APPROPRIATIONS UPDATE

September 29th, 2025

Congressional Leaders to Meet with the President Ahead of Potential Shutdown

Speaker of the House Johnson (R-LA), Majority Leader Thune (R-SD), and Minority Leaders Schumer (D-NY) and Jeffries (D-NY) are scheduled to meet with President Trump this afternoon, less than 48 hours before a possible government shutdown. The gathering marks a renewed attempt to find common ground and avert a shutdown that could disrupt federal operations, furlough thousands of workers, and have a ripple effect across the economy.

The urgency of the meeting is heightened by the recent breakdown in dialogue last week, following the President's abrupt cancellation of a previously arranged meeting with Schumer and Jeffries, a move that raised concerns about the administration's willingness to engage in bipartisan negotiations. The upcoming talks are now being viewed as a critical, last-chance opportunity to chart a path forward before the fast-approaching deadline.

Supreme Court Allows White House Pocket Rescission - For Now

The Supreme Court has (narrowly) permitted President Trump to withhold \$4 billion in foreign aid approved by Congress. In a brief order, the Court permitted the administration's use of a "pocket rescission" – a controversial maneuver in which the administration withholds funds toward the end of the fiscal year so that the money cannot be spent, even if Congress does not approve the rescission.

The ruling – issued in a <u>short, unsigned order</u> on the court's emergency docket – is evidently not the final word on the larger question of the president's power to unilaterally impound congressionally appropriated funding. The majority held that the ruling reflects a "preliminary view" and not a "final determination on the merits."

The decision, issued as Congress has a rapidly closing window to prevent a government shutdown could make future budget negotiations more difficult, as lawmakers weigh the constitutionality of the administration's withholding of funds Congress has appropriated.

