

The Helping Families Not Bureaucracies Budget Resolution

RSC Budget Alternative – Sponsored by Rep. Jeb Hensarling

BUDGET FORMAT:

- Replace the current 19 functional categories with four functions: Defense Discretionary, Homeland Security, Non-Defense Discretionary & Mandatory Spending, and Interest.
- Accept the Iraq Operations Reserve Fund.

DISCRETIONARY SPENDING:

- Defense: Accept the Budget Committee number, but create one-way firewall that locks in that level as minimum amount of funding and permits non-defense spending to be shifted towards defense.
- Homeland Security: Accept the Budget Committee number.
- Non-Security Discretionary: Reduce spending by 1% compared to last year's level. (Budget Committee will call for a freeze, a difference of approximately \$6.1 billion in the first year)

MANDATORY SPENDING:

- Include reconciliation instructions reducing the rate of growth of non-Social Security mandatory spending by 1%. Chairmen would be permitted to apply the savings unevenly across mandatory programs with particular emphasis on exempting earned entitlement programs. (A savings of approximately \$7.3 billion in the first year compared to the Budget Committee).

TAXES:

- Assume the President's number for tax relief over the next five years. (Budget Committee calls for \$152.6 billion in tax relief, \$30 billion less than the President's Budget over five years.)
- Call for two reconciliation bills, one to extend expiring tax provisions and a second for the new tax relief proposals.

BUDGET ENFORCEMENT:

- Provide a definition for emergency spending in the Budget Resolution that will be enforceable via a new point of order.
- Require a stand-alone vote to waive any point of order that a bill or conference report is in violation of the Budget Resolution (similar to the unfunded mandates point of order).
- Create "Family Budget Protection Accounts" that allow Congress to target spending during the appropriations and direct spending process and redirect that spending for deficit reduction at the end of the fiscal year.
- Include a Sense of Congress on overall Budget Process Reform.