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The Congressional Budget Process Timeline

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SUMMARY

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The Congressional Budget Process Timeline

The Constitution gives Congress the power of the purse, granting the House and Senate power over taxation, borrowing, and spending decisions. The Constitution does not specify how, when, and in what order these decisions should be made, however. The budget process created by Congress involves multiple decisions and actions that are expected to occur at various points during each fiscal year. Because this process involves multiple, separate decisions, there is no single timeline that Congress must follow for each fiscal year, although there is a general order that the basic steps in the process follow. This report provides an overview of the basic steps in the congressional budget process, when and in what order they typically occur, and any relationships between them.

The Congressional Budget Act of 1974 (the Budget Act) created a timetable to coordinate decisions on budgetary legislation, including the budget resolution, appropriations bills, and any possible reconciliation legislation. While this timetable provides a framework for the steps and sequence of the congressional budget process, the actual timing of events often varies from year to year.

The annual submission of the President's budget serves as a statement of Administration policy and priorities for the upcoming fiscal year and is typically seen as the beginning of the congressional budget cycle. The President is required to submit a budget by the first Monday in February, but in practice the submission may occur after this date.

The Budget Act provides for the adoption of a concurrent resolution on the budget that serves as an agreement between the House and Senate on a budgetary plan for the upcoming fiscal year. In years when Congress has completed work on a budget resolution, it has typically been adopted in late spring or early summer, though it has sometimes been later. In years when a budget resolution is not adopted, the House and Senate may employ alternative legislative tools to establish enforceable budget levels.

In years when, and only when, Congress adopts a budget resolution with reconciliation instructions, specified committees are instructed to develop legislative changes to achieve a budgetary effect in accordance with the budget resolution. The reconciliation process follows a timeline set forth in the budget resolution for that fiscal year. Historically, Congress has passed reconciliation legislation at various points during a year, both before and after the fiscal year for which the budget resolution applies began.

Discretionary spending comprises roughly one-third of federal spending that is provided through the annual appropriations process. The House and Senate Appropriations Committees are responsible for developing annual appropriations measures, and each committee has 12 identical subcommittees responsible for each of the regular appropriations bills. The appropriations process generally involves action at the subcommittee, full committee, and chamber levels in the House and Senate spanning from initial development after the submission of the President's budget to enactment of appropriations measures often into the new fiscal year.

To prevent funding gaps and government shutdowns, Congress can enact continuing appropriations measures (commonly known as continuing resolutions or "CRs"). It is common practice for Congress to enact an initial CR at the end of September and then enact new CRs as needed upon the old one's expiration. Recent practice has often been marked by Congress enacting an initial CR that lasts until November or December and then finishing enactment of regular appropriations bills or a full-year CR at some point between December and May.

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Introduction

The Constitution establishes the role of the House and Senate in federal budgetary decisions by giving Congress the power of the purse. Article I, Section 8, grants Congress the power to lay and collect taxes and the power to borrow money.[1] Article I, Section 9, grants Congress power over spending decisions as well, stating that "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law."[2] While the Constitution establishes that the power of the purse must be exercised through the lawmaking process, it does not specify how, when, and in what order decisions on budgetary legislation should be made. As a consequence, Congress has created a budget process over time through various statutes, rules, practices, and precedents. Together, they form a complex process involving multiple decisions and actions occurring at various points during the year. This means that there is no single timeline that can be used to predict with certainty when the various actions that comprise the congressional budget process will occur for any given fiscal year. There is, however, a general order that the basic steps in the process follow.

This report provides an overview of the general timing and sequence of the actions that make up the congressional budget process. First, it outlines the timetable in Section 300 of the Congressional Budget Act of 1974. Next, it discusses how each of the major steps in the process fit into this timeline in practice. These steps include the submission of the President's budget, adoption of a budget resolution, potential consideration of reconciliation legislation, consideration of annual appropriations bills, and the use of continuing appropriations and the completion of the annual appropriations process.[3]

The Congressional Budget Act of 1974

The general timetable and sequence of events that Congress follows in making budgetary decisions is laid out in the Congressional Budget Act of 1974 (the Budget Act).[4] The Budget Act created the congressional budget process to coordinate decisions on budgetary legislation, including the budget resolution, appropriations bills, revenue legislation, and any possible reconciliation legislation.

As part of these coordination efforts, Section 300 of the Budget Act created a timetable for the congressional budget process. The Budget Act timetable provides a series of target and enabling dates for the consideration and completion of budgetary measures prior to the start of a fiscal year on October 1, beginning with the submission of the President's budget.

[1] U.S. Const. art. I, §8, cl. 1-2.

[2] U.S. Const. art. I, §9, cl. 7.

[3] For more on the congressional budget process, see CRS Report R46240, *Introduction to the Federal Budget Process*, by James V. Saturno.

[4] Titles I-IX of P.L. 93-344, codified as amended at 2 U.S.C. §§601-688.

Table 1. Congressional Budget Process Timetable

On or before:	Action to be completed:
First Monday in February	President submits budget.
February 15	Congressional Budget Office submits report (on the economic and budget outlook) to Budget Committees.
Not later than 6 weeks after President submits budget	Committees submit views and estimates to Budget Committees.
April 1	Senate Budget Committee reports concurrent resolution on the budget.
April 15	Congress completes action on concurrent resolution on the budget.
May 15	Annual appropriation bills may be considered in the House.
June 10	House Appropriations Committee reports last annual appropriation bill.
June 15	Congress completes action on reconciliation legislation.
June 30	House completes action on annual appropriation bills.
October 1	Fiscal year begins.

Source: Section 300 of the Congressional Budget Act of 1974, as amended and codified at 2 U.S.C. §631.

Although the Budget Act timetable reflects the actions that make up the congressional budget process, various logistical, political, or economic factors may have an impact on the actual timing of events in practice. Because most of these actions will typically occur as part of each congressional budget cycle, however, Section 300 provides a framework for understanding the sequence of actions and how certain milestones are related to later action on other steps in the process.

Submission of the President's Budget to Congress

With the Budget and Accounting Act of 1921, Congress established a requirement for the President to submit a budget request for each fiscal year near the beginning of each calendar year.[5] The President's budget submission serves as a statement of Administration policy priorities as well as a detailed plan for the allocation of budgetary resources and execution of government activities.[6] Under current law, the President must submit a consolidated budget to Congress no later than the first Monday in February. Although the budget submission may occur after this date, it generally signifies the beginning of congressional consideration of budgetary questions concerning the upcoming fiscal year.

[5] Public Law 13, 67th Congress, codified in part at 31 U.S.C. §501.

[6] For more on the President's budget, see CRS Report R47019, *The Executive Budget Process: An Overview*, by Dominick A. Fiorentino and Taylor N. Riccard.

Adoption of a Budget Resolution

Section 301 of the Budget Act provides for the adoption of a concurrent resolution on the budget to set budgetary parameters and coordinate congressional budgetary decisions for the upcoming fiscal year. The budget resolution allows Congress to establish a framework within which the House and Senate will consider budget-related legislation, set revenue and spending levels enforceable by points of order, set forth high-level spending priorities, and (if Congress chooses) include instructions that can trigger subsequent reconciliation legislation.[7] In the context of the congressional budget process timeline, the budget resolution can be an important enabling mechanism for later steps in the process. Adoption of the same budget resolution by both chambers is required to trigger reconciliation legislation that can affect spending and revenues and establishes top-line spending amounts for the regular, annual appropriations bills.

The Budget Act sets a target date of April 15 for adoption of a budget resolution, although Congress has typically adopted budget resolutions after this date. Congress has completed action on a budget resolution prior to April 15 four times since FY1985, the last time being for FY2004. In years when Congress has completed work on a budget resolution, it has typically been in late spring or early summer in the months of April through June. In some recent years, however, Congress has adopted budget resolutions with reconciliation instructions after a fiscal year has begun, doing so for FY2017 (January 13, 2017), FY2018 (October 26, 2017), and FY2021 (February 5, 2021).

The Budget Act generally prohibits the consideration of budgetary measures before the adoption of a budget resolution, although it does provide a specific exception for the House to begin consideration of appropriations bills in the absence of one after May 15. In some years, Congress may not come to agreement on a budget resolution. In the absence of such agreement, the House and Senate may employ alternative legislative tools (commonly referred to as "deeming resolutions") to establish enforceable budget levels, particularly for the annual appropriations measures.[8]

Reconciliation Legislation

Reconciliation is an optional process that Congress can use to change current law to make revenue, spending, and debt limit levels consistent with the policies and priorities established in the budget resolution. In years when, and only when, Congress adopts a budget resolution that includes instructions for reconciliation, specified committees are instructed to develop legislative changes to achieve a budgetary effect in accordance with the directives and timeline established in the budget resolution. The resulting legislation is then considered under expedited procedures in the Senate.[9]

The Budget Act sets a target date of June 15 for completing action on reconciliation legislation. In practice, however, reconciliation follows the timeline established in the budget resolution for that fiscal year. This means that the timeline for reconciliation legislation varies by year in terms of its development, consideration, and passage, as well as the time between the adoption of a budget

[7] For more on budget resolutions, see CRS Report RL30297, *Congressional Budget Resolutions: Historical Information*, by Bill Heniff Jr.

[8] For more on deeming resolutions, see CRS Report R44296, *Deeming Resolutions: Budget Enforcement in the Absence of a Budget Resolution*, by Megan S. Lynch.

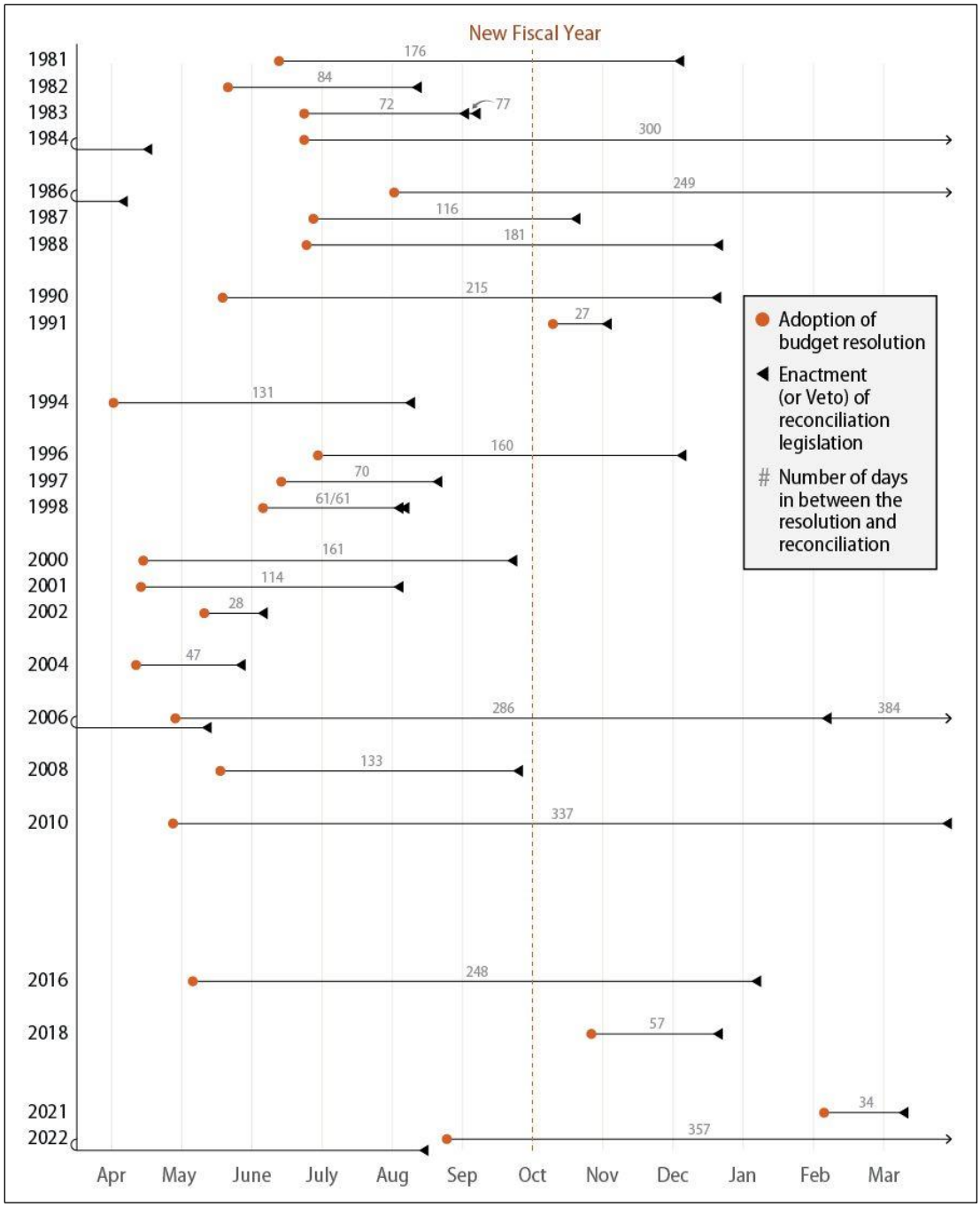
[9] For more on the reconciliation process, see CRS Report R44058, *The Budget Reconciliation Process: Stages of Consideration*, by Megan S. Lynch and James V. Saturno.

resolution and Congress completing work on reconciliation. Furthermore, the reconciliation process operates separately from the appropriations process, so while they may occur simultaneously, the timing of one generally does not have a direct impact on the timing of the other.

Since the first reconciliation legislation for FY1981, Congress has passed 27 reconciliation measures, and the President has signed 23 into law. Over this period, there has been wide variation in the timing of consideration of reconciliation legislation (see **Figure 1**).[10] Congress has passed 12 of the 27 reconciliation measures prior to the start of the fiscal year for which the budget resolution applied. Of these, two passed between May and June, and the other 10 passed in August or September. Congress passed the remaining 15 reconciliation measures after the fiscal year for which the budget resolution applied had already begun. Seven passed between October and December, and eight passed in the next calendar year between January and August.

[10] For more on the timing of the reconciliation process, see CRS Report RL30458, *The Budget Reconciliation Process: Timing of Legislative Action*, by Megan S. Lynch.

Figure 1. Timing of Budget Resolution Adoption and Enactment (or Veto) of Reconciliation Legislation: FY1981-FY2022



Sources: Information compiled from CRS Report R40480, *Budget Reconciliation Measures Enacted into Law Since 1980*, by Megan S. Lynch; the CRS Appropriations Status Table; and Congress.gov.

Notes: The "number of days in between the resolution and reconciliation" refers to the number of days between Congress adopting a budget resolution and the enactment or veto of reconciliation legislation. The President has vetoed reconciliation legislation four times since FY1981 (FY1996, FY2000, FY2001, and FY2016). Congress has enacted multiple pieces of reconciliation legislation for the same fiscal year three times (FY1983, FY1998, and FY2006), as shown above. Years where Congress enacted reconciliation legislation past April of the

new fiscal year (FY1984, FY1986, FY2006, and FY2022) are represented above by wrapping the timeline around the x-axis and should still be read from left to right beginning with the adoption of a budget resolution.

Development and Consideration of Appropriations Bills

Discretionary spending comprises roughly one-third of federal spending that is provided through annual appropriations bills. The annual nature of discretionary spending makes October 1 a hard deadline for Congress, since most of the budget authority enacted through regular appropriations bills is provided for a single year and expires at the end of each fiscal year. Agencies generally may not obligate funds in excess of or in advance of appropriations, so enacting new appropriations measures is necessary to avoid funding gaps and government shutdowns.[11]

The House and Senate Appropriations Committees are responsible for developing annual appropriations measures, and each committee currently has 12 identical subcommittees, each one responsible for one of the regular appropriations bills.[12] The appropriations process typically involves action at the subcommittee, full committee, and chamber levels. Like other aspects of the congressional budget process, the timing of appropriations decisions varies from year to year.[13]

After the submission of the President's budget, the House and Senate Appropriations Committees typically begin preliminary action on annual appropriations measures in the late winter or early spring. This commonly takes the form of hearings conducted by appropriations subcommittees at which Administration officials testify about agency funding requests. Appropriations subcommittees may also solicit input from Members, usually through hearings at which Members may testify as well as requests submitted by Member offices.[14]

Once top-line committee spending allocations associated with a budget resolution or deeming resolution are established, the Budget Act requires the House and Senate Appropriations Committees to make sub-allocations to their subcommittees. The House Appropriations subcommittees will then typically draft, mark up, and forward their respective appropriations bills to the full committee around May and June. House appropriators generally begin reporting bills out of the full committee around May or June and finish in June or July. Floor consideration in the House has historically begun in late summer and continued into the new fiscal year. While the House has considered some individual appropriations bills on the floor in recent years, it has become common practice to package either all or some of the bills and consider them together (commonly referred to as an "omnibus" or "minibus," respectively). In recent fiscal years, most appropriations bills have been signed into law as part of omnibus or minibus measures.

The House has historically initiated consideration of regular appropriations measures. In current practice, however, the Senate Appropriations Committee and its subcommittees have sometimes reported original Senate bills prior to receiving a House-passed measure. The Senate Appropriations Committee has historically reported bills around early to late summer, although the committee has reported few or no bills in recent years. It has been rare in recent years for the

[11] For more, see CRS Report R46417, *Congress's Power Over Appropriations: Constitutional and Statutory Provisions*, by Sean M. Stiff.

[12] For more on the Appropriations Committees' subcommittee structure, see CRS Report RL31572, *Appropriations Subcommittee Structure: History of Changes from 1920 to 2021*, by James V. Saturno.

[13] For more on the appropriations process, see CRS Report R47106, *The Appropriations Process: A Brief Overview*, by James V. Saturno and Megan S. Lynch.

[14] For more on House Member participation in the appropriations process, see CRS Report R47031, *The House Appropriations Process: Opportunities for Member Participation*, by Megan S. Lynch.

Senate to consider any individual appropriations bill on the floor. Recent practice has generally been for the Senate to act on a House-passed omnibus or minibus measure at a later stage in the process.

Prior to the start of the fiscal year on October 1, the House and Senate may consider and pass all, some, or none of the regular appropriations bills. If a regular appropriations bill is not enacted prior to the start of a fiscal year, Congress may enact a continuing appropriations measure in order to avoid a funding gap.[15]

Continuing Resolutions and the Completion of Annual Appropriations

To avert funding gaps and government shutdowns, when one or more regular appropriations bills have not been enacted, Congress may provide interim authority to obligate funds by enacting continuing appropriations measures (commonly known as continuing resolutions or "CRs").[16]

Since the fiscal year was set as October 1 through September 30 beginning with FY1977, Congress has enacted one or more CRs in all but three fiscal years, including in each fiscal year since FY2000 (see **Figure 2**).[17] CRs can vary in both duration and timing, but Congress typically enacts an initial CR in late September in the final weeks or days of the fiscal year. From FY2013 to FY2022, for example, the initial CR enacted by Congress was in effect once until November, seven times until December, once until January, and once until March. Congress may subsequently enact further CRs upon the old one's expiration while work is completed on the remaining regular appropriations bills. Historically, these subsequent CRs have lasted anywhere from a few days to months, although Congress may choose to enact a CR that lasts through the end of the fiscal year.

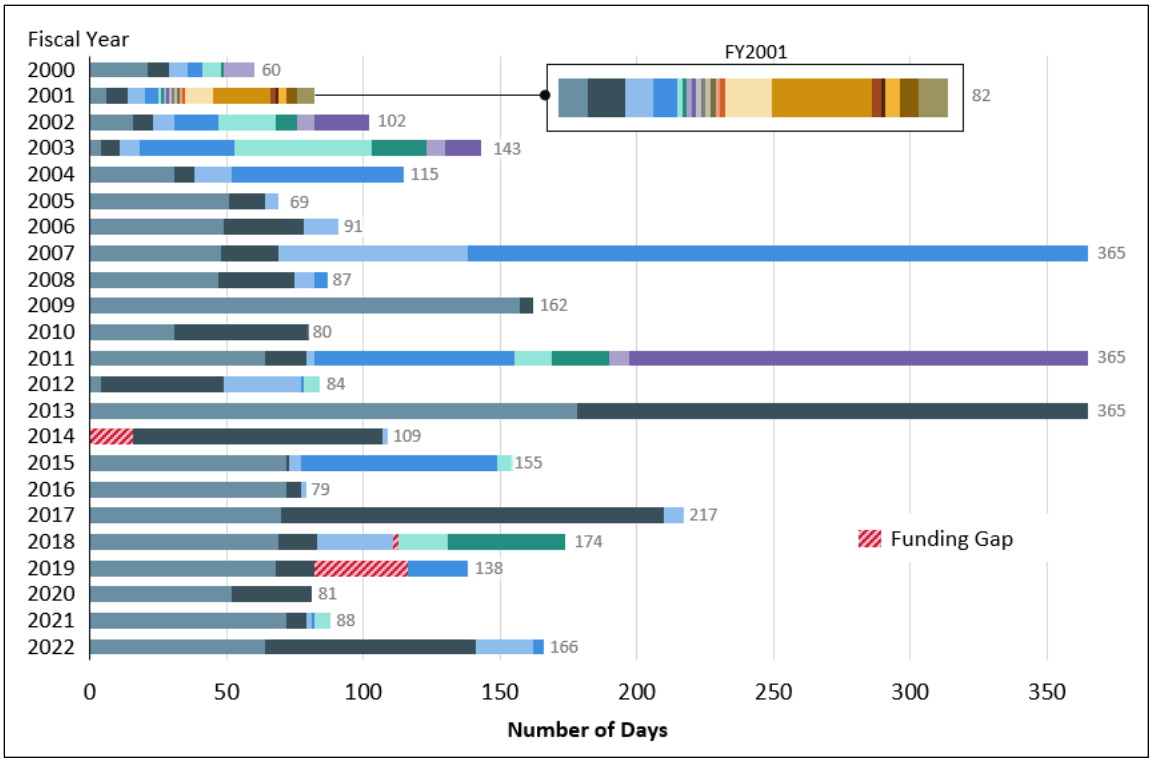
The aggregate duration of CRs varies from year to year depending on when Congress completes action on regular appropriations measures or enacts a full-year CR. From FY2013 to FY2022, for example, Congress passed all appropriations bills or enacted a full-year CR three times in December, once in January, once in February, four times in March, and once in May.

[15] For more on federal funding gaps, see CRS Report RS20348, *Federal Funding Gaps: A Brief Overview*, by James V. Saturno.

[16] For more on CRs, see CRS Report R46595, *Continuing Resolutions: Overview of Components and Practices*, coordinated by Kevin P. McNellis.

[17] Congress passed all regular appropriations bills prior to October 1 in FY1989, FY1995, and FY1997, thus eliminating the need for a CR.

Figure 2. Aggregate Duration of Continuing Resolutions and Funding Gaps: FY2000-FY2022



Source: Information compiled from CRS Report R46595, *Continuing Resolutions: Overview of Components and Practices*, coordinated by Kevin P. McNellis; CRS Report RS20348, *Federal Funding Gaps: A Brief Overview*, by James V. Saturno; and the CRS Appropriations Status Table.

Notes: Each colored segment of the bar for a fiscal year represents the duration of one CR or funding gap. Funding gaps in FY2014, FY2018, and FY2019 are represented with red striped shading. The left-most segment for each fiscal year represents the first CR enacted by Congress, beginning coverage on October 1. The number on the right-hand side of each bar represents the total number of days between October 1 and the enactment of the final regular appropriations measure for that fiscal year. For FY2007, FY2011, and FY2013, some or all of the regular appropriations bills were funded through a full-year CR, as shown above. This graph does not convey coverage of CRs. CRs can cover all or only some of the regular appropriations bills. Enactment of a CR does not mean that none of the regular appropriations bills were enacted prior, nor does it preclude passage of regular appropriations measures while the CR is in effect.

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