

## What To Expect for FY 2025 Appropriations

Now that Congress has finalized Fiscal Year (FY) 2024 funding (see the full breakdown of that package [here](#)) – it's time to immediately pivot to FY25.

Looming large over FY24 and now FY25, is the Fiscal Responsibility Act (FRA) of 2023 – a bill that raised the debt ceiling for two years in exchange for spending caps. The FRA capped non-defense discretionary (NDD) funding for FY24 at roughly \$704 billion, but a “side-deal” provided an additional \$69 billion, bringing FY24 levels close to that of FY23. For FY24, Congress agreed on a package that maintained level funding for most education programs – and even provided some small increases to key programs like Title I and IDEA. However, they may not be able to pull this off in FY25.

In the FRA, FY25 was provided a 1% increase for discretionary spending, but once we account for allowed adjustments and changes to the “side-deal”, Congress will have a \$32.6 billion hole to fill, which means Congress will have to cut funding even further.

Once Congress returns to DC next week, each chamber is expected to begin the normal appropriations cycle. However, serious negotiations are not expected to take place until after the election. Historically, during election years Congress passes a continuing resolution to fund the government until after the election. Whether or not full appropriations is completed during the lame duck session will rely on the outcome of the election.

In the meantime, here's what we will be watching as this year's appropriation's cycle unfolds:

1. **New House Appropriations Leader:** Chair of the House Appropriations Committee Congresswoman Kay Granger (R-TX) is stepping down from her leadership post early to allow the new leader to begin FY25. On April 9, the Republican House Steering Committee is meeting to vote on who will take the gavel and lead appropriations for the House.
2. **Role of Spending Caps:** During FY24, the House Republican Caucus moved to cut funding significantly more than the levels that were agreed upon in the FRA, which contributed to the delays in the FY24 appropriations process. We will be watching to see if the House abides by the topline levels put forward in the FRA, or if, once again, additional cuts to federal funding are proposed.
3. **House Labor-HHS-Education Proposals:** As you may remember, the [House FY24 proposal](#) for Labor-HHS-Education gutted education funding back to 2006 spending levels – slashing Title I funding by 80% and eliminating

numerous programs. This proposal never made it to the House floor and we will watch to see what investment proposals are put forward this time around.

When budget caps are in place, federal education funding usually stays level or is cut. Your AESA Advocacy Team looks forward to urging Congress to continue to invest in the critical federal formula programs that are the backbone of our nation's educational system. Stay tuned for updates on the appropriations process in the Online News.