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GENERAL MEMORANDUM 18-040

Two Week Extension of FY 2019 Continuing Resolution through December 21; Impasse on Southern Border Wall Funding Could Lead to Partial Government Shutdown

Congress has approved and the President will sign another Continuing Resolution (CR), H.J. Res.143, to fund those federal agencies for which no FY 2019 appropriations bill have been enacted. The CR will extend funding through December 21, 2018, at largely FY 2018 terms and spending levels. The House and Senate each approved H. J. Res. 143 via voice vote. The previous CR was to expire December 7.

The agencies funded under the CR are: Interior, Environment and Related Agencies; Agriculture; Transportation, Housing and Urban Development and Related Agencies; Financial Services; Homeland Security; State-Foreign Operations; and Commerce-Justice-Science. It is likely that funding for these agencies will be combined into one appropriations package.

For information comparing FY 2018 enacted levels with FY 2019 House and Senate proposals, see our General Memoranda 18-025 of June 26, 2018, for the Indian Health Service (IHS) and 18-032 of August 16, 2018, for Indian Affairs.

The main impediment to enactment of the remaining appropriations bills is the President's insistence on \$5 billion as a down payment for construction of a wall on our Nation's southern border. Originally, the President had requested \$1.6 billion in his FY 2019 budget for the wall, an amount contained in the Senate FY 2019 Homeland Security funding bill for securing the border. Later, the President changed that amount to \$5 billion; however, the Administration has never filed a budget amendment with Congress detailing how this increased funding would be used. Despite the lack of a formal budget amendment request, the House obliged and has included the \$5 billion in their FY 2019 Homeland Security funding bill. At times, the President has said he will stand firm for the \$5 billion and would veto the appropriations bill if it did not contain that funding level, thus causing a partial government shutdown.

The CR which provides funding through December 21 also continues provisions from the previous CR including:

- Extension of the authorizations to December 21, 2018, for the Violence Against Women Act (VAWA), the National Flood Insurance Program, and the Temporary Assistance for Needy Families program (TANF). We note that the TANF program receives its funding on a quarterly basis and so has already been funded through December 2018 via the previous CR.

- Authority for agencies to make entitlement payments that are due within 30 days of the expiration of the CR; and
- IHS staffing and operations funding for facilities that were opened, renovated or expanded in FY 2018: \$14,112,000 from the Services Account and \$1,200,000 from the Facilities Account in addition to the funding that would be provided in the CR.

As is common in CRs, the funds will not be distributed for programs that may have high initial rates of operation or for funds which are fully distributed at the beginning of the fiscal year. This is because of the possibility that Congress might eliminate or reduce funding for those particular programs in a final appropriations bill. Agencies are to use the most limited funding action permitted in the Act in order to provide for continuation of projects and activities. Agencies will be allowed to apportion funds in a manner that would avoid furloughing employees.

The agencies for which FY 2019 appropriations have already been enacted are Defense and Labor-Health and Human Services-Education (PL 115-245); and Energy-Water; Military Construction-Veterans Administration; and Legislative Branch (PL 115-244).

Please let us know if we may provide additional information about the Continuing Resolution or other FY 2019 appropriations matters.

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