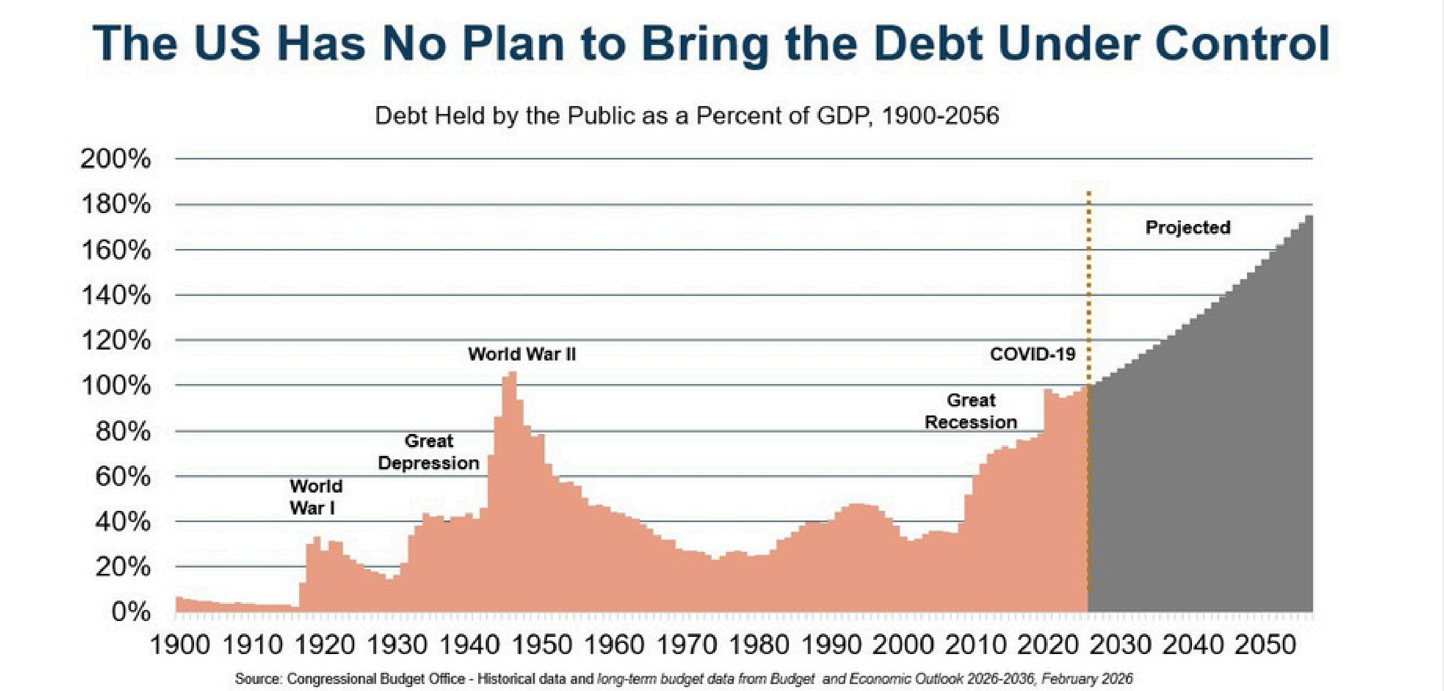
POLICY AGENDA

RESTORING FISCAL RESPONSIBILITY

CONCORD ACTION

GOALS

- Cut the deficit in half by 2030 (to 3% of GDP) with a path to zero for the total deficit, including interest
- Establish a comprehensive, coherent, and strategic budget process.



THE PROBLEM: CONGRESS NEEDS A PLAN TO GET TO BALANCE

SOLUTIONS

✓ A Fiscal Commission (With Real Teeth)

The Fiscal Commission Act (H.R. 3289 and S. 4012) establishes a bipartisan fiscal commission to educate the public and recommend actionable debt-reduction policies. Congress must consider the commission's recommendations using specified expedited legislative procedures.

The Bipartisan Social Security Commission Act (H.R. 9187) establishes a bipartisan, independent commission that would have one year to develop recommendations to improve Social Security's finances. Congress would then consider the commission's plan under expedited procedures, ensuring a timely, up-or-down vote.

✓ Build Consensus in Congress

The 3% Resolution (H.Res. 981 and S. Res. 654) establishes a clear fiscal goal: cut the deficit in half (to 3% of Gross Domestic Product, GDP), with a path to zero in 10 years. This measure demonstrates the growing bipartisan agreement that Congress must adopt a concrete, achievable target to begin restoring fiscal discipline and confronting the nation's escalating debt crisis.

✓ Stress Test the Federal Budget

The Fiscal Contingency Preparedness Act (S. 2492 & H.R. 4642) requires the Secretary of the Treasury and the Director of the Office of Management and Budget (OMB) to conduct annual assessments of the government's fiscal resilience in the face of potential domestic or international emergencies including economic downturns, energy shocks or shortages, natural disasters, pandemics or public health emergencies, national security threats, and financial crises.

THE PROBLEM: OUR BUDGET PROCESS IS BADLY BROKEN

SOLUTIONS

✓ Focus The Budget Process on Deficit Reduction

Congress should prohibit budget reconciliation bills from increasing the deficit by codifying the "Conrad Rule" in effect from 2007 to 2015. It should also establish a comprehensive and coordinated budget process, based on the SAVEGO proposal developed by the Bipartisan Policy Center, with clear, measurable targets to eliminate the deficit over 10 years and enforcement mechanisms that require automatic reductions or revenue increases if targets are not met.

✓ Reform the Budgeting of Emergency Spending

The Stop the Baseline Bloat Act of 2025 (H.R. 3912) would remove one-time emergency spending from the budget baseline by changing the assumptions that the Congressional Budget Office uses to calculate the baseline for discretionary spending. Specifically, the bill changes the assumptions used for the discretionary spending baseline to exclude resources designated as an emergency requirement and resources provided in supplemental appropriations laws.

THE PROBLEM: CONGRESS NEEDS EFFECTIVE BUDGET ENFORCEMENT MECHANISMS

SOLUTIONS

✓ Pass the Budget on Time

The No Budget, No Pay Act (S. 88 & H.R. 5755) would dock lawmakers' pay for every day they fail to pass the budget resolution by April 15 and all 12 appropriations bills by September 30. Continuing resolutions don't count. The law would apply to future Congresses starting in 2027.

No Budget, No Recess legislation was also introduced in 2024, which would prevent members of Congress from taking recess until the budget resolutions and appropriations bills are passed.

✓ Stop Making the Problem Bigger

Enact Robust PAYGO Requirements

Under current law, Congress can waive PAYGO violations—and avoid automatic spending cuts—with a simple House majority and 60 Senate votes. The vote threshold to waive sequestration should be raised in the House to a three-fifths majority to align with the Senate; the list of programs available for automatic sequestration should be expanded; and tax increases should be added as an alternative to sequestration. Additionally, the Committee for a Responsible Federal Budget has proposed Super PAYGO in which every dollar of new spending or tax cuts would be offset by at least two dollars of revenue increases or spending reductions, thus ensuring that new tax cuts and mandatory spending legislation also include deficit reduction.

Balanced Budget Amendment

A federal balanced budget amendment would ensure that government spending does not exceed revenue, preventing irresponsible fiscal practices and forcing legislators to make sustainable, responsible financial decisions. Strengthening fiscal discipline through a balanced budget amendment is essential to protecting national prosperity, reducing economic uncertainty, and safeguarding financial security for all Americans.

There are several different ways to structure a balanced budget amendment to account for economic volatility and other contingencies. In recent years, balanced budget amendments have been proposed by both Democrats and Republicans, indicating a bipartisan path forward.