

**STATEMENT OF THE HONORABLE PAUL RYAN,  
A REPRESENTATIVE FROM THE STATE OF WISCONSIN  
TESTIMONY BEFORE THE SUBCOMMITTEE ON LEGISLATIVE AND  
BUDGET PROCESS  
OF THE HOUSE COMMITTEE ON RULES  
HEARING ON H.R. 4890, THE LEGISLATIVE LINE-ITEM VETO ACT OF 2006  
MARCH 15, 2006**

Chairman Diaz-Balart, Ranking Member Hastings, and Members of the Subcommittee, thank you for the opportunity to testify before you today on H.R. 4890, the Legislative Line Item Veto Act of 2006. This legislation would provide the President with the authority to propose the elimination of wasteful spending items and narrow special-interest tax breaks included in broader legislation that arrives at his desk for signature. At the same time, H.R. 4890 would fully preserve Congress' power of the purse under the United States Constitution by requiring an up-or-down vote in both chambers under an expedited process in order to effectuate the President's proposed rescissions. It is important that the Congress act now to give the President this tool to help bring transparency, accountability and a dose of common sense to the federal budget process so that we may stop the proliferation of wasteful spending and work to reduce our nation's large budget deficit and debt.

**The Problem:**

According to the Citizens Against Government Waste (CAGW), the Fiscal Year 2005 (FY 2005) budget included 13,997 pork-barrel spending items at a total cost of \$27.3 billion to America's taxpayers. This represents an increase of \$4.4 billion in pork-

barrel spending and 3,341 pork-barrel projects in just one year. Even worse, this represents an increase in the number of pork-barrel projects per year of nearly 2500% since 1991, when the CAGW identified only 546 pork-barrel spending projects in the federal budget. Overall, the federal government spent \$211.3 billion on pork-barrel projects between 1991 and 2005, an amount equal to approximately two-thirds of our entire deficit in FY 2005.

Many of these pork-barrel spending projects are quietly inserted into the conference reports of appropriations bills where Congress is unable to eliminate them using the amendment process. In fact, the only time that Congress actually votes on these items is during an up-or-down vote on the entire conference report, which includes spending for many essential government programs in addition to pork-barrel earmarks. In this situation, it is very difficult for any Member to vote against an appropriations bill that as an overall package may be quite meritorious, despite the inclusion of multiple wasteful spending items.

Unfortunately, the current tools at the President's disposal do not enable him to easily combat these wasteful spending items either. Even if the President identifies numerous pork-barrel projects in an appropriations bill, he is unlikely to use his veto power because it must be applied to the bill as a whole and cannot be used to target individual items. This places the President in the same dilemma as the Member of Congress. Does he veto an entire spending bill because of a few items of pork when this action may jeopardize funding for our troops, for our homeland security or for the education of our children?

The President's ability to propose the rescission of wasteful spending items under the Impoundment Control Act of 1974 has been equally ineffective at eliminating wasteful spending items. The problem with the current authority is that it does not include any mechanism to guarantee congressional consideration of a rescission request and many Presidential rescissions are ignored by the Congress. In fact, during the 1980's, Congress routinely ignored President Reagan's rescission requests, failing to act on over \$25 billion in requests that were made by the Administration. The historic ineffectiveness of this tool has deterred Presidents from using it with any regularity.

**Summary of H.R. 4890, the Legislative Line-Item Veto Act of 2006:**

I introduced H.R. 4890, the Legislative Line-Item Veto Act of 2006, on March 7, 2006. This legislation, which currently has the support of 91 bipartisan cosponsors in the House, is based on the Administration's proposal to provide line-item veto authority to the President and is the product of discussions that I and my congressional colleagues have had with the White House since the President announced his intent to seek line-item veto authority in the State of the Union Address on January 31, 2006.

The Legislative Line-Item Veto Act is very similar to an expedited rescissions amendment that I offered during the consideration of H.R. 4663 on June 24, 2004, with my former colleague Representative Charlie Stenholm, a Democrat from Texas. Like H.R. 4890, this amendment would also have allowed the President to propose the elimination of wasteful spending items subject to congressional approval under an expedited process. Although this amendment failed to pass the House, it attracted the support of 174 Members of Congress, including 45 Democrats. A similar provision is also included in Section 311 of the Family Budget Protection Act, legislation that I

introduced along with Congressman Jeb Hensarling of Texas, Congressman Chris Chocola of Indiana, and former Congressman Christopher Cox of California during 2004 and again in 2005.

If passed, H.R. 4890 would give the President the ability to put on hold wasteful discretionary spending, wasteful new mandatory spending, or new special-interest tax breaks (those that affect less than 100 beneficiaries) after signing a bill into law. The President could then ask Congress to rescind these specific items. The requirement that both the House and Senate approve all proposed rescissions means that Congress will continue to control the power of the purse and will have the final word when it comes to spending matters. However, unlike the current rescission authority vested in the President under the Impoundment Control Act of 1974, the bill also includes a mechanism that would virtually guarantee congressional action in an expedited time frame.

Using the Legislative Line-Item Veto, the President and Congress will be able to work together to help combat wasteful spending and add transparency and accountability to the budget process. This tool will shed light on the earmarking process and allow Congress to vote up or down on the merits of specific projects added to legislation or to conference reports. Not only will this allow the President and Congress to eliminate wasteful pork-barrel projects, but it will also act as a strong deterrent to the addition of questionable projects in the first place. On the other hand, Members who make legitimate appropriations requests should have no problem defending them in front of their colleagues if they are targeted by the President. With H.R. 4890, we can help protect the American taxpayer from being forced to finance wasteful pork-barrel

spending and ensure that taxpayer dollars are only directed toward projects of the highest merit.

The process under H.R. 4890 would begin with the President identifying an item of wasteful spending or a special-interest tax break in legislation that is being signed into law. The President would then submit a special message to Congress, asking for Congress to rescind this wasteful item or items. House and Senate leadership would have the opportunity to introduce the President's rescission requests within two days following receipt of the President's message. After that time period, any Member of Congress would be able to introduce the President's rescission proposal, virtually guaranteeing congressional action. Once the bill is introduced, it would be referred to the appropriate committee, which would then have five days to report the bill without substantive revision. If the committee fails to act within that time period, the bill would be automatically discharged to the floor. The bill would have to be voted on by the full House and Senate within 10 legislative days of its introduction, with a simple majority required for passage.

In order to ensure that Congress is given time to act on any proposed rescissions, H.R. 4890 includes a mechanism that allows the President to defer spending for up to 180 days. A provision of this nature is required to make sure that Congress has the opportunity to act if the President's rescission proposal is made directly before an extended recess. 180 days is the maximum period that the funding could be deferred, and the Administration would have the ability to release the funds earlier if it became clear that Congress was not going to act to approve the Administration's request. The current Administration has made it clear that its intent is to use the deferral authority in this

fashion. I will be continuing to work with the Administration and my colleagues in the House throughout the legislative process on H.R. 4890 to make sure that this provision is narrowly drafted in order to achieve its goal of providing Congress with the necessary time to act the President's requests without giving the Administration an excessive ability to defer spending.

**Constitutional Issues:**

H.R. 4890 passes constitutional muster because it requires both the House and Senate to pass rescission legislation and send it to the President for his signature before the rescissions become law. In *Clinton v. City of New York*, the U.S. Supreme Court held that the line-item veto authority provided to President Clinton in 1996 violated the Presentment Clause of the U.S. Constitution (Article I, Section 7, Clause 2), which requires that "every bill which shall have passed the House of Representatives and the Senate, shall, before it become a Law, be presented to the President of the United States." The problem with this version of the line-item veto was that the President's requested rescissions would become law by default if either the House or Senate failed to enact a motion of disapproval to stop them from taking effect. Unlike the 1996 line-item veto legislation, H.R. 4890 leaves Congress in the middle of the process where it belongs and follows the procedure envisioned by our founding fathers.

H.R. 4890 also withstands constitutional scrutiny under the U.S. Supreme Court's holding in *I.N.S. v. Chadha*. In *I.N.S. v. Chadha*, the Supreme Court invalidated part of the Immigration and Nationality Act that allowed a single house of Congress to override immigration decisions made by the Attorney General. The Legislative Line-Item Veto Act of 2006 is consistent with this holding because the President's authority to defer

funds would not explicitly be terminated by the disapproval of a proposed rescission by one of the houses of Congress.

I agree with the Supreme Court's rulings in *Clinton v. City of New York* and *I.N.S. v. Chadha*. It is extremely important that Congress does not cede its law-making power to the President. I believe that this violates the Separation of Powers in addition to the Presentment Clause. On the other hand, H.R. 4890 would withstand constitutional scrutiny because it requires both houses of Congress to act on any rescission request and for this legislation to be sent back to the President for his signature.

**Conclusion:**

In 2006, the federal government will once again rack up an annual budget deficit of over \$300 billion and our debt is expected to surpass \$9 trillion. Meanwhile, the retirement of the baby boom generation looms on the horizon, threatening to severely exacerbate this problem. Given these dire circumstances, it is essential that we act now to give the President all of the necessary tools to help us get our fiscal house in order. By providing the President with the scalpel he needs to pinpoint and propose the elimination of wasteful spending, H.R. 4890 takes an important first step toward achieving this goal.