

HOMES JOBS COMMUNITY



*NDC Washington
Webinar Series*

**Washington Update : Bipartisan Budget
Agreement and POTUS FY19 Budget Request**

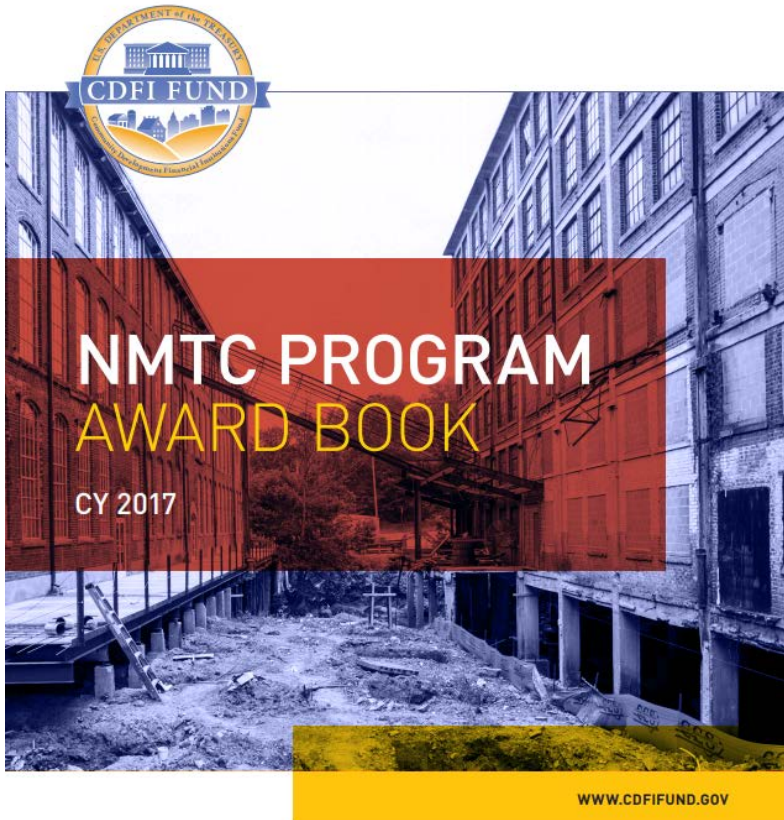
Presented by: Jane Campbell & Ken Baker

With Paul Anderson (Rapoza Associates)

February 15, 2018



New Market Tax Credit Allocation Awards



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NDC's HEDC New Markets, Inc. was awarded a \$50m allocation!

Save an additional 20%* on any NDC Professional Development course when you register by **February 18th, 2018** with promotional code ***NDCNMTC18***

Paul Anderson

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Paul Anderson serves as the director of policy and research at Rapoza Associates, a public-interest government relations and public affairs firm with a focus on community development policy. As a lobbyist, researcher, and advocate, Paul represents the New Markets Tax Credit (NMTC) Coalition. He is the principal author of many of the NMTC Coalition's reports and research, and his portfolio includes data analysis, GIS, graphic design, and the creation of web-based tools for understanding the impact of the NMTC. Previously he served as Director of Programs at the George Mason University Center for Social Entrepreneurship, and in Congressional Affairs at the National Trust for Historic Preservation concentrating on appropriations along with state and federal historic rehabilitation tax credits. Paul is a graduate of the University of Virginia with a degree in Political Science and a graduate of the Sorensen Institute's Political Leadership Program.



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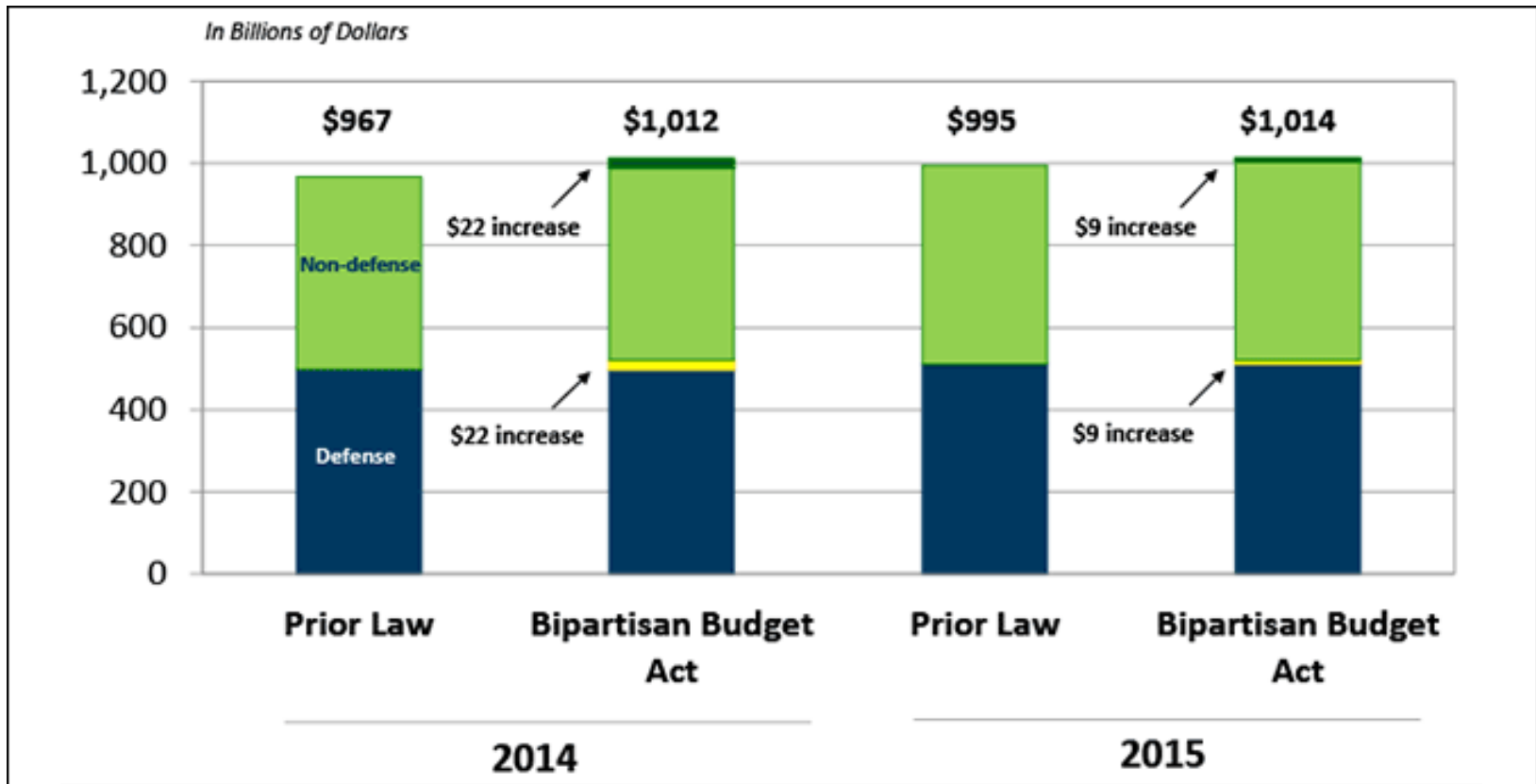
BBCA of 2011 & Sequestration

Subsequent BBAs 2013 & 2015

- Imposing caps on discretionary spending beginning in October 2011 that will generate \$917 billion in savings over the next ten years.
- Empowering a bipartisan, bicameral committee to identify up to \$1.5 trillion of additional deficit reduction by Thanksgiving.
- Imposing automatic spending cuts if the committee fails to report, or the Congress and President fail to enact, legislation that reduces the deficit by at least \$1.2 trillion.
- Requiring a vote on a Balanced Budget Amendment to the Constitution.

BBCA of 2011 & Sequestration

Subsequent BBAs 2013 & 2015



Discretionary Funding Caps under the Bipartisan Budget Act of 2015 (BBA-15)

	Fiscal Year 2016	Fiscal Year 2017
<i>Billions of dollars</i>		
Defense Caps, before BBA-15	\$523	\$536
Increase in Caps	<u>\$25</u>	<u>\$15</u>
Defense Caps, after BBA-15	\$548	\$551
Non-defense Caps, before BBA-15	\$493	\$504
Increase in Caps	<u>\$25</u>	<u>\$15</u>
Non-defense Caps, after BBA-15	\$518	\$519
Total, before BBA-15	\$1,017	\$1,040
Increases in Caps	<u>\$50</u>	<u>\$30</u>
Total, after BBA-15	\$1,067	\$1,070

SOURCE: House Budget Committee, *Section-by-Section Summary of the Bipartisan Budget Act of 2015*, October 2015. Compiled by PGPF.

Bipartisan Budget Agreement of 2018

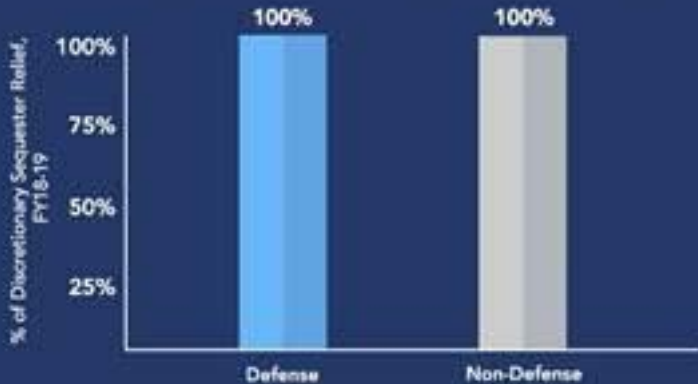


- The investment levels in non-defense discretionary funding will be \$117 billion higher than the levels that President Trump proposed for fiscal year 2018
- The agreement fully eliminates the non-defense discretionary and defense discretionary sequestration cuts, and provides for equal increases above that relief for both defense and non-defense funding



Bipartisan Budget Agreement of 2018

FULL SEQUESTER RELIEF FOR DEFENSE AND NON-DEFENSE



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FULL PARITY FOR EXTRA FUNDING



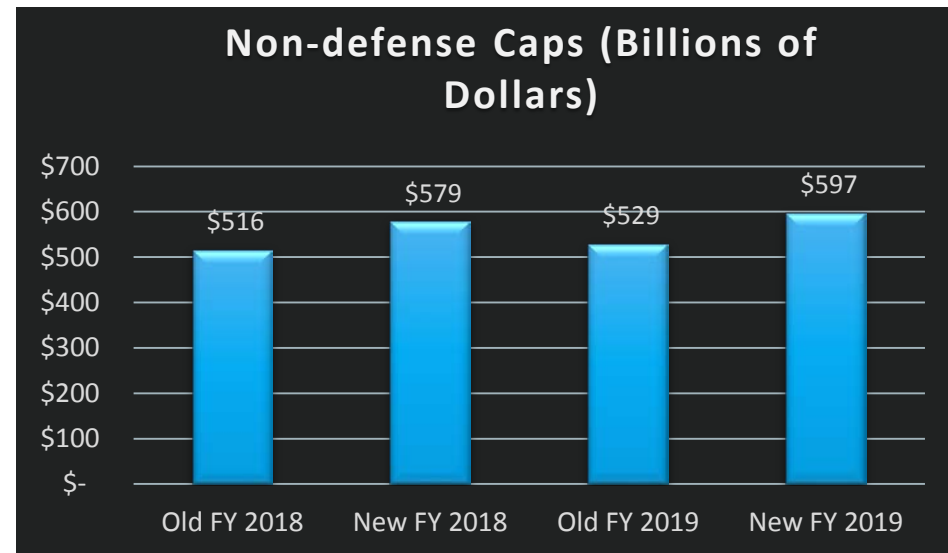
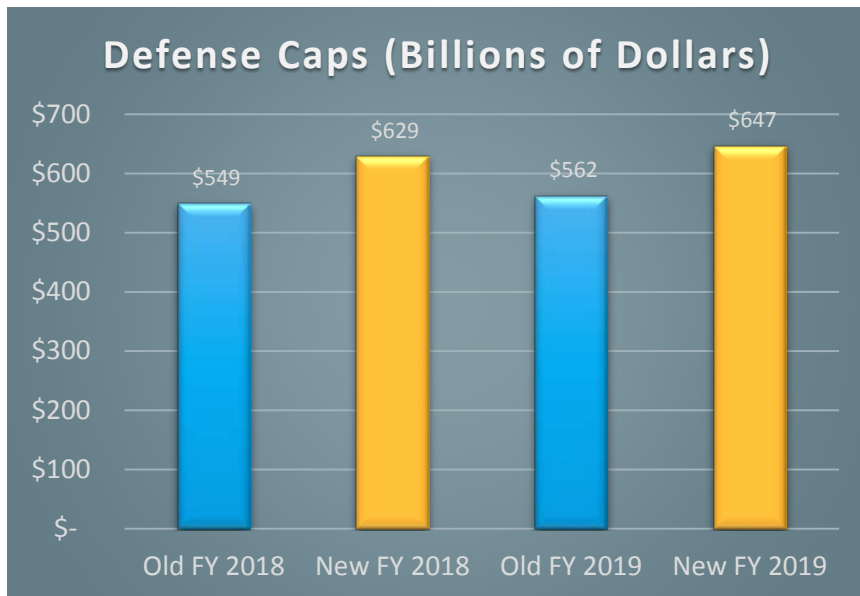
FY2018 NONDEFENSE FUNDING PROPOSALS



Bipartisan Budget Agreement of 2018



This agreement puts into play extra spending authority for the current fiscal year FY18, which in the framework of this legislative vehicle provided yet another stop-gap funding Continuing Resolution (CR) .



Bipartisan Budget Agreement of 2018

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- Suspends the debt ceiling through **March 1, 2019**, which will allow the government to continue to borrow money to pay bills
- Temporarily finances the government at FY17 funding levels through **March 23, 2018** giving lawmakers time to pass an Omnibus Appropriations Package. *

FY18 Funding

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Continuing Resolutions for FY 18

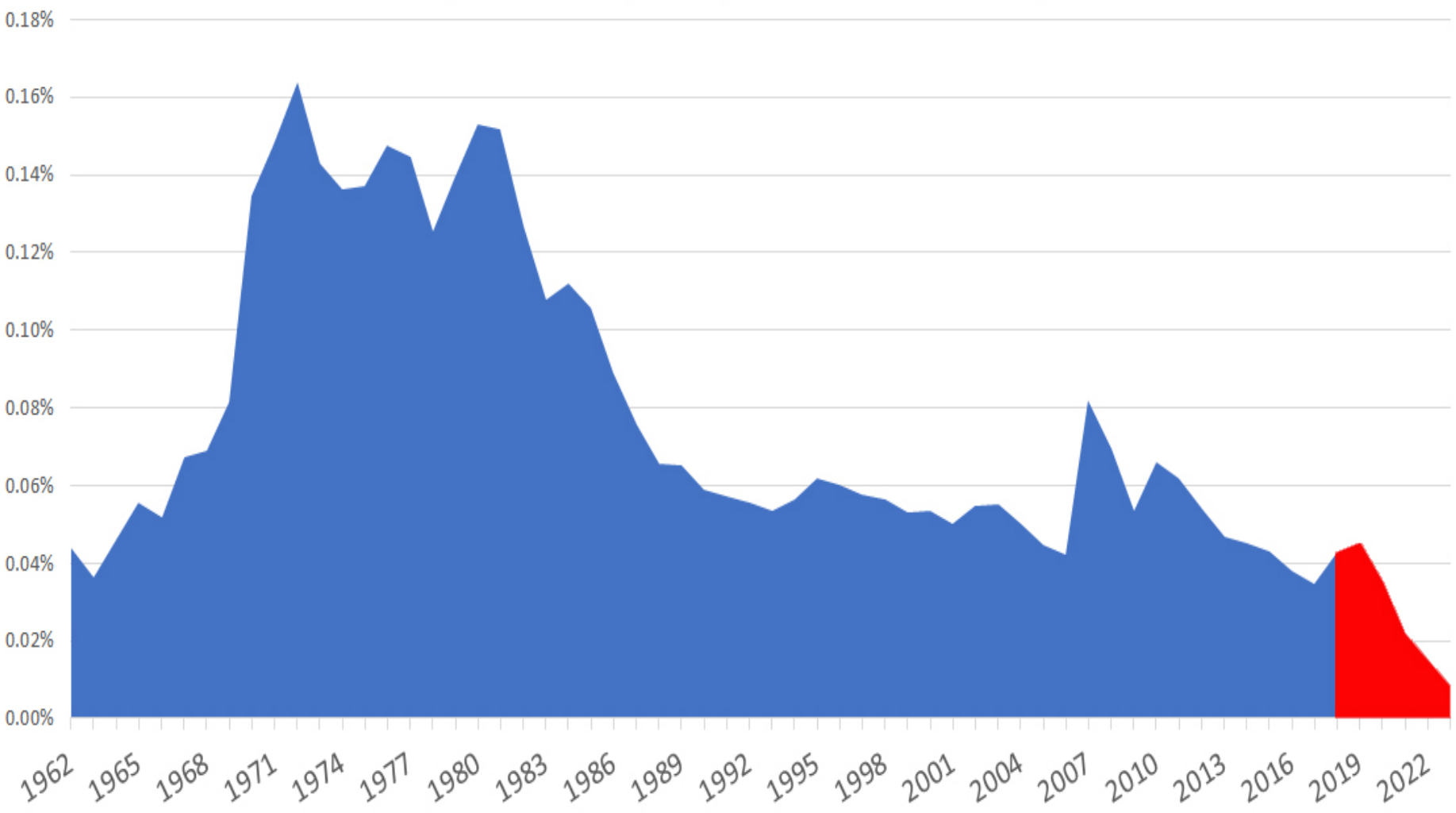
- **Feb. 9, 2018 – Fifth Deadline for FY18 – CR extended through Mar. 23, 2018 (passed by Congress after 6 hour shutdown)**
- Jan.19, 2018 – Fourth Deadline for FY18 – CR extended through Feb. 8, 2018 (passed by Congress on Jan. 22 after three day shutdown)
- Dec. 22, 2017 – Third Deadline for FY18 – CR extended through Jan.19, 2018 (passed by Congress on Dec. 21)
- Dec. 8, 2017 – Second Deadline for FY18 – CR extended through Dec. 22, 2017 (passed by Congress on Dec. 7)
- Sept. 30, 2017 – First Deadline for FY18 – CR extended funding through Dec. 8, 2017 (passed by Congress on Sept. 8)
- **Continuing Resolution (CR): Temporary funding measure that Congress uses to fund the government at the previous fiscal year’s levels**

POTUS FY 19 Request

- **Winners:** Commerce, DoD, Homeland Security, Veterans Affairs, GSA
- **Losers:** Agriculture, Education, Energy*, HHS, HUD, Interior, Justice, Labor, Transportation, Treasury, Corps of Engineers, EPA, NASA, Science, SBA, Social Security
 - *Energy budget decreased, but Dept. of National Nuclear Security Administration increased

Community Development Outlays as a Percent of GDP

Enacted Levels and the President's FY 2019 Budget



HUD and Commerce Appropriations

HUD	FY 17 Final	FY 18 Budget	FY 18 House	FY 18 Senate	FY 18 Final	FY 19 Budget
HOME	950	0	850	950		0
CDBG formula funding	3,000	0	2,900	3,000		0
Section 108	300	0	300	300		0
Commerce						
Economic Development Assistance Programs	237	0	140	254		0

CDFI Fund Appropriations

Treasury Programs	FY 17 Final	FY 18 Budget	FY 18 House	FY 18 Senate	FY 18 Final	FY 19 Budget
CDFI Fund (TOTAL)	248	14	190	248		14
CDFI FA/TA Grant Programs	161.5	0	137	181.5		0
Native Initiative	15.5	0	15	15.5		0
Healthy Food Financing Initiative	22	0	0			0
Bank Enterprise Award Program	23	0	15	25		0
Capital Magnet Fund		0				0
Admin and Research	26	14	23	26		14
Disabilities Fund	3	0	3			0
Bond Program	500	500	500	500		500

Selected SBA Programs

Program	FY 17 Final	FY 18 Budget	FY 18 House	FY 18 Senate	FY 18 Final	FY 19 Budget
SBA Micro TA	31	25	31	31		25
SBA Micro Loans: Budget Authority/Loan Amounts	4.3/44	3.4/35.9	3.48/35.9	3.48/36		4/42
PRIME	5	0	0	0		0
7(a) guarantees	27,500	29,000	29,000	29,000		30,000

POTUS Infrastructure Plan

- President released 53 page plan – 2/12
- **\$200B** in federal spending over 10 Years
 - \$100B – Incentives to local government entities to give non-federal funds (to reach the \$1.5T Trump promised on the campaign trail)
 - \$20B – set aside to advance "major infrastructure projects"
 - \$50B – Earmarked for rural block grants – which will be given to states based amount of rural area and population
 - \$20B – "Infrastructure related undertakings"
 - \$10B – Federal Capital Financing Fund

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