

APPROPRIATIONS UPDATE

August
25th, 2025

Senate Adds Guardrails to Force Spending

Members on both sides of the Senate Appropriations committee have agreed to include language in FY26 appropriations bills to ensure the Trump Administration allocates federal dollars as lawmakers intend. Detailed tables on spending for major agencies like the Justice Department and the Department of Health and Human Services are being added to the text of the bills to assure that the funds are spent for their specified purposes. The guardrails also include significant new requirements for reporting to Congress on terminating contracts and grant awards, as well as for making substantial reductions in the federal work force. The language will likely face opposition and potential removal during negotiations with House Republicans, who have been more inclined to defer to the White House on how appropriations are spent. And while this language does not guarantee the administration will spend appropriated dollars as directed by Congress, it does likely strengthen their case in the event of a lawsuit.

What Remains on the Appropriations Docket for September?

Congress has until October 1 to pass (most likely) a continuing resolution to prevent the disruption of Federal funding at the start of the new fiscal year. Just before the August recess, the Senate passed its Agriculture, Legislative Branch, and Military Construction-Veterans Affairs bills - leaving 9 bills in need of a floor vote in the upper chamber. The House has only passed its Defense and MilCon-VA bills. While a few more individual bills may be marked up or passed on the floor of the House or Senate, there's virtually no expectation that any individual appropriations bills will be enacted into law next month, despite the fact that both chambers have technically passed their respective MilCon-VA bills. Instead, we'll more likely see leadership-level negotiations on a continuing resolution to avoid a government shutdown, the possibility of which seems higher with each passing day.