APRIL 2026

# D.C.I.M.B.Y. POLICY NEWSLETTER

*What happens in D.C. doesn't stay in D.C.*

*April 2026 served as a critical inflection point for federal policy. From the White House's FY2027 budget request to major HUD and DOT funding announcements, infrastructure markups, and landmark higher education rulemaking, Washington set the stage for cross-cutting impacts across local communities.*

*The curated briefing, presented by Mortar Strategies:*

## CROSS-INDUSTRY UPDATES

### *White House Releases FY2027 Budget Proposing Deep Domestic Spending Cuts*

***Source:*** *White House Office of Management and Budget (OMB), FY2027 Presidential Budget Request, April 3, 2026*

**Update:** On April 3, 2026, the White House released the FY2027 budget request, proposing significant reductions to non-defense discretionary spending across HUD, EPA, Department of Education, and transportation. The proposal signals tighter allocations for formula grants, competitive programs, and agency operations that directly fund local communities.

**Industry Impact:** Municipalities, utilities, and universities should analyze agency-by-agency programmatic lines and begin modeling reduced funding scenarios. The FY2027 budget request is the opening salvo, early congressional engagement on priority programs is critical as House markups begin.

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### *House Appropriations Releases FY2027 Markup Schedule, Signaling Process is Moving*

***Source:*** *House Committee on Appropriations, FY2027 Markup Schedule, April 13, 2026*

**Update:** On April 13, 2026, the House Appropriations Committee released its FY2027 markup schedule, confirming that subcommittee and full committee action on all 12 spending bills would begin in April and run through the summer. The schedule is the clearest signal yet that the FY27 appropriations process is moving in earnest.

**Industry Impact:** Every federal grant recipient should track this schedule closely. Subcommittee markups are the last opportunity to influence bill language, funding levels, and community project funding inclusions before full committee votes lock in the text.

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### *Congress Completes FY2026 Funding: Local Orgs Should Review Final Allocations*

***Source:*** *U.S. Congress, H.R. 7147, Consolidated Appropriations Act, FY2026, Signed April 30, 2026*

**Update:** Congress completed FY2026 appropriations with the April 30 signing of H.R. 7147, resolving a partial DHS funding gap. The enacted legislation maintained relatively stable funding for many domestic programs, including formula grants for transportation, water infrastructure, housing, and community development.

**Industry Impact:** Local governments, utilities, and institutions should audit their finalized FY2026 federal allocations, including CDBG, SRF, transportation formula funds, and Pell, and use them as the baseline for FY2027 advocacy.

## MUNICIPALITY POLICY

### *DOT Announces $657M for Ferry and Inland Waterway Infrastructure*

***Source:*** *U.S. Department of Transportation, April 6, 2026*

**Update:** DOT announced $657 million in federal funding for ferry and inland waterways infrastructure under the Ferry Program and Infrastructure for Rebuilding America (INFRA) grants. Awards support coastal, island, river, and transit-dependent communities that rely on water-based transportation networks.

**Industry Impact:** Port authorities, regional transit agencies, and municipalities serving ferry-dependent populations should review award recipients and track the next funding opportunity. These grants support both capital construction and fleet modernization with significant community economic impact.

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### *HUD Announces $1.09B in Continuum of Care Renewal Funding*

***Source:*** *U.S. Department of Housing and Urban Development (HUD), April 27, 2026*

**Update:** HUD announced $1.094 billion in FY2025 Continuum of Care (CoC) renewal funding for 1,826 projects expiring in Q2 2026. Awards support housing stability programs operated by municipalities, housing authorities, and local nonprofits serving individuals and families experiencing homelessness.

**Industry Impact:** Local CoC program operators should confirm award status and finalize local match commitments. New entrants and organizations scaling homelessness programs should monitor upcoming NOFOs as HUD continues rolling out FY2025 and FY2026 CoC funding rounds.

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### *DOT Announces $774M for Port Infrastructure Development Projects*

***Source:*** *House Appropriations Subcommittee on Transportation, U.S. Department of Transportation / Maritime Administration (MARAD), Port Infrastructure Development Program, April 28, 2026*

**Update:** DOT and MARAD announced $774 million in Port Infrastructure Development Program (PIDP) grants for 41 projects nationwide. Awards support cargo efficiency, electrification, landside access improvements, and resilience upgrades at commercial and community-serving ports.

**Industry Impact:** Municipalities dependent on HUD formula grants should quantify potential exposure and prepare for advocacy as the Senate takes up appropriations. Local budget officers should model scenarios reflecting an 8–10% reduction in federal pass-through revenue.

## UTILITY POLICY

### *EPA Launches PFAS OUT Initiative to Support Drinking Water System Compliance*

***Source:*** *U.S. Environmental Protection Agency (EPA), PFAS OUTreach Initiative Launch, April 14, 2026*

**Update:** EPA launched the PFAS OUT (Outreach and Understanding Tools) initiative on April 14 to provide technical assistance, compliance guidance, and partnership resources for public water systems facing PFOA and PFOS maximum contaminant level requirements. The initiative targets small and disadvantaged systems with limited internal compliance capacity.

**Industry Impact:** Water utilities, particularly small and rural systems, should engage with EPA's PFAS OUT resources immediately. Technical assistance programs and partnership frameworks can help utilities sequence compliance investments, access SRF funding, and meet regulatory timelines ahead of enforcement deadlines.

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### *FERC Sets June Action Timeline for Large Load Interconnection Rulemaking*

***Source:*** *Federal Energy Regulatory Commission (FERC), April 16, 2026*

**Update:** On April 16, FERC announced a June 2026 action timeline for its large load interconnection rulemaking, which addresses how utilities and grid operators handle interconnection requests from high-demand customers such as AI data centers and advanced manufacturing facilities. The rulemaking will establish new cost allocation and queue management standards.

**Industry Impact:** Electric utilities and public power authorities should track FERC's June action closely. New interconnection rules will directly affect how utilities manage large load requests, recover interconnection infrastructure costs, and plan transmission system investments in a rapidly evolving grid environment.

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### *EPA Proposes Revisions to Coal Combustion Residuals Rules for Electric Utilities*

***Source:*** *U.S. Environmental Protection Agency (EPA) / Federal Register, April 13, 2026*

**Update:** EPA proposed revisions to the Coal Combustion Residuals (CCR) rule on April 13, adjusting compliance pathways, beneficial-use provisions, and closure requirements for coal ash impoundments at electric generating facilities. The proposal offers some operational flexibility while maintaining core groundwater protection standards.

**Industry Impact:** Utilities with active coal ash impoundments should assess how proposed rule changes affect their compliance schedules and capital plans. The comment period provides an opportunity to engage EPA on site-specific conditions, beneficial-use determinations, and closure cost timelines.

## HIGHER EDUCATION POLICY

### *ED Proposes Postsecondary Accountability Rule Tied to Student Earnings Outcomes*

***Source:*** *U.S. Department of Education, April 17, 2026*

**Update:** On April 17, ED proposed a new institutional accountability framework that would condition Title IV program eligibility on student earnings outcomes. Programs where graduates consistently earn below a defined threshold relative to comparable workers could face restrictions on federal financial aid participation.

**Industry Impact:** Institutions with career-focused programs should model their earnings outcome data against proposed thresholds and engage the comment process. Community colleges and vocational programs in lower-wage regional economies face disproportionate risk and should coordinate through accreditors and associations.

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### *ED Finalizes Rule on Student Loan Repayment and College Cost Accountability*

***Source:*** *U.S. Department of Education, April 30, 2026*

**Update:** ED finalized a rule on April 30 addressing college cost transparency, student loan repayment terms, and institutional accountability for borrower outcomes. The rule affects how institutions communicate cost and repayment data to prospective students and triggers compliance benchmarks tied to loan default and repayment rates.

**Industry Impact:** Institutions should review finalized disclosure requirements and update borrower communication practices. Financial aid and compliance offices should assess exposure under new repayment benchmarks and prepare for enhanced federal oversight tied to loan outcome data.

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### *NSF Announces 2,500 Graduate Research Fellowship Awards for 2026 - 2027*

***Source:*** *National Science Foundation (NSF), Graduate Research Fellowship Program (GRFP), April 13, 2026*

**Update:** NSF announced 2,500 Graduate Research Fellowship Program (GRFP) award offers for the 2026–2027 academic year on April 13. GRFP fellowships provide three years of stipend support and cost-of-education allowances for graduate students pursuing research-based master’s and doctoral degrees in STEM fields.

**Industry Impact:** Research universities should celebrate award recipients and track GRFP fellowship acceptance rates as indicators of institutional research pipeline strength. Graduate enrollment offices and financial aid teams should coordinate fellowship activation with NSF’s award notification timeline.

## ABOUT MORTAR STRATEGIES

### Most communities watch their state capital while D.C. makes the decisions.

***D.C. In My Backyard (D.C.I.M.B.Y.) is a resource to shine a light on federal policy affecting your community.***

Mortar Strategies is a bipartisan government relations firm for organizations that want to build their way, not D.C.’s.

We represent municipalities, utilities, universities, chambers of commerce, and the nonprofits and trade associations that anchor American communities.

We are monitoring legislation before it moves, building Capitol Hill relationships that count, and turning federal complexity into local strategy.

Something in this edition hit close to home? Reply and tell us what you're watching. We read every response.

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