

Federal Budget Workshop



V E R M O N T

EARLY CHILDHOOD
ADVOCACY ALLIANCE

*vecaa.org * 802-229-4281 * a program of the VT Community Loan Fund*

1) Federal Budget Timeline/Process

Fiscal years vs. Calendar years

- Federal Fiscal Year (FFY): October 1 to September 30
- Vermont (State) Fiscal Year (SFY): July 1 to June 30
- Fiscal years are referred to by the later year, so SFY '27 = 7/26 to 6/27

***Note** that this means that the state and federal budgets don't exactly overlap – Vermont's state budget is finalized before we know what the federal spending levels will be for the next full federal fiscal year. In "normal" times, that has worked out ok...*

1) Five Steps to Creating a Federal Budget

1. President submits a budget request to Congress

- Note this is almost always ignored as a political stunt, not a serious policy document

2. House and Senate pass budget resolutions which set spending limits and then use a conference committee to work out any differences and create a single resolution

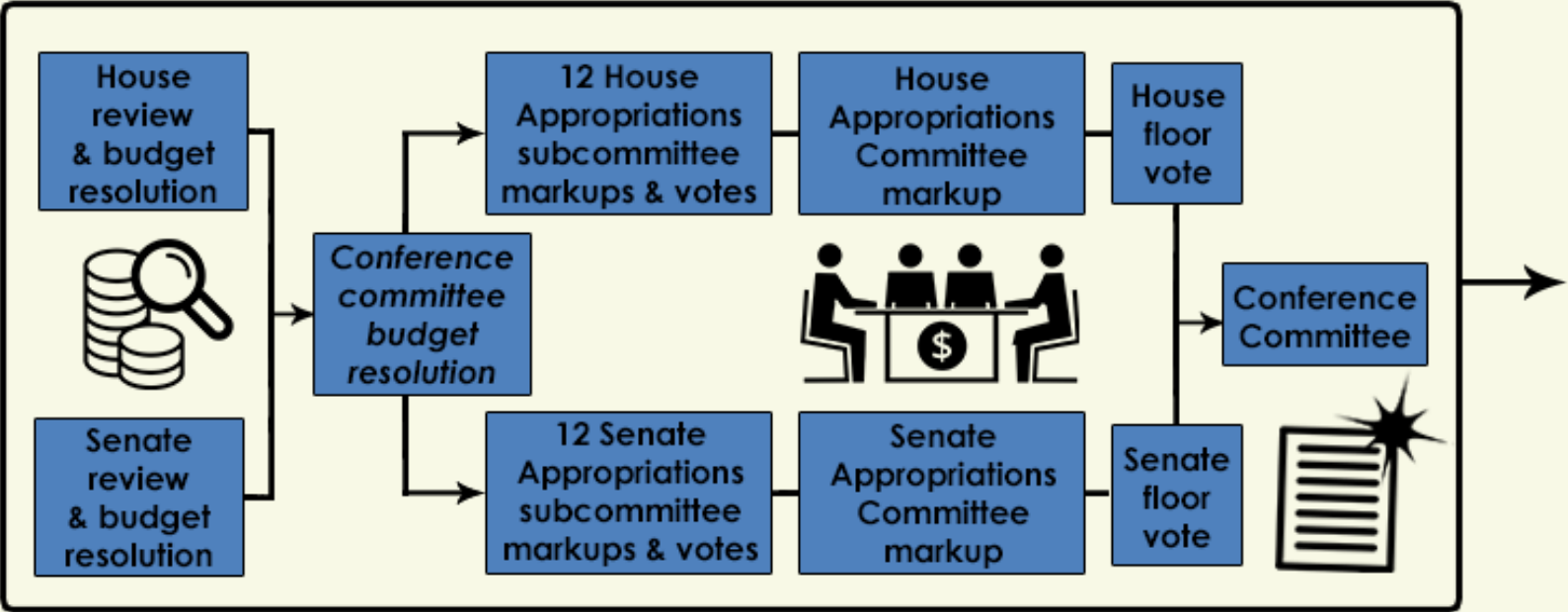
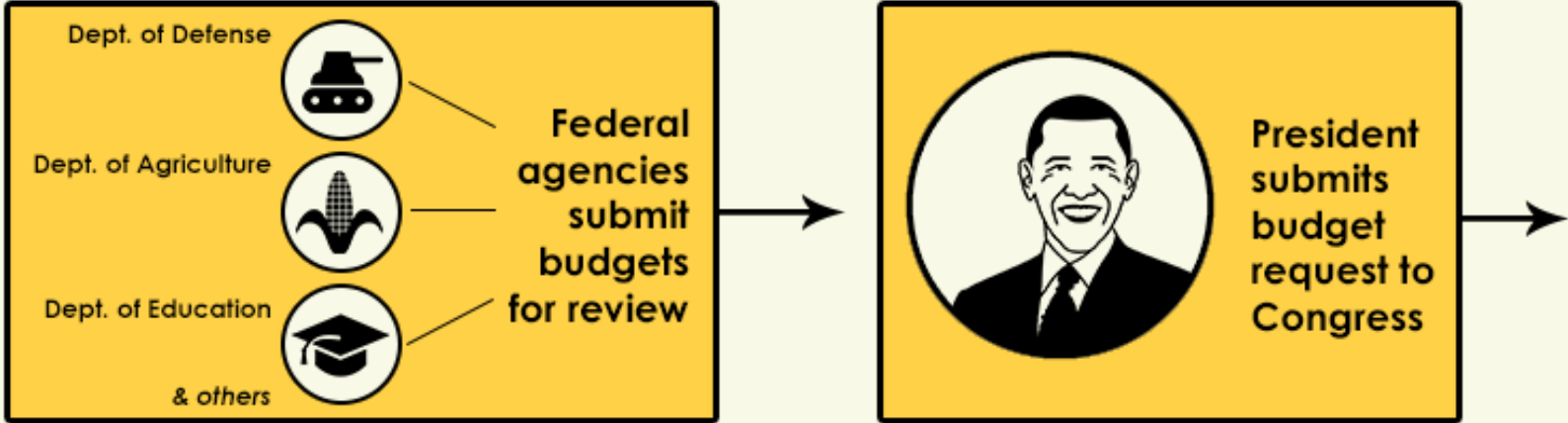
- These are actual spending limits, not soft goals, so while not as important as the spending bills, the budget does matter in Congress.

***Note** that Step #2 is where “reconciliation” can happen. More on that later.*

1) Five Steps to Creating a Federal Budget

3. House and Senate Appropriations subcommittees "markup" (write, edit, amend, etc.) their appropriations bills
4. House and Senate each vote on their appropriations bills and then use a conference committee to work out any differences
5. President signs appropriations bills – collectively these create the budget that becomes law

The Annual Federal Budget Process



Source: nationalpriorities.org

1) Process – Key Dates in the Timeline

How it's supposed to work:

- February – President's budget proposal sent to Congress
- April – Budget Resolution passed, outlining budget and setting spending limits
- July-Sept. – Each of the Appropriations bills approved
- September – Conference committee agreement/passage of Budget

Note that there are two key differences from Vermont process:

- The federal Budget Resolution sets binding budget amounts that the Appropriations Committees have to work within. Vermont has no Budget Committees, and a tradition of a balanced budget.

- US House and Senate committees work at the same time. The US House does NOT go first, as in VT.

1) Process – Other paths used

When some or all of the process brakes down, some steps are skipped and other types of bills are used to develop a budget and/or authorize spending.

Continuing Resolution (CR)

- A bill to fund Federal agencies/programs until the regular appropriations bills are passed.
 - CRs are the most commonly used bill when the budget process isn't working.

Omnibus budget bill

- A bill that combines several (or all) appropriations bills into one single bill.

***NOTE** that the rules for how each kind of bill is considered/voted on may be different, especially regarding how many votes are needed for passage.*

1) Process Jargon: Reconciliation – 50 Senate votes instead of 60

Created by the '74 Congressional Budget Act, **reconciliation** allows for expedited consideration of certain tax, spending, and debt limit legislation.

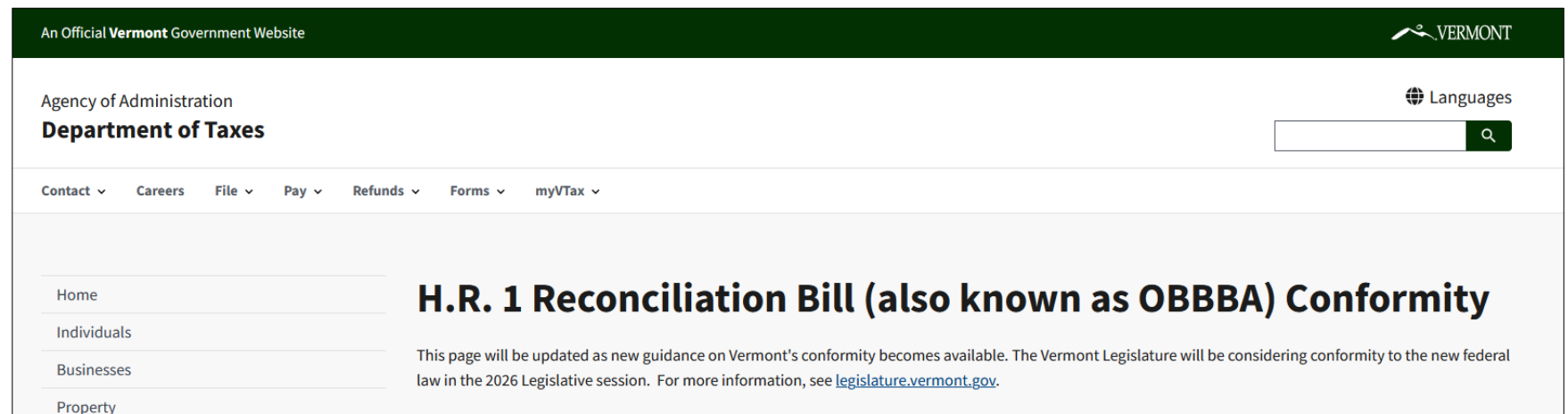
[from CBPP]

- **Example from 2017:** “House GOP leadership is still trying to convince its more conservative members to agree on a 2018 budget. The House and Senate need to pass matching budget resolutions in order to use reconciliation for the Republican tax plan and pass it with a simple majority.” [WA Post]

1) Process Jargon: Reconciliation – 50 Senate votes instead of 60

Note that Reconciliation was used to pass HR1 in July '25.

And also that press coverage of the bill quickly shed that label ...



1) Process Jargon: Appropriations vs. (Re-)Authorization

- **Authorization** bills create, extend, or make changes to the law and specific programs and specify the amount of money that appropriators may spend on a specific program (some authorizations are open-ended).
- **Appropriations** bills then provide the discretionary funding available to agencies and programs that have already been authorized. For example, an authorization measure may create a food inspection program and set a funding limit for the next five years. However, that program is not funded by Congress until an appropriations measure is signed into law.

[Cmte. for a Responsible Budget]

1) Process Jargon: Appropriations (annual) vs. Re-authorization (five years)

AUTHORIZATION → rules and details for the program

APPROPRIATIONS → resources to execute the program

Examples of past five year “reauthorization” cycles:

- Farm bill (FY ‘13-18)
- SCHIP (FY ‘12-17)
- Nat’l. Flood Insurance Program (FY ‘12-’17)
- TANF (FY ‘16-’20)

NOTE that these cycles have been largely disrupted by the pandemic and recent budget stalemates.



ID 108579255 © Alan Stoddard | Dreamstime

COMMENTARY

The upcoming surface transportation reauthorization bill and the looming debt crisis

How to safeguard vital highway and aviation infrastructure from the coming federal insolvency.

 Robert Poole
Director of Transportation Policy

January 21, 2026

2) How the budget is written – the Appropriations Committee Structure

- The Appropriations Committees each have 12 subcommittees, one for each appropriations bill.
- Each of those subcommittees have jurisdiction over one or more federal agencies and departments, depending on the size of the agencies.
- The Chairs of the committees and subcommittees are determined by a strict partisan system.

***Note** that unlike in Vermont's legislature, straight party-line votes are the most common way for bills to move forward in Congressional committees.*

2) Appropriations Committee Structure – 12 bills

- Ag., Rural Dev't., Food/Drug Admin.
- Commerce, Justice, Science
- Defense
- Energy and Water Development
- Financial Services and General Government
- Homeland Security
- Interior, Environment
- Labor, Health & Human Services, Education
- Legislative Branch
- Military Construction, Veterans Affairs
- State, Foreign Operations
- Transportation, Housing and Urban Dev't.

FFY 26 Budget – So what actually happened? Not much...

- There were numerous starts and stops, threats of massive cuts, partial shutdowns, and a few limited cuts
- In early February, a final deal was reached on virtually all spending
- For the most part, there was level funding, with a few small increases
 - \$8.8b for CCDBG, an increase of \$85 million
 - \$12.4b for Head Start, an increase of \$85 million
- These were regular Appropriations bills, not Continuing Resolutions (CRs)
- There are no reliable forecasts for the FFY27 Budget process



POLITICO

Senate passes \$1.2T government funding deal – but a brief shutdown is certain

With the House not voting until Monday, the Pentagon and most domestic agencies are set to shutter briefly.



Senate Majority Leader John Thune (R-S.D.) at the Capitol this week. | Francis Chung/POLITICO

FFY 26 Budget – So what actually happened? Not much...

Why did this happen? Or rather, why did massive cuts not happen?

- The Senate is not as doctrinaire as the House.
- The President is not as powerful in legislative processes that take time.
- The details matter, and more senior legislators on the appropriations committees know what would really happen in their states if huge cuts were made.
- The politics of the country were shifting, because of special and off-year elections and the impacts of the partial shut-downs.
- Public push-back was intense and unceasing.

3) Vermont's Congressional Delegation

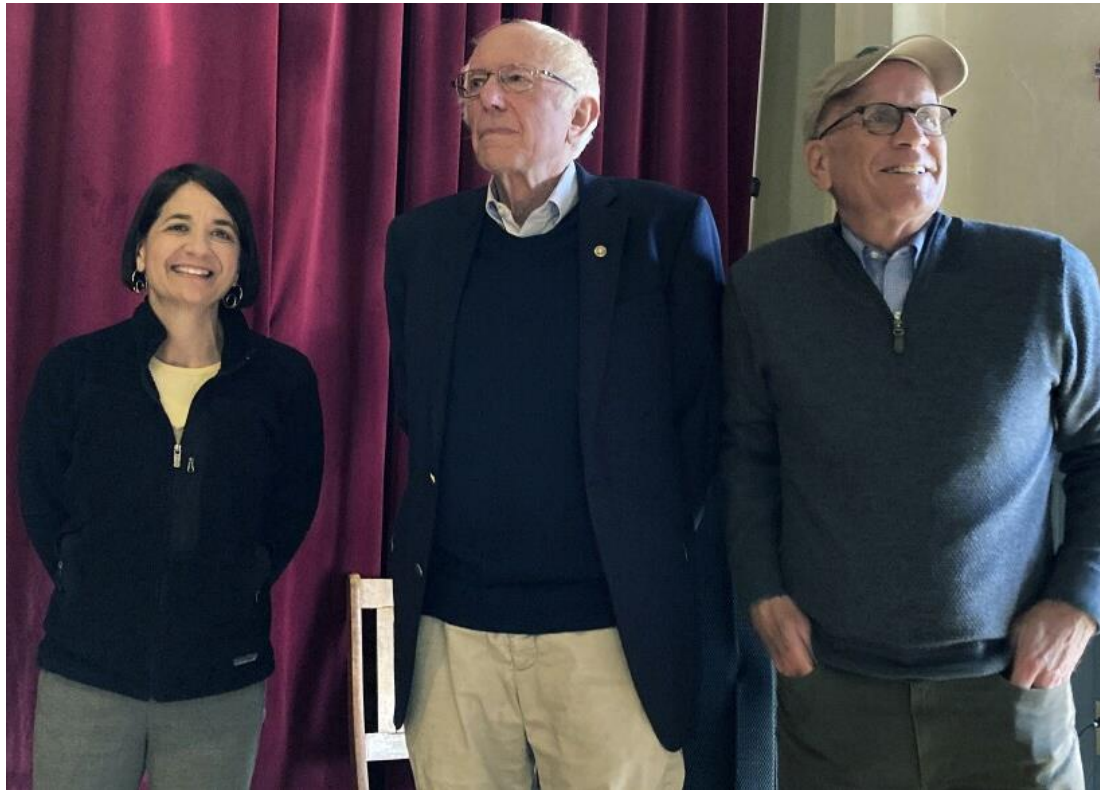


Photo: VT Public

- Vermont's Congressional delegation is very small, and lost considerable power with the retirement of Sen. Leahy in '23.
- Their influence is further diminished in the current political environment, since all three members of the delegation caucus with Democrats.
- Remember, most states are much larger and have both the two Senators who cover the whole state and an additional, larger group of Representatives.

3) Delegation Committee Assignments

Sen. Sanders

- Health, Education, Labor, Pensions [HELP] – Ranking Member
- Budget
- Also on three other committees

Sen. Welch

- Agriculture
- Finance
- Rules
- Judiciary

Rep. Balint

- Budget
- Judiciary

4) Congressional Staff and Federal Advocacy

- VT Legislator – 0 staff, no office



Member US House/Senate –
20-50+ staff, 3+ offices



4) Congressional Staff – different offices ...

Congressional staff work in one of three different locations:

- Washington DC office
 - Committee office
 - State/District office
-
- ❖ All three delegation members have one state office in Burlington
 - ❖ Senate offices/staffs are much larger than those of Representatives

5) Congressional Staff – doing the groundwork for their bosses

What you see:



Sen. Welch site visit on housing issues

What happened before that visit:



Congressional staff at issue-based meeting

5) Congressional Staff – Key Vermont staff

Sen. Sanders

State Dir.: Kathryn Becker Van Haste

Key Field Rep: James Paradissis

Sen. Welch

State Director: Rebecca Ellis

Key Field Rep: Fauna Hurley

Rep. Balint

State Director: Jessica Nordhaus

Key Field Rep: Morgan Nichols

These staff have made it clear that in the current climate, they want to hear from constituents about budget issues and impacts.

6) Strengthening Your Congressional Connection

- **Collaborate and coordinate with allies.** Reach out to other organizations that share your funding sources.
- **Share your data and stories.** Keep the delegation and staffers up to speed on the positive impacts of programs and services that use federal funding. This helps them advocate for those funds.
- **Applying for federal grants? Let them know.** Staff can offer advice and like to know what proposals are being submitted by Vermont organizations.

6) Strengthening Your Congressional Connection

- **Invite the Congressional delegation and staffers to your events and to visit your site.** They love to see you at work!
- **Build relationships with staff now.** The more they know about your program now, the more they can help you later.
- **Reach out to say “thanks”, even if you think they already know.** The delegation needs to hear from all of us, even if they already support your program, so they can share your data and stories when they make their case for funding.

7) What happens next?

- There are no reliable forecasts for the outcome of the FFY27 Budget process.
- It's not clear if the louder “massive cuts” voices or the quieter “level fund” voices will prevail in DC.

House GOP Will Try a 2nd Reconciliation Bill

March 6, 2026

Punchbowl News

House Republican leaders decided at their Florida retreat last weekend that they're going to pursue a second reconciliation package this year, according to multiple sources who attended the gathering.

The only problem is they have no idea what will go in the package or how they're going to pay for it.

House GOP leadership is skeptical that the Republican Conference has the political will — or discipline — to cobble together another such bill. To be fair, we're also skeptical given Republicans' one-vote cushion in the House.

There's also serious doubt in the Senate that this can happen.

7) What happens next?

- Political winds will continue to swirl – impacts of military action in Middle East, results of mid-term election primaries, etc.
- Other federal actions might impact state budgets and programs.

Chris Murphy Says Democrats Should Block Everything

March 9, 2026 at 7:50 am EDT By Taegan Goddard — 35 Comments

Sen. Chris Murphy says Democratic senators should block or delay all legislation until a war authorization for President Donald Trump's military intervention in Iran gets a vote in the Senate, [NOTUS](#) reports.

Said Murphy: "Democrats should not just pretend like this is normal. We shouldn't let Republicans debate other legislation until they bring a war authorization to the United States Senate."

Local News

Congressional Republicans bring Trump's 'war on fraud' to Vermont

Vermont Public | By [Lola Duffort](#)
Published March 6, 2026 at 4:38 PM EST



7) What happens next?

- Congressional Appropriations Committees have started to quietly do their work building budgets.
- October 1st is the start of the federal fiscal year.
- The VT Legislature, like most state legislatures, is faced with an off-set timing cycle that is difficult if not impossible to plan for.
- As of now, our Legislature has no plan for how to respond to the FFY27 Budget.

The Baby Monitor

March 5, 2026 | 4 minute read

Fiscal Year 2027 Funding Cycle Begins Now

Congress is beginning to make decisions about funding federal programs for the next fiscal year (FY2027), which runs from October 1, 2026 through September 30, 2027. Lawmakers in the U.S. House of Representatives are collecting requests from the public on how much funding to include for specific programs and services for FY2027, including for child care, Early Head Start, infant and early childhood mental health and more. Lawmakers will then share their top priorities with members of the House Appropriations Committee, the committee that makes funding decisions, by March 20.

What it means for babies: Federally funded programs are essential for meeting young children's health, early learning and other needs. Now is the time for you to tell your members of Congress to sign on to the "Baby Letter" calling on the appropriators to invest in programs that babies and families need.

What you can do: Call your Member of Congress to ask them to support programs that benefit babies and their families in the next fiscal year.

[Take Action](#)

ZERO TO THREE Speaks Up for Early Childhood

7) What happens next?

- Federal Fiscal Year (FFY): October 1 to September 30
- Vermont (State) Fiscal Year (SFY): July 1 to June 30

**As of now, our Legislature has no plan
for how to respond to the FFY27 Budget.**

We're here for you – please be in touch!

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Sign up to get Alliance email alerts, or to become a member, at our website.

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