



*April 2025*

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## RECONCILIATION GUIDELINES FOR FISCAL YEAR 2025

- The Concurrent Resolution on the Budget for Fiscal Year 2025 directs 11 authorizing committees in the House of Representatives to each submit to the Committee on the Budget recommendations that either increase the deficit up to a specified amount or reduce the deficit by at least a specified amount over the period of fiscal years 2025 through 2034. The Committee on Ways and Means is also instructed to submit changes in laws within its jurisdiction to increase the debt limit.
- Additionally, the Fiscal Year 2025 Concurrent Resolution on the Budget includes an adjustment to motivate the House authorizing committees that are instructed to reduce the deficit to achieve \$2 trillion in total deficit reduction over ten years.
  - If combined reconciliation recommendations from committees instructed to reduce the deficit do not achieve at least \$2 trillion in net deficit reduction, then the instruction to the Committee on Ways and Means will be reduced by a commensurate amount.
  - If combined reconciliation recommendations from committees instructed to reduce the deficit achieve more than \$2 trillion in net deficit reduction, then the instruction to the Committee on Ways and Means will be increased by a commensurate amount.
- Committees should adhere to the deadline in the Fiscal Year 2025 Concurrent Resolution on the Budget unless otherwise advised by the Committee on the Budget.

## MARKUP PROCEDURES

- Markup procedures for a reconciliation measure are similar to other legislation except committees originate legislative language and mark up a Committee Print instead of an introduced bill.
- Pursuant to the Concurrent Resolution on the Budget for Fiscal Year 2025 and section 310 of the Congressional Budget Act of 1974 (Budget Act), instructed committees submit their recommendations to the Committee on the Budget.
- Committees are advised to consult with the House Parliamentarian and the Committee on Rules regarding specific questions on markup procedures.
- To the extent practicable, instructed committees should follow regular order as delineated in the Rules of the House of Representatives, House Practice, related precedents and rulings, and committee rules. Specifically, committees should:
  - Provide the required notice for the markup similar to any other markup notice (for example, House Rules provide that a markup cannot begin earlier than the third calendar day on which notice has

## MARKUP PROCEDURES (CONTINUED)

been provided excluding weekends and legal holidays unless the House is in session. *See Enclosure #1 for an illustrative markup notice*).

- Make the legislative recommendations available for review prior to markup (House Rules require legislative text to be posted at least 24 hours before a markup).
- Follow applicable rules of the House of Representatives and committee rules during the markup, including the amendment process (for example, germaneness requirements for amendments).
- Provide an opportunity for committee members to submit minority, additional, supplemental, or dissenting views. House Rules require two additional calendar days to file any supplemental, minority, additional, or dissenting views if proper notice is given (for example, if a committee marks up on a Tuesday, then any Member who provides proper notice for filing views will have until the end of the day on Thursday to file views).
- Pursuant to section 310(g) of the Budget Act, committees should not consider any recommendation or amendment "with respect to the old-age, survivors, and disability insurance program established under title II of the Social Security Act."
- Committees should be aware that extraneous provisions may be subject to the Senate's Byrd Rule (section 313 of the Budget Act) and therefore removed from the reconciliation bill in the Senate.

## **ORGANIZATION OF THE RECONCILIATION LEGISLATION**

- As committees structure their recommendations for submission to the Committee on the Budget, committees should keep in mind the Senate's desire for the bill to be structured in a way that will facilitate quick review by the Senate Parliamentarian.
- If a committee is marking up a single Committee Print, the print should be structured as a "Title."
- If a committee is marking up multiple Committee Prints, each individual Committee Print should be structured as a "Subtitle."
- The Office of Legislative Counsel will assist in assigning Title numbers, Subtitle letters, and Section numbers, as applicable, to the Committee Prints.
- Committees are advised to consult with the Office of Legislative Counsel on specific questions relating to the formatting or structure of a particular Committee Print.
- Committees should refrain from using a short title in their respective Committee Print.

## **SUBMISSION REQUIREMENTS**

A committee's submission to the Committee on the Budget must include:

- Legislative language.
- Transmittal letter signed by the Chair of the Committee making the submission (*See Enclosure #3 for an illustrative transmittal letter*).
- Summary of the major policy decisions in the legislation.
- Report requirements (*See more details on the next page*).



## REPORT REQUIREMENTS

Committees must also submit to the Committee on the Budget report requirements, including those required under clause 3 of rule XIII of the Rules of the House of Representatives. These submissions should include the following:

- Section-by-Section Analysis
- Congressional Budget Office (CBO) Cost Estimate and Related Budgetary Comparisons
- Oversight Findings and Recommendations
- Committee Votes
- Earmark Statement (if applicable)
- Unfunded Mandates Reform Act Statement (if applicable)
- Applicability to Legislative Branch (if applicable)
- Ramseyer (if available)
- Duplication of Federal Programs (if applicable)
- Supplemental, Additional, Dissenting, Minority Views, and Signatures (if proper notice is given, under House Rules, Members have 2 calendar days excluding weekends and holidays unless the House is in session to file views)

Submissions should be transmitted via email to Mary Popadiuk ([Mary.Popadiuk@mail.house.gov](mailto:Mary.Popadiuk@mail.house.gov)) and Ryan Bailey ([Ryan.Bailey@mail.house.gov](mailto:Ryan.Bailey@mail.house.gov)).

## COMPLIANCE AND SCORING

- Committees' compliance with reconciliation instructions is required under section 310 of the Budget Act.
- To comply with its instruction, a committee instructed to increase the deficit cannot exceed its target for the total of fiscal years 2025 through 2034. There is no fiscal year 2025 test or subsequent year-by-year test.
- A committee instructed to reduce the deficit can exceed its target for the total of fiscal years 2025 through 2034 and recommend deficit reduction greater than its reconciled amount. There is no fiscal year 2025 test or subsequent year-by-year test.
- Additionally, under the Senate's Byrd Rule, provisions in a reconciliation bill cannot increase the deficit beyond the fiscal years covered by the reconciliation bill (i.e., after fiscal year 2034).
- Under section 310(d)(5) of the Budget Act, if a committee fails to meet its instruction, the Committee on Rules may make in order an amendment that brings the committee into compliance.
- Committees with overlapping jurisdictions should consult with the Committee on the Budget on how its submission will be evaluated.
- Interactions may occur between a committee's recommendations and other committees' recommendations and therefore, committees should consult with CBO for an estimate of any such interactions.
- Committees must achieve their targets through changes in direct spending or changes in revenue (or a combination of changes in direct spending and revenues). Only "on-budget" effects are counted in determining compliance with a committee's instruction.
- The Committee on the Budget will determine if a committee has complied with its reconciliation instruction based on the CBO estimates for the committee's submission.

## **PROCEDURES OF THE COMMITTEE ON THE BUDGET**

- After the instructed committees have submitted their recommendations, the Committee on the Budget will then meet to combine all legislative recommendations into a single bill and report it to the House of Representatives.
- The Committee on the Budget must report the bill without substantive revision pursuant to section 310(b)(2) of the Budget Act.
- Upon ordering the bill reported to the House of Representatives, the Chair of the Committee on the Budget will file the committee report and the bill will be given a bill number and printed.

## **FLOOR CONSIDERATION**

- Prior to floor consideration of the reconciliation bill, the Committee on Rules will report a rule providing for consideration of the reconciliation bill, which will also determine the amount of debate time. In the past, amendments have only been made under limited circumstances.
- The Chair and the Ranking Member of the Committee on the Budget typically manage the debate time for a measure reported by the Committee on the Budget.
- Floor amendments to a reconciliation bill must be deficit-neutral pursuant to section 310(d) of the Budget Act. Under the Budget Act, an amendment may increase direct spending or reduce revenue only if it is offset in that same amendment by a corresponding reduction in direct spending or increase in revenue.
- While the Budget Act requires floor amendments to be deficit-neutral, it provides no basis for ruling an amendment out of order because it increases direct spending. However, the House Cut-As-You-Go rule (clause 10 of rule XXI of the Rules of the House of Representatives) requires that amendments proposing to increase direct spending be offset by reductions in direct spending – not changes in revenue.
- Amendments are also subject to other rules such as germaneness.



## LIMITATIONS ON RECONCILIATION: THE BYRD RULE

- In the Senate, section 313 of the Budget Act, commonly known as the “Byrd Rule,” prohibits the consideration of extraneous provisions in a reconciliation bill.
- The Budget Act defines what constitutes an extraneous provision, but it is subject to considerable interpretation by the presiding officer (who relies on the Senate Parliamentarian).
- The Byrd Rule applies only in the Senate but it has a profound effect on what provisions can ultimately be included in the final reconciliation bill sent to the President.
- The Byrd Rule is not self-enforcing. A point of order must be raised at the appropriate time to enforce the rule. If a point of order is raised and the point of order is sustained, then the extraneous provision will be removed unless 60 Senators vote to waive the Byrd Rule.
- If a provision in a reconciliation bill is removed under the Byrd Rule, then the bill must be sent back to the House of Representatives. The House of Representatives may then pass the amended bill or conference report, amend it and send it back to the Senate, or decline to consider it.

## BYRD RULE TEST

Section 313(b)(1) of the Budget Act sets forth six definitions of what is considered extraneous under the Byrd Rule. A provision may be considered extraneous if it:

- Does not produce a change in outlays or revenue.
- Increases outlays or decreases revenue *and* the committee reporting the provision does not meet its reconciliation instructions.
- Is outside the jurisdiction of the reporting committee.
- Produces budgetary effects which are merely *incidental* to the non-budgetary components of the bill.
- Increases the deficit during a fiscal year after the fiscal years covered by the reconciliation bill or resolution (i.e., after fiscal year 2034).
- Violates section 310(g) of the Budget Act, which prohibits recommendations to a reconciliation bill with respect to the Old-Age, Survivors, and Disability Insurance Program established under title II of the Social Security Act. (i.e., changes Social Security).

## EXCEPTIONS TO THE BYRD RULE

- If a Senate-originated provision is considered extraneous because it does not produce a change in outlays or revenues, then the provision is exempt from the Byrd Rule under section 313(b)(2) of the Budget Act if the Chair and Ranking Member of the Senate Committee on the Budget and the Chair and Ranking Member of the Reporting Committee certify that the provision meets at least one of the following criteria:
  - The provision mitigates direct effects clearly attributable to a provision changing outlays or revenues, and both provisions together produce a net reduction in the deficit;
  - The provision will result in a substantial reduction in outlays or a substantial increase in revenues during fiscal years after the fiscal years covered by the reconciliation bill;
  - The provision will likely reduce outlays or increase revenues as a result of certain actions that are not currently projected by CBO for scorekeeping purposes; or
  - The provision will likely produce a significant reduction in outlays or increase in revenues but, due to insufficient data, such effects cannot be reliably estimated.
- If a provision reported by a committee is considered extraneous because it is outside the jurisdiction of the reporting committee, then the provision is exempt from the Byrd Rule under section 313(b)(3) if one of the following criteria applies:
  - The provision is an integral part of a provision or title, which if introduced as a bill would be referred to such committee, and the provision sets forth the procedure to implement the substantive provisions that were reported and fall within the jurisdiction of such committee; or
  - The provision states an exception to, or a special application of, the general provision or title of which it is a part and such general provision or title if introduced as a bill or resolution would be referred to such committee.
- Committees should take the Byrd Rule into consideration in compiling their recommendations since the Byrd Rule applies to conference reports.
- Committees should work with the Office of the Legislative Counsel, which has experience drafting legislation to accommodate the Byrd Rule.
- The staff of the Committee on the Budget can assist committees in identifying provisions that may be considered extraneous under the Byrd Rule.

## OTHER SENATE RULES

- In addition to the Byrd Rule, there are other rules requiring a supermajority waiver in the Senate that may apply to reconciliation, including the following:
  - The Budget Act:
    - Section 302(f) prohibits a committee from exceeding its 302(a) allocation provided in the most recently adopted budget resolution in the first year (fiscal year 2025) or over ten years (fiscal years 2025-2034).
    - Section 310(g) prohibits the consideration of reconciliation legislation that would change the Social Security program.
    - Section 311 prohibits a bill from either: (1) exceeding the most recently adopted budget resolution's aggregate level of spending in the first fiscal year (fiscal year 2025) or (2) decreasing revenue in the first year (fiscal year 2025) or over ten years (fiscal years 2025-2034).
- H. Con. Res. 71 (115th Congress) (Fiscal Year 2018 Budget Resolution):
  - Section 4106, commonly referred to as Senate Pay-As-You-Go, prohibits legislation that would cause or increase the deficit (i.e., direct spending or revenues) over 5 or 10 years.
- S. Con. Res. 11 (114th Congress) (Fiscal Year 2016 Budget Resolution):
  - Section 3101 prohibits legislation that would increase the long-term deficit by more than \$5 billion in any of the four succeeding decades beginning after the current budget window.

## STAFF CONTACTS

Questions concerning reconciliation can be directed to staff for the Committee on the Budget as follows:

- **Overview and general questions:** Gary Andres
- **Legislative language and procedure:** Mary Popadiuk
- **Scoring:** Brad Watson
- **Report mechanics:** Ryan Bailey
- **Policy:** Please contact your regular committee's point(s) of contact on the staff of the Committee on the Budget.

## **ENCLOSURE #1**

### **Illustrative Notice for Markup**

Markup of legislative proposals to comply with the reconciliation directive included in section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2025, H. Con. Res. 14.

## **ENCLOSURE #2**

### **Illustrative Motion to Transmit Reconciliation Submissions to the Budget Committee**

“I move the committee do now transmit the recommendations of this committee, and all appropriate accompanying material including additional, supplemental or dissenting views, to the House Committee on the Budget, in order to comply with the reconciliation directive included in section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2025, H. Con. Res. 14, and consistent with section 310 of the Congressional Budget and Impoundment Control Act of 1974.”

## ENCLOSURE #3

### Illustrative Transmittal Letter

\_\_\_\_\_, 2025

The Honorable Jodey C. Arrington  
Chairman  
Committee on the Budget  
U.S. House of Representatives  
204 Cannon House Office Building  
Washington, DC 20515

Dear Chairman Arrington:

Pursuant to section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2025, I hereby transmit these recommendations which have been approved by vote of the Committee on \_\_\_\_\_, and the appropriate accompanying material including additional, supplemental or dissenting views, to the House Committee on the Budget. This submission is in order to comply with reconciliation directives included in H. Con. Res. 14, the Concurrent Resolution on the Budget for Fiscal Year 2025, and is consistent with section 310 of the Congressional Budget Act of 1974.

Sincerely,

Chairman