

Congressman Scott Garrett (R-NJ), Chairman

March 16, 2011

RSC to Introduce Welfare Reform Act of 2011

Since the “War on Poverty” began in 1964, Americans have spent \$16 trillion on state and federal welfare programs. In the two decades leading up to 2008, welfare spending grew by 292%. According to the most recent data available, spending for this purpose will amount to more than \$10.3 trillion at all levels of government over the next decade. These spending programs have not achieved the stated aims of their authors, which was to reduce poverty and to increase self-sufficiency. Instead, 43 million Americans live at or below the poverty level, and dependence on government is increasing by any objective measurement. In order to reverse course, **this week** the RSC will offer the Welfare Reform Act of 2011, which will:

1. Require disclosure of total means-tested welfare expenditures (for the 77 existing programs) in the President’s budget submission.
2. Place an *aggregate* spending cap on these means-tested welfare expenditures limited to the level of 2007 plus inflation growth (effective when unemployment falls to 6.5%).
3. Provide enforcement of this spending cap through the budget resolution.
4. Extend work requirements to the Food Stamp program.
5. Incentivize states to alleviate poverty through self-sufficiency, not dependence on government, by reallocating \$300 million of current welfare spending toward a new program of grants to states that successfully reduce poverty and increase self-sufficiency.

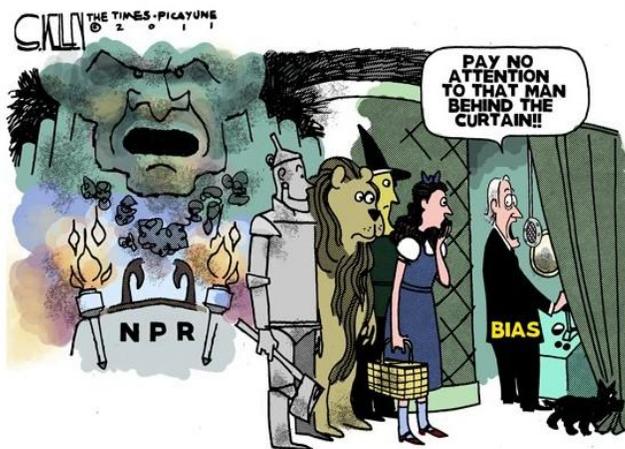
Posey to Introduce Senior Citizens Income Security Act

This week, Rep. Bill Posey (R-FL) will introduce legislation to eliminate several provisions in current law that are harmful to senior citizens. Specifically the bill does five things: **1) Repeals the 1993 Clinton tax increase on Social Security benefits**, removing this double tax on their earned Social Security benefits. **2) Eliminates the requirement that seniors begin mandatory withdrawals from IRAs at age 70½**. Under current law seniors are required to make withdrawals from retirement accounts even in the aftermath of significant market losses. **3) Eliminates Social Security payroll taxes for Social Security recipients**. These taxes act as a massive disincentive on continued workforce participation. In addition, by this point, a senior will have already fully paid into the system. **4) Separates Medicare and Social Security Benefits**. The bill allows seniors to continue receiving their earned Social Security benefits if they choose not to enroll in Medicare Part A. **5) Creates a new \$250 tax exemption to eliminate burdensome tax paperwork for small amounts of income from savings accounts, dividends, or capital gains.** **6) Social Security Protection**. In the event that the federal statutory debt ceiling is reached, the federal government would service the debt and pay Social Security benefits. To become a cosponsor contact marcus.brubaker@mail.house.gov in Rep. Posey’s office.

Quotes of the Week:

“Continued dependence upon relief induces a spiritual and moral disintegration fundamentally destructive to the national fibre. To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit... We must preserve not only the bodies of the unemployed from destitution but also their self-respect, their self-reliance and courage and determination.”

-President Franklin D. Roosevelt, 1935 State of the Union Address



House to Vote on Lamborn NPR Defunding Bill

On **Thursday**, the House is scheduled to vote on legislation authored by Representative Doug Lamborn (R-CO) to stop federal subsidies of National Public Radio (NPR). The legislation will specifically prohibit direct federal funding of National Public Radio, prohibit stations from using federal funds to pay NPR dues, and prohibit radio stations from using federal funds to purchase programming. This is an RSC Sunset Caucus product.

For more information, please contact Brad Watson at x69719

The Washington Times

No Quitters in the Game of Budgetary Chicken

Getting a law passed in Congress is a very difficult thing to do because our Founding Fathers designed it that way, fearing that bad legislation would rob the people of their rights and freedoms.

Of course, that hasn't prevented Congress from passing bad legislation that denies our freedoms, such as Prohibition or, more recently, Obamacare, which will force Americans to buy health insurance they neither want nor need.

But that has meant blocking good legislation, too, such as the House's mid-fiscal year budget cuts to carve \$61 billion out of President Obama's 2011 spending binge as a downpayment for bigger budget cuts to come in the fiscal 2012 budget bill. The House bill is blocked by an unyielding Democratic majority in the Senate, the body that Thomas Jefferson said was needed to "cool the passions of the House."

In this case, the House Republicans were fully justified in their mission to end the runaway spending that has marked Congress over the past two years. Democrats pushed spending up to nearly \$4 trillion a year, drove this year's budget deficit to an unprecedented \$1.4 trillion and ballooned our national debt to more than \$14 trillion - putting it on a fast track to another \$10 trillion in this decade.

But here is where the spending battle gets complicated and very tricky. The budget for the entire government has been running on a so-called temporary, month-to-month continuing resolution (CR) for this fiscal year, which ends six months from now. That's not the way the budget process is supposed to work, but Democrats did not enact a budget, and somehow were never held accountable by the news media for their failure to carry out their chief fiscal responsibility.

So the House GOP's demands for spending cuts have been tied up by the continuing resolution that received a two-week extension to keep the government running while both sides worked on a compromise.

However, there wasn't much of a compromise. President Obama, not wanting to get his hands dirty, has stayed out of the budget process to the angst of Senate Democrats who offered a puny \$10 billion budget-cutting package to the CR that Republicans said was laughable and that some 10 Democrats voted against.

So now, as the CR's expiration draws near, a growing number of Tea Party conservatives are opposing a further extension to force Democrats to negotiate a budget-cutting deal or else face a shutdown.

The latest proposal from Republican leaders offers to extend the CR again - this time until April 8 in the hopes of negotiating deeper spending cuts for the remaining fiscal year. The CR contains \$6 billion in cuts.

But Democrats have made it clear they're not interested in working out a compromise that significantly cuts spending, daring Republicans to force a government shutdown. Indeed, it is becoming increasingly clear that both Mr. Obama and Democratic leaders want a shutdown.

Why? Because then the story on the nightly network news programs will become the government shutdown - i.e., which agencies have closed their doors - giving the White House and Democrats in Congress a new political issue that shifts the focus from the spending debate to the Republicans for shutting down the school lunch program or locking the doors of the Archives building where the Constitution and the Declaration of Independence are on permanent display.

Democrats think they can win the issue and a nationwide poll of more than 1,000 Americans by the Washington Post suggests they can and will. When asked, "Overall, do you think a partial shutdown of the federal government would be a bad thing or a good thing?" 63 percent said bad and only 31 percent said good.

Moreover, no one needs this issue more than Mr. Obama, whose poll numbers are weak and his re-election prospects wobbly at best, especially on leadership. He couldn't decide what to do about the ongoing massacre of protesters in Libya. He has no plan to deal with high unemployment. He has been sitting on the sidelines in the budget debate.

When asked "Who is taking a stronger leadership role in Washington?" 46 percent say the Republicans in Congress and 39 percent say Mr. Obama, according to the Post's survey.

But on the government spending debate - where Republicans want to keep the focus - the country remains divided over cutting spending and keeping essential functions operating. Forty-three percent support Mr. Obama on this, while 42 percent side with the Republicans and their argument that major spending cuts will lead to wider job creation.

Conservatives like Tea Party-backed Sen. Marco Rubio of Florida are saying that it is irresponsible to run the government on short-term, week-to-week CRs and he is right, of course.

But a government shutdown strategy, which most Americans who pay the bills wouldn't feel, would still give the Obama Democrats exactly what they need right now to distract attention from the Republicans' strongest issue: uncontrolled, unneeded federal spending.

The next round will be the 2012 budget fight that gives the GOP a more level playing field when the House will send a deep spending cut bill to the Senate and where a number of vulnerable Democrats up for re-election will happily vote for it.