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Reconciliation Instructions in the FY2006 Budget Resolution

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Summary

The House and Senate reached final agreement on April 28, 2005, on a budget resolution for FY2006 (H.Con.Res. 95) which included reconciliation directives expected to lead to the consideration of three different reconciliation bills during the session: (1) an omnibus spending reduction measure, incorporating submissions from eight House and eight Senate committees; (2) a revenue reduction measure; and (3) a public debt limit increase measure. The omnibus spending bill is intended to reduce outlays by \$1.519 billion for FY2006 and \$34.658 billion for the five-year period covering FY2006 through FY2010; the revenue bill is intended to reduce revenues by \$11 billion for FY2006 and \$70 billion for the period FY2006-FY2010; and the third bill is intended to increase the public debt limit by \$781 billion.

This report will be updated as developments warrant.

On April 28, 2005, the House and Senate reached final agreement on a budget resolution for FY2006 (H.Con.Res. 95).¹ The budget resolution included reconciliation directives that are expected to lead to the consideration of three different reconciliation bills during the session: (1) an omnibus spending reduction measure, incorporating submissions from eight House and eight Senate committees; (2) a revenue reduction measure; and (3) a public debt limit increase measure.

As **Table 1** shows, the omnibus spending bill is intended to reduce outlays in mandatory programs by \$1.519 billion for FY2006 and \$34.658 billion for the five-year period covering FY2006 through FY2010. The revenue bill is intended to reduce revenues by \$11 billion for FY2006 and \$70 billion for the period FY2006-FY2010.

¹ See *Concurrent Resolution on the Budget for Fiscal Year 2006*, conference report to accompany H.Con.Res. 95, Apr. 28, 2005, H.Rept. 109-62.

Taken together, the two measures would result in an increase in the deficit of about \$35 billion over the FY2006-FY2010 period. In addition, a third reconciliation bill is intended to increase the public debt limit by \$781 billion.

Table 1. Three Reconciliation Bills Contemplated by the FY2006 Budget Resolution

Reconciliation Bill	Amount (\$ billions)	
	FY2006	FY2006-FY2010
Omnibus Spending Reduction	-1.519	-34.658
Revenue Reduction	-11.000	-70.000
Public Debt Limit Increase		+781

Source: Prepared by the Congressional Research Service.

Under the terms of the FY2006 budget resolution, the eight House and eight Senate committees instructed to reduce spending within their jurisdiction were to submit their recommendations to their respective Budget Committees by September 16. (Reconciliation procedures require that the Budget Committees incorporate the legislative submissions of instructed committees into an omnibus bill without any substantive revision.²) By informal agreement in the Senate, however, the deadline for committee submission was postponed to the week of October 17-21. The House also has adopted informally a delayed time frame.

The other two reconciliation bills, for revenue reductions and an increase in the public debt limit, are to be reported directly to the House and Senate by the House Ways and Means Committee and the Senate Finance Committee, respectively. (Unlike in the case of omnibus legislation, committees that receive a sole instruction report their recommendations directly to their chamber rather than submitting them to their respective Budget Committee.) Under the terms of the budget resolution, the two committees were to report the revenue bill by September 23 and the debt limit bill by September 30. By informal agreement in the two chambers, however, the two committees are expected to report the bills several weeks later in the session, after the omnibus spending legislation has been reported.

Additional detail on the reconciliation instructions, including an identification of saving amounts by committee, is provided in **Table 2**.

² For an explanation of reconciliation procedures, see CRS Report RL33030, *The Budget Reconciliation Process: House and Senate Procedures*, by Robert Keith and Bill Heniff Jr.

Table 2. Reconciliation Instructions in the Conference Agreement on the FY2006 Budget Resolution

Committee	Amount (\$ billions)	
	FY2006	FY2006-FY2010
Spending (Mandatory Outlays)		
House Agriculture	-0.173	-3.000
House Education and the Workforce ^a	-0.992	-12.651
House Energy and Commerce	-0.002	-14.734
House Financial Services	-0.030	-0.470
House Judiciary	-0.060	-0.300
House Resources	—	-2.400
House Transportation and Infrastructure	-0.012	-0.103
House Ways and Means ^b	-0.250	-1.000
Total for House Committees	-1.519	-34.658
Senate Agriculture, Nutrition, and Forestry	-0.173	-3.000
Senate Banking, Housing, and Urban Affairs	-0.030	-0.470
Senate Commerce, Science, and Transportation	-0.010	-4.810
Senate Energy and Natural Resources	—	-2.400
Senate Environment and Public Works	-0.004	-0.027
Senate Finance	—	-10.000
Senate Health, Education, Labor, and Pensions ^a	-1.242	-13.651
Senate Judiciary	-0.060	-0.300
Total for Senate Committees	-1.519	-34.658
Revenues		
House Ways and Means Committee	-11.000	-70.000
Senate Finance Committee	-11.000	-70.000
Statutory Debt Limit		
House Ways and Means Committee		+781.000
Senate Finance Committee		+781.000

Source: *Concurrent Resolution on the Budget for Fiscal Year 2006* (conference report to accompany H.Con.Res. 95), H.Rept. 109-62, Apr. 28, 2005, pp. 11-14 and 68-71.

^aThe reconciliation instructions to the House Education and the Workforce Committee and the Senate Health, Education, Labor, and Pensions Committee for FY2006 and FY2006-FY2020 also encompass FY2005.

^bThe reconciliation instructions to the Ways and Means Committee are “to reduce the deficit,” which may include reductions in outlays, increases in revenues, or a combination of the two.