



Fact Sheet
on
THE STATUS OF THE FISCAL YEAR 2009 BUDGET

The Federal Government's Fiscal Year (FY) 2009 Budget Resolutions

The federal budget process begins with the Budget Resolution which is the annual decision made by the U.S. Congress to set spending and revenue levels, and provides a voluntary framework within which Congress agrees to limit subsequent spending bills.

The Budget Resolution may also instruct committees to change current law in order to save money.

The House of Representatives passed its \$3.06 trillion FY09 Budget Resolution on March 13, while the Senate passed its \$3.08 trillion resolution in the early hours of March 14. A conference on the House and Senate FY09 Budget Resolution should begin taking shape once lawmakers return on April 2 from their two-week Easter recess.

While the budget resolution is non-binding, it does outline spending levels for appropriators. It needs to be passed both the House and Senate, but is not signed by the President.

There are many hurdles to complete the FY09 Budget Resolution. House and Senate conferees will have to close a \$4 billion gap between discretionary spending levels. The House resolution sets levels at \$1.014 trillion, while the Senate plan seeks \$1.010 trillion. President Bush's budget requests \$992 billion in discretionary spending.

Current law states that if there is no conference agreement on a Budget Resolution by May 15, the appropriations process can begin and the House and Senate can deem its preferred spending levels. If that happens, the most likely scenario is that each chamber will work with the FY09 spending levels laid out by its respective budget resolutions.

Last year, the House and Senate passed their budget resolutions at the end of March and reached agreement on a conference report on May 16.

FY09 Appropriations

House and Senate Appropriations Committees would like to get their bills passed out of their chambers by the August recess. Last year, the House passed all 12 bills by the August recess, passing most in June and July. The Senate, which only passed seven of its 12 bills last year, hopes to complete some bills before the August recess and some when they return.

The Appropriations Committees are currently dealing with another Iraq war supplemental and planning budget oversight hearings that they want to complete before they begin marking up their bills in subcommittee. The supplemental, which will be a focus through April, will likely be completed in early May.

Some believe that the appropriations bills will not be completed this year and Congress will wait until the new Administration.

In addition, the party conventions and the upcoming presidential election could further hamper the process by condensing the congressional appropriations schedule. Congress is hoping to adjourn by Sept. 26, only five days from the start of FY09 and the statutory deadline to enact new appropriations bills. Aides tell HIMSS that whichever appropriations bills are not completed will be combined into a continuing resolution, similar to last year, which would keep the government running.