



# History of the Joint Committee on Reduction of Non-Essential Federal Expenditures (1941-1974), with Observations on Oversight Today

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## Summary

With today's large federal deficit, some Members of Congress have become interested in institutional mechanisms that Congress has used in the past in attempts to address one component of this issue—federal spending. One mechanism that has drawn interest is the Joint Committee on Reduction of Non-Essential Federal Expenditures, which existed from 1941 to 1974. It was also known eponymously as the Byrd committee, after its advocate and long-time chair, Senator Harry F. Byrd. The joint committee was established by Section 601 of the Revenue Act of 1941, and terminated by the Congressional Budget and Impoundment Control Act of 1974.

In reporting the Revenue Act, the Senate Finance Committee recommended an amendment to create the joint committee with the duty to “make a full and complete study and investigation of all expenditures of the Federal Government with a view to recommending the elimination or reduction of all such expenditures deemed by the joint committee to be nonessential.”

On the eve of U.S. entry into World War II, the federal debt was so high and the prospect of war so certain that immediate action was required to strengthen federal finances. The call in Congress and among policymakers, then, for a reduction of nonessential federal expenditures served many purposes. Spending that was eliminated would save money that could be applied to the war effort. American taxpayers, it was argued, would be more willing to shoulder the high taxes needed to fund the war if they saw that the federal government was acting frugally. Finally, reduced federal deficit spending could help lessen potentially damaging rates of inflation.

The joint committee was a study committee, without legislative authority. Its recommendations on cutting or reducing nonessential spending were reported to the House and Senate and submitted to the Appropriations Committees. Individual Members might also have been interested in the joint committee's work and have based arguments or amendments on the committee's recommendations. It is not possible to track the joint committee's influence over the course of its existence, although the provenance in 1974 of the Budget Committees' scorekeeping was the joint committee's scorekeeping reports.

The work of the joint committee was characterized by a dual narrative—one of genuine interest in reducing federal expenditures, and another concerned with projecting legislative control over federal spending. This report briefly discusses representative investigations conducted by the joint committee and several issues that interested the joint committee over much of its existence.

With political support, creation of a new committee with a role in cutting federal spending would be a straightforward process. The House or Senate may create a committee through adoption of a simple resolution or by law. Together they may create a joint committee through adoption of a concurrent resolution or by law. A committee may be created as a study committee, or it may be given legislative authority. This report concludes with some considerations involved with the creation of a committee—the purpose of which is to assist Congress in reducing federal spending—and with a brief examination of committee oversight authority extant in House and Senate committees and of alternative mechanisms for cutting spending.

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## Introduction

With the large federal deficit, some Members of Congress have become interested in institutional mechanisms that Congress has used in the past in attempts to address one component of this issue—federal spending. One of the mechanisms that has drawn interest is the Joint Committee on Reduction of Non-Essential Federal Expenditures, which existed from 1941 to 1974.<sup>1</sup>

The Joint Committee on Reduction of Non-Essential Federal Expenditures was established at the initiative of Senator Harry F. Byrd by Section 601 of the Revenue Act of 1941.<sup>2</sup> (Section 601 appears as **Appendix** of this report.) When the Senate Finance Committee reported the Revenue Act of 1941 to the Senate, it recommended a committee amendment to establish the joint committee.<sup>3</sup> The amendment was agreed to on the Senate floor and retained in conference. Senator Byrd chaired the joint committee from its inception until his retirement from Congress in 1965.<sup>4</sup>

During the 91<sup>st</sup> Congress (1969-1970), the joint committee was renamed the Joint Committee on Reduction of Federal Expenditures.<sup>5</sup> Its existence was terminated in the Congressional Budget and Impoundment Control Act of 1974.<sup>6</sup>

This report traces the history of the joint committee and describes the subject matter of some of its principal work products. The report concludes with some considerations involved with the creation of a committee—the purpose of which is to assist Congress in reducing federal spending—and with a brief examination of committee oversight authority extant in House and Senate committees and of alternative mechanisms for cutting spending.

## Duties and Purpose

Senator Byrd initially introduced S.Con.Res. 5 to create a joint committee in February 1941 in the course of debate on a measure to increase the federal debt limit. As proposed, the joint committee would have had a broader mandate than making recommendations on nonessential federal expenditures. The joint committee under the concurrent resolution was to investigate and make recommendations on “[meeting] Federal fiscal post-war problems from the current war”;

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<sup>1</sup> Sen. John Thune, for example, has introduced S. 3652 and S. 3779, which, among their provisions, establish a Joint Committee on Deficit Reduction; the measures were referred to the Committee on the Budget. See Sen. John Thune, remarks in the Senate, “Statements on Introduced Bills and Joint Resolutions,” *Congressional Record*, daily edition, vol. 156, July 27, 2010, pp. S6303-S6304; and Sen. John Thune, “Tackling Our Nation’s Debt,” *The Hill’s Congress Blog*, September 21, 2010, available online at <http://thehill.com/blogs/congress-blog/economy-a-budget/120019-tackling-our-nations-debt-sen-john-thune>.

<sup>2</sup> P.L. 250, § 601, 77<sup>th</sup> Cong. 1<sup>st</sup> sess.; 55 Stat. 687, 726 (1941).

<sup>3</sup> U.S. Congress, Senate, Committee on Finance, *Revenue Act of 1941*, report to accompany H.R. 5417, 77<sup>th</sup> Cong., 1<sup>st</sup> sess., S. Rept. 673 (Washington, DC: GPO, 1941), pp. 22-23.

<sup>4</sup> Sen. Byrd also chaired the Senate Finance Committee from 1955 until his retirement from Congress. After Sen. Byrd’s retirement, Rep. George H. Mahon, chair of the House Appropriations Committee, became chair of the joint committee, serving in that capacity until the joint committee’s dissolution.

<sup>5</sup> Garrison Nelson and Clark H. Bensen, *Committees in the United States Congress: 1947-1992*, vol. 1 (Washington D.C.: Congressional Quarterly Inc., 1993), p. 906.

<sup>6</sup> P.L. 93-344, § 202(e); 88 Stat. 297, 304 (1974).

“impounding in the Treasury . . . unexpended appropriations made for non-essential purposes”; and “revision of the Federal tax system as may be necessary in order to simplify and equalize the tax burden and to place the United States in such a sound financial condition as will enable it to make such imperative expenditures as may be necessary in order to adequately provide for the national defense.”<sup>7</sup> The concurrent resolution was referred to the Committee on Finance.

Although war would not be declared until December 1941, Senator Byrd was concerned with impending war costs. He wanted to cut nondefense spending, reduce the public debt, and rationalize what he characterized as a “hodgepodge” tax system to make maximum resources available for national defense and to prepare for post-war economic adjustment.<sup>8</sup>

Later in 1941, in an amendment to the Revenue Act of 1941 recommended by the Senate Finance Committee, the duties and purposes of the joint committee were solely to “make a full and complete study and investigation of all expenditures of the Federal Government with a view to recommending the elimination or reduction of all such expenditures deemed by the joint committee to be nonessential.” Duties for the joint committee related to taxation and post-war planning were not included in the amendment. The amendment was agreed to without debate or objection by the Senate and retained in conference.<sup>9</sup>

## **Authority and Organization of the Joint Committee**

To accomplish its statutory objective, the joint committee was authorized to hold hearings, and to employ experts and staff to examine and assist the committee in order to make recommendations. The joint committee was also authorized to utilize the resources of departments and agencies of the federal government to assist the joint committee in formulating its recommendations to Congress. An appropriation of \$10,000 was authorized and subsequently appropriated.

The joint committee comprised 14 members: six Senators from the Committees on Appropriations and Finance, six Representatives from the Committees on Appropriations and Ways and Means, the Secretary of the Treasury, and the director of the Bureau of the Budget.<sup>10</sup>

The Joint Committee on Reduction of Non-Essential Federal Expenditures was a study committee, without legislative authority. Its recommendations on cutting or reducing nonessential spending were reported to the House and Senate and submitted to the Committees on Appropriations. Thereafter, the Appropriations Committees could use the work of the joint committee in their consideration of appropriations measures. Individual Members might also have been interested in the joint committee’s work and have based arguments or amendments on the committee’s recommendations. It is not possible to track the joint committee’s influence over the course of its existence, although the provenance in 1974 of the Budget Committees’ scorekeeping was the joint committee’s scorekeeping reports.<sup>11</sup>

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<sup>7</sup> Sen. Harry F. Byrd, “Increase of National Debt,” remarks in the Senate, *Congressional Record*, vol. 87, part 1 (February 14, 1941), pp. 1012-1013.

<sup>8</sup> *Ibid.*

<sup>9</sup> P.L. 250, § 601(b).

<sup>10</sup> The Bureau of the Budget was the predecessor agency to the Office of Management and Budget (OMB).

<sup>11</sup> U.S. Congress, Senate, Committee on Rules and Administration, *Congressional Budget Act of 1974*, report to accompany S. 1541, 93<sup>rd</sup> Cong., 2<sup>nd</sup> sess., S. Rept. 93-688 (Washington, DC: GPO, 1974), p. 36.

## Termination of the Joint Committee

The joint committee was terminated by Section 202(e) of the Congressional Budget and Impoundment Act of 1974,<sup>12</sup> and its functions and personnel were transferred to the Congressional Budget Office (CBO). The report of the Senate Rules and Administration Committee explained:

Section 202(e) transfers the duties, functions, and personnel of the Joint Committee on Reduction of Federal Expenditures to CBO. The work of this joint committee, although not widely publicized, has been of excellent professional quality and tremendously helpful in providing a scorekeeping record of congressional action and its impact on the Nation's budgetary posture. The Committee's intent is to incorporate this expertise into the function of the CBO so that it can be further developed and highlighted as an essential part of the congressional budget process.<sup>13</sup>

## The Joint Committee's Work

Created to recommend potential savings in federal spending, the work of the Joint Committee on Reduction of Non-Essential Federal Expenditures was characterized by a dual narrative—one of genuine interest in reducing federal expenditures, and another concerned with projecting legislative control over spending in government programs. An example of the latter case is a 1947 report on postwar foreign assistance, which found that some foreign-aid spending had been “specifically defined and authorized, and that this ... may be compiled, verified, and estimated,” but that other aid was not documented, could not be estimated, and was not monitored by Congress.<sup>14</sup> In that report, and many others, the joint committee identified areas where government agencies were too autonomous from congressional control in determining how money was spent. While neither narrative is necessarily exclusive of the other, being aware of each helps to understand the joint committee's interests.

On the eve of World War II, the United States owed \$55 billion to its creditors.<sup>15</sup> In two years, massive national defense requirements expanded the debt by nearly 50% to \$80 billion, with the “prospect [of] a national debt of at least \$200 billion by conservative estimates.”<sup>16</sup> While these figures may today seem modest, a \$200 billion debt in 1942 represented 123% of gross domestic product (GDP), compared with current debt, which stands at 92% of GDP.

For many policymakers, the debt was so high and the prospect of war so certain that immediate action was required to strengthen federal finances. This view was reflected on the pages of many

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<sup>12</sup> P.L. 93-344, § 202(e); 88 Stat. 297, 304 (1974).

<sup>13</sup> U.S. Congress, Senate, Committee on Rules and Administration, *Congressional Budget Act of 1974*, report to accompany S. 1541, 93<sup>rd</sup> Cong., 2<sup>nd</sup> sess., S. Rept. 93-688 (Washington, DC: GPO, 1974), p. 36.

<sup>14</sup> U.S. Congress, Joint Committee on Reduction of Non-Essential Federal Expenditures, *United States Postwar Foreign Assistance*, committee print, 80<sup>th</sup> Cong., 1<sup>st</sup> sess. (Washington: GPO, 1947), p. 1.

<sup>15</sup> Sen. Harry F. Byrd, “Report of Joint Committee on Reduction of Nonessential Federal Expenditures, Together With Minority Views,” insert in *Congressional Record*, vol. 87, part 9 (December 26, 1941), p. 10110. Hereafter “Initial Report,” December 26, 1941.

<sup>16</sup> Sen. Harry F. Byrd, “Supplemental Report of Joint Committee on Reduction of Nonessential Federal Expenditures,” insert in *Congressional Record*, vol. 88, part 5 (July 27, 1942), p. 6627.



**The House of Representatives and Senate Explained**

# Congressional Procedure

**A Practical Guide to the Legislative  
Process in the U.S. Congress**

**Richard A. Arenberg**

Foreword by Alan S. Frumin

 **TheCapitolNet**

of the nation's leading newspapers. A 1940 *Chicago Tribune* headline warned: "America Limpes Financially As Arming Starts."<sup>17</sup> The *Los Angeles Times* reported that the National Chamber of Commerce cautioned that even entering the war would bankrupt the country.<sup>18</sup>

Furthering the call for fiscal austerity was a quickly increasing inflation rate. Testifying before the Senate Committee on Finance in 1941, Secretary of the Treasury Henry Morgenthau warned that a "strong fiscal program" was required to counteract an accelerated increase in prices and the cost of living.<sup>19</sup> Fears of inflation as a result of the fiscal situation ran so high that President Franklin Delano Roosevelt considered price fixing to control rising prices.<sup>20</sup> Marriner Stoddard Eccles, chair of the Federal Reserve, echoed these concerns in December 1940 in a special report to Congress encouraging higher taxes and reduced federal expenditures as an alternative to deficit spending to finance the war in order to "forestall the development of inflationary tendencies."<sup>21</sup> Deficit reduction was seen as an essential component of war preparedness.

These fears were not lost on Members of Congress, who began to discuss the federal debt as a national security concern. Just three weeks after the attack on Pearl Harbor, Senator Byrd, the joint committee's chairman, capturing the sentiment of the time, noted, "[B]efore the war, economy in nonessential spending was important. Now it is vital."<sup>22</sup> Thus, the call for a reduction of nonessential federal expenditures served many purposes. Spending that was eliminated would save money that could be applied to the war effort. Additionally, it was argued, American taxpayers would be more willing to shoulder the high taxes needed to fund the war if they saw that the federal government was acting frugally.<sup>23</sup> Finally, reduced federal deficit spending could help control potentially damaging rates of inflation.

For the duration of the war, the joint committee was fairly active in identifying potential savings in the federal budget. The conclusion of the war, however, may have deprived both the joint committee and Congress as a whole of such a strong sense of urgency to control spending. The joint committee's interests narrowed as time passed, and Senator Byrd's retirement in 1965 further slowed the output of the joint committee.

## **Initial Reports (1941–1943)**

On December 26, 1941, the Joint Committee on Reduction of Non-Essential Federal Expenditures released a "partial report," in the nature of a working draft, largely limited to programs "established originally as depression measures." In this report, the joint committee pledged to determine which permanent agencies were essential to the operation of the

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<sup>17</sup> John Fisher, "America Limpes Financially As Arming Starts," *Chicago Daily Tribune*, June 9, 1940, p. C9.

<sup>18</sup> "Disaster Seen in War Entry," *Los Angeles Times*, February 3, 1940, p. 5.

<sup>19</sup> U.S. Congress, Senate, Committee on Finance, *Revenue Act of 1941*, hearing on H.R. 5417, 77<sup>th</sup> Cong., 1<sup>st</sup> sess., August 8, 1941 (Washington, DC: GPO, 1941), p. 2.

<sup>20</sup> Benjamin Anderson, "Causes Held Largely Ignored in President's Program," *The New York Times*, May 3, 1942, p. E8.

<sup>21</sup> Sen. Harry F. Byrd, "Special Report to the Congress by the Board of Governors of the Federal Reserve System, the Presidents of the Federal Reserve Banks, and the Federal Advisory Council," insert in *Congressional Record*, vol. 87, part 1 (February 14, 1941), p. 1013.

<sup>22</sup> "Initial Report," December 26, 1941, p. 10110.

<sup>23</sup> U.S. Congress, Senate, Committee on Finance, *Revenue Act of 1941*, hearing on H.R. 5417, 77<sup>th</sup> Cong., 1<sup>st</sup> sess., August 8, 1941 (Washington, DC: GPO, 1941), p. 995.

government and how those agencies could operate more efficiently. In particular, the report singled out government corporations and the Department of Agriculture as prospective targets of scrutiny, and suggested immediately abolishing the Office of Education, Works Progress Administration, Civilian Conservation Corps, and National Youth Administration, totaling \$1.3 billion in potential reductions.<sup>24</sup> A supplemental report issued in July 1942 followed up on each of these suggested reductions and claimed that \$1.313 billion had been saved as a result of the joint committee's recommendations.<sup>25</sup> A progress report issued in December 1943 claimed credit for approximately \$2 billion in savings to-date.<sup>26</sup>

Debate and statements in the *Congressional Record* reflect only limited disagreement on the need to cut certain agencies. Senator Byrd and Treasury Secretary Henry Morgenthau supported "drastic cuts" in these programs, while Senators Gerald Nye and Robert M. La Follette Jr. urged caution in jeopardizing the nation's food sources in a time of war. In minority views to the 1941 report, Senator La Follette expressed concern about unforeseen problems with Senator Byrd's proposals. Cuts in aid to farmers and youth would disproportionately affect lower-income Americans. Nearly half of all farm families earned less than \$3 per month and depended on assistance from the Farm Security Administration, a program the joint committee recommended be abolished.<sup>27</sup> Additionally, the Works Progress Administration and National Youth Administration, programs also recommended for discontinuation, provided school lunches to over 3 million underprivileged children.<sup>28</sup> Like those demanding the cuts, Senator La Follette framed his views as a national security issue in saying that "the greatest foe of democracy ... is poverty and underprivilege."<sup>29</sup>

## Specific Investigations (1943–1965)

The first decade of the joint committee's existence seemed to be its most productive. In 1943 and 1944, five reports contained suggested cuts and modifications in key areas, as did an additional report in 1953. The following are examples of the reports that the joint committee made during this time:

- Questionnaires and Reports Required from the Public<sup>30</sup>—The joint committee recommended that the Bureau of the Budget reduce the approximately 7,000 surveys issued and take a stronger administrative role.
- Regional Agricultural Credit Corporations<sup>31</sup>—The joint committee recommended liquidating the corporations and transferring some of their duties to the Farm Credit Administration.

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<sup>24</sup> "Initial Report," December 26, 1941, p. 10110.

<sup>25</sup> Sen. Harry F. Byrd, "Supplemental Report of Joint Committee on Reduction of Nonessential Federal Expenditures," insert in *Congressional Record*, vol. 88, part 5 (July 27, 1942), p. 6625.

<sup>26</sup> Sen. Harry F. Byrd, "Reduction of Nonessential Federal Expenditures—Progress Report," insert in *Congressional Record*, vol. 89, part 8 (December 21, 1943), p. 10929.

<sup>27</sup> Sen. Robert M. La Follette Jr., "Report of the Joint Committee on Reduction of Nonessential Federal Expenditures, Together With Minority Views," insert in *Congressional Record*, vol. 87, part 9 (December 26, 1941), p. 10112.

<sup>28</sup> *Ibid.*, p. 10113.

<sup>29</sup> *Ibid.*, p. 10112.

<sup>30</sup> Sen. Harry F. Byrd, "Additional Report of Joint Committee on Reduction of Nonessential Federal Expenditures—Questionnaires and Reports Required From the Public," insert in *Congressional Record*, vol. 89, part 1 (February 11, 1943), p. 815.

- Report on the Home Owners' Loan Corporation<sup>32</sup>—The joint committee recommended that all of the corporation's holdings be liquidated by the end of FY1945.
- Report on Federal Personnel<sup>33</sup>—The report detailed some success in reducing the size of the federal workforce and mentioned an amendment to the Overtime Pay Act that gave the director of the Bureau of the Budget "authority to order reductions in establishments subject to the overtime pay laws."
- Report on Government Corporations<sup>34</sup>—The joint committee noted that Congress lacked oversight capabilities over these corporations and suggested that the comptroller general of the United States be made the auditor and comptroller, ex officio, of every government corporation.
- Report on the Control of Collection and Use of Foreign Currencies by Federal Agencies<sup>35</sup>—The joint committee determined that Congress lacked necessary oversight over funds collected and spent by government agencies operating internationally and suggested that Treasury exercise authority in monitoring their collection and use.

Again, it should be noted that, in each of these issue areas, the joint committee stressed that government agencies, particularly those that generated revenue independently, should be accountable through congressional oversight.

## Continuing Issues

The committee maintained interest in certain issues throughout much of its existence. Some examples are described here.

## Unexpended Balances

The joint committee expressed concern that, like the operations of government corporations and the collection of foreign currencies by federal agencies, the spending of unexpended balances was not monitored by Congress.<sup>36</sup> According to a June 1953 report, agencies were spending more

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(...continued)

<sup>31</sup> Sen. Harry F. Byrd, "Additional Report of Joint Committee on Reduction of Nonessential Federal Expenditures," insert in *Congressional Record*, vol. 89, part 2 (March 12, 1943), p. 1923.

<sup>32</sup> Sen. Harry F. Byrd, "Additional Report of Joint Committee on Reduction of Nonessential Federal Expenditures—Home Owners' Loan Corporation," insert in *Congressional Record*, vol. 89, part 4 (May 20, 1943), p. 4642.

<sup>33</sup> Sen. Harry F. Byrd, "Additional Report on Reduction of Nonessential Federal Expenditures—Federal Personnel," insert in *Congressional Record*, vol. 89, part 7 (November 22, 1943), p. 9780.

<sup>34</sup> Sen. Harry F. Byrd, "Reduction of Nonessential Federal Expenditures—Government Corporations," insert in *Congressional Record*, vol. 90, part 5 (Aug. 1, 1944), p. 6684.

<sup>35</sup> Sen. Harry F. Byrd, "Report of the Joint Committee on Reduction of Nonessential Federal Expenditures, Relating to Control of Collection and Use of Foreign Currencies by Federal Agencies," insert in *Congressional Record*, vol. 99, part 5 (June 3, 1953), p. 7035.

<sup>36</sup> GAO defines unexpended balances as the sum of unobligated balances (the portion of obligational authority that has not yet been obligated) and obligated balances (the amount of obligations already incurred for which payment has not yet been made). This issue was addressed in subsequent laws, most recently the National Defense Authorization Act for Fiscal Year 1991 (P.L. 101-510, § 1302).

money from previous appropriations than money from the current fiscal year.<sup>37</sup> Dozens of reports from 1953 to 1956 reflected a particular interest in unexpended balances in the Defense Department. As a long-time member of the Senate Armed Services Committee, Senator Byrd may have been concerned about military oversight being wrested from Congress.

### **Federal Personnel<sup>38</sup>**

During most of the joint committee's existence, it issued monthly reports detailing the number of employees in the executive agencies of the federal government. Although the impact of these reports is hard to measure, it seems the reports caused some friction with administrators whose agencies were under increased surveillance.<sup>39</sup> An example of one such conflict is discussed in more detail below under "Debate over the Joint Committee's Role."

### **Federal Stockpiles<sup>40</sup>**

Beginning in 1960, the joint committee began monthly reporting of the federal government's stockpiles of agricultural products, strategic and critical materials, military equipment, and medical supplies. As with other joint committee interests, the stockpiles reports may have been prompted by a concern about congressional oversight in this area. Senator Byrd offered a caveat in these reports in noting that the joint committee had not been given unrestricted access to government data about the stockpiles. In 1962, the day after President John F. Kennedy requested a congressional investigation of the federal stockpiles, Senator Byrd in a letter to the President explained that "effective work in [the area of federal stockpiles] will continue to be difficult until the mantle of secrecy is lifted." He went on to request an executive order declassifying more information on the stockpiles.<sup>41</sup>

Although the President in calling for the investigation said he was "astonished" by the size of the stockpiles, being more than double emergency requirements, the President's action may be an instance where the joint committee's interest played a role. The investigation was undertaken by the Senate Armed Services Committee, of which Senator Byrd was also a member.<sup>42</sup>

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<sup>37</sup> Sen. Harry F. Byrd, "Unexpended Balances of Federal Appropriations," remarks in the Senate, *Congressional Record*, vol. 99, part 6 (June 29, 1953), p. 7550.

<sup>38</sup> Examples may be found in the *Congressional Record*: vol. 90, part 1 (Jan. 14, 1944), p. 155; vol. 92, part 4 (April 30, 1946), p. 4210; and vol. 95, part 1 (February 3, 1949), p. 785.

<sup>39</sup> Total employment increased by 2.1% between 1954 and 1964, but total pay increased 71.4% in the same period. Calculations based on table appearing at Sen. Harry F. Byrd, "Employment In Civilian Agencies of the Federal Government," insert in *Congressional Record*, vol. 111, part 2 (January 29, 1965), p. 1570.

<sup>40</sup> Examples may be found in the *Congressional Record*: vol. 106, part 5 (March 29, 1960), p. 5528; and vol. 106, part 5 (March 1960), p. 6733.

<sup>41</sup> Sen. Harry F. Byrd, "Report of Joint Committee on Reduction of Nonessential Federal Expenditures—Federal Stockpiles Inventories" (letter to President John F. Kennedy, February 1, 1962), insert in *Congressional Record*, vol. 108, part 2 (February 2, 1962), p. 1424.

<sup>42</sup> For background, see "Government Stockpiling Practices Investigated," *Congressional Quarterly Almanac*, 1962, vol. XVIII (Washington, DC: Congressional Quarterly Inc., 1963), pp. 1020-1023.

## **Federal Housing Programs**

A 1950s Federal Housing Administration scandal in which developers allegedly pocketed excess money from federal loans—excess over construction costs—prompted aggressive joint committee scrutiny.<sup>43</sup> On a number of occasions, in addition, Senator Byrd protested funding for housing programs and, later, the creation of a federal Department for Housing and Urban Development.<sup>44</sup> However, as with other areas, the joint committee may have been as much interested in congressional oversight of funds collected through the loan activities of the Federal Housing Administration (and other housing agencies) as it was in the fiscal justification of these activities.

## **Last Years (1965–1974)**

Following Senator Byrd's retirement from the Senate in 1965, the joint committee became less active. The most significant development in this period was scorekeeping reports introduced by Representative George H. Mahon, chairman of both the joint committee and the House Appropriations Committee. The reports, intended to show "how various actions of the President and the Congress have affected the President's budget estimates," became a periodic (and eventually monthly) feature of the joint committee's work.<sup>45</sup> Although the impact of scorekeeping reports on deficit reduction during this period is unclear, scorekeeping, as noted above, was incorporated into the Congressional Budget and Impoundment Control Act of 1974.<sup>46</sup>

## **Debate over the Joint Committee's Role**

### **Conflict with Senator Humphrey**

In a series of floor exchanges in early 1950, Senators Byrd and Hubert H. Humphrey debated the value of the joint committee. Introducing a bill in February 1950 to dissolve the so-called Byrd committee, Senator Humphrey argued that the joint committee's reports contained misleading and incomplete information, and that its activities duplicated the efforts of another committee created by the 1946 Legislative Reorganization Act, the Committee on Expenditures in the Executive Departments, the predecessor committee of the Committee on Homeland Security and Governmental Affairs.<sup>47</sup>

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<sup>43</sup> For background, see "Housing Probe," *Congressional Quarterly Almanac, 1954*, vol. X (Washington, DC: Congressional Quarterly Inc., 1955), pp. 227-238.

<sup>44</sup> Examples may be found in the *Congressional Record*: vol. 101, part 2 (February 25, 1955), p. 2146; and vol. 102, part 7 (May 24, 1956), p. 8916.

<sup>45</sup> Rep. George H. Mahon, "The 1971 Budget Scorekeeping Report," remarks in the House, *Congressional Record*, vol. 116, part 17 (July 2, 1970), p. 22671.

<sup>46</sup> For an example see U.S. Congress, Joint Committee on Reduction of Federal Expenditures, *A Staff Report on the Status of the 1969 Fiscal Year Federal Budget*, 90<sup>th</sup> Cong., 2<sup>nd</sup> sess., June 28, 1968, H.Rept. 95-941 (Washington: GPO, 1968).

<sup>47</sup> Indeed, in 1948, George B. Galloway, a senior specialist with the Legislative Reference Service (predecessor of the Congressional Research Service), testified before the Senate Committee on Expenditures in the Executive Departments:

...I suggest that the Joint Committee on Reduction of Nonessential Federal Expenditures be discontinued. ... This joint committee has made many useful studies and reports during the last 6 years and has rendered a great public service. But its function overlaps that of the Committees on Expenditures in the Executive Departments which, having been rejuvenated by the Legislative  
(continued...)

Senator Byrd replied on the Senate floor in early March of that year by citing a number of budget reductions he credited to the efforts of the joint committee and by attacking the accuracy of Senator Humphrey's charges. Though Senator Humphrey was new to the Senate that term, his objection to the joint committee may have in part derived from the fact that one of Senator Byrd's favorite targets for scrutiny was the Post Office Department. Senator Humphrey was a member of both the Committee on Post Office and Civil Service and the Senate Committee on Expenditures in the Executive Departments, the committee whose duties he argued were duplicated by activities of the joint committee.<sup>48</sup> Senators Byrd and Humphrey also differed in their views on the role and responsibilities of government.<sup>49</sup>

### **Conflict with the Postmaster General**

In April 1953, the Post Office Department stopped reporting personnel data to the joint committee, prompting a series of explanatory letters from the acting postmaster general to Senator Byrd. The acting postmaster general explained that the department had found inaccuracies in the data and decided to correct these problems before making official reports. Following the receipt of the first such letter, Senator Byrd lamented that this department had many times committed personnel errors, but commended the postmaster general for taking action to correct its mistakes.<sup>50</sup> It is unclear whether being the constant object of the joint committee's interest also contributed to the Post Office Department's actions. The department resumed submitting reports in July 1953, noting a slight increase in the number of personnel it employed.

### **Prelude to the Congressional Budget Act**

In hearings beginning in 1965 on congressional organization and on congressional control of the federal budget, committees heard proposals to give the joint committee a new, stronger legislative purpose as well as to abolish it.

The newly established Joint Committee on the Organization of Congress heard from representatives of the National Association of Manufacturers, who in the course of their testimony on appropriations and budgeting proposed that the Joint Committee on Non-Essential Federal

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(...continued)

Reorganization Act, are now equipped to assume their historic responsibilities in this field.

U.S. Congress, Senate, Committee on Expenditures in the Executive Departments, *Legislative Reorganization Act of 1946*, hearing, 80<sup>th</sup> Cong., 2<sup>nd</sup> sess., February 18, 1948 (Washington, DC: GPO, 1948), pp. 124 and 148.

<sup>48</sup> In hearings in the next Congress, the Senate Committee on Expenditures in the Executive Departments included in the record a statement by Dr. Galloway, who was serving as a consultant to the committee. In his statement, Dr. Galloway commented on the Byrd-Humphrey dispute:

On February 25, 1950, Senator Humphrey introduced a bill (S. 3116) to abolish the Byrd committee because, he said, it was duplicating the work of the Expenditures Committee and was a waste of money. This move stirred up a hornets' nest in the Senate and the Byrd committee is still extant.

U.S. Congress, Senate, Committee on Expenditures in the Executive Departments, *Organization and Operation of Congress*, hearing, 82<sup>nd</sup> Cong., 1<sup>st</sup> sess., June 27, 1951 (Washington, DC: GPO, 1951), p. 629.

<sup>49</sup> See, for example, Ronald L. Heinemann, *Harry Byrd of Virginia* (Charlottesville, VA: University Press of Virginia, 1996); and Hubert Humphrey, *The Education of a Public Man: My Life and Politics*, 1976, reprint (Minneapolis: University of Minnesota Press, 1991).

<sup>50</sup> Sen. Harry F. Byrd, "Letter From the Postmaster General, Relative to Employment in the Post Office Department," remarks in the Senate, *Congressional Record*, vol. 99, part 3 (April 9, 1953), p. 2852.

Expenditures be strengthened “through broadening its mandate and membership and giving it a less restrictive title.”<sup>51</sup> Witnesses from the American Institute of Certified Public Accountants proposed integrated information systems and central staff facilities to serve committees in their budget-related work; they offered the idea of using the joint committee as the location of this initiative.<sup>52</sup> The National Taxpayers Conference made a very similar proposal.<sup>53</sup>

Not all testimony received by the Joint Committee on the Organization of Congress concerning the Joint Committee on Non-Essential Federal Expenditures was positive. Representative George H. Mahon, at that time a member of the joint committee as chair of the House Appropriations Committee, testified about budget decision making in Congress, expressing skepticism about proposals for improvement and, in the course of his testimony, commenting on the joint committee:

If we would establish a practice of the committee chairmen and the ranking minority members meeting early in the session and having maybe the Director of the Budget present, with the budget proposals ... if the top leadership should discuss these matters it might be somewhat fruitful, but ... we tried this in the Committee on the Reduction of Nonessential Federal Expenditures. This committee has not met for years.<sup>54</sup>

Later in 1965, Senator Byrd submitted a letter to the chair of the Joint Committee on the Organization of Congress in response to an inquiry of all chairs concerning committee meetings. Senator Byrd indicated that the membership of the committee—the chairs and ranking minority members of very busy, important committees handling complex legislation—resulted in the Joint Committee on Non-Essential Federal Expenditures conducting its work informally and through correspondence. He went on, however, to echo Representative Mahon’s comment on the need, unfulfilled, for Congress to look at the President’s budget as a whole after Congress received it. Senator Byrd likewise said that that was a purpose of the joint committee and that it explained the concept behind the joint committee’s membership makeup, but that the joint committee fulfilled its role only through reports rather than through hearings and other formal meetings. Senator Byrd traced his support for budget process reform proposals, and concluded: “the requirement for more and better factual information relating to fiscal legislation ... has been demonstrated.”<sup>55</sup>

When congressional committees several years later took up the issue of congressional control of the budget, the role of the Joint Committee on Reduction of Non-Essential Expenditures was again discussed. Congressional scholar Stephen Horn (who was, years later, elected to the House of Representatives) suggested a “revitalized” joint committee with information technology and professional staff to provide budget analyses.<sup>56</sup>

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<sup>51</sup> U.S. Congress, Joint Committee on the Organization of the Congress, *Organization of Congress*, hearing, part 7, 89<sup>th</sup> Cong., 1<sup>st</sup> sess., June 24, 1965 (Washington, DC: GPO, 1965), p. 1053.

<sup>52</sup> *Ibid.*, part 9, August 9, 1965, pp. 1444-1445.

<sup>53</sup> *Ibid.*, part 13, September 22, 1965, pp. 1982-1983.

<sup>54</sup> *Ibid.*, part 11, August 24, 1965, p. 1742.

<sup>55</sup> *Ibid.*, part 13, September 23, 1965, pp. 2029-2031 (letter to Sen. A.S. Mike Monroney, chair, Joint Committee on the Organization of Congress, from Sen. Harry F. Byrd, chair, Joint Committee on Reduction of Non-Essential Federal Expenditures, Nov. 1, 1965). The defense of the joint committee Sen. Byrd made in this letter and his expression of concerns over congressional access to budget analyses anticipated the themes of the Congressional Budget and Impoundment Control Act of 1974.

<sup>56</sup> U.S. Congress, Senate, Committee on Government Operations, Subcommittee on Budgeting, Management, and Expenditures, *Improving Congressional Control of the Budget*, hearing, 93<sup>rd</sup> Cong., 1<sup>st</sup> sess., April 9, 1973 (continued...)

## A New Committee or Existing Alternatives?

The second purpose of this report is to briefly explain the creation of a new committee, should the House or Senate, alone or together, wish to establish a new committee with a role in cutting federal spending. The succeeding sections of the report examine some considerations involved with the creation of a committee—the purpose of which is to assist Congress in reducing federal spending—and examine committee oversight authority extant in House and Senate committees and of alternative mechanisms for cutting spending.

The House or Senate may create a standing, select, or special committee by adoption of a simple resolution or as a provision of another piece of legislation that becomes law. A joint committee may be created by adoption of a concurrent resolution or as a provision of another piece of legislation that becomes law.<sup>57</sup> A committee may be established as a permanent or temporary committee. A committee may be given authority to report legislation—legislative authority—or it may be authorized only as a study or investigatory committee.<sup>58</sup> The Congressional Budget and Impoundment Control Act of 1974 does not apply to the creation of a committee or to the parent chamber’s grant of legislative or oversight authority to a committee.

Many House and Senate committees with legislative authority may report one or more types of legislation with budgetary impact—appropriations measures, revenue bills, direct-spending bills, or other measures. These measures are considered on the House and Senate floor within the framework of the Congressional Budget Act, other budget laws and rules, and the annual concurrent resolutions on the budget, which are also adopted within the Budget Act’s framework.

If a newly created committee is given legislative authority and not solely study authority, legislation that it reports and that has a budgetary impact would also be considered within the framework of the Budget Act and each chamber’s rules. If a committee is given authority only to study a matter and make recommendations, provisions of the Budget Act would not be triggered by the committee’s work.

In creating a committee with legislative authority, the House and Senate may alter budget or legislative procedures applicable to legislation that the committee reports or could exempt such

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(...continued)

(Washington, DC: GPO, 1973), pp. 194 and 471.

<sup>57</sup> There are currently four specialized joint committees: Economic, Library, Printing, and Taxation. None has legislative authority, although the Joint Committees on Library and Printing have regulatory authority. The most recent joint committee to have legislative authority was the Joint Committee on Atomic Energy. When this joint committee was discussed as a possible model for overseeing homeland security issues, CRS prepared a report, which is relevant to consideration of creating a joint committee with legislative authority: CRS Report RL32538, *9/11 Commission Recommendations: Joint Committee on Atomic Energy—A Model for Congressional Oversight?*, by Christopher M. Davis. See also CRS Report RL32661, *House Committees: A Framework for Considering Jurisdictional Realignment*, by Michael L. Koempel.

<sup>58</sup> For an explanation of the congressional committee system, see CRS Report RS20794, *The Committee System in the U.S. Congress*, by Judy Schneider. For an examination of the types of committees that the modern House has created, reconfigured, and terminated, and the reasons for its actions, see CRS Report RL32661, *House Committees: A Framework for Considering Jurisdictional Realignment*, by Michael L. Koempel. For definitions of committee terminology, see Congressional Quarterly’s American Congressional Dictionary on the CRS website, at [http://www.crs.gov/pages/glossary\\_a.aspx](http://www.crs.gov/pages/glossary_a.aspx).

legislation from certain chamber rules or from statutory provisions that operate as chamber rules. The House and Senate, in statute, chamber rules, or special rules or orders, might create expedited procedures that foreclose extended debate, restrain or curtail the amendment process, and restrict other procedures normally applicable to a chamber's consideration of measures. For example, in their amendment, the Bipartisan Task Force for Responsible Fiscal Action Act of 2010, to a debt-limit bill considered by the Senate in January 2010, Senators Kent Conrad and Judd Gregg included expedited committee and floor procedures for considering task force recommendations to "significantly improve the long-term fiscal imbalance of the Federal Government."<sup>59</sup>

Currently, savings may be obtained through the appropriations process, the legislative process, or the reconciliation process. Appropriations measures are written pursuant to ceilings established in a budget resolution.<sup>60</sup> Appropriations bills and resolutions can increase, cut, modify, or eliminate or not fund spending for federal programs and activities that receive budget authority through the appropriations process. Authorizations and spending measures other than appropriations are written in legislative committees.<sup>61</sup> These kinds of measures can make changes to a direct-spending program to increase or reduce its cost or to change or eliminate a program.

Finally, Congress may use, and has used, the reconciliation process, established in the Congressional Budget Act, to cut spending, as well as to make changes to other laws with budgetary impact, such as tax laws. Under the reconciliation process, a budget resolution may contain instructions to named congressional committees to report legislation by a specific date to, for example, cut spending within their jurisdiction by specific amounts. The respective House and Senate Budget Committees normally bundle the reported legislation into a reconciliation bill, which the chambers may consider and come to agreement on pursuant to procedural limitations in the Budget Act.<sup>62</sup>

## **Congressional Oversight**

If the House or Senate created a new committee within its chamber or together created a joint committee with a role in reducing federal expenditures, it would presumably conduct oversight—committee studies and hearings—to identify savings. Both House and Senate committees already have very broad oversight authority, which could alternately or also be harnessed in support of an identified purpose, such as identifying reductions in federal spending.

Standing committees are responsible for conducting oversight, also called legislative review, which includes the examination of the implementation of laws, efficiency in their administration, costs and wastefulness, and program effectiveness; identification of potential changes; and other matters. In both the Legislative Reorganization Act of 1946 and the Legislative Reorganization Act of 1970, Congress included oversight provisions directed at its standing committees. The 1946 act included this provision:

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<sup>59</sup> S.Amdt. 3302 to S.Amdt. 3299 to H.J.Res. 45, increasing the statutory limit on the public debt. S.Amdt. 3302 was offered January 21, 2010, and defeated January 26, 2010. "Increasing the Statutory Limit on the Public Debt," *Congressional Record*, daily edition, vol. 156, January 26, 2010, pp. S81 and S221.

<sup>60</sup> CRS Report 97-684, *The Congressional Appropriations Process: An Introduction*, by Sandy Streeter.

<sup>61</sup> CRS Report 98-721, *Introduction to the Federal Budget Process*, by Robert Keith.

<sup>62</sup> CRS Report 98-814, *Budget Reconciliation Legislation: Development and Consideration*, by Bill Heniff Jr.; and CRS Report RL33030, *The Budget Reconciliation Process: House and Senate Procedures*, by Robert Keith and Bill Heniff Jr.

Sec. 136. To assist the Congress in appraising the administration of the laws and in developing such amendments or related legislation as it may deem necessary, each standing committee of the Senate and the House of Representatives shall exercise continuous watchfulness of the execution by the administrative agencies concerned of any law, the subject matter of which is within the jurisdiction of such committee; and, for that purpose, shall study all pertinent reports and data submitted to the Congress by the agencies in the executive branch of the Government.<sup>63</sup>

The 1970 act contained a more specific provision, with individual subsections applicable to the House and Senate, respectively. The provision applicable to the House stated:

Sec. 118. (b) [amending a rule of the House, since recodified]

...(a) In order to assist the House in—

(1) its analysis, appraisal, and evaluation of the application, administration, and execution of the laws enacted by the Congress, and

(2) its formulation, consideration, and enactment of such modifications of or changes in those laws, and of such additional legislation, as may be necessary or appropriate,

each standing committee shall review and study, on a continuing basis, the application, administration, and execution of those laws, or parts of laws, the subject matter of which is within the jurisdiction of that committee.

(b) Each standing committee shall submit to the House, not later than January 2 of each odd-numbered year beginning on or after January 1, 1973, a report on the activities of that committee under this clause during the Congress ending at noon on January 3 of such year.

(c) The preceding provisions of this clause do not apply to the Committee on Appropriations, the Committee on House Administration, the Committee on Rules, and the Committee on Standards of Official Conduct.<sup>64</sup>

The provision applicable to the Senate stated:

Sec. 118. (a)... (a) In order to assist the Senate in—

(1) its analysis, appraisal, and evaluation of the application, administration, and execution of the laws enacted by the Congress, and

(2) its formulation, consideration, and enactment of such modifications of or changes in those laws, and of such additional legislation, as may be necessary or appropriate,

each standing committee of the Senate shall review and study, on a continuing basis, the application, administration, and execution of those laws, or parts of laws, the subject matter of which is within the jurisdiction of that committee.

(b) Each standing committee of the Senate shall submit, not later than March 31 of each odd-numbered year beginning on and after January 1, 1973, to the Senate a report on the

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<sup>63</sup> 60 Stat. 812, 832 (1946).

<sup>64</sup> 84 Stat. 1140, 1156 (1970).

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activities of that committee under this section during the Congress ending at noon on January 3 of such year.

(c) The preceding provisions of this section do not apply to the Committee on Appropriations of the Senate.<sup>65</sup>

Federal statutes also support congressional committees in their oversight work. For example, numerous reports are required from the President and executive departments and agencies, and reports of inspectors general must be transmitted to Congress. The Government Accountability Office (GAO) serves Congress with program evaluations and other reports, while the Congressional Research Service provides policy research and analyses. Additional governmental and private resources are available to congressional committees in their oversight work.<sup>66</sup>

The House and Senate each have additional provisions in their rules pertaining to oversight, as explained next.

## **House Oversight**

The House Appropriations Committee and its survey and investigations unit conduct oversight and investigations year-round. In addition, House legislative committees are authorized by House rules to study, inform themselves, or make recommendations on matters related directly or indirectly to spending. These rules provisions include

- General oversight authority granted all standing committees (House Rule X, clause 2(a) and (b));
- A requirement for an oversight plan from each standing committee (House Rule X, clause 2(d));
- A requirement that any committee with more than 20 members must establish an oversight committee or assign each subcommittee responsibility for oversight (House Rule X, clause 2(b));
- A coordinative role for committees' oversight assigned to the Oversight and Government Reform Committee, in consultation with the Speaker, majority leader, and minority leader (House Rule X, clause 2(d));
- Special oversight authority granted named standing committees (House Rule X, clause 3);
- Additional functions assigned to the Appropriations Committee (House Rule X, clause 4(a)), the Budget Committee (House Rule X, clause 4(b)), the Oversight and Government Reform Committee (House Rule X, clause 4(c)), and the House Administration Committee (House Rule X, clause 4(d));
- An additional function assigned to the Oversight and Government Reform Committee to make recommendations based on GAO reports (House Rule X, clause 4(c));

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<sup>65</sup> Ibid.

<sup>66</sup> A wide-ranging oversight primer for congressional committees is available from CRS: CRS Report RL30240, *Congressional Oversight Manual*, by Frederick M. Kaiser et al.

- Authority to issue subpoenas (House Rule XI, clause 2(m));
- A requirement for standing committees to review appropriations for legislation and programs within their jurisdiction (House Rule X, clause 4(e));
- A requirement for each standing committee to submit “views and estimates” to the Budget Committee following the submission of the President’s budget to Congress (House Rule X, clause f);
- A requirement that each standing committee hold at least one hearing in each 120-day period on “waste, fraud, abuse, or mismanagement,” one hearing in any session when a committee has “received disclaimers of agency financial statements from auditors,” and one hearing whenever GAO has identified a federal program as “high risk” (House Rule XI, clause 2(n), (o), and (p)).
- A requirement for committees’ reports on legislation to include oversight findings, cost estimates, and related information (House Rule XIII, clause 3(c) and (d));<sup>67</sup>
- A requirement that information on unauthorized appropriations and other matters be included in reports on general appropriations measures reported from the Appropriations Committee (House Rule XIII, clause 3(f));
- A layover rule of three days applicable to the availability of printed hearings on a general appropriation bill (House Rule XIII, clause 4(c));
- A requirement that a special rule be specific in precluding consideration of an amendment to strike an unfunded mandate from a measure to be considered on the floor (House Rule XVIII, clause 11);
- Restrictions on appropriations bills, such as disallowing unauthorized appropriations (House Rule XXI, clause 2);
- Disallowing appropriations in legislative measures (House Rule XII, clause 4);
- A requirement for disclosing earmarks (House Rule XXI, clause 9); and
- A pay-go requirement (House Rule XXI, clause 10).

The Committee on Oversight and Government Reform also has very broad authority over the “overall economy, efficiency, and management of government operations and activities” (House Rule X, clause 1(m)), and may conduct investigations “without regard” to the jurisdiction of another committee (House Rule X, clause 4(c)(2)). The Joint Committee on Reduction of Non-Essential Federal Expenditures was created after and existed concurrently with the predecessor committees to the House Oversight and Government Reform Committee, and their existence overlapped until 1974, when the joint committee was abolished.<sup>68</sup>

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<sup>67</sup> CRS Report 98-169, *House Committee Reports: Required Contents*, by Judy Schneider.

<sup>68</sup> The authors did not find justification in congressional debates or reports that distinguished the purpose of the joint committee from the purpose of the two chambers’ standing oversight committees or their Appropriations Committees.

## Senate Oversight

The Senate Appropriations Committee conducts oversight year-round. In addition, Senate legislative committees are authorized by Senate rules to study, inform themselves, or make recommendations on matters related directly or indirectly to spending.

In the jurisdictional statement for individual standing committees (except for Appropriations, Budget, Finance, Homeland Security and Governmental Affairs, Judiciary, Rules and Administration, and Veterans' Affairs), there is an oversight statement based on the language of the oversight provision of the Legislative Reorganization Act of 1970. For example, the jurisdictional statement for the Health, Education, Labor, and Pensions Committee provides:

Such committee shall also study and review, on a comprehensive basis, matters relating to health, education and training, and public welfare, and report thereon from time to time.<sup>69</sup>

The Budget Committee is given the duty to conduct “continuing studies” of budget outlays, tax expenditures, and the conduct of the Congressional Budget Office (Senate Rule XXV, paragraph 1(e)(2)).

The Committee on Homeland Security and Governmental Affairs has very broad authority to study the “efficiency, economy, and effectiveness of all agencies and departments of the Government,” executive and legislative reorganizations, and intergovernmental relationships both with states and localities and with international organizations of which the United States is a member (Senate Rule XXV, paragraph 1(k)(2)). The Joint Committee on Reduction of Non-Essential Federal Expenditures was created after and existed concurrently with the predecessor committees to the Senate Homeland Security and Governmental Affairs Committee, and their existence overlapped until 1974, when the joint committee was abolished.<sup>70</sup>

The oversight provision of the 1970 Legislative Reorganization Act appears in Senate Rule XXVI, paragraph 8, with only the Appropriations and Budget Committees exempted from the rule.

In addition, Senate Rule XXVI, paragraph 1 empowers each standing committee to act throughout a Congress, to issue subpoenas, and to take testimony. This rule specifically authorizes committees to conduct investigations:

Each such committee may make investigations into any matter within its jurisdiction, may report such hearings as may be had by it.

Pursuant to Senate Rule XXVI, paragraph 13, each committee with legislative authority except the Appropriations Committee is exhorted to ensure that continuing federal and District of Columbia “programs” are “designed” and continuing federal “activities” are “carried out” so that appropriations are made annually for programs and activities, consistent with their “nature, requirements, and objectives.” Conversely, the rule directs each committee to “review” any program within its jurisdiction that does not receive an annual appropriation and to determine whether the program could be “modified” so that future appropriations would be made.

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<sup>69</sup> Senate Rule XXV, para. 1(1)(2).

<sup>70</sup> The authors did not find justification in congressional debates or reports that distinguished the purpose of the joint committee from the purpose of the two chambers’ standing oversight committees or their Appropriations Committees.

When Senate committees issue a report to accompany legislation, they must include a cost estimate, a regulatory impact statement, and other information.<sup>71</sup>

## Concluding Observations

In the first decade and a half of its existence, the Joint Committee on Reduction of Non-Essential Federal Expenditures' work was oftentimes specific enough that one might surmise it could have had an impact on Members and committees in their budget decision making, but CRS research did not uncover instances that could be specifically attributed to a recommendation of the joint committee or documentation that attributed a specific cut in spending to a joint committee recommendation. The joint committee shone a light on many federal programs and activities, but it was the responsibility of other committees to follow through. The joint committee's role was solely oversight. The joint committee's authority also duplicated the oversight authority of the Appropriations Committees and other committees, and it lacked legislative authority.

The joint committee was so synonymous with the interests and perspectives of Senator Byrd that its eponymous byname was the Byrd committee. The joint committee existed in the era of strong committee chairs, which may be part of the explanation for the committee's activities and recommendations. Its membership also comprised chairs and ranking minority members of other committees, who could exercise legislative authority in those roles without resorting to any power or influence that might reside in the joint committee, leaving it to Senator Byrd to define the joint committee's role.

Senator Byrd was an advocate for viewing the federal budget as a whole, rather than in its separate parts as the House and Senate divided the President's budget for individual committees to act on. Senator Byrd's idea, however, was not broadly embraced in Congress during his tenure. Acceptance came later. In addition, Senator Byrd's purposes generally aligned with a perspective favoring fewer federal commitments—a perspective congressional observers have noted was increasingly out of step with his party in the post-war era.<sup>72</sup>

Perhaps the most enduring legacy of the joint committee was Senator Byrd's desire to exert congressional control over all components of federal spending and to recapture congressional authority where the executive branch had managed to obtain discretion to make budget decisions. Many subsequent legislative enactments of the modern congressional era, including the Congressional Budget and Impoundment Control Act of 1974, projected congressional budget authority. Senator Byrd's views on Congress's own consideration of the budget in its totality and Representative Mahon's scorekeeping reports live on as key components of the Congressional Budget Act.

As indicated, with political support, it is a straightforward process to create a House, Senate, or joint committee. The challenge arises in assigning it a role. Standing committees are protective of their jurisdictions, and the House is protective of its constitutional prerogatives over budget decision making vis-à-vis the Senate.<sup>73</sup> It can be difficult to carve out a unique role for a new

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<sup>71</sup> CRS Report 98-305, *Senate Committee Reports: Required Contents*, by Elizabeth Rybicki.

<sup>72</sup> See, for example, Ronald L. Heinemann, *Harry Byrd of Virginia* (Charlottesville, VA: University Press of Virginia, 1996).

<sup>73</sup> In the course of testimony by Stephen Horn that was cited earlier, Dr. Horn observed: "We all know the reluctance (continued...)"

committee, whether it is temporary or permanent. If the committee is given only study authority, it may be difficult to obtain legislative results based on its recommendations. If the committee is granted legislative authority, it may be difficult to avoid crippling conflict with standing committees.

The creation of a committee charged with a role in cutting federal spending could itself be challenging. Does federal spending include only appropriations or also entitlements and possibly even tax expenditures? There are committees that could assume such a charge, and there are processes—appropriations, authorization, and reconciliation—that could be used to consider and pass legislation making cuts.

Moreover, the objective of a new committee would be its role in cutting federal spending—cutting spending would be the desired end, not the means to the end. Attaining that objective responsibly and with public support would require one or more committees to examine federal programs and activities on the basis of some agreed-on criteria, for example, cost-benefit, effectiveness, duplication of similar programs or activities, constitutional authority, administrative controls and potential for corruption, national purpose, need for federal action and capacity of states and localities, market failure addressed, economic impact, demographic and socioeconomic impact, alternatives, or continuing need.

Alternately, standing congressional committees have oversight power circumscribed only by constitutional limits, and legislative authority circumscribed only by chamber rules. Either chamber can direct one or more of its committees to undertake an activity or set of activities or series of activities, and party conferences can condition chairmanships on adherence to an oversight or legislative agenda. Coordination of many actors in a large legislative purpose, however, can be a complex exercise.<sup>74</sup>

The first 25 years of the joint committee's existence preceded the modern era's expansion of the federal government's role and responsibilities, including the creation and growth of health-care entitlements. In designing a new committee or harnessing congressional committees to scale back federal spending, the complexity of today's society, economy, and federal programs and activities would need to be taken into account.

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(...continued)

the House has had with reference to joint budget committees. ...It is the fear of intrusion on assumed House of Representatives prerogatives in the appropriations area." U.S. Congress, Senate, Committee on Government Operations, Subcommittee on Budgeting, Management, and Expenditures, *Improving Congressional Control of the Budget*, hearing, 93<sup>rd</sup> Cong., 1<sup>st</sup> sess., April 9, 1973 (Washington, DC: GPO, 1973), p. 194.

<sup>74</sup> On occasion, ad hoc committees with legislative authority have been used effectively. For background on their use in the House, see CRS Report R40233, *House Ad Hoc Select Committees with Legislative Authority: An Analysis*, by Michael L. Koempel.

## **Appendix. Section 601 of the Revenue Act of 1941 (P.L. 250, 77<sup>th</sup> Congress, 1<sup>st</sup> Session (1941))**

(a) There is hereby established a committee to investigate Federal expenditures (hereinafter referred to as the “committee”), to be composed of (1) three members of the Senate Committee on Finance and three members of the Senate Committee on Appropriations, to be appointed by the President of the Senate; (2) three members of the House Committee on Ways and Means and three members of the House Committee on Appropriations, to be appointed by the Speaker of the House of Representatives; and (3) the Secretary of the Treasury, and the Director of the Bureau of the Budget. A vacancy in the committee shall not affect the power of the remaining members to execute the functions of the committee, and shall be filled in the same manner as the original selection. A majority of the committee shall constitute a quorum, and the powers conferred upon them by this section may be exercised by a majority vote.

(b) It shall be the duty of the committee to make a full and complete study and investigation of all expenditures of the Federal Government with a view to recommending the elimination or reduction of all such expenditures deemed by the committee to be nonessential. The committee shall report to the President and to the Congress the results of its study, together with its recommendations, at the earliest practicable date.

(c) The committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places, to employ such experts and such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The provisions of sections 102 to 104, inclusive, of the Revised Statutes shall apply in case of any failure of any witness to comply with any subpoena, or testify when summoned under the authority of this section.

(d) The committee is authorized to utilize the services, information, facilities, and personnel of the departments and agencies of the Government.

(e) There is hereby authorized to be appropriated, the sum of the \$10,000, or so much thereof as may be necessary, to carry out the provisions of this section.

(f) All authority conferred by this section shall terminate upon the submission of the committee’s final report.

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- **Experienced Program Design and Delivery**—We have designed and delivered hundreds of custom programs covering congressional/legislative operations, budget process, media training, writing skills, legislative drafting, advocacy, research, testifying before Congress, grassroots, and more.
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Custom training programs are designed to meet your educational and training goals, each led by independent subject-matter experts best qualified to help you reach your educational objectives and align with your audience.

As part of your custom program, we can also provide classroom space, breaks and meals, receptions, tours, and online registration and individual attendee billing services.

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Non-partisan training and publications that show how Washington works.™

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