



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

January 27, 2012

H.R. 3575 **Legally Binding Budget Act of 2012**

As ordered reported by the House Committee on Rules on January 23, 2012

H.R. 3575 would change the procedures for considering the Congressional budget resolution. CBO estimates that enacting H.R. 3575, by itself, would not have a significant impact on the federal budget. Any impact on the budget would depend on the extent of future legislative actions by the Congress and the President. Enacting H.R. 3575 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

The bill would change the budget resolution from a concurrent resolution (a legislative measure that is passed by both the House and Senate, but is not signed into law) to a joint resolution (a measure passed by both Houses of Congress, and signed into law by the President). Under H.R. 3575, if a budget resolution is cleared by the Congress, the items contained in that resolution that pertain solely to the Congress would be enforceable upon enactment or 15 days after it is presented to the President, whichever occurs earlier.

The impact of H.R. 3575 would depend on future actions of the Congress and the President. Therefore, this bill would not—by itself—have a significant impact on the federal budget. However, requiring a budget resolution to be signed into law may lead to additional difficulties in establishing the guidelines required for the Congressional budget process. CBO estimates that any additional administrative costs for implementing H.R. 3575 would not be significant because both the executive branch and the Congress already carry out activities similar to those that would be involved in preparing and responding to Presidential budget proposals.

H.R. 3575 contains no intergovernmental or private-sector mandates, as defined in the Unfunded Mandates Reform Act, and—by itself—would have no impact on the budgets of state, local, or tribal governments. Any budgetary effects would depend on subsequent legislative action.

The CBO staff contact for this estimate is Jared Brewster, who can be reached at 226-2880. The estimate was approved Theresa Gullo, Deputy Assistant Director for Budget Analysis.