

Amendment 4493: Requires public disclosure of the amount of new borrowing and spending approved by the Senate on its website.

President Obama signed the Statutory Pay-As-You-Go Act (PAYGO) into law in February requiring Congress to pay for new spending by cutting lower priority spending to offset the new costs.

In the weeks following its enactment, the Senate has repeatedly ignored the spirit of PAYGO by voting to borrow over \$200 billion to finance the cost of new government spending.

In total, if the Senate passes the (UI) extension being considered this week the Senate will have voted to increase the deficit by \$266 billion since PAYGO's enactment in February.

This section would expose the PAYGO gimmicks that have allowed Congress to continue borrowing to pay for new spending by bringing more transparency and accountability to the Senate's spending practices. It would do so by requiring the Secretary of the Senate to post on the official Senate website:

The total amount of spending, both discretionary and mandatory, passed by the Senate that has not been paid for;

The total amount of spending authorized in legislation passed by the Senate, as scored by the Congressional Budget Office (CBO); and

The number of new government programs created in legislation passed by the Senate.

The Senate approved this exact same language by a vote of 100-0 on March 9, 2010 as an amendment to H.R. 4213, the tax extenders bill. However, closed door negotiations led to the transparency provision being removed from the tax extenders bill the Senate is considering now.

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Since PAYGO Became Law in February Requiring All New Spending to Be Paid For, The Senate Has Voted to Borrow over \$200 Billion

Despite pledges to stop borrowing to provide for new spending when PAYGO was enacted in February, Senate leaders routinely use gimmicks and excuses to bypass PAYGO rules.

As a result, tens of billions of dollars continue to be borrowed by the Senate and added to the deficit every month.

This reckless borrowing and spending continues the behavior of Congress that has helped amassed a \$13 trillion national debt and annual budget deficits exceeding \$1 trillion for the foreseeable future.

Since February when PAYGO was enacted, over \$200 billion in new spending has been approved without corresponding reductions in spending, violating the spirit of PAYGO.

On February 24, 2010, the Senate voted 62-34 to waive PAYGO on the HIRE Act (H.R. 2847).¹ The Senate later passed a slightly altered version on March 17, 2010. Total cost: **\$46 billion (\$47 billion** in new debt over the next ten years through various transfers to the Highway Trust Fund minus \$1 billion in savings).

While some Senators will make the argument Congress paid for the “jobs” bill, in reality they merely used a budget trick to hide the true cost of the bill. The Republican Policy Committee (RPC) explained the budget gimmick: This score does not include the debt that will be incurred by various transfers to the Highway Trust Fund. The Republican staff of the Senate Budget Committee has pointed out that these transfers will equal \$47 billion in new debt over the next ten years. CBO does not score these in this bill because they are transfers between government accounts.²

On March 2, 2010, the Senate failed to comply with PAYGO when it approved the Temporary Extension Act of 2010 (H.R. 4691), a one-month

¹ U.S. Senate Roll Call Votes 111th Congress - 2nd Session.

http://www.senate.gov/legislative/LIS/roll_call_lists/roll_call_vote_cfm.cfm?congress=111&session=2&vote=00024

² U.S. Senate Republican Policy Committee Legislative Notice. February 22, 2010. Pg. 1.

<http://rpc.senate.gov/public/files/L32ReidamendmenttoHR2847Jobsbill022210jl.pdf>

extension of Unemployment Insurance, COBRA, Physician payments, and other subsidies. Total cost: **\$10.3 billion.**³

On March 3, 2010, the Senate voted 60-37 to waive PAYGO on the tax extenders bill (H.R. 4213).⁴ Total cost: **\$99 billion.**⁵

On April 14, 2010, the Senate voted 60-40 to waive PAYGO on a two-month extension of Unemployment Insurance, COBRA, Physician payments, and other subsidies (H.R. 4851).⁶ Total cost: **\$18.1 billion.**⁷

On May 28, 2010, the Senate failed to comply with PAYGO when it approved H.R. 4899, the Supplemental Appropriations Act. Total Cost: **\$59 billion**

The Senate deceived the public by passing a pay-as-you-go law with the claim they will offset what they spend, only to later ignore their self imposed debt control mechanism when it approved unpaid for legislation. For example, on January 28, 2010, the Senate Majority Leader stated, *In order to spend a dollar, we have to have that dollar in our wallet. This law will enforce that commonsense approach.*⁸

Democrats Admit They Never Had Any Intention Of Enforcing PAYGO

A number of Democrats admit there never was any intention of enforcing PAYGO, according to confessions published on June 10th in *The Hill*.

The plan all along had been to designate new spending as “emergency,” thereby bypassing PAYGO rules requiring cuts in spending or increases in

³ H.R. 4691, the Temporary Extension Act of 2010, As introduced on February 25, 2010.

<http://www.cbo.gov/ftpdocs/112xx/doc11261/hr4691.pdf>

⁴ Congressional Record: http://frwebgate.access.gpo.gov/cgi-bin/getpage.cgi?dbname=2010_record&page=S1007&position=all

⁵ Budgetary Affects of the American Workers, State, and Business Relief Act of 2010. March 10, 2010.

Congressional Budget Office <http://cbo.gov/ftpdocs/112xx/doc11297/hr4213.pdf>

⁶ Congressional Record: http://frwebgate.access.gpo.gov/cgi-bin/getpage.cgi?dbname=2010_record&page=S2269&position=all

⁷ Amendment No. 3721 to H.R. 4851, the Continuing Extension Act, 2010, as Proposed by Senator Baucus. Congressional Budget Office. April 14, 2010. <http://www.cbo.gov/ftpdocs/114xx/doc11440/hr4851.pdf>

⁸ http://frwebgate.access.gpo.gov/cgi-bin/getpage.cgi?position=all&page=S282&dbname=2010_record

taxes to pay for new spending, and to hide behind “jobs” as the excuse for billions of dollars in new government borrowing and spending.⁹

This Amendment Brings Transparency To How The Senate Adds Billions Of Dollars To Our Deficit

This section would expose this PAYGO gimmick and encourage transparency in Senate spending by requiring the Secretary of the Senate to post on its website the following:

- The total amount of spending, both discretionary and mandatory, passed by the Senate that has not been paid for.
- The total amount of spending authorized in legislation passed by the Senate, as scored by CBO; and
- The number of new government programs created in legislation passed by the Senate.

Excessive Borrowing And Spending Threatens The Financial Stability Of Medicare, Social Security, And The Nation Itself

Today, the national debt is over \$13 trillion, more than \$42,000 per citizen. A year ago, the national debt was \$11.2 trillion

Despite pledges to control spending, Washington adds \$4.6 billion to national debt every single day-- that's \$3.2 million every single minute.

This year, the government will spend more than \$3.6 trillion and will borrow 43 cents for every dollar it spends.

According to CBO's new forecast, President Obama's budgets will add nearly \$10 trillion in debt over the next ten years.

⁹ The Hill. Blue Dogs let us down, say liberals. June 1, 2010. <http://thehill.com/homenews/house/102375-blue-dogs-let-us-down-say-liberals>

Of the \$10 trillion in debt the government is likely to accrue over the next ten years, \$4.8 trillion will be interest.

This is \$4.8 trillion that could be better spent on national defense or returned to taxpayers to pay for health care, education, and other necessities.

Instead, families will be forced to pay higher taxes to pay off Congress' out of control spending excesses and future generations of Americans will experience a lower standard of living as a result.

The excessive debt does not only threaten the future of younger Americans, but also threatens the retirement security of older Americans.

Retirement programs like Medicare and Social Security are on the verge of bankruptcy.

Medicare is expected to run out of money and become insolvent in 2017.

Social Security will permanently start running a deficit in 2016, and will no longer be able to pay retirees full benefits by 2037.

Other important government programs Americans rely on nearly every day, such as the Highway Trust Fund and the U.S. Postal Service, are also spending more than they are bringing in with revenues.

The Family Budget Gets Smaller While The Government Budget Gets Bigger

The economy is struggling. Unemployment remains at 9.9 percent and family incomes fell by more than three percent last year.

Yet, while inflation is near zero, Washington spending continues to increase dramatically. In just the last year, the national debt increased 15 percent.

While most of the country faces tough financial times and tax revenues have declined, Congress continues to approve double-digit spending increases for bloated federal agencies wrought with duplication, waste, abuse, and mismanagement of taxpayer funding.

While individuals across the country are worried they might lose their job, members of Congress are focused on trying to keep their jobs by earmarking more than \$11 billion for pork projects.

Since January of 2009, while Americans across the country adjusted their spending to the size of the shrinking family budget, Congress has passed trillions of dollars in new spending, on everything from a multi-billion dollar omnibus lands package that increases the size and cost of federal land property ownership to a nearly \$1 trillion stimulus bill that has failed to create new jobs to a \$2.5 trillion health care bill that penalizes Americans who cannot afford health insurance.

This massive spending has done nothing to put Americans back to work, but rather added to the debt that working Americans will be forced to eventually repay at the expense of their own family budget.