The Federal Budget Process

The Federal Budget, which shapes the financial policies of the government, plays several roles:

1. It provides the means to fund government programs and operations.
2. It sets limits on how much the government can spend each year.
3. It helps Congress and the president share responsibility for Washington's fiscal choices.

**THE WHITE HOUSE'S PROPOSED BUDGET**

The President submits a proposed budget to Congress in February each year. This budget reflects the President's priorities and visions for the nation's future. The proposed budget includes the President's recommendations on revenues, spending, and the federal budget deficit for the upcoming fiscal year.

**THE BUDGET RESOLUTION**

The budget resolution, a non-binding legislative act, sets overall spending limits and revenue targets for the upcoming fiscal year. It also includes reconciliation instructions, which are proposals to reduce deficits by changing entitlements, tax laws, or other budgetary provisions.

**APPROPRIATIONS PROCESS**

Congressional appropriations committees are responsible for drafting and vetting the spending bills that fund government programs and operations. These committees hold hearings, mark up these bills, and then vote on them. Appropriations bills are often controversial because they involve decisions about how to allocate limited federal resources.

**CONFERENCE COMMITTEE**

If the House and Senate cannot agree on an appropriations bill, they must form a conference committee to reconcile their differences. The conference committee reports a conference report back to both chambers for a vote.

**FULL HOUSE AND SENATE VOTES**

The full House and Senate vote on each appropriations bill. If both chambers pass different versions of the bill, the congressional leaders may agree to a conference committee to resolve the differences. If neither chamber passes a bill, a continuing resolution is enacted to keep the government running.

**CONTINUING RESOLUTION**

A continuing resolution is a temporary funding measure that keeps the government running while Congress is unable to pass a full-year appropriations bill. It continues existing funding levels or provides temporary increases for essential programs.

**CONGRESSIONAL COMMITTEES**

Congressional committees play a critical role in the budget process. They develop and propose legislation, conduct oversight of government programs, and provide recommendations on the budget.

**BUDGET RECONCILIATION ACTS**

Budget reconciliation acts are legislative procedures used to pass budget-related legislation with a simple majority vote in the Senate, bypassing the need for a supermajority vote. These acts can be used to reduce the federal budget deficit and pay for new government programs.

**KEEPING THE BUDGET ON TRACK**

Keeping the budget on track involves ongoing discussions and negotiations between the executive and legislative branches. The White House must work closely with Congress to ensure that the budget is realistic, balanced, and meets the needs of the American people.