

CITY COUNCIL STUDY SESSION**Federal Legislative Update**

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City Manager's Office

DIRECTION NEEDED FROM COUNCIL**INFORMATION
ONLY**

No formal action is required; this is an informational briefing. Congress, the Administration, and Federal agencies each year approve actions that impact the City in a broad range of areas. Staff may recommend, and/or Council may wish to direct, communication to the City's congressional delegation on a range of issues throughout the year.

RECOMMENDATION

NA

BACKGROUND & ANALYSIS**BIG PICTURE UPDATE**

Activities in the nation's capital over the last month have been dominated by high-profile budget negotiations, confirmation fights, investigations, the State of the Union and the President's declaration of a National Emergency on the southern border of the U.S. While dynamics on these issues and events are and have been intensely political and the country, Congress and the President remain divided, at the end of the day, a great deal of bi-partisanship, leadership and good old-fashioned legislative work did achieve overwhelming support for a budget resolution to prevent another government shut-down and move a huge public lands package through the U.S. Senate.

Looking ahead we can expect a lot more of the same political drama and theater to dominate the airwaves and inboxes....and amidst all of it, some important legislation will be considered too. Here's a look ahead:

- Budget and appropriations – the focus shifts now to the release of the President's FY 2020 budget proposal, which is expected around March 11 or 12;
- Congress will begin its FY 2020 appropriations process;
- Investigations of the President, his cabinet, his associates, etc., will continue;
- Confirmations - confirmations remain Majority Leader McConnell's top priority;
- Southern border wall/immigration politics – expect legislative and legal battles on several fronts over the President's declaration of a National Emergency and border wall funding efforts;
- Rep. Peter DeFazio (D-OR), Chair of the House Transportation and Infrastructure Committee, has been gearing up for an infrastructure package;

- The “Green New Deal” will keep climate change issues and partisan politics on the national radar.

WASHINGTON’S DELEGATION in the 116th CONGRESS

The House and Senate have completed their organizational process. The final committee assignments for the Washington state congressional delegation, including the committee assignments for Rep. Kim Schrier (D-WA) who is now a member of the House Education and Labor Committee and Agriculture Committee.

Senator Patty Murray	Remains the Ranking Member of the Senate Health Education Labor and Pensions (HELP) Committee. She also remains the Ranking Member of the Labor Health and Human Services (HHS) Appropriations Subcommittee and the number two Democrat on the full Appropriations Committee. She is also the Democratic Caucus Conference Secretary.
Senator Maria Cantwell	Ranking Member on the Senate Commerce Committee.
Rep. Suzan DelBene (D-WA-1)	Joins the House Ways and Means Committee (Oversight and Trade Subcommittees) and the House Budget Committee.
Rep. Rick Larsen (D-WA-2)	Chairman of the House Transportation and Infrastructure Subcommittee on Aviation and a member of the House Armed Services Committee.
Rep. Jaime Herrera Beutler (R-WA-3)	Appropriations Ranking Member of the Subcommittee on the Legislative Branch.
Rep. Dan Newhouse (R-WA-4)	Appropriations: Energy and Water Subcommittee, Homeland Security Subcommittee, Legislative Branch Subcommittee.
Rep. Cathy McMorris Rodgers (R-WA-5)	Ranking Member on Energy and Commerce.
Rep. Derrick Kilmer (D-WA-6)	Appropriations: Defense Subcommittee, Energy and Water Subcommittee, Interior Subcommittee
Rep. Pramila Jayapal (D-WA-7)	Judiciary Committee, Budget Committee and Education & Labor Committee. She is also the co-chair of the House Progressive Caucus.
Rep. Kim Schrier (D-WA-8)	Education and Labor Committee and Agriculture Committee. New Democrat Coalition Co-Chair of the Health Care Task Force and a member of the Diabetes Caucus and LGBT Equality Caucus.
Rep. Adam Smith (D-WA 9)	Chairman of the House Armed Services Committee.

BUDGET and APPROPRIATION

Last fall, Congress passed, and the President signed appropriations bills providing funding for Energy and Water, Legislative Branch and Military-Construction (Mil-Con) Appropriations and Labor HHS, Defense and Education Appropriations. The remaining federal agencies not covered by these bills were not fully funded for the fiscal year and were funded (or not funded) by short-term Continuing Resolutions (CR) that extended FY 2018 funding levels. In the past month, Congress focused primarily on efforts to avoid another partial federal government shut-down of these agencies.

What was clear was that everyone in D.C., including the President, wanted to avoid another shut-down. The short-term CR approved in late January to reopen the government after a record 35-day closure, was set to expire on February 15. On February 14, House and Senate negotiators succeeded in winning approval by large margins (vote of 300 – 128 in the House and 83-16 in the Senate) a compromise budget resolution that included \$1.375 billion of the \$5.7 billion the President requested for construction of a southern border wall.

President Trump, in a statement on February 15, announced his intention to sign the budget compromise bill, and immediately issued a declaration of a National Emergency, allowing him to divert military funding for construction of a southern border wall.

Below is a summary of some of the key highlights of House Joint Resolution 31, the seven-bill spending package that covers appropriations authority through the end of FY 2019 for Homeland Security, Agriculture-Food and Drug Administration (FDA), Commerce-Justice-Science, Financial Services, Interior-Environment, State and Foreign Operations and Transportation-Housing and Urban Development (HUD).

Homeland Security:

- Southern border wall - The measure would provide \$1.375 billion for 55 miles of border fencing.
- Federal Emergency Management Agency (FEMA) received \$16.6 billion in net discretionary funding, an increase of \$4.2 billion over FY 2018.
- FEMA's National Flood Insurance Program was extended through May 31. It is funded through discretionary appropriations, premiums and fees collected from policyholders, and money borrowed from the Treasury Department.

Agriculture-FDA:

- Domestic food programs will receive \$103.2 billion; \$1.74 billion less than FY 2018.
- Supplemental Nutrition Assistance Program (SNAP-formerly the food stamp program) would receive \$73.5 billion in mandatory funding, a \$536.6 million decrease from FY 2018. The total would fully fund the program in 2019, according to the summary of the measure.
- Child nutrition programs would receive \$23.1 billion in mandatory funding, \$1.11 billion less than FY 2018, which the committees estimated would also fully fund the program.
- Women, Infants and Children Program (WIC) will receive \$6.08 billion, \$100 million less than FY 2018. The explanatory statement said the funding would meet estimated participation for the year. The measure also would rescind \$500 million in unobligated balances in the program.
- The commodity assistance account, which includes several United States Department of Agriculture (USDA) programs that provide food to low-income individuals, will receive level funding of \$322.1 million. Within that amount, \$222.9 million would be provided for the Commodity Supplemental Food Program, which the Administration had proposed for elimination.

Commerce-Justice-Science: will receive \$71.8 billion in discretionary and mandatory funding, \$1.6 billion above FY 2018. The Census Bureau would receive \$3.8 billion, \$1 billion more than FY 2018 as officials prepare for the 2020 Census.

Financial Services: will receive \$23.42 billion in discretionary funding, equal to the FY 2018 level. The measure will provide a 1.9 percent pay raise for federal workers.

Interior-Environment: will receive \$35.6 billion in discretionary funding, \$300 million above FY 2018, including:

- Pacific Salmon Recovery will receive \$65 million, the same amount as in FY 2018.
- The measure includes a policy provision that would allow the Department of Interior to collect and spend recreation fees at national parks and other federal lands for an additional year, until October 1, 2020.
- \$435 million in unrequested funding from the Land and Water Conservation Fund (LWCF) for land acquisition and projects across agencies to facilitate access to public land, an increase of \$10 million from FY 2018. The Senate just passed the public lands package (S. 47) authorizing the fund that included several designations (Mountains to Sound Greenway) and acquisitions.
- Clean Water: The measure will provide funding through the State and Tribal Assistance Grant (STAG) program allocation and a separate allocation for capital grants to state revolving funds (SRF) for clean water and drinking water (\$1.7 billion for the Clean Water SRF; and \$1.2 billion for the Drinking Water SRF).
- The agreement provides \$68 million for the Water Infrastructure Finance and Innovation Act (WIFIA) program.
- The agreement also would provide \$65 million for grants authorized by the 2016 Water Resources Development Act (WRDA) and the Water Infrastructure Improvements for the Nation Act (WIIN) to improve drinking water in small and disadvantaged communities, schools, child care centers, and areas with lead in the water.
- Does NOT include language to repeal the Waters of the U.S. rule.

Transportation-Housing and Urban Development (HUD): will receive \$71.1 billion in discretionary funding, \$1 billion above FY 2018.

Transportation - The measure will provide \$86.5 billion in budgetary resources for the Transportation Department (USDOT), plus \$9 billion for new transportation infrastructure.

- Better Utilizing Investments to Leverage Development (BUILD) grants (formerly known as TIGER grants) are funded at \$900 million, a \$600 million decrease from FY 2018. Funding will remain available through September 30, 2021. Funding is allocated 50 percent to rural areas and 50 percent to urban areas.

- Federal Transit Administration (FTA) funding will total \$13.4 billion, a reduction of 67 million below FY 2018.
- Intelligent transportation systems - The measure directs the USDOT to submit to Congress a report on efforts by the department to engage with local communities, metropolitan planning organizations, and regional transportation commissions on advancing data and intelligent transportation systems technologies and other smart cities solutions within 90 days of enactment.
- Infrastructure for Rebuilding America (INFRA) and freight transportation - The conferees directed the Transportation Secretary to prioritize INFRA funding awards to port projects and the intermodal connections that serve those facilities, where eligible, under the Fixing America's Surface Transportation Act (FAST).

Housing and Urban Development (HUD) - will receive a net appropriation of \$44.2 billion under the agreement, \$1.52 billion more than in FY 2018, and \$12.5 billion more than requested.

- Community Planning and Development - Funding is provided at \$7.7 billion, an increase of \$29 million over FY 2018.
- The measure will allow as much as \$80 million in homeless assistance funds to be used for as many as 25 youth homelessness demonstration projects. At least eight projects would have to be in communities with substantial rural populations.
- Homeless assistance funds could also be used for as many as 10 partnership pilot projects providing continuum of care and housing to disconnected youth, as authorized in previous appropriations laws.

Omitted Items

The package does not include several authorization measures debated by lawmakers with no resolution, including the Violence Against Women Act (some funding is provided), a two-year intelligence authorization measure, expiring tax breaks and a measure that would provide back pay for government contractors who were not paid during the shutdown.

OTHER POLICY UPDATES

Public Lands Package Passes Senate

On February 12, the Senate passed, by a vote of 92- 8, a massive public lands package. The *Natural Resources Management Act* (S.47) permanently reauthorizes the Land and Water Conservation Fund (authorization expired last September). It also contains over 100 different public lands bills, including legislation to designate the Mountains to Sound Greenway as a National Heritage Area.

Senator Maria Cantwell and Senator Lisa Murkowski (R, AK) jointly championed and steered the legislation through the Senate. It now goes to the House for consideration. Similar legislation passed in the House last year but failed to come to a vote in the Senate at that time. The fact that the bill has now made it through the Senate bodes well for its prospects in the House.

A summary by the bill's sponsors of the other key Washington state provisions are as follows:

- The ***Mountains to Sound Greenway National Heritage Act*** designates 1.5 million acres of land stretching along the Interstate 90 corridor from Ellensburg to Seattle as the Pacific Northwest's first National Heritage Area.
- The ***Methow Headwaters Protection Act*** permanently protects the headwaters of the Methow River by removing 340,000 acres of Okanogan-Wenatchee National Forest from potential mining development.
- The ***Yakima River Basin Water Enhancement Project Phase III Act*** authorizes an integrated and collaborative approach to addressing water challenges in the Yakima Valley to restore ecosystems and fisheries, ensure communities have access to water, help rehabilitate and repair the Wapato Irrigation Project, and extend water supplies for farmers in times of drought.
- The ***Wildfire Management Technology Advancement Act*** increases safety for firefighters and provides firefighting agencies across the country with access to more up to date technologies including the use of GPS and unmanned aircraft systems.
- The ***National Volcano Early Warning and Monitoring System Act*** improves the nation's volcano monitoring and early warning capabilities and strengthens existing monitoring systems, including the Cascades Volcano Observatory in Washington and Oregon, to help keep communities and travelers safe.
- The ***National Nordic Museum Designation*** designates the Nordic Museum in Seattle as the National Nordic Museum, recognizing the museum's unique work to preserve, celebrate, and educate the American public about Nordic history, culture, and art.

Climate Change Initiative

The "Green New Deal", introduced on February 7, is a non-binding resolution by Rep. Alexandria Ocasio-Cortez (D-NY) and Senator Ed Markey (D-Mass). It lays out climate policies to rapidly transition to renewable energy and for the U.S. to achieve net-zero greenhouse gas emissions within 10 years. Rep. Pramila Jayapal (D-WA) is a co-sponsor.

A summary of the goals and provisions of resolution is included below:

- Achieving net-zero greenhouse gas emissions;
- Establishing millions of high-wage jobs and ensuring economic security for all;
- Investing in infrastructure and industry;
- Securing clean air and water, climate and community resiliency, healthy food, access to nature, and a sustainable environment for all; and
- Promoting justice and equality.

The resolution calls for accomplishment of these goals through a 10-year national mobilization effort. The resolution also enumerates the goals and projects of the mobilization effort, including:

- Building smart power grids (i.e., power grids that enable customers to reduce their power use during peak demand periods);
- Upgrading all existing buildings and constructing new buildings to achieve maximum energy and water efficiency;
- Removing pollution and greenhouse gas emissions from the transportation and agricultural sectors;
- Cleaning up existing hazardous waste and abandoned sites;
- Ensuring businesspersons are free from unfair competition; and
- Providing higher education, high-quality health care, and affordable, safe, and adequate housing for all.

The Green New Deal resolution wasn't the only significant climate item unveiled Feb. 7. A bi-partisan group of Senators introduced two bills to boost carbon capture and storage technology.

The Utilizing Significant Emissions with Innovative Technologies (USE IT) Act (S 383) would extend tax credits passed last year. The Carbon Capture Modernization Act (S.407) would amend advanced coal tax credits to make it easier for carbon capture retrofits on existing coal plants to receive the funds to boost carbon capture research and development, including in the space of direct air capture, and build out carbon dioxide pipeline infrastructure. According to the Carbon Utilization Research Council, "The bills aim to boost incentives for carbon capture technologies, as well as remove barriers to their widespread deployment. Both bills build on bipartisan support for carbon capture shown by the passage of extended and expanded tax credits for the technology last year."

POLICY & FISCAL IMPACTS

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OPTIONS

N/A

ATTACHMENTS & AVAILABLE DOCUMENTS

N/A

AVAILABLE IN COUNCIL LIBRARY

N/A