

Democratic Radio Address
Rep. John Spratt
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Good morning. I'm John Spratt, lead Democrat on the House Budget Committee. I'd like to talk to you this morning about the budget and how it affects our future.

Democrats are proud to have moved the budget over the last eight years from record deficits to surpluses no one ever thought possible.

We are now told these surpluses - outside Social Security and Medicare - could total two and a half trillion dollars over the next decade. Bear in mind, these are projections, not money in the bank. If they prove right, we can have tax reduction and debt reduction, more for defense and more for education, too. But if we bet the budget on these ten-year projections - and they don't pan out - we can put the budget right back in the red again.

With surpluses projected to total two and a half trillion dollars, naturally the first question is, "Why not give it back to the people?" Democrats agree, wholeheartedly. We want to use a third of the surplus - almost nine hundred billion dollars - to ease the burden of taxes on hard working Americans. We want to invest another third in priorities people clearly want: like better education and drug coverage under Medicare. We propose to put the final third in reserve - to be tapped when we've settled on ways to make Social Security and Medicare solvent for the long run; in the meantime, it will pay down our debt.

The President is calling for tax cuts twice as large as we proposed. His cuts would have an impact on the surplus of more than two trillion dollars and leave only a fraction for other needs. The President says a typical family would get sixteen hundred dollars under his proposal. But 85 percent of the people would get less - and many would get nothing at all.

Democrats have three problems with the President's proposal:

First, it leaves little margin of error if the ten-year projections prove wrong.

Second, it leaves little room for priorities that both parties have made commitments to, like education and defense.

And third, it leaves nothing to meet our long-term liabilities to Social Security and Medicare. We may be sitting on an island of surpluses, but we are surrounded by a sea of debt, and that debt includes debt in the trillions for benefits under Social Security and Medicare promised but not yet provided.

In less than ten years, 77 million baby boomers will begin to retire. When the last has retired, the number on Social Security will be double the number today. These benefits are essential to a secure retirement. But if projections prove right, Social Security and Medicare won't be able to fund them fully as they have in the past with the payroll taxes of those working covering the

benefits of those retiring. Until this problem is solved, the budget is not truly balanced and it's questionable to claim a surplus. So, we face a choice, a fundamental choice.

We can set aside a share of our surplus to save Social Security and Medicare, or we can pass the burden of the baby boomers retirement off on to our children. This choice was hardly considered this week, as the House Ways and Means Committee moved massive tax cuts down a fast track. What the budget needs is not a fast track, but an honest and earnest debate - not just about taxes, but about all of our priorities.

Democrats want to cut taxes. We propose to lower the bottom bracket, remove the marital penalty, give credits to working families with children, and lift estate taxes off almost ninety-nine percent of all estates. But the surpluses we see coming make it possible to do more. The President says he wants no child left behind - neither do we. And we want to use some of the surplus to improve education for all of our children.

We also want to make sure that no older American has to choose between buying food and buying medicine. We'll present a budget to make all of this possible and still pay down debt and shore up Social Security. The President this week called for courage in a time of plenty. We believe the test of discipline in a time of plenty is to make the hard choices that favor the future over the easy choices that comfort the present. Our budget will meet that test.

I'm John Spratt. Thanks for listening.