

ATTACHMENT B

Summary of Federal Legislative Report – February 3

House Democrats Release Infrastructure Framework

On January 29th, House Democrats released their framework for an ambitious new infrastructure bill. The blueprint, which calls for spending \$760 billion over five years, outlines investments in highways and bridges, rail and transit, ports and harbors, airports, water infrastructure, broadband, and brownfields. A copy of the proposal can be found [here](#).

It should be noted that the framework will serve as a roadmap for three separate House committees – Transportation & Infrastructure, Energy & Commerce, and Ways & Means – as they craft the text of their respective infrastructure measures. Among the highlights of the framework are:

- \$329 billion for highway, bridge, and safety investments, including funding for carbon reduction initiatives and resiliency projects;
- \$105 billion for transit, including increased funding for transit agencies and investments in zero-emission buses;
- \$86 billion for broadband investments, the majority of which would be dedicated to deploying secure and resilient high-speed broadband for communities nationwide; and
- \$50.5 billion for clean water and wastewater infrastructure, \$10 billion for flood protection and navigation projects, and \$25.4 billion for projects aimed at protecting drinking water.

With regard to financing the proposal, House Democrats are calling on President Trump to come to the table to help develop a set of bipartisan pay-fors. While there are a number of revenue-raising options available to Congress, several key Democratic leaders have expressed support for a combination of user fees and bonding mechanisms. Incidentally, the question of how to pay for new infrastructure spending was the topic of a January 29th hearing in the House Ways and Means Committee.

Looking ahead, legislative text is expected to be released by the three committees sometime this spring.

House Subcommittee Hearing on Water Legislation

The House Natural Resources Committee's Water, Oceans, and Wildlife Subcommittee held a recent legislative hearing on several water infrastructure bills. Among the legislation reviewed by the subcommittee was the *Disadvantaged Community Drinking Water Assistance Act* (HR 5347), which authorizes \$20 million annually for five years to establish a new grant program within the Department of the Interior to assist small, disadvantaged communities improve their access to clean drinking water.

Another proposal discussed by the subcommittee was the *Move Water Now Act* (HR 5316), which would authorize \$200 million to help restore the conveyance capacity of the Friant-Kern Canal. Additionally, the measure would authorize \$200 million toward implementation of the San Joaquin River Restoration Settlement Act.

The aforementioned bills, along with water infrastructure measures that would authorize funding for surface and groundwater storage, water reuse, desalination, efficiency, and conservation efforts, are expected to be folded into the broader House Democratic infrastructure package.

House Committee Examines Pending Cannabis Legislation

On January 15th, the House Energy and Commerce Committee's Subcommittee on Health held a legislative hearing to discuss several pending cannabis reform bills, including two measures that would legalize the drug. The most comprehensive proposal – the *Marijuana Opportunity Reinvestment and Expungement* (MORE) Act (HR 3884) – would decriminalize cannabis at the federal level. The legislation, which the Judiciary Committee approved late last year, also includes various social equity provisions, including language that would create a pathway for resentencing individuals with prior cannabis-related convictions.

In addition to the MORE Act, the Health Subcommittee reviewed the *Marijuana Freedom and Opportunity Act* (HR 2843), which would remove cannabis and THC from Schedule I of the *Controlled Substances Act* (CSA). The bill includes directives to conduct research on the impact of the drug on the brain, the efficacy of medicinal marijuana, and the identification of additional medical benefits and uses of cannabis. HR 2843 also would provide support for highway safety research and would provide grants to state and local governments to help expunge the records of those with cannabis-related convictions.

A third proposal (HR 171) discussed at the hearing would move cannabis from Schedule I to Schedule II of the CSA. The bill also would clarify that the federal government cannot prohibit or otherwise restrict state-legal use, possession, transportation, production and distribution of medical cannabis. The remaining three bills (HR 601; HR 1151; HR 3797) on the docket all seek to increase the supply of cannabis for research purposes and expand state-legal medical cannabis protections to veterans.

The hearing witnesses, made up of administration officials from the Drug Enforcement Administration (DEA), the Food and Drug Administration (FDA), and the National Institute on Drug Abuse (NIDA), discussed the need to clear federal barriers to research before pursuing broader cannabis reforms. There also was general consensus that the current supply of cannabis for research purposes is inadequate. For his part, DEA Senior Policy Advisor Matthew Strait indicated that his agency is actively developing regulations that would help expand the number of federally authorized cannabis manufacturers for research purposes.

House Committee Holds Hearing on Legislative Options to Address Homelessness

On January 14th, the House Financial Services Committee held a hearing on the rental housing crisis entitled “On the Brink of Homelessness: How the Affordable Housing Crisis and the Gentrification of America is Leaving Families Vulnerable.” The hearing follows the release of an annual report by the U.S. Department of Housing and Urban Development (HUD) that found that there was a 2.7 percent increase in homelessness across the country. It should be noted that California experienced the largest increase, seeing its homeless numbers rise by 16.4 percent.

While there was significant discussion regarding the latest HUD report, the witnesses provided their views on legislative options to combat the growing homelessness problem, including legislation – the *Ending Homelessness Act* (HR 1856) – which would provide \$13.27 billion over five years to a number of critical federal housing programs and initiatives. The panel also received testimony on a measure (HR 5187) that would authorize more than \$100 billion in federal funding for affordable housing infrastructure. In addition to HR 1856 and HR 5187, there were two draft bills under discussion.

The first – the *Stable Families Act* – would establish a demonstration program to provide short-term financial assistance to extremely low-income families that are at risk of eviction. The other measure, titled the *Housing Emergencies Lifeline Program (HELP) Act*, would provide protections for tenants who have been evicted from their homes by making several key changes to *Fair Credit Reporting Act*.

While the Financial Services Committee focused on more comprehensive proposals, the full House recently approved two narrowly focused homelessness bills. On January 13, the chamber passed the *Homeless Assistance Act* (HR 4302), which would allow public housing agencies to share client-level data with local governments and nonprofit service providers. The bill also would help housing agencies identify people who experience homelessness and who frequently use multiple services and systems. The other piece of House-approved legislation (HR 2398) is sponsored by Representative Scott Peters (D-CA) and would expand eligibility for the Veterans Affairs Supportive Housing (HUD-VASH) program to veterans experiencing homelessness who have received an “other than honorable” discharge.

Supreme Court Decides that Public Charge Rule May Proceed

On January 27th, the U.S. Supreme Court ruled that the Trump administration may proceed, for now, with implementation of its “public charge” rule, which allows immigration officials to consider the receipt of Medicaid, Supplemental Nutrition Assistance Program (SNAP/CalFresh) benefits, federal housing assistance and other non-cash benefits when determining whether a legal immigrant may revise or extend her/his immigration status. In a 5-4 ruling, Justice Neil Gorsuch wrote that granting extraordinary relief was related to the “increasingly common practice” of trial courts issuing injunctions of nationwide scope in response to specific Trump administration policies. While timing for enforcing the rule is not yet public, the Court’s decision allows the Department of Homeland Security to use the new rule until the pending legal challenges wind their way through the lower courts. It should be noted that the rule is still blocked in Illinois, where a more limited, statewide injunction remains in place.

CMS Unveils New Medicaid Block Grant Option

On January 30th, the Centers for Medicare and Medicaid Services (CMS) announced that states may request a Medicaid demonstration grant to cap funding to serve able-bodied adults covered as part of the *Affordable Care Act*'s expansion population. A 'Healthy Adult Opportunity' waiver would provide a capped amount of federal funding over five years to serve single individuals. In return, states would have more flexibility to serve those individuals. More information can be found [here](#).