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**MEMORANDUM**

**TO** Monterey County Board of Supervisors

**FROM** Brent R. Heberlee

**DATE** December 19, 2022

**RE** Legislative Program: 2022 Federal Advocacy Report

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Introduction

The Second Session of the 117<sup>th</sup> Congress saw congressional Democrats and President Biden build on their significant legislative victories from 2021. The implementation of the American Rescue Plan Act (ARPA) and the Infrastructure Investment and Jobs Act (IIJA), which are directing tens of millions of federal dollars to Monterey County, was the primary focus of the County's federal advocacy program over the past year. The recently enacted Inflation Reduction Act (IRA) builds on the foundational climate and clean energy investments in IIJA and offers similar opportunities for the County to reap the unprecedented benefits of the law. Taken together, these three laws are directing nearly \$3.5 trillion to a wide variety of domestic programs, most of which are administered by state and local governments.

Razor thin Democratic majorities in the House and Senate proved challenging for the President and Democratic leaders to advance their policy priorities in Congress. Speaker Pelosi proved adept at shepherding many bills through the House that reflected County priorities – immigration reform, gun control, voting rights, and cannabis regulation – only to see them languish in the Senate. On the other side of the Capitol, Senate Democratic Leader Chuck Schumer seemed content to prioritize executive branch and judicial nominations for floor time rather than engaging in protracted fights with Republicans over legislative policy matters.

In spite of the aforementioned challenges and the November mid-term elections that loomed over the congressional calendar, 2022 was widely regarded as a very productive year for Congress. I worked closely with the Legislative Committee and county staff to address many

of our federal policy priorities with the County's congressional delegation. Following is a summary of the County's federal advocacy efforts with which I was involved and policy updates on key federal legislative, budgetary, and regulatory issues included in the 2022 Legislative Program.

#### Engagement with Monterey County Officials

- **BOS Legislative Workshop:** I attended the Board's Legislative Workshop in January. I assisted County staff with the preparation of issue briefs for the meeting and secured attendance of representatives of the County's congressional delegation, including Reps. Jimmy Panetta and Zoe Lofgren.
- **Legislative Committee:** I provided monthly written and oral reports to the Legislative Committee on federal matters impacting the County.
- **NACo Legislative Conference:** In early February, I arranged for Supervisors Alejo and Lopez to meet with officials in the Department of Veterans Affairs in Washington, DC to discuss the County's desire to establish a State Veterans Home at the former Fort Ord.

#### Summary of Legislative Advocacy

- **American Rescue Plan Act**

In the spring of 2022, the County received the second tranche of its \$84.3 million ARPA Local Fiscal Recovery Fund allocation. The County continues to advocate for follow on legislation that would provide additional flexibility for the use of ARPA funds. The County is also designated as an "eligible revenue sharing county" under ARPA and therefore qualifies for payments under the Local Assistance and Tribal Consistency Fund. The County is scheduled to receive two equal payments totaling \$1.65 million over the next two years under this program.

- **Infrastructure Investment and Jobs Act**

In early 2022, the Biden administration began implementing the \$973 billion IIJA in earnest. To date, numerous federal agencies, led by the Department of Transportation, have issued dozens of funding opportunities for state and local governments in the areas transportation, water, power and energy, environmental remediation, public lands, broadband and resilience. The Army Corps of Engineers has allocated \$149 million of IIJA funds to the Pajaro River Flood Risk Management Project in 2022.

On behalf of the County, I have attended dozens of webinars and meetings with White House and federal agency officials on the implementation of IIJA grant programs. I have communicated regularly with County staff about federal funding opportunities, eligibility requirements, and technical assistance programs.

- **Inflation Reduction Act**

The IRA invests \$369 billion in climate and clean energy, aiming to reduce greenhouse gas emissions by 40 percent below 2005 levels by 2030. It establishes new programs that provide direct funding opportunities for counties to engage in clean energy and climate projects and provides funds to address a range of issues, including air pollution, energy efficiency and carbon emissions.

On behalf of the County, I am participating in briefings and webinars hosted by the White House and federal agencies on the implementation of the IRA, as well as keeping County staff apprised of federal funding opportunities that will support County sustainability initiatives.

- **Community Project Funding**

In early April, the County submitted six community project funding requests to our congressional delegation as part of the FY2023 appropriations process. The House-passed appropriations bills include funding for three County projects – the Family Justice Center (\$275,000), Castroville Seawater Intrusion Project (\$900,000), and U.S. 101 Lane Widening “South of Salinas Project” (\$1,000,000). As of this writing, Congress appears to be on track to complete action on an FY2023 omnibus appropriations package that is expected to include funding for these projects.

- **Immigration**

The County continues to support targeted and comprehensive immigration reform legislation that provides a pathway to citizenship for Dreamers and other undocumented immigrants, including the Farm Workforce Modernization Act. Recent efforts to reach a bipartisan agreement in the Senate on a framework for immigration reform appear to have fallen short, lessening the likelihood of any meaningful immigration reform legislation moving through Congress in the near future.

- **Voting Rights**

In spite of the successful effort by the House last year in passing the John Lewis Voting Rights Advancement Act, which would restore key protections of the Voting Rights Act of 1965, the bill remains stalled in the Senate after several unsuccessful attempts to garner the ten Republican votes needed for the bill to advance. The focus in the Senate has now turned to securing reforms to the Electoral Count Act, which would confirm that the vice president has no power to alter the electoral vote count and raise the threshold for how many House and Senate members are needed to object to a slate of electors. Senate Democratic Leader Chuck Schumer is attempting to add the Electoral Count Act reforms to the FY2023 omnibus appropriations bill.

- **Cannabis**

The County continues to advocate for the Secure and Fair Enforcement (SAFE) Banking Act, which would shield banks and credit unions from federal penalties if they choose to provide services to legitimate cannabis-related businesses. Senate Democratic Leader Chuck Schumer is making a final push to include the SAFE Banking Act as an amendment to the FY2023 omnibus appropriations bill, but he is facing resistance from Senate Minority Leader Mitch McConnell.

- **Housing**

The County continues to advocate in support of affordable housing legislation and federal housing assistance programs. The County supported legislation sponsored by Reps. Panetta and Lofgren to increase the statutory cap of Project Based Vouchers from 20 to 50 percent to incentivize the construction of new affordable housing units.

- **Gun Safety**

The County supported strong gun safety legislation that passed the House in 2021, but Senate Democrats were only able to muster enough votes to pass a less ambitious, bipartisan compromise intended to stop dangerous people from accessing firearms. The Senate bill was signed into law in June. The new law will enhance background checks for potential gun buyers under the age of 21, requiring for the first time that authorities have time to examine juvenile records, including mental health records beginning at age 16. It also provides millions of dollars for states to implement so-called red flag laws that allow officials to temporarily confiscate guns from people deemed in court to be too dangerous to own them, and other intervention programs.

- **Veterans**

The County supported several veterans bills that were ultimately included in the Honoring our PACT Act, a new law that would provide healthcare access and benefits to veterans who were exposed to burn pits and other toxic substances during military service.

I have continued to assist with the County's effort to establish a State Veterans Home in Monterey County by arranging and participating in meetings with VA officials, our federal and state delegations, the Legislative Committee, and county staff. To date, my advocacy and research have focused on the VA grant program that provides participating states with up to 65% of the cost to construct state homes.

### Outlook for 2023

The results of the November mid-term elections will bring divided government to Capitol Hill for the first time during the Biden administration. Republicans will control the House in the 118<sup>th</sup> Congress by the narrowest of margins, and Democrats will retain their slim majority in the Senate in spite of the recent decision by Sen. Kyrsten Sinema (D-AZ) to

change her party affiliation to Independent. This is a recipe for legislative gridlock in Congress for the next two years, although there may be a few areas of compromise on legislative initiatives both big and small.

The most pressing issue confronting the House at the beginning of the 118<sup>th</sup> Congress will be the election of a new Speaker. Currently, Rep. Kevin McCarthy (R-CA) does not appear to have a sufficient amount of support within the Republican Caucus to be elected Speaker. He is working furiously behind the scenes to gain the support of his detractors, but it's entirely possible that he may not be able to do so by January 3, which could prevent the House from organizing itself and plunge it into chaos for a period of time until a Speaker can be elected.

Closer to home, Rep. Panetta is expected to keep his current committee assignments on Ways and Means, Agriculture, and Armed Services. The County's new representative, Rep. Zoe Lofgren, will continue to serve on Judiciary, House Administration, and Science, Space, and Technology, where she is expected to become the Ranking Member. The House Science Committee has jurisdiction over much of the non-defense Federal research and development portfolio, including programs at DOE, EPA, NASA, and NOAA.

House Republican leaders have indicated that they intend to pursue a vigorous oversight agenda directed at many Biden administration programs, making full use of their subpoena power if administration officials prove to be resistant to demands for document production and witness testimony. Rep. McCarthy has said that Republicans' oversight priorities will fall into the following categories: Homeland Security Department and the "open border crisis;" big tech and the "silencing of Americans' free speech;" China, national security; COVID origins; Hunter Biden; the U.S.'s "disastrous" withdrawal from Afghanistan; Washington spending; the Justice Department and FBI (including politicization of both); education and "woke" ideology; energy production and American industry; "politicization and abuse" of the Internal Revenue Service; and "breaking the swamp's bureaucracy."

On a brighter note, House Republicans have decided that they will maintain Community Project Funding in the annual appropriations process, so the County will continue to have the ability to request funding for local projects from our congressional delegation. With divided government, however, the likelihood of enacting FY2024 appropriations bills will be greatly diminished.

Both parties have a common desire to enact a new Farm Bill in 2023, a multiyear bill that reauthorizes a multitude of agricultural, food, nutrition, and conservation programs administered by USDA. This legislation will have a significant impact on the County's agricultural industry, and Rep. Panetta will be deeply involved in the reauthorization process through his seat on the House Agriculture Committee.