

MEMORANDUM

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CSAC Washington Representatives

CC: DeAnn Baker, Director of Legislative Affairs, CSAC

DATE: January 14, 2014

SUBJECT: Appropriators Reach Agreement on Fiscal Year 2014 Omnibus Appropriations Bill

On Monday, January 13, congressional appropriators unveiled the details of a long-awaited fiscal year 2014 omnibus spending package. The nearly 1,600-page bill (HR 3547) would fund federal government operations through September 30, 2014 at the \$1.012 trillion spending level established by the recent Ryan-Murray budget agreement.

Overall, the legislation - which combines all 12 previously unfinished appropriations measures - would provide a \$26 billion increase in spending compared to current levels, or \$45 billion more than required under the 2011 *Budget Control Act*. Under the bill, a number of agencies are slated to receive budgetary increases, while several departments, including Transportation and Homeland Security, would experience a decline in funding.

At the county level, numerous programs are scheduled for increases in fiscal year 2014, while several programs will see moderate funding reductions. Notably, the omnibus does not provide funding for the Payments-in-lieu-of-Taxes (PILT) program. The final bill does note, however, that the House and Senate Appropriations Committee have been given assurances that PILT payments for fiscal year 2014 will be addressed expeditiously by the appropriate authorizing committees. For its part, CSAC is currently working with members of the California congressional delegation and other key stakeholders in an effort to identify a legislative vehicle that could restore funding for the vitally important program.

Looking ahead, congressional leaders are optimistic that the final omnibus will be voted on and approved in the coming days. In the meantime, Congress is expected to pass a short-term continuing resolution (CR) that will fund the federal government through the end of the week; such a step is

necessary in order to avoid a lapse in federal spending on January 15, which is the day the current CR is slated to expire.

Below is a detailed summary of the fiscal year 2014 omnibus appropriations bill.

DEPARTMENT OF JUSTICE

Congressional appropriators provided an overall three percent increase for programs under the Commerce-Justice-Science (CJS) title of the final spending measure. While several law enforcement agencies, including the Federal Bureau of Investigation and the Drug Enforcement Administration, are in line for sizable boosts, a number of individual grant programs would be cut.

State Criminal Alien Assistance Program (SCAAP)

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
	\$250 million	\$180 million

SCAAP provides partial reimbursement to counties for the costs incurred for incarcerating undocumented criminals. The state of California and its counties traditionally receive between 35 and 40 percent of SCAAP funding.

Community Oriented Policing Services (COPS) Hiring Grants

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$257 million	\$187 million	\$180 million

DOJ provides assistance to local governments through the COPS hiring grant program. In the latest round of grant funding, the COPS Office focused on three priority areas: school resource officers, military veterans, and homicide and gun violence.

Byrne Justice Assistance Grants (JAG)

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FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$395 million	\$366 million	\$376 million

The JAG program provides states, local governments, and tribes with funding to support a wide range of program areas, including law enforcement, prosecution and courts, crime prevention and education, corrections, drug treatment and enforcement, and crime victim and witness initiatives.

Residential Substance Abuse Treatment (RSAT)

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$19 million	\$12.5 million	\$10 million

The RSAT program assists states and local governments in developing and implementing substance abuse treatment programs in correctional and detention facilities. The program also helps create and maintain community-based aftercare services for offenders.

Second Chance Act - Offender Reentry Programs and Research

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$119 million	\$64 million	\$67.7 million

The Second Chance Act is designed to help individuals transition from prison or jail to their communities. The Act authorizes grants to state and local governments for demonstration projects to promote safe and successful community reintegration.

Juvenile Accountability Block Grant (JABG)

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$30 million	\$23 million	

The omnibus spending bill zeroes out the JABG program. However, the legislation provides \$55.5 million for Part B-State Formula Grants (see below), \$10 million of which can be used for JABG-related activities, including building, expanding, renovating, or operating temporary or permanent juvenile correction facilities. The bill directs the Office of Justice Programs to work with states to understand how Part B funding can be used for purpose areas where JABG and Part B overlap.

Juvenile Justice and Delinquency Prevention Act, Part B - State Formula Grants

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$70 million	\$43 million	\$55.5 million

Part B funding authorizes grants to States and local governments to assist in planning, establishing, and operating projects for the development of education, training, research, prevention, diversion, treatment, and rehabilitation programs in the area of juvenile delinquency.

Title V Local Delinquency Prevention Incentive Grants Program

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$56 million	\$20 million	\$15 million

The Title V prevention program provides resources through state advisory groups to units of local government for a broad range of delinquency prevention programs and activities to benefit at-risk youth.

Youth Mentoring Grants

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$58 million	\$90 million	\$88.5 million

Youth mentoring grants support programs aimed at assisting youth that are at risk of educational failure, dropping out of school, or involvement in delinquent activities, including gangs.

DEPARTMENT OF HOMELAND SECURITY

HR 3547 would provide the Department of Homeland Security (DHS) with \$39.3 billion in fiscal year 2014, a reduction of \$336 million compared to the fiscal year 2013 enacted level. The bill provides a total of \$2.5 billion for first responder grants, \$39 million above fiscal year 2013.

Notably, the DHS title of the omnibus includes a one-year delay in certain insurance rate increases under the National Flood Insurance Program (NFIP). Pursuant to the *Biggert-Waters Flood Insurance Reform Act of 2012* (BW-12), many homeowners and business were slated to see their NFIP premiums increase beginning this year. A number of lawmakers in the House and Senate, in response to concerns that many property owners would experience a dramatic increase in flood insurance costs, have been pushing Congress to delay the BW-12 rate increases in order to provide FEMA and Congress with an opportunity to address affordability issues.

State Homeland Security Program (SHSP)

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FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
*President's Budget proposed consolidation of a number of DHS grant programs	\$346 million	\$446 million

SHSP supports the implementation of homeland security strategies that address the planning, organization, equipment, training, and exercise needs of states and local governments.

Urban Area Security Initiative (UASI)

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FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
*President's budget proposed consolidation of a number of DHS grant programs	\$475 million	\$600 million

UASI funds address the planning, organization, equipment, training, and exercise needs of high-threat, high-density urban areas. The program is designed to assist high-threat areas in building an enhanced and sustainable anti-terrorism prevention and response system.

Assistance to Firefighter Grants

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$670 million	\$675 million	\$680 million

Assistance to Firefighters Grants help address the staffing, equipment, training and health and safety needs of local fire departments.

Emergency Management Performance Grants (EMPG)

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$350 million	\$332 million	\$350 million

EMPGs are formula grants provided to state and local governments to sustain and enhance the effectiveness of their emergency management programs. FEMA provides states the flexibility to allocate funds according to risk and to address the most urgent state and local needs in disaster mitigation, preparedness, response, and recovery.

TRANSPORTATION-HOUSING AND URBAN DEVELOPMENT

The omnibus spending bill would provide \$50.8 billion in discretionary funding for the Departments of Transportation (DOT) and Housing and Urban Development (HUD), a cut of \$961 million from the fiscal year 2013 enacted level. Notably, the legislation does not include federal funding for high-speed rail.

Department of Transportation

HR 3547 includes \$17.8 billion in discretionary appropriations and allows \$53.5 billion in non-discretionary "obligation limitation" funding for DOT. This is \$164 million below the fiscal year 2013 enacted level and \$4.9 billion below the president's budget request.

The legislation provides a slight boost in funding for the Federal Highway Administration and moderate cuts in Federal Transit Administration (FTA) and Federal Aviation Administration (FAA) funding.

Federal-aid Highways Obligation Limitation

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$41 billion	\$40.4 billion	\$41 billion

The omnibus provides \$41 billion in obligation limitation funding for the Federal Highway program, which reflects the funding levels included in last year's transportation reauthorization law (MAP-21). Under MAP-21, there are four "core" highway programs that are funded from the obligation limitation, including the Surface Transportation Program (STP), the Congestion Mitigation and Air Quality Improvement (CMAQ) Program, the Highway Safety Improvement Program (HSIP), and the National Highway Performance Program.

TIGER Grants

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$500 million	\$447 million	\$600 million

The Transportation Investment Generating Economic Recovery (TIGER) grant program was first created in the 2009 economic stimulus bill. The program allows local governments to apply for funding for transportation projects that will have a significant impact on the nation, a metropolitan area, or a region.

Transit Formula Program (Formerly Formula and Bus Grants)

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$8.6 billion	\$8.48 billion	\$8.6 billion

Transit formula grants support capital investment, state of good repair, safety, planning, bus and railcar purchases and maintenance, facility repair and construction, and operating expenses. FTA's formula grant programs are funded from the Mass Transit Account of the Highway Trust Fund.

Capital Investment Grants

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$1.9 billion	\$1.85 billion	\$1.9 billion

Capital Investment Grants support the construction of capital projects that provide new and expanded transit service. This funding, coupled with \$151 million in prior year unobligated balances, would provide approximately \$2.1 billion for transit projects in fiscal year 2014.

Airport Improvement Program (AIP)

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$2.9 billion	\$3.35 billion	\$3.35 billion

The AIP provides grants to public agencies - and, in some cases, to private owners and entities - for the planning and development of public-use airports that are included in the National Plan of Integrated Airport Systems.

HOUSING AND URBAN DEVELOPMENT

The legislation includes a total of \$32.8 billion for HUD programs, or \$687 million below the fiscal year 2013 enacted level. The bill does not contain funding for any new, unauthorized "sustainable," "livable," or "green" community development programs, and includes provisions to streamline and reduce costs of housing voucher programs to save taxpayer dollars.

Community Development Block Grant (CDBG)

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$2.8 billion	\$2.95 billion*	\$3.03 billion

^{*}Does not reflect \$16 billion in CDBG funding appropriated by the Disaster Relief Appropriations Act, 2013 (PL 113-2). These funds were intended primarily to respond to the effects of Hurricane Sandy that impacted the Atlantic Coast in October 2012.

CDBG assists state and local governments in addressing local priorities and needs. The funding is used for a wide range of community and economic development activities, such as public infrastructure improvements, housing rehabilitation and construction, job creation and retention, and public services.

HOME Investment Partnerships Program

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$950 million	\$950 million	\$1 billion

The HOME program provides flexible formula grant assistance to state and local governments to increase the supply of affordable housing and expand homeownership for low income households. Communities often use funds in partnership with local non-profit groups to support a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership, or provide direct rental assistance to low-income individuals.

Choice Neighborhoods Initiative

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$400 million	\$120 million	\$90 million

The Choice Neighborhoods program funds competitive grants to transform neighborhoods of extreme poverty into sustainable, mixed-income neighborhoods with well-functioning services, schools, public assets, transportation, and access to jobs.

Homeless Assistance Grants

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$2.38 billion	\$1.9 billion	\$2.1 billion

Homeless Assistance Grants provide housing and supportive services to homeless families and individuals across the country. The program awards funds through formula and competitive processes.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

The Labor-HHS-Education section of the omnibus includes \$156.8 billion in discretionary funding, or roughly \$100 million below the fiscal year 2013 enacted level. While selected health programs did relatively well in the largest domestic spending bill, both the Education and Labor departments are slated for budget cuts.

Temporary Assistance for Needy Families (TANF)

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$16.5 billion	\$16.5 billion	\$16.5 billion

TANF continues to operate on short-term reauthorizations. The omnibus extends the program through September 30, 2014.

Foster Care

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$4.2 billion	\$4.2 billion	\$4.2 billion

The Foster Care program provides payments to families caring for foster children under Title IV-E of the Social Security Act. Approximately 150,000 children per month receive federal foster care payments.

Social Services Block Grant (SSBG)

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$1.7 billion	\$1.7 billion	\$1.7 billion

SSBG is a mandatory program providing each state with a set amount of flexible funding that it may use to fund a wide variety of social services programs.

Low-Income Home Energy Assistance Program (LIHEAP)

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$3 billion	\$3.5 billion	\$3.4 billion

LIHEAP assists low-income families with their payments for heating or cooling their home. The omnibus restores the sequestration cut.

Child Support Enforcement

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$4 billion	\$4 billion	\$4 billion

The federal child support program is an entitlement and provides states with a 66 percent administrative match for child support administration.

Head Start

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$9.6 billion	\$8 billion	\$8.5 billion

Head Start is a discretionary program that funds pre-school, infant and toddler programs to nearly one million low-income children. The fiscal year 2014 spending bill restores the sequester cut and provides funding to grantees at fiscal year 2012 levels.

Child Care Development Fund

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$2.4 billion	\$2.2 billion	\$2.3 billion

The child care development fund is a discretionary program to states to support child care for needy families. HR 3547 restores the sequester cut and appropriates an additional \$100 million to reflect the administration's focus on child care.

Older Americans Act Programs

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$1.4 billion	\$1.3 billion	\$1.3 billion

The newly-named Administration for Community Living provides funding to support a number of caregiver, nutrition, and other services to support older Americans, primarily through a network of Area Agencies on Aging. The Older Americans Act continues to await a congressional reauthorization.

Elder Justice Act (EJA)

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$8 million		

Enacted as part of the *Affordable Care Act* (ACA), the EJA authorizes funds for state and local adult protective services programs. To date, Congress has not appropriated funding for this EJA initiative.

Community Services Block Grant (CSBG)

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$350 million	\$682 million	\$674 million

CSBG funds services provided by a network of community action agencies and other community-based organizations to support low-income populations.

Medicaid

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$284 billion	\$266.5 billion	\$284 billion

Medicaid is funded by federal, state and local governments. As an entitlement, it is not subject to the appropriation process. The projected \$18 billion federal increase in Medicaid is due largely to the anticipated costs of serving newly-eligible individuals under the ACA.

Ryan White HIV/AIDS Program

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$2.4 billion	\$2.3 billion	\$2.3 billion

Serving over a half million people with HIV/AIDS, Ryan White supports a number of programs, including funding metropolitan areas with high numbers of people affected by the disease. The program also provides significant support for drugs to fight the virus via the AIDS Drug Assistance Program.

Maternal and Child Health Block Grant (MCH)

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$638 million	\$650 million	\$634 million

Each state receives an MCH grant based on a formula. Funding supports preventive and primary care services and services provided to children with special health care needs. Many counties receive this funding.

Preventive Health and Health Services Block Grant

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
	\$80 million	\$160 million

The Preventive Health Block Grant is used by state and local health departments to perform public health activities. As part of the omnibus, the Appropriations committees divided up the entire Prevention and Public Health Fund (see below) and allocated that funding among a number of health programs.

Prevention and Public Health Fund (PPHF)

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$755 million	\$809 million	\$1 billion

Enacted as part of the ACA, the PPHF provides \$15 billion over ten years to support public health initiatives, including efforts made by state and local health departments. While \$1 billion was appropriated, Congress allocated fiscal year 2014 funding among a number of programs, arguing that the administration had been using the PPHF as a 'slush' fund to underwrite a number of ACA initiatives.

Other Human Services-Related Programs of Interest

Supplemental Nutrition Assistance Program (SNAP)

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$78.4 billion	\$78.6 billion	\$82.2 billion

SNAP is an entitlement program that provides support for low-income families to meet their food and nutrition needs. The number of participants increased slightly in 2013 due to the slow economy. SNAP is serving 47 million participants per month.

Workforce Investment Act (WIA) Programs

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$2.7 billion	\$2.6 billion	\$2.6 billion

WIA funds a variety of employment and training programs for target populations. The omnibus increases the state set-aside from 5 percent to 8.75 percent. Funding supports adult employment and training, youth activities, and dislocated workers.

ENERGY AND WATER RESOURCES

The Energy and Water title of the omnibus funds the Energy Department, U.S. Army Corps of Engineers, Bureau of Reclamation, and other agencies. The bill provides \$777 million more than the fiscal year 2013 enacted level, excluding reductions stemming from the sequester and money allocated for disaster relief after Hurricane Sandy.

Bureau of Reclamation

WaterSMART Grants

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$12 million	\$12.2 million	\$19 million

The WaterSMART program focuses on expanding limited water supplies in the West to reduce conflict, facilitate solutions to complex water issues, and meet the growing needs of expanding municipalities, the environment, and agriculture.

Title XVI Water Reclamation and Reuse Projects

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$14 million	\$20.2 million	\$21.5 million

Through the Title XVI program, the Bureau of Reclamation identifies and investigates opportunities to reclaim and reuse wastewaters and naturally impaired ground and surface water in the 17 Western States and Hawaii. Title XVI provides funding for planning studies and the construction of water recycling projects, on a project specific basis, in partnership with local governmental entities.

ESA Recovery Implementation

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$21.2 million	\$22.8 million	\$21.2 million

This program provides for the development and implementation of measures for the preservation, conservation, and recovery of endangered or threatened species that are resident in, or migratory to, habitats affected by the operation of Reclamation projects.

Environmental Protection Agency (EPA)

Clean Water State Revolving Fund

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FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$1.1 billion	\$1.4 billion	\$1.45 billion

The Clean Water State Revolving Fund (CWSRF) helps EPA provide low-interest loans for communities to upgrade their wastewater treatment systems. CWSRF projects include nonpoint source, estuary, stormwater, and sewer overflow projects.

Drinking Water State Revolving Fund

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$817 million	\$863 million	\$906 million

The Drinking Water State Revolving Fund (DWSRF) helps provide low-interest loans for drinking water infrastructure. Beginning in FY 2014, appropriated DWSRF funds will be allocated to states based on a new 2011 Needs Survey scheduled to be reported by EPA to Congress in 2013.

DEPARTMENT OF AGRICULTURE

The Agriculture Department, the Food and Drug Administration, and the Commodity Futures Trading Commission are slated to receive \$20.9 billion in discretionary funding through fiscal 2014. The discretionary amount is \$350 million above the enacted 2013 level, after sequester.

USDA Rural Development Programs

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$2.29 billion	\$2.2 billion	\$2.4 billion

USDA Rural Development Programs provide loans and grants to spur private sector growth in rural communities. These programs include funding for water/wastewater infrastructure, community facilities, broadband, electric, telephone, housing, renewable energy, and business development.

Rural Water and Waste Disposal Program

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$304 million	\$511 million	\$462 million

The Water and Waste Disposal Program provides financing for rural communities to establish, expand or modernize water treatment and waste disposal facilities. Projects are designed to improve the

energy efficiency of the water and waste facilities and to improve water conservation efforts. Grants also are provided for solid waste disposal and technical assistance and training.

Rural Community Facilities Program Grants

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$17 million	\$31.4 million	\$32.5 million

Rural Community Facilities Program grants provide funding for a wide range of essential Community Facilities in communities of up to 20,000 in population. Priority is given to health and public safety facilities.

Rural Broadband Grants

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$10 million	\$10.1 million	\$10.3 million

The Broadband program provides financing to support new or improved broadband access across rural America.

Distance Learning and Telemedicine Grant Program

FY 2014 President's Budget	FY 2013	FY 2014 Omnibus
\$25 million	\$24.3 million	\$24.3 million

The Distance Learning and Telemedicine Grant Program is designed specifically to assist rural communities that would otherwise be without access to learning and medical services over the Internet.

We hope this information is useful to you. Please do not hesitate to contact us if you have any questions.