Rescissions Process Explainer

Recently Senate Republicans and Elon Musk <u>discussed</u> using the rescissions process to make spending cuts and avoid the Senate filibuster. Tom "Wick" Wickham, the former House Parliamentarian, answers guestions about the process.

What is the "rescissions process" and how does it work?

The rescission process is a way to revoke spending that has already been through the appropriations process. Rescissions occur either through the regular order appropriations process or through a special fast track known as the rescissions process. The fast track is established by law and provides a multiple step process for a bill that is not subject to the Senate filibuster. The last law enacted through the rescissions process was in 1995. (P.L.104-6)

How does the rescissions process differ from an impoundment?

Impoundment is a generic term that represents <u>any</u> action or inaction by the executive branch to withhold funds. The rescissions process is a special authority provided under law – the Impoundment Control Act of 1974 - that allows the President with congressional approval to withhold designated funds.

What are the steps involved in the rescissions process?

The process starts when the President sends a message to Congress proposing funds to be rescinded. Upon receipt by Congress, the funds are frozen for 45 legislative days while Congress can use fast track procedures to enact the President's request into law. The House uses the Committee on Rules to provide for its bill and the Senate uses a privileged motion to discharge the Committee on Appropriations for its bill. The procedure also allows for a conference report to resolve differences between the House and Senate.

Did President Trump try to use the rescissions process in his first term?

Yes. On May 8, 2018, President Trump submitted a rescission proposal to claw back \$15 billion worth of unspent funds. That <u>bill</u> (H.R. 3) was introduced by then Speaker McCarthy and passed the House by a vote of 210-206 on June 7, 2018. A procedural vote to advance the bill in the Senate failed (48-50) on June 20, 2018.

What are the drawbacks to the rescissions process?

While rescissions can be a quick and effective way to achieve budget savings, they do not propose broader, long-term changes to economic policy like the reconciliation process. The Appropriations Committees in both Houses have traditionally taken the position that rescissions should be enacted through the regular appropriations bills.

Where can I learn more about the rescissions process?

The Congressional Research Service has a <u>piece</u> on the Impoundment Control Act and rescissions and the Congressional Institute has an opinion <u>piece</u> on the 2018 rescissions effort.