

Monthly Legislative Update

September 26, 2017

NADO
NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS

Presentation Overview

- FY2018 Appropriations Update
- Status of Threatened Programs
- September Congressional To-Do List
- Looking Ahead: Tax Reform and Infrastructure
- Advocacy in the Region



FY2018 Appropriations Update

- House and Senate passed Continuing Resolution for FY2018 in early September
 - Deal brokered between President Trump and congressional Democrats
 - Funds programs at current levels through December 8
 - Temporarily lifts the debt ceiling through December 8
 - Provides initial emergency assistance for victims of Hurricane Harvey totaling \$7.85 billion; extends National Flood Insurance Program (NFIP) through December 8
 - Senate approved 80 to 17; House approved 316 to 90



FY2018 Appropriations Update

- CR buys time for House to pass a FY2018 budget, setting stage for reconciliation as a tool to move tax reform
- CR also necessary to allow for negotiation of a bipartisan budget deal to raise discretionary spending caps



FY2018 Appropriations Update

- House Action
 - FY2018 omnibus spending package passed by vote of 211 to 198 on September 14
- Numerous amendments approved on the House floor including \$100 million increase to CDBG, limiting funds for Sanctuary Cities



FY2018 Appropriations Update

- Omnibus package totals \$1.13 trillion in discretionary spending, violating the levels set by the Budget Control Act of 2011
- Senate Appropriations Committee has approved 6 of 12 bills



FY2018 Budget Caps

	FY2018 Budget Cap	FY2018 Passed House Budget	FY2018 Temporary Senate Budget Level
Defense	\$549b	\$621.5b	\$551b
Non-Defense	\$515.4b	\$511b	\$518.5b



EDA Program Breakdown

Budget figures are in millions	Final FY2017	President's Request FY2018	FY2018 Senate Request	FY2018 House Passed
Economic Development Administration	\$276	\$ -	\$254	\$176
Economic Development Assistance Programs	\$237	\$ -	\$215	\$140
Planning Grants	\$31.5	\$ -	\$33	*
Public Works	\$100	\$ -	\$100	*
Economic Adjustment Grants	\$35	\$ -	\$37	*
Technical Assistance	\$13	\$ -	\$9.5	*
Research & Evaluation	\$1.5	\$ -	\$1.5	*
Trade Adjustment Assistance	\$13	\$ -	\$13	*
Innovative Manufacturing Loans/Sec. 26	\$0	\$ -	\$0	*
Regional Innovation Program/Sec. 27	\$17	\$ -	\$21	\$17
Assistance to Coal Mining Communities	\$30	\$ -	\$0	\$30
Salaries and Expenses	\$39	\$30	\$39	\$36



FY2018 EDA Appropriations

- Rescission of unobligated balances: \$47 million in House bill; \$15m in Senate bill
- House-passed omnibus bill notes:
 - Within RIS, instructs EDA to support development of regional innovation clusters focused on advanced wood products and university-based business incubators
- Senate Appropriations Committee notes:
 - Instructs filling vacancies at regional offices
 - Highlights decline in forest-based economies and encourages EDA to work with communities and regions impacted
 - Cites projects converting historic railroad corridors to pedestrian, bicycle, and transit paths eligible for EDA funding when included in CEDS



Federal-State Regional Commissions

Budget figures are in millions	Final FY2017	President's Request FY2018	FY2018 Senate Request	FY2018 House Passed
Appalachian Regional Commission	\$152	\$ 30	\$142	\$130
Delta Regional Authority	\$25	\$ 3	\$25	\$15
Denali Commission	\$15	\$ 7	\$15	\$5
Northern Border Regional Commission	\$10	\$ 1	\$15	\$5
Southeast Crescent Regional Commission	\$.25	\$ 0	\$0	\$.25



FY2018 DOT Funding

Program	Final FY2017	President's Request FY2018	FY2018 Senate Request	FY2018 House Passed
Federal Aid Highways	\$43.2b	\$45b	\$45b	\$44.2b
Transportation Investment Generating Economic Recovery (TIGER)	\$500m	\$ -	\$550m	\$ -
Essential Air Service	\$175m	\$119m*	\$155m	\$150m

*Essential Air Service replaced by proposed by Transportation Aviation Assistance to Remote Areas Program



House Rescission of FHWA Contract Authority

- \$800 million rescission in highway contract authority included in the FY2018 House T-HUD bill
- Language prevents the rescission from applying to safety programs and funds sub-allocated within a state by population; requires each state to apply the rescission proportionally across programs
- Amendment to House-passed omnibus bill approved that would strike this language



FY2018 HUD Funding

Program	Final FY2017	President's Request FY2018	FY2018 Senate Request	FY2018 House Passed
Community Development Block Grant	\$3b	\$ -	\$3b	\$3b
Home Investment Partnerships (HOME)	\$950m	\$ -	\$950m	\$850m
Homeless Assistance Grants	\$2.4b	\$ -	\$2.4b	\$2.4b



Congressional To-Do List

- FAA Reauthorization; vote on 6-month extension failed this week (September 30 deadline)
- Affordable Care Act Repeal (September 30 deadline under FY2017 budget reconciliation)
- Supplemental Appropriations – Hurricanes Harvey, Irma, and Maria: Role for EDA

Tax Reform

- House proposal to be unveiled this week; reduction in corporate tax rate from 39 to 36 percent
- Senate plans to move tax cut plan as part of their FY2018 Budget Resolution, setting up consideration of the package under the budget reconciliation process
- Tentative agreement reached by Senate Budget Committee, details yet to be revealed; hope for a vote by the end of the month



Infrastructure

- House Transportation and Infrastructure Committee hearings on infrastructure this month
- NADO provided testimony on infrastructure and economic development on September 13 (House T&I Subcommittee on Economic Development, Public Buildings, and Emergency Management)
- Administration saying details to come this fall



Advocacy in the Region

- Start with the basics
 1. What is my issue?
 2. Prepare
 3. Deliver
 4. Follow-up

Advocacy Issues

- Strong FY2018 numbers for key programs:
EDA, CDBG, regional commissions, etc.
- Promote rural planning & infrastructure
- Preserve rural development in Farm Bill
- Support Brownfields reauthorization
- Urge spending for floodplain mapping



Save the Date

- Next Monthly Legislative Calls
 - Tuesday, October 31st at 2:00 p.m. ET
 - Tuesday, November 28th at 2:00 p.m. ET
- 2018 Washington Policy Conference:
March 19-21



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