

Announcements

- * **Have:** Federal Budget Flowchart Assignment (to be collected...soon)
- * **Today (Unit 4 Day 1):** 1. Discussion & Notes: Budget Creation & Revenue
- * **Previous Class:** Unit 3 Test

Assignments

- * **HOMEWORK:** Final Project for Court Cases Due Tomorrow.
- * **Handed in or shared**
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Essential Unit Questions

- * What is the process of creating, approving, and implementing foreign and domestic policies?
- * How does one evaluate a public policy?
- * How does the federal budget impact the creation and implementation of foreign and domestic policy?

Essential Lesson Questions

- * What is the process of creating the federal budget?
- * What are the various sources of federal government revenue?

Federal Budget

- * An estimated plan of how much the government will spend on a variety of expenses for the upcoming year, and how much revenue is needed to do so.
- * OR: The **federal budget** is the U.S. government's plan for managing revenue and expenditures.
 - * **REVENUE:** income
 - * **EXPENDITURES:** spending

Federal Budget Creation Process

- * <http://nationalpriorities.org/en/budget-basics/federal-budget-101/federal-budget-process/>
- * <http://www.washingtonpost.com/wp-srv/special/politics/federal-budget-process/budgetprocess.pdf>

How Does the Federal Government Create a Budget?

There are five key steps in the federal budget process:

1. The President submits a budget request to Congress
2. The House and Senate pass budget resolutions
3. House and Senate Appropriations subcommittees "markup" appropriations bills
4. The House and Senate vote on appropriations bills and reconcile differences
5. The President signs each **appropriations bill** and the budget becomes law

Budget Creation

- * The US Constitution gives the "power of the purse" (power to tax and spend money) to whom?
- * US Congress

Budget Creation

- * The annual congressional budget process is officially called what?
- * Appropriations process

Budget Creation

- * Appropriations bills specify how much money will go to different agencies and programs. In addition to these funding bills, Congress must pass legislation that provides the federal government the legal authority to actually spend the money. These laws are called _____.
- * Authorizations

Budget Creation

- * Authorizations also serve another purpose. There are some types of spending that are not subject to the appropriations process. Such spending is called direct or _____ spending.
- * Mandatory

Budget Creation

- * Two examples of mandatory spending are _____ and _____.
- * Social Security, Medicare, SNAP (Food Stamps), unemployment insurance, student loans, "Obamacare"

Budget Creation

- * The _____ sends a budget request to _____ each _____ for the coming fiscal year, which begins on _____ 1st.
- * President, Congress, February, October

Budget Creation

- * After the president submits the budget request and lawmakers have thoroughly reviewed it, the House Committee on the Budget and the Senate Committee on the Budget each writes a _____.
- * Budget resolution (a blueprint for taxing and spending)

Budget Creation

- * The _____ Committees in both the House and the Senate are responsible for determining the precise levels of budget authority for all discretionary programs.
- * Appropriations

Budget Creation

- * The Appropriations Committees in both the House and Senate are broken down into smaller Appropriations _____, which review the president's budget request pertaining to the federal agencies under their specific jurisdictions.
- * Subcommittees (ex. defense, energy, transportation, agriculture, etc.)

Budget Creation

- * All subcommittee members then consider, amend, and finally _____ on the bill. Once it has passed the subcommittee, the bill goes to the full _____ Committee. The full committee reviews it, and then sends it to the full _____ or _____ for consideration.
- * Votes, Appropriations, House, Senate

Budget Creation

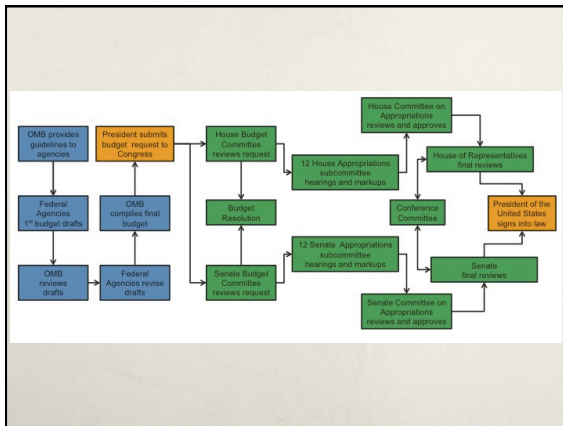
- * The full House and Senate then debate and vote on appropriations bills from each of the _____ subcommittees. After both the House and Senate pass their versions of each appropriations bill, a _____ committee meets to resolve differences between the House and Senate versions.
- * 12, conference

Budget Creation

- * After the conference committee produces a reconciled version of the bill, the House and Senate vote again, but this time on a bill that is _____ in both chambers.
- * identical / the same

Budget Creation

- * After passing both the House and Senate, each appropriations bill goes to the _____.
- * President



Budget Creation

- * When the budget process is not complete by Oct. 1, Congress passes a _____ resolution so that agencies continue to receive funding until the full budget is in place.
- * Continuing

Budget Creation

- * Describe how the budget-creation process is impacted by multiple branches of government.
- * Executive branch and legislative branch must cooperate and compromise on levels of taxation and spending

Budget Creation

- * How long does the budget process take?
- * At least 9 months; President submits his budget proposal in February for a fiscal year that begins October 1st

Budget Creation

- * Looking at your flowchart, list 2 different factors that would complicate the successful completion of the budget process.
- * Party politics, differing economic philosophies, impact of lobbying and campaign contributions

Fiscal Year 2015

- * <https://mninews.marketnews.com/index.php/us-budget-week-new-fiscal-year-begins-quiet-uncertain-way?q=content/us-budget-week-new-fiscal-year-begins-quiet-uncertain-way>