

United States Senate
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**Senators Judd Gregg and Joe Lieberman Offer Proposal
to Reduce Wasteful Federal Spending**

Senate Budget Committee Ranking Member Judd Gregg (R-NH) and Senator Joe Lieberman (I-CT) today unveiled legislation, *A Second Look at Wasteful Spending Act of 2009*, aimed at reducing wasteful federal spending and reducing the deficit.

“In this time of economic crisis, the federal government must follow the lead of most American families: tighten its belt and pay down its debts,” said Senator Gregg. “To be a responsible steward of taxpayer dollars, the Congress must identify and eliminate wasteful spending that we cannot afford, as well as help block new, permanent spending programs that add to the deficit. This proposal would allow Congress to take a second look at some of the current spending, and judge it based on its merits. Then, any amounts that Congress has second thoughts on can be used to pay down the deficit, instead of passing the debt burden it creates on to our children.”

“Restoring our country’s fiscal solvency will require the Administration and Members of Congress of all political stripes to work together in the spirit of compromise,” said Senator Lieberman. “The American people expect and deserve no less. The Second Look at Wasteful Spending Act gives Congress the power to go back and eliminate spending that just doesn’t make sense. This bill is a perfect example of an idea that is needed now, and I’m proud to have worked across the aisle with Senator Gregg to develop this proposal.”

The proposal would give the President the opportunity to force Congress to take a second look at wasteful spending - including both discretionary spending and new mandatory spending – as well as targeted tax cuts. Under the Act:

- The President can send Congress up to 4 rescission packages per year.
- Congress would be required to fast track the President’s recommendation and consider it within 8 days.
- Unlike the previous 1996 line-item veto proposal, *A Second Look at Wasteful Spending* requires Congressional affirmation of the President’s rescission package.
- Savings from rescissions passed by Congress must be used for deficit reduction.
- The Act sunsets after 6 years – giving Congress the ability to re-evaluate the merits of rescission authority after President Obama has had the opportunity to use.
- Allows any member to offer a motion to strike any proposed rescission of discretionary budget authority, an item of direct spending or a targeted tax benefit (with the support of 11 other senators).

A Second Look at Wasteful Spending

SUMMARY

The *Second Look at Wasteful Spending (SLAW) Act of 2009* would give the President the opportunity to force Congress to take a second look at wasteful spending - including both discretionary spending and new mandatory spending – as well as targeted tax cuts.

- President can send up to 4 rescission packages to Congress per year.
- Congress would be required to fast track and consider the President's recommendation within 8 days.
- Unlike the previous 1996 line-item veto authority, SLAW requires Congressional affirmation of the President's rescission package.
- Savings from rescissions passed by Congress must be used for deficit reduction.
- Allows any member to offer a motion to strike any proposed rescission of discretionary budget authority, an item of direct spending or a targeted tax benefit (with the support of 11 other senators).
- SLAW sunsets after 6 years – giving Congress the ability to re-evaluate the merits of rescission authority after President Obama has had the opportunity to use it.

HIGHLIGHTS

- ✓ **Improves Transparency of Federal Spending Process**
 - Ensures “Second Look”: Too often earmarks and new mandatory spending proposals are jammed into omnibus spending and tax bills that are frequently passed in the middle of the night with no time to review or amend.
 - SLAW gives the Congress a second chance to vote on those earmarks based on merit, not because they were being carried by a “must pass bill.”
- ✓ **Eliminates Wasteful Spending Quickly and Efficiently**
 - Ensures BRAC-like fast-track process. Senate could not filibuster a SLAW rescission package. Congress would be required to act within 8 days of President's submission.
- ✓ **Reduces the Deficit**
 - Spending restraint is critical, both in the short-term and the long-term.
A Second Look at Wasteful Spending would help identify and eliminate wasteful spending that we cannot afford, as well as help block new, permanent spending programs that add to the deficit.