

ATTACHMENT A

Federal Legislative Update
September 16, 2019 Legislative Committee Meeting
Board of Supervisors | Item no. 19-734

Summary of Federal Legislative Report – September 16

Status of Fiscal Year 2020 Appropriations

The House comes back into session on September 17 and is expected to vote on a stopgap spending bill that would continue to fund all federal department and agencies into the new fiscal year. The legislation is needed because Congress has yet to finalize a single appropriations measure for the fiscal year that begins this October 1.

While the text of the Continuing Resolution (CR) hasn't been released as of this writing, the short-term extension of federal spending authority is expected to run through November 21. For their part, Republicans have requested that the legislation include language that would allow the Trump administration to continue building border fencing outside the Rio Grande Valley Sector. Democrats consider the language to be a nonstarter and are expected to advance a CR without the provision.

If the House approves the CR, the upper chamber is expected to take up the legislation later in the week. In the meantime, the Senate Appropriations is in the process of advancing the 12 spending bills for fiscal year 2020. To date, the committee has approved the FY20 Energy and Water spending bill, as well as the FY20 Defense funding measure. Three additional appropriations measures are expected to be considered by the committee the week of September 16.

Infrastructure Update

House and Senate lawmakers have continued their discussions aimed at producing a wide-ranging infrastructure investment package. In the Senate, the Environment and Public Works (EPW) Committee has approved a five-year highway reauthorization bill (S 2302) that would authorize a total of \$287 billion for roads and bridges between fiscal years 2021 and 2025. The proposed investment represents an increase of over 27 percent compared to the current levels authorized under the *FAST Act*, which is set to expire in September of 2020.

Other committees on both sides of Capitol Hill may consider infrastructure-related bills sometime this fall. For starters, wide-ranging water infrastructure legislation (i.e., H.R. 2473 and S. 1932) may be marked up in the House Natural Resources Committee and the Senate Energy and Natural Resources Committee, respectively. The bills would authorize support for a variety of purposes, including water reuse, desalination, surface and groundwater storage projects.

Looking ahead, it remains to be seen if an infrastructure package(s) will cross the legislative finish line this year. The single biggest impediment to clearing such legislation is the fact that there is little or no consensus on how to pay for the new federal spending.

General Legislative Outlook for Fall Session

There are several major bills that could see action in the coming months. For starters, Congress is expected to finalize the annual *National Defense Authorization Act* (NDAA). The House version of the legislation includes an amendment that would authorize the Secretary of Defense to provide up to \$250,000 per year for the maintenance, preservation, and operation of the Mare Island Naval

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Cemetery. The amendment stipulates that the funding may only be provided to a historic preservation foundation, which would need to be designated by the City of Vallejo.

In addition, the Senate may vote on legislation (S 684) that would repeal the *Affordable Care Act's* (ACA) unpopular tax on high-cost employer health plans. The tax on these so-called “Cadillac” health insurance plans, which are offered by several counties in California, is slated to take effect in 2022. Potentially complicating efforts to advance the bill in the upper chamber is the fact the Congressional Budget Office has estimated that repealing the tax would cost the federal government nearly \$197 billion over the next ten years. It should be noted that the House overwhelmingly approved a companion Cadillac tax-repeal measure (HR 748) earlier this year.

Finally, the full House could vote on cannabis banking legislation – the *SAFE Banking Act* (HR 1595) – by the end of the month or possibly early next month. In the Senate, the chairman of the Banking Committee has indicated that his panel will be working to advance the same legislation by the end of the year.