

## The Joint Committee on Reduction of Nonessential Federal Expenditures

### Overview

- Joint Congressional committee, operational from 1941 to 1974
- Commonly referred to as the Byrd Committee, after Senator Harry F. Byrd (D-VA), who served as its chairman until his retirement in 1965
- Mission: to identify nonessential federal expenditures and recommended their elimination or reduction
- Published scorekeeping reports of congressional action
- Congress eliminated and reduced scores of programs – particularly New Deal initiatives – based on Byrd Committee recommendations, resulting in billions of dollars of savings

### Establishment

- Senator Byrd objected to raising taxes to pay for WWII defense buildup, proposed cutting wasteful programs instead
- Consequently, Committee was established by Section 601 of the Revenue Act of 1941
- Committee was authorized to hold hearings and call witnesses to testify before it, by power of subpoena, however Congress was not required to act on its recommendations

### Composition

- 14 members:
  - 3 members of Senate Committee on Finance and 3 members of Senate Committee on Appropriations appointed by President of the Senate
  - 3 members of House Committee on Ways and Means and 3 members of House Committee on Appropriations appointed by Speaker of the House
  - Secretary of the Treasury and Director of the Bureau of the Budget
- The 3 members from each congressional committee typically included committee's chairman, ranking majority member, and ranking minority member
  - Committee usually consisted of 8 Democratic and 4 Republican members of Congress, as Democrats were majority in both houses during most of the Committee's tenure

### Major Accomplishments

- Congress implemented numerous Committee recommendations, including:
  - Abolition of the Civilian Conservation Corps, saving \$238,960,000
  - Drastic reduction and liquidation of the Works Projects Administration, saving \$646,168,499
  - Abolition of the National Youth Administration, saving \$140,511,000
- Implemented Committee recommendations enacted into law resulted in nearly \$2.5 billion of direct savings (about \$31 billion in 2010 dollars) and about \$600 million in indirect savings (about 7.5 billion in 2010 dollars) in just over 3 years
- Committee also made frequent recommendations for the reduction of federal personnel, many of which were enacted by Congress.

## Termination

- Abolished and replaced by Congressional Budget Office pursuant to the Congressional Budget and Impoundment Control Act of 1974
- CBO inherited Byrd Committee staff; kept score with respect to congressional budget, rather than president's budget.

## Byrd Committee Efforts in Present Times

- A bill to create a Joint Commission on Reduction of Nonessential State Expenditures in the Virginia General Assembly was introduced in 2004  
<<https://leg1.state.va.us/cgi-bin/legp504.exe?041+doc+H2010204>>

## The Byrd Committee As a Model for Spending Reform?

Rather than creating commissions that put everything on the table, including taxes and spending (with the end result of higher taxes, as we have seen in the past) the Byrd Committee focused exclusively on government expenditures, and in doing so was successful.

Consequently, it could serve as a model for spending reform at the federal, state and local level.

A modern version of the “Byrd Committee” should not substitute for the creation of a BRAC-style spending reform-only commission with outside experts, but would ideally complement such a commission (modeled after the successful Base Realignment and Closure Commission) as a House/Senate-internal panel with subpoena powers. Its proposals should be privileged, and should require an expedited up-or-down vote on the floor. If that were the case, savings to be realized could be immense.

## References

### References:

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- S. Rep. No. 152, 77<sup>th</sup> Cong., 2<sup>nd</sup> Sess. (1942): *Supplemental Report of the Joint Committee on Reduction of Nonessential Federal Expenditures*.
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