



**Testimony of Ryan Alexander
President, Taxpayers for Common Sense
Senate Judiciary Committee
Subcommittee on the Constitution
hearing on
“The Legality and Efficacy of Line-Item Veto Proposals”
May 26, 2010**

Chairman Feingold, Ranking Member Coburn and Members of the Committee:

Thank you for your invitation to testify today regarding enhanced rescissions authority as set forth in the proposed Reduce Unnecessary Spending Act of 2010. My name is Ryan Alexander, and I am President of Taxpayers for Common Sense (TCS).

TCS is an independent and non-partisan voice for taxpayers working to increase transparency and expose and eliminate wasteful and corrupt subsidies, earmarks, and corporate welfare. Our mission is to achieve a government that spends taxpayer dollars responsibly and operates within its means. All of our work stems from our belief that no one – no matter where on the map or the political spectrum they find themselves – wants to see their money wasted. TCS believes that the federal budget is about more than just dollars and we seek to improve government spending decisions to better mirror the

nation's priorities. We believe that as taxpayers we have a right and a duty to demand excellence from our government.

TCS supports the Reduce Unnecessary Spending Act of 2010 (RUSA). RUSA would establish a useful tool to cut wasteful government spending without unconstitutionally impinging on Congress' power of the purse. The current appropriations process makes it difficult to cut unnecessary spending, as few members of Congress will vote against entire appropriations bills because of wasteful earmarks or a handful of duplicative programs. RUSA would increase the transparency and accountability of the budgeting process by giving the public more information about where their elected representatives' stand on specific requests that are often buried in omnibus spending or authorization bills. Enactment of RUSA would also provide an opportunity for the Administration and Congress to identify and cut duplicative or obsolete government spending.

In 2006, TCS supported the Line Item Veto Act proposed by the Bush Administration, in part because we found that the number of earmarks in appropriations bills had increased six-fold from 1998 to 2006. At the time, we argued that it would enable the President to shine a spotlight on specific spending and tax provisions and, in essence, ask Congress if they really want to fund them. In FY2010, by comparison, appropriations bills contained some 9,499 congressional earmarks worth \$15.9 billion. The same logic applies now: it is difficult to believe that majorities in both houses of Congress would publicly support many of the current earmark requests, especially during a time when the federal deficit is such a challenge.

Congress has also become increasingly reliant over time on omnibus spending packages that wrap several appropriations bills together in order to complete the budget before the beginning of a new fiscal year. These bills, which can be thousands of pages long, often hide the various earmarks members may have inserted for pet projects back in their district. Even under the improved disclosure rules, there is still no centralized site—physical or on the internet—run by the government where the public can see all of the individual projects members have inserted into massive spending bills through the use of earmarks.ⁱ

At the same time, the general recognition that federal spending continues to grow at an unsustainable rate relative to revenue has led to a series of insufficient attempts to rein it in. So-called PAYGO rules, which require any new funding be paid for without additional borrowing, include an exemption for emergency spending bills, which can often amount to tens or hundreds of billions in additional spending. Moreover, emergency spending bills routinely contain spending that fails to meet Congress' own definition of "emergency" and are therefore often as likely as any spending bill to contain politically-driven plus-ups, earmarks, or other spending. If Congress is indeed serious about the budget deficit, it should embrace all opportunities, including this legislation, to identify and cut any unneeded spending.

Under the expedited process in RUSA, the President has 45 days after enactment of a funding bill to request that Congress approve a package of specific rescissions to funding programs in the legislation. Congress then must have an up-or-down vote on the entire package without amendment within 25 days.ⁱⁱ The Administration's proposal sets limits to the rescissions the President can offer that are eligible for the fast-track, no amendment protection in Congress. For example, the President is limited to a single package of rescissions per bill, applicable only to provisions in that bill, and they cannot rescind funding for an entitlement program. Any individual rescission that does not meet the requirements can be removed from the package by Congress.

The House would consider any rescission package first; the Senate acts on the package only if the House passes it and is not required to vote on a package the House has already defeated. A House member may raise a point of order against any cut in the package on the grounds that it violates one of the rules for expedited consideration, and if the point of order is sustained, the item is removed from the package. A Senator may also raise a point of order against any proposed cut in the House-passed package. If sustained, the package loses its fast-track, no-amendment designation and is then debated under standard Senate rules.

One of the usual criticisms of expedited rescission authority is that it will be wielded in a partisan manner by the President. In reality, public scrutiny and oversight renders this unlikely. RUSA requires all the information on the proposed rescission to be made public. If the President is using this budgetary tool to simply score political points, Congress and the public would be quick to notice.

Congress will be well served by expedited rescission authority. Many times, lawmakers are asked to accept smaller spending proposals contained within broader legislation they support. Though relatively small in the context of a massive spending bill, these projects may become examples of government waste that damages Congress' credibility with the public. In some cases lawmakers are able to get it right: stripping funding for the "Bridge to Nowhere" in subsequent legislation, or using reconciliation to remove the so-called "Cornhusker Kickback" from the health care legislation. Expedited rescission authority will potentially enable Congress to eliminate fiscal stains on the record quickly and decisively.

While not all earmarks are by definition wasteful, there are many "Bridges to Nowhere" that pass through the appropriations process with little or no public attention. We believe the increased transparency and accountability this new process can provide to the sometimes obscure appropriations process could lead to a virtuous cycle where the threat of public rescission could reduce the overall number of budgetary earmark requests. Our hope is that this new process will help bring to light, and reduce, some of the more unnecessary spending proposals approved by Congress.

The principle that our tax dollars are too precious to be wasted is true even in times of surpluses and robust, sustained economic growth. But the need to rein in wasteful spending takes on increased urgency in the face of the challenges we face today: from the costs of wars in two theaters, growing costs of addressing domestic needs, and the threat of historically high deficit and debt levels on the horizon. And while economists and politicians may disagree about the importance of reducing the deficit and the debt in times of high unemployment, no one advocates the growth of deficit spending and increased borrowing for wasteful spending. Congress and the Administration both need to take a

hard look at the practices and options available to increase discipline in the spending arena. The Reduce Unnecessary Spending Act of 2010 would provide a tool for eliminating and curbing wasteful spending, and we hope to see it enacted.

ⁱ Sens. Coburn (R-OK), Gillibrand (D-NY), McCain (R-AZ), and Feingold (D-WI) introduced legislation, S.3335, on May 11 that would direct the Secretary of the Senate and the Clerk of the House to create a timely, searchable, downloadable database of all earmark requests and awards in spending, authorization and tax bills.

ⁱⁱ Assuming rescission requests are eligible under fast-track rules set forth in proposed Reduce Unnecessary Spending Act of 2010