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Budget Resolution Principles for Fiscal Year 2021 March 4, 2020

The Congressional budget resolution should establish national priorities in a responsible manner. Congress should follow these principles to craft a budget:

Put forward a real budget

- The most important part of a budget resolution is to have one.
- In the 45-year history of the budget resolution, either the House or Senate Budget Committee has [always](#) passed a budget resolution.

Set responsible fiscal goals and develop a plan to achieve them

- Select budget targets that result in a declining debt-to-GDP ratio.
- Set revenue and spending levels to meet those goals.

Include specific plans to address spending and revenue

- Suggest spending reforms to slow the growth of health and other mandatory spending and to increase revenue.
- Include reconciliation instructions for assumed mandatory savings and revenue.
- Limit discretionary spending to reasonable, but realistic, levels.

Enforce the PAYGO requirement that legislation does not add to the deficit

- Require full offsets for any revenue reductions or mandatory spending increases.
- Maintain and strengthen PAYGO and other rules restraining legislation that would increase the deficit over the medium or long term.

Rely on credible and realistic assumptions

- Use economic assumptions based on Congressional Budget Office estimates.
- Evaluate legislation from a current law baseline.

Improve the budget process and budget enforcement

- Enforce spending and revenue levels in the budget resolution.
- Limit abuse of the Overseas Contingency Operations designation and of Changes in Mandatory Programs.
- Incorporate interest effects in CBO and Joint Committee on Taxation cost estimates.
- Advance budget process reforms.

Anticipate negotiating with the other chamber

- Recognize divided government as an opportunity for bipartisan consensus.
- Prioritize governance and our shared fiscal future over partisan messaging.