

# ALCALDE & FAY

GOVERNMENT & PUBLIC AFFAIRS CONSULTANTS

January 7, 2020

RE: 2019 Federal Year End Report

2019 saw the launch of the 116<sup>th</sup> U.S. Congress, which convened on January 3, 2019 and will conclude on January 3, 2021. This session of Congress was noteworthy in many respects:

- The Congress convened during the longest partial government shutdown in U.S. history, extending from December 22, 2018 until January 25, 2019.
- The House of Representatives launched impeachment proceedings against the President, only the fourth episode of Presidential impeachment activity in Congressional history.

With those issues dominating the headlines and the congressional agenda, and the increased partisanship that eroded cooperation between the parties, it is not surprising that Congress found it difficult to make progress on many routine legislative matters, such as annual budgeting and appropriations for federal programs. By December the House had passed 10 of 12 FY 2020 appropriations bills, while the Senate had passed four. In order to avoid a Federal shutdown, Congress passed two Continuing Resolutions to extend government spending initially to November 21 and then to December 20, 2019, generally at FY 2019 levels. The House and Senate spent the early weeks of December negotiating funding levels for programs across the agencies, and had only a short time to finalize such funding in time to meet the December 20 expiration of the Continuing Resolution, which they accomplished by passing two “minibus” appropriations bills. Of course, we kept the County apprised of these developments as they were occurring.

While Congressional rules continued to restrict the incorporation of earmarks into the appropriations bills, Congress did solicit recommendations for programmatic spending levels across the various Federal agencies. For Sonoma County, the following programmatic requests were submitted and advocated for in the respective appropriations bill in order to protect programs that were a priority for the County, and we are pleased to report that there has been substantial success in attaining improved funding for these priority programs:

- **Geothermal Royalties** – House and Senate bills would both retain the counties’ 25% share of the royalties, which was included in the enacted law.
- **HUD Section 8 Housing Choice Vouchers**: increase funding from the FY 2019 level of \$22.5 billion and the Administration’s budget request of \$22.2 billion to a total of \$23.6 billion;
  - **House**: \$23.810 billion for HUD Section 8 Housing Choice Vouchers
  - **Senate**: \$23.833 billion for HUD Section 8 Housing Choice Vouchers
  - **Law**: \$23.874 billion, which is a \$1.27 billion increase over FY 2019 funding levels.
- **HUD Homeless assistance grants** – Maintain funding at FY 2019 level of \$2.636 billion and reject the Administration’s proposal to cut funding to \$2.599 billion;
  - **House**: \$2.8 billion for Homeless Assistance Grants
  - **Senate**: \$2.761 billion for Homeless Assistance Grants
  - **Law**: \$2.777 billion a \$141 million increase over FY 2019. The amount includes up to \$50 million for targeted funding for “rapid rehousing projects and supportive service projects” for victim of domestic violence, as well as up to \$80 million to support comprehensive approaches to reducing youth homelessness.
- **Family Violence programs and Battered Women’s Shelters**: increase funding to \$175 million from the current level of \$164.5 million and the Administration’s budget request of \$165 million.
  - **House**: \$175 million for family violence/women’s shelters
  - **Senate**: \$166,500,000 for family violence prevention
  - Law**: \$175 million for family violence and women shelter programs

We were also pleased to see that the spending package included a provision that provides additional low-income housing credit allocations to qualifying areas in California that warranted individual or individual and public assistance due to a disaster in 2017 and 2018. This provision was originally included in a stand-alone bill introduced by Congressman Thompson and was incorporated in the final FY 20 spending bill as part of the bill’s tax extenders and disaster tax relief package.

Enacted funding for other FY 2020 programs that are of likely significance to the County include:

- Supplemental Nutrition Assistance Program (SNAP) - \$67.886 billion, a reduction of \$5.59 billion compared to FY 19 levels due to declining

- enrollments and also below the Administration's budget request of \$69.1 billion;
- Economic Development Administration - \$333 million, an increase compared to FY 2019 funding of \$304 million and the Administration's proposal to completely close the agency; of this, \$118.5 million is allocated for the EDA Public Works program supporting brick and mortar projects in distressed communities, and \$2 million is allocated for a new pilot project creating new apprenticeships in STEM fields.
  - US Census Bureau - \$7.56 billion, and increase, compared to FY 2019 funding of \$3.551 billion and the Administration's request for \$7.2 billion;
  - DOJ/Byrne-JAG Grants - \$547.2 million, which is a \$123.7 million increase from FY 2019 funding of \$423.5 million and substantially more than the Administration's budget request for \$405.2 million;
  - DOC/NOAA - NOAA/National Ocean and Coastal Security Fund - \$33 million, \$3 million above FY '19 amount. This is the primary source of funding for the National Coastal Resilience Fund (NCRF) grant program administered by National Fish and Wildlife Foundation. The program is focused on the "enhancement of resilience for coastal communities across the United States, based on consideration of differing regional circumstances, needs and priorities."
  - DOC/NOAA/Pacific Coastal Salmon Recovery Fund - \$65 million, with FY 20 the same as 2019 funding, compared with the President's proposed elimination of the program;
  - HHS/Head Start program - \$10.61 billion, compared to FY 2019 funding of \$10.1 billion, and the Administration's request for level funding.
  - HHS/Child Care and Development Block Grants - \$5.826 billion, a \$550 million increase compared to \$5.267 billion available in FY 2019 and the President's request for level funding in FY 20;
  - HHS/Community Services Block Grant - \$770 million, a bump of \$16.5 million above the \$725 million provided in FY 2019 and more than the President's proposal to eliminate all funding for the program;
  - HHS/Aging and Disability Services - the \$2.12 billion in FY 2019 is increased to \$2.171 billion, \$174.44 million more than the President's request to cut the program to \$1.996 billion.
  - Dept of Labor/Community Services Employment for Older Americans - \$405 million was included in the final bill, \$5 million above FY 2019 level of \$400 million and the President's proposed elimination of all funding;
  - HHS/SAMHSA Mental Health Services - \$1.644 billion is included, compared to \$1.524 billion in FY 2019 and \$1.485 billion requested by the administration;

- HHS/SAMHSA Substance Abuse Treatment - \$3.756 billion, \$19 million more than the \$3.737 available in FY 2019 and \$47.789 million more than the \$3.708 requested by the President;
- HUD/CDBG- \$3.4 billion compared to \$3.3 billion in FY 2019 and the President's proposed elimination of the program;
- HUD/HOME Investment Partnership Program - \$1.35 billion, up \$100 million from \$1.25 billion available in FY 2019 and the President's proposed elimination of the program for FY 20;
- HUD/Continuum of Care grants – At least \$2.35 billion is reserved for this program (and rural housing stability assistance) compared to \$2.219 billion available in FY 2019 and \$2.3 billion requested by the President;
- HUD/Emergency Solutions grants - At least \$290 million, a \$10 million increase over FY 2019 funding of \$280 million and the President's FY 2020 request for \$270 million;
- Interior/Cooperative Endangered Species Conservation Fund - \$54.502 million is included, compared to \$53.4 million available in FY 2019 and Administration's proposed elimination of all funding;
- DOJ/State Criminal Alien Assistance Program - \$244 million, compared to \$243.5 million in FY 209 and the elimination of all funding requested by the Administration;
- DOJ/COPS Hiring - \$343.5 million in FY 20 compared to current level of \$228.5 million and the Administration's request to cut the program to \$99 million;
- DOJ/Bryne Justice Assistance Grants - \$547.210 million for FY 2020, an increase over the FY 2019 level of \$423.5 million and the Administration's request for \$405.2 million;
- DOJ/Mental Health Collaboration program - \$33 million compared to \$31 million in FY 2019 and \$30 million requested by the Administration;
- DOJ/Project Safe Neighborhoods - \$20 million is provided for this program, level with FY 2019 funding and less than the Administration's request for \$100 million;
- DOJ/Comprehensive Opioid and Stimulant Abuse reduction activities - \$378 million, compared to \$347 million available in FY 2019 and \$330 million requested by the President;
- DOJ/Drug Courts - \$80 million, compared to \$77 million in FY 2019 and \$75 million requested by the President;
- DOJ/Veterans Treatment Courts - \$23 million, compared to \$22 million in FY 2019 and \$20 million requested by the Administration;
- EPA - \$9.057 billion, approximately \$208 million above the comparable FY 2019 enacted level and \$2.6 billion more than the President's request;

- IMLS (Institute of Museum and Library Services) - \$252 million, compared to \$242 million available in FY 2019 and the Administration's proposal to eliminate the program and provide only \$23 million to administer the closure of the agency.
- Petaluma River Maintenance Dredging – We continue to work on having funding included in the work plan that the House and Senate Army Corps appropriations bills instruct the Corps to issue subsequent to the enactment of the legislation. It is expected to be released around the February 10 issuance of the Administration's FY '21 budget request.

### **Disaster Recovery and Prevention**

**DRRA:** Last year, we kept the County apprised of efforts to enact reforms to FEMA programs as Congress sought to improve how the agency helps localities prepare for, and respond to, major disasters. This effort culminated with Congress passing the *Disaster Recovery Reform Act* (DRRA), signed into law in October 2018. DRRA included several reforms to FEMA disaster response and recovery programs to strengthen and improve these programs, while also including policies that emphasize the importance of mitigation and resiliency efforts at the local level (e.g. ensuring a portion of post-disaster federal funds are reserved for mitigation projects).

Since DRRA's enactment, FEMA has been working to implement several of the bill's reforms, and has so far issued updated guidance and support resources for use by state and local governments on topics including but not limited to: guidance on how to prioritize certain facilities (hospitals, long-term care facilities) in the event of a disaster and/or power outage; guidance to assist state and local governments with identifying evacuation routes; and guidance to clarify the President's ability to waive an existing prohibition on the duplication of federal funds for the same purpose, which has had unintended consequences. FEMA is also developing further guidance on a number of additional provisions, including offering potential incentives for timely closeout of disaster grants, and a pilot grant program to reimburse state and local governments to for implementing and providing cost-effective disaster housing solutions.

Of particular interest to the County, FEMA is also developing regulations as the agency oversees the transition from the existing Pre-Disaster Mitigation (PDM) program to a new program authorized by the DRRA and which FEMA has titled the Building Resilient Infrastructure and Communities (BRIC) program. As we previously reported to the County, funding for the PDM program has been

provided each year as a 'direct' appropriation, with the program most recently receiving \$250 million in FY 2019. However, DRRRA directs FEMA to establish a new program (BRIC) that allows for up to 6 percent of the Disaster Relief Fund (DRF) expenditures to be set aside to fund qualifying state/local predisaster hazard mitigation activities. FEMA recently announced that FY 2019 will be the last year for the PDM program and that draft regulations/policies for the new BRIC program expected to be released in early 2020 and the first funding opportunity announced over the summer.

**CDBG-DR:** Given our own experience working with HUD on securing Community Development Block Grant-Disaster Recovery funds, we well know what a time-consuming experience this is. A significant reason for this is, that there actually is no such on-going program. Rather, Congress has from time-to-time appropriated funds for HUD to administer as part of ad hoc disaster recovery bills; so each time this occurs HUD needs to – in essence – write new rules for the newly appropriated program. The House has passed an authorizing bill creating a CDBG-DR program and in so doing – if such a bill is enacted – establishing the ground rules for a program that can then be implemented as funding becomes available.

**Resiliency and Mitigation:** Working at times with the City of Santa Rosa, we have worked to include resiliency measures as part of the reauthorization of the nation's surface transportation laws, and some of this work is reflected in the highway measure that was reported from the Senate Environment and Public Works Committee this summer. Additionally, we have been working with the House Transportation and Infrastructure Committee to enhance the ability of the Army Corps of Engineers to address climate change/sea level/resiliency issues as part of a new Water Resources Development Act in 2020.

### **Congressional Forecast for 2020**

After several short-term extensions, the Violence Against Women Act (VAWA) expired in February, 2019, although Congress continues to fund VAWA grant programs through the appropriations process. On April 4th, the Violence Against Women Reauthorization Act of 2019 (H.R.1585) passed the House with bipartisan support. The bill reauthorizes VAWA programs for five years (through 2024) and modifies several program policies which we reported to the County. Most recently, Senator Feinstein introduced a companion bill (S.2843) in

the Senate on November 13th which all Senate Democrats joined in on as cosponsors.

As previously outlined, both the National Flood Insurance Program (NFIP) and Temporary Assistance for Needy Families (TANF) programs were extended through December 20th by the recently enacted CR. Unable to reach a deal on a long-term reauthorization of either program, the final spending package included an extension of the NFIP through September 30, 2020, and extends TANF through May 22, 2020. It is worth noting that bipartisan progress has been made in recent months on a long-term NFIP bill that could see increased attention in the coming months.

The Older Americans Act Reauthorization, which has been given the name of Dignity in Aging Act of 2019 (H.R.4334), passed the House of Representatives on October 30th and is awaiting consideration by the Senate. The bill would reauthorize for five years the programs administered by the Department of Health and Human Services and the Department of Labor, as well as establish several more programs and entities aimed to promote independent living.

In addition to the programs outlined above and earlier in this report, we expect Congress to spend time in 2020 considering the following reauthorization efforts in 2020:

- Programs/legislation expiring in 2020
  - FAST Act (surface transportation reauthorization)
  - WRDA (water resources development act); nothing “expiring”, but legislation that Congress tries to move every other year.
  - Child Care and Development Block Grant
  - Runaway and Homeless Youth Act
- Potential reauthorization efforts in 2020 targeting “expired” programs/legislation that don’t necessarily require immediate action
  - Higher Education Act
  - Child Nutrition Programs (*Healthy, Hunger-Free Kids Act of 2010*)
  - Head Start (*last authorized in 2007, for FY 2008-12*)

We hope you will contact us with any questions, thoughts, or concerns you may have.

