

Congressman Jim Jordan (R-OH), Chairman

June 23, 2010

Hoyer Announces No Budget Vote This Year

Yesterday, the Majority Leader announced that the House will not take up a complete budget plan this year, but will instead just pass a deeming resolution (perhaps not requiring a separate vote, but instead as part of the rule for other legislation). This will be the first time since 1974 (when the modern budget process was created) that the House will fail to pass a budget resolution. Instead, according to Hoyer, the House will take up a series of unspecified tax increases and spending reforms in December—*after* the election. In the absence of a House Democrat budget plan, the RSC introduced H.Con.Res. 281, a balanced budget resolution.

Support for RSC Balanced Budget Plan

The RSC balanced budget plan (H.Con.Res. 281) has received the endorsements of the **National Taxpayers Union**, **FreedomWorks**, **Club for Growth**, **Americans for Prosperity**, and **Americans for Tax Reform**. **Heritage Foundation** analysts have also written favorably about many of the components of the RSC plan, and the plan also received favorable mention on **RedState**. The RSC plan improves the budget outlook in every year, gets to a budget surplus by 2019, and leads to \$6.4 trillion less debt over ten years compared to the President's budget.

Americans for Tax Reform: *"The President's budget proposal continues to spend money without regard to the taxpayers who are left footing the bill for reckless spending policy. The RSC responsibly addresses the need for spending reform with several significant steps in the right direction."*

Steve Keen, **Heritage Foundation blog:** *"This is a welcome fiscal blueprint that would restore fiscal discipline to the nation and avert a Grecian formula meltdown. It also does an excellent job of drawing a sharp distinction between a conservative fiscal plan and the liberal proposal presented by President Obama's budget."*

National Taxpayers Union: *"We commend the Republican Study Committee for taking the initiative to tackle a necessary, albeit difficult, task while balancing the budget and maintaining fiscal responsibility. NTU strongly endorses H.Con.Res. 281, the Republican Study Committee's FY 2011 budget resolution."*

Club for Growth blog: *"They are failing to do their job, and instead, are focusing on all kinds of legislation that will hamper economic growth and keep the unemployment rate high. But that's not stopping the pro-growth champs within the Republican Study Committee from offering their own budget."*

Americans for Prosperity: *"On behalf of more than one million Americans for Prosperity activists, I am grateful for your effort to pass a sensible budget this year."*

Flake Introduces Debt-Buy-Down Act

The Debt Buy-Down Act would require the IRS to include a check-off on tax returns that enables taxpayers to direct up to 10% of their tax liability to debt reduction. The bill establishes a trust fund in which to put those funds pending their use to retire debt obligations. The legislation requires spending reductions for the coming year that ensure that the debt reductions are achieved. If Congress does not achieve the required spending reductions equal to the debt reduction designated by taxpayers than the bill provides for automatic across-the-board spending reductions (with exemptions for some programs including veterans spending and Social Security). The legislation is modeled on bills previously introduced in the 102nd Congress by Senator Bob Smith (R-NH) and Representative Bob Walker (R-PA). To cosponsor the legislation contact Chandler.Morse@mail.house.gov of Rep. Flake's office.

Quote of the Week:

"It isn't possible to debate and pass a realistic, long-term budget until we've considered the bipartisan commission's deficit-reduction plan, which is expected in December."

-Steny Hoyer, 6/22/2010, on explaining that the House will not pass a budget resolution.