



The Daily Dish

Budget Process Reform

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Eakinomics: Budget Process Reform

The Bipartisan Budget Act of 2018 (BBA) created the Joint Select Committee on Budget and Appropriations Process Reform (“the Committee”), a bipartisan, bicameral group comprised of 16 members, equally divided between the House and Senate and Republicans and Democrats. The Committee is required to report its recommendations and legislative text by November 30, 2018. As part of the process to reach those recommendations, *The Hill* is [reporting](#) that the Committee will release its proposed reforms today or tomorrow. A markup of the bill — including proposed amendments from all sides — would presumably be held on Thursday.

One of the requirements is that the recommendations must be passed out of the Committee on a supermajority vote consisting of at least five Democrats and five Republicans (independent of whether they are in the House or Senate). In practice, that means amendments that cannot garner the magic “5+5” are effectively dead because they would endanger the basic bill.

The high threshold for passage is one reason that most are expecting the draft legislation to fall far short of dramatic reforms and instead focus more narrowly on technical improvements to the process. The most common speculation is that the Committee will propose moving to a biennial budget. As I noted in my [testimony](#) before the Committee, Congress has passed the Bipartisan Budget Acts of 2013, 2015, and 2018, each of which was a two-year agreement on the basic shape of the appropriations for defense and non-defense purposes. There is good reason to assume Congress will pursue another two-year agreement to cover 2020 and 2021. It strikes me as sensible for the Committee to consider building on Congress’s ability to reach these recent multiyear budget agreements, and for the Committee to institutionalize them appropriately. In practice, this means adopting a biennial budget.

So, expect to see a biennial budget and some other odds and ends when the bill is released. But the really interesting possibilities will likely occur during the markup. What will happen (if anything) to [reconciliation](#) or other fast-track means of addressing entitlement and tax legislation? Will the Committee move to align the fiscal year with the calendar year? Can the Committee identify an effective carrot for passing a budget — or a stick to penalize the failure to do so? Is there a way to get the debt (at least as a fraction of gross domestic product) under control?

One of the first significant votes taken by the new bipartisan-controlled Congress in 2019 will be to raise the debt limit. With this vote looming, will the Committee propose changing the rules for considering debt limit increases?

Budget process reform is a far cry from getting the budget under control. The latter requires core changes to the entitlements and social safety net. But addressing the budget process is at least a first step toward Congress and the president facing the rising tide of red ink in a steadily deepening and serious way.