February 12, 2010

Washington, DC – Today, Rep. Ben Ray Luján applauded President Obama's signing of statutory PAYGO, which requires legislation to be budget neutral. Rep. Luján is a cosponsor of PAYGO. Last week, the legislation passed the House of Representatives by a vote of 233 to 187.

“I'm encouraged that President Obama took a bold step toward fiscal responsibilty," said Rep. Luján. "For too long, we had policies that plunged our country into debt and sent our deficit soaring. With two wars, tax cuts for the rich, and a corporate bailout, the last administration turned surpluses into deficits. By committing to PAYGO legislation, we can reduce our deficit and restore fiscal responsibility.”

Statuary PAYGO was last in place in the 1990s and helped turn massive deficits into record surpluses. President Bush and the Republican-controlled Congress allowed this law to expire in 2002, which contributed to the dramatic turnaround from a projected surplus of $5.6 trillion to projected deficits of more than $11 trillion.