What's going on with Federal Funding?

Guam 10th Assembly of Planners Symposium August 19, 2025

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Overview:

- 1. How the budget process should work
 - 1. Annual appropriations process
 - 2. Other funding bills (Supplementals, Reconciliation)
- 2. Coastal Funding 2020-2024
- 3. 2025 Budget Outlook
 - 1. FY25 (Oct'24-Sept'25) funds
 - 2. Other funds: Reconciliation/"One Big Beautiful Bill"
 - 3. FY26 (Oct '25-Sept '26) expectation
- 4. Federal Agency Outlook
 - 1. Agency Changes (NOAA & FEMA)
 - 2. Staffing cuts
 - 3. Shifting focus
- 5. How to Prepare...



Government Operations:



Passes Laws



Passes Annual Budget 4 (to administer federal agencies)

Administers Laws



Proposes Annual Budget (to administer federal agencies)

Annual Federal Budget Process



- ~February: Pres. proposes budget for FY starting Oct 1.
- Spring: House & Senate each set budget "allocations".
- <u>Spring/Summer</u>: House & Senate appropriations committees work on 12 individual appropriations bills, with line-by-line funding levels.
- <u>Summer</u>: House & Senate pass 12 individual approprient
- <u>September</u>: House & Senate resolve differences brown a bills.

e and pass final

- Summer/Sept: a few approps bills may pass, but most of the budget is unresolved.
- By Sept. 30 House and Senate:
 - Pass a budget (an "omnibus" w/ multiple approps bills);
 - Shutdown the Government; or
 - Pass a Continuing Resolution (CR) short term or long term.

Other Budget Bills: Supplemental Approps



Supplemental Appropriations

• Follows the same rules as annual appropriations (needs 60 votes in Senate)

Disaster Supplementals

• Funding to respond to disasters – fund agencies like FEMA, HUD, Army Corps, etc.

• e.g., Dec. '24 Disaster Supplemental provided funds for Typhoon Mawar.

Issue Specific

- Responding to a specific one-time need: Infrastructure, Covid, Ukraine aid, war, etc.
 - E.g., Bipartisan Infrastructure Law (BIL)



Other Budget Bills: Reconciliation



Reconciliation Bill

- Once-a-year tool for implementing significant fiscal policies quickly
- Reconciliation bills cannot be filibustered, requiring only a simple majority (50 votes in Senate, not 60)
- Used to adjust spending, revenues, and the federal debt limit fiscal policies only!
- Examples:
 - Inflation Reduction Act (IRA)
 - "One Big Beautiful Bill"



Coastal Funding: 2020-2024



Annual Appropriations -

Slight increases across most coastal programs

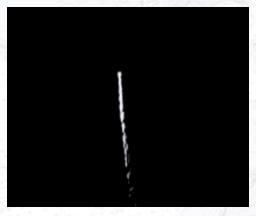
Supplemental funding:

- Covid Response Bills (6 bills 2020-2021)
 - Not much coastal, but lots to states
- Bipartisan Infrastructure Law (BIL) (2021)
 - a.k.a. Infrastructure Investment & Jobs Act (IIJA)
 - Billions in specifically directed coastal funding.
- Inflation Reduction Act (IRA)
 - Billions in coastal resilience at NOAA's discretion













Coastal Management Funding: Through 2024



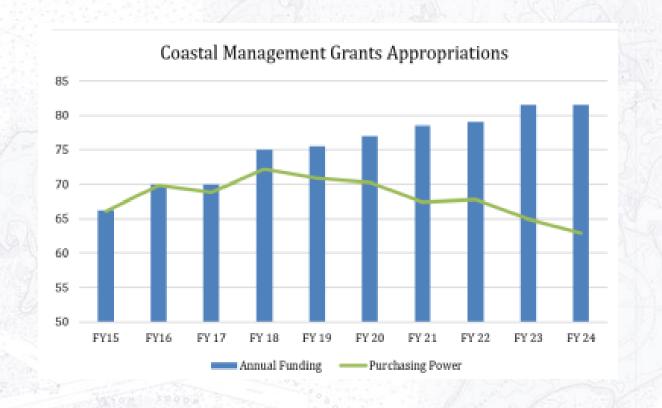
Annual Appropriations - FY24

- CZM Grants flat at \$81.5 million;
 - Guam ~\$1.1Million
- NOAA Coral at \$34 mil;
- Other coastal programs similar

FY25 was in a CR till March.

Additional funding:

- CZM received funding from BIL & IRA
 - Guam up to ~\$450K/yr for 5 years (until FY26)
- Huge amount of competitive funding



Coastal Outlook for 2025 and near term



Federal Funding:

- FY25
- Additional Funding BIL & IRA
- FY26 and future approps

Federal Agency Changes:

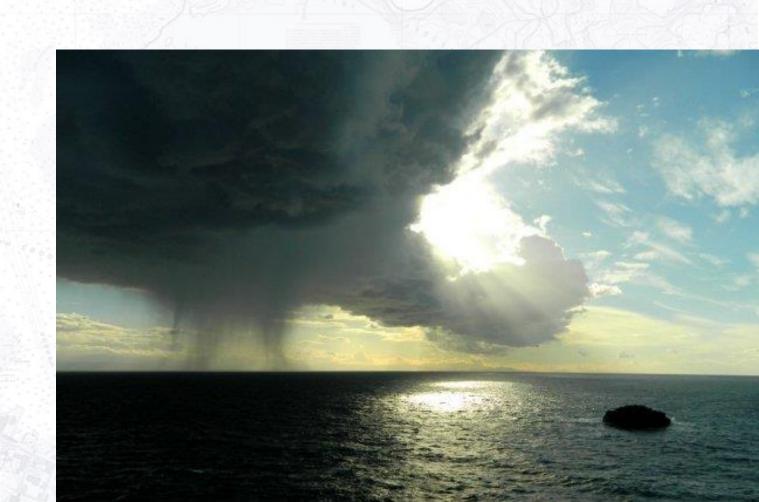
- Agency roles FEMA, NOAA
- Staff capacity
- Shifting priorities

Federal Funding: Annual Approps in 2025



Annual Appropriations – FY25

- FY25 Full year CR, passed in March 2025
 - (mostly) flat funding from FY24.
 - No (major) shifts in coastal funding.



Other Funding:



- H.R. 1 "One Big Beautiful Bill Act" (Reconciliation Bill) Passed and Signed into Law
 - Lots of cuts to climate/energy, but not much to coastal
 - Recission of <u>UNOBLIGATED</u> IRA Funds for Coastal Communities and Climate Resilience
- BIL Funds Years 4 (FY25) and 5 (FY26)
 - So far... no cuts.
 - Prepare for cuts to FY26.
- IRA Funds See above
- Covid Funds simply running out



Coastal Funding: Annual Approps in 2026...



Annual Appropriations – FY'26

- Pres Budget Proposal eliminated CZM and many coastal programs in NOAA; drastic cuts to NOAA, EPA, Interior, etc.
- Initial House & Senate bills mostly keep coastal funding flat! (woohoo!)
- Political polarization...
 - Gov't Shutdown looming?
 - Continuing Resolution?
 - "Recissions"

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION



BUDGET ESTIMATES

FISCAL YEAR 2026

https://www.noaa.gov/sites/default/files/2025-06/NOAA%20FY26%20Congressional%20Justification.pdf

Agency Changes:





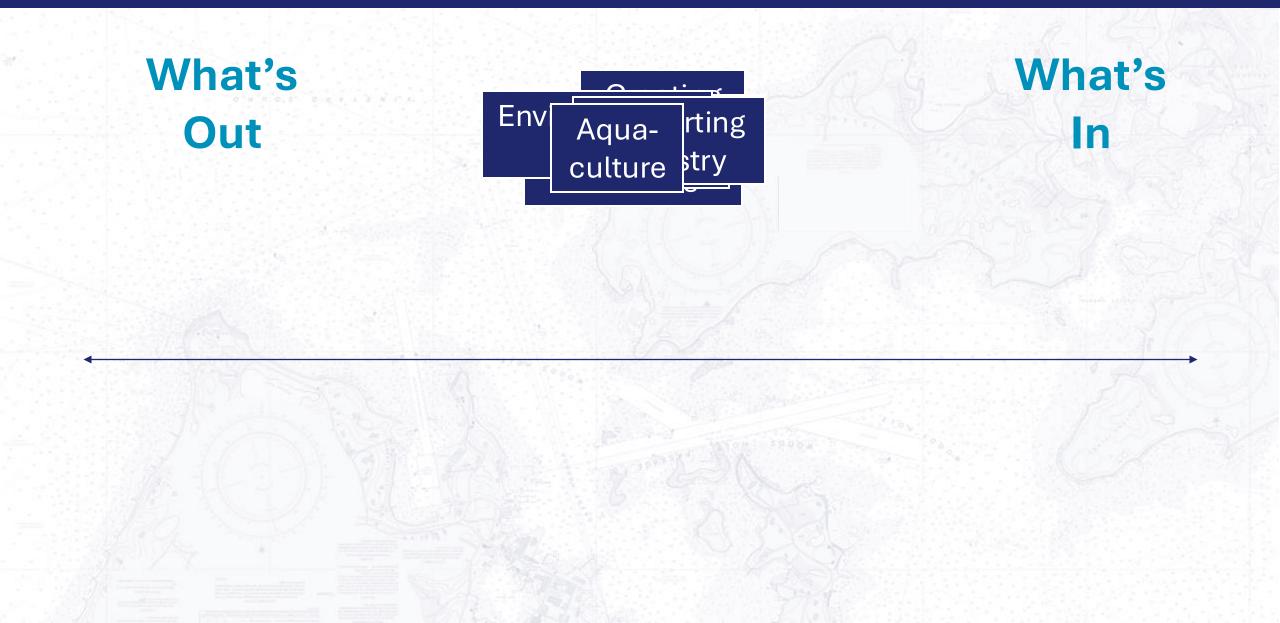
- Major Staffing cuts e.g., Office for Coastal Management ~30% cut
 - More coming?
 - Contractors still on (for now...)
- Office of Research proposed for elimination
 - Congress hasn't fully weighed in?
 - Sea Grant move to National Ocean Service?
- Added layer of Grant & Contract Review



- Eliminated or fundamentally transformed?
- Massive cuts to "mitigation"
 - BRIC defunded
 - Flood & Hazard mitigation cuts.
- Possible shift to <u>state-led</u> disaster response.
- FEMA Act Bipartisan House Bill to reorganize FEMA

Agency Shifts in Focus:





How to Plan (with so many unknowns)?



- 1. Make the \$\$\$ stretch
- 2. Be creative in finding new funding
- 3. Get your plans in place...
 funding will flow again, be
 ready
- 4. Engage with political decision-makers.

