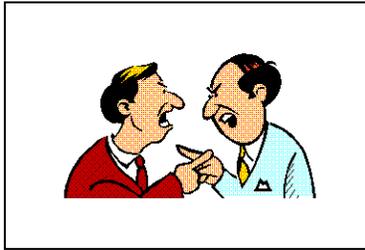




Rep. David Dreier



Rep. Bill Thomas



Rep. Tom Delay



Rep. Jim Nussle

Republicans Give New Meaning to “Do-Nothing” Congress

"[The 108th Congress is] a do-nothing Congress, contemptuously arrogant and disdainful of long-established political and parliamentary procedures. The only priority is staying in power; the legislative process is a travesty. 'I've never seen it more partisan,' says Sen. John McCain (R., Ariz.). 'We're basically gridlocked on every issue.' . . . Substantively, the record of the 108th is scandalous. The budget hasn't been passed (three months past the deadline), an energy bill languishes and the House repasses bills to score political points. On those rare occasions when a bipartisan consensus emerges, the political right -- or the White House -- usually quashes it."

-Al Hunt in The Wall Street Journal 06/24/04

As Congress returns from the Fourth of July District Work Period, Republican infighting and a refusal to abandon their right-wing agenda has stalled several bills important to the American people.

In a sluggish job market, Republicans have failed to complete two important jobs bills, a transportation reauthorization bill and a tax bill for domestic manufacturers; at a time of ballooning deficits, Republicans refuse to pay our bills, and would pass our debt on to our children in the 2005 budget; and at a time of record gas prices, Republicans have failed to pass an important energy bill.

Republicans can't blame their failures on Democrats. Under Republican stewardship, this Congress has become a quicksand of right-wing ideology and intransigence that is swallowing up America's priorities.

And, the GOP House is on track to be in Session the least number of days and pass the lowest number of bills for any one year in at least 25 years (see attached chart).

Democrats believe Congress should get back to work on America's business, not bide its time until the election. And we will push Republicans to act on the bills listed below, which have been stalled for weeks and months and are important to the American economy and America's future.

2005 Federal Budget

Due to Republican Party infighting and refusal to compromise, the Republican-controlled Congress still has not passed a 2005 budget, almost three months past the April 15th deadline. And it appears that, for the first time in the modern budget era when one party was in control, a budget will not be enacted. Republicans are squabbling over “pay-as-you-go” language, which was included in the Senate but not in the House budget, with moderate Republican Senators refusing to bow to their Party’s right-wing leadership’s demands for the green light to add billions to the national debt. “Pay-as-you-go” language, which many Republicans voted for in 1997 and which the President supported in his first three budgets, was a key tool in the 1990s’ bipartisan effort to tackle the ballooning budget deficits and returning to fiscally responsible budgets.

The 2005 budget conference report was not credible and marked a new low in the deterioration of the budget process by setting budget policy for only a single year, a practice last seen 25 years ago, in an attempt to mask well-established GOP fiscal policies that would add trillions of dollars of additional debt over the course of the decade. It also made a mockery of the “pay-as-you-go” provision by including it only for the Senate and only for one year, and exempting tax cuts protected under reconciliation. Moderate Senate Republicans have stuck to their guns, while Republican leaders stick to their right-wing ideology of pursuing tax cuts that disproportionately benefit the wealthiest Americans rather than protecting Social Security and Medicare and pursuing investments in health care and education.

This budget is also an attempt to conceal the record deficits that Republican policies have created, and the fact that they have no plan to rein those deficits in. In fact, for the one year it does covers, it projects a deficit of \$367 billion. And it spares Republicans a politically embarrassing vote to increase the statutory debt limit by \$690 billion to more than \$8 trillion – the third increase in the debt limit in three years, bringing the total debt increase during that time to \$2 trillion. The Hastert rule, adopted at the beginning of this Congress, ensures there will be no debate and no vote on that action.

The fight over this budget and the product that has emerged from that fight are clear demonstrations of Republicans’ inability to govern and refusal to address the problems that their own policies have created.

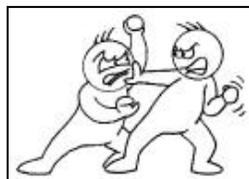
America is sure to be the biggest casualty of this budget battle.

Budget Enforcement

Republicans followed their total lack of leadership on the most basic legislative duty – to adopt a budget for the nation – with a total lack of leadership on real budget enforcement legislation. A united Democratic Caucus and 72 Republicans defeated the Majority’s sham budget enforcement bill on a vote of 146-268 on June 24th. This bill would have required budget offsets (through “pay-as-you-go” or PAYGO budget rules) for mandatory spending increases but not tax cuts. This defeat was yet another embarrassment for House Republicans on the Fiscal Year 2005 Budget.

Applying PAYGO rules to spending and taxes is critical to reining in record Republican budget deficits. Republican Leaders should have worked in a bipartisan manner to adopt real PAYGO rules that apply to both spending and taxes.

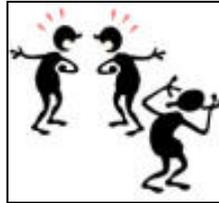
Ironically, 193 Republicans did just that in 1997, voting for budget enforcement rules that required offsets for spending increases and tax cuts. In a breathtaking fiscal flip-flop however, they denounced and opposed the Democratic substitute that was the virtual mirror image of that 1997 legislation.



FSC/ETI

Ways and Means Chairman Bill Thomas ignored a bipartisan bill (Crane-Rangel) that could have been passed quickly with broad support in the House and instead delayed progress for months as he cobbled together a "Christmas Tree" of miscellaneous tax breaks to win support for his measure (H.R. 2986) to end the foreign sales corporation / extraterritorial income (FSC/ETI) tax regime. This delay led to the imposition of what could add up to nearly \$4 billion in trade-related sanctions from the EU on struggling U.S. manufacturers. Meanwhile, in an effort to buy votes, billions of dollars in unrelated subsidies and tax breaks were added to the bill.

Now that the House and Senate have passed FSC/ETI bills, America's unemployed and struggling manufacturers are waiting to see if Republicans are capable of crafting a bill that contains incentives to create good paying jobs at home, or if they will continue to pursue policies that make it more profitable to move jobs overseas. But Republicans' refusal to work in a bipartisan manner and revolts within the GOP could continue to leave this important bill in limbo for weeks or even months as trade sanctions continue to grow.



TEA-21: Transportation Bill

Nearly ten months and four temporary extensions have passed since the authorizing legislation for our nation's transportation system expired. On April 2nd, the House finally passed a reauthorization of the bill, allotting \$284 billion for highway, bridge and transit programs over the next six years, significantly lower than the \$375 billion that Transportation Committee Chair Don Young (R-AK) believed would meet the country's needs. The Senate version totaled \$318 billion.

But bickering between the White House and House and Senate Republicans has put the breaks on this "jobs" bill. It is estimated that for every \$1 billion in federal highway and transit spending, 47,500 jobs are created. It is inexcusable that Republicans have let intra-party bickering get in the way of the creation of millions of jobs in a sluggish job market, not to mention needed safety and other improvements to the nation's roadways.



Energy Bill

Congress is anything but energized on the energy bill. The Conference Report, crafted by Republicans in a House-Senate conference committee with no input from Democrats, is a windfall for companies who are Bush campaign Pioneers and Rangers but shortchanges taxpayers and the environment. A bipartisan majority of Senators balked at the short-sighted, regionally imbalanced conference report, and Republicans cannot seem to figure out how to work towards a solution. Even last summer's power blackout, which disrupted the lives of 50 million people and cost the economy an estimated \$6 billion, and the record gasoline prices haven't spurred Republican leaders into re-crafting a smarter, bipartisan energy package.

Instead of real action, Republicans recently tried to recycle several already-passed energy bills in an “energy week” that, as the respected publication *Congressional Quarterly* noted in a headline, quickly ran out of steam – of five bills, one was defeated and one had to be pulled from the House schedule for lack of support.

"I think people are tired of all the gridlock they see in Congress,"

- House Speaker Dennis Hastert, R-Illinois. 11/06/02

Recent Congresses by Session	Years	Measures Passed*	Days In Session	Hours in Session	Avg. Hours Per Day In Session
96th (1st session)	1979	666	173	974	5.6
96th (2nd session)	1980	812	153	901	5.9
97th (1st session)	1981	433	163	652	4.7
97th (2nd session)	1982	625	140	767	4
98th (1st session)	1983	611	146	851	5.8
98th (2nd session)	1984	737	120	852	7.1
99th (1st session)	1985	596	152	965	6.3
99th (2nd session)	1986	772	129	829	6.4
100th (1st session)	1987	644	169	909	5.4
100th (2nd session)	1988	858	129	749	5.8
101st (1st session)	1989	598	147	748	5.1
101st (2nd session)	1990	772	134	939	7
102nd (1st session)	1991	592	154	938	6.1
102nd (2nd session)	1992	746	123	856	7
103rd (1st session)	1993	547	142	981	6.9
103rd (2nd session)	1994	579	123	904	7.3
104th (1st session)	1995	483	168	1525	9
104th (2nd session)	1996	529	122	919	7.5
105th (1st session)	1997	544	132	1003	7.5
105th (2nd session)	1998	642	119	997	8.4
106th (1st session)	1999	657	137	1125	8.2
106th (2nd session)	2000	877	135	1054	7.8
107th (1st session)	2001	592	142	922	6.5
107th (2nd session)	2002	623	123	772	6.3
108 (1st session)	2003	674	133	1014	7.6
108th (2nd session- as of May 31)	2004	212	54	366	6.7
108th (2nd session, projected with target adjournment date Oct. 3**)	2004	408	103	694	6.7

* Includes House bills, joint, concurrent and simple resolutions

** Based on 49 days scheduled for session May 31 through Oct. 3, passing approximately 4 bills a day (bill passage rate as of May 31)