

FY27 Congressionally Directed Spending Requests
Senator Kelly & Senator Gallego
Guidance for Non-Profit Entities

Overview:

Nonprofits wishing to receive funding through the FY27 CDS process **must** partner with a public sector entity (local government, special governing district, public educational institution, etc.) who will serve as the project sponsor, be responsible for all relevant federal grantmaking application and environmental review processes, and receive the funding in the appropriations bill on behalf of the nonprofit. Nonprofits are only able to use this process to apply for funding through the Housing and Urban Development's Economic Development Initiatives account.

In order for a request from a nonprofit to be considered by Senators Kelly and Gallego, a signed letter from the public sector entity sponsor confirming the partnership must be provided alongside the appropriations request.

***Note:** It is at the discretion of the public sector entity sponsor to decide to partner with nonprofit entities, and public sector entities may choose not to do so.*

Eligible Health Care Projects:

Recognizing the urgent health care needs many underserved communities face, Senator Kelly and Senator Gallego will accept requests from nonprofit entities which are **Federally Qualified Health Care Centers (FQHCs)** or **Critical Access Hospitals**. These non-profit entities may apply directly for funding through the **LHHS Health Facilities Construction and Equipment** account. Please see our "[Health Care Facilities and Programs](#)" guidance document for more information.

Nonprofits With Public Sector Entity Sponsors:

Any other nonprofit entity must have a public sector entity sponsor in order to be considered for Congressionally Directed Spending funding from Senators Kelly and Gallego. These entities may apply for funding through the **HUD – Economic Development Initiatives (EDI) Account**. The EDI account can fund construction, property acquisition, blight removal or remediation, or other rehabilitation or improvement to facilities that serve the public. Please note that requestors must identify

Questions? Email appropriations@kelly.senate.gov or appropriations@gallego.senate.gov

which of the three “National Objectives” of the HUD CDBG program the requested project and its activities meets, including a description of how it meets such National Objectives. Applicants and sponsoring entities should review these and other HUD EDI-specific requirements and eligibility criteria in our [“Housing, Economic Development, Rural Development, and Small Business Support”](#) guidance document before submitting a request.

When completing the Congressionally Directed Spending application, nonprofit entities will be asked to provide:

- The name of the public sector entity who has agreed to sponsor their project.
- A point of contact with the public sector entity who will help to facilitate the distribution of CDS funding to a nonprofit.
- A signed letter on letterhead from an official with the public sector entity confirming they’ve agreed to sponsor a non-profit’s Congressionally Directed Spending project.

What is required of a public sector entity sponsor?

If a CDS project is successfully funded, the public sector entity will be responsible for working with the funding federal agency to receive funds for the project, as well as related administration responsibilities required through the funding account. This includes sending all budget and project narrative information to the agency prior to receipt of funds and completing all environmental and historic preservation requirements are met. The specific details of what is required of a local sponsor for the HUD EDI account can be found in our [“Housing, Economic Development, Rural Development, and Small Business Support”](#) guidance document.

If you have questions, please reach out to appropriations@kelly.senate.gov or appropriations@gallego.senate.gov.