

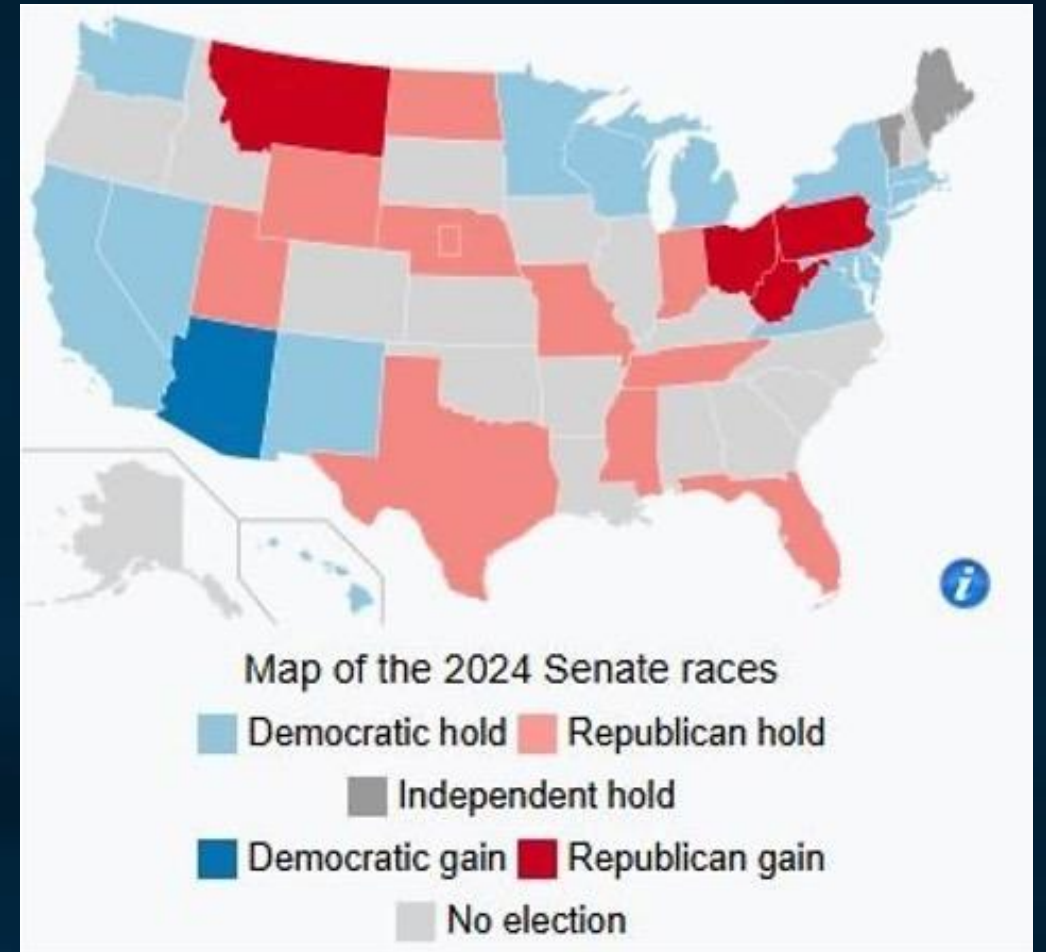
Federal Highlights Spring 2025

Kyla Shkerich Blair
Principal
Culton Consulting



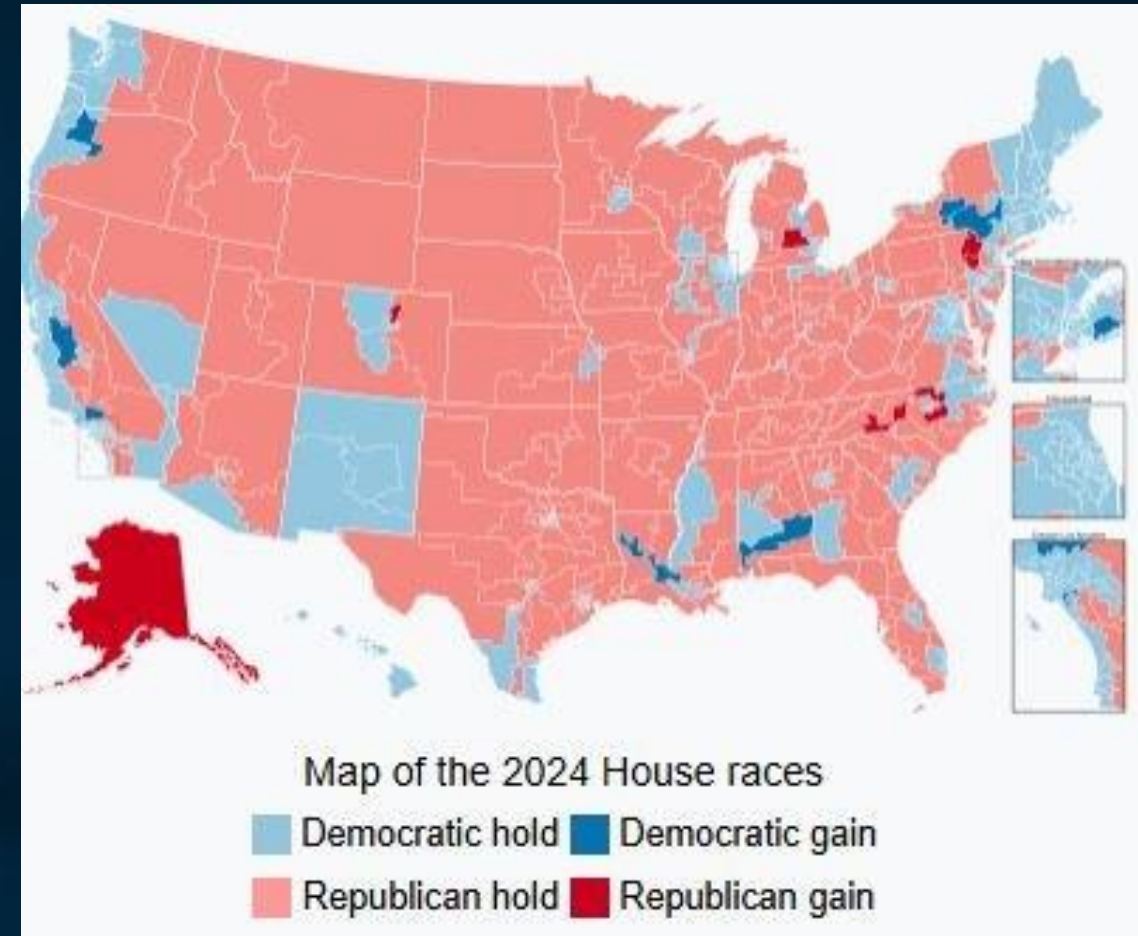
STATE OF THE SENATE

- The 2024 Election secured a Republican Majority
- Senate Republicans have **53** seats versus **45** for the Democrats with **2** seats going to independents.
 - Senators Sanders and King are the chamber's **2** Independents, who caucus with the Democrats.
 - R's have a **6-seat** majority with Vice President Vance serving as tie-breaker.
- Republican's gained seats in:
 - Montana
 - Ohio
 - Pennsylvania
 - West Virginia
- Majority Leader: Senator John Thune, R-SD
- Minority Leader: Chuck Schumer, D-NY



STATE OF THE HOUSE

- The 2024 Election secured a Republican Majority
- Republicans have ***218** seats and Democrats have ***213**
 - There are currently 4 vacancies 2 Dem seats and 2 Republican seats
- In total, **17** House seats changed parities
- Seats flipped in:
 - Alaska
 - Alabama
 - California
 - Colorado
 - Louisiana
 - Michigan
 - North Carolina
 - New York
 - Oregon
 - Pennsylvania
- Republican Speaker of the House: Mike Johnson, R-LA
- Minority Leader: Hakeem Jeffries, D-NY



STATE OF THE EXECUTIVE BRANCH

- President Trump and Vice President Vance have been in office for 60 days
- Signed a total of 92 Executive Orders
- Paused critical funding that both our state government and local governments rely on
- Increased tariffs on a number of countries which could impact the price of materials and goods for construction and upgrades
- 21 of his cabinet members have been confirmed



STATE OF THE EXECUTIVE BRANCH AND EXECUTIVE ORDERS

Key Executive Orders:

- EO 14150 – America First Policy
- EO 14151 – Ending Radical and Wasteful Government DEI Programs
- EO 14158 – Establish Department of Government Efficiency
- EO 14180 – Council to Assess FEMA
- EO 14215 – Ensuring Accountability for All Agencies
- Eliminate the Community Development Financial Institutions (CDFI) Fund
- EO 14225: Returning Education Authority to States and Families



DEPARTMENT OF EDUCATION

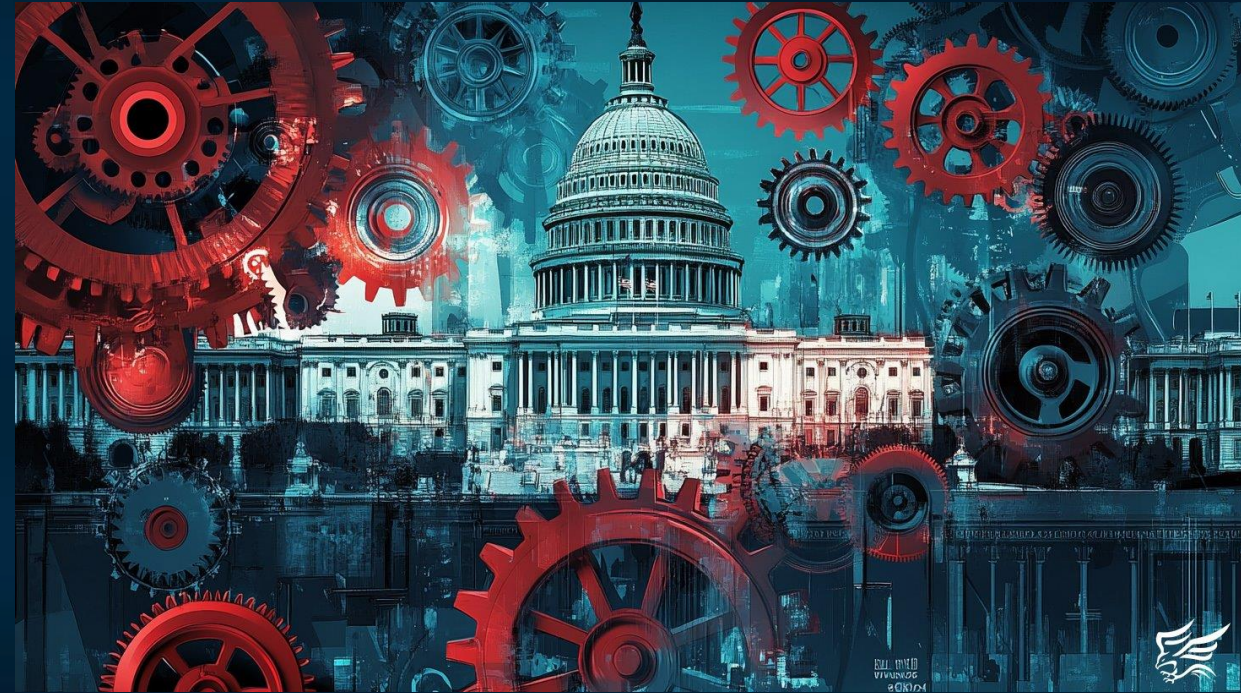
If the Department of Education were dismantled, the following cuts could occur:

- Title I Funding
- IDEA Programs
- Federal Student Aid
- Civil Rights Enforcement
- School Nutrition Programs
- Support for Homeless Students
- Teacher Training and Development
- English Language Learner Programs



DEPARTMENT OF GOVERNMENT EFFICIENCY (DOGE)

- EO 14158 established DOGE
- DOGE is cutting government staff through use of eliminating probationary employees with little to no notice
 - The employment reductions are currently being litigated in court
- DOGE is also looking at grants, loans, etc to identify where inefficiencies may be
- Short term and long-term ramifications are still unknown
- These will likely have long-term impacts past the current administration



Example: CUTS TO MAINSTREET

- Executive order will cut ‘to the maximum ability’ the Community Development Financial Institutions Fund
- This order was signed Friday, March 14
- The program provides millions of dollars annually to lenders operating in poorer rural and urban areas underserved by big banks
- Cuts could put local business and organizations at risk who rely on access to funding
- This has sparked back lash from both Democrats and Republicans
- The administration says they would like to build a better program with more accessibility



IMPACTS ON LOCAL GOVERNMENT

President Trump ordered grant funding pause for many Federal programs.

In response, the courts have issued a restraining order, allowing funding to continue. Availability of these funds is still in question depending on final rulings in the courts.

Funding for programs appear to be targeted are in the following bills and agency portfolios:

- Bipartisan Infrastructure Act
 - Example: Federal DOT Safe Streets for All Program
- Inflation Reduction Act
 - Example: US Forest Service Urban Forestry Grants
- Chips Act
- USAID Contracts
- FEMA Agreements (including HMGP and BRIC)



FY 2025 CONTINUING RESOLUTION

- Passed House (217-213) & Senate (54-46) on March 14th, 2025
 - Budget is in effect through remainder of FY 2025 and averts a government shutdown
 - Largely maintains FY 2024 Funding Level
 - Eliminates FY 2025 earmark requests (Over \$6.05 Billion)
 - Earlier earmarks funded are still in effect
- Increases some core formula funding for transportation projects within purview of MPO's to match Inflation Reduction Act Levels
- Shifts control of discretionary funding to federal agencies
- No across the board spending cuts in transportation programs
- Federal Aid Highway Program grows by \$1.2 billion in FY 2025

ONE HUNDRED NINETEENTH CONGRESS OF THE UNITED STATES OF AMERICA
AT THE FIRST SESSION
Begun and held at the City of Washington on Friday, the third day of January, two thousand and twenty-five

H. R. 1968

AN ACT

Making further continuing appropriations and other extensions for the fiscal year ending September 30, 2025, and for other purposes.

Section 1. Short title

This Act may be cited as the “Full-Year Continuing Appropriations and Extensions Act, 2025”.

Sec. 2. Table of contents

The table of contents of this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. References.

Division A—Full-Year Continuing Appropriations Act, 2025

Title I—General Provisions

Title II—Agriculture, Rural Development, Food and Drug Administration, and Related Agencies

Title III—Commerce, Justice, Science, and Related Agencies

Title IV—Department of Defense

WHAT'S NEXT: RECONCILIATION

Congress is currently engaged in a process known as reconciliation.

Reconciliation is a special legislative process in the U.S. Congress designed to expedite the passage of budget-related bills.

It allows certain tax, spending, and debt-limit legislation to pass in the Senate with a simple majority (51 votes) instead of the usual 60 votes needed to overcome a filibuster.

This process is often used to implement significant fiscal policies more efficiently.

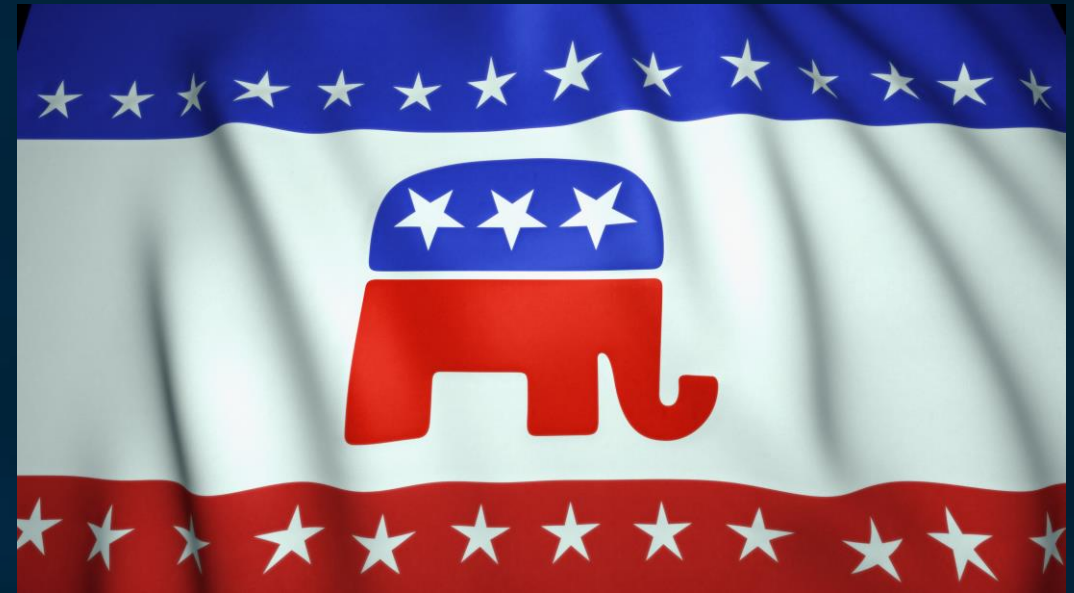
Both the House and Senate have adopted separate budget resolutions, which the chambers must now reconcile.



FY26 BUDGET PRIORITIES

Republicans' Priorities for the FY26 Budget Reconciliation:

- **Tax Reform:** Simplifying the tax code and reducing corporate and individual tax rates to stimulate economic growth.
- **Border Security:** Allocating funds for enhanced border enforcement and immigration control measures.
- **Energy Permitting Reform:** Streamlining regulations to boost domestic energy production and reduce reliance on foreign energy sources.
- **Deficit Reduction:** Implementing spending cuts to address the national debt and reduce the federal deficit.



OPPORTUNITY: FY26 APPROPRIATIONS

- Many Congressional offices are now accepting FY26 Congressionally Directed Spending (Senate) and Community Project Funding (House) requests.
- Due dates vary, some examples: Senator Murray (April 1), Senator Cantwell (April 6), Senators Wyden and Merkley (closed). You should reach out to your Representative now to see if they are still accepting applications.
- Eligibility guidance has not been released by the House and Senate Appropriations Committees; Many Congressional staffers are proceeding under the assumptions of FY25 guidance.
- If you choose to apply, your city should determine if it has made any financial commitments to the project, it's shovel ready, and federal funding would be the last dollar in.
- **Average awards range between \$1-3M**



Thank you!



John Culton
Principal
Culton Consulting
John@cultonconsulting.com
509-230-2882



CULTON
CONSULTING



Kyla Shkerich Blair
Principal
Culton Consulting
Kyla@Cultonconsulting.com
425-891-5519