



INSPIRED LEADERS
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IDA
ADVOCACY
HANDBOOK

CONGRESSIONALLY
DIRECTED SPENDING:
GUIDE FOR IDA U.S. MEMBERS

SEPTEMBER 2023

INTRODUCTION

After a decade-long ban, in 2021 Congress reinstated the process for directing federal funding for specific projects to local governments and 501(c)(3) nonprofits. What used to be known as “earmarks” were re-christened as “congressionally directed spending” (CDS) and came back with reforms to ensure better transparency and oversight of how the funds were spent.

The earmarking process had been long criticized as leading to wasteful spending and corruption, best exemplified by the “Bridge to Nowhere” controversy in the 2000s when Alaska’s federal lawmakers earmarked hundreds of millions of dollars to construct a bridge to a sparsely populated island.¹

But others have argued that such spending – if administered carefully and with proper safeguards – helps build bipartisanship and makes it easier to advance must-pass funding bills since all members of Congress have a stake in the outcome.

Whatever your views on earmarking, there’s no argument that lawmakers like to deliver tangible results to their constituents. The most recent federal funding bill for the current fiscal year includes nearly \$16 billion in earmarks for more than 7,200 projects.²

These projects represent a wide variety of community-based initiatives, from transportation enhancements to public safety projects. Not-for-profit entities like place management organizations (PMO) are generally eligible to receive congressionally directed spending, making them ideally situated to seek and secure such funding for their downtowns.

This guide provides step-by-step instructions for how UPMOs can seek congressionally directed spending, including key deadlines to meet and tips on how to make the best case for their projects.

IDA has no official role in the CDS application process. However, IDA will provide advice and tips on the best ways to contact your members of Congress to apply and to advocate for their projects once they are submitted.

NOTE: Congress determines the procedures, timelines and rules for congressionally directed spending on a year-to-year basis. Once Congress announces the specific details for the upcoming year, IDA will share that in an expanded guide. This guide provides a general overview of the program; please keep in mind that the details may change from year to year.

PROCESS OVERVIEW

All congressionally directed spending is approved annually through the House and Senate Appropriations Committees, which are tasked with developing the 12 separate appropriations bills that together fund the bulk of U.S. federal defense and non-defense agencies each fiscal year.³

Each year the Committees establish processes for members of their respective bodies to submit spending requests. All congressionally directed spending requests must be made by sitting members of Congress, and by specific deadlines, so working with Congressional offices on their schedules is a must.

NOTE: Congressionally directed spending is sometimes referred to by federal agencies and others as “community project funding.”

It is important to remember that there are no guarantees that your member of Congress will agree to submit your project; members have a limit on how many projects they can submit, and competition is fierce. There also is no guarantee that, even if your member greenlights your project, it will be approved by the Appropriations Committees.

WHAT KINDS OF PROJECTS ARE FUNDED?

Each year, the House and Senate Appropriations Committees establish the procedures for requesting congressionally directed spending and determine under which programs such spending may be requested.

In the current year, for example, the House Appropriations Committee said members of the House “may request funding for specific projects in their communities, so long as the projects have a federal nexus and meet other requirements established by federal law, House Rules, and the Committee to ensure only high quality projects are requested and funded.”⁴

Typically, House members are allowed to submit a maximum of 15 projects in total; Senators do not have a limit on the number of projects they submit. Congressionally directed spending projects are funded through a wide variety of federal agencies and programs.

Although the exact list of programs under which projects can be requested may change from year to year, these are the programs under which Congress typically allows such earmarks.

Department of Justice	Justice Assistance Grants Community Oriented Policing Services (COPS) Technology and Equipment
Small Business Administration (SBA)	Small business grants
Department of Homeland Security (DHS)	Building Resilient Infrastructure and Communities (BRIC) grant program
Department of Transportation (DOT)	Airport Improvement Program (AIP) Highway Infrastructure Projects Transit Infrastructure Projects
Department of Housing and Urban Development (HUD)	Economic Development Initiative and Community Development Block Grant

WHAT SIZE ARE PROJECTS?

There is no single dollar amount that characterizes all projects, but the typical project amounts can range from \$300,000 to \$2,000,000. That said, projects outside that range have also been approved. Keep in mind that some projects will require matching funds to be approved.

PROCESS

The process for applying for and gaining Congressional support for directed spending typically follows this timeline, although the dates may be different year to year:

February/March	President submits formal budget proposal to Congress for the next fiscal year that begins in October; Congress begins work on budget resolution to set overall spending level.
March	Groups seeking congressionally directed spending submit their requests to their U.S. Senator(s) or House of Representative member (Each member of Congress develops their own application and deadlines for submitting projects and will post this information on their websites. Appendix I has a sample application form that is similar to what Congressional offices use.)
Late March	Members of Congress review all submissions and decide which projects they will submit to the House or Senate Appropriations Committee. At that time, they may ask for additional information about the projects.
Late March/Early April	Members of Congress submit their requests to the Senate or House Appropriations Committee by a specific deadline. (Here is an example of a formal request letter from a member of Congress for a project.) The Member must rank recommended projects in order of priority/support. Senate/House Appropriations Committees begin reviewing the submitted requests.
May/June	Senate/House Appropriations Committees craft funding bills with congressionally directed spending projects.
July	House and Senate debate and approve their versions of appropriations bills.
Fall or Later	Appropriations bills are signed into law with congressionally directed spending.
Late Fall/Early Winter	Directed spending is distributed to organizations.

NOTE: The congressionally directed spending process is dependent upon Congress passing and the President signing full-year appropriations bills. At times, Congress and the President will be unable to agree on some or all appropriations bills by the start of the new fiscal year and will need to pass short-term “continuing resolutions” (CRs) to keep the government open. Directed spending will not be in these CRs. In extreme situations, Congress and the President will fail to agree on full-year appropriations bills at all and pass a “full-year” CR, which essentially funds federal agencies at the previous year’s levels. In this scenario, congressionally directed spending will not be enacted in that fiscal year.

PROJECT INFORMATION

In previous years, the House and Senate Appropriations Committees require all project requests to provide the following information for initial consideration:

- **Official Project Name**
- **Project Purpose:** A short description of the project that will be made public in Congressional disclosures for both requested and funded earmarks.
- **Justification:** A longer summary of the project, including its intended purpose, history, goals and performance standards, the current status of the project, and justification for why the project is a worthwhile investment for taxpayers. This must include a description of the project's "federal nexus;" i.e., how the project relates to an already-established and authorized federal program. It also should include evidence and examples of community support.
- **Project Budget:** The total cost of the project and how funds will be spent, such as on salaries, programming, equipment, etc.
- **Project Financing:** A full accounting of the non-earmark funding dedicated to the project, including non-federal funding such as state, county, or municipal general funds, nonprofit funding, or financing mechanisms.
- **Timeline to Completion:** While completion of projects is not required within the fiscal year the earmark funds are requested, the Appropriations Committees may prioritize funding projects that can be fully expended within one federal fiscal year (October 1 through September 30) and allow the project to be completed during the fiscal year cycle.

CRITERIA FOR SUCCESSFUL PROJECTS

In order to promote transparency and to ensure proper use of taxpayer funds, the Appropriations Committees have put into effect certain requirements for any project that receives congressionally directed spending. Some are specific to certain federal agencies, but others apply to all.

Required

- Only government agencies and non-profits are eligible. For-profit entities cannot receive funding. NOTE: If a member of Congress requests funding to be directed to a not-for-profit organization, the organization will need to provide proof of nonprofit status by either the Employer Identification Number (EIN) or an IRS determination letter.
- Some projects require matching funds. Several federal programs that are eligible for congressionally directed spending require a state or local government match for projects, due to statutory requirements or longstanding policy. (This does not mean that matching funds must be in hand before requesting a project, but that local officials must have a plan to meet such requirements in order for such a project to be viable.)
- Projects are funded for one year. Because appropriations bills fund agency functions one fiscal year at a time, each project request must be for funds to be disbursed in that year and cannot include multiyear funding. That said, the performance period for a funded project could be longer than one year.
- Transparency. Members of Congress are required to post online the funding requests they make as well as financial disclosure letters that certify the lawmaker has no financial interest in the projects requested.
- "Federal nexus." According to the House Appropriations Committee, "in order to ensure a federal nexus exists for each funded project, the Committee will only fund projects that are tied to a federal authorization law. Members must include a written statement describing the federal nexus for each Community Project Funding request."
- Community support. The project must be accompanied by evidence of community support, which can include letters of support from elected community leaders and/or associations.
- No memorials, museums, or commemoratives: Memorials, museums, and commemoratives (i.e., projects named for an individual or entity) are not eligible for Community Project Funding.

Recommended

In addition to the requirements above, there are certain project characteristics that, while not required, will generally improve the chances of success:

- Press articles highlighting the need for the requested community project funding
- Support from newspaper editorial boards
- Projects listed in state intended use plans, community development plans, or other publicly available planning documents
- Resolutions passed by city councils or boards in support of projects, or
- Other compelling evidence of community support.

WHERE TO BEGIN

- The first step for UPMOs in the congressionally directed spending process is to determine and prioritize any community projects they think would make a good candidate for federal funding.
- Be sure to review the various program accounts that are eligible for congressionally directed spending once the Appropriations Committees announce them to make sure that the projects fit into one of the available categories.
- Speak with your mayor's office to find out their plans for congressionally directed spending; if there are specific projects you have in mind, getting their support can increase your chances of success.
- Consider other state and local entities that are typically heavily engaged in the congressionally directed spending process; working with them can help you improve the odds of a project being selected.
 - o Local Mayors and County Executives
 - o State officials
 - o Law enforcement agencies
 - o Community development entities
 - o Housing authorities
 - o School districts and universities
 - o Local transportation authorities
 - o Organizations that serve small businesses
 - o Organizations that provide workforce training
 - o Medical and mental health providers

NOTE: Even if you don't work with your city or county government on an application, you should let them know you are submitting it, to ensure that nobody is surprised by your application.

Read the information that your House and Senate members provide on their websites about deadlines and required information carefully.

It is also a good idea to reach out to your House and Senate representatives to let them know you are considering applying for congressionally directed spending; they may offer tips on what a successful proposal contains that might not be on their webpage.

APPENDIX I

Sample Member Submission Form

Below is an example of the kind of form that members of Congress use to solicit proposals for congressionally directed spending from their constituents.

(Please note that each congressional office develops their own form; your representatives may ask for somewhat different information.)

[Questions](#) [Responses](#) [Settings](#)

SAMPLE Community Grant Form (simplified)

NOTE FOR STAFF: PLEASE MAKE A COPY OF THIS FORM BEFORE EDITING. THIS VERSION IS ONLY THE SIMPLIFIED VERSION; FOR THE FULL VERSION WITH SUPPLEMENTAL QUESTIONS FOR SUBCOMMITTEES, PLEASE SEE HERE: <https://airtable.com/invite/l?inviteId=invstVeCHm5XMRJMw&inviteToken=1502179be24154c561d27cc29fdc15996b7c2a05a3223e99e552fc2a53d4eeb9>

Thanks for your interest in applying for a Community Project Funding Grant. Please complete the following fields by [APRIL 7TH] for your project to be considered. Only government entities and nonprofits are eligible to apply.

Each Member of the House is permitted to submit up to 10 Community Project Funding Grant requests, and our team will be working to prioritize and submit requests.

Please note: this is the standard information necessary for all Community Project Funding Grant requests. If your application is accepted for further consideration, we will reach out with additional questions.

Please feel free to reach out to NAME, EMAIL, PHONE with questions.

Question

Option 1

Address of proposed recipient

Long answer text

Website of proposed recipient

Short answer text

Person preparing this application (please provide full name, email, and phone)

Long answer text



Eligible account (if known)

1. USDA: Rural Development, Rural Community Facility Grants
2. USDA: Rural Utilities Service, ReConnect Grants
3. DOJ: Byrne Justice Assistance Grants
4. DOJ: COPS Technology and Equipment
5. Commerce: NOAA: Operations, Research, and Facilities
6. NASA: Safety, Security, and Mission Services
7. DOD: Research, Development, Test, and Evaluation: Army
8. DOD: Research, Development, Test, and Evaluation: Navy
9. DOD: Research, Development, Test, and Evaluation: Air Force
10. DOD: Research, Development, Test, and Evaluation: Space Force
11. DOD: Research, Development, Test, and Evaluation: Defense-Wide
12. Army Corps of Engineers: Investigations
13. Army Corps of Engineers: Construction
14. Army Corps of Engineers: Mississippi River and Tributaries
15. Army Corps of Engineers: Operation and Maintenance
16. Bureau of Reclamation: Water and Related Resources



17. SBA: Small Business Initiatives
18. DHS: Pre-Disaster Mitigation Grants
19. DHS: Nonprofit Security Grants
20. DHS: Emergency Operations Center Grants
21. DOI: Federal land acquisitions under Land and Water Conservation Fund
22. EPA: State and Tribal Assistance Grants for certain water infrastructure projects
23. USDA: Certain State and Private Forestry projects within the US Forest Service
24. DOL: Employee Training Administration: Training and Employment Services
25. HHS: Health Resources and Services Administration: Program Management
26. HHS: SAMHSA: Health Surveillance and Program Support
27. Education: Innovation and Improvement
28. Education: Higher Education
29. DOD: Military Construction: Army
30. DOD: Military Construction: Navy and Marine Corps
31. DOD: Military Construction: Air Force
32. DOD: Military Construction: Defense-Wide
33. DOD: Military Construction: Army National Guard
34. DOD: Military Construction: Air National Guard
35. DOD: Military Construction: Army Reserve
36. DOD: Military Construction: Navy Reserve
37. DOD: Military Construction: Air Force Reserve
38. DOT: Local Transportation Priorities
39. DOT: Airport Improvement Program
40. HUD: Economic Development Initiative



Location of the proposed project or service

Short answer text

Amount of the request

Short answer text

Purpose of the request

Long answer text

⋮
Additional description of the request (please include a detailed description of how the funds will be used)

Long answer text

Why is this project a valuable use of taxpayer funds?

Long answer text

If there are additional costs necessary to complete the project, have those been secured? These may include matching funds, nonprofit/corporate funds, local government contributions, etc.

Long answer text

Does the entity plan to make grants to other entities from the funds provided, and if so, which entities?

Long answer text



⋮
Why is the project a priority for the district? Briefly explain the benefits to the community from this project.

Long answer text

Has any funding for the project been included in any presidential budget, and if so, how much, in which fiscal year, and in which agency(ies) or program(s)?

Long answer text

Has the project received federal funding before, and if so, how much, when, and from which agency(ies) or program(s)?

Long answer text

Is this request being requested by another Member? If so, by whom?

Short answer text

⋮
If available, please list community organizations supporting this project.

Long answer text

Supporting Documents: please provide any available evidence of community support. For a full list of suggested evidence, see our letter on applying for CG funding.

 Add file

 [View folder](#)

Anything else we should know about the project?

Long answer text



ENDNOTES

- 1 <https://www.alaska.org/detail/bridge-to-nowhere>
- 2 <https://www.nytimes.com/2023/02/05/us/politics/gop-federal-spending.html>
- 3 The federal government's fiscal year begins Oct. 1 and ends Sept. 30. It is identified by the year in which it ends; i.e., Fiscal Year (FY) 2024 starts Oct. 1, 2023.
- 4 <https://appropriations.house.gov/fiscal-year-2024-member-request-guidance>

ABOUT IDA

IDA is the premier organization for urban place professionals who are shaping and activating dynamic city center districts. Our members are city builders and downtown champions who bring urban centers to life, bridging the gap between the public and private sectors. We represent an industry of more than 2,500 place management organizations, employing 100,000 people throughout North America and growing rapidly around the world. Founded in 1954, IDA is a resource center for ideas and innovative best practices in urban place management. For more information, visit downtown.org.

FOR MORE INFORMATION

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