

Alexander Resolution #2:

Moratorium on New Entitlement Spending Programs

Cosponsors: Toomey, Johnson, Ayotte, Boozman, Cornyn, Sessions, Blunt, Corker, Portman, Enzi, Risch, Johanns, Inhofe, and Burr

Resolved, during the 112th Congress the Senate Republican Conference believes Congress should not enact any new entitlement (mandatory spending) programs.

“The GOP should also take up entitlement reform. Voters will not judge them to be fiscally serious if they avoid the issue.”

- Karl Rove - *Wall Street Journal*, Nov. 4, 2010

“For the first time in my memory, the majority of the American people join me in believing that, on our current course, our children will not do as well as we have.”

- Peter G. Peterson – *Newsweek*, May 30, 2009

Why it's needed:

- In 1970, entitlement spending only accounted for 31% of the total budget.
- Today, entitlement spending makes up over 56% of our total budget -- \$2.03 trillion in 2010
- Unfunded liabilities of our largest entitlements - Social Security, Medicaid and Medicare - skyrocket over the long-term:
 - Represent the majority of our \$81 trillion in unfunded liabilities over the next 75 years.
- A good first step to get entitlement growth under control is to say no new entitlement programs during the 112th Congress.

Examples of new entitlement programs supported by Democrats:

- Two new entitlement programs created in the health care law:
 - \$464 billion over 10 years for subsidies to purchase insurance.
 - CLASS Act – which the Democrat chairman of the Budget Committee described as a Ponzi scheme.
- President Obama proposes to make Pell Grants an entitlement program and provide maximum award and automatic increase for inflation:
 - \$500 billion over 10 years if Pell Grants are made a new entitlement.