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MEMORANDUM

то Legislative Committee

FROM Brent R. Heberlee

DATE July 17, 2019

Federal Legislative Update

This memo provides a Federal Legislative Update on the items appearing on the agenda for the July 22, 2019, Legislative Committee meeting.

1. FY2020 Budget and Appropriations

Speaker Pelosi and senior Trump Administration officials have been in daily negotiations in an effort to reach an agreement on the debt ceiling and spending caps. If the debt ceiling isn't raised by early September, the Treasury Department wouldn't be able to meet all of its obligations, including things like payments to bondholders, military salaries, and Social Security benefits. Similarly, a budget deal must be reached in order to avoid austere spending caps for FY2020 and 2021 that would automatically cut defense and domestic discretionary spending accounts by over \$100 billion. The lack of a budget deal has caused the Senate Appropriations Committee to delay action on all FY2020 spending bills. The House decided to proceed with the FY2020 appropriations process in spite of the absence of an agreement with the Senate on overall spending levels.

The House managed to pass 10 of its 12 appropriations bills by the end of June, but House leaders will not bring the remaining FY2020 bills, Homeland Security and Legislative Branch, to the floor due to divisions within the Democratic caucus over immigration, border funding, and an inflation adjustment to congressional salaries. Many of the FY2020 appropriations bills passed by the House contain policy provisions that are County priorities, including the following:

 Blocks the administration's public housing rule change on undocumented immigrants in affordable housing, which would threaten the housing tenure of 55,000 children who are citizens or legal residents

- Prohibits the National Highway Traffic Safety Administration from finalizing a rule that would roll back fuel-economy standards and lead to increased greenhouse gas emissions from vehicles
- Prohibits the Justice Department from preventing states from implementing their own laws on marijuana use, distribution, and cultivation
- Prohibits funds from being used to punish financial institutions for serving marijuana businesses legalized by states
- Prohibits the Commerce Department from including a citizenship question on the 2020 census
- Prohibits funds from being used to enforce the Justice Department's "zero-tolerance" policy of prosecuting immigrants who are in the U.S. without proper legal status
- Prohibits funds from being used to permit oil and gas drilling off the Pacific Coast

2. Legislation

- H.R. 3185 Defense Language Improvement Act: authorizes the Defense
 Language Institute Foreign Language Center (DLIFLC) to confer a Bachelor of
 Arts degree in foreign language upon any graduate who fulfills the degree
 requirements. Currently, DLIFLC may confer an Associate of Arts degree in a
 foreign language. Rep. Panetta successfully included the text of H.R. 3185 into
 the FY2020 National Defense Authorization Act, which passed the House on July
 12th.
- **S. 1895 Lower Health Care Costs Act**: extends mandatory funding for community health centers for five years at their current funding levels (funding is set to expire on September 30th). Authorizes grants to local public health departments to address vaccine-preventable diseases, obesity prevention, access to specialty health care services for medically underserved areas, and public health data modernization.
- H.R. 3022/H.R. 3054 Patient Access Protection Act/DSH Cuts Delay Act:
 H.R. 3022 would completely repeal cuts to Medicaid DSH payments and H.R.
 3054 would delay impending cuts by two years. Medicaid DSH payments are a significant source of revenue for Natividad Medical Center and other public hospitals across the country.
- S. 1932 Drought Resiliency and Water Supply Infrastructure Act: builds on Sen. Feinstein's 2016 California drought legislation that was included in the Water Infrastructure Improvements for the Nation (WIIN) Act. Extends funding

under the WIIN Act for an additional five years, including \$670 million for surface and groundwater storage projects, \$100 million for water recycling projects, and \$60 million for desalination projects; creates a new loan program for water agencies at 30-year Treasury rates (currently about 2.6%) to spur investment in new water supply projects.

3. 2020 Census Update

President Trump recently dropped his effort to add a citizenship question to the 2020 census after more than a week of conflicting messages from the White House about how it would proceed after an adverse ruling from the Supreme Court on the issue. His decision, in part, was based on the fact that the Commerce Department had already begun to print the census questionnaires without the citizenship section. Instead, the president issued an executive order on July 11th directing various federal agencies to provide citizenship data to the Department of Commerce by reviewing existing databases and documents in their possession. The order also directs the Commerce Department to obtain State administrative records concerning citizenship.

Attachments:

- Support Letter: S. 1895 Lower Health Care Costs Act
- Support Letter: H.R. 3022/H.R. 3054 Patient Access Protection Act/DSH Cuts Delay Act
- Support Letter: S. 1932 Drought Resiliency and Water Supply Infrastructure Act
- Federal Bill/Issues Track