

LEONARDTOWN, MD – Today, Congressman Steny H. Hoyer (MD-5) met with 150 students from Leonardtown High School to discuss the importance of fiscal responsibility, the federal deficit and how it will impact their generation. The students invited Congressman Hoyer to speak after sending him letters about the issue of fiscal responsibility. Below are his remarks as prepared for delivery:

“Thank you for inviting me to speak to you today. And thank you for taking such a strong interest in what happens in Congress—an interest I saw reflected in the challenging questions some of you submitted for me, and because of the more than 25 in-depth and insightful letters I received from you. I’m here, in fact, because of the letters I received, and because of how seriously you take our country’s problems.

“I’m going to talk today about an issue that matters a lot more for your generation than it does for mine—fiscal responsibility—but I want to start by saying this: one of the best ways to bring this country back to fiscal balance is for your generation to speak up loudly for its interests, because they count every bit as much as the interests of my generation. Speaking up for your interests means understanding the issues at stake and how what happens in Washington affects your lives—and I think you’re well on your way.

“So why do I say that fiscal responsibility matters a lot more for you than it does for me? Simply because when our massive bills come due, I’m not going to be around to pay them, but you are. A lot of people talk about our budget and our debt as if they’re abstract issues—but there are actually few issues that affect you more directly. Ultimately, the more money we owe as a nation, the higher interest rates are. And the higher interest rates are, the harder it will be for you to get the money to go to college, or one day buy a house or start a business. In other words, the deeper we’re in debt, the harder it will be for you to get the same start in life that my generation enjoyed.

“As I said, we’re dealing with historic deficits and debt—and while we’re certainly not at the point of a country like Greece, where debt led to an economic crisis, that’s where our current path leads unless we change course. The path we’re on is unsustainable. So how did we get here?

“Most economists agree that there are four major reasons. First, President Bush cut taxes, especially for the wealthy, to historically low levels—and a result, the government is taking in less revenue as a fraction of the economy than at any point in the last half-century. Second, the last administration bought a lot without paying for it: that includes the cost of two wars and a prescription drug entitlement program paid for with borrowed money. Third, the economic crisis we’re still recovering from: when the economy is struggling, there’s less to tax, so there’s less revenue. Fourth, the policies in response to the economic crisis: President Obama used deficit spending to create jobs, and while I believe those measures helped save us from a second Great Depression, they also cost money.

“So that’s why we are where we are. But in a larger sense, we’re in this situation because of a mindset that’s too common in Congress. Too many of us love easy decisions: for too long, we’ve had a habit of cutting taxes or spending money and leaving the bill for someone else. Frankly, both parties have been guilty of that. But now, we’re at the point where it’s no longer an option.

“Our fiscal challenge is so large that both parties are going to have to give up some of the ideology and take some hard steps that they don’t especially like. The biggest distinction in Congress right now is between those who are willing to do that, and those who are so stuck in their old ways of thinking that they won’t budge.

“Unfortunately, that’s the case for the budget that House Republicans just passed. It spends so much on tax cuts for millionaires and billionaires that it doesn’t even balance the budget for two decades. And while your grandparents’ generation has been able to rely on guaranteed health care through Medicare, the Republican budget would mean that your generation would never have that guarantee.

“I think there’s a way out of debt that’s fairer to everyone. I believe that we should lower tax rates, but also raise revenue by closing tax loopholes, so we’re taking in more money—and so we can make the tax code simpler and easier for everyone. I believe that we have to spend less money, too—and that includes our defense spending, which has exploded by more than two-thirds since 2001. And we also need to keep programs like Social Security, Medicare, and Medicaid strong and solvent for your generation—and we can do it without ending those programs as we know them.

“Thank you again for asking me to speak. And remember: few people are going to speak up for you if you don’t do it yourselves. If you want Congress to stop passing unsustainable levels of debt on to you, you’re going to have to speak up—and I hope you will.”