



Appropriations Primer

“No money shall be drawn from the Treasury but in Consequence of Appropriations made by Law;” – US Constitution Article 1, Section 9, Clause 7

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**A History of the House Appropriations Process
1789-1993
Congressional Research Service Report 93-729
August 6, 1993**

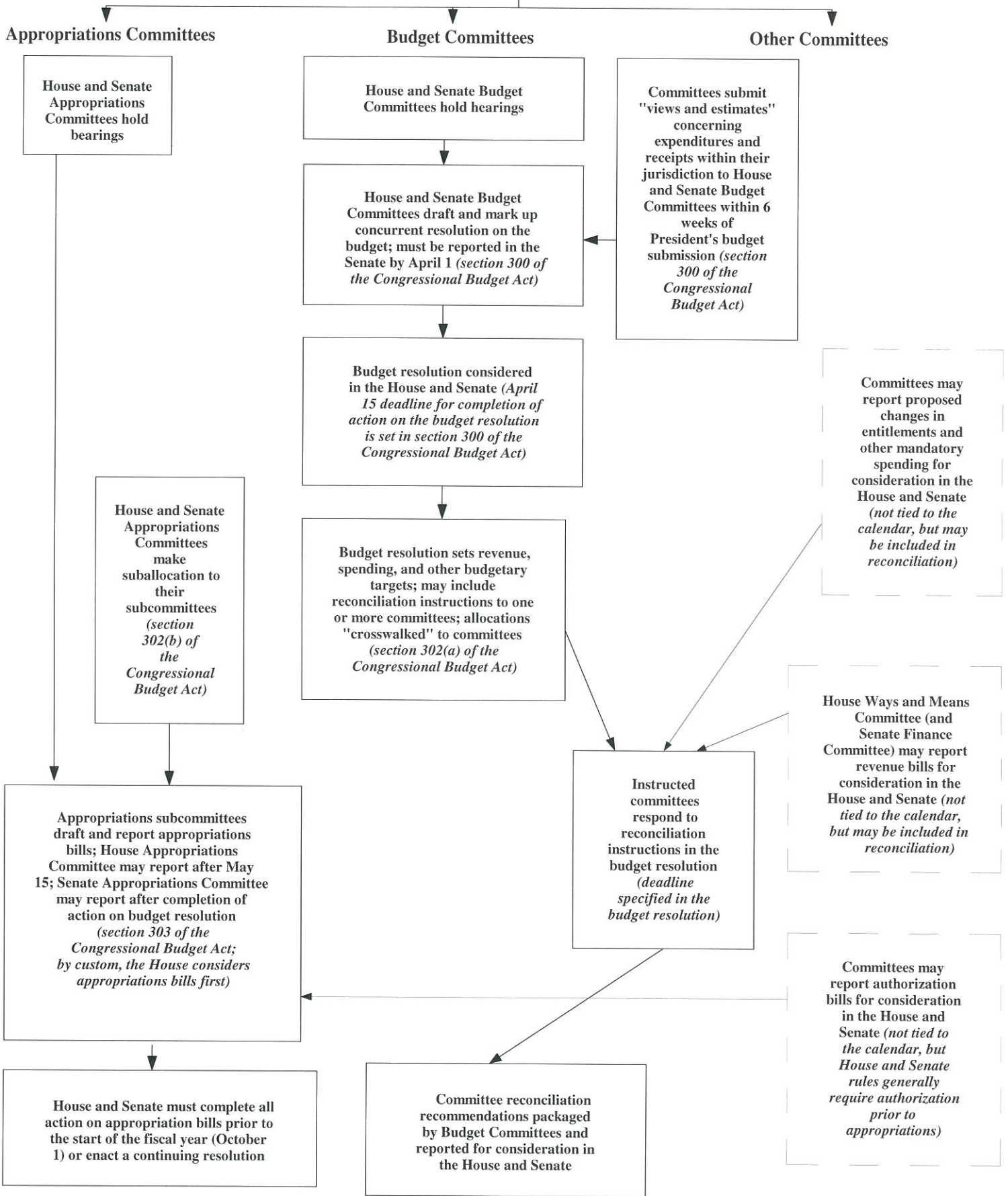
Executive Summary

Congress did not create Appropriations Committees until after the Civil War. Before that time, the House of Representatives relied on its Ways and Means Committee to report both appropriations and tax measures. The Senate Finance Committee also handled both appropriations and taxes.

In response to the problems of Civil War financing, in 1865 the House removed from Ways and Means its jurisdiction over appropriations bills and placed that responsibility in a newly created Appropriations Committee. Two years later the Senate adopted the same reform. In this second stage of the appropriations process, the Appropriations Committees were gradually stripped of their control over appropriations. One by one, authorization committees gained authority to report appropriations, finally reaching a crescendo in the House in 1885.

The third stage of appropriations history took place after 1885, as both Houses recognized the need for centralizing appropriations authority in a single committee. In 1920, the House of Representatives consolidated jurisdiction over all funding measures in the Appropriations Committee; two years later the Senate followed suit. The fourth stage consists of the actions since 1922 in dispersing "backdoor spending" authority to the authorization committees, to the point that today the percentage of federal spending under the direct control of the Appropriations is less than 40 percent.

President submits budget proposal to Congress by 1st Monday in February (31USC 1105(a))



Appropriations Committees

Budget Committees

Other Committees

House and Senate Appropriations Committees hold hearings

House and Senate Budget Committees hold hearings

Committees submit "views and estimates" concerning expenditures and receipts within their jurisdiction to House and Senate Budget Committees within 6 weeks of President's budget submission (section 300 of the Congressional Budget Act)

House and Senate Budget Committees draft and mark up concurrent resolution on the budget; must be reported in the Senate by April 1 (section 300 of the Congressional Budget Act)

Budget resolution considered in the House and Senate (April 15 deadline for completion of action on the budget resolution is set in section 300 of the Congressional Budget Act)

Committees may report proposed changes in entitlements and other mandatory spending for consideration in the House and Senate (not tied to the calendar, but may be included in reconciliation)

House and Senate Appropriations Committees make suballocation to their subcommittees (section 302(b) of the Congressional Budget Act)

Budget resolution sets revenue, spending, and other budgetary targets; may include reconciliation instructions to one or more committees; allocations "crosswalked" to committees (section 302(a) of the Congressional Budget Act)

House Ways and Means Committee (and Senate Finance Committee) may report revenue bills for consideration in the House and Senate (not tied to the calendar, but may be included in reconciliation)

Appropriations subcommittees draft and report appropriations bills; House Appropriations Committee may report after May 15; Senate Appropriations Committee may report after completion of action on budget resolution (section 303 of the Congressional Budget Act; by custom, the House considers appropriations bills first)

Instructed committees respond to reconciliation instructions in the budget resolution (deadline specified in the budget resolution)

Committees may report authorization bills for consideration in the House and Senate (not tied to the calendar, but House and Senate rules generally require authorization prior to appropriations)

House and Senate must complete all action on appropriation bills prior to the start of the fiscal year (October 1) or enact a continuing resolution

Committee reconciliation recommendations packaged by Budget Committees and reported for consideration in the House and Senate

NEWS

House Appropriations Committee

Chairman C.W. Bill Young (R-FL)

Website address: www.house.gov/appropriations

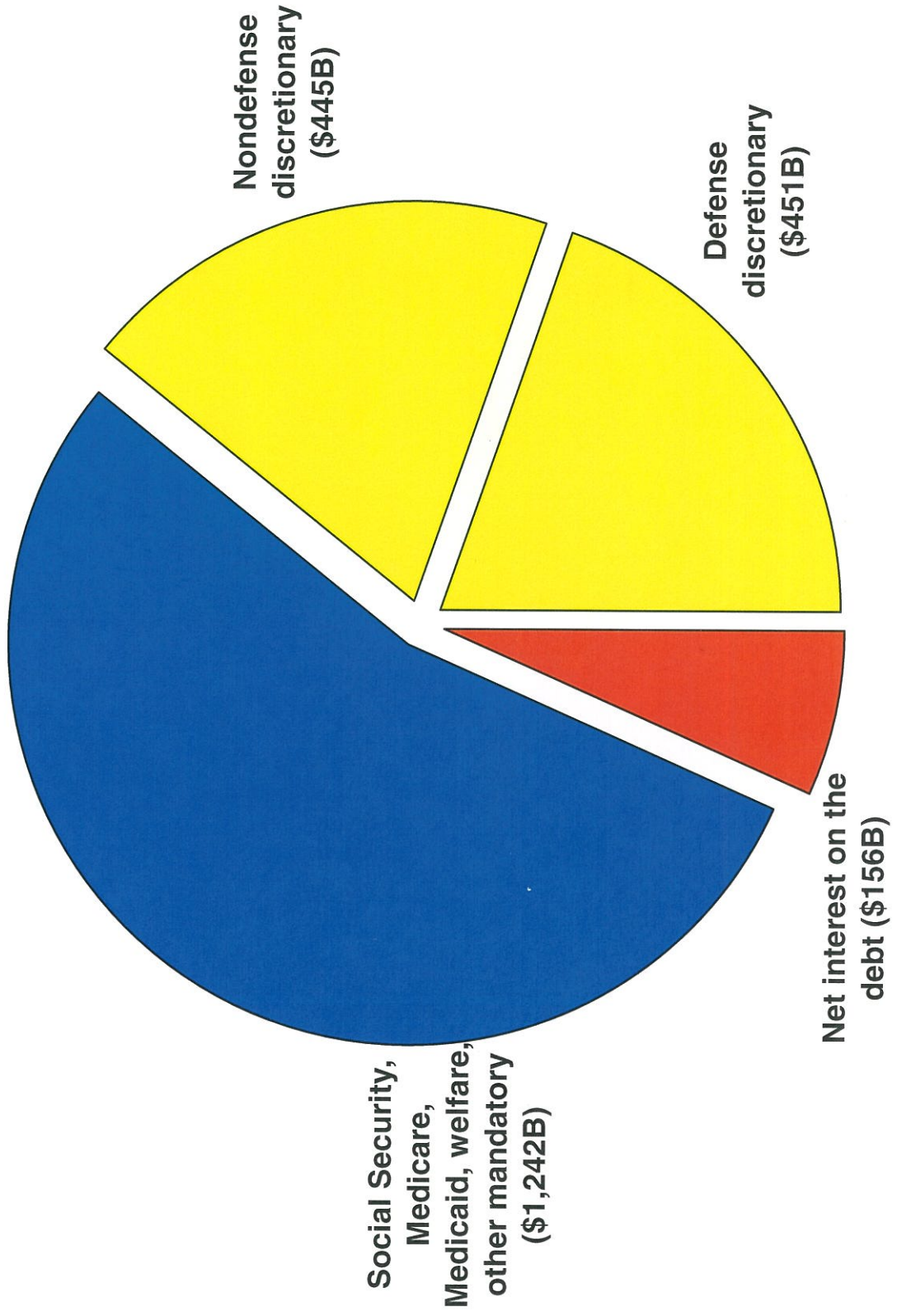
Budget Perspective

- **Administration's Discretionary Target**—The President has proposed to limit discretionary spending to 4% and more specifically limit nondefense discretionary to 1% growth. The House Appropriations Committee can live with this target but we need to be realistic about the impact of this proposal.
 - Discretionary spending accounts for only one third of the \$2.3 trillion federal budget. (*Chart 1*)
 - When national defense and homeland security are excluded, discretionary spending totals only 17 % of the total budget, less than one fifth of the federal budget.
 - Even a freeze on non-defense discretionary spending will have a minimal impact on deficit, about \$3 billion in savings.(*Chart 2*) **In other words, solely targeting non-defense discretionary spending will not have a significant impact on the deficit.**
- **Administration Discretionary Spending Initiatives**—While the Administration proposed a 1% growth in non-defense discretionary, it has also proposed to increase significantly certain discretionary programs.
 - **International AIDS Initiative**--\$15 billion over the next five years, a 200% increase over current levels.
 - **NASA Mars Mission**--Full costs are unknown, but it is expected to be a multi-billion dollar proposal. Historically, NASA has chronically underestimated the price of its initiatives.
 - **Defense and Homeland Security**—The Administration's proposed growth in Defense and Homeland Security will necessitate reductions in other programs. **The biggest challenge for appropriators will be balancing Presidential budget promises with traditional Congressional priorities like Veterans Medical Care, Medical Research, Law Enforcement and Special Education.**
- **Member's Requests**--With 1% growth in non-defense discretionary, Members should have very low expectations for Congressional project funding especially in an election year.
- **Budget Resolution**—Last year's budget resolution proposed to limit the growth of discretionary spending to 3% and the Appropriations Committee complied. The Budget Resolution however assumed several billion dollars in politically popular spending over the budget request without paying for it. **This year's budget resolution should contain discretionary budget allocation with no assumptions, reserve funds or firewalls.**
- **Mandatory Spending**--Meaningful deficit reduction can only be accomplished by taking a hard look at mandatory spending.
 - **The biggest budgetary challenge facing the Congress this year will be how to reauthorize highway programs in a fiscally responsible manner.**
 - The **Administration's** own proposal for the reauthorization of TEA21 proposes to increase spending on Highway and other transportation programs by 13% over 6 years for a total of \$247 billion compared to \$218 billion in current levels.
 - **The Transportation and Infrastructure Committee's** has proposed a whopping 72% increase for the same programs or \$375 billion in total spending. **Any saving from discretionary cuts would be spent three times over by this proposal.** (*Chart 3*)
- **Conclusion**—Solely targeting non-defense discretionary spending will not have a significant impact on the deficit. The biggest challenge for appropriators will be reconciling Presidential budget promises with traditional Congressional priorities. This year's budget resolution should be gimmick free. The most important budgetary challenge will be how to address growth in mandatory programs particularly in the coming reauthorization of highways programs.

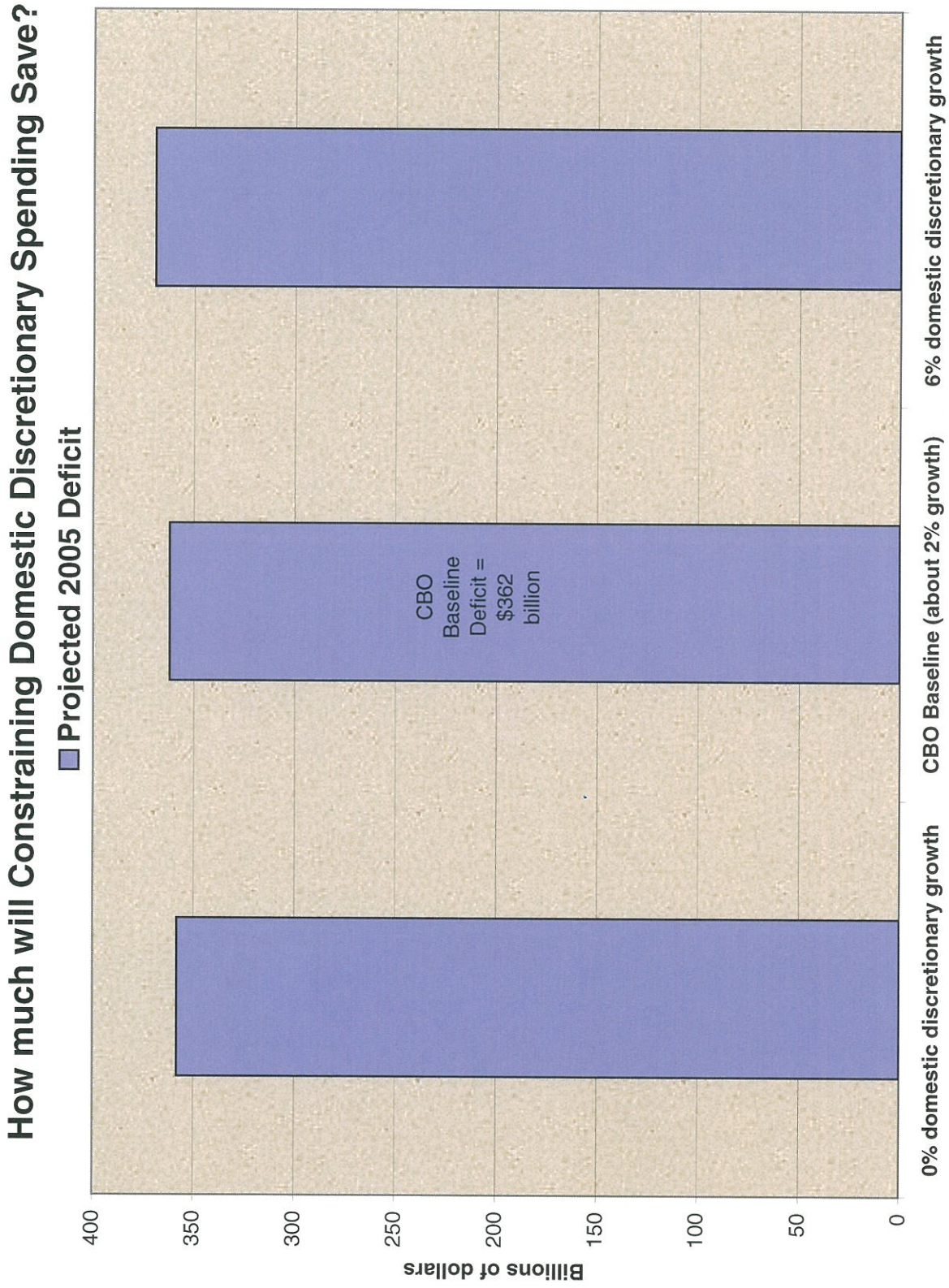
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FY 2004 Federal Budget Outlays

\$2.3 trillion



Source: CBO estimates from January 2004.

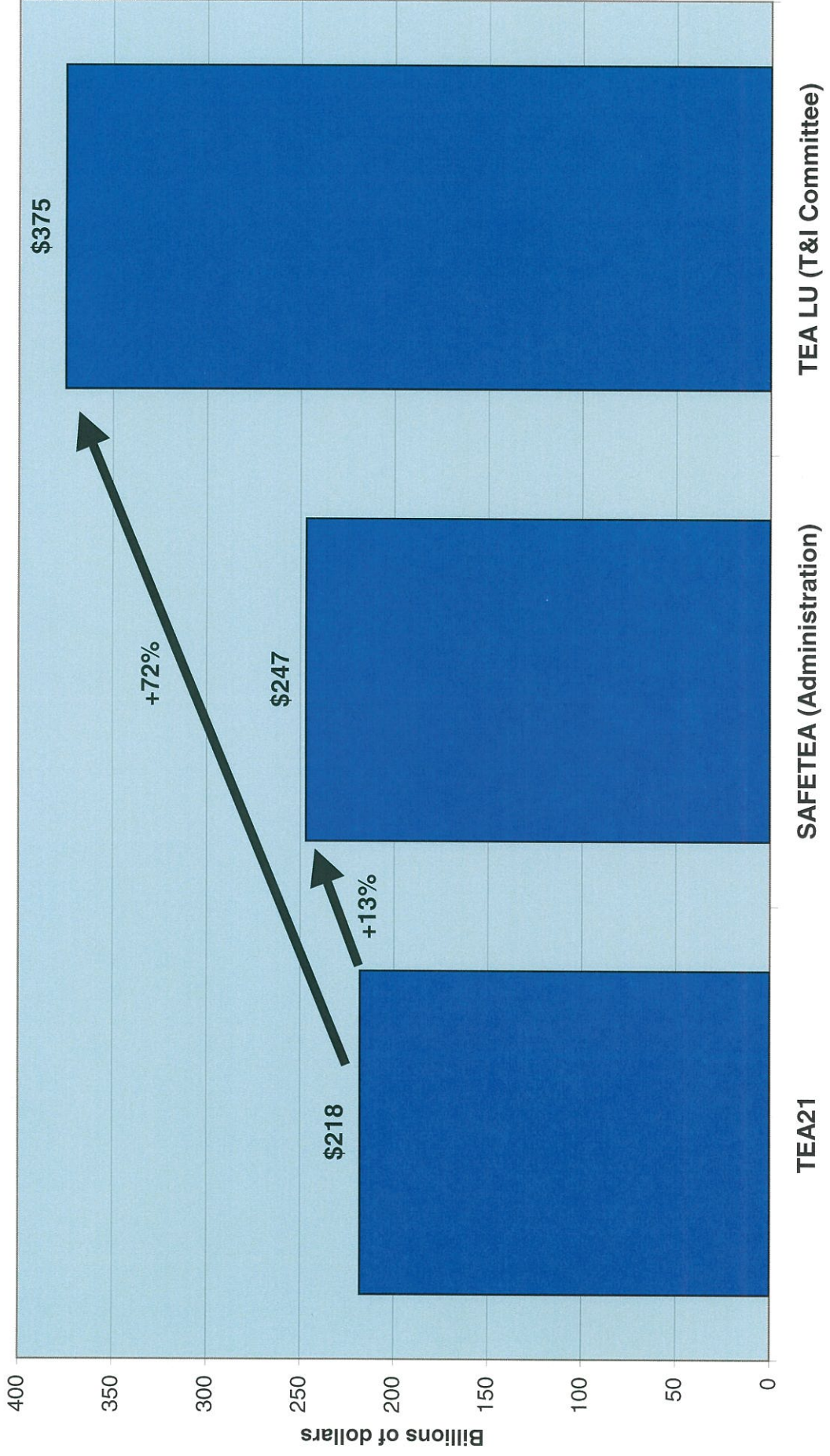


The deficit would still approach \$360 billion even with only 0% domestic discretionary growth.

LARGE CUTS TO DOMESTIC DISCRETIONARY SPENDING HAVE ONLY A SMALL IMPACT ON THE OVERALL DEFICIT

HIGHWAY AND TRANSIT FUNDING TOTALS

(in billions of dollars)



Fiscal Year 2005 Appropriations Summary
Members Requests Deadlines

(Current as of February 17, 2004)

Subcommittee on Agriculture, Rural Development, FDA, and Related Agencies

DEADLINE: March 24, 2004

FORM REQUIRED: <http://onlinecao.house.gov/appropriations/>

Subcommittee on Commerce, Justice, State, and the Judiciary

DEADLINE: April 2, 2004

FORM REQUIRED: No

Subcommittee on Defense

DEADLINE: March 31, 2004

FORM REQUIRED: Yes

Subcommittee on the District of Columbia

DEADLINE: TBD

FORM REQUIRED: No form yet

Subcommittee on Energy and Water Development

DEADLINE: March 26, 2004

FORM REQUIRED: No

Subcommittee on Foreign Operations, Export Financing and Related Programs

DEADLINE: April 20, 2004

FORM REQUIRED: No

Subcommittee on Interior

DEADLINE: April 2, 2004

FORM REQUIRED: No

Subcommittee on Labor, Health and Human Services, and Education

DEADLINE: April 1, 2004

FORM REQUIRED: <http://onlinecao.house.gov/appropriations/>

Subcommittee on Legislative

DEADLINE: April 30, 2004

FORM REQUIRED: No

Subcommittee on Military Construction

DEADLINE: March 26, 2004

FORM REQUIRED: No

Subcommittee on Homeland Security

DEADLINE: April 9, 2004

FORM REQUIRED: <http://onlinecao.house.gov/appropriations/>

Subcommittee on Transportation, Treasury, Postal, and General Government

DEADLINE: March 19, 2004

FORM REQUIRED: <http://onlinecao.house.gov/appropriations/>

Subcommittee on VA, HUD, and Independent Agencies

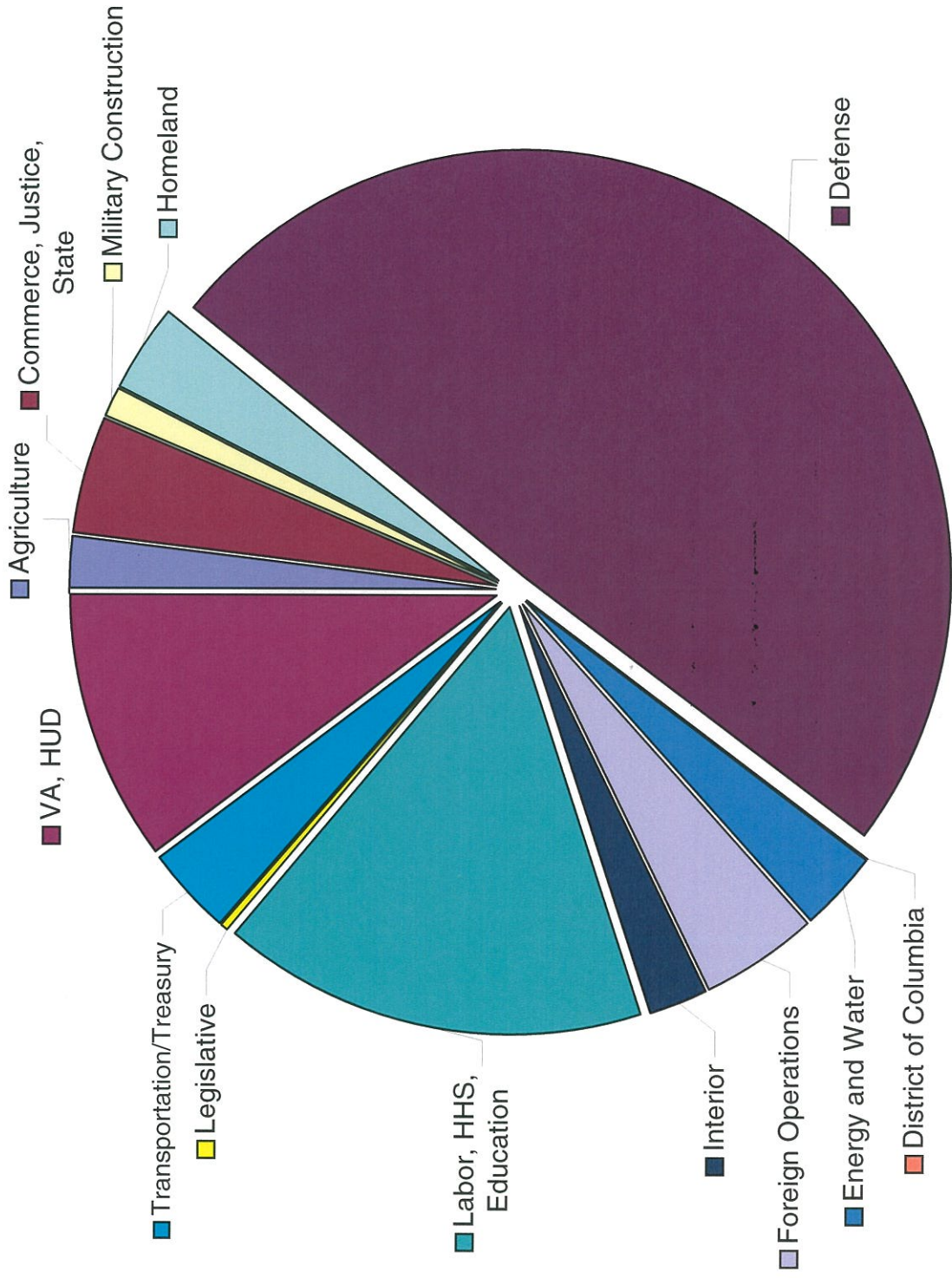
DEADLINE: March 31, 2004

FORM REQUIRED: YES

Frequently Asked Questions

1. **What are 302bs?**—The budget resolution establishes the total amount of discretionary spending available to be allocated by the Appropriations Committee. This macro amount of spending is referred to as the 302a. This is a reference to section 302a of the Congressional Budget Act of 1974 which provides for this authority in the Budget Resolution. 302bs are the specific allocations to the thirteen subcommittees which are set by the Chairman of the Committee on Appropriations and ratified by the full Appropriations Committee. This authority is provided the Chairman of the Committee on Appropriations by section 302b of the same act.
2. **Why do we do supplemental spending bills?**—Supplemental spending bills provide for emergency or unanticipated spending which was not allocated during the preceding budget year. The need to respond to unforeseen events, such as hurricanes, earthquakes or floods, often serves as the impetus for supplementals. They also have been utilized for authorization packages that are deemed so critical that the programs should be funded as soon as possible i.e. election reform. Supplementals are typically the primary funding mechanisms for major military operations abroad.
3. **Why are appropriations subcommittee chairpersons referred to as cardinals?**—Appropriations subcommittee chairpersons have traditionally been referred to as cardinals. It is unclear when this practice originated but it is a reference to the College of Cardinals who in the Catholic Church are the Pope's most trusted and influential advisers. While tradition has never dictated the full committee chairman to be referred to as the pope, the title of cardinal has been associated with subcommittee chairmen in reference to their relative influence over the allocation of billions of dollars in federal funds.

FY 2004 Appropriations Subcommittee Allocations



SUBCOMMITTEES ON APPROPRIATIONS
Chairmen and Major Jurisdictions

Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies

Chairman: Congressman Henry Bonilla (TX)
Jurisdiction: Department of Agriculture, except Forest Service
Farm Credit Administration
Farm Credit System Financial Assistance Corporation
Food and Drug Administration (HHS)

Subcommittee on the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies

Chairman: Congressman Frank Wolf (VA)
Jurisdiction: Department of Commerce
Department of Justice
Department of State, except International Narcotics
Control; International Organizations and
Programs; Nonproliferation, Anti-terrorism;
Peacekeeping Operations; U.S. Emergency
Refugee and Migration Assistance Fund
The Judiciary
Federal Communications Commission
Federal Trade Commission
Legal Services Corporation
U.S. Trade Representative
Securities and Exchange Commission
Small Business Administration

Subcommittee on Defense

Chairman: Congressman Jerry Lewis (CA)
Jurisdiction: Department of Defense--Military:
Departments of Army, Navy, Air Force, Office of
Secretary of Defense; and Defense Agencies,
except Military Construction

Subcommittee on the District of Columbia

Chairman: Congressman Rodney Frelinghuysen (NJ)
Jurisdiction: District of Columbia

Subcommittee on Energy and Water Development

Chairman: Congressman David Hobson (OH)
Jurisdiction: Department of Energy, except Strategic Petroleum Reserve; Clean Coal Technologies; Fossil Energy Research and Development; Energy Conservation, and Energy Information Administration
Army Corps of Engineers (DOD)
Bureau of Reclamation (DOI)
Appalachian Regional Commission
Nuclear Regulatory Commission
Tennessee Valley Authority
Delta Regional Authority

Subcommittee on Foreign Operations, Export Financing, and Related Programs

Chairman: Congressman Jim Kolbe (AZ)
Jurisdiction: Agency for International Development
International Narcotics Control (State)
International Organizations and Programs (State)
Migration and Refugee Assistance (State)
Nonproliferation, Anti-terrorism, De-mining, and related Programs (State)
Peacekeeping Operations
Export Import Bank
Foreign Military Financing Program
International Monetary Fund Programs (Treasury)
Multilateral Development Banks (Treasury)
Overseas Private Investment Corporation
Peace Corps
Trade and Development Agency

Subcommittee on the Department of the Interior and Related Agencies

Chairman: Congressman Charles Taylor (NC)
Jurisdiction: Department of the Interior, except Bureau of Reclamation
Department of Energy; Clean Coal Technologies; Strategic Petroleum Reserve; Fossil Energy Research Development; Energy Conservation, and Energy Information Administration
Forest Service (USDA)
Indian Health Services and Facilities (HHS)
John F. Kennedy Center for the Performing Arts
National Foundation for the Arts and the Humanities
National Gallery of Art
Smithsonian Museum

Subcommittee on the Departments of Labor, Health and Human Services, Education, and Related Agencies

Chairman: Congressman Ralph Regula (OH)
Jurisdiction: Department of Education
Department of Health and Human Services, except Food and Drug Administration; Indian Health Services and Facilities
Department of Labor
Corporation for National and Community Service
Corporation for Public Broadcasting
National Labor Relations Board
Railroad Retirement Board
Social Security Administration
U.S. Institute of Peace

Subcommittee on Legislative

Chairman: Congressman Jack Kingston (GA)
Jurisdiction: House of Representatives
Joint Items
Architect of the Capitol
Congressional Budget Office
General Accounting Office
Government Printing Office
Library of Congress

Subcommittee on Military Construction

Chairman: Congressman Joseph Knollenberg (MI)
Jurisdiction: Military Construction, Army, Navy, Air Force, and Defense Agencies and reserve forces
Military Family Housing
DOD Base Closure Account
Family Housing Improvement Fund
NATO Security Investment Program

Subcommittee on the Department of Homeland Security

Chairman: Congressman Harold Rogers (KY)
Jurisdiction: Department of Homeland Security

Subcommittee on the Departments of Transportation and Treasury, and Independent Agencies

Chairman: Congressman Ernest J. Istook (OK)
Jurisdiction: Department of Transportation; Treasury Department,
except Community Development Financial
Institutions
U.S. Postal Service
Executive Office of the President
Federal Elections Commission
Federal Labor Relations Authority
General Services Administration
Office of Personnel Management
National Transportation Safety Board
Government-wide general provisions

Subcommittee on the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies

Chairman: Congressman James Walsh (NY)
Jurisdiction: Department of Veterans Affairs
Department of Housing and Urban Development
Corporation for National and Community Service
Council on Environmental Quality
Environmental Protection Agency
Federal Deposit Insurance Corporation
National Aeronautics and Space Administration
National Science Foundation
Neighborhood Reinvestment Corporation
Selective Service System