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The House and Senate approved, and President Biden signed into law, a continuing resolution (CR) to fund federal departments and agencies until March 14, 2025, at fiscal year 2024 levels, finishing out the 118th Congress as lawmakers headed home for the holiday recess.

Government Funding

During a turbulent week in Washington, Speaker of the House Mike Johnson (R-La.) was left struggling to balance demands from a diverse conference, members on the other side of the aisle, and President-elect Donald Trump and his close ally, Elon Musk who has been tapped to lead a non-governmental panel tasked with improving government efficiencies. Though some of those demands were not met, a bipartisan agreement was reached, culminating in the American Relief Act, 2025 (H.R. 10545), which includes a \$110 billion disaster aid provision, a one-year farm bill extension, and a March 14, 2025 funding deadline.

URL: <https://www.congress.gov/bill/118th-congress/house-bill/10545/text>

Noticeably absent from the end-of-year CR is a provision extending the debt limit for two years, to January 2027, a request from President-elect Donald Trump which failed to pass the House, even after he warned Republicans that if they supported a funding bill without taking care of the debt ceiling, they would be challenged in primaries in two years. It also appears to carryover from the prior stopgap a freeze on the Internal Revenue Service's access to roughly \$20.1 billion in mandatory funding under the Inflation Reduction Act (H.R. 117-169).

URL: <https://www.congress.gov/117/plaws/publ169/PLAW-117publ169.pdf>

The CR cleared the House on December 20 by a vote of 366 to 34 under an expedited procedure known as “suspension of the rules,” which allows for limited debate, no amendments, and passage upon an affirmative two-thirds vote. In all, 196 Democrats joined with 170 Republican to support the stopgap measure. All of the 34 “no” votes came from the GOP.

It was fast-tracked through the Senate in the early hours of December 21 and was approved by a vote of 85-11, with 46 Democrats, 2 Independents who receive their committee assignments from the Democrats, and 37 Republicans aligned in favor of the bill. Ten Republicans and 1 Independent who receives his committee assignment from the Democrats opposed the measure. (The time agreement allowing for quick Senate consideration required a 60-vote supermajority for passage.)

President Biden signed the bill later that day, thus averting the possibility of a partial shutdown of government operations for fiscal year 2025 (although appropriations had technically lapsed at midnight, the Office of Management and Budget permits continued operations of the government if Congress is on a clear path to approving a funding measure).

Full-year funding package pushed to 119th Congress

With a new stopgap measure to fund the government into next year in the books, Congress will be faced with a March 14 deadline to approve the 12 appropriation bills required to fund government operations for fiscal year 2025. To date, the House has approved only 5 of these measures and the Senate has yet to approve any.

Moreover, spending bills that have cleared the Senate Appropriations Committee (but have not yet reached the Senate floor) adhere to the spending caps that President Biden and then-House Speaker Kevin McCarthy (R-Calif.) agreed to in the Fiscal Responsibility Act of 2023 (P.L. 118-5), which was signed into law in June of last year and affirmed this past January in a handshake deal on government funding between current Speaker Mike Johnson and Senate Majority Leader Charles Schumer (D-N.Y.). That measure suspended the federal debt limit through January 1, 2025, and also made certain fiscal policy changes—including provisions to keep nondefense discretionary spending flat for fiscal year 2024 and to limit annual growth to 1 percent for fiscal years 2025 through 2029.

URL: <https://www.congress.gov/118/plaws/publ5/PLAW-118publ5.pdf>

With both chambers now adjourned for the holiday recess, further work on a fiscal year 2025 spending agreement is on hold until January 3 when the new Congress is scheduled to begin. Lawmakers in the 119th Congress, however, will also be faced with working on budget reconciliation legislation—including extensions

of key provisions in the Tax Cuts and Jobs Act of 2017 (P.L. 115-97) that expire at the end of next year—and tackling the debt limit, as well as vetting and confirming President Trump’s nominees for cabinet posts and certain other administrative positions, all of which will provide policy and procedural challenges to the slim majority Republicans will hold in the Congress next year.

[URL: https://www.congress.gov/115/plaws/publ97/PLAW-115publ97.pdf](https://www.congress.gov/115/plaws/publ97/PLAW-115publ97.pdf)

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