

Vote Alert: Vote “YES on the House Conservative Budget”

Center for Fiscal Accountability WILL RATE A VOTE FOR This Free-Market Alternative to the Pelosi-Obama-Reid Budget Boondoggle

The Center for Fiscal Accountability urges all Members of the U.S. House of Representatives to support the Republican Study Committee Budget alternative, as it represents the most free-market alternative to the tax-and-spend plans put forth by the Administration and House and Senate Democrats.

While the Pelosi-Obama-Reid budget would hike federal spending to unsustainable levels hitting nearly 25 percent of GDP - well above the 40-year average of 20.7 percent – the RSC proposal would bring spending as a percentage of GDP down to 17.9 percent in the last budget window through a series of meaningful reforms, including, among other things:

- requiring each committee to identify savings equal to one percent of total mandatory spending under its jurisdiction that are determined to be wasteful, unnecessary or lower priority;
- assuming reductions in or the elimination of several programs that are considered lower-priority such as Amtrak, AmeriCorps, the Presidential Election Campaign Fund or the NEA; and
- assuming a moratorium on earmarks.

On the tax side, too, the Republican Study Committee alternative proves to be far superior to the Pelosi-Obama-Reid budget and would keep taxes below their modern historical levels as a percentage of the economy.

One area of concern to the Center for Fiscal Accountability is contained in Title IV. While we applaud the effort to bring greater transparency and accountability into the problematic practice of earmarking, we take issue with the inclusion of earmarks in “tax and tariff measures.”

Earmarks are spending. To claim that there is such a thing as “tax earmarks” puts tax deductions and credits on par with bridges to nowhere. That is not to say that from a policy perspective, certain tax deductions and credits may be disputable. However, once the distinction between spending programs and tax cuts is confused, people may be led to believe think it is all the same, and there is a strong danger that you may end up with a net tax increase. Consequently, we would hope that the “joint select committee on earmark reform” would only focus on authorization and appropriation earmarks. More transparency for tax credits may be welcome, however they should not be lumped in with spending provisions.

This objection notwithstanding, the RSC budget remains a superior alternative to the Pelosi-Obama-Reid-Budget, and a vote for the House Conservative Budget Alternative will be positively reflected in our annual Congressional Ratings.

Vote “YES” on the Republican Study Committee’s Budget Alternative!