



May 25, 2018

Support the Spending Cuts to Expired and Unnecessary Programs Act, H.R. 3 and S. 2979

On behalf of FreedomWorks activists nationwide, I urge you to contact your representative and senators and ask them to support the Spending Cuts to Expired and Unnecessary Programs Act, H.R. 3 and S. 2979, introduced by Rep. Kevin McCarthy (R-Calif.) and Sen. Mike Lee (R-Utah). This bill would rescind the \$15 billion in unobligated budget authorities from previous years that President Trump requested to Congress earlier this week in his proposal to rescind funds as provided for under the Congressional Budget and Impoundment Control Act of 1974.

This tool, commonly referred to as “rescissions,” was established in the 1974 law and had been used every year, by presidents from both parties, from 1974 through 2000. Over the full quarter-century that the tool was consistently used, nearly \$76 billion in rescissions have been proposed. The largest package ever requested was by President Ronald Reagan in 1981, totaling to \$15.36 billion. Ultimately, Congress approved 71 percent of the amount requested.

Although a rescissions request hasn’t been made in over 17 years, the time is more ripe than ever right now for conservatives to throw their weight behind any and every tool available to reduce spending. In an effort to “build legislative muscle memory” for using the rescissions tool, the White House has requested rescinding funds from past years either for which spending authority has expired, or for which there have been and still are no plans to spend the funds. The White House has said that this package is the first installment in a series of rescissions packages to be crafted and transmitted to Congress.

Senate Majority Leader Mitch McConnell (R-Ky.) expressed initial concerns at the prospect of a rescissions package rescinding funds from the 2018 omnibus bill, saying, “You can’t make an agreement one month and say, OK, we really didn’t mean it.” House Minority Whip Steny Hoyer (D-Md.) expressed similar concerns, but said that he “wouldn’t irrationally oppose a rescission which said we’ve had money laying in an account that has not been spent for one, two, three years, we shouldn’t just have it sitting in that account.”

The package sent to Congress from the White House includes only rescissions from past years, not from the 2018 omnibus, addressing precisely the concern that both McConnell and Hoyer outlined. Additionally, it tops Reagan's request in size, coming in at \$15.4 billion. Rescission requests in the package include multiple outdated loan programs that have been untouched since 2011, unobligated balances for retirement programs that expired in 2012, and disease outbreak response funds that have remained untouched since the resolution of the outbreaks.

Despite precedent being that someone from leadership introduces the rescissions bill out of courtesy to the president, Leader McConnell has still refused to move on the rescissions package. Therefore, Sen. Mike Lee together with eight original cosponsors including Sens. Rand Paul (R-Ky.) and Jeff Flake (R-Ariz.) have taken it upon themselves to introduce the Senate version of the rescissions bill and move forward with the process. This move is laudable.

With an ever-rising national debt of over \$21 trillion and a projection from the Congressional Budget Office that the percentage of the debt held by the public will nearly eclipse the size of the economy by 2028, we desperately need fiscal responsibility in Washington. Ideally, this would be a true cap on spending that results in a balanced budget.

However, small steps are better than no steps. Oftentimes, these unobligated funds are used as fake offsets in appropriations bills to allow for higher spending. Therefore, although not intended to be spent for their original purpose, it is important to take away the opportunity to repurpose the spending as offsets by rescinding them.

The White House has indicated that future rescissions packages will include requests to claw back some of the wasteful spending included in the 2018 omnibus, despite Sen. McConnell's concerns. In fact, Sen. McConnell voted in 1992 to rescind funds from a spending bill that he voted for earlier that year, so there is no logical reason that he would refuse to do so now on principle. He should instead support the message Republicans run on year after year: cutting spending and practicing fiscal responsibility.

The White House's hope, which we share, is that the success of this initial large yet less-controversial rescissions package will oil the wheels of the rescissions tool to be able to approve multiple other packages this year. With this tool, conservatives can begin to address, at least in part, the disastrous state of our country's finances.

Approving this initial \$15.4 billion rescissions request in full -- pulling back funds sitting in useless accounts that can only otherwise be used to spend more in the future -- is a task that conservatives in Congress should wholeheartedly endorse. It is one of few opportunities to exercise any semblance of fiscal discipline. It is only one small step towards actually tackling

Washington's out-of-control spending addiction, but it represents a chance to begin this fight.

Rep. Jim Jordan (R-Ohio) put it simply but correctly: "It's a good start -- let's pass it."

For these reasons, I urge you to contact your representative and senators and ask them to support the Spending Cuts to Expired and Unnecessary Programs Act, H.R. 3 and S. 2979.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Brandon". The signature is stylized with a long horizontal stroke at the beginning and a large, sweeping flourish at the end.

Adam Brandon
President, FreedomWorks