



# OFFICE OF SPEAKER NANCY PELOSI FACT SHEET

## RESTORING FISCAL ACCOUNTABILITY

The budget resolution adopted by the House Budget Committee yesterday builds on the efforts of the Democratic-led Congress over the last two years to restore fiscal accountability.

### Cutting the Deficit

- The House budget resolution slashes the deficit by nearly two-thirds over the next four years - from \$1.7 trillion or 12.3% of GDP in 2009 to \$586 billion or 3.5% of GDP in 2013.
- Reforming health care is one of the best ways to reduce the deficit – with reduced health care costs, affordable coverage and improved health reducing the strain on businesses, families, and federal and state budgets.

### Pay-As-You-Go Budget Discipline

- The first thing the Democratic-led Congress did in January 2007 was reimpose PAYGO budget rules in the House rules that Republicans had let lapse.
- The House budget resolution also reaffirms our commitment to statutory PAYGO.
- Like the President’s budget, the House budget resolution calls for health care reform, the clean energy initiative, and the college affordability initiative to be completely deficit-neutral – creating deficit-neutral reserve funds.

### Cutting Waste, Fraud, Abuse, and Obsolescence

- The House Democratic Leadership has directed Committee Chairs to hold hearings and carefully review all federal spending within their jurisdiction in order to eliminate waste, fraud, abuse, and obsolescence.
- The House budget resolution contains key integrity initiatives to protect taxpayer money by rooting out any waste, fraud and abuse, saving nearly \$50 billion. It invests in efforts to crack down on provider fraud, reduce improper payments, and strengthen efficiency in such programs as Medicare and Social Security. It calls for major reforms in federal contracting and procurement, particularly at the Department of Defense where there have been billions of dollars in documented abuses of no-bid contracts and overpayments.

### Collecting Unpaid Taxes

- The House budget resolution steps up IRS enforcement to collect unpaid taxes from those who are not paying what they owe. It is estimated that the annual “tax gap” of unpaid taxes is more than \$300 billion. Every \$1 spent on IRS enforcement generates \$5 in owed taxes collected.