



City of Long Beach
Working Together to Serve

Memorandum

Date: December 6, 2019

To: Federal Legislative Committee

From: Thomas B. Modica, Acting City Manager *T.M.*

Subject: Year End 2019 Federal Legislative Report

Attached for your information is a comprehensive report from Dentons, the City's contracted legislative advocates, regarding the 2019 Federal Legislative Session. This report summarizes all of the major pieces of legislation impacting the City, and highlights Dentons' support through providing legislative updates, developing key relationships, and advancing the City's priorities.

If you have questions or comments, please contact Julia Katz, Government Affairs Analyst, at (562) 570-5191 or Julia.Katz@longbeach.gov.

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ATTACHMENT

CC: MAYOR AND MEMBERS OF THE CITY COUNCIL
CHARLES PARKIN, CITY ATTORNEY
LAURA DOUD, CITY AUDITOR
REBECCA GUZMAN GARNER, ACTING ASSISTANT CITY MANAGER
KEVIN JACKSON, DEPUTY CITY MANAGER
TERESA CHANDLER, INTERIM DEPUTY CITY MANAGER
ANDREW VIALPANDO, ACTING ADMINISTRATIVE DEPUTY TO THE CITY MANAGER
MONIQUE DE LA GARZA, CITY CLERK
ALL DEPARTMENT DIRECTORS

MEMORANDUM

To: Tom Modica

From: John Russell and Darry Sragow

Date: December 3, 2019

Subject: Dentons 2019 Washington Year in Review

Our representation of the City of Long Beach is grounded in five policy verticals: Economic Development, Public Safety, Education, Sustainable and Livable Cities and Local Control. We have been working to advance and protect the City's interests in Congress and the Executive Branch. Yet, our report card is incomplete as we wait for the final agreement to be reached for FY 2020 appropriations spending. The thematic message underpinning our advocacy is that the City continues to innovate, and its successes are a model for municipalities across the country and especially for policy makers in Washington. The City continues to balance the economic engine that is the Port of Long Beach with the long term goals of resiliency, fairness and livability for its citizens.

In short, our message has been; Long Beach is leading, let us show you how we are doing it.

2019 began with Washington in the midst of the longest government shutdown in history and a new Democratic majority in the House of Representatives. We expect it will end with the House voting, mostly along partisan lines, to impeach President Donald Trump. In between we have witnessed a total failure of the divided government in Washington to advance bipartisan legislation to address a number of the City's priorities.

The House and Senate have been unable to find agreement on a national infrastructure package, immigration policy, gun safety legislation, higher education reauthorization, tax policy or environmental resiliency efforts.

In fact, it has been the courts that have had the most impact on the legislative agenda as they have struck down or slowed many of the President's Executive Orders.

As we noted above the jury is still out on the FY 2020 appropriations bills and the grant programs we have worked with our Congressional delegation to influence. That said, we have sought to highlight the progress the City has made in its policy verticals below.

Economic Development

Support the development of a federally funded public infrastructure package.

The Senate Environment and Public Works Committee passed America's Transportation Infrastructure Act of 2019. The legislation, according to committee staff, is the largest amount of funding ever provided for highway reauthorization legislation. The bill authorizes \$287 billion from the Highway Trust Fund over five years in investments to maintain and repair America's roads and bridges. The legislation includes provisions to improve road safety, accelerate project delivery, improve resiliency to disasters, reduce highway emissions, and grow the economy.

It is critical to note that passage by the Committee is but the first step in a process that is expected to drag on well into 2020. No companion package exists in the House.

Several sections are of particular note to the City and its legislative agenda:

New Competitive Grants for Bridges

The legislation authorizes more than \$6 billion over five years, including \$3.3 billion from the Highway Trust Fund, for a competitive bridge program to address the backlog of bridges in poor condition nationwide. A well justified proposal will receive funding to improve the condition and safety of its aging bridges. In addition, to enable agencies to support the large bridge projects that they often struggle to complete due to lack of adequate funding, no less than 50% of the program will go to bridges with a total project cost larger than \$100 million.

New Formula and Competitive Grants for Resiliency Projects

The bill invests \$4.9 billion over 5 years in a new resiliency program to protect roads and bridges from natural disasters such as wildfires, and extreme weather events such as hurricanes, flooding, and mudslides. The new program will include both formula and grant funding. This program will distribute funding to states based on their current formula share. From the \$4.9 billion it establishes an annual competition (\$1 billion over 5 years) for resiliency projects nationwide, including projects designed to improve resilience in coastal states and funds for emergency evacuation routes.

Support the United States Army Corps of Engineers with securing federal funding for the East San Pedro Bay Ecosystem Restoration Feasibility Study and dredging the Los Angeles River Estuary.

City Leadership has been in ongoing discussions with the U.S. Army Corps of Engineers, both in Washington DC and in Southern California. The Corps has completed a Draft Integrated Feasibility Report (IFR) which includes an Environmental Impact Statement/Environmental Impact Report (EIS/EIR) for the East San Pedro Bay Ecosystem Restoration Feasibility Study.

Support the re-establishment of the State and Local Tax (SALT) deduction, Private Activity Bonds (PAB), and tax-exempt municipal bonds to maintain a low-cost and efficient way for cities to finance critical infrastructure.

The Senate rejected an attempt to repeal a Treasury Department rule that thwarts workarounds employed by several states to bypass the \$10,000 limitation on deductions for state and local taxes that was a key feature of the 2017 tax code overhaul.

Democrats on the House Ways and Means Committee say they are preparing legislation to at least partially, or temporarily, roll back the \$10,000 limitation. The resolution would only repeal the new Treasury and IRS rule blocking features of state tax laws that allow households to get around the \$10,000 cap and effectively deduct higher amounts of their state and local taxes from their federal tax returns.

The House effort is not expected to pass in the Senate.

Public Safety

Support federal funding to implement the Safe Long Beach Violence Prevention Plan, which includes intervention, prevention, treatment and suppression.

As you know, The City of Long Beach has been selected to join a U.S. Department of Justice National Forum on Youth Violence Prevention (Forum). The national designation will enable the City to apply for federal grant awards to implement its Safe Long Beach Violence Prevention Plan (Safe Long Beach). Long Beach was one of only five new cities in 2014 selected to join the Forum and receive a grant aimed at preventing youth and gang violence.

Through the 2019 Consolidated Appropriations Act, Congress appropriated \$287 million for juvenile justice programs for FY2019—the largest appropriation since the \$424 million in FY2010. While we don't expect a similar number in the FY2020 appropriations package, we are heartened by the continuing efforts of our delegation to make the City's case to appropriators.

Monitor and engage in federal initiatives to plan, mitigate and respond to natural and man-made disasters.

Natural disasters, which occur across all parts of the United States, result in severe damage to natural and built environments, have long-term economic impacts and often lead to loss of life. Over the past decade, the cost of recovering from disasters has ballooned. The average number of billion-dollar disasters doubled between 1980 and 2019. Federal, state and local governments all have a vested interest in reducing the costs and impacts of disasters and are taking a hard look at mitigation strategies that will reduce the environmental and fiscal impacts of disasters and help communities recover faster.

The uptick in natural disasters has stressed the Federal Emergency Management Agency (FEMA's) capacity to respond. In March of 2018, FEMA released its 2018-2022 Strategic Plan, which has three core principles: Build a culture of preparedness, ready the nation for catastrophic disasters, and reduce the complexity of FEMA. In terms of mitigation, states should expect a push from FEMA in the coming years to communicate their resilience plans, to increase state-to-state mutual aid and to develop comprehensive plans, programs and operation centers for disaster mitigation.

We will continue to work with our Congressional delegation to highlight the unique needs of Long Beach and its on-going resiliency effort.

Support risk-based allocation of Homeland Security funds to help sustain local and regional disaster preparedness planning, training and response activities.

Addressing climate change and building community resilience has long been a priority of the City of Long Beach. In 2018 Congress passed the Disaster Recovery Reform Act (DRRA), to put a greater emphasis on pre-mitigation within FEMA. We have worked, in coordination with the National League of Cities, the Administration, FEMA, and the U.S. Department of Housing and Urban Development to ensure the reforms that are part of the DRRA will help communities rebuild after a disaster and minimize future damage and risk, which will ultimately reduce costs and save Long Beach taxpayer's dollars.

Education

Support legislation and initiatives that provide funding for universal preschool, after school programs, safety in and around schools and bullying prevention.

The education appropriations bill passed by the House provides a \$1 billion increase for Title I and a \$1 billion increase for the Individuals with Disabilities Education Act (IDEA). In contrast, the pending Senate education appropriations bill provides no additional funding for either program. Our delegation has weighed in with the appropriators to strongly support the House language.

Support and expand the Long Beach College Promise.

In spring 2019, bipartisan legislation, "Fostering Undergraduate Talent by Unlocking Resources for Education Act" (FUTURE Act), was introduced in both chambers. The FUTURE Act would extend Title III reauthorization for two years. The two-year extension was set to allow time for a full reauthorization of HEA to be negotiated and passed by both chambers. Long Beach joined other communities by providing letters of support for the bill in both the House and the Senate, and several associations advocated throughout the summer for passage of the bill, including the Hispanic Association of Colleges and Universities and the Thurgood Marshall College Fund. The bill was taken up under suspension of the rules, a process used to quickly pass non-controversial bills, in the House and passed on September 17, 2019.

On September 19, 2019, Senator Doug Jones (D-AL) asked for a vote on the House version of the FUTURE Act. Senator Alexander opposed the vote on the FUTURE Act, stating that he was planning to propose a small package of HEA-related bills, including a permanent authorization for Title III funding. Ranking Member Senator Murray, however, opposed Senator Alexander's approach to circumventing a comprehensive HEA reauthorization bill, and the Title III authorization lapsed. The Department of Education has indicated that the institutional funding will be available for the current academic year, but without action by Congress to reinstate the authorization, institutions which rely on these funds are face untenable financial uncertainty.

Senator Alexander introduced a package of HEA-related legislation under the title "Student Aid Improvement Act of 2019" on September 27, 2019. Two weeks later, House Democrats released a comprehensive HEA reauthorization bill, "The College Affordability Act." While neither bill is expected to progress to votes on the floor of their respective chambers, both indicate how members of Congress are directing their attention on issues of higher education.

Sustainable & Livable Cities

Support changes in federal legislation and regulations that require chromium plating of federally owned aircraft to improve air quality in neighborhoods adjacent to aerospace manufacturing facilities.

Congress has been preoccupied with the debate surrounding Per- and polyfluoroalkyl substances (PFAS) in 2019. The debate continues to this day as a resolution is holding up approval of the National Defense Authorization Act. We have spent this year educating policy makers on the dangers of chromium plating and will continue to press policy makers to address this issue.

Support efforts to improve clean-up and capital improvements for beaches, rivers, lakes and waterways that affect the City, including stormwater management, water capture, recycling and reuse projects.

President Trump's budget sought to eliminate the beach water testing program that helps Rhode Island and 38 other states monitor coastal waters throughout the summer to keep beachgoers safe. But Senator Feinstein, a senior member of the Appropriations Committee, successfully delivered nearly \$9.3 million in Beaches Environmental Assessment and Coastal Health (BEACH) Act grant funding this year to help monitor beaches nationwide.

The Senate Appropriations Committee recently passed a fiscal year 2020 (FY20) Interior & Environment Appropriations bill, which funds the U.S. Environmental Protection Agency (EPA) and key clean water programs. The full House previously passed its FY20 Interior & Environment Appropriations bill earlier this summer and now awaits passage of the Senate version before moving to conference on the two versions of the bill.

The bill includes several key priorities and victories for the clean water sector including: \$9.01 billion in overall funding for the EPA, \$161 million more than current levels and \$2.79 billion more than the President's budget request; \$1.6 billion for the Clean Water State Revolving Fund (CWSRF), in line with significant increases enacted over the previous fiscal years; Report language under EPA's Environmental Programs and Management account to direct and ensure timely and proper implementation of Integrated Planning and establishment of the new Office of Municipal Ombudsman; \$73 million for the Water Infrastructure Finance and Innovation Act (WIFIA), a \$5 million increase over the current level.

Funding for several key programs we worked to secure authorization for in passage of last year's Water Resources Development Act (WRDA) including: \$20.5 million in Sewer Overflow and Stormwater Control Grants; \$1 million for the Water Workforce Utility Grants Program; \$5 million as part of WIFIA funding for implementation of the new SRF WIN Act; and \$6 million for EPA's National Priorities Water Research Grants Program, a \$1 million increase over the current level.

Support efforts to maintain and maximize the City's share of Community Development Block Grant (CDBG) and HOME Program funding as separate and distinct federal programs.

In a response to President Trump's efforts to eliminate CDBG funding, an effort which Congress has largely ignored, on July 26, U.S. Senators Brian Schatz (D-HI) and Todd Young (R-IN) introduced new legislation that would improve and permanently authorize the Community Development Block Grant – Disaster Recovery (CDBG-DR) Program. The Reforming Disaster Recovery Act of 2019 (S.2301) will

strengthen administration and oversight of the CDBG-DR Program to ensure that disaster recovery funds are distributed more efficiently and fairly.

In addition to codifying CDBG-DR in statute, the bill includes provisions that; Establish an Office of Disaster Recovery and Resilient Communities; authorize the creation a CDBG-DR Reserve Fund; direct HUD to issue regulations for the CBDG-DR Program; prioritize funds for low and moderate income disaster survivors; create a significant set-aside for disaster mitigation activities; ensure that investments result in infrastructure and communities resilient to future disasters; set reasonable timelines for allocation, action plans, and grant agreements; and create a capacity building and technical assistance set aside for grantees.

Companion legislation introduced by Representatives Al Green (D-TX-9) and Ann Wagner (R-MO-2), (H.R. 3702), passed out of the House Financial Services Committee with unanimous bipartisan support on June 16.

Seek grant funding to assist with the City's homeless programs, including those related to supportive housing, mental health and substance abuse, veterans and seniors.

Two California representatives introduced housing bills in Congress. Rep. Maxine Waters (D-CA) and Sen. Kamala Harris introduced the \$100 billion Housing is Infrastructure Act of 2019. The Waters/Harris bill, calls for an over \$100 billion investment in existing federal housing funds such as HUD Community Development Block Grants (CDBG), the Housing Trust Fund, the HOME Investment Partnership Program, and the USDA's rural rental program. The biggest proposed changes include bringing the public housing capital investment fund to \$70 billion, up from \$2.7 billion now, and bringing the CDBG fund to \$10 billion, up from \$3.3 billion now.

Local Control

Support efforts to ensure the City of Long Beach continues to be eligible for federal grant funds without needing to provide new certifications of compliance with federal laws.

The Government Accountability Office wrote in its 2019 report to Congress, "When grants management requirements are duplicative, unnecessarily burdensome, and conflicting, agencies must direct resources toward meeting them—which can make the agency's programs and services less cost effective. Streamlining and simplifying grants management processes is critical to ensuring that federal funds are reaching the programs and services Congress intended." We have worked with our delegation to ensure that this report receives the attention it deserves from policy makers. Our efforts may bear fruit in the FY2020 Appropriations package.

In a divided and often chaotic Washington DC, our work for the City of Long Beach has been challenging but rewarding. The City is innovating across the municipal spectrum and we have the privilege of educating policy makers on your work and your successes. We look forward to the Council's trip to Washington in the late winter to continue our efforts.

JR: