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apportioned to establish a reserve must be proposed for deferral or rescission pursuant to the Impoundment Control Act of 1974 (2 U.S.C. §§ 681–688).

The apportionment process is intended to (1) prevent the obligation of amounts available within an appropriation or fund account in a manner that would require deficiency or supplemental appropriations and (2) achieve the most effective and economical use of amounts made available for obligation. (*See also* Administrative Division or Subdivision of Funds; Allotment; Antideficiency Act; Appropriated Entitlement; Budgetary Reserves; Deferral of Budget Authority; Deficiency Apportionment; Deficiency Appropriation; Limitation; Reapportionment; Rescission; Supplemental Appropriation.)

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## Appropriated Entitlement

An entitlement whose source of funding is in an annual appropriation act. However, because the entitlement is created by operation of law, if Congress does not appropriate the money necessary to fund the payments, eligible recipients may have legal recourse. Veterans' compensation and Medicaid are examples of such appropriated entitlements. (*See also* Entitlement Authority.)

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## Appropriation Act

A statute, under the jurisdiction of the House and Senate Committees on Appropriations, that generally provides legal authority for federal agencies to incur obligations and to make payments out of the Treasury for specified purposes. An appropriation act fulfills the requirement of Article I, Section 9, of the U.S. Constitution, which provides that “no money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law.” Under the rules of both houses, an appropriation act should follow enactment of authorizing legislation. (*See also* Appropriations *under* Forms of Budget Authority *under* Budget Authority; Authorizing Legislation; Limitation.)

Major types of appropriation acts are regular, supplemental, deficiency, and continuing. Regular appropriation acts are all appropriation acts that are not supplemental, deficiency, or continuing. Currently, regular annual appropriation acts that provide funding for the continued operation of federal departments, agencies, and various government activities are considered by Congress annually. From time to time, supplemental appropriation acts are also enacted. When action on regular

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appropriation bills is not completed before the beginning of the fiscal year, a continuing resolution (often referred to simply as “CR”) may be enacted in a bill or joint resolution to provide funding for the affected agencies for the full year, up to a specified date, or until their regular appropriations are enacted. A deficiency appropriation act provides budget authority to cover obligations incurred in excess of available budget authority. (*See also* Continuing Appropriation/Continuing Resolution; Supplemental Appropriation; Deficiency Appropriation.)

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## Appropriation Rider

Sometimes used to refer to (1) a provision that is not directly related to the appropriation to which it is attached or (2) a limitation or requirement in an appropriation act. (*See also* Limitation.)

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## Asset

Tangible or intangible items owned by the federal government, which would have probable economic benefits that can be obtained or controlled by a federal government entity. (*See also* Liability.)

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## Asset Sale

The sale of a physical or financial asset owned in whole or in part by the federal government to the public. Asset sales are typically large-dollar transactions (\$50 million or more) for which advance notification must be provided to the Department of the Treasury. Revenue from the sale of assets is accounted for in the budget as offsetting receipts or collections.

In general, asset sales increase current cash payments received by the government at the expense of a stream of future income that the government would otherwise receive. (*See also* Direct Loan *under* Federal Credit.)

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## Appropriations

*See under* Forms of Budget Authority *under* Budget Authority.