

**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****D.C. Big Picture**

Passing a major COVID-19 pandemic stimulus relief and response package was the primary focus of the President and Congress up to now. With passage of the American Rescue Plan, legislative focus now turns to cobbling together an infrastructure package and moving the budget and appropriation processes before the September 30 fiscal year deadline.

**American Rescue Plan – COVID-19 Stimulus and Relief Package**

On March 11, a few days before several key stimulus programs were set to expire, President Joe Biden signed into law the \$1.9 trillion "America Rescue Plan". Passing a major COVID-19 stimulus package was one of Biden's highest priorities coming into office and his first big legislative victory. The bill passed Congress almost entirely along party lines. The House passed an original version that included an increase in the federal minimum wage, which the Senate later removed to move the bill forward. Key elements of the bill include:

- Providing \$1,400 in direct payments to individuals and dependents.
- Extending pandemic unemployment programs to September 6 and add \$300 per week to unemployment benefits.
- Expanding tax credits for families and for employers who offer paid leave
- Expanding funding, and, in some cases, creating new funding and programs for:
  - Direct aid to state and local governments--\$195 billion for state governments and \$130 billion for local governments
  - Testing and vaccine activities

- K-12 schools--\$122 billion and a requirement that districts receiving funds to have a plan to reopen schools
  - Higher education--\$39.6 billion
  - Mass transit systems--\$30 billion
  - Restaurants--\$28 billion for a new “Restaurant Revitalization Fund”
  - Aid to small businesses, childcare, housing, nutrition, and more.
- \$15 billion for airlines, \$8 billion for airports and \$3 billion in payroll support for aviation manufacturers.
  - \$21.6 billion for rental assistance, \$5 billion for Section 8 housing vouchers, and nearly \$10 billion for a new Homeowner Assistance Fund.
  - Expanding subsidies to purchase health insurance under the Affordable Care Act for two years
  - Temporarily increasing Medicaid funding to states that expand their programs.

## **Infrastructure**

The next major legislative push and focus will be on developing an infrastructure package. President Biden is expected to unveil an infrastructure proposal soon. The Biden “Build Back Better” plan is expected to be very broad, encompassing everything from transportation and water projects to energy, broadband, housing, and health care. An overarching focus will be on climate change and the package may include tax increase proposals to help pay for it.

President Biden and House and Senate Democrats are working on and building bi-partisan support for a possible package, in part, to avoid having to use the budget reconciliation process to pass it. Budget reconciliation is a legislative procedure that allows the Senate to pass certain legislation with a simple majority and avoid a potential filibuster. Senate Democrats used it to pass the American Rescue Plan. Transportation and infrastructure Democratic leaders, however, want to avoid using this process if possible because it will limit what they can include in an infrastructure bill. The reconciliation process is limited to budget matters. Policy items, therefore, could be disallowed. Using reconciliation to move an infrastructure package could significantly reduce the size and scope of the bill.

Senate leaders have not ruled out the possibility of using reconciliation, however, primarily because they are motivated to move quickly to get an infrastructure bill done. Democrats say they would like to see a bill move out of committee by Memorial Day and delivered to the President’s desk by September. This may not leave much room or time to build bi-partisan support, which is why, in part, earmarks have made a comeback in the federal legislative process.

Democratic leaders could use the earmark process to win support from Republicans for an infrastructure bill if projects for their home districts/states might be included. Earlier this month, Peter DeFazio, (D-OR), who chairs the House Transportation and Infrastructure Committee, announced that earmarks would be considered in the upcoming surface transportation reauthorization bill, which will be unveiled this spring. In the Senate, several key moderates, including Senator Joe Manchin (D-WV), are encouraging his colleagues to make the bill bi-partisan. Bellevue recently submitted five infrastructure priority projects in response to Senator Patty Murray’s (D-WA) request for Washington state

infrastructure projects. Projects submitted mirror major project requests for funding from the City's adopted 2021 State Legislative Agenda.

### **Budget and Appropriations**

With the focus on passage of the recent COVID-19 stimulus legislation, the annual Congressional budget development and appropriation processes are getting off to a slower start than normal. Typically, the federal budget process kicks off with the release of the President's proposed budget, which usually occurs in February. President Biden has not yet released his proposal and there is no date certain for its release. The President's proposed budget starts the negotiation process on topline spending figures for defense and nondefense funds.

House and Senate Appropriations Committees are holding hearings in March and the House Appropriations Chair, Rosa DeLauro (D-CT) announced that the committee will accept Member requests for earmark projects—now called “Community Project Funding” proposals—in appropriations bills for FY 2022. The committee released guidance that limits each Member to 10 requests and provides guidance on the type of projects that could be eligible and disclosure requirements. The cap on all directed spending will be limited to one percent of discretionary spending or approximately \$1 billion.

Like with the infrastructure earmarks, Republicans in Congress have not confirmed whether they will submit earmarks. The conservative House Freedom Caucus is strongly opposed to the reinstatement of earmarks and members of that caucus may abstain from making earmark requests. Republican leaders have not specified any rules for their members. Senator Minority Leader Mitch McConnell (R-KY), deferred the matter to Senator Richard Shelby (R-AL), the ranking member of the Senate Appropriations Committee. This appears to signal the Republican leader's position that individual members will be free to choose what they want to do regarding earmarks. In the House, Democratic Members released information soliciting Community Project Funding requests from their districts. Representative Adam Smith (D-WA), whose 9<sup>th</sup> Congressional District includes Bellevue, has requested proposals for these projects. He has set a deadline of March 26 to receive proposals. Bellevue staff is developing a list of eligible priority projects that would be eligible for funding.

### **Other Major Legislation**

Earlier this month, House Democrats moved two other policy priorities of its caucus, police reform and election reform legislation.

#### **Police Reforms**

House Democrats passed HR 1280, the George Floyd Justice in Policing Act of 2021 on March 1. The bill proposes reforms to policing in response to the killing of George Floyd and other deaths because of use of deadly force by police officers. Key provisions of the bill include:

- Overturning the judicial doctrine of qualified immunity related to police officers.
- Criminalizing chokeholds and barring state and local governments from receiving federal COPS or Byrne grants if they don't enact laws to ban chokeholds.

- Banning no-knock drug warrants.
- Barring the transfer of military equipment to police departments.
- Authorizing \$750 million over three year for states to set up independent prosecution programs for cases involving police officer use of deadly force.
- Authorizing \$300 million over three year for state investigations into abusive police practices.
- Establishing new requirements for federal Byrne and COPS grants such as:
  - Barring state and local governments from providing COPS or Byrne grants to any law enforcement agency that prevents the U.S. Department of Justice (DOJ) from enforcing consent decrees.
  - Authorizing use of COPS grants to fund civilian review boards.
  - Requiring agencies applying for Byrne grants to meet use of force reporting and policy requirements.
  - Requiring Byrne grant recipients to commit to spending five percent of funds for body cameras and to develop related policies and programs on reporting and recording.
- Banning federal officers from using deadly force except as a last resort and making it an explicit duty of federal law enforcement to intervene when another officer is using excessive force against a civilian. Additionally, federal officers would be required to wear body cameras.
- Banning racial profiling by law enforcement.
- Directing the DOJ to establish a public, searchable National Police Misconduct Registry.

### **Election Reform**

HR 1, the “For the People Act”, passed the House earlier this month on a party line vote. This bill also passed the House in 2019 in response to concerns related to the 2016 election and possible foreign interference into U.S. elections. The bill addresses:

- Voter access by expanding voter registrations, vote-by-mail programs, and early voting.
- New state standards and requirements regarding redistricting commissions and election security, among others.
- Addresses campaign finance issues by expanding prohibitions related to foreign nationals, adds new disclosure requirements and rules around campaign fundraising and spending.
- New ethics requirements including requiring a code of conduct for Supreme Court Justices, prohibiting Members of the House from serving on the board of a for-profit entity, and establishing additional conflict-of-interest and ethics provisions for federal employees and the White House.

## **POLICY & FISCAL IMPACTS**

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**OPTIONS**

N/A

**ATTACHMENTS & AVAILABLE DOCUMENTS**

N/A

**AVAILABLE IN COUNCIL LIBRARY**

N/A