

## Options to Reform the Congressional Budget Process as It Turns 50

### *The Problem*

The 1974 [Congressional Budget Act](#) (CBA) turns 50 next year, and [members of Congress in both parties](#) agree the process is outdated and broken. Since 1977, Congress has passed all of its appropriations bills ahead of the start of the fiscal year just [four times—and never in the 21<sup>st</sup> century](#). Stopgap continuing resolutions (CRs) have been the norm rather than the exception, with Congress passing an [average of five CRs per year](#) since 1998. Policymakers regularly [act at the 11<sup>th</sup> hour on the debt limit](#), nearing the brink of defaulting on our government obligations and risking [enormous negative consequences](#) for the U.S. economy. [Government shutdowns](#) are also a regular threat.

Republican and Democratic leaders have expressed interest in passing bipartisan reforms to the budget process during this session of Congress. BPC and BPC Action [welcome these discussions](#). Below are several ideas for consideration: some are quick wins Congress could pass in short order, others are big-picture solutions that may take more time for lawmakers to shape. BPC will continue to engage in this space as the debate unfolds.

### *Quick Wins*

1. **Include debt-to-GDP targets in the annual budget resolution:** Congress could set realistic, fiscally responsible targets for debt-to-GDP in the budget resolution. This reform was previously included in the 2019 [Bipartisan Congressional Budget Reform Act \(BCBRA\)](#) and recommended by a [2015 BPC report](#) written by the late Dr. Alice Rivlin and Sen. Pete Domenici.
2. **Reconvene a presidential-congressional commission on budget concepts:** The 1967 President's Commission on Budget Concepts was intended to "[enhance public and congressional understanding of the budget and ... increase its usefulness for purposes of decision making](#)." These concepts may be in need of a fresh look more than 50 years later. This recommendation was previously included in the [Rivlin-Domenici report](#).
3. **Have congressional committees review unauthorized appropriations:** The Congressional Budget Office [recently identified](#) 1,108 expired authorizations of appropriations for programs totaling \$510 billion in annual spending. Committees could be required to review and propose a plan to address expired or unauthorized appropriations in their jurisdiction when they submit annual "views and estimates."
4. **Have congressional committees review non-partisan savings opportunities:** Non-partisan experts regularly provide Congress with suggestions on how to save taxpayer dollars, such as the Government Accountability Office's [High Risk List](#), [agency inspectors general](#) recommendations, or the Congressional Budget Office's "[Options for Reducing the Deficit](#)." Congressional committees could be required to review and respond to these offerings in their annual "views and estimates."
5. **Incorporate debt service effects into cost estimates for major legislation:** Legislation that increases or decreases deficits will often increase or decrease the interest costs taxpayers bear for [servicing the debt](#). Congress could require CBO to include debt service effects in its scoring of legislation with *significant* spending and revenue effects.

6. **Hold an annual address on the Fiscal State of the Nation:** Lawmakers could implement an [annual Fiscal State of the Nation address](#) from the Comptroller General.
7. **Modify the membership of the budget committees:** Leaders of the appropriations and tax-writing committees could also share budget committee membership. This recommendation was previously included in the BCBRA and the [Rivlin-Domenici report](#).
8. **Streamline budget points of order:** There are currently [dozens of budgetary points of order](#) that Congress has instituted through the CBA and subsequent legislation. Lawmakers could streamline those points of order, with the goal of simplifying the rules while retaining incentives for fiscally responsible budgeting.
9. **No budget, no recess:** Congress could be barred from going on recess until it passes a budget resolution ([required by April 15 annually under current law](#)).

### *Big-Picture Solutions*

1. **De-risk the debt limit:** Year after year, policymakers risk the full faith and credit of the United States as they get dangerously close to defaulting on the federal government's obligations. Bipartisan proposals like the [Responsible Budgeting Act](#) may [reduce the risk associated with the debt limit](#) while forcing policymakers to confront the primary drivers of federal debt.
2. **End government shutdowns:** Government shutdowns [cost taxpayers money](#). Bipartisan [proposals](#) like the [Prevent Government Shutdowns Act](#) could automatically implement continuing resolutions when Congress fails to enact appropriations on time, while still incentivizing lawmakers to enact full-year appropriations in a timely fashion.
3. **Move from annual to biennial budgeting:** Experts across the ideological spectrum have long recommended moving to a biennial (two-year) budget, whereby Congress would adopt appropriation bills in year one, freeing up time in year two for authorization. This reform was included in the BCBRA and the [Rivlin-Domenici report](#).
4. **Reform reconciliation and prevent it from being used to increase deficits by restoring the Conrad rule:** Reconciliation has been used as a partisan vehicle in recent years, evading filibuster rules in the Senate and often increasing deficits. Congress could [restore the Conrad rule](#), which prevents any reconciliation bill from increasing the deficit, and could also reform rules around vote-a-ramas, deficit-neutral funds, and debate time. Similar ideas were included in the [Rivlin-Domenici report](#).
5. **Create bipartisan commissions tasked with rescuing key programs from insolvency:** Social Security's primary trust fund is projected to be insolvent in [2033](#), and Medicare Part A in [2031](#). Proposals like the bipartisan [TRUST Act](#), which would set up commissions tasked with preventing these programs' trust funds from being depleted, could help.
6. **Account for the cost of tax expenditures in the budget resolution:** While some "tax expenditures" serve an economic function by reducing double taxation, others are just government spending in disguise. Spending-like tax expenditures typically [reduce](#) the amount of revenues coming into the government and contribute to tax code complexity. The budget resolution could include their cost to incentivize lawmakers to think more holistically about the impact that tax expenditures have on the federal budget. This reform was previously included in BCBRA and the [Rivlin-Domenici report](#).