Name_____ Date_____ Period_____

https://www.nationalpriorities.org/

Click the tab that says "Federal Budget 101", and select "Federal Budget Process"

As you read each section, answer these questions:

1. According to the Constitution, who has the "power of the purse"?

2. What are the two major kinds of spending?

3. What do appropriation bills focus on? How long do they last?

4. What are the five key steps in the federal budget (appropriations) process?

5. When are "continuing resolutions" passed? What do they do?

6. What are "supplemental appropriations" and when are they typically passed?

Go to: "Where does the money come from"

7. What are the main sources of revenue for the federal government?

8. What is the largest source of revenue for the federal government?

9. When does the federal gov't have to resort to borrowing? How do they get this money?

--OVER--

Go to: "Where does the money go?"

10. List five programs covered in "discretionary spending."

11. List at least two programs covered in "mandatory spending."

12. According to the Treasury Department, what do they call **tax breaks?** How much did these tax breaks cost the federal government in 2020? How did this compare with discretionary spending in 2020?

Go to: "Borrowing and the Federal Debt"

13. Explain the difference between the terms "deficit" and "federal debt".

14. What two factors impact the **size of a budget deficit**? What can affect these two factors?

15. What is guaranteed to a person who buys a Treasury Bond?

16. Explain the arguments for limiting the national debt, and then explain why some think deficit spending is crucial.

Go to: "Federal Budget Glossary"

17. Look up the CBO and the OMB. What are they, and what do they do?

--The End--