



December 20, 2023

Subject: Give Taxpayers the Gift that Keeps on Giving: A Bipartisan Fiscal Commission

Dear Member of Congress:

As a national, nonpartisan budget watchdog, [Taxpayers for Common Sense](#) (TCS) strongly supports the creation of a bipartisan fiscal commission. This initiative, with its focus on stabilizing the debt and narrowing the gap between revenue and spending, closely aligns with our mission to promote fiscal responsibility and effective governance.

Moreover, the urgency of our [fiscal predicament](#) calls for a dedicated body that can give these matters the focus they require. The current trajectory of our nation's [fiscal health](#) is unsustainable; it poses a significant threat to our [economic prosperity](#) and global standing. By centralizing these discussions within a dedicated commission, we can more [effectively](#) scrutinize the federal budget, identify waste, evaluate potential reforms, and propose effective, data-driven solutions.

Essential steps for stabilizing the national debt and reducing the deficit include generating additional revenue, simplifying the tax code, controlling discretionary spending, and modifying entitlement programs. We are confident that a fiscal commission would greatly benefit from the comprehensive research and recommendations previously offered by organizations focused on fiscal responsibility, such as TCS, as well as from insights of past government commissions like the [National Commission on Fiscal Responsibility and Reform \(Simpson-Bowles\)](#), including the following:

- **Agency Savings:** Require federal agencies to identify areas of their budget that could be cut and recommend shifts from inefficient spending to more productive investments.
- **Cut-and-Invest Committee:** Form a bipartisan committee tasked with identifying 2% of the discretionary budget to cut each year and reinvest half of the savings in high-value areas like education and infrastructure.
- **Revenue:** Identify additional revenue from revising the tax code to eliminate unnecessary or overly generous tax expenditures.
- **Stop Abuse of Emergency Spending:** Add stricter definitions for what qualifies as an "[emergency](#)" to prevent misuse of emergency funding designations.
- **More Realistically Budget for Disaster:** The current Disaster Relief Fund is budgeted based on a 10-year rolling average of previous disaster spending. The time lag between conclusion of the fiscal year, budget submission and appropriations means this request

lacks more recent data. Incorporating projections and forecasts would make this request more realistic and reduce last-minute emergency ‘off budget’ funding.

- **Reform the Transportation Trust Fund:** Instead of deficit spending, either increase the gas tax last raised in 1993 or establish mechanisms to prevent general fund transfers.
- **Propose Reforms to Major Entitlement Programs:** Social Security and Medicare are facing structural fiscal imbalances that absent reforms will reduce payments to recipients. Follow the model of the Greenspan Commission that led to the 1983 Social Security reforms.
- **Eliminate Duplication:** Consolidate or remove [redundant](#) programs, such as multiple job training or scientific research programs that achieve the same goals.
- **Sell Excess Property and Eliminate Earmarks:** Get rid of unused [federal property](#) and eliminate earmarks, which are special provisions that direct approved funds to be spent on specific projects.
- **Additional Cuts in Security and Non-Security Spending:** Offer a list of [specific areas](#) where spending could be reduced to meet discretionary spending caps.

Past commissions have been successful in achieving significant reforms. For example, the aforementioned Greenspan Commission in 1981 extended the solvency of Social Security for more than 30 years, and the Base Realignment and Closure (BRAC) process which relied on outside experts saved tremendously on the accounts of our national defense and improved military efficiency and preparedness. Indeed, designing a fiscal commission along the lines of the BRAC process could hold significant benefits:

- **Independence and Bipartisanship:** Just as the BRAC process is managed by an independent commission, the Fiscal Commission Act of 2023 envisions a bipartisan panel devoid of political pressures, focusing solely on achieving a balanced federal budget and a sustainable debt-to-GDP ratio.
- **Clear Objectives:** The defense oriented BRAC operates with clearly defined Congressional criteria, emphasizing military value. Similarly, a fiscal commission would benefit from explicit criteria aimed at fiscal reform, targeting medium-term financial stability and long-term economic health.
- **Reduced Political Interference:** The BRAC model’s success in mitigating political interference can be instructive. By focusing on impartiality and emphasizing fiscal rectitude over political gain, the commission can work toward goals that may not be politically popular but are fiscally necessary.
- **Transparency and Deliberative Process:** The Department of Defense’s obligation to base BRAC decisions on publicized criteria underscores the importance of transparency, a feature that the fiscal commission should emulate to foster trust and credibility.

- **Economic Efficiency:** Similar to how BRAC assesses the economic implications of base closures, the fiscal commission would need to weigh the short-term and long-term costs and savings of its recommendations, aligning them with broader economic goals.

Simpson-Bowles, although the total recommendations were not adopted, served as a foundation for the Budget Control Act of 2011. While there is no guarantee that a fiscal commission will be successful, considering no other budgetary reforms have emerged while the fiscal crisis deepens, a fiscal commission is worth considering as a potential solution to address the nation's fiscal challenges.

A fiscal commission can provide a mechanism to force action and make uncomfortable decisions. The commission could bypass leadership and get proposals to the floor to be voted on. Additionally, a fiscal commission could provide political cover to members of Congress who want to do the right thing but are hesitant to take action due to political pressures. While the problem may not solely be the process, a fiscal commission could provide a new approach to address the nation's fiscal challenges.

Finally, it is important to note that a commission should aim to bring all sides together to understand the principal drivers of the national debt and to fix the insolvency of critical government programs. The commission should be charged to consider all options, including revenue increases, to address the nation's fiscal challenges. Finally, a properly constructed commission would be bipartisan and bicameral, with members from both parties and both chambers of Congress, as well as outside experts. This would ensure that all stakeholders are involved in the process and that the commission's recommendations are balanced and fair.

The establishment of a bipartisan fiscal commission represents a critical and timely opportunity to address the deep-seated financial issues facing our nation. Implementing meaningful reforms and prudent fiscal measures, as exemplified by past commissions like Simpson-Bowles, will benefit not just the current generation but also those to come.

Sincerely,



Steve Ellis
President