

Congress needs better budget approaches

Background

Budgets match resources with outcomes. Ideally, they fund core competencies while recognizing limits and trade-offs. The federal budget process—especially Congress' stage—does not meet these goals. It is incomplete and disconnected, it allows increasingly harmful outcomes, and it gives few members of Congress a meaningful chance to shape federal priorities. A healthier process can produce better results by harnessing the distributed knowledge that members of Congress can access.

Policy Solutions

- Automatic CRs: Prevent Government Shutdowns Act by Sens. James Lankford and Maggie Hassan.
- Unified budgets: All spending and all revenue in the annual congressional budget process.
- Smart budget targets—and <u>automatically increase</u> the debt limit if they are met.
- Better budget transparency:
 - o **Include interest costs in CBO/JCT estimates:** The <u>Cost Estimates Improvement Act</u> by Rep. Michael Cloud
 - Adopt fiscal gap and generational accounting: The <u>INFORM Act</u> by Rep. Greg Murphy and Sen. Mike Braun.
- Bipartisan commissions: The <u>TRUST Act</u> by Sens. Mitt Romney and Joe Manchin and by Reps. Mike
 Gallagher and Ed Case or the <u>Sustainable Budget Act</u> by Sen. Cynthia Lummis and by Reps. Case and Steve
 Womack.
- Spin-offs from larger proposals: <u>The Bipartisan Congressional Budget Reform Act</u> by Sens. Mike Enzi and Sheldon Whitehouse or the <u>Republican Study Committee's FY2022 Budget</u>.
- Control spending growth: Especially in Social Security, federal pensions, Medicare, Medicaid, and other health care programs (see AFP's health policy <u>one-pager</u>).

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