HOW WAR AFFECTS THE FORMAL FEDERAL BUDGET PROCESS

According to federal law, a declaration of war triggers changes in the congressional budget process.

**Congressional Budget Act**

2 U.S.C.A. § 641 — provides that the requirement that amendments to a reconciliation bill not increase budget outlays or decrease budget outlay reductions, revenues, or revenue increases unless they include offsetting budget outlay reductions or revenue increases does not apply “if a declaration of war by the Congress is in effect.

2 U.S.C.A. § 642(a) (West Supp. 2001) — provides that the requirement making bills, amendments, motions, and conference reports which provide new budget authority that would exceed what Congress has set forth in the concurrent resolution on the budget for that fiscal year or that would reduce revenues below what has been set forth in that concurrent resolution out of order in the House does not apply “when a declaration of war by the Congress is in effect.”

2 U.S.C.A. § 643(b)(2) (West Supp. 2001) — provides that the requirement making any bill, amendment, motion, or conference report that exceeds the discretionary spending limits set forth in 2 U.S.C.A. App. 901(c) out of order in the Senate does not apply “if a declaration of war by the Congress is in effect or a joint resolution pursuant to sections 907a and 908 of this title has been enacted.”


The first act establishes the congressional budget process, involving the annual adoption of a budget resolution; the second act establishes discretionary spending limits and a “pay-as-you-go” (PAYGO) requirement, enforced by sequestration. Six enforcement mechanisms associated with these acts are suspended automatically if a declaration of war takes effect. Four involve points of order under the 1974 act against legislation that violates: (1) the spending ceilings or revenue floors in the budget resolution; (2) committee allocations and subdivisions of spending made under the budget resolution; (3) a deficit-neutral requirement for amendments offered to reconciliation bills; and (4) in the Senate only, the discretionary spending limits established under statute. Another point of order, which is suspended upon a declaration of war, was established in the budget resolution for FY2002 (H.Con.Res. 83); Section 203 of the resolution makes it out of order in the Senate to consider legislation providing defense or nondefense discretionary spending in excess of specified limits for that fiscal year.

The remaining procedural mechanism suspended during a declaration of war is the sequestration process under the 1985 act, which enforces the discretionary spending limits and the PAYGO requirement.

During the years that these suspension provisions have been available, the United States has been involved in several instances of armed hostilities abroad, including the Persian Gulf War, but budget enforcement procedures were not suspended in any of
these instances because no declaration of war was enacted. Congress and the [p]resident met the additional spending needs associated with these hostilities largely by using procedures that allow such spending to be declared “emergency requirements,” thus freeing it from budget enforcement constraints.