



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

February 12, 2014

### **H.R. 1869** **Biennial Budgeting and Enhanced Oversight Act of 2014**

*As ordered reported by the House Committee on the Budget on February 11, 2014*

H.R. 1869 would alter the timeframe of the federal budget, appropriations, and other elements of the budget process from an annual to a biennial cycle. CBO estimates that enacting the legislation would not, by itself, affect the federal budget. Any such impact would depend on the extent of future legislative actions by the Congress and the President. Because enacting H.R. 1869 would not affect direct spending or revenues, pay-as-you-go procedures do not apply.

Under H.R.1869, a biennium composed of two separate fiscal years would become the standard fiscal period. The first year of the process (starting in fiscal year 2017) would be devoted to budgetary actions. Those actions include the submission of the President's budget and adoption of the budget resolution, appropriation acts, and reconciliation acts—all under a schedule that parallels the current annual timetable. The President's budget and the Congressional budget resolution would cover three successive bienniums (a six-year period), and regular appropriations acts would be required to provide funds for one full biennium. Various rules and procedures in the Senate and House would be established to enforce the biennial budget process.

The second year of the biennium would generally be reserved for nonbudgetary activities, including planning, oversight, and consideration of authorizing legislation, and for any needed adjustments in existing budget laws. CBO and the Office of Management and Budget would be required to provide updated budget estimates during the second session.

Changing the current budget cycle from an annual to a biennial cycle would not alter some aspects of the current budget process. The Office of Management and Budget already prepares multiyear revenue and spending estimates for the President's budget. Budget resolutions also provide recommendations for revenue and spending levels on a multiyear basis. Further, most revenue and spending law is permanent and would not be affected by any changes that would result from enacting H.R. 1869.

H.R. 1869 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 budget action.

This staff contact for this cost estimate is Jared Brewster. The cost estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.