

The Budget Reconciliation Process

- At least annually, the House and Senate are required to adopt a concurrent resolution (the budget resolution) that outlines revenue, spending and debt policies for the following fiscal year. The budget resolution cannot be filibustered in the Senate.
- If the optional “fast-track” budget reconciliation process is used, reconciliation instructions in the budget resolution will direct committees to develop legislation to achieve the desired budget outcomes.
- Resulting legislation is typically rolled into an omnibus budget reconciliation bill and considered under an expedited procedure in the House and Senate (notably limiting debate and amendments and bypassing the need to secure 60 votes in the Senate to overcome a filibuster).
- A budget reconciliation bill is supposed to include only provisions that have a budgetary impact and that do not increase the deficit outside the 10-year budget window, but a 60-vote majority in the Senate can override any objections.
- Although different procedures are usually used to increase the debt limit, the reconciliation process has been used for this purpose.
- Reconciliation is supposed to be completed within two months of adoption of the budget resolution, but budget resolutions have seldom been adopted on time, and the average length of time to complete the process is about five months.
- The reconciliation process can be drawn out. A number of omnibus reconciliation bills were enacted (or vetoed) in the second session of Congress from reconciliation instructions included in the prior session.
- Reconciliation has been used 20 times since first used in 1980, including for a number of tax bills and recently to pass the final parts of the Affordable Care Act.