

Chairman Woodall, Ranking Member Hastings, and members of the Subcommittee, thank you for holding this hearing today and thank you for giving me the opportunity to testify. I am happy to be back before this Subcommittee to continue the conversation on Congress' current budget process and how we can improve it to make Congress work better, smarter, and more efficiently.

As you know, I am a proponent of biennial budgeting. I have authored the Biennial Budgeting and Enhanced Oversight Act with my Democratic colleague, Kurt Schrader, in each of the last three Congresses.

Legislative Background

Support for my biennial budgeting legislation (H.R. 1610) has grown considerably, increasing in each successive Congress. In the last Congress, the House Budget Committee adopted my bill on a bipartisan vote of 22-10.

In this Congress, a majority of the House, as well as a majority of this Committee, has signed onto my bill as cosponsors. In total, my bill has 231 cosponsors, including 179 Republicans, a clear majority of the majority, and 52 Democrats, nearly one third of the Democratic Caucus.

The members on my bill range from the House's most conservative to the most progressive, with representation from the Tuesday Group, the Republican Study Committee, the House Freedom Caucus, the Blue Dog Coalition, the New Democrat Coalition, and the Progressive Caucus. A majority of the House Budget Committee has once again signed onto my bill, as have five members of the House Appropriations Committee, including one Cardinal.

In the Senate, Senators Johnny Isakson and Jeanne Shaheen have amassed a quarter of the Senate on a bill similar to mine, and in the last Congress, the Senate voted to support biennial budgeting on a supermajority vote of 68-31. The Senate Budget Committee held a hearing on this issue in November under the leadership of Chairman Mike Enzi, a strong proponent of biennial budgeting.

Now I come before you today to continue this important work. Biennial budgeting is not a new concept, but as I sit before you today and recite these statistics, I think one thing is clear: biennial budgeting is an idea whose time has come.

Why the Current Budget Process Needs Reform

It is not difficult to understand why my bill has so much support. It's because the current budget process has simply not worked the way Congress intended it to and as time goes on, it has only gotten worse. Every year, Congress is required by law to agree on a budget resolution by April 15th and sign 12 spending bills into law by September 30th. Since the Congressional Budget Act was enacted in 1974, Congress has never passed both a budget resolution and all of its appropriations bills on time in the same year. Never.

The process is even worse in election years. In the 40-year history of the current budget process, only once has Congress enacted a budget resolution on time in an election year. That was in 1976, just two years after the 1974 Budget Act was signed into law.

Now that's got to tell us something. The process is so cumbersome that just a few short years after the Budget Act was enacted we failed to complete our work on time. To make matters worse, since enactment of the Budget Act, Congress has passed fewer and fewer appropriations bills on time each year. On average, only 3.6 spending bills are signed into law on time each year, barely 25 percent of what we are required to do by law. Since 2001, less than ten percent of spending bills have been passed before the beginning of the new fiscal year.

Because of Congress' failure to complete its work, we are forced to rely on short-term spending bills, commonly known as continuing resolutions, that are hastily passed, usually without improvements to programs that could come from effective oversight.

Why Biennial Budgeting Would Improve the System

Biennial budgeting will provide greater certainty within the budget process by reducing the need for frequent stopgap measures like continuing resolutions. Election year politics often get in the way of a successful budget and appropriations process, despite the good work of the Appropriations and Budget Committees. As a result, in most election years, Congress "kicks the can" into the next Congress with a stopgap measure of some length, foregoing its constitutional prerogative to provide agencies with clear directives on how to allocate funds. Then, the new Congress typically passes another CR just to tide everything over for the rest of that fiscal year.

This isn't just bad government; it's also a missed opportunity for Congress to put its stamp on how the executive branch should operate.

Additionally, because Congress is required to pass both a Budget Resolution and all twelve appropriations bills each year, we inevitably dedicate little time to oversight of federal programs. Moving to a biennial process would free up more time on the House floor to tackle mandatory spending and tax policy. It would also free up the Appropriations Committees to spend more time scrutinizing the work of agencies and making sure that congressional intent is being honored, without the constant crunch of needing to prepare new bills.

Not only will biennial budgeting tilt Congress' focus to oversight, it will also reduce the "use it or lose it" mentality that wastes precious taxpayer dollars at the end of every fiscal year. Two years ago, the Washington Post conducted an in-depth analysis of federal agencies' spending that yielded remarkable results. For Fiscal Years 2010 through 2012, the study found that roughly 20 percent of all federal funding was spent in the last five weeks of each fiscal year. Biennial budgeting would cut this "use it or lose it" mentality in half and would therefore help agencies dedicate funds to more important priorities.

Very simply, a two-year budget process will give the federal government and the American people greater certainty regarding how we are spending our money. Ask any business, large or small, and they would agree that instilling certainty into the economy is one of the best things we

as policymakers can do. I can attest to this after spending nearly 30 years in the private sector running my own commercial roofing company.

Possible Modifications to Expand Support

Despite the broad support for biennial budgeting, I know that any proposal could use tweaking as it moves through the legislative process. I have begun talking with some of my colleagues about possible changes to the bill, and I am happy to briefly outline some of them here.

First, I understand that many of my colleagues on the House Appropriations Committee have concerns about how biennial appropriations would impact their ability to do their work. As you may hear today, some Appropriations Committee members have suggested a biennial budgeting process coupled with an annual appropriations process, in essence codifying into law the process that we have used twice now, first with the Ryan-Murray Budget in 2013 and now with the Bipartisan Budget Act of 2015.

While I think we can debate this issue in good faith, I am willing to consider changes to the underlying bill if it helps to move the process forward so that we can seize the momentum and win incremental reforms to our budget process. While a combination of biennial budgeting and annual appropriations would not entirely remove election-year politics from the budget process, it would enable the Appropriations Committee to begin their work much earlier in the second session of each Congress, reducing the likelihood that we will have to rely on CRs to get our work done. To their credit, the Appropriators regularly get their work done every year on all or most of their 12 Appropriations bills, but I think an enforcement trigger should be added to the bill to help ensure that the Congress gets its work done on time as well.

Second, while a bipartisan majority of the Budget Committee has cosponsored my bill, I know there is some interest on the Committee in making changes to the bill. In particular, I am aware of a desire to modify the language so that Congress can continue to use budget reconciliation once each session, rather than once per Congress. I think this is a reasonable change and does not undermine the core purpose of my legislation, and I am happy to work with the Committee on other changes as well.

While any budgetary system will inevitably have a flaw or two, I believe biennial budgeting would make important improvements to the current system, and I believe it is a chance worth taking. We should not let the perfect become the enemy of the good. Nor should we let comfort with the status quo become a barrier to trying to fix a broken system.

Outside Support

A number of national organizations that focus on fiscal issues – from both sides of the aisle – have recognized this need and voiced their support for my legislation. My bill in its current form is supported by Americans for Tax Reform, the Bipartisan Policy Center, the Committee for a Responsible Federal Budget, the Concord Coalition, the Council for Citizens Against Government Waste, the National Taxpayers Union, No Labels, and Third Way.

Conclusion

The American experiment is one built on taking smart people, putting them in a room, and allowing them to innovate to overcome the challenges that our society faces. We no longer use the original Apple Computer from the 1970s. We build better, faster, and more powerful computers to meet the challenges of today and tomorrow.

The lawmakers who crafted the 1974 Budget Act drafted the bill to try to improve a process that wasn't meeting the needs of their time. But 40 years after its enactment, our current budget process doesn't work, and now it's time to upgrade to a new system for the 21st century.

That said, I know that any bill as drafted could use some tweaking as it moves through the legislative process. I want all of you on this Committee to know that I am happy to work with you to improve this bill as it moves forward, and I am eager and ready to do exactly that.

Once again, thank you for giving me the opportunity to testify here today. I look forward to working with you to improve the budget process, and I will be happy to answer any questions you may have.