



FOR IMMEDIATE RELEASE
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Contact: Communications Office
(202) 224-4515

Floor Statement of Senator Max Baucus (D-Mont.)
A Call to Action on the Fiscal Cliff
As prepared for delivery

President Kennedy once said, "There are risks and costs to action, but they are far less than the long range risks of comfortable inaction."

Here we are on December 28, just three days from what some have termed the fiscal cliff — trillions of dollars in automatic tax increases and across the board spending cuts, including cuts in Medicare payments, unemployment benefits and much more.

Mr. President, I rise today to call on the Congress to take immediate action to resolve these year-end fiscal challenges.

I make this call on behalf of the people I work for in Montana. My bosses have given me clear marching orders. Three simple words: Get It Done.

I believe their neighbors all across the country agree. It's about time we listened.

In all the hype and the rhetoric here on Capitol Hill, many have lost sight of our fundamental duty in Congress — to serve the American people.

It's time to put politics aside and remember what is at stake for working families, farmers and small business owners across our country.

If Congress fails to act by the New Year's deadline:

- Nearly every American will be hit with a tax hike — including 400,000 Montana families. That's approximately \$2,000 out of the pockets of America's working families.
- About 125 million American workers will see smaller pay checks as a result of higher payroll taxes.
- More than 2 million Americans will lose the federal unemployment insurance that helps keep a roof over their heads while they look for work.
- 98,000 Montana parents will see a tax hike of \$1,000 if they lose the Child Tax Credit. And thousands more will be hit by the loss of the Earned Income and American Opportunity Tax Credits.

- As many as 28 million Americans, and 52,000 working Montanans, will be forced to pay the alternative minimum tax.
- Across the board mandatory spending cuts mean thousands of federal employees will lose the jobs that put food on the table for their families, and agencies in charge of keeping America safe like the FBI, Border Patrol, Department of Defense and others will be short staffed.
- Families may lose farms and ranches that have been passed down for generations because of the estate tax hike. These aren't wealthy aristocrats. They are honest, hardworking people, who get dirt under their nails every day to put food on our tables. And all they want in return is to pass the land they work onto their kids and grandkids.

Farm and ranch families may soon take another big hit if the House fails to pass a Farm Bill. Make no mistake, the Farm Bill is a jobs bill. Agriculture supports 16 million jobs nationwide. In Montana one in five jobs is tied to agriculture. And the Senate Farm Bill supports those jobs, while also cutting spending by \$23 billion. This bill is part of a responsible solution.

There is absolutely no excuse for inaction. I call on the House to bring the Senate Farm Bill up for a vote immediately. Our farmers and ranchers break their back to put food on our tables every day. The least they deserve is an honest, fair up or down vote on their jobs bill.

Failure to reach agreement on these critical year end issues will certainly cause market volatility and shock the greater economy.

Experts predict that a failure to reach an agreement on the fiscal cliff will cause the economy to contract in 2013 by 0.5 percent, likely causing unemployment to climb to 9.1%, pushing our nation back into a recession.

But it doesn't have to be this way.

Mr. President, it is only because of stubbornness and stagnation — on both sides of the aisle — that we find ourselves facing this great challenge at the 11th hour.

The blame game has shifted into full gear. But there will be no winners if both sides continue to play this game of chicken.

The United States is at a critical juncture. We can come together and show the world America is still the leader of the global economy. Or we can let obstructionism turn this country into a second rate super power.

Mr. President, just last week, I was doing some last minute holiday shopping for my family. While in one store, I asked the sales clerk how business was this year. We got to talking and she told me how numbers were dramatically down.

She said people were worried. With so much uncertainty about the future and the fragile economy, she said it was hard to convince people to spend their hard earned money on gifts. That word "uncertainty" is one that I have heard quite often lately.

Whether it's industrial leaders on Wall Street, small business owners on Main Street, or farmers and ranchers on country roads, they are worried about the future. They understand that confidence matters in our economy.

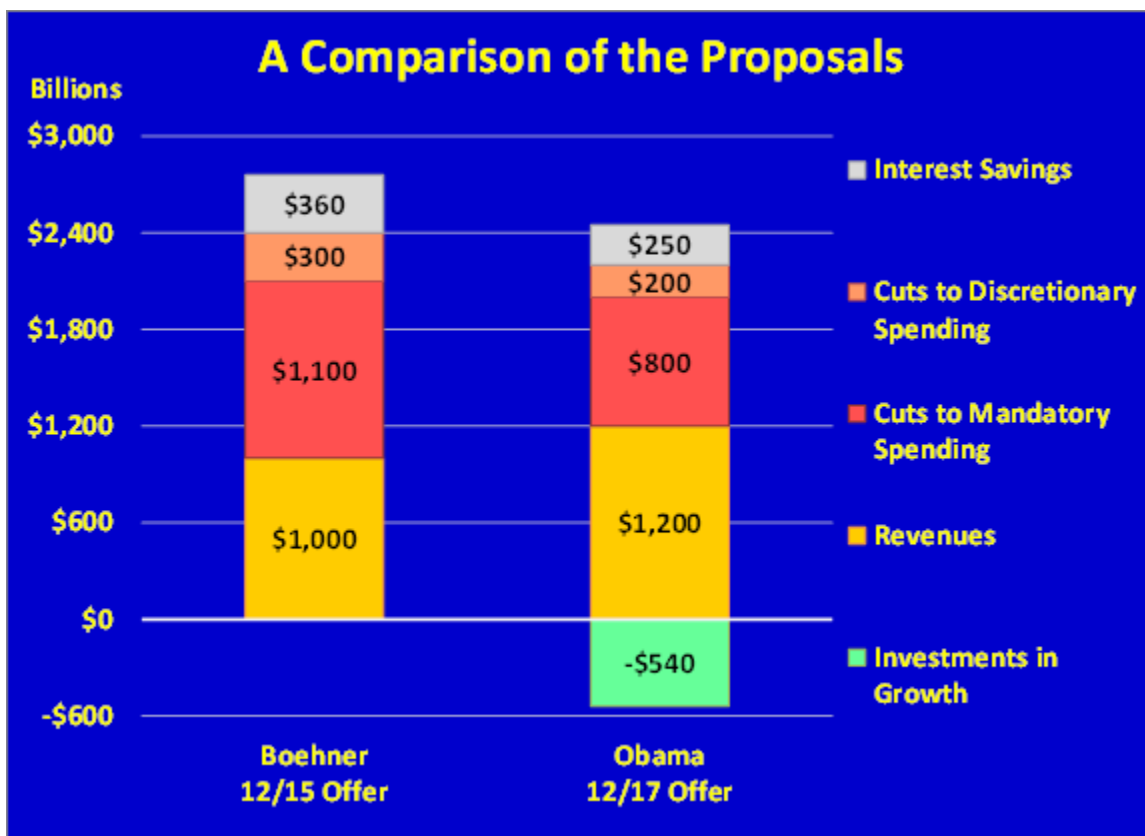
It's time to act, right now, today. We have a chance to earn back the confidence of the people we work for and show the world America is still the safest bet in the world.

To give families and businesses certainty and start down a sustainable fiscal path, Congress and the President must agree on a balanced plan. It must ramp up over time and cut spending while, at the same time, asking a little more from those who can afford it. The math will not work any other way.

The clock is ticking. It's time to stop campaigning and start legislating. It's time to make the tough decisions the American people sent us here to make.

The President is meeting with Congressional leaders this afternoon. My message to them is simple: We can do this. We can get this done.

Here is a comparison of the latest grand bargain proposals made by the President and Speaker Boehner.



As you can see, we are not that far apart.

We are not far from an agreement on a balanced plan, a plan that will bridge the fiscal cliff.

A balanced plan will encourage businesses to invest and enable investors to return to the markets with confidence. Most importantly, a balanced plan will put Americans back to work in a growing economy.

Now I understand time is short. New Year's Eve is fast approaching. But I believe in life we have two choices: try or do nothing. I choose to try, and I ask you to join me in that effort.

Our first choice is a grand bargain that puts this issue to bed once and for all. That is unlikely this late in the game. But at the very least, we owe the American people a plan that addresses the immediate challenges and gives Congress additional time to reach a bigger deal.

It will show we can work together across party lines, and it will set the tone for the tougher discussion we need to have to enact a long-term and comprehensive deficit solution.

Mr. President, the American people are calling on us to act. They are calling for compromise and common sense. It's time to put progress ahead of politics.

As President Kennedy warned, we cannot be lulled into comfortable inaction. We need to face this challenge head on and use it as an opportunity to put our economy back on track.

Let's get to work.

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