Budget Control Act Would Prevent U.S. from Defaulting

WASHINGTON, DC – U.S. Rep. Vern Buchanan, R-Fla., today voted for legislation that raises the national debt limit, cuts over $2 trillion in spending, and avoids the nation's first default in history. The "Budget Control Act" passed the House 269-161 and now goes to the Senate for a vote.

"The good news is the House has acted to avoid the first default in history and taken modest steps toward restoring fiscal responsibility to Washington," said Buchanan. "The bad news is we are barely putting a dent in a decade's worth of reckless spending and we have diminished, at least temporarily, our credibility in the eyes of America and the world. So while this deal is a positive step, let's not break out the champagne for doing something we should have done long before now in a far less acrimonious manner."

Treasury Secretary Tim Geithner has warned that America will slip into default unless Congress approves legislation raising the statutory borrowing limit by August 2nd.

The "Budget Control Act" would do the following without raising taxes:

• Cut spending by $917 billion over the next 10 years.

• Require a Joint Committee to report bipartisan legislation later this year cutting an additional $1.2 trillion.

• Require both the House and Senate to vote on a Balanced Budget Amendment by year's end.

• Reduce the deficit by $21 billion in FY 2012.

"For too long, both parties have turned a blind eye to our government's budgetary mess," said Buchanan. "It's time we put an end to the irresponsible spending policies that have created a mountain of debt for our children and grandchildren. Today's bill is a step in the right direction."