



# BUDGET COMMITTEE



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**Floor Statement of Senator Judd Gregg on  
Introduction of S. 2063,  
The Bipartisan Task Force on Responsible Fiscal Action  
September 18, 2007  
(Unofficial Transcript)**

Let me begin by thanking the Chairman of the Budget Committee, Senator Conrad, for moving forward with this extremely important effort to try to reach conclusion and progress on the most significant issue this nation faces beyond our fight of Islamic terrorism.

You know, in the post-Katrina world, if the country knew that a Category Five hurricane was headed for us, and we knew where it was going to hit, and we knew the size of the hurricane, and we knew the damage it was going to do, the government would be absolutely irresponsible not to respond to that.

Well, what we have coming at us is a Category Five fiscal hurricane. We know when it's going to hit and that's when the Baby Boom generation retires. It begins to retire next year and it reaches peak in its retirement size by about the year 2025. We know the size of the problem, that there's \$62 trillion, trillion with a T, dollars of unfunded liability which will be generated by the retirement of the Baby Boom generation to pay for the benefits under Medicare, Medicaid, and Social Security.

To try to put it in context, that number is more than the entire net worth of all Americans -- all of our homes, all of our cars, all of our stocks, all of our assets. That's how big this liability is. And we know the effect of this Category Five fiscal hurricane. We know that it's going to basically wipe out the ability of our children and our children's children to have as high a quality of life as we have had, because the cost of paying for this fiscal tsunami will be so high.

So we need to begin trying to address this looming threat. As the Comptroller General said today, we've got a Category Five hurricane headed at us and people are still playing on the beach as if the wave isn't going to arrive. Well, the wave is going to arrive.

What the Chairman of the Budget Committee has put forward today, and I'm honored to have the opportunity to participate in this effort, is a proposal to move forward with substantive and definitive legislation which will result in action. And that's what we need, action. It's like that old Fram oil filter ad: "You can pay me now or pay me later." If we act now, the cost will be less than if we act later.

So this proposal, which has been put together after a lot of thought and a lot of effort on behalf of myself and Senator Conrad, is basically built around three concepts. First, that there must be absolutely bipartisanship, and so as Senator Conrad has outlined, the task force when it meets must have a three-quarters vote in favor of whatever proposal they bring forward.

Second, that everything has to be on the table, that nothing can be off the table. That in order for this to work, you've got to be willing to address not only reform and how you deliver better benefits at a lower cost under Medicare and Medicaid, and better benefits at a reasonable cost under Social Security, but you also have to address the tax side of the ledger. So everything has to be on the table.

And third, that for this to work, there has to be an action-forcing mechanism. We've seen report after report, commission after commission -- and a lot of them have done excellent work, but on these issues which are such hot buttons, what happens is a commission will make a report and all the interest groups will attack it from this side, that side, and the other side. And so this proposal is structured so that there's an action-forcing event, specifically fast-track approval of the final report of the task force, which again has to be by a supermajority of Congress.

And so this truly is an opportunity to move forward to address this issue. And our failure to do so would be truly ironic, because the problem which we confront as a nation -- which I say is probably the single biggest issue we confront after fighting the war against Islamic terrorism, is that this fiscal tsunami, this fiscal Category Five hurricane which is headed toward us which is essentially going to wipe out our children's opportunity to have a lifestyle equal to ours -- is totally the responsibility of the present generation that's governing, the Baby Boom generation. We are the generation of governance today.

And so before we pass our problem on to the next generation, we have a responsibility to address it and to try to improve the effort. And I know, as I look around this chamber and I look at this Administration, that there are people of goodwill who, if given the right structure, which this task force is, would be willing to come together and make the difficult decisions. And they have the expertise to know how to make those decisions to move to, maybe not a complete resolution of these issues, but a significant resolution of these issues down the road, so that the next generation does not have to bear the whole burden of resolving these problems.

It is time to act. And I congratulate the Chairman of the Budget Committee for being the force behind getting this effort going. It's a very positive initiative. I think it will be received very well on our side of the aisle, and I believe strongly that the Administration will receive it well. And therefore, I think we've got a great opportunity here to move forward in a way which will make sure that our children and their children have as good a country and as strong a country from the standpoint of fiscal policy as we have.