

Congressman Scott Garrett (R-NJ), Chairman

January 18, 2012

Next Week Senate Democrats Reach 1,000 Days without a Budget

On **January 24th** the President gives his State of the Union Address. On that same day, Senate Democrats will mark 1,000 days without considering a budget resolution. To put that in perspective, here are some major milestones that did not take as long:

- **934 days** from the beginning of the War of 1812 (June 18, 1812) until the Battle of New Orleans (January 8, 1815);
- **912 days** from Pearl Harbor to D-Day;
- **584 days** from U.S. entry in World War I (April 6, 1917) to the end of the war (November 11, 1918);
- **542 days** for Lewis and Clark to reach the Pacific Ocean;
- **461 days** to accomplish the Berlin Airlift (June 26, 1948 to September 30, 1949);
- **410 days** to build the Empire State Building (March 17, 1930 to May 31, 1931);
- **404 days** to write, approve, and ratify the U.S. Constitution (May 14, 1787 to June 21, 1788); and
- **208 days** to build Fenway Park (Sept. 25, 1911 to April 20, 1912).

CBO: First Quarter FY 2012 Deficit \$320 Billion

According to CBO, the federal government has run up a \$320 billion deficit in the first three months of FY 2012 (this is higher than any annual deficit prior to FY 2003). To date, the federal government has spent \$874 billion and collected \$554 billion in revenues. **36.6% of all money spent so far this year has come from borrowed money.**

House to Consider Debt Limit Increase Disapproval Resolution

On **January 12, 2012**, the President officially requested the additional \$1.2 trillion debt limit increase allowed under the Budget Control Act, which will raise the debt limit to \$16.4 trillion. This increase automatically happens unless Congress enacts a resolution of disapproval (subject to a presidential veto). Congress has 15 calendar days after this request is made to vote to disapprove of the increase.

This resolution of disapproval will be considered **today**, and has been authored by Representative Tom Reed (H.J.Res. 98).

H.J.Res. 98 would resolve that the House of Representatives, and the Senate, disapprove of the President's exercise of authority to increase the debt limit by \$1.2 trillion (the second debt limit increase tranche provided by the Budget Control Act, Public Law 112-25), to a total of \$16.394 trillion (it is currently \$15.194 trillion).

Quote of the Week:

"The first order of business is the elimination of the annual deficit."

-President Eisenhower, 1953

Also of note, over the weekend, we reached a key date in the Budget Control Act. This law set January 15, 2012 as the deadline for the Congress to pass, and the President to sign, legislation from the Joint Select Committee on Deficit Reduction. Since this deadline was not met, as of that date, the \$1.2 trillion sequestration will be scheduled to take effect over the 2013-2021 period. However, no spending cuts will actually be implemented until 2013.



THE WALL STREET JOURNAL.

A Tale of Two Pipelines

Wall Street Journal Editorial

Oh, for the bad old days, when Americans could poke fun at Canada for its economic policies. Nowadays, Canada has it all over the U.S.

Take the contrasting political reaction to proposed pipelines to carry oil from Alberta's oil sands. In the U.S., the Obama Administration has sat on a permit for the \$7 billion Keystone XL pipeline that would create thousands of jobs, break a supply logjam in Cushing, Oklahoma, and carry the oil to refineries along the Gulf Coast. President Obama may soon kill the Keystone XL now that Congress is forcing him to finally make a decision.

Then there's Canada, where private companies want to invest \$5.4 billion to build a Northern Gateway Pipeline that would carry Alberta oil to ports in British Columbia. Joe Oliver, Canada's Minister of Natural Resources, recently blasted the "radicals" trying to block the project.

Mr. Oliver said the green movement's "goal is to stop any major project no matter what the cost to Canadian families in lost jobs and economic growth. No forestry. No mining. No oil. No gas. No more hydroelectric dams." He said the greens "attract jet-setting celebrities with some of the largest carbon footprints in the world to lecture Canadians not to develop our natural resources." These groups are willing to "sue anyone and everyone to delay the project even further" to the point it becomes "economically unviable." Sounds right, if a tad understated.

Canadians are at least as environmentally sensitive as Americans, but they realize the economic folly in failing to exploit abundant their national energy resources. They also realize it's possible to balance energy production for economic growth with environmental protections.

The Northern Gateway Pipeline is especially important for Canada given Mr. Obama's hostility to the Keystone XL. If the U.S. shuns Alberta oil, apparently preferring imports from Venezuela, then Canada needs to reach export markets in Asia. "I think it is essential," Prime Minister Stephen Harper said recently, "based on what's happened with Keystone XL." Whoever thought the day would come when Ottawa would be more pro-growth than the U.S. government?

