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Spending Negotiations Remain In-Flux Ahead of Government Funding Deadline

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Lawmakers are aiming to enact a short-term Continuing Resolution (CR) until February 8 for the seven remaining appropriations bills for Fiscal Year 2019 (FY) to avoid a partial government shutdown scheduled to occur Friday, December 21. Tense disagreement between President Trump and the Democrats over border security funding in the Homeland Security measure have been the main source of impasse over longer-term spending negotiations.

President Trump had previously demanded \$5 billion in additional funding for a border wall, which Democrats strongly opposed. Senate Minority Leader Chuck Schumer (D-NY) and House Minority Leader Nancy Pelosi (D-CA) had proposed two funding options in response:

1. A full-year Continuing Resolution (CR) that would fund all seven remaining spending bills at FY18 levels; or
2. A spending package with the six completed FY19 spending bills and a full-year CR for the Homeland Security measure at the FY18 level.

Both options to extend Homeland Security spending at the FY18 level would include \$1.375 billion for border fencing upgrades and other security, lower than the \$1.6 billion included in the proposed bipartisan Senate Homeland Security FY19 spending bill and well short of the \$5 billion that President Trump insisted on for any FY19 spending package to gain his approval.

While not the first choice for either party, congressional leaders raised the idea of a short-term funding measure to get through the holidays and buy more time for spending negotiations. On December 19, the Senate passed legislation that would continue funding for the seven remaining bills at FY18 levels until February 8. The measure must still pass the House and gain President Trump's approval. As of 3:00 p.m. ET, December 20, the action by the House remains uncertain after President Trump indicated opposition to a short-term funding measure without additional border wall funding.

The remaining bills comprise about a quarter of the federal government's annual discretionary spending and include Agriculture, Commerce-Justice-Science, Financial Services-General Government, Homeland Security, Interior and Environment, State-Foreign Operations, and Transportation-HUD.

Lawmakers have until midnight on December 21 to pass funding legislation before a partial government shutdown.