

FISCAL RESPONSIBILITY

Congressman DeFazio has long been a vocal advocate for fiscal responsibility, balancing the federal budget deficit, and reducing wasteful federal spending.

DeFazio believes that fiscal responsibility should begin at the top, which is why he votes against the large congressional pay raises and gives the money back. For more than a decade he linked his pay to cost of living adjustments for Social Security recipients. He uses the pay raises to fund scholarships for dislocated workers at five community colleges in southwest Oregon. To date, DeFazio has used \$217,000 in after-tax salary from congressional pay raises he opposed to fund 128 individual scholarships and to reduce the national debt.

"Taxpayers for Common Sense Action.. thanks you for putting taxpayers first and voting against final passage of H.R. 2673, the ' Consolidated Appropriations Act, 2004.' ... We applaud you for taking a stand against this wasteful bill and fighting to protect American taxpayers."

Letter from Taxpayers for Common Sense to DeFazio, January 28, 2004

"But the habitually feisty [DeFazio] has a way of making points -- and his bill shines a glaring spotlight on the misplaced spending priorities of the Bush administration"

The Register-Guard, September 12, 2003

"Taxpayers in Oregon can be proud that [DeFazio] is voting to end wasteful government spending with common sense reforms."

Taxpayers for Common Sense, July 28, 1998

"[DeFazio is] Oregon's most outspoken watchdog on federal accounting practices."

Daily Astorian, May 19, 1998

"Our man in Congress, Democrat Peter DeFazio, is continuing his push for an end to billions of dollars in corporate tax breaks..."

Democrat Herald, March 1997

In the 108th Congress (2003-2004)

► **DeFazio is a cosponsor of H.R. 3995, the Assuring Fiscal Honesty and Accountability Act of 2004**, which would cap discretionary spending for the next three years at the same levels requested by President Bush. This legislation would also reform the "emergency" spending loophole that allows Congress to spend billions of dollars a year outside the normal budget process. And, H.R. 3995 would reinstate the so-called "pay-as-you-go" rules that helped bring the budget into balance in the late 1990s. These rules require that any legislative changes that would increase the deficit -- whether spending increases or tax cuts -- must be offset by cuts or revenue increases somewhere else in the budget.

▸ In his May 2004 newsletter to Oregonians, **DeFazio outlined nearly a dozen steps that could be taken to balance the federal budget over ten years.** Among the items DeFazio mentioned were: cancelling the Star Wars missile defense system, cracking down on corporate tax avoidance, freezing foreign military and economic aid, freezing tax cuts for those making more than \$311,000 a year, repealing subsidies in the Medicare bill for the pharmaceutical and insurance industries, reducing consultant employed by the federal government, and canceling at least one of the Pentagon's three virtually identical fighters jets under development.

▸ **DeFazio voted against the House Republican budget resolution, which largely mirrored President Bush's proposed budget, because Relative to current law, the Republican budget will increase the deficit by \$247 billion over the next five years and \$1.6 trillion over the next 10 years. Plus, it would spend every penny of the Social Security and Medicare trust funds** on other government programs and to fund tax cuts for wealthy Americans. This budget would exacerbate federal budget deficits by providing for \$153 billion in tax cuts over five years, \$1.2 trillion over 10 years.

▸ DeFazio drafted an alternative budget framework for FY2004-2013 that included: his economic stimulus plan; targeted spending increases in education, homeland security and veterans, among other areas; a freeze on tax cuts for those making more than \$311,000 a year and estates over \$5 million; reductions in nuclear energy and fossil fuel subsidies; reductions in redundant, irrelevant, and under-performing Pentagon programs. Unlike the President's budget, which would add \$1 trillion in debt, DeFazio's budget framework would have paid off some existing debt and achieved unified balance by 2013.

▸ DeFazio voted against H.R. 4520, a corporate tax cut bill that will add more than \$200 billion to the deficit over 10 years when the budget gimmicks are removed.

▸ **Named a "Treasury Guardian" by the non-partisan, non-profit Taxpayers for Common Sense for his votes to cut wasteful and unnecessary federal spending and subsidies in 2003. This is the fifth year in a row Rep. DeFazio has received this honor.**

In the 107th Congress (2001-2003)

▸ DeFazio voted against the tax cuts advocated by President Bush because he did not believe that the surpluses that were supposedly being returned to taxpayers would actually materialize. Unfortunately, they did not, which means that our nation is borrowing trillions of dollars in order to fund tax cuts.

In the 106th Congress (1999-2000)

▸ DeFazio drafted legislation, the Comprehensive Fiscal Responsibility and Accountability Act," legislation that contained program eliminations, reductions, and reforms in a variety of areas; increased fees for the nuclear waste fund; and closed multinational corporate tax

loopholes. The DeFazio legislation would have reduced the deficit by \$145 billion over five years.

- DeFazio was rated the second most fiscally conservative Democrat in the House of Representatives according to the National Taxpayers Union's analysis of his voting record in 1999.

In the 104th Congress (1995-1996)

- DeFazio was one of only 72 Democrats to vote in favor of H.J.Res. 1, a Constitution amendment to require the federal government to run a balanced budget (Roll Call Vote #51, January 26, 1995). The amendment was approved by the House 300-132, but fell one vote short of the two-thirds necessary in the Senate.