



U.S. SENATE COMMITTEE *on the* BUDGET

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BUDGET ROUNDUP: BUDGET RESOLUTION BASICS

KEY TAKEAWAYS

- A budget resolution is a governing blueprint that provides an annual plan for the federal government's finances.
- The Congressional Budget Act (CBA) requires budget resolutions to cover the upcoming fiscal year and at least the following four fiscal years.
- Budget resolutions provide a mechanism for Congress to review the spending and revenue policies it has previously enacted and develop and enforce fiscal targets.
- Recognizing Congress's power of the purse, budget resolutions are congressional documents. They cannot be signed into law or vetoed.
- The CBA sets April 1 as the target for the Senate Budget Committee to report a budget resolution.
- In the Senate, budget resolutions are privileged and require only a simple majority to pass.

Budget Basics

Budget resolutions must cover at least

5 fiscal years



Budgets are **governing blueprints** for the federal government's finances



The Congressional Budget Act sets **April 1st** as the target date for the Senate Budget Committee to report a budget resolution



Budgets cannot be signed into law or

VETOED

Budgets institute enforceable spending levels



Budget Enforcement

- Points of order are the tools through which congressional budget rules are enforced in order to curb the use of fiscal gimmicks and hold Congress to the spending and revenue targets adopted through the budget resolution.
- Budget points of order can be created through statute or the congressional budget resolution and remain in place until switched off by further legislative action.
- Most points of order prohibit the consideration of legislation that fails to meet certain parameters, while others are designed to allow lawmakers to challenge the inclusion of specific budgetary provisions in a bill.
- Typically, when legislation causes spending to rise above or revenues to fall below the levels specified in the budget resolution, a point of order lies.
- The Chairman of the Budget Committee is the final arbiter of all numerical points of order.
- Points of order are not self-enforcing and must be raised by a senator.
- The Senate Budget Committee publishes regular scorekeeping reports that compare current-law levels of spending and revenues with the amounts the Senate agreed to in the budget resolution.

Budget Reserve Funds

- Budget reserve funds act as placeholder provisions for future policy action.
- The Senate Budget Committee does not have the authority to change policy in a budget resolution—that is the role of the authorizing and appropriations committees.
- Reserve funds provide the Chairman of the Budget Committee with the flexibility to revise the committee allocations, budgetary aggregates, and other appropriate levels in the budget resolution to accommodate later legislation described in the reserve fund—as long as the budgetary effects of that legislation satisfy the stated requirements.