

## **Section 16: Rescission of unspent and uncommitted federal funding**

This amendment would rescind any discretionary, unexpired federal funding that has been available for more than two consecutive years.

Nearly every federal department ends each year with billions of dollars in unobligated funding. Unlike obligated funding that has not yet been spent, unobligated funds are not set aside for a specific purpose to be funded in the near future.

According to the Office of Management and Budget federal agencies ended Fiscal Year 2009 with **\$657 billion** in unobligated funds.

Some of the unobligated funds are in mandatory accounts, or are in accounts related to Afghanistan and Iraq, and will inevitably be spent. As such, this amendment only rescinds the discretionary funding that has been available for more than two years and in that time has not been designated for any particular purpose. CBO was unable to give us an estimate of how much of the \$657 billion would be rescinding, but based on data from OMB, we estimate it will be roughly \$100 billion.

While it is applaudable that government bureaucrats are not spending every dollar that they are entrusted, this staggering amount of unspent money exposes the mismanagement of our national finances by Congress.

Every year, Congress borrows hundreds of billions of dollars to pay for increases for programs that end each year with billions of dollars in unobligated money.

Simply put, Congress is approving increases in government funding faster than bureaucrats can spend it! While all of the money is not being spent, taxpayers still must pay for the funding increases as well as the cost to finance the interest on the billions of dollars being borrowed and added to our \$12 trillion national debt.

Consider, the U.S. government ended Fiscal Year 2007 with a \$453 billion deficit as well as \$388 billion in unobligated funds. With better fiscal management, Congress could have nearly balanced the budget by simply not approving excessive increases in spending for government agencies sitting on billions of dollars of unobligated funds.