U.S. Senate Homeland Security and Governmental Affairs Committee

Subcommittee on Federal Spending Oversight and Emergency Management

"Terrible, No Good, Very Bad Ways of Funding Government: Exploring the Cost to Taxpayers of Spending Uncertainty Caused by Governing through Continuing Resolutions, Giant Omnibus Spending Bills, and Shutdown

Crises"

February 6, 2018

Senator Gary C. Peters, Ranking Member

Opening Statement

I'd like to extend a sincere thank you to Chairman Paul for providing a forum to engage on this topic today in a collaborative, bipartisan manner.

The conversation we are having today goes to the heart of how Congress functions as an institution. One of our most fundamental responsibilities is to pass a budget and fund the government. This is our most basic job, and the American people expect us to get it done.

The way we budget and fund the government is dysfunctional. It's a problem that has gone on for so long that we have become accustomed to it. It's become the new normal. The purpose of today's hearing is to say enough—this is no way to govern.

This broken process, filled with last-minute deadlines, continuing resolutions, and even government shutdowns, is wasteful, inefficient, and harmful to the American people.

That is why our esteemed panel of witnesses is here today. We appreciate your expertise, your experience, and your time. Your testimony today is critical to helping us diagnose the severity of our budgeting problem, and how it impacts government services and wastes tax dollars. I hope you can help us explore potential constructive solutions.

Our broken budget process needlessly shortchanges the effectiveness of federal programs through a never-ending cycle of short-term continuing resolutions and

omnibus spending bills that create budget crises and keep the government perpetually at the edge of a shutdown. That threat occasionally comes to pass, as we saw just a few weeks ago.

Though Congress designed a clear budget process in the 1974 Congressional Budget Act to establish our own funding priorities and a set timeline for enacting them into law, we have failed time and time again to live up to our own standards. In fact, Congress has only managed to enact all twelve required appropriations bills on time in four out of the past forty years.

Instead, this body has passed an average of four CRs every year. And the frequency has only increased in recent years – since 2011, we've passed 34 separate CRs.

Sometimes these CRs fund the government for as little as one day at a time. As a result, the majority of sitting members of Congress have never seen this body pass a budget through "regular order."

We can and we must do better. First, I'm hopeful that this hearing will offer a candid discussion of the facts and emphasize the true costs and consequences of governing through short-term CRs. We lurch from crisis to crisis, wasting countless hours across the federal government as employees prepare for shutdowns or draft detailed, comprehensive yearly budget documents that are completely disregarded.

Most significantly, this dysfunctional pattern needlessly threatens our national and economic security. Without a long-term budget outlook, our military is unable to plan ahead and effectively conduct their critical mission to protect the American people and American interests abroad.

Instead of thoroughly evaluating spending priorities or conducting meaningful oversight of government programs, Congress kicks the can down the road and lets taxpayers foot the bill.

And in the event of a shutdown, hundreds of thousands of federal workers are furloughed from their jobs and Americans of all walks of life lose access to important public services they count on. To offer a better sense of the real impact this has on the federal workforce, I ask unanimous consent to enter into the record a letter I received today from the American Federation of Government Employees.

Last week during a hearing in the Commerce Committee, I asked the Director of the National Science Foundation about the impact of continuing resolutions and shutdowns on her agency. Not only did the NSF have to cancel a whole slate of important meetings, including with several Nobel Prize laureates, the Director also told me, quote, that "everybody just basically stops work in order to gear up" for a shutdown.

That's a lot of time and tax dollars wasted preparing for a shutdown that wouldn't happen if Congress simply did its job.

I look forward to hearing a robust discussion from today's witnesses about potential reforms and solutions that will help break this harmful cycle and restore regular order to the congressional budget and appropriations process.

We must work together in a bipartisan way to reduce our reliance on short-term CRs, mitigate the harmful effects of this uncertainty on federal agencies, and minimize the costs of this broken process to taxpayers. I'm sure the Chairman would join me in saying that we are eager to hear your ideas.

So let's get to work. Thank you very much, and I look forward to today's testimony.