The Trump-Johnson Full-Year CR

UPDATED: March 9, 2025

Instead of staying at the negotiating table to pass bipartisan full-year funding bills, Republican leadership walked away, and House Republicans have now released a partisan, full-year continuing resolution (CR) they plan to vote on early next week.

As suspected, this full-year CR would hand vast discretion over spending decisions to President Trump and his administration to zero out programs and redirect funding as they see fit.

- ➤ Whereas Congress typically provides scores of specific funding directives for key program and priorities in full-year funding bills and the accompanying explanatory statements, under this full-year CR, hundreds of those congressional directives fall away.
- > This creates slush funds for the Trump administration to reshape spending priorities, eliminate longstanding programs, pick winners and losers, and more.
- ➤ Failing to provide specific funding directives from Congress means the Trump administration has fewer legal constraints on what it can do.
- ➤ House Republicans *could* have addressed this glaring problem—but chose not to. Their yearlong CR includes plenty of unnecessary anomalies but doesn't address this fundamental issue because they prefer slush funds for this administration to cut the programs it wants in order to fund Trump's priorities instead.

Myriad member priorities are at risk of significant reductions in funding or elimination under the full-year CR. CDS projects are also not funded in the CR.

- ➤ Under this CR, the Trump administration could—for example—decide not to spend funding previously allocated for combatting fentanyl, the SUPPORT Act and other substance abuse and mental health programs, or specific NIH priorities like Alzheimer's disease and vaccine research—and instead steer funding to other priorities of its choosing. It could also pick and choose which Military Construction, Army Corps, or transit improvement and expansion projects to fund without direction from Congress—leaving Democratic states and priorities in the lurch.
- ➤ This is particularly risky for Democratic cities and states that may have to beg for their priorities to be funded from an administration that has already cut off vast swaths of funding and threatened retaliation if jurisdictions do not abide the administration's threats.

This is not a "clean" CR. Far from it, the CR includes a bevy of anomalies to provide additional funding or flexibility for some priorities while shortchanging most others.

The slush fund CR also reneges on the funding levels agreed to as part of the *Fiscal Responsibility Act* agreement—shortchanging defense and nondefense priorities alike.

- ➤ The bill *cuts* nondefense funding by \$7 billion relative to the original FY24 agreement.
- ➤ It also *cuts* nondefense funding by \$15 billion relative to the FY25 agreement—and cuts defense funding by \$3 billion relative to the agreement.

These cuts shortchange families, communities, small businesses, and our country's competitiveness and security—cutting lifesaving research, leaving the middle class behind, letting adversaries get ahead, and so much more.

This will not be like the last time full-year CRs for some funding bills were in effect after a bipartisan process.

- ➤ Under previous full-year CRs, there were bipartisan, bicameral efforts to step in and provide directives to agencies even after full-year CRs for specific bills had passed.
- ➤ Those efforts required cooperation and agreement among the four corners of the Appropriations Committees <u>and</u> the administration. There is no reason to expect that cooperation from this administration today.
- ➤ Of note: there has <u>never</u> been a yearlong CR for Defense.

President Trump has endorsed this full-year CR because he understands what is in it for him: more power over federal spending to pick winners and losers and devastate Democratic states and priorities.

➤ <u>Plus</u>: passing a full-year CR now also means less time for Trump spent haggling over funding and more time to focus on gutting Medicaid to pay for tax breaks for billionaires.

The Appropriations Committees have been extremely close on a topline agreement, and Democrats remain ready to get subcommittees working to finalize and pass full-year funding bills.

Instead of ceding power to Trump, Congress should pass a short-term CR to prevent a shutdown and finish work on full-year funding bills that ensure Congress has its say over federal funding priorities.

CONSEQUENCES OF THIS FULL-YEAR CR

Here are just a few select examples of the types of programs that are at risk under the CR:

- COMBATTING FENTANYL: Allows the Trump administration to steer funding provided to stop the flow of fentanyl and instead spend that money on mass deportation initiatives. The Office of National Drug Control Policy (ONDCP) High Intensity Drug Trafficking Areas (HIDTA) program provides assistance to Federal, State, and local law enforcement entities operating in areas most adversely affected by drug trafficking. Under this full-year CR, ONDCP is no longer directed to prioritize states with the highest overdose death rates when designating new HIDTA areas.
- **ARMY CORPS OF ENGINEERS:** Gives the Trump administration near-absolute discretion to select which Army Corps projects to fund, allowing President Trump to slow and stop particular projects for political reasons. Construction funding is cut by 44%, which

| will halt progress on some ongoing projects that mitigate the impacts of hurricanes, flooding, and more. |
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- SUBSTANCE USE AND MENTAL HEALTH: Gives Secretary Kennedy the ability to substitute his own priorities around substance use and mental health for members' priorities, including significantly cutting or eliminating funding for SUPPORT Act programs. He could significantly cut or eliminate funding for Project AWARE, mental health crisis response grants, Healthy Transitions, suicide prevention programs including the 988 Lifeline, First Responder grants, medication assisted treatment programs, and more.
- **RURAL DEVELOPMENT:** Forces USDA to absorb a \$34 million rise in the cost of Rental Assistance at the expense of other critical grant and loan programs for rural communities. The bill allows the administration to pick winners and losers across the broad range of Rural Development programs covering housing, utilities, broadband, and small business support.
- TRIBAL PROGRAMS: Gives the administration the ability to manipulate Tribal Priority Allocations (TPAs), formulas that govern allocation of all the core tribal programs such as housing, road maintenance, and law enforcement. It also allows broad discretion to cut or eliminate funding for Tribal Colleges and Universities, as well as Indian Health Service programs.
- MEDICAL RESEARCH: Fails to address a decrease in Cures Act funding—resulting in \$280 million less for NIH in FY25. In addition, Secretary Kennedy has said that he plans to shift focus and funding priorities away from infectious disease programs. The CR could allow him to, for example, eliminate funding for National Institute of Allergy and Infectious Diseases (NIAID) flagship programs, including funding for universal flu vaccine development and the Vaccine Research Center. It could also allow significantly cutting or eliminating funding for Alzheimer's disease research. In addition, the Defense portion of the CR cuts \$859 million from the congressionally-directed medical research program (CDMRP), which will halt progress for cures and treatment of dozens of diseases and conditions affecting servicemembers and their families.
- CENTERS FOR DISEASE CONTROL AND PREVENTION: Gives broad discretion over funding for particular programs and activities at the Centers for Disease Control and Prevention (CDC), which would allow Secretary Kennedy to substitute his priorities for longstanding congressional priorities. Specific funding levels for well over 100 individual programs, projects, or activities could be ignored—allowing the Trump administration to, for example, cut or eliminate funding for the Ending the HIV Epidemic initiative, Maternal Mortality and Safe Motherhood programs, immunization programs, firearm injury and mortality prevention research, cancer prevention, Alzheimer's disease programs, Lyme disease, sepsis, and much more.
- **SUPPORT FOR VETERANS:** Grants wide discretion to the administration over funding for veterans health programs—allowing it to cut or eliminate funding for homelessness prevention programs, rural health initiatives, suicide prevention, and more. It could also choose to redirect grants supporting these programs to discriminatory community

organizations who may not provide services to all veterans. The CR also cuts nearly \$800 million from VA facility construction, leaving several facilities without the ability to expand to meet demand.

- **HEALTH PROGRAMS**: The Trump Administration could significantly shift and reallocate funding within health workforce and maternal and child health programs, including by diverting funding from the Healthy Start program, midwife and maternity care training programs, and state maternal health efforts. They could also promote funding for their own priorities at the expense of mental and behavioral health workforce programs like the STAR Loan Repayment Program, the Addiction Medicine Fellowship program, and the Peer Support Specialists program. Funding for programs to advance rural health, including Project ECHO and the Rural Maternity and Obstetrics Management Strategies (RMOMS) program, would also be at risk.
- **K-12 EDUCATION**: The administration could increase funding for their priorities including charter schools or grants to promote Trump's narrow views of our nation's history (as proposed in an Executive Order), while cutting funding for a range of other critical programs that support our public K-12 schools, including Statewide Family Engagement Centers, Supporting Effective Educator Development (SEED), Arts in Education, Ready to Learn, Magnet Schools Assistance, and more.
- HIGHER EDUCATION: Grants the administration broad discretion, such that it could eliminate or significantly cut funding for Federal Work Study and Supplemental Educational Opportunity Grants that provide funding to thousands of institutions of higher education to award need-based financial aid to students. They could significantly cut or eliminate funding for programs supporting HBCUs, other Minority Serving Institutions and Tribal Colleges. They could also significantly cut or eliminate funding for TRIO, GEAR UP, International Education, Teacher Quality Partnerships, Child Care Access Means Parents in School, and more. The first Trump administration and House Republicans have routinely proposed eliminating and significantly cutting these programs.
- TRANSIT IMPROVEMENTS: Creates uncertainty for critical transit improvement and expansion projects throughout the country by providing the administration full control over how to allocate \$3.8 billion from the Capital Investment Grants program. Puts projects that reduce congestion, increase safety, and support businesses and jobs in California, Florida, Illinois, Minnesota, New Jersey, New York, North Carolina, Texas, Washington, and Wisconsin in limbo.
- **CLEAN ENERGY:** Grants broad discretion over how to spend \$15 billion in climate-related funding, allowing the administration to shortchange investments in renewable energy to help the oil and gas industry instead.

- **DISASTER RELIEF**: The bill fails to provide additional funding for FEMA's Disaster Relief Fund, which requires additional funding to meet disaster needs through the end of the fiscal year.
- AVIATION SAFETY AND RESEARCH: Fails to provide the typical line-by-line project set-asides and restrictions—instead providing \$4 billion for FAA's facilities and equipment that the Trump administration could earmark for Elon Musk's Starlink project for FAA telecommunications. It also allows the administration to pick and choose aviation research priorities, putting Sustainable Aviation Fuel and other critical research at risk.
- **INCREASES ENERGY COSTS:** Does not provide the requested budgets for daily operations and maintenance activities at the Power Marketing Administrations (PMAs). The PMAs provide electricity to more than 60 million people across 34 states, and without sufficient operating funds, customers are likely to experience energy cost increases and power disruptions.
- SHORTCHANGING FAMILIES & HOMELESSNESS: Fails to fully fund critical rental assistance and program management contracts, shortchanges landlords that have agreements with the government, and threatens housing stability for low-income families, seniors, veterans, and Americans with disabilities. Homelessness assistance providers across the country will be forced to cut services, and investment in new projects will be slashed. Combined, this amounts to an over \$700 million shortfall for HUD and over 32,000 fewer vouchers. Homelessness and housing unaffordability hit an all-time high last year, and these cuts will only make things worse.
- NUCLEAR NONPROLIFERATION PROGRAMS: Slashes \$185 million (7% of the
 program total) from Defense Nuclear Nonproliferation programs, including from programs
 that prevent terrorists from acquiring nuclear and radioactive material; remove radioactive
 materials at risk of being misused or causing a catastrophic accident; and detect and monitor
 foreign nuclear fuel cycle and weapons development activities, nuclear material movement or
 diversion, and nuclear explosions.
- **ELECTION SECURITY:** Cuts Election Security Grants from \$55 million to \$15 million, gutting funding to protect the security and integrity of elections.
- **NOAA WEATHER SATELLITES:** Current funding provides needed support for the next generation Geostationary Earth Orbit satellite constellation (GeoXO) to avoid possible gaps in observations when the current satellites retire early in the next decade. Satellite weather observations are critical for accurate forecasts. The yearlong CR turns off that support, creating a shortfall for GeoXO of \$340 million. This risks a geostationary coverage gap in the early 2030s, setting weather prediction back decades and endangering life and property.

- **SMALL BUSINESS ADMINISTRATION** (**SBA**): Removes guardrails on SBA funding, enabling the Trump administration to cut funding for Veterans Outreach, Women's Business Centers, and SCORE and slashing critical resources for small businesses across the nation.
- **GENERAL SERVICES ADMINISTRATION:** Gives GSA an over \$9 billion blank check to spend funds how it chooses—helping DOGE to continue its mass-scale cancellation of leases and proposed sale of federal buildings all across the country.
- **JEOPARDIZES MARITIME READINESS:** Shortchanges critical maritime readiness programs that provide the Department of Defense supply chain logistics support and refueling needs by \$134 million.
- IMMIGRATION COURTS: Critical oversight directives for the Executive Office for Immigration Review fall away, including directives to ensure fairness in immigration court proceedings and immigration judge hiring and to ensure appropriate language access resources are available for all respondents. The yearlong CR would also allow Attorney General Bondi latitude to implement sweeping changes to the immigration court system that would hinder due process.
- **FEDERAL LAW ENFORCEMENT:** Lack of public safety and national security directives for Department of Justice law enforcement components—particularly the FBI, DEA, U.S. Marshals Service, ATF, and U.S. Attorneys—will make it easier for the Trump administration to continue pulling agents, deputies, officers, and attorneys from their critical investigation and prosecution duties in favor of immigration enforcement, even as these agencies are impacted by more vacancies and hiring freezes, as well as diminished operations capacity.
- CLEAN AIR, CLEAN WATER, AND TOXIC CHEMICALS: Gives the Trump administration free rein to slash from programs with proven results delivering clean air, clean water, and protection from toxic chemicals, including children's health research, rural water systems, and water quality programs. It also will undermine Congress' ability to determine funding levels for support to state environmental programs that ensure compliance with federal law, such as drinking water standards.
- GREAT AMERICAN OUTDOORS ACT PROJECTS: Gives the Trump administration near-absolute discretion to select which Land and Water Conservation Fund acquisitions and which public lands deferred maintenance projects to fund, allowing President Trump to slow and stop particular projects.

- MILITARY CONSTRUCTION: Military Construction funding is below the FY25 request as well as the FY25 authorized level, so services will be forced to pick and choose projects to fund. Because the CR does not include a specific list of MilCon projects funds are to be spent on, discretion is entirely up to the services, who could pick and choose projects in certain states and neglect others. It also cuts funding for NATO Security Investment Program by \$140 million from FY25 request levels, which funds a cost share that the US has already committed to.
- **DISTRICT OF COLUMBIA LOCAL FUNDING:** Limits D.C. to its FY24 levels for local funding—which would have dramatic impacts on city functions. Congress has predictably allowed D.C. to spend its locally-passed funding year after year. In fact, in both the enacted September and December continuing resolutions, Congress included a longstanding provision allowing D.C. to spend at its determined levels. This CR, however, would cut D.C.'s funding and impact Home Rule mid-way through the fiscal year when D.C. is already spending at its ostensibly Congressionally approved FY25 levels. This means a nearly \$945 million cut for the District, impacting teachers, firefighters, and law enforcement. The Metro Police Department alone would see a \$75.6 million cut and teachers could be fired in the middle of the school year.
- **EXPORT CONTROLS:** Specific funding directives for the Bureau of Industry and Security—whose mission is to advance U.S. national security, foreign policy, and economic objectives by operating an effective export control system—fall away. The Trump administration could, for example, alter funding for enforcement of Russian and Belarussian export controls in response to Russia's invasion of Ukraine.
- NASA SCIENCE: Shortchanges NASA Science by \$241.5 million, stranding it at FY21 levels, which will cause premature termination of operating missions and cancelation or delay of missions under development.
- QUANTUM SCIENCE: Gives the Trump administration broad discretion over the Scientific and Technical Research and Services account, which makes up the majority funding at the National Institute of Standards and Technology (NIST)—allowing the administration to gut funding for quantum science, artificial intelligence, and climate research.
- **CLIMATE SCIENCE:** Cedes broad discretion to eliminate programs that invest in climate laboratories, cooperative institutes, and competitive research. The Trump administration could eliminate funding for climate research and resilience programs, gut funding for next generation weather satellites, and more. The Trump administration could therefore shift some—or all—of this funding to other priorities with few options for Congress to push back. This is also true for climate research at the National Science Foundation and NIST.

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