The framework of the budget process can be divided up into five stages each of which is governed by its own procedures outlined in the Budget Act, the rules of the House and Senate, and other relevant statutes. The last three stages often occur simultaneously.

**The President’s Budget Submission.** The President submits a comprehensive budget request to Congress in early February which outlines the Administration’s policy and funding priorities and the economic outlook for the coming fiscal year. This budget, which estimates spending, revenue and borrowing levels, is compiled by OMB from input by the various federal agencies, with funding broken down into 20 budget function categories.

**Adoption of the Budget Resolution.** House and Senate Committees hold hearings on the President’s budget and the Budget Committees report a concurrent resolution on the budget that sets each committee’s allocation of spending authority for the next fiscal year and aggregate spending and revenue levels for at least 5 years. The budget resolution also establishes aggregate totals with respect to revenues and spending for the entire federal budget. This resolution, once adopted, is not law, as it is not signed by the President. The allocations, enforceable through points of order, establish the framework to consider spending and revenue bills on the House and Senate floor.

**Passage of Appropriation Bills.** In May the House begins consideration of the 12 annual appropriation bills for the next fiscal year based on the discretionary spending allocation in the budget resolution. As these bills move through hearings, markups, Floor consideration, and conference they are constrained by the levels and allocations in the budget resolution and the enforcement of the Budget Act and through House and Senate rules.

**Consideration of Reconciliation Legislation.** If the spending and revenue levels in the budget resolution require changes in existing law, the resolution would contain instructions to committees to report legislation containing such statutory changes. Whether for tax increases or decreases, deficit reduction, mandatory spending increases or decreases or adjustments in the public debt limit, this process has been used to focus many agents on one goal, often in a large bill.

**Consideration of Authorization Legislation.** Congress considers numerous measures authorizing the appropriation of funds on a myriad of programs each fiscal year. This decision-making is constrained by the Budget Act and through House and Senate rules.

Source: House Budget Committee