



Federal Budget Basics

The President's budget proposal is the start of the annual federal funding process. It includes the President's priorities, but typically does not include a lot of detail. It is a conceptual framework.

It is the job of the Congress to determine specific funding amounts for programs. First, the House and Senate Budget Committees create a Budget Resolution. This is a blueprint which sets revenue and spending targets, including funding amounts for each federal Department and its divisions and agencies. The House and Senate vote on this measure,* but a signature from the President is not required.

The Appropriations Committees in Congress have subcommittees that do the detail work. Of primary interest for ECEC is the work of the *Subcommittee on Labor, Health and Human Services and Education* (there's one in the Senate and one in the House). The Subcommittees use the Budget Resolution totals* for departments and agencies to determine specific funding levels for programs. Subcommittees will hold many hearings in DC and often in the states to gather information about how funds are used and what funds are needed.

The Subcommittees draft, mark up, negotiate and vote on their individual bills, and then the full Committee votes. Finally, the bills move to the Chamber floor for amendments and a vote. Then, like with any piece of legislation, a Conference Committee is convened to work out the differences and send one bill to the President for signature. This is all supposed to be completed in time for the start of the fiscal year, October 1. If not, a Continuing Resolution must be passed to carry out federal programs (usually at existing funding levels), and it buys Congress some more time to finish the work. If individual bills can not be completed, Congress can create an omnibus bill that holds the individual pieces of legislation -- as they've done with the FY09 appropriations.

Federal Budget Timeline At-a-Glance:

February: President releases budget proposal

April 15: Budget Resolution is to be completed

Spring: House and Senate Appropriations hearings

Summer: House and Senate Appropriations Subcommittees and Committees vote

October 1: Start of new fiscal year, deadline for completion unless a Continuing Resolution is passed

**Sometimes Congress is not successful in passing (or mutually agreeing to) a Budget Resolution. It's not technically required and we've seen the Appropriations Committees move on without it.*