

## US joint fiscal task force gains ground

Print

By Krishna Guha in Washington

Published: December 10 2009 01:30 | Last updated: December 10 2009 01:30

The push for a bipartisan commission to deal with the fiscal challenges facing the US gained momentum on Wednesday as 27 senators sponsored revised legislation that would create such a task force.

The bill, introduced by Democrat Kent Conrad and Republican Judd Gregg, both fiscal hawks, would charge an 18-member group of serving legislators and administration officials with coming up with a plan to solve what they called "the nation's long-term fiscal imbalance".

A White House spokesman said: "The administration shares the senators' desire to put the country on a sustainable fiscal path." He declined to comment on the specific idea of a bipartisan task force, but said "as part of the 2011 budget we are exploring a range of proposals to put the nation on a firmer fiscal footing".

Some Obama administration officials are interested in the idea of some kind of bipartisan commission, which they think would be able to come up with tough proposals with political cover.

However, others think it would be better for the White House to take the lead in developing a fiscal consolidation plan, albeit with extensive bipartisan outreach in Congress. Another group would like to have a bipartisan commission for the narrower purpose of social security reform.

Barack Obama, president, did not endorse the idea of a bipartisan commission in his speech on the economy, jobs and the budget on Tuesday.

Under the Conrad-Gregg plan, the group would reach a decision on a fiscal package on a three-fifths super-majority bipartisan basis, or 60 votes. This package would be put to Congress after the 2010 mid-term elections for a fast track up-for-down vote, also by three-fifths in both houses.

"The regular legislative process is simply not going to get the job done," said Mr Conrad, chairman of the Senate budget committee. Mr Gregg, ranking Republican on the committee, said "a bipartisan fast-track process is the best way to arrive at workable solutions".

In a sign that the concept of such a commission is gaining ground politically, anti-tax activists immediately attacked the proposal, saying it would lead to tax increases.

Grover Norquist, head of Americans for Tax Reform, published an open letter saying the "commission is unacceptable from a taxpayer perspective" because "it would lead to a guaranteed tax increase".

The plan drew immediate support from a broad group of budget experts, including the bipartisan Committee for a Responsible Federal Budget, which said that "any process that helps politicians overcome partisan gridlock should be applauded".

However, Chris Edwards, director of tax policy at the small-government Cato Institute, said a commission was likely to put too much emphasis on tax increases when "long-term projections reveal a spending catastrophe, not a revenue challenge".

**Copyright** The Financial Times Limited 2009. Print a single copy of this article for personal use. [Contact us](#) if you wish to print more to distribute to others.