

Testimony Of

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Before The
Committee on the Budget
House of Representatives

On

**“Reclaiming Congressional Authority
Through The Power Of The Purse”**

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Chairman Price and members of the committee.

As a staff member of this committee when it began more than 40 years ago, and as someone who has devoted much of his career to the federal budget, I am delighted to have the opportunity to testify before you this morning. A long time ago, I spent many long days and nights in this room watching Chairman Robert Giaimo with a combination of awe and appreciation and it's a privilege for me to close the circle by being back here again.

However, many of you may not like what I have to say this morning.

The premise of this hearing is that the White House has seized control over the budget and usurped Congress' power of the purse.

This is completely false. The White House has not seized control over spending and taxing. Instead, Congress has willfully and shamefully ceded its fiscal powers by refusing to exercise them and any attempt to characterize it differently is nothing more than political misdirection.

Actually, saying that Congress has abrogated its power-of-the-purse duties gives it way too much credit. In reality, the House and Senate have been running away almost at full speed from their legally required budget responsibilities, and they have been doing it with impunity.

How else can you characterize this committee's refusal to hold a hearing earlier this year on the president's budget?

How is it possible that you didn't use your ability to call the director of the Office of Management and Budget to testify so you could ask him tough questions about what the president is proposing?

For that matter, how is it possible that the House Budget Committee invited me to testify but blacklisted the head of the cabinet agency that could have provided it with valuable information with which to make decisions?

Congress' willful disregard for its budget responsibilities goes much further.

For example, the House and Senate have refused – not been unable but actually refused -- to develop a budget resolution this year. It deserves credit for adopting a budget resolution last year but, as I recently reminded a senior member of your staff, the Congressional Budget Act requires you to do one every year rather than just when the economic and political moon, stars and planets are aligned.

In other words, Congress has repeatedly refused or been unable to use the precise legislative vehicle it created for itself not just to maintain but to increase its power of the purse. That means that Congress and not the White House is the one at fault for the current situation.

Sadly, Congress' obvious failure on budget resolutions has at least been matched by its incompetence on authorizations and appropriations.

Authorizations, which are not required by the U.S. Constitution, were developed by Congress largely to give representatives and senators who were not on the spending and tax writing committees something to do.

Given the increasingly dismal record of these committees of actually doing what at one time they said they wanted to do and the lack of a constitutional requirement, it may well be time to acknowledge that the authorization of military and domestic appropriations and the authorization committees that are supposed to produce these bills have outlived their usefulness and should be eliminated.

Appropriations are an equally sad story of not of Congress being prevented from doing its job but of its inability, refusal and unwillingness to do what's needed. One or more "continuing resolutions" – the technically sounding phrase that really means congressional sloth and inertia – has been needed every year since the start of this century.

In fact, CRs are at least as prevalent today as they were in the early 1970s when the Congressional Budget and Impoundment Control Act was adopted in part to make them less likely.

In spite of this and the steady stream of other budget process reform failures, this committee for some reason is considering a variety of changes in the congressional budget process that it says will fix these problems.

Let me state this as directly as possible: You will accomplish nothing by changing the congressional budget process unless what you're trying to do is to fool voters into thinking that you're actually accomplishing something.

Congress is as certain to ignore, refuse to implement and use gimmicks to evade any new procedures you put in place as it has with all those that have come before.

Indeed, this hearing is proof that the budget process changes that have been enacted for the past 40 years have failed. The failure of each of the new budget procedures, all of which were put in place with the same type of remarkably Pollyanna-like promises that are implied here today, unambiguously demonstrates that changing the process is futile: Congress will only do what it wants to do no matter what the law says.

The truth is that Congress doesn't need a budget process at all. The U.S. Constitution gives the House and Senate all the power they need to develop, adopt and implement a budget and pass authorizations and appropriations.

The problem is that the budget, authorization and appropriations committees and the full House and Senate can't or won't figure out if they really want the power or would just prefer to criticize the White House.

So...as this year's almost nonexistent budget debate amply shows...nothing happens. The country goes without a budget, without a fiscal policy that except by accident is relevant to the current and projected economy, without appropriations and without most authorizations.

Instead we get threatened and real government shutdowns, threatened defaults, fiscal cliffs and totally ignored deadlines.

Four of the budget process changes this committee has recently mentioned as potential solutions clearly are destined not to work.

The first is the supposedly new requirement that all spending must be authorized before it can be appropriated.

In theory, this rule already exists. In reality, it's routinely ignored. What makes you think there is any way to force your colleagues to comply with a newly stated version of this rule when they have refused to abide by the old one? It's time for this committee to face facts: authorization committees will not produce authorization bills until they feel it is in their political interest to do so...and for quite some time they haven't thought that to be the case.

The second is the now almost perennial proposal to change the congressional budget from a concurrent to a joint resolution so that it has to be signed by the president to go into effect.

This proposed change will so stymie the process that I can't help but think it's being suggested now solely for political reasons. The goal may well be to take the heat off Congress for not passing a budget by giving it the ability to send the president a ridiculous, hyper-partisan spending and revenue plan it knows she or he will veto.

And, of course, changing the budget to a joint resolution that the president may veto will actually further abrogate Congress' power of the purse.

The third is the proposed balanced budget amendment to the U.S. Constitution.

This poorly conceived and pie-in-the-sky fantasy has been around so long that it's hard to take it seriously. But it's an especially strange proposal for this committee that supposedly is so concerned about Congress being about to exercise the power of the purse. After all, a constitutional requirement that every federal budget be balanced would do away with Congress's ability to set the appropriate fiscal policy for the country.

The fourth is the proposal to put spending caps on mandatory spending.

This proposal is close to a scam. If Congress wants to reduce spending on Medicare, Medicaid, Social Security and the other mandatory spending programs, it should propose those changes and then either bask in the praise or suffer the political displeasure that results from what it is suggesting. It should not be able to take the cowardly way out by being able to blame the cuts on a process.

I urge this committee to stop trying to make anyone think Congress' budget problems stem from its budget process and that changes to the process are all we need. That's nonsense. When it comes to the federal budget, Congress itself rather than the process it uses is the only problem.

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The views expressed in this testimony are those of Stan Collender alone. They have not be reviewed or approved by any company or organization with which he is affiliated.