



Hunger and the U.S. Budget

Through the federal budget process, Congress can make funding decisions that put us on track to end hunger and poverty. Regardless of which political party controls Congress or the White House, our elected leaders must write, pass, and administer our nation's budget. Through the federal budget our government invests in many anti-poverty and anti-hunger programs that help people stay out of poverty and thrive.

A budget is more than a financial document—it is a moral document, too. It is a statement of our nation's priorities and values. Our federal budget should be measured on how it treats the most vulnerable people among us.

The decision makers in Congress, by establishing a budget, can change policies, programs, and conditions that allow hunger and poverty to persist. With the stroke of a pen when a federal budget is signed into law, policies are made that can redirect millions of dollars and affect millions of lives.

Most of the budgeting process plays out in Congress, which is the part of our government where Americans—voters and others—can get involved. “We the people” can influence the decisions that are made and the priorities that are set with our common fiscal resources through the House of Representatives and the Senate.

By making our voices heard in Congress, we make our nation's laws more fair and compassionate to people in need. The laws directing where certain federal funds go could do a lot to end hunger both in the United States and in poor countries around the world.

The Budget Process:

The federal budget runs on a fiscal year (FY) rather than a calendar-year schedule.

Fiscal years start before their corresponding calendar years, running from October 1 of the preceding year through September 30 of the following year.

- FY 2017 is Oct. 1, 2016 to Sept. 30, 2017.
- FY 2018 begins Oct. 1, 2017.

Congress deals with two types of spending in the federal budget, mandatory and discretionary. Mandatory programs are available to anyone who meets eligibility criteria. These programs are sometimes called entitlements. Mandatory spending includes SNAP (formerly known as food stamps) and refundable tax credits, as well as Medicaid, Medicare, and Social Security.

Discretionary programs are those funded at the discretion of Congress on a yearly basis through the appropriations process. Discretionary funding for programs include WIC and international poverty-focused development assistance, as well as education, housing, and defense spending.



Jim Stipe/Bread for the World

Timeline

Early February: The president submits the administration’s budget request for the next fiscal year to Congress. The date is often pushed back in the first year of a new presidential term.

February-April: The House and Senate budget committees each develops a budget resolution that includes an outline of spending levels for broad categories. These budget proposals lay out a vision for our nation’s future and inform the spending and legislative decisions Congress makes throughout the year. Sometimes it sets the framework for several years.

Budget resolutions do not carry the force of law. They do not become final until the House and Senate agree to identical versions.

Mid-April: After Congress concludes its budget debate, the allocation of dollars begins. This is referred to as the appropriations process. Congress must pass discretionary spending or appropriations bills to ensure the government remains open. The House and Senate appropriations committee leaders establish spending limits for their subcommittees, which work within these amounts to fund individual programs in their area (such as agriculture or foreign operations). These allocations fund a wide variety of discretionary programs, including anti-hunger programs such as WIC, global nutrition, and international poverty-focused development assistance.

May-September: Spending bills need a series of approvals.

1. Subcommittees pass spending bills for their areas.
2. Next, the House and Senate appropriations committees pass their subcommittees’ bills.
3. Then, the full House and Senate pass appropriations committee bills.
4. Finally, the House and Senate negotiate and approve a final appropriations bill.

Before October 1 (the first day of the new fiscal year): Spending bills become law when they are signed by the president.

What if it doesn’t go according to plan?

If there is no final bill when the fiscal year starts on October 1, Congress must pass a temporary extension, known as a “continuing resolution,” to keep the government running. The government will “shutdown” if a budget is not passed.

What about Reconciliation and Sequestration?

Sometimes, Congress uses additional budget tools and procedures that could lead to drastic cuts or changes to anti-hunger programs.

Enacted in 2011, sequestration—automatic budget cuts—imposes tight limits on the government’s discretionary spending, capping funding for programs that need yearly funding, like WIC, humanitarian assistance, and global nutrition. For more information on sequestration, see Bread for the World’s Consequences of Sequestration fact sheet.

Budget reconciliation is a legislative procedure that enables Congress to make big changes to many policies and programs at the same time. Reconciliation bills have fast-track privileges that allow them to more easily pass through Congress. Many in Congress are pushing to use reconciliation bills to fundamentally change the structure and funding for Medicaid and SNAP. For more information on reconciliation see Bread for the World’s Budget Reconciliation 101 fact sheet.



Joseph Molieri/Bread for the World