



# Omnibus Schmomnibus: The New Federal Fiscal Year

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AKA: WHEN LIFE GIVES YOU LEMONS...  
NOVEMBER 13, 2019

# Today's Webinar



Introductions



An Overview of Federal Funding Structures



A Short History of 23 Years Without A Budget



Update for FY20: Omnibus, Shutdown, and Appropriations Bills



All the Questions!



# The Series

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April 2019

Great Grantwriting: A Crash Course in Storytelling

June 2019

Friends, but Not Too Close: Nonprofit & Local Gov Grant Partnerships

August 2019

Alphabet Soup: A Guide to Federal Funding Agencies

October 2019

Omnibus Schmomnibus: The New Federal Fiscal Year

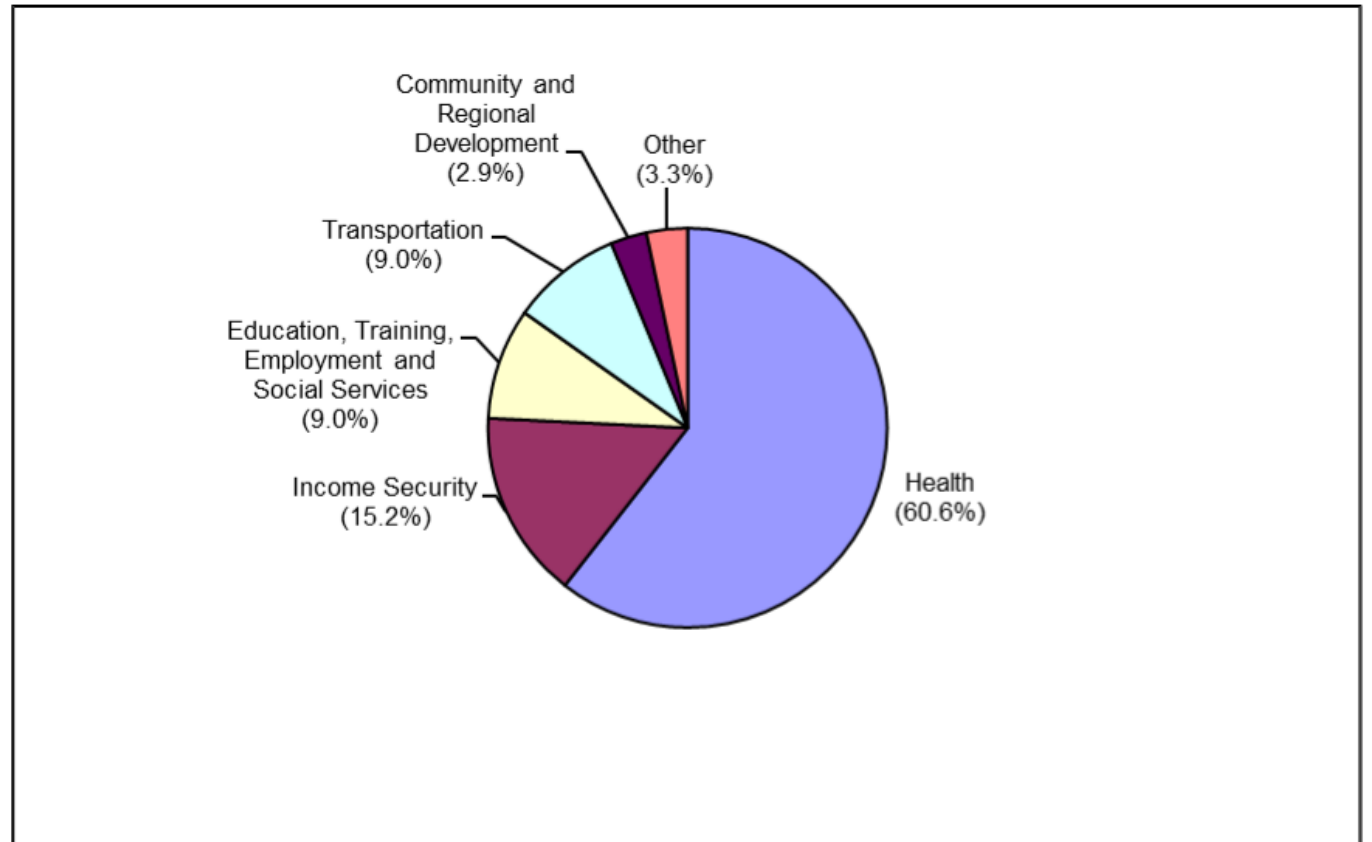
December 2019

So You Got The Money: Administering Federal and State Grants and Loans

# Federal Funding: The Basics

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- \$750 billion
- $\frac{1}{3}$  of total state spending
- $\frac{1}{2}$  of state funding for health care & public assistance



**Source:** U.S. Office of Management and Budget, *Budget of the United States Government, Fiscal Year 2020: Historical Tables*, Table 12.3, Total Outlays for Grants to State and Local Governments, at <http://www.whitehouse.gov/omb/budget/Historicals>.

Federal Fiscal Year: November 1 to September 30

# Discretionary Funding: Our Focus Today

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## Mandatory Federal Funding

All spending that doesn't take place through appropriations

Entitlement programs (Social Security, Medicare)

Required interest spending on federal debt

$\frac{2}{3}$  of federal government's own activities and spending

Typically, but not always, ongoing

## Discretionary Federal Funding

Subject to the appropriations process

Changes each fiscal year

Accounts for about a third of the federal government's own activities and spending

Sometimes in an omnibus bill

Department of Defense, major programs as well as other smaller programs

Almost all educational spending is discretionary with a few exceptions

01	Medicaid	• \$418.7 billion in FY 2019
02	Federal-Aid Highways	• \$43.9 billion in FY 2019
03	Child Nutrition	• \$23.9 billion in FY 2019
04	Tenant Based Rental Assistance (Section 8)	• \$22.3 billion in FY 2019
05	Children's Health Insurance Fund	• \$18.4 billion

Education for the Disadvantaged \$17.4 billion;  
TANF \$16.5 billion;  
Special Education \$13.2 billion;  
State Children and Families Services Programs \$10.9 billion;  
Urban Mass Transportation Grants \$10.3 billion;  
Disaster Relief Fund \$10.2 billion

Department	Programs
<b>Agriculture including Rural Development</b>	Farmers' Market & Ag Promotion; Ag Census; Senior/Youth Farm Purchasing programs; WIC/SNAP Through USDA RD: Water/Waste Infrastructure; Rural Housing; Electric Cooperatives; Grant/loan combination for w/ww, community facilities, business incubation; disaster recovery
<b>Justice</b>	Law enforcement grants for various audiences, to increase capacity internally and externally to meet new constituent needs
<b>Commerce</b>	Small Business Loans; EDA – TA, grants, loans, disaster recovery
<b>National / Community Service</b>	AmeriCorps, PeaceCorps, FoodCorps, etc.
<b>Education</b>	Multiple smaller programs; typically offered via states / school districts
<b>Health &amp; Human Services</b>	Family & Youth Services Bureau; Aging; Primary Health Centers;
<b>Housing &amp; Urban Development</b>	Rental assistance programs; developer incentives; TA in some cases; weatherproofing and home renovation for LMI populations (some by state vs fed); CDBG & Continuum of Care (CoC) programs
<b>Transportation</b>	DOT cost-shares and road financing, grants for bike/ped, and TA/planning Includes rail, aviation, water, transit, etc. as well as highways
<b>Environmental Protection</b>	Grants for pollution prevention, environmental education; Brownfields/Blueways
<b>Nat'l Endowment for the Arts</b>	Art, library, and community initiative programs
<b>Interior</b>	Historic, natural, and cultural preservation programs



# We don't need no stinkin' budget

**It is the 23<sup>rd</sup> year in a row that Congress failed to pass appropriations prior to the start of the new fiscal year.**

When this happens, we get a CR (Continuing Resolution) that allows the government to stay open temporarily – in this case, through Nov. 21, 2019.

## **US House of Representatives**

- Passed 10 of 12 spending bills on time

## **US Senate**

- Failed to pass any bills by the deadline

## **Current Senate Status**

After failed negotiations after the end of the fiscal year, considered an omnibus of five bills:

- Agriculture, Rural Development, and the Food & Drug Administration;
- Commerce, Justice, and Science;
- Interior and Environment;
- Military Construction and Veterans Affairs; and
- Transportation and Housing & Urban Development

# Current Status of Budget Negotiations

## Four Bills Passed October 31, 2019

- Agriculture, Rural Development, and the Food & Drug Administration;
- Commerce, Justice, and Science;
- Interior and Environment;
- ~~Military Construction and Veterans Affairs;~~ and
- Transportation and Housing & Urban Development

## August Agreement to Raise Spending Caps:

- increases spending caps and budget by \$320 billion and authorizes additional borrowing with no deficit offsets
- Domestic up by \$100 bn; \$2.5 bn for 2020 census; \$10 bn more domestic than military

### Budgetary Effect of Budget Deal

Component	Ten-Year Cost/Savings (-)
Direct cost of cap increases	\$320 billion
Offsets	-\$55 billion
Interest	\$95 billion
<b>Subtotal, Direct Cost</b>	<b>\$360 billion</b>
Effect on baseline	\$1.2 trillion
Interest	\$155 billion
<b>Total</b>	<b>\$1.7 trillion</b>

Source: [Draft budget deal](#), CBO, and CRFB calculations.

Note: Numbers are rounded to the nearest \$5 billion.



Hard Deadline for Shutdown:

~~November 21, 2019~~ | [Just Kidding, Now It's December 20, 2019](#)

# More for Local Governments

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How do you make this matter to you?

- [Federal Budget Principles 2020](#)

- [National Association of Counties \(NACO\)](#)

- [Appropriations Status Table \(OMB\) for FY 2020](#)



**Opioid epidemic response:** H.J. Res. 31 makes continued investments in key justice and public safety programs that help counties address the nation's ongoing opioid epidemic.



**Payments in Lieu of Taxes (PILT):** The FY 2019 appropriations bill fully funds the Payments in Lieu of Taxes (PILT) program, a majority priority for NACO and a critical source of support for public lands counties.



**Rural broadband:** The FY 2019 omnibus package makes new investments in rural infrastructure and pilots a program to build out broadband systems in rural areas without broadband.



**Homeless assistance and economic development funding sustained:** Essential federal funding streams counties use for economic development and housing assistance remain robust, including funding for the Community Development Block Grant (CDBG) and homeless assistance grants.



**State Criminal Alien Assistance Program (SCAAP):** The State Criminal Alien Assistance Program (SCAAP) receives a funding increase, helping states and counties recoup costs for incarceration in local jails.

# Questions?

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ENGAGING  
THE BRIGHTEST MINDS  
IN LOCAL  
GOVERNMENT

# Upcoming Webinars in the Series

**December 11, 2019**

Whew. You Got the Money! Now the Real Work Begins: *Successfully administering federal and state grants and loans*

**...with special guest & ELGL Rockstar member  
Laura Hardwicke, Grants Coordinator,  
Metropolitan Nashville Planning Department**

Administering grants - and even most loans - with in-house staff and capacity is possible, but it takes some effort, planning, and commitment. Join us for an overview of the challenges and benefits you should consider before deciding whether or not to administer grants and loans in-house or contract these services to an outside firm.