



City of
Bellevue

City Manager's
Office

DATE: August 6, 2024

SUBJECT: Federal Legislative Update, August 2024

Overview:

The month of July saw major headline news breaking almost weekly around the presidential race, which is expected to impact the work of Congress into the fall.

Congress returned from the July 4th recess with only six weeks to address looming deadlines on federal funding and expiring provisions. With President Biden's exit from the presidential race, what happens now and through the lame duck session of Congress becomes more unpredictable. Not surprisingly, House Republicans have stated that their willingness to negotiate on federal funding and a debt deal this fall will be shaped by the outcome of the presidential election. In the meantime, both the House and Senate are pushing to ready their bills and spending proposals for the showdown that will take place in the fall.

A summary of July's major federal legislative and regulatory activities follows:

BUDGET & APPROPRIATIONS

Congress has been on a sprint to make progress on FY 2025 federal funding bills. The House is on track to pass eight of the 12 appropriations bills by the end of July and the Senate has kicked off its process by setting topline numbers and unanimously passing three bills out of committee.

Unlike the House, which either maintained or decreased the spending limits set by the 2023 debt-limit agreement, the Senate allocations released this month will exceed the limits for some bills. Disagreements between the House and Senate on spending levels (topline numbers) and controversial policy riders means a stopgap funding bill to prevent a government shutdown will be needed before the fiscal year ends on September 30.

At this time, the House has completed work on four of the 12 appropriations bills: Defense, Homeland Security, Military Construction-VA and State-Foreign Operations. Four more bills are slated for House floor action before the end of July: Agriculture-FDA, Energy & Water, Financial Services and Interior. All House appropriations bills have moved out of committee.

In the Senate, three bills have passed out of committee with bipartisan support: Agriculture-FDA, Legislative Branch and Military Construction-VA. Four more bills could be ready for mark-up by the committee before the end of July. These include the Commerce-Justice-Science, Interior, State-Foreign Ops and Transportation-HUD bills.

Key highlights from some of the appropriations bills, thus far, is summarized below:

Bellevue Earmark Requests

Both of Bellevue’s congressional funding requests that were advanced by our delegation have been approved by the House Appropriations Committee.

Project	Amount	Advanced by	Update
Lake Washington Sanitary Sewer Lake Lines Program: Funding would help to complete the Management Plan focused on policy development, financial analysis, and capital program development.	\$500,000	Sen. Cantwell Rep. DelBene	\$500,000 included in House Interior bill
Bellevue Grand Connection: I-405 Crossing - Downtown to Eastrail: Funds would support completion of the 30-100 percent design.	\$2.5 million	Sen. Murray (\$1 M) Sen. Cantwell Rep. Adam Smith	\$1.25 M included in House T-HUD bill

Other FY 25 Appropriations Highlights

Account/Agency (in billions)	FY 24	Admin FY 25 Request	House FY 25	Senate FY 25
AG-FDA: Domestic food programs	\$163.3	\$164.1	\$162.8	\$163.4
DOE Enviro Justice & other programs	\$8.7	\$8.6	\$8.3	-
US Army Corps	\$8.7	\$6.2	\$10	-
FEMA	\$25.6	\$27.8	\$28.4	-
Immigration and Customs Enforcement	\$9.6	\$9.3	\$10.5	-
Customs & Border Protection	\$20	\$15.9	\$18.8	-
Interior Department	\$14.7	\$16.2	\$14.7	-
EPA state and tribal assistance grants (Clean Water State Revolving funds)	\$4.4	\$4.5	\$3.7	-
Health & Human Services Dept	\$116.1	\$121.5	\$107.6	-
Education Dept	\$79.1	\$82.5	\$67.9	-
Transportation	\$106.4	\$106.4	\$106.7	-
HUD Tenant-based rental assistance	\$32.4	\$32.8	\$32.3	-
HUD Project-based rental assistance	\$16	\$61.7	\$16.6	-

Policy highlights include the following:

- The House AG-FDA bill approved by the committee drops proposed language that would limit access to the abortion pill mifepristone.
- The House Commerce subcommittee bill includes language that would:

- Block gun buyback programs and federal red flag laws, and bar ATF from enforcing new firearms regulations, including rules on [stabilizing braces](#), [defining firearms dealers](#), and dealer license [revocation](#)
- Bar Department of Justice (DOJ) actions against state laws that ban or limit abortion access
- Prevent DOJ from rescheduling marijuana as a controlled substance
- Prohibit the Census Bureau from counting migrants who are in the country illegally in the decennial census for apportionment purposes
- Block DOJ from enforcing 2022 [rule](#) on asylum screening
- Block use of funds for climate change directives and research and DOJ's [Office of Environmental Justice](#).
- House Energy & Water bill cuts energy efficiency, renewable programs by \$1.5 billion.
- House Homeland Security bill provides \$600 million for the US-Mexico border wall, allows increase to H-2B temporary worker visa caps for FY 25, blocks funds for Biden Administration immigration policies related to asylum determinations, etc., bars funding for abortions for ICE detainees, with exceptions, among other policies.
- House Interior bill blocks EPA's emission standards for cars and trucks and the waiver for the California rule on zero-emissions engines.
- House Labor-HHS bill includes language that bars funds for Planned Parenthood and health-care providers who make abortion referrals and continues the Hyde amendment.
- Both the House and Senate versions of the Legislative Branch appropriations bill includes language that would block an automatic pay increase for members of Congress.
- House T-HUD bill includes provisions to:
 - Bar funds to implement congestion pricing tolls
 - Block funds for the California high-speed rail project
 - Block rules related to [housing equity plans](#), speed-limiting devices for trucks, [fuel standards](#) for cars and trucks, and [greenhouse gas emissions](#) from the transportation sector
 - Bar funds to buy or install automated traffic enforcement cameras
 - Prohibits funds for local "sanctuary" jurisdictions that don't comply with Department of Homeland Security (DHS) requests for notice of a migrant's release from local custody

Debt Limit

A possible motivating factor that could drive the appropriations process this year is the looming deadline of the debt limit. The debt-limit suspension ends January 1, 2025, though Treasury officials can buy more time using "extraordinary measures." Negotiations to lift or suspend the limit may be the first major fight of the next presidential term unless lawmakers cut a deal during the lame duck session this fall. Some House Republicans have expressed desire to complete work on the FY 2025 spending bills quickly in order to provide time to also take up a debt limit bill in the fall if Trump wins the election. Their motivation is to free the new congress and a potential Trump administration from having to take on the high-stakes negotiations of the debt limit early in the new term. Ultimately, however, it may be up to Trump to decide if he wants Republicans to strike a deal this fall or wait.

OTHER LEGISLATIVE MATTERS

In addition to federal funding, the annual defense authorization, five-year farm bill and expiring telehealth policies also face looming deadlines. Lawmakers are also finalizing agreements on water infrastructure and workforce development measures by year end.

Water Resources Development Act (WRDA)

The House passed its proposal to authorize the US Army Corp of Engineers (USACE) Civil Works Projects by an overwhelming bipartisan vote of 359-13. The WRDA proposal HR 8812 authorizes 12 new navigation, flood mitigation and other water-related infrastructure projects and 161 feasibility studies. It also authorizes funding for ongoing projects and maintenance and operation of USACE facilities (Howard Hanson Dam, Ballard Locks, etc.). The House bill includes language that would authorize \$242 million for environmental assistance projects for public entities in Washington state for design and construction of water-related environmental infrastructure and resource protection. The federal share of costs of a project would be 75 percent. Similar language was included in WRDA 2022. The Senate passed its version of WRDA (S. 4367) out of committee in May.

Workforce Development – Workforce Innovation and Opportunity Act (WIOA)

The WIOA provides authorization to a host of federal programs that fund state and local education, job training and labor exchange services to support adults, disabled workers, youth and businesses looking for skilled workers. The bill was last reauthorized in 2014 and expired in 2020. It has been extended in appropriations bills since.

Congress may finally get around to officially reauthorizing WIOA programs this year. In April, the House passed a WIOA bill, the “Stronger Workforce for America Act” (HR 6655) that would reauthorize WIOA programs until 2030 with a bipartisan vote of 378-26. The House bill provides authorization for the following:

- \$1.8 billion for the Job Corps program.
- \$1.5 billion for Dislocated Worker Employment and Training Activities – helps individuals reenter the workforce if they’ve been affected by mass layoffs, factory closings or disaster.
- \$1 billion for Youth Workforce Investment Activities – supports education and career readiness for youth through tutoring, drop-out prevention, work experience and mentoring. The bill would modify eligibility to those 14-24 years old.
- \$900 million for Adult Employment and Training Activities – job search and career assistance, prioritizing services for public assistance recipients, low-income and individuals with skills deficiencies.
- \$800 million for Adult Education and Literacy Activities – supports educational services, including English and digital literacy, mostly through grants to states.
- \$100 million for Wagner-Peyser Employment Services, which authorizes the Employment Service state grants. The Employment Service provides labor exchange services by matching qualified job seekers to jobs/employers that need employees.

The Senate has recently indicated it is also interested in seeing the programs reauthorized this year. Senator Bernie Sanders (I, VT), Chairman of the Senate HELP Committee, and Bill Cassidy (R, LA), the ranking member of the committee, have both indicated an interest in moving the bill through the Senate.

ADMINISTRATION ANNOUNCEMENTS & ACTION

FEMA Finalizes Flood Risk Standard

The US Federal Emergency Management Agency (FEMA) has finalized a rule mandating that projects built using its funds must take into account previous and current levels of local flood risk along with future flood risk. The new rules go into effect September 9. The intent of the new rules is to make communities more resilient and save taxpayers money by preventing repeat building of vulnerable structures in flood zones. The rule will not affect rates in FEMA's National Flood Insurance Program.

According to FEMA, once the rules go into effect, communities will have to show that their plans, "reflect the best available science for flood risk into the future for as long as the structure is expected to stand," to qualify for FEMA funding. FEMA acknowledges that meeting the higher standard adds slightly to upfront costs. Previous studies by FEMA, however, found that for every \$1 spent on resilient building standards that incorporate climate change, \$11 is saved in future damage, cleanup and economic impact.

Award Announcements

Bridge Investment Program

The US Department of Transportation (USDOT) announced \$5 billion in awards to 13 "significant" major bridge projects across the country. One such project to receive funding was the Columbia River Crossing that connects Oregon to Vancouver, WA, which was awarded \$1.4 billion, adding to the already \$600 million awarded through a Mega Grant program earlier this year. No other projects on the west coast received funding from the Bridge Investment Program during this round.

Low-No Transit Grant Program

USDOT announced \$1.5 billion in funding to support the modernization of transit buses. The Low-No Grant Program made awards to 117 projects in 47 states. King County Metro received a funding award of \$6.7 million to purchase battery electric buses and continue its worker training to maintain the new fleet. The project advances King County Metro's plan to transition to a fully zero-emission fleet by 2035. In 2023, King County Metro won \$33 million from the same grant program.

Tech Hubs Program

US Department of Commerce's Economic Development Administration announced approximately \$504 million in implementation grants to 12 tech hubs to scale up production of critical technologies and create jobs to improve national competitiveness and security. In 2023, 31 tech hub projects were designated for the Tech Hub Program. The implementation grant awards will provide implementation funding to 12 of these programs.

The Northwest has a few tech hub projects that have been federally designated by the program:

- [American Aerospace Materials Manufacturing Tech Hub](#), operating out of Spokane, WA;
- [Pacific Northwest Mass Timber Tech Hub](#) and the [Corvallis Microfluidics Tech Hub](#), which both operate out of Oregon State University; and
- [Pacific Northwest Smart Energy Strategy Development Consortium](#), operating out of Portland State University

None of these programs won implementation grant funding during this round of awards.

Building Resilient Infrastructure and Communities (BRIC) Program

The Department of Homeland Security and FEMA announced the selection of 656 projects for \$1 billion in climate resilience project funding through the BRIC program.

The City of Bellevue's application for \$470,000 to digitize approximately 85 percent of the city's existing building permit paper records was selected for "further review." This means Bellevue's application was selected but the agency has questions or concerns that need to be addressed before an award can be granted.

Climate Pollution Reduction Grants

The Environmental Protection Agency (EPA) announced the selection of 25 projects for a total of \$4.3 billion in grant funding to implement community-driven solutions to address climate change, reduce air pollution, advance environmental justice and/or accelerate the transition to clean energy. King County, WA, received an award of about \$50 million for a project to "accelerate equitable building decarbonization throughout the building lifecycle". King County collaborated with Kitsap, Pierce and Snohomish counties on the application as the project helps reduce emissions from multifamily and small commercial buildings across each county.

Funding Availability

Rail Crossing Elimination Grant Program

USDOT announced the availability of \$1.1 billion for the Railroad Crossing Elimination Grant Program to improve railroad crossing safety and efficiency. The program invests in projects that construct grade separations, upgrade safety devices at crossings or close at-grade crossings where roads and train tracks intersect. Deadline: 9/23/24 [NOFO](#)

Reconnecting Communities

USDOT announced the latest round of funding is now available for the popular Reconnecting Communities Program. More than \$600 million will be available for both capital construction and community planning grants. The program is covered under the President's Justice40 Initiative, which sets the goal that 40 percent of benefits from federal investments flow to disadvantaged communities. Deadline: 9/30/24 [Info](#)

National Advance Packaging Capacity

The CHIPS for America program released a Notice of Intent for new research and development that will establish and accelerate domestic capacity for semiconductor advanced packaging. More information can be found here: [CHIPS - National Advanced Packaging Manufacturing Program](#)

BELLEVUE FEDERAL AFFAIRS

August is the time of year when federal delegation members and their legislative staff have the most time on their schedules to make visits to the state to tour key projects and meet with project partners. Last August, Bellevue hosted, coordinated and participated in several events and tours for our delegation, including events and tours focused on housing, workforce development, Eastrail, light rail, and utilities.

The Bellevue team is once again gearing up for August visits to the city from its federal delegation. Plans are in development to make available tours of some of the city's federal priority projects, including:

- Lake Washington Lakes Line
- Grand Connection
- Co-responders and Body Cams
- Energize Smart Eastside
- Technology Solutions and Public-Private Partnerships for Roadway Safety
- Low-income housing tax credits (LIHTC)
- Electric Fire Engines

The Bellevue federal affairs team also continues to monitor and communicate with the federal delegation on funding opportunities, including Bellevue's congressional funding proposals.