

Capitol Advocacy Partners

Washington, D.C. Federal Affairs Briefing: Key Developments & What's Ahead
February 3, 2026





2025 - The Longest Government Shutdown in U.S. History

2025 brought **the longest federal shutdown in U.S. history at 43 days**. — Ended in November. The Continuing Resolution funded most agencies at Fiscal Year 2025 levels through January.

Federal Appropriations

- Six spending bills signed into law: Agriculture, Military Construction, Legislative Branch, CJS, Energy and Water and Interior.
- Six funding bills pending: short-term extensions or partial shutdown of unfunded agencies possible.
- These six bills (with funding set to expire on January 30) cover more than **75% of federal discretionary spending**, including the Departments of Defense, Labor, Health and Human Services, State, Transportation, Housing, and Homeland Security (DHS), the most contentious bill.
- The City's FY26 Community Project for \$381,000 for license plate readers was fully funded.

Affordable Care Act Subsidies

- Congress has not extended enhanced ACA marketplace subsidies that expired on December 31, 2025.
- A small group of senators from both parties are negotiating a compromise that could include a *two-year extension* with reforms like income caps, but a **bipartisan agreement remains elusive**.
- More than 82,000 Alameda County residents rely on subsidized plans; projections indicate 5,750 individuals could lose coverage without subsidies.
- Premiums could rise by ~\$125/month per person without extension.

SNAP Program Status

- SNAP is fully funded through September 30, providing stability despite broader budget uncertainty.
- California recipients should have already received their delayed November benefits.



Key Federal Developments Impacting Hayward

- **Immigration Enforcement:** Trump Executive Order (EO) 14159 threatens funding cuts for “sanctuary” jurisdictions — **Administration released a list of sanctuary cities – and Hayward wasn’t on it!**
- **Federal Agencies Directed to Review Funding Data:** Starting January, Federal agencies will review all federal funding flowing to 13 states, including California, potentially leading to increased scrutiny of existing and pending funding in the effort described as a **data-gathering exercise only**.
- **Medicaid Reform (One Big Beautiful Bill Act):** \$1 trillion in cuts + updated work requirements → higher local demand for housing, health, and homelessness services.
- **DOGE Initiative:** Massive federal staffing cuts slowing grant processing and reducing agency support.
- **Grant Oversight E.O.:** Increased scrutiny and risk of suspension; City must ensure strict compliance — **CAP communicates each policy shift to staff.**
- **HUD Continuum of Care:** FY25 NOFO shifts jeopardize funding for 1,400+ Permanent Supportive Housing units countywide, threatening stability for Hayward residents — **CAP is engaging congressional offices to mitigate impacts.**

Bottom Line: Federal cost-cutting and policy shifts are increasing local administrative burden and service demand. CAP mitigates these risks through targeted advocacy, including formal letters, legislative tracking, and 60+ meetings with congressional offices and federal agencies.



CAP's Ongoing Federal Priorities for Hayward

1. **Protect Funding & Policy Alignment** – Defend sanctuary city standing; maintain compliance; safeguard current/future federal funding.
2. **Pursue New Funding Opportunities**
 - EDA Stack Center Phase II
 - Airport modernization
 - Homelessness
 - Youth services
 - Transportation
 - Water
 - Behavioral-health
3. **Strengthen Federal Relationships** – 60+ staff meetings with Padilla, Schiff, Butler, Swalwell, committees, and agencies; 70+ briefings; 40+ legislative position letters sent; active coordination for 2026 CPF cycle.
4. **Support Active Grant Portfolio** – Post-award coordination FY24 CPF St. Regis Facility, AFG, and Prop 47 programs.

CAP keeps priorities visible in D.C. and City positioned for federal investment



Delivering Results: CAP's Impact Overview

2025 Funding Achievements = Funding added to Hayward's budget

- **\$15M – WRDA (Phase II):** Hayward Water Pollution Control Facility Improvements
- **\$1.78M – FEMA Assistance to Firefighters Grant:** To train and certify 19 firefighter-EMTs as paramedics
- **\$1.91M – BSCC Proposition 47 Grant:** Expansion of the Navigation Center to fund services for homeless, including diversion and reentry services
- **\$1.11M – Alameda County Youth Development Grant:** Supports mentoring and youth violence prevention
- **FY26 Community Project Funding – Project Wide Net:** \$381,000 request for ALPRs and situational awareness cameras
- **CAL FIRE Wildfire Prevention Grant - Wildfire Ready East Bay:** \$215,040 request to reduce hazardous fuels near homes and evacuation routes, expand defensible space compliance, promote community preparedness, and support long-term resilience planning

Return on Investment

- Since 2014, CAP has helped secure \$34.3 million in grant funding
- This reflects an ROI of 5,394% — approximately **\$54 returned for every \$1 invested** with CAP for federal advocacy and grant services



Thank you! Questions?

