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Key County Economic Programs Boosted Under FY2018 Omnibus Bill.

The omnibus bill will add $6 billion to housing, workforce and economic development programs crucial to counties

Several federal departments that deliver crucial housing and workforce and economic development programs to counties saw funding increased by nearly $6 billion under the FY2018 omnibus bill recently signed into law by President Trump.

The three departments overseeing these key programs include Housing and Urban Development (HUD), Commerce (DOC) and Labor (DOL). Under the FY2018 omnibus, HUD was funded at $42.7 billion for FY2018, a $3.9 billion increase over FY201; DOL was funded at $12.2 billion, a $129 million increase above FY2017 levels; and DOC was funded at $11.1 billion, a $1.9 billion increase over FY2017.

Some of the programs receiving an increase in funding under the FY2018 omnibus include the Community Development Block Grant (CDBG), the HOME Investment Partnerships (HOME), the Economic Development Administration (EDA) and the Workforce Innovation and Opportunity Act (WIOA).

Department of Housing and Urban Development

CDBG: CDBG is funded at $3.3 billion under FY2018 appropriations, an increase of $300 million over FY2017 funding levels. Counties utilize the flexibility of CDBG funds to support projects addressing community and economic development priorities, including housing, water, infrastructure and human services.

HUD's CDBG program provides annual grants on a formula basis to more than 1,200 metropolitan city and county governments, as well as to state governments. Nearly 200 counties are "entitlement counties" — those counties with populations exceeding 200,000, not including metropolitan areas — which receive CDBG grants directly. Non-entitlement communities must compete for funding through the state formula allocation. According to HUD, for every $1 of CDBG funds invested, an estimated $4.09 is leveraged in other public or private sector funds.

HOME: The omnibus includes $1.36 billion for HOME, an increase of $412 million over FY 2017 funding levels. In addition, the bill extends the suspension of the HOME 24-month funds commitment deadline through 2020.

HUD's HOME program, authorized in 1990, assists state and local governments in providing affordable housing for low-income families, with 60 percent of HOME funds being allotted to the nearly 650 participating jurisdictions in counties and cities. HOME funds can be used towards the acquisition and rehabilitation of housing, or towards tenant-based rental assistance, depending on a county's housing needs.

Homelessness Assistance Grants: Another HUD program dealing with affordable housing, Homelessness Assistance Grants, were funded at $2.5 billion, a $130 million increase over FY 2017 levels. The omnibus bill allocates $80 million of the $2.5 billion to addressing youth homelessness.

Department of Commerce

EDA: The omnibus provides $301.5 million for the Department of Commerce's Economic Development Administration (EDA), a $25.5 million increase from FY2017 levels. EDA funding supports regional strategies and serves as a catalyst in helping communities achieve long-term growth. The omnibus also directs EDA to use funding provided under Public Works and Economic Adjustment Assistance accounts for the support of high speed broadband, especially in underserved areas.

Under the Department of Commerce, EDA is the only federal agency with a mission solely focused on private sector job creation in distressed areas. EDA makes investments and builds partnerships to help regions and communities respond to shifts in international markets, address severe unemployment challenges and recover from plant closures, major natural disasters and other chronic and sudden economic hardships. EDA-funded projects are awarded on a competitive basis and typically require a 50 percent local match and significant private sector investment, helping ensure projects have local support and are part of a broader regional strategy.

Department of Labor

WIOA: The FY 2018 omnibus bill includes $2.8 billion for Workforce Innovation and Opportunity Act (WIOA) Title I programs, an $80 million increase over FY 2017 levels. Of this amount, $845.6 million is included for adults, $903.4 million for youth and $1.041 billion for dislocated workers. WIOA Title I focuses on workforce development activities at the state and local level and establishes funding for three key formula grants: Adult, Dislocated Workers and Youth programs. WIOA provides critical workforce training and career services to counties.

WIOA was enacted in 2014, reauthorizing federal employment, workforce and training programs and formula funding to states and localities. WIOA is the largest single source of federal funding for workforce development activities, intended to help states and counties tackle and overcome workforce challenges. Over the last program year, WIOA employment and training programs assisted 7.3 million individuals. In 2016, 64 percent of WIOA participants gained employment, including 77 percent of adults and 82 percent of dislocated workers who received training services.

Congressional appropriators are already working on FY2019 spending levels, which must be set and passed before the current fiscal year ends Sept. 30. If legislators are unable to reach an agreement and pass a spending bill by Sept. 30, a continuing resolution will need to be passed to keep the government open.

In February, Trump released his FY2019 budget request, which outlined the administration's federal spending priorities for the next fiscal year. The budget request would eliminate or reduce funding for many community and economic development programs important to counties.

The proposal would eliminate funding for CDBG, HOME and EDA and reduce funding for WIOA and homelessness assistance compared to FY2018 levels.

NATIONAL ASSOCIATION OF COUNTIES

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Apr. 16, 2018

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