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Pathway to a Responsible Federal Budget February 23, 2016

Today, the independent Committee for a Responsible Federal Budget (CRFB) released a set of principles for the fiscal year 2017 budget resolution currently under discussion in Congress.

CRFB President Maya MacGuineas said, "Passing a budget resolution is one of the most important things Congress can do to set its fiscal priorities for the year. Although some may see the election as an excuse for inaction, the House and Senate should work together to pass a concurrent budget resolution that lays out a broad vision for responsible fiscal policy and concrete steps to achieve it."

Specifically, CRFB's Budget Resolution Principles recommend the following:

Put the Debt on a Downward Path

- Propose revenue and spending targets sufficient to put the debt on a downward path as a share of the economy over the medium and long term;
- Make realistic and gimmick-free assumptions to achieve this goal;

Make a Down Payment on Deficit Reduction

- Include reconciliation instructions requiring Committees to report legislation achieving at least some of the mandatory savings assumed in the budget resolution;
- Identify policies achieving mandatory savings in the President's budget and other policies that have bipartisan support and could be enacted into law this year;

Slow the Growth of Entitlement Spending

- Include significant and achievable savings targets to slow the growth of Medicare, Medicaid, and other entitlement programs, along with credible examples of how to achieve them;
- Include a call for a bipartisan commission or other action on Social Security reform to make the program solvent;

Provide for Tax Reform

- Call for pro-growth tax reform;
- Include mechanisms to provide for prompt action on tax reform;



Fix the Budget Process

- Call for reform of the budget process to promote greater accountability, transparency, and discipline;
- Provide for strict enforcement of spending and revenue levels in the budget resolution and make it harder to waive budget limits;
- Prohibit the passage of legislation that would increase long-term deficits;
- Strengthen prohibitions of timing shifts, phony savings, and other gimmicks; and
- Tighten rules exempting Overseas Contingency Operations costs from budget limits.

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For more information or to speak with a CRFB expert, contact media@crfb.org.