

February 8, 2006

Congressman Akin Applauds President's Signing of Deficit Reduction Act

Washington, DC- Congressman Akin (R-MO), a leading fiscal conservative, today said that the Deficit Reduction Act that the President signed today is a good first step toward fiscal discipline by Congress. The Deficit Reduction Act reduces the deficit by \$39 billion and reforms government programs to eliminate waste, fraud, and abuse. "The greatest threat to our future prosperity is government overspending and huge government debt," said Congressman Akin. "Budgets set priorities and with increases in spending due to Hurricane Katrina it was essential to find off-sets in federal spending. As a staunch supporter of finding off-sets and establishing priorities I am pleased to see this bill signed today," concluded Akin.

Highlights of the Deficit Reduction Act:

- Expands welfare reform by reauthorizing the successful welfare reform policies in TANF and providing an additional \$1 billion for child care
- Lowers the government's prescription drug costs by setting more realistic reimbursement rates for medicines based on the average manufacturers' price
- Rebuilds community first-responder capabilities by freeing up vital spectrum airwaves
- Protects workers' pensions by placing the Pension Benefit Guarantee Corporation (PBGC) on a more solid financial foundation and protecting taxpayers from the cost of a massive bailout
- Increases heating assistance for low-income Americans by assuming \$1 billion in additional funding for the Low-Income Home Energy Assistance Program (LIHEAP)
- Prevents Medicare physician payment cuts in 2006 by freezing payment rates for physician services and includes significant new quality reporting initiatives for hospitals and home health agencies as well as increased transparency on quality measures
- Increases student loan limits to allow more students access to higher education, reduces fees, and finds savings by reducing excess lender subsidies; and
- Enacts reforms based on the cost-saving recommendations of the bipartisan National Governors Association to slow the growth of the Medicaid program. However, the amount spent on the Medicaid program will continue to rise.