S.

To align the fiscal year with the calendar year.

IN THE SENATE OF THE UNITED STATES

Mr. Kaine introduced the following bill; which was read twice and referred to the Committee on ________________

A BILL

To align the fiscal year with the calendar year.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CHANGE OF FISCAL YEAR.

(a) In General.—

(1) Change of Calendar Period.—Section 1102 of title 31, United States Code, is amended—

(A) by striking “October 1” and inserting “January 1”; and

(B) by striking “September 30 of the following year” and inserting “December 31 of that year”.

(2) Effective date.—The amendments made by paragraph (1) shall take effect on January 1, 2026.

(b) Transition to new fiscal year.—

(1) Transition period budget.—As soon as practicable, the President shall prepare and submit to Congress—

(A) after consultation with the Committee on the Budget and the Committee on Appropriations of the House of Representatives and the Committee on the Budget and the Committee on Appropriations of the Senate, budget estimates for the Federal Government for the period commencing October 1, 2025, and ending on December 31, 2025, in such form and detail as the President may determine; and

(B) proposed legislation the President considers appropriate with respect to changes in law necessary to provide authorizations of appropriations for that period.

(2) Agency transition.—The Director of the Office of Management and Budget shall—

(A) provide by regulation, order, or otherwise for the orderly transition by all departments, agencies, and instrumentalities of the
Federal Government and the government of the District of Columbia from the use of the fiscal year in effect on the date of the enactment of this Act to the use of the new fiscal year prescribed under the amendments made by subsection (a); and

(B) prepare and submit to Congress such additional proposed legislation as the Director considers necessary to accomplish the orderly transition to such new fiscal year.

(c) ACCOUNTING PROCEDURES.—

(1) IN GENERAL.—Section 1552(a) of title 31, United States Code, is amended by striking “September 30” and inserting “December 31”.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to any fiscal year commencing on or after January 1, 2026.

(d) CONVERSION OF AUTHORIZATIONS OF APPROPRIATIONS.—Any law providing for an authorization of appropriations commencing on October 1 of a year shall, if that year is any year after 2025, be considered as meaning January 1 of the following year. Any law providing for an authorization of appropriations ending on September 30 of a year shall, if that year is any year after 2025, be considered as meaning December 31 of that year.
Any law providing for an authorization of appropriations for the fiscal year 2026 or any fiscal year thereafter shall be construed as referring to that fiscal year ending on December 31 of the calendar year having the same calendar year number as the fiscal year number.

(e) Title of Appropriation Acts.—

(1) In general.—Section 105 of title 1, United States Code, is amended by striking “September 30” and inserting “December 31”.

(2) Effective date.—The amendment made by paragraph (1) shall apply with respect to any fiscal year commencing on or after January 1, 2026.

SEC. 2. CONFORMING AMENDMENTS.

(a) In general.—

(1) Section 202(e) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 602(e)) is amended—

(A) in paragraph (1), in the first sentence—

(i) by striking “February 15” and inserting “May 15”; and

(ii) by striking “October 1 of that year” and inserting “January 1 of the next calendar year”; and

(B) in paragraph (3)—
(i) by striking “On or before January 15 of each year” and inserting “On or before April 15 of each year”;
(ii) by striking “September 30” each place it appears and inserting “December 31”; and
(iii) by striking “October 1 of that calendar year” and inserting “January 1 of the next calendar year”.

(2) Section 300 of the Congressional Budget Act of 1974 (2 U.S.C. 631) is amended to read as follows:

"SEC. 300. TIMETABLE.

“The timetable with respect to the congressional budget process is as follows:

<table>
<thead>
<tr>
<th>On or before:</th>
<th>Action to be completed:</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Monday in May ..........</td>
<td>President submits to Congress the budget of the President.</td>
</tr>
<tr>
<td>May 15 .........................</td>
<td>Congressional Budget Office submits report to Budget Committees.</td>
</tr>
<tr>
<td>Not later than 6 weeks after President submits budget.</td>
<td>Committees submit views and estimates to Budget Committees.</td>
</tr>
<tr>
<td>July 1 ..........................</td>
<td>Senate Budget Committee reports concurrent resolution on the budget.</td>
</tr>
<tr>
<td>July 15 ..........................</td>
<td>Congress completes action on concurrent resolution on the budget.</td>
</tr>
<tr>
<td>August 15 .......................</td>
<td>Annual appropriation bills may be considered in the House.</td>
</tr>
<tr>
<td>September 10 ...................</td>
<td>House appropriations Committee reports last annual appropriation bill.</td>
</tr>
<tr>
<td>September 15 ...................</td>
<td>Congress completes action on reconciliation legislation.</td>
</tr>
<tr>
<td>September 30 ...................</td>
<td>House completes action on annual appropriation bills.</td>
</tr>
<tr>
<td>January 1 ........................</td>
<td>Fiscal year begins.”.</td>
</tr>
</tbody>
</table>
(3) Section 301(a) of the Congressional Budget Act of 1974 (2 U.S.C. 632(a)) is amended, in the matter preceding paragraph (1)—

(A) by striking the first sentence and inserting “On or before July 15 of each year, the Congress shall complete action on a concurrent resolution on the budget for the fiscal year beginning on January 1 of the following year.”; and

(B) in the second sentence, by striking “October 1 of such year” and inserting “January 1 of the following year”.

(4) Section 302 of the Congressional Budget Act of 1974 (2 U.S.C. 633) is amended—

(A) in subsection (a)(5), by striking “April 15” and inserting “July 15”; and

(B) in subsection (g)(1), by striking “April 15” and inserting “July 15”.

(5) Section 303(b)(2) of the Congressional Budget Act of 1974 (2 U.S.C. 634(b)(2)) is amended by striking “May 15” and inserting “August 15”.

(6) Section 307 of the Congressional Budget Act of 1974 (2 U.S.C. 638 et seq.) is amended—

(A) in the section heading, by striking “JUNE 10” and inserting “SEPTEMBER 10”;}
(B) by striking “June 10” and inserting “September 10”; and

(C) by striking “October 1 of that year” and inserting “January 1 of the next year”.

(7) Section 309 of the Congressional Budget Act of 1974 (2 U.S.C. 640) is amended, in the first sentence—

(A) by striking “July” and inserting “October”; and

(B) by striking “October 1 of such year” and inserting “January 1 of the next year”.

(8) Section 310(f) of the Congressional Budget Act of 1974 (2 U.S.C. 641(f)) is amended—

(A) by striking “July” and inserting “October”; and

(B) by striking “the fiscal year beginning on October 1 of the calendar year to which the adjournment resolution pertains” and inserting “the fiscal year beginning on January 1 of the calendar year after the calendar year to which the adjournment resolution pertains”.

(9) The table of contents in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking the item relating to section 307 and inserting the following:
“Sec. 307. House committee action on all appropriation bills to be completed by September 10.”.

(10) Section 250(c)(12) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900(c)(12)) is amended by striking “October 1 of the calendar year in which that session begins” and inserting “January 1 of the calendar year after the year in which that session begins”.

(11) Section 1105(a) of title 31, United States Code, is amended in the matter preceding paragraph (1) by striking “On or after the first Monday in January but not later than the first Monday in February of each year” and inserting “Not later than the first Monday in May of each year”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to any fiscal year commencing on or after January 1, 2026.