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**T O M C A R P E R**

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**COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS**

**SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT  
INFORMATION, FEDERAL SERVICES, AND INTERNATIONAL SECURITY**

**HEARING: "Enhancing the President's Authority to Eliminate Wasteful  
Spending and Reduce the Budget Deficit"**

WASHINGTON – Today, Sen. Tom Carper (D-Del.), Chairman of the Senate Subcommittee on Federal Financial management, convened the hearing, "Enhancing the President's Authority to Eliminate Wasteful Spending and Reduce the Budget Deficit."

For more information on the hearing or to watch a webcast of the hearing, please click [HERE](#).

*A copy of Sen. Carper's remarks, as prepared for delivery, follows:*

**"As we gather here today for this afternoon's hearing, our nation's debt stands at \$14.1 trillion. Ten years ago on this date, it stood at less than half that amount -- \$5.7 trillion. If we remain on our current course, it may double again by the end of this decade.**

**"The debt of our federal government held by the public as a percentage of GDP has risen to 63 percent – up from 33 percent a decade ago. The last time it was this high was at the end of WWII. In fact, the only time it has ever been this high was at the end of that war. That level of debt was not sustainable then, and it is not sustainable today. Just ask our friends in Ireland and in Greece.**

**"The fiscal commission, led by Erskine Bowles and former Senator Alan Simpson, provided us with a roadmap out of this morass, reducing the cumulative deficits of our federal government over the next decade by some \$4 trillion. It offers a balanced approach to fixing our long-term fiscal problems, with about a third of the savings coming from new revenue and about two thirds coming from spending reductions.**

"However, if we really want to dig our way out of this mess, we're going to need to explore innovative ideas and address the problem from all angles.

"Sometimes, when Congress passes appropriations bills, a spending item or two may be included that doesn't make much sense. While the majority of lawmakers, along with the Administration, may view those specific items as wasteful and unnecessary, there is no practical mechanism that enables them to single out the egregious items.

"Oftentimes, these items are contained in must-pass legislation that we are considering just days – or hours – before the end of session or the expiration of a continuing resolution. Far too often, we accept a handful of spending items that are truly wasteful as the cost of doing business and getting bills passed.

"A common sense way to prevent this from occurring is to modify the President's ability to get Congress to consider spending cuts. Under current law, the President has the authority to suggest rescissions. Any time we send the President a spending bill, he or she can sign it and then propose that Congress consider rescinding – either reducing, or eliminating – certain spending items in that bill.

"However, Congress has no obligation to vote on these rescissions and rarely does. If no action is taken within 45 days, the President releases the funding. The past two Presidential administrations have abandoned usage of this tool due to its ineffectiveness. Not a single rescission has been proposed in the last decade.

"Congress did pass legislation in 1996 that aimed to increase the President's rescission power – the Line Item Veto Act. It permanently enabled the President to veto any spending or revenue measures within legislation unless both chambers voted with a supermajority to override the President's action. It dramatically shifted power to the executive branch. As a result, the Supreme Court swiftly declared it unconstitutional.

"I'm not interested in a proposal like that, but I do believe there's a way to enhance the President's existing authority without overstepping any constitutional boundaries. Senator McCain and I have introduced legislation – the Reduce Unnecessary Spending Act – that seeks to do just that.

"It doesn't change how the President proposes rescissions, but it does require Congress to actually vote on them in a timely manner. Our bill would provide this authority only through 2015, creating something akin to a four-year test drive. This approach would allow Congress to see how well – or not – the new authority works and determine whether to extend it, amend it or allow it to expire after 2015.

"I believe that the 1996 Line Item Veto Act ceded far too much power to the executive branch, and it came at the expense of Congress. Our proposal would simply update an existing budget process to give the President a targeted, effective tool he or she can use to

single out individual line items in appropriations bills. Congress would still have a strong voice in the process and would have to approve the President's rescissions, but the expedited rescissions authority would help root out questionable spending that makes it more difficult to reach our deficit reduction goals.

"I'm not the only one who thinks that this legislation takes the right approach in reducing wasteful spending. Over a third of the Senate has joined Senator McCain and me in cosponsoring this legislation – a balanced mix of Democrats and Republicans. In addition, the Administration is strongly supportive of the proposal and helped us craft the legislation.

"Now, I know this is not a silver bullet or a magic solution to our fiscal problems. In order to get our fiscal house in order, it's going to take a combination of approaches and a willingness to put everything on the table – entitlements, revenues, domestic discretionary spending and defense spending.

"But an expedited rescissions authority may well prove to be a useful tool in our toolbox. At a time where our nation is rapidly approaching the statutory debt limit, we should seriously consider many ideas and implement common sense changes – like the Reduce Unnecessary Spending Act."

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