

HOMES JOBS COMMUNITY



*NDC Washington
Webinar Series*

Washington Update : Omnibus 2018

Presented by: Jane Campbell & Ken Baker

March 22, 2018



FY18 Funding

Timeline in Review

Omnibus (2,232 page bill released last night) advanced in the House – will be brought to a floor vote later this afternoon.

- 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**

Bipartisan Budget Agreement of 2018

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- 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

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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*

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

What's In

- **Money for the Gateway tunnel, with a catch:** The deal would provide \$650 million to Amtrak for capital projects along the Northeast Corridor, but any money Amtrak may try to direct toward the massive Gateway project under the Hudson River could need DOT approval. The Gateway project was initially slated to receive \$900 million in federal funds.
- **Border security:** The bill provides nearly \$1.6 billion for border security, but not for an increase in detention beds or federal deportation agents, a key priority for Democrats in the talks. The deal includes \$641 million for new fencing, including levees, but does not allocate money for a concrete wall. It also includes nearly \$1.3 billion for other border security technologies.
- **'Grain glitch':** The Republican measure, favored by House Ways and Means Chairman Kevin Brady (R-Texas) and ag-state lawmakers, fixes a loophole in the GOP tax law that allows farmers to get big tax cuts by selling directly to co-ops.
- **Low-income housing:** In exchange for the grain glitch fix, Democrats won provisions expanding a tax subsidy for affordable housing — designed to shore up the low-income housing tax credit in the wake of the GOP tax law.
- **Fix NICS:** The bipartisan bill, S. 2135 (115), offers financial incentives for federal and state authorities to comply with the U.S. criminal background check system. It rejects conservatives demands for an expansion of "concealed carry" laws alongside that measure.

What's In

- **School safety bill:** The bipartisan school safety bill, [H.R. 4909 \(115\)](#) would [create a](#) \$50 million-a-year grant program for training to recognize signs of gun violence. It's led by Rep. [John Rutherford](#) (R-Fla.) in the House and Sen. [Orrin Hatch](#) (R-Utah) in the Senate.
- **Election security:** State election officials [would get](#) \$380 million in technology grants to upgrade their equipment to ward off digital attacks ahead of November's midterm elections. The FBI's budget to fight Russia cyberattacks would also see a boost.
- **'Fire borrowing' fix:** The agreement [creates](#) an emergency pot of money for the U.S. Forest Service to use when it exceeds its fire-suppression budget, so federal agencies no longer have to dip into money earmarked for firefighting and prevention.
- **Rural broadband:** The bill [has about](#) \$600 million for a new pilot program within USDA aimed at rural broadband, in addition to existing USDA broadband loan and grant programs.
- **FAA extension:** Lawmakers [expect](#) a short-term extension for the FAA reauthorization, which expires on March 31. That extension could through the end of September.

What's Out

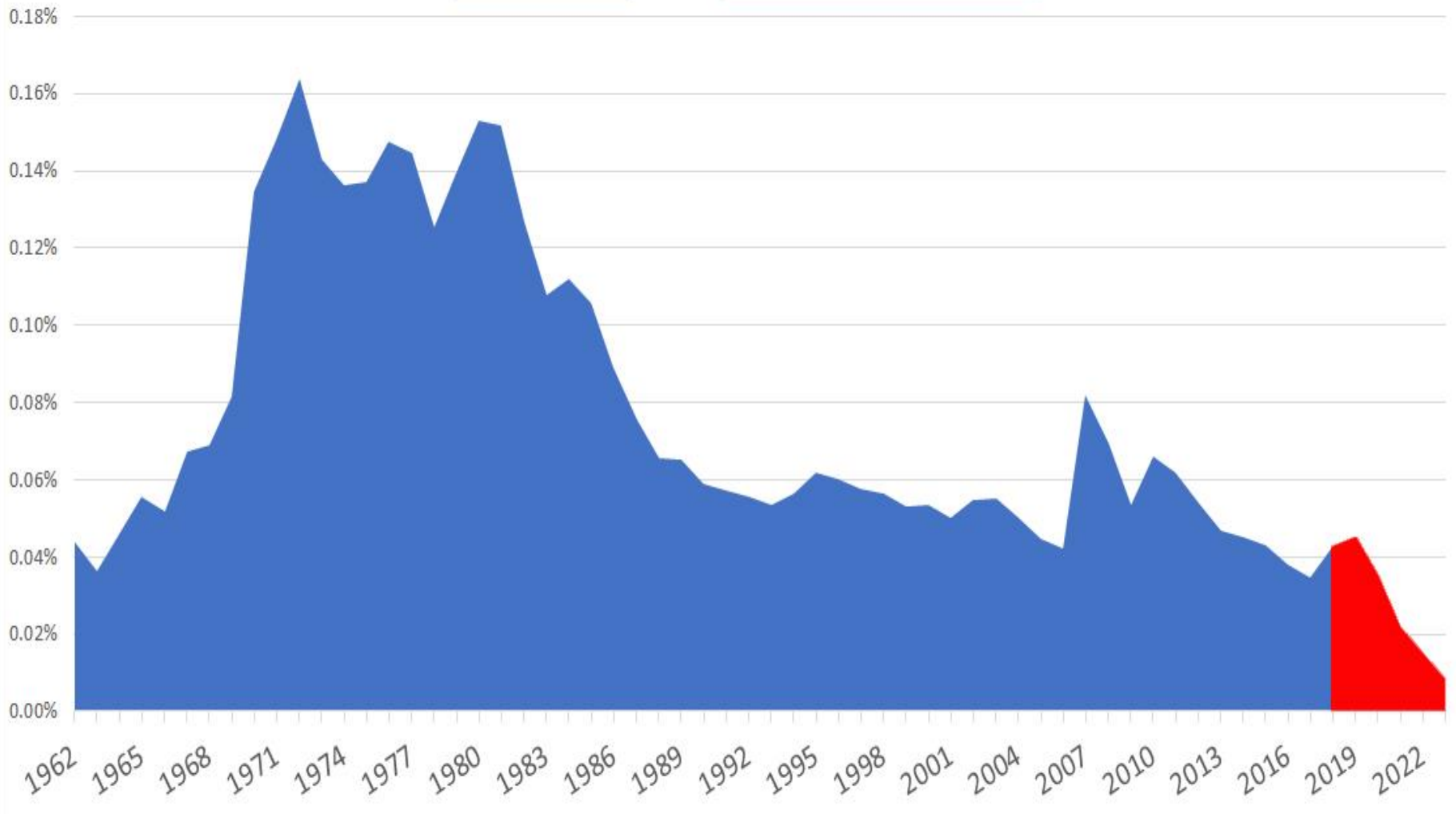
- **Border wall:** Republicans wanted to devote at least \$1.6 billion to begin construction on President Donald Trump's border wall, though Trump had sought \$18 billion. Democrats demanded other conditions.
- **DREAMers:** GOP leaders demanded that any deportation relief for young undocumented immigrants, known as DREAMers, is kept out of the spending bill.
- **Obamacare stabilization:** A bipartisan group of lawmakers fought for money for programs like cost-sharing subsidies and reinsurance to help avoid huge insurance premium hikes this fall.
- **Internet sales tax:** Rep. Kristi Noem (R -S.D.) pushed for a national sales tax on online retailers, though it has run into fierce conservative opposition. Rep. Patrick McHenry (R-N.C.), the House's chief deputy whip, signaled on Tuesday that Noem's measure won't be included in the omnibus and hasn't had enough vetting.

What's Out

- **Medicare Part D coverage gap:** Drugmakers pushed Congress to lower their share of a drug's costs in the coverage gap phase of Part D to 60 percent.
- **Joint employer:** Language to narrow the legal definition of joint employment was nixed.
- **Sexual harassment overhaul:** Both parties had once hoped to include a broadly bipartisan plan to overhaul Congress' antiquated workplace rules.
- **Tribal lands exemption:** Republicans have sought language exempting Native American tribal lands from U.S. labor laws. Rep. Todd Rokita (R-Ind.) and Sen. Jerry Moran (R-Kansas) led the push.
- **Yucca Mountain:** House Republicans wanted funding to advance the stalled Yucca Mountain nuclear waste project in Nevada.

Community Development Outlays as a Percent of GDP

Enacted Levels and the President's FY 2019 Budget



HUD and EPA

HUD	FY 17 Final	FY 18 Budget	FY 18 House	FY 18 Senate	FY 18 Final	FY 19 Budget
HOME	950	0	850	950	1362	0
Capacity Building	0	0	0	0		0
Transformation Initiative	0	0	0	0		0
Housing Counseling	55	43	50	47	55	43
Community Development Fund	3060	0	2960	3060	3365	0
CDBG Formula funding	3000	0	2900	3000	3300	0
Choice Neighborhoods Initiative	137.5	0	20	50	150	0
Housing Trust Fund**	220	0				0
SHOP ##	54	0	45	54	54	0
Section 108 Program Level	300	0	300	300	300	0
Section 202 Housing for Elderly	502.4	510	573	573	678	566
NeighborWorks	140	0	140	140	140	27.4
EPA	FY 17 Final	FY 18 Budget	FY 18 House	FY 18 Senate	FY 18 Final	FY 19 Budget
Clean Water SRF	1393.8	1393	1143.8	1394	1394	997
Safe Drinking Water SRF	863.2	863.2	863.2	864	864	863

SBA, CDFI Fund, and EDA

	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	31	25
SBA Micro Loans (ba)/loan	(4.3)44	(3.4)35.9	(3.48)35.9	(3.48)36	36	(4)42
PRIME	5	0	0	0	0	0
7(a) guarantees	27,500	29,000	29,000	29,000	29,000	30,000
Treasury Programs	FY 17 Final	FY 18 Budget	FY 18 House	FY 18 Senate	FY 18 Final	FY 19 Budget
CDFI Fund	248	14	190	248	250	14
CDFI FA/TA Grant Programs	161.5	0	137	181.5	160	0
Native Initiative	15.5	0	15	15.5	16	0
Healthy Food Financing Initiative	22	0	0		22	0
Bank Enterprise Award	23	0	15	25	25	0
Capital Magnet Fund*		-				0
Admin and Research	26	14	23	26	27	14
Disabilities Fund**	3		3		3	
Bond Program	500	500	500	500	500	500
Economic Development Administration	FY 17 Final	FY 18 Budget	FY 18 House	FY 18 Senate	FY 18 Final	FY 19 Budget
Economic Development Assistance Programs	237	0	140	254	262	0

US Dept. of Agriculture

RHS/RUS Programs	FY 17 Final	FY 18 Budget	FY 18 House	FY 18 Senate	FY 18 Final	FY 19 Budget
502 Single Family Direct	1,000	0	900	1,000	1,100	0
502 Single Family Guaranteed	24,000	24,000	24,000	24,000	24,000	24,000
504 Loans	26.278	0	24	26.278	28	0
504 Grants	#28.7	0*	[0]	#28.7	30	0
514 Farm Labor Housing Loans	23.855	0	15	23.855	23.89	0
515 Rural Rental Housing	35	0	23.398	35	40	0
516 Farm Labor Housing Grants	8.336	0	6	8.336	8.336	0
521 Rural Rental Assistance	1,405.03	1,345.29	1,345.29	1,345.00	1,345	1,351.00
523 Self-Help TA	30	0	25	30	30	0
533 Housing Preservation Grants	#5	0	[0]	#5	10	0
538 Rental Housing Guaranteed	230	250	230	230	230	250
Multi-Family Restructuring (BA)	41.4	20	35	41.4	47	0
Housing Preservation Demonstration	0	0	(15)	(22)	-22	0
Voucher Demonstration	(19.4)	(20)	(20)	(19.4)	-25	0

US Dept. of Agriculture

RHS/RUS Programs	FY 17 Final	FY 18 Budget	FY 18 House	FY 18 Senate	FY 18 Final	FY 19 Budget
Supervisory TA Grants	0	0	0	0	0	0
Community Facility Loans	2,600	3,000	2,600	3,000	2,800	3,500
Community Facility Grants	30	0*	[0]	30	30	0
Community Facility Guarantee	148.305	0	148.305	148.305	148.3	0
Water-Wastewater Disposal Program Account	571.19	0	472.70	550.38	560	
Water-Wastewater Loans	1,200	0	1,200	1,200	1,200	1,200
		0				0
Water-Wastewater Guarantee	50	0	50	50	50	0
Solid Waste Grants	4	0	4	4	4	0
Infrastructure Initiative (water/waste)					600	
Infrastructure Initiative (broadband)					500	
Small Systems Revolver	1	0	1	1	1	0
Rural Business Enterprise Grants	24	0	24	24	40	0
Intermediary Re-lending	18.889	0	17.5	18.889	19	0
RCDI	4	0	0	4	44	0
B&I	919.765	0	919	919	919	0
Rural Microenterprise Investment BA/Program Authority	0/0	0/0	0/0	0/0	0	0
Rural Economic Infrastructure Grants	N/A	162	122.692	0		0
REIG - Appalachian Region		[80]	[60]	N/A	3	14



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

+ \$21.2B In new funding for FY18 to rebuild and modernize our nation's aging infrastructure, create jobs, and grow our economy

TRANSPORTATION (+ \$8.7B)



HIGHWAYS

- +\$3.5B to rebuild, improve, and modernize America's highways, roads, and bridges



AIR

- +\$1B for new discretionary airport grants for needed improvements, particularly targeting small and rural airports



TIGER GRANTS

- +\$1B for TIGER grants to fund critical transportation projects identified by state and local communities
- At least 30% of these funds go to rural communities



RAILWAYS

- +\$3.1B for rail infrastructure, including \$1.9B for Amtrak, \$250M for State of Good Repair Grants, and \$250M for Positive Train Control Grants

WATER INFRASTRUCTURE (+ \$1.4 B)



- +\$500M for grants for clean and reliable drinking water and sanitary waste disposal systems
- +\$918M for Army Corps and Bureau of Reclamation water resources infrastructure projects, including ports, waterways, flood control, and water supply

RURAL BROADBAND (+ \$625M)

- +\$625M to increase and expedite rural broadband expansion within USDA

COMMERCE, JUSTICE, SCIENCE (+ \$1.1B)

- +\$1B for Commerce, Justice, and NASA facilities and infrastructure across the country
- +\$25.5M in economic development grants
- +\$7.5M for a broadband map

ENERGY (+ \$398M)

- +\$398M to support cutting-edge science at National Laboratories and other DOE sites

FINANCIAL SERVICES (+ \$1.2B)

- +\$486M for GSA new construction projects and +\$100M for GSA's new IT Modernization Fund

HOVELAND SECURITY (+ \$500M)

- Provides critical funds for cyber infrastructure resilience and protection; FEMA public assistance grants to restore infrastructure across the nation; and DHS facilities

INTERIOR (+ \$1.9B)

- +\$700M for EPA water infrastructure programs
- Spurs cleanup of EPA Superfund sites to return them to productive use
- Addresses deferred maintenance and infrastructure at various government agencies

LABOR, HHS, EDUCATION (+ \$700M)

- +\$500M in CDC buildings and +\$200M for Social Security IT modernization

MILITARY CONSTRUCTION, VA (\$2.8B)

- +\$2B to address VA's medical facility backlog, providing our veterans with the well-maintained facilities they deserve

COMMUNITY DEVELOPMENT (+ \$1.9B)

- Addresses infrastructure needs in states and local communities to bolster economic growth

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