



**Congressional
Research Service**

Informing the legislative debate since 1914

Budget Process Reform: In Brief

December 15, 2022

Congressional Research Service

<https://crsreports.congress.gov>

R47338



Budget Process Reform: In Brief

Many Members of Congress have expressed frustration with the budget process or with budgetary outcomes. No consensus has emerged, however, regarding specific problems to be addressed by possible reforms. Nevertheless, in recent years, a wide array of budget process reform proposals have been put forth seeking to refine or modify the existing constitutional requirements, laws, and rules that make up the federal budget process. These proposals may be procedural, such as those designed to alter some aspect of congressional budgetary decisionmaking, the availability of budgetary information, or the requirements imposed on agency budget execution. Proposals may also be focused on outcomes, such as those that would impose specific requirements with respect to spending, revenue, deficit, or debt.

This report provides a discussion of possible methods for making changes in the budget process and identifies the House and Senate committees that have jurisdiction over various types of budget process legislation. It also provides a brief summary of major task forces and committees that Congress has formed in recent decades to study budget process reform.

R47338

December 15, 2022

James V. Saturno

Specialist on Congress and the Legislative Process

Megan S. Lynch

Specialist on Congress and the Legislative Process

Contents

Introduction	1
Methods of Modifying the Budget Process	2
Congressional Committee Jurisdiction over Budget Process Reform Issues	2
Congressional Studies and Budget Process Reform.....	4
House Committee on Rules Task Force on the Budget Process (97 th -99 th Congresses).....	4
Joint Committee on the Organization of Congress (103 rd Congress).....	4
House Budget Committee Task Force on the Budget Process (105 th and 106 th Congresses)	5
The Joint Select Committee on Budget and Appropriations Process Reform (115 th Congress)	5

Contacts

Author Information.....	5
-------------------------	---

Introduction

The Constitution grants Congress enormous power and flexibility with respect to budgetary decisionmaking and budget execution. First, the Constitution grants Congress the power of the purse by requiring that all spending by the federal government result from enacting laws, but it does not prescribe or require any specific budgetary legislation or budgetary outcomes.¹ Further, the Constitution allows the House and Senate to determine the rules of their internal proceedings and similarly does not prescribe or establish specific budgetary rules or restrictions.² Over time, Congress has developed laws, rules, and practices that govern the content and consideration of budgetary legislation that are referred to as the congressional budget process. In addition, the Constitution's charge that the President "shall take Care that the Laws be faithfully executed" applies to laws enacted pursuant to Congress' spending power.³ As a consequence, executive branch authority and flexibility with respect to budget execution are defined in statutes such as the antideficiency acts.⁴

Although many Members of Congress have expressed frustration with the budget process or with budgetary outcomes, no consensus has emerged regarding specific problems to be addressed by possible reforms. Nevertheless, in recent years, a wide array of budget process reform proposals have been put forth seeking to refine or modify the existing constitutional requirements, laws, and rules that make up the federal budget process. These proposals may be procedural, such as those designed to alter some aspect of congressional budgetary decisionmaking, the availability of budgetary information, or the requirements imposed on agency budget execution. Proposals may also be focused on outcomes, such as those that would impose specific requirements with respect to spending, revenue, deficit, or debt.

Some proposals have focused on institutional or structural questions, such as presidential or executive branch responsibilities, requirements imposed on agency budget execution, congressional committee jurisdictions, the availability of budgetary information, or the form or type of questions that need to be addressed. In recent years, these questions have included proposals for biennial budgeting, automatic continuing resolutions, and statutory budget resolutions.

Other proposals have focused on ways to promote more efficient operation of the congressional budget process in order to promote or regulate congressional consideration of budgetary questions in a more timely manner. In any given year, Congress may consider myriad budgetary measures, including concurrent resolutions on the budget; authorizations and direct spending measures; regular, supplemental, and continuing appropriations; public debt legislation; revenue measures; and reconciliation bills. Their consideration is often linked, so delays in consideration of one can have an impact on several others. Reforms to address the timing or form for enacting budgetary legislation, however, especially regular appropriations bills, is not just a budget process question.

¹ U.S. Const. art. I, §9. For more on the spending power, see CRS Report R46417, *Congress's Power Over Appropriations: Constitutional and Statutory Provisions*, by Sean M. Stiff.

² Art. I, §5.

³ Art. II, §3.

⁴ The antideficiency acts consist of a series of provisions and revisions enacted into law over the years relating to budget execution—such as prohibited activities, the apportionment system, and budgetary reserves—that are codified in Title 31 of the *United States Code*, including in Sections 1341-1342. For more on executive branch budget processes, see CRS Report R47019, *The Executive Budget Process: An Overview*, by Dominick A. Fiorentino and Taylor N. Riccard.

The timing of consideration of budgetary legislation, like other legislation, often reflects a complex set of political considerations and agenda-setting choices by committees and chamber leadership.

Another focus of reform proposals has been budgetary control mechanisms intended to promote, require, or enforce specific budgetary outcomes such as a maximum deficit amount, statutory spending caps (including the Budget Control Act), or offset requirements (including the Statutory PAYGO Act).⁵ These proposals have often involved sequestration as an enforcement mechanism.

Methods of Modifying the Budget Process

Because the existing budget process comprises so many separate elements, it can be modified through a variety of methods. On one end of the spectrum, the budget process can be altered informally through changes in practice. For example, the majority party leadership may establish specific protocols concerning the scheduling of legislation for plenary consideration. Although these cannot be enforced formally through action on the floor, they may govern the practices or customs the majority party leadership uses when establishing the agenda of the chamber. In addition, party conference or caucus rules within a chamber might similarly affect the actions of its members in the budget process as well.

The House or Senate may adopt or amend rules that apply to the content or consideration of budgetary legislation in that chamber. This can be done by agreeing to a freestanding simple resolution. The House does this routinely when it adopts its standing rules at the beginning of a new Congress. The House and Senate may also agree to a concurrent resolution that that would establish a rule applicable to the proceedings in one or both chambers. For example, a concurrent resolution on the budget adopted pursuant to the Congressional Budget Act often includes rule-making provisions altering the congressional budget process. However, rules included in a concurrent resolution may be applied only if the concurrent resolution has been adopted in both chambers, even if the rule would apply in only one chamber.

The budget process may also be amended in statute either in the form of freestanding legislation or as a provision in another measure, such as an appropriations bill or a measure to increase the debt limit. Statutory changes that affect chamber proceedings and are made pursuant to congressional rulemaking authority, such as those in the Congressional Budget Act, may be modified by further statutory changes, or their application may be modified for one or both chambers by action on a simple resolution or concurrent resolution. Finally, the budget process could be altered through an amendment to the U.S. Constitution, such as through a balanced budget requirement or imposing a limit on federal spending, revenue, or debt or the consideration of spending, revenue, or debt legislation.

Congressional Committee Jurisdiction over Budget Process Reform Issues

House and Senate rules grant jurisdiction over budget process reform to standing committees. In addition, select committees have sometimes been established to consider budget process reform.

⁵ For more, see CRS Report R41901, *Statutory Budget Controls in Effect Between 1985 and 2002*, by Megan S. Lynch; CRS Report R41965, *The Budget Control Act of 2011*, by Bill Heniff Jr., Elizabeth Rybicki, and Shannon M. Mahan; and CRS Report R41157, *The Statutory Pay-As-You-Go Act of 2010: Summary and Legislative History*, by Bill Heniff Jr.

House Rule X, clause 1(d), grants the House Budget Committee jurisdiction over the “budget process generally,” and House Rule X, clause 4(b)(5), instructs the House Budget Committee to “study on a continuing basis proposals designed to improve and facilitate the congressional budget process, and report to the House from time to time the results of such studies, together with recommendations.” House Rule X, clause 1(o), grants the House Rules Committee jurisdiction over “Rules and joint rules ... and the order of business of the House.” By granting the committee jurisdiction over propositions that would make or change the rules of the House, this rule includes any changes to the budget process that would have an impact on the content or consideration of budgetary legislation by the House. The House Committee on Oversight and Reform does not have jurisdiction over the budget process directly. House Rule X, clause 1(n), however, does grant it jurisdiction over government management, including jurisdiction over government accounting measures, as well as the economy and efficiency of government operations, which can have an impact on legislation concerning executive branch agencies and issues related to budget execution. If a reform proposal takes the form of a proposal of an amendment to the Constitution, Rule X, clause 1(l), grants jurisdiction to the House Judiciary Committee regardless of whether it concerns budgetary issues.

In the Senate, a standing order⁶ supersedes the language in Senate Rule XXV concerning committee jurisdiction over budget process issues. Under this standing order, the Senate Budget Committee exercises exclusive jurisdiction over measures affecting the congressional budget process that are:

- (1) the functions, duties, and powers of the Budget Committee;
- (2) the functions, duties, and powers of the Congressional Budget Office;
- (3) the process by which Congress annually establishes the appropriate levels of budget authority, outlays, revenues, deficits or surpluses, and public debt—including subdivisions thereof—and including the establishment of mandatory ceilings on spending and appropriations, a floor on revenues, timetables for congressional action on concurrent resolutions, on the reporting of authorization bills, and on the enactment of appropriation bills, and enforcement mechanisms for budgetary limits and timetables;
- (4) the limiting of backdoor spending devices;
- (5) the timetables for Presidential submission of appropriations and authorization requests;
- (6) the definitions of what constitutes impoundment—such as “rescissions” and “deferrals”;
- (7) the process and determination by which impoundments must be reported to and considered by Congress;
- (8) the mechanisms to insure Executive compliance with the provisions of the Impoundment Control Act, title X—such as U.S. Government Accountability Office review and lawsuits; and
- (9) the provisions which affect the content or determination of amounts included in or excluded from the congressional budget or the calculation of such amounts, including the definition of terms provided by the Budget Act.

In addition, the standing order grants the Senate Committee on Homeland Security and Governmental Affairs jurisdiction over “Budget and accounting measures, other than appropriations, except as provided in the Congressional Budget Act of 1974” as well as studying the efficiency, economy, and effectiveness of all agencies and departments of the federal

⁶ S.Res. 445 (108th Congress), effective at the beginning of the 109th Congress.

government. Senate Rule XXV, paragraph (1)(n), grants the Committee on Rules and Administration jurisdiction over congressional organization relative to rules and procedures. As in the House, if a reform proposal takes the form of a proposal of an amendment to the Constitution, Rule XXV, paragraph 1(m), grants jurisdiction to the Senate Judiciary Committee regardless of whether it concerns budgetary issues.

Congressional Studies and Budget Process Reform

In addition to these standing committees, Congress has from time to time established select or special committees or task forces to examine the existing budget process and make recommendations for reform. In such cases, any recommendations made by the committee are referred to the House and Senate standing committees with jurisdiction.

House Committee on Rules Task Force on the Budget Process (97th-99th Congresses)

After the Congressional Budget and Impoundment Control Act of 1974 was enacted, its implementation required a number of ad hoc modifications over the first several years of its use. Congressional dissatisfaction with this piecemeal approach resulted in several committees in the House and Senate devoting attention to a number of proposals to take a more systematic look at the budget process. One of the most prominent efforts was undertaken by the Task Force on the Budget Process of the House Rules Committee (97th-98th Congresses), which studied budget reform from early 1982 until issuing its report in May 1984. The task force's recommendations were introduced as H.R. 5247 (98th Congress) and subsequently reported by the Rules Committee (H.Rept. 98-1152, Part 1), but the House took no further action on it.

Interest in the recommendations continued into the 99th Congress. They were incorporated into several budget process reform proposals and subsequently enacted as part of the Balanced Budget and Emergency Deficit Control Act of 1985 (P.L. 99-177).

Joint Committee on the Organization of Congress (103rd Congress)

In 1992, the House and Senate voted to create a Joint Committee on the Organization of Congress to review a diverse spectrum of administrative and procedural issues related to the organization and operation of the legislative branch. Among the most prominent issues was budget process reform. The committee ultimately made separate recommendations to the House and Senate that included several budget process changes. Legislation embodying these recommendations was subsequently referred to the House Committees on Rules, Government Operations, and House Administration (H.R. 3801, 103rd Congress) and the Senate Committee on Rules and Administration (S. 1824, 103rd Congress).

In the House, the committees of jurisdiction held additional hearings in 1994, but the measure was not reported and not considered further by the House. In the Senate, the Committee on Rules and Administration held additional hearings (S.Hrg. 103-488), and the bill was subsequently ordered reported with an amendment (S.Rept. 103-297) but was not considered further by the Senate.

House Budget Committee Task Force on the Budget Process (105th and 106th Congresses)

The House Budget Committee established a bipartisan task force in the 105th Congress to address continuing questions about whether the budget process met the needs of Congress. The task force held several hearings and issued its recommendations as H.R. 4837, but the measure was not considered further. The provisions of this measure were subsequently reintroduced in the 106th Congress (H.R. 853) and referred to the Budget Committee, the Rules Committee, and the Appropriations Committee. The Rules Committee and the Budget Committee held additional hearings, and the three committees subsequently reported the bill.⁷ H.R. 853 was considered by the House but failed to pass by a vote of 166-250.

The Joint Select Committee on Budget and Appropriations Process Reform (115th Congress)

Most recently, the Bipartisan Budget Act of 2018 (P.L. 115-123) created a joint select committee made up of 16 Members from the House and Senate to recommend legislation that would “significantly reform the budget and appropriations process.”⁸ While the committee’s co-chairs released draft legislation, the committee did not adopt the vote on reporting the legislation, and the draft was not considered further by the House or Senate.⁹

Author Information

James V. Saturno
Specialist on Congress and the Legislative Process

Megan S. Lynch
Specialist on Congress and the Legislative Process

⁷ The Appropriations Committee reported the bill adversely, amended (H.Rept. 106-198, part 1); the Budget Committee reported the bill, amended (H.Rept. 106-198, part 2); and the Rules Committee reported the bill, amended (H.Rept. 106-198, part 3).

⁸ For more information on the Joint Select Committee on Budget and Appropriations Process Reform, see CRS Report R45111, *The Joint Select Committee on Budget and Appropriations Process Reform*, by Megan S. Lynch and James V. Saturno.

⁹ *Ibid.* See also U.S. Congress, House Committee on the Budget, *Legislative History of the Joint Select Committee on Budget and Appropriations Process Reform*, committee print, 115th Cong., 2nd sess., H.Prt. 115-15 (Washington, DC: GPO, 2018).

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.