

APPROPRIATIONS UPDATE

July 27th,
2026

Senate Appropriators Start Work on Stopgap Funding Bill

Bipartisan negotiations in the Senate to fund federal agencies beyond the September 30 deadline appear to be moving in a positive direction. Senate Majority Leader John Thune (R-SD) has reportedly directed appropriators to have legislation ready this week and expects a vote next week. Unlike the House-passed CR, the Senate proposal is expected to include many – but not all – of the White House's requested funding anomalies, with Democratic opposition likely preventing inclusion of the proposed \$1 billion for advance procurement of “Trump-class” battleships. Democrats have emphasized that they are not seeking a government shutdown. If talks stall, Thune could still bring a funding measure to the floor, allowing Senate Republicans to highlight any Democratic opposition before negotiations resume in September.

Senate Republicans Cautiously Approach Third Reconciliation Package

Senate Republicans are beginning to organize around a third budget reconciliation package, though key questions about timing and strategy remain unresolved. Senate Budget Committee Chair Ron Johnson (R-WI) met with Majority Leader Thune this week to discuss the path forward and said it is still unclear whether Republicans will adopt a budget resolution before the August recess. Johnson indicated that his next step will be to engage members who may have concerns about the proposal. President Trump is pushing for quicker action, urging the Senate to approve a budget resolution before leaving Washington for the August recess. Adoption of a budget resolution would allow Republicans to begin the reconciliation process using a simple majority vote, setting the stage for another major legislative package later this year.