

BUDGET.HOUSE.GOV

U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON THE BUDGET

CHAIRMAN TOM PRICE, M.D.



Budget Digest – Week of May 23rd

Reclaiming the Power of the Purse

Budgeting is the most fundamental act of governing, and Article I of the Constitution explicitly designates the “power of the purse” to Congress. While the Congressional Budget Act of 1974 was intended to strengthen Congress’s control over fiscal policy, actual practice has undermined this intent. This Wednesday, the House Budget Committee will hold a hearing to examine how Congress has ceded its authority over spending to the Executive Branch and how this trend can be reversed. Topics of discussion will include:

Automatic Spending. Two-thirds of Federal spending runs on permanent authorizations without limit or annual approval. This “mandatory” spending requires the President’s signature to *turn off*— precisely the opposite of the Constitution’s Article I intent that says, “No money shall be drawn from the Treasury, but in consequence of appropriations made by law.”

Abandonment of Regular Order. Failing to pass budgets or complete appropriations separately and on time diminishes congressional policymaking authority. Huge omnibus spending bills negotiated among a few members of Congress and the administration forces Members to take a single vote on trillion-dollar bills without differentiating their votes on individual policy preferences.

Hidden Regulatory Costs. Regulatory costs to the economy are estimated at nearly \$1.9 trillion annually, which is more than the government collects in income taxes and about half the level of Federal spending. None of it is directly approved by Congress; rather, it’s ordered by the Executive Branch through regulatory rulemaking.

The President’s Budget. Since its creation in 1921, the President’s budget has become a tool allowing one person to define the policy goals for the Nation – a role that properly belongs to the Congress. To this day, Congress’s budget is often seen as a “response” to the President’s budget.

The Solution. The House Budget Committee is committed to rebuilding the congressional budget process upon key principles (see chart) that will ensure Congress reclaims its rightful “power of the purse” and restores the balance of powers under the Constitution.

PRINCIPLES OF BUDGETING

Exercise **Constitutional Government**

Promote and Sustain **Fiscal Responsibility**

Restore **Congressional Control of Spending and Taxation**

Improve **Oversight** and Facilitate **Orderly Decision Making**

Reflect the **True Costs of Programs**

Authorized by Chairman Tom Price, M.D., House Budget Committee

Questions? Call 202-226-7270 or email Budget.Republicans@mail.house.gov