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## White House Wants Leverage To Erase Wasteful Spending

By [SEAN HIGGINS](#), INVESTOR'S BUSINESS DAILY

Posted 05/24/2010 07:16 PM ET



White House Office of Management and Budget Director Peter Orszag said that while the new presidential rescission power would not be a panacea for... [View Enlarged Image](#)

Sen. Obama fought the idea three years ago. But President Obama's White House urged Congress on Monday to give it new leverage to cut specific budget items.

Budget Director Peter Orszag requested that Congress pass a bill giving President Obama "expedited rescission authority." Essentially, he would be able to force lawmakers to reconsider earmarks and other spending projects they had just

approved.

"The president would submit a package of rescissions (i.e. budget cuts) shortly after a spending bill is passed," Orszag said in a statement. "Congress is then required to consider these recommendations as a package, without amendment, and with a guaranteed up-or-down vote."

Rescissions would include only domestic discretionary spending. Entitlements like Medicare, Medicaid and Social Security, which are far bigger parts of the budget, would not be covered.

### Line-Item Veto Light

Orszag's proposal is similar to a line-item veto, which would give the president unilateral authority to strike budget items. Presidents have long sought such powers. In 1998, a GOP-led Congress gave them to then-President Clinton.

But the Supreme Court said that same year that a line-item veto upsets the constitutional balance of powers. Because a rescission bill would require a congressional OK, it is sometimes referred to as a "constitutional line-item veto."

Back in January 2007 as a U.S. senator, Obama joined a Democratic filibuster against a rescissions bill.

Obama's change of heart comes a week after several primaries showed voters in a strong anti-incumbent vibe in part due to concerns over ballooning spending. This year's budget deficit is expected to total about \$1.5 trillion.

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A Fox poll earlier this month found that 15% rated deficits and spending as the top issue, second only to jobs and the economy (47%). An NBC poll had similar results, with 20% calling deficits the top issue, behind only jobs and the economy (35%).

**Butter Knife Vs. Leviathan**

Other polls show Democrats facing serious potential losses in the fall elections, making this a good time to embrace budget austerity, at least publicly. The rescission proposal comes as Obama and Congress push a \$170 billion package of new spending and extended tax cuts, only partially offset by other tax hikes.

"I don't think Obama personally believes in controlling spending, but if he is feeling public pressure to control spending, that is good," said Chris Edwards, director of tax policy studies at the free market Cato Institute.

Democratic lawmakers still seem cool to the idea. House Budget Committee Chairman John Spratt, D-S.C., said Monday he will introduce the bill, which he called a "step forward on the path to fiscal responsibility," later this week.

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Posted By: pixie(35) on 5/25/2010 | 12:13 PM ET  
 How silly. The President can cut spending right now without any bill. He is doing a lot of busy work. Looks like he does not have much to do.

Posted By: Vladek(25) on 5/25/2010 | 10:03 AM ET  
 Makes good sense to counteract years of Congressional fiscal irresponsibility.

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