

## CHAPTER SIX

# Savings Proposals

**T**he *Blueprint for Balance: A Federal Budget for Fiscal Year 2020* is The Heritage Foundation's budget proposal for Congress. The *Blueprint* provides detailed, specific recommendations for the President's budget and fiscal year (FY) 2020 congressional budgets, targeting both discretionary and mandatory federal programs for program changes and eliminations.

We selected programs and activities for reductions and eliminations using four key criteria:

- Would the activity or program serve the American people more effectively if it were administered and financed by the private sector?
- Would the activity or program serve the American people more effectively if it were administered by state or local governments?
- Is the activity or program wasteful or duplicative?
- Would the program's elimination increase opportunity or reduce favoritism?

While the report is designed primarily to provide budget reforms for Congress, *Blueprint* recommendations have had and continue to have a significant impact on the Administration's annual budget request. The information is presented in a manner that is designed to be especially useful to Members of Congress and staff who use the congressional budget to

pursue policy goals. All of the budget proposals are organized by appropriations subcommittees because that is how Congress organizes itself.

*Blueprint for Balance* further breaks down proposals into three categories: discretionary, mandatory, and one-time savings.

- **Discretionary proposals** are intended to shape FY 2020 appropriations bill language and provide cost-saving amendments with justifications that lawmakers can propose during the appropriations debate.
- **Mandatory proposals** focus on long-term reforms in the programs driving long-term spending growth and the national debt, such as Social Security, Medicaid, and Medicare. The *Blueprint* also proposes reforms in other mandatory programs where savings could be used as offsets for more appropriate spending or applied to further debt reduction.
- **One-time savings proposals** include items such as selling off the Strategic Petroleum Reserve or selling federal assets from programs that are ineffective or that fall outside of the federal government's constitutional scope. Much of the impact from one-time savings would be seen in FY 2020 rather than over the long term as with programmatic discretionary and mandatory spending reforms.

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Each budget proposal is also accompanied by a tracker denoting whether or not it is a budget option that the Administration supports. The tracker is intended to provide lawmakers and the American public with an easy tool to determine whether the Administration supports certain conservative reforms. As a practical matter, the tracker also serves as a point of reference so that Members of Congress will know whether changes in appropriations bill language or proposed amendments to appropriations bills are likely to be supported by the Administration.

Our other aim is to influence future budget proposals by encouraging the inclusion of yet more support for the recommendations made in the *Blueprint for Balance*. As the saying goes, “What gets measured gets improved.”

Congress should also leverage the annual appropriations process to advance conservative policy objectives. The Constitution unequivocally grants Congress the exclusive power to appropriate funds for the operations of government. In *Federalist* No. 58, James Madison wrote that providing budgetary

powers to Congress was a critical element in maintaining individual rights:

The power over the purse may, in fact, be regarded as the most complete and effectual weapon with which any constitution can arm the immediate representatives of the people for obtaining a redress of every grievance, and for carrying into effect every just and salutary measure.

*Blueprint for Balance* offers lawmakers specific legislative riders to advance conservative policy. The appropriations process provides valuable opportunities for individual lawmakers to influence policy and should not be wasted.

Budgeting is a fundamental responsibility of governance. Congress should pursue a budget resolution in FY 2020, including reconciliation instructions that pave the way to balance, with reforms that enhance freedom and opportunity, strengthen national defense, and allow civil society to flourish. We hope Congress will find the *Blueprint for Balance* to be an essential guide in accomplishing this task.