CQ: Seeking Solutions

By David Lerman | February 27, 2018

An independent panel of policy experts says it's time to give the federal budget process stronger teeth. The group of advisers from across the ideological spectrum, called the Convergence Center for Policy Resolution, issued a report Monday aimed at spurring a rethinking of the budget process that hasn't been overhauled since 1974 (PL 93-344). A newly formed congressional panel plans to recommend process changes by late November (See item 2).

While lawmakers and analysts of both parties have concluded the budget process is broken, there has been little consensus on how to fix it. The work of the Convergence Center could serve as "a great starting point" for Congress as it tries to find common ground on a better budget process, said Robert Fersh, the group's president and founder, who presented the findings at a budget forum.

By far the most dramatic of the five recommendations is a call to effectively abandon the use of non-binding budget resolutions that are supposed to guide the more detailed spending bills needed to fund the government. The annual budget resolutions, which never become law, are often passed months behind schedule and sometimes not at all.

Instead, the Convergence Center proposed creating a statutory Budget Action Plan that would be passed at the start of each new Congress and set overall discretionary spending levels for two years at a time. "Setting fiscal plans would no longer be tied to a budget resolution process that has been sidetracked by politics, grandstanding and aspirational plans," the report said. "The goal would be to restore budgeting as a basic function of governing."

The Budget Action Plan is not unlike the two-year bipartisan budget deals Congress has passed in recent years to raise spending levels and get the appropriations process unstuck. But those deals, including the most recent one passed this month, are done on an ad hoc basis and usually come months after the new fiscal year already has begun -- further delaying appropriations.

By calling for passage of a binding budget at the start of each new Congress, "Our goal is to move that to the beginning of the process, rather than at the end or in the middle" of the appropriations cycle, said Emily Holubowich, executive director of the Coalition for Health Funding who participated in the Convergence Center's budget work.

The new Budget Action Plan also would be designed to "de-weaponize" the debt limit by raising or suspending it as part of the budget. Currently, politically perilous votes to raise or suspend the debt limit can be cast in stand-alone legislation that has pushed a polarized Congress to play brinksmanship with the nation's financial standing.
The group also called for strengthening the clout of the House and Senate Budget Committees, which would be responsible for drafting the new budget plans. "Since their creation in the mid-1970's, their power has waned," the report said. Senate Budget Chairman Michael B. Enzi, R-Wyo., has even questioned publicly whether the committees should continue to exist, at least as currently constructed. The Budget committees would get more high-powered members, including the chairman and ranking member (or their designees) of the House and Senate Appropriations Committees, the House Ways and Means Committee, and the Senate Finance Committee.

But such a move would seem likely to trigger a turf battle in Congress. Appropriators would lose some power if the Budget panels set both discretionary spending levels and subcommittee allocations, as the report recommends.

The group also wants to make the budget process more transparent and give budget agencies more funding. It calls on the Congressional Budget Office to create a Fiscal State of the Union report every four years, timed for release during the presidential election cycle. The Government Accountability Office would be asked conduct periodic reviews of major long-term funding commitments. And both of those agencies, along with the Joint Committee on Taxation, would be given "adequate resources and staffing," although the report stops short of offering specifics. CQ's Jennifer Shutt has the full story here.

Whether these or other proposals to revamp the budget process have any legs in an election year is anyone's guess, but passage of an overhaul anytime soon would appear to be a long shot. Even advocates of change are cautious about their chances.

"We'll see how much the system can bear," said Maya MacGuineas, president of the Committee for a Responsible Federal Budget, which hosted a forum Monday to discuss options for an overhaul. "There are a lot of people who do want to see improvements."

The good news for backers of a new budget process is that lawmakers of both parties appear ready for change. "I have come to the conclusion the process is completely useless and ineffective," said Sen. Sheldon Whitehouse, D-R.I., a member of the Senate Budget Committee who spoke at Monday's forum. His Republican colleague, Sen. David Perdue of Georgia, was equally blunt. Unless major changes are made, Perdue said, "I would blow the Budget Committee up."

The bottom line: Budget changes could be coming, but a long slog awaits.