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DISTRICT OF COLUMBIA

AFGE District 14 members know all-too-well that the CR that was enacted in March 2025 omitted a critical provision, typically included in CRs, that allows the District of Columbia to continue spending according to its current local fiscal year budget, not according to the previous year's fiscal year that CRs reference with respect to spending by federal agencies. This omission forced the District to revert to spending at FY24 levels for the remainder of the fiscal year rather than the FY25 level it was spending at until March. With the surprising support of the Trump administration, the Senate passed in March the 2025 District of Columbia Local Funds Act (S. 1077) to correct the issue and allow the District to resume spending at FY25 levels. Unfortunately, the House of Representatives has yet to vote on S. 1077.

The good news is that with the enactment of the FY26 appropriations package, the District has regained the authority to spend revenues raised through local taxation as it chooses. Enactment of this package makes it unnecessary for S. 1077 to be enacted to correct this problem. Better yet, in response to what happened in the FY 25 full-year CR, the FY 26 bill includes a new provision that automatically adopts the locally enacted FY 27 budget during any FY 27 CR, unless the CR expressly and specifically amends it.

The significance of enacting this victory cannot be overstated. The House's refusal to pass S. 1077 resulted in a \$500 million shortfall that forced the District in 2025 to freeze new hiring, promotions, overtime, and bonuses, which had a significant negative impact on AFGE District 14 members who worked for the city in 2025. The District of Columbia now has regained the authority to spend local revenue in accordance with its FY26 budget.