

Blue Dogs Release Blueprint for Fiscal Reform



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WASHINGTON—Today, members of the Blue Dog Coalition released a comprehensive plan to help restore fiscal discipline in Congress. The *Blue Dog Blueprint for Fiscal Reform* outlines an extensive list of priorities that help reduce our budget deficits and begin to bring down our national debt. Today, the national debt is more than \$22 trillion—an unprecedented amount. On the current path, next year, the federal government will spend more servicing interest on the debt than all federal funding that supports children in the United States. Earlier this week, the White House Office of Management and Budget (OMB) projected (<https://www.axios.com/white-house-projects-1-trillion-deficit-for-2019-ee45c1b0-44d3-4c94-9f02-442e8fcf61dc.html>) that the federal budget deficit will exceed \$1 trillion this year.

In a time when it seems like no one in Congress wants to talk about how we can get our nation out of this fiscal mess, the Blue Dog Coalition has continued to be the voice of fiscal responsibility by putting forward several concrete policy solutions, including the bipartisan Pay-As-You-Go (PAYGO) rule (<https://bluedogcaucus-costa.house.gov/media-center/press-releases/house-passes-measure-to-restore-bipartisan-paygo-rules>), the No Budget, No Pay Act (<https://bluedogcaucus-costa.house.gov/media-center/press-releases/blue-dogs-back-no-budget-no-pay-act>), and a Balanced Budget Amendment (<https://bluedogcaucus-costa.house.gov/media-center/press-releases/blue-dogs-endorse-rep-mcadams-balanced-budget-amendment>). Over the next several months, Coalition members will bring forward other priorities included in the *Blue Dog Blueprint for Fiscal Reform* in the form of legislation.

The *Blue Dog Blueprint for Fiscal Reform* was developed under the leadership of Reps. Ed Case (HI-01) and Ben McAdams (UT-04), the Co-Chairs of the Blue Dog Task Force on Fiscal Responsibility and Government Reform.

“We are putting forward policies that increase transparency and hold Congress accountable to taxpayers,” **said Rep. Ben McAdams (UT-04), Co-Chair of the Blue Dog Task Force on Fiscal Responsibility and Government Reform.** “It is past time for a serious conversation about reducing deficits and debt and returning the federal budget to a sustainable path.”

“It is no stretch to maintain that at no point in our nation’s history have we operated our federal government in as fiscally irresponsible a manner,” **said Rep. Ed Case (HI-01), Co-Chair of the Blue Dog Task Force on Fiscal Responsibility and Government Reform.** “We must address the national budget, which is not only fiscally unsustainable today, but will cripple future generations. I am proud to work with my fellow Blue Dogs and anyone else who shares our concerns to advance these and other commonsense solutions to tackle this national crisis.”

The Blue Dog Coalition's Blueprint for Fiscal Reform is the following:

1. Require a Balanced Budget

- Blue Dogs support a Constitutional amendment (<https://bluedogcaucus-costa.house.gov/media-center/press-releases/blue-dogs-endorse-rep-mcadams-balanced-budget-amendment>) to require a balanced budget every year except in cases of war or recession.
- Blue Dogs believe a Balanced Budget Amendment is the best way to ensure fiscal discipline with our lawmakers.

2. Return to Regular Order and Pass a Budget and All Appropriations Bills on Time

- Blue Dogs want Congress to return to regular order.
- Blue Dogs support mechanisms—including No Budget, No Pay; No Budget, No Recess; and requiring daily, public reports on the economic cost of future government shutdowns—to force regular order in the budget and appropriations processes.
- Blue Dogs want strict, enforceable spending caps to ensure a fiscally-responsible federal budget.

3. Adhere to the Letter and Spirit of the Bipartisan Pay-As-You-Go (PAYGO) Rule

- Blue Dogs believe our long-term debt outlook is unsustainable, and we must stop making it worse.
- Blue Dogs believe that we should adhere to the letter and the spirit of PAYGO for all legislation. All new spending and reductions in federal

revenues must be paid for by cuts to other programs or bringing in new revenue.

- Blue Dogs believe that PAYGO should not be waived. If Congress attempts to waive PAYGO, every waiver should receive an individual vote.

4. Increase Oversight on How the Federal Government Spends Taxpayer Dollars

- Blue Dogs support robust oversight of all federal government spending, from Congress and the Executive Branch to other federal entities, such as the Government Accountability Office (GAO) and Offices of the Inspector General. Federal spending should be better tracked and evaluated to ensure transparency and accountability to taxpayers.
- Blue Dogs believe federal agencies should do a better job of managing taxpayer dollars by properly responding to auditors' recommendations, combating improper payments, and improving contracting oversight.

5. Set Aside a Rainy-Day Fund

- Blue Dogs propose closing the emergency funding loophole by more clearly defining the legal term “emergency,” and requiring Congress to have a separate vote on items that are designated as “emergency” spending.
- Blue Dogs propose creating a federal rainy-day fund—something that almost all states have.

6. Require All Legislation to Receive a Nonpartisan Cost Estimate and Ensure Congress Has Ample Time to Review All Legislation Prior to a Floor Vote

- Blue Dogs propose that Congress require a two-thirds vote in support to waive the 72-hour rule, which allows House members the chance to fully review legislation prior to a floor vote.
- Blue Dogs propose that all legislation brought to the floor for a vote receive a cost estimate prepared by the nonpartisan Congressional Budget Office (CBO) at least 24 hours prior to a floor vote. This will ensure members of Congress are fully informed on the costs and benefits of all legislation prior to their vote.
- Blue Dogs believe that Committees should identify proper and related offsets before legislation is reported out of committee.
- Blue Dogs propose that any legislation calling for more than \$100 million in net new spending or reductions in federal revenue require a roll call vote.

7. End the Practice of Partisan, Short-term Tax Policy

- Blue Dogs propose that nonpartisan organizations, including Government Accountability Office (GAO), Joint Committee on Taxation (JCT), and CBO, should analyze and measure the full cost of tax extenders and assess whether they achieve their intended goals.
- Blue Dogs believe that by extending—including retroactively extending—several short-term tax credits, lawmakers are only serving to make the tax code more confusing for individuals and businesses without proving that there is economic benefit to these policies.
- Blue Dogs believe that nonpartisan organizations, including GAO, JCT, and CBO, should analyze the full cost of tax expenditures and compare them to other programs that attempt to achieve similar goals.
- Blue Dogs believe that lawmakers must provide certainty to the business community by ending the practice of making partisan tax policy that will only last until the opposite political party takes power.