Opening Statement
Senator Michael B. Enzi
Senate Budget Committee Hearing

Fixing a Broken Budget and Spending Process:
Perspectives of Two Former Chairmen
May 14, 2019

Good afternoon, and welcome to today's hearing on fixing America's broken budget and spending process. Over the course of the next several weeks, the Senate Budget Committee will hear from a variety of experts on ideas to reform and improve this process. My hope is that these hearings will inform this Committee's work as we look to advance bipartisan solutions to the problem.

Today, I am especially pleased to welcome two former Senate Budget Committee chairmen, Senators Judd Gregg and Kent Conrad, to share their perspectives.

Senator Conrad, Senator Gregg, welcome back to this Committee.

Every day, American families and small businesses make tough decisions regarding how to balance their budgets. They work hard, manage their money responsibly, and if they fail to live within their means, they face real-world consequences. They hope that Congress is as conscientious with the taxpayer dollars they send to Washington, but as we all know, too often that's not the case.

Since the federal budget framework was established in 1974, there have been only four years in which Congress passed all of the annual appropriations bills on-time. The last time this happened was 1997 – more than 20 years ago. And in the 40 plus years that we have been operating under the current budget framework, our government has had 20 funding gaps of varying durations. This figure does not include the 21 times Congress has passed funding measures to renew budget authority the day after it had expired.

The dysfunction surrounding Congress's inability to pass annual spending bills on-time gets a great deal of attention, but

the problems are actually much worse – and more damaging long-term – on the mandatory side of the ledger. Autopilot spending continues to grow almost entirely unchecked. Fifty years ago, such spending comprised 36 percent of total spending. Today, that figure is approaching 70 percent, and according to the Congressional Budget Office, will reach nearly 80 percent in ten years time. Despite increasingly dire warnings that our country is on unsustainable fiscal course, there is little congressional scrutiny or effective controls over this spending.

Clearly, we have a problem. Congress can't keep avoiding its basic duties or ignoring the real impacts on our country.

Among the first steps toward action must be framing the scope of the problem and highlighting where we agree.

First, I think most would agree that the current budget and spending framework isn't working as intended. There is little buy-in from members for a system that was created in the 1970s. The world has changed a lot since then, so it is fitting for us to rethink how we approach budgeting and spending.

Second, I think we can agree the process is incredibly complex. Nobody understands it. Talking to someone about the differences between budget authority and outlays causes eyes to glaze over. Telling someone they can use one offset because it is a receipt, but not use another offset because it is a revenue, only causes inquisitive looks. I don't even want to start talking about deficit-neutral reserve funds or "CHIMPs." If we are going to be successful in our reform effort, we must have a process everyone can understand and follow.

Third, lots of us find it concerning that there are no immediate repercussions to Congress's inability to keep our fiscal house in order. Congress, time and time again, does not meet its deadlines to pass spending bills, putting off the tough decisions voters expect us to make. When budget agreements are made, they are ignored within weeks with barely the bat of an eye.

I'm hoping that today's hearing will help us begin to focus on meaningful solutions to address these problems.

We are fortunate to hear from two of our distinguished former colleagues who are intimately familiar with this process, and the challenges we face. They are thoughtful, seasoned leaders, who come from different political parties. I am hopeful the ideas presented will set us on a bipartisan path toward real and lasting solutions.

With that, I very much look forward to hearing what Chairmen Gregg and Conrad have to say today. I know their insight will prove to be invaluable as we think about reform efforts, and the best way to go about enacting them.

Senator Sanders…?