When Funding Stalls

Trace how federal funding decisions affect services and future costs.

USG.C.7.1.B "Trace the budget process, including the impact of government shutdowns and risks from the national debt, explaining how economic trade-offs occur when addressing competing public needs."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Number the president's proposal as 1, passage of the same spending bills by both chambers as 2, and the president's signature as 3; underline Congress's consideration of broad priorities, then circle one shutdown effect and one debt-related cost to help trace the trade-offs.

A Budget Choice for a Coastal Town

1. Each spring, a coastal town waits to learn whether federal money will support its storm-warning stations and a nearby health clinic. The president begins the federal budget process by sending Congress a proposal for the next fiscal year, which starts October 1. Congress then considers broad spending priorities, but a budget resolution alone does not fund agencies. Lawmakers develop annual appropriations bills that specify funding for many agencies and programs. Both the House and Senate must pass the same spending bills, and the president must sign them for those bills to become law. Congress can also pass a temporary funding bill while negotiations continue.

2. Suppose the two chambers disagree about how much to spend on the clinic and storm warnings. If no new appropriations or temporary funding law is in place when earlier funding expires, the affected agencies face a funding lapse and a government shutdown. Some employees are furloughed, while others must keep working to protect life and property. Services such as routine permit reviews may pause, but not every federal service stops. A shutdown does not settle the disagreement. Leaders still have to negotiate, pass funding through both chambers, and secure the president's signature to restore funding.

3. Congress may also choose to borrow when federal spending exceeds revenue, adding to the national debt. Borrowing can help pay for urgent needs without an immediate tax increase, but debt brings future interest payments. As interest costs grow, lawmakers may have less room to fund clinics, storm warnings, or other services without raising taxes, cutting other spending, or borrowing more. Cutting one program to protect another can leave a different need unmet. The choice is not simply whether a project matters. Officials must weigh who benefits now, who bears the cost later, and which needs receive less support.

2 ANSWER WITH EVIDENCE

Use the passage

1. Trace the route from the president's proposal to a signed annual spending law. Include what Congress considers before it passes the bills.

2. If funding expires during the disagreement, how could a shutdown affect workers and a federal service? Why would the budget dispute remain unresolved?

3. How could borrowing to fund urgent needs now create a later trade-off for the clinic or storm-warning stations?

4. If lawmakers cut one program to protect another, what do they gain and what do they risk? Use the town's two needs in your explanation.

3 YOUR TURN

Your own words

Imagine Congress must choose how much to fund rural broadband and aging bridge repairs while limiting new borrowing. In one paragraph, trace the steps from the president's proposal to a spending law, describe what a funding lapse could mean, and defend a trade-off that considers future interest costs.

ANSWER KEY

When Funding Stalls

HIGH SCHOOL · USG.C.7.1.B

PART 1 · READ AND MARK

Number the president's proposal as 1, passage of the same spending bills by both chambers as 2, and the president's signature as 3; underline Congress's consideration of broad priorities, then circle one shutdown effect and one debt-related cost to help trace the trade-offs. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	Trace the route from the president's proposal to a signed annual spending law. Include what Congress considers before it passes the bills.	**The president sends Congress a proposal. Congress considers broad priorities, lawmakers develop appropriations bills, both chambers pass the same bills, and the president signs them.**
2	If funding expires during the disagreement, how could a shutdown affect workers and a federal service? Why would the budget dispute remain unresolved?	**Some workers would be furloughed and routine permit reviews could pause. Leaders would still need to agree on funding, pass it through both chambers, and obtain the president's signature.**
3	How could borrowing to fund urgent needs now create a later trade-off for the clinic or storm-warning stations?	**Borrowing adds to the national debt and future interest payments. Higher interest costs could leave less room for the clinic or storm warnings unless lawmakers raise taxes, cut other spending, or borrow more.**
4	If lawmakers cut one program to protect another, what do they gain and what do they risk? Use the town's two needs in your explanation.	**They could protect funding for storm warnings by cutting clinic funding, but the clinic's needs would receive less support. The reverse choice would leave storm warnings with less support.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

The president proposes funding for rural broadband and bridge repairs. Congress considers broad priorities, then lawmakers write spending bills. I would prioritize bridge repairs because unsafe crossings can block emergency vehicles, while funding a smaller broadband project this year. Both chambers must pass the same bills, and the president must sign them. If funding expires first and no temporary law passes, affected agencies could shut down and pause some work. Borrowing the full cost now would add to the national debt and future interest payments, so the smaller broadband project limits future pressure on other public needs.

Accept other defensible funding priorities in Part 3 if the response traces the lawmaking steps, describes a possible shutdown effect, and connects borrowing to future interest costs and competing needs.