

Blue Dog Coalition

12-Point Reform Plan for Curing Our Nation's Addiction to Deficit Spending

1. Require a balanced budget.

- Blue Dogs support a Constitutional amendment to require a balanced budget every year except in times of war or national emergency.
- Blue Dogs believe a Balanced Budget Amendment is the only way to ensure fiscal discipline in Congress.
- The Blue Dog Balanced Budget Amendment would require a three-fifths vote of both the House and Senate to increase the debt limit or to waive the balanced budget requirement.
- In addition, the Blue Dog Balanced Budget Amendment protects Social Security from benefit cuts and forbids increases in Social Security payroll taxes in order to balance the budget.

2. Don't let Congress buy on credit.

- Thanks to irresponsible spending, our nation's budget deficit in 2004 was the largest in recorded history--\$413 billion.
- Blue Dogs want to restore the budget rules that Congress once lived by, including, most importantly, "pay-as-you-go" budgeting.
- Known as "PAYGO," this means that any new spending must be paid for by cuts in other programs or by new revenues.
- Restoring PAYGO will end irresponsible deficit spending and put our nation back on track toward fiscal responsibility.
- The Blue Dog budget package would extend PAYGO rules through 2010.

3. Put a lid on spending.

- From 2001 to 2003, total government spending soared by 16 percent.
- Blue Dogs want strict spending caps to slow the growth of runaway government programs.

- Blue Dogs propose holding the line on discretionary spending for the next three fiscal years at 2.1%--the percentage increase proposed this year in the President's fiscal 2006 budget.

4. Require agencies to put their fiscal houses in order.

- According to the Government Accounting Office, 16 of 23 major federal agencies can't issue a simple audit of their books.
- Worse, the federal government can't account for \$24.5 *billion* it spent in 2003.
- Government auditors should be doing a better job of tracking taxpayer dollars.
- Blue Dogs propose a budget freeze for any federal agency that can't properly balance its books.

5. Make Congress tell taxpayers how much they're spending.

- Many spending bills slide through Congress on a voice vote with no debate and many members vote on bills without knowing their cost.
- Blue Dogs propose that any bills calling for more than \$50 million in new spending must be put to a roll call vote.

6. Set aside a rainy-day fund.

- Under current law, almost any spending can be designated an "emergency," and so-called "emergency spending" has turned into a giant loophole for non-emergency spending.
- Blue Dogs propose closing this loophole by defining emergency and requiring Congress to have a separate vote on items that are designated "emergency" spending.
- Blue Dogs also propose creating a rainy-day fund—something that 45 states currently do.

7. Don't hide votes to raise the debt limit.

- Current House rules allow for automatic increases in the debt limit if Congress passes a budget resolution that increases the public debt.
- Since its establishment in 1980, this rule has been used to shield as many as 12 separate increases in the debt limit from a vote.

- Blue Dogs believe that increases in the public debt limit shouldn't be hidden from public view.
- Blue Dogs propose to change the current rules so that every increase in the public debt limit must be subject to a rollcall vote.

8. Justify spending for pet projects.

- Every year, Congress spends billions on wasteful pork-barrel projects, such as \$50 million for an indoor rainforest in Iowa and funding for the Paper Industry International Hall of Fame.
- Since 1991, Congress has spent \$185 billion on pet projects for members of Congress, and in fiscal 2004 alone, pork-barrel spending totaled \$22.9 billion.
- While many of these projects may be worthy of taxpayer support, many are not. Blue Dogs propose that members of Congress must provide written justification, available to the public, of any earmarked spending for pet projects.

9. Ensure that Congress reads the bills it's voting on.

- Over the past few years, some of the largest spending bills in American history have been voted on after only a few hours of consideration.
- For example, the Medicare prescription drug bill, now estimated to cost \$720 billion over the next ten years, went to a vote barely a day after the final version of the 500+ page bill was made available to members of Congress.
- Blue Dogs propose that members of Congress should be given a minimum of three-days to have the final text of legislation made available to them before there is a vote.

10. Require honest cost estimates for every bill that Congress votes on.

- Both taxpayers and members of Congress should be aware of the price tag for any legislation passed by Congress, and there are no current requirements that bills be accompanied by an honest and objective estimate of their fiscal impact.
- Blue Dogs propose that every conference report and bill that comes to the floor of the House be accompanied by a cost estimate prepared by the nonpartisan Congressional Budget Office (CBO).

11. Make sure new bills fit the budget.

- The Budget Committee can play an important role in making sure that new legislation passed by Congress lives within the rules agreed upon by Congress in the annual budget resolution.
- Blue Dogs propose that the Budget Committee strengthen its oversight role by preparing budget compliance statements for every bill that is reported out of committee for consideration by the full Congress.

12. Make Congress do a better job of keeping tabs on government programs.

- Blue Dogs believe that one way to restrain growth in federal spending is to ensure that taxpayer dollars are spent wisely.
- Blue Dogs also believe that Congress can do a better job of carrying out its oversight responsibilities.
- Blue Dogs propose that each committee be required to submit reports at least twice a year, available to the public, that provide an update on how each committee is fulfilling its oversight duties.