

APPROPRIATIONS UPDATE

February
9th, 2026

Homeland Security Funding Solution Remains Unclear

After striking a deal last week to pass five of the six remaining FY26 appropriations bills and provide short-term funding for the Department of Homeland Security through February 13th, lawmakers don't appear to have made much progress on an agreement on DHS funding. On Wednesday, Democratic leaders sent a letter to Republican leaders outlining a list of ten ICE reforms necessary for Dems to vote in support of continued DHS funding, which Republicans have flatly rejected. Beyond the letter, it seems that few substantive conversations have taken place.

Unless Democrats are willing to scale back their demands, another short-term funding patch seems like the most likely option. Though now that the vast majority of government funding is secure through September, Dems have little incentive to come to the table and may arguably have more leverage if DHS shuts down. In the event of a shutdown, the near-term result could largely boil down to how many essential DHS employees and functions remain in operation and how the White House chooses to respond if DHS operations go unfunded by Congress. At the same time, impacts at non-immigration related agencies like the TSA and FEMA could put more pressure on Democrats to get to yes.

Appropriations Committees Begin Hearings as FY27 Work Nears

While no FY27 oversight hearings have been formally scheduled, appropriators may begin holding hearings later this month. Depending on the outcome of DHS funding negotiations and delivery timing of the President's Budget, committee guidance on earmarks could come as early as mid-to-late March. In the meantime, the House and Senate appropriations committees have scheduled a handful of hearings for this week on more non-FY27 topics, including the potential impacts of a DHS shutdown, broadband deployment funding at the Department of Commerce, and the "Science of Reading."