

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Betsy Shotwell

SUBJECT: SEE BELOW

DATE: December 19, 2014

Approved



Date

12/22/14

INFORMATION

**SUBJECT: SQUIRE PATTON BOGGS FY 2015 FEDERAL APPROPRIATIONS
ANALYSIS OF LOCAL GOVERNMENT INTERESTS**

The City's Federal lobbyist firm of Squire Patton Boggs, LLP has provided the attached analysis of the FY 2015 \$1.1 trillion appropriations bill that was passed by Congress and signed by the President on December 16, 2014. The House passed the measure on December 11, by a vote of 219-206; the Senate was able to bring the bill to a vote on December 13, clearing the measure by a vote of 56-40. The legislation contains full funding for fiscal year 2015 to September 30, for 11 conferenced appropriation bills (omnibus) and a short-term Continuing Resolution (CR) for the Department of Homeland Security (DHS) to allow the new Republican-led Congress to address the President's recent immigration executive order.

Included in the analysis are major budgetary areas including energy, water, law enforcement, housing and homeless, workforce and job training, transportation, economic development and manufacturing to name just a few of the budget categories covered in the analysis. To avoid another "fiscal cliff" the next Congress will need to address the debt limit – the nation's borrowing authority – which will lapse in late spring/ early summer. In addition, unless Congress can again come to a bi-partisan agreement, the sequester-level budget caps are scheduled for reinstatement in FY 2016 which begins on October 1, 2015.

Squire Patton Boggs will continue to update the City Council as priority issues of interest to the City are deliberated in Washington D.C. Updates are also provided in the firm's weekly "Capital Thinking Blog" found on their website: www.squirepattonboggs.com.

/s/

BETSY SHOTWELL
Director, Intergovernmental Relations

For more information, please contact Betsy Shotwell, Director, IGR at (408)535-8270

Attachment: FY 2015 Appropriations Analysis of Local Government Interests

FY 2015 Appropriations Analysis of Local Government Interests

Nutrition

- Women, Infants, and Children (WIC): \$6.6 billion (\$93 million below FY 2014)
- Supplemental Nutrition Assistance Program: \$81.8 billion (\$332 million below FY 2014)
- Child Nutrition Program: \$21.3 billion (\$19.3 billion in FY 2014)
- Other provisions:
 - In response, to the difficulty schools are having complying with the 100 percent whole grain requirements that went into effect July 1, 2014, an agreement was reached between the USDA and states where an exemption may be granted. More specifically, an exemption may be granted to those schools that demonstrate a hardship, including financial hardship, in procuring whole grain products.

Army Corps/EPA/Water/Interior

- Bureau of Reclamation, Water, and Related Resources: \$978 million (\$1.1 billion in FY 2014)
- Army Corps of Engineers: \$5.5 billion (level to FY 2014)
 - Investigations: \$122 million (\$125 million in FY 2014)
 - Construction: \$1.64 billion (\$1.66 billion in FY 2014)
- Environmental Protection Agency: \$8.14 billion (\$8.2 billion in FY 2014)
 - Clean Water State Revolving Fund: \$1.45 billion (\$1.45 billion in FY 2014)
 - Drinking Water SRF: \$906,000 million (\$906 million in FY 2014)
 - Brownfields: \$80 million (\$90 million in FY 2014)
- WIFIA
 - \$2.2 million for hiring and staffing implementation of WIFIA
- Payment in Lieu of Taxes (PILT): \$442 million (was not funded in FY 2014)

Energy

- Low Income Home Energy Assistance: \$3.4 billion (level to FY 2014)
- Energy Efficiency and Renewable Energy: \$1.937 billion (\$25 million above FY 2014)
- Advanced Research Projects Agency-Energy (ARPA-E): \$280 million (level to FY 2014)
- Electricity Delivery and Energy Reliability: \$147.3 million (level to FY 2014)
- Advanced Technology Vehicles Manufacturing Loan Program: \$4 million (\$6 million in FY 2014)

Law Enforcement (DOJ only)

- State and Local Law Enforcement Grants: \$1.241 billion (\$1.172 billion in FY 2014)
 - Byrne Memorial JAG: \$376 million (level to FY 2014)
 - Victims of Trafficking: \$42 million (\$14.3 million in FY 2014)
 - Drug Courts: \$41 million (\$40.5 million in FY 2014)
 - Prescription Drug Monitoring: \$11 million (\$7 million in FY 2014)
 - Bulletproof Vests: \$22.25 million (\$22.5 million in FY 2014)
 - Second Chance/Offender Reentry: \$68 million (\$67.8 million in FY 2014)

- State Criminal Alien Assistance Program: \$185 million (\$180 million in FY 2014)
- \$41 million for a new program to address sexual assault kit backlog at law enforcement agencies
- Comprehensive School Safety Initiative: \$75 million (level to FY 2014)
- Juvenile Justice Programs: \$251.5 million (\$254.5 million in FY 2014)
- COPS: \$208 million (\$218 million in FY 2014)
 - COPS Hiring: \$180 million (level to FY 2014)
- Office of Violence Against Women: \$430 million (\$417 million in FY 2014)
 - STOP Grants: \$195 million (\$193 million in FY 2014)
 - Transitional Housing Assistance: \$26 million (\$24.75 million in FY 2014)
 - Grants to Encourage Arrest Policies: \$50 million (level to FY 2014)
 - Elder Abuse Program: \$4.5 million (\$4.25 million in FY 2014)
 - Civil Legal Assistance: \$42.5 million (\$37 million in FY 2014)
 - Consolidated Youth-Oriented Program: \$10 million (level to FY 2014)
 - Violence on College Campuses: \$12 million (\$9 million in FY 2014)
 - Sexual Assault Victims Services: \$30 million (\$27 million in FY 2014)
- Other provisions:
 - The bill also includes a provision preventing DOJ from interfering with States that have legalized medical marijuana.
 - In addition, this bill does not include language funding the President's body worn cameras initiative.

Homeland Security

The Department of Homeland Security, including Federal Emergency Management Agency (FEMA) programs, is funded at FY 2014 levels through a Continuing Resolution which will expire on February 27, 2015. This is to allow Republicans time to engage with the Administration on the President's recent Executive Order on immigration.

Housing and Homelessness

- Community Development Block Grant: \$3 billion (\$3.03 billion in FY 2014)
- HOME Investment Partnerships Program: \$900 million (\$1 billion in FY 2014)
- Tenant-Bases Rental Assistance: \$19.3 billion (\$19.2 billion in FY 2014)
 - Voucher Renewals: \$17.486 billion (level to FY 2014)
 - Tenant Protection Vouchers: \$130 million (level to FY 2014)
 - HUD-VASH Vouchers: \$75 million (level to FY 2014)
 - Section 811 Vouchers: \$83.16 million (\$107 million in FY 2014)
- Public Housing Capital Fund: \$1.9 billion (\$1.875 billion in FY 2014)
- Public Housing Operating Fund: \$4.44 billion (\$4.4 billion in FY 2014)
- Choice Neighborhoods: \$80 million (\$75 million in FY 2014)
- Housing Opportunities for Persons with AIDS: \$330 million (level to FY 2014)
- Self-Help and Assisted Homeownership Opportunity Program: \$50 million (level to FY 2014)
- Homeless Assistance Grants: \$2.135 billion (\$2.105 billion in FY 2014)
 - Emergency Solutions Grants: \$250 million (level to FY 2014)
 - Continuum of Care and Rural Housing: \$1.862 billion (\$1.815 billion in FY 2014)

- National Homeless Data Analysis Project: \$7 million (\$6 million in FY 2014)
- Project-Based Rental Assistance: \$9.3 billion (\$9.9 billion in FY 2014)
- Housing for the Elderly: \$420 million (\$383.5 million in FY 2014)
- Housing Counseling Assistance: \$47 million (\$45 million in FY 2014)
- Rental Housing Assistance: \$18 million (\$21 million in FY 2014)
- Lead Hazard Reduction: \$110 million (level to FY 2014)

Workforce and Job Training

- Employment and Training Administration: \$9.7 billion (\$651 million less than FY 2014)
- Adult Employment and Training: \$776 million (\$766 million in FY 2014)
- Youth Training: \$831 million (\$820 million in FY 2014)
- Dislocated Workers: \$1.016 billion (\$1 billion in FY 2014)
- Youthbuild: \$79.7 million (\$77.5 million in FY 2014)
- Veterans Employment and Training: \$270 million (\$500,000 above FY 2014)

Transportation

- TIGER Grants: \$500 million (\$600 million in FY 2014), no funding for planning activities
- FTA New Starts/Small Starts: \$2.1 billion (\$177 million above FY 2014)
- FAA Contract Tower Program: \$144.5 million (\$140 million in FY 2014)

Economic Development

- Economic Development Administration Programs: \$213 million (\$209.5 million in FY 2014)
 - Public Works grants: \$99 million (\$96 million in FY 2014)
 - Regional Innovation Program grants: \$10 million (\$10 million in FY 2014)

Manufacturing

- Advanced Manufacturing Technology Consortia: \$15 million (\$15 million in FY 2014)
- Repatriation grants: \$5 million for communities to submit projects to support bringing manufacturing from overseas (not previously funded in FY 2014)
- Other provisions:
 - The bill includes the language from the Revitalize American Manufacturing and Innovation Act of 2014, which directs the Secretary of Commerce to use existing funds to expand innovation research hubs. This provision would provide support for an unspecified additional number of the National Network for Manufacturing Innovation (NNMI).

Education

Pre-K/Elementary and Secondary Education

- Head Start: \$8.5 billion (same as FY 2014)
- Preschool Development Grants: \$250 million (same as FY 2014)
- School Improvement Grants: \$505.75 million (same as FY 2014)
- Impact Aid: \$1.26 billion (same as FY 2014)
- Consolidated Runaway and Homeless Youth programs: \$65 million (same as FY 2014)

- Race to the Top: \$0 (\$250 million in FY 2014)
- Investing in Innovation Fund: \$120 million (\$141.6 million in FY 2014)
- Promise Neighborhoods: \$56.75 million (same as FY 2014)

Higher Education

- Student Financial Assistance: \$24.19 billion (\$24.49 billion in FY 2014)
 - Pell Grants: \$22.47 billion (\$22.77 million in FY 2014)
 - This increase in funding would raise the maximum Pell award by \$100 to \$5,380.
 - The bill also reinstates the “ability to benefit” clause that allows students to receive Pell Grant funding without a high school diploma or GED if they take a basic skills test to prove their “ability to benefit” from college courses or successfully complete six credits. The clause was originally removed in the FY 2012 appropriations process for cost savings purposes.
 - Federal Supplemental Educational Opportunity Grants (FSEOG): \$733.13 million (same as FY 2014)
 - Federal Work Study (FWS): \$989.72 million (\$15 million increase over FY 2014)
- Fund for the Improvement of Postsecondary Education (FIPSE): \$67.77 million (\$79.4 million in FY 2014)
 - This includes \$60 million for the First in the World (FITW) program that started last year, of which \$16 million must be set aside for minority-serving institutions (MSI).
 - In FY 2014, FITW received \$75 million and had a \$20 million set aside for MSIs.
- Federal TRIO Programs: \$839.75 million (\$838.25 million in FY 2014)
- Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP): \$301.84 million (same as FY 2014)
- Other provisions:
 - The omnibus does not include any of the policy riders that incoming Senate Health, Education, Labor and Pensions Committee Chairman Lamar Alexander (R-TN) proposed to limit the Department of Education’s support of the Common Core State Standards and the creation of the college ratings system.