

Rep. Frank R. Wolf
Testimony before the House Budget Committee
Wednesday, March 18, 2009

Bipartisan Commission Process
Democrats and Republicans Must Come Together on Entitlement Reform

Mr. WOLF. Thank you, Mr. Chairman.

Chairman Spratt, Ranking Member Ryan, last February I testified before you and opened by pointing out the enormous challenge this committee has before it crafting our nation's budget. I believe that challenge is even more formidable today and appreciate your giving me the opportunity to address the committee again this year.

Look around. Main Street USA is suffering. It doesn't take an economic expert to know that the country is in trouble. The American people are experiencing a crisis of confidence. While there was a modest rally last week, the Dow dipped below 7,000 the week before – a 12 year low – while the unemployment rate has jumped to 8.1 percent for the month of February.

The American people believe that elected officials will work together to solve the nation's most pressing matters, but this confidence is dwindling with every piece of bad news that factors into the country's economic narrative.

Our nation's long-term fiscal health is also in serious jeopardy. The statistics are staggering – we have over \$56 trillion in unfunded obligations through Social Security, Medicare, and Medicaid. The national debt is nearing \$11 trillion. China has surpassed Japan as the largest foreign holder of U.S. Treasury debt, owning over \$1 trillion in such securities as of December, marking a massive 52 percent increase from the previous year.

Meanwhile, the federal deficit has reached \$765 billion in the first five months of the budget year. President Obama's budget request projects a \$1.8 trillion deficit for this year and a \$533 billion deficit in FY 2013, a number many private forecasters believe are based on optimistic assumptions. Anyway you look at it, the budget request amounts to red ink as far as the eye can see.

We are in crisis mode today and the window of opportunity is before us. If we don't get our country's financial house in order and make the sacrifices necessary today, the future for our children and grandchildren will be bleak.

The bipartisan commission Jim Cooper and I have proposed with every spending program and tax policy on the table is the approach that will lead to a solution. Congress would be forced to vote on the commission's recommendations. Over 111 members of this House pledged their support last session, and Senate Budget Chairman Kent Conrad and ranking member Judd Gregg have authored similar legislation.

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The Brookings Institution supports this bill. So does the Heritage Foundation, the

Concord Coalition, the Committee for a Responsible Federal Budget, AEI, and a host of others.

Last week the Peter G. Peterson Foundation, headed by former U.S. Comptroller General David Walker, released the results of a survey conducted by Peter Hart Research Associates and Public Opinion Strategies which looked specifically at public attitude toward America's fiscal policies.

According to this survey, by a significant margin – 56 percent to 30 percent – registered voters prefer a bipartisan commission to the regular congressional process as the best means to begin tackling our growing budget deficit and national debt.

It's time for Congress to deliver on its responsibilities to the American people and have an honest conversation about the state of our finances and come together – Democrats and Republicans – to help turn things around.

I have little faith that this Congress will act through regular order and believe it will take a commission with teeth for Congress to act. Adopting the bipartisan SAFE Commission process would renew the confidence of Americans in the economy and in the ability of our elected leaders to act. It would provide a brighter future for the next generation of Americans and ensure we have discretionary dollars for education, cutting edge technology and medical research, infrastructure, and other critical programs that Americans care so much about.

The committee's budget resolution and any substitute should have a general provision establishing such a panel so that we can deal with America's future and help give some hope to our children and grandchildren.

