



Federal Budget Funding Gets Extended for Two Weeks. Then What?

The art of the deal: What will lawmakers trade in order to secure votes for the final spending bill?

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Avoiding a government shutdown by mere hours, both the House and the Senate passed another continuing resolution Thursday evening, which was soon after signed into law by President Trump. A continuing resolution (CR) is a temporary funding measure, extending the funding for all federal government activities decided upon in fiscal year 2017 into fiscal year 2018, which started on October 1st. This CR only funds the government through December 22nd, so lawmakers will barely step away from the drawing board of figuring out what will end up in a final FY18 spending bill (also called an omnibus bill) to avoid a shutdown three days before Christmas.

Because any FY18 spending bill will require some Democratic support to pass, Senate Democrats are touting a few key points that they say will break any budget deal if not included. For one, if Republicans try to #RaiseTheCaps (that is, allow more money to be spent) on national defense, Democrats will seek “parity” so that non-defense discretionary funding—which covers everything from the CDC to the FBI—is raised at an equal rate to defense. Senate Democrats will also require that a permanent fix for former DACA recipients, known as “Dreamers,” be included in any end-of-the-year bill that they will support. They could also withhold their votes if more money isn’t designated for the opioid epidemic, which President Trump declared a national emergency, but made only \$57,000 of new federal funding available to combat it.

The Freedom Caucus, an especially conservative faction of the Republican Party, could have stalled the passage of this December 22nd CR in the House (they wanted one that would fund the government through December 30th), but didn’t – for a price. In exchange for key votes on the CR, Freedom Caucus members were given assurances that GOP leaders will refuse Senate Democrats’ demands for increased spending on non-defense programs in a budget deal on the spending caps. To further complicate the end-of-year deal, some conservatives may insist that the NEXT short-term CR (post December 22nd) be accompanied by a full-year defense spending bill, leaving the remaining bills to be finalized and packaged as an omnibus in January. Democrats roundly denounced the idea, and Republican aides close to the negotiations believe that proposal will be tossed out.

Funding the Children’s Health Insurance Program (CHIP), Federally Qualified Health Centers (FQHC) and other health programs that have reached the end of their authorized spending, along

with tax reform are also holding up progress on a final bill. Both chambers of Congress have passed a version of the GOP tax plan and [have agreed to go to conference](#) to reconcile the differences. CHIP, which provides health coverage for over 9 million children when fully funded, along with FQHCs and other health programs have been put on the back burner by Senate Republicans in order to focus on the tax legislation expected to cause 13 million Americans to lose health insurance and raise taxes for those making less than \$75,000 per year. Final action on full CHIP funding could be included in the NEXT short-term CR before a final FY18 bill is passed, but legislators will likely have to come to a more permanent agreement on both issues in order to collect enough votes to pass a final omnibus bill. AIDS United continues to watch developments on health care spending and will likely put out action alerts as new deadlines draw closer.