

Congressman Jim Jordan (R-OH), Chairman

September 30, 2009

Energy and Water, Agriculture Conference Reports Possible This Week

This week, it is possible that the House will consider either the FY 2010 Energy and Water or the FY 2010 Agriculture Conference Report. The House-passed version of the FY 2010 Energy and Water Appropriations bill appropriated \$33.3 billion, which is \$46 million or 0.1% above last year. However, this funding is on top of more than **\$50 billion** of FY 2009 emergency spending (in the “stimulus” mostly) for Energy and Water programs. In addition, the FY 2010 House-passed funding level is **\$2.4 billion** or **7.8%** above the FY 2008 funding level (the pre-FY 2009 omnibus level in effect a year ago). The House-passed version of the FY 2010 Agriculture bill included \$24.9 billion of appropriations, which is **\$2.4 billion** or **11.9%** above last year. The bill is also **\$4.8 billion** or **26.6%** above FY 2008 (the pre-omnibus funding level in effect less than a year ago). This is on top of **\$7.9 billion** of emergency spending for agriculture programs in FY 2009.

An RSC amendment to last week’s continuing resolution, filed by Representative Jim Jordan, would have provided spending authority for the 9 non-security appropriations bills at *FY 2008 levels*. For the Defense, Military Construction-Veterans, and Homeland Security bills, the amendment provided a funding level equivalent to the *FY 2010 House-passed bills*. Compared to enactment of the House Democrats’ FY 2010 spending plan, this amendment proposes a spending policy that would save **\$84 billion**. On a party line vote, the Rules Committee refused to even allow the consideration of this amendment on the House floor.

Quote of the Week: *“As surely as our future depends on building a new energy economy, controlling healthcare costs and ensuring that our kids are once again the best educated in the world, it also depends on restoring a sense of responsibility and accountability to our federal budget.”*

-President Obama April 18, 2009

The 2009 Fiscal Year in Review

Today is the last day of the 2009 fiscal year. According to CBO, the federal government ran a \$1.4 trillion deficit through the first eleven months of FY 2009. Revenues are *down* 16% and outlays are *up* 19% compared to last year. The federal government **will borrow 43 cents for every dollar that it spends in FY 2009**. A figure for the *total* FY 2009 deficit will soon be available, but the most recent estimate available for that figure comes to **\$1.58 trillion**—\$1.12 trillion or 244.2% more than last year, which was at that time the highest deficit in U.S. history. Other facts of note on the nation’s fiscal challenges as the 2009 fiscal year ends:

Rising Debt: The national debt now stands at **\$11.77 trillion**. This is a **\$3.1 trillion** or **35.8%** increase since the Democrats took over Congress in January 2007 (a period covering only 33 months). That is more debt than the total debt accumulated by the federal government from the 1789 to 1989—the first 200 years of the federal government. In FY 2009 alone, the federal government ran up \$1.75 trillion of debt. In addition, to cover this debt, the Treasury has had to auction off several record-setting levels of debt. **CBO projects that the national debt will exceed the U.S. economy by 2022.**

Social Security and Medicare Outlook Worsens: Medicare and Social Security’s solvency both worsened substantially. Social Security’s total unfunded obligations amount to **\$15.1 trillion**, and Medicare’s amount to **\$88.9 trillion**. As of this year, the date at which the Social Security Trust Fund is projected to be exhausted has moved up four years to 2041 from 2037, while Medicare’s Trust Fund is projected to be exhausted in 2017 (up two years compared to the previous report).

Congress Keeps Spending Money: Since enactment of the \$1.1 trillion “stimulus,” (including interest), the Democrats have enacted a \$410 billion omnibus, a second \$105.8 billion supplemental for FY 2009 (including tens of billions of non-defense spending), and a spending plan for the FY 2010 regular appropriations process that exceeds \$1 trillion for only the second time in U.S. history and is \$77 billion (7.6%) above last year.

\$8.6 Trillion Deterioration in Fiscal Outlook: Since taking over Congress, the Democrats have turned a projected ten-year \$800 billion surplus into a projected deficit of \$7.8 trillion (over the same period). This is an \$8.6 trillion deterioration of the nation’s budget outlook in the 33 months since Democrats took control of Congress.