



Americans for Prosperity's Agenda to End Budget Brinkmanship

For decades, both political parties have promised to bring fiscal responsibility back to Washington, and for decades both parties have failed. Budget battles and debt ceiling increases have become flashpoints to leverage for political gain, rather than a serious conversation about reform. What's worse, the inevitable crisis looming over each negotiation often results in more reckless spending, less accountability, and another manufactured crisis-in-waiting.

The federal government is again on the brink of a disastrous debt crisis because of Washington's budget dysfunction. The United States has hit its debt ceiling and is using extraordinary measures to cover its bills. The federal government is on track to end up spending more on interest payments alone than on many programs that benefit Americans.

The debt ceiling must be raised. Defaulting on timely payment of principal and interest is not an option. But ignoring ruinous growth in our federal debt isn't an option either. So far, the Biden Administration has demanded an unconditional increase in the debt ceiling – showing no interest in working with the divided Congress to slow the growth of our more than \$31 trillion debt.

Rather than assigning blame, this should be a time to examine how we got here. That's why Americans for Prosperity is focused on fixing what's really broken: Washington's budgeting process.

Of course, rooting out and eliminating the wasteful, duplicative, ineffective, or actively harmful spending that runs rampant in Washington is important. Many federal activities are far outside the proper role of the agencies or even the federal government in general and should be cut. But we've seen time and again that strategy alone isn't enough to make a real difference in the dangerous trajectory of our national debt. Without a better process that helps Congress and the President actively manage the budget and pursue clear economic goals, our country's debt problem will spiral into an ever-worsening crisis.

Americans for Prosperity is calling on the 118th Congress to change the way that Washington works and to reform the process that's driving our debt disaster –

1. CREATE A REAL BUDGET

Congress' current budget process blocks lawmakers from contributing to the coherent management of federal fiscal priorities. An annual, comprehensive budget bill that includes all spending and all revenue together would be more transparent, responsible, and representative – and far less polarizing.

The idea is simple: harness Congressional committees' expertise to build an annual budget bill with all spending and all revenue. Most organizations and many states already do this. Congress should too. Only a few small changes to the *Congressional Budget Act of 1974* are needed. This committee- and member-driven, bottom-up process would help Congress spend more judiciously with a greater focus on government's proper and important functions. It would help ensure that the federal government is spending the right amount of money on the right responsibilities, replacing the top-down status quo that has allowed far too much waste and unnecessary growth in the federal bureaucracy.

2. USE BETTER BUDGET TARGETS

Budgets based on annual balance encourage overspending during booms, discourage saving for rainy days, and drive instability in spending and revenue policies. Congress should set reasonable budget targets that balance over the medium-term, not every year. Under a structural balance framework, after phasing out deficits, budget surpluses in good years would offset deficits during recessions and emergencies. Legislation like Senator Mike Braun and Rep. Tom Emmer's [*Responsible Budget Targets Act*](#) would create a gradual transition to structural balance in federal budgeting, providing much-needed stability and sustainability while balancing the federal budget excluding interest costs within 15 years.

3. PREVENT GOVERNMENT SHUTDOWNS

Government shutdowns don't save money. In fact, shutdowns can cost taxpayers billions of dollars. Congress [*never intended shutdowns to be possible*](#), and it's time to prevent them from happening. Senators James Lankford and Maggie Hassan's [*Prevent Government Shutdowns Act*](#) would ensure that current policies continue while Congress finishes the budget and appropriations process. Ending shutdown brinkmanship can help Congress fulfill its most basic function. The Senate Homeland Security and Governmental Affairs Committee [*approved similar legislation*](#) in 2019 by a 10-2 vote.

4. FIX ENTITLEMENT PROGRAMS ON THE BRINK OF INSOLVENCY

Massive disruption for retired Americans is coming if Congress does not act soon to fix federal trust fund programs heading toward insolvency. Senators Mitt Romney and Joe Manchin's and Reps. Mike Gallagher and Ed Case's [*Time to Rescue United States' Trusts \(TRUST\) Act*](#) would create a bipartisan, bicameral select committee for each major, endangered trust fund program. These commissions would help Congress seek consensus about how best to give confidence and security to those who rely on Medicare, Social Security, and highway programs. A [*related Senate vote*](#) in 2021 had the support of 71 senators.

5. RECLAIM EMERGENCY POWERS

Emergency powers are often abused to let the Executive Branch bypass the democratic process of enacting legislation. Restoring Congressional authority over emergency powers is fundamental both to better budget outcomes and to representative democracy. Senator Mike Lee and Rep. Chip Roy's [*ARTICLE ONE Act*](#) would require Congressional approval of presidentially declared emergencies under the *National Emergencies Act of 1976* and restore a constitutional version of the checks and balances that the Supreme Court removed in *INS v. Chadha*. The Senate Homeland Security and Governmental Affairs Committee [*approved this legislation*](#) by voice vote in 2019, and it is part of the [*Congressional Power of the Purse Act of 2020*](#).

The 118th Congress has an opportunity today to forge sustainable solutions to our exploding national debt and prevent default now and in the years to come. By empowering Congress with a sound budgeting process, lawmakers can change the way that Washington works and put our country back on the path to prosperity.