



Judd Gregg: Democrats in Washington unveil a 'fudge it' budget Union Leader

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HONESTY IS the best policy, and most can agree that is a good adage to live by. So how can the U.S. Congress seriously consider a federal budget that ties itself in knots to "fudge it"?

Last year, after years in the minority, Democrats won control of Congress. So when they unveiled their fiscal year 2008 budget, claiming to champion fiscal responsibility, they were afforded the benefit of the doubt.

A year later, that no longer holds true. The Democrats' 2008 budget assumed the largest tax increase in history, massive spending increases and skyrocketing debt, while sidestepping budget enforcement and ignoring a \$66 trillion entitlement crisis that threatens to destroy future generations' ability to live the American dream.

Naturally, there was a great deal of concern among budget-watchers in the weeks leading up to the Democratic FY 2009 budget. Unfortunately, it meets our lowest expectations. Despite their false promises, the majority's budget again assumes a record-breaking tax hike, while spending recklessly, growing the debt and ignoring our urgent fiscal woes. In short, it spells serious trouble for the family budget in households across the nation.

The pressing issue for most families is how much more of their paycheck will be sent to Washington to pay for the additional taxes in the Democratic budget. Democrats say they will only "tax the rich," but there is simply no way taxes gleaned from "the rich" can possibly cover the expensive promises made in this budget.

Even by immediately repealing all of the 2001 and 2003 tax relief, including raising the top individual income tax rates back up to what they were under President Clinton on all families with a household income of \$250,000 or more, Democrats will be able to generate only \$225 billion over the next five years. They need seven times that much to cover their budgetary wish-list of \$1.2 trillion to \$1.5 trillion.

This doesn't cover what the Democratic presidential candidates are promising. That's another \$1.5 trillion that could be enacted next year.

So where will all this additional needed revenue come from? From the middle class, of course. Unless Democrats plan to cut spending, which they don't, middle-class taxes will

have to rise by \$1.2 trillion or more over the next five years to finance all of the Democrats' budget resolution promises.

Back at the kitchen table, families will have to start making some budgetary choices of their own. A single-income family of four making \$50,000 will see its tax bill jump by \$2,300. That can pay for eight months' worth of groceries, nearly a year's worth of health care expenses, or gasoline for two cars for almost a year.

A dual-income family earning \$110,000 will owe \$4,300 more in taxes under this budget. That tax hike represents two weeks of work for each parent, or the amount of family vacation time many workers get for the whole year. Seniors will pay \$2,200 more, and small business owners will pay \$4,100 more. To finance the Democrats' plan, most American households will have to cut back.

It's hard to understand why the majority is unable to live within a budget. They have again given themselves a hefty increase in annual spending money for the next five years -- like a 9 percent increase in 2009 over what was spent in 2008. Most American workers won't get a 9 percent raise this year, will they?

Instead of focusing on the next generation, Democrats focus on the next election. Despite the \$66 trillion unfunded obligation on the government's books to cover the unaffordable growth of Medicare, Social Security, Medicaid and other entitlement programs, Democrats decided the safest course of action in an election year is to simply kick the can down the road a little farther. In fact, under their budget, entitlement spending grows by \$488 billion over five years.

The current unfunded liability of entitlement programs translates into a \$445,000 burden for each U.S. household -- twice the value of the median American home and almost eight times the median household income.

And all of this spending takes its toll on the nation's credit card. Under this budget, the gross debt grows by \$2 trillion over five years. That debt will be paid back by our children, all of whom now owe an additional \$27,000 more than what they owed before the majority took control.

So, in spite of Democrats' misleading rhetoric about helping middle-class families, most families do not need this kind of "help." Clearly, there is a lot of "fudge" in this budget, and it's not the kind that tastes good.

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