



Insight

Budget Reconciliation Basics

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The Affordable Care Act (ACA) could be substantially repealed and reformed through a budgetary process known as reconciliation. [1] Reconciliation is a powerful legislative process that can override Senate filibusters by limiting Senate debate to 20 hours. Consideration of reconciliation bills in the Senate also give rise to a unique phenomenon, known as “vote-a-rama,” characterized by a series of rapid votes on numerous amendments. While reconciliation is a powerful tool for the congressional majority, its use is confined by the “Byrd rule,” which strictly limits reconciliation legislation to budgetary matters. Reconciliation is also limited to a maximum of three such bills in a year – one each for changes to spending, revenue, or the debt limit. These measures may also be combined.

Limited Debate

In the Senate, a reconciliation measure is privileged, which means it requires only a simple majority to be brought to the Senate floor rather than the usual 60 votes. Thereafter, floor debate is limited to 20 hours, with further limitation on the scope and time that may be devoted to amendments. A simple majority is required for passage without the usual supermajority vote needed to advance to a vote on final passage.

Vote-A-Rama

During debate of reconciliation bills, time spent debating amendments counts against the total 20 hours. Once the 20 hours has elapsed, debate is concluded. However, until all allowable amendments have been disposed of, a final vote cannot occur. While reconciliation procedures do impose certain restrictions on the nature of amendments, there is no limit to the number of amendments that senators may offer. [2] As a result, prior to a final vote, senators can take dozens of recorded votes on amendments. [3] Since this process can guarantee a recorded vote, these amendments are often politically motivated and of a particularly partisan nature. The votes occurring after the expiration of the 20 hours run back to back, with minimal introductory remarks by the sponsor and the designated opposition. The rapid succession of votes after consideration of reconciliation measures (and budget resolutions) has given rise to calling this event “vote-a-rama.”

The Byrd Rule

The most powerful restriction on reconciliation is the “Byrd rule,” which limits reconciliation legislation to budgetary matters, in addition to other limitations. The “Byrd rule” contains six definitions of what constitutes “extraneous matter” disallowed under reconciliation. [4] Any provision that does not change spending or revenue, or is minor or “merely incidental,” to the budgetary change fails the Byrd test. This limits the ability to legislate matters that are regulatory in nature and is a key hurdle to a full repeal of the ACA.

[1] For a primer on the reconciliation process see: <https://www.americanactionforum.org/research/budget-reconciliation-primer/>

[2] <https://www.budget.senate.gov/imo/media/doc/Senate.Budget.Points.Of.Order.2016.pdf>

[3] <https://www.senate.gov/reference/Legislation/votearama.htm>

[4] <http://www.budget.senate.gov/imo/media/doc/bb05-2005.pdf>