dealing with the fiscal challenges facing our nation, Congress is focused on politically popular tax cuts and spending increases without regard to how they add up or whether we can afford them.

"The budget is not an optional exercise," said Maya MacGuineas, President of the Committee for a Responsible Federal Budget. "Setting priorities, assessing the trade-offs, and passing a budget are all essential parts of sound governing. As it is, Congress is tasking itself with spending trillions of dollars while flying blind. That is no way to run a country."

Furthermore, Congress has again failed to take any serious action to address the country's structural deficits or its long-term entitlement challenges. The Congressional Budget Office projects that deficits will persist throughout the decade and that the debt held by the public will top \$6 trillion by the end of the decade. Meanwhile, the baby boomers will start to retire in less than two years and though the tremendous challenges facing Social Security and Medicare are well known, no progress has been made in addressing them.

"This being an election year is no excuse for Congress to abdicate its responsibility with regard to the budget," said MacGuineas. "Politics is not more important than the fiscal health of the country."

Bill Frenzel and Leon Panetta, Co-Chairs of the Committee for a Responsible Federal Budget, jointly expressed dismay at the ongoing procrastination. "Congress and the President will have to make hard choices about how much to spend and the taxes needed to pay these bills. Continuing along this path of ignoring the wide discrepancies between the two puts the budget and the economy at real risk," they said.

The Committee urged Congress and the President to 1) convene a Budget Concepts Commission to study the budget process, enforcement mechanisms, and many of the technical conventions used in budgeting; and 2) hold a bipartisan Budget Summit, where members of both parties would come together to develop a viable fiscal plan that would address entitlements, appropriations, and taxes to eliminate chronic deficits now and in the future.

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.