Appropriations & Community Project Funding

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Overview of the Appropriations Process in Congress

- **U.S. Constitution, Article I, Section 9, Clause 7** - *"No money shall be drawn from the treasury but in consequence of the appropriations made by law; and a regular statement of account of receipts and expenditures of all public money shall be published from time to time."*
- The one function Congress must do each year to keep the federal government functioning. If not, we risk a lapse in funding and government shutdown.
- Each Fiscal Year (FY) runs from October 1-September 30. We are currently in FY24, and the process to set spending for FY25 is underway.
- Each fiscal year, a new appropriations bill must be passed by both chambers and signed into law by the President that covers all 12 appropriations subcommittees and sets new spending levels to avoid a government shutdown.

Step One

- The 12 House Appropriations subcommittees review member requests, develop their bills, and begin holding subcommittee markups.
- This should happen roughly between April-May, now stretches into June-July.

Step Two

- The Appropriations Committee holds committee markups to amend the spending bills.
- This usually happens in May-June, now stretches into July or is not fully completed.

Step Three

- The House of Representatives considers each appropriations bill, with goal of completing all 12 by August Recess.
- Previously, Appropriations Committees has used “minibus” packages to get bills through on an expedited process.
- **House Republicans this Congress have demonstrated an unwillingness to use “minibus” packages for FY24 & FY25 appropriations.**

Step Four

- The Senate has its own process, which happens on a different timeline than the House.
- Reach out to the offices of Senator Jon Ossoff and Senator Raphael Warnock for details on the Senate funding timeline.

Step Five

- The two chambers conference their respective packages to pass a negotiated bill.
- This usually comes in the form of an omnibus combining most or all of the appropriations bills.
- This process typically stretches for several months since both sides negotiate an agreement.
- Continuing Resolution (CR) passed to keep government operating at previous fiscal year levels to avoid a shutdown while negotiations continue.
- **Continuing Resolutions (CRs) generally cannot be used to implement CPFs. A full-year FY25 funding bill does that.**

Step Six

- The President must sign a full-year appropriations bills or a temporary CR into law before September 30th to avoid a government shutdown.
- Republicans in the House Freedom Caucus seek further spending cuts below the levels that were agreed to in that negotiation.
- Currently, 7 of 12 appropriations bills have <u>not</u> passed the House.
- **Without a full-year funding bill, CPFs cannot be enacted into law.**

A Timeline of the Funding Process…

& the importance of managing expectations.

- President normally releases their fiscal year budget in early February.
  - FY24 and FY25, budgets were both released on March 9th of last year and this year, respectively.
  - The President's budget indicates to the American people and their Congressional representatives his administration's budget priorities and goals for the upcoming fiscal year.

- Appropriations request process typically happens between February-March – and varies year to year.
  - These requests include Community Project Funding, otherwise known as CPFs.
  - CPFs allocate funding for specific projects located in Congressmembers' districts.
  - This year and last year, each Congressmember's office was permitted to submit a total of 15 CPF requests. This is something that could change.
  - This year, the deadlines to submit these projects for FY25 were April of 2024.

- Please note: <u>the deadline to submit CPFs application for FY25 has already passed.</u>
  - This presentation is intended to guide you on the process for submitting projects for FY26.
  - The application process will likely begin in spring of 2025 (typically February-April), but the exact dates vary year to year.

Eligibility Requirements to Submit a Request for Community Project Funding (CPF)

Due to House Rules, eligibility requirements have little to no flexibility.

- CPFs are only eligible for governmental or non-profit entities.
  - However, in FY 2025, only governmental entities and public institutions of higher education were eligible for HUD Economic Development Initiative “EDI” projects (not non-profits).
  - Individuals or for-profit entities are strictly prohibited from receiving funding.
- Fully utilize all funds within a year of receipt from agency.
  - Funding may be clawed back if the original project cannot go forward, CPF funding will not be obligated. Funding is for the project as originally submitted
- Demonstrate strong community support.
  - Show this through multiple letters from, for example, mayors, state legislators, community stakeholders, constituents and positive media articles.
- Demonstrate how the federal funding will help address a specific community need and why its essential.
  - Projects located in GA-04 and which serve our constituents will receive priority consideration.
  - Help us understand why this request is important so we can fight for it.

Additional Guidance for Submitting a Request for Community Project Funding (CPF)

- Which appropriations subcommittee does your CPF fall under? Most likely:
  - **Transportation, Housing and Urban Development, and Related Agencies (THUD)**
  - **Interior, Environment, and Related Agencies (Interior)**
  - **Labor, Health and Human Services, Education (LHHS)**
    - Note: CPFs under LHHS were prohibited for FY24 & FY25 funding due to rules instituted by the Republican Majority.
  - **Agriculture, Rural Development, Food and Drug Administration**
  - **Commerce, Justice, Science, and Related Agencies**
  - **Energy and Water Development**
- Review Congressman Johnson's Submitted CPFs for FY25 as helpful examples.
- Review the guidelines released by the Republican Majority for FY25 to get a sense of what you can possibly expect for FY26.
  - FY25 THUD Guidance
  - FY25 Interior Guidance
  - These guides specify federal cost-sharing requirements, which vary across subcommittees and grant programs can impact eligibility.
  - Next year's guidelines are subject to change.

Common Pitfalls Among Submitted Community Project Funding (CPF) Requests

- Project is not a non-profit or governmental entity.
- Project isn't located in GA-04.
- Project doesn't meet cost-sharing requirements (review guidance for specifications).
  - Typically, 80%-20% or 75%-25% cost-sharing federal to non-federal split.
- Project is ineligible, e.g., falls under appropriate subcommittee.
- Project demonstrates insufficient community support or community need.
- Project's requested funding amount is unreasonably high, and application doesn't provide an itemized budget breakdown.
- Project utilizes a portion of funding for ineligible expenses, e.g., staff salaries and operational expenses (which were ineligible for FY24 & FY25 funding).
- To ensure eligibility for your CPF, closely review the guidance as soon as its released (anticipated to drop in spring 2025).

Let’s focus on the elements you can control.

- Familiarize yourselves with past CPF guidance so you have a sense of what kind of funding is eligible and what’s not.
- Seek to have your FY26 CPF application proposals completed by the end of February 2025 and ready for submission as soon as the application form goes live on Congressman Johnson’s website.
- Keep in mind the funding process is complex and subject to factors beyond our control. For this reason, we recommend against putting all your funding eggs into this one basket.
- Make sure your organization has contingencies in place in case Congress does not pass a funding bill, or cuts funding significantly, or significantly delays implementation of funding.
- Be sure to read and review all available guidance once it’s released.
- Be sure to include in your application:
  - Your organization’s full legal name and address.
  - A responsive point of contact for the organization (direct phone and email address), and
  - As much information you can to build a case for your project and its merits.
- If our office has questions about your application, we will follow-up directly to ensure we get everything we need.
  - Please be responsive and ready to provide additional information at a moment’s notice.

Other Helpful Resources…

- House Appropriations Committee CPF Guidance and Overview for FY25:
  - https://appropriations.house.gov/fiscal-year-2024-member-request-guidance

- FY 2024 Community Project Funding Tables:

Agriculture	Homeland Security
Commerce, Justice, Science	Interior, Environment
Energy and Water	Transportation, HUD
Military Construction, VA	

We are here to help!

- Congressman Hank Johnson's office stands ready to protect federal funding that helps your organization continue its great work for the people of Georgia's 4th District. Keep in touch, so we know what to fight for!
- Contact our D.C. office to set-up a virtual staff meetings or visit in-person with our District office staff.
- Email me Antwoin.Monach@mail.house.gov or Marcus Garza (our Chief of Staff) at Marcus.Garza@mail.house.gov with any additional questions.