

Pelosi Releases Democratic Ranking Members' Recommendations to Joint Select Committee on Deficit Reduction

October 13, 2011

Washington, D.C. – Democratic Leader Nancy Pelosi wrote a letter today to Senator Patty Murray and Congressman Jeb Hensarling, Co-Chairs of the Joint Select Committee on Deficit Reduction (JSC), including the recommendations of 16 Democratic Ranking Members of House Committees to the JSC that represent options for job creation, revenue and savings within the jurisdiction of each Committee. While the Budget Control Act directed that each House Committee make recommendations for changes in the law to reduce the deficit, Republican Chairmen, in most cases, declined to hold committee hearings or to develop recommendations with the Democratic members.

As Leader Pelosi writes in the letter:

"...The House Democratic Caucus is firmly committed to a deficit reduction plan that is big, bold, and balanced..."

"Democrats strongly believe that economic growth is an integral component of such a proposal, because creating jobs is the most effective way to reduce the deficit. We call upon the JSC to promote the entrepreneurial spirit of America by making a top priority the creation and expansion of small businesses, which serve as the main generator of jobs..."

The full text of Leader Pelosi's letter:

October 13, 2011

The Honorable Patty Murray
The Honorable Jeb Hensarling
Joint Select Committee on Deficit Reduction
Congress of the United States
Washington, D.C. 20515

Dear Senator Murray and Representative Hensarling:

On August 2, 2011, President Obama signed into law the Budget Control Act of 2011, which will ensure at least \$2.4 trillion dollars in deficit reduction. Passage of that Act implemented the first \$1.2 trillion in spending reductions. A second \$1.2 trillion will be achieved either through the actions of the Joint Select Committee on Deficit Reduction (JSC) or through sequestration. The House Democratic Caucus supports even larger deficit reduction.

The House Democratic Caucus is firmly committed to a deficit reduction plan that is big, bold, and balanced. Respected economists and other budget experts agree that a fair mixture of growth, savings, and revenues is needed, with everyone contributing their fair share. Such a balanced approach presents the best chance for bipartisan support within the Congress. The American people overwhelmingly agree that significant revenues must be included in any plan and support a balanced approach.

Democrats strongly believe that economic growth is an integral component of such a proposal, because creating jobs is the most effective way to reduce the deficit. We call upon the JSC to promote the entrepreneurial spirit of America by making a top priority the creation and expansion of small businesses, which serve as the main generator of jobs.

Section 401(b)(3)(A)(ii) of the Budget Control Act directed that

Not later than October 14, 2011, each committee of the House of Representatives and the Senate may transmit to the joint committee its recommendations for changes in law to reduce the deficit consistent with the goal described in paragraph (2) for the joint committee's consideration.

Each Ranking Member of a standing Committee of the House was requested by the Democratic Leadership to work cooperatively with the Committee Chairman and majority members to develop bipartisan recommendations, as directed in the statute. In most cases, however, the Republican Chairman declined to hold Committee hearings or to develop recommendations with the Democratic members.

In order to provide you and the other members of the JSC with the advice of knowledgeable Committee members, our Democratic Ranking Members have developed recommendations that represent options for savings within the jurisdiction of each Committee. These suggestions are being transmitted to you today for your consideration.

Our proposals to promote the creation and expansion of small businesses are the centerpiece of Democratic recommendations to the JSC. It is essential that the Congress support initiatives that facilitate the access of small businesses to the credit, loans, and favorable tax treatment that will enable them to expand and create jobs. In particular, we strongly encourage the JSC to thoroughly consider the American Jobs Act, proposed by President Obama, which includes numerous provisions to help small businesses thrive so they can grow and hire. During the Democratic control of the House, we passed more than two dozen initiatives to promote small businesses, which are responsible for nearly 70 percent of job creation and are the drivers of the economy. We must build on that record.

All areas of the budget should be subject to consideration in developing a balanced approach to deficit reduction, and a fair and substantial revenue component is both essential and overwhelmingly supported by the American people on a bipartisan basis. Working together, I am confident we can find a basis for a big, bold, and balanced solution that ensures that America remains Number One in the world.

An important first step would be to comply with Rule V concerning "Public Access and Transparency," so that the meetings and discussions of the Select Committee are conducted in open session. The Committee should schedule a public hearing to receive testimony from respected and bipartisan proponents of big, bold, and balanced deficit reduction, including Senator Alan Simpson and Hon. Erskine Bowles, Alice Rivlin, and Senator Pete Domenici, and the "Gang of Six" current Senators. The Committee also should schedule a public hearing at which Chairmen and Ranking Members could present their proposals for achieving responsible and balanced deficit reduction, including those contained in the letters sent today by our Ranking Members.

Thank you for your service on the Joint Select Committee and to our Nation.

best wishes,
Nancy Pelosi