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**Biennial Budgeting: A much-needed upgrade to our nation's budget process
By Congressman Reid Ribble**

For too long, Washington has stumbled from budget crisis to budget crisis. Government shutdowns, short-term spending bills and an ad-hoc oversight process have corrupted our nation's ability to budget effectively, creating unwanted uncertainty in our economy.

Many of our problems stem from Congress consistently failing to pass an annual budget and spending bills. Every year, Congress is required by law to pass a budget. Congress is also

required to pass 12 different spending bills to ensure federal departments and agencies have funding to provide government services. Since Congress created new rules in the mid-1970s governing our nation's budget process, we have never passed both a budget and all its spending bills on time in the same year. Never.

In fact, since 2001, Congress has managed to enact only 8.3 percent of those spending bills on time. It gets worse in election years. In the past eight election years, Congress has failed 75 percent of the time to even pass a budget. No boss in the world would accept this lack of performance from his or her employees, and it's unacceptable that Congress can't get its work done for the American people.

Recent studies have also shown that our budget process encourages agencies to develop a "use it or lose it" mentality. Agencies spend nearly 20 percent of their annual funds in the final five weeks of the year. Billions are spent unnecessarily, simply to avoid 'losing' the money or giving it back to the treasury. Additionally, Congress wastes billions every year funding programs that are unnecessary and duplicative because it simply doesn't have enough time to properly review the government's budget and spending activities. This is a clear failure to govern, and both parties are responsible. The American people deserve



Rep. Reid Ribble (R-Wis.) is in his second term representing Wisconsin's eighth congressional district. He serves on the House Transportation & Infrastructure; Budget; and Agriculture Committees.

better than a broken system that creates unwanted economic uncertainty. It's time for Washington to change its ways, and Wisconsin has the answer.

**Come to Cement & Concrete Day
in Washington, D.C.**

On April 30, come to Washington to advocate alongside industry colleagues at the second annual Cement & Concrete Day. Organized by Portland Cement Association, participants will storm Capitol Hill to promote expanded use of cement and concrete in federal infrastructure projects. For more information, contact Daniel Fisher at 703-299-0784 or Daniel.Fisher@potomac-law.com.

In order to foster greater economic certainty and create a better functioning, more efficient federal government, Congress should switch to a biennial budgeting system. Twenty states currently use biennial budgeting, and have produced great results. Every President since Ronald Reagan has supported switching to a two-year system. Now, after dozens of conversations with members of Congress on both sides of the aisle over the past year, I am pleased to say that my legislation has more than 140 bipartisan cosponsors, and was approved by the House Budget Committee by a bipartisan vote of 22-10.

A biennial budgeting system creates greater oversight of federal agencies and the programs they oversee. Instead of forcing agencies to spend all of their time bureaucratically researching, planning, and submitting budget plans for the upcoming fiscal year, biennial budgeting creates set times for departments to submit their budget plans, and dedicates the rest of the time to actually governing. And instead of encouraging agencies to use funds by years end just so they don't risk having a smaller budget the next year, agencies would have a longer time window to make effective, necessary spending decisions.

This process could also help federal contractors plan and coordinate medium to long-term infrastructure projects that receive funding that span multiple years. Instead of being forced to start and stop these projects due to uncertainty surrounding federal funds, biennial budgeting allows agencies and departments to better develop and fund these long-term infrastructure projects with the certainty they need to complete projects on-time and on-budget.

In these tough economic times, we cannot continue to allow our economy to suffer because of our fiscal failures. In order to begin fix our broken budget process, Congress should take more time to research and discuss the problems in a responsible, fact-based manner. Switching to a biennial budgeting system won't solve all of our fiscal woes, but it will give Congress much-needed time to properly understand and research federal programs and agencies to ensure taxpayer funds are spent wisely.

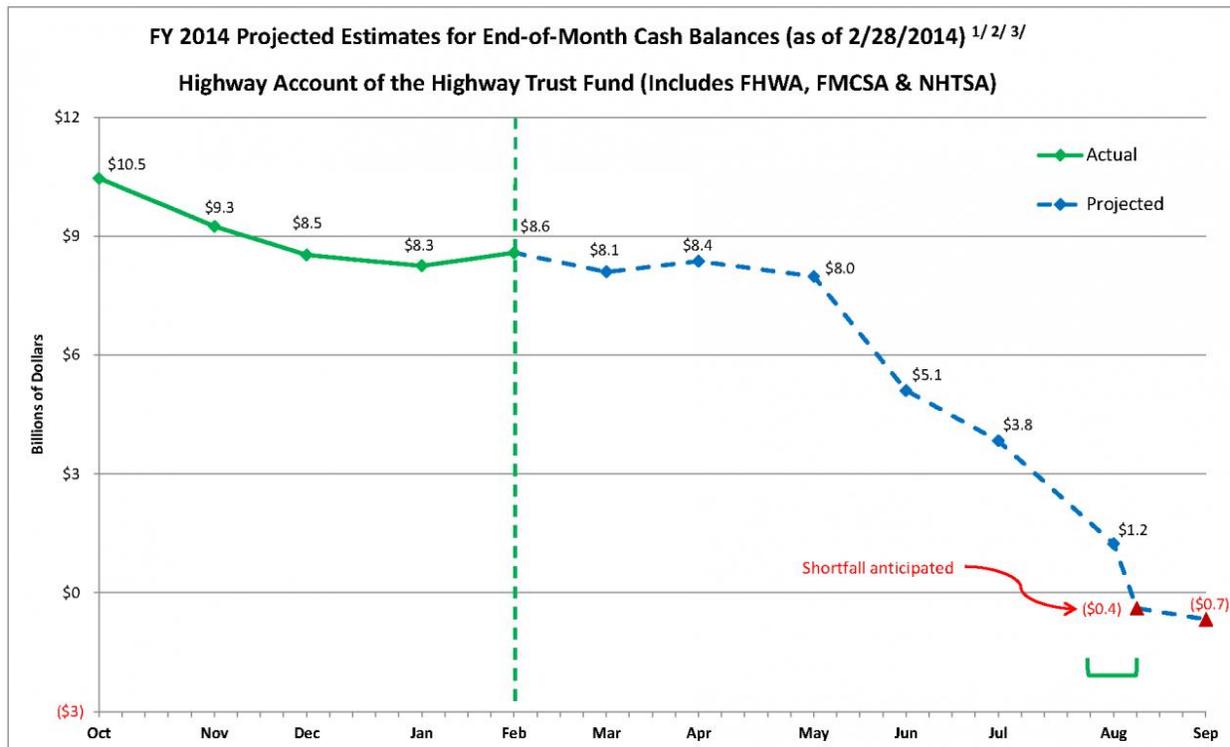
I look forward to working with concrete pressure pipe manufacturers from across the country to solve our nation's budget crisis and to restore certainty to federal infrastructure programs, which will create an environment to allow businesses to once again grow and prosper.

Editor's note: ACPPA periodically invites members of Congress and other policy leaders to provide commentary in Actionline. The views expressed are those of commentators, not necessarily ACPPA.

Obama Budget Proposal Fails to Offer Long-Term Infrastructure Investment

On March 4, President Obama unveiled his fiscal year (FY) 2015 federal [budget proposal](#) that continues cuts to the Clean Water and Drinking Water State Revolving Fund (SRF) programs and uses savings generated from corporate tax reform to invest billions in infrastructure investment and project delivery streamlining.

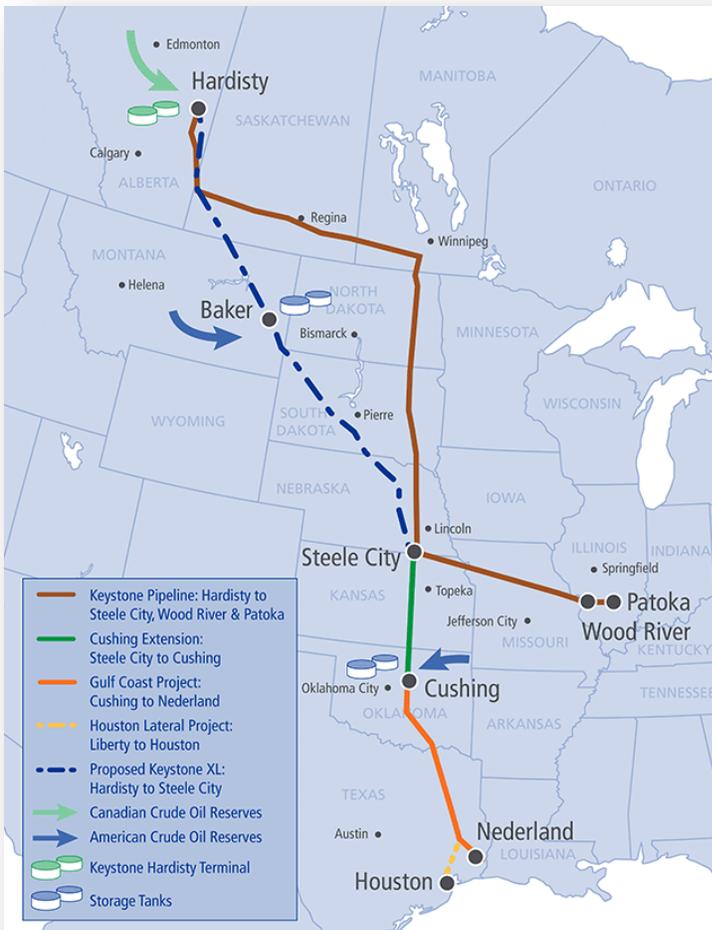
In FY 2015, the administration is requesting less than \$1.8 billion for the Clean Water and Drinking Water SRFs (\$1.018 billion for Clean Water; \$750 million for Drinking Water), a reduction of approximately \$581 million from the FY 2014 operating levels. Since FY 2010, appropriations for both SRFs have been slashed by more than 30 percent.



1/ Graph reflects actual data through 2/28/14 and end-of-month projections for the remainder of the fiscal year.
2/ Total receipt and outlay projections are based on FY 2015 President's Budget Baseline assumptions. Projected monthly receipt and outlay rates are based on historic averages.
3/ Range of anticipated shortfall: Green brackets denote the estimated window of when the anticipated shortfall will occur.
Source: FHWA

Similarly, the administration's proposal doesn't provide much hope for surface transportation infrastructure investment. The budget fails to offer new user fees to reestablish the federal Highway Trust Fund's (HTF) long-term fiscal integrity. With the clock running down to the HTF's collapse this summer, it's highly unlikely the Fund can be preserved through a tax reform bill that has virtually no chance of passing in 2014.

Industry Groups Urge Keystone XL Pipeline Approval



Source: <http://keystone-xl.com/keystone-xl-pipeline-overall-route-map/>

On March 5, ACPPA joined nineteen other national construction associations in [comments](#) to the U.S. State Department underscoring the Keystone XL pipeline project is unequivocally in the national interest and urging swift approval of the project.

The State Department recently completed its [final Supplemental Environmental Impact Statement \(EIS\)](#), which, similar to past findings, determined the negative environmental effects of the Keystone XL pipeline will be minimal, while the project will provide significant economic and national security benefits. The report projects the pipeline's construction would support more than 42,000 jobs across the country, translating to \$2 billion in earnings for workers.

The coalition pointed to the long-lasting benefit the pipeline will have on local communities,

echoing findings in the final EIS. "The Keystone XL pipeline operations will continue to employ American workers and generate economic activity. Importantly, property tax revenue during operations would be substantial for many counties, with an increase of 10 percent or more in 17 of the 27 counties with proposed project facilities, directly benefiting local communities."

Bipartisan Lawmakers Introduce Water Infrastructure Legislation

On March 13, Reps. Jimmy Duncan (R-Tenn.) and Bill Pascrell (D-N.J.) introduced legislation ([H.R. 4237](#)) to lift the cap on private activity bonds (PABs) for water and sewer projects.

According to estimates, removing the cap on PABs could generate as much as \$5 billion annually in incremental private capital for water infrastructure projects with a hit to U.S. Treasury of only \$214 million over 10 years. ACPPA has made the proposal a top legislative priority and will be actively lobbying for

support as a Sustainable Water Infrastructure Coalition steering committee member. In past Congresses, the legislation has attracted hundreds of cosponsors from across the political spectrum.

A bipartisan companion bill will be introduced in the Senate in the coming weeks with the ultimate goal of inserting the legislative language into a larger package, such as highway reauthorization. ACPPA, in its [letter of support](#), urged all House members to co-sponsor H.R. 4237.

WRDA by End of April?

Despite the looming midterm elections, word on Capitol Hill is that lawmakers should have a major piece of water infrastructure legislation completed before the summer.

The Water Resources Development Act (WRDA), which authorizes Army Corps of Engineers projects, has been a top ACPPA priority. Lawmakers have been attempting to reconcile differences between House and Senate water resources bills since November ([H.R. 3080](#)) ([S. 601](#)).

Key lawmakers from both parties are optimistic a conference committee report is imminent, either just before or right after the Easter congressional recess. Infrastructure advocates are hopeful that a bipartisan, bicameral agreement on WRDA could pave the way for similar compromise on other infrastructure investment proposals, such as a new highway bill.