

FY2026 District of Columbia Budget and Appropriations

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FY2026 District of Columbia Budget and Appropriations

The District of Columbia (DC) government's local operating budget and much of its local legislation is subject to congressional approval, pursuant to the plenary legislative authority of Congress over the federal capital granted by the U.S. Constitution. In addition to congressional authority over the DC budget process, annual federal appropriations legislation has typically included a series of federal payments for a variety of services and initiatives in DC. Such legislation also often includes general provisions, specific to DC, that establish fiscal, budgetary, and policy controls on federal (and in some cases, local) DC funds.

Each year, the DC government produces a budget through a process coordinated between the Executive Office of the Mayor and the Council of the District of Columbia (DC council). Under the current process, the budget consists of a federal portion and a local portion, which are adopted by the DC council in two separate bills. Once approved, the federal portion is transmitted by the mayor to the President of the United States, who forwards it to Congress for review, possible modification, and approval through the annual appropriations process. The local portion is submitted by the chair of the DC council to the Speaker of the House of Representatives and the President of the Senate, for review by Congress. In 2013, DC enacted the Local Budget Autonomy Amendment Act of 2012 (D.C. Law 19-321), which amended DC's home rule charter to allow for enactment of DC's local budget after a 30-day congressional review period (also known as the layover period), similar to most other DC laws, as opposed to passing the local budget through the federal appropriations process. After a series of legal and legislative challenges, the act was upheld by a 2016 DC Superior Court ruling. The DC government has observed the act in its budget process since 2016. Congress has continued to approve the DC budget in the regular appropriations process.

On May 2, 2025, the Trump Administration submitted to Congress its FY2026 discretionary budget request, which included a proposed \$728.5 million in federal payments to the District of Columbia. The DC government passed a budget of \$22 billion in gross funds on September 4, 2025. In the House, a Financial Services and General Government Appropriations Act (FSGG), 2026 (H.R. 5166), which would have provided \$823.9 million in federal payments for DC, was marked up in subcommittee on July 21, 2025; marked up in the full Appropriations Committee on September 3, 2025; and reported (H.Rept. 119-236) on September 5, 2025. In the Senate, S. 3290 was introduced on December 1, 2025; no further committee action occurred on the bill. The bill would have provided \$794.8 million in federal payments for DC. No full-year FSGG appropriations were enacted prior to the end of September 2025, and appropriations lapsed. A continuing resolution (CR; Division A of P.L. 119-37) was enacted on November 12, 2025, providing funding through January 30, 2026. Section 136 of the CR granted congressional approval of the DC general fund and capital budgets for FY2026, during the covered period. The President signed the Consolidated Appropriations Act, 2026 (P.L. 119-75), on February 3, 2026. Division E, Title IV of the act provided \$879 million in federal payments for DC.

Contents

Introduction	1
District of Columbia Budget Process	1
Local Budget Autonomy	2
FY2026 Budget and Appropriations.....	3
The President’s FY2026 Budget Request.....	3
District of Columbia FY2026 Budget	3
Congressional Action	4
Continuing Resolution	4
Full-Year FY2026 Appropriations.....	4
General Provisions	6
Abortion Services.....	7
DC Voting Representation in Congress.....	7
Needle Exchange.....	8
Schedule I Substances	8
Local Government Operations During a Lapse in Federal Funding	9
Concluding Observations	9

Tables

Table 1. District of Columbia Appropriations FY2025-FY2026: Federal Payments	5
Table A-1. FY2026 District of Columbia General Provisions.....	11

Appendixes

Appendix. FY2026 District of Columbia General Provisions.....	11
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Contacts

Author Information.....	15
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Introduction

The U.S. Constitution provides Congress with plenary legislative authority over the District of Columbia (DC) as the federal capital.¹ With the passage of the 1973 District of Columbia Self-Government and Governmental Reorganization Act (Home Rule Act; P.L. 93-198), Congress granted DC limited home rule authority and empowered DC residents to elect a mayor and city council.² The Home Rule Act also outlines the process by which the DC government establishes its budget and manages local finances, subject to congressional approval and oversight.³

Congress retains ultimate legislative authority over DC.⁴ As it pertains to the DC budget process, Congress has historically exercised this authority through approval of the annual DC budget (including planned expenditures of local revenues),⁵ provision of federal payments for certain activities in DC,⁶ and the inclusion of general provisions (often referred to as “riders”) that direct or limit how the local government expends funds.⁷ In some cases, in the absence of full-year appropriations, Congress has included provisions in continuing resolutions allowing DC to expend local revenues pursuant to its current fiscal year budget, prior to formally approving the DC budget in an appropriations act.⁸

This report provides an overview of the DC budget process; details the types and amounts of federal payments appropriated in the Consolidated Appropriations Act, 2026 (P.L. 119-75); and discusses selected general provisions related to local DC policy in the FY2026 appropriations act.

District of Columbia Budget Process

The DC Home Rule Act codifies the process by which the Executive Office of the Mayor and Council of the District of Columbia (DC council) develop DC’s annual budget.⁹ Under this process, the mayor establishes a proposed budget, consistent with guidance on funding levels from the DC Chief Financial Officer (CFO). The mayor’s budget also considers agency requests and other analysis by the Executive Office of the Mayor.¹⁰

The DC council serves both an oversight and deliberative legislative function during the budget process. Each DC council committee holds performance review hearings and budget hearings for each agency under its jurisdiction. Committees compile information and recommendations from this oversight process into committee reports, which provide the basis for the development of a unified balanced budget at the council level.

¹ Article I, Section 8, clause 17 of the U.S. Constitution, <https://constitution.congress.gov/browse/article-1/section-8/clause-17/>.

² For an overview of the current and previous local governing structures in DC, see CRS In Focus IF12577, *Governing the District of Columbia: Overview and Timeline*, by Joseph V. Jaroscak and Ben Leubsdorf.

³ 87 Stat. 798-812; D.C. Official Code, Subpart 1.

⁴ 87 Stat. 813.

⁵ For a recent example of a provision granting budgetary approval to DC in an appropriations act, see P.L. 118-47, Division B, Title IV, *District of Columbia Funds*.

⁶ For recent examples of federal payments for activities in DC, see P.L. 118-47, Division B, Title IV.

⁷ For recent examples of general provisions pertaining to the DC, see P.L. 118-47, Division B, Title VIII.

⁸ For example, see P.L. 118-83, Division A, Section 128.

⁹ 87 Stat. 798; D.C. Official Code §1–204.42.

¹⁰ Council of the District of Columbia, Office of the Budget Director, *Budget Process (Step-by-Step)*, <https://www.dccouncilbudget.com/budget-process-step-by-step>.

As required in the Home Rule Act, the DC council must approve a budget within 70 days after receiving a budget proposal from the mayor.¹¹ The council considers and approves the annual DC budget through three separate but related local bills:

1. the Local Budget Act,¹²
2. the Federal Portion Request Act,¹³ and
3. the Budget Support Act.¹⁴

The Home Rule Act directs the mayor to transmit the federal portion of the budget to the President, who forwards it to Congress for review, possible modification, and approval through the annual appropriations process. Under the act, the chair of the DC council is required to submit the local portion of the budget to the Speaker of the House of Representatives and the President of the Senate, for review by Congress.¹⁵ In practice, the DC government transmits the full budget and financial plan as one package to Congress and the President, concurrently.¹⁶

Since enactment of P.L. 109-115 for FY2006 appropriations, Congress has typically included budgetary approvals, appropriations of federal payments, and general provisions for DC in a multi-agency appropriations bill. In FY2006 and FY2007, DC appropriations were included in Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies appropriations bills (P.L. 109-115 and P.L. 110-5, respectively). Since FY2008, DC appropriations have been included in the Financial Services and General Government appropriations bill (FSGG). Before FY2006, DC appropriations were provided by the House and the Senate in a stand-alone bill.

Local Budget Autonomy

In 2013, DC enacted the Local Budget Autonomy Amendment Act of 2012 (D.C. Law 19-321).¹⁷ Prior to 2013, some DC political leaders had expressed concern about the effect of delays in the annual federal appropriations process on the ability of the DC government to manage its affairs and deliver public services.¹⁸ The local act amended DC's home rule charter to allow for enactment of DC's local budget after a 30-day congressional review period (also known as a layover period), similar to most other DC laws.¹⁹ The DC Board of Elections placed the proposed

¹¹ 87 Stat. 801; D.C. Official Code §1–204.46.

¹² For an example, see DC Government, *A26-0147—Fiscal Year 2026 Local Budget Act of 2025*, October 23, 2025, <https://lims.dccouncil.gov/Legislation/B26-0260>.

¹³ For an example, see DC Government, *A26-0143—Fiscal Year 2026 Federal Portion Budget Request Act of 2025*, September 12, 2025, <https://lims.dccouncil.gov/Legislation/B26-0261>.

¹⁴ DC budget support acts typically include amendments to local laws that are deemed necessary to carry out the fiscal year budget. For an example, see DC Government, *A26-0148—Fiscal Year 2026 Budget Support Act of 2025*, December 6, 2025, <https://lims.dccouncil.gov/Legislation/B26-0265>.

¹⁵ 87 Stat. 801; D.C. Official Code §1–204.46.

¹⁶ For example, see DC Government, *Fiscal Year 2026 Approved Budget and Financial Plan*, October 3, 2025, <https://cfo.dc.gov/page/annual-operating-budget-and-capital-plan>.

¹⁷ *D.C. Law 19-321, Local Budget Autonomy Amendment Act of 2012*, <https://lims.dccouncil.gov/Legislation/B19-0993>.

¹⁸ DC Council, *Report on Bill 19-993, “Local Budget Autonomy Act of 2012*, December 4, 2012, https://lims.dccouncil.gov/downloads/LIMS/26749/Committee_Report/B19-0993-CommitteeReport1.pdf?Id=60330.

¹⁹ For an overview of the regular DC lawmaking process and the congressional role, see CRS Report R47927, *District of Columbia Local Lawmaking and Congressional Authority*, by Joseph V. Jaroscak, Christopher M. Davis, and Ben Leubsdorf.

charter amendment on an April 23, 2013, ballot. DC voters approved the local budget autonomy charter amendment with 83% of the vote in support of the amendment.²⁰

The act faced legal and federal legislative challenges.²¹ A 2016 DC Superior Court ruling upheld the act.²² The DC government has observed the act in its budget process since 2016.²³ On the other hand, the Government Accountability Office, in a 2016 analysis, contended that the act had “no legal standing” and suggested that determining the level of DC’s local budget autonomy “is a matter within Congress’s discretion under its constitutional powers.”²⁴ Congress has continued to exercise its authority to approve, modify, or disapprove the DC budget, including planned expenditures of locally generated revenues, through the regular federal appropriations process.²⁵

FY2026 Budget and Appropriations

The President’s FY2026 Budget Request

President Trump submitted to Congress his FY2026 discretionary budget request on May 2, 2025.²⁶ The President’s proposed budget for federal payments to DC was included in an appendix for *Other Independent Agencies*.²⁷ The budget request included \$728.5 million in federal payments to the District of Columbia for activities including, but not limited to, court services, offender supervision, and public defender services.

District of Columbia FY2026 Budget

On May 27, 2025, the DC mayor submitted a proposed FY2026 budget to the DC council. The council approved a budget of \$22 billion in gross funds, on July 28, 2025. The council transmitted the budget to the mayor on August 25, 2025. The budget was enacted on September 4, 2025. On October 3, 2025, the DC government transmitted its budget and financial plan to Congress and the U.S. President.²⁸

²⁰ DC Council, *Council's Battle for Budget Autonomy Wins Substantial Victory for DC Taxpayers*, March 23, 2016, <https://dccouncil.gov/councils-battle-budget-autonomy-wins-substantial-victory-dc-taxpayers/>.

²¹ Council of the District of Columbia v. Jeffrey S. Dewitt, 144 Daily Wash. L. Rptr. 893 (D.C. Super. Ct. March 18, 2016).

²² “Superior Court Judge Sides with D.C. Lawmakers on Control of Locally-Raised Dollars,” *Washington Post*, March 18, 2016, https://www.washingtonpost.com/local/public-safety/superior-court-judge-sides-with-dc-lawmakers-on-control-of-locally-raised-dollars/2016/03/18/1059c6e6-ed55-11e5-a6f3-21ccdbc5f74e_story.html.

²³ Information provided by the District of Columbia Office of the Chief Financial Officer, 2020.

²⁴ U.S. Government Accountability Office, Testimony Before the Subcommittee on Government Operations, Committee on Oversight and Government Reform, House of Representatives: District of Columbia Local Budget Autonomy Amendment Act of 2012, GAO-16-663T, May 12, 2016, <https://www.gao.gov/assets/680/677232.pdf>.

²⁵ For example, see P.L. 119-75, Division E, Title IV.

²⁶ Letter from Muriel Bowser, Mayor, District of Columbia, to Phil Mendelson, Chairman, Council of the District of Columbia, May 27, 2025, https://mayor.dc.gov/sites/default/files/dc/sites/mayoromb/page_content/attachments/FY26_Budget--Mayoral_Transmittal_to_Chairman_Mendelson_final_signed_05_27_2025.pdf.

²⁷ Office of Management and Budget, *Budget FY 2026 – Technical Supplement to the 2026 Budget - Appendix*, May 30, 2025, pp. 1060-1134, <https://www.govinfo.gov/content/pkg/BUDGET-2026-APP/pdf/BUDGET-2026-APP-2-30.pdf>.

²⁸ DC Government, *FY2026 Approved Budget and Financial Plan, Volume 1 Executive Summary*, October 3, 2025, <https://app.box.com/s/3fwa2n22w8vz006vgsc1kpsjzuxw07l6>.

Congressional Action

In the House, a Financial Services and General Government Appropriations Act, 2026 (H.R. 5166), was marked up in subcommittee on July 21, 2025;²⁹ marked up in the full Appropriations Committee on September 3, 2025;³⁰ and reported (H.Rept. 119-236) on September 5, 2025. The bill would have provided \$823.9 million in federal payments for DC.

The Senate Financial Services and General Government Subcommittee released a draft bill and draft report on November 24, 2025.³¹ This was introduced as S. 3290 on December 1, 2025; no further committee action occurred on the bill. The bill would have provided \$794.8 million in federal payments for DC.

Continuing Resolution

No full-year FSGG appropriations were enacted prior to the end of September 2025, and appropriations lapsed.³² On October 1, 2025, the DC Executive Office of the Mayor announced that the DC local government remained “fully operational regardless of the federal government shutdown.”³³

A continuing resolution (CR; Division A of P.L. 119-37) was enacted on November 12, 2025, providing funding through January 30, 2026.³⁴ Section 136 of the CR granted congressional approval of the DC general fund and capital budgets for FY2026 during the covered period. This approval is consistent with the requirement that Congress approve DC’s annual budget under the Home Rule Act (P.L. 93-198). This provision granted DC the authority to expend locally raised funds for those programs and activities that received funding in the DC’s FY2024 appropriation. This provision also allowed DC officials to obligate locally raised funds at the rate set forth in the Fiscal Year 2026 Local Budget Act of 2025 (D.C. Law 26-51).

Full-Year FY2026 Appropriations

The House of Representatives considered a bill (H.R. 7006) consolidating FSGG appropriations and the National Security, Department of State, and Related Program Appropriations, in January

²⁹ House Committee on Appropriations, “Committee Releases FY26 Financial Services and General Government Bill,” press release, July 20, 2025, <https://appropriations.house.gov/news/press-releases/committee-releases-fy26-financial-services-and-general-government-bill>.

³⁰ House Committee on Appropriations, “Committee Approves FY26 Financial Services and General Government Appropriations Act,” press release, September 3, 2025, <https://appropriations.house.gov/news/press-releases/committee-approves-fy26-financial-services-and-general-government>.

³¹ Senate Committee on Appropriations, “Bill Text: Financial Services and General Government Act, 2026,” press release, November 24, 2025, <https://www.appropriations.senate.gov/news/majority/bill-text-financial-services-and-general-government-act-2026>.

³² For general information on the effect of the lapse in appropriations, see CRS Report R47693, *Government Shutdowns and Executive Branch Operations: Frequently Asked Questions (FAQ)*, coordinated by Taylor N. Riccard, and CRS Report R48832, *The 2025 (FY2026) Government Shutdown: Economic Effects*, by Lida R. Weinstock and Marc Labonte.

³³ DC Executive Office of the Mayor, “Mayor Bowser Reminds Residents and Visitors: DC Is Open During Federal Shutdown,” press release, October 1, 2025, <https://mayor.dc.gov/release/mayor-bowser-reminds-residents-and-visitors-dc-open-during-federal-shutdown>. This announcement was based on coordination between DC and the Office of Management and Budget, and an interpretation that Section 1112 of the Full-Year Continuing Appropriations and Extensions Act, 2025, P.L. 119-4, authorized DC to continue to expend its local funds pursuant to its FY2026 budget.

³⁴ For additional information on Division A of P.L. 119-37, see CRS Report R48765, *Overview of Continuing Appropriations for FY2026 (Division A of P.L. 119-37)*, coordinated by Drew C. Aherne.

2026, passing the bill on January 14, 2026. H.R. 7006 reflected bicameral negotiations,³⁵ and an explanatory statement was placed into the record expressing congressional intent.³⁶ The text of H.R. 7006 was then included in H.R. 7148, which was passed by the Senate on January 30, 2026, and the House on February 3, 2026. It was signed by the President as P.L. 119-75 the same day. Division E, Title IV of the act provided \$879 million in federal payments for DC. **Table 1** details the proposed and enacted FY2026 amounts of federal payments for DC, as compared to the FY2025 enacted amounts.³⁷

Table 1. District of Columbia Appropriations FY2025-FY2026: Federal Payments
Millions of Dollars

	FY2025	FY2026 District of Columbia Request	FY2026 Presidential Budget Request	FY2026 House	FY2026 Senate	FY2026 Enacted
Resident Tuition Support	40.0	40.0	—	20.0	40.0	40.0
Emergency Planning and Security	90.0 ^a	71.0	30.0	70.0	50.0	90.0
District of Columbia Courts	292.1	282.1	274.0	292.1	274.0	292.1
Defender Services	34.0	46.0	34.0	34.0	34.0	46.0
Court Services and Offender Supervision Agency	286.0	310.8	277.0	286.0	277.0	287.0
Public Defender Service	53.6	59.3	53.4	53.6	53.6	53.6
Criminal Justice Coordinating Council	2.5	8.2 ^b	2.5	4.8	2.5	3.5
Judicial Commissions	0.6	1.0	0.6	0.6	0.6	0.6
School Improvement	52.5	52.5	52.5	52.5	52.5	52.5

³⁵ House Committee on Appropriations, “House Passes H.R. 7006, Strengthening National Security, Protecting Economic Growth, and Restoring Regular Order,” press release, January 14, 2026, <https://appropriations.house.gov/news/press-releases/house-passes-hr-7006-strengthening-national-security-protecting-economic-growth>.

³⁶ Representative Tom Cole, “Explanatory Statement Submitted by Mr. Cole, Chair of the House Committee on Appropriations, Regarding H.R. 7006, Financial Services and General Government and National Security, Department of State, and Related Programs,” *Congressional Record*, vol. 172, part 10 (January 14, 2026), pp. H811-H855, <https://www.congress.gov/119/crc/2026/01/14/172/10/CREC-2026-01-14.pdf>.

³⁷ Not all the funds listed in **Table 1** are directed to, or expended by, DC government agencies.

	FY2025	FY2026 District of Columbia Request	FY2026 Presidential Budget Request	FY2026 House	FY2026 Senate	FY2026 Enacted
DC National Guard	0.6	0.6	0.6	0.6	0.6	0.6
HIV/AIDS Prevention	4.0	4.0	4.0	4.0	4.0	4.0
DC Water and Sewer ^c	8.0	20.0	—	5.7	6.0	8.0
Total: DC Special Federal Payments	863.9	895.5^d	728.5	823.9	794.8	877.9

Sources: P.L. 119-4; H.R. 5166 and H.Rept. 119-236; DC Act A26-143, Fiscal Year 2026 Federal Portion Budget Request Act of 2025, <https://lms.dccouncil.gov/Legislation/B26-026>; Office of Management and Budget, Budget FY 2026 – Technical Supplement to the 2026 Budget - Appendix, May 30, 2025, pp. 1060-1134, <https://www.govinfo.gov/content/pkg/BUDGET-2026-APP/pdf/BUDGET-2026-APP-2-30.pdf>; S. 3290 and draft Senate Committee Report; H.R. 7006 and Explanatory Statement; and P.L. 119-75.

Notes: All figures are rounded to the nearest \$100,000. Totals may not sum due to rounding. Figures are net, reflecting rescissions and offsetting collections.

- This amount included \$50 million for “costs associated with the Presidential Inauguration held on January 2025,” pursuant to Division A, Title VI, Section 1602(4), of the Full-Year Continuing Appropriations and Extension Act, 2025 (P.L. 119-4).
- This amount included a request for \$5.5 million in funds to support the modernization of the Justice Information System.
- The federal payment for the DC Water and Sewer Authority includes a provision requiring a 100% match from the authority.
- This table displays line items that ultimately received funding for FY2026. The DC government’s FY2026 Local Budget Request Act also proposed payments for the DC Early Childhood Educator Pay Equity Fund (\$5 million), the University of the District of Columbia (\$10 million), and the Washington Metropolitan Area Transit Authority (\$158 million).

The act also approved the DC Fiscal Year 2026 Local Budget Act of 2025 (D.C. Law 26–51), enabling the DC government to expend local revenues at rates set forth in its FY2026 budget and financial plan.³⁸

General Provisions

FSGG appropriations acts typically include a series of general provisions pertaining to federal payments and other sources of DC budgetary funding. These provisions can be grouped into several distinct but overlapping categories, with the most predominant being provisions related to fiscal and budgetary directives and controls. Other provisions include administrative directives and controls, limitations on lobbying for statehood or congressional voting representation, congressional oversight, and congressionally established restrictions or prohibitions on expenditures related to social policy.³⁹

³⁸ P.L. 119-75, Division E, Title IV, “District of Columbia Funds.”

³⁹ Such provisions are limitations (also known as limitation provisions or, more colloquially, riders) that restrict/prohibit the use of funds for certain purposes. For information on limitations, see CRS Report R41634, *Limitations in Appropriations Measures: An Overview of Procedural Issues*, by James V. Saturno.

Division E, Title VIII of P.L. 119-75 included 21 general provisions pertaining to local financial, administrative, and policy matters in DC. This section provides an overview on a selection of proposed and enacted general provisions pertaining to DC. For a full list of the general provisions enacted in Division E, Title VIII of P.L. 119-75, with complete legislative text, see **Table A-1**.

Abortion Services

The use of public funding for abortion services in DC is a perennial issue debated in Congress during annual deliberations on DC appropriations.⁴⁰ President Trump's FY2026 budget request proposed to continue a general provision prohibiting the use of funds by the DC government for abortion services, with certain exceptions. H.R. 5166 and S. 3290 also would have continued a provision prohibiting the use of funds for abortion services, with certain exceptions. As enacted, Division E, Title VIII, Section 810 of P.L. 119-75 prohibits the use of any funds by the DC government to provide abortion services, with certain exceptions, stating:

No funds available for obligation or expenditure by the District of Columbia government under any authority shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.

DC Voting Representation in Congress

For several years, the general provisions of annual appropriation acts have prohibited the DC government from using federal or local funds to lobby for voting representation in Congress, including statehood.⁴¹ Division E, Title VIII, Section 810 of P.L. 119-75 included three specific provisions in sections 802, 804, and 806(a) limiting related activities:

1. SEC. 802. None of the Federal funds provided in this Act shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.
2. SEC. 804. None of the Federal funds provided in this Act may be used by the District of Columbia to provide for salaries, expenses, or other costs associated with the offices of United States Senator or United States Representative under section 4(d) of the District of Columbia Statehood Constitutional Convention Initiatives of 1979 (D.C. Law 3-171; D.C. Official Code, sec. 1-123).
3. SEC. 806. (a) None of the Federal funds contained in this Act may be used by the District of Columbia Attorney General or any other officer or entity of the District government to provide assistance for any petition drive or civil action which seeks to require Congress to provide for voting representation in Congress for the District of Columbia.

These provisions were included in the President's budget request, H.R. 5166, and S. 3290.

⁴⁰ Since 1979, with the passage of the District of Columbia Appropriations Act of 1980 (P.L. 96-93; 93 Stat. 719), Congress has limited or prohibited the use of public funds for abortion services for District residents.

⁴¹ Several similar provisions date back to the 1980s and 1990s.

Needle Exchange

Addressing the spread of HIV and AIDS among intravenous drug users has been a policy issue of ongoing debate in congressional appropriations for DC.⁴² Some appropriations acts have included provisions to prohibit or restrict the use of funds to establish a needle exchange program designed to reduce the spread of HIV and AIDS among users of illegal drugs.

The prohibition on the use of both federal and local funds for a needle exchange program was first approved by Congress as Section 170 of the District of Columbia Appropriations Act, 1999 (Division A of P.L. 105-277). The FY1999 act did allow private funding of needle exchange programs. The Financial Services and General Government Appropriations Act, 2008 (Division D, Title VIII of P.L. 110-161), contained language that further modified the needle exchange provision included in previous appropriations acts. This act allowed the use of local (but not federal) funds for a needle exchange program, a provision that has been continued in subsequent fiscal years. Under the Consolidated Appropriations Act, 2010 (Division C, Title VIII of P.L. 111-117), the provision was further modified to prohibit the use of federal funds in locations deemed by local professionals in public health or law enforcement to be “inappropriate” for needle exchange.

The President’s FY2026 budget request proposed to continue a provision restricting the use of federal funds for the distribution of needles or syringes “for the purpose of preventing the spread of blood borne pathogens in any location that has been determined by the local public health or local law enforcement authorities to be inappropriate for such distribution.” H.R. 5166 and S. 3290 also would have continued this provision. As enacted, Division E, Title VIII, Section 807 of P.L. 119-75 continued the provision restricting the use of federal funds for this use, as stated below:

None of the Federal funds contained in this Act may be used to distribute any needle or syringe for the purpose of preventing the spread of blood borne pathogens in any location that has been determined by the local public health or local law enforcement authorities to be inappropriate for such distribution.

Schedule I Substances

Several general provisions included in appropriations acts have restricted or prohibited the DC government from implementing local laws related to the legalization or decriminalization of schedule I controlled substances, including marijuana.⁴³ These provisions have varied depending on the legislation that they were designed to restrict, ranging from legalization to decriminalization of such substances for medical or recreational purposes.⁴⁴

In 2014, the DC council passed the Marijuana Possession Decriminalization Amendment Act of 2014.⁴⁵ The act decriminalized the possession of small amounts of marijuana by making such

⁴² Delegate Eleanor Holmes Norton, “HIV Progress in D.C. Accelerated by Federal Payments Norton Secures and Her Removal of the Needle Exchange Rider,” press release, August 21, 2020, <https://norton.house.gov/media-center/press-releases/hiv-progress-in-dc-accelerated-by-federal-payments-norton-secures-and-her-removal-of-the-needle-exchange-rider>.

⁴³ For a definition of schedule I substances, see 21 U.S.C. §812.

⁴⁴ In 1998, District of Columbia voters approved Initiative 59, which allowed the use of medical marijuana to assist persons suffering from debilitating health conditions and diseases, including cancer and HIV infection. Certification and implementation of the initiative, however, were delayed over a decade by Congress due to the passage of the “Barr Amendment,” which, in a series of DC appropriations acts, prohibited the use of appropriated funds to conduct any ballot initiative that sought to legalize marijuana or otherwise reduce penalties for its use.

⁴⁵ District of Columbia Council, *Marijuana Possession Decriminalization Amendment Act of 2014*, July 2014, <https://lims.dccouncil.gov/Legislation/B20-1064>.

activity a civil violation subject to a civil fine of \$25.⁴⁶ The act went into effect in July 2014. Also in 2014, almost 65% of DC voters voted to approve Initiative 71 to legalize the possession, growth, and exchange of certain amounts of marijuana among individuals aged 21 and older in DC.⁴⁷ Subsequently, the Consolidated and Further Continuing Appropriations Act, 2015 (P.L. 113-235), included a general provision prohibiting the use of funds contained in the act to carry out such laws or regulations. Similar provisions have been included in subsequent appropriations acts. In November 2020, approximately 76% of DC voters voted to approve ballot Initiative 81, to decriminalize some psychedelic plants and fungi.⁴⁸

The President's budget request, H.R. 5166, and S. 3290 included provisions that would continue to prohibit the use of federal or local funds to enact or implement the legalization or decriminalization of schedule I substances. As enacted, Division E, Title VIII, Section 809 of P.L. 119-75 continued the provision prohibiting the use of federal and local funds for the legalization or decriminalization of schedule I substances in DC, as stated below:

(a) None of the Federal funds contained in this Act may be used to enact or carry out any law, rule, or regulation to legalize or otherwise reduce penalties associated with the possession, use, or distribution of any schedule I substance under the Controlled Substances Act (21 U.S.C. 801 et seq.) or any tetrahydrocannabinols derivative.

(b) No funds available for obligation or expenditure by the District of Columbia government under any authority may be used to enact any law, rule, or regulation to legalize or otherwise reduce penalties associated with the possession, use, or distribution of any schedule I substance under the Controlled Substances Act (21 U.S.C. 801 et seq.) or any tetrahydrocannabinols derivative for recreational purposes.

Local Government Operations During a Lapse in Federal Funding

The act included a provision that would authorize DC's use of locally generated revenues in the event of a shutdown during FY2027 (sometimes referred to as a shutdown provision). Additionally, if the federal government were to operate under a continuing resolution at any point in FY2027, Section 817 of Division E provides DC with the authority to expend local revenues at FY2027 budgeted levels during that period, unless a provision in the continuing resolution explicitly states otherwise.

Concluding Observations

As noted above, Congress maintains plenary authority over DC legislation and budgets, as granted under the U.S. Constitution. Some Members of Congress have introduced bills that would codify changes to DC's local budget authority and process. For example, the District of Columbia Local Budget Autonomy Act of 2012 (S. 2345) would have amended the Home Rule Act to expand DC's authority over the local budget process. A provision in the Make America Secure and Prosperous Appropriations Act, 2018 (H.R. 3354, Title VIII, Section 817), would have formally repealed the Local Budget Autonomy Act of 2012.

⁴⁶ Aaron C. Davis, "D.C. Council Votes to Eliminate Jail Time for Marijuana Possession," *Washington Post*, March 5, 2014.

⁴⁷ District of Columbia Council, *Legalization of Possession of Minimal Amounts of Marijuana for Personal Use Initiative of 2014*, February 2015, <https://lims.dccouncil.gov/Legislation/B20-1064>.

⁴⁸ Justin Wm. Moyer, "D.C. Voters Approve Ballot Question to Decriminalize Psychedelic Mushrooms," *Washington Post*, November 3, 2020, https://www.washingtonpost.com/local/dc-politics/dc-magic-mushrooms-result/2020/11/03/bb929e86-1abc-11eb-bb35-2dcfdab0a345_story.html.

Other, broader proposals to grant DC statehood or retrocede parts of the current federal district to Maryland would modify the local governing structure and likely reduce the federal role in the DC budget process.⁴⁹ Some Members of Congress have also proposed repealing the Home Rule Act, which could potentially lead to an expansion of congressional involvement in the local budget process, compared to its current role.⁵⁰

⁴⁹ For an overview of such proposals, see CRS In Focus IF11443, *District of Columbia Voting Representation in Congress: Overview of Proposals*, by Joseph V. Jaroscak.

⁵⁰ For an example of this type of proposal, see the Bringing Oversight to Washington and Safety to Every Resident Act of the 119th Congress, H.R. 1089 and S. 440.

Appendix. FY2026 District of Columbia General Provisions

Table A-1. FY2026 District of Columbia General Provisions

P.L. 119-75, Division E, Title VIII

Section	Legislative Text
Section 801	There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of legal settlements or judgments that have been entered against the District of Columbia government.
Section 802	None of the Federal funds provided in this Act shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.
Section 803	(a) None of the Federal funds provided under this Act to the agencies funded by this Act, both Federal and District government agencies, that remain available for obligation or expenditure in fiscal year 2026, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditures for an agency through a reprogramming of funds which— (1) creates new programs; (2) eliminates a program, project, or responsibility center; (3) establishes or changes allocations specifically denied, limited or increased under this Act; (4) increases funds or personnel by any means for any program, project, or responsibility center for which funds have been denied or restricted; (5) re-establishes any program or project previously deferred through reprogramming; (6) augments any existing program, project, or responsibility center through a reprogramming of funds in excess of \$3,000,000 or 10 percent, whichever is less; or (7) increases by 20 percent or more personnel assigned to a specific program, project or responsibility center, unless prior approval is received from the Committees on Appropriations of the House of Representatives and the Senate. (b) The District of Columbia government is authorized to approve and execute reprogramming and transfer requests of local funds under this title through November 7, 2026.
Section 804	None of the Federal funds provided in this Act may be used by the District of Columbia to provide for salaries, expenses, or other costs associated with the offices of United States Senator or United States Representative under section 4(d) of the District of Columbia Statehood Constitutional Convention Initiatives of 1979 (D.C. Law 3–171; D.C. Official Code, sec. 1–123).

Section	Legislative Text
Section 805	<p>Except as otherwise provided in this section, none of the funds made available by this Act or by any other Act may be used to provide any officer or employee of the District of Columbia with an official vehicle unless the officer or employee uses the vehicle only in the performance of the officer's or employee's official duties. For purposes of this section, the term "official duties" does not include travel between the officer's or employee's residence and workplace, except in the case of— (1) an officer or employee of the Metropolitan Police Department who resides in the District of Columbia or is otherwise designated by the Chief of the Department; (2) at the discretion of the Fire Chief, an officer or employee of the District of Columbia Fire and Emergency Medical Services Department who resides in the District of Columbia and is on call 24 hours a day; (3) at the discretion of the Director of the Department of Corrections, an officer or employee of the District of Columbia Department of Corrections who resides in the District of Columbia and is on call 24 hours a day; (4) at the discretion of the Chief Medical Examiner, an officer or employee of the Office of the Chief Medical Examiner who resides in the District of Columbia and is on call 24 hours a day; (5) at the discretion of the Director of the Homeland Security and Emergency Management Agency, an officer or employee of the Homeland Security and Emergency Management Agency who resides in the District of Columbia and is on call 24 hours a day; (6) the Mayor of the District of Columbia; and (7) the Chairman of the Council of the District of Columbia.</p>
Section 806	<p>(a) None of the Federal funds contained in this Act may be used by the District of Columbia Attorney General or any other officer or entity of the District government to provide assistance for any petition drive or civil action which seeks to require Congress to provide for voting representation in Congress for the District of Columbia. (b) Nothing in this section bars the District of Columbia Attorney General from reviewing or commenting on briefs in private lawsuits, or from consulting with officials of the District government regarding such lawsuits.</p>
Section 807	<p>None of the Federal funds contained in this Act may be used to distribute any needle or syringe for the purpose of preventing the spread of blood borne pathogens in any location that has been determined by the local public health or local law enforcement authorities to be inappropriate for such distribution.</p>
Section 808	<p>Nothing in this Act may be construed to prevent the Council or Mayor of the District of Columbia from addressing the issue of the provision of contraceptive coverage by health insurance plans, but it is the intent of Congress that any legislation enacted on such issue should include a "conscience clause" which provides exceptions for religious beliefs and moral convictions.</p>
Section 809	<p>(a) None of the Federal funds contained in this Act may be used to enact or carry out any law, rule, or regulation to legalize or otherwise reduce penalties associated with the possession, use, or distribution of any schedule I substance under the Controlled Substances Act (21 U.S.C. 801 et seq.) or any tetrahydrocannabinols derivative. (b) No funds available for obligation or expenditure by the District of Columbia government under any authority may be used to enact any law, rule, or regulation to legalize or otherwise reduce penalties associated with the possession, use, or distribution of any schedule I substance under the Controlled Substances Act (21 U.S.C. 801 et seq.) or any tetrahydrocannabinols derivative for recreational purposes.</p>
Section 810	<p>No funds available for obligation or expenditure by the District of Columbia government under any authority shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.</p>

Section	Legislative Text
Section 811	(a) No later than 30 calendar days after the date of the enactment of this Act, the Chief Financial Officer for the District of Columbia shall submit to the appropriate committees of Congress, the Mayor, and the Council of the District of Columbia, a revised appropriated funds operating budget in the format of the budget that the District of Columbia government submitted pursuant to section 442 of the District of Columbia Home Rule Act (D.C. Official Code, sec. 1–204.42), for all agencies of the District of Columbia government for fiscal year 2026 that is in the total amount of the approved appropriation and that realigns all budgeted data for personal services and other-than-personal services, respectively, with anticipated actual expenditures. (b) This section shall apply only to an agency for which the Chief Financial Officer for the District of Columbia certifies that a reallocation is required to address unanticipated changes in program requirements.
Section 812	No later than 30 calendar days after the date of the enactment of this Act, the Chief Financial Officer for the District of Columbia shall submit to the appropriate committees of Congress, the Mayor, and the Council for the District of Columbia, a revised appropriated funds operating budget for the District of Columbia Public Schools that aligns schools budgets to actual enrollment. The revised appropriated funds budget shall be in the format of the budget that the District of Columbia government submitted pursuant to section 442 of the District of Columbia Home Rule Act (D.C. Official Code, sec. 1–204.42).
Section 813	(a) Amounts appropriated in this Act as operating funds may be transferred to the District of Columbia’s enterprise and capital funds and such amounts, once transferred, shall retain appropriation authority consistent with the provisions of this Act. (b) The District of Columbia government is authorized to reprogram or transfer for operating expenses any local funds transferred or reprogrammed in this or the four prior fiscal years from operating funds to capital funds, and such amounts, once transferred or reprogrammed, shall retain appropriation authority consistent with the provisions of this Act. (c) The District of Columbia government may not transfer or reprogram for operating expenses any funds derived from bonds, notes, or other obligations issued for capital projects.
Section 814	None of the Federal funds appropriated in this Act shall remain available for obligation beyond the current fiscal year, nor may any be transferred to other appropriations, unless expressly so provided herein.
Section 815	Except as otherwise specifically provided by law or under this Act, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 2026 from appropriations of Federal funds made available for salaries and expenses for fiscal year 2026 in this Act, shall remain available through September 30, 2027, for each such account for the purposes authorized: Provided, That a request shall be submitted to the Committees on Appropriations of the House of Representatives and the Senate for approval prior to the expenditure of such funds: Provided further, That these requests shall be made in compliance with reprogramming guidelines outlined in section 803 of this Act.

Section	Legislative Text
Section 816	<p>(a)(1) During fiscal year 2027, during a period in which neither a District of Columbia continuing resolution or a regular District of Columbia appropriation bill is in effect, local funds are appropriated in the amount provided for any project or activity for which local funds are provided in the Act referred to in paragraph (2) (subject to any modifications enacted by the District of Columbia as of the beginning of the period during which this subsection is in effect) at the rate set forth by such Act. (2) The Act referred to in this paragraph is the Act of the Council of the District of Columbia pursuant to which a proposed budget is approved for fiscal year 2027 which (subject to the requirements of the District of Columbia Home Rule Act) will constitute the local portion of the annual budget for the District of Columbia government for fiscal year 2027 for purposes of section 446 of the District of Columbia Home Rule Act (sec. 1–204.46, D.C. Official Code). (b) Appropriations made by subsection (a) shall cease to be available— (1) during any period in which a District of Columbia continuing resolution for fiscal year 2027 is in effect; or (2) upon the enactment into law of the regular District of Columbia appropriation bill for fiscal year 2027. (c) An appropriation made by subsection (a) is provided under the authority and conditions as provided under this Act and shall be available to the extent and in the manner that would be provided by this Act. (d) An appropriation made by subsection (a) shall cover all obligations or expenditures incurred for such project or activity during the portion of fiscal year 2027 for which this section applies to such project or activity. (e) This section shall not apply to a project or activity during any period of fiscal year 2027 if any other provision of law (other than an authorization of appropriations)— (1) makes an appropriation, makes funds available, or grants authority for such project or activity to continue for such period; or (2) specifically provides that no appropriation shall be made, no funds shall be made available, or no authority shall be granted for such project or activity to continue for such period. (f) Nothing in this section shall be construed to affect obligations of the government of the District of Columbia mandated by other law.</p>
Section 817	<p>(a) During fiscal year 2027, during a period in which a continuing resolution is in effect, including a continuing resolution that is in effect through the end of the fiscal year, if the continuing resolution does not include a provision that, by specific and explicit reference to the District of Columbia, establishes a specific and separately identified appropriation for the District of Columbia, the District of Columbia is appropriated and may expend local funds in the amounts set forth under the heading “District of Columbia—District of Columbia Funds” in the Act referred to in subsection (b) (subject to any modifications enacted by the District of Columbia as of the beginning of the period during which this section is in effect) for such programs and activities for which local funds are provided in such Act at the rates set forth by such Act. (b) The Act referred to in subsection (a) is the Act of the Council of the District of Columbia pursuant to which a proposed budget is approved for fiscal year 2027 which (subject to the requirements of the District of Columbia Home Rule Act) will constitute the local portion of the annual budget for the District of Columbia government for fiscal year 2027 for purposes of section 446 of the District of Columbia Home Rule Act (sec. 1–204.46, D.C. Official Code). (c) Amounts appropriated by subsection (a) are provided under the authority and conditions as provided under this Act and shall be available to the extent and in the manner that would be provided by this Act.</p>
Section 818	<p>(a) Section 244 of the Revised Statutes of the United States relating to the District of Columbia (sec. 9–1201.03, D.C. Official Code) does not apply with respect to any railroads installed pursuant to the Long Bridge Project. (b) In this section, the term “Long Bridge Project” means the project carried out by the District of Columbia and the Commonwealth of Virginia to construct a new Long Bridge adjacent to the existing Long Bridge over the Potomac River, including related infrastructure and other related projects, to expand commuter and regional passenger rail service and to provide bike and pedestrian access crossings over the Potomac River.</p>

Section	Legislative Text
Section 819	Not later than 45 days after the last day of each quarter, each Federal and District government agency appropriated Federal funds in this Act shall submit to the Committees on Appropriations of the House of Representatives and the Senate a quarterly budget report that includes total obligations of the Agency for that quarter for each Federal funds appropriation provided in this Act, by the source year of the appropriation.
Section 820	The District of Columbia College Access Act of 1999 (sec. 38–2701 et seq., D.C. Official Code), is amended— (1) in section 3— (A) in subsection (a)(2)(A), by striking “\$10,000” and inserting “\$15,000”; (B) in subsection (a)(2)(B), by striking “\$50,000” and inserting “\$75,000”; and (C) in subsection (b)(1)— (i) in subparagraph (A), by striking “; and” and inserting a semicolon; (ii) by redesignating subparagraph (B) as subparagraph (C); (iii) by inserting after subparagraph (A) the following new subparagraph: “(B) after making reductions under subparagraph (A), ratably reduce the amount of the tuition and fee payment of each eligible student who receives more than \$10,000 for the award year; and”; and (iv) in subparagraph (C), as so redesignated, by striking “subparagraph (A)” and inserting “subparagraph (B)”; and (2) in section 5—(A) in subsection (a)(2)(A), by striking “\$2,500” and inserting “\$3,750”; (B) in subsection (a)(2)(B), by striking “\$12,500” and inserting “\$18,750”; and (C) in subsection (b)(1)— (i) in subparagraph (A), by striking “; and” and inserting a semicolon; (ii) by redesignating subparagraph (B) as subparagraph (C); (iii) by inserting after subparagraph (A) the following new subparagraph: “(B) after making reductions under subparagraph (A), ratably reduce the amount of the tuition and fee payment of each eligible student who receives more than \$2,500 for the award year; and”; and (iv) in subparagraph (C), as so redesignated, by striking “subparagraph (A)” and inserting “subparagraph (B)”
Section 821	Except as expressly provided otherwise, any reference to “this Act” contained in this title or in title IV shall be treated as referring only to the provisions of this title or of title IV. This division may be cited as the “Financial Services and General Government Appropriations Act, 2026”.

Source: P.L. 119-75, Division E, Title VIII.

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