

Opening Statement of Chairman Rand Paul, M.D.
Federal Spending Oversight Subcommittee

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
2/6/2018

I call this hearing of the Federal Spending Oversight Subcommittee to order.

Before we start I want to express this subcommittee's deepest sympathy to the family and friends of Ed Lorenzen, who was a Senior Policy Advisor at the Committee for a Responsible Federal Budget. Ed and his four year old son tragically passed away 12 days ago in a house fire. Ed was a well-respected member of the budget community and possibly the foremost champion of the pay-go rule; his twitter handle was "captain pay-go." By all accounts Ed was a great guy and dedicated budgeteer. Literally the day of his death, Ed was talking with my staff in preparation for this very hearing. So this tragedy is close to our hearts and it is with deep sympathy to his family that I ask everyone to join me in a moment of silence.

(Moment of Silence)

Thank you. We are here today to discuss continuing resolutions, omnibus appropriations, missed funding deadlines, and of course shutdowns.

This hearing is titled; *Terrible, No Good, Very Bad Ways of Funding Government*. I can't think of a better way to describe how dysfunctional Congress is with its power of the purse.

I often tell people, "I don't want to shut down the government but I'm not sure I want to keep it open unless we reform it."

If we are going to keep it open and continue to borrow a million dollars per minute then maybe it's time to have a real debate about deficit spending.

Today government is open and on its third CR. We are already 1/3rd of the way through the fiscal year and still on a "temporary" funding.

The last time we passed all appropriation bills on time was 1997 which was only the 4th instance all appropriations were done on time since 1977. Four times in 41 years, that is ridiculous.

Missing appropriation deadlines causes uncertainty in agencies and delays plans, which may increase costs to the taxpayer.

Delayed appropriations compress the funding window, meaning even good projects become lower quality as there is just less time to plan and obligate funds.

Another part of the problem that concerns me is that once we've gone beyond the funding deadline our incentive turns to doing an omnibus appropriation. That is where we glue together all the unfunded programs into one single, giant bill. The bill is passed and typically, no amendments are allowed.

How can Congress do proper oversight of spending when we throw everything into one giant trillion dollar bill?

Congress is supposed to take a close look at 12 appropriations bills, funding specific areas of government and debate and amend them.

Until Congress does its job, wasteful, deficit spending will continue and government shutdowns will continue to threaten us.

Nobody likes a government shutdown, but what amazes me is that even though about 85 percent of federal spending continues in a shutdown, it is less efficiently spent than under normal conditions – which results in more cost.

To prevent shutdowns, I have introduced the Shutdown Prevention Act, which says at the end of the fiscal year, anything still not funded will automatically be funded at 99% of its previous budget.

What should make this a win-win for everyone is that agencies will have at least a minimum level of certainty about their full year funding, something they don't have hopping from CR to CR. And these modest cuts will incentivize Congress, to avoid them by doing their job on time.

So I think this is an important and timely hearing; and I thank Senator Peters for working with our office to set this up. With that, I'll recognize the Ranking Member for his opening statement.