



COMMITTEE FOR A RESPONSIBLE FEDERAL BUDGET

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August 9, 2017

The Honorable Mike Enzi
Chairman
Senate Budget Committee
624 Dirksen Senate Office Building
Washington, DC 20510

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Dear Chairman Enzi,

We appreciate your commitment to passing a Fiscal Year 2018 budget resolution which puts our nation on a more responsible and sustainable fiscal course. It is essential that Congress pass a budget that credibly sets the country on a sound fiscal path without using gimmicks. Achieving this goal requires using the traditional current law baseline for scoring legislation and enforcing budget rules.

We are troubled by reports that the Budget Committee is considering using a so-called "current policy" baseline for tax reform legislation. This decision would represent a huge break in precedent, would weaken budget discipline to allow Congress to add over half a trillion dollars to the debt, and has no legitimate rationale in light of the 2015 PATH Act.

The current law baseline is designed to ensure all legislative changes are measured relative to a neutral benchmark. No budget resolution since the Budget Act of 1974 has deviated from this practice, not even the FY 2018 resolution reported by the House Budget Committee. Adopting a "choose your own baseline" practice would set a dangerous precedent that would allow Congress to hide the true cost of massive debt-busting entitlement spending or tax changes in the future.

The use of a current policy baseline in the budget resolution would allow Congress to pass legislation that technically complies with reconciliation instructions and budget rules requiring deficit neutrality while in reality increasing debt levels by half a trillion dollars or more over the next decade. With debt higher than any time since World War II and trillion-dollar deficits slated to return by 2022 under current law, a responsible budget must reduce deficits, not increase them.

The rationale for using a "current policy" baseline is especially weak since the 2015 PATH Act specifically scheduled these temporary tax breaks to expire. At the time, Chairman Hatch described the PATH Act as "putting an end to the repeated tax extenders exercise that has plagued Congress for decades." Assuming the



continuation of the tax breaks the PATH Act let expire would, in fact, be a deviation from current policy and a violation of the bipartisan commitment policymakers made in that law.

For these reasons and more, we encourage you to rely on a current law baseline in your budget. We welcome the opportunity to work with you on a fiscally responsible budget resolution. Thank you for your leadership.

Sincerely,

A handwritten signature in black ink, appearing to read "Maya MacGuineas".

Maya MacGuineas
President, Committee for a Responsible Federal Budget

cc: Members of Senate Budget Committee