



City of
Bellevue

City Manager's
Office

DATE: April 15, 2025

SUBJECT: Federal Legislative Update, March 2025

Below is a summary of some of the major actions from Washington, DC, for March.

BUDGET & APPROPRIATIONS

FY 25 Full-Year Continuing Resolution

Republicans in Congress avoided a government shutdown by pushing through a full-year stop gap funding bill (HR 1968) with the help of Senate Democrats. The full-year Continuing Resolution (CR) will fund the government through the end of the fiscal year. While the measure would generally extend the FY 24 funding levels, it includes the following exceptions:

- Funding increases were added for defense, immigration enforcement and the Department of Veterans Affairs. The Department of Defense was also provided additional flexibilities regarding “new starts,” which are normally not allowed under a CR.
- Health and Human Services saw reductions in the National Institute of Health’s (NIH) innovation account, but increases for detection of healthcare fraud. The measure would provide advance funding for the following accounts through the first quarter of fiscal 2026: \$261.1 billion for Medicaid payments to states, \$3.6 billion for foster care payments, and \$1.6 billion for child support enforcement and family support programs.
- The Labor Department received increases to various accounts, including the Unemployment Trust Fund for grants to states to administer state unemployment insurance.
- The Department of Transportation received increases for the Federal Aviation Administration (FAA). The CR also allows the Federal Highway Administration, Federal Transit Administration, National Highway Traffic Safety Administration, and Federal Motor Carrier Safety Administration to obligate money from the Highway Trust Fund consistent with the Bi-partisan Infrastructure Law. The FAA can also use trust fund dollars for the Airport Improvement Program consistent with its most recent reauthorization. The CR provides the following amounts for infrastructure programs, which are the same as FY 2024 when subtracting funds for earmarked projects:
 - \$340.5 million for highway infrastructure.
 - \$100 million for rail infrastructure.
 - \$50 million for port infrastructure.
 - \$45.6 million for transit infrastructure.
- The Community Development Block Grant program is provided level funding from FY 24 levels and the Women, Infant, Children (WIC) nutritional program received a \$7 billion increase from FY 24.
- \$32 billion is provided for HUD tenant-based rental assistance and \$16.5 billion for project-based rental assistance.
- \$22.5 billion is included for the Disaster Relief Fund for major disaster declarations. Funding is also increased for wildfire management accounts under the departments of Agriculture and Interior.
- \$20.2 billion in IRS funds from Democrats’ 2022 Inflation Reduction Act tax is cut.

- Earmarks - The measure would eliminate all the earmarked projects provided by the FY 2024 appropriations laws and omits the \$15.9 billion in earmarked projects that would have been funded by the FY 25 appropriations bills released last year.
- Program extensions are included for several expiring healthcare provisions, the National Flood Insurance Program, Temporary Assistance for Needy Families Program, and several other programs.

Tax Measure - Reconciliation

Republicans in Congress continue to move forward on the development of a reconciliation package to extend the 2017 tax cuts. In February, House and Senate Republicans successfully pushed through Budget Resolutions, but the versions that passed in each chamber were vastly different in scope. The Senate took a two-step approach, passing a resolution with direction to Senate committees to produce legislation to advance President Donald Trump's border, immigration, energy, and defense priorities. Instructions to develop a tax package would come later in the Senate strategy. The House, on the other hand, passed a budget resolution that wrapped a tax package with border and immigration, energy, and defense policies into one bill.

The Senate took the lead in trying to reconcile the opposing approaches, recently advancing a new budget resolution to be considered in the House. The new Senate framework extends 2017 tax cuts, adds another \$1.5 trillion in new tax cuts (\$5.3 trillion total tax cuts), and increases the debt limit by \$5 trillion over 10 years. It also adds new spending for immigration and border priorities. Using a "current policy" baseline, Senate budget leaders estimate that their bill will require a minimum of \$4 billion in spending cuts to off-set the tax and spending plan. The Senate passed this budget resolution by a vote of 51-48 with Senators Susan Collins of Maine and Rand Paul of Kentucky joining Democrats in opposing the measure. The House now takes up the Senate-passed budget resolution.

The Senate plan is expected to face big challenges with the House Republican caucus. Republican fiscal conservatives in both chambers have voiced concern or outright opposition to increasing the debt limit. Others also object to the Senate's use of the "current policy" baseline, calling it a scoring gimmick that was used to avoid real spending cuts and will result in ballooning the national debt. The House budget resolution called for \$2 trillion in spending cuts opposed to the only \$4 billion included in the Senate bill. Moderate Republicans, like Senator Collins, are concerned that spending cuts will include Medicaid benefits. The House budget resolution included language that cuts to Medicaid could be considered. The House plans to take up the bill immediately and hopes to pass it out ahead of the two-week Easter recess.

OTHER LEGISLATIVE MATTERS

Regulatory Rules Review – Congressional Review Act (CRA)

In addition to budget matters, Republicans are also racing against the clock to rescind several Biden Administration rules. Under the CRA joint resolution of disapproval, Congress has 60-days from the day a rule is announced to review and cancel the rule with a simple majority. Several disapproval resolutions have already passed Congress and have been signed by President Trump, including rules on methane fees and offshore drilling requirements to conduct marine archaeological surveys. The previous regulation required an archaeological report only if the drilling plan covered an area where agency officials had "reason to believe" a resource existed. Several other disapproval resolutions are under consideration in the House and Senate, including rules dealing with efficiency standards for appliances, EPA's waiver for California's car and truck emissions standards, crypto reporting, digital asset sales, and many more. Rep. Steve

Scalise (R, LA), the House Majority Leader, released a [list of potential Biden rules](#) that could get rolled back via the CRA.

Trade Review Act of 2025

Senator Maria Cantwell (D, WA), ranking member of the Senate Commerce Committee, has introduced legislation that would roll back President Trump's ability to unilaterally impose tariffs. The bipartisan *Trade Review Act of 2025* is co-sponsored by seven Democrats and seven Republicans, including Senator Chuck Grassley (R, IA) who is the Senate Pro Tempore and chair of the Senate Judiciary Committee. According to Cantwell's press release, "*The Trade Review Act of 2025*, is modeled after the War Powers Resolution of 1973, and would reestablish limits on the president's ability to impose unilateral tariffs without the approval of Congress." For details about the bill see: [Cantwell Press Release: Trade Review Act of 2025](#)

ADMINISTRATIVE ACTIONS

Reciprocal Tariffs

The biggest news out of Washington, D.C. was President Trump's unveiling of sweeping "reciprocal" tariffs on foreign goods. The minimum 10 percent reciprocal tariffs were applied to more than 180 countries with additional, higher tariffs imposed on other countries that have wider trade deficits with the U.S. This latest move was in addition to the 25 percent tariffs already announced earlier this year on global automobile imports and tariffs imposed on products from China, Canada, and Mexico. The tariffs continue to evolve and will be reported on more in the April monthly report.

Federal Lands for Housing and Data Center Development

The departments of Interior and Housing and Urban Development (HUD) announced plans to assess the nation's housing needs and identify "underutilized" federal land suitable for housing development. Interior Secretary Doug Burgum and HUD Secretary Scott Turner outlined a plan that would, "... take underused federal properties, transfer or lease them to states or localities to address housing needs, and support the infrastructure required to make development viable — all while ensuring affordability remains at the core of the mission." See *Wall Street Journal* opinion piece "[Federal Land Can Be Home Sweet Home](#)" for their full [editorial](#) on this subject.

This is the second time the Trump Administration proposed a new use for federal lands. Previously, the Department of Energy announced that it is exploring the use of Energy Department land to quickly develop data centers for artificial intelligence. The agency cited the federal government's ability to fast-track permitting, especially of energy facilities, such as nuclear reactors, to help power and run data centers, as one of the key reasons in exploring the idea. It said 16 sites have been identified nationwide as ideal for building data centers, including the sprawling campuses of national laboratories like the Princeton Plasma Physics Laboratory in central New Jersey, the nuclear sites in South Carolina and Texas, and former uranium enrichment plants in Kentucky and Ohio. The agency is seeking input from data center developers and others interested in public-private partnerships.

Department of Government Efficiency (DOGE)

The Trump Administration and DOGE continued their efforts at encouraging federal agency staff to exit voluntarily before large scale reductions in workforce occur. Agencies like NOAA Fisheries, Interior, the Army Corps of Engineers and Health and Human Services were affected this staff cuts. Meanwhile, a recent court order temporarily reinstated probationary employees fired under the first round of layoffs, but they were then placed on administrative leave.

Other Executive Orders

Live Entertainment Market

An Executive Order directs the Attorney General and Federal Trade Commission (FTC) to “rigorously enforce” the Better Online Ticket Sales Act, 15 USC 45c, to ensure competition laws are enforced and prices are transparent in the sale of entertainment and concert tickets. The FTC is also directed to take enforcement action against deceptive or anti-competitive conduct in the secondary ticketing market. [Executive Order - Live Entertainment Market](#)

Elections

An Executive Order on the enforcement of federal rules around federal elections was met with immediate court challenges. States currently have broad authority to set election rules. This Executive Order requires that all votes be cast and received by the election date established in law. It also requires documentary proof of U.S. citizenship to vote in federal elections. The Order further directs the Department of Homeland Security, Secretary of State, and Attorney General to provide information on foreign nationals that have registered to vote. States that do not comply will risk losing federal funds. [Executive Order - Elections](#)

Department of Education

The Secretary of Education is directed to take all steps necessary to facilitate the closure of the Department of Education and return authority over education to the states and local communities. [Executive Order - Department of Education](#)

Disaster Preparedness

An Executive Order emphasizes the role and responsibility of states and local governments in disaster preparedness, stating that preparedness is best managed at the state and local level, and that states, local governments, and individuals should be empowered to prioritize and make risk-informed decisions. The order directs the development of a National Resilience Strategy and National Critical Infrastructure Policy to better determine the appropriate federal role in disaster preparedness. [Executive Order - State and Local Preparedness](#)

BELLEVUE FEDERAL AFFAIRS

National League of Cities D.C. Annual Conference and Delegation Meetings

Bellevue Councilmember Conrad Lee attended the National League of Cities annual Washington, D.C. fly-in in March. In addition to participating in the conference, Councilmember Lee and officials from the cities of Shoreline, Auburn, and Burien had meetings with the offices of senators Murray and Cantwell and Rep. Jayapal about the region’s wastewater infrastructure needs and challenges.

FY 26 Federal Appropriations Funding Requests

Although Congress has not officially started work on FY 26 appropriations, the process to consider appropriations funding requests has kicked-off. For FY 26, Bellevue will resubmit request that were supported by the delegation and included in funding bills but later removed with all other earmark funding in the final year-long continuing resolution. Bellevue’s appropriations funding requests for FY 26 are:

The Grand Connection I-405 Crossing Project— this project will create a safe, accessible, and transformative crossing over I-405 for people walking, biking and rolling. When constructed, the crossing project will provide an active destination over I-405, fuse

the downtown and Wilburton neighborhoods, and tie downtown Bellevue into a 175-mile regional trail network that connects more than half a million Eastside residents.

Lake Washington Sanitary Sewer Lake Lines Program - this project will help Bellevue Utilities safeguard surface water quality in Lake Washington by reducing the risk that aging active sewer pipes, currently located in Lake Washington, will break and contaminate the lake with raw sewage. Bellevue will complete a planning and program development process that is critical for policy development, financial analysis, program development, and emergency response planning, all in preparation for the eventual capital construction phase.

Bellevue's external affairs team is submitting funding requests to all the members of Bellevue's federal delegation.