Reobligation

Obligation of deobligated funds for a different authorized use. (*See also* Deobligation.)

Reprogramming

Shifting funds within an appropriation or fund account to use them for purposes other than those contemplated at the time of appropriation; it is the shifting of funds from one object class to another within an appropriation or from one program activity to another. While a transfer of funds involves shifting funds from one account to another, reprogramming involves shifting funds within an account. (For a distinction, *see* Transfer.)

Generally agencies may shift funds within an appropriation or fund account as part of their duty to manage their funds. Unlike transfers, agencies may reprogram without additional statutory authority. Nevertheless, reprogramming often involves some form of notification to the congressional appropriations committees, authorizing committees, or both. Sometimes committee oversight of reprogramming actions is prescribed by statute and requires formal notification of one or more committees before a reprogramming action may be implemented.

Rescission

Legislation enacted by Congress that cancels the availability of budget authority previously enacted before the authority would otherwise expire.

The Impoundment Control Act of 1974 (2 U.S.C. § 683) provides for the President to propose rescissions whenever the President determines that all or part of any budget authority will not be needed to carry out the full objectives or scope of programs for which the authority was provided. Rescissions of budget authority may be proposed for fiscal policy or other reasons.

All funds proposed for rescission must be reported to Congress in a special message. Amounts proposed for rescission may be withheld for up to 45 calendar days of continuous session while Congress considers the proposals. If both houses have not completed action on a rescission bill rescinding all or part of the amount proposed by the President for rescission in his special message within 45 calendar days of continuous session, any funds being withheld must be made available for obligation. Congress may also initiate rescissions. Such congressional action occurs for various reasons, including changing priorities, program terminations, excessive unobligated balances, offsets, and program slippage. (*See also* Apportionment; Budgetary Reserves; Deferral of Budget Authority; Impoundment; Reduction; Rescission Bill *under* Rescission.)

Enhanced Rescission

Legislative initiatives, proposed over the years, that would allow the President to withhold funds from obligation upon proposing a rescission and to continue withholding the funds unless and until Congress acts to disapprove the presidential proposal to rescind funds. The President could then veto the disapproval bill, forcing each house to muster a two-thirds majority to override the veto. This would be a reversal of current Impoundment Control Act procedures that require funds proposed for rescission to be released unless Congress approves, by law, all or part of the amount proposed to be rescinded by the President. In 1996, Congress enacted a form of enhanced rescission authority in the Line Item Veto Act, which authorized the President, after signing a bill into law, to cancel in whole any dollar amount of discretionary budget authority, any item of new direct spending, or any limited tax benefit if the President made certain determinations. The act provided that the cancellation was effective unless Congress enacted a disapproval bill into law to void the cancellation. In 1998, the United States Supreme Court in *Clinton v. City of New York*, 524 U.S. 417 (1998), held that the Line Item Veto Act violated the Presentment Clause, Article 1, Section 7, of the U.S. Constitution. (*See also* Impoundment; Line Item Veto; Rescission.)

Expedited Rescission

Legislative proposals designed to ensure rapid and formal congressional consideration of rescissions proposed by the President. An essential element of an expedited rescission procedure is a prompt up-or-down vote in Congress on the President's proposals to reduce enacted spending authority. This would prevent rescissions from being enacted solely due to absence of action. While such legislation has been proposed at various times in the past, Congress has not enacted expedited rescission procedures. (*See also* Impoundment; Line Item Veto; Rescission.)

Rescission Bill

A bill or joint resolution to cancel, in whole or in part, budget authority previously enacted by law. Rescissions proposed by the President must be transmitted in a special message to Congress. Under section 1012 of the Impoundment Control Act of 1974 (2 U.S.C. § 683), unless both houses of Congress complete action on a rescission bill within 45 calendar days of continuous session after receipt of the proposal, the budget authority must be made available for obligation. (*See also* Rescission.)

Results-Based Budgeting

See under Performance Budgeting.

Revenue

Either of the following:

(1) As used in the congressional budget process, a synonym for governmental receipts. Revenues result from amounts that result from the government's exercise of its sovereign power to tax or otherwise compel payment or from gifts to the government. Article I, Section 7, of the U.S. Constitution requires that revenue bills originate in the House of Representatives.

(2) As used in federal proprietary accounting, an inflow of resources that the government demands, earns, or receives by donation. Revenue comes from two sources: exchange transactions and nonexchange transactions. Exchange revenues arise when a government entity provides goods and services to the public or to another government entity for a price. Another term for exchange revenue is "earned revenue." Nonexchange revenues arise primarily from exercise of the government's power to demand payments from the public (e.g., taxes, duties, fines, and penalties) but also include donations. The term "revenue" does not encompass all financing sources of government reporting entities, such as most of the appropriations they receive. Revenues result from (1) services performed by the federal government and (2) goods and other property delivered to purchasers. (*See also* Collections.)