

Legislation will devastate Medicare and Social Security while tax loopholes and subsidies remain unscathed

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WASHINGTON, D.C.– U.S. Congressman Peter DeFazio (D-Springfield) today voted against another attempt by the Republican majority to pass a budget that will jeopardize the future of Social Security and Medicare while protecting special interest tax loopholes and subsidies. This bill will also make severe cuts to programs like student financial aid, Medicaid, and school lunch programs. In addition, it promotes a radical Balanced Budget Amendment (BBA) that mandates a supermajority to close or overturn tax loopholes and subsidies.

DeFazio voted for a bi-partisan BBA in 1995. That bill passed the House, but came up one vote short in the Senate.

This bill proposes a future vote on an extreme version of a BBA which is unlikely to pass the House and would fall far short Senate.

“There is no balanced budget amendment in this legislation. There is a big dollop of blackmail. This legislation says that the Republican leadership will drive the country to the brink of default unless Congress later passes their extreme version of a balanced budget amendment that requires an impossible two-thirds majority to close the most abusive tax loopholes,” DeFazio said. “I was one of 72 Democrats to vote for a clean and honest balanced budget amendment (BBA) to the Constitution in 1995. That effort passed the House but failed by two votes in the Senate. I believe we could pass that BBA again today, but Republican leadership is insisting on a radical bill that is doomed to fail.”

Today’s bill mandates arbitrary spending caps that will not allow for Social Security and Medicare beneficiary payments in the future. Their bill would also protect abusive tax loopholes by requiring a supermajority to close them.

“The political theatrics need to stop. The current deficit spending is not sustainable and neither party in control has produced a balanced budget in a decade. We must do better. An honest BBA would have been a good start, but again we were given another plan that tries to balance the budget on the backs of seniors by slashing Medicare and Social Security to give tax breaks to multi-national corporations and those making over \$200,000. We need serious legislation that will force fiscal discipline,” DeFazio said.

DeFazio introduced his own balanced budget amendment legislation earlier this year. His BBA requires any significant military action that is not a congressionally declared war be paid for with spending cuts or new revenues rather than declared emergency spending.

In addition, DeFazio is a cosponsor of a bi-partisan balanced budget amendment offered by Rep. Goodlatte (R-VA) that mirrors the clean 1995 BBA that passed the House.

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