# Representative Marc Veasey (TX-33) FY 2024 Community Project Funding Eligible Accounts

General guidance from the House Appropriations Committee can be found <u>here</u>. Prospective applicants are highly encouraged to read through this guidance as well as the guidance associated with each account as linked below.

## Overview

For the FY23 Community Project Funding Process, the House Appropriations Committee included 4,385 total Member Requested Projects, totaling **\$8,221,002,539**. The average award ws \$1,875,000.

A government spending bill for the remainder of the year including our Community Project Funding requests was signed into law in December of 2022 by President Biden.

The majority of projects requested committee-wide were in the **Transportation**, **Housing and Urban Development Subcommittee** (namely, Community Development Initiative grants), **Labor**, **Health and Human Services**, **Education Subcommittee**, **Interior Subcommittee** (namely, STAG Grants), and **Commerce**, **Justice**, **Science Subcommittee**.

The House Appropriations Committee values quality projects, so requests that are of high quality and well put together will have a higher chance of being included.

When making a request, please request the amount you can conceivably use, even if that number seems higher than the average award for that account.

The House Appropriations Committee under new Republican leadership made some significant changes to the Community Project Funding Process for FY 2024. The changes are as follows:

- The total amount of money available to spend has been cut to .5% of discretionary spending (in past years it has been 1%). Project costs could end up limited to partial funding of requests.
- Projects must now be tied to existing federal authorization law (more detail can be found in the account descriptions).
- Museums, Memorials, and "Commemorative" Projects are no longer eligible for funding, as well as funding for any project with a purely entertainment purpose.
- Eligibility for Non-Profits has been limited in certain cases (more details can be found in the account descriptions).
- Accounts previously available in Labor, Health and Human Services, Financial Services and General Government, and Defense Subcommittees are no longer available for use, and thus unable to be requested.

#### **Agriculture-FDA**

• Department of Agriculture, Rural Development, Community Facilities Grants: Grants to purchase, construct, or improve essential community facilities, to purchase equipment, and pay other related project expenses. Examples of eligible projects include

but are not limited to: medical or dental clinics, healthcare facilities, police or fire departments, and public works vehicles.

Priority will be given to essential projects, such as those focused on public health and safety.

Any project must serve a rural area as specified in 7 CFR 3570.53 (rural areas including cities, villages, townships and Federally Recognized Tribal lands with no more than 20,000 residents).

The Member's request must demonstrate community support. Members should ensure that their request provides the most complete description of the project as possible. Submissions should include details on all proposed use of funds, activities that will occur, timeline, and detailed information on the complete service territory.

Such requests are also subject to cost share requirements specified in 7 CFR 3570.63(b). Please review program regulations carefully. Community Facilities grants cannot be used to pay initial operating expenses or annual recurring expenses, refinance existing debt, pay interest, build or repair facilities in non-rural areas, or pay for construction costs of facilities that will be used for commercial rental space.

The State Rural Development Office is a valuable resource to answer program questions, including eligibility and non-federal cost share requirements.

For fiscal year 2023, the average Community Facilities CPF award was about \$1.3 million.

#### • Department of Agriculture, Rural Development, ReConnect Program:

ReConnect broadband pilot grants facilitate broadband deployment in rural areas. Grant funds can be used for the costs of construction, improvement, or acquisition of facilities and equipment needed to provide broadband service to rural areas without sufficient broadband access, defined as 25 Mbps downstream and 3 Mbps upstream.

The area must be rural and lack sufficient access to broadband service. A rural area is any area which is not located within a city, town, or incorporated area that has a population of greater than 20,000 inhabitants. Sufficient access to broadband is defined as greater than 90% of any rural area in which households have fixed, terrestrial broadband service delivering at least 25 Mbps downstream and 3 Mbps upstream. Mobile and satellite services will not be considered in making the determination of sufficient access to broadband.

Stand-alone middle-mile projects are not eligible under the ReConnect Program. However, middle-mile facilities are eligible if they are needed to bring sufficient broadband service to all premises in the area.

Members are strongly encouraged to include information in their requests, such as the number of households, businesses, or farms will be served in the area, what the performance of the service to be offered will be, and whether healthcare or educational facilities will be served.

Additionally, when submitting a request, Members are reminded that all policies and procedures apply, including environmental and related reviews and the non-federal cost share requirement of 25% of the overall project cost. Policies and procedures can be found at <a href="https://go.usa.gov/xexPT">https://go.usa.gov/xexPT</a>.

USDA's Rural Development office is a valuable resource to answer program questions, including eligibility.

For fiscal year 2023, the average ReConnect CPF award was nearly \$1.2 million.

# • Department of Agriculture, Rural Development, Distance Learning and Telemedicine Grants:

The Distance Learning and Telemedicine program (DLT) helps rural residents better utilize the enormous potential of modern telecommunications and the internet for education and healthcare, two critical components of economic and community development. The DLT program helps rural communities acquire the technology and training necessary to connect educational and medical professionals with students, teachers, and patients in rural areas.

Grants may be used for audio and video equipment, broadband facilities that support distance learning or telemedicine (not actual broadband), computer hardware or network components/software, and acquisition of instructional programming..

Any requests are subject to all regulations governing the program which can be found at 7 CFR Part 1734. The program requires a 15% match that cannot come from another Federal source.

Members are strongly encouraged to provide as much detail as possible on how the award will be utilized, what equipment of service will be acquired and any information on population(s) served. The program is intended to serve rural areas with populations of 20,000 or less.

The State Rural Development Office is a valuable resource to answer program questions, including eligibility.

• [NEW ACCOUNT] Department of Agriculture, Rural Development, Water and Waste Disposal Grants: The Water and Waste Disposal Grant Program may be used to finance the acquisition, construction or improvement of drinking water sourcing, treatment, storage and disposal; sewer collection, transmission, treatment and disposal; solid waste collection, disposal and closure; and storm water collection, transmission, and closure.

Members are strongly encouraged to provide details on the number of households and businesses served and details of the exact work to be completed. Eligible entities include rural areas and towns with a population of 10,000 or less and Tribal lands in rural areas. The account has not been subject to CPFs in the previous years. Potential recipients will be required to provide a 25% non-federal cost share. The State Rural Development Office is a valuable resource to answer program questions, including eligibility.

• Department of Agriculture, Agricultural Research Service, Buildings and Facilities: The Agricultural Research Service (ARS) owns and operates laboratories and facilities across the United States. Many of these laboratories/facilities are decades old, have outlived their functional lifespan, and are badly in need of major repairs, renovation, or replacement.

Requests can assist in the acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the agricultural research programs of the Department of Agriculture. Requests must be for ARS-owned or operated facilities. Members are strongly encouraged to provide details on the research to be conducted, why the research is a high priority, as well as details on the modernization and why it is critical in carrying out the research.

# • Department of Agriculture, Natural Resources Conservation Service, Conservation Operations:

The Natural Resources Conservation Service (NRCS) supports private landowners, conservation districts, and other organizations to conserve, maintain, and improve the Nation's natural resources. Examples of specific objectives include reducing soil erosion, improving soil health, enhancing water supplies, improving water quality, increasing wildlife habitat, and reducing damage caused by floods and other natural disasters.

Members are strongly encouraged to provide details on the work to be done, including if the project will conduct surveys, investigations, or research, and if there is a plan to publish the results of any such work. Members should also describe any preventive measures to be taken, such as engineering operations, methods of cultivation, or changes in use of land. For FY24, the Subcommittee will only consider projects for funding recipients that are State, local, and Tribal organizations, or public conservation districts. Non-profit recipients will not be considered. The State Conservationist is a valuable resource to answer program questions, including eligibility.

House CPFs in the account averaged about \$1.3 million in FY23.

Additional guidance with specific information about these accounts is attached.

#### Commerce, Justice, Science, and Related Agencies:

#### • NIST Scientific & Technical Research:

NIST Scientific and Technical Research projects support standards-related research and technology development. Funding must be for activities consistent with, and supportive of, NIST's mission and aligned with one or more of the functions and activities described

in section 272 of title 15, United States Code. Note: Funding for building construction or renovation projects is not an eligible use of NIST Scientific and Technical Research Community Project Funding.

#### • [NEW ACCOUNT] NOAA Coastal Zone Management:

Coastal Zone Management projects support the protection, restoration, and responsible development of our nation's diverse coastal communities and resources. Funding must be for activities consistent with, and supportive of, NOAA's mission and aligned with one or more of the purposes described in the Coastal Zone Management Act of 1972 (16 U.S.C. § 1451 et seq.). Coastal Zone Management projects are subject to any applicable cost-share required by law under the Coastal Zone Management Program.

#### • DOJ Office of Justice Programs, Byrne Justice:

Byrne Justice projects assist state, local, and Tribal law enforcement efforts to enforce laws, address violent crime, increase prosecutions, improve the criminal justice system (including the correctional system), provide victims' services, and other related activities. Funding must be for activities consistent with, and supportive of, the Office of Justice Programs' mission and aligned with one or more of the purposes described in the Byrne Justice Assistance Grants (JAG) program, section 501 of the Omnibus Crime Control and Safe Streets Act of 1968 (34 U.S.C. § 10152).

#### **34 US.C. 10152(d) provides:**

(d) Prohibited uses

Notwithstanding any other provision of this Act, no funds provided under this part may be used, directly or indirectly, to provide any of the following matters:

- (1) Any security enhancements or any equipment to any nongovernmental entity that is not engaged in criminal justice or public safety.
- (2) Unless the Attorney General certifies that extraordinary and exigent circumstances exist that make the use of such funds to provide such matters essential to the maintenance of public safety and good order-
  - (A) vehicles (excluding police cruisers), vessels (excluding police boats), or

aircraft (excluding police helicopters);

- (B) luxury items;
- (C) real estate;
- (D) construction projects (other than penal or correctional institutions); or
- (E) any similar matters.

In addition, the Chair will not support the use of Byrne Justice Community Project Funding for the following:

- o Initiatives that involve the distribution of drug paraphernalia.
- o Initiatives that undermine the 2nd Amendment or infringe upon rights guaranteed
- o by the Constitution without due process of law.
- o Initiatives that appear to be anti-law enforcement or unrelated to criminal justice.
- o Larger projects for the construction or renovation of penal or correctional

o institutions that will exceed the capability of single-year funding.

In the event of limited funding, the Chair will prioritize projects focused on improving the effectiveness of law enforcement, increasing officer safety, curbing the opioid crisis, and other strategic priorities.

Projects with non-profit recipients may be eligible, so long as the purpose is to carry out work that closely aligns with the purposes of the Byrne JAG program. Such projects will be closely examined.

Awarded grants will be subject to the requirements of 2 CFR Part 200 and the DOJ Grants Financial Guide.

Below are the links to the Department's guidance and frequently asked questions regarding the Byrne-JAG program, which may help guide you in gauging the eligibility of a proposed Byrne project:

- o <a href="https://bja.ojp.gov/program/jag/overview">https://bja.ojp.gov/program/jag/overview</a>
- o https://bja.ojp.gov/sites/g/files/xyckuh186/files/media/document/jag-faqs.pdf

Allowable costs are those costs consistent with the principles set out in 2 CFR Part 200, Subpart E, and those permitted by the grant program's authorizing legislation.

DOJ Community Oriented Policing Services (COPS) Technology & Equipment:
 COPS Technology and Equipment projects support state, local, and Tribal law
 enforcement efforts to develop and procure the technology and equipment needed to
 respond more quickly and effectively, improve officer safety, increase transparency and
 enhance community relations.

Funding must be aligned with the purposes of section 1701(b)(8) of the Omnibus Crime Control and Safe Streets Act of 1968 (34 U.S.C. § 10381(b)(8)). As such, the Chairman will consider projects to develop and/or acquire technologies and equipment, including interoperable communications technologies, modernized criminal record technology, and forensic technology, to assist State, Tribal, and local law enforcement agencies, including by reorienting the emphasis of their activities from reacting to crime to preventing crime and training law enforcement officers to use such technologies.

Eligible recipients for COPS Technology and Equipment Community Project Funding are State, Tribal, and local law enforcement agencies. Funding for building construction or renovation projects is not an eligible use of COPS Technology and Equipment Community Project Funding.

#### NASA Safety, Security and Mission Services:

NASA Safety, Security and Mission Services projects support science education, research, and technology development related to NASA's mission. Funding must be for activities advancing the purposes described in section 20102 of title 51, United States Code. Projects should focus on science, education, research, and technology development

related to NASA's mission. Note: The following projects will not be considered for NASA Safety, Security and Mission Services Community Project Funding:

- o Building construction or renovation projects.
- Medical research projects

Additional guidance with specific information about these accounts is attached.

<u>Defense</u> – will not be accepting Community Project Funding requests in FY24.

#### **Energy and Water Development and Related Agencies**

- Army Corps of Engineers (Civil Works)
  - o Investigations
  - Construction
  - o Mississippi River and Tributaries
  - o Operation and Maintenance

#### • Department of the Interior – Bureau of Reclamation Water and Related Resources

The Subcommittee on Energy and Water Development and Related Agencies will accept project requests in only the above accounts and only in accordance with existing authorizations. Not all programs within these accounts will be open for Community Project Funding requests. If the project is not an individually authorized project or a project under the Corps of Engineers Continuing Authorities Program, please contact the Subcommittee for further information prior to submitting a request.

After the official Community Project Funding requests have been received, the Subcommittee will ask the federal agencies for technical assistance on each requested project, including the information described in the suggested questions below. The Subcommittee will evaluate project requests based on the information provided to the Subcommittee directly from the federal agency.

The Subcommittee strongly recommends that Member offices contact the relevant Corps of Engineers District Office or Bureau of Reclamation Regional Office to ask the following specific questions about the project of interest prior to submitting a Community Project Funding request.

- o Is the project authorized? Is the scope of work to be funded within existing authorization?
  - If YES, the project may be eligible as a Community Project Funding request in the Energy and Water Development appropriations bill.
    - What is the statutory citation?
    - If the project is an individually authorized project or a project under the Corps of Engineers Continuing Authorities Program, include the statutory citation in the statement of federal nexus.
    - If the project is authorized in a manner other than an individual project authorization or under the Corps of Engineers Continuing Authorities Program, please contact the Subcommittee for further clarification of eligibility prior to submitting a request.

- o If NO, STOP the project is not eligible as a Community Project Funding request in the Energy and Water Development appropriations bill.
- What is the fiscal year 2024 capability?
  - This amount is the maximum funding level the Subcommittee will consider for inclusion in the appropriations bill. The existence of a capability amount does not guarantee that funding level or any funding will be able to be accommodated in the appropriations bill; it simply indicates the maximum amount that can be considered for inclusion.
- For a Corps of Engineers project, what is the correct appropriations account in which to request funding?
- o For a Corps of Engineers project, is this project a new start?
  - The Subcommittee may provide funding for a very limited number of new starts, if any. While new start requests will be accepted, Members should consider this limitation when making requests.
- For a Bureau of Reclamation project, is this project authorized only under section 4007, 4009(a), or 4009(c) of the Water Infrastructure Improvements for the Nation (WIIN) Act of 2016 (Public Law 114–322)?
  - o If YES, the project is not eligible as a Community Project Funding request in the Energy and Water Development appropriations bill.

Additional guidance with specific information about these accounts is attached.

Financial Services – will not be accepting Community Project Funding requests in FY24.

#### **Homeland Security**

There are two Federal Emergency Management Agency (FEMA) grant programs within the Subcommittee on Homeland Security's jurisdiction that are open to CPF requests: Pre-Disaster Mitigation (PDM) grants and Emergency Operations Center (EOC) grants. Please review the purpose and eligibility requirements, including any <u>environmental and historic preservation requirements</u>, for these two grant programs to ensure proper consideration of the Member's request.

Over the past two fiscal years, FEMA found that many CPF requests lacked the necessary details to determine grant eligibility. While the database will limit project summaries to 1,000 characters, offices are highly encouraged to separately upload detailed project descriptions for each PDM or EOC request. For each project description, please include a detailed budget describing how the requested federal funding will be used and confirm the ability of the requesting entity to meet the cost-share requirement.

The PDM and EOC grant programs have cost-share requirements. Federal funding is available for up to 75 percent of the eligible activity costs. The remaining 25 percent of eligible activity costs must generally be derived from non-federal sources. The non-federal cost-share contribution is calculated based on the total cost of the proposed activity. For example, if the total cost is \$100,000 and the non-federal cost-share is 25 percent, then the non-federal

contribution is \$25,000. For PDM grants, small, impoverished communities are eligible for up to a 90 percent federal cost-share for their mitigation planning and project sub-applications in accordance with the Stafford Act (42 U.S.C. § 5133(a),(h)(2)).

#### • Pre-Disaster Mitigation Grants:

FEMA's PDM grants assist state, local, tribal, and territorial governments with planning and implementing sustainable, cost-effective measures to provide long-term, permanent risk reduction to individuals and property from future natural hazards, such as floods and wildfires, while reducing reliance on federal funding for future disasters. For PDM grant requests, the database includes specific eligibility questions to ensure the proposed project meets FEMA's requirements as detailed in the most recent Notice of Funding Opportunity (NOFO). The subcommittee encourages offices to consult with their State Hazard Mitigation Officers when answering the questions in the database. Applicants must answer all the eligibility questions for a request to be considered.

For any PDM projects designated for funding in the FY 2024 Homeland Security Appropriations Act, the respective State or Territorial Administrative Agency, or Tribal government, must submit an application to FEMA and serve as the administrative agent for the grant on behalf of the entities responsible for the project (grant subrecipients). CPF funding in the FY 2023 House bill ranged between \$320,482 and \$10,000,000 for individual PDM grants.

#### • Emergency Operations Center Grants:

FEMA's EOC grants improve emergency management and preparedness capabilities by supporting flexible, sustainable, secure, strategically located, and fully interoperable EOCs with a focus on addressing identified deficiencies and needs. According to the National Fire Protection Association, an EOC is defined as a "facility or capability from which direction and control is exercised in an emergency. This type of center or capability is designated to ensure that the capacity exists for leadership to direct and control operations from a centralized facility or capability in the event of an emergency." Similar to CPF requests for PDM grants, the database includes specific eligibility questions for EOC grants to ensure the proposed project meets FEMA's requirements as detailed in the most recent NOFO. Applicants must answer all the eligibility questions for a request to be considered.

For any EOC projects designated for funding in the FY 2024 Homeland Security Appropriations Act, the respective State or Territorial Administrative Agency, or Tribal government, must submit an application to FEMA and serve as the administrative agent for the grant on behalf of the entities responsible for the project (grant subrecipients).

CPF funding in the FY 2023 House bill ranged between \$158,176 and \$3,000,000 for individual EOC grants.

Additional guidance with specific information about these accounts is attached.

### **Interior, Environment, and Related Agencies:**

• Environmental Protection Agency – State and Tribal Assistance Grants (STAG):

For FY 2024, the Interior Subcommittee will accept Community Project Funding requests in the Environmental Protection Agency – State and Tribal Assistance Grants (STAG) account for certain clean water and drinking water infrastructure projects. The Subcommittee will not accept project requests in any other account.

These projects include construction of and modifications to municipal sewage treatment plants and drinking water treatment plants. Similar to past practice, the Committee will be limiting STAG infrastructure grants only to projects that are publicly owned or owned by a non-profit entity and that are otherwise eligible for the funding from that state's Clean Water or Drinking Water State Revolving Funds (SRF) loan programs. When submitting EPA STAG Community Project Funding requests, please be aware of the following guidance:

- The Committee will not fund projects to for-profit entities and privately-owned projects are NOT eligible for infrastructure grants, even if they are otherwise eligible for assistance under a SRF program.
- Public entities should be considered as the primary grantees to oversee the completion of the project. For STAG water infrastructure projects, States have Intended Use Plans (IUPs) with drinking water and wastewater projects that have already been vetted by governmental officials.
- Non-profits will be considered on a limited basis at the discretion of the Chairman. If a Member requests that funding be directed to a non-profit organization, the Member will need to provide evidence that the recipient is a non-profit organization as described under section 501(c)(3) of the Internal Revenue Code of 1986. Many water projects often partner with non-profit entities to complete projects. Therefore, the Chairman will consider, on a limited basis, projects that are directed to non-profits with an inherently governmental function.
- The Committee will only fund projects with purposes authorized by Federal law:
  - Clean water/wastewater projects: Title VI of the Clean Water Act, 33
     U.S.C 1381 et seq.
  - Drinking water projects: Section 1452 of the Safe Drinking Water Act, 42 U.S.C. 300j12.
- There is a minimum 20% cost share requirement for any portion of a project funded through a STAG infrastructure grant and the Committee will not waive matching requirements. For example, a \$1 million project could receive a maximum of \$800,000 from the Federal government, with the remaining \$200,000 the responsibility of the grantee. In almost all cases, other Federal funds cannot be used to meet this 20% cost share. However, assistance provided by a SRF does count towards the project's matching requirement.
- It is important that Member offices discuss with their State and local officials the ability for localities to meet matching requirements prior to requesting a project. This does not mean that matching funds must be in-hand prior to requesting a project, but that local officials must have a plan to meet such requirements in order for such a project to be viable.

- One-year funding: Each project request must be for FY 2024 funds only and cannot include a request for multiyear funding.

Project Amounts. Members should use the range of project amounts funded in FY 2023 as a general guide when making requests. In FY 2023, most EPA STAG infrastructure projects funded in the House bill ranged from \$45,000 - \$5,000,000. Note that the Committee may consider higher project amounts for fiscal year 2024, and any caps will be determined by the Chairman after reviewing the full universe of requests.

Additional guidance with specific information about these accounts is attached.

<u>Labor, Health & Human Services, Education</u> – will not be accepting Community Project Funding requests in FY24.

<u>Legislative Branch</u> – will not be accepting Community Project Funding requests in FY24.

#### Military Construction, Veterans Affairs, and Related Agencies:

Each project request must be for fiscal year (FY) 2024 funds only and cannot be for multiyear funding. Projects must be included on an unfunded requirements/unfunded priorities list (UFR/UPL) from a military service or combatant command or the FY24-FY28 Future Years Defense Program (FYDP). Projects suggested by an installation or unit commander will not be accepted. Projects must have at least 35 percent of its design completed. For projects that have not reached 35 percent design, planning and design funding can be requested. Projects must be able to be obligated in FY24. Projects must be submitted to the House Armed Services Committee (HASC) for inclusion in the FY24 National Defense Authorization Act or previously authorized. Projects must have a DD Form 1391, which is DoD's justification for military construction projects. The Armed Services' Congressional Liaison Offices can help provide these documents.

The Committee may limit the number and amount of any Community Project Funding in FY24, based upon the availability of funds. Any caps will be determined by the Chair after reviewing the full universe of requests.

#### • Construction and Unspecified Minor Construction – Active Components:

Eligible Community Project Funding requests include both construction and unspecified minor military construction projects for active components in the accounts listed below. An unspecified minor military construction project is a project that has an approved cost equal to or less than \$9,000,000.

- Army
- Navy and Marine Corps
- Air Force and Space Force
- Defense-Wide Agencies (Special Operations Command (SOCOM), Defense Logistics Agency (DLA), etc.)

- Construction and Unspecified Minor Construction Reserve Components: Eligible Community Project Funding requests include both construction and unspecified minor military construction projects for Reserve Components in the accounts listed below. An unspecified minor military construction project is a project that has an approved cost equal to or less than \$9,000,000. Note: Some Reserve Component projects require a State funding match. Requesting offices must determine whether the proposed project requires such a match and if so, confirm that the project has current State matching funds. The Committee will not waive match requirements.
  - Army National Guard
  - Air National Guard
  - Army Reserve
  - Navy Reserve
  - Air Force Reserve

Additional guidance with specific information about these accounts is attached.

<u>State, Foreign Operations, and Related Programs</u> – will not be accepting Community Project Funding requests in FY24.

## **Transportation, Housing and Urban Development, and Related Agencies:**

#### • Transit Infrastructure Projects:

Transit Infrastructure Projects are public transportation capital projects eligible under chapter 53 of title 49 of the United States Code. Eligible capital projects are described under section 5302(4) of title 49, United States Code. All projects must be:

- 1. Transit capital projects or project-specific planning/design for a transit capital project;
- 2. Supported by the state, local governmental authority, or Tribal government that would administer the project. Inclusion on a Statewide Transportation Improvement Plan (STIP) or Transportation Improvement Plan (TIP) would satisfy this requirement; and
- 3. Sponsored by designated recipients, States (including territories and the District of Columbia), local governmental authorities, and/or Indian tribes.

Public transportation or transit is defined in section 5302(15) and (22) of title 49, United States Code, as regular, continuing shared-ride surface transportation that is open to the general public or open to a segment of the general public defined by age, disability, or low income, and does not include intercity passenger rail transportation, intercity bus service, charter bus service, school bus service, sightseeing service, courtesy shuttle service for patrons of one or more specific establishments, or intra-terminal or intra-facility shuttle services.

The Subcommittee will not fund activities that are administrative in nature even if they are eligible expenses under the statutory citation. These include but are not limited to general operating expenses, joint development projects, and planning activities authorized under sections 5303, 5304, and 5305 of title 49, United States Code.

Additionally, most projects will be subject to various Federal requirements such as competition in contracting, Buy America, and the National Environmental Policy Act. The Committee strongly encourages Members' offices to reach out to the project sponsor (i.e., transit agency) to determine the eligibility and viability of their projects.

The Subcommittee will continue to treat the Capital Investment Grants (CIG) program as programmatic requests and will not fund CIG projects under Transit Infrastructure Projects. Any projects for which the sponsor is seeking or will seek a CIG grant will not be considered.

Additional guidance with specific information about these accounts is attached.

#### • Highway Infrastructure Projects:

Highway Infrastructure Projects are capital projects eligible under title 23 of the United States Code. Eligible projects are described under Section 133(b) of title 23, United States Code, as amended by title III of division A of the Infrastructure Investment and Jobs Act. Tribal and territorial capital projects authorized under chapters 1 and 2 of title 23, United States Code, are also eligible. All projects must be:

- 1. Capital projects or project-specific design for a capital project.
- 2. Supported by the state or Tribal government that would administer the project. Inclusion on a Statewide Transportation Improvement Plan (STIP) or Transportation Improvement Plan (TIP) would satisfy this requirement.
- 3. Administered by public entities or Tribal entities.

The Subcommittee will not fund activities that are administrative in nature even if they are eligible expenses under the statutory citation. These include general operating expenses, and planning activities required under sections 134 and 135 of title 23, United States Code.

Applicants should be aware that Highway Infrastructure Projects have a non-Federal cost share calculated on a sliding scale. The <u>cost-share requirements</u> are defined in statute and vary based on activity, location, and other factors.

Additionally, most projects will be subject to various Federal requirements such as competition in contracting, Buy America, and the National Environmental Policy Act. The Committee strongly encourages Members' offices and potential funding recipients to reach out to their state departments of transportation to determine the eligibility and viability of projects.

Additional guidance with specific information about this account is attached.

#### • Airport Improvement Program (AIP) Projects:

AIP Community Project Funding requests are intended to enhance airport safety, capacity, and security, and environmental concerns.

All projects must be:

- o AIP eligible in accordance with 49 U.S.C. 47100 et seq., and FAA policy and guidance.
- o Included in the FAA's National Plan of Integrated Airport Systems (NPIAS).
- Supported broadly by local stakeholders, including residents, businesses, and elected officials.
- o Administered by an airport and/or airport sponsor.

Projects will be subject to various Federal requirements such as competition in contracting, Buy America, and the National Environmental Policy Act. The potential grantee should reach out to FAA Regional District Offices to ensure that projects will be in compliance with these mandates. For large and medium primary hub airports, the grant covers 75 percent of eligible costs (or 80 percent for noise program implementation). For small primary, reliever, and general aviation airports, the grant covers a range of 90-95 percent of eligible costs, based on statutory requirements. Specific cost share requirements should be understood by the grantee, and verified by the FAA Regional District Office, along with other requirements to receive FAA funding.

Additional guidance with specific information about this account is attached.

# • [NEW ACCOUNT] Port Infrastructure Development Program Projects: Port Infrastructure Development Program projects are projects eligible under Section 54301 of title 46, United States Code, as amended by title XXXV of division C of the National Defense Authorization Act for Fiscal Year 2022.

The Subcommittee will only fund projects that meet eligibility criteria and will be administered by eligible applicants, as described by statute. As a reminder, funding may not be directed to for profit recipients. Due to the limited amount of total CPF funding, priority will be given to projects at small inland river and coastal ports and terminals, as described in 46 U.S.C. 54301(b), and to discrete, smaller-scale projects at larger ports and intermodal connections to ports.

This program has a statutory non-Federal matching requirement, with potential exceptions for small and rural area ports. Applicants should review 46 USC sections 54301(a)(8) and 54301(b) for more information on these cost-share requirements before submitting requests for funding. Note that recipients are also required to comply with reviews and audits from the Department of Transportation.

Additionally, these projects may be subject to various Federal requirements such as Buy America and the National Environmental Policy Act. The Committee strongly encourages Members' offices and potential funding recipients to reach out to their local port authorities and the Maritime Administration's <u>Gateway Offices</u> to help determine the eligibility and viability of projects.

Additional guidance with specific information about this account is attached.

# • [NEW ACCOUNT] Consolidated Rail Infrastructure and Safety Improvements (CRISI) Projects:

Rail infrastructure projects are capital projects eligible under the CRISI program authorized in section 22907 of title 49, United States Code. CRISI provides grants to assist in financing the cost of improving passenger and freight rail transportation systems. All projects must be:

- o Rail capital projects or systems planning for a rail capital project;
- Supported by the state, local governmental authority, or Tribal government that would administer the project; and
- o Sponsored by public entities or Tribal entities.

This is a new Community Project Funding account for Fiscal Year 2024. The Subcommittee will not fund activities that are administrative in nature even if they are eligible expenses under the statutory citation. These include but are not limited to general operating expenses, rail-related research, and workforce activities. The Committee strongly encourages Members' offices to reach out to the project sponsor (i.e., public agency) to determine the eligibility and viability of their projects. Projects will be subject to various Federal requirements such as competition in contracting, Buy America, and the National Environmental Policy Act.

Additional guidance with specific information about this account is attached.

• Community Development Fund – Economic Development Initiative (EDI) Projects: EDI Community Project Funding within the Community Development Fund account of the HUD title is intended for economic and community development activities, consistent with statutory and additional Committee requirements. Project requests for the FY24 Economic Development Initiative program must be eligible under one or more of the following criteria of the Community Development Block Grant (CDBG) program: 42 U.S.C. 5305(a)(1), 5305(a)(2), 5305(a)(4), 5305(a)(5); which are as follows—but limited to—land or site acquisition, demolition or rehabilitation; blight removal; and construction and capital improvements of public facilities, except for "buildings used for the general conduct of government." Programmatic and operational expenses are not eligible.

**5305(a)(1)** – the acquisition of real property (including air rights, water rights, and other interests therein) which is (A) blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed from the standpoint of sound community development and growth; (B) appropriate for rehabilitation or conservation activities; (C) appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources, and scenic areas, the provision of recreational opportunities, or the guidance of urban development; (D) to be used for the provision of public works, facilities, and improvements eligible for assistance under this chapter; or (E) to be used for other public purposes;

**5305(a)(2)** – the acquisition, construction, reconstruction, or installation (including design features and improvements with respect to such construction, reconstruction, or installation that promote energy efficiency) of public works,

facilities (except for buildings for the general conduct of government), and site or other improvements;

**5305(a)(4)** – clearance, demolition, removal, reconstruction, and rehabilitation (including rehabilitation which promotes energy efficiency) of buildings and improvements (including interim assistance, and financing public or private acquisition for reconstruction or rehabilitation, and reconstruction or rehabilitation, of privately owned properties, and including the renovation of closed school buildings);

**5305(a)(5)** – special projects directed to the removal of material and architectural barriers which restrict the mobility and accessibility of elderly and handicapped persons;

Given that projects must meet these authorized purposes of the CDBG program, the Committee expects to fund the following types of projects and other similar projects:

- Water or sewer infrastructure projects, which are not otherwise eligible to be funded as CPFs in EPA STAG (Interior bill) or Rural Water and Waste (Agriculture bill);
- Local road infrastructure, which is not otherwise eligible as a CPF in Highways (in this bill);
- o Streetscape improvements;
- Public or non-profit housing rehabilitation, housing development financing, residential conversions, and neighborhood revitalization projects, which would increase housing supply and/or improve housing affordability in the local community;
- Projects with a clear economic development benefit, such as workforce training centers and manufacturing incubators;
- Projects that meet a compelling local need consistent with the statutory purposes.
   For example, food banks in economically disadvantaged neighborhoods, youth and senior centers, and multipurpose community centers.

All projects will be evaluated based on the individual submissions, and projects will be selected based on the merits of the project relative to other projects and the availability of CPF funding. So that stakeholders have the clearest possible guidance on the front end, the following types of projects are not eligible for CPF funding:

- Museums, commemoratives, memorials; Swimming pools, water parks, golf courses;
- Healthcare facilities;
- Venues strictly for entertainment purposes e.g., theaters and performing arts venues.

Due to the statutory restriction on using funds for "buildings for the general conduct of government," things like courthouses and town halls cannot be funded.

EDI projects, like all projects funded by HUD, are subject to requirements under the National Environmental Policy Act (NEPA), HUD's NEPA-implementing regulations at 24 CFR Part 50 or 24 CFR Part 58, and all applicable federal environmental and historic

preservation laws, regulations, and Executive Orders. An environmental review must be completed before HUD funds and new commitments of non-HUD funds can be used on a project (24 CFR 58.22).

In addition to meeting the above eligibility criteria, all projects must meet these Committee requirements:

- Administered by state, local, or tribal governmental entities or non-profit 501(c)(3) organizations.
- o As a reminder, for-profit entities are not eligible for Community Project Funding.
  - Members are advised that projects for governmental entities to improve private properties pursuant to 42 U.S.C. 5305(a)(4) will be highly scrutinized and possibly not funded.
- Members are advised that projects submitted under 42 U.S.C. 5305(a)(1)(C) will be disfavored if the only or primary purpose of the project is "beautification" or historic preservation, without evidence of other community development or economic development benefits.

EDI projects are not eligible for the reimbursement of expenses for soft costs (planning, administrative) incurred prior to the completion of a grant agreement between HUD and the grantee; a grant agreement and a completed environmental review are necessary for reimbursement of hard costs (construction activities).

Additional guidance with specific information about these accounts is attached.