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Appropriations for This Year

Efforts to complete a bipartisan FY 2017 omnibus appropriations bill were successful after the White House pulled back on requests for funds to build the wall along the U.S.-Mexico border and Democrats agreed to increase defense spending above the previously agreed upon budget caps. The final FY 2017 appropriations bill included level funding for most programs. Increases and reductions relevant to programs of interest are noted below.

Disaster Assistance

- \$528 million for the Federal Highway Administration's Emergency Relief program to rebuild roads affected by natural disasters
- \$400 million for Community Development Block Grants (CDBG) disaster recovery funds to assist communities recovering from natural disasters occurring in 2015, 2016, and 2017 (NC's allocation of CDBG is projected to be \$6.1 million)

Rural Business and Community Development

- Sets aside at least 10 percent for most USDA rural development programs for counties with at least a 20 percent poverty rate for the last 30 years (10-20-30)
- Increases funding for the Economic Development Administration including the Regional Innovation Program
- Increases funding for the Minority Business Development Agency
- Provides level funding for the Manufacturing Extension Partnership program
- Increases funds for the Energy Efficiency and Renewable Energy Program
- Increases funds for the Appalachian Regional Commission
- Increases funds for the Small Business Administration
- Includes \$5 million for the Save America's Treasures grant program to help preserve nationally significant historic properties and collections
- Increases funding for law enforcement

Health and Human Resources

- Adds an additional \$50 million to bolster opioid and substance abuse prevention and treatment
- Breast cancer screening, mammography, and breast cancer prevention will continue to be covered by insurers without a copay

- Increases funds for the National Endowment for the Arts, the National Endowment for the Humanities, and the National Institutes of Health
- Increases funds for the Child Development Block Grant
- Increases funds for Seniors' Nutrition programs
- Provides level funding for the Low-Income Home Energy Assistance Program

Environmental and Natural Resources

- Provides level funding for the EPA Clean Water State Revolving Fund and the Drinking Water State Revolving fund
- Increases funds for the National Park Service and the Fish and Wildlife Service
- Decreases funds for the Land and Water Conservation Fund, which supports our state and local parks

Education

- Reinstates year-round or summer Pell grants and increases funding so the maximum Pell grant is \$5,920 for the 2017-2018 school year
- Increases funds for Head Start, Title-I school improvement grants, Special Education state grants, TRIO and GEAR UP grants, 21st Century Community Learning Centers, new Student Support Academic Enrichment Grants program, and Apprenticeship Grants
- Level funding for WIOA Job Training State Grants
- Increases funds for the Veterans Employment Training Program and increases funds for the Homeless Veterans Reintegration Program
- Does include funding for the Innovative Approaches to Literacy, Magnet Schools, Arts in Education, and Teacher Quality Partnerships; these were zeroed out in the original House FY 2017 bill but funding restored in the omnibus bill

Transportation

- Provides level funding, \$500 million, for the National Infrastructure Investments (TIGER) grants program

Housing and Urban Development

- Increases funding for the Public Housing Capital Fund, Choice Neighbors, Lead Hazard Control Housing Opportunities for People with AIDS, Homeless Assistance Grants, and Housing for the Elderly
- Level funding for the Community Development Block Grant program and the HOME Investment Partnerships
- Includes an additional \$40 million for new HUD-VASH vouchers to assist homeless veterans

American Health Care Act

Republican leaders worked closely with the White House to propose additional amendments to H.R. 1628 in order to secure the necessary Republican votes to move the bill forward. North Carolina Republicans George Holding (R-2), Virginia Foxx (R-5), Mark Walker (R-6), David Rouzer (R-7), Richard Hudson (R-8), Robert Pittenger (R-9), Patrick McHenry (R-10), Mark Meadows (R-11), and Ted Budd (R-13) voted for the bill. Representative Walter Jones (R-3) joined Democrats Reps. G.K. Butterfield (D-1), David Price (D-4), and Alma Adams (D-12) to oppose the measure. The vote was taken before an analysis could be completed by the Congressional Budget Office (CBO), which is expected the week of May 22. Senate leaders have appointed a working group, announced they are working on their own bill and will not be taking up the House-passed measure. Should the Senate produce something significantly different from the House bill, the President and congressional leaders will face the choice of trying to reconcile the House and Senate versions or trying to jam the Senate bill through the House. There is still no guarantee of final passage of a health-care bill to repeal and replace the Affordable Care Act.

USDA Leadership

During USDA Secretary Sonny Perdue's confirmation hearing in March, he objected to the severe 21 percent proposed cuts to USDA programs and restated his understanding that immigration labor and trade are key to agricultural productivity and profitability. Most recently, Secretary Perdue announced his intention to establish the position of Undersecretary for Trade and Agricultural Exports, but to eliminate the Undersecretary of Rural Development. It is unclear if the Secretary has the discretion to take such action without congressional approval. USDA's Rural Development Agencies—the Rural Business-Cooperative Service, the Rural Utilities Service and the Rural Housing Service—have complex, broad and deeply important responsibilities in rural communities. Other Rural Development programs, such as the Rural Microenterprise Assistance Program and Value-Added Producer Grant Program, facilitate innovation and encourage success. We've seen that 21st Century jobs being created in rural communities are driven by entrepreneurship. For rural communities to thrive, we particularly need to support the job-creating mission of this agency. Secretary Perdue states that these programs will report directly to him, but we must continue to work with stakeholders and members of the NC congressional delegation to make certain that programs which provide loans and grants for housing, water, and wastewater treatment facilities, broadband deployment, small business development, electric and phone cooperatives, and a wide range of other community development activities continue to support NC rural communities.

Transportation

Congress approved S. 496, which negates the US Department of Transportation's rule published December 20, 2016 requiring metropolitan transportation planning offices, beginning after the 2020 census, to turn into regional agencies by changing their boundaries, merging, or coordinating with other organizations in the area, including across state lines. The regulation eliminated the ability of Governors to opt for several planning agencies in a region instead of one with wide jurisdiction. The Senate passed S. 486 to repeal the rule by unanimous consent and the House of Representatives approved the measure by a vote of 417-3. This legislation would not prohibit the Federal Transit Administration and the Federal Highway Administration from issuing a future rule to improve coordination among local planning agencies.