

113TH CONGRESS }
2d Session }

HOUSE OF REPRESENTATIVES

{ REPT. 113-382
{ Part 1

**H.R. 1869, BIENNIAL BUDGETING AND
ENHANCED OVERSIGHT ACT OF 2014**

R E P O R T

OF THE

COMMITTEE ON THE BUDGET
HOUSE OF REPRESENTATIVES

TO ACCOMPANY

H.R. 1869

together with
ADDITIONAL VIEWS



MARCH 21, 2014.—Ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

39-006

WASHINGTON : 2014

COMMITTEE ON THE BUDGET

PAUL RYAN, Wisconsin, *Chairman*

TOM PRICE, Georgia	CHRIS VAN HOLLEN, Maryland, <i>Ranking Minority Member</i>
SCOTT GARRETT, New Jersey	ALLYSON Y. SCHWARTZ, Pennsylvania
JOHN CAMPBELL, California	JOHN A. YARMUTH, Kentucky
KEN CALVERT, California	BILL PASCRELL, Jr., New Jersey
TOM COLE, Oklahoma	TIM RYAN, Ohio
TOM McCLINTOCK, California	GWEN MOORE, Wisconsin
JAMES LANKFORD, Oklahoma	KATHY CASTOR, Florida
DIANE BLACK, Tennessee	JIM McDERMOTT, Washington
REID J. RIBBLE, Wisconsin	BARBARA LEE, California
BILL FLORES, Texas	HAKEEM S. JEFFRIES, New York
TODD ROKITA, Indiana	MARK POCAN, Wisconsin
ROB WOODALL, Georgia	MICHELE LUJAN GRISHAM, New Mexico
MARSHA BLACKBURN, Tennessee	JARED HUFFMAN, California
ALAN NUNNELEE, Mississippi	TONY CARDENAS, California
E. SCOTT RIGELL, Virginia	EARL BLUMENAUER, Oregon
VICKY HARTZLER, Missouri	KURT SCHRADER, Oregon
JACKIE WALORSKI, Indiana	[Vacant]
LUKE MESSER, Indiana	
TOM RICE, South Carolina	
ROGER WILLIAMS, Texas	
SEAN P. DUFFY, Wisconsin	

PROFESSIONAL STAFF

AUSTIN SMYTHE, *Staff Director*
THOMAS S. KAHN, *Minority Staff Director*

CONTENTS

	Page
H.R. 1869, Biennial Budgeting and Enhanced Oversight Act of 2014	1
Introduction	2
Purpose and Need	3
Summary of Proposed Changes	9
Legislative History	9
Hearings	14
Section by Section	14
Votes of the Committee	17
Committee Oversight Findings	19
Budget Act Compliance	19
Performance Goals and Objectives	20
Constitutional Authority Statement	20
Committee Cost Estimate	20
Advisory Committee Statement	20
Applicability to the Legislative Branch	20
Federal Mandates Statement	20
Advisory on Earmarks	20
Duplication of Federal Programs	20
Disclosure of Directed Rule Makings	21
Changes in Existing Law Made by the Bill, as Reported	21
Views of Committee Members	42

BIENNIAL BUDGETING AND ENHANCED
OVERSIGHT ACT OF 2014

MARCH 21, 2014.—Ordered to be printed

Mr. RYAN of Wisconsin, from the Committee on the Budget,
submitted the following

R E P O R T

together with

ADDITIONAL VIEWS

[To accompany H.R. 1869]

[Including cost estimate of the Congressional Budget Office]

The Committee on the Budget, to whom was referred the bill (H.R. 1869) to establish biennial budgets for the United States Government, having considered the same, reports favorably thereon with amendments and recommends that the bill as amended do pass.

The amendments (stated in terms of the page and line numbers of the introduced bill) are as follows:

Page 1, line 5, strike “2013” and insert “2014”.

Page 2, line 13, insert “and Impoundment Control” after “Budget”.

Page 3, line 4, strike “Fourteenth” and insert “Fifteenth”.

Page 4, line 12, strike “four” and insert “4”.

Page 5, line 14, strike “and” after the semicolon.

Page 5, line 22, strike the first period and the second period and insert a semicolon and “; and”, respectively.

Page 5, after line 22, insert the following:

(5) in paragraph (4), as redesignated, by striking the semicolon and inserting a period.

Page 8, line 21, insert “as redesignated,” after “subparagraph (B)”.

Page 9, line 24, insert “and Impoundment Control” after “Budget”.

Page 10, line 20, insert “the” before “first fiscal year”.

Page 12, beginning on line 19, strike “is amended” and insert “, as amended, is further amended”.

Page 12, lines 21 and 23, strike “(12)” and “(13)” and insert “(14)” and “(15)”, respectively.

Page 13, line 1, strike “(14)” and insert “(16)”.

Page 17, beginning on line 4, strike “, **THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985,**”.

Page 20, strike lines 12 through 15 and redesignate subsequent subsections accordingly.

Page 22, line 17, strike “Fourteenth” and insert “Fifteenth”.

Page 24, line 23, strike the comma.

Page 25, line 7, strike “2016” and insert “2017”.

Page 28, line 21, insert “before” before “March 1”.

Page 30, line 21, strike “2016” and insert “2017”.

Page 31, lines 13 and 22, strike “2014” and insert “2016”.

Page 32, lines 2 and 9, strike “2014” and insert “2016”.

Page 33, line 8, strike “2015” and insert “2017”.

Page 33, line 10, strike “2014” and insert “2016”.

INTRODUCTION

H.R. 1869, the “Biennial Budgeting and Enhanced Oversight Act of 2014,” was introduced by Representative Reid Ribble of Wisconsin on May 8, 2013. This bill amends the Congressional Budget Act of 1974, the rules of the House of Representatives, and the laws governing the contents of the President’s budget submission and appropriations bills to establish a biennial budgeting cycle for the United States government. In the first session of Congress (i.e., odd-numbered years), Congress would adopt a budget resolution and appropriations bills. Congress would then consider authorization legislation in the second session (i.e., even-numbered years). Under a biennial budget, Congress could still provide supplemental funding where additional funding is needed or could rescind funding where it is not needed, including in even-numbered years.

The Congressional Budget Act of 1974 requires Congress to complete action on a budget resolution by April 15 (before 1986, May 15 was the deadline). This statutory deadline for a concurrent resolution on the budget has been met only six times and was most recently met in 2003 for fiscal year 2004. Congress has not completed all of the individual appropriations bills by the beginning of the fiscal year (October 1) since 1994 for fiscal year 1995, making it 20 years. Since 2010, the House of Representatives passed only six of the regular appropriations bills in 2011, seven in 2012, and only four in 2013. The Senate did not complete any of the regular appropriations bills last year. By relying on continuing resolutions or large omnibus appropriations measures, enacted well after the beginning of the fiscal year, Congress does not effectively deliberate over appropriations legislation, and as a result, makes it more difficult for agencies to plan and manage federal programs. Under a two-year process, Congress would have one year in every two devoted solely to program oversight and reauthorization.

Building on the recent experience of the Bipartisan Budget Act of 2013 (P.L. 113–67), which provided a budget framework for two fiscal years, the Biennial Budgeting and Enhanced Oversight Act of 2014 establishes a biennial budgeting cycle that provides greater opportunities for review of government spending, establishes more

certainty in the budget and appropriations process, and allows agencies to plan and manage their programs more effectively.

PURPOSE AND NEED

The annual budget process is broken. Congress is constantly budgeting and appropriating, but not in a deliberative or sensible way. Instead, Congress “deems” budgets and appropriates by supplemental or huge omnibus measures that are completed well after the fiscal year has begun for programs that frequently are unauthorized. Washington should spend less time spending taxpayer dollars and more time making government more efficient and more effective. A biennial budget would allow Congress to prioritize its work by completing the budget resolution and appropriations bills in odd-numbered years and conducting oversight and enacting multi-year authorization bills in even-numbered years.

Congress and the Executive Branch are preoccupied by an annual budget process that routinely produces missed deadlines, uncertainty, and a last-minute scramble to complete action on appropriations measures either through stopgap or omnibus appropriations measures. President Obama has not met the deadline to submit his budget request on time since 2010. Congress has not completed a budget resolution since 2009 and has not enacted all of the regular appropriations bills on time since 1994. There has never been a year in which the President submitted his budget on time, Congress completed the budget resolution by the statutory deadline, and all of the appropriations bills were enacted by the beginning of the fiscal year.

DATES OF FINAL ADOPTION OF THE BUDGET-RESOLUTION CONFERENCE REPORT
[FY1976–FY2014]

Fiscal year	Date adopted	Fiscal year	Date adopted
1976	05-14-1975	1996	06-29-1995
1977	05-13-1976	1997	06-13-1996
1978	05-17-1977	1998	06-05-1997
1979	05-17-1978	1999	[none]
1980	05-24-1979	2000	04-15-1999
1981	06-12-1980	2001	04-13-2000
1982	05-21-1981	2002	05-10-2001
1983	06-23-1982	2003	[none]
1984	06-23-1983	2004	04-11-2003
1985	10-01-1984	2005	[none]
1986	08-01-1985	2006	04-28-2005
1987	06-27-1986	2007	[none]
1988	06-24-1987	2008	05-17-2007
1989	06-06-1988	2009	06-05-2008
1990	05-18-1989	2010	04-29-2009
1991	10-09-1990	2011	[none]
1992	05-22-1991	2012	[none]
1993	05-21-1992	2013	[none]
1994	04-01-1993	2014	[none]
1995	05-12-1994		

Source: Bill Heniff, Jr., “Congressional Budget Resolutions: Historical Information,” CRS Report (RL30297).

Federal spending can be broken into two categories. In the first, Congress provides “discretionary” funding on an annual basis through the appropriations process. For discretionary spending, Congress must take action each year to enact a new law before agencies can spend discretionary funds.

The remainder of federal spending, known as “mandatory” spending, is generally provided through permanent law, and there is no requirement that Congress review or approve this spending on an annual basis. In fact, Congress must enact a new law to limit the growth or reduce this funding. In addition, most mandatory spending operates under formulas where the spending grows each year, frequently faster than inflation, faster than the growth in the population, and faster than the growth in the economy. As a result, mandatory spending is increasingly dominating the federal budget. Fifty years ago, mandatory spending was just under one-third of total federal spending.¹ CBO estimates that it will amount to nearly two-thirds of the budget this year, growing to over three-fourths of total spending by 2024.²

There is no requirement that Congress review mandatory spending. The budget resolution can include reconciliation instructions to authorizing committees to produce reconciliation legislation making changes to mandatory spending or revenue. However, this process is used on an intermittent basis and is frequently used to achieve a specific policy outcome rather than as a comprehensive review of mandatory spending or revenues. The last time Congress used reconciliation was in 2009 and 2010 to generate the Health Care and Education Reconciliation Act of 2010, one of two bills that put in place the health-care law in 2010.

In addition to mandatory spending, over time Congress has added new credits, deductions, exclusions, and other preferences to the tax code. While these provisions in the tax code are characterized as “tax expenditures,” they are different from federal spending. A tax expenditure arises when an individual’s tax liability is reduced from what it would otherwise be under federal law. Many tax expenditures are fundamentally different from federal spending because they lead to a reduction in collections to Treasury and not an increase in spending from the Treasury. Still, there has been a huge growth in these tax expenditures, amounting to an estimated 8.2 percent of gross domestic product, or \$1.4 trillion in 2014.³ As is the case with mandatory spending, most tax expenditures are permanent law, there is no requirement to review tax expenditures and they, like mandatory spending in the case of spending, have grown to dominate the tax code.

ENACTMENT OF REGULAR APPROPRIATIONS BILLS AND USE OF CONTINUING RESOLUTIONS

[FY1977–FY2014]

Fiscal year	Total number of regular appropriations bills ^a	Regular appropriations bills enacted on or before October 1	Continuing resolutions enacted ^b
1977	13	13	(2) ^c

¹In 1964, total outlays amounted to \$118.5 billion, with discretionary spending of \$79.1 billion (66.8 percent) and mandatory spending and net interest totaling \$39.4 billion (33.2 percent). Source: Office of Management and Budget, “Historical Tables,” tables 8.1 and 8.3, <http://www.whitehouse.gov/omb/budget/historical>.

²For fiscal year 2014, CBO estimates total outlays will amount to \$3.454 trillion, with discretionary spending of \$1.201 trillion (34.8 percent) and mandatory spending and net interest totaling \$2.253 trillion (65.2 percent). CBO projects that total spending will rise to \$6 trillion by 2024, with discretionary spending of \$1.383 trillion (23 percent) and mandatory spending and net interest totaling \$4.617 trillion (77%). Source: Congressional Budget Office, “The Budget and Economic Outlook: 2014 to 2024,” February 2014, Table 1–2, p. 12, <http://www.cbo.gov/sites/default/files/cbofiles/attachments/45010-Outlook2014.pdf>.

³Congressional Budget Office, “The Budget and Economic Outlook: 2014–2024,” February 2014, p. 90, <http://www.cbo.gov/sites/default/files/cbofiles/attachments/45010-Outlook2014.pdf>.

ENACTMENT OF REGULAR APPROPRIATIONS BILLS AND USE OF CONTINUING RESOLUTIONS—
Continued
[FY1977–FY2014]

Fiscal year	Total number of regular appropriations bills ^a	Regular appropriations bills enacted on or before October 1	Continuing resolutions enacted ^b
1978	13	9	3
1979	13	5	1
1980	13	3	2
1981	13	1	3
1982	13	0	4
1983	13	1	2
1984	13	4	2
1985	13	4	5
1986	13	0	5
1987	13	0	6
1988	13	0	5
1989	13	13	0
1990	13	1	3
1991	13	0	5
1992	13	4	4
1993	13	1	1
1994	13	2	3
1995	13	13	0
1996	13	0	13
1997	13	(13) ^d	0
1998	13	1	6
1999	13	1	6
2000	13	4	7
2001	13	2	21
2002	13	0	8
2003	13	0	8
2004	13	3	5
2005	13	1	3
2006	11	2	3
2007	11	1	4
2008	12	0	4
2009	12	(3) ^e	2
2010	12	1	2
2011	12	0	8
2012	12	0	5
2013	12	0	2
2014	12	0	4

a. Between the 95th and 108th Congresses, there were 13 House and Senate Appropriations subcommittees responsible for one regular appropriations bill each. During the 109th Congress, due to subcommittee realignment, the total number of regular appropriations bills was effectively reduced to 11 during each year of this Congress. Beginning in the 110th Congress, subcommittee jurisdictions were again realigned for a total of 12 subcommittees, each of which is currently responsible for a single regular appropriations bill. For further information on subcommittee realignment during this period, see CRS Report RL31572, "Appropriations Subcommittee Structure: History of Changes from 1920 to 2013," by Jessica Tollestrup.

b. For further information on each of these continuing resolutions, see Table 4.

c. Although all 13 FY1977 regular appropriations bills became law on or before the start of the fiscal year, two CRs were enacted. These CRs generally provided funding for certain activities that had not been included in the regular appropriations acts.

d. This number reflects six regular acts being combined to form an omnibus appropriations act, and enacting the other seven bills individually.

e. Three regular appropriations bills were packaged into a single act that also included the initial FY2010 CR (P.L. 110–329).

Source: Jessica Tollestrup, "Continuing Resolutions: Overview of Components and Recent Practices," CRS Report (R42647).

The Executive Branch and Congress must address discretionary spending each year and frequently do so in a chaotic fashion, confronting government shutdowns, enacting stop-gap measures known as continuing resolutions to avoid shutdowns, and usually finalizing the process with a huge omnibus appropriations measure done at the last minute without the deliberation or scrutiny that comes from enacting all 12 appropriations bills separately. This leads to a perverse result, in which the federal budget is increasingly dominated by mandatory spending, while Congress and the Executive Branch's attention is increasingly focused on discretionary spending, which is shrinking as a share of total spending.

By shifting to a two-year cycle, this legislation will ensure that Congress is not constantly racing to meet the next budget deadline. Giving Congress more time to focus on appropriations through a biennial budget cycle in odd-numbered years will increase the probability of enacting more bills on time. In addition, the chaos in the appropriations process makes it more difficult for agencies to plan and manage federal programs. The Department of Defense provides one example. In testimony before the House Budget Committee, Chuck Hagel, the Secretary of the Department of Defense, stated, “Today, the Department of Defense faces the significant challenge of conducting long-term planning and budgeting at a time of considerable uncertainty both in terms of the security challenges we face around the world and the levels of defense spending we can expect here at home.”⁴

A biennial budget would give agencies more certainty. In fiscal year 2013, agencies operated under a temporary-funding resolution until enactment on March 26 of a full-year funding resolution. It is nearly impossible for an agency to plan and effectively manage programs when it does not know what its funding levels are. A biennial budget would give agencies more time to plan, particularly for multi-year programs and projects, and give managers some certainty about their budget levels as they execute budgets. It would also allow Congress to devote one year in every two to nothing but program oversight and reauthorization.

A biennial budget enjoys strong bipartisan support. This legislation has 142 bipartisan co-sponsors, including 21 members of the House Budget Committee and 7 members of the House Appropriations Committee. In 1993, the final report of the Joint Committee on the Organization of Congress recommended a biennial budget and appropriations process.⁵ The report stated, “With biennial budgeting, the budget process should be less complicated, less repetitious, and instead be more understandable and meaningful.”⁶ Additionally, the report stated that “[t]wo-year cycles will also permit executive branch agencies to plan for the longer term, a failure of the current system.”⁷

A biennial budget was supported by the Reagan, George H.W. Bush, Clinton, and George W. Bush administrations.⁸ In particular, the 1993 National Performance Review found that “[c]onsiderable time could be saved—and used more effectively—in both the executive and legislative branches of government if budgets and appropriations were moved to a biennial cycle.”⁹ President Clinton’s fiscal year 2001 budget and President George W. Bush’s fiscal year 2004 budget each provided support for a biennial budget.¹⁰

⁴Testimony of the Honorable Chuck Hagel, Secretary, U.S. Department of Defense, House Budget Committee hearing, “The Department of Defense and the Fiscal Year 2014 Budget,” June 12, 2013, p. 8.

⁵Senate Report 103–215, Vol. I—Organization of the Congress, Final Report of the Senate Members of the Joint Committee on the Organization of Congress, December 1993, p. 13.

⁶Ibid.

⁷Ibid.

⁸Jessica Tollestrup, “Biennial Budgeting: Options, Issues, and Previous Congressional Action,” March 28, 2013, p. 9, CRS Report (R41764).

⁹Ibid.

¹⁰Ibid.; See also U.S. Office of Management and Budget, “Budget of the United States Government, Fiscal Year 2001, Analytical Perspectives,” p. 287 and U.S. Office of Management and Budget, “Budget of the United States Government, Fiscal Year 2004, Analytical Perspectives,” p. 318.

Biennial budgeting draws support from Democratic budget experts such as former Senate Budget Committee Chairman, Kent Conrad; former House Budget Committee Chairman and Secretary of Defense, Leon Panetta; and former Office of Management and Budget Directors Alice Rivlin, Jack Lew, and Franklin Raines. Former OMB and CBO Director Alice Rivlin, when asked about a biennial budget process at a House Budget Committee hearing, stated, “I think the main benefit is that it saves everybody time.”¹¹

Jack Lew has testified in support of a biennial budget on two occasions. In 1998, Lew testified at his nomination hearing before the Senate Committee on Governmental Affairs, “A biennial budget would be really a very good change. The budget season used to be part of the year. It has become all of the year and there is virtually no space between beginning and ending the process, which makes it very difficult to focus on the kinds of long-term management issues, the kinds of long-term program design issues that many of the questions you are asking today are really all about. We think it would be a much more constructive use of both the legislative and the Executive Branch’s time if we had a cycle that was every 2 years, not every year, on the appropriations side.”¹² In 2000, before the House Rules Committee, Lew testified, “[T]he Administration continues to believe that biennial budgeting offers a management tool with potential to contribute to the enhanced performance of the Federal Government.”¹³ Lew further testified, “[T]he primary potential benefit from biennial budgeting is that, by concentrating budget decisions in the first year of each two-year period, time would be freed up in the second year that could be redirected to management, long-range planning, and oversight.”¹⁴

In 1997, then OMB Director Franklin Raines testified in support of a biennial budget before the Senate Committee on Governmental Affairs. He stated, “Biennial budgeting also offers the potential to make government work better in important ways, and that is why the administration has expressed strong support for the concept on numerous occasions.”¹⁵ Raines also stated, “For biennial budgeting to work, it must cover each phase of the budget process—the President’s budget, the Congressional budget resolution, and appropriations.”¹⁶ Raines further stated, “One of the more compelling advantages of biennial appropriations is that it could provide greater stability and predictability for those served and involved in Federal Government programs—such as individuals receiving Federal benefits or States and non-profits receiving Federal grants.”¹⁷

Leon Panetta was the author of one of the first biennial reform bills in 1977. In 2012, then Secretary of Defense Leon Panetta tes-

¹¹Testimony of Alice Rivlin, House Committee on the Budget hearing, “The Broken Budget Process: Perspectives from Former CBO Directors,” September 21, 2011, p. 22, available at <http://congressional.proquest.com/congressional/result/pqpresultpage.gispdfhitspanel.pdflink/http%3A%2F%2Fprod.cosmos.dc4.bowker-dmz.com%2Fapp-bin%2Fgis-hearing%2F3%2F5%2Fa%2F%2Fhr-2011-bgh-0015-signed.pdf/entitlementkeys=1234>.

¹²Testimony of Jacob J. Lew, Senate Committee on Governmental Affairs hearing, “Nomination of Jacob J. Lew to Be Director of the Office of Management and Budget,” June 22, 1998, p. 16.

¹³Testimony of Jacob J. Lew, Director, Office of Management and Budget, House Committee on Rules hearing, “Budget Reform,” March 10, 2000, http://www.whitehouse.gov/omb/legislative-testimony_20000310/.

¹⁴Ibid.

¹⁵Testimony of Franklin Raines, Senate Committee on Governmental Affairs hearing, “S. 261—Biennial Budgeting and Appropriations Act,” April 23, 1997, p. 7.

¹⁶Ibid.

¹⁷Ibid. at p. 8

tified before the House Budget Committee that he supported a biennial budget.¹⁸ He stated, “[W]e would have been better off establishing a two year process; it would give us some planning for the future. * * * [I]t would have provided a little more stability, I think, within the Congress.”¹⁹

According to G. William Hoagland, a senior vice president of the Bipartisan Policy Center, a biennial budget “would offer a saner, more rational and efficient approach.”²⁰ Hoagland further stated, “If you’re spending all your time appropriating and budgeting, you’re not able to free up members’ time and attention to deal with the underlying authorization and appropriations process. It’s good governance.”²¹

A recent Brookings Institution article entitled, “Reforming the Budget: Four Steps to Restore Fiscal Discipline,” also provides support for a biennial budget. Implementing a biennial budget is one of these four steps.²² The article states, “One of the simplest ways to do budgeting better is simply to do it less often.”²³

Independent organizations across the political spectrum also support a biennial budget. These include The Committee for a Responsible Federal Budget, Third Way, Concord Coalition, National Taxpayers Union, Council for Citizens Against Government Waste, and No Labels.²⁴ The Committee for a Responsible Federal Budget wrote a letter in support of this legislation which stated, “The primary benefit of a biennial budget cycle is the extra time it permits Congress and the White House to take a more careful look at our budget and federal programs, particularly those currently on autopilot. In order to fix our pressing fiscal problems, we must go through our spending and tax policies with a fine-toothed comb and determine what works, what needs fixing, and what doesn’t work.”²⁵

Over the past few decades, many states have used a biennial budget process.²⁶ As of 2011, 19 states operate on a biennial budget.²⁷

In sum, a biennial budget is a widely supported bipartisan reform that would allow Congress to prioritize its work by completing the budget resolution and appropriations bills in odd-numbered years and devote more time to program oversight and reauthorization in even-numbered years.

¹⁸ Testimony of Secretary of Defense Leon Panetta, House Committee on the Budget hearing, “The Department of Defense and the Fiscal Year 2013 Budget,” February 29, 2012, p. 40.

¹⁹ *Ibid.*, p. 39–40.

²⁰ Eric Pianin, *The Fiscal Times*, “End Beltway Brawls? Try Biennial Budgeting,” January 31, 2014, <http://www.thefiscaltimes.com/Articles/2014/01/31/End-Beltway-Brawls-Try-Biennial-Budgeting>.

²¹ *Ibid.*

²² Linda Blimes, Brookings Institution, “Reforming the Budget: Four Steps to Restore Fiscal Discipline,” February 5, 2014, <http://www.brookings.edu/blogs/fixgov/posts/2014/02/04-budget-reform-accounting-system-overhead-bilmes>.

²³ *Ibid.*

²⁴ Congressman Reid Ribble, “Biennial Budgeting Will Help Fix Washington’s Broken Budget System” <http://ribble.house.gov/biennial-budgeting-will-help-fix-washingtons-broken-budget-system>.

²⁵ *Ibid.*; See also <http://edit-ribble.house.gov/sites/ribble.house.gov/files/01132014%20CRFB%20Biennial%20Letter.pdf>.

²⁶ Ronald K. Snell, National Conference of State Legislatures, “State Experiences with Annual and Biennial Budgeting,” April 2011, p. 1, available at http://www.ncsl.org/documents/fiscal/BiennialBudgeting_May2011.pdf.

²⁷ *Ibid.*

SUMMARY OF PROPOSED CHANGES

The bill amends the Congressional Budget Act, the rules of the House of Representatives, the laws regarding the contents of the President's budget submission and appropriations bills to provide for a two-year budget, appropriations, and authorizations process.

In odd-numbered years, Congress would adopt a budget resolution that would provide annual levels for at least a five-year period. The resolution would include an allocation to the House and Senate Appropriations Committees for each of the years in the two-year period (biennium). The Appropriations Committees would then complete appropriations bills in odd-numbered years that would contain appropriations for each of the years in the biennium.

Even-numbered years would be reserved for Congressional oversight and Congressional consideration of authorization legislation. The bill requires authorization bills to have a term of at least two years. The bill does not prohibit the consideration of supplemental appropriations or rescissions to appropriations in the second year of the biennium.

LEGISLATIVE HISTORY

Since the 93d Congress, several bills making amendments to the Congressional Budget Act of 1974 to establish a biennial budget process have been introduced in the House of Representatives and the Senate. The following is a summary of these bills and related Congressional action.

Legislation in the 93d Congress

Under the Congressional Budget Act of 1974, the Congressional Budget Office (CBO) was required to examine and publish a report on the "feasibility and advisability" of biennial budgeting.

Legislation in the 95th Congress

In February 1977, as required by the Congressional Budget Act of 1974, CBO published a report, "Advance Budgeting: A Report to Congress," which found that "if the committees did not have to spend so much time each year on routine budgetary [issues], they would in fact have more time for their oversight work, leading to more rather than less oversight."²⁸

The Office of Management and Budget issued a report, entitled "A Study of the Advisability of Submitting the President's Budget and Enacting Budget Authority in Advance of the Current Timetable," which also supported a biennial budget process because "Both the President and Congress will reap significantly greater benefits from multi-year budgeting * * *"²⁹

Representative Leon Panetta (D-CA) introduced the Biennial Budget Act, the first bill introduced in Congress establishing a biennial budget process.

²⁸ Congressional Budget Office, "Advance Budgeting: A Report to the Congress," February 24, 1977, p. 16, available at <http://cbo.gov/sites/default/files/cbofiles/ftpdocs/111xx/doc11107/77doc716.pdf>.

²⁹ Office of Management and Budget, "A Study of the Advisability of Submitting the President's Budget and Enacting Budget Authority in Advance of the Current Timetable," p. 6; See also Senate Report 106-12—Biennial Budgeting and Appropriations Act, p. 12; House Report 107-200—Part 2—Budget Responsibility and Efficiency Act of 2001, p. 10.

Legislation in the 96th Congress

Representative Leon Panetta (D-CA) reintroduced the Biennial Budget Act, H.R. 2000. A resolution, S. Res. 197, which required a study on the feasibility of biennial budgeting, was introduced by Senator Dale Bumpers (D-AR).

Legislation in the 97th Congress

Representative Leon Panetta (D-CA) reintroduced his biennial budget bill in the House of Representatives.

In the 97th Congress, four biennial budgeting bills were introduced in the Senate. These included: S. 1683 introduced by Senator Wendell H. Ford (D-KY), S. 2008 introduced by Senator Dan Quayle (R-IN), S. 2629 introduced by Senator William V. Roth, Jr. (R-DE), and S. 2848 introduced by Senator Thad Cochran (R-MS). The Senate Governmental Affairs Committee held hearings on the topic of biennial budgeting.

Legislation in the 98th Congress

In the 98th Congress, several biennial budgeting bills were introduced in the House of Representatives and the Senate. These included: H.R. 750 introduced by Representative Leon Panetta (D-CA), S. 12 introduced by Senator Wendell H. Ford (D-KY), S. 20 introduced by Senator William V. Roth, Jr. (R-DE), S. 95 introduced by Senator Dan Quayle (R-IN), and S. 922 introduced by Senator Thad Cochran (R-MS). Senator Roth (R-DE) offered an amendment, S. Amdt. 3056, to H.R. 2163 to implement a biennial budget process. Hearings on Senator Roth's bill were held by the Senate Governmental Affairs Committee.

Legislation in the 99th Congress

In the 99th Congress, several biennial budgeting bills were introduced in the House of Representatives and the Senate. These included: H.R. 382 introduced by Representative Leon Panetta (D-CA), H.R. 748 introduced by Representative Earl Hutto (D-FL), H.R. 2845 introduced by Representative Ike Skelton (D-MO), H.R. 3461 introduced by Representative Robert W. Edgar (D-PA), S. 20 introduced by Senator William V. Roth, Jr. (R-DE), and S. 1556 introduced by Senator Wendell H. Ford (D-KY). Two resolutions, S. Res. 157 and S. Res. 159, requiring the establishment of a temporary select committee to examine the budget process, including recommendations for a biennial budget, were also introduced in the Senate.

Senator Sam Nunn (D-GA) offered an amendment to the Fiscal Year 1986 Defense Authorization bill, which required the President to provide biennial budget proposals for the Department of Defense. This amendment was preserved through conference and the conferees expressed support for a biennial budget because it would "substantially improve DOD management and congressional oversight."³⁰ The conferees also expressed a desire for all Federal spending to be through a biennial budget.³¹

³⁰Ibid.

³¹Ibid.

Legislation in the 100th Congress

In the 100th Congress, several bills implementing a biennial budget were introduced in the House of Representatives and the Senate. These included: H.R. 22 introduced by Representative Leon Panetta (D-CA), H.R. 33 introduced by Representative Hal Daub (R-NE), H.R. 777 introduced by Representative Marilyn Lloyd (D-TN), H.R. 805 introduced by Representative Timothy J. Penny (D-MN), H.R. 1558 introduced by Representative Earl Hutto (D-FL), H.R. 2733 introduced by Representative Bill Schuette (R-MI), H.R. 5205 introduced by Representative Leon Panetta (D-CA), S. 416 introduced by Senator William V. Roth, Jr. (R-DE), S. 832 introduced by Senator Pete V. Domenici (R-NM), S. 1362 introduced by Senator Nancy Landon Kassebaum (R-KS), and S. 2478 introduced by Senator Wendell H. Ford (D-KY). The Senate Committee on Governmental Affairs reported, with amendments, S. 2478.

On May 6, 1987, during consideration of the Senate's fiscal year 1988 budget resolution, S. Con. Res. 49, Senator William V. Roth, Jr. offered an amendment (S. Amdt. 186) expressing the sense of the Congress that biennial budget process should be enacted into law that year. The amendment was tabled in the Senate by a 53-45 vote.

Legislation in the 101st Congress

In the 101st Congress, several biennial budgeting bills were introduced in the House of Representatives and the Senate. These included: H.R. 1401 introduced by Representative Ralph Regula (R-OH), H.R. 2142 introduced by Representative Thomas J. (Jerry) Huckaby (D-LA), and S. 29 introduced by Senator Wendell H. Ford (D-KY). Senator John Glenn (D-OH), Chairman of the Senate Governmental Affairs Committee, held hearings on and ordered reported favorably S. 29.

Legislation in the 102d Congress

In the 102d Congress, several biennial budgeting bills were introduced in the House of Representatives and the Senate. These included: H.R. 1676 introduced by Representative James Sensenbrenner, Jr. (R-WI), H.R. 1889 introduced by Representative Elizabeth Patterson (D-SC), H.R. 5387 introduced by Representative Ralph Regula (R-OH), H.R. 6089 introduced by Representative Bill Orton (D-UT), and S. 1667 introduced by Senator Wendell H. Ford (D-KY).

Legislation in the 103d Congress

In the 103d Congress, several biennial budgeting bills were introduced in the House of Representatives and the Senate. These included: H.R. 565 introduced by Representative Jim Kolbe (R-AZ), H.R. 1383 introduced by Representative Ralph Regula (R-OH), H.R. 2221 introduced by Representative Earl Hutto (D-FL), S. 1287 introduced by Senator Robert F. Bennett (R-UT), and S. 1477 introduced by Senator John McCain (R-AZ).

On February 3, 1994, H.R. 3801, the Legislative Reorganization Act of 1994, was introduced in the House of Representatives by Representative Lee H. Hamilton (D-IN), which included provisions implementing a biennial budget. Hearings on this bill were held by

the Committee on House Administration and the Committee on Rules' Rules of the House and Legislative Process Subcommittees.

On February 3, 1994, S. 1824, the Legislative Reorganization Act of 1994, was introduced in the Senate by Senators David L. Boren (D-OK) and Pete V. Domenici (R-NM). This bill required executing the Joint Committee on the Organization of Congress' recommendation to establish a biennial budget process. The bill was reported by the Senate Committee on Rules. Senator Domenici offered these recommendations as an amendment to the District of Columbia Appropriations bill, but the amendment failed in the Senate.

Legislation in the 104th Congress

In the 104th Congress, several biennial budgeting and appropriations bills were introduced in the House of Representatives and the Senate. These included: H.R. 252, the Legislative Reorganization Act of 1995, introduced by Representative Lee H. Hamilton (D-IN), which included provisions to implement a biennial budget process; H.R. 766 introduced by Representative Sonny Callahan (R-AL); S. 1434 introduced by Senator Craig Thomas (R-WY); and S. 2049 introduced by Senator Fred Thompson (R-TN). In July 1996, the Senate Governmental Affairs Committee's Financial Management and Accountability Subcommittee held a hearing on the topic of biennial budgeting.

Legislation in the 105th Congress

In the 105th Congress, a biennial budgeting and appropriations bill were each introduced in the House of Representatives and the Senate. These included: H.R. 2956 introduced by Representative Bill Luther (D-MN) and S. 261 introduced by Senator Pete V. Domenici (R-NM). The Senate Budget and Governmental Affairs Committees held hearings on S. 261. The Senate Governmental Affairs Committee ordered reported, with an amendment in the nature of a substitute, S. 261, the Biennial Budgeting and Appropriations Act.

Legislation in the 106th Congress

In the 106th Congress, several biennial budgeting and appropriations bills were introduced in the House of Representatives and the Senate. These included: H.R. 232 introduced by Representative Ralph Regula (R-OH), H.R. 493 introduced by Representative Cliff Stearns (R-FL), H.R. 2985 introduced by Representative Charles F. Bass (R-NH), H.R. 3586 introduced by Representative Sonny Callahan (R-AL), and S. 92 and S. 93 introduced by Senator Pete V. Domenici (R-NM).

Legislation in the 107th Congress

In the 107th Congress, several biennial budgeting and appropriations bills were introduced in the House of Representatives and the Senate. These included: H.R. 129 introduced by Representative Bill Luther (D-MN), H.R. 981 introduced by Representative Charles F. Bass (R-NH), H.R. 5259 introduced by Representative Paul Ryan (R-WI), and S. 3131 introduced by Senator George V. Voinovich (R-OH). The House Budget Committee reported, with an amendment in the nature of a substitute, H.R. 981, the Commission on Federal

Budget Concepts Act of 2001, which included provisions requiring an examination of the feasibility of implementing a biennial budget.³² The House Rules Committee also reported, with amendments, H.R. 981, the Budget Responsibility and Efficiency Act of 2001.³³

Legislation in the 108th Congress

In the 108th Congress, several biennial budgeting and appropriations bills were introduced in the House of Representatives and the Senate. These included: H.R. 180 introduced by Representative Paul Ryan (R-WI), H.R. 3358 and H.R. 3800 introduced by Representative Jeb Hensarling (R-TX), S. 689 introduced by Senator George V. Voinovich (R-OH), and S. 2752 introduced by Senator Orrin G. Hatch (R-UT).

Legislation in the 109th Congress

In the 109th Congress, several biennial budgeting and appropriations bills were introduced in the House of Representatives and the Senate. These included: H.R. 2664 introduced by Representative David Dreier (R-CA), H.R. 6024 introduced by Representative Ed Whitfield (R-KY), H.R. 6201 introduced by Representative Brian P. Bilbray (R-CA), S. 568 introduced by Senator George V. Voinovich (R-OH), S. 877 introduced by Senator Pete V. Domenici (R-NM), and S. 3521 introduced by Senator Judd Gregg (R-NH).

Legislation in the 110th Congress

In the 110th Congress, several biennial budgeting and appropriations bills were introduced in the House of Representatives and the Senate. These included: H.R. 2469 introduced by Representative Ed Whitfield (R-KY), S. 1279 introduced by Senator George V. Voinovich (R-OH), and S. 2627 introduced by Senator Pete V. Domenici (R-NM).

Legislation in the 111th Congress

In the 111th Congress, a biennial budgeting and appropriations bill were each introduced in the House of Representatives and the Senate. These included: H.R. 6401 introduced by Representative David Dreier (R-CA) and S. 169 introduced by Senator Johnny Isakson (R-GA).

Legislation in the 112th Congress

In the 112th Congress, several biennial budgeting and appropriations bills were introduced in the House of Representatives and the Senate. These included: H.R. 114 introduced by Representative David Dreier (R-CA), H.R. 3082 introduced by Representative Timothy V. Johnson (R-IL), S. 211 introduced by Senator Johnny Isakson (R-GA), and S. 1274, the Biennial Appropriations Act, introduced by Senator Michael B. Enzi (R-WY).

Representative James Renacci (R-OH) introduced H.R. 3669, the Budget Process Improvement Act of 2011, on December 14, 2011, which included implementing a biennial budget among other budget process reforms.

³² See House Report 107–200—Part 1, Commission on Federal Budget Concepts Act of 2001, p. 8.

³³ See House Report 107–200—Part 2, Budget Responsibility and Efficiency Act of 2011.

On December 7, 2011, Members of the House Budget Committee introduced a comprehensive package of ten legislative budget process reform bills designed to fundamentally reform the budget process. Included in this package was H.R. 3577, the “Biennial Budgeting and Enhanced Oversight Act of 2011,” introduced by Representative Reid Ribble of Wisconsin.

Legislation in the 113th Congress

In the 113th Congress, several biennial budgeting and appropriations bills have been introduced in the House of Representatives and the Senate. These include: H.R. 879 introduced by Representative Joe Wilson (R-SC), H.R. 1762 introduced by Representative Mac Thornberry (R-TX), H.R. 3059 introduced by Representative Ed Whitfield (R-KY), S. 554 introduced by Senator Johnny Isakson (R-GA), and S. 625, the Biennial Appropriations Act, introduced by Senator Michael B. Enzi (R-WY).

Representative James Renacci (R-OH) re-introduced H.R. 1654, the Budget Process Improvement Act of 2013, on April 18, 2013.

The Senate’s fiscal year 2014 concurrent resolution on the budget, S. Con. Res. 8, included a bipartisan amendment establishing a deficit-neutral reserve fund to implement a biennial budget and appropriations process. This amendment was agreed to in the Senate by a 68-31 vote (Record Vote Number: 65).

On May 8, 2013, Members of the House Budget Committee introduced a comprehensive package of seven legislative budget process reform bills designed to fundamentally reform the budget process. Included in this package was H.R. 1869, the “Biennial Budgeting and Enhanced Oversight Act of 2014,” introduced by Representative Reid Ribble of Wisconsin.

HEARINGS

In 2011, the House Budget Committee held two hearings to examine ways to improve the federal budget process.

The first budget process hearing, “The Broken Budget Process: Perspectives From Former CBO Directors,” was held on September 21, 2011, with former CBO Directors Rudolph Penner and Alice Rivlin testifying.

The second budget process hearing, “The Broken Budget Process: Perspectives From Budget Experts,” was held on September 22, 2011, with Philip Joyce (University of Maryland), the Honorable Jim Nussle (Chairman of the Committee on the Budget, 2001 through 2007, United States House of Representatives) and the Honorable Phil Gramm (former United States Senator, 1985–2002) testifying.

In 2012, the House Committee on Rules held a subcommittee hearing on H.R. 114, the Biennial Budgeting and Appropriations Act of 2011.

SECTION BY SECTION

Section 1. Short Title.

Section 1 provides that the short title of this Act is the “Biennial Budgeting and Enhanced Oversight Act of 2014.”

TITLE I—CONGRESSIONAL BUDGET PROCESS

Section 101. Purposes.

Section 101 makes technical and conforming changes to section 2 of the Congressional Budget Act of 1974 (CBA) to assure effective control over the budgetary process and to effectuate biennial budgeting.

Section 102. Definitions.

Section 102 amends section 3 of the CBA by defining the terms “direct spending” and “biennium”.

Section 103. Revision of Timetable.

Section 103 amends section 300 of the CBA to effectuate biennial budgeting. Beginning with the One Hundred Fifteenth Congress, this section requires Congress to adopt a biennial budget resolution and appropriations bills in the first session of Congress. The deadlines for the congressional budget process are the same as currently under the CBA. Congress is then required to consider authorization legislation in the second session.

Section 104. Biennial Concurrent Resolutions on the Budget.

Subsections (a) and (b) make technical and conforming changes to Section 301(a) and (b) of the CBA necessary to effectuate biennial budgeting. Additionally, subsection (a) requires the inclusion in the resolution of subtotals of new budget authority and outlays for nondefense discretionary spending, defense discretionary spending, Medicare, Medicaid and other health-related spending, other direct spending (excluding interest), and net interest in each concurrent resolution.

Subsection (c) requires each Senate and House Committee to review the strategic plans, performance plans, and performance reports of all agencies under the jurisdiction of the committee. Subsection (c) also permits each committee to provide its views on such plans or reports to the Committee on the Budget of the applicable House.

Subsection (d) makes additional technical and conforming changes to Section 301(e) of the CBA to effectuate biennial budgeting, including the required contents of the report. The required contents of the report are amended to include total outlays, total Federal revenues, the surplus or deficit, and new budget authority and outlays for non-defense discretionary spending, defense discretionary spending, Medicare, Medicaid and other health-related spending, other direct spending (excluding interest), social security, and other major functional categories as appropriate, and net interest as set forth in such resolution as a percentage of the gross domestic product of the United States. Subsection (d) also requires that if the budget resolution provides an allocation to any committee other than the Appropriations Committee in excess of current law levels, that the report include a justification of why any program, project, or activity (for which the allocation is made) should not be made subject to annual discretionary appropriations.

Subsections (e), (f), (g), and (h) make additional technical and conforming changes to the CBA to effectuate biennial budgeting.

Section 105. Committee Allocations.

Section 105 makes technical and conforming changes to section 302 of the CBA necessary to effectuate biennial budgeting.

Section 106. Multiyear Authorizations of Appropriations.

Section 106(a) amends title III of the CBA by providing for multiyear authorizations of appropriations and requiring such authorizations to include an authorization for at least each fiscal year in one or more bienniums.

It also provides an exception for an authorization of appropriations for a single fiscal year for any program, project, or activity if the measure containing such authorization includes a provision stating that Congress finds that no authorization of appropriation is required for the applicable program, project, or activity for any subsequent fiscal year.

Subsection 106(b) makes technical and conforming changes to the CBA.

Section 107. Additional Amendments to the Congressional Budget Act of 1974 to Effectuate Biennial Budgeting.

Subsection (a) amends section 3 of the CBA to include the following terms: “Medicare” means programs within budget function 570; “Medicaid and other health-related spending” means programs within budget function 550; “other direct spending” means programs other than those within budget functions 550 and 570, excluding Social Security and net interest.

Subsections (b), (c), (d), (e), and (f) make additional technical and conforming changes to the CBA to effectuate biennial budgeting.

TITLE II—CONFORMING AMENDMENTS TO THE RULES OF THE HOUSE OF REPRESENTATIVES AND TO THE CONGRESSIONAL BUDGET ACT OF 1974

Section 201. Amendments to the Rules of the House of Representatives to Effectuate Biennial Budgeting.

Section 201 makes technical and conforming amendments to Rules X, XIII, XXI, and XXII of the House of Representatives to effectuate biennial budgeting.

Section 202. Conforming Amendments to the Congressional Budget Act of 1974.

Section 202 makes technical and conforming amendments to sections 202, 302, and 308 of the CBA to effectuate biennial budgeting.

TITLE III—CONFORMING AMENDMENTS TO TITLES 1, 5, 31, AND 39, UNITED STATES CODE

Section 301. Two-Year Appropriations; Title and Style of Appropriation Acts.

Section 301 amends section 105 of title 1, United States Code, by specifying the title and style of appropriation acts to be enacted on a biennial basis. It also provides that the term “biennium” is to have the same meaning as section 3(13) of the CBA.

Section 302. Amendments to Title 31, United States Code.

Section 302 makes technical and conforming changes to title 31, United States Code, to reflect biennial budgeting.

Section 303. Government Strategic and Performance Plans on a Biennial Basis.

Section 303 makes technical and conforming changes to title 5 (strategic plans) and title 39 (performance plans), United States Code, to reflect biennial budgeting. This will enable Congress to devote one year in every two solely to program oversight and reauthorization.

TITLE IV—EFFECTIVE DATE

Section 401. Effective Date.

Subsection (a) provides that the amendments made by this Act shall take effect immediately before noon January 3, 2017. Subsection (b) includes an exception for the amendments made by section 303, which shall take effect on September 30, 2016.

VOTES OF THE COMMITTEE

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires each committee report to accompany any bill or resolution of a public character to include the total number of votes cast for and against each roll-call vote, on a motion to report and any amendments offered to the measure or matter, together with the names of those voting for and against.

Listed below are the actions taken by the Committee on the Budget of the House of Representatives on the Biennial Budgeting and Enhanced Oversight Act of 2014.

On February 11, 2014, the committee met in open session, a quorum being present.

Chairman Ryan asked unanimous consent to be authorized, consistent with clause 4 of rule XVI of the Rules of the House of Representatives, to declare a recess at any time during the committee meeting.

There was no objection to the unanimous consent request.

Chairman Ryan asked unanimous consent to dispense with the first reading of the bill and the bill be considered as read and open to amendment at any point.

There was no objection to the unanimous consent request.

The committee adopted and ordered reported the Biennial Budgeting and Enhanced Oversight Act of 2014. The Committee on the Budget took the following votes:

MANAGER'S AMENDMENT OFFERED BY MR. RIBBLE

1. A manager's amendment was offered by Representative Ribble, changing the effective date of the bill from fiscal year 2015 to fiscal year 2017 in order to provide sufficient time to implement a biennial budget process. The amendment was agreed to by a voice vote.

An amendment was offered by Representative Cole proposing to withhold Members' pay if a budget resolution is not agreed to by May 15th. Dr. Price reserved a point of order against the amendment. Representative Cole asked unanimous consent to withdraw

his amendment. This unanimous consent request was agreed to without objection and the amendment was withdrawn.

FINAL PASSAGE

2. Dr. Price made a motion that the Committee report the bill as amended and that the bill do pass.

The motion was agreed to by a roll call vote of 22 ayes and 10 noes.

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
RYAN, PAUL (WI) (Chairman)	X			VAN HOLLEN (MD) (Ranking)		X	
PRICE (GA)	X			SCHWARTZ (PA)			
GARRETT (NJ)	X			YARMUTH (KY)	X		
CAMPBELL (CA)				PASCARELL (NJ)		X	
CALVERT (CA)		X		RYAN, TIM (OH)		X	
COLE (OK)		X		MOORE (WI)		X	
McCLINTOCK (CA)		X		CASTOR (FL)			
LANKFORD (OK)	X			McDERMOTT (WA)		X	
BLACK (TN)	X			LEE (CA)		X	
RIBBLE (WI)	X			CICILLINE (RI)			
FLORES (TX)	X			JEFFRIES (NY)			
ROKITA (IN)	X			POCAN (WI)	X		
WOODALL (GA)	X			LUJAN GRISHAM (NM)	X		
BLACKBURN (TN)	X			HUFFMAN (CA)	X		
NUNNELEE (MS)		X		CÁRDENAS (CA)			
RIGELL (VA)	X			BLUMENAUER (OR)			
HARTZLER (MO)	X			SCHRADER (OR)	X		
WALORSKI (IN)	X						
MESSER (IN)	X						
RICE (SC)	X						
WILLIAMS (TX)	X						
DUFFY (WI)	X						

Dr. Price made a motion that, pursuant to clause 1 of rule XXII of the Rules of the House of Representatives, the staff be authorized to make any necessary technical and conforming changes to the bill.

The motion was agreed to without objection.

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on the Budget's oversight findings and recommendations are reflected in the body of this report.

BUDGET ACT COMPLIANCE

The provisions of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a)(1) of the Congressional Budget Act of 1974 (relating to estimates of new budget authority, new spending authority, new credit authority, or increased or decreased revenues or tax expenditures) are not considered applicable. The estimate and comparison required to be prepared by the Director of the Congressional Budget Office under clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and sections 402 and 423 of the Congressional Budget Act of 1974 submitted to the committee prior to the filing of this report are as follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, February 12, 2014.

Hon. PAUL RYAN, *Chairman,*
Committee on the Budget, U.S. House of Representatives, Washington, DC 20515.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1869, the Biennial Budgeting and Enhanced Oversight Act of 2014.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Jared Brewster, who can be reached at 226-2880.

Sincerely,

DOUGLAS W. ELMENDORF, *Director.*

ENCLOSURE.

cc: Hon. CHRIS VAN HOLLEN, *Ranking Member.*

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE
FEBRUARY 12, 2014

H.R. 1869: BIENNIAL BUDGETING AND ENHANCED OVERSIGHT ACT OF 2014

As ordered reported by the House Committee on the Budget on February 11, 2014

H.R. 1869 would alter the timeframe of the federal budget, appropriations, and other elements of the budget process from an annual to a biennial cycle. CBO estimates that enacting the legislation would not, by itself, affect the federal budget. Any such impact would depend on the extent of future legislative actions by the Congress and the President. Because enacting H.R. 1869 would not affect direct spending or revenues, pay-as-you-go procedures do not apply.

Under H.R. 1869, a biennium composed of two separate fiscal years would become the standard fiscal period. The first year of the process (starting in fiscal year 2017) would be devoted to budgetary actions. Those actions include the submission of the President's budget and adoption of the budget resolution, appropriation acts, and reconciliation acts—all under a schedule that parallels the current annual timetable. The President's budget and the Congressional budget resolution would cover three successive bienniums (a six-year period), and regular appropriations acts would be required to provide funds for one full biennium. Various rules and procedures in the Senate and House would be established to enforce the biennial budget process.

The second year of the biennium would generally be reserved for nonbudgetary activities, including planning, oversight, and consideration of authorizing legislation, and for any needed adjustments in existing budget laws. CBO and the Office of Management and Budget would be required to provide updated budget estimates during the second session.

Changing the current budget cycle from an annual to a biennial cycle would not alter some aspects of the current budget process. The Office of Management and Budget already prepares multiyear revenue and spending estimates for the President's budget. Budget resolutions also provide recommendations for revenue and spending levels on a multiyear basis. Further, most revenue and spending law is

permanent and would not be affected by any changes that would result from enacting H.R. 1869.

H.R. 1869 contains no intergovernmental or private-sector mandates, as defined in the Unfunded Mandates Reform Act and, by itself, would have no impact on the budgets of state, local, or tribal governments. Any budgetary effects would depend on subsequent budget action.

This staff contact for this cost estimate is Jared Brewster. The cost estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goals and objectives of this legislation are to provide for a biennial budgeting cycle.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 7 of rule XII of the Rules of the House of Representatives, the committee finds the constitutional authority for this legislation in Article I, section 9, clause 7.

COMMITTEE COST ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the committee report incorporates the cost estimate prepared by the Director of the Congressional Budget Office pursuant to sections 402 and 423 of the Congressional Budget Act of 1974.

ADVISORY COMMITTEE STATEMENT

No advisory committee within the meaning of section 5(b) of the Federal Advisory Committee Act was created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (P.L. 104–1).

FEDERAL MANDATES STATEMENT

The committee adopts the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act (P.L. 104–4).

ADVISORY ON EARMARKS

In accordance with clause 9 of rule XXI of the Rules of the House of Representatives, H.R. 1869 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI of the Rules of the House of Representatives.

DUPLICATION OF FEDERAL PROGRAMS

No provision of H.R. 1869, the Biennial Budgeting and Enhanced Oversight Act of 2014, establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal

program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

DISCLOSURE OF DIRECTED RULE MAKINGS

The Committee estimates that H.R. 1869, the Biennial Budgeting and Enhanced Oversight Act of 2014, does not require any directed rule makings.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

**CONGRESSIONAL BUDGET AND IMPOUNDMENT
CONTROL ACT OF 1974**

SHORT TITLES; TABLE OF CONTENTS

SECTION 1. (a) * * *
(b) TABLE OF CONTENTS.—

* * * * *

TITLE III—CONGRESSIONAL BUDGET PROCESS

Sec. 301. **[Annual]***Biennial* adoption of concurrent resolution on the budget.

* * * * *

Sec. 316. *Multiyear authorizations of appropriations.*

DECLARATION OF PURPOSES

SEC. 2. The Congress declares that it is essential—

[(1) to assure effective congressional control over the budgetary process;

[(2) to provide for the congressional determination each year of the appropriate level of Federal revenues and expenditures;]

(1) to assure effective control over the budgetary process;
(2) to facilitate the determination biennially of the appropriate level of Federal revenues and expenditures by the Congress and the President;

* * * * *

SEC. 3. IN GENERAL.—For purposes of this Act—

(1) * * *

* * * * *

(12) The term “direct spending” has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(13) The term “biennium” means the period of 2 consecutive fiscal years beginning on October 1 of any odd-numbered year.

(14) The term “Medicare” means programs within budget function 570.

(15) The term “Medicaid and other health-related spending” means programs within budget function 550.

(16) The term “other direct spending” means programs other than those within budget functions 550 and 570, excluding Social Security and net interest.

* * * * *

CONGRESSIONAL BUDGET ACT OF 1974

* * * * *

TITLE II—CONGRESSIONAL BUDGET OFFICE

* * * * *

DUTIES AND FUNCTIONS

SEC. 202. (a) * * *

* * * * *

(e) REPORTS TO BUDGET COMMITTEES.—

(1) On or before February 15 of each year, the Director shall submit to the Committees on the Budget of the House of Representatives and the Senate, a report for the fiscal year commencing on October 1 of that year, with respect to fiscal policy, including (A) alternative levels of total revenues, total new budget authority, and total outlays (including related surpluses and deficits), (B) the levels of tax expenditures under existing law, taking into account projected economic factors and any changes in such levels based on proposals in the budget submitted by the President for such fiscal year, and (C) a statement of the levels of budget authority and outlays for each program assumed to be extended in the baseline, as provided in section 257[(b)(2)(A) and for excise taxes assumed to be extended under section 257(b)(2)(C)] of the Balanced Budget and Emergency Deficit Control Act of 1985. Such report shall also include a discussion of national budget priorities, including alternative ways of allocating new budget authority and budget outlays for such fiscal year among major programs or functional categories, taking into account how such alternative allocations will meet major national needs and affect balanced growth and development of the United States.

* * * * *

TITLE III—CONGRESSIONAL BUDGET PROCESS

[TIMETABLE

[SEC. 300. The timetable with respect to the congressional budget process for any fiscal year is as follows:

On or before:	Action to be completed:
First Monday in February	President submits his budget.
February 15	Congressional Budget Office submits report to Budget Committees.

On or before:	Action to be completed:
Not later than 6 weeks after President submits budget.	Committees submit views and estimates to Budget Committees.
April 1	Senate Budget Committee reports concurrent resolution on the budget.
April 15	Congress completes action on concurrent resolution on the budget.
May 15	Annual appropriation bills may be considered in the House.
June 10	House Appropriations Committee reports last annual appropriation bill.
June 15	Congress completes action on reconciliation legislation.
June 30	House completes action on annual appropriation bills.
October 1	Fiscal year begins.

TIMETABLE

SEC. 300. The timetable with respect to the congressional budget process for any Congress (beginning with the One Hundred Fifteenth Congress) is as follows:

First Session

On or before:	Action to be completed:
<i>First Monday in February</i>	<i>President submits budget recommendations.</i>
<i>February 15</i>	<i>Congressional Budget Office submits report to Budget Committees.</i>
<i>Not later than 6 weeks after budget submission.</i>	<i>Committees submit views and estimates to Budget Committees.</i>
<i>April 1</i>	<i>Budget Committees report concurrent resolution on the biennial budget.</i>
<i>April 15</i>	<i>Congress completes action on concurrent resolution on the biennial budget.</i>
<i>May 15</i>	<i>Biennial appropriation bills may be considered in the House of Representatives.</i>
<i>June 10</i>	<i>House Appropriations Committee reports last biennial appropriation bill.</i>
<i>June 15</i>	<i>Congress completes action on reconciliation legislation.</i>
<i>June 30</i>	<i>House completes action on biennial appropriation bills.</i>
<i>October 1</i>	<i>Biennium begins.</i>

Second Session

On or before:	Action to be completed:
<i>First Monday in February</i>	<i>President submits budget review.</i>
<i>Not later than 6 weeks after President submits budget review.</i>	<i>Congressional Budget Office submits report to Budget Committees.</i>

[ANNUAL] BIENNIAL ADOPTION OF CONCURRENT RESOLUTION ON THE BUDGET

SEC. 301. (a) CONTENT OF CONCURRENT RESOLUTION ON THE BUDGET.—On or before **[April 15 of each year]** *April 15 of each odd-numbered year*, the Congress shall complete action on a concurrent resolution on the budget for **[the fiscal year beginning on October 1 of such year]** *the biennium beginning on October 1 of such year*. The concurrent resolution shall set forth appropriate lev-

els for **the fiscal year beginning on October 1 of such year** *each fiscal year in such period* and for at least **each of the 4 ensuing fiscal years** *each fiscal year in the next 2 bienniums* for the following—

(1) * * *

* * * * *

[(4) new budget authority and outlays for each major functional category, based on allocations of the total levels set forth pursuant to paragraph (1);]

(4) subtotals of new budget authority and outlays for non-defense discretionary spending, defense discretionary spending, Medicare, Medicaid and other health-related spending, other direct spending (excluding interest), and net interest;

* * * * *

(6) for purposes of Senate enforcement under this title, outlays of the old-age, survivors, and disability insurance program established under title II of the Social Security Act **for the fiscal year** *for each fiscal year in the biennium* of the resolution and for each of the 4 succeeding fiscal years; and

(7) for purposes of Senate enforcement under this title, revenues of the old-age, survivors, and disability insurance program established under title II of the Social Security Act (and the related provisions of the Internal Revenue Code of 1986) **for the fiscal year** *for each fiscal year in the biennium* of the resolution and for each of the 4 succeeding fiscal years.

The concurrent resolution shall not include the outlays and revenue totals of the old-age, survivors, and disability insurance program established under title II of the Social Security Act or the related provisions of the Internal Revenue Code of 1986 in the surplus or deficit totals required by this subsection or in any other surplus or deficit totals required by this title.

(b) **ADDITIONAL MATTERS IN CONCURRENT RESOLUTION.**—The concurrent resolution on the budget may—

[(1) set forth, if required by subsection (f), the calendar year in which, in the opinion of the Congress, the goals for reducing unemployment set forth in section 4(b) of the Employment Act of 1946 should be achieved;]

[(2)] (1) include reconciliation directives described in section 310;

[(3)] (2) require a procedure under which all or certain bills or resolutions providing new budget authority or new entitlement authority **for such fiscal year *for either fiscal year in such biennium* shall not be enrolled until the Congress has completed action on any reconciliation bill or reconciliation resolution or both required by such concurrent resolution to be reported in accordance with section 310(b);**

[(4) set forth such other matters, and require such other procedures, relating to the budget, as may be appropriate to carry out the purposes of this Act;]

(3) set forth such other matters, and require such other procedures, relating to the budget as may be appropriate to carry out the purposes of the Act, but shall not include a suspension or alteration of the application of the motion to strike a provision as set forth in section 310(d)(2) or (h)(2)(F);

[(5)] (4) include a heading entitled “Debt Increase as Measure of Deficit” in which the concurrent resolution shall set forth the amounts by which the debt subject to limit (in section 3101 of title 31 of the United States Code) has increased or would increase in each of the relevant fiscal years[;].

[(6)] include a heading entitled “Display of Federal Retirement Trust Fund Balances” in which the concurrent resolution shall set forth the balances of the Federal retirement trust funds;

[(7)] set forth procedures in the Senate whereby committee allocations, aggregates, and other levels can be revised for legislation if that legislation would not increase the deficit, or would not increase the deficit when taken with other legislation enacted after the adoption of the resolution, for the first fiscal year or the total period of fiscal years covered by the resolution;

[(8)] set forth procedures to effectuate pay-as-you-go in the House of Representatives; and

[(9)] set forth direct loan obligation and primary loan guarantee commitment levels.]

* * * * *

(d) VIEWS AND ESTIMATES OF OTHER COMMITTEES.—Within 6 weeks after the President submits a budget under section 1105(a) of title 31, United States Code, or at such time as may be requested by the Committee on the Budget, each committee of the House of Representatives having legislative jurisdiction shall submit to the Committee on the Budget of the House and each committee of the Senate having legislative jurisdiction shall submit to the Committee on the Budget of the Senate its views and estimates (as determined by the committee making such submission) with respect to all matters set forth in subsections (a) and (b) which relate to matters within the jurisdiction or functions of such committee. The Joint Economic Committee shall submit to the Committees on the Budget of both Houses its recommendations as to the fiscal policy appropriate to the goals of the Employment Act of 1946. Any other committee of the House of Representatives or the Senate may submit to the Committee on the Budget of its House, and any joint committee of the Congress may submit to the Committees on the Budget of both Houses, its views and estimates with respect to all matters set forth in subsections (a) and (b) which relate to matters within its jurisdiction or functions. Any Committee of the House of Representatives or the Senate that anticipates that the committee will consider any proposed legislation establishing, amending, or reauthorizing any Federal program likely to have a significant budgetary impact on any State, local, or tribal government, or likely to have a significant financial impact on the private sector, including any legislative proposal submitted by the executive branch likely to have such a budgetary or financial impact, shall include its views and estimates on that proposal to the Committee on the Budget of the applicable House. *Each committee of the Senate or the House of Representatives shall review the strategic plans, performance plans, and performance reports required under section 306 of title 5, United States Code, and sections 1115 and 1116 of title 31, United States Code, of all agencies under the jurisdiction of the*

committee. Each committee may provide its views on such plans or reports to the Committee on the Budget of the applicable House.

(e) HEARINGS AND REPORT.—

(1) IN GENERAL.—In developing the concurrent resolution on the budget referred to in subsection (a) for each **[[fiscal year]]** *biennium*, the Committee on the Budget of each House shall hold hearings and shall receive testimony from Members of Congress and such appropriate representatives of Federal departments and agencies, the general public, and national organizations as the committee deems desirable. Each of the recommendations as to short-term and medium-term goal set forth in the report submitted by the members of the Joint Economic Committee under subsection (d) may be considered by the Committee on the Budget of each House as part of its consideration of such concurrent resolution, and its report may reflect its views thereon, including its views on how the estimates of revenues and levels of budget authority and outlays set forth in such concurrent resolution are designed to achieve any goals it is recommending. *On or before April 1 of each odd-numbered year, the Committee on the Budget of each House shall report to its House the concurrent resolution on the budget referred to in subsection (a) for the biennium beginning on October 1 of that year.*

(2) REQUIRED CONTENTS OF REPORT.—The report accompanying the resolution shall include—

(A) *new budget authority and outlays for each major functional category, based on allocations of the total levels set forth pursuant to subsection (a)(1);*

[[A]] (B) a comparison of the levels of total new budget authority, total outlays, total revenues, and the surplus or deficit for each fiscal year set forth in the resolution with those requested in the budget submitted by the President;

[[B]] (C) with respect to each major functional category, an estimate of total new budget authority and total outlays, with the estimates divided between discretionary and **[[mandatory]]** *direct spending* amounts;

(D) *total outlays, total Federal revenues, the surplus or deficit, and new budget authority and outlays for non-defense discretionary spending, defense discretionary spending, Medicare, Medicaid and other health-related spending, other direct spending (excluding interest), social security and other major functional categories, as appropriate, and net interest as set forth in such resolution as a percentage of the gross domestic product of the United States;*

[[C]] (E) the economic assumptions that underlie each of the matters set forth in the resolution and any alternative economic assumptions and objectives the committee considered;

[[D]] (F) information, data, and comparisons indicating the manner in which, and the basis on which, the committee determined each of the matters set forth in the resolution;

(G) if the concurrent resolution on the budget includes any allocation to a committee other than the Committee on Appropriations of levels in excess of current law levels, a justification for not subjecting any program, project, or activity (for which the allocation is made) to annual discretionary appropriations;

[(E)] (H) the estimated levels of tax expenditures (the tax expenditures budget) by major items and functional categories for the President's budget and in the resolution; and

[(F)] (I) allocations described in section 302(a).

(3) ADDITIONAL CONTENTS OF REPORT.—The report accompanying the resolution may include—

(A) new budget authority and outlays for each major functional category, based on allocations of the total levels set forth pursuant to subsection (a)(1);

[(A)] (B) a statement of any significant changes in the proposed levels of Federal assistance to State and local governments;

[(B)] (C) an allocation of the level of Federal revenues recommended in the resolution among the major sources of such revenues;

[(C)] information, data, and comparisons on the share of total Federal budget outlays and of gross domestic product devoted to investment in the budget submitted by the President and in the resolution;

[(D)] the assumed levels of budget authority and outlays for public buildings, with a division between amounts for construction and repair and for rental payments; and]

[(E)] (D) other matters, relating to the budget and to fiscal policy, that the committee deems appropriate[.]; and

(E) set forth, if required by subsection (f), the calendar year in which, in the opinion of the Congress, the goals for reducing unemployment set forth in section 4(b) of the Employment Act of 1946 should be achieved.

(f) ACHIEVEMENT OF GOALS FOR REDUCING UNEMPLOYMENT.—

(1) If, pursuant to section 4(c) of the Employment Act of 1946, the President recommends in the Economic Report that the goals for reducing unemployment set forth in section 4(b) of such Act be achieved in a year after the close of the five-year period prescribed by such subsection, the concurrent resolution on the budget for the [fiscal year] *biennium* beginning after the date on which such Economic Report is received by the Congress may set forth the year in which, in the opinion of the Congress, such goals can be achieved.

(2) After the Congress has expressed its opinion pursuant to paragraph (1) as to the year in which the goals for reducing unemployment set forth in section 4(b) of the Employment Act of 1946 can be achieved, if, pursuant to section 4(e) of such Act, the President recommends in the Economic Report that such goals be achieved in a year which is different from the year in which the Congress has expressed its opinion that such goals should be achieved, either in its action pursuant to paragraph (1) or in its most recent action pursuant to this paragraph, the concurrent resolution on the budget for the [fiscal

year] *biennium* beginning after the date on which such Economic Report is received by the Congress may set forth the year in which, in the opinion of the Congress, such goals can be achieved.

* * * * *

(g) ECONOMIC ASSUMPTIONS.—

(1) It shall not be in order in the Senate to consider any concurrent resolution on the budget [for a fiscal year] *for a biennium*, or any amendment thereto, or any conference report thereon, that sets forth amounts and levels that are determined on the basis of more than one set of economic and technical assumptions.

* * * * *

COMMITTEE ALLOCATIONS

SEC. 302. (a) COMMITTEE SPENDING ALLOCATIONS.—

(1) ALLOCATION AMONG COMMITTEES.—The joint explanatory statement accompanying a conference report on a concurrent resolution on the budget shall include an allocation, consistent with the resolution recommended in the conference report, of the levels [for the first fiscal year of the resolution,] *for each fiscal year in the biennium*, for at least each of the ensuing 4 fiscal years, and a total [for that period of fiscal years] *for all fiscal years covered by the resolution* (except in the case of the Committee on Appropriations only [for the fiscal year of that resolution] *for each fiscal year in the biennium*) of—

(A) * * *

* * * * *

(b) SUBALLOCATIONS BY APPROPRIATIONS COMMITTEES.—As soon as practicable after a concurrent resolution on the budget is agreed to, the Committee on Appropriations of each House (after consulting with the Committee on Appropriations of the other House) shall suballocate each amount allocated to it for the budget year under [subsection (a)] *subsection (a)(1)* among its subcommittees. Each Committee on Appropriations shall promptly report to its House suballocations made or revised under this subsection. The Committee on Appropriations of the House of Representatives shall further divide among its subcommittees the divisions made under subsection (a)(3)(B) and promptly report those divisions to the House.

* * * * *

(f) LEGISLATION SUBJECT TO POINT OF ORDER.—

(1) IN THE HOUSE OF REPRESENTATIVES.—After the Congress has completed action on a concurrent resolution on the budget [for a fiscal year] *for a biennium*, it shall not be in order in the House of Representatives to consider any bill, joint resolution, or amendment providing new budget authority or *outlays* for any fiscal year, or any conference report on any such bill or joint resolution, if—

(A) the enactment of such bill or resolution [as reported];

* * * * *

would cause the applicable allocation of new budget authority made under subsection (a) or (b) for **the first fiscal year** *either fiscal year of the biennium* or the total of fiscal years to be exceeded.

(2) IN THE SENATE.—After a concurrent resolution on the budget is agreed to, it shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would cause—

(A) in the case of any committee except the Committee on Appropriations, the applicable allocation of new budget authority or outlays under subsection (a) for the **first fiscal year** *each fiscal year of the biennium* or **the total of fiscal years** *the total of all fiscal years covered by the resolution* to be exceeded; or

* * * * *

(g) PAY-AS-YOU-GO EXCEPTION IN THE HOUSE.—

(1) IN GENERAL.—(A) Subsection (f)(1) and, after April 15, section 303(a) shall not apply to any bill or joint resolution, as reported, amendment thereto, or conference report thereon if, for each fiscal year covered by the most recently agreed to concurrent resolution on the budget—

(i) the enactment of that bill or resolution as reported;

(ii) the adoption and enactment of that amendment; or

(iii) the enactment of that bill or resolution in the form recommended in that conference report, would not increase the deficit, and, if the sum of any revenue increases provided in legislation already enacted during the current session (when added to revenue increases, if any, in excess of any outlay increase provided by the legislation proposed for consideration) is at least as great as the sum of the amount, if any, by which the aggregate level of Federal revenues should be increased as set forth in that concurrent resolution and the amount, if any, by which revenues are to be increased pursuant to pay-as-you-go procedures under section 301(b)(8), if included in that concurrent resolution.

(B) Section 311(a), as that section applies to revenues, shall not apply to any bill, joint resolution, amendment thereto, or conference report thereon if, for each fiscal year covered by the most recently agreed to concurrent resolution on the budget—

(i) the enactment of that bill or resolution as reported;

(ii) the adoption and enactment of that amendment; or

(iii) the enactment of that bill or resolution in the form recommended in that conference report, would not increase the deficit, and, if the sum of any outlay reductions provided in legislation already enacted during the current session (when added to outlay reductions, if any, in excess of any revenue reduction provided by the legislation proposed for consideration) is at least as great as the sum of the amount, if any, by which the aggregate level of Federal outlays should be reduced as required by that concurrent resolution

and the amount, if any, by which outlays are to be reduced pursuant to pay-as-you-go procedures under section 301(b)(8), if included in that concurrent resolution.

[(2) REVISED ALLOCATIONS.—(A) As soon as practicable after Congress agrees to a bill or joint resolution that would have been subject to a point of order under subsection (f)(1) but for the exception provided in paragraph (1)(A) or would have been subject to a point of order under section 311(a) but for the exception provided in paragraph (1)(B), the chairman of the Committee on the Budget of the House of Representatives shall file with the House appropriately revised allocations under section 302(a) and revised functional levels and budget aggregates to reflect that bill.

[(B) Such revised allocations, functional levels, and budget aggregates shall be considered for the purposes of this Act as allocations, functional levels, and budget aggregates contained in the most recently agreed to concurrent resolution on the budget.]

* * * * *

HOUSE COMMITTEE ACTION ON ALL APPROPRIATION BILLS TO BE COMPLETED BY JUNE 10

SEC. 307. On or before June 10 of [each year] *each odd-numbered year*, the Committee on Appropriations of the House of Representatives shall report [annual] *biennial* appropriation bills providing new budget authority under the jurisdiction of all of its subcommittees for the [fiscal year] *biennium* which begins on October 1 of [that year] *each odd-numbered year*.

REPORTS, SUMMARIES, AND PROJECTIONS OF CONGRESSIONAL BUDGET ACTIONS

SEC. 308. (a) LEGISLATION PROVIDING NEW BUDGET AUTHORITY OR PROVIDING AN INCREASE OR DECREASE IN REVENUES OR TAX EXPENDITURES.—

(1) * * *

* * * * *

(3) CBO PAYGO ESTIMATES.—

(A) * * *

* * * * *

[(C) The Director shall not count timing shifts, as that term is defined at section 3(8) of the Statutory Pay-As-You-Go Act of 2010, in estimates of the budgetary effects of PAYGO Legislation.]

* * * * *

(d) SCOREKEEPING GUIDELINES.—Estimates under this section shall be provided in accordance with the scorekeeping guidelines determined under section [252(d)(5)] *252(c)* of the Balanced Budget and Emergency Deficit Control Act of 1985.

HOUSE APPROVAL OF REGULAR APPROPRIATION BILLS

SEC. 309. It shall not be in order in the House of Representatives to consider any resolution providing for an adjournment pe-

riod of more than three calendar days during the month of July of any odd-numbered calendar year until the House of Representatives has approved [annual] *biennial* appropriation bills providing new budget authority under the jurisdiction of all the subcommittees of the Committee on Appropriations for the [fiscal year] *biennium* beginning on October 1 of such year. For purposes of this section, the chairman of the Committee on Appropriations of the House of Representatives shall periodically advise the Speaker as to changes in jurisdiction among its various subcommittees.

RECONCILIATION

SEC. 310. (a) INCLUSION OF RECONCILIATION DIRECTIVES IN CONCURRENT RESOLUTIONS ON THE BUDGET.—A concurrent resolution on the budget for [any fiscal year] *any biennium*, to the extent necessary to effectuate the provisions and requirements of such resolution, shall—

(1) specify the total amount by which—

(A) new budget authority for [such fiscal year] *any fiscal year covered by such resolution*;

* * * * *

(C) new entitlement authority which is to become effective during [such fiscal year] *any fiscal year covered by such resolution*; and

(D) credit authority for [such fiscal year] *any fiscal year covered by such resolution*,

contained in laws, bills, and resolutions within the jurisdiction of a committee is to be changed and direct that committee to determine and recommend changes to accomplish a change of such total amount;

* * * * *

[(f) COMPLETION OF RECONCILIATION PROCESS.—It shall not be in order in the House of Representatives to consider any resolution providing for an adjournment period of more than three calendar days during the month of July until the House of Representatives has completed action on the reconciliation legislation for the fiscal year beginning on October 1 of the calendar year to which the adjournment resolution pertains, if reconciliation legislation is required to be reported by the concurrent resolution on the budget for such fiscal year.]

[(g) (f) LIMITATION ON CHANGES TO THE SOCIAL SECURITY ACT.—Notwithstanding any other provision of law, it shall not be in order in the Senate or the House of Representatives to consider any reconciliation bill or reconciliation resolution reported pursuant to a concurrent resolution on the budget agreed to under section 301 or 304, or a joint resolution pursuant to section 258C of the Balanced Budget and Emergency Deficit Control Act of 1985, or any amendment thereto or conference report thereon, that contains recommendations with respect to the old-age, survivors, and disability insurance program established under title II of the Social Security Act.

BUDGET-RELATED LEGISLATION MUST BE WITHIN APPROPRIATE
LEVELS

SEC. 311. (a) ENFORCEMENT OF BUDGET AGGREGATES.—

(1) IN THE HOUSE OF REPRESENTATIVES.—Except as provided by subsection (c), after the Congress has completed action on a concurrent resolution on the budget **for a fiscal year** *for a biennium*, it shall not be in order in the House of Representatives to consider any bill, joint resolution, amendment, motion, or conference report providing new budget authority or reducing revenues, if—

(A) * * *

* * * * *

would cause the level of total new budget authority or total outlays set forth in the applicable concurrent resolution on the budget **for the first fiscal year** *either fiscal year of the biennium* to be exceeded, or would cause revenues to be less than the level of total revenues set forth in that concurrent resolution **for the first fiscal year** *either fiscal year of the biennium* or for the total of **that first fiscal year** *each fiscal year in the biennium* and the ensuing fiscal years for which allocations are provided under section 302(a), except when a declaration of war by the Congress is in effect.

(2) IN THE SENATE.—After a concurrent resolution on the budget is agreed to, it shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that—

(A) would cause the level of total new budget authority or total outlays set forth **for the first fiscal year** *for either fiscal year of the biennium* in the applicable resolution to be exceeded; or

(B) would cause revenues to be less than the level of total revenues set forth **for that first fiscal year** *each fiscal year in the biennium* or for the total of **that first fiscal year and the ensuing fiscal years** *all fiscal years* in the applicable resolution for which allocations are provided under section 302(a).

(3) ENFORCEMENT OF SOCIAL SECURITY LEVELS IN THE SENATE.—After a concurrent resolution on the budget is agreed to, it shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would cause a decrease in social security surpluses or an increase in social security deficits relative to the levels set forth in the applicable resolution **for the first fiscal year** *each fiscal year in the biennium* or for the total of **that fiscal year and the ensuing fiscal years** *all fiscal years* for which allocations are provided under section 302(a).

* * * * *

(c) EXCEPTION IN THE HOUSE OF REPRESENTATIVES.—Subsection (a)(1) shall not apply *with respect to new budget authority or outlays* in the House of Representatives to any bill, joint resolution, or amendment that provides new budget authority for a fiscal year or to any conference report on any such bill or resolution, if—

(1) * * *

* * * * *

DETERMINATIONS AND POINTS OF ORDER

SEC. 312. (a) * * *

* * * * *

(c) MAXIMUM DEFICIT AMOUNT POINT OF ORDER IN THE SENATE.—It shall not be in order in the Senate to consider any concurrent resolution on the budget [for a fiscal year] for a biennium, or to consider any amendment to that concurrent resolution, or to consider a conference report on that concurrent resolution, if—

(1) the level of total outlays for the [first fiscal year] either fiscal year in the biennium set forth in that concurrent resolution or conference report exceeds; or

(2) the adoption of that amendment would result in a level of total outlays for [that fiscal year] either fiscal year in the biennium that exceeds;

the recommended level of Federal revenues for [that fiscal year] the applicable fiscal year, by an amount that is greater than the maximum deficit amount, if any, specified in the Balanced Budget and Emergency Deficit Control Act of 1985 for that fiscal year.

* * * * *

MULTIYEAR AUTHORIZATIONS OF APPROPRIATIONS

SEC. 316. (a) It shall not be in order in the House of Representatives or the Senate to consider any measure that contains an authorization of appropriations for any purpose unless the measure includes such an authorization of appropriations for that purpose for not less than each fiscal year in one or more bienniums.

(b)(1) For purposes of this section, an authorization of appropriations is an authorization for the enactment of an amount of appropriations or amounts not to exceed an amount of appropriations (whether stated as a sum certain, as a limit, or as such sums as may be necessary) for any purpose for a fiscal year.

(2) Subsection (a) does not apply with respect to an authorization of appropriations for a single fiscal year for any program, project, or activity if the measure containing that authorization includes a provision expressly stating the following: "Congress finds that no authorization of appropriation will be required for [Insert name of applicable program, project, or activity] for any subsequent fiscal year."

(c) For purposes of this section, the term "measure" means a bill, joint resolution, amendment, motion, or conference report.

* * * * *

SECTION 105 OF TITLE 1, UNITED STATES CODE

§ 105. Title of appropriation Acts

[The style and title of all Acts making appropriations for the support of Government shall be as follows: "An Act making appro-

priations (here insert the object) for the year ending September 30 (here insert the calendar year).”]

§ 105. Title and style of appropriation Acts

(a) *The style and title of all Acts making appropriations for the support of the Government shall be as follows: “An Act making appropriations [here insert the object] for each fiscal year in the biennium of fiscal years [here insert the fiscal years of the biennium].”.*

(b) *All Acts making regular appropriations for the support of the Government shall be enacted for a biennium and shall specify the amount of appropriations provided for each fiscal year in such period.*

(c) *For purposes of this section, the term “biennium” has the same meaning as in section 3(13) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(13)).*

TITLE 31, UNITED STATES CODE

* * * * *

SUBTITLE II—THE BUDGET PROCESS

* * * * *

CHAPTER 11—THE BUDGET AND FISCAL, BUDGET, AND PROGRAM INFORMATION

§ 1101. Definitions

In this chapter—

(1) * * *

* * * * *

(3) *“biennium” has the meaning given to such term in paragraph (13) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(12)).*

* * * * *

§ 1105. Budget contents and submission to Congress

(a) [On or after the first Monday in January but not later than the first Monday in February of each year, the President shall submit a budget of the United States Government for the following fiscal year. Each budget shall include a budget message and summary and supporting information. The President shall include in each budget the following:] *On or before the first Tuesday in February of each odd-numbered year, beginning with the One Hundred Fifteenth Congress, the President shall transmit to the Congress the budget for the biennium beginning on October 1 of such calendar year. The budget transmitted under this subsection shall include a budget message and summary and supporting information. The President shall include in each budget submission the following:*

(1) * * *

* * * * *

(5) except as provided in subsection (b) of this section, estimated expenditures and proposed appropriations the President decides are necessary to support the Government in **the fiscal year for which the budget is submitted and the 4 fiscal years after that year** *each fiscal year in the biennium for which the budget is submitted and in the succeeding 4 years.*

(6) estimated receipts of the Government in **the fiscal year for which the budget is submitted and the 4 fiscal years after that year** *each fiscal year in the biennium for which the budget is submitted and in the succeeding 4 years* under—

(A) * * *

* * * * *

(9) balanced statements of the—

(A) * * *

* * * * *

(C) estimated condition of the Treasury at the end of **the fiscal year** *each fiscal year in the biennium* for which the budget is submitted if financial proposals in the budget are adopted.

(12) for each proposal in the budget for legislation that would establish or expand a Government activity or function, a table showing—

(A) the amount proposed in the budget for appropriation and for expenditure because of the proposal in **the fiscal year** *each fiscal year in the biennium* for which the budget is submitted; and

* * * * *

(13) an allowance for additional estimated expenditures and proposed appropriations for **the fiscal year** *each fiscal year in the biennium* for which the budget is submitted.

(14) an allowance for unanticipated uncontrollable expenditures for **that year** *each fiscal year in the biennium for which the budget is submitted.*

* * * * *

(16) the level of tax expenditures under existing law in the tax expenditures budget (as defined in section 3(a)(3) of the Congressional Budget Act of 1974 (2 U.S.C. 622(a)(3)) for **the fiscal year** *each fiscal year in the biennium* for which the budget is submitted, considering projected economic factors and changes in the existing levels based on proposals in the budget.

(17) information on estimates of appropriations for **the fiscal year following the fiscal year** *each fiscal year in the biennium following the biennium* for which the budget is submitted for grants, contracts, and other payments under each program for which there is an authorization of appropriations for **that following fiscal year** *each such fiscal year* when the appropriations are authorized to be included in an appropriation law for the **fiscal year before the fiscal year** *biennium before the biennium* in which the appropriation is to be available for obligation.

(18) a comparison of the total amount of budget outlays for **the prior fiscal year** *each of the 2 most recently completed fis-*

cal years, estimated in the budget submitted [for that year] with respect to those fiscal years, for each major program having relatively uncontrollable outlays with the total amount of outlays for that program [in that year] in those fiscal years.

* * * * *

(28) *[beginning with fiscal year 1999, a] beginning with fiscal year 2017, a biennial Federal Government performance plan for the overall budget as provided for under section 1115.*

* * * * *

~~[(37)]~~ (39) *the list of plans and reports, as provided for under section 1125, that agencies identified for elimination or consolidation because the plans and reports are determined outdated or duplicative of other required plans and reports.*

(40) Totals of new budget authority and outlays.

(41) Total Federal revenues and the amount, if any, by which the aggregate level of Federal revenues should be increased or decreased by bills and resolutions to be reported by the appropriate committees.

(42) The surplus or deficit in the budget.

(43) Subtotals of new budget authority and outlays for non-defense discretionary spending, defense discretionary spending, direct spending (excluding interest), contingencies, and net interest.

(44) The public debt.

* * * * *

(b) *Estimated expenditures and proposed appropriations for the legislative branch and the judicial branch to be included in each budget under subsection (a)(5) of this section shall be submitted to the President before October 16 of [each year] each even-numbered year and included in the budget by the President without change.*

(c) *The President shall recommend in the budget appropriate action to meet an estimated deficiency when the estimated receipts for [the fiscal year for] each fiscal year in the biennium for which the budget is submitted (under laws in effect when the budget is submitted) and the estimated amounts in the Treasury at the end of the current fiscal year available for expenditure in [the fiscal year for] each fiscal year of the biennium, as the case may be, which the budget is submitted, are less than the estimated expenditures for [that year] for each year of the biennium. The President shall make recommendations required by the public interest when the estimated receipts and estimated amounts in the Treasury are more than the estimated expenditures.*

(d)(1) *When the President submits a budget or supporting information about a budget, the President shall include a statement on all changes about the current fiscal year that were made before the budget or information was submitted.*

(2) *Each budget submission shall include a budget message and summary and supporting information and, as a separately delineated statement, the levels requires in paragraphs (40) through (44) of subsection (a) for at least each of the 4 ensuing fiscal years after the biennium covered by the budget submission under such subsection.*

(e)(1) The President shall submit with materials related to each budget transmitted under subsection (a) on or after January 1, 1985, an analysis for the [ensuing fiscal year] *biennium to which such budget relates* that shall identify requested appropriations or new obligational authority and outlays for each major program that may be classified as a public civilian capital investment program and for each major program that may be classified as a military capital investment program, and shall contain summaries of the total amount of such appropriations or new obligational authority and outlays for public civilian capital investment programs and summaries of the total amount of such appropriations or new obligational authority and outlays for military capital investment programs. In addition, the analysis under this paragraph shall contain—

(A) * * *

* * * * *

§ 1106. Supplemental budget estimates and changes

(a) Before July 16 of each year *and before February 1 of each even-numbered year*, the President shall submit to Congress a supplemental summary of the budget for the [fiscal year] *biennium* for which the budget is submitted under section 1105(a) of this title. The summary shall include—

(1) for [that fiscal year] *each fiscal year in such biennium*—

(A) * * *

* * * * *

(2) for the [4 fiscal years following the fiscal year] *at least 4 fiscal years following the biennium* for which the budget is submitted, information on estimated expenditures for programs authorized to continue in future years, or that are considered mandatory, under law; and

(3) for future fiscal years, information on estimated expenditures of balances carried over from the [fiscal year] *biennium* for which the budget is submitted.

(b) Before July 16 of each year *and before February 15 of each even-numbered year*, the President shall submit to Congress a statement of changes in budget authority requested, estimated budget outlays, and estimated receipts for [the fiscal year] *each fiscal year in the biennium* for which the budget is submitted (including prior changes proposed for the executive branch of the Government) that the President decides are necessary and appropriate based on current information. The statement shall include the effect of those changes on the information submitted under section 1105(a)(1)-(14) and (b) of this title and shall include supporting information as practicable. The statement submitted before July 16 may be included in the information submitted under subsection (a)(1) of this section.

* * * * *

§ 1109. Current programs and activities estimates

(a) [On or before the first Monday after January 3 of each year (on or before February 5 in 1986)] *At the same time the budget re-*

quired by section 1105 is submitted for a biennium, the President shall submit to both Houses of Congress the estimated budget outlays and proposed budget authority that would be included in the budget for [the following fiscal year] *each fiscal year of such period* if programs and activities of the United States Government were carried on during that year at the same level as the current fiscal year without a change in policy. The President shall state the estimated budget outlays and proposed budget authority by function and subfunction under the classifications in the budget summary table under the heading “Budget Authority and Outlays by Function and Agency”, by major programs in each function, and by agency. The President also shall include a statement of the economic and program assumptions on which those budget outlays and budget authority are based, including inflation, real economic growth, and unemployment rates, program caseloads, and pay increases.

(b) The Joint Economic Committee shall review the estimated budget outlays and proposed budget authority and submit an economic evaluation of the budget outlays and budget authority to the Committees on the Budget of both Houses [before March 1 of each year] *within 6 weeks of the President’s budget submission for each odd-numbered year.*

§ 1110. Year-ahead requests for authorizing legislation

A request to enact legislation authorizing new budget authority to continue a program or activity for a fiscal year shall be submitted to Congress before [May 16] *March 31* of the [year before the year in which the fiscal year begins] *calendar year preceding the calendar year in which the biennium begins.* If a new program or activity will continue for more than one year, the request must be submitted for at least the first and 2d fiscal years.

* * * * *

§ 1115. Federal Government and agency performance plans

(a) FEDERAL GOVERNMENT PERFORMANCE PLANS.—In carrying out the provisions of section 1105(a)(28), the Director of the Office of Management and Budget shall coordinate with agencies to develop the Federal Government performance plan. In addition to the submission of such plan with each budget of the United States Government, the Director of the Office of Management and Budget shall ensure that all information required by this subsection is concurrently made available on the website provided under section 1122 and updated periodically, but no less than annually. The Federal Government performance plan shall—

(1) establish Federal Government performance goals to define the level of performance to be achieved during the year in which the plan is submitted and the next fiscal year for each of the Federal Government priority goals required under section 1120(a) of this title;

* * * * *

(5) establish clearly defined quarterly milestones; [and]
 (6) identify major management challenges that are Governmentwide or crosscutting in nature and describe plans to ad-

dress such challenges, including relevant performance goals, performance indicators, and milestones[.]; and

(7) cover each fiscal year of the biennium beginning with the first fiscal year of the next biennial budget cycle.

* * * * *

(d) TREATMENT OF PROGRAM ACTIVITIES.—For the purpose of complying with this section, an agency may aggregate, disaggregate, or consolidate program activities, except that any aggregation or consolidation may not omit or minimize the significance of any program activity constituting a major function or operation for the agency.

* * * * *

(f) INHERENTLY GOVERNMENTAL FUNCTIONS The functions and activities of this section shall be considered to be inherently governmental functions. The drafting of performance plans under this section shall be performed only by Federal employees.

* * * * *

§ 1119. Pilot projects for performance budgeting

(a) * * *

* * * * *

(d) No later than March 31, 2001, the Director of the Office of Management and Budget shall transmit a report to the President and to the Congress on the performance budgeting pilot projects which shall—

(1) assess the feasibility and advisability of including a performance budget as part of the [annual] biennial budget submitted under section 1105;

* * * * *

(e) After receipt of the report required under subsection (d), the Congress may specify that a performance budget be submitted as part of the [annual] biennial budget submitted under section 1105.

* * * * *

SUBTITLE VI—MISCELLANEOUS

* * * * *

CHAPTER 97—MISCELLANEOUS

* * * * *

§ 9703. Managerial accountability and flexibility

(a) [Beginning with fiscal year 1999, the] *Beginning with fiscal year 2017, the biennial* performance plans required under section 1115 may include proposals to waive administrative procedural requirements and controls, including specification of personnel staffing levels, limitations on compensation or remuneration, and prohibitions or restrictions on funding transfers among budget object classification 20 and subclassifications 11, 12, 31, and 32 of each [annual] budget submitted under section 1105, in return for specific individual or organization accountability to achieve

a performance goal. In preparing and submitting the performance plan under ~~section 1105(a)(29)~~ *section 1105(a)(28)*, the Director of the Office of Management and Budget shall review and may approve any proposed waivers. A waiver shall take effect at the beginning of the fiscal year for which the waiver is approved.

* * * * *

(e) A waiver shall be in effect for ~~one or~~ two years as specified by the Director of the Office of Management and Budget in approving the waiver. A waiver may be renewed for ~~a subsequent year~~ *for a subsequent 2-year period*. After a waiver has been in effect for ~~three~~ *four* consecutive years, the performance plan prepared under section 1115 may propose that a waiver, other than a waiver of limitations on compensation or remuneration, be made permanent.

* * * * *

TITLE 5, UNITED STATES CODE

PART I—THE AGENCIES GENERALLY

* * * * *

CHAPTER 3—POWERS

* * * * *

§ 306. Agency strategic plans

(a) Not later than the first Monday in February of any year following the year in which the term of the President commences under section 101 of title 3, the head of each agency shall make available on the public website of the agency a strategic plan and notify the President and Congress of its availability. Such plan shall contain—

(1) a comprehensive mission statement covering the major functions and operations of the agency;

(2) general goals and objectives, including outcome-oriented goals, for the major functions and operations of the agency;

(3) a description of how any goals and objectives contribute to the Federal Government priority goals required by section 1120(a) of title 31;

(4) a description of how the goals and objectives are to be achieved, including—

(A) a description of the operational processes, skills and technology, and the human, capital, information, and other resources required to achieve those goals and objectives; and

(B) a description of how the agency is working with other agencies to achieve its goals and objectives as well as relevant Federal Government priority goals;

(5) a description of how the goals and objectives incorporate views and suggestions obtained through congressional consultations required under subsection (d);

(6) a description of how the performance goals provided in the plan required by section 1115(a) of title 31, including the agency priority goals required by section 1120(b) of title 31, if applicable, contribute to the general goals and objectives in the strategic plan;

(7) an identification of those key factors external to the agency and beyond its control that could significantly affect the achievement of the general goals and objectives; and

(8) a description of the program evaluations used in establishing or revising general goals and objectives, with a schedule for future program evaluations to be conducted.

(b) The strategic plan shall cover a period of not less than 4 years following the fiscal year in which the plan is submitted. As needed, the head of the agency may make adjustments to the strategic plan to reflect significant changes in the environment in which the agency is operating, with appropriate notification of Congress.

(c) The performance plan required by section 1115(b) of title 31 shall be consistent with the agency's strategic plan. A performance plan may not be submitted for a fiscal year not covered by a current strategic plan under this section, *including a strategic plan submitted by September 30, 2016, meeting the requirements of subsection (a).*

* * * * *

TITLE 39, UNITED STATES CODE

* * * * *

PART III—MODERNIZATION AND FISCAL ADMINISTRATION

* * * * *

CHAPTER 28—STRATEGIC PLANNING AND PERFORMANCE MANAGEMENT

* * * * *

§ 2802. Strategic plans

(a) No later than **[September 30, 1997]** *September 30, 2016*, the Postal Service shall submit to the President and the Congress a strategic plan for its program activities. Such plan shall contain—

(1) * * *

* * * * *

(b) The strategic plan shall cover a period of not less than **[five years forward]** *six years forward* from the fiscal year in which it is submitted, and shall be updated and revised **[at least every three years]** *at least every 4 years*.

(c) The performance plan required under section 2803 shall be consistent with the Postal Service's strategic plan, *including a strategic plan submitted by September 30, 2016, meeting the require-*

ments of subsection (a). A performance plan may not be submitted for a fiscal year not covered by a current strategic plan under this section.

* * * * *

§ 2803. Performance plans

(a) The Postal Service shall prepare **[an annual]** *a biennial* performance plan covering each program activity set forth in the Postal Service budget, which shall be included in the comprehensive statement presented under section 2401(e) of this title. Such plan shall—

(1) establish performance goals to define the level of performance to be achieved by a program activity *for both years 1 and 2 of the biennial plan*;

* * * * *

(5) provide a basis for comparing actual program results with the established performance goals; **[and]**

(6) describe the means to be used to verify and validate measured values**[.]**; *and*

(7) *cover each fiscal year of the biennium beginning with the first fiscal year of the next biennial budget cycle.*

* * * * *

IEWS OF COMMITTEE MEMBERS

Clause 2(1) of rule XI of the Rules of the House of Representatives requires each committee to provide two days to Members of the committee to file Minority, additional, supplemental, or dissenting views and to include such views in the report on legislation considered by the committee. The following views were submitted:

ADDITIONAL VIEWS FROM MESSRS. COLE, CALVERT,
MCCLINTOCK, AND NUNNELEE

Supporters of H.R. 1869 argue shifting to biennial budgeting would be a step in the right direction toward fixing a broken federal budget process. We strongly disagree. While well intentioned, biennial budgeting would make the budget, authorization and appropriations processes far worse.

There is little doubt that the current budget process is dysfunctional. Every year Congress seems beset by the same problems—missed budget deadlines, delays, mounting debt, late appropriations bills, an inability to pass authorization bills, and runaway mandatory spending. The frustration of Members and our constituents is understandable. However, these problems are the result of deep political and policy differences over the appropriate level of spending, deficits, debt and the size and role of the federal government. To argue, as supporters of H.R. 1869 do, that a shift to biennial budgeting would help avoid those problems strains credulity beyond belief. Shifting to a two year budget cycle would not make these problems disappear but would, at minimum, make them worse, since the stakes would be much higher.

Biennial budgeting transfers significant powers away from Congress to the Executive Branch: it would empower bureaucrats. The current annual process requiring agency administrators to justify

and defend their programs and budgets is a critical tool to evaluate how Federal programs are working and how taxpayer dollars are being expended. Under the existing, annual structure, if agency spending is inconsistent with Congressional intent, Congress can address the situation that year in the next appropriation. Under biennial budgeting, the legislative response to activities occurring in the first year of the budget would always be a year behind. It is therefore little surprise that Presidents and agency officials would like a free pass from annually being held accountable by the Congress.

Proponents of biennial budgeting also argue that members and authorizing committees lack the time for oversight and that biennial budgeting would provide it; however, this is patently false. Most authorizing committees already perform effective oversight of the programs under their jurisdiction. The problems authorizers face is not a lack of time, it is getting their legislative bills through the political process, through the Congress and to the President. These are mainly political and policy challenges, not procedural ones or due to lack of oversight. Promises to the contrary, H.R. 1869 does nothing to change that and therefore the problems in the authorization process of getting work done will continue. Moreover the Appropriations Committee annually holds well over 100 budget and oversight hearings, including 150 such hearings during the FY 2014 cycle alone. The annual appropriations process serves as one of the most valuable oversight mechanisms available to Congress. Yet, under biennial budgeting this oversight would either not occur, or would lack teeth—it would be lost. Eliminating Congress's ability to regularly check executive action is a bad outcome for the taxpayer.

Additionally, there is every reason to believe that the second year of the biennial budgeting cycle would be consumed by frequent supplemental appropriations bills and other adjustments that would grow spending and otherwise make statutory caps and budget resolution targets meaningless. Even under an annual system, making precise projections about agency needs is difficult. Under the current annual cycle, the formulation of the President's budget begins 15 to 20 months prior to the beginning of the fiscal year for which funding decisions will be made and as a result projections of outlays, revenues, and estimates frequently are wrong. And the further out you go with projections and estimates, the less reliable they become. Since the time lag between initial forecasts and actual budget execution creates difficulties even in an annual process, it is difficult to conceive how extending the budget lead time to 27 or 30 months would enhance the reliability or quality of the estimates, improve the capacity of Congress and the Executive Branch to foresee future needs, make decisions, or eliminate unanticipated funding requirements.

Also, it is often cited by supporters of biennial budgeting that many states use a two-year budget process and therefore that model would work at the federal level. But this is, at best, a poor analogy. The federal government is not a state. It fulfills numerous functions no state can or should: It serves a population of well over 300 million people, provides for the national defense on a global basis, conducts international relations, supports an economic system that helps drive the global economy, and provides transfer pay-

ments to individuals for retirement, among other activities. Also, the number of states using a biennial budgeting system has been steadily declining since the 1940s, with the majority of states now using an annual process. According to the National Conference on State Legislatures, in 1940 forty-four states enacted a biennial budget. Only 19 do so now.

The one area of the budget process that should be looked at in greater detail is the Budget Resolution process, the primary responsibility of this committee. For unlike with appropriations bills which always get done, if late or in the form of a continuing resolution, the track record for budget resolutions is dismal.

- In the last 5 fiscal years (FY2010-FY2014), Congress has failed to agree to a budget resolution conference report every single year, a 100 percent failure rate.

- In the last 10 fiscal years (FY2005-FY2014), Congress has failed to agree to a budget resolution conference report 100 percent of the time.

- In fact, according to the Congressional Research Service, Congress has met the budget resolution deadline only six times since 1974, the last time being in FY2003.

If the House and Senate are unable to get out of the gates and agree to a fiscal plan and, as has been the case in recent years, instead rely on different and frequently unrealistic budget goals, it compounds the difficulties for the authorization and appropriations processes and helps create the delays and missed deadlines that frustrate Members and our constituents.

Unfortunately, we do not agree with the majority of this committee that a shift to biennial budgeting will solve any of the problems that now plague the budget process or improve the authorization or appropriations processes. We believe a change to biennial budgeting would undermine Congresses' constitutional power of the purse and strengthen unelected agency bureaucrats; would weaken oversight across the board; would make decisions based on even more error-prone estimates; and would likely lead to increased spending—a view of biennial budgeting, it is worth noting, shared by previous Chairman of the House Budget Committee when they served in this body, including Chairman Nussle and Chairman Spratt. We look forward to working with you on reforms to the budget process that provide real solutions while preserving Congress's constitutional role.

TOM COLE,
KEN CALVERT,
TOM MCCLINTOCK,
ALAN NUNNELEE,
Members of Congress.