

# **SENATE BUDGET COMMITTEE**

---

# **KENT CONRAD, CHAIRMAN**

FOR IMMEDIATE RELEASE  
November 8, 2001

Contact: Stu Nagurka (202) 224-7436  
Steve Posner (202) 224-7925

## **SENATE BUDGET COMMITTEE REJECTS SUSPENSION OF BUDGET ENFORCEMENT MECHANISMS**

### **Conrad Urges Senate to Defeat Fiscally Irresponsible Measure**

**Washington, DC** - The Senate Budget Committee has rejected the suspension of budget enforcement mechanisms for the next two years. As required by the Balanced Budget Act, the Committee has sent a joint resolution to the Senate floor, but the Committee, voting 22 to 0, has done so with an 'unfavorable' recommendation.

"It is important that all Senators follow the Budget Committee's recommendation and vote against this resolution which, if adopted, could lead to a wide-spread breakdown of fiscal responsibility," said Senate Budget Committee Chairman Kent Conrad, D-ND. "Despite the current economic slowdown, now is not the time to suspend these crucial budget enforcement mechanisms. Quite the contrary, fiscal responsibility is more critical now than ever before."

Following last week's report of two consecutive quarters of gross domestic product (GDP) growth of less than one percent, the Congressional Budget Office issued a 'low growth' notification as required by the Balanced Budget Act. The issuance of this report triggered the mandatory introduction of a joint resolution (S. J. Res. 28) to suspend five budget enforcement mechanisms.

Concerned by the resolution's negative short- and long-term fiscal implications, Chairman Conrad and Senator Pete Domenici, R-NM, the ranking Republican on the Committee, both agreed the Committee should meet so members could register their strong opposition to the resolution.

The resolution, if approved by the House and Senate and signed by the President, would suspend five budget enforcement mechanisms including points of orders against legislation that would: violate the budget resolution, exceed the discretionary spending caps, and exceed a committee's spending allocation. In addition, the resolution, if adopted and signed by the President, would suspend points of order against amendments to reconciliation bills unless they are deficit-neutral, and would suspend sequestration of discretionary and mandatory spending.

**-More-**

**-Page 2-**

Conrad warned his Budget Committee colleagues that if the resolution were to be adopted, the five budget enforcement mechanisms would be set aside until fiscal year 2004. The result, he said, would be no limitations in terms of tax cuts or spending increases.

“Allowing this joint resolution to pass at a time when we are heading into deficits would send precisely the wrong message to the American people,” said Conrad. “Congress must not abdicate its fiscal responsibility.”

**- END -**