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INFORMATION, FEDERAL SERVICES AND INTERNATIONAL SECURITY

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

“Enhancing the President’s Authority to Eliminate Wasteful Spending and Reduce the
Budget Deficit”

March 15, 2011

Thank you, Chairman Carper for holding this hearing today on improving Presidential rescission authority -- an important tool for reigning in wasteful spending. It could not come at a more important time.

Our country faces a deficit of \$1.6 trillion dollars for this fiscal year – the highest ever. When I came into office a little over a year ago, the national debt was just short of \$12 trillion. Yet as Treasury officials have recently reported, we are quickly approaching our nation’s debt limit of more than \$14 trillion, possibly as soon as next month. The enormity of problem in the near term is illustrated behind me. As the chart indicates, total federal spending will continue to rise for the foreseeable future. This out of control spending is unsustainable, and it is unacceptable to continue down a fiscal path that doesn’t address these issues and further mortgages our future.

For some time, leaders on both sides of the aisle have sounded the alarm about the looming fiscal crisis ahead. Yet the difficult decisions to avert such a catastrophe are not being made and no one is without responsibility. The President’s budget failed to address meaningful deficit reductions or entitlement reforms. Congress, for its part, has failed to act on the recommendations of the President’s Debt and Fiscal Commission. It is no surprise that taxpayers are left with an impression of “business as usual” in Washington.

While most realize that these long-term challenges cannot be fixed overnight, they expect to see leadership in Washington take some immediate action to address its spending problems. Meaningful steps can be taken now to demonstrate that responsible and pragmatic solutions exist in the near term.

Updating the President's rescission authorities is a good first step. Mr. Chairman, I was happy to lend my support to you and Senator McCain as a cosponsor of the *Reduce Unnecessary Spending Act*, a widely supported bipartisan bill that provides the President with a constitutional line-item veto procedure. I look forward to a productive discussion with our witnesses about the historic use of this authority and its potential impact to our deficit and debt. If nothing else, I am confident it will help provide more congressional accountability and a means to eliminate the kind of reckless pork barrel spending that I, Senator McCain, and others have consistently opposed. Though the current moratorium on earmarks is an encouraging step, we must continue to work towards ensuring that patronage politics and special interests do not outweigh sensible fiscal policy.

It is up to Congress to take its responsibility to control spending more seriously, but we cannot do it alone. We must demand improved accountability from federal agencies to address the billions of dollars per year that are lost to fraud, waste, and abuse. As our hearing last week highlighted, better oversight in Medicare and Medicaid could yield annual savings in the tens of billions of dollars alone. At this critical time, this is no drop in the bucket.

There has been a crisis of mismanagement across the federal government, especially with major acquisitions. This subcommittee has exposed the problems of many of these programs, including significant cost overruns and schedule delays. I will soon introduce comprehensive legislation intended to potentially save billions by streamlining the way the government purchases goods and services.

Solving these systemic problems will take sustained oversight and meaningful reforms from Congress and the Administration.

Yet addressing Washington's culture of spending is not dependent on huge, complex reforms in the near term. Smaller steps can be taken with considerable impact, such as providing more transparency to the taxpayer. This is my hope for the Taxpayer Receipt Act, a bipartisan bill I have introduced with Senator Bill Nelson from Florida. This legislation will provide taxpayers with an itemized receipt to give the public insight into how the federal government spends their hard earned dollars. After all, it is their money, and like any purchase, taxpayers should know exactly what they have bought.

The American people are simply looking for leadership -- from the President and from Congress. A recent Bloomberg article quoted a chief economist at Standard and Poor's who said, "People in Congress seem much more interested in yelling at each other instead of fixing the problem." Considering recent history, I can understand that perception. Yet, as the McCain/Carper bill demonstrates, common ground does exist and meaningful action can be taken now. Creating jobs, growing the economy, and cutting wasteful spending are too important to let partisan politics get in the way. The American people expect its leaders to make the hard choices necessary to get the country on a sustainable fiscal path. Ensuring a secure financial future for this country demands that we do better. Thank you Mr. Chairman.