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# LEGISLATIVE BRIEF

## The FY 2017 Omnibus: Highlights from the County Perspective

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### Background

In recent years, as partisan battles over federal spending have intensified, Congress has been unable to enact stand-alone appropriations bills through the regular appropriations process.

Instead, Congress has started to rely more heavily on year-end omnibus appropriations measures (that combine some or all of the 12 annual spending bills) or continuing resolutions (which fund federal government programs and agencies at prior-year spending levels) to finalize the annual process.

### How does Congress typically determine the total level of appropriations?

Under current law, after the president submits an annual budget proposal to Congress, the House and Senate Budget Committees are supposed to develop and report a budget resolution, which, if passed by their respective chambers, would then be reconciled in a budget conference.

The resulting budget resolution, which is not signed by the president, includes what is known as a 302(a) allocation, which sets the total amount of money the congressional Appropriations Committees may spend. For example, the FY 2016 conferenced budget between the House and Senate set the 302(a) limit at \$1.017 trillion in total spending.

If the chambers are not able to agree on a budget resolution, they may each enact a deeming resolution that sets the 302(a) allocation (total spending amount) for their chamber. For FY 2017, the Bipartisan Budget Act of 2015 gave the chairmen of the House and Senate Budget Committees authority to set the 302(a) allocation for the Appropriations Committees.

Once they receive 302(a) allocations, the House and Senate Appropriations Committees set 302(b) allocations to divide total appropriations among 12 subcommittees, each dealing with a different part of the budget. Those subcommittees must then decide how to distribute funds within their allocations.

Discretionary spending is currently subject to spending caps. The Budget Control Act of 2011 set discretionary caps through 2021, which were modified for 2013, 2014, 2015, 2016, and 2017 by the American Taxpayer Relief Act of 2012, the Bipartisan Budget Act of 2013 and the Bipartisan Budget Act of 2015. Beyond 2017, the spending caps are reduced

by about \$90 billion annually through an enforcement mechanism known as “sequestration” implemented after the Joint Select Committee on Deficit Reduction failed to produce legislation to reduce the deficit.

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## **Appropriations Leaders on the Omnibus:**

### **House Appropriations Committee Chairman Rodney Frelinghuysen (R-N.J.)**

*“This bill reflects shared values that will help make our nation stronger, safer, and more resilient. It fulfills our constitutional duty to defend important federal services that the American people rely on – and it does this in a responsible way, making the best use of every single taxpayer dollar. In short, it moves our nation forward – in the right direction.”*

### **House Appropriations Committee Ranking Member Nita Lowey (D-N.Y.)**

*“This is not the bill that any of us would have written individually - it is the product of compromise. Nevertheless, there are many positive attributes, and providing full-year funding direction to federal departments and agencies is among the most basic responsibilities of Congress.”*

### **Senate Appropriations Committee Chairman Thad Cochran (R-Miss.)**

*“While the additional funds for defense and border security have received much of the attention, there are many other important programs funded within the appropriations bills that comprise this legislation. Throughout the bill, spending controls are placed on Federal agencies. There are more than 150 rescissions, consolidations or program terminations within this bill. These savings have been reallocated to higher priorities.”*

### **Senate Appropriations Committee Vice Chairman Patrick Leahy (D-Vt.)**

*“This is how Congress can and should work. Enough of the rhetoric; enough of the political brinksmanship. This agreement shows that when we come together and work through our differences, we can do the work of the American people.”*

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## About the FY 2017 Omnibus

On May 1, just days before the continuing resolution keeping the federal government operating was about to expire on May 5, House and Senate appropriators released the text of a \$1.163 trillion, 1,665-page omnibus spending package (H.R. 244) that would fund the federal government through the remainder of FY 2017.

\$1.07 trillion of these funds are considered “base spending” funds, while the remaining \$93.5 billion was included for Overseas Contingency Operations and Global War on Terror funding.

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### Key Elements of the FY 2017 Omnibus

- *Combines remaining 11 annual appropriations bills into one*
- *Funds the federal government through September 30, 2017*
- *Includes \$1.163 trillion in total appropriations*

The spending plan combines the remaining eleven FY 2017 appropriations bills into one large measure and would provide a slight increase in overall spending

from FY 2016 levels, while keeping base discretionary funding roughly equal. The base spending included in the appropriations package adheres to the topline spending caps agreed to by Congress in 2015.

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## Counties and the federal appropriations process

The nation’s 3,069 counties play a key role in administering federal programs and services at the local level. When the federal government does not finalize the appropriations process in the intended timeframes, but instead uses one or multiple short-term extensions, counties are unable to effectively plan and implement our budgets.

Why does funding uncertainty hinder counties’ ability to plan and implement their budgets? Counties are responsible for supporting or administering many federal programs within their local communities including building and maintaining public infrastructure, transportation and economic development assets, providing justice, law enforcement and public safety services, and protecting the public’s health and well-being.

These responsibilities are shared among federal, state and local partners, as they are the fundamental components of a broader national interest in serving our citizens. While the policies and programs established by the federal government are intended to guide and coordinate efforts, counties are ultimately the implementers, and even co-regulators, at the local level.

## Highlights: Agriculture and Rural Development

### U.S. Department of Agriculture (USDA) Rural Development

The omnibus provides \$2.94 in total budget authority for USDA’s Rural Development programs, \$265 million above the enacted FY 2016 levels. These programs help spur economic growth by supporting basic infrastructure, providing loans to rural businesses and industries and helping strengthen housing markets in rural areas.

## USDA Rural Utilities Service

- **Water and Waste Disposal Programs:** The omnibus provides \$1.25 billion in direct loans to the Rural Water and Waste Disposal Program, a \$50 million increase from enacted FY 2016 levels. These programs help counties make critical investments in our nation's water infrastructure.
- **Distance Learning, Telemedicine and Broadband Program:** The FY 2017 omnibus provides \$690 million for the Rural Telecommunications Program, level with FY 2016, which includes \$27.04 million for Broadband Direct Loans. These programs help provide critical broadband service to rural communities.

## USDA Rural Housing Service

- **Rural Community Facilities Program:** The omnibus includes \$2.6 billion for the Rural Community Facilities Program, an increase of \$400 million above the enacted FY 2016 levels. This program helps fund rural hospitals, schools and health clinics.
- **Rural Housing Insurance Fund Program:** The omnibus includes \$1 billion for the Single Family Housing Program, an increase of almost \$1 million from FY 2016 levels. This program helps provide affordable housing to underserved families in rural communities.

## USDA Business-Cooperative Service

- **Rural Business Development Grant Program:** The omnibus includes \$42.21 million dollars for the Rural Business Development Grant Program. This represents an increase of \$12.25 million from FY 2016. This program assists rural communities to create and expand new markets and products through strategic investments.
- **Rural Cooperative Development Grants:** Also under the Rural Business Cooperative Service, the omnibus includes \$26.55 million for the Rural Cooperative Development Grants, a \$4.5 million increase from FY 2016 levels. This program helps rural communities create and expand new markets and products through strategic investments.

## Community, Economic and Workforce Development

On behalf of their communities and citizens, counties invest \$25.6 billion annually in economic planning, housing development and collaboration with businesses to improve the local economy. In response to changing economic environments, counties must work with all levels of government and partner with the private sector to meet the needs of their communities.

For example, counties leverage Community Development Block Grants (CDBG) from the U.S. Department of Housing and Urban Development (HUD) with private and non-profit funding to address a number of local needs, such as affordable housing and bottlenecks in economic development. Many counties develop agreements with other state and local

governments, nonprofit organizations and private businesses to promote economic growth in their region. Counties are the fundamental platform for collaboration in building regional and state economies as well as the U.S. economy.

## U.S. Department of Housing and Urban Development (HUD)

The U.S. Department of Housing and Urban Development is funded at \$38.8 billion for FY 2017. This is a \$513 million increase over FY 2016.

**Community Planning and Development:** HUD's community planning and development programs see a \$152 million increase to \$6.8 billion. These funds help counties conduct vital work to promote local economic development.

- **CDBG:** The omnibus provides \$3 billion for the Community Development Block Grant (CDBG) program, which is equal to current funding levels. Counties use CDBG to fund vital community, infrastructure and economic development programs.

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*Although President Trump's "Skinny Budget" proposed to eliminate both CDBG and HOME, the omnibus funds both programs at the same levels seen in FY 2016*

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An additional \$400 million is provided for CDBG disaster recovery funding to support state and local government community rebuilding efforts.

- **HOME:** The omnibus includes \$950 million for the HOME Investment Partnerships (HOME) program, which is level with the FY 2016 amount. Counties use HOME to fund critical housing programs for extremely low-income families. The omnibus includes additional language that would provide a four-year suspension of the 24-month commitment deadline for HOME funds that would have expired in 2016, 2017, 2018, or 2019. This means HOME participating jurisdictions would not have four years to commit the funds, keeping in effect the current two-year commitment deadline.

## Homeless Assistance/Section 8 Vouchers

- **Homeless Assistance Grants:** Homeless Assistance Grants are funded at \$2.4 billion, a \$133 million increase over the FY 2016 level.
- **Housing Choice Vouchers:** Housing Choice Vouchers are funded at \$27.5 billion, \$623 million above FY 2016, to maintain assistance to 2.2 million low-income households.
- **Veterans' Housing:** The omnibus provides \$40 million for HUD's Veteran's Affairs Supportive Housing (HUD-VASH) grants. This is \$20 million less than FY 2016 levels.

## U.S. Department of Commerce (DOC)

The U.S. Department of Commerce is funded at \$9.2 billion in the omnibus, a \$9 million reduction from FY 2016.

- **Economic Development Administration (EDA):** The omnibus provides \$276 million for the U.S. Department of Commerce’s Economic Development Administration (EDA), a \$15 million increase. Of this amount, \$30 million is allotted for grants to troubled coal-mining communities. EDA funding supports regional strategies for long-term growth and serves as a catalyst in helping communities achieve long-term economic growth.
- **U.S. Census Bureau:** As efforts begin for the 2020 Census, the omnibus package provides \$1.47 billion for the U.S. Census Bureau, with \$270 million for ongoing demographic and economic surveys and \$1.2 billion for other programs, including the 2020 Census and the American Communities Survey (ACS). NACo supports full funding for the ACS, the Census Bureau and the Bureau’s Local Update of Census Addresses (LUCA) Program to ensure that a complete and accurate list of addresses can be enumerated during the 2020 Census.

## U.S. Department of Labor Programs

The U.S. Department of Labor is funded at \$12.1 billion in the omnibus, \$83 million below the FY 2016 level.

- **Employment and Training Administration:** The omnibus includes \$9.97 billion for the Employment and Training Administration, a decrease of \$90 million.
- **Veterans Employment and Training Service (VETS):** Veterans Employment and Training Service (VETS) is funded at \$279 million in the omnibus, an \$8 million increase over the FY 2016 level.
- **Workforce Investment and Opportunity Act (WIOA):** The bill provides just over \$2.7 billion for Workforce Innovation and Opportunity Act (WIOA) Title I programs, level funding compared to FY 2016. Of this amount, \$816 million is included for adults, \$873 million for youth, and \$1.02 billion for dislocated workers.

WIOA is the modernized workforce development system designed to meet the needs of employers and jobseekers alike. WIOA is the largest single source of federal funding for workforce development activities and a critical resource to counties.

- **Job Corps:** The Job Corps program is funded at \$1.7 billion in the bill, a \$15 million increase over the current level.

## Energy, Environment and Land Use

Counties are the primary service providers and have a responsibility to protect the health, welfare and safety of our citizens, and to maintain and improve their quality of life. Counties are tasked with ensuring environmental protection while maintaining the economic vitality of the region. The county role in environmental protection and energy is varied, ranging from air and water quality protection, solid waste disposal and energy resource allocation.

## Environmental Programs

Under the omnibus, the U.S. Environmental Protection Agency (EPA) is allotted \$8.06 billion for FY 2017, a cut of \$81.4 million from FY 2016. EPA is the federal agency tasked with protecting human health and the environment.

- **Water Infrastructure Funding:** The Clean Water State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF) receive \$2.26 billion combined in the omnibus, equal funding to FY 2016. SRF programs help finance state and local drinking water and wastewater infrastructure projects.
  - **CWSRF:** The CWSRF receives \$1.39 billion for Clean Water Act (CWA) municipal wastewater infrastructure construction or upgrade projects.
  - **DWSRF:** The DWSRF receives \$863 million under the omnibus to support Safe Drinking Water Act (SDWA) infrastructure projects.

NACo supports the State Revolving Loan Fund (SRF) programs, the Clean Water State Revolving Loan Fund (CWSRF) and the Drinking Water State Revolving Loan Fund as supplements to, not a substitute for, federal grant programs.

- **Grants for Water Quality Improvement:** The omnibus provides level funding (\$12.7 million) for a competitive grant program to rural and urban communities and private well owners for water quality improvements and/or safe drinking water technical assistance.
- **Water Infrastructure Finance and Innovation (WIFIA) program:** The omnibus contains an additional \$10 million for the new Water Infrastructure Finance and Innovation (WIFIA) program. Created in 2014, WIFIA originally received \$20 million in the Further Continuing and Security Assistance Appropriations Act passed last December (P.L. 114-254). The program will distribute its first WIFIA loans in 2017. NACo supports funding WIFIA because it has the potential to significantly lower water infrastructure costs for large projects.
- **Regional Water Grants:** The bill provides \$300 million and \$73 million respectively for both the Great Lakes Restoration Initiative and Chesapeake Bay program. This is level with FY 2016 funding. These grants help local communities meet federal water quality standards.
- **“Buy America” Provision:** The omnibus includes a “Buy America” provision for drinking water infrastructure projects and instructs the EPA to use integrated planning policies to help communities reduce the cost of Clean Water Act requirements.
- **Leaking Underground Storage Tank Program:** The omnibus provides \$98.6 million for the Leaking Underground Storage Tank Trust Fund Program (LUST), which is unchanged from FY 2016 enacted levels. Many counties provide oversight and cleanup of fuel from underground storage tanks. NACo supports full funding for the LUST program, which should only be used for its intended purpose of remediating and preventing further contamination caused by underground storage tanks.

- **Brownfields:** For FY 2017, EPA’s Brownfields project grant program is allotted \$80 million. This is level funding compared to FY 2016. Brownfield sites are abandoned or under-utilized industrial and commercial properties, which are contaminated (or perceived to be contaminated) due to past practices. EPA’s Brownfields project grants allow these sites to once again be economically viable. NACo supports federal funding for environmental cleanup of brownfields.
- **National Ambient Air Quality Standards (NAAQS) for Ozone:** The omnibus expresses concerns about the new ozone NAAQS, which tightened the standard from 75 parts per billion (ppb), last set in 2008, to 70 ppb in 2015. Specifically, the bill text notes that states will likely have to implement two ozone standards simultaneously. Further, it is likely that numerous counties will be in non-attainment under both the 2008 and 2015 ozone standards. The language urges EPA to grant flexibility to the states and instructs the agency to submit a report to Congress within 90 days on administrative options EPA has to work with the states. NACo supports efforts to delay implementation of EPA’s proposed 2015 NAAQS for ozone until the 2008 NAAQS have been fully implemented and analyzed for impact.
- **EPA Riders:** While the EPA section of the omnibus package contains numerous riders, few are as controversial and as relevant to county governments as the EPA directive to treat air emissions from forest biomass as carbon neutral. In the past several years, a debate has raged on whether biomass should be considered a viable renewable energy source since it releases carbon when it is burned. The amendment in the omnibus clarifies that biomass should be treated equality to other renewable energies and not subject to air regulations.
- **Not Included in the Bill:** A rider to kill the 2015 “Waters of the U.S.” rule was not included in the omnibus. The Trump Administration has undertaken an effort to withdraw and rewrite the rule. There is no language to block implementation of President Obama’s Clean Power Plan. The omnibus also does not include any language to block implementation of EPA’s 2015 NAAQS.

## Energy Programs

Under the omnibus, the U.S. Department of Energy (DOE) will receive \$30.8 billion. This is an increase of \$1.1 billion compared to FY 2016.

The bill would provide \$2.1 billion for DOE’s Office for Energy Efficiency and Renewable Energy (EERE), a \$17 million increase over FY 2016 levels. EERE’s mission centers around the development and promotion of clean, affordable and secure energy. Specifically, the department is encouraged to facilitate training and workforce development programs that assist and support workers in trades and activities required for the U.S. energy efficiency and clean energy sectors.

- **Energy Efficiency and Renewable Energy:** Under the omnibus, renewable energy programs will receive \$451 million in FY 2017, down from \$478 million in FY 2016 – a cut of \$27 million. Specifically, solar energy receives \$207.6 million in FY 2017, down from the \$241.6 million it received in FY 2016. Wind energy receives \$90 million in FY 2017, while in FY 2016 it received \$95.4 million. Geothermal technology funding drops from \$70 million in FY 2016 to \$69.5 million in FY 2017.



NACo supports increased federal resources for researching and developing renewable energy technologies, including wind, solar, geothermal, biomass, electricity from landfill gas and other forms of waste-to-energy that will achieve the objective of clean and safe forms of energy.

- **Weatherization:** Under the omnibus, DOE’s weatherization program receives \$228 million, up \$13 million from FY 2016. The Weatherization Assistance Program (WAP) helps low-income families make their homes more energy efficient while reducing their energy bills. The federal government provides money to the states, which then fund community programs (including local governments) to oversee WAP. NACo supports WAP.

## Health and Human Services

Counties create support systems to keep Americans healthy from the time they are born until they grow old. Counties provide public health information, clinical services, behavioral health services, children’s care, services to the elderly, emergency medical services and various healthy living programs. Often, states require counties to provide health services to low-income and uninsured people.

County governments actively support the health care providers in our jurisdictions. Counties invest \$83 billion annually in public health services and hospital facilities providing in-patient medical care. From preventative measures like administering flu shots to educating the public on health issues, counties are involved in providing healthcare through more than 1,900 health departments.

Counties also support roughly 960 hospitals that provide clinical services, cancer and cardiac care, and emergency and trauma care, serving more than 14 million patient days each year.

By supporting approximately 880 nursing homes, counties promote quality of life and wellness for the elderly.

### U.S. Department of Health and Human Services (HHS)

The omnibus funds the U.S. Department of Health and Human Services at \$77.7 billion, a \$2.7 billion increase above the FY 2016 level. The bulk of this increase (\$2 billion) will support biomedical research at the National Institutes of Health (NIH), which has enjoyed bipartisan support. NIH research priorities that fare best under the omnibus include cancer research at NIH’s National Cancer Institute (\$475.8 million increase), Alzheimer’s disease research (\$400 million increase) and the Precision Medicine Initiative (\$120 million increase).

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*Efforts to combat the opioid epidemic receive more than a five-fold increase in funding in the omnibus, with \$800 million (up from \$150 million) divided up amongst three HHS agencies: the Centers for Disease Control and Prevention (CDC), the Substance Abuse and Mental Health Services Administration (SAMHSA) and the Health Resources and Services Administration (HRSA).*

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Another bipartisan issue, combating the opioid epidemic, will receive more than a five-fold increase in funding in the omnibus, with \$800 million (up from \$150 million) divided up amongst three HHS agencies: the Centers for Disease Control and Prevention (CDC), the Substance Abuse and Mental Health Services Administration (SAMHSA) and the Health Resources and Services Administration (HRSA). Of note, the omnibus extends health insurance for coal miners, preserves federal funding for Planned Parenthood and includes additional funding to cover a Medicaid funding shortfall in Puerto Rico—all issues that threatened to sideline the spending package.

- **Prevention and Public Health Fund:** Local public health departments, two-thirds of which are county-based, receive approximately 25 percent of their funding from the federal government, primarily through the Centers for Disease Control and Prevention (CDC).

The CDC would receive \$7.3 billion, a \$22 million increase. Most of this will come from additional funding for prescription drug overdoses. The Prevention and Public Health Fund—the first dedicated funding stream that was established in the Affordable Care Act to support community prevention efforts, is fully funded at \$1 billion. Most other domestic funding for CDC is at level or decreased amounts. For instance, funding for the prevention of chronic diseases such as heart disease, stroke and diabetes is cut by about \$60 million.

### Programs for Behavioral Health

750 county behavioral health authorities receive block grant funding from the Substance Abuse and Mental Health Services Administration (SAMHSA) to plan and operate community-based services for people with mental illnesses and substance abuse conditions.

- **Substance Abuse Prevention and Treatment Block Grant:** In addition to increased funding for opioids, the omnibus provides level funding (\$1.9 billion) for SAMHSA's Substance Abuse Prevention and Treatment Block Grant.
- **Community Mental Health Services Block Grant:** The omnibus provides an increase of \$30 million over FY 2016 levels, to a total of \$541.5 million, for SAMHSA's Community Mental Health Services Block Grant.
- **Other Mental Health Programs:** The omnibus also includes an additional \$50 million for mental health divided between SAMHSA and the Health Resources and Services Administration (HRSA).

### Human Services Programs

The omnibus largely spares the programs counties use to provide human services to vulnerable members of our communities.

- **Social Services Block Grant (SSBG):** The Social Services Block Grant receives \$1.7 billion, which is level with FY 2016 funding. SSBG is county-administered in 10 states and provides funds for activities that serve vulnerable populations, including adults and children at risk of abuse and neglect. NACo strongly supports SSBG.

- **Temporary Assistance for Needy Families (TANF):** The bill extends the \$16 billion Temporary Assistance for Needy Families (TANF) program. Like SSBG, TANF is county-administered in 10 states. TANF is a federal cash assistance program for low-income families with children designed to produce better outcomes for kids and help adults move from welfare to work.
- **Head Start:** The Head Start program receives \$9.25 billion, an \$8.2 million increase from FY 2016 levels. This funding includes \$640 million for Early Head Start. NACo supports increased investments in county-run early childhood programs such as Head Start, which ensures that needed educational, nutritional and social services are available to pre-school children.
- **Child Care and Development Block Grant:** The discretionary portion of the Child Care and Development Block (CCDBG) grant receives \$2.85 billion, an increase of \$9 million from FY 2016 levels. CCDBG is the primary federal funding source supporting child care for low-income families.
- **Low-Income Home Energy Assistance Program (LIHEAP):** The Low-Income Home Energy Assistance Program (LIHEAP) is funded at \$3.39 billion, which is level with FY 2016. LIHEAP delivers critical short-term aid to our nation's most vulnerable populations, including the low-income, the disabled and the elderly, to pay for heating and cooling costs.
- **Community Services Block Grant:** The Community Services Block Grant, a NACo-supported program, is funded at \$742 million, a decrease of \$9 million from the FY 2016 funding level. CSBG allows counties to design and implement anti-poverty programs tailored to an individual community's needs.
- **Administration for Community Living:** The omnibus provides \$1.9 billion for the Administration for Community Living, an increase of \$1.2 million over FY 2016 levels.
- **Senior Nutrition Programs:** The bill provides \$828 million, a \$3 million increase, for programs supporting senior nutrition, such as Meals on Wheels.

### Food and Nutritional Assistance Programs

- **Supplemental Nutrition Assistance Program (SNAP):** The bill provides \$78.5 billion in mandatory funding for SNAP. This is \$2.4 billion below the FY 2016 level, which reflects declining enrollment. This total includes \$3 billion for the SNAP reserve fund, which is used to cover any unexpected participation increases. SNAP offers nutrition assistance to low-income individuals and families. NACo supports continued funding for SNAP.
- **Women, Infants and Children (WIC) Nutrition Program:** The bill provides \$6.35 billion in discretionary funding for the WIC program, which is equal to the FY 2016 enacted level. The WIC program aids low-income pregnant, postpartum and breastfeeding women, as well as infants and children up to age five who are at nutritional risk by providing food to supplement diets, information on healthy eating and referrals to health care. NACo supports federal initiatives, including nutrition and food support programs, that help counties develop and expand early childhood and parent education programs, and supports continued expansion of WIC.

## U.S. Department of Education

The omnibus bill funds the U.S. Department of Education at \$68 billion, \$1.2 billion below FY 2016 funding levels.

- **Title I Funding for Disadvantaged Schools:** The omnibus provides \$16.14 billion, an increase of \$13 million from the FY 2016 level.
- **Special Education:** The bill includes \$12 billion for Individuals with Disabilities Education Act (IDEA) special education grants to states, an increase of \$90 million from the FY 2016 level, which will maintain the federal share of special education funding to states.
- **Pell Grants:** The omnibus includes \$22.5 billion in discretionary funding for Pell Grants. The maximum Pell Grant award is increased to \$5,920, funded by a combination of discretionary and mandatory funds.

## Justice and Public Safety

Maintaining safe communities is one of the most important functions of county governments. Counties invest over \$70 billion annually in providing justice and public safety services to our residents, working together with all levels of government to improve public safety, safely reduce jail populations, fight recidivism and combat criminal activity such as drug trafficking. Most counties are involved in almost every aspect of law enforcement and crime prevention, including policing, corrections, and judicial and legal services.

Further, counties own and support the operation, construction and maintenance of 91 percent of America's local jails, which admit 11.4 million individuals each year.

## U.S. Department of Homeland Security (DHS)

- **UASI:** The omnibus provides \$605 million for the Urban Area Security Initiative (UASI). This represents a \$5 million increase over FY 2016.
- **State Homeland Security Grant Program:** The omnibus funds the State Homeland Security Grant Program at \$467 million, sustaining FY 2016 levels.
- **Federal Emergency Management Agency (FEMA) Grants:** The omnibus funds FEMA grants at \$2.7 billion, sustaining FY 2016 levels, including \$1.3 billion for state and local grants, \$690 million for firefighter assistance grants and \$350 million for Emergency Management Performance Grants.
- **FEMA Mitigation Programs:** The omnibus provides \$100 million for the National Pre-Disaster Mitigation Fund (level with FY 2016) and \$7.3 billion in funding for disaster relief under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, which is an increase of \$600 million from FY 2016.

- **Flood Hazard Mapping and Risk Analysis:** The omnibus provides \$177.5 million for expenses for Flood Hazard Mapping and Risk Analysis. This reflects a decrease of \$12.5 million from FY 2016.

## U.S. Department of Justice (DOJ)

Overall, the U.S. Department of Justice (DOJ) is funded at \$29 billion in the omnibus, representing a reduction of \$143 million from FY 2016 funding levels. Funding levels for programs important to counties are as follows:

- **State Criminal Alien Assistance Program (SCAAP):** The omnibus maintains level funding for the SCAAP program at \$210 million. SCAAP reimburses states and local governments for the cost of incarcerating undocumented immigrants who have been convicted of certain crimes. President Trump's budget blueprint proposed elimination of the program, following a precedent set by President Obama in his last few budget proposals.
- **Byrne Memorial Justice Assistance Grants (JAG):** Under the omnibus, the Byrne JAG program receives a total of \$403 million, but is subject to numerous carveouts, like a \$27 million carveout for pre-inauguration presidential security. With these carveouts factored in, the program will receive about \$334 million in funding, representing a roughly \$12 million decrease relative to FY 2016 levels. Byrne JAG helps counties across the nation utilize emerging and evidence-based approaches to the public safety challenges facing their jurisdictions.
- **Second Chance Act Grants:** The omnibus maintains level funding for Second Chance Act grants, providing \$68 million for the program. Second Chance Act grants strengthen local programs that aim to help individuals successfully reintegrate into their communities following their release from incarceration. Successful reintegration results in lower rates of recidivism, improves public safety and provides significant savings to counties.
- **Supporting State and Local Response to the Opioid Epidemic:** The omnibus provides \$43 million for drug courts, \$7 million for veterans' treatment courts, \$14 million for residential substance abuse treatment, \$14 million for Prescription Drug Monitoring Programs (PDMPs) and \$13 million for Comprehensive Addiction and Recovery Act (CARA) grants to support opioid-related efforts nationwide.
- **Juvenile Justice Delinquency Prevention Act Program (JJDP):** The omnibus funds JJDP at \$247 million, roughly \$23 million below FY 2016 levels. JJDP is the principal federal program through which the federal government sets standards for the care and custody of juveniles, and provides direct funding to counties to help them comply with these federal standards and assess and improve their youth justice systems.
- **Mentally Ill Offender Treatment and Crime Reduction Act (MIOTCRA):** The omnibus provides \$12 million in funding for MIOTCRA, \$2 million above the FY 2016 level. MIOTCRA grants are utilized by counties for a broad range of activities related to efforts to reduce the number of individuals with mental illness in jails, from jail diversion programs and mental health courts to in-jail treatment and transitional services.

## Public Lands

The management of America's public lands is of great concern to elected county officials. Federal land management decisions are critically important to elected officials and the local community because of the close relationship between our public lands and the well-being of the local economy. County officials must be full and active partners in ongoing discussions at the federal level about how to develop, manage, and conserve nearby public lands so that they benefit the county, the local economy and a diverse set of users for generations to come.

Additionally, as county governments are unable to collect property taxes from the public land in their jurisdictions, they rely heavily on funds from the Payments in Lieu of Taxes (PILT) program, as well as other revenue sharing programs including Secure Rural Schools (SRS), mineral leasing, geothermal energy development and wildlife refuge revenue sharing, which share revenues from economic activity on public lands with counties and schools.

### U.S. Department of Interior (DOI)

The U.S. Department of the Interior is funded at \$12.2 billion, \$200 million above the FY 2016 level.

- **Payments in Lieu of Taxes:** The PILT program is fully funded at \$465 million, \$15 million above FY 2016.

Counties are not able to collect property taxes on federal land, but must still provide essential services for residents and those who visit public lands each year. PILT helps offset the cost of these services, which include road and bridge maintenance, law enforcement, search and rescue, emergency medical and fire protection, solid waste disposal and environmental compliance.

### Wildfire Fighting and Prevention

- **Wildland Fire Suppression:** The omnibus fully funds the 10-year average cost for wildland fire suppression for both the U.S. Department of the Interior and the U.S. Forest Service. These accounts are funded at \$4.2 billion, with \$407 million in emergency funding.
- **DOI Wildland Fire Management:** For the U.S. Department of the Interior, this bill increases Wildland Fire Management funding by \$125 million. This includes a \$10 million increase for hazardous fuels management and a \$112 million increase in preparedness and fire suppression over FY 2016 levels.

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*The PILT program is fully funded at \$465 million – \$15 million above FY 2016. PILT helps offset the costs of services counties provide to residents and visitors on tax-exempt federal public lands. Funding for the SRS program is not included in the omnibus. 720 federal forest counties and 9 million school children depend on SRS to make up for lost timber revenues.*

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## Bureau of Land Management (BLM)

The BLM is funded at \$1.2 billion under the omnibus, \$15 million above the FY 2016 level.

- **BLM Land Acquisition:** The omnibus includes \$31.4 million for BLM Land Acquisition, representing a \$7.2 million cut compared to FY 2016. Federal land acquisition impacts county tax bases because counties cannot levy property taxes on federal land. Counties should have a greater say in federal land acquisitions.
- **Policy Rider on Multi-Year Cooperative Agreements on Wild Horses and Burros:** The omnibus contains a provision that will allow the Secretary of the Interior to enter multi-year cooperative agreements with non-profit organizations to provide for the long-term care of wild horses and burros. Per BLM, the land can only support about 1/3 of the number of wild horses currently on BLM lands.
- **Policy Rider on Oil and Gas Inspection Fees:** The omnibus includes language that blocks the implementation of a previous rule to increase oil and gas inspection fees. Many small oil and gas producers believe this rule would make production too expensive during a time of low commodity prices.
- **Policy Rider on Wildlands:** The U.S. Department of the Interior is also prohibited under the omnibus from implementing Secretarial Order No. 3310, known as the Wildlands policy. Implementation of this order would give the Secretary of the Interior the ability to decrease management activities on federal lands, and create a de-facto wilderness system through the executive branch, rather than establishing wilderness areas after coordination with county leaders and through the legislative process.
- **Policy Rider Rejecting Grazing Fee Increases:** The omnibus rejects requests by past administrations to increase grazing fees on federal land for America's ranchers. This provision applies to both the BLM and the U.S. Forest Service.

## U.S. Fish and Wildlife Service (USFWS)

USFWS is funded at \$1.5 billion, an \$11 million increase compared to FY 2016. The increase in funding is directed toward cutting the endangered species delisting backlog, decreasing the National Wildlife Refuge System deferred maintenance backlog and combating invasive species.

- **USFWS Land Acquisition:** The USFWS Land Acquisition account is funded at \$60 million. This is an \$8.5 million decrease from the FY 2016 appropriation.
- **Sage Grouse Endangered Species Rider:** The omnibus bill delays any reviews or rulemakings regarding a potential endangered species listing of the greater sage grouse. This ensures that locally-led conservation efforts for the greater sage grouse are given a chance to produce results so that decisions are based on sound science.

## National Park Service (NPS)

- **Overall NPS funding increased by \$81 million to \$2.9 billion:** The rise in NPS funding is primarily targeted toward reducing the deferred maintenance backlog in our national parks, including \$20 million for the Centennial Challenge public-private partnership matching grant program to fund much-needed repairs to the National Park System.

Counties depend on a National Park System with first-rate infrastructure to attract federal lands tourists who contribute billions of dollars to local economies each year.

## U.S. Forest Service (USFS)

The omnibus provides \$5.6 billion for the Forest Service, which includes increases in funding for wildfire fighting and management.

- **Secure Rural Schools (SRS):** Funding for the SRS program is not included in the FY 2017 omnibus bill. 720 federal forest counties and 9 million school children depend on these payments to make up for lost timber revenues. SRS payments keep teachers in the classroom, police officers on the beat and road crews working to construct and maintain county infrastructure.

Furthermore, if Congress does not reauthorize SRS, counties receiving PILT could face reduced payments because the previous year's SRS would no longer be deducted under the PILT formula.

- **USFS Wildfire Prevention and Suppression:** \$3.2 billion is dedicated specifically to wildfire prevention and suppression. Funding for wildland fire suppression is increased by \$437 million to \$2.3 billion.
  - **Hazardous fuel treatments:** Funding is increased by \$15 million compared to FY 2016. Hazardous fuel removal and increased fire suppression improve the landscape, reduce the threat of wildfire, protect watersheds and lessen the need for emergency services.
- **USFS Land Acquisition:** National Forest System land acquisition is reduced by \$9 million compared to FY 2016.
- **Grazing Management:** The grazing management line-item remains level at \$56.9 million. Additionally, both USFS and BLM are required to make vacant grazing allotments available to current permittees or lessees when current allotments become unusable due to drought or wildfire. These provisions will keep the federal grazing system consistent and predictable for ranchers.



## Transportation and Infrastructure

Counties are an essential part of the nation's infrastructure. By providing efficient transportation and transit options such as buses, trains, light rail and subway systems, counties connect residents, businesses and communities and strengthen local economies. Counties annually invest more than \$100 billion in building infrastructure and maintaining and operating public works. Counties own and maintain 40 percent of America's roads, 45 percent of all bridges, and are involved in over one-third of the nation's airports and transit systems.

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*Counties annually invest \$106.3 billion in building infrastructure and maintaining and operating public works. Counties own and maintain 40 percent of America's roads and 45 percent of its bridges, and are involved in the operation of over one third of the nation's airports and transit systems.*

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### U.S. Department of Transportation (DOT)

The FY 2017 omnibus provides \$19.3 billion for the U.S. Department of Transportation (DOT). This figure is \$681 million above FY 2016.

### Highway Funding

The bill will allow \$44 billion from the Highway Trust Fund to be spent on the Federal-aid Highways Program, which is \$905 million above the FY 2016 level. This funding mirrors the levels authorized in the "Fixing America's Surface Transportation Act" (FAST Act). Counties rely on this funding to maintain a strong federal-state-local partnership.

- **TIGER Grants:** The omnibus funds National Infrastructure Investment grants (also known as TIGER grants) at \$500 million, the same as the FY 2016 level.
- **Policy Rider on Truck Drivers' Hours:** The bill also includes language to provide permanent regulatory relief from the Hours of Service Restart rule made by the previous administration, which mandated a limited amount of hours truckers could operate during any given week.

### Rail and Transit Funding

The Federal Railroad Administration is funded at \$1.85 billion, an increase of \$173 million over the FY 2016 levels.

- **Amtrak:** The bill provides \$1.5 billion for Amtrak, an increase of almost \$150 million. The bill adopts the new Amtrak funding structure as authorized, providing \$328 million for Amtrak's Northeast Corridor and \$1.2 billion to support the National Network. The bill requires overtime limits for Amtrak employees to reduce unnecessary costs.
- **Rail Safety:** Rail safety and research programs are funded at \$258 million, \$20 million above FY 2016. This will fund inspectors, training and research programs. In addition, the bill provides \$98 million for safety improvement grants and investments to the physical rail infrastructure to help ensure the safety of passengers and local communities.

- **Federal Transit Administration:** The bill provides \$12.4 billion in total budgetary resources for the Federal Transit Administration (FTA), \$657 million above the FY 2016 level.
- **Transit Formula Grants:** Transit formula grants total \$9.7 billion – consistent with FY 2016 authorization levels – to help local communities build, maintain, and ensure the safety of their mass transit systems. Within this amount, \$2.4 billion is provided for Capital Investment Grants, including \$1.5 billion for all current “Full Funding Grant Agreement” (FFGA) transit projects.
- **Core Capacity Projects:** Core capacity projects receive \$333 million in the bill, and \$408 million is included to fund all state and local “Small Starts” projects that will begin in FY 2017. These programs provide competitive grant funding for major transit capital investments, including rapid rail, light rail, bus rapid transit and commuter rail, that are planned and operated by local communities.
- **High-Speed Rail:** No funding is provided for high-speed rail.

### Federal Aviation Administration (FAA)

Included in the legislation is \$16.4 billion in total budgetary resources for the Federal Aviation Administration (FAA) – \$127 million above the FY 2016. This will provide full funding for all air traffic control personnel, including 14,500 air traffic controllers, 7,400 safety inspectors and operational support personnel. Counties rely on FAA programs like the Essential Air Service to provide transportation options to and from more remote areas.

- **Next Generation Air Transportation Systems (NextGen):** The omnibus builds on several years of increased funding by providing \$1 billion for the FAA’s Next Generation Air Transportation Systems (NextGen), and funds Contract Towers at \$159 million. These investments will help ease future congestion and reduce delays for travelers in U.S. airspace.
- **Essential Air Service (EAS) Program:** The omnibus legislation continues the Essential Air Service program, maintaining an approximate funding level of \$175 million, which complies with the 2014 Compliance Order capping the program at \$200 million annually.

### Transportation Safety Programs

The legislation contains funding for various transportation safety programs and agencies within the Department of Transportation.

- **National Highway Traffic Safety Administration (NHTSA):** The omnibus provides \$911 million in total budgetary resources for the National Highway Traffic Safety Administration, an increase of \$42 million over the FY 2016 level, and \$644 million for the Federal Motor Carrier Safety Administration.

- **Pipeline and Hazardous Materials Safety Administration (PHMSA):** Also included is \$236 million for the Pipeline and Hazardous Materials Safety Administration, an increase of \$13 million over FY 2016.