

RYAN PREPARED OPENING STATEMENT
BUDGET PROCESS 9/25/2008

- I thank Chairman Spratt for holding today's hearing – particularly with this extraordinarily busy, challenging – and possibly *final* -- week of session for this Congress.
- During this year's budget markup, Congressman Hensarling and I offered an amendment based on legislation by Congressman Shuler and the Blue Dogs to bring common sense reforms to the budget process.
- We offered the amendment because we on the Republican side agree with our friends on the Democratic side about the need to reform the budget process so that we can better address the fiscal problems facing our country.
- We all want a fiscally-responsible budget, and I'm hopeful that today we can start a bi-partisan discussion of ways to fix the process so it can help us achieve this goals.
- In addition to looking at the Blue Dog's reforms, and other ways to add transparency and accountability to the process in the short term, we must also consider what we can do to ensure Congress takes control of entitlement spending over the long-term.
- Most Americans would be shocked to learn that over half of the federal budget -- and our nation's three largest entitlement programs, Medicare, Medicaid and Social Security – is simply run on “auto-pilot.”
- The only actual “budgeting” we do for these entitlements is to include in the baseline whatever CBO tells us they're projected to cost. There is no annual setting of priorities, no decision making – and perhaps worst, no real accountability for allowing these programs to grow far beyond our means to sustain them.
- Already we're in a situation where mandatory autopilot spending constitutes *over half* of the federal budget -- and it will grow to

- consume over two-thirds in just the next ten years. This will condemn future generations to a crushing burden of debt and taxes.
- Unless we change this course – starting immediately – not only will our nation’s entitlements grow *themselves* right into extinction, they’ll devastate our entire budget and economy in the process.
 - We simply cannot allow this to happen.
 - On that point, I believe CBO Director Orszag said it well at yesterday’s Budget Committee hearing. He said, “*given the path we are on...we will ultimately wind up with a financial crisis that is substantially more severe than even what we are facing today.*”
 - This is serious stuff. And it’s a problem that gets exponentially worse with every year we fail to address it. The time to act is now – immediately – and getting moving on common-sense budget reforms is a good place to start.
 - We’ve certainly got the right group of witnesses here today to further this discussion, and I very much look forward to their testimony. I hope Members on both sides of the aisle take their suggestions to heart.
 - I’ll now turn it over to Mr. Conaway, who will also give a statement on this important subject.