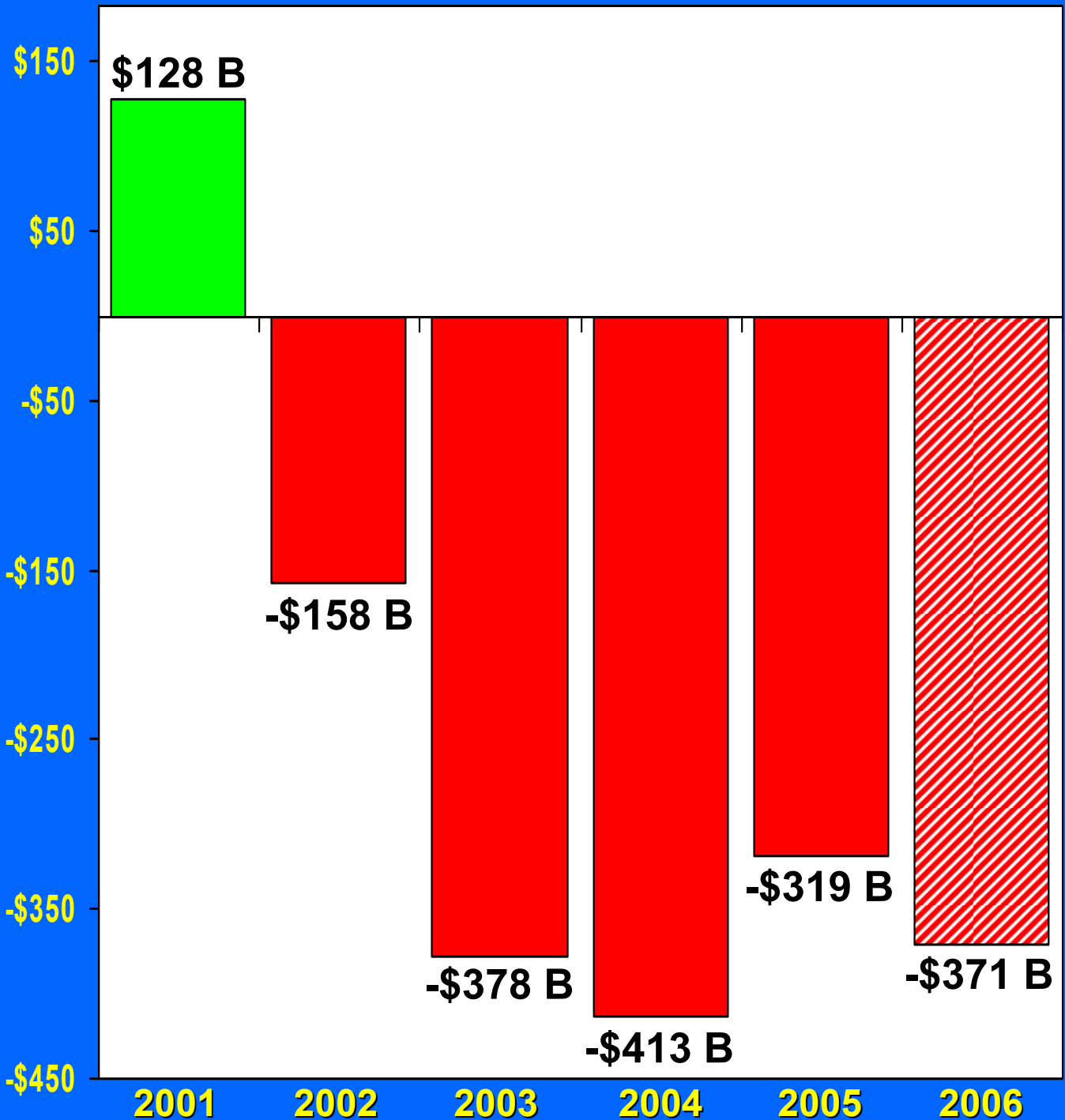


Dramatic Deterioration in Budget Picture

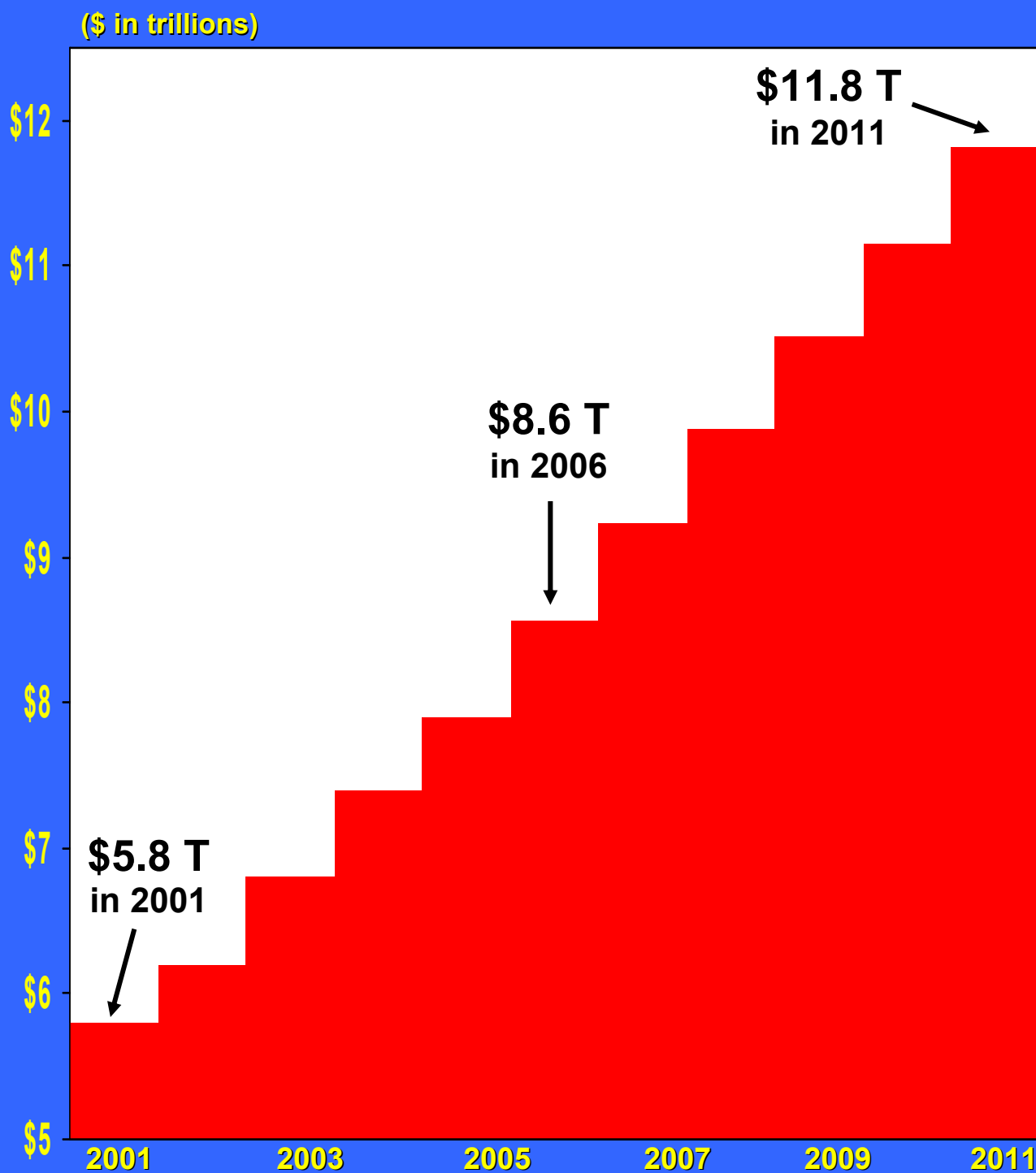
(Deficit in billions of \$)



Source: CBO, OMB

Building a Wall of Debt

Gross Federal Debt Soars



Source: CBO and SBC Democratic staff

Note: CBO reestimate of President's FY 2007 Budget with AMT reform and ongoing war costs.

CBO Director Believes Bush Line Item Veto Unlikely to Greatly Affect Bottom Line

“Such tools, however, cannot establish fiscal discipline unless there is a political consensus to do so.... In the absence of that consensus, the proposed changes to the rescission process ... are unlikely to greatly affect the budget’s bottom line.”

**— Acting CBO Director Donald Marron
Testimony before House Rules Committee
March 15, 2006**

“Sleight of Hand on Spending”

“...[T]he line-item veto is a convenient distraction. The vast bulk of the deficit is not the result of self-aggrandizing line items, infuriating as they are. The deficit is primarily caused by unwillingness to make hard choices on benefit programs or to levy the taxes to pay for the true costs of government.”

**– USA Today
March 23, 2006**

Conservative Columnist George Will Believes Bush Line Item Veto Proposal Shifts Too Much Power to Executive Branch

“It would aggravate an imbalance in our constitutional system that has been growing for seven decades: the expansion of executive power at the expense of the legislature.”

**– George F. Will
Washington Post, “The Vexing
Qualities of a Veto”
March 16, 2006**

Problems with Bush Line Item Veto Proposal

- **Fundamentally shifts balance of power between Legislative and Executive branch**
- **Requires Congress to vote on President's proposals within 10 days**
- **Provides no opportunity to amend or filibuster proposed rescissions**

Problems with Bush Line Item Veto Proposal

- **Allows President to withhold funds for 180 days even if Congress disapproves of rescission with vote**
- **Allows President to propose unlimited number of rescissions at any time**
- **Allows President to resubmit the same rescission again and again**
- **Allows President to cancel or modify (i.e., rewrite) mandatory spending proposals passed by Congress**
- **Tax provisions are narrowly drawn, allowing President to rescind only those tax measures affecting fewer than 100 people; spending provisions are broadly drawn, allowing President to rescind any spending increase**