



Budget Process Reforms

There is widespread agreement that the federal budget process needs reform. Congress has not adopted a budget on time since 2003, and hasn't passed all appropriations bills on time since 1996. For a generation, lawmakers have relied on continuing resolutions every fiscal year to maintain government operations. While process changes aren't a replacement for political will, they can improve the decision-making framework for policymakers. Our suggested reforms include:

Adopt a requirement to pass a budget resolution/plan. For example, lawmakers should be prohibited from considering fiscally significant legislation until they pass a budget.

Modify floor consideration of the budget resolution to streamline the process in the Senate, reduce debate time and limit amendments, reducing hurdles to pass a budget.

Adopt an automatic continuing resolution to eliminate wasteful government shutdowns.

Establish multi-year debt-to-GDP targets along with meaningful enforcement mechanisms, to gradually reduce debt as a share of GDP, putting the country on a more responsible path.

Strengthen pay-as-you-go rules to increase the likelihood policymakers offset new laws.

Require reconciliation to be used only for deficit reduction by restoring and codifying the "Conrad rule" ensuring a 60-vote point of order against reconciliation legislation that increases deficits within the budget resolution's ten-year window.

Offsetting the costs of borrowing for emergencies with automatic spending cuts or tax increases to gradually offset the cost of borrowing if repayment plans are not enacted.

A Fiscal State of the Nation hearing for all lawmakers, featuring a nonpartisan fiscal outlook presentation that would educate lawmakers and draw attention to our growing debt.

Include interest costs in cost estimates to provide a complete picture of legislation's fiscal effects.

Prohibit the use of budget gimmicks to improve the integrity of and public trust in the budget process. Examples include minimizing "rosy scenario" economic assumptions, establishing clear guidelines for discretionary spending outside caps, preventing the use of timing shifts, and preventing trust fund "double counting."