



Date: November 22, 2011

To: Federal Legislation Committee Members

From: Patrick H. West, City Manager

Subject: Congress Passes "Minibus" Appropriations Bill and 3rd Continuing Resolution

Background

Congress typically passes a complete federal budget as an omnibus bill, which combines all 12 appropriation bills into a single piece of legislation. Given the contentious debates over federal spending in recent months, leadership has indicated this year's appropriation bills will be packaged into several "minibus" bills. These small pieces of legislation will allow Congress to vote on only a few appropriation bills at a time, rather than attempt to pass a comprehensive omnibus spending bill.

Introduction

Congress passed the first "minibus" of the 112th Congressional session on November 17, 2011 with the Senate voting 70-30, and the House voting 298-121, in favor of the bill. The President signed this legislation, H.R. 2112, into law on November 18, 2011.

In addition to the "minibus", Congress included a third Continuing Resolution (CR) in H.R. 2112. Together the "minibus" and CR combine long-term spending authority for programs in the Agriculture, Commerce-Justice-Science, and Transportation-Housing and Urban Development appropriations bills with short-term spending authority for programs not included in these three appropriation bills through December 16, 2011.

Funding Levels of Interest to Long Beach

Of particular interest to the City of Long Beach are funding levels in H.R. 2112 for Transportation, the Community Development Block Grant (CDBG), HOME Partnership, Citizens Option for Public Safety (COPS) and Justice Byrne grants.

Transportation-Housing and Urban Development (THUD)

The complete THUD bill was funded \$0.2 billion above FY 11 funding levels, yet cuts to CDBG and HOME were still enacted. The decision to reduce CDBG and HOME funding runs contrary to requests made by the City for \$3.5 billion for CDBG and \$1.2 billion for HOME.

As a result of H.R. 2112, a new 20 percent cap on CDBG administrative expenses has gone into effect and overall funding has been reduced by \$388 million compared to FY 11 levels. These changes leave CDBG with \$2.95 billion in programmatic funding, which is less than the \$3.5 billion requested by the City. The "minibus" also reduced allowable administrative expenses changed to the grant, which will have tangible impacts. At this time, staff estimates the City will see a 10 percent reduction in CDBG funding to Long Beach.

The HOME Partnership will receive \$1 billion in funding, which is \$607 less than FY 11 levels and less than the City's request for \$1.2 billion. Long Beach uses the HOME Partnership to finance affordable housing in the City.

Transportation funding in H.R. 2112 includes \$500 million for TIGER grants and \$39.9 billion for highway investments.

Commerce-Justice-Science

The Community Oriented Policing Services (COPS) program will receive \$199 million in FY 12. This is a \$40 million reduction from FY 11 levels, though considering COPS was slated for elimination in the House appropriations bill earlier this year, the funding adopted is as high as could be expected. In direct contrast to the House proposal, the Senate proposed \$200 million in funding, which ultimately drove the adopted funding amount of \$199. In the past, COPS program funds could be used for Hiring Law Enforcement Officers, Community Policing Development (CPD) activities, Safe School Grants, and the Child Sexual Predator Program (CSPP). With the reduction in federal funds, Safe School Grants and the CSPP program will likely face elimination. COPS funds remaining will focus primarily on hiring, with approximately \$8 – 10 million available for CPD activities.

H.R. 2112 provides Byrne Justice Assistance Grants (JAG) with \$470 million for state and local governments in FY 12. This amount is \$40 million above the funding provided in FY 11; and well above the House and Senate original proposals for \$357.265 million and \$395 million, respectively. JAG grants provide states, tribes, and local governments with funding to support a range of law enforcement program areas.

Next Steps

The CR that was enacted to fund programs and services in the remaining nine appropriation bills expires December 16, 2011. Staff will continue to monitor developments with these nine bills as they arise. The bill pertaining to Labor-Health and Human Services will be a major piece of legislation to watch as it contains funding for federal Workforce Investment Act (WIA) programs, which are essential to the continuation of workforce development activities conducted through our Pacific Gateway Workforce Investment Board.

Please contact Tom Modica, Director of Government Affairs and Strategic Initiatives at 8-5091 if you have any questions.

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