

Bob Dole



NEWS

U. S. SENATOR FOR KANSAS

FROM:

SENATE REPUBLICAN LEADER

FOR IMMEDIATE RELEASE
Wednesday, December 8, 1993

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\$50 BILLION SPENDING CUT PLAN

DOLE & SENATE REPUBLICANS UNVEIL 50-POINT PLAN TO CUT FEDERAL SPENDING, IMPROVE GOVERNMENT PERFORMANCE, REDUCE DEFICIT; INCLUDES IDEAS FROM GRACE COMMISSION & NATIONAL PERFORMANCE REVIEW

SAN ANTONIO, TEXAS -- Federal spending would be cut by more than \$50 billion during the next five years under a 50-point plan announced today by Senate Republican Leader Bob Dole, Senator Kay Bailey Hutchison (R-TX) and eight other Republican Senators. The Government Downsizing, Performance & Accountability Act contains 50 recommendations from the Grace Commission, Vice President Gore's National Performance Review and other sources to save the taxpayers money, to streamline the federal bureaucracy, to improve government accountability and performance, and to improve the legislative process. Unlike other spending cut initiatives, all savings from the 50-point plan would go towards reducing the federal deficit.

"Our \$50 billion plan contains 50 commonsense ways to save the taxpayers money and make the government more efficient," Dole said in announcing the plan with Senator Hutchison at a press conference in San Antonio. "There are a lot of good ideas in the National Performance Review -- many with Republican origins -- but unlike the Vice President, we do not want government to grow. That's what sets our 50-point plan apart. We reduce the level of federal non-entitlement spending each year to ensure that all savings go to deficit reduction, and not to finance new government programs."

The plan was crafted by a group of 10 Senators -- Dole, Hutchison, Bill Roth (R-DE), Connie Mack (R-FL), Alan Simpson (R-WY), Frank Murkowski (R-AK), Larry Pressler (R-SD), Dan Coats (R-IN), Bob Bennett (R-UT) & Larry Craig (R-ID) -- working with Peter Grace and the non-partisan group Citizens Against Government Waste. "This plan is not intended to be a comprehensive budget alternative, and we recognize that our 50-point plan will not solve our long-term deficit problem, but it is a \$50 billion step in the right direction," Dole added. "I'm confident this commonsense approach will gain strong bipartisan support."

The Senators plan to introduce the 50-point plan when Congress reconvenes early next year.

Saving the Taxpayers Money: 30 proposals to save \$45.4 billion

The plan contains 12 proposals to eliminate, phase-out, or privatize federal programs, as well as 18 specific recommendations to cut spending. These recommendations include cutting both Legislative Branch and Executive Office of the President spending by 7.5%, and cutting non-defense Federal government administrative expenses -- such as travel, consulting services and printing.

Streamlining the Federal Bureaucracy: 9 proposals to save \$5.3 billion

The plan contains 9 proposals to reduce government bureaucracy by consolidating overlapping government agencies, reducing paperwork burdens, and streamlining procedures. These recommendations include consolidating the management of four Defense Department Health Care systems.

(more)

Improving Government Performance & Accountability:
8 proposals to improve government management

The plan contains 8 recommendations to improve accountability and performance by establishing new Federal accounting standards, audited financial statements, and performance goals for each Federal program. These recommendations include requiring 23 key Federal agencies to prepare audited financial statements, and making job performance a more important consideration in Federal promotion and reduction-in-force procedures.

Legislative Reform:
3 proposals to contain government spending

The plan calls for a Presidential line-item veto, a requirement that new programs may be authorized for a maximum of five years, and a super-majority requirement for all "emergency" spending legislation.

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attachments



The Honorable Robert Dole
Republican Leader
United States Senate
Washington, DC 20510

Dear Bob,

I am excited to hear that as a result of our October 14 meeting The Government Downsizing, Performance and Accountability Act is going forth. I wholeheartedly endorse the bill, which contains 50 recommendations to cut \$50.7 billion over five years. More importantly, the budget caps will be dropped by that amount so the savings go directly to deficit reduction.

When enlisting your colleagues' support for your proposal, you may want to point out that the total debt for Federal, state and municipal governments is \$15.3 trillion. This number is so large that it's almost incomprehensible and it will continue to grow into the foreseeable future. Currently, the national debt is \$4.4 trillion, but it's expected to grow to more than \$6 trillion by the end of fiscal year 1998.

In FY 1994, the federal government will pay \$320 billion in interest on the debt. Today's historically low interest rates of 3% will not continue forever. If inflation and interest rates rise faster than expected, interest payments will skyrocket, eating up even more of our precious resources and completely ruining the future for our children and grandchildren. That's why legislation such as the Government Downsizing, Performance and Accountability Act must be enacted by Congress.

Bob, I appreciate your tremendous leadership in this effort to make real cuts in Washington's wasteful expenditures.

Sincerely,



J. Peter Grace
Chairman

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