

APPROPRIATIONS UPDATE

June 15th,
2026

House Plans Two More FY27 Funding Votes

House appropriators continue to make steady progress on the fiscal year 2027 appropriations process, with leadership preparing for floor consideration and gathering amendments for the Energy-Water and State-Foreign Operations spending bills later this month. If both measures pass, the House will have completed floor action on four of the 12 annual appropriations bills. At the committee level, the final remaining markup, the FY27 Defense Appropriations bill, is scheduled for June 24th.

Across the Capitol, however, the appropriations process has slowed considerably. The Senate Appropriations Committee postponed scheduled markups of the Agriculture, Legislative Branch, and Commerce-Justice-Science bills last week, leaving the chamber without a clear timeline for advancing its FY27 spending package. The divergence between the House and Senate schedules could complicate negotiations later this year, as lawmakers will ultimately need to reconcile differences between the two chambers' funding bills before the start of the new fiscal year on October 1st.

Third Reconciliation Bill Takes Shape

Following congressional approval of a second reconciliation package focused on immigration enforcement funding, House Republicans are already beginning discussions around a potential third reconciliation bill. Senior GOP lawmakers recently met with Defense Secretary Hegseth to discuss proposals that could include approximately \$350 billion in additional defense spending, which President Trump has said is needed to replenish military resources and modernize the armed forces. House leaders are also exploring whether savings from codifying the administration's anti-fraud initiatives could help offset the new spending. While conversations are gaining momentum, Senate Republicans have signaled caution, emphasizing that any future reconciliation package must be able to secure the necessary votes and comply with the Senate's procedural rules.