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Statement & Account Clause

This Note considers a largely unexplored constitutional mandate: Congress must publish “a regular Statement and Account of the Receipts and Expenditures of all public Money” under Article I, Section 9, Clause 7 of the Constitution. The Clause was intended to provide the public with a complete understanding of the government’s “receipts and expenditures.” Accurate government accounting practices are not merely necessary for responsible fiscal management; they go to the heart of democratic legitimacy and ensure that the citizenry is informed about government spending priorities. Yet, the plain meaning of this constitutional provision is being violated in several ways.

Part I examines the history, language, and original purposes of the Statement and Account Clause: to create transparency and accountability, ensure congressional oversight over the fisc, and prevent corruption. Part II turns to my central thesis: reporting processes at the Office of Management & Budget (OMB), the Congressional Budget Office (CBO), and the Treasury Department do not fulfill the three principles embodied in this constitutional provision. Part III offers two specific examples of budget practices that evade complete and accurate reporting: the treatment of government-related entities and the exclusion of federal insurance programs. Since the judiciary has been reluctant to open its doors to litigation under this Clause, Part IV argues that expanded GAO audits may indeed be the best way to fulfill this reporting duty. Irrespective of this provision’s enforceability, Congress still has an affirmative duty to adhere to its principles.

Particularly today, in a time of constrained budgets and political dysfunction, these “budget gimmicks” have ballooned to well over \$4 trillion dollars. Off-budget vehicles, such as revolving funds or insurance programs, are a central way that the government conducts business. As a result, the federal government has enormous financial obligations that are not reflected or are substantially under-represented in public reporting. This Note argues that it is imperative that citizens, as well as Congress, have access to complete and accurate information on the government’s “receipts and expenditures” -- as unambiguously required by the Statement & Account Clause.