

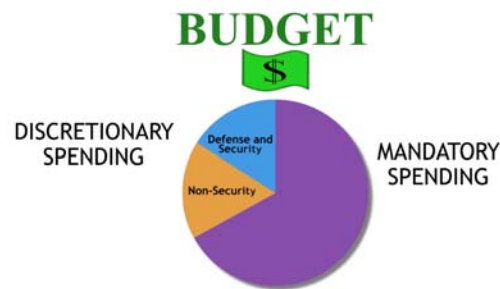
## The Federal Budget Process At-A-Glance

Our government takes in money through various taxes and fees. Congress and the President develop an overall budget to determine the total amount of money to be spent.



The budget funds are spent in two ways:

- **Mandatory** spending, which is money the government must spend on entitlement programs like Medicare, Medicaid, and Social Security.
- **Discretionary** spending, which varies from year-to-year and is decided by Congress and the President. Discretionary spending funds everything from Early Head Start to senior centers, from cancer research to the military.



Each budget is developed for what is called a Fiscal Year, which begins on October 1<sup>st</sup> and runs through September 30<sup>th</sup> of the following year.

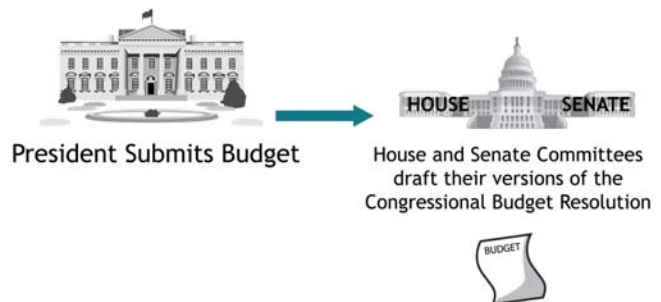


President Submits Budget

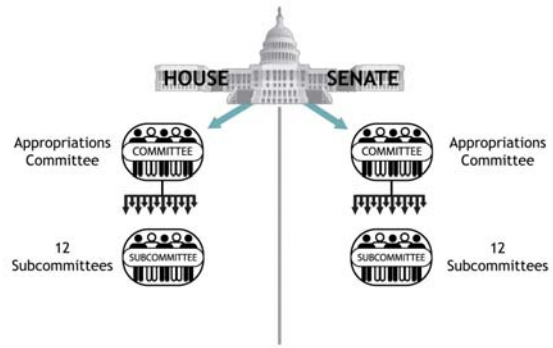


The budget process starts in February with the President submitting his budget plan for the next Fiscal Year.

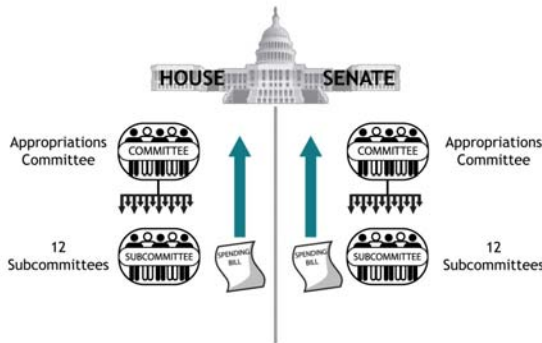
Then Congress develops its budget plan, called the budget resolution, to set a total amount for spending in the year ahead. Typically, the budget resolution is complete by mid-April.



The budget total is sent to the House and Senate appropriations committees, where it is divided among 12 subcommittees.



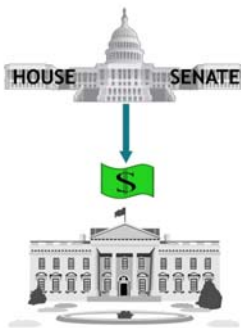
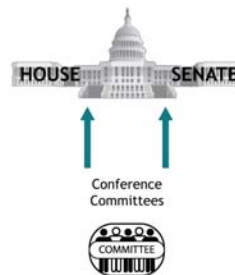
Separately, the House and Senate appropriations subcommittees decide how much money to allocate to each program in their jurisdiction. The full House and Senate appropriations committees weigh in, and then the entire House and Senate vote on the 12 appropriations bills developed in their chamber.



Each year, it is expected that Congress will pass and the President will sign 12 individual spending bills, called appropriations bills, which allocate those discretionary dollars before the beginning of the new fiscal year.

If the House and Senate bills are different, which they often are, members of the House and Senate must meet in a conference committee and iron out their differences for each of the 12 appropriations bills.

The entire House and Senate must vote again on each conference committee report.



If Congress passes all 12 appropriations bills, they go to the President for his signature or veto. If Congress does not complete the 12 appropriations bills by October 1<sup>st</sup>, they propose a temporary bill, called a Continuing Resolution, to keep all government programs running.

Continuing Resolution

