Show Me the Money: A Timeline of Key Steps in the Appropriations Process

February 8, 2023

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Introduction

Every year, Congress passes appropriations bills to fund the government. Appropriations bills fund the discretionary portions of the federal budget, such as education, defense, and housing. As a result, the appropriations process impacts nearly every federal department and agency. On top of that, states, cities, and counties rely on federal funding to carry out community projects and programs like Head Start, bridge and highway renovations, public health efforts, and more.

While much of the timeline for the annual appropriations process is set by law, the federal government often does not abide by its deadlines. As a result, it can be hard for the public to know when to engage should they wish to advocate for particular priorities in their community. The following steps illustrate a rough timeline of key inflection points during the annual appropriations process.¹

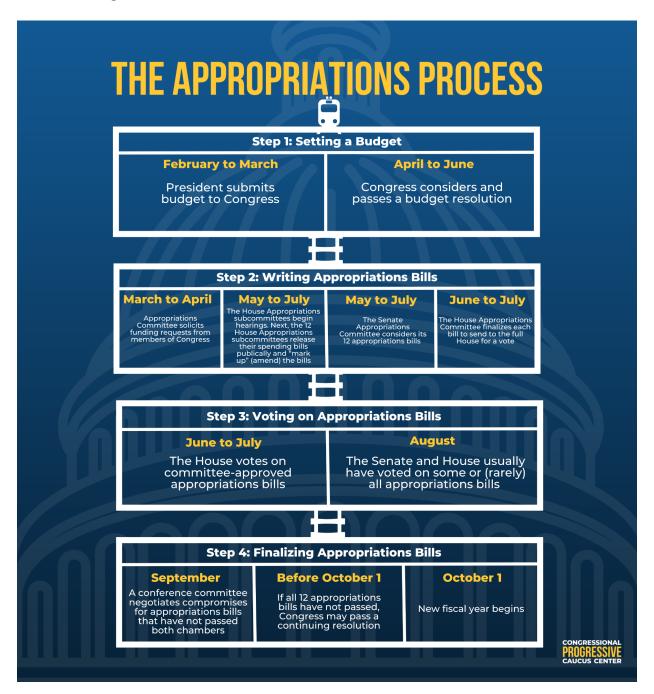
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¹ This timeline uses terms that may be unfamiliar to stakeholders who do not follow Congress closely. For a glossary of commonly-used terms in Congress, see <u>Understanding Capitol Hill Jargon</u>.

The Appropriations Process

The following chart outlines key steps in the appropriations process. These steps are described in greater detail below.



Step 1: Setting a Budget

February to March - President submits budget to Congress

- The President's budget indicates the administration's spending priorities for the upcoming fiscal year. For example, the President's Fiscal Year (FY) 2023 budget proposed a 29 percent boost to the Environmental Protection Agency's budget, bringing the agency's funding to an all-time high. The President's budget does not become law, meaning Congress is free to adopt or ignore the spending levels the administration recommends.
- By law, the President must submit a budget for the upcoming fiscal year² to Congress by the first Monday in February. Administrations often miss these deadlines. For example, the Biden administration intends to submit its FY2024 budget to Congress on March 9, 2023.

April to June - Congress considers and passes a budget resolution

 This Congress-passed budget resolution is not signed by the President and does not become law. However, it includes the total federal funding for the Appropriations Committees to distribute among different government agencies and programs for the fiscal year. This is known as the "topline number" for discretionary spending.³

Step 2: Writing Appropriations Bills

March to Late April - Appropriations Committee solicits funding requests from members of Congress

• Members circulate letters to appropriators for other members to sign that indicate shared support for or opposition to a certain federal program. Letters may show general support or endorse a certain amount of funding for a program. Members do this to get their priorities included in appropriations bills' first drafts. This is easier than adding their preferences to the bills later when new additions garner more attention—and, potentially, opposition. For example, in 2022, members sent an appropriations letter requesting at least \$49 billion for the National Institutes of Health (NIH) for FY2023. Members often sign these letters in response to requests from constituents and advocates.

² The fiscal year for the federal government begins on October 1 of each year and ends on September 30 of the following year.

³ Discretionary spending refers to the money Congress chooses whether or not to allocate for federal programs each year. Discretionary spending is distinct from "mandatory spending," which is required under existing law and finances programs like Social Security, Medicare, Medicaid, and others.

- o Members may solicit feedback from their constituents, community groups, advocates, and other stakeholders regarding their priorities in the upcoming appropriations process. Members will typically have instructions to submit appropriations requests to their office on their website. For example, Rep. Debbie Dingell (D-MI-06) hosts a page on her website with instructions for submitting appropriations requests to her office. Each member's office sets deadlines.
- Advocates may ask members to support specific federal programs or "earmarks." Earmarks, now called "congressionally-directed spending" or "community project funding," are items in appropriations bills for specific local projects. For example, a member's district may receive funding to expand clean water infrastructure through an earmark.
- Each Appropriations subcommittee⁴ has different deadlines for submitting appropriations requests. Stakeholders can find submission deadlines on the Appropriations Committee website.

May to July - The **House Appropriations subcommittees** begin hearings

• The 12 Appropriations subcommittees release text of their spending bills to the public and "mark up" (amend) the bills to prepare them for the House floor.

May to July - The <u>Senate Appropriations Committee</u> considers its 12 appropriations bills

- The House and Senate Appropriations Committees have the same 12 subcommittees in each chamber.
- The Senate often only considers some of the 12 bills on the Senate floor and instead uses House-passed appropriations bills as a starting point for negotiations between the two chambers.
- In recent years, the House has introduced and initiated appropriations bills' consideration, though the Senate may introduce and pass their versions.

June to July - The House Appropriations Committee Finalizes Bills

• The House Committee approves and votes on all 12 appropriations bills and sends them to the full House for consideration.⁵

⁴ The subcommittees are: Agriculture, Rural Development, Food and Drug Administration, and Related Agencies; Commerce, Justice, Science, and Related Agencies; Defense; Energy and Water Development; Financial Services and General Government; Homeland Security; Interior, Environment, and Related Agencies; Labor, Health and Human Services, Education, and Related Agencies; Legislative Branch; Military Construction, Veterans Affairs, and Related Agencies; State, Foreign Operations, and Related Programs; and Transportation, Housing and Urban Development, and Related Agencies.

⁵ In recent years, the Senate has not considered any individual appropriations bill on the Senate floor and generally acts on a House-passed package of all 12 appropriations bills or a compromise package both chambers have negotiated, known as an "omnibus." Alternatively,

Step 3: Voting on Appropriations Bills

June to July - The House votes on committee-approved appropriations bills

- The floor amendment process allows all House members to modify an appropriations bill. For example, members could introduce an amendment to increase funding for a program, decrease funding, or put conditions on funding. More specifically, a member could offer an amendment stipulating that no funding in the bill can be used to construct a border wall. However, amendment opportunities depend on the rule's (the House–approved resolution that sets parameters for debate) structure. Additionally, amendments must adhere to certain rules about the kinds of items included in the appropriations bills.
 - During this process, members may seek to add or remove long-standing "policy riders" through a floor amendment. Policy riders are provisions that attach policy directives or conditions on funding and can be used to modify existing laws or implement new policy initiatives and are often a way to advance policy goals without having to pass standalone legislation. For example, a member may offer an amendment to repeal the prohibition that for decades has barred specific health care programs from covering abortion care, known as the Hyde Amendment.

August - The Senate and House usually have voted on some or (rarely) all appropriations bills

- The House and Senate will sometimes pass different versions of the same appropriations legislation. In these cases, the two chambers will convene a conference committee composed of representatives and senators to reconcile differences between the two bills.
- By August, some bills may have already gone through a conference committee. Once the committee develops a compromise bill, the House and Senate vote on the bill to approve it, after which the President can sign it into law. However, this "conferencing" often happens behind the scenes, meaning representatives and senators develop a compromise bill through private negotiations without formal committee meetings.

the chambers might consider smaller packages comprised of subsets of the appropriations bills, known as "minibuses."

Step 4: Finalizing Appropriations Bills

September - Remaining conference committees meet

• Conference members meet to finalize compromise versions of appropriations bills for each chamber to consider and for the President to sign into law. Again, this process may happen informally.

Before October 1 - Congress may consider passing a continuing resolution

• Suppose Congress fails to pass one or more appropriations bills by the end of the fiscal year (September 30). In that case, Congress may pass a continuing resolution (CR) to fund the government at the previous fiscal year's spending levels. A CR does not need to last an entire fiscal year. Often, Congress will pass a CR to buy more time to negotiate full-year appropriations bills. Without a CR or an appropriations bill for the new fiscal year, government funding lapses, resulting in a government shutdown.

October 1 - New fiscal year begins

• In recent years, Congress has not met the October 1 deadline to enact appropriations bills into law and has had to pass a CR to allow more time for negotiations. These CRs have typically lasted through early-to-mid December, at which point Congress has passed an omnibus spending package for the upcoming fiscal year. For example, in 2022, Congress finalized the Consolidated Appropriations Act, 2023 (Public Law 117-328) on December 23.