



OCO Vote in House Threatens Progress on Deficits March 25, 2015

PRESIDENT

MAYA MACGUINEAS

DIRECTORS

BARRY ANDERSON

ERSKINE BOWLES

CHARLES BOWSHER

KENT CONRAD

DAN CRIPPEN

VIC FAZIO

WILLIS GRADISON

WILLIAM HOAGLAND

JIM JONES

LOU KERR

JIM KOLBE

DAVE MCCURDY

JAMES MCINTYRE, JR.

DAVID MINGE

MARNE OBERNAUER, JR.

JUNE O'NEILL

PAUL O'NEILL

BOB PACKWOOD

LEON PANETTA

RUDOLPH PENNER

TIM PENNY

PETER PETERSON

ROBERT REISCHAUER

ALICE RIVLIN

CHARLES ROBB

MARTIN SABO

ALAN K. SIMPSON

JOHN SPRATT

CHARLIE STENHOLM

GENE STEUERLE

DAVID STOCKMAN

JOHN TANNER

TOM TAUKE

LAURA TYSON

GEORGE VOINOVICH

PAUL VOLCKER

CAROL COX WAIT

DAVID M. WALKER

JOSEPH WRIGHT, JR.

The House is voting today on its budget resolution, including an amendment that would relax a requirement to require offsets for OCO funding above last year's level.

Maya MacGuineas, president of the Committee for a Responsible Federal Budget, issued this statement.

"I am encouraged the House is considering a budget that reaffirms the importance of reducing deficits, but there are signs that -- only eight days after releasing its budget -- the House is backtracking on the principles of fiscal discipline.

"The House budget resolution already was irresponsible when dealing with the Overseas Contingency Operations funding by providing for \$94 billion in spending -- \$36 billion more than the Pentagon requested. The budget resolution included a small nod toward fiscal responsibility by requiring the \$20 billion increase in OCO funding above last year to be offset by other spending cuts. But even that modest requirement has faced intense opposition, and it appears that the House might gut this common-sense provision before completing action on the budget resolution.

"That the House is voting to drop the OCO requirement suggests that members don't believe they can agree on the \$20 billion in spending cuts to satisfy the requirement. If they can't pass \$20 billion in spending cuts to offset OCO, it's hard to have confidence that they will follow through with the savings assumed in their budget plan that will require even more difficult decisions.

"This is not a banner week for restraining our debt. The House is on the verge of passing an SGR bill that would increase Medicare spending by \$140 billion this decade and add \$500 billion to the debt by 2035. If lawmakers aren't willing to offset this package, it's hard to envision them making cuts to reduce deficits. The fact that the House budget calls for significant reductions in Medicare spending rings hollow when the House is actively working to increase Medicare costs.

"If the House follows through on this SGR bill and rejects this modest OCO requirement, it will send a discouraging message about the willingness to hold the line on spending. It's early in the year to give up and go home, but that's exactly what this vote does."

###

For more information, contact Jack Deutsch at deutsch@crfb.org.