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## **BAUCUS CALLS FOR BALANCED, FAIR DEFICIT REDUCTION THAT CONTINUES ECONOMIC RECOVERY**

### *Finance Chairman Discusses Options for Deficit Reduction at Opening Hearing in Deficit Reduction Series*

**Washington, DC** – At a hearing today examining deficit projections, Senate Finance Committee Chairman Max Baucus (D-Mont.) called for serious action to reduce the deficit in a balanced manner. Today’s hearing was the first in a series of Committee hearings Baucus is holding on deficit reduction.

**“Addressing our deficits and debt is an economic issue, a national security issue and a moral issue. Our deficits and debt threaten our future and the future of our children and grandchildren. We have a moral obligation to leave this place better than we found it, but today, our fiscal challenges prevent us from meeting that responsibility,”** said Baucus. **“As we continue to address our fiscal challenges, it’s time for us to get serious about tackling our deficits and debt. Any deficit reduction package we enact must be balanced, fair and efficient to reduce our deficit in a way that doesn’t risk our economic recovery or harm critical programs.”**

At the hearing, Baucus called for both parties to work together with the President to enact legislation to reduce deficits as the economy grows stronger so as not to harm the current economic recovery, and that uses targets measuring deficit reduction goals as a share of the economy. He made clear that the legislation must be balanced and not tilted too much toward spending cuts or revenue increases. Baucus also stated that making government programs more efficient and reducing waste will help contribute to spending cuts.

Baucus reiterated his commitment to protecting Social Security and stressed that Social Security is not responsible for the deficit problem. Social Security benefits are paid through dedicated contributions of workers and their employers. Since the program cannot borrow to fund its benefits, Social Security does not and cannot contribute to the deficit now.

Baucus was a chief architect of the Affordable Care Act, the new health care law, which includes the most significant deficit reduction in more than a decade. According to the nonpartisan, independent Congressional Budget Office, the law will reduce the deficit by more than \$230 billion in the first ten years of enactment and by more than a trillion dollars in the decade that follows. With jurisdiction over Social Security, Medicare, Medicaid and tax policy, the Finance Committee oversees many of the programs figuring prominently in the deficit discussion.

Watch today’s hearing and view witness testimony on the Committee website at <http://finance.senate.gov/hearings>.

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