DATE: May 22, 2023

TO: Mayor Robinson and City Councilmembers

FROM: Genesee Adkins, Chief of External Affairs, 452-7849

Nina Collier, Jeff Bjornstad, Tony Williams – W2A (federal affairs consultants)

SUBJECT: Federal Legislative Update

The weather is heating up in Washington, DC, and so is the pressure on US leaders to work out a strategy to address the impending deadline on the US debt limit. Beyond the debt limit, some work is progressing on FY 2024 spending bills and Republicans are readying their response to the southern border crisis. A summary of some of the key issues occupying the federal government is provided below.

Budget and Appropriations

Debt Limit

It is estimated that the default of the US debt could occur as early as June 1 if measures are not taken to increase or suspend the US debt limit. Active negotiations at the staff level have been occurring with the President and congressional leaders expected to begin meeting again. Indications are that a deal is possible and a few areas of compromise are starting to emerge, especially around energy permitting reforms. Staff have also discussed possible compromise on clawing back, at least some COVID-19 emergency funds and capping FY 2024 funds. The House Republican debt limit proposal that was unveiled in late April included a proposal to reduce discretionary funding by capping FY 2024 funding to FY 2022 levels and limiting future spending to 1% annually.

<u>Appropriations</u>

While the White House and congressional leaders meet over the coming days to try to reach an agreement on how to address the debt limit, work on FY 2024 spending is moving forward, at least tentatively, in the House.

At the beginning of May House Appropriations Chair, Kay Granger (R, TX), announced to her colleagues that she is targeting mid-May to begin marking up committee bills with mid-June being the target to have all mark-ups completed, although that timing is preliminary and is subject to change. Thus far, it has been announced that only the Military Construction-VA and Legislative Branch appropriations bills will be unveiled and marked-up in the coming weeks. House Republicans are expected to use their proposed debt limit package to set baseline funding levels for FY 2024. However, that could change if a deal is made on the debt limit that also includes spending targets.

In the Senate, where a more bipartisan approach is being used to craft spending bills, movement is slower. The Senate Appropriations Ranking Member, Susan Collins (D, Maine)



had requested that further work on bills be halted until there is resolution around the debt limit and a clearer picture of potential funding levels emerges. If an agreement does not emerge soon, Senators may just agree to tentative numbers to allow them to move forward with adjustments being made later when a deal is reached.

If a debt deal goes through and includes direction on FY 2024 funding levels, the House and Senate Appropriations Committees will likely kick into high gear the process to draft and consider spending bills this summer. Otherwise, the process will drag slowly forward until a compromise is reached or the risk of a shut-down of the government becomes imminent and forces action.

Bellevue submitted four earmark requests for consideration as part of the FY 2024 appropriations process. Three of the four requests have been submitted by Bellevue's congressional delegation to the full Appropriations Committee for further consideration. Senator Murray, Bellevue's senior Senator and Chair of the Senate Appropriations Committee, will be visiting Bellevue in the coming days to tour Bellevue hybrid-electric fire engine project.

Below is information about the three project proposals that have advanced to the Appropriations Committee. The one proposal that did not advance was a \$1.5 million request for Eastside Net-Zero Low-Income Housing Retrofits.

CITY OF BELLEVUE - FY 2024 Requests Advanced to Committee				
Bellevue and Redmond Electric Fire Engines & Charging Infrastructure	This is a joint request by Bellevue and Redmond for funds to help with each city's funding gap to purchase two electric fire engines and the necessary charging infrastructure for Bellevue Fire Station 1 and	\$1.885M		
Submitted by Rep. DelBene	Redmond Fire Station 12. Both cities have state grants and local			
	funding already committed.			
Bellevue Police Department Body-worn Camera Program	This funding request is for the acquisition of body camera technology. The program will enhance the Police Department's patrol operations, incident investigation, incident	\$1.095M		
Submitted by Senator Cantwell and Rep. DelBene	response, and crime prevention.			

Digital Equity for	This pilot project would launch Bellevue's	\$1.5M	
Affordable Housing	Digital Equity for Affordable Housing Initiative		
_	by providing free direct internet access to 600		
	subsidized affordable housing units.		
Submitted by Rep. Smith			
	The two pilot locations are:		
	 Cascadian Apartments in Crossroads 		
	 Eastgate campus: Men's shelter, 		
	permanent and supportive housing, and		
	workforce housing apartments		
	5		
		i l	

Immigration/Border Security

On May 11 the pandemic-era Title 42 policy expired. Title 42 was put in place under President Trump during the Covid-19 emergency to allow the US to expel those seeking asylum and other migrants at the border.

In preparation for the thousands already at the border and expected still to come, the Administration is deploying an additional 1,500 troops along the border. House Republicans are responding with a sweeping border security package, which they plan to move in May. The package, H.R. 2, combines three bills that advanced in committee along party lines. It would:

- Restrict asylum eligibility;
- Resume border wall construction;
- Expedite removal and detention policies, including for minors; and
- Authorize funding for Border Patrol agents and direct the State Department to negotiate "burden sharing" agreements with Mexico, Honduras, El Salvador, and Guatemala.

While the measure has little chance of advancing in its current form in the Democratic-controlled Senate, it could be a starting point for an immigration deal.

Transportation

Sound Transit

Sound Transit was awarded a \$327 million TIFIA loan by the US Department of Transportation (USDOT). The award will go towards three Puget Sound projects: Hilltop Tacoma Link Extension, Lynnwood Link Extension station and improvements to the Sounder. (See award announcement here: Press Release - USDOT Sound Transit TIFIA award - May 5, 2023).

Airlines

The Administration <u>announced</u> on May 8 that the USDOT is drafting new regulations that could require airlines to provide meals, hotels and additional compensation to travelers on canceled or

severely delayed flights ahead of an expected crush of summer travel. The effort will also seek to force airlines to improve the availability of customer service during periods of widespread flight delays or cancellations.

This move by the Biden Administration comes at a time when Congress is also considering proposals reauthorizing the Federal Aviation Administration (FAA). Current legislation authorizing the agency and its authorities expires in September. A major focus of congressional hearings on the FAA has also been focused on air travel customer service issues. The House Transportation and Infrastructure Committee is expected to mark-up it's version of the reauthorization bill in June.

Rail Safety

Another Norfolk Southern train derailment recently renewed efforts in Congress to address rail safely. This comes after the chemical train derailment in East Palestine, Ohio, forced residents to evacuate the area for days and drew national scrutiny.

The Senate Commerce, Science, and Transportation Committee has taken the lead in crafting legislation and recently moved The Railway Safety Act (S. 576) to require USDOT to increase requirements for trains transporting hazardous materials. The bill also:

- Increases the maximum fines USDOT may impose on rail carriers for violating safety regulations,
- Requires USDOT to update rail car inspection regulations and audit the federal inspection program,
- Requires a minimum two-person crew for certain freight trains,
- Phases out certain railroad tank cars by May 1, 2025 (four years sooner than required under current law),
- Expands training for local first responders,
- · Imposes a new fee on certain rail carriers, and
- Provides funding for research and development to improve railway safety.

In the House, Rep. Rick Larsen (D, WA-2), Ranking Member of the House Transportation and Infrastructure Committee, is urging colleagues to take up legislation similar to the proposal in the Senate. Some House Republicans, however, have pushed for a delay of legislation until a full investigation from the NTSB on the Palestine, OH, derailment could be completed, which could take up to a year. Transportation Secretary Pete Buttigieg is pushing lawmakers to move on the rail safety legislation, highlighting the need to raise the cap on fines for railroad violations.

Grant Announcements

<u>PROTECT grants</u> – USDOT announced that \$848 million will be available for the first round of the Promoting Resilient Operations for Transformative, Efficient and Cost-Saving Transportation (PROTECT) grants. Funding is for projects that, "address the climate crisis by improving the

resilience of the surface transportation system, including highways, public transportation, ports, and intercity passenger rail." This discretionary grant funding availability is on top of \$7.3 billion PROTECT state formula funds that have already been allocated to states. Application deadline is August 18, 2023. NOFO information is here: PROTECT Discretionary Grants 2023

<u>Urban and Community Forestry Assistance Program</u> – The Inflation Reduction Act provided the Department of Agriculture \$1 billion in discretionary grants available for projects that provide equitable access to trees and green space. The deadline is June 2, 2023. NOFO information is here: <u>Urban and Community Forestry Grants 2023</u>

<u>Clean School Bus Program</u> – EPA has opened applications for \$400 million in grant funding for the replacement of existing school buses with clean and zero-emission school buses. The applications deadline is August 9, 2023. NOFO information is here: <u>Clean School Bus Program Grants 2023</u>

National Fish Passage Program – The Fish and Wildlife Service has made \$38 million available for projects that improve the nation's aquatic ecosystems to improve resiliency for aquatic life. Grants are available for dam removal, public safety barrier removal and river ecosystem restoration to improve fish passage. It also supports the modernization of the country's infrastructure such as road culverts, bridges, and water diversions contributing to enhanced community resilience to the impacts from climate change and other public safety hazards. The deadline is December 31, 2023. NOFO information is here: National Fish Passage Program Grants 2023

Bellevue Federal Affairs Activities

Federal funding

Bellevue has been in regular communications with delegation offices on federal funding opportunities; in particular, Bellevue's federal earmark requests. Bellevue's team has provided additional and clarifying information about requests. As noted above, Senator Murray will be visiting Bellevue and Redmond's fire departments to discuss and review efforts around bringing hybrid-electric fire engines to Bellevue and Redmond.

Bellevue College - CHIPS & Science Act of 2022 Opportunities

Washington's former governor Gary Locke, who is serving as the Interim President of Bellevue College, met with members of Bellevue's leadership team to discuss opportunities created under the CHIPS and Science Act of 2022 to expand workforce development opportunities. Follow-up discussions are being planned.

Federal Affairs Agenda

In 2022, Bellevue adopted a federal agenda covering 2022-2023. The process to review these priorities, and update them if necessary, will begin in the coming weeks.



Summer DC Trip

A trip to DC this summer is being planned to touch base with Bellevue's federal delegation members to provide them with an update on Bellevue and to discuss Bellevue's federal agenda and priorities. The Mayor and/or Deputy Mayor and Director of External Affairs will participate in these meetings.