



HOW THE FY25 FULL-YEAR
CONTINUING RESOLUTION
TRANSFERRED SPENDING POWER
TO THE EXECUTIVE BRANCH

January 2026

Executive Summary

For the first time in modern history, Congress funded all federal agencies with continuing resolutions for an entire fiscal year in fiscal year 2025 (FY25). Congress did this by passing a series of short-term CRs that funded government through March 14, 2025, followed by a long-term CR – also called a “full-year CR” – enacted on March 15, 2025, that funded government through September 30, 2025.

As described in a [companion Co-Equal analysis](#) on the annual appropriations process, these two types of continuing resolutions differ in how they affect Congress’s constitutional power to control federal spending. Short-term CRs maintain Congress’s control by strictly limiting executive discretion. Full-year CRs, however, can shift power to the executive branch if they lack the detailed spending control mechanisms of annual appropriations acts.

This analysis examines the FY25 full-year CR, which gave the executive branch an unprecedented amount of spending discretion. Not only did it cover all federal agencies, but it also lacked additional directives from the Appropriations Committees. By contrast, the FY24 annual appropriations were accompanied by over 16,000 committee directives and earmarks that allocated billions of dollars to specific programs and projects. The Trump Administration exploited the unique features of the FY25 full-year CR to cancel and redirect billions in appropriations while freezing hundreds of billions more.

The FY2025 Full-Year CR

The FY25 full-year CR transferred Congress's spending power to the executive branch in three ways. First, it removed the spending restrictions imposed by the preceding short-term CRs. This allowed agencies to start new projects and programs, make major spending commitments, and reallocate appropriations to specific programs and projects. Congress granted this flexibility out of necessity. If the strict spending restrictions of the earlier CRs had remained in place for an entire fiscal year, agencies would have been unable to respond to legitimate changes in funding needs.

Second, the FY25 full-year CR lacked the thousands of committee directives that Congress uses to control how agencies allocate their appropriations. These directives, which are included in committee reports and explanatory statements, tell agencies how to divide lump-sum appropriations among specific programs, which spending activities to prioritize, and what additional information to provide Congress through reports and briefings. The FY2024 committee reports and joint explanatory statement contained over 16,000 such directives.¹ When Congress enacts a full-year CR without updating these directives, the executive branch gains additional flexibility over how to allocate appropriations and Congress loses a crucial tool for overseeing agencies' spending decisions.

Third, the FY25 full-year CR eliminated *earmarks* – a distinct type of committee directive that enables individual members of Congress to direct federal funding to specific projects within their districts and states. The FY24 appropriations acts contained nearly 8,100 earmarks that directed \$14.6 billion to specific projects requested by members of Congress.² Because the FY25 full-year CR eliminated these earmarks, executive branch officials – not members of Congress – decide which projects receive funding.

Prior full-year CRs shared some of these features, but the FY25 full-year CR was the most extreme version of this power transfer. Each previous full-year CR either exempted some agencies or included some committee directives or both. The FY07 full-year CR lacked directives, but it did not cover the Department of Defense or Department of Homeland Security, which were funded through the annual appropriations process.³ In FY11, a full-year CR without directives did not cover the Department of Defense, which was funded with an annual

¹ For more information, see the appendix of Co-Equal, *Appropriations Primer: Annual Appropriations Acts and Continuing Resolutions* (January 2026) (https://cdn.prod.website-files.com/5cd036eb776bf651fcf12ee9/696963d5affd62fcc61ea4f_Appropriations_Primer_-_Regular_Appropriations_and_Continuing_Resolutions.pdf).

² U.S. Government Accountability Office, *Tracking the Funds: Specific Fiscal Year 2024 Provisions for Federal Agencies* (November 21, 2024) (<https://www.gao.gov/products/gao-25-107549>).

³ U.S. Congress, *Revised Continuing Appropriations Resolution, 2007* (Public Law 110-5) (February 15, 2007) (<https://www.congress.gov/bill/110th-congress/house-joint-resolution/20>).

appropriations act accompanied by committee directives in an explanatory statement.⁴ The FY13 full-year CR covered only 7 of the 12 appropriation bills and also included committee directives.⁵

In contrast, the FY25 full-year CR was the first to combine complete coverage with no directives: it funded all federal agencies and included no earmarks or spending instructions.⁶ This combination gave the Trump Administration unprecedented discretion over the full-year CR's \$1.6 trillion in appropriations, as the following examples illustrate.⁷

Department of Defense Funding

One prominent example of how the Trump Administration used the full-year CR to wrest control of federal spending from Congress involves the Department of Defense (DOD). FY2025 was the first time in modern history that DOD operated under CRs for an entire fiscal year.⁸ Before FY2025, Congress had always provided the Department with hundreds of detailed spending instructions every year through Appropriations Committees' reports and explanatory text. These instructions are crucial to Congress's oversight of DOD and direct the allocation of hundreds of billions of dollars annually. The FY25 CR included no directives, and it also increased DOD's ability to transfer appropriations between accounts from \$6 billion to \$8 billion.⁹

In the absence of committee directives, DOD received instructions only from the chairs of the Defense Appropriations Subcommittees rather than bipartisan instructions from the full

⁴ U.S. Congress, *Department of Defense and Full-Year Continuing Appropriations Act, 2011* (Public Law 112-10) (April 15, 2011) (<https://www.congress.gov/bill/112th-congress/house-bill/1473>) (FY11 law); Rep. Hal Rogers, *Congressional Record*, Volume 157, No. 55, pages H2747-H2788 (April 14, 2011) (<https://www.congress.gov/112/crec/2011/04/14/157/55/CREC-2011-04-14-house.pdf>) (FY11 explanatory statement).

⁵ U.S. Congress, *Consolidated and Further Continuing Appropriations Act, 2013* (Public Law 113-6) (March 26, 2013) (<https://www.congress.gov/bill/113th-congress/house-bill/933>) (FY13 law); Rep. Hal Rogers, *Congressional Record Volume 159, No. 32*, pages H1029-H1302 (March 6, 2013) (<https://www.congress.gov/113/crec/2013/03/06/CREC-2013-03-06-pt1-PgH997-3.pdf>) (House explanatory statement); Sen. Barbara Mikulski, *Congressional Record Volume 159, No. 34*, pages S1287-S1588 (March 11, 2013) (<https://www.congress.gov/113/crec/2013/03/11/159/34/CREC-2013-03-11-pt1-PgS1287.pdf>) (Senate explanatory statement).

⁶ U.S. Congress, *Full-Year Continuing Appropriations and Extensions Act, 2025* (Public Law 119-4) (March 15, 2025) (<https://www.congress.gov/119/plaws/publ4/PLAW-119publ4.pdf>).

⁷ Congressional Budget Office, *H.R. 1968, Full-Year Continuing Appropriations and Extensions Act, 2025* (March 11, 2025) (<https://www.cbo.gov/system/files/2025-03/hr1968.pdf>).

⁸ Congressional Research Service, *FY2025 Department of Defense Appropriations: Status of Legislative Activity*, Figure 1 (May 8, 2025) (<https://www.congress.gov/crs-product/IN12402>).

⁹ Lawfare, *How Appropriations Are Transforming the Defense Department's Domestic Operations* (July 17, 2025) (<https://www.lawfaremedia.org/article/how-appropriations-are-transforming-the-defense-department-s-domestic-operations>).

subcommittees.¹⁰ Two months later, DOD redirected billions of dollars of appropriations to align with the chairs' instructions, which reflected the policy priorities of the Trump Administration. This shifted at least \$2 billion of funding from construction and personnel appropriations to border security operations.¹¹

National Institutes of Health Funding

The National Institutes of Health (NIH) faced similar consequences. In FY24, Congress appropriated \$42 billion to the NIH's 24 research institutes.¹² Like DOD's appropriations, Congress used committee directives to allocate each institute's appropriation to specific research programs.¹³ The FY25 full-year CR included no such directives. Without congressional guidance, the Trump Administration has overhauled how NIH funds multi-year research grants. In June 2025, the administration announced that it would fund half of NIH's multi-year research grants in a single, upfront payment.¹⁴ By front-loading this spending, the administration has redirected funding toward its priorities and reduced the total number of research awards.¹⁵ Even though the full-year CR left the NIH's research budget essentially unchanged, the policy has cut new research grant awards by 40%.¹⁶ Not only was this change made without

¹⁰ Rep. Ken Calvert (R-CA) and Sen. Mitch McConnell (R-KY), *Letter to Secretary of Defense Pete Hegseth Regarding FY2025 Full-Year Continuing Resolution Funding Tables* (March 17, 2025) (<https://www.taxpayer.net/wp-content/uploads/2025/03/Letter-to-Sec-Def-Hegseth-from-McConnell-and-Calvert.pdf>); House and Senate Defense Appropriations Subcommittees, *Project Level Adjustment Tables to Accompany Division A, Title IV, Department of Defense, Full-Year Continuing Appropriations and Extensions Act, 2025* (March 14, 2025) (<https://www.taxpayer.net/wp-content/uploads/2025/03/gop-fy25-cr-funding-tables.pdf>).

¹¹ Federal News Network, *DoD Shifts Billions from Personnel and Facilities Accounts to Fund Border Mission* (May 27, 2025) (<https://federalnewsnetwork.com/defense-main/2025/05/dod-shifts-billions-from-personnel-and-facilities-accounts-to-fund-border-mission/>); Federal News Network, *Pentagon Diverted Over \$2 Billion from Barracks, Schools to Fund Border Mission* (December 15, 2025) (<https://federalnewsnetwork.com/congress/2025/12/pentagon-diverted-over-2-billion-from-barracks-schools-to-fund-border-mission/>).

¹² U.S. Congress, *Further Consolidated Appropriations Act, 2024*, 138 Stat. 656–659 (Public Law 118-47) (March 23, 2024) (<https://www.congress.gov/118/plaws/publ47/PLAW-118publ47.pdf>).

¹³ U.S. Congress, *Further Consolidated Appropriations Act, 2024*, 138 Stat. 656–659 (Public Law 118-47) (March 23, 2024) (<https://www.congress.gov/118/plaws/publ47/PLAW-118publ47.pdf>); U.S. Senate Committee on Appropriations, *Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Bill, 2024*, pages 88–137 (S. Rpt. 118-84) (July 27, 2023) (<https://www.congress.gov/118/crpt/srpt84/CRPT-118srpt84.pdf>); U.S. House of Representatives, *Congressional Record — Volume 170, No. 51, Book II*, pages H1890–H1891 (March 22, 2024) (<https://www.congress.gov/118/crcr/2024/03/22/170/51/CREC-2024-03-22-bk2.pdf>).

¹⁴ National Institutes of Health, *Director's Letter*, page 5 ([https://officeofbudget.od.nih.gov/pdfs/FY26/NIH FY 2026 CJ Overview.pdf](https://officeofbudget.od.nih.gov/pdfs/FY26/NIH%20FY%2026%20CJ%20Overview.pdf)).

¹⁵ New York Times, *The U.S. Is Funding Fewer Grants in Every Area of Science and Medicine* (December 2, 2025) (<https://www.nytimes.com/interactive/2025/12/02/upshot/trump-science-funding-cuts.html>).

¹⁶ U.S. Senate Committee on Appropriations, *Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Bill, 2026*, page 161 (S. Rpt. 119-55) (July 31, 2025) (<https://www.congress.gov/119/crpt/srpt55/CRPT-119srpt55.pdf>) (grant awards); National Institutes of Health,

Congress's input, but by committing years of future funding, it will limit Congress's ability to shape NIH's research priorities in the years ahead.

Elimination of Congressional Oversight Mechanisms

The FY25 full-year CR also eliminated directives that enable Congress to oversee agency spending. One example involves the U.S. Immigration and Customs Enforcement (ICE) FY25 funding. In FY24, Congress's committee directives to ICE requested that the agency submit monthly spending reports to the Appropriations Committees and notify them of any spending contract changes exceeding \$1 million.¹⁷ The FY25 full-year CR included none of these instructions and the Department of Homeland Security stopped providing the monthly reports. Since taking office, the Trump Administration has spent more on immigration enforcement and detention than Congress appropriated to ICE. To cover this shortfall, the Department of Homeland Security (DHS) has redirected funding from other ICE and DHS programs.¹⁸

The House Appropriations Committee's majority staff has criticized ICE's actions as "especially egregious," "unacceptable," and "wholly irresponsible." According to the committee, ICE's actions went beyond mismanagement and weakened Congress's spending powers because ICE's actions "set[] the precedent that the Department can shift funding away from congressional priorities ... to compensate for ICE's budgetary mismanagement."¹⁹ The Committee called on ICE to immediately resume its monthly reporting.²⁰

Partisan Spending

The FY25 CR also enabled the Trump Administration to allocate funding on a partisan basis. The full-year CR cut the Army Corps' funding and eliminated the statutory provision that would have required the Corps to allocate its FY25 appropriation according to its FY24 committee

Director's Letter, page 22 ([https://officeofbudget.od.nih.gov/pdfs/FY26/NIH FY 2026 CJ Overview.pdf](https://officeofbudget.od.nih.gov/pdfs/FY26/NIH%20FY%202026%20CJ%20Overview.pdf)) (NIH research budget across fiscal years).

¹⁷ U.S. House of Representatives, *Congressional Record*, Vol. 170, No. 51, Book II, page H1811 (March 22, 2024) (<https://www.congress.gov/118/crec/2024/03/22/170/51/CREC-2024-03-22-bk2.pdf>).

¹⁸ DHS's FY24 annual appropriation exempts immigration detention from standard budgetary restrictions. The department may move funding into ICE's operations account "as necessary to ensure the detention of aliens prioritized for removal" – without the usual 30-day advance notice to the Appropriations Committees. Transfers between accounts are capped at 5% of any appropriation, and reprogramming within accounts is limited to \$5 million or 10%, whichever is less. See, U.S. Congress, *Further Consolidated Appropriations Act, 2024*, Division C, Section 214 and Section 503(a)(b)(c)(d) (Public Law 118-47) (March 23, 2024) (<https://www.congress.gov/118/plaws/publ47/PLAW-118publ47.pdf>).

¹⁹ House Committee on Appropriations, *Report on Department of Homeland Security Appropriations Bill, 2026*, pages 35-36 (H. Rpt. 119-173) (June 26, 2025) (<https://www.congress.gov/119/crpt/hrpt173/CRPT-119hrpt173.pdf>)

²⁰ *Id.*

directives.²¹ This change allowed the Trump Administration to develop new spending plans.²² The administration's new plans directed two-thirds of the full-year CR's funding to Republican-led states and concentrated funding cuts in Democratic-led states. This broke with the longstanding practice of Congress and administrations allocating the Corps' spending roughly equally between Republican-led and Democratic-led states.²³

Elimination of Congressional Earmarks

The FY2025 full-year CR also eliminated the FY24 appropriations acts' earmarks, which directed \$14.6 billion to 8,098 projects and reduced agencies' appropriations by a corresponding amount.²⁴ As a result, Congress lost the ability to direct appropriations to specific projects, further expanding the Trump Administration's discretion to control which communities receive federal funding.

Conclusion

As these examples demonstrate, the FY25 full-year CR gave the Trump Administration an exceptional degree of control over how to direct the law's appropriations. Some of this control is inherent to any long-term CR, but the FY25 full-year CR went beyond past full-year CRs' deference to the executive branch. This created new opportunities for the Trump Administration to redirect funds to its priorities with minimal or no input from Congress. The design of the FY25 full-year CR, together with the administration's aggressive actions to control spending, diminished Congress's power to control its own appropriations.

²¹ Congressional Research Service, *Section-by-Section Summary of the Full-Year Continuing Appropriations Act, 2025 (Division A of P.L. 119-4)*, page 20 (April 25, 2025) (<https://www.congress.gov/crs-product/R48517>) (description of section 1503); U.S. Congress, *Full-Year Continuing Appropriations and Extensions Act, 2025*, section 1503 (Public Law 119-4) (<https://www.congress.gov/bill/119th-congress/house-bill/1968/text>).

²² *Id.*

²³ Roll Call, *Red States Win, Blue States Lose in Army Corps Spending Plan* (May 19, 2025) (<https://rollcall.com/2025/05/19/red-states-win-blue-states-lose-in-army-corps-spending-plan/>).

²⁴ U.S. Government Accountability Office, *Tracking the Funds: Specific Fiscal Year 2024 Provisions for Federal Agencies* (November 21, 2024) (<https://www.gao.gov/products/gao-25-107549>).