



Budget 101

Hunger and the U.S. Budget

We know that money is a tool that allows us to buy things and do things. With our federal government's enormous budget—its fiscal plan—it can accomplish a lot. This gives our government enormous power and influence over what happens not only in the United States but also in other countries around the world.

Bread believes that everyone, including our government, must do its part to end hunger. With a tremendous amount of resources—its annual budget—at its disposal, the federal government can do a lot toward ending hunger both here and abroad.

The process of establishing an annual federal budget is a process of making decisions and setting priorities as a country. Bread believes that the federal budget is a moral document that lays out our national priorities. 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.

The decision makers in Congress, by establishing a budget, can change policies, programs, and conditions that allow hunger and poverty to persist. As an organization working to end hunger, Bread is concerned with those parts of the budget that affect hunger. Bread actively advocates for the government to establish a public policy that could end hunger in our lifetime.

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.

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



Bread for the World photo

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 2015 is October 1, 2014, to September 30, 2015.
- FY 2016 begins October 1, 2015.

Timeline

Early February: The president submits the administration's budget request for the next fiscal year to Con-

gress. The date is often pushed back in the first year of a new presidential term.

February-April: The House and Senate budget committees each develop a budget resolution that includes an outline of spending levels for broad categories. Budget resolutions guide Congress in appropriating funds but do not carry the force of law.

Budget resolutions do not become final until the House and Senate agree to identical versions.

Mid-April: The action moves to the appropriations committees. The House and Senate appropriations 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).

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

1. Subcommittees pass spending bills for their areas.
2. Next, the House and Senate appropriations com-

mittees 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): The president signs the appropriations bills into law.

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.

WHAT IS RECONCILIATION?

See Bread for the World's **Budget Reconciliation 101** fact sheet to learn about this fiscal procedure.



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