



MEMORANDUM

To: Clients and Associates of Sustainable Strategies DC
From: Sarah Marin, Associate & Client Services Manager
Date: November 18, 2020
Subject: **Federal Funding Legislation – State of Play & Call to Action**

This memorandum provides information relevant to local governments and public agencies on the current state of play on federal legislative priorities, including a potential coronavirus stimulus bill and the FY2021 appropriations bills. This memo also provides a call to action urging you to contact your congressional delegation before Thanksgiving to urge them to move these critical pieces of legislation forward.

As the U.S. Congress moves into lame duck session and the end of the year approaches, Congress must still address critical federal funding legislation. Local governments and other sectors depend on Congress to complete the annual spending bills for the FY2021 fiscal year that was supposed to begin on October 1, 2020. Likewise, the American economy and essentially every sector, including local governments, still await action by Congress on the next COVID stimulus bill, which is needed to avoid failure of institutions, keep communities strong, and strengthen the economy.

However, it is not clear whether Congress is moving toward agreement on a COVID stimulus bill, and whether Congress will meet its self-imposed deadline of December 11, 2020, for finalizing the FY2021 federal spending bills. The timeline for getting both measures passed before the end of the year is tight, with both House and Senate out of session for the Thanksgiving holiday.

Now is the time for local governments to contact your U.S. Senators and Representatives to let them know that you need and expect swift and effective action on a COVID stimulus package that addresses the desperate needs of local governments and other key sectors, and also agreement on a final FY2021 spending bill package that puts resources into action for community rebuilding during this difficult year.

Below, we provide a call to action for local government leaders to contact your Members of Congress and Senators to push for final action on COVID stimulus that supports local communities, and a separate analysis of the FY2021 bills that have passed the House, and are awaiting action by the Senate.

CORONAVIRUS STIMULUS:

The federal government has not authorized a stimulus package since the \$2.2 trillion CARES Act was enacted in March, which was meant to support the economy, businesses, and localities only through the end of Summer 2020. As the coronavirus surges across the country, talks between Republicans and Democrats on another coronavirus relief bill remain tumultuous. Despite the desperate need for more funding, both sides (House Democrats and Senate Republicans) remain far apart on what should be included in a coronavirus stimulus package, and how large it should be. Both sides have agreed to include enhanced unemployment benefits in a second stimulus measure but remain divided on other items, including a national coronavirus testing and tracing program and funding for states and local governments.

House leadership, led by Speaker Nancy Pelosi, have called for a **\$2.2 trillion bill known as the HEROES Act 2.0**, a downsized version of the \$3.4 trillion HEROES Act passed by the House in May. This package would provide aid that includes a second \$1,200 stimulus check, **\$436 billion for State and local governments**, restoration of the \$600-per-week in enhanced unemployment benefits, and an increase in funding for schools, airlines workers and COVID testing.

Prior to the election, House Speaker Nancy Pelosi and Treasury Secretary Steven Mnuchin, speaking for the White House, had been negotiating a stimulus package that neared \$1.9 trillion in aid, close to the House HEROES Act figure; however, talks collapsed in the run-up to the election and have not started again since. Senate Leader Mitch McConnell has indicated that he would now take the lead on negotiations for the GOP in the next round of talks, and both McConnell and Pelosi have signaled they want to pass legislation before President-elect Joe Biden takes office.

McConnell has been advocating for a much smaller, more targeted coronavirus stimulus bill than what House Democrats have proposed. This bill would provide approximately **\$500 billion** in aid focusing on the revival of the Paycheck Protection Program for small businesses and \$300 per week in enhanced unemployment insurance and liability protections for businesses and nonprofits. Much of this bill would include funds that will be repurposed from the CARES Act, with roughly \$135 billion in unspent funds from the first tranche to be reallocated. **Note that the McConnell proposal does not include any aid for states and local governments, nor a second direct payment for Americans.**

With negotiations stalled, it has become more important than ever that Congress hear from localities to ensure that there are necessary resources for cities, towns and counties to recover and rebuild from the coronavirus crisis in the next coronavirus stimulus bill. The National League of Cities (NLC), has established the **"Cities are Essential"** campaign, which calls for \$500 billion in direct federal aid and economic relief from the COVID-19 pandemic over the next two years to support communities. NLC, Sustainable Strategies DC, and others insist that this new local government relief funding should not have the unworkable restrictions that were part of the CARES Act's Coronavirus Relief Fund; specifically, the next stimulus should provide direct aid to local governments regardless of their population size, and should not be restricted to public health supplies and needs, but should instead allow for a variety of local government fiscal needs. **We encourage local government leaders to utilize NLC resources to advocate the need for additional coronavirus funding to Congress, and ask that you contact your own Senators to press for a bill that provides major, flexible funding to local governments of all sizes.**

HIGHLIGHTS OF THE CONGRESSIONAL FY2021 APPROPRIATIONS PROCESS:

In addition to coronavirus stimulus discussions, both the House and the Senate have begun the FY2021 spending bill (appropriations) process and have indicated that they plan to complete appropriations by December 11 to avoid a government shutdown. Sustainable Strategies DC has reviewed the House and Senate bills and provide an overview of the key takeaways, changes, and side-by-side comparisons from both chambers of Congress for the federal programs of importance to local governments.

Sustainable Strategies DC encourages you to put calls and emails into your U.S. Congressional delegation now to urge them to find agreement on final FY2021 appropriations bills at levels which meet the needs of local governments to maintain and rebuild communities during this critical time.

The proposed FY2021 appropriations include moderate increases across the board for federal funding programs of importance to local governments. A summary of the FY2021 appropriations bills as they pertain to local government priorities, broken down by spending categories, can be found below. We strongly suggest that your locality identify two or three programs of major importance from the list to make a compelling appeal to your congressional delegation on why these funds are critical in FY2021. In particular, you should consider voicing your support for the proposed increases in funding to the following key federal programs:

- **Department of Transportation:** Support the more robust House spending bill provisions for the Highway Trust Fund at \$61.9 billion, and the U.S. DOT BUILD Grants at \$4 billion.
- **Water/Sewer/Stormwater Infrastructure:** Support the House mark of \$10.2 billion for emergency water, sewer, and stormwater infrastructure grants.
- **Brownfield Grants:** Support the more robust House mark of \$440 million for EPA brownfields and emergency brownfield grants.

It is best to contact your Representatives and Senators directly, if you have a relationship with them already, or you can [contact their Washington, DC office](#) front desk and express your concerns.

If you do not already have a personal relationship with your Members of Congress, contact the District Director in your area of your state by looking up that office's number on the Senator/Representative web site, or call the Member's Washington, DC office and ask to speak with the Legislative Director.

Be ready with a story or two about how these kinds of funding have already made a positive difference in your locality, or how such funding will be critical to your needs in the coming year. Ideally, you will send them an email with your request for support for a robust Coronavirus stimulus package with funding for local governments, and robust FY2021 spending bill package which supports localities, and then follow up directly with a phone call. **Now is the time to make these communications!**

Sustainable Strategies DC is ready and willing to work with you to prepare for upcoming Coronavirus and Appropriations deadlines that align with your community's funding agenda. If you need any support, please contact us.

Program	FY2020 Enacted	House FY2021 Passed	Senate FY2021 Proposed
<i>Homeland Security</i>			
FEMA Staffing for Adequate Fire & Emergency Response (SAFER)	\$355 million	\$385 million ↑ \$30 million	\$355 million //
FEMA Assistance to Firefighters (AFG)	\$355 million	\$385 million ↑ \$30 million	\$355 million //
<i>Department of Commerce</i>			
Economic Development Administration (EDA)	\$319.5 million	\$356 million ↑ \$23 million	\$299 million ↓ \$20.5 million
SBA Entrepreneurial Development Program	\$261 million	\$277 million ↑ \$16 million	\$259.5 million ↓ \$1.5 million
<i>Department of Justice</i>			
Community Oriented Policing Service (COPS)	\$343 million	\$343 million //	\$360 million ↑ \$17 million
COPS Hiring Grants	\$235 million	\$231 million ↓ \$4 million	\$239 million ↑ \$4 million
Community Policing Development	\$6.5 million	\$6.5 million //	\$28 million ↑ \$21.5 million
Training, Peer Mentoring, and Mental Health Program Activities	\$5 million	\$5 million //	\$10 million ↑ \$5 million
Police-Community Relations	\$67.5 million	\$77.5 million ↑ \$10 million	\$95 million ↑ \$27.5 million
Body-Worn Cameras	\$22.5 million	\$27.5 million ↑ \$5 million	\$35 million ↑ \$12.5 million
Justice Reinvestment Initiative (for activities related to criminal justice reform and recidivism reduction)	\$28 million	\$30 million ↑ \$2 million	\$35 million ↑ \$7 million
Edward Byrne Memorial Criminal Justice Innovation Program	\$17 million	\$20 million ↑ \$3 million	\$25 million ↑ \$8 million
Bulletproof Vest Partnership	\$27.5 million	\$29 million ↑ \$1.5 million	\$30 million ↑ \$2.5 million
Opioid Prevention	\$378 million	\$412 million ↑ \$34 million	\$392 million ↑ \$14 million
Drug Courts	\$80 million	\$85 million ↑ \$5 million	\$82 million ↑ \$2 million
Mental Health Courts & Adult Juvenile Collaboration Program Grants	\$33 million	\$43 million ↑ \$10 million	\$35 million ↑ \$2 million

Residential Substance Abuse Treatment for State Prisoners	\$31 million	\$35 million ↑ \$4 million	\$34 million ↑ \$3 million
Veterans Treatment Courts Program	\$23 million	\$30 million ↑ \$7 million	\$24 million ↑ \$1 million
Prescription Drug Monitoring	\$31 million	\$31 million //	\$32 million ↑ \$1 million
Comprehensive Opioid Abuse Program	\$180 million	\$188 million ↑ \$8 million	\$185 million ↑ \$5 million
Keep Young Athletes Safe Act Competitive Grants	\$2.5 million	\$2.5 million //	\$2.5 million //
STOP School Violence Act Grants	\$75 million	\$87 million ↑ \$12 million	\$67 million ↑ \$8 million
<i>Department of Interior</i>			
Land & Water Conservation Fund	\$208.4 million	\$900 million *Shifted to Mandatory Appropriations	\$900 million *Shifted to Mandatory Appropriations
Historic Preservation Fund	\$118.6 million	\$136 million ↑ \$17.4 million	\$138 million ↑ \$19.4 million
Save America's Treasures Grants	\$16 million	\$25 million ↑ \$9 million	\$16.5 million ↑ \$.5 million
Competitive Grants to Preserve the Sites & Stories of Underrepresented Community Civil Rights	\$18.75 million	\$22.25 million ↑ \$3.5 million	\$20.75 million ↑ \$2 million
Historic Revitalization Grants	\$7.5 million	\$7.5 million //	\$7.5 million //
<i>Environmental Protection Agency</i>			
Brownfields Grants	\$89 million	\$90 million ↑ \$1 million	\$89 million //
Clean Water and Drinking Water State Revolving Funds	\$2.76 billion	\$2.76 billion //	\$2.765 billion ↑ \$5 million
Emergency Infrastructure Brownfields Funds	//	\$350 million ↑ \$350 million	//
Emergency Infrastructure Clean Water and Drinking Water State Revolving Funds	//	\$10.2 billion ↑ \$10.2 billion	//
<i>National Endowment for the Arts</i>	\$162.25 million	\$170 million ↑ \$7.75 million	\$162 million ↓ \$250,000
<i>National Endowment for the Humanities</i>	\$162.25 million	\$170 million ↑ \$7.75 million	\$162 million ↓ \$250,000
<i>Department of Transportation</i>			

Capital Investment Grants (CIG)	\$2 billion	\$2.175 billion ↑ \$175 million	\$1.89 billion ↓ \$110 million
New Fixed Guideway Projects	\$1.5 billion	\$1.25 billion ↓ \$250 million	\$1.12 billion ↓ \$380 million
Core Capacity Projects	\$300 million	\$525 million ↑ \$225 million	\$400 million ↑ \$100 million
Expedited Project Delivery Pilot Program	\$100 million	\$100 million //	\$150 million ↑ \$50 million
National Infrastructure Investment Grants (also known as BUILD)	\$1 billion	\$4 billion* ↑ \$3 billion *includes \$3 billion in emergency relief to respond to the coronavirus pandemic	\$1 billion //
Consolidated Rail Infrastructure Safety Improvements (CRISI)	\$325 million	\$5.5 billion* ↑ \$5.175 billion *includes \$5 billion in emergency relief to respond to the coronavirus pandemic	\$340 million ↑ \$15 million
Highway Trust Fund	\$46.3 billion	\$61.9 billion ↑ \$14.7 billion	\$46.365 billion ↑ \$65 million
Transit Infrastructure Grants	\$510 million	\$510 million //	\$701.7 million ↑ \$191.7 million
<i>Department of Housing & Urban Development</i>			
Community Development Block Grants	\$3.4 billion	\$3.5 billion ↑ \$100 million	\$3.455 billion ↑ \$55 million
Choice Neighborhoods Initiative	\$175 million	\$250 million ↑ \$75 million	\$100 million ↓ \$75 million
Section 108 Loan Guarantee	\$300 million	\$300 million //	\$300 million //

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