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COMMITTEE ON THE BUDGET

CHAIRMAN TOM PRICE, M.D.



Budget Digest – Week of November 14th

Reconciliation: The Ticket to *A Better Way*

Reconciliation is the Ticket to *A Better Way*. Over the past year, House Republicans have developed and championed *A Better Way* – a plan “to get America back on track” – that addresses the greatest challenges of our time. It includes policies to repeal and replace Obamacare, reform the social safety net, simplify the tax code, and get the economy growing again. A legislative tool known as *reconciliation* is the most expedient means of implementing the core policies outlined in *A Better Way*.

The Budget Resolution Unlocks Reconciliation. Reconciliation is an expedited legislative procedure that can only be triggered by the adoption of a concurrent budget resolution. It is used to bring revenue and automatic spending levels in line with budget resolution targets. In the Senate, such a bill is filibuster-proof, requiring only a simple majority (51 votes) to pass, and is limited to 20 hours of debate. Reconciliation, however, is a limited tool. A reconciliation bill must meet the requirements of the Senate’s “[Byrd Rule](#)”, which prohibits provisions that have no direct budgetary effect. In other words, if a provision has no impact on either spending or revenue, it is ineligible for inclusion in the reconciliation bill.

Reconciliation is a Proven Strategy.

In January 2016, Republicans used the reconciliation process to send an Obamacare repeal bill, [Restoring Americans’ Healthcare Freedom Reconciliation Act of 2015](#), to the President’s desk for the first time – providing a roadmap for how solutions can be advanced by simple majorities in Congress. With control of both chambers of the Congress beginning in 2017, Republicans have the opportunity to pursue the agenda set forth in *A Better Way*.

To do so, they should employ this expedited process to make the needed reforms in health care, taxes, the safety net and entitlements, in a fiscally responsible way. Additionally, since the Congress has yet to take up the FY2017 budget resolution, there is now an opportunity to pass both an FY2017 and an FY2018 budget resolution at the start of the new Congress – providing two chances for reconciliation next year. Thus, the importance of each chamber passing a budget to unlock the reconciliation process cannot be overstated. This must be a top priority for Congress in order to take the first step towards *A Better Way*.

“[A Better Way] is our plan for 2017. Much of this you can do through reconciliation.”

– Speaker Paul Ryan