

The Honorable David Rouzer

Testimony of Congressman David Rouzer House Budget Committee Hearing, “Budget Process Reform Member Day Hearing” Wednesday, December 6, 2023

Thank you, Chairman Arrington and Ranking Member Boyle, for holding today’s hearing on how Congress can create a better budget process to help address the current state of spending in this country, including holding this institution better accountable for its actions that increase the deficit and debt.

I would like to suggest three ideas for the Committee’s consideration:

1. A change to the country’s fiscal calendar;
2. Holding CBO more accountable; and
3. An accountability mechanism for lawmakers on votes of major spending that increases our deficit and national debt.

First, I believe we should consider modifying our fiscal calendar to February 1 to January 31. According to the Federal Times, starting in 1842, the fiscal calendar was July 1 to June 30. It was later changed to the current October 1 to September 30 fiscal calendar in 1977. Ironically, from what I’ve read, both changes to the calendar were intended to provide Congress with more time to pass appropriations legislation to avoid continuing resolutions.

Our current fiscal calendar and the Executive branch’s inability to effectively deliver the President’s budget proposal to Congress on time are not conducive to the current fiscal year structure. Often, the President’s budget is not delivered until March or April. The House and Senate then have 3 to 4 months to agree on top-line spending, pass their respective bills through each chamber, and begin the conference process in just a few short months. It is a system set up for failure. Consequently, we often come back from the August recess and have to pass a CR — often times multiple CRs — which then lead to a bloated, end of year omnibus bill or several bloated mini-buses as we call them. It can also easily lead to a long-term CR.

A February 1 to January 31 fiscal year allows the President to deliver a budget on the current schedule and gives the House and Senate the calendar year to pass their own bills with a conference report to be voted on following the holidays.

My second suggestion would shift Congress from complete reliance upon the CBO in order to establish a better projection of what legislation will or will not cost the U.S. Treasury. How many times have we seen projections that prove to be way off the mark once the law is in place? Former Speaker of the House Newt Gingrich has written a number of editorials on this, one of which I will insert for the record.

If we each had a GPS that more often than not provided incorrect directions, we would toss it immediately. The intention of this idea is not to dismantle the CBO, but it is my intention to state that perhaps we need other instruments for which we can evaluate the CBO and improve it. One idea is to better utilize outside groups or in-house scores from the Joint Committee on Taxation, or perhaps also utilize the budget experience of our own committees. Congress could also utilize outside groups to better analyze the full economic impact of legislation beyond the black and white of revenue and spending. Think tanks, financial groups, accounting firms, and non-profits often analyze legislation internally for their own business decisions as well as for public consumption. It is imperative Congress has a good cross-section of analysis to get a more accurate understanding of the big-picture impact of spending and tax policies.

Third, I suggest we have a mechanism of accountability for votes we cast that increase the deficit and the debt. For every vote that scores an increase in annual spending over \$20 billion (\$200 billion over a 10-year period, the current scoring window) and/or converts discretionary spending to mandatory spending, should require

a subsequent vote of acknowledgement that by enacting such legislation, spending will add to the debt requiring that the debt limit will have to increase.

If a subsequent “vote of acknowledgment” is required by the House following the passage of bills that add to the deficit and debt (which could be conducted the same as approving the Congressional Journal), members would further establish a more transparent public record of acknowledgement that a bill will result in additional deficits and debt. Or, conversely, the member could vote “no” and explain in the Record why such member either believes the score is wrong or the increase to the deficit and debt is necessary, such as in the case of war or some other national emergency.

Thank you again for holding today’s hearing to solicit input on budget reforms that would better serve our great country. I look forward to any questions you may have.