

*The budgeting process is evolving rapidly, reflecting shifting priorities and negotiations in real time. This analysis of the proposed Budget Resolutions in the House and Senate captures the current landscape as of February 21st. Given the fluid nature of budget discussions, updates and adjustments are expected as the process continues toward resolution between the chambers. Please use this information as a reference, understanding that it may change as new developments unfold.*

## House and Senate Budget Resolution Comparison

Category	House Budget Resolution	Senate Budget Resolution
<b>Scope and Approach</b>	Comprehensive plan addressing multiple facets in a single bill.	Focused strategy with a \$340 billion bill concentrating on specific priorities.
<b>Tax Cuts</b>	Proposes \$4.5 trillion in tax cuts over the next decade.	Does not address tax cuts; plans tax reforms separately.
<b>Spending Cuts</b>	Plans \$2 trillion in reductions affecting Medicaid, education, and other programs.	No comparable spending cuts specified; focuses on targeted spending increases.
<b>Defense Spending</b>	Allocates \$300 billion for military and border security.	Allocates \$150 billion for defense and \$20 billion for the Coast Guard.
<b>Border Security</b>	Proposes \$300 billion, including funding for border enforcement.	Designates \$175 billion for border security, including deportations and a border wall.
<b>Debt Ceiling</b>	Raises the federal debt limit by \$4 trillion for financial flexibility.	No debt ceiling increase specified.
<b>Legislative Strategy</b>	Single, comprehensive bill encompassing tax cuts, spending adjustments, and policy changes.	Two-step approach: first border security and defense, later tax reforms.
<b>Reallocation of Funds</b>	Shifts savings to defense and Homeland Security, increasing their budgets.	No major reallocations specified.
<b>Impact on Social Programs</b>	Cuts Medicaid, education, and food assistance programs.	No major cuts to social programs mentioned.

As of February 19, 2025, the U.S. House and Senate have advanced distinct budget resolutions for fiscal year 2025, each reflecting different priorities and approaches to President Trump's policy agenda.

### House Budget Resolution

To offset the proposed tax cuts, the budget directs various House committees to identify at least \$1.5 trillion in spending reductions, aiming for a total of \$2 trillion over the next decade. Key areas targeted for cuts include:

- **Health Care:** The Energy and Commerce Committee is tasked with cutting \$880 billion, focusing on programs like Medicaid.
- **Education and Workforce:** The Education and Workforce Committee is expected to reduce spending by \$330 billion.
- **Agriculture:** The Agriculture Committee is asked to find \$230 billion in savings, potentially affecting programs like food assistance.
- **Transportation and Infrastructure:** This committee is directed to cut at least \$10 billion through 2034.

Despite these cuts, the plan proposes reallocating funds to other priorities, including a \$100 billion increase in defense spending over the next decade and an additional \$90 billion for the Department of Homeland Security to support immigration enforcement efforts.

The budget also considers implementing work requirements for Medicaid recipients and eliminating certain clean-energy tax credits established under previous administrations.

While House Republicans are pursuing this comprehensive approach, Senate Republicans have introduced a narrower budget plan focusing on \$175 billion for border security, \$150 billion for defense, and \$20 billion for the Coast Guard, leaving tax cut extensions to be addressed separately.

**Senate Budget Resolution:** On February 21<sup>st</sup>, the Senate passed a \$340 billion budget resolution with a 52-48 vote.

- **Scope and Approach:** The Senate adopts a more focused strategy, advancing a \$340 billion budget bill that concentrates on specific priorities such as border security, defense, and energy, with plans to address tax reforms in a subsequent bill.

- **Border Security:** The resolution allocates \$175 billion for border security measures, including funding for mass deportations and the construction of a border wall.
- **Defense Spending:** It allocates \$150 billion for defense initiatives and an additional \$20 billion for the Coast Guard.
- **Tax Reforms:** Unlike the House plan, the Senate's resolution does not address tax cuts; instead, it plans to tackle tax reforms in a separate legislative effort later in the year.

#### **Key Differences:**

- **Legislative Strategy:** The House favors a single, comprehensive bill encompassing tax cuts, spending adjustments, and policy changes. In contrast, the Senate prefers a two-step approach, initially focusing on border security and defense, with tax reforms to follow separately.
- **Tax Policy:** The House resolution includes immediate, substantial tax cuts totaling \$4.5 trillion, whereas the Senate defers tax-related matters to future legislation.
- **Spending Cuts:** The House plan proposes \$2 trillion in spending reductions affecting various programs, while the Senate's current resolution does not specify comparable cuts, focusing instead on targeted spending increases.

