WASHINGTON, DC - Congressman Robert C. “Bobby” Scott (D-VA-03), a member of the House Budget Committee, submitted the following statement for today’s Committee hearing on the President’s Fiscal Year 2009 Budget:

“Chairman Spratt, Ranking Member Ryan, I thank you for holding this important hearing on the President’s Fiscal Year 2009 Budget. I would also like to welcome the former Chairman of the Budget Committee, OMB Director Jim Nussle, back to the Budget Committee.

“When this President took office in 2001, he inherited a projected ten-year surplus of $5.6 trillion. The national debt was $5.7 trillion and only $1 trillion of the debt was held by foreign nations. President Clinton’s Fiscal Year 2001 budget projected that the public held debt would be retired by Fiscal Year 2009 and the total national debt would be retired by Fiscal Year 2013.

“In his eight years in office, this President and his misplaced fiscal priorities have put the federal budget in a very different position. Instead of using the $5.6 trillion projected surplus to invest in education, infrastructure, healthcare, or addressing the $4 trillion Social Security shortfall, this President and the former majority in Congress enacted nearly $1.6 trillion in tax cuts. Of that $1.6 trillion, almost a third of those benefits went directly to the top 1% of Americans. Instead of having retired the public held debt, by the time the President leaves office, the national debit is projected to have increased $4 trillion to $9.7 trillion. In addition to adding trillions to the public held debt to help fund his tax cuts for the wealthiest Americans, this president has borrowed an additional $1.3 trillion from foreign nations.

“Instead of the projected $710 billion surplus for FY 2009 that was projected in 2001, the President’s FY 2009 budget projects a deficit of $407 billion – a deterioration of over $1 trillion from the 2001 projection for FY 2009. To further exacerbate our severe levels of debt, the President’s FY 2009 budget requests that the 2001 and 2003 tax cuts be permanently extended. According to a recent Center on Budget and Policy Priorities report, the top 1% of households (those with incomes over $450,000) will receive more than $1.1 trillion in tax cuts over the next ten years if the 2001 and 2003 tax cuts are made permanent. By permanently extending these tax cuts, the top 1% of households will receive an average tax cut of $60,000 a year and households with incomes above $1 million will receive an average tax cut of $150,000 a year.

"While proposing to give away trillions of dollars in additional tax cuts to the wealthy, the President's budget cuts Medicare by $556 billion over ten years, cuts funding to the Low-Income Home Energy Assistance Program by $570 million, and increases fees for veterans by $5.2 billion over the next ten years. The President proposes to terminate or severely reduce funding for many vital domestic programs, including the Career and Technical Education State Grants program, the Even Start program, the Safe and Drug Free Schools Grant Program, the Mentoring Program, and the State Grants for Incarcerated Youth program. These programs help strengthen and improve communities all across the United States because they are targeted towards underserved areas, at risk youth, the unemployed, and prisoner rehabilitation. For example, the State Grants for Incarcerated Youth program, which is terminated by the President's budget, assists state correction agencies in assisting incarcerated youth in acquiring functional literacy, life and job skills. These skills are necessary for incarcerated youth to successfully reenter society upon completion of a prison sentence. Many of the President's requested terminations and reductions are justified with little thought or logic.

"This Committee and Congress as a whole must adopt a Budget Resolution that puts this nation back on the right track and ends the inequality of this President's fiscal priorities."

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