



HOUSE  
BUDGET  
COMMITTEE

# Budget Digest

Chairman Steve Womack

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## COMMITTEE APPROVES FY 2019 BUDGET RESOLUTION

The most important role of the House Budget Committee each year is to produce a budget resolution that establishes an overarching budget blueprint for the federal government. Last week, the Committee fulfilled its duty and passed a balanced and responsible plan for fiscal year (FY) 2019.

An optimistic vision - confident in the American people - and the nation's potential, *Budget for a Brighter American Future* maps out real solutions to confront fiscal challenges and promote economic growth. To achieve balance in nine years, this budget calls for serious spending restraint and builds on the economic successes of tax reform.



**Preventing a Debt Crisis.** While this budget requires tough decisions in the short-term to address more than \$21 trillion of debt, the recommendations are not careless. The reality is that if the current situation remains unchanged, there will be a sovereign debt crisis that will cripple the economy and adversely affect every American family. To reverse the current trend of widening deficits and slow down the growing debt, this budget calls for \$8.1 trillion in deficit reduction achieved over 10 years and yields surpluses of \$26 billion in FY 2027 and \$142 billion in FY 2028.

**Saving Safety-Net Programs.** Importantly, this budget addresses the single greatest driver of the nation's debt: mandatory spending. More than two-thirds of federal dollars go to mandatory spending, including interest on the debt and safety-net programs like Medicare and Social Security. While some of the most vulnerable Americans rely on benefits from mandatory programs, it's not a matter of if but *when* these programs will be unable to fulfill their promise. According to CBO, insolvency is on the horizon and could come as early as 2026 for some. In response, this budget calls for reforms to save those programs upon which many vulnerable Americans depend while easing the fiscal burden placed on future generations. And through reconciliation instructions for 11 House authorizing committees, this budget achieves at least \$302 billion in mandatory savings over the 10-year window, showing a commitment to act now and prevent a debt crisis.

**Growing the Economy.** Despite the fiscal challenges posed by the growing debt, the economy continues to respond positively to the *Tax Cuts and Jobs Act*, enacted six months ago. To build on that success, this budget calls for pro-growth policies that do away with needless regulations on job creators and empower would-be American entrepreneurs.

A document which puts forth meaningful reforms and achievable goals for the nation's fiscal health, the *Budget for a Brighter American Future* was met with success last week. Following a two-day committee markup, the budget resolution was approved on Thursday, June 21, 2018, by a vote of 21-13 and will be reported to the House of Representatives.