

## **FACT SHEET**

# Fiscal Year 2025 Earmarks: Deadlines are NOW + Act Today

\$1.4 trillion in discretionary spending annually UPDATED APRIL 29, 2024

The U.S. House of Representatives has released guidance for the Fiscal Year (FY) 2025 Community Project Funding (CPF), whereas the U.S. Senate is using the FY 2024 Congressional Directed Spending (CDS). These are the new "earmarks". Not all offices are participating in this funding stream, but for those who are, the deadlines are happening now or very soon. This fact sheet provides an overview of the process, distinctions between U.S. Senate and House of Representatives funding requests, basic criteria requirements, and NN4Y recommendations for a strong funding request.

If you haven't already done so and are interested in pursuing this funding stream, we urge you to reach out to your U.S. Senators and U.S. Representatives now to meet their deadlines.

#### What You Need to Know

There is \$1.4 trillion of federal money on the table that community-based nonprofits and schools can access. This fact sheet tells you all that you need to know to work with your U.S. Members of Congress to try to access this funding. These funds can bolster and expand your important work of preventing and ending youth homelessness.

**What are the new earmarks called?** In the U.S. Senate, they are Congressionally Directed Spending (CDS), and in the U.S. House of Representatives, they are Community Project Funding (CPF).

**What are earmarks?** Earmarks are a way that U.S. Members of Congress can request federal funding to be directed specifically to fund projects in their state/district.

**What can CDS/CPF (formerly known as earmarks) fund?** For FY 2025, non-profits are not eligible for Community Project Funding in the HUD Economic Development Initiatives (U.S. House Earmarks). <u>FY25 House guidelines</u> | <u>FY24 Senate guidelines</u>

**What is the deadline to submit a request?** Every member of the Congress and appropriations subcommittee has different deadlines. Some deadlines have passed, some are coming up soon, and some are not until next month. For this reason, we strongly urge you to reach out to your U.S. Senators and U.S. Representatives now to meet their deadlines.

**What is the process?** U.S. Members of Congress submit their top project requests to the appropriations subcommittee. Each subcommittee has different deadlines and processes. Your Member of Congress will have an earlier deadline so they can have everything into the subcommittee on time. For this reason, we strongly urge you to reach out to your U.S. Senators and U.S. Representatives now to learn about their requirements and priorities to meet their deadlines.

# **U.S. SENATE: Congressionally Directed Spending (CDS)**

Guidance for Congressionally Directed Spending (CDS) for FY 2025 has not yet been released. General guidance is below. We have also been told to follow <u>FY 2024 Senate guidelines</u>, with the caveat that if FY25 guidance is released, it may be different than FY24.

Congressionally Directed Spending projects are subject to the following general conditions, in addition to those imposed by each committee:

- Applicants must be nonprofit entities or state, local, or tribal governments.
- Funding is limited; not all eligible requests will be funded and funded projects can only count on one year of funding.
- Projects must fall under <u>eligible accounts</u>.
- Funded projects are subject to Government Accountability Office audits.

## Applications must include:

- The total project costs, the funds requested as an earmark, and the source(s) of the balance of the funding needed;
- How the requested funding will be spent, as specifically as possible;
- An argument for how the request will positively impact Hawai'i, including metrics for outcomes that would be improved if your project is implemented;
- Demonstrated support from relevant stakeholders;
- Evidence that the requesting organization has the capacity to take on this project; and
- Information about project partners (e.g., suppliers, contractors, partnering organizations)

#### **Process and Accounts**

The Senate Appropriations Committee only allows earmarks from certain federal funding accounts, so projects must fit into an eligible account to qualify. Please note that accounts are subject to change and are not guaranteed to be consistent every year. FY25 guidance has been released, but you can view a list of FY24 accounts and account-specific requirements.

U.S. Senators don't face a cap on the number of requests they submit, unlike U.S. Representatives.

# **U.S. HOUSE: Community Project Funding (CPF)**

Guidance for Community Project Funding (CPF) for <u>FY 2025</u> was released on April 25, 2024. General guidance is below.

The U.S. House Appropriations Committee accepts no more than 15 (subject to change) requests from Members of Congress for Community Project Funding to support specific, worthwhile projects in the districts they represent.

#### Before submitting your project request, you must meet all of the following requirements:

- Applicants must be a non-profit, state, local, or tribal government entity. Except for HUD
   Economic Development Initiatives, where non-profits are ineligible.
- The project must be located in the Congressional District of the U.S. Representative you are making the request to.
- The project must have demonstrated community support.
  - This may include but is not limited to letters of support from elected community leaders, resolutions passed by city councils or boards, evidence the project is listed on community development plans, and/or support from local newspaper editorial boards.
- The project request must be for fiscal year 2024 funds only (new projects will be for fiscal year 2025 funds only) and cannot include multi-year funding.
- The project cannot be for a memorial, museum, theater, or pool, and cannot be commemorative (named for an individual or entity).

Each project will fall under a specific funding account within one of 7 Appropriations Subcommittees that are eligible for community funding project requests for Fiscal Year 2024. For more information, view the FY25 Member Request Guidance. To determine which Subcommittee your project may be eligible for, see below.

## **Common General Criteria Used to Evaluate CDS + CPF**

### **1.** Transparency:

- Members are required to post every request online simultaneously with their submission to the Appropriations Committee.
- The Appropriations Committee will release the list of projects funded before the full committee votes on the legislation.
- Members must certify that they, their spouse, and their immediate family have no financial interest in the projects they request.

#### 2. Ban on For-Profit Recipients:

Members may not direct funding to for-profit grantees. Members may request funding for
 State or local governmental grantees and eligible non-profits.

#### **3.** Cap on Overall Funding:

o CDS/CPF spending may constitute no more than 1 percent of discretionary spending.

## **4.** Demonstrated Community Support:

• Members must provide evidence of community support that was a compelling factor in their decision to select the requested projects.

#### **5.** Request in Writing:

 Members requesting CDS/CPF requests must be in writing, including the name and location of the intended recipient, and the purpose of the spending item.

# **Recommendations for Preparing Strong Funding Requests**

This funding favors projects from state and local governments and nonprofits. Members of Congress are more eager to back (and highly rank) projects with 1) strong local support, 2) well-documented potential benefits, and 3) as close to "ready to start" as possible. However, there is no perfect project. The most important is to reach out now and work closely with your U.S. Representative. When requesting funding, consider:

#### **Practicalities:**

- What is the project's timeline?
- Is the project ready to begin, and if not, what further steps are needed?
- What are the project's documented public safety, health, or educational benefits?
- Are there any trade-offs in investing in this project versus others in the region?

#### **Economics:**

- How many and what kinds of jobs does the project create, and for how long?
- What is the regional economic benefit of the project?
- What is the estimated impact on the local tax base
- Is the project located in a disadvantaged or underserved area, or will it support an underserved population?

#### **Politics:**

- How much are non-federal entities (such as state and local governments, private donors, or other funders) contributing to the project?
- Do regional local governments, businesses, and residents support the project?
- Do other members of Congress support the project?

#### **Identify and Develop Champions:**

- Beyond preparing a strong proposal, applicants will boost their bids for an earmark by securing bipartisan and bicameral congressional champions willing to put their name to these proposals.
- For larger regional projects, your pool of potential champions only grows.

## **Prepare for the Long Haul:**

- The earmark and appropriations process is a year-long cycle, requiring months of advocating and pushing to maximize your chances for success.
- Having a strong local group of supporters of your project willing to advocate will help. You can keep pushing through grassroots advocacy, committee-level outreach, and appealing to leadership.