

Reconciliation Instructions in the House and Senate FY2025 Budget Resolutions: In Brief

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On February 21, 2025, the Senate adopted S.Con.Res. 7, a budget resolution for FY2025. The House adopted a different budget resolution for FY2025, H.Con.Res. 14, on February 25, 2025. Although both include reconciliation instructions, a budget resolution has no effect until both chambers have agreed to the same legislative vehicle in the same form. This means that the chambers must each adopt, using the same concurrent resolution, an identical version of an FY2025 budget resolution to trigger the reconciliation process.

The Budget Resolution and the Reconciliation Process

The Congressional Budget Act of 1974 (Budget Act) provides that Congress shall adopt a budget resolution each year to serve as an agreement between the House and Senate on a high-level budgetary plan for the upcoming fiscal year.¹ The budget resolution does not become law. Instead, it includes certain spending and revenue levels that may be enforced through points of order once both chambers have adopted the resolution. It is also privileged for fast-track consideration in the Senate and, therefore, requires the support of only a simple majority of Senators to be adopted.

While the Budget Act establishes that Congress shall adopt a budget resolution each year, Congress has not always done so. Over the past 20 fiscal years (FY2006-FY2025), Congress has adopted a budget resolution nine times. In all but one of these instances (FY2009), the budget resolution included reconciliation instructions.

Once the same measure with identical text is adopted by both chambers, a budget resolution can trigger the budget reconciliation process. Reconciliation provides special procedures for the consideration of legislation making changes to mandatory spending, revenue, and/or the debt limit consistent with the reconciliation instructions adopted in the budget resolution. This subsequent legislation is also privileged for fast-track consideration in the Senate and therefore also requires only a simple majority to pass in the Senate.

Reconciliation is a multi-stage process.² First, both chambers adopt a budget resolution that includes reconciliation instructions directing specified committees to develop legislation to achieve a certain budgetary target. Next, instructed committees develop legislation consistent with the instructions in the budget resolution and submit it to their respective Budget Committees. The Budget Committees are then required to package committee submissions into a single reconciliation measure and report it to their respective chambers without any substantive revisions. The House and Senate must then each consider and pass the measure in the same form before it is sent to the President for signature.

Budget Resolution for FY2025 and the Timing of a Subsequent Reconciliation Bill

While the Budget Act states that the budget resolution should pertain to the upcoming fiscal year, Congress has on occasion adopted a budget resolution for a fiscal year already in progress. Doing so may increase the number of opportunities for Congress to trigger the reconciliation process over the course of a single calendar year. For example, in both 2017 and 2021, Congress adopted a budget resolution for the fiscal year already in progress, which was used to trigger reconciliation, and subsequently, Congress adopted a budget resolution for the succeeding year, triggering a second round of reconciliation.

¹ Titles I-IX of P.L. 93-344, as amended.

² For more on the sequence of the reconciliation process, see CRS Report R44058, *The Budget Reconciliation Process: Stages of Consideration*, by Megan S. Lynch and James V. Saturno.

The current House and Senate versions of the budget resolution each pertain to FY2025, the fiscal year that began October 1, 2024, and ends September 30, 2025. The Senate Parliamentarian has previously stated that reconciliation instructions cannot be acted upon beyond the fiscal year for which they were adopted (i.e., beyond September 30, 2025, for an FY2025 budget resolution).³

The time required for Congress to develop and pass reconciliation measures has varied historically. For the 27 reconciliation measures enacted or vetoed since 1980 (23 enacted, four vetoed), an average of about five months (154 days) separated the adoption of a budget resolution and the enactment of reconciliation legislation. The shortest amount of time between the adoption of a budget resolution and the enactment of reconciliation legislation was 27 days for the Omnibus Budget Reconciliation Act of 1990 (P.L. 101-508), while the longest was 384 days for the Tax Increase Prevention and Reconciliation Act of 2005 (P.L. 109-222).

Reconciliation Directives Currently Included in the House and Senate FY2025 Budget Resolutions

The current House and Senate versions of the budget resolution each include provisions that would trigger the reconciliation process. The instructions differ significantly, however. Senate leadership has stated that the Senate budget resolution is meant to be the first of two budget resolutions triggering reconciliation to be adopted this year.⁴ The Senate budget resolution is reportedly meant to focus primarily on defense and border security.⁵ The Senate resolution's instructions, therefore, include fewer committees and have a smaller potential budgetary impact. House leadership, however, has stated that the House budget resolution is meant to trigger a one-bill reconciliation approach that would address tax policy, border security, and the debt ceiling, among other changes to current law.⁶ The House resolution's instructions, therefore, include more committees and have a larger potential budgetary impact.

³ U.S. Congress, Senate Budget Committee, *The Congressional Budget Process*, committee print, 117th Cong., 2nd sess., December 2022, S. Prt. 117-23, pp. 516-517.

⁴ Jordain Carney, "Senate's Reconciliation Blueprint Is Ready to Go, Thune Says," *Politico*, January 29, 2025, <https://www.politico.com/live-updates/2025/01/29/congress/john-thune-senate-reconciliation-plan-00201406>.

⁵ Alexander Bolton, "Thune Lays Out Plan for Separate Border and Tax Reconciliation Bills," *The Hill*, December 3, 2024, <https://thehill.com/homenews/senate/5020333-senate-republicans-reconciliation-tax-cuts-border-security/>.

⁶ Sahil Kapur et al., "Speaker Johnson's Push to Pass Trump's Agenda in One Massive Bill Faces Big Hurdles," *NBC News*, January 6, 2025, <https://www.nbcnews.com/politics/congress/speaker-johnsons-push-pass-trumps-agenda-one-massive-bill-faces-big-hu-rcna186399>.

Table I. Reconciliation Instructions Included in the Senate Version of the FY2025 Budget Resolution

S.Con.Res. 7, as adopted by the Senate on 2/21/2025

House Committee Instructions			Senate Committee Instructions		
Committee	Type of Instruction	Amount, FY2025-FY2034 (in Billions) ^a	Committee	Type of Instruction	Amount, FY2025-FY2034 (in Billions)
Agriculture	Deficit	-\$1	Agriculture, Nutrition, and Forestry	Deficit	-\$1
Armed Services	Deficit	+\$150	Armed Services	Deficit	+\$150
Education and Workforce	Deficit	-\$1	Commerce, Science, and Transportation	Deficit	+\$20
Energy and Commerce	Deficit	-\$1	Energy and Natural Resources	Deficit	-\$1
Natural Resources	Deficit	-\$1	Environment and Public Works	Deficit	+\$1
Homeland Security	Deficit	+\$175 ^b	Finance	Deficit	-\$1
Judiciary	Deficit	+\$175 ^b	Health, Education, Labor, and Pensions	Deficit	-\$1
Transportation and Infrastructure	Deficit	+\$20	Homeland Security and Governmental Affairs	Deficit	+\$175 ^b
			Judiciary	Deficit	+\$175 ^b
Minimum Deficit Reduction	\$4 billion		Minimum Deficit Reduction	\$4 billion	
Maximum Deficit Increase	\$520 billion		Maximum Deficit Increase	\$521 billion	

Source: S.Con.Res. 7 (119th Congress).

- a. For the purpose of this table, a minus (-) indicates an instruction to decrease the deficit, and a plus (+) indicates an instruction to increase the deficit. Instructions to decrease the deficit are considered a minimum, or floor, while instructions to increase the deficit are considered a maximum, or ceiling.
- b. According to statements from the chair of the Senate Budget Committee, the instructions to the Homeland Security and Governmental Affairs and the Judiciary Committees in the Senate, and the Homeland Security and Judiciary Committees in the House, to each increase the deficit by no more than \$175 billion are intended to be combined instructions. In other words, it is reportedly intended that the submissions for both committees in each chamber, together, would increase the deficit by no more than \$175 billion. Procedurally, however, there is nothing precluding these committees in either chamber from submitting legislation that would each respectively increase the deficit by no more than \$175 billion (for a total of \$350 billion). See Senate Committee on the Budget, "Chairman Graham Statement After Senate Agrees to Budget Resolution to Secure the Border, Revitalize Our Military and Unleash American Energy," press release, February 21, 2025, <https://www.budget.senate.gov/chairman/newsroom/press/chairman-graham-statement-after-senate-agrees-to-budget-resolution-to-secure-the-border-revitalize-our-military-and-unleash-american-energy>.

Table 2. Reconciliation Instructions Included in the House Version of the FY2025 Budget Resolution

H.Con.Res. 14, as adopted by the House on 2/25/2025

House Committee Instructions			Senate Committee Instructions ^a		
Committee	Type of Instruction	Amount, FY2025-FY2034 (in Billions) ^b	Committee	Type of Instruction	Amount, FY2025-FY2034 (in Billions)
Agriculture	Deficit	-\$230			
Armed Services	Deficit	+\$100			
Education and Workforce	Deficit	-\$330			
Energy and Commerce	Deficit	-\$880			
Financial Services	Deficit	-\$1			
Homeland Security	Deficit	+\$90			
Judiciary	Deficit	+\$110			
Natural Resources	Deficit	-\$1			
Oversight and Government Reform	Deficit	-\$50			
Transportation and Infrastructure	Deficit	-\$10			
Ways and Means	Deficit	+\$4,500			
	Debt limit	+\$4,000			
Minimum Deficit Reduction	\$1,502 billion ^c		Minimum Deficit Reduction		
Maximum Deficit Increase	\$4,800 billion		Maximum Deficit Increase		

Source: H.Con.Res. 14 (119th Congress).

- H.Con.Res. 14, as adopted by the House on February 25, 2025, does not include reconciliation instructions to Senate committees. Such instructions would need to be added to the measure prior to adoption by both chambers in order to trigger reconciliation in the Senate.
- For the purpose of this table, a minus (-) indicates an instruction to decrease the deficit, and a plus (+) indicates an instruction to increase the deficit. Instructions to decrease the deficit are considered a minimum, or floor, while instructions to increase the deficit are considered a maximum, or ceiling.
- Section 3002 of H.Con.Res. 14 establishes that if the House committees directed to decrease the deficit do not, on a net basis, decrease the deficit by at least \$2 trillion over the period of FY2025-FY2034, then the instruction to the Ways and Means Committee to increase the deficit must be lowered by a commensurate amount.

The Debt Limit

The Fiscal Responsibility Act of 2023 (P.L. 118-5) suspended the statutory limit on the debt and specified that it be reinstated on January 2, 2025.⁷ Since then, Treasury has been implementing “extraordinary measures” to prevent the debt limit from becoming binding.⁸

Congress typically considers debt limit legislation under regular legislative procedures that require the support of three-fifths of Senators. Congress may also use the reconciliation process to consider legislation increasing the debt limit, thus requiring only a simple majority to pass in the Senate. Congress has included debt limit legislation in reconciliation four times: 1986, 1990, 1993, and 1997. H.Con.Res. 14 includes a directive to the House Committee on Ways and Means to report legislation that would increase the statutory debt limit by \$4 trillion. If Congress wants to increase the debt limit through reconciliation legislation, the final agreement on a budget resolution would need to include such instructions to the Senate Committee on Finance as well.

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⁷ For more on the debt limit, see CRS In Focus IF10292, *The Debt Limit*, by Grant A. Driessen.

⁸ For more on “extraordinary measures,” see CRS Insight IN10837, *Debt Limit Policy Questions: What Are Extraordinary Measures?*, by Grant A. Driessen.