# Ballard Spahr

1909 K Street, NW 12th Floor Washington, DC 20006-1157 TEL 202.661.2200 FAX 202.661.2299 www.ballardspahr.com Maria C. Tripplaar Tel: 202.777-6987 Fax: 202.661.2299 tripplaarm@ballardspahr.com

#### MEMORANDUM

то	Legislative Committee
FROM	Maria C. Tripplaar
DATE	October 8, 2024
RE	Federal Legislative Update

This memo provides a Federal Legislative Update on the items appearing on the agenda for the October 14, 2024, Legislative Committee meeting.

1. <u>Congressional Update</u>

Both the House and Senate have been in recess since September 25, 2024, and will remain so until the week after the election in November. Once they return on November 12, 2024, both chambers are only scheduled for a total of five more legislative weeks before the end of the 118<sup>th</sup> Congress (which will conclude on January 3, 2025). There is a great deal of work to be done this year, including funding the federal government for FY25, with current stopgap funding set to expire at midnight on December 20, 2024. There are also a few pieces of legislation that are considered "must pass" during the lame duck – the period between the election and the start of the new Congress on January 3, 2025 – such as the annual National Defense Authorization Act (NDAA), and reauthorizing expiring healthcare authorities (including funding for Community Health Centers, National Health Service Corps, Teaching Health Centers with Graduate Medical Education, and Special Diabetes programs).

Moreover, some provisions of the Farm Bill, which was already extended for a year past its original expiration date in 2023, expired on September 30<sup>th</sup>. The Farm Bill will need to see Congressional action before the end of the calendar year or there will be dramatic consequences with the start of a new crop year in January, namely an automatic reversion of sending crop supports back to policy from the 1938 and 1949 Farm Bills. According to the Congressional Research Service (CRS), these policies are inconsistent with modern farming practices and international trade agreements, and would be extremely expensive for the

federal government.<sup>1</sup> The key dispute over the Farm Bill for Democrats this year is a funding calculation that would place limits on the "Thrifty Food Plan" formula that calculates benefits for the Supplemental Nutrition Assistance Program, SNAP. It would keep SNAP payments at current levels but place a permanent freeze on the ability of future presidents to raise levels of food support. Democrats have characterized it as a sneaky cut to vital support for hungry Americans that makes the bill dead on arrival. Republicans are using the limits as part of a funding calculation to offset other spending in the bill. The bill would raise price supports for some crops like cotton, peanuts and rice.

Additional legislation that might be considered during the lame duck include the Water Resources Development Act (WRDA), legislation to increase transparency for pharmacy benefit managers (PBMs) to reduce overall health care costs, online safety, data privacy, artificial intelligence (AI), permitting reform, trade-related proposals, debt limit, and cryptocurrency.

### 2. <u>Budget Update</u>

As noted above, on September 25, 2024, both the House and Senate passed stopgap funding, called a continuing resolution or CR, to avoid a federal government shutdown. The CR extends FY 2025 funding for all 12 annual spending bills, including the Labor, Health and Human Services, and Education bill, through December. 20th. The House Committee on Appropriations has approved all 12 of the annual appropriations bills for FY25, and the full House has passed five of the 12 so far (Defense, Homeland Security, Interior-Environment, Milcon-VA, and State-Foreign Operations). None of the five bills that have passed the Republican-led House so far are expected to pass in the Democrat-controlled Senate, because they all passed the House on a party-line vote. The Senate Committee on Appropriations has approved all but one of the 12 bills (Homeland Security), but has not yet started floor consideration of any of the bills. Once Congress returns to Washington, D.C. in November, it is expected (hoped) to begin meaningful work towards completing the regular appropriations process.

### 3. <u>Federal Budget Requests, including Community Project Funding Requests</u> <u>Summary</u>

The County submitted a total of nine projects for consideration by the federal delegation for Community Project Funding/Congressionally Directed spending – also called earmarks – for FY25. As I presented in previously, only the \$1,105,800 earmark requested by Rep. Lofgren for the Pajaro County Sanitation District (PCSD) Sewer System Improvements project is expected to continue moving forward. At this stage, the PCSD project was successfully included in the Interior-Environment bill that passed the House, and currently awaits Senate

<sup>&</sup>lt;sup>1</sup> Monke, Aussenberg, and Stubbs, "Expiration of the 2018 Farm Bill and Extension for 2024," Congressional Research Service, 13 Sept 2024, <u>https://crsreports.congress.gov/product/pdf/R/R47659</u>

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consideration. I will continue to monitor all developments closely, including independent Senate consideration or any conference negotiations.

#### 4. <u>Federal Bill/Issues Track</u>

## Attachment(s):

Federal Bill/Issues Track