

Down the Rabbit Hole: The Congressional Budget Process - Transcript

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Welcome. My name is Ashley and John is the faculty library and in legal research instructor at Villanova, school of Law. Before we started let me walk through some housekeeping reminders. If you have any questions you would like to X or any technical questions? Use the chat box. With a desktop, laptop will be on the bottom right-hand corner of your screen I will keep track of all the questions that come in. John will respond to each of them. We are recording today's session and will email a link. we will also be sending you a certificate of participation using the email that you used your register for today's webinar. If you need additional certificates because many people watch this with you? Email us. And include the title of today's webinar along with the name and email addresses of those eating certificates. Desktop computer laptop, you can zoom in on the slides being presented. Click on the full screen on the bottom of your screen appeared to exit the fullscreen mode? Mouse over the blue bar to expand and click on the blue return button to return to the default view. Finally, we will be sharing a webinar satisfaction survey with you we will let you know when the survey is available. And a link will appear and we would appreciate your feedback. Including comments I will hand the microphone over to John who will take it from here.

Hello, everybody and thank you for coming and attending. I have to say that down the rabbit hole was the only title I could think of for this particular presentation. And I felt a little bit guilty about that. As I went to the slides in numerous times I thought that this is probably the perfect title for this particular presentation. To some degree that is a little bit scary. This topic that we will be discussing today but it is also heartening . it speaks to the creativity that Congress approaches budgetary matters. We've a lot to get into . Let us get to what were we talking about today. Here is a basic overview of what the budget is. We will define some terms so we are all on the same page. And then I will talk about various stages of the process that go into the congressional budget process. There is the congressional budget resolution and from that, there is the up properly sees . appropriations, reconciliation, I will be discussing some of those shortly but I also want to start with some apologies. This congressional budget process as with anything is extremely difficult to discuss. Many complexities. There are onion -like layers of meaning be under it. Anything I will say is going to be discussed in a very general matter. We could spend probably an entire day even an entire week. Maybe even a semester! Talking about the congressional budget. Just so much that we can get to in just one hour. And also, I try to cut down the amount of text on my slides as much is possible but it was just different difficult to do. If you happen to see too much text? You can get the slides afterwards. You can come back to them and do not after read them word for word as they appear. Finally, this process that I'm going to be talking about are used by both parties. If I talk about one party such as the Republicans, the Democrats. I am not talking or speaking about either party doing one thing or the other. Both parties to the processes or conduct the processes as I've been discussing. I do not mean to say that one does a certain thing and one does not. Both parties will represent themselves. With that, let me start with a couple of problems. This slide shows you the typical, traditional process of passing legislation . Passing legislation creates programs and so forth as we know it. This Schoolhouse Rock version and that is not what we are going to be talking about here. There are a lot of similarities but there also are differences. When I talk about budgetary legislation, and processes it is not going to be following the process as we know it. And as you have probably learned in school. And the other important point to get out of the point first is that the process is broken. If Congress followed these procedures that I would talk about the weather they are supposed to be done?

That would be tremendous. But they routinely do not follow the processes as they have been set out. We will discuss the reasons for that but we have to have a baseline to work from. We have to have some sort of common ground in which to work. I will talk about these processes as they are supposed to work. But just know that they usually do not work this way. First, let us get into some definitions what is the budget? The budget that we are going to be talking about. This is an adapted definition from the government accountability office. It is a statement of anticipated revenues and spending during specific.. We are talking about revenues, how much is brought in and how much spending . And the specific. Is the fiscal year October cash October 1st -September 30th. When we talk about budget, we do not talk about spending, per se what we are talking about the budget authority. And to describe it we really have to go through a series. It is a statutory authority to make financial obligations resulting in outlays of federal funds. Let us take that apart to make sure what everything means. Authority and authorization is the permission to make an obligation. What is an obligation? Obligation is a commitment to pay for goods and services. An obligation is a contract with somebody. To perhaps fix the roof on your house. You are making a contract. If they perform the work that you will pay them a certain amount of money. The federal government works the same way. Any variety of individuals and entities. The bureaus, the workers, the apartments, the people can contract with them. If they perform services they will pay them. The actual payment is called an outlay. That is the satisfaction of an obligation. Essentially that is just like writing a check. Not quite the same way that we used to but the concept is the same. We are giving money to people for services that they have performed. Or entities of service that they have performed. A lot of times you will hear the budget authority. And you will talk and hear about obligations, the authority to enter in to obligations and the what the government has actually spent. Finally budgetary authority. It is conferred we cannot talk about the general process. For this particular presentation but it also comes from processes. Involved in that are the executive and legislative branches. Primarily, the legislative takes the lead we will talk about them or in a minute but the executive participates in the process that can bring budget authority as well. Can we describe what the budget is? Let us see what it looks like. This shows you revenue and out lies and what they are taking in and what they are taking out. A lot of what we talk about in the budget. But what I'm going to be talking about his actual spending. Because that creates the most amount of trouble. They key here on this graph is what the government will spend. And what outlet and outlays. Direct, mandatory spending and that occupies most of the federal budget and there are disc - other areas such as discretionary spending. And also debt it but let us talk about these different areas. Direct spending and discretionary spending. That is going to drive a lot of this discussion that we are going to be talking about today. Discretionary spending is budget authority. As I mentioned before. They committing to outlays and obligations conferred by the annual appropriations process. They have to fund 12 bills. But it is supposed to fund 12 appropriations bills. Of various agencies and departments. This has to be done every fiscal year. And these discretionary spending is under the jurisdiction of the House and Senate appropriations committees. There is one committee in each chamber that is set up to handle appropriations. And decide who gets a budget authority and how much of the outlays. And then there is discretionary spending. It is a little bit hard to understand and director - spending. Discretionary spending and we can understand it as their programs of Health and Human Services, HUD, other entities that we see in the agencies in Washington, D.C. But direct spending is simpler and even sometimes more complex. The budget authority conferred automatically by existing laws. It does not have to go through appropriations. It does not have to go through consideration by Congress every year. It can but it does not have to. And how direct spending works is that the budget authority was conferred by law is creating a formula and criteria. Through which people, entities may get funds for services or so forth. Or programs that need to be funded by the federal government. Probably the most significant and are the most significant are Social Security, Medicare. Social Security, how it works as far as direct spending. If you meet certain criteria you will get Social Security the government will pay for it. If you meet the

criteria to participate in Medicare? The department will spend its money on Medicare and find your medical . you do not have to go through the annual appropriations process to fund these particular programs. That does not mean that they continue running. If the government stopped appropriating money and keep still kept spending it through direct spending, and they will be spending a lot of money. But it still can change that. And to change that they actually had to change the laws. Instead of controlling the amount of money, they have to control what the will - the wall dashed the law says. Two effect, the direct spending. And this activity will fall under the jurisdiction of the It is important to note that funding through the discretionary spending and direct spending and changing it and altering it each has a different process. That has become a more apparent now. The way that this source is a process comes from. This is from the Constitution. This is the power of the purse spending, taxation, and so forth. It should be apparent from the Civics 101 but this is apparent, these sections within the Constitution and the clauses. These govern that. And I could read that later and go through that right now. Sources of process also come from other areas as well. They come from statutes. In particular it is the congressional budget impoundment control act of 1974. This created the processes that we will be discussing in just a few minutes. This was supposed to create and bring control to the federal budget. As most of us know it probably did not work as well as intended. But it is the statutory confines in which we appropriate and operate within congressional budget processes right now. There are also statutes regulatory for the present. For example by the budget and accounting act. Prior to 1921, when the executive branch submitted its budget. Each agency would submit its budget directly to Congress. With this enacted was centralizing all of that. They cemented this to the president and the president would submit the entire budget to Congress. Finally there are statutes that regulate Congress in terms of trying to create spending controls. Since the 1980s, they have attempted to regulate its own spending. By passing laws that limit its ability to exceed a certain debt limits and so forth, so on. It is come into existence and come out of existence. And even come out of existence but is important to know that through varies. Also congressional rules. In which the chamber operates as an important impact on how the budget is created. We could go into great detail about these rules. But for our purposes, these are the rules they really have to know. In the house, for example. But let me step back a minute. The house has an enormous amount of rules, presidents regarding those rules. All of which can be waived away by House rules committee or a special rule. Basically just waving away all the rules that govern debate on the floor and so forth. special specific terms for the consideration of that particular bill. They can get rid of all of the rules and create new ones through the special rule. As we can see this is a common occurrence throughout the congressional budget process. On the other end, Senate has comparatively, few rules. But the most important one is the ability to close the bank. To do that you need a 5/8 majority or typically 60 votes in. A lot of budget processes is trying to deal with or somehow get around this particular rule. And then there is executive action. This is involved in the budget process the president is involved but as I mentioned it is within the legislative branch. Primarily that's because the resident will kick off the budget process by putting forth his or her own budget and statement. About what the government will be taking and what it should be spending. Also the president will be involved at the end process. With veto power, he or she can veto any spending legislation that Congress comes up with. If Congress can muster the two thirds majority? It will create problems. So obviously the president has a lot of impact on whatever Congress decides to do with the budget. Let us get into the actual process, itself. At the first stage we are going to talk about the president's budget resolution. Again this process upon process upon process. I made these maps of separate, individual processes. To give you an idea of what is going on and hopefully it makes sense. At the initial stage where they decide to create a budget for the next fiscal year it starts with the president submitting a budget. The congressional committee in the House and the Senate meet. The budget committees meet with the congressional budget resolution. But as far as sending a general outline or a framework, or even a blueprint of split spending should look like. That will provide a basis from which future discussions on the budget and processes are going to

look like. Both the House and the Senate had to agree on a resolution for it to pass. It does not go to the president it is a concurrent resolution but let me explain this in greater detail. The president is supposed to submit a budget by the first Monday in February. That is the deadline often missed. In one constant of any deadline in budgeting. With the federal government it is often missed. And there are no penalties for it. What the budget contains can contain statutory mandated information such as an estimate of revenue and expenditures. What money is brought in and what is coming out. And what is a statement of the public debt. How much money is the government financing the deficit with debt. That means how much are we selling treasuries, and so forth to treasure and finance our debt. And there is program information. And it can also contain it whatever the executive wants. As a result this can be a huge and luminous document of many volumes. The president wants to get so much information. Historical, and so force - huge, multivolume works. The significance of all of this is that it is an expression of presidents goals. They are expressing what he or she wants to happen. This is what Congress should consider because the president does have veto power. It could be problems at the end of the process if it strays from their original wishes. They can take it as an advisory or they can totally disregard it. But probably most important it begins the process. It begins the process of budgeting and how much is going to be spent and in what ways, and so forth. Let me throw you this question out. Maybe you can try to answer this in the chat. This was a headline that I saw just recently. It was from the hill May 13th, 2021. "Biden to release full budget proposal on May 27" and I just want to say if anybody could see what is wrong with that headline based on what I just said? If you think about it the president is supposed to release the budget on the first Monday in February. Here we have not even had a full budget proposal released. It is not going to be released until by this Thursday. That is a rather, several month delay. And is the president doing what the president is supposed to be doing? As I said, the deadlines or any deadline in budgeting, as my bus - said about - my boss said about publishing that rules should be broken. You can understand in a transitional government it is hard for the government. It is going to take much longer than what this has prescribed. Even then, the president is still unable to present a budget when they are supposed to. Normally, they will not present the budget by the statutory deadline. But they will send signals about what they intend to do. For example the state of the union address. In April, President Biden issued an outline of what his budget would look like. Giving Congress an idea of the president's goal. This just shows you that even at the beginning how easy it is to deviate from the process. After the president creates the budget then Congress will work on its version of the budget. And this starts with the budget resolution. The budget resolution is supposed to be put together by April 15th. Again this is often missed. What are they put together? The resolution is a blueprint for appropriations. Just a general idea of what the government and what Congress feels the government should be spending his money on. What budget authority should be going to particular areas and actions of the government. It is a concurrent resolution so it is an agreement between the house and the Senate. It does not go to the president. The president does not sign it as with traditional laws. It is actually not a law itself. It is not enforceable by law but it is there are points of order. We will discuss those in a few moments. What is the budget resolution contain? It contains, and most importantly the budget authority and outlays. Who is going to get budget authority. What area of activity is going to get budget authority they need and how much. What outlays, what areas are going to get outlays of a certain amount. And so forth. The total amount of these are set. And also that total is divided up between 20 functional categories. Such as the national defense, transportation and the budget resolution also provides information on revenues that Congress expects. Surplus, deficits, the public debt. How much they are going to finance the debt through with debt instruments and reconciliation instructions. That is a very important factor. We will discuss that at the end of our talk. The budget committees are the entities in the chamber on that come up with the budget resolution. They consider information from the president budget, from hearings, from the Congressional budget office which is a nonpartisan office. They provide Congress with budgetary advice and analysis. It also gets advice from committees that are going to send their views or

present their views before the budget committee. The budget committee comes together. They discuss and mark up a report with a resolution to the prospective chamber. The resolution text, the report, maybe a committee print will have more discussion and more information on even policy recommendations contained as well. But it is more importantly, a general statement of what the government is really going to be spending its money on and how much it can. Again how much the above budget authority is being granted and how outlays can be made. Congress has to come together and pass a budget resolution. The house consideration should be under the Congressional budget act. But as I mentioned, they can waive away all the considerations and come away with a special rule. What is going to be considered and what the budget resolution is going to look like. What amendments can be made and how long they will occur. Senate consideration is under an expedited procedure. It is also limited statutorily by factors of the Congressional budget act. There are substantial considerations there which I cannot get into with the time limitations. But most important, it limits debate. In most importantly, they have unlimited debate or even closing debates. The congressional budget act sets this at only 50 hours of debate time. Typically if there could be a filibuster but they are just continuing a debate to try to kill a bill. In this case there is a time limit and that cannot happen. It is sort of a statutory exception. It is a way to get around that. Any amendments that senators want to make must be germane and I believe that they do not have to be discussed. However in this particular instance, it is of congressional budgetary resolutions amendments must be germane. Just as it would with any other legislation, chambers must agree. This can be done through a conference committee and again. When Congress comes to debate the final product there is a limit of a debate limit of 10 hours. Here is another question. Given this brief explanation of this very complex process what is wrong with this headline? " Congress approves budget, paving way for Biden's COVID-19 relief package" this came from NPR, February 5th, 2021. This particular headline they got ahead of the game creating its budget before the president released his budget. And before the traditional deadline to produce a budget resolution. In this case, Congress was reacting to Biden's desire to pass a COVID relief package. They passed the budget resolution to get that, under way. But through the process of reconciliation and in this case they created a budget resolution. Not for the purposes of discussing the budget. But to create an opportunity to pass a relief bill. Through reconciliation. Again just another incident where Congress deviates from the procedures that it is supposed to be working under. By creating a budget. Congress has created a budget appropriations and that is going to have a impact on the processes that emanate from that. The one process that happens if it does not happen, could lead to problems. But it basically says a basis for the appropriations process. That involves discretionary spending. That is where the programs and so forth have to be funded every year through the appropriations process. Really, to discuss appropriations we have to discuss the two laws that are involved in that process. Congress cannot just appropriate money to a program. There has to be a two step process before that. Or a step before that and ultimately creating a two step process. For that we have to discuss the differences between authorization and appropriation. An authorization is a law granting authority for a program or agency to exist. Either for a period or continually. Congress will create a program and it will usually say for a certain amount of years. A lot of times it does that to create some control over the program. Or it can create a program that does not contain a date. Also what they do with authorization as they do not grant money to fund the program. The state that the program should receive an appropriations of a certain amount. They are putting a placeholder there that this should be funded for such and such amount of money. They do not actually fund it. They created that it can exist but at that point it does not have the actual money funded to run it. Authorization bills or authorization legislation falls under the jurisdiction of the authorizing committees. the Ways and Means,'s and so forth. Appropriation provides budgetary authority to those programs that have been authorized. Again that is done through the 12 appropriation bills that budget authority is supposed to make. Such as the Department of Defense, homeland security, and these fall under the jurisdiction of the appropriations committees. The

House Appropriations Committee in the Senate Appropriations Committee. Why is this the case? Why do we have this two step process? Historically, the idea is that it is a good idea to divide policy and spending. Ultimately it is more efficient for policy debates only on policy. In the spending decisions only on spending. That is just the way that Congress has operated for a very long time. That is just how Congress feels they should approach these types of activities. This shows you what we will be talking about shortly. A process that starts after the congressional budget resolution. The budget resolution is a blueprint. It sets a total amount that Congress can spend. This, or how much budget authority. The total amount is taken up by the House and Senate appropriations committees. They divide that among the 12 appropriation subcommittees that will be generating their own bills. They will decide how much authorized programs will get appropriations. How much budget authority they will be getting and how many outlines they will be able to make and even by how much. The subcommittees will report those back to the full committee. They will report that to the chamber floor of the prospective chamber. Again you have to have agreement on each individual bill. That might require that the chambers come together possibly in a conference committee. Or they just have to vote on the same person, somehow. Ultimately, these can for the budgetary authority and so forth are given to the president who can sign those into law. Let us get into some details about that process. Again we have deadlines. It is supposed to complete its passage by June 30th but these are often miss. Full passage is supposed to occur by October 1st. And it can be very problematic when that does not occur. And if it does not happen on occasion. We are all aware of what can happen and we will discuss what happens when that happens, shortly. The appropriations subcommittee's consider and reports the bill to a full committee. As I mentioned before it is important to realize. Budget resolutions sets a general amount. This is where it is divided up amongst the different categories of appropriations. The subcommittee divides that up. Let me back up. The budget resolutions sets a total amount and that is divided and given to the appropriations committees. They take that and divide it amongst the different appropriations committees based on their subject matter. This is the budget authority. These are the outline they consider it and report out of the 12 appropriation bills that are supposed to fund the government. When these bills go to the floor they are governed again by statutory procedures, rules, precedents, and so forth. But they can even waive away some of these or even all of them if they choose. To consider an appropriations bill under a special rule. So it can set how many amendments are made, the time limit of debate. It can waive its points of order that can be made against the bill. Basically all of these terms in which a bill is sitting on a house floor. The process is different in the Senate. The Senate does not have something like a rules committee so it cannot waive away a lot of the process or procedural elements that the house can. Congressional budget act to apply but what is crucial here is that you can force points of order. This may not have been previously allowable in the house. If an appropriations bill is in conflict with the budget resolution. A point of order can be raised. That element of conflict can be struck from the bill. For example, an appropriations bill contains an element that exceeds a budget of 40 by budget resolution. That can be raised as a point of order on the Senate floor. Of course the Senate can waive rules but this has to be done through a substantial majority order or consent. The cell dashed the Senate and the house have to agree and have to come together through a conference committee or another means in which they can reach agreement The appropriations process. And here is a question. When was the last time Congress actually did this? When did they Exley pass a budget resolution? When did they pass 12 appropriations bills? That was back in 1977. But they have not completed that process only four times. This is the process that we have to work with and it is the basis of how Congress approaches the budget. But Congress deviates most of the time from this particular process. It is really hard to discuss how it deviates because it deviates in very specific ways. From 2010 - 2010 to 2020. Again, these are going to be different, and you can only teach the consistency of how the process should work. Each timeframe can be different. Such as 2000-2010. Again Congress is very creative and what we should understand as

when problems arise. There are failsafes. For example there is the omnibus consolidated appropriations act. Congress cannot pass the bills individually. They will pass them all together, as a group. You will usually hear about an omnibus bill or they might be given a special name like a minibus. Last year, they passed a consolidated appropriations bill. All 12 appropriations bills at once, at one time. That was called the Corona bus bill. That is one means in which they can pass bills, quickly. There is antipathy on this method because when you consolidate these bills that are very large in and of itself. They make these super products that are very hard to read. And have to be read very quickly to be passed. Other extraneous measures could be working their way into them as well. If Congress cannot get that far? It needs to fund the government to avoid the deadline. Of money for discretionary income running out. This provides budgetary authority for certain periods. So it might contain a resolution to pass a budget resolution to give itself breathing space to reach an agreement. Either on an omnibus or appropriations bill by funding the government for perhaps eight months. And at current levels, increasing it, decreasing it by a certain amount. But it is usually temporary for a period of time. Finally there is a supplemental resolution. Obviously, if you create a budget you cannot anticipate all of the future events that occur. Terrible things happen. We just have pandemics, flu, natural disaster, and they might have to pass additional budgetary authority for supplemental resolution. To deal with those particular situations. We talked about appropriations. Now let's talk about reconciliation. I was reading today that when you get to the budget resolutions. I feel bad about saying this but they are relevant except for whether or not they contain reconciliation instructions. We will talk more about that in a moment but we will hear more about reconciliation. We Artie talked about the reconciliation process. - We will already talk about that but I hesitate to say if it has reconciliation instructions but who really knows what is going to say. Some of these procedures can contain irrelevancies or even seem irrelevant for whatever reason. This is what the budget resolution and reconciliation bill looks like. It emanates from the budget resolution. The budget resolution will contain instructions to the authorizing committees that control the bills that will provide direct spending. Find revenue up to a certain amount. Or find a savings up to a certain amount. The authorizing committees can do that. If it is just one committee on a one bill they will move it directly to the floor. But if it is multiple communities they will submit it to the budget committee. And the House Budget Committee bundle that together and submit it to the chamber to be voted upon. That will then be sent to the chamber to vote on it and then agree. And ultimately it is submitted to the president for a signature. What is reconciliation? Reconciliation is a procedure to make direct spending conform with budget resolution. And it is like so security, Medicare, that will conform to the budget resolution. Change the laws themselves, if it is to conform with the requirements of the budget resolution. This process is optional. Congress does not have to do it. They can, if they so which but it is expedited. In that sense they are looking at aspects of the bill they can move it along, especially in the Senate. Originally it was intended to curb deficit and not create policy and cut taxes. But those procedures made it too tempting for Congress to resist using it for creating falsehoods. How does reconciliation work? Instructions go to the authorizing committees from the budget resolutions. Find savings or increased deficit to a certain amount. These committees are supposed to change laws under their jurisdiction. With means, there is revenue and other controls with Medicare, so forth. Changing those laws to conform to the budget resolution. The resolution will do is change them by a certain amount. By which the committees are supposed to act and there are supposed to change those amounts over a certain amount of time to produce a result over a certain amount of deadline that is not enforced. They will purport that bill to the chamber. If only one bill and if multiple bills it can be bundled into an omnibus that can make the changes. This is then submitted to the floor. There is a special rule in the house. If amendments can be allowed? Or how long it can be debated. In the Senate, there are various considerations to move the bill along. It cannot be stalled by the 60 votes required. It is limited to 20 hours and it has other elements could for example, the Byrd cannot contain unrelated provisions. Congress and the House and Senate cannot insert provisions that have nothing to do with the budget.

For example of Congress and that Schoolhouse Rock example create a law making school buses stop at railroad crossings. That in and of itself has nothing to do with budget. That would not be able to pass reconciliation. And in the Senate as well they cannot make amendments just through anything like they might be able to do in a regular debate. And he must be germane to the budget resolution. The differences have been resolved in both chambers have to agree on the same product. This is typically done through a conference committee. And finally there is a final vote. They have a special rule to determine how to proceed. And the Senate have elements on to move the debate on a bill in that chamber as well. So an eventual vote has to occur on the reconciliation. And I do not want to get into the details of reconciliation. But these are slides that I made up for the passage of the reconciliation bill. It can't part of the affordable care act passed. What is critical to point out is the process worked as it was supposed to. Instructions, instructed committees came up with bills regarding healthcare. It was submitted to the house, the budget committee, and were bundled into an omnibus bill. That final omnibus bill emerged from budget as it should but it was that past. You had the house and the Senate and the president all discussed what should be in that reconciliation bill and then it was changed. That was completely different from the budget committee. That is just again to say that the process that we have here can be altered, changed in ways that Congress sees fit. We can say that it is bad. We can say that it is good. Ultimately he gets back to what I always said about Congress that is a pragmatic institution. It will do what it needs to do to pass legislation. In many ways it will deviate from the process that we have. That is a lot. And that is a lot to cover . I can understand that probably a lot of you are very confused at this point. It is hard to fully understand the budget without getting more information. You can do only so much in just a one hour presentation but there is plenty of information resources out there to fully understand it. Most are Congress to - published by the people that actually work at. The Congressional research service offers many publications. The Congressional budget office is a nonperson that advises Congress on budgetary matters also produces a lot of publications as well. The lawn Library of Congress has an eight-page dedication to appropriations and budget resources and especially helpful. If you want to track if the appropriations bills or resolutions are moving through Congress. GPO has the can compendium - of laws that rules and precedents that the Senate and rules use. Finally it is always good to have the terminology you need. Many times it can be different from that that is used in common discussion. For that the glossary of terms in the title budget process by the Government accountability office is also helpful. You can find this online. I guess what I would like to do is take questions.

There were three questions that have come in, so far. The first came from and and it is related to the budget proposal. She asks is that every deadline especially hard to meet in the first year of an administration?

Absolutely. Typically, if we work on the president's budget it begins months and months in advance. So yes but it has to be extremely difficult to have it for a transitional year. Essentially they only have one month. And even a month of May deadline is optimistic. So you are absolutely right. It is hard to meet. There is no penalty for meeting it. There is no penalty aside from having the presidents views known and influencing the budget process. As it is being generated in Congress.

If I understand correctly there are controls. What are those controls and how are they enforced?

If I understand correctly, there are controls on pork. What are those controls and how are they enforced? it is interesting

In terms of reconsideration, there are House and Senate controlling in the reconciliation process. That is an enormously great opportunity . Theoretically, to stick and pork because you get around these super majority privacy settings. But whatever you do do has to be a germane to the budget. A lot of specific programs. Pork, typically, for a specific program would be very hard to do with reconciliation. But in the house and senate the appropriations processes and rules. Those are probably the biggest impediments to pork making its way into the bills. Pork was such a horrible idea and certainly in the 1990s. I do not know why people think that it would be helpful to have pork or earmarks, as an incentive to get appropriations bills passed. Maybe we should bring them back? Maybe it would be easier to get the process back on track.

Okay. If a law is passed but never given a specific source of funding, even though it affects a program which would fall under direct spending, how would that affect the budget? Would it require supplemental spending? This is happening with Medicaid expansion right now in Missouri and I'm wondering if anything similar has ever occurred at the Federal level.

Direct spending is supposed to occur automatically. Direct spending happens such as Medicare it should be paid. That is one of the reasons why discretionary spending is very small. The nano process and the directive is larger because it is performed automatically. But for a discretionary program if it is not funded. But it exists without money. Typically it is on the books but not actually running. Again there are exceptions with this. The problem I think and that could be a situation with that product and program. There are unfortunately these programs that span direct and discretionary spending. To take everything I said is very general is what I mentioned in the beginning. This could be a case with certain programs with Medicaid. Not entirely sure . but they operate in this scene, strange never world. They are direct but they need appropriations as to what happens there. That is also probably something I need to look into. It is further down and deeper into the weeds that I have gone yet.

Okay. I'm curious about covert spending. It represents classified or unknown spending, but it draws from actual funds. How does that get accounted for?

That is a good question. There are probably aspects and I probably have not gotten that deep into that particular topic. But that would probably fall under an appropriations bill, intelligence, so forth. You probably have a general amount but if it is a secret? Or perhaps a secret program. It would probably not be in the appropriations bill. There are probably other ways to follow it but I cannot say. The president probably knows more on that subject. I'm sorry if I do not have any more information to give you on that.

Okay. We had a little bit of traffic. People chiming in on a few comments here, there. I am going to request that everybody take a look at the link that Laura put out. It is our webinar survey. It also thank you our presenter this very complex topic. And I also want to thank my colleague, Laura as technical support throughout this webinar. And I want to thank you all, the viewers for expressing interest in this topic. You asked for this topic. John graciously agreed to present on this topic. Thank you for letting us know that you wanted more information on it. Do not forget that we have some upcoming webinar appeared one more this month and it is tomorrow. The importance of tangible formats. We have three more, those for that are slated for the next month. One for the national responsible fatherhood clearinghouse, national for minerals, conflict minerals and rare earth. I have taken a look at the chat. I do not see any more questions but a lot of shout outs. John, thank you so much. With that, I am going to close out the webinar and a final thank you to everyone. [Event Concluded]