

# CRS Report for Congress

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## Allocations and Subdivisions in the Congressional Budget Process

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The annual budget resolution sets forth total spending and revenue levels for at least five fiscal years. The spending amounts are allocated, or “crosswalked,” to the House and Senate committees having jurisdiction over discretionary spending (the Appropriations Committees) and direct spending (the legislative committees). The committee allocations provide Congress with one means of enforcing the spending levels of a budget resolution after it has been adopted. See [<http://www.crs.gov/products/guides/guidehome.shtml>] for more information on budget process.

While the budget resolution allocates spending among the 20 major functional categories of the federal budget for the purpose of providing a broad statement of budget priorities, the functional categories do not correspond to the committee system by which Congress operates. The committee allocations reformulate the functional category amounts in a budget resolution to correspond to committee jurisdictions. By allocating the spending among committees responsible for spending legislation, the committee allocations allow Congress to hold its committees accountable for staying within the spending limits established in the budget resolution.

Section 302(a) of the Congressional Budget Act (CBA) of 1974 (Titles I-IX of P.L. 93-344), as amended, requires that the total budget authority and outlays set forth in the budget resolution be allocated to each House and Senate committee that has jurisdiction over specific spending legislation. These committee allocations usually are included in the joint explanatory statement accompanying the conference report on a budget resolution. Section 302(b) of the CBA requires the Appropriations Committee of each chamber to subdivide its committee allocation among its 13 subcommittees as soon as practicable after a budget resolution has been adopted. The Appropriations Committees are then required to report these subdivisions to their respective chamber and may revise the subdivisions any time during the appropriations process to reflect actions taken on spending legislation. Section 302(c) of the CBA provides a point of order against the consideration of any appropriations measures before the Appropriations Committees report their subdivisions.

The congressional budget process timetable sets April 15 as the deadline for completion of the annual budget resolution. However, since Congress usually does not

meet this deadline, Section 302(a)(5) of the CBA provides for provisional spending allocations if a budget resolution has not been adopted by April 15. Under these provisions, the chair of the House Budget Committee must submit to the House a Section 302(a) spending allocation for the House Appropriations Committee as soon as practicable after April 15. The House Appropriations Committee, in turn, must report its Section 302(b) subdivisions to the House as soon as practicable. The provisional allocations remain in effect until Congress adopts a budget resolution for the current budget year.

The spending allocations and subdivisions may be revised after a budget resolution has been adopted if provided for in the resolution. For instance, Congress usually includes reserve fund provisions in the annual budget resolution, which provide the chairs of the House and Senate Budget Committees the authority to revise the committee spending allocations if certain legislation is reported by the appropriate committee or other conditions are met.

The House and Senate Appropriations Committees have jurisdiction over the 13 regular appropriations acts and other appropriations acts. The Appropriations Committees of each chamber have 13 parallel subcommittees, each of which is responsible for one of the 13 regular appropriations acts. After extensive hearings, each of the subcommittees reports one of the 13 regular appropriations bills to its respective full committee. Then, the full Appropriations Committees report the bills to their respective chamber. A cost estimate of each bill is prepared and compared to the amount allocated or subdivided to the relevant subcommittee.

Section 302(f) of the CBA prohibits any measure or amendment that would cause the 302(a) or 302(b) allocations to be exceeded. In the House, these committee allocations and suballocations are the primary focus of enforcement since Section 311(c) of the CBA, known as the “Fazio exception,” allows the overall limit of spending to be breached so long as a committee’s 302(a) allocation is not exceeded.

The allocation limits are not self-enforcing; a Member must raise a point of order for an allocation to be enforced. The points of order may also be waived. In the House, a special rule may be adopted, or unanimous consent may be granted, waiving any budgetary points of order. In the Senate, the point of order against violations of the spending allocations may be waived by a motion under Section 904 of the CBA or by unanimous consent. A motion to waive the point of order requires a three-fifths vote of all Senators duly sworn and chosen (60 votes if there are no vacancies).

Discretionary spending policies primarily are enforced by this Section 302 process. Direct spending policies, on the other hand, are primarily enforced by the reconciliation process. For more information on reconciliation, see CRS Report 98-814, *Budget Reconciliation Legislation: Development and Consideration*.