

**Testimony of Senate Budget Committee Chairman Kent Conrad (D-ND)
before House Rules Committee on Biennial Budgeting
Submitted for the Record on January 24, 2012**

I want to thank Chairman Dreier and Ranking Member Slaughter for inviting me to submit testimony to the House Rules Committee on the subject of biennial budgeting.

Throughout my tenure as Senate Budget Committee Chairman, I have been focused on ways we could improve and reform the congressional budget process. For years, I opposed reforms that involved moving to a biennial budget, because I felt the federal government, like any large business or organization, needed to establish a budget each year. But I now believe the time for biennial budgeting has come.

This past fall, I held a hearing focused on biennial budgeting. Based on testimony at that hearing and further discussions with Budget Committee Members, both Democrats and Republicans, Ranking Member Sessions (R-AL) and I sent a letter to the Joint Select Committee on Deficit Reduction recommending a switch to biennial budgeting. I am submitting a copy of that joint letter and request that it be included in the Committee record for this hearing.

My reason for supporting biennial budgeting is clear. The current budget process is simply not working. It has become increasingly difficult to pass and conference a budget resolution, particularly during election years. Year after year, we face continuing resolutions, omnibus bills, supplementals, and, increasingly, threats of shutting down the government. At the same time, we see far too little oversight of federal agencies and programs.

Biennial budgeting won't solve all of these problems. But it could help.

It is important to remember that Congress has effectively moved to biennial budgeting already. In fact, since 1998, budgets have been passed in only two election years – in 2000 when Senator Domenici was Chairman of the Senate Budget Committee and 2008 when I was Chairman.

Moving to biennial budgeting would allow Congress to spend more time on oversight. Under the current system, as soon as the budget process ends for one fiscal year, the next year's process has begun. This leaves little time for Congress to focus on authorizations and oversight, or to examine mandatory spending and tax policy with the rigor that these parts of the budget require. Biennial budgeting would appropriately shift Congress's attention to longer-term budgetary issues and the oversight that is critically needed in this era of constrained federal resources. It would result in more accountability from the Executive Branch – ensuring that scarce federal resources are being used efficiently and effectively.

Moving to biennial budgeting could also result in a reduction in the use of continuing resolutions and omnibus bills. And it would allow for better long-term planning by federal agencies and programs.

Several variations of biennial budgeting have been proposed. As Senator Sessions and I noted in our joint letter, we believe the most effective biennial budgeting framework would include the following elements:

- In odd-numbered years, the President would submit a two-year budget and Congress would pass a two-year budget resolution.
- Congress would focus on authorizations and oversight when not budgeting.
- The Budget Committees would conduct performance-based reviews of federal programs. These reviews would examine discretionary and mandatory spending programs, as well as tax expenditures and other revenue-related policies.
- And the Budget Committees would issue a report and other materials in the off year detailing the findings and conclusions of the Committee, including recommendations regarding underperforming federal programs.

The Senate Budget Committee did not have agreement on whether appropriation bills should be enacted on one- or two-year cycles, or a combination of one- and two-year cycles. However, many members of the Committee support biennial appropriations as well as biennial budgets.

As I noted, biennial budgeting won't solve all of our budget problems. Ultimately, the nation's long-term fiscal imbalance will only be solved with a bipartisan, comprehensive, and balanced deficit and debt reduction agreement. But biennial budgeting could make a positive contribution toward fiscal discipline. And there is growing bipartisan support in both the House and Senate for changing to a biennial budget cycle.

Again, I want to thank Chairman Dreier and Ranking Member Slaughter for inviting me to submit testimony on this critical budgeting issue.