

"POCKET RESCISSIONS" ARE ILLEGAL

August 29, 2025

President Trump and Project 2025 architect Russ Vought sent a special message on August 28, 2025, to Congress purporting to use "pocket rescissions" to usurp Congress's power of the purse.

What is a pocket rescission?

A pocket rescission is when the President sends a <u>rescissions package</u> within 45 days of appropriated funds expiring, with the goal of preventing Congressional action and automatically eliminating funding.

Can a pocket rescission eliminate funding?

No. The Supreme Court held in <u>Train v. City of New York</u>, and Congress reaffirmed in the <u>Impoundment Control Act</u> (ICA), that the President impounding appropriated funding is generally illegal. However, the ICA grants the President authority to request that Congress rescind funds. With a request, funds "shall be made available for obligation unless, within the prescribed 45-day period, the Congress has completed action on a rescission bill rescinding all or part of the amount proposed to be rescinded or that is to be reserved."

The ICA text is clear that the 45-day window is not a loophole. While there are limited authorities for the President to delay funding for 45 days, without affirmative Congressional approval of a request, funds must be made available. This plain meaning of the text is supported by the sponsor of the ICA stating on the Senate floor that "both Houses of Congress must pass a rescission bill in order for the President to terminate or cancel a program". This view is also consistent with the <u>understanding of the nonpartisan Government Accountability Office</u> (GAO), and even Republicans such as Susan Collins <u>think</u> "pocket rescissions are illegal . . . and contradict the will of Congress and the constitutional authority of Congress to appropriate funds."

Can the President delay the expenditure of funds while waiting to send a rescissions request?

No. The ICA prohibits the President from delaying the expenditure of appropriated funds. The prudent obligation of funds must occur throughout the period of availability. Thus, at the end of the period of availability, only a small percentage, if any, should be left if the President has faithfully executed the law.

However, President Trump has <u>illegally delayed</u> the expenditure of funds in the special message from August 28, 2025. At the beginning of his term, President Trump immediately <u>terminated and suspended</u> existing development assistance grants at USAID. He has continued to illegally not obligate those appropriated funds. Of the \$3.9 billion in funds available, the Trump administration admits that \$3.2 billion remain unobligated.

The ICA requires the prudent obligations of funds, and the President cannot defer funds and then propose illegal pocket rescissions.

This document has not been reviewed and approved by the Democratic Caucus of the Budget Committee and may not necessarily reflect the views of all members.

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