



UNITED STATES SENATOR ★ SERVING THE CITIZENS OF IDAHO

LARRY CRAIG

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NEWS RELEASE

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Sending Out an S.O.S. by Senator Larry Craig

In 1906, the International Conference on Wireless Communications at Sea was held in Berlin, Germany. The purpose was to come up with a standardized distress call that would be used by all ships at sea, regardless of their country of origin or the wireless radio company they used. The participants settled on the call “S.O.S.” The letters didn’t stand for “Save our ship,” but rather, they were chosen because it was an easy message for operators to transmit in Morse code, and was nearly unmistakable.

Now, more than 100 years later, my colleagues in the Senate and I have come together to send another unmistakable message. The federal budget and American taxpayers are in trouble. We’re sending out the S.O.S., and this time the letters do stand for something – the “Stop Overspending Act of 2007.”

Why is S.O.S. necessary, and how will it fix the problem?

First, as you may know, the federal budget proposed by Congressional Democrats for 2008 fails to extend most of the tax relief measures approved by Congress and signed by President Bush in 2001 and 2003. The result will be an unbelievable tax hike totaling more than \$700 billion dollars. In 1993, President Clinton and the Democrat-led Congress approved the largest tax hike in American history, but Speaker Pelosi and Majority Leader Reid have are determined to outdo themselves. The tax-hike they’re pushing would be three times bigger than the 1993 tax hike.

As if that weren’t bad enough, they also want to complete their favorite one-two punch to your wallet – tax and spend – by ratcheting up spending by \$400 billion over the next five years.

The Stop Overspending Act would end this kind of fiscal recklessness by restoring sanity to the way Congress spends taxpayer dollars. S.O.S. would legally cap discretionary spending – the part of the federal budget that Congress controls through the yearly appropriations bills. This makes up roughly one-third of the annual federal budget. S.O.S. would gradually eliminate the yearly deficits by 2012.

The other two-thirds of the annual budget goes to mandatory spending – also known as entitlements – programs whose spending formulas are set and don’t change from year to year. Social Security and Medicare are entitlement programs. The costs of these two programs are about to swell into a tsunami that threatens to swamp taxpayers and the economy, as more and more Baby Boomers

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retire and become eligible to receive benefits. As much as we have heard about the looming crisis with Social Security, Medicare is in even worse shape.

The entire federal budget for fiscal year 2007 was about \$2.7 trillion. Without the reforms outlined in S.O.S., costs for Social Security over the next 75 years will balloon to \$4.7 trillion alone. Medicare costs will reach an unimaginable \$33.9 trillion. If an ounce of prevention is worth a pound of cure, then clearly, we must act now to head off these truly massive costs. We can't stick our children and grandchildren with these kinds of bills.

S.O.S. would also create a commission to review federal programs and make recommendations to Congress on ones that are inefficient, ineffective or no longer needed.

Cutting the fat from federal programs now and then will help. But we can all agree that it's better, in the long run, to consistently restrain and moderate spending through aggressive oversight.

When looking at the numbers in the federal budget, it doesn't take long to get the unmistakable message. When Congress overspends, it's taxpayers who are in trouble. I'm sending out an S.O.S.