

The DOD Appropriations Process August 2008

Federal agency funding is requested, approved, and allocated one year at a time. The White House's Office of Management and Budget (OMB) tells each federal agency what level of funding it expects to be available two years out. For example, in spring 2008, DoD learns what they are expected to receive in 2010. By September 2008, DoD must submit a preliminary 2010 budget to OMB. These budget numbers go back and forth between the OMB and the agency until an agreement is reached. In this example, the President submits the entire Fiscal Year 2010 budget to Congress in February 2009 – including the environmental restoration accounts for DoD. This period of back and forth is a crucial time for states to become involved in the process and provide their input

Congressional committees then hold hearings on budget matters (which may include levels of spending on environmental restoration) and mark up the legislation. Defense language is then incorporated into both the House and Senate versions of the Defense Authorization Act which must then be approved by both Houses. Since the Senate and House bills often have different language, these bills usually go to a conference committee, where changes can be made to both language and dollar amounts. During this conference committee process, the relevant cleanup offices may inform Congress on the justification for cleanup funding. The conference committee bill then returns to both Houses. If passed, it is sent to the President to sign.

While these authorizing committees are taking action, the appropriations committees are trying to pass another set of parallel legislation to initiate appropriations of funds. The appropriations process is nearly the same as the authorizing process. Constitutionally, appropriations must be made before the beginning of the fiscal year – and cleanup spending can stop if this deadline is not met. If the deadline is missed, a continuing resolution – a temporary appropriation based on past year's funding – can be passed to keep the government in operation.

As soon as the appropriation bill becomes law, OMB allocates funding to DoD. DoD then allocates funding among its subparts, which filters down to the military facility and project level. Environmental restoration funds are separate line items, usually separated by the type of site (e.g., BRAC sites, active bases).

The Federal Budget Cycle

1. The President's budget request, which starts the budget process yearly in February.
2. The Congressional budget resolution – Congress usually holds hearings to question Administration officials about their requests and then develops its own budget resolution.
3. Authorization – Before an appropriation can be allocated, Congress must enact an authorization measure that may create or continue an agency or program as well as authorize the subsequent appropriations.
4. Appropriation – While the authorizing committees are taking action, the appropriations committees are trying to pass another set of parallel legislation to initiate appropriations of funds. The House and Senate consider appropriations bills and a conference committee ensures that the legislation matches the authorization bill.
5. The President then acts on the bill.