



## Explaining the Federal Budget Process

Lawmakers use the budget process to set spending and tax priorities for the nation.

**Budget Resolution** – Following the President’s budget request, the House and Senate agree on a concurrent budget resolution, setting overall spending and revenue levels. This non-binding resolution is not signed by the President; it serves as a Congressional framework for appropriations and future reconciliation processes.

**Appropriations** – The budget resolution’s discretionary spending topline is then divided by the Appropriations Committees into 12 bills. Congress and the President must enact these bills before the new fiscal year on October 1<sup>st</sup> to avoid a government shutdown; in lieu of that, a continuing resolution can be passed to keep the government open at the prior year’s spending levels.

**Reconciliation** – A complex path meant to align the law with the budget resolution’s mandatory spending and revenue levels. Reconciliation includes fast-track procedures to avoid the Senate’s filibuster; thus, it has recently been used to enact laws outside of the normal legislative process.

### Timeline from the Congressional Budget Act:

1. **First Monday in February:** The President submits a budget request.
2. **February 15:** The Congressional Budget Office submits a report to the Budget Committees on its assessment of the economic and budget outlook.
3. **Six weeks after the President's budget submission:** Congressional authorizing committees are to submit views and estimates to the Budget Committees.
4. **April 1:** The Senate Budget Committee reports a concurrent resolution on the budget.
5. **April 15:** Congress completes its concurrent budget resolution, which can include instructions on the amount of discretionary spending allowed in the appropriations process and any instructions for reconciliation legislation.
6. **May 15:** The House can begin to consider appropriations bills, dividing up the topline discretionary amount stipulated in the budget resolution among its 12 subcommittees.
7. **June 10:** The House Appropriations Committee should finish reporting the 12 bills.
8. **June 15:** Congress should complete action on reconciliation legislation.
9. **June 30:** The House should complete action on appropriations bills.
10. **September 30:** The fiscal year ends.

Despite this timeline, these deadlines are often missed. For example, Congress has met the April 15 budget resolution deadline only four times since FY 1985. Appropriations have been completed before the September 30th deadline just four times since FY 1977. The last time the appropriations process was completed on time was in FY 1997.