



DATE: April 16, 2024

SUBJECT: Federal Legislative Update, March 2024

March was a productive budget month for the federal government. After great delay, Congress reached the necessary agreements to complete work on the fiscal year (FY) 2024 appropriations bills and the president released the administration's fiscal year 2025 budget proposal.

A summary of key elements from both budgets is provided below as well as other federal agency and legislative news.

BUDGET & APPROPRIATIONS

FY 2024 Funding

Work on the federal FY 24 appropriations process was completed in time to avoid any disruptions in federal government operations. After much delay, Congress passed the FY 24 appropriations bills in two separate minibuss packages covering six appropriations bills each. Both packages leave out the most controversial policy riders that had kept the appropriations process bogged down for months.

The first minibus package included several of Bellevue's Congressionally Directed (earmarked) funding requests.

Amount	Project	Supporting Member
\$1M	Bellevue & Redmond Electric Fire Engines and Charging Infrastructure	Rep. DelBene
\$963,000	Bellevue Police Body-worn Camera Program	Sen. Cantwell & Rep. DelBene
\$500,000	Digital Equity for Affordable Housing	Sen. Cantwell & Rep. Smith

Other FY 24 Appropriations Highlights

A few highlights that may be of particular interest to the City of Bellevue include:

Environment, Water Resources, Puget Sound

- \$186 million for western drought programs under the Water Infrastructure Improvements for the Nation (WIIN) Act
- \$4.6 billion for wildfire suppression
- EPA water programs: \$2.8 billion for the EPA's Clean Water State Revolving Fund and \$1.4 billion for the Drinking Water State Revolving Fund.

- Puget Sound Geographic program is funded at \$54 million, the same as in FY 23.
- NOAA Pacific Salmon Recovery Funded is at \$65 million, same as past years.

Housing

- \$4.1 billion for Homeless Assistance Grants, \$418 million more than FY 23.
- \$1.3 billion for the HOME Investment Partnerships Program, a \$250 million decrease from FY 23
- Rental Assistance Demonstration Program, which allows public housing agencies to convert certain properties into Section 8 rental assistance is extended through fiscal 2029.
- Continuum of Care program – HUD is allowed to issue a two-year notification of funding opportunity, which would include any alternative procedures necessary to allocate future appropriations in the second year.

Justice Programs

- The agreement directs the FBI to allocate the “maximum amount of available resources” to support a strategy to target fentanyl and opioid trafficking, enhance anti-money laundering activities, and target transnational criminal groups.
- The Office on Violence Against Women will receive \$713 million. This \$13 million increase from FY 23 represents the highest amount ever for this office.
- State and Local Law Enforcement Assistance and Community Oriented Policing Services (COPS) Office grant programs are funded at \$214.5 million.
 - \$25 million is provided for the COPS Community Policing Development program;
 - \$20 million for the newly authorized Law Enforcement Officer De-escalation Act;
 - \$10 million to train law enforcement on appropriately responding to situations when individuals are mentally ill or disabled; and
 - \$50 million for the Community Violence Intervention and Prevention Initiative.
- The COPS Hiring Program is funded at \$256 million. Funding is also included for programs that support officer mental health and wellness (\$10 million), the purchase of body-worn cameras (\$32 million) and bulletproof vests (\$30 million), and rural law enforcement needs (\$7 million).
- The Byrne Justice Assistance Grants (JAG) program is funded at \$924 million. \$345 million is released from Byrne JAG core funding to states and territories.
- The Comprehensive Addiction and Recovery Act (CARA) grants receive \$420 million, an increase from FY 23 levels of \$394 million.

Nutrition

- WIC will receive \$7 billion, reflecting a \$1 billion increase for the program.
- SNAP funding is at \$122.4 billion, a decrease of \$31.5 billion from FY 2023 to reflect the end of Covid-related benefits and decrease in participation rates. The appropriated amount is consistent with the President’s budget proposal for FY 24. No new restrictions are placed on SNAP eligibility.

- Child Nutrition programs receive \$33.3 billion, a \$4.7 billion increase from FY 23.

Transportation

- Highway Programs - \$62.991 billion for federal-aid highways, consistent with the IIJA-authorized level of spending from the Highway Trust Fund, with an additional \$2.225 billion for Highway Infrastructure Programs. This includes \$250 million for a new bridge bundling grant program.
- \$16.6 billion for the Federal Transit Administration, including \$2.2 billion for Capital Investment Grants. When combined with the \$1.6 billion in IIJA advanced appropriations, a total of \$3.8 billion is available for Capital Investment Grants in FY 2024, which is sufficient to fully fund all projects with full funding grant agreements and those expected to enter into a grant agreement this year.

Financial Services

- Elections: \$55 million is provided for election security grants, a reduction from \$75 million in FY 23. It also cuts funding for the Help America Vote College Poll Worker Program.
- Office of Pandemic Preparedness: Funds are included to establish the White House Office of Pandemic Preparedness and Response Policy, which was authorized in the FY 23 omnibus spending package.

Homeland Security

- Migrant Shelters: \$650 million is appropriated for the Shelter and Services Program that reimburses local governments and nonprofits that support individuals released from DHS custody. This is \$150 million less than FY 23.
- Border Patrol and Operations: The measure increases funding for border patrol and border operations. Funding for 22,000 Border Patrol agents is appropriated, an increase of 2,000 compared with FY 23. Migrant processing facilities, transportation and medical needs is appropriated \$1.7 billion and \$3.4 billion is appropriated for custody operations to fund a detention bed level of 41,500. The bill does not provide any new funding for the wall along the southwest border.
- Funds are provided to hire an additional 150 CBP officers to support counter-fentanyl efforts.
- Family Reunification: The measure would provide \$29.9 million to support the reunification of families who were separated at the US-Mexico border.
- Human Trafficking - \$5 million is transferred to ICE to support the Blue Campaign, an initiative that provides assistance to those affected by human trafficking and training for law enforcement.
- Temporary H-2B Visa Boost: The number of H-2B visas granted to nonagricultural workers is increased in FY 24 to no more than the highest number of returning workers who were exempt from the cap on those visas in previous years.

Health and Human Services

- Funding is protected for essential health care programs. Community Health Centers, school-based health centers and maternal and child health programs

are maintained at level funding. Funding for public health infrastructure and capacity is maintained at \$350 million, reflecting the 75% increase secured in FY 23.

- Family planning – Title X family planning grants at \$286.5 million and Teen Pregnancy Prevention grants at \$101 million are at the same funding levels as FY 23.
- \$12.3 billion for Head Start, a \$275 million increase from FY 23.
- \$8.7 billion for the Child Care and Development Block Grant, a \$725 million increase.
- \$5.4 billion for unaccompanied migrant children through the Office of Refugee Resettlement, a \$100 million decrease from FY 23.
- Funding is maintained for substance abuse prevention and treatment programs.
 - \$2 billion is provided for the Substance Use Prevention, Treatment, and Recovery Services Block Grant;
 - \$1.575 billion for State Opioid Response grants; and
 - \$145 million for the Rural Communities Opioid Response Program.
- Mental and Behavior Health funding is maintained or increased –
 - \$1 billion for the Mental Health Block Grant;
 - \$153 million for the Behavioral Health Workforce Education and Training Program;
 - A \$18 million increase for the 988 Suicide Prevention Lifeline, building on the nearly \$400 million increase in FY 23;
 - \$385 million for Certified Community Behavioral Health Clinics, maintaining the \$70 million increase secured in FY 23;
 - \$98.8 million for the National Child Traumatic Stress Initiative, a \$5 million increase over FY 23; and
 - \$160 million in investments within the Department of Education to address the shortage of school-based mental health professionals in K-12 schools.
- \$3.6 billion for the administration for Strategic Preparedness and Response, a \$4.9 million increase from FY 23.
- HIV/AIDS Funding: The agreement would extend authorities for the President's Emergency Plan for AIDS Relief (PEPFAR) program that expired at the end of fiscal 2023 through March 25, 2025. \$6 billion is provided for PEPFAR, of which \$1.7 billion would be designated for the Global Fund to Fight AIDS, Tuberculosis, and Malaria.
- The National Institutes of Health is provided \$48.6 billion, an increase of \$300 million in base funding.
- LIHEAP - The bill includes \$4.025 billion for the Low Income Home Energy Assistance Program (LIHEAP), a \$25 million increase, to help low-income households heat and cool their homes.

Labor

- Workforce Development - \$2.9 billion is provided for the Workforce Innovation and Opportunity Act (WIOA) formula grants, \$285 million for Registered Apprenticeships and funding is maintained for YouthBuild, and Reentry Employment Opportunities.

State Department

- Fentanyl: The measure would allocate at least \$125 million from the Economic Support Fund and International Narcotics Control and Law Enforcement accounts to stem the flow of fentanyl and fentanyl precursors into the US from China and Mexico. The measure would withhold 15% of the funds that would be provided to Mexico until the State Department certifies that Mexico has taken steps to reduce fentanyl flow to the US and cooperate on extradition requests for criminals sought by the US.

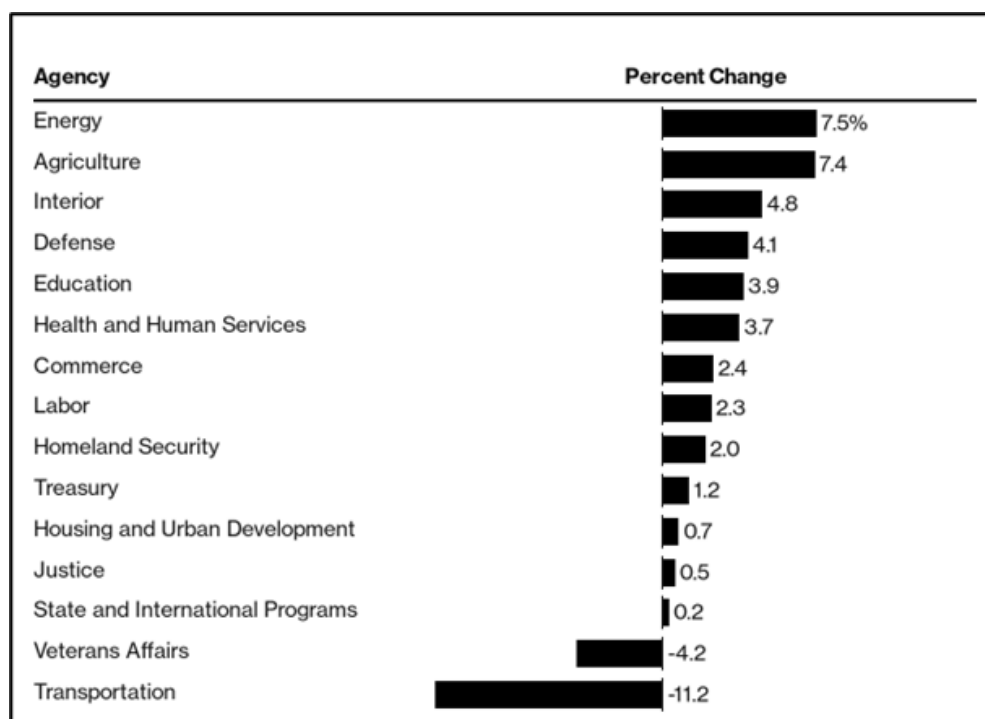
Program Extensions

- FEMA's National Flood Insurance Program is extended through September 30.
- E-Verify program to determine employment eligibility, along with several other immigration authorities is extended to September 30.
- DHS' National Cybersecurity Protection System is extended to September 30.
- Extend funding for the Temporary Assistance for Needy Families program through September 30.
- Extend funding for health programs to December 31.
 - \$3.6 billion for the Community Health Center Fund.
 - \$297 million for the National Health Service Corps, which provides scholarships and loans to medical students.
 - \$164.1 million for the Teaching Health Center Graduate Medical Education Program.
 - \$130 million each for the Special Diabetes Program and the Special Diabetes Program for Indians.
- It would temporarily increase the Medicare pay rate for doctors by 1.7% through the end of 2024, partially offsetting a 3.4% pay decrease that went into effect in January.
- The measure would further delay \$8 billion in Medicaid payment cuts to disproportionate share hospitals.
- The measure would make permanent an option for states to provide Medicaid coverage of inpatient addiction treatment and would make it easier for individuals to re-enroll in Medicaid services following incarceration. Starting in 2026, states will be prohibited from removing any individual from Medicaid enrollment because they become incarcerated.

FY 25 Administration Budget Proposal

After delivering the State of the Union Address, the administration officially kicked-off the federal fiscal year 2025 budget process with the release of its budget proposal. The administration's \$7.3 trillion budget proposal for FY 25 includes new or expanded programs to increase the child tax credit and make it permanently fully refundable; increase access to child care and preschool; create a national paid family and medical leave program; provide free community college, double Pell grants, etc. Total non-defense discretionary funding is proposed at \$1.67 trillion. The 1.6% increase is consistent with the budget cap agreed to in the debt deal negotiated with Congress.

FY 25 proposed discretionary funding change vs. FY 24



source: Bloomberg Government

While the majority of the administration's new proposals reflect its priorities and those of the Democratic party, several proposals are expected to get bipartisan support. Among these include a \$12 billion proposal to launch a new women's health research initiative, funding for programs to combat opioid abuse, and \$5 billion in new funding for a health-care and benefit fund for service members exposed to toxic chemicals.

New or increased taxes make up the bulk of the \$3.6 trillion in revenue raisers used to offset spending increases and new programs. This includes a proposal to increase the corporate tax rate to 28% from 21%, a 25% minimum tax on total income on the wealthiest 0.01% of taxpayers, changes in taxation on capital gains income, an increase in the top marginal income tax rate to 39.6% for individuals earning more than \$400,000 or more than \$450,000 for joint filers, the elimination of various fossil fuel tax incentives, etc.

OTHER ADMINISTRATION ANNOUNCEMENTS

Women's Health Research

President Biden signed an Executive Order on March 8th to strengthen women's health research standards across federal agencies and prioritize its funding. Under the order, the National Science Foundation and Department of Health and Human Services (HHS) are instructed to research ways to use artificial intelligence to advance women's health research. It also directs the HHS to expand data collection on women's midlife health and launch an agenda that can guide investments toward menopause-related research. The administration's FY 25 budget proposal includes \$12 billion to create a women's

health research fund at the National Institutes of Health and establish a national network of women's research centers.

Funding Awards

SMART Grant Awards

USDOT's Strengthening Mobility and Revolutionizing Transportation (SMART) Program awards were announced March 14. The City of Bellevue along with the Yakama Tribe were the only two award winners from Washington state.

Amount	Project
\$1,426,531	City of Bellevue to make real-time safety improvements at intersections, focused on elderly pedestrians.
\$1.5M	The Yakama Nation to deploy a purpose-built sensing and alerting system on US97 to collect safety data.

Reconnecting Communities Grant Program

USDOT announced awardees of the Reconnecting Communities Grant Program. Only three programs out of 31 projects submitted from Washington state received an award. Only one project won funding for implementation.

Amount	Project
\$2M	The Seattle Office of Planning and Community Development (OPCD) I-5 Lid Community-Building and Planning Studies
\$69.8M	Sound Transit Reconnecting Communities with new BRT Stations in Tukwila and South Renton
\$1.3M	City of Tacoma I-5 Crossings Study

Battery Recycling, Processing and Collection Program

The Department of Energy announced awards of its Consumer Electronics Battery Recycling, Processing, and Battery Collection Funding Opportunity. \$62 million was awarded to 17 projects. Six of the 17 projects awards went to state or local entities to improve battery collection drop-off programs and deploying battery storage and sorting facilities.

Funding Notices

Fire Prevention and Safety Grants – Assistance to Firefighter Grant Program has released a \$36 million funding opportunity to support activities in two categories: (1) activities designed to reach high-risk target groups and mitigate incidences of death and injuries caused by fire and fire-related hazards ("Fire Prevention and Safety Activity")

and (2) research and development activities aimed at improving firefighter safety ("Firefighter Safety Research and Development Activity"). Deadline: 4/12/24 [NOFO](#)

Staffing for Adequate Fire and Emergency Response (SAFER) Grant - \$360 million is available to help fire departments hire firefighters or recruit and retain volunteer firefighters. Deadline: 4/12/24 [NOFO](#)

Multi-Modal Project Discretionary Grant Programs (Mega, INFRA and Rural) – USDOT announced \$5 billion will be available to support projects of regional or national significance. \$1.7 billion for the Mega program to invest in large, complex projects that are difficult to fund by other means that generate national or regional economic, mobility or safety benefits. \$2.7 billion for the INFRA program for multi-model freight and highway projects. Deadline: 5/6/24 [NOFO and Info](#)

Innovative Finance & Asset Concessions Grant Program – USDOT has made \$57.72 million available to provide technical assistance and capacity building grants to facilitate asset concession through public-private partnerships; allows for contracting with private firms to provide “expert services” related to project development. Deadline: 5/10/24 [NOFO](#)

Community Policing Grants: Addressing Gaps in State and Regional Accreditation Program – \$1.5 million is available to support the establishment of new accreditation entities in states and regions that do not have an accreditation program. Deadline: 5/21/24 [NOFO](#)

An additional \$2.5 million will support existing law enforcement accreditation bodies in their mission to engage law enforcement agencies in the accreditation process. Deadline: 5/21/24 [NOFO](#)

Active Transportation Infrastructure Program – USDOT launched the first round of funding to help improve the safety, efficiency, and reliability of active transportation networks. A total of \$44.5 million is available for Planning and Design grants and Construction grants. Deadline: 6/17/24 [Active Transportation NOFO](#)

Bridge Investment Program – USDOT announced the \$9.6 billion available for the FY 23-FY 24 round of the Bridge Investment Competitive Grant Program. The program accepts applications for projects to replace, rehabilitate, preserve, protect or more bridges on the National Bridge Inventory and projects to replace or rehabilitate culverts to improve flood control and habitat. Deadline: 8/1/24 [Bridge Investment Program NOFO](#)

National Fish Passage Program – NOAA announced the availability of \$200 million in funding and technical assistance for restoration projects that ensure fish have access to high-quality habitat. Deadline: 12/31/24 [NOAA NOFO](#)

Flood Mitigation Assistance Program – FEMA announced that \$3.5 billion is available via state offices of emergency management for local governments to implement changes to reduce or eliminate risk of flood damage to structures insured by the National Flood Insurance Program. Deadline: 1/15/25 [FEMA NOFO](#)

BELLEVUE FEDERAL ACTIVITIES

Federal Funding Awards

As mentioned above, it was announced during March that the City successfully won several federal funding awards:

- \$1,426,531 SMART grant award from the USDOT to deploy real-time, smart safety improvements at intersections, focused on elderly pedestrians.
- Three FY 2024 Congressionally Directed Spending (earmark) awards:

Amount	Project	Supporting Member
\$1M	Bellevue & Redmond Electric Fire Engines and Charging Infrastructure.	Rep. DelBene
\$963,000	Bellevue Police Body-worn Camera Program	Sen. Cantwell & Rep. DelBene
\$500,000	Digital Equity for Affordable Housing	Sen. Cantwell & Rep. Smith

The federal and leadership team at Bellevue have coordinated with the federal delegation on these grant announcements, including providing press statements. The Bellevue team is now preparing to work with federal agencies to get the contracts and agreements in place to receive these funds.

FY 2025 Congressionally Directed Spending

Since January the federal team has also been preparing for the federal FY 2025 appropriations process. During March the FY 2025 earmark project list was finalized and the team has been coordinating with Bellevue departments and supporters to prepare Congressionally Directed Spending (earmark) requests. The process to submit project requests is currently underway. Bellevue plans to submit three requests.

Project Name	Description	Amount
Bellevue and Redmond Electric Fire Engine	This final funding amount will help reduce diesel engine exhaust emissions and supports Bellevue's commitment to environmental stewardship.	\$885,000
Lake Washington Sanitary Sewer Lake Lines Program Planning and Program Development	This project will help Bellevue Utilities to safeguard surface water quality in Lake Washington by reducing the risk that active sewer pipes, currently located in Lake Washington, will break and contaminate the lake with raw sewage. Funding will help Bellevue complete a planning and program development process that is critical for policy development, financial analysis, program development, and emergency response planning.	\$500,000
Bellevue Grand Connection I-405 Crossing: Downtown to Eastrail	Funding will support design for the Grand Connection Crossing project, which will create a safe, accessible, and transformative crossing of I-405.	\$2.5M

Other Federal Funding Opportunities

Bellevue's leadership team, federal team and departments also continue to actively track and review federal grant opportunities. Bellevue is also working with our partners to support their federal funding requests when those requests direct support Bellevue's priorities. The City is an active partner with King County in its RAISE grant application for the Eastrail I-90 gap project.