

**FY26 Congressionally Directed Spending Requests
Senator Kelly & Senator Gallego**

Education and Workforce Development

Overview:

The Senate Appropriations Committee is accepting requests for Congressionally Directed Spending projects for several accounts which can be used to fund projects to provide education services at the pre-K, elementary, secondary, and post-secondary levels, and to provide education and training services to support a skilled workforce. Arizona stakeholders are invited to submit requests for projects that are eligible for the following federal program accounts.

Please note that the information below reflects the latest guidance our office has received from the Senate Appropriations Committee and insights gained from prior CDS projects, but is intended for guidance purposes only. However, requestors are strongly encouraged to review this document to ensure this project is a good fit for Congressionally Directed Spending.

Department of Labor – Employment and Training Administration:

Projects or programs which provide career services, training, support services, and other WIOA eligible services, are able to receive Congressionally Directed Spending.

- **What can be funded?** CDS funding can be provided by the Department of Labor's Employment and Training Administration to meet the employment and training needs of workers. These projects are funded through the Department's Workforce Innovation and Opportunity Act (WIOA) demonstration authority. Generally these projects should include direct services which could include career services, training services (including work-based training), supportive services, and other permissible services, as they are defined in WIOA. Typical activities include training unemployed individuals to increase their skills and obtain employment and enhancing the skills of incumbent workers to get higher-paying jobs.

CDS funding may be used for the purchase of equipment, but generally only if it is an incidental part of the larger project to provide direct services (a similar standard applies to curriculum development). If a larger portion of the CDS funding is expected to be used for equipment or curriculum development, please note that and provide a detailed justification for why such investments are necessary to meet the employment and training needs of individuals.

- **Restrictions:**
 - CDS funding within ETA cannot be used for construction or renovation of facilities or the purchase of land or buildings

- ETA CDS recipients may not sub-grant to other organizations or agencies
- **Appropriations Subcommittee:** Labor, HHS, Education, and Related Agencies
- **Administering Agency:** Employment and Training Administration
- **Cost-Share:** Congressionally Directed Spending requests for ETA can be used to cover 100% of a project's cost.
- **Requirements:** The Senate Appropriations Committee requires that the following information be provided for all CDS requests to be funded through ETA:
 - **Sources of funding:** All eligible projects must provide a detailed description of all other sources of funding contributing to the total cost of the project.
 - **Measurable Outcomes:** CDS projects will be expected to have measurable outcomes and demonstrate a linkage with the state or local workforce investment system.
 - **Time Limited:** CDS funding is not intended to be a continuous source of funding, and therefore recipients must demonstrate how receipt of CDS funding will enhance or jump-start an activity, but not sustain it over time.
 - **Local support:** Successful CDS requests should have the support of local officials or communities.
- **Process for Successful Applicants:** If a project is successfully funded in the enacted FY26 appropriations bill, the funding will be distributed to recipients by the Department of Labor. Applicants will be required to apply for funding on Grants.gov, with an application likely to open about three months post-enactment. For additional background, the notice which was provided by the department to FY23 recipients can be found [here](#). Please note that it is possible for guidance to change from year to year.

Department of Education – Fund for the Improvement of Education:

Projects and programs which seek to improve the quality of elementary and secondary education are eligible for Congressionally Directed Spending.

- **What can be funded?** CDS funding for projects related to primary or secondary education are funded through the Fund for the Improvement of Education. This funding account can be used for a wide variety of elementary and secondary education projects, including instructional services, afterschool centers, curricula development, teacher training, acquisition of books and computers, arts education, social and emotional learning activities, full-service community schools, and early childhood education. In general, the focus of elementary and secondary education CDS requests should be providing early childhood or K-12 educational services.

CDS requests to provide and improve special education services at the elementary and secondary levels are also eligible under this heading. These CDS requests may include early intervention services for infants and toddlers, transition services, and postsecondary education services.

- **Restrictions:**
 - CDS funding within FIE cannot be used for construction or renovation of school buildings, except in the case of minor remodeling or minor alterations in a previously completed building, for example as part of technology upgrades.
 - Daycare and childcare projects that do not include educational services are also not eligible under this account
 - Eligible CDS recipients are state education agencies, school districts, colleges and universities, and other public and private nonprofit entities. Generally, CDS requests intended for individual schools are provided to the applicable school district and not directly to the individual school.

- **Appropriations Subcommittee:** Labor, HHS, Education, and Related Agencies

- **Administering Agency:** Department of Education

- **Cost-share:** Congressionally Directed Spending requests for FIE can be used to cover 100% of a project's cost.

- **Requirements:** The Senate Appropriations Committee requires that the following information be provided for all CDS requests to be funded through FIE:
 - **Sources of funding:** All eligible projects must provide a detailed description of all other sources of funding contributing to the total cost of the project.
 - **Time Limited:** CDS funding is not intended to be a continuous source of funding, and therefore recipients must demonstrate how receipt of CDS funding will enhance or jump-start an activity, but not sustain it over time.
 - **Local support:** Successful CDS requests should have the support of local officials or communities.

- **Process for Successful Applicants:** If a project is successfully funded in the enacted FY26 appropriations bill, the funding will be distributed to recipients by the Office of Elementary and Secondary Education. Applicants will be required to apply for funding on Grants.gov, with an application likely to open about three months post-enactment. The Department will provide webinars for CDS recipients to help explain the process. More information on the CDS grant application and other information for previous recipients can be found [HERE](#).

Please note this information is from prior years, and requirements could change for the FY26 process.

Department of Education – Fund for the Improvement of Postsecondary Education:

Projects and programs focused on improving access to or the quality of postsecondary education are eligible for Congressionally Directed Spending.

- **What can be funded?** Congressionally directed spending requests relating to postsecondary education are funded through the Fund for the Improvement of Postsecondary Education. CDS requests through FIPSE should primarily be focused on improving access to, or the quality of, postsecondary education. This can include a range of activities as authorized and specified in section 741(a) of the Higher Education Act ([20 U.S.C. 1138\(a\)](#)). CDS recipients are usually colleges and universities but may include other public and private nonprofit organizations.

Examples of the types of CDS requests that can be funded under FIPSE include projects to hire and train faculty, establish and improve degree programs, improve teacher preparation programs, develop and improve curricula, upgrade technology, equipment, and telecommunications, provide student support, and implement university partnerships with school districts.

- **Restrictions:**
 - CDS funding within FIPSE cannot be used for endowments
 - CDS funding within FIPSE cannot be used for the construction or renovation of facilities, except in the case of minor remodeling or minor alterations in a previously completed building, for example as part of technology upgrades.
- **Appropriations Subcommittee:** Labor, HHS, Education, and Related Agencies
- **Administering Agency:** Department of Education
- **Cost-share:** Congressionally Directed Spending requests for FIPSE can be used to cover 100% of a project's cost.
- **Requirements:** The Senate Appropriations Committee requires that the following information be provided for all CDS requests to be funded through FIPSE:
 - **Equipment:** If a significant portion of CDS funds are expected to be used for the purchase of equipment, the requestor must include a justification for that use of funds.

- **Sources of funding:** All eligible projects must provide a detailed description of all other sources of funding contributing to the total cost of the project.
 - **Time Limited:** CDS funding is not intended to be a continuous source of funding, and therefore recipients must demonstrate how receipt of CDS funding will enhance or jump-start an activity, but not sustain it over time.
 - **Local support:** Successful CDS requests should have the support of local officials or communities.
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- **Process for Successful Applicants:** If a project is successfully funded in the enacted FY26 appropriations bill, the funding will be distributed to recipients by the Office of Postsecondary Education. Applicants will be required to apply for funding on Grants.gov , with an application likely to open about three months post-enactment. The Department will provide webinars for CDS recipients to help explain the process. More information on the process of distributing OPE funds for previous recipients can be found [HERE](#). **Please note this information is from prior years, and requirements could change for the FY26 process.**