

## LARSON VOTES TO INSTITUTE FISCAL RESPONSIBILITY Motion Would Apply “Pay-As-You-Go” Budget Rules to Bo

FOR IMMEDIATE RELEASE: May 5, 2004

LARSON VOTES TO INSTITUTE FISCAL RESPONSIBILITY

Motion Would Apply “Pay-As-You-Go” Budget Rules to Both Spending and Tax Cuts

WASHINGTON, D.C.- U.S. Congressman John B. Larson (CT-1) today voted in favor of a motion to apply “pay-as-you-go” (Pay-Go) budget rules to the Fiscal Year 2005 Budget Resolution. Pay-Go rules were in place from 1990 to 2002 and created greater fiscal responsibility by forcing Congress to match any tax cuts with spending cuts as well as matching spending increases with increased revenue or cuts in other areas. Pay-Go rules were terminated for Fiscal Year 2003, a year that saw skyrocketing budget deficits. The motion was defeated by a vote of 208 to 215.

“The pay-as-you-go budget rules helped create surplus after surplus in the federal budget under President Clinton and would force this Congress and President to be fiscally responsible,” said Larson. “We had a surplus in 2001, yet now after a few short years of Republican control of Congress and the White House, we have a deficit of more than half a trillion dollars. Tax cuts for the wealthy have led to these colossal federal budget deficits and action must be taken to correct it. The trillions in debt are hurting our economy today and forcing future generations to pay the bills. Congress and the President continue to advocate tax cut after tax cut for the wealthy and refuse to pay for it. This measure would help institute fiscal responsibility.”

According to the Congressional Budget Office, the Bush budget calls for large deficits in each of the next 10 years. Budget deficits lead to higher interest rates, which means families pay more to finance homes, cars, and college education.

Under the last four budgets of the Clinton Administration (1998 - 2001) the U.S. government paid down \$452 billion of publicly held debt because of the federal government was running budget surpluses. By contrast, under President Bush, the debt limit has had to be raised twice and will have to be raised again. The House GOP Leadership has said that Pay-Go rules should only apply to spending, not tax cuts.

The current national debt sits at 7.13 trillion.

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