

SENATE BUDGET COMMITTEE
DEMOCRATIC CAUCUS
KENT CONRAD, RANKING MEMBER

FOR IMMEDIATE RELEASE
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**OPENING STATEMENT BY SENATOR KENT CONRAD (D-ND) AT
SECOND DAY OF MARK-UP OF FY 2005 BUDGET RESOLUTION**

Mr. Chairman, we've now had the chance to look over your Mark overnight and as we examine it, the things that we think need to be fixed are the following:

First of all, as we look at this budget, we see that it adds \$2.86 trillion to the national debt over the next five years. We think that is a mistake. This is right before the baby boomers retire and yet this budget proposal adds \$2.86 trillion to the national debt. And this is from the Chairman's Mark: \$612 billion added to the gross debt from 2004 to 2005; the next year \$569 billion added; the next year \$553 billion added to the debt; the next year \$553 billion added to the debt; the next year \$563 billion added to the debt; the next year \$564 billion added to the debt. I see very little progress being made here at reducing the increases to the debt.

In addition, as we've examined the Chairman's Mark we also see that it is increasing the deficits over the baseline – that is the inflationary increases necessary to keep pace with the cost of living increases – that it increases the deficits in each and every year over the baseline. The Chairman held up a chart yesterday that showed the deficits going down. Well the deficit goes down if we do nothing in terms of changing policy. With the Chairman's Mark, the deficit goes up over what would otherwise occur if we made no changes in policy. I think that is a very serious mistake and we'll be offering amendments to address that as well.

Third is this mark provides \$144 billion of additional tax cuts even though we're at record deficits without paying for them.

Fourth. It under funds important domestic priorities including education, substantially under funds No Child Left Behind, substantially under funds medical care for our nation's vets, fails to keep the federal promise that has been made to school districts all across America on the federal share of funding the education of our disabled students, has nothing to expand health care coverage when we've got over 40 million people with no health care coverage, and dramatically cuts law enforcement including the COPS program. I think those are misplaced priorities.

My own view is that we have to go back to the drawing board here and have much less added to the debt, eliminate the increases to the deficits that are called for in this Mark, and at the same time reorder priorities as we go forward.

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