

House, Senate Dems strike budget accord

by UPI

WASHINGTON -- U.S. House and Senate Democrats forged a budget deal that gives President Obama a shot at healthcare reform but trims his spending and tax cut proposals.

If successful, the five-year plan would hit a \$523 billion deficit target by 2014, representing a two-thirds reduction of the nearly \$1.7 trillion shortfall expected this year, Politico reported Tuesday. Obama has projected a deficit of \$749 billion in his five-year plan.

Criticizing the plan, Sen. Judd Gregg, R-N.H., said, "This budget does not reach anywhere near a sustainable deficit level at any time in the foreseeable future.

The one-time commerce secretary nominee also criticized the fiscally moderate "Blue Dog Democrats," calling them "rubes" who were "bamboozled" by the White House.

Winning moderates is key to Obama's strategy, and Democrats worked to meet demands for language that would write pay-as-you-go deficit reduction rules into law, a proposal Obama endorses, Politico said. The so-called pay-go principle requires new spending be offset by reductions.

"This budget is a major accomplishment," Senate Budget Committee Chairman Kent Conrad of South Dakota said in a statement Monday. "We are meeting President Obama's goals of reducing our dependence on foreign energy, striving for excellence in education, reforming our healthcare system, and providing middle-class tax relief."

Obama's budget request is \$3.67 trillion.

The Senate and House are expected to vote on the fiscal 2010 budget resolution this week.

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