FY25 Congressionally Directed Spending Request Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Subcommittee Guidance Office of Senator Jeanne Shaheen

The information below reflects the updated guidance received from the Senate Appropriations Committee for fiscal year (FY) 2025 with respect to congressionally directed spending (CDS) requests. Should you have any questions, please contact Senator Shaheen's office at <u>appropriations_shaheen@shaheen.senate.gov</u> or call 202-224-2841.

Guidance on Submitting Requests for Congressionally Directed Spending (CDS)

The Ag Subcommittee will accept CDS requests for the following accounts:

- Agricultural Research Service, Building and Facilities (ARS B&F)
- Animal and Plant Health Inspection Service, Salaries and Expenses (APHIS S&E)
- Natural Resources Conservation Service, Watershed and Flood Prevention Operations (WFPO)
- Rural Development, Community Facilities Grants
- Rural Development, Distance Learning and Telemedicine Grants

Following enactment of the FY25 funding bill, CDS recipients must apply for funding through the normal agency application process. The Subcommittee will not fund CDS items if a recipient CANNOT meet all program requirements.

Agricultural Research Service, Buildings and Facilities:

Requests for ARS B&F may only include funding for existing facilities or facilities where funding has been provided in the past. Facilities must be ARS-owned.

APHIS Salaries and Expenses:

Requests for APHIS S&E must align with APHIS' mission and must meet environmental review requirements (i.e. NEPA and ESA). Learn more about APHIS' programs <u>here</u>. The period of availability for APHIS CDS will be one-year funding (i.e. until the end of the fiscal year).

WFPO:

CDS recipients for WFPO must have a local sponsor. Eligible local sponsors can be any State, political subdivision, soil or water conservation district, flood prevention or control district, or combinations thereof; any irrigation or reservoir company or water users' association; or any Indian tribe or tribal organization.

Any individual project may not exceed a watershed or sub-watershed size of 250,000 acres. At least 20 percent of the project's benefits must be directly related to agriculture.

Projects are required to complete a four-step process including:

- 1. Preliminary feasibility study (PIFR)
- 2. Watershed Plan development

- 3. Implementation of Watershed Plan
- 4. Commencement of construction for authorized watershed conservation

If a project is a "new start" it is eligible only for PIFR funding at a level of \$55,000. Funding cannot be requested for stages 2-4 until the PIFR is completed (this includes projects where the PIFR is in progress). Offices are encouraged to request funding for projects that are nearing the construction stage.

Requests must include the following information in Legi-Mate:

- •Local sponsor
- •Confirm coordination with the Natural Resources Conservation Service State Conservationist
- •Indicate for which phase of the project funding is requested

Community Facilities Grants:

The following project and applicant eligibility criteria must be met **prior to** a congressionally directed spending request being approved:

The Community Facilities (CF) Grant program has a match requirement on a sliding scale based on the community population size of where the project will be located. CF Grants can cover <u>up to</u> 75 percent of the total project costs. Rural Development (RD) verifies an applicant's population size from the most recent census. **In order to determine whether a project is eligible, your office or the applicant is required to reach out to your state RD office.** Contact information for the state offices can be found at this link:

https://www.rd.usda.gov/about- rd/state-offices.

The RD National Office will not be able to complete its eligibility review until after the deadline for Member offices to publish CDS requests on their official Senate websites. Therefore, it is essential that projects are vetted with your RD state office prior to Legi-Mate submission.

This program will fund **up to** 75% of total project costs, with match requirements based on population as follows:

- •Maximum of 75 percent when the proposed project is located in a rural community having a population of 5,000 or fewer;
- •Maximum of 55 percent when the proposed project is located in a rural community having a population of 12,000 or fewer;
- •Maximum of 35 percent when the proposed project is located in a rural community having a population of 20,000 or fewer.

Towns with populations over 20,000 are not eligible for this program.

In general, CF matching funds must come from a non-Federal source (must be a cash match; it cannot be in-kind). However, there are two exceptions: (1) sometimes a Federal source will state that it can be used as a match for Federal Grants and (2) when a Federal source loses its Federal identity --- such as CDBG funds that are distributed through a Governor's office (not the CDBG entitlement funding) --- a CF project having these funds as a part of the capital

stack can be a part of the applicant required contribution. If applicants fail to have their match within three years of enactment of the final bill, funds may be swept back into the general CF account.

This program is subject to the Build America Buy America Act requirements which will apply to the total project cost, not just the Federal cost-share portion.

CDS requests will be considered outside of the CF state allocations. Therefore, the sole cap that will determine the maximum grant assistance is the match requirement as described above. The average CF CDS project size funded in FY24 was \$1,000,000. When considering which CDS requests to submit to the Subcommittee, this is a good baseline to use.

Funds may <u>not</u> be used for the following activities:

- To reimburse funds for projects already constructed/acquired or projects that will be completed by the passage of the final bill;
- To pay initial operating expenses or annual recurring costs, including purchases or rentals that are generally considered to be operating and maintenance expenses (unless a CF loan is part of the funding package);
- To fund facilities to be used primarily for recreation purposes; and
- To fund facilities to be used primarily for business entrepreneur purposes.

Applicants must meet environmental review requirements (i.e., NEPA). Applicants <u>must</u> complete an application if awarded a CDS in the final bill.

Note: there are several set-asides within the CF grant program, but congressionally directed spending requests will only be eligible for the general CF Grant program.

<u>Due to the complexity of these grants, all applications should be vetted through your</u> <u>state RD office – the Subcommittee will not consider projects that are ineligible.</u>

RD publishes its grant awards for all its programs on their website: <u>https://www.rd.usda.gov/about-rd/grant-awards</u>. Once you download the excel spreadsheet, you can filter for just CF Grants.

Rural Development, Distance Learning and Telemedicine Grants:

The following project and applicant eligibility criteria must be met **prior to** a congressionally directed spending request being approved:

- •There is a flat 15 percent match (matching funds cannot come from another Federal source).
- •Full list of eligible entities, uses, and limitations can be found here: <u>7 CFR Part 1734</u> <u>Subpart A and B.</u>
- •The maximum grant size is \$1,000,000.
- •Reminder, even though for-profit entities are eligible for this program, they are not eligible for congressionally directed spending requests.
- •Broadband deployment is **not** an eligible use of funds for DLT.
- Applicants <u>must</u> complete an application with RD if awarded a CDS in the final bill.

For both CF and DLT Grants, state directors and local specialists are available to answer specific questions regarding eligibility of a proposed project. You can find their contact information at this link: <u>https://www.rd.usda.gov/about-rd/state-offices</u>.