

# Enforceable Spending Allocations in the Congressional Budget Process: 302(a) Allocations and 302(b) Suballocations

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#### **SUMMARY**

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## Enforceable Spending Allocations in the Congressional Budget Process: 302(a) Allocations and 302(b) Suballocations

The Congressional Budget Act of 1974 (the Budget Act) provides for the annual adoption of a concurrent resolution on the budget, known as the "budget resolution." The budget resolution is intended to serve as an agreement between the House and Senate on a high-level budgetary plan that includes, among other matters, recommended levels of total federal spending. Once both

chambers adopt the resolution, several aspects of the budget resolution are enforceable in the House and Senate during the consideration of budgetary legislation. To enforce the spending levels set forth in the budget resolution, the Budget Act establishes an allocation process that focuses enforcement on the actions taken by the congressional committees and subcommittees that make spending decisions.

The budget resolution is required to include recommended levels of total federal spending for each fiscal year it covers. The Budget Act requires that Congress then allocate these aggregate spending levels among each House and Senate committee with jurisdiction over spending authority—known as "302(a) allocations," after the section in the Budget Act that establishes the requirement. The Budget Act also requires that the House and Senate Appropriations Committees further divide their 302(a) allocations among each of their respective subcommittees—known as "302(b) suballocations," also after the section in the Budget Act establishing the requirement.

In years without a budget resolution, the House and/or Senate have often employed alternative legislative tools known as "deeming resolutions" to establish 302(a) allocations and 302(b) suballocations. These allocations and suballocations are enforceable under the Budget Act as though they were agreed to as part of a budget resolution. In other years, the House and/or Senate have moved forward with the appropriations process in the absence of such allocations by instead establishing informal, or "interim," allocations. Although these informal allocations have sometimes been referred to as "302(a) allocations" or "302(b) suballocations," they are not enforceable under the Budget Act.

Allocations to committees and suballocations to the Appropriations subcommittees established pursuant to a budget resolution or deeming resolution are enforceable through points of order during the consideration of budgetary legislation in the House and Senate and generally serve as the primary means of enforcing spending levels under the Budget Act. These points of order are generally intended to enforce the allocation process outlined in the Budget Act, as well as the spending levels established in such allocations. Under the Budget Act, the House and Senate are prohibited from considering legislation that, if enacted, would cause the 302(a) allocation to a committee or the 302(b) suballocation to an Appropriations subcommittee to be exceeded. In certain circumstances, the Budget Act also prohibits the House and Senate from considering budgetary legislation in the absence of 302(a) allocations and/or 302(b) suballocations. Points of order are not self-enforcing, meaning they can be enforced only if Members raise them on the floor during the consideration of relevant legislation. In addition, both chambers have procedures for waiving Budget Act points of order.

Historically, Congress has effectively exempted certain spending from the enforcement of 302(a) allocations and 302(b) suballocations. Congress has typically provided for these exemptions either by allowing for the adjustment of allocations to accommodate the consideration of certain spending or by establishing that certain spending not count for the purpose of enforcement. This has included uncapped adjustments for spending designated by Congress and the President as being emergency requirements or, in some years, for certain military activities (known as Overseas Contingency Operations/Global War on Terrorism, or "OCO/GWOT"). Additional adjustments have historically been allowed for discretionary spending up to a certain amount that Congress designates as being for purposes such as disaster relief, wildfire suppression, and program integrity initiatives, among others. In addition, provisions in budget resolutions known as "reserve funds" have allowed for adjustments to spending allocations to accommodate the consideration of specified legislation or policies.

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#### Introduction

The Congressional Budget Act of 1974 (the Budget Act) was enacted in part to coordinate congressional consideration of budgetary legislation around a high-level plan on fiscal and policy priorities. To establish this budgetary plan, the Budget Act provides for the annual adoption of a concurrent resolution on the budget, known as the "budget resolution." The adoption of a budget resolution allows Congress to (1) create a framework within which the House and Senate will consider budgetary legislation; (2) outline high-level budgetary and policy priorities; and, optionally, (3) include instructions that can trigger the reconciliation process, among other matters.

One of the required elements of a budget resolution is that it set forth certain overall, or aggregate, budgetary levels for the federal government for each fiscal year covered by the resolution.<sup>2</sup> This includes recommended levels of total federal spending—including totals of new budget authority and outlays—for each fiscal year covered by the budget resolution (as shown in **Figure 1**).<sup>3</sup>

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<sup>&</sup>lt;sup>1</sup> For more on the congressional budget process, see CRS Report R46468, *A Brief Overview of the Congressional Budget Process*, by James V. Saturno. For more on budget resolutions, see CRS Report R48284, *The Congressional Budget Resolution: Frequently Asked Questions*, by Tori Gorman.

<sup>&</sup>lt;sup>2</sup> Section 300 of the Budget Act (codified at 2 U.S.C. §632) requires the budget resolution to set forth such levels for a total of at least five fiscal years, including the first fiscal year and the four ensuing fiscal years. The first fiscal year covered by a budget resolution is either the current fiscal year or the upcoming fiscal year that begins on October 1. In recent practice, most budget resolutions have covered 10-year periods that include the first fiscal year and the nine ensuing fiscal years.

<sup>&</sup>lt;sup>3</sup> Section 300(a)(1) of the Budget Act, codified at 2 U.S.C. §632(a)(1).

## Figure 1.Total New Budget Authority and Outlays Recommended in a Budget Resolution

As Set Forth in H.Con.Res. 14, the Budget Resolution for FY2025

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(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget
authority are as follows:
         Fiscal year 2025: $4,663,769,000,000.
         Fiscal year 2026: $4,795,798,000,000.
         Fiscal year 2027: $4,933,048,000,000.
         Fiscal year 2028: $5,216,255,000,000.
         Fiscal year 2029: $5,375,045,000,000.
         Fiscal year 2030: $5,667,195,000,000.
         Fiscal year 2031: $5,915,714,000,000.
         Fiscal year 2032: $6,191,839,000,000.
         Fiscal year 2033: $6,530,356,000,000.
         Fiscal year 2034: $6,736,948,000,000.
    (3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as
follows:
         Fiscal year 2025: $4,636,008,000,000.
         Fiscal year 2026: $4,811,854,000,000.
         Fiscal year 2027: $5,009,263,000,000.
         Fiscal year 2028: $5,304,033,000,000.
         Fiscal year 2029: $5,364,632,000,000.
         Fiscal year 2030: $5,654,106,000,000.
         Fiscal year 2031: $5,882,786,000,000.
         Fiscal year 2032: $6,121,866,000,000.
         Fiscal year 2033: $6,487,182,000,000.
         Fiscal year 2034: $6,647,428,000,000.
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Source: Section 1101(2) and Section 1101(3) of H.Con.Res. 14 (119th Congress).

Because concurrent resolutions are not signed into law, no money is spent and no revenue is collected pursuant to a budget resolution. Instead, the Budget Act establishes several procedural mechanisms intended to align future budgetary legislation with the framework set forth in the budget resolution. One such mechanism is the enforcement of several aspects of the congressional budget process and the budget resolution through points of order during the consideration of budgetary legislation in the House and the Senate.<sup>4</sup>

Under the Budget Act, certain budgetary levels included in or associated with the budget resolution are enforceable through such points of order. With regard to spending, the Budget Act prohibits the consideration of measures or amendments that would cause the aggregate spending levels set forth in the budget resolution to be exceeded. In addition, the Budget Act also created

<sup>&</sup>lt;sup>4</sup> Another example is the reconciliation process. For more on reconciliation, see CRS Report R48444, *The Reconciliation Process: Frequently Asked Questions*, by Tori Gorman.

<sup>&</sup>lt;sup>5</sup> Points of order are the method for enforcing prohibitions against certain congressional actions or the consideration of certain types of measures. These prohibitions are enforced when Members raise points of order against actions or measures that may violate congressional rules during their consideration in the House or Senate. For more on points of order in the Senate, see CRS Report 98-306, *Points of Order, Rulings, and Appeals in the Senate*, by Valerie Heitshusen; for more on points of order in the House, see CRS Report 98-307, *Points of Order, Rulings, and Appeals in the House of Representatives*, by Valerie Heitshusen; and for more on points of order in the congressional budget process, see CRS Report R47413, *Points of Order in the Congressional Budget Process*, by James V. Saturno and Megan S. Lynch.

<sup>&</sup>lt;sup>6</sup> Section 311(a)(1) of the Budget Act (codified at 2 U.S.C. §642(a)(1)) prohibits consideration in the House of any bill, joint resolution, amendment, motion, or conference report that would cause the level of total new budget authority or (continued...)

an allocation process that focuses enforcement of spending levels on the actions taken by the congressional committees and subcommittees that make spending decisions. The Budget Act requires the aggregate spending levels set forth in the budget resolution to be allocated among each congressional committee with jurisdiction over spending authority—known as "302(a) allocations"—and requires the House and Senate Appropriations Committees to subdivide this allocation among each of their respective subcommittees—known as "302(b) suballocations." These allocations and suballocations are enforceable through points of order during the consideration of budgetary legislation in the House and Senate and generally serve as the primary means of enforcing spending levels under the Budget Act.

#### 302(a) Allocations

The Budget Act requires the joint explanatory statement accompanying a conference report on the budget resolution to include allocations of total new budget authority and total outlays to each House and Senate committee with jurisdiction over spending. In the event a budget resolution is adopted without the House and Senate going to conference, such allocations have typically been filed in the *Congressional Record* by the chair of the Budget Committee in each chamber. These allocations are known as 302(a) allocations because they are required to be made under Section 302(a) of the Budget Act.

These allocations represent an enforceable ceiling on the amount of spending under the jurisdiction of each congressional committee and are required to be consistent with the aggregate spending levels set forth in the budget resolution. Such allocations may, therefore, generally signal how the issues within the jurisdiction of each committee fit into Congress's legislative agenda with regard to meeting the aggregate spending levels recommended in the budget resolution.

All House and Senate committees with jurisdiction over spending authority are required to receive 302(a) allocations. The Budget Act distinguishes between allocations to the "authorizing" (or "legislative") committees and the Appropriations Committees, however, by establishing different requirements for the form and application of each.

total outlays to exceed the levels set forth in the budget resolution for the first fiscal year. Section 311(a)(2) of the Budget Act (codified as amended at 2 U.S.C. §642(a)(2)) establishes this prohibition in the Senate.

<sup>&</sup>lt;sup>7</sup> Budget resolutions have often included provisions giving the House and Senate Budget Committee chairs the authority to file 302(a) allocations in the *Congressional Record* in the event the budget resolution is adopted without the House and Senate going to conference. For example, Section 4002 of the FY2025 budget resolution (H.Con.Res. 14, 119<sup>th</sup> Congress) provided this authority to the House and Senate Budget Committee chairs.

In recent years, 302(a) allocations in the House have typically been filed in the *Congressional Record* under the heading "Publication of Budgetary Material." In the Senate, they have been filed under various headings, including "Budget Committee Submissions," "Fiscal Year 2018 Enforcement Filing," "Enforcing Budgetary Levels for Fiscal Year 2020," and "Budget Enforcement Levels for Fiscal Year 2021," among others.

<sup>&</sup>lt;sup>8</sup> Section 302(a)(1) of the Budget Act (codified at 2 U.S.C. §633(a)(1)) requires 302(a) allocations to be "consistent with the resolution recommended in the conference report." In addition, Section 302(a)(2) (codified at 2 U.S.C. §633(a)(2)) prohibits "double counting" in the House—that is, any spending allocated to one committee may not be allocated to another committee also.

Not all congressional committees have jurisdiction over spending, and therefore not all congressional committees receive 302(a) allocations. Section 302(a)(4) of the Budget Act (codified at 2 U.S.C. §633(a)(4)) specifies that if a House or Senate committee receives no 302(a) allocation, then that committee is deemed to have received an allocation equal to zero.

#### **Allocations to Authorizing Committees**

The authorizing (or legislative) committees of Congress refer to standing committees of the House or Senate with jurisdiction over the establishment or continuation of federal agencies or programs. Legislation under the jurisdiction of these committees is often referred to as "authorizing" legislation, and the portion of federal spending provided or effectively controlled through such legislation is known as "mandatory" (or "direct") spending.<sup>9</sup>

The Budget Act requires 302(a) allocations to the authorizing committees to include total new budget authority and total outlays for the first fiscal year and the total of all fiscal years covered by the budget resolution (i.e., at least a five fiscal year period). In recent practice—because most budget resolutions have covered 10 fiscal years—302(a) allocations to the authorizing committees have typically included allocations for (1) the first fiscal year and (2) the total of the first fiscal year and the nine subsequent fiscal years. In the House, allocations to the authorizing committees are required to be divided between amounts provided or required by current law and amounts not required by current law (i.e., amounts that would require legislative action to begin or continue). Other than these requirements, the Budget Act does not specify an exact format for these allocations. As a result, the House and Senate have on occasion employed different practices for the form and content of such allocations. Figure 2 and Figure 3 provide examples of a 302(a) allocation to an authorizing committee in the House and Senate, respectively.

Figure 2. House Authorizing Committee 302(a) Example

Filed in Congressional Record Pursuant to the FY2022 Budget Resolution (S.Con.Res. 14, 117th Congress)

| TABLE 3—ALLOCATIONS OF SPENDING AUTHORITY TO HOUSE COMMITTEES OTHER THAN APPROPRIATIONS 1 (ON-BUDGET AMOUNTS IN MILLIONS OF DOLLARS) |                  |                  |                 |                    |                  |                    |
|--|------------------|------------------|-----------------|--------------------|------------------|--------------------|
| Harry complete   | Current law      |                  | Reauthorization |                    | Total            |                    |
| House committee —  | 2022             | 2022-2031        | 2022            | 2022–2031          | 2022             | 2022–2031          |
| Agriculture Budget Authority Outlays   | 13,054<br>13,422 | 56,288<br>63,937 | -3              | 709,596<br>701,055 | 13,054<br>13,419 | 765,884<br>764,992 |

Source: Congressional Record, daily edition, vol. 167, no. 189 (October 27, 2021), p. H5957.

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<sup>&</sup>lt;sup>9</sup> 2 U.S.C. §900(c)(8) defines *direct spending* as "(A) budget authority provided by law other than appropriation Acts; (B) entitlement authority; and (C) the Supplemental Nutrition Assistance Program." For more on mandatory (or direct) spending, see the section of CRS Report WMR10007, *CRS Guide to the Federal Budget Process*, by Drew C. Aherne et al., titled "Mandatory (Direct) Spending."

<sup>&</sup>lt;sup>10</sup> Section 302(a)(3)(B) of the Budget Act (codified at 2 U.S.C. §633(a)(3)(B)) establishes this requirement.

<sup>&</sup>lt;sup>11</sup> For example, in recent practice, 302(a) allocations to Senate authorizing committees have specified allocations for (1) the first fiscal year, (2) the total of the first fiscal year and the subsequent four fiscal years, and (3) the total of the first fiscal year and the subsequent nine fiscal years, while 302(a) allocations to House authorizing committees have specified allocations for only (1) the first fiscal year and (2) the total of the first fiscal year and the nine subsequent fiscal years.

Figure 3. Senate Authorizing Committee 302(a) Example

Filed in Congressional Record Pursuant to the FY2022 Budget Resolution (S.Con.Res. 14, 117th Congress)

| ALLOCATION OF S<br>COMMITTEE C        |  |                    | 7 TO 10 TO 1 |
|---------------------------------------|--|--------------------|--|
| (Pursuant to Section 302 of           | of the Congressi<br>Con. Res. 14<br>(\$ in billion | 1)                 | f 1974 and S.  |
|                                       | 2022   | 2022–2026          | 2026–2031  |
| Agriculture, Nutrition, and Forestry: |  |                    |  |
| Budget Authority<br>Outlays           | 169.301<br>156.545                                 | 739.376<br>681.230 | 1,502.313<br>1,370.549   |

Source: Congressional Record, daily edition, vol. 167, no. 165 (September 23, 2021), p. S6668.

The 302(a) allocation to an authorizing committee represents the amount of spending recommended by the budget resolution that falls under the jurisdiction of that committee. Most mandatory spending is the result of programs for which the spending authority is permanent or otherwise does not require annual congressional action to continue. As a consequence, the majority of a 302(a) allocation to an authorizing committee typically consists of spending in the committee's jurisdiction that is already projected to occur under current law, as estimated in the budget baseline. If a 302(a) allocation to an authorizing committee differs from the level of the baseline projections for spending within its jurisdiction, however, it may reflect changes anticipated as a part of Congress's legislative agenda. For instance, when a 302(a) allocation is above amounts projected in a committee's jurisdiction under current law, it may reflect congressional plans to consider legislation under that committee's jurisdiction that would increase spending. Conversely, a 302(a) allocation below a baseline projection of spending in a committee's jurisdiction may reflect plans to consider legislation under that committee's jurisdiction that would decrease spending.

#### **Allocations to the Appropriations Committees**

The House and Senate Appropriations Committees have sole jurisdiction over appropriations legislation, which is developed and considered on an annual basis through the appropriations process. Federal spending controlled through appropriations legislation is known as "discretionary" spending, which generally consists of funding for the operations of most federal agencies and most of the programs and activities each carries out. Appropriations legislation also provides funding for certain mandatory spending programs, known as "appropriated entitlements" or "appropriated mandatories."

<sup>&</sup>lt;sup>12</sup> This includes mandatory programs known as entitlement programs. The term *entitlements* refers to programs for which the federal government is legally obligated to make payments or provide services to any person, state or local government, or other entity that meets eligibility criteria established in law, such as Social Security, Medicare, and Medicaid. Rather than a specific amount established in law, total spending on entitlement programs in a given year is determined by the aggregate of all payments made to eligible beneficiaries in that year.

<sup>&</sup>lt;sup>13</sup> Congress typically uses an existing-law baseline for informational and enforcement purposes, which is defined in law at 2 U.S.C. §907. The baseline is a projection of federal spending, revenues, and the deficit or surplus that are estimated to occur if no changes were made to current laws during the period covered by the budget, taking into account certain economic and technical assumptions. For more information on the budget baseline, see Congressional Budget Office, "CBO Explains How It Develops the Budget Baseline," April 18, 2023, https://www.cbo.gov/publication/58916.

The Budget Act requires 302(a) allocations to the House and Senate Appropriations Committees—unlike allocations to authorizing committees—to provide allocations of total new budget authority and total outlays for only the first fiscal year covered by the budget resolution. <sup>14</sup> The 302(a) allocation to the House Appropriations Committee is required to be divided between discretionary and mandatory amounts. <sup>15</sup> Although no such requirement exists in the Senate, 302(a) allocations to the Senate Appropriations Committee have also typically been divided between discretionary and mandatory amounts.

The 302(a) allocations to the Appropriations Committees are often referred to as the "top line" for the appropriations process because they effectively set an enforceable limit on the total amount to be provided through appropriations legislation for a given fiscal year. The allocation of discretionary spending to the Appropriations Committees is often of considerable interest to Congress, as it represents the enforceable limit on the spending directly controlled through the appropriations process. Mandatory amounts allocated to the Appropriations Committees generally represent the amounts that are estimated to be required to fulfill obligations for a given fiscal year for mandatory programs funded through the appropriations process. Amounts for these programs are determined through authorizing laws that are outside the jurisdiction of the Appropriations Committees, and thus decisions on their funding are not typically made through the appropriations process.

As with 302(a) allocations to the authorizing committees, the form and content of such allocations to the Appropriations Committees have varied over time and between the chambers. **Figure 4** and **Figure 5** provide an example of a 302(a) allocation to the Appropriations Committee in the House and Senate, respectively.

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2023, by Grant A. Driessen and Megan S. Lynch.

<sup>&</sup>lt;sup>14</sup> Section 302(a)(1) of the Budget Act (codified at 2 U.S.C. §633(a)(1)) establishes that allocations to committees should allocate total new budget authority and total outlays to each committee "for the first fiscal year of the resolution, for at least each of the ensuing 4 fiscal years, and a total for that period of fiscal years (except in the case of the Committee on Appropriations only for the fiscal year of that resolution)."

<sup>&</sup>lt;sup>15</sup> Section 302(a)(3)(B)(i) of the Budget Act, codified at 2 U.S.C. §633(a)(3)(B)(i).

For fiscal years in which statutory limits on discretionary spending ("caps") are in effect, the Budget Act requires the 302(a) allocation to the Senate Appropriations Committee to be "further divided" between the security (defense) and nonsecurity (nondefense) categories (Section 302(a)(3)(A) of the Budget Act, codified at 2 U.S.C. §633(a)(3)(A)). In the House, the Budget Act requires the 302(a) allocation to the House Appropriations Committee in these years to be divided "consistent" with the caps established for the defense and nondefense categories, respectively (Section 302(a)(3)(B)(ii) of the Budget Act, codified at 2 U.S.C. §633(a)(3)(B)(ii)). For more on statutory limits on discretionary spending, see CRS Insight IN12168, Discretionary Spending Caps in the Fiscal Responsibility Act of

Figure 4. House Appropriations Committee 302(a) Example

Filed in Congressional Record Pursuant to H.Res. 293 (116th Congress)

| TABLE 2—ALLOCATION OF SPENDING AUTHORI HOUSE COMMITTEE ON APPROPRIATION [In millions of dollars] | 500 Same 1005.       |
|--|----------------------|
|  | 2020                 |
| Base Discretionary Action:   | 11-00070707010127-11 |
| BA   | 1,295,018            |
| OT   | 1,360,935            |
| Current Law Mandatory:   |                      |
| BA   | 1,075,820            |
| OT   | 1,067,358            |

Source: Congressional Record, daily edition, vol. 165, no. 73 (May 3, 2019), p. H3445.

Figure 5. Senate Appropriations Committee 302(a) Example

Filed in Congressional Record Pursuant to Section 122 of the Fiscal Responsibility Act of 2023 (P.L. 118-5)

| ALLOCATION OF SPENDING AUTHORITY TO SENATE COMMITTEE ON APPROPRIATIONS FOR FISCAL YEAR 2025 (Pursuant to Section 122 of the Fiscal Responsibility Act of 2023 and Section 302 of the Congressional Budget Act of 1974) [\$ in billions] |                     |           |  |  |
|---|---------------------|-----------|--|--|
|   | Budget<br>Authority | Outlays   |  |  |
| Appropriations:   | . Andrewson         | 2015000   |  |  |
| Revised Security Category/Defense   | 895.212             | N/A       |  |  |
| Revised Nonsecurity Category/Nondefense   | 710.688             | N/A       |  |  |
| General Purpose Discretionary   | N/A                 | 1,869.797 |  |  |
| Memo:   |                     |           |  |  |
| On-budget   | 1,599.212           | 1,863,193 |  |  |
| Off-budget  | 6.688               | 6.604     |  |  |
| Mandatory   | 1,562.610           | 1.544.166 |  |  |

Source: Congressional Record, daily edition, vol. 170, no. 83 (May 14, 2024), p. S3679.

#### 302(b) Suballocations

The House and Senate Appropriations Committees are each organized into 12 subcommittees, each of which is responsible for developing its chamber's version of one of the regular appropriations bills for each fiscal year. <sup>16</sup> The Budget Act requires the Appropriations Committee in each chamber to subdivide its 302(a) allocation among its subcommittees, thus establishing enforceable limits on the amount of spending under the jurisdiction of each. These subdivisions

<sup>&</sup>lt;sup>16</sup> For more on the subcommittee structure of the House and Senate Appropriations Committees, see CRS Report RL31572, *Appropriations Subcommittee Structure: History of Changes from 1920 to 2025*, by James V. Saturno.

are known as "302(b) suballocations" because they are required to be made under Section 302(b) of the Budget Act.

The Appropriations Committee in each chamber reports 302(b) suballocations in the form of a committee report. The Budget Act requires the House and Senate Appropriations Committees to "promptly report" initial 302(b) suballocations to their respective chambers "as soon as practicable" after the adoption of a budget resolution and after they have received 302(a) allocations. In addition, the Budget Act gives the Appropriations Committees the authority to report revised 302(b) suballocations at any point over the course of the fiscal year. Using this authority, the Appropriations Committees may reallocate budgetary resources among their subcommittees to reflect actions taken by the House or Senate during the appropriations process or changing funding priorities.

The Budget Act requires the House Appropriations Committee to subdivide the 302(b) suballocation for each subcommittee between discretionary and mandatory amounts.<sup>20</sup> Although it is not a requirement in the Senate, the Senate Appropriations Committee typically makes this distinction as well.<sup>21</sup> **Figure 6** and **Figure 7** provide an example of 302(b) suballocations reported by the House and Senate Appropriations Committees, respectively.

<sup>&</sup>lt;sup>17</sup> In recent practice, the House Appropriations Committee has most often titled these reports "Report on the Suballocation of Budget Allocations for Fiscal Year [...]," and the Senate Appropriations Committee has most often titled these reports "Allocation to Subcommittees of Budget Totals for Fiscal Year [...]." Revised 302(b) suballocations are also reported in the form of a committee report.

<sup>&</sup>lt;sup>18</sup> Section 302(b) of the Budget Act, codified at 2 U.S.C. §633(b). Quorum requirements in both the House and the Senate require a majority of committee members to be present in order to report a measure, recommendation, or matter. For more on these requirements, see CRS Report 98-870, *Quorum Requirements in the House: Committee and Chamber*, by Christopher M. Davis; and CRS Report 98-775, *Quorum Requirements in the Senate: Committee and Chamber*, coordinated by Elizabeth Rybicki.

<sup>&</sup>lt;sup>19</sup> In recent practice, the House Appropriations Committee has typically titled committee reports revising 302(b) suballocations "Report on the Revised Suballocation of Budget Allocations for Fiscal Year [...]" or "Report on the Further Revised Suballocation of Budget Allocations for Fiscal Year [...]." In the Senate, the Appropriations Committee has typically titled committee reports revising 302(b) suballocations "Revised Allocation to Subcommittees of Budget Totals for Fiscal Year [...]" or "Further Revised Allocation to Subcommittees of Budget Totals for Fiscal Year [...]."

<sup>&</sup>lt;sup>20</sup> Section 302(b) of the Budget Act requires the House Appropriations Committee to "further divide among its subcommittees the divisions made under subsection (a)(3)(B)" (see footnote 15).

<sup>&</sup>lt;sup>21</sup> In recent practice, the Senate Appropriations Committee has also distinguished between security (defense) and nonsecurity (nondefense) discretionary amounts for each subcommittee in years when statutory limits on discretionary spending have been in effect.

Figure 6. House 302(b) Example FY2020

#### SUBALLOCATION OF BUDGET ALLOCATIONS FISCAL YEAR 2020 BUDGET AUTHORITY AND OUTLAYS (In millions of dollars) Subcommittee Total Discretionary Mandatory Agriculture: 24,310 104,784 129,094 Budget authority ..... 24,177 97,151 121,328 Outlays ..... Commerce, Justice, Science. Budget authority ..... 66,395 336 66,731 Outlays 72,654 329 72,983 Budget authority ..... 622,082 514 622,596 514 625,673 Outlays ..... 625,159 Energy and Water: Budget authority ..... 46.413 ..... 46.413 45,533 Outlays ..... 45.533 ..... Financial Services and General Government: 24,550 22,483 47.033 Budget authority ..... 24,378 22,475 46,853 Outlays ..... Homeland Security: Budget authority ..... 49.736 1.802 51,538 1,796 Outlays ..... 52,484 54,280 Interior, Environment: 37.277 37.341 Budget authority ..... 64 Outlays ..... 36.064 65 36,129 Labor, Health and Human Services, Education: Budget authority ..... 189.876 830.578 1.020,454 829,945 1,022,945 Outlays ..... 193,000 Legislative Branch: All except Senate: Budget authority ..... 3.972 121 4,093 Senate items: Budget authority ..... 1.038 29 1,067 Total Legislative: Budget authority ..... 5.010 150 5.160 5,037 149 5,186 Military Construction, Veterans Affairs: 105.217 114.950 220,167 Budget authority ..... 114,775 214,275 Outlays ..... 99,500 State, Foreign Operations: 159 Budget authority ..... 48,381 48,540 48,454 159 48,613 Outlays ..... Transportation, HUD: Budget authority ..... 75.771 ..... 75.771 Outlays .... 134,495 134,495 ..... Grand Total: Budget authority ..... 1.295.018 1.075.820 2.370.838

1.360.935

1.067.358

2,428,293

**Source:** H.Rept. 116-59, reported on May 14, 2019.

Outlays .....

Figure 7. Senate 302(b) Example FY2025

|  | Discretionary                           |             |               |  | Mandatory        |                  | Total             |           |
|--|---|-------------|---------------|--|------------------|------------------|-------------------|-----------|
| Subcommittee   | Budget authority                        |             | Outlays Total | Budget authority   | Outlays          | Budget authority | Outlays           |           |
|  | Security                                | Nonsecurity | Total         | Outlays Iotal  | budget authority | Outlays          | budget additionty | Oundys    |
| Agriculture, Rural Development, and Related Agencies             |   | 27,049      | 27,049        | 28,432   | 165,607          | 152,668          | 192,656           | 181,100   |
| Commerce, Justice, Science, and Related Agencies                 | 6,613                                   | 62,622      | 69,235        | 88,027   | 487              | 541              | 69,722            | 88,568    |
| Defense  | 830,687                                 | 178         | 830,865       | 848,329  | 514              | 514              | 831,379           | 848,843   |
| Energy and Water Development                                     | 34,971                                  | 26,496      | 61,467        | 70,916   |                  |                  | 61,467            | 70,916    |
| Financial Services and General Government                        | 48                                      | 21,127      | 21,175        | 29,914   | 22,394           | 22,385           | 43,569            | 52,29     |
| Homeland Security  | 3,138                                   | 57,378      | 60,516        | 91,641   | 1,187            | 1,002            | 61,703            | 92,643    |
| Interior, Environment, and Related Agencies                      |   | 37,650      | 37,650        | 52,252   | 64               | 65               | 37,714            | 52,31     |
| Labor, Health and Human Services, and Education, and Related     | 200000000000000000000000000000000000000 | 1873855     |               | Server Contraction of the Contra | -                | 2900             | 25556190          |           |
| Agencies   |   | 198,655     | 198,655       | 250,586  | 1,150,142        | 1,148,619        | 1,348,797         | 1,399,205 |
| Legislative Branch   |   | 7,000       | 7,000         | 5,162  | 143              | 143              | 7,143             | 5,305     |
| Military Construction and Veterans Affairs, and Related Agencies | 19,307                                  | 129,569     | 148,876       | 144,176  | 221,911          | 218,068          | 370,787           | 362,244   |
| State, Foreign Operations, and Related Programs                  |   | 55,705      | 55,705        | 73,024   | 161              | 161              | 55,866            | 73,185    |
| Transportation and Housing and Urban Development, and Related    | 26085600                                | 333533424   | 5-59/27/49/07 | 10/03/03/05/00   |                  |                  | 25,000,000,000    |           |
| Agencies   | 448                                     | 87,259      | 87,707        | 187,338  |                  |                  | 87,707            | 187,338   |
| Total  | 895,212                                 | 710,688     | 1,605,900     | 1.869,797  | 1.562.610        | 1.544.166        | 3,168,510         | 3.413.96  |

Source: S.Rept. 118-190, reported on July 11, 2024.

These suballocations represent the amount of total new budget authority and outlays for a given fiscal year under the jurisdiction of each Appropriations subcommittee in the House and Senate, respectively, within the total limit established by each committee's 302(a) allocation.<sup>22</sup> For most fiscal years, the regular appropriations acts provide the majority of the new spending authority allocated to each subcommittee for that fiscal year. The 302(b) suballocations may also reflect amounts provided in other appropriations acts, however, such as continuing resolutions, supplemental appropriations bills, and advance appropriations for the current fiscal year provided in appropriations acts from prior fiscal years.<sup>23</sup>

As with 302(a) allocations to the Appropriations Committees, it is typically the allocation of discretionary spending to each subcommittee that is of most interest when it comes to 302(b) suballocations. Discretionary amounts allocated to each subcommittee generally represent decisions by the Appropriations Committees on the overall distribution of funding among discretionary programs, projects, and activities for a given fiscal year. Because Congress determines funding amounts for discretionary accounts annually through the appropriations process, and each subcommittee is constrained by its 302(b) suballocation, a dollar allocated to one subcommittee generally means one dollar less allocated to programs, projects, or activities under the jurisdiction of another.

#### Spending Allocations in the Absence of a Budget Resolution

Congress has not always adopted a budget resolution for each fiscal year. In the absence of a budget resolution, the House and/or Senate have often employed alternative legislative tools to establish budgetary levels that are enforceable under the Budget Act. These alternative measures are commonly referred to as "deeming resolutions," because they include language deeming the

<sup>&</sup>lt;sup>22</sup> Although the Budget Act requires each Appropriations Committee to report 302(b) suballocations "after consulting with the Committee on Appropriations of the other House," there is no requirement that the subdivisions be consistent between the chambers.

<sup>&</sup>lt;sup>23</sup> For more on continuing resolutions, see CRS Report R46595, *Continuing Resolutions: Overview of Components and Practices*, coordinated by James V. Saturno; for more on supplemental appropriations, see the section of CRS Report WMR 10007, *CRS Guide to the Federal Budget Process*, titled "Supplemental Appropriations"; and for more on advance appropriations, see CRS Report R43482, *Advance Appropriations, Forward Funding, and Advance Funding: Concepts, Practice, and Budget Process Considerations*, by Jessica Tollestrup and Megan S. Lynch.

budgetary levels they establish to apply as if they were adopted in a budget resolution.<sup>24</sup> A deeming resolution typically applies in a single chamber and directs the chair of that chamber's Budget Committee to file 302(a) allocations consistent with certain aggregate budgetary levels for printing in the *Congressional Record*. The House and Senate Appropriations Committees generally follow the same practices and procedures for reporting 302(b) suballocations under a deeming resolution as they do under a budget resolution. The 302(a) allocations and 302(b) suballocations established pursuant to a deeming resolution are enforceable under the Budget Act in the same manner as if they had been adopted in a budget resolution.

In some years, the House and/or Senate may move forward with the appropriations process in the absence of 302(a) allocations or 302(b) suballocations. When this has occurred, the House and/or Senate Appropriations Committees have on occasion established informal (or "interim") allocations and subdivisions as they develop the regular appropriations bills.<sup>25</sup> While these informal allocations and subdivisions may generally reflect the plans of either committee—and may be referred to as "302(a) allocations" or "302(b) suballocations"—they are not enforceable against relevant legislation through points of order under the Budget Act.

#### **Enforcement**

The Budget Act established several points of order related to enforcing the allocation process associated with the budget resolution, as well as the levels established in 302(a) allocations and 302(b) suballocations. These points of order, if raised on the floor of either chamber and sustained by the presiding officer, can prevent the House or Senate from taking actions or considering measures that violate the restrictions listed in **Table 1**.<sup>26</sup> The enforcement of spending allocations under the Budget Act apply only to congressional actions providing for new spending. The act does not establish procedures for addressing increases in federal spending that may result from other factors such as economic or demographic changes.

<sup>&</sup>lt;sup>24</sup> For more on deeming resolutions, see CRS Report R44296, *Deeming Resolutions: Budget Enforcement in the Absence of a Budget Resolution*, by Megan S. Lynch.

<sup>&</sup>lt;sup>25</sup> For example, on June 17, 2025, the House Appropriations Committee adopted a draft report, titled "Report on the Interim Suballocation of Budget Allocations for Fiscal Year 2026," containing "interim suballocations" for each of the 12 House Appropriations subcommittees for FY2026. The draft report states in part:

The Committee has adopted this interim procedure because of the special circumstances it faces as it begins the fiscal year 2026 appropriations process. To date, Congress has not yet adopted a budget resolution for fiscal year 2026, and the Committee does not have an enforceable discretionary top line for fiscal year 2026.

The press release by the chair of the House Appropriations Committee on these interim allocations, as well as the draft report approved by the committee, can be found at https://appropriations.house.gov/news/press-releases/committee-approves-updated-fy26-subcommittee-allocations.

<sup>&</sup>lt;sup>26</sup> Section 312(d) of the Budget Act (codified at 2 U.S.C. §643) prohibits a Budget Act point of order from being raised against a bill, resolution, amendment, motion, or conference report in the Senate while an amendment or motion that would remedy the violation is pending.

Table 1. Budget Act Points of Order Related to 302(a) Allocations and 302(b) Suballocations

| Budget Act<br>Section  | Description   |
|------------------------|---|
| 302(c)                 | In the House and Senate—once the Appropriations Committees receive 302(a) allocations—prohibits the consideration of any bill, joint resolution, amendment, motion, or conference report within the jurisdiction of the Appropriations Committees that provides new budget authority for a fiscal year until the committee has made 302(b) suballocations.  |
| 302(f)(1) <sup>a</sup> | In the House—once a budget resolution has been adopted—prohibits the consideration of any bill, joint resolution, amendment, or conference report providing new budget authority for any fiscal year that would cause the allocation of new budget authority in the applicable 302(a) allocation or 302(b) suballocation for the first fiscal year or for the total of all fiscal years to be exceeded. |
| 302(f)(2)(A)           | In the Senate—once a budget resolution has been adopted—prohibits the consideration of any bill, joint resolution, amendment, motion, or conference report that would cause the 302(a) allocation (of total new budget authority or outlays) to any authorizing committee for the first fiscal year or for the total of all fiscal years to be exceeded.  |
| 302(f)(2)(B)           | In the Senate—once a budget resolution has been adopted—prohibits the consideration of any bill, joint resolution, amendment, motion, or conference report that would cause the 302(b) suballocation (of total new budget authority or outlays) to the applicable Appropriations subcommittee to be exceeded.   |
| 303(c) <sup>b</sup>    | In the Senate, prohibits the consideration of any appropriations bill, joint resolution, amendment, motion, or conference report for a given fiscal year until a budget resolution for that fiscal year has been adopted and a 302(a) allocation to the Senate Appropriations Committee has been made.  |

**Source:** Congressional Budget Act of 1974, Titles I-IX of P.L. 93-344, codified as amended at 2 U.S.C. §§601-688.

- a. Section 302(g) of the Budget Act—known as the "pay-as-you-go exception" in the House—establishes that Section 302(f)(1) shall not apply to any bill, joint resolution, amendment, or conference report if, for each fiscal year covered by the budget resolution, it would not increase the deficit if added to other changes in revenues or mandatory spending provided in the budget resolution pursuant to pay-as-you-go procedures included under Section 301(b) of the Budget Act.
- b. Section 303(c)(2) establishes that this prohibition does not apply to appropriations legislation making advance appropriations for the first or second fiscal year after the first year for which the budget resolution applies.

Notwithstanding the procedural restrictions established in the Budget Act, the House and Senate have methods for allowing violations of these rules if the chamber so chooses. Points of order are not self-enforcing, meaning a Member must raise one on the floor during the consideration of an applicable measure or action before the presiding officer can rule on its application and, thus, its enforcement. This means that the House and Senate are able to violate Budget Act restrictions related to 302(a) allocations and 302(b) suballocations simply as a consequence of no Members raising points of order.

In addition, both the House and Senate have procedures for waiving Budget Act points of order. In the Senate, Budget Act points of order can be waived by unanimous consent or through

procedures established in Section 904 of the act.<sup>27</sup> Under these procedures, while a measure or amendment that would violate a Budget Act prohibition is pending, a Senator may make a motion to waive one, multiple, or all points of order under the act. A Senator may make a motion to waive either before or after a point of order is raised but must do so before the presiding officer rules on the merits of an already-raised point of order. Motions to waive Budget Act points of order under Section 904 are currently subject to a simple majority vote of the Senators voting, a quorum being present.<sup>28</sup> In the House, a Budget Act point of order can be waived through the adoption of a special rule that provides for the consideration of a measure and waives some or all points of order that may be raised against its consideration. Budget Act points of order may also be waived in the House through consideration under suspension of the rules or by unanimous consent.

#### Example: Point of Order, Waiver Motion, and Disposition in the Senate

During Senate consideration of P.L. 119-21 (H.R. I, the reconciliation bill often referred to as the "One Big Beautiful Bill Act") on June 30, 2025, a point of order was raised against an amendment (S.Amdt. 2414) pursuant to Section 302(f) of the Budget Act for causing the 302(a) allocation to the Senate Committee on Banking, Housing, and Urban Affairs to be exceeded:

Mr. President, the pending amendment numbered 2414 would cause the underlying legislation to exceed the Banking Committee section 302(a) allocation of new budget authority and outlays; therefore, I raise a point of order against this measure pursuant to section 302(f) of the Congressional Budget Act of 1974.<sup>29</sup>

In response to the point of order, the Senator who offered the amendment made a motion to waive Section 302(f) of the Budget Act:

Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive section 302(f) of that act for the purposes of the pending amendment. I ask for the yeas and nays.<sup>30</sup>

The waiver motion—which, at the time, required the affirmative vote of three-fifths of Senators—failed by a vote of 47-53. The presiding officer then sustained the point of order, and the amendment fell:

On this vote, the yeas are 47, the nays are 52. Three-fifths of Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to. The point of order is sustained, and the amendment falls.<sup>31</sup>

#### **Adjustments and Exemptions**

Congressional rules and statutes defining the congressional budget process over time have often allowed Congress to effectively exempt certain spending from enforcement procedures. In the context of 302(a) allocations and 302(b) suballocations, Congress has typically provided for these exemptions either by allowing for the adjustment of allocations to accommodate the consideration of certain spending or by establishing that certain spending not count for the purpose of

<sup>&</sup>lt;sup>27</sup> 2 U.S.C. §621 note, which states in part, "Any provision of title III or IV may be waived or suspended in the Senate by a majority vote of the Members voting, a quorum being present, or by the unanimous consent of the Senate."

<sup>&</sup>lt;sup>28</sup> Prior to October 1, 2025, under Section 904(c)(2) of the Budget Act (2 U.S.C. §621(c)(2)), several Budget Act points of order related to enforcing 302(a) allocations and 302(b) suballocations required a vote of three-fifths of Senators duly chosen and sworn (60 votes if no more than one vacancy) to be waived. Such points of order include those under Budget Act Sections 302(c), 302(f)(2)(A), and 302(f)(2)(B). The three-fifths supermajority threshold to waive these points of order was first established in the Balanced Budget and Emergency Deficit Control Act of 1985 (P.L. 99-177) and extended through multiple subsequent laws and budget resolutions. Most recently, the FY2016 budget resolution (S.Con.Res. 11, 114<sup>th</sup> Congress) extended the supermajority threshold for waiving these points of order through September 30, 2025. Due to the expiration of this requirement on October 1, 2025, these points of order can currently be waived in the Senate with a simple majority vote of Senators voting, a quorum being present.

<sup>&</sup>lt;sup>29</sup> Congressional Record, daily edition, vol. 171, no. 113 (June 30, 2025), p. S4048.

<sup>&</sup>lt;sup>30</sup> Ibid.
<sup>31</sup> Ibid.

enforcement. Adjustments to spending allocations may exempt the consideration of certain spending by allowing for an increase in enforceable spending levels or by allowing for changes to the distribution of spending among committees—thus keeping total enforceable spending levels the same.

Adjustments to 302(a) allocations are typically filed for printing in the *Congressional Record* by the chair of the House or Senate Budget Committee, while adjustments to 302(b) suballocations are typically reported by the House or Senate Appropriations Committees in the form of a committee report.<sup>32</sup>

#### Adjustments and Exemptions for Discretionary Spending

Most adjustments and exemptions related to 302(a) allocations and 302(b) suballocations apply to discretionary spending. Section 314 of the Budget Act gives the chairs of the House and Senate Budget Committees the authority to adjust 302(a) allocations to the respective Appropriations Committees in their chambers "in the same amount as required by section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 [BBEDCA]." Section 251(b) of BBEDCA allows for upward adjustments to statutory limits on discretionary spending to accommodate certain spending. This has included uncapped adjustments for spending designated by Congress and the President as being emergency requirements or, in some years, for certain military activities (known as Overseas Contingency Operations/Global War on Terrorism, or "OCO/GWOT"). Additional adjustments have historically been allowed for discretionary spending up to a certain amount that Congress designates as being for purposes such as disaster relief, wildfire suppression, and program integrity initiatives, among others.

For most of these purposes, Section 314 allows for an increase to the 302(a) allocation to either Appropriations Committee to accommodate such spending. For discretionary spending designated as an emergency requirement in the House, however, Section 314 specifies that such amounts instead not count against the Appropriations Committee's 302(a) allocation.<sup>37</sup> Following an

<sup>&</sup>lt;sup>32</sup> In recent practice, the chair of the House Budget Committee has typically filed adjusted 302(a) allocations for printing in the *Congressional Record* under the heading "Publication of Budgetary Material," and the House Appropriations Committee has typically titled committee reports adjusting 302(b) suballocations "Report on the Revised Suballocation of Budget Allocations for Fiscal Year [...]" or "Report on the Further Revised Suballocation of Budget Allocations for Fiscal Year [...]." In the Senate, the chair of the Senate Budget Committee has typically filed adjusted 302(a) allocations for printing in the *Congressional Record* under the heading "Budgetary Revisions," and the Senate Appropriations Committee has typically titled committee reports adjusting 302(b) suballocations "Revised Allocation to Subcommittees of Budget Totals for Fiscal Year [...]" or "Further Revised Allocation to Subcommittees of Budget Totals for Fiscal Year [...]."

<sup>&</sup>lt;sup>33</sup> Section 314 of the Budget Act, codified at 2 U.S.C. §645 and Section 251(b) of P.L. 99-177, codified as amended at 2 U.S.C. §901(b).

<sup>&</sup>lt;sup>34</sup> For more on these adjustments, see CRS Report R48387, *Exemptions to the Fiscal Responsibility Act's Discretionary Spending Limits*, by Drew C. Aherne and Megan S. Lynch.

<sup>&</sup>lt;sup>35</sup> Section 251(b)(2)(A) of BBEDCA (codified as amended at 2 U.S.C. §901(b)(2)(A)). This adjustment authority applies for any fiscal year for which statutory limits on discretionary spending are in effect. For more on emergency designations, see CRS Report R47594, *Budget Enforcement Rules: Emergency Designations*, by Drew C. Aherne.

<sup>&</sup>lt;sup>36</sup> Unlike the emergency and OCO/GWOT designations, these adjustment authorities have typically been provided for specific fiscal years and up to specific amounts. Congress has also provided for adjustments to address potential technical issues that can arise during the enforcement of discretionary spending limits, such as changes in concepts and definitions and estimating differences between the Office of Management and Budget and the Congressional Budget Office.

<sup>&</sup>lt;sup>37</sup> Section 314(d) of the Budget Act (codified at 2 U.S.C. §645(d)) establishes that, in the House, amounts designated as an emergency requirement under Section 251(b)(2)(A) of BBEDCA shall not be counted for the purposes of Title III and Title IV of the Budget Act and the rules of the House.

adjustment to its 302(a) allocation, the Appropriations Committees may report revised 302(b) suballocations reflecting the adjustment.

#### Example:302(a) and 302(b) Adjustment Under Section 314 of the Budget Act

On September 30, 2023, the Continuing Appropriations Act, 2024 and Other Extensions Act (P.L. 118-15) was signed into law. The act in part provided \$16 billion in discretionary spending designated by Congress and the President as an emergency requirement. As a result, on October 24, 2023, the chair of the Senate Budget Committee filed for printing in the *Congressional Record* an adjustment to the Senate Appropriations Committee's FY2024 302(a) allocation to accommodate such spending. The filing stated in part:

That funding was designated as emergency funding pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985. Section 314(a) of the Congressional Budget Act allows the chairman of the committee to revise the allocations, aggregates, and levels consistent with the amount of emergency funding. Today, I am making that adjustment.<sup>38</sup>

On October 25, 2023, the Senate Appropriations Committee reported revised 302(b) suballocations for FY2024 (S.Rept. 118-108) in part to accommodate the \$16 billion in emergency-designated spending in P.L. 118-15. In the report, the committee noted the adjustment made to its 302(a) the previous day, stating:

On October 24, 2023, the Committee on the Budget filed a further revised 302(a) allocation for the Committee on Appropriations reflecting a permissible increase in the fiscal year discretionary allocation of \$16,000,000,000 in budget authority in the revised nonsecurity category for emergencies enacted in the Continuing Appropriations Act, 2024 and Other Extensions Act (Public Law 118-15).<sup>39</sup>

Adjustment authority under Section 314 is available only in years for which statutory limits on discretionary spending are in effect. In years without such limits, Congress has often established certain adjustments and exemptions through budget resolutions or deeming resolutions. For example, the budget resolution for FY2022 (S.Con.Res. 14; 117<sup>th</sup> Congress) included the following language exempting spending designated as an emergency requirement from budget enforcement—including 302(a)s and 302(b)s—in the House:

IN GENERAL.—In the House of Representatives, if a bill, joint resolution, amendment, or conference report contains a provision providing new budget authority and outlays or reducing revenue, and a designation of such provision as emergency requirement, the chair of the Committee on the Budget of the House of Representatives shall not count the budgetary effects of such provision for any purpose in the House of Representatives.<sup>40</sup>

#### Reserve Funds

Another way Congress has historically provided for flexibility under the limits established by 302(a) allocations and 302(b) suballocations is through provisions included in budget resolutions

Sections 4004 and 4005 provided adjustment authority in the Senate and House, respectively, for various purposes, including certain program integrity initiatives, wildfire suppression, and disaster relief.

<sup>&</sup>lt;sup>38</sup> Congressional Record, daily edition, vol. 169, no. 175 (October 24, 2023), p. S5135.

<sup>&</sup>lt;sup>39</sup> S.Rept. 118-108, p. 2.

<sup>&</sup>lt;sup>40</sup> Section 4001(b)(1) of S.Con.Res. 14. Section 4001(a) of the resolution provided similar authority in the Senate, stating

EXEMPTION OF EMERGENCY PROVISIONS.—Any new budget authority, outlays, and receipts resulting from any provision designated as an emergency requirement, pursuant to this subsection, in any bill, joint resolution, amendment, amendment between the Houses, or conference report shall not count for purposes of sections 302 and 311 of the Congressional Budget Act of 1974 (2 U.S.C. 633, 642), section 404(a) of S.Con.Res. 13 (111th Congress), the concurrent resolution on the budget for fiscal year 2010, section 3101 of S. Con. Res. 11 (114th Congress), the concurrent resolution on the budget for fiscal year 2016, and section 4106 of H. Con. Res. 71 (115th Congress), the concurrent resolution on the budget for fiscal year 2018.

known as "reserve funds." Reserve funds are provisions that authorize the chair of either the House or Senate Budget Committee to revise the budgetary levels agreed to in the resolution—including 302(a) allocations and 302(b) suballocations—to accommodate certain policies or legislation. These revisions may allow for the House or Senate to consider certain policies or legislation without triggering points of order for violating the levels adopted in the budget resolution.

Reserve funds typically define the circumstances under which the chair of the Budget Committee in either chamber (or both) may exercise the adjustment authority they provide. These circumstances have most often described policies or measures, at varying degrees of detail, for which levels can be revised. Reserve funds may also establish requirements for their application, such as requiring that the policy or measure be deficit-neutral. Although reserve funds may signal congressional plans or priorities, they do not require, nor do they prohibit, subsequent congressional action on any specific policy or measure. **Figure 8** and **Figure 9** provide an example of a reserve fund provision included in a budget resolution and the subsequent adjustment of 302(a) allocations to accommodate legislation meeting the requirements of the reserve fund.

#### Figure 8. Reserve Fund Example

#### SEC. 3002. RESERVE FUND FOR RECONCILIATION LEGISLATION.

(a) Senate.—

(1) IN GENERAL.—The Chairman of the Committee on the Budget of the Senate may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution, and make adjustments to the pay-as-you-go ledger, for any bill or joint resolution considered pursuant to section 2001 containing the recommendations of one or more committees, or for one or more amendments to, a conference report on, or an amendment between the Houses in relation to such a bill or joint resolution, by the amounts necessary to accommodate the budgetary effects of the legislation, if the budgetary effects of the legislation comply with the reconciliation instructions under this concurrent resolution, except that no adjustment shall be made pursuant to this subsection if such legislation raises taxes on people making less than \$400,000.

Source: Section 3002 of S.Con.Res. 14 (117th Congress), the FY2022 budget resolution.

**Notes:** This reserve fund—adopted in the budget resolution for FY2022—provided the chair of the Senate Budget Committee authority to revise 302(a) allocations, aggregates, and "other appropriate levels" adopted in the budget resolution to accommodate reconciliation legislation pursuant to the reconciliation directives set forth in Section 2001 of the budget resolution. Subsection (b) provided similar authority to the chair of the House Budget Committee.

<sup>&</sup>lt;sup>41</sup> For more on reserve funds, see CRS Report R47277, *Reserve Funds in the Congressional Budget Process: Frequently Asked Questions*, by Megan S. Lynch.

#### Figure 9. Reserve Fund Adjustment Example

#### BUDGETARY REVISIONS

Mr. SANDERS. Madam President, section 3002 of S. Con. Res. 14, the fiscal year 2022 congressional budget resolution, allows the chairman of the Senate Budget Committee to revise budget aggregates, committee allocations, and the pay-as-you-go ledger for legislation considered under the resolution's reconciliation instructions.

I find that H.R. 5376, an act to provide for reconciliation pursuant to title II of S. Con. Res. 14, fulfills the conditions found in section 3002. Accordingly, I am revising the allocations for eight of the reconciled committees and revising other enforceable budgetary levels to account for the budgetary effects of the law. This adjustment reflects the estimate of the law as enacted provided by the Congressional Budget Office on September 7, 2022.

Source: Congressional Record, daily edition, vol. 168, no. 146 (September 12, 2022), p. S4537.

**Notes:** In August, 2022, Congress enacted P.L. 117-169 (commonly referred to as the Inflation Reduction Act), a reconciliation act pursuant to the directives set forth in the FY2022 budget resolution (S.Con.Res. 14). On September 12, 2022, the chair of the Senate Budget Committee filed for printing in the *Congressional Record* this statement making adjustments to the budgetary aggregates and the 302(a) allocations for eight Senate committees to accommodate the budgetary effects of P.L. 117-169. As noted in the statement, the revised levels reflected cost estimates of the law prepared by the Congressional Budget Office.

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