



## **Appropriations Update: Congress Passes Continuing Resolution to Fund the Government through April 28, 2017**

*Lewis-Burke Associates LLC – December 12, 2016*

On December 9, Congress passed a continuing resolution (CR) to fund government operations through April 28, 2017. The bill passed with bipartisan support, with a Senate vote of 63-36 and a House vote of 326-96. The first CR of fiscal year (FY) 2017 funded government operations through December 9 and with only one hour to spare, this second CR avoided a government shutdown. The CR maintains a budget cap level of \$1.07 trillion, consistent with the spending limit negotiated for FY 2017 in last year's bipartisan budget deal, the *Bipartisan Budget Act of 2015*.

The CR funds most federal agencies and associated programs and projects at FY 2016 levels. However, recognizing the significant impact to federal programs of operating government funding under a CR for at least seven out of the 12 months of the fiscal year, Congress approved certain spending increases, known as anomalies, that reflect congressional priorities, such as:

- \$872 million to boost medical research and drug approval efforts and respond to the opioid abuse crisis identified in the *21<sup>st</sup> Century Cures Act of 2016*, including \$352 million for the National Institutes of Health Innovation account for the Cancer "Moonshot," regenerative medicine, and the Precision Medicine and BRAIN Initiatives, \$500 million for opioid addiction treatment and prevention grant programs, and \$20 million for the Food and Drug Administration Innovation account to expedite drug and medical device review and approvals;
- \$10 billion in additional funds for the Overseas Contingency Funding account to support military and diplomatic efforts to fight ISIS, counter-terrorism and ongoing peacekeeping operations, migration and refugee assistance, and embassy security, construction, and maintenance with \$5.8 billion for the Department of Defense and \$4.3 billion for the Department of State and the U.S. Agency for International Development;
- \$4.1 billion in disaster relief to repair the damage from Hurricane Matthew (including \$75 million for NASA), floods, droughts, and other natural disasters;
- \$170 million to help repair the lead-contaminated water system of Flint, Michigan; and
- \$45 million for continued health care benefits for certain retired miners under the United Mine Workers Association 1993 Benefit Plan.

In addition to spending increases, the CR also gives certain federal agencies the authority and flexibility to spend funds above FY 2016 levels for specific projects, as long as the federal agency finds a funding offset, such as:

- increased funding to maintain the planned launch schedules for NASA's Deep Space Exploration program, including the Space Launch System launch vehicle, Exploration Ground Systems, and the Orion Multi-Purpose Crew Vehicle program;

- additional funding for the Joint Polar Satellite System program for better forecasts of severe weather events; and
- flexibility to move funding in the National Nuclear Security Administration's Weapons Activity account to support the highest priority and highest need nuclear weapons modernization activities.

Congress has until April 28, 2017 to pass the remaining 11 appropriations bills (the bill funding the Department of Veterans Affairs and military construction projects for the entirety of FY 2017 passed in the last CR), pass another CR, or pass an omnibus bill—a large catch-all spending bill for the remaining 5 months of FY 2017. Given the need to review the FY 2018 budget request, a busy Senate schedule to confirm President-elect Trump's Cabinet nominees, and a debate over the federal debt limit, which must be raised by March 16, 2017, the most likely outcome will be a CR to fund the remainder of the fiscal year from April through the end of September, which will maintain most federal programs and activities at FY 2016 levels, but may include additional funding provisions and anomalies for the highest priority congressional activities.

*Sources and Additional Information:*

- The full text of the CR is available at <http://docs.house.gov/billsthisweek/20161205/CPRT-114-HPRT-RU00-SAHR2028.pdf>.
- A House Appropriations Committee summary of the CR is available at <http://appropriations.house.gov/news/documentsingle.aspx?DocumentID=394665>.