

Five Tough Deadlines for Decisions on Spending, Government Debt

Donald Marron

Abstract

In a contribution to the Christian Science Monitor, Donald Marron discusses the five deadlines that will force Congress to address spending and government debt.

Document date: September 22, 2011

Released online: September 22, 2011

Christian Science Monitor, The New Economy: Five Tough Deadlines for Decisions on Spending, Government Debt

September brings the change of seasons. Football players return to the gridiron. New television programs replace summer reruns. In Washington, legislators gear up for another season of legislative brinkmanship.

What distinguishes such brinkmanship from ordinary legislating? Hard deadlines.

Such deadlines force Congress to address policy issues that might otherwise languish due to partisan differences or legislative inertia.

Last spring, for example, the repeated threat of a government shutdown forced Congress to decide how much to spend on government agencies in fiscal 2011. This summer, the debt limit forced Republicans and Democrats to reach a budget compromise before Aug. 3, the day we would have discovered what happens if America can't pay all its bills.

Hard deadlines thus can force Congress to address major issues. But they also invite that brinkmanship.

Like students who put off writing term papers until the night before they're due, legislators often drag out negotiations until the very end. As we saw with the debt-limit debate, the ensuing uncertainty – will the United States really default? – can damage consumer, business, and international confidence. Hard deadlines also give leverage to those legislators who are least concerned about going over the brink.

So get ready for the new season. The fall legislative season is full of deadlines that could invite such brinkmanship. Here are five.

The first up was the Federal Aviation Administration, whose short-term funding expired Sept. 16. Congress averted a partial shutdown by extending the agency's funding for four months, avoiding the thousands of furloughs and layoffs that occurred when FAA funding briefly ran out in July.

Second is for a much larger item: funding for highways and mass transit. Current authority for these programs expires on Sept. 30. If Congress doesn't act by then, new federal spending on surface transportation projects will grind to a halt, putting tens of thousands of jobs at risk.

Sept. 30 also marks the end of the fiscal year – an especially important deadline. Congress has made woefully little progress in deciding next year's funding. So we again face the prospect of temporary funding bills being negotiated in the shadow of threatened government shutdowns.

The fourth deadline comes on Nov. 23, the day the new "super committee" has to deliver a plan to address government debt and cut the deficit by at least \$1.2 trillion over the next decade. If any seven committee members agree by that date, their plan will get special, expedited consideration in the House and Senate.

If the committee fails to reach agreement or Congress fails to enact it by Dec. 23, however, then automatic budget cuts go into effect for a range of programs, including defense, domestic programs, and Medicare, starting in 2013.

A final deadline comes at the end of the year, when several economic initiatives are set to expire, including the 2 percent payroll tax holiday and extended unemployment insurance benefits.

Each of these deadlines will command congressional attention. The downside of inaction will be tangible and

visible. With renewed concern about jobs, policymakers will feel extra pressure to continue any funding or tax cuts that can be directly linked to employment.

These deadline-driven policy issues will thus dominate the fall legislative season. That will leave little space for any new initiatives that don't come with a deadline.

Other Publications by the Authors

- [Donald Marron](#)

Usage and reprints: Most publications may be downloaded free of charge from the web site and may be used and copies made for research, academic, policy or other non-commercial purposes. Proper attribution is required. Posting UI research papers on other websites is permitted subject to prior approval from the Urban Institute—contact publicaffairs@urban.org.

If you are unable to access or print the PDF document please [contact us](#) or call the Publications Office at (202) 261-5687.

Disclaimer: *The nonpartisan Urban Institute publishes studies, reports, and books on timely topics worthy of public consideration. The views expressed are those of the authors and should not be attributed to the Urban Institute, its trustees, or its funders. Copyright of the written materials contained within the Urban Institute website is owned or controlled by the Urban Institute.*

Source: The Urban Institute, © 2012 | <http://www.urban.org>