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Spratt Statement on Passage of Budget Enforcement Resolution

Washington D.C. - Today the U.S. House of Representatives passed a Budget Enforcement Resolution introduced by House Budget Committee Chairman John Spratt (D-SC). Spratt issued the following statement.

“Today the House took an important step in the budget process by approving a budget enforcement resolution for fiscal year 2011. This resolution caps the level of discretionary spending for the upcoming fiscal year, permitting the Appropriations Committee to move forward with appropriation bills for fiscal year 2011.

“With the passage of this resolution, we have in place the functional equivalent of a traditional budget resolution. For the short term, this resolution limits discretionary spending and strengthens the "Pay-As-You-Go" rule (PAYGO), which limits mandatory spending and revenue legislation. For the long term, the resolution sets an out-year goal of returning the budget to primary balance (excluding net interest costs) in 2015, and assures that the House will have an opportunity to vote this year on budget proposals made by the President's Fiscal Commission and approved by the Senate.

“The budget enforcement resolution sets an overall limit of \$1.121 trillion on discretionary spending in next year's appropriations bills. This limit is well below the comparable request made by the President and \$3 billion below the resolution approved by the Senate Budget Committee.

“Our PAYGO rules restrict increases in mandatory spending and decreases in revenues, unless offset, so they do not add to the budget deficit. This resolution aligns enforcement of PAYGO under House rules and under the statutory PAYGO law we passed earlier this year, facilitating consideration of deficit-neutral bills.

“This resolution also instructs House committee chairs to submit recommendations for eliminating wasteful spending in their committee jurisdiction. It also makes available program integrity funds of \$538 million in 2010 which may be drawn down if used to reduce waste, fraud, and abuse in the federal budget.

"When all of these elements are brought together, they form a complete substitute, the functional equivalent of a budget resolution. The budget enforcement resolution limits discretionary spending, while the PAYGO rules limit mandatory spending and revenue legislation. These are disciplines for the short run, while the Fiscal Commission works out recommendations for the longer run.

"This budget enforcement resolution is another of many steps Democrats in the 111th Congress have taken to enforce fiscal responsibility, such as enacting statutory PAYGO; reforming defense acquisition; and insisting successfully that health care reform not add to the deficit."

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