



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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Statement of Sen. Chuck Grassley, of Iowa
Chairman, Senate Committee on Finance
Thursday, April 5, 2001

I'd like to start off with the big picture. The Senate finds itself in an unusual situation. It's split right down the middle at 50-50. Republicans have control because of Vice President Cheney's authority to break a tie.

In this historic 50-50 Senate, there is supposed to be an understanding of shared power and, just as importantly, shared responsibility. Now, let me say, the Finance Committee has operated in this fashion. Sen. Baucus and I have managed committee business in a spirit of shared power and shared responsibility.

Under this 50-50 Senate, Republicans are responsible for getting the people's business done, including President Bush's agenda. I believe in a 50-50 Senate, Democrats also bear responsibility. Therefore the votes they cast on the budget resolution should be accounted for, as well.

So in light of this shared responsibility, I think the American people should be aware of the Senate Democrats position on the budget, including the tax cut. If we look at the Democratic budget position, there votes add up to a net tax cut of less than \$400 billion. Let me repeat that point because it's very important. Democrats have reduced the tax cut by \$1.2 trillion. That leaves \$400 billion on the table for tax relief, only \$400 billion.

Now, how did I get to that figure? Democrats with the laudable exception of Sen. Zell Miller and, in some cases, Sen. Ben Nelson, have voted to reduce the \$1.6 trillion tax cut in the following amendments: Baucus, by \$156 billion; Johnson, by \$88 billion; Harkin, by \$488 billion; Landrieu, by \$93 billion; Stabenow, by \$14 billion; and Conrad, by \$418 billion

When you add it up, the Democrats have voted to cut \$1.2 trillion off the \$1.6 trillion tax cut. Now, Democrats have also increased government spending by \$609 billion in those amendments. As Sen. Conrad himself says, the budget resolution is about choices. Clearly, the choices have been made here to cut taxes by about \$400 billion, after all is said and done, and to raise spending by even more than that amount.

If Democrats say they're for a tax cut of about \$950 billion, then they have a responsibility to reconcile the votes they've cast, mostly in lock-step, on the budget.