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JOINT ECONOMIC COMMITTEE

CONGRESSMAN JIM SAXTON

PRESS RELEASE

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NEW STUDY DOCUMENTS DROP IN FEDERAL DISCRETIONARY SPENDING

WASHINGTON, D.C. – Federal discretionary spending has dropped \$16.5 billion since fiscal 1995, according to a new study released today by Congressman Jim Saxton of the Joint Economic Committee (JEC). The JEC study, *Congressional Appropriations: An Updated Analysis*, reports on recent trends in discretionary spending, which is the only type of spending Congress directly controls each year.

“This study shows that the hard work of fiscal restraint has paid off. Discretionary spending has been reduced \$16.5 billion since 1995 – a remarkable achievement in an era when government seems to be expanding in so many areas,” Saxton said. All figures in the report are in real, inflation-adjusted dollars.

“Budget policy should also be commended for halting the dramatic drop in defense spending that occurred in the first half of the decade. Defense spending actually went up in 1999, the first such increase in eight years,” Saxton said.

Saxton also noted the report’s finding that *non-defense* discretionary spending has been held to a historically low rate of growth. “Previous Congresses used cuts in defense spending to obscure large increases in domestic spending. In the last four years, non-defense discretionary spending rose by just 2.1 percent. In the previous four-year cycle, this type of spending increased by more than 14 percent.

“Restraining the growth of non-defense discretionary spending has produced significant savings for the American taxpayer. If this type of spending had been allowed to grow at the same rate it did in the first half of the 1990s, the federal government would have spent an additional \$107 billion over the last four years. The savings for 1999 alone are equal to more than one-quarter of this year’s budget surplus.”

For a copy of the study, call the JEC at (202) 226-3234, or visit the JEC website at <http://www.house.gov/jec/>.

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