
¹⁸²⁴(...continued)

Floating Paydays

OUR LEADERS keep trying to do us the ultimate favor of cutting the budget deficit without cutting the budget, and we suppose it's churlish not to be grateful. Their latest effort involves the floating payday.

Federal employees tend to be paid two weeks at a time. For a lot of them this year, that will mean a payday the first week of October. That turns out to represent both a problem and an opportunity. The problem is that the fiscal year begins Oct. 1; the early October paychecks would thus normally be charged to fiscal 1990, and be part of the 1990 deficit. The opportunity is to pay these employees early, on Friday, Sept. 29. That would doubtless make the employees happier and move the expenditure into fiscal 1989, all in the same deft stroke. Since no one is paying that much attention to the 1989 deficit any more, as a political proposition the cost would simply disappear.

Of course grown-ups would not resort to games like these, you say. Wrong. The Department of Defense is already doing it. Secretary Dick Cheney ordered the forward creep himself, under authority Congress gave the department a couple of years ago when the virtues of the step first dawned on the armed services committees.

....

It's an understandable point of view. Our own suggestion is that they simply give all federal employees their full year's pay for fiscal 1990 on Sept. 30 (with a suitable discount for the advance, of course). The fiscal 1990 deficit would positively melt away, and we would all live happily ever after.

Floating Paydays, Wash. Post, June 26, 1989, at A10, col. 1. (c) The Washington Post. Reprinted with permission.

What became section 202 of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 first appeared in the Senate leadership compromise version of the revision of Gramm-Rudman-Hollings. The Senate adopted the amendment (to H.J. Res. 324) containing the provision on July 31, 1987, by a vote of 71 to 21. The original Senate-passed version read as follows:

PROHIBITION OF COUNTING AS SAVINGS THE TRANSFER OF GOVERNMENT ACTIONS FROM ONE YEAR TO ANOTHER

Sec. 225. (a) For purposes of titles III and IV of the Congressional Budget and Impoundment Control Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985, any action of the United States Government that is transferred from one fiscal year to an adjacent fiscal year,

(continued...)