

## **'Compromise has been a dirty word': Congressional negotiators reach two-year budget deal, but House conservatives could still scuttle it over \$1 TRILLION price tag**

☒ Conservative groups want to stick with the 'sequester' budget cuts instead of spending more in a deal with Democrats

☒ Rep. Paul Ryan and Sen. Patty Murray unveiled a bipartisan proposal Tuesday that would modestly trim the federal budget

☒ The resulting spending levels would still exceed \$1 TRILLION per year

☒ Obama wants the compromise to succeed, calling it a 'balanced' approach, a code word usually referring to new sources of government revenue

☒ But Ryan insisted that there are 'no new taxes' baked into the cake of the deal

By: David Martosko – December 10, 2013

The last time a divided U.S. Congress passed a budget deal, President Ronald Reagan was denying he traded arms for Iranian hostages and the Space Shuttle Challenger explosion was fresh in Americans' minds. But a House Republican and a Democratic senator hope they've found a compromise that federal legislators can live with.

Washington state Democrat Patty Murray and Wisconsin Republican Paul Ryan announced a proposal late on Tuesday that Ryan said focuses 'on where the common ground is' between America's two political parties, a deal that would balance the federal budget ten years from now and sidestep the threat of government shutdowns in January and October 2014.

Future Congresses could undo the terms of the arrangement, and the current Congress has yet to see the plan or consider it, however. And conservative groups are working overtime to kill the deal while it's still in the crib.

'Compromise has been a dirty word' in Washington, D.C., Murray complained in an evening news conference. but 'we have broken through the partisanship and the gridlock.'

The two promised the details of their agreement would be available online by late Tuesday night.

But their initial outline calls for \$85 billion in total budget savings and \$63 billion in 'sequester relief, reducing the annual deficit by \$23 billion. That includes \$45 billion of targeted cuts in 2014.

President Barack Obama said in a statement that he wants members of Congress from both parties 'to take the next step and actually pass a budget based on this agreement so I can sign it into law and our economy can continue growing and creating jobs without more Washington headwinds.'

He praised the Ryan–Murray deal as 'balanced, and includes targeted fee increases and spending cuts designed in a way that doesn't hurt our economy or break the ironclad promises we've made to our seniors.'

His use of the word 'fees,' not 'taxes,' agrees with Ryan's insistence that 'there are no tax increases here.'

But Murray cautioned in the joint press conference that the so-called 'sequester' budget cuts instituted early in 2013 'shouldn't be replaced with spending cuts alone.'

She, too, said the agreement would 'roll back sequestration's cuts to defense and domestic investments in a "balanced" way.'

'This isn't the plan I would have written on my own,' she acknowledged, and 'I'm pretty sure Chairman Ryan wouldn't have written it on his own.'

But the compromise, both insisted, would be good for the future of the U.S.

Ryan took a poke at the Democrat-run Senate, saying that his ideal budget could never become law in the current Congress

But the resulting legislation, he said, 'reduces the deficit by \$23 billion, it does not raise taxes, and it cuts spending in a smarter way,

'I see this agreement as a step in the right direction.'

Conservatives both inside and outside of Congress began carping as soon as news emerged Tuesday morning that a budget bargain was in the works, guessing that it wouldn't likely include enough spending cuts to satisfy them.

Alabama Republican Jeff Sessions, the ranking Republican on the Senate Budget Committee, warned **Time magazine** that 'the deal is not going to be what mainstream Republicans hoped for.

'It'll probably turn out to be a very tough call for a lot of people who want to have an agreement but also want to see progress made in certain areas,' Sessions said.

'I don't think a deal has to be reached if it's not a good deal.'

Allies of Sessions and other lawmakers to the right of the GOP's center went on the offensive early in the day.

FreedomWorks, a tea party-linked organization known for anti-tax and smaller-government positions, said it would oppose the deal 'in its current reported form.' The libertarian CATO Institute also voiced disapproval, as did Heritage Action for America, the conservative Heritage Foundation's grassroots organizing and political-pressure arm.

'Heritage Action cannot support a budget deal that would increase spending in the near-term for promises of woefully inadequate long-term reductions,' the group said on Monday. 'A gimmicky, spend-now-cut-later deal will take our nation in the wrong direction.'

The group's communications director, Dan Holler, told MailOnline that his group will wait to render a final opinion until the terms of the deal are made public.

Americans for Prosperity, another conservative group, agreed after the press conference that it would press hard for 'no' votes and argue for continuing the sequester cuts.

'This budget compromise is not just bad policy, it is bad politics,' said Tim Phillips,' the group's president, in a statement.

'This is about protecting the pocketbook of average Americans, not about shutting down the government or refusing to compromise. Lawmakers should simply continue an existing, bi-partisan agreement that has already reduced overspending and has not compromising our modest economic recovery.'

'Spending levels were set by law at \$967 billion. Exceeding those levels by \$45 billion takes us in the wrong direction,' Phillips said.

But Ryan fended off journalists' questions about whether House conservatives would embrace the product of a weeks-long negotiation that could evaporate if enough tea partiers refuse to play ball with House moderates.

House Speaker John Boehner will have a hard time advancing the agreement to a floor vote if he can't get assent from a majority of Republicans, in the tradition of an informal rule put in place by former speaker Dennis Hastert.

'I think conservatives should vote for it,' Ryan said, predicting that the House will pass the bill.

The deal, he explained, focuses on 'providing some sequester relief for 2014 and 2015, and paying for that with spending reforms ... that, to me, is a good deal.

The federal government will still spend \$1.012 trillion in 2014 and \$1.014 trillion in 2015.under the terms of the deal, but Ryan predicted that right-wing GOP members would take a long view

'The budget number that we fought for in the last session [in 2011–2012] won't be hit until the year 2017 under this agreement,' he said.

And Congress, he added, will 'start to make real reform to these auto-pilot programs that are the drivers of our debt in the first place.'

Murray lamented the deal's lack of action on 'closing corporate tax loopholes,' but said Democrats will warm to the fact that it includes no changes to Social Security or Medicare.'

And 'there is a lot more for Congress to do,' she said.

"We know we need comprehensive tax reform. We need comprehensive immigration reform."

And Congress, Murray hoped, will 'show that we can do something without a crisis right around the corner.'

House Republican leaders are itching to finish their legislative year by Friday, but Senate Democrats have signaled that they plan to meet next week.

That could put the GOP in a tough position if the Senate votes to pass an amended version of the Ryan–Murray proposal, since they would have to choose between gaveling back into session or enduring an extended holiday break while risking being labeled as obstructionists.

The House Republican Caucus will meet at 9:00 a.m. on Wednesday to discuss next steps