

Senator Judd Gregg (R-NH)
Ranking member, Senate Budget Committee
Conference Call with Bloggers
Remarks on reconciliation
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GREGG: Reconciliation is the one very significant weapon that is in the arsenal of the Budget Committee. The way reconciliation works is that the Budget Committee can say to any other committee in the Congress you must reduce spending by X dollars. And then if the budget passes, then those committees have to reduce spending by X dollars, or rate of growth of spending would be a better way to describe it. We never reduce spending.

So, for example, historically two years ago when I was running the Budget Committee, we directed the Finance Committee, the Ways and Means Committee and a couple of other committees, Agriculture, to save about \$40 billion, reduce the rate of growth in those entitlements they control, \$40 billion. And they did. And that was a very significant savings at the time compared to any else that ever happened around here, except for 1996.

Last year, the Democrats figured out that reconciliation could be used for something else, which is a total perversion of the process. They figured out they could grow the size of the government using reconciliation, because what reconciliation does is it gives protection from filibusters. A reconciliation bill, when it comes back from the Finance Committee with the spending reduction that's supposed to occur, or the tax cut it's been directed to do, that bill is subject to privilege on the floor. Ten hours of debate – maybe it's 20 – 20 hours of debate, and then it has to be passed up and down, and it can pass up and down with 51 votes, so there's no filibuster.

So the Democrats have now figured out that they can get around the filibuster and the fact that there are 49 Republicans around here – who hopefully don't want to spend a lot of money and grow the size of the government – by giving their programs reconciliation protection. Last year they did this in the school loan area. They directed the committee of jurisdiction, the HELP committee, to save \$750 million, which, of course, is not a great deal of money in the total context. It's a lot of money, but not a great deal of money in the total context of the federal budget – \$750 million.

And then they went out and they cut the student loan reimbursement rate to lenders by \$20 billion, and then they spent \$19.25 billion on new programs. And they saved their \$750 million, so they met their reconciliation instruction, and everything was subject to 51 votes.

Well, they realized they can do that now, and I expect they're going to do the same game, but they're going to use it much more aggressively this year – probably use it on Medicare, probably use it on Medicaid, maybe use it on S-CHIP, maybe use it on some

agriculture programs. I'm expecting them to be significantly expanding the size of government by using reconciliation protection in getting around the filibuster.

Q: And is there any way to resist that?

GREGG: Well, in the end, as long as we have a Republican president, their proposal would be subject to a veto, but it does mute the ability of Senate Republicans to use the filibuster to stop something coming right out of the gate.