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Washington Friday Report

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January 9, 2015

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Congress returned with a roar Tuesday and while it organized, the White House rolled out some important new initiatives. Here's the highlights for you this busy new year!

Welcome to the 114th Congress

This week officially kicked off the first session of the new 114th Congress, with plenty of pomp, swearing-in, family photos, and rule-making to go with it. The 115th Congress is only two short years away, and is set to begin on January 3, 2017. Of the big agenda items for this Congress to tackle, first up is immigration, which we covered extensively for you in last week's edition of the Washington Friday Report. It's unclear exactly what comes after that, but major issue areas Congress is expected to deal with this year include: the FY16 budget, energy, transportation, and tax reform. Here's a roundup of introductory statements and videos, for your review: Majority Leader McConnell Welcomes Senators, Opens the 114th Congress, McConnell: Senate Focus will be Jobs, Middle Class, Minority Leader Reid Remarks on Opening of 114th Congress, Speaker Boehner: On Jobs and the Economy, Minority Leader Pelosi Floor Remarks on House Democrats' Initiative on Infrastructure and Bigger Paychecks, Pelosi Statement on House Democrats' Initiative, Video: House Ceremonial Swearing-In with Speaker Boehner, and Video: Senate Ceremonial Swearing-In with Vice President Biden.

High Speed Rail Reality



The United States officially broke ground on its first High-Speed Rail project on Tuesday in Downtown Fresno, California. Fresno Mayor **Ashley Swearengin** said, "This is the day we commemorate the beginning of the nation's first high-speed rail project

that promises to connect Northern, Central, and Southern California like never before. This project establishes Fresno as the central cog, the essential connecting point between Northern and Southern California." Assembled dignitaries for the groundbreaking ceremony also included: Governor Jerry Brown, California High-Speed Rail Authority board Chairman Dan Richard, Federal Railroad Administrator Joseph Szabo, Environmental Protection Agency Administrator Gina McCarthy, Congressman Jim Costa, and County Supervisor Henry R. Perea. For more, click on Video of Ceremony, Groundbreaking Press Release, or Fresno Bee Coverage.

White House College and Housing Initiatives

Today, in Tennessee, **President Obama** unveiled the *America's College Promise* proposal to make two years of community college free for responsible students, allowing students to earn the first half of a bachelor's degree and earn skills needed in the workforce at no cost to them. For more, click on <u>America's College Promise Fact Sheet</u> or <u>Yesterday's Video Preview</u>.

Yesterday, **President Obama** and HUD Secretary **Julian Castro** made a visit to Phoenix, Arizona to put a spotlight on the recovering housing sector. There, the President announced that the Federal Housing Administration (FHA) is reducing annual mortgage insurance premiums by 0.5 percentage points, from 1.35 percent to 0.85 percent. For more, click on White House Fact Sheet, President Speaks in Phoenix, House Financial Services Committee Ranking Member Maxine Waters Lauds Action to Lower FHA Premiums, or Secretary Castro: "Reclaiming the American Dream".

Gas Tax: Discussion or Momentum?

In the opening days of the 114th Congress this week, several prominent lawmakers have made statements that do not rule out an increase in the federal gas tax to shore up the Highway Trust Fund in May. On Thursday, House Speaker John Boehner said, "we've got to find a way to deal with America's crumbling infrastructure and we need to do it in a long-term program that is in fact funded." Senate Finance Chairman Orrin Hatch said, "I would prefer not to have a gas tax [increase], but we'll just have to see." Senate Environment and Public Works Committee Chairman James Inhofe said, "I'm saying we have a lot of things to look at." Senate Minority Whip Dick Durbin said, "Now's the time to do it fraise the gas tax.]" The enthusiasm is not universal. House Transportation and Infrastructure Chairman Bill Shuster told reporters in late December, "The President has ruled out a gas tax, I don't think there's a will in Congress, and the American people don't want it." For more, click on Rep. Bill Shuster's Comments or Senator Dick Durbin's Comments.

Senator Barbara Boxer Declines Re-Election



Yesterday, California Senator **Barbara Boxer** announced that she will not seek re-election in 2016. For more, click on Video Announcement or Legislative Accomplishments. We have worked closely with her and her staff and wish her all the best for the future!

Update to the CR in CRomnibus

House Appropriations Chairman **Hal Rogers** is telling reporters that his chamber could vote on FY15 Homeland Security spending as soon as Tuesday, next week. Without Congressional action, funding for the agency is set to expire on February 27. The spending bill is considered a major leverage point for those who want to confront the President on his immigration Executive Actions. *We'll keep you up to date on the latest!*

Senator Orrin Hatch: Mr. President

On Tuesday, the Senate's senior Republican, Utah's **Orrin Hatch**, (Class of '76) became the Senate President Pro Tempore, making him third in line to the Presidency, after the Vice President and the House Speaker. For more, click on <u>Written Floor Statement</u>, <u>Video of Floor Statement</u>, <u>Fact Sheet: Senator Hatch as President Pro Tempore</u>, or <u>Commentary: Restoring the Senate</u>. We have worked with Senator Hatch for many years and congratulate him on this great honor!

John Podesta: Exiting and Entering

On Wednesday, we learned that Counselor to the President **John Podesta** plans to leave the Obama Administration next month and will likely assist **Hillary Clinton** in her Presidential bid, when (if?) she launches one to serve as her Campaign Chairman. Mr. Podesta has played a key role advising the President on issues related to energy and climate change.

President's FY16 Budget Set for February 2 Release

OMB has confirmed that **President Obama** will release his proposed budget for FY16 on **February 2**, the statutorily required time, and weeks earlier than recent budgets have gone up.

Community Policing Updates and Opportunities

The President's Task Force on 21st Century Policing will hold its first public teleconference on **January 21**, about eight days after it holds its first public meeting on January 13. Additionally, next week on Wednesday, **January 14**, OJJDP, in collaboration with DOJ and HHS will present a webinar on "School-Police Partnerships." For more, click on <u>Community Policing Teleconference</u> or <u>School-Police Partnerships Webinar</u>.

A "No Child" Overhaul

This week, Senate HELP Committee Chairman **Lamar Alexander** and House Education and the Workforce Chairman **John Kline** confirmed they are working on "parallel tracks" to overhaul the *No Child Left Behind Act*. Senator Alexander

expects to have the *Elementary and Secondary Education Act* (ESEA) reauthorization bill on the floor by the end of next month. We will keep you updated.

Grants This Week



This week, we sent many of you grant notices on <u>FEMA SAFER Grants</u>, <u>EPA</u> Environmental Education Local Grants

<u>Program</u>, and <u>BJA Project Safe Neighborhoods</u>. *Please contact Jen Covino with any questions about grants*.

Energy and Commerce

On Tuesday, the House Energy and Commerce Committee released a report previewing a number of the Committee's priorities for the current 114th Congress. For more, click on House E&C Policy Preview.

Sinkholes

On Tuesday, Senator **Bob Casey** of Pennsylvania urged FEMA to adopt a new policy that would reimburse municipalities across the country for the cost of sinkhole damage. For more, click on <u>Sinkhole Cleanup Reimbursement</u>.

POTUS and the Governors

We thought you'd like to know what the President is saying to your Governor! On Tuesday afternoon, the President met in the Oval Office with members of the Executive Committee of the National Governor's Association. For more, click on President Obama Meets Governors.

Net Neutrality

On Wednesday, FCC Chairman **Tom Wheeler** repeatedly hinted to the tech crowd at the Consumer Electronics Show (CES) in Las Vegas that he favors preventing the creation of internet "fast lanes," putting him closely in line with **President Obama**'s publicly-stated position of treating broadband like a utility. The FCC is expected to vote on open internet rules on **February 26**. On Wednesday, Senator **Patrick Leahy** and Rep. **Doris Matsui** introduced legislation that would also ban internet fast lanes. For more, click on <u>FCC Feb 26 Open Meeting</u> or <u>Net Neutrality Legislation</u>.

Our U.S. CTO

White House Chief Technology Officer **Megan Smith** has been hard at work in her new role trying to bring the federal government into the 21st century. For more, click on <u>U.S. CTO</u>.

Boston: US Olympic City, 2024



Congratulations to the City of Boston for being chosen as the U.S. representative in the running for the 2024 Olympic and Paralympic Games! For more, click on Mayor Walsh Statement.



Please contact Len Simon, Brandon Key, Jen Covino, or Stephanie McIntosh with any questions.

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- 1 Bipartisanship, Immigration, USICH Director
- 2 Policing, Tax, Bulletproof, ACA, Gangs, OJP
- 2 Census, Grants, Condolence, Cuomo, Music, 2015

Welcome to 2015 - the same issues and people, but calibrated a bit different – we're as interested as you to see the results! Here's the highlights of a week split between two years!

More Bipartisanship in 2015?

As the year begins, word is that **President Obama** is likely to seek compromises with the new Republican majority in Congress, forgoing his reliance on Executive Orders. Issues where aides to the President believe that he has an opportunity to reach a compromise with the 114th Congress include: trade pacts, an overhaul of the corporate tax code, and funding infrastructure projects. The President will likely continue to vigorously defend his Executive Actions on immigration, climate-change, and key provisions of the Affordable Care Act. In 2015, he may approve some additional executive actions related to climate change. Early in the year, Congress may pass legislation that approves construction of the Keystone XL pipeline, which the White House may have to carefully consider if they want to push for more legislative priorities for the remainder of the President's term. According to the Wall Street Journal, Deputy Chief of Staff to incoming Senate Majority Leader Mitch McConnell, Don **Stewart**, said, "If he [the President] is going to run around the country talking about things that have no chance of passing rather than running around the country focusing on the areas where we agree, he's not going to be very productive." They further report that White House spokesman Eric Schultz said, "[Some disagreements with Congress] should not interfere with the many areas of bipartisan interest where we can work together to get things done for the American people." It should be interesting!

Hill Leaders to Step Forward on Immigration

In response to President Obama's executive actions on immigration, Congress will likely show new interest in immigration legislation. **House leadership** is likely to produce a bill that increases security on the Southwest border. The first major deadline facing Washington regarding immigration is the expiration of FY15 funding for the Department of Homeland Security on **February 27**. Congress may decide to attach this

stand-alone border security bill to the appropriations measure, or it may attempt to pass legislation rolling back at least some of the President's Executive Actions. The Wall Street Journal had some interesting quotes from those working on these bills. Wisconsin Senator Ron Johnson told reporters, "By and large, the Democrats got what they have been looking for on their part of the bargain. Now it is time to give the American people what they've wanted." Still, there are calls for Congress to enact comprehensive immigration reform. In a letter to Congressional leaders from Senator Joe Donnelly of Indiana and Heidi Heitkamp of North Dakota, they wrote, "We need a practical plan that strengthens our borders, addresses the systemic problems with our legal immigration policies and provides a tough, fair process for those who want to earn the opportunity for citizenship." Senator Orrin Hatch of Utah plans to introduce legislation making more visas available for high-tech workers. Senator Dianne Feinstein of California is working with Republicans on a bill reforming the agricultural visa program, based on provisions in last year's Senate bill. There will be lots of immigration legislative activity this year we'll keep you up to date on the latest developments!

Speaking of immigration, on Tuesday, the Department of Homeland Security and the State Department, following up on the President's Executive Actions, published a notice in the Federal Register that solicits public input to inform the development of recommendations that the Departments, in consultation with other Agencies, should make to the President to streamline and improve the Nation's legal immigration system. Responses must be received by January 29. For more, click on President's Immigration Policy – Public Comments.

USICH Executive Director Laura Zeilinger Steps Down

On January 23, U.S. Interagency Council on Homelessness (USICH) Executive Director Laura Zeilinger plans to step down from her current role to take on a new job as head of Human Services for DC Mayor Muriel Bowser (inaugurated today!) Laura has served at USICH for nearly four years and has coordinated the federal response to homelessness across 19 federal departments and agencies. White House Domestic Policy Council Director Cecilia Munoz said, "Laura's focus on evidence-based practices and using data to drive results has brought local innovation to scale across the country and throughout the federal government." Current Director of National Initiatives Matthew Doherty will serve as interim executive director for USICH after Ms. Zeilinger steps down. For more, click on USICH Executive Director Steps Down. We have enjoyed working with Laura during her four years as Deputy Director and then Director, and congratulate her on this exciting new role working for Mayor Bowser.

Task Force on 21st Century Policing Meets in January

The President's Task Force on 21st Century Policing, created on December 18, will hold its first public meeting at the Newseum in DC, on **January 13**. The Task Force is interested in receiving written comments including proposed recommendations from individuals, groups, advocacy organizations, and professional communities. **Ron Davis**, head of the COPS Office, is Executive Director of the Task Force. For more, click on <u>January Meeting</u> Notice or <u>Task Force Website</u>.

Tax Reform Act of 2014 Formally Introduced

Even though he is leaving Congress, the outgoing House Ways and Means Committee Chairman **Dave Camp** has formally introduced one of the last bills of the 113th Congress, his 979-page *Tax Reform Act of 2014* (H.R. 1). Chairman Camp and his Committee worked very hard for two years to develop this comprehensive legislation. With a new Congress taking over, Chairman Camp's bill will not be the legislative vehicle for tax reform, but it will be the point of departure and be used as a measure against what the next Congress comes up with. To take a look at it, click on Tax Reform Act of 2014.

Bulletproof Vest Grant Program

Following the inability of the current Congress to reauthorize the lifesaving *Bulletproof Vest Partnership Grant Program*, Senator **Patrick Leahy** will reintroduce legislation in the 114th Congress to do so. The program helps state and local law enforcement agencies purchase bulletproof vests for officers working in the field. For more, click on <u>Bulletproof Vests</u>.

ACA December Marketplace Enrollment Report

A report released by HHS on Tuesday provides the first detailed analysis of enrollment in the Marketplaces for the first month of the 2015 open enrollment period, from November 15 to December 15, 2014. For more, click on December ACA Enrollment Report.

2012 National Youth Gang Survey

DOJ's Office of Juvenile Justice and Delinquency Prevention (OJJDP) has published "Highlights of the 2012 National Youth Gang Survey." For more, click on National Youth Gang Survey.

FY15 OJP Funding Opportunities

DOJ's Office of Justice Programs (OJP) has posted its Program Plan for FY15, a searchable online document of current funding opportunities for initiatives within each OJP office and bureau. For more, click on FY15 OJP Funding Opportunities.

U.S. Population (as of Yesterday!)



Yesterday, the population of the United States was estimated to be **320,090,857**. For more, click on U.S. Population.

Grants From December



As we close out 2014 and look forward to 2015, we know it's been a busy December for all of you! In case you

missed some of these the first time around, here's a listing of grant opportunities that we have forwarded to you in the last few weeks: IMLS Sparks! Ignition Grants for Libraries, EPA Environmental Workforce Development and Job Training Grants, DOL Registered Apprenticeship Grants, FHWA Value Pricing Pilot Program (VPPP), and NEA FY 2016 Program Guidelines for the Art Works and Challenge America Programs. Please contact Jen Covino with any questions about grants.

Condolences to Mayor Ben McAdams and Family

We know you join us in sending along condolences to our friend, Salt Lake County Mayor Ben McAdams, whose mother, Susan Erickson McAdams, passed away suddenly earlier this week. Rest in peace, Mrs. McAdams.

An Eloquent Friend of Cities



We thought you would be interested in this comprehensive story on the life of New York Governor **Mario Cuomo**, who passed away yesterday just hours after his son Andrew was sworn

in for a second term as Governor. **President Obama** said, "An Italian Catholic kid from Queens, born to immigrant parents, Mario paired his faith in God and faith in America to live a life of public service — and we are all better for it." A lifetime urban advocate, he came within a percentage point of becoming Mayor of New York City in 1977, almost ran for President and would have been President Clinton's first nominee to the Supreme Court, had he not withdrawn from consideration so he could stay on as Governor. His steadfast commitment to progressive principles, and his skill in using language to evoke the honorable role of government in helping people, will long be remembered. For more, click on Remembering Mario Cuomo or President's Statement.

Music of the Month

Our telephone's hold music of the month for January is **Michael Feinstein**, founder of the *Great American Songbook Initiative* and Artistic Director of *The Palladium at the Center for Performing Arts* in Carmel, developed through the leadership of Mayor **Jim Brainard**. We hope you enjoy!

Happy New Year!



We wish you and your loved ones a very Happy New Year!

Please contact Len Simon, Brandon Key, Jen Covino, or Stephanie McIntosh with any questions.

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December 24, 2014

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- 2 E-Rate Boost, AmeriCorps, NEPA, EDA, Homeless
- 2 Grants, Fatalities, "Year of Action", Secretary Castro

A special Wednesday pre-Christmas edition of the Friday Report. Even the impending Yuletide doesn't slow down this busy town (maybe next week!). Here's the highlights for your review – Happy Holidays!

Preparing for Immigration Action in 2015

We participated in a White House teleconference on Friday featuring Director of Intergovernmental Affairs Jerry Abramson and Director of the Domestic Policy Council Cecilia Muñoz, to learn more about how the Obama Administration is planning to implement President Obama's Executive Actions on immigration. In addition to the planned expansion of the current Deferred Action for Childhood Arrivals (DACA) program, the President's initiative includes a new program for parents known as the Deferred Action for Parental Accountability (DAPA). The White House is also creating a *Task Force on New Americans* to help integrate into society immigrants gaining new legal status under the actions.

The White house has three "asks" of local leaders regarding the initiative: (1) Hold at least one large "informational" event in your community in late January or early February on how qualified immigrants can obtain legal status; (2) Use local media and grassroots organizations to help educate people on the President's actions emphasizing, for instance, that the actions will not help any immigrants who have illegally entered into the U.S. within the last five years; and (3) Organize enrollment events in your communities to foster a feeling of "safety in numbers" in February, when new applications and forms will come online to allow qualified immigrants to apply for legal status.

During the teleconference, we asked the White House representatives, "Can we expect federal representatives to attend the local meetings?" The White House said that U.S. Citizenship and Immigration Services (USCIS) will be organizing some of the events, but that the best way to invite speakers from the federal government to attend other local events is to reach out directly to the White House. So, please let us know if you would like a federal representative at one of your immigration events next

year, and we'll arrange it! For the latest information, click on USCIS: Executive Actions on Immigration.

FY15 "Cromnibus" Special Report

Yesterday, we sent you a *Special Report* on the FY15 Omnibus Appropriations package, also known as the "CRomnibus" that recently became law. It includes highlights of the bill by policy area. For more, click on FY15 Cromnibus Special Report. Let us know if you have any questions about the FY15 budget.

Task Force on 21st Century Policing

On Thursday, last week, President Obama signed an Executive Order officially creating the Task Force on 21st Century Policing, which he had announced two weeks ago, and detailed its membership. The Task Force, in response to Ferguson and a number of other incidents around the country, will examine, among other issues, how to strengthen public trust and foster strong relationships between local law enforcement and the communities that they protect, while also promoting effective crime reduction. The Task Force will engage with federal, state, tribal, local officials, technical advisors, young leaders, and nongovernmental organizations through meetings and 21st century technology to provide a transparent process to engage with the public. The Executive Order directs the Task Force to prepare a report and recommendations to be presented to the President. An initial report will be due to the President in March and the group's first "listening session" will be held in DC in mid-January.

The Task Force will be chaired by Philadelphia Police Commissioner **Charles H. Ramsey** and former Assistant Attorney General for DOJ's Office of Justice Programs **Laurie Robinson**. COPS Office Director **Ron Davis**, former Police Chief of East Palo Alto, CA, will serve as Executive Director of the Task Force under the direction of the co-chairs. We look forward to working with Chief Davis and Task Force staff as its work proceeds and will update you on their deliberations. For more, click on Fact Sheet: Task Force on 21st Century Policing, White House Blog Post, or Executive Order Text.

State of the Union Address – January 20, 2015

House Speaker **John Boehner** sent a letter to **President Obama** formally inviting him to report to Congress on the State of the Union. A Joint Session of Congress will be held to receive the President's address on Tuesday, January 20, 2015 at 9:00 pm eastern time. For more, click on <u>State of the Union Invitation</u>.

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FCC Increases Funding for E-Rate

On Friday, the FCC released its final order on the E-rate program. The Commission is implementing a fundamental reset of E-rate, the first such effort since the program's creation 18 years ago. The Order raises the spending cap on the E-rate program from \$2.4 billion to \$3.9 billion. If demand for E-rate funds from schools and libraries ramps up to the full \$3.9 billion cap, the estimated additional cost to an individual rate payer would be approximately 16 cents a month, about a half a penny per day or about \$1.90 a year. By providing certainty about the future of E-rate funding, raising the cap enables schools and libraries to plan how best to upgrade their networks and at what pace. The order allows schools and libraries to build high-speed broadband facilities themselves when that is the most costeffective option, subject to a number of safeguards. It also provides an incentive for state support of last-mile broadband facilities through a match from E-rate of up to 10% of the cost of construction, with special consideration for Tribal schools and libraries. For more, click on E-rate Announcement, Order Text, or Chairman Wheeler Statement.

Operation AmeriCorps Deadlines

As a reminder, the deadline for the "Intent to Apply" for Operation AmeriCorps is **December 29** at 5:00 pm eastern time. While the "Intent to Apply" is not required, it is strongly encouraged. Operation AmeriCorps applications, which consist of a concept paper of no more than 10 pages, are due **January 13**. For more, click on Operation AmeriCorps Deadlines.

Guidance on NEPA Reviews and Climate Change

The Council on Environmental Quality released updated draft guidance for federal agencies on how to consider greenhouse gas emissions and the impacts of climate change in their NEPA analyses, as well as final guidance on conducting programmatic NEPA reviews. In their view, these measures will increase the efficiency of environmental reviews and help agencies make informed decisions that are sound investments of taxpayer dollars and good for American communities. The revised greenhouse gas guidance will be available for 60 days of public comment. For more, click on NEPA Review Guidance.

EDA's Regulatory Revision Final Rule

EDA has announced its *Regulatory Revision Final Rule* which will take effect on January 20, 2015. It encourages coordination and the leveraging of other federal resources while providing greater flexibility to EDA stakeholders. For instance, EDA will be able to authorize a grant rate of up to 80 percent to incentivize projects that encourage broad, innovative regional planning or demonstrate effective leveraging of other federal resources. EDA is headed by former Youngstown Mayor **Jay Williams**, with whom we recently met. For more, including summaries of the changes, click on EDA Regulatory Revision Final Rule.

Reducing Homelessness: Coordinated Entry

The U.S. Interagency Council on Homelessness (USICH), headed by Executive Director Laura Green Zeilinger, has been

placing major emphasis on the need to develop local "coordinated entry systems" to combat homelessness. These systems streamline and facilitate access to appropriate housing and services for families and individuals, and often start with targeted programs for veterans as a foundation. For more, click on USICH — Coordinated Entry.

Grants This Week



This week, we sent many of you grant notices on <u>NEA FY 2016</u> <u>Program Guidelines</u> for the *Art Works* and *Challenge America* Programs. *Please contact Jen*

Covino with any questions about grants.

Road Fatalities Down, But Up for Bikes

DOT reports that after an increase in motor vehicle crash fatalities in 2012, the number of fatalities on American roads dropped 3.1 percent in 2013, continuing a long-term decline that has seen road deaths fall by about 25 percent since 2004. In 2013, pedestrian fatalities decreased by 1.7 percent but, sadly, fatalities involving bicycles increased by 1.2 percent. For more, click on 2013 Motor Vehicle Crashes: Overview.

White House 2014 "Year of Action" Report

Early this year, the President called 2014 "A Year of Action." On Monday, the White House released a "Year of Action" Report, highlighting key areas where the Administration has made "significant progress" due to the steps taken by the President through his executive authority. The report includes a calendar of all 2014 executive actions and additional detail on many of these key initiatives. For more, click on Year of Action Report or White House Year of Action Post.

A Year-end Note from Secretary Castro

HUD Secretary **Julian Castro** has written his own end-of-the-year note reflecting back on 2014 and looking ahead to 2015. In it, he chronicles many of his agency's accomplishments, including a 33 percent reduction in veteran homelessness since 2010, the RAD initiative leveraging \$19 in private funding for every \$1 in public funding, the launch of the National Disaster Resilience Competition, and the expansion of the Strong Cities, Strong Communities initiative. For more, click on Secretary Castro's Year End Note.

Merry Christmas and Happy Holidays!



We wish you and your loved ones a safe, happy, warm and very Merry Christmas and holiday season!



Please contact Len Simon, Brandon Key, Jen Covino, or Stephanie McIntosh with any questions.

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Memorandum

FROM: Len Simon

Brandon Key

SUBJECT: Special Report: FY15 Omnibus Appropriations

DATE: December 23, 2014

Introduction

Late in the evening on Saturday, December 13, after a week of high-stakes debate in both chambers, Congress passed H.R. 83, the **FY15 Omnibus Appropriations** Package. President Obama signed it into law on December 16, making it Public Law 113-235. The bill is known colloquially as the "CRomnibus" since it combines 11 of the 12 annual spending bills into a package that funds most of the federal government until September 30, 2015. The twelfth bill is **Homeland Security**, which is funded by a Continuing Resolution (CR) through February 27, 2015. The purpose of funding Homeland Security with a shorter-term CR is to give Republicans more leverage when they control both chambers of Congress next year, in response to President Obama's executive actions on immigration.

On the evening of December 11, the House narrowly passed the bill by a vote of 219-206, with 71% of Democrats voting against it and 29% of Republicans voting against it. House Speaker **John Boehner** knew that he didn't have enough votes within his own caucus to pass the bill, so he was relying on the support of some Democrats to get it passed. Just a few hours before the vote, that Democratic support came into question when Minority Leader **Nancy Pelosi** went to the floor of the House and announced publicly that she would not support the bill because it included two provisions that she and many Democrats opposed: (1) a provision to increase the amount that donors can contribute to national parties by ten-fold and (2) a provision to weaken the Dodd-Frank law that regulates banks. While the **Obama Administration** did not support those two provisions, it did support the overall spending package, so senior White House officials and some high-level Congressional Democrats scrambled to secure enough votes for the legislation. With 57 Democrats in support, along with 162 Republicans, the House narrowly passed the bill, sending it to the Senate.

Although there was some procedural drama in the Senate, as there often is, the Senate ultimately passed the bill on the evening of December 13 by a vote of 56-40, with 40% of Democrats and 43% of Republicans voting against it. The Senate was initially expected to vote on the measure on Monday, December 15, but because some Senators objected to a short-term deal to keep the government funded until then, Senate Majority Leader **Harry Reid** was forced to call Senators back to Washington, DC for an unusual Saturday session to ensure that they could pass a bill before a federal government shutdown could technically happen.

The bill abides by the terms set by the Bipartisan Budget Act of 2013 (the "Ryan-Murray Agreement") providing a total of \$1.013 trillion to operate the federal government. Just as in FY14, \$521 billion is allocated for defense, while \$492 billion is allocated for non-defense discretionary spending. The next Congress will need to determine new top-line budget numbers for FY16.

The bill also includes Overseas Contingency Operations funding to combat the Islamic State of Iraq and the Levant (**ISIL**) in Syria and Iraq, and a total of \$5.4 billion in emergency funding to address the domestic and international **Ebola crisis**.

Below are links, which we hope you will find useful. They include House and Senate summaries, the bill text, and the Joint Explanatory Statements, which are the "Committee Reports" for this Omnibus.

- <u>House Appropriations Committee Summaries of the Omnibus</u> including links to summaries of 11 of the annual Appropriations bills
- <u>Senate Appropriations Committee Summary of the Omnibus</u> a 62-page PDF with highlights from 11 of the annual Appropriations bills
- Omnibus Package Bill Text all 1,603 pages in a single PDF, for your reading pleasure
- <u>Joint Explanatory Statements and other information from the House Rules Committee</u> these often several hundred-page PDF documents explain in relatively plain English what's in the bill text

Here are the highlights.

Transportation

- \$500 million for the **TIGER** competitive infrastructure grant program, a decrease of \$100 million from FY14. Funds are available for highway and bridge projects, transit projects, passenger and freight rail projects, and port and inland port projects, but <u>not</u> planning activities.
- \$41 billion in level-funding for the **Federal-aid Highway program**, honoring the level authorized by the **MAP-21** transportation law. Of that amount, the **Mass Transit Account** also receives level-funding from FY14 of \$8.6 billion. MAP-21 expires on **May 31, 2015**.
- \$2.12 billion for **Capital Investment Grants**, an increase of \$177 million over FY14 levels, which includes both **New Starts** and **Small Starts**, and **Full Funding Agreements**. A total of \$171.7 million is available for new **Small Starts** projects, including about \$28 million in prior year funds. DOT is allowed to consider "significant private contributions" when calculating the non-federal share of capital costs for **New Starts** projects.

- \$2.3 billion for the **Federal Transit Administration** (**FTA**), an increase of \$141 million from the FY14 level. **Bus Rapid Transit** projects recommended for funding in FY15 under "Capital Investment Grants" are allowed to be funded by about \$28 million in unobligated and unexpended discretionary formula funds.
- There is no additional federal funding for **high-speed rail**, but any previously-spent money for the project will not be rescinded by the FY15 omnibus.

Housing and Community Development

- \$3.0 billion for **Community Development Block Grant (CDBG)** formula grants. This is a decrease of \$30 million from FY14. The agreement includes a provision that prohibits communities from selling a CDBG grant to another community. The bill also requires underwriting for any grant provided to a for-profit organization for economic development.
- The bill increases the cap on the number of public housing units that can participate in the **Rental Assistance Demonstration (RAD) Program**, from 60,000 to 185,000. RAD allows Public Housing Agencies to access private sector funding to address their capital needs, while maintaining protections for residents and the long-term affordability of the housing. The bill also permanently extends the second component of RAD, which streamlines and consolidates multiple rental assistance programs into Section 8.
- \$80 million for the **Choice Neighborhoods Initiative**, a decrease of \$10 million from FY14. At least \$50 million of this amount must be made available to Public Housing Authorities, and up to \$5 million is provided to assist communities in development strategies for implementing the program with community notice and input. HUD is expected to take into account "regional diversity" when awarding Choice Planning and Implementation Grants.
- \$900 million for the **HOME** Investments Partnerships Program, a decrease of \$100 million from FY14.
- \$19.3 billion for **Section 8 tenant-based rental assistance**, an increase of \$127 million from FY14.
- \$9.7 billion for **Section 8 project-based rental assistance (PBRA)**, a decrease of \$200 million from FY14.
- No additional funding is provided for **Promise Zones**.
- \$75 million in level-funding for **HUD-VASH** vouchers, used to house homeless veterans.
- \$2.135 billion for the **Homeless Assistance Grants** program, an increase of \$40 million from FY14. Of this amount, \$250 million is reserved for the **Emergency Solutions Grant** program.

- HUD is required to submit its annual **Homeless Assessment Report** by August 28, 2015.
- \$1.88 billion in level-funding for the **Public Housing Capital Fund**.
- \$4.44 billion for the **Public Housing Operating Fund**, an increase of \$40 million from FY14.

Commerce Department

- \$250 million for the Economic Development Administration, an increase of \$3 million from FY14. This includes level-funding of \$10 million for the Regional Innovation Program, \$30 million for Partnership Planning, and \$35 million for Economic Adjustment Assistance.
- This bill establishes the **National Network for Manufacturing Innovation**. The Centers for Manufacturing Innovation, created by the bill, are public-private-academic partnerships for conducting research on, and assisting in the commercialization of, advanced and specialized manufacturing processes.

Labor-HHS-Education

- \$250 million in level-funding for **Preschool Development Grants**, within the Fund for the Improvement of Education. This is a continuation of last year's funding, and does not represent additional funding for Preschool Development in FY15.
- \$2.624 billion for **Workforce Innovation and Opportunity Act (WIOA) Grants**, an increase of \$36 million from FY14's WIA Grants. The bill prohibits funding from going to the Association of Community Organizations for Reform Now (ACORN), or any of its affiliates, subsidiaries, allied organizations, or successors.
- \$14.4 billion for **Title I Program** school funding, an increase of \$25 million from FY14.
- \$758.3 million for the Corporation for National and Community Service, which
 oversees AmeriCorps, including continued support for the Pay for Success Pilot
 Program. The bill includes new language to reinforce longstanding policy that a
 professional Corps program may demonstrate an inadequate number of professionals in a
 community in a number of ways, including a determination of need by the local
 community.
- There is no funding for the President's **Race to the Top** initiative.
- \$8.6 billion in level-funding for **Head Start**, maintaining support for investments in Head Start and Early Head Start, including Early Head Start-Child Care Partnerships, made last year.
- \$2.435 billion for the **Child Care and Development Block Grant**, an increase of \$75 million from FY14.

- \$674 million for the **Community Services Block Grant**, level-funded from comparable FY14 levels. The bill encourages the Office of Community Services, which administers CSBG, to renew support for implementing a "standard of excellence" initiative for community action agencies.
- \$1.492 billion for **Community Health Centers**. Combined with mandatory funding provided in the Affordable Care Act (ACA), the FY15 program level for CHCs is \$5.092 billion, an increase of \$1.452 billion from FY14.
- \$3.39 billion for the **Low Income Home Energy Assistance Program (LIHEAP)**, level-funded from comparable FY14 levels. The Director of the Office of Community Services is tasked, by the bill, with ensuring that funds provided for training and technical assistance are provided to organizations with "significant expertise" working with state, tribal, and local home energy assistance programs. The President's budget requested funding for a Contingency Fund and Energy Burden Reduction Grants, neither of which received funding in the final bill.
- \$79.7 million for **Youthbuild**, an increase of \$2.2 million from FY14. This program helps at-risk youth obtain their high school diplomas while learning job skills by building affordable housing for low-income and homeless people in their communities.
- Up to 10 communities can develop and implement cost-effective solutions for disadvantaged youth as **Performance Partnership Pilots**, just like last year.

Justice Department

- \$180 million in level-funding for the **COPS Hiring Program**, as part of \$208 million provided for the **COPS Office**. Within the COPS Hiring Program, \$33 million is reserved for the **Tribal Resources Grant Program**, \$7.5 million is reserved for **Community Policing Development**.
- \$2.3 billion in level-funding for **State and Local Law Enforcement** grants, which is comprised of funding for the COPS Office, Office on Violence Against Women, and \$1.7 billion within the **Office of Justice Programs**.
- \$376 million in level-funding for **Byrne Justice Assistance Grants**.
- \$430 million for **Violence Against Women Act** programs, an overall increase of \$13 million from FY14.
- \$185 million for the **State Criminal Alien Assistance Program**.
- \$41 million is appropriated for a new community-based **sexual assault response reform** initiative, to address the backlog of 400,000 sexual assault kits sitting untested in police evidence lockers.

- \$15 million in level-funding to train local law enforcement on how to respond to an **active shooter** situation in a public area.
- \$75 million in level-funding for a program that allows communities to conduct **school safety assessments** and fill gaps in school safety plans.

Interior-Environment

- \$306 million in level-funding for the **Land and Water Conservation Fund**.
- \$1.45 billion in level-funding for the **Clean Water State Revolving Fund**.
- \$907 million in level-funding for the **Drinking Water State Revolving Fund**.
- \$146 million in level-funding for the **National Endowment for the Arts (NEA)**.
- \$146 million in level-funding for the **National Endowment for the Humanities (NEH)**.
- \$80 million for EPA **Brownfields Project Grants**, a decrease of \$10 million from FY14.
- \$8.1 billion in overall funding for the **EPA**, a decrease of \$60 million from FY14.
- The EPA's proposed **Waters of the United States** rulemaking process is not affected by the bill.

Energy-Water

- \$5.483 billion for the **U.S. Army Corps of Engineers** to dredge America's waterways, an increase of \$15 million from FY14. This includes \$2.9 billion for **Operation and Maintenance**, \$1.64 billion for **Construction**, \$200 million for the **Regulatory Program**, and \$178 million for **Expenses**.
- \$571 million for research and development to advance **fossil energy** activities through the Department of Energy, an increase of \$8.9 million from FY14.
- \$1.92 billion for **energy efficiency and renewable energy** programs through the Department of Energy, an increase of about \$22,000 from FY14.

Conclusion

Looking ahead to calendar year 2015 and the new 114th Congress, which will decide on the FY16 budget, the political dynamics in Washington will be significantly different from what they were in this session Congress. Republicans will control both the House and the Senate, with a healthy bump in their vote margin over Democrats in the House. House Speaker **John Boehner** is expected to retain his gavel and the new incoming Senate Majority Leader **Mitch McConnell** said he is committed to restoring the regular annual appropriations process, which is a marked difference from this year when Congress did not pass a single appropriation in the traditional

manner. **President Obama** still has two years left in office and though he is now entering the "lame duck" years of his Presidency, and has less political leverage as a result, he still controls a veto pen that has as much stopping power as three-quarters of all the votes in Congress combined. He is expected to submit his budget proposal to Congress in early February, after his January 20 State of the Union address.

However, with the February 27, 2015 deadline looming for Congress to act on funding for the Department of Homeland Security, we should expect to see Congress producing legislation that at least partially blocks some of President Obama's executive actions on immigration, early next year. It remains to be seen how well the new Congress and President Obama will work together in the face of such deadlines. Another upcoming deadline concerns the **debt ceiling**, currently standing at about \$17.2 trillion, which Congress must raise by March 15 to avoid a U.S. default on our debt obligations. Lastly, the **MAP-21** transportation reauthorization expires on May 31, making that the target deadline for Congress to act to either extend transportation funding short-term, or pass a multi-year transportation spending bill.

We will continue to analyze the FY15 Omnibus spending package and update you with any new developments or interesting pieces of information, as they relate to local government interests. We will be working directly with federal agencies on the rollout of this new spending package, particularly regarding competitive discretionary grants.

Finally, we'll keep you up to date on any developments in connection with the FY15 **Homeland Security** budget and the rollout of the FY16 budget.

Please let us know if you have any additional questions, and Happy Holidays!

INCORPORATED

Washington Friday Report

Volume XVI, Issue 51

December 19, 2014

INSIDE THIS WEEK

- 1 FY15 Cromnibus Done, Tax Extenders, The Cuba Initiative
- Senate Committees Roster, Fiscal Report, Ozone, RAD
- 2 Grants, Tech Hire, Homeless, Road Diet, Yule Video Poem

If anyone doubts the efficacy of executive power in our "checks and balances system" the President's track record since suffering considerable losses in the November election – immigration, air quality, and Cuba, just to name the most prominent ones – makes the point: It's good to be the President! Here's an update on those and other developments from this busy mid-December end-of the lame-duck session - pre-Christmas week.

FY15 Cromnibus Update



On Tuesday, President Obama signed into law the "Consolidated and Further Continuing Appropriations Act, 2015" (H.R. 83), also known as the "Cromnibus." This followed several days of drama in the Senate over the weekend, where a

number of Senators forced the vote to happen much sooner than expected. Early indications were that the final vote would take place on Monday. Late on Saturday evening, the Senate approved the Cromnibus by a vote of 56-40. Of the voting Senators, about 40% of Democrats voted against it and 43% of Republicans voted against it. For more, click on or Senate Vote Breakdown. After some work on nominations, Congress then concluded for 2014.

The White House hosted a teleconference on the Cromnibus last Friday, which we audited. Senior Administration officials maintained that President Obama was content with the legislation as it enabled the Administration to continue its work on climate change, immigration reform, and the implementation of the Affordable Care Act. They were "pleased" that it included funding to adequately respond to crises including Ebola and the situation with unaccompanied children crossing the border. The Administration was "disappointed that DHS didn't get a full year of funding," but they "believe [they'll] win that fight in February." We will soon send you an in-depth Special Report on the FY15 Cromnibus package, including an analysis of its effects on specific programs. Stay tuned!

Tax Extenders Approved

In one of the final votes of the 113th Congress, on Tuesday evening, the Senate passed a one-year tax extenders package (H.R. 5771) by a vote of 76-16. The bill, also known as the "Tax Increase Prevention Act of 2014," extended the roughly 50 expired tax breaks, which are worth about \$41.6 billion over 10 years, through to December 31, 2014. This allows next year's tax filers to claim the various tax credits on their 2014 tax returns. However, Congress will need to act again next year if it wants to extend the tax breaks to cover tax returns for 2015.

Senate Finance Chairman Ron Wyden said, "On Jan. 1 of 2015, millions of businesses and workers are sort of thrown back into the darkness. I hope the Administration will work closely with a bipartisan effort in the Senate to overhaul the system." The Committee's Ranking Member Orrin Hatch, who becomes Chairman next month, said, "The lack of certainty in our tax laws hinders job creation and stifles economic growth. We need a tax system that no longer threatens to change from year to year." Among the tax extenders passed by Congress are: the alternative fuel tax credit, empowerment zone tax incentives, the deduction of state and local general sales taxes, the minimum low-income housing tax credit rate for non-Federally subsidized buildings, and the new markets tax credit. Parity for employer-provided mass transit and parking benefits only extend for less than two weeks, through to the end of 2014. For more, click on House Summary of the Tax Extender Provisions, Senate Vote Breakdown, Senator Wyden's Floor Statement, Senator Hatch's Principles for Tax Reform, Senator Feinstein Statement, Senator Coats Statement, Senator Cantwell Statement, or Senator Baldwin Statement.

Improving our Relationship with Cuba

On Wednesday, the White House stunned the world with news of a deal that was eighteen months in the making, allowing the United States to chart a new course in its relations with the people of Cuba. This deal included a prisoner swap, specifically the release by Cuba of U.S. citizen **Alan Gross** and an unknown spy for the U.S., in exchange for the release of three Cuban spies imprisoned in the U.S. The U.S. plans to reestablish an embassy in Havana in the coming months and Cuba plans to establish its own embassy in Washington, DC (it currently works out of space provided by the Czech Embassy.) High-level exchanges and visits between the two governments will take place as part of the normalization process.

Travel to Cuba will be expanded, under the 12 existing categories of travel to Cuba authorized by law. Remittance levels will be raised from \$500 to \$2,000 per quarter for general donative remittances to most Cuban nationals by U.S. persons. Licensed U.S. travelers to Cuba will be authorized to import \$400 worth of goods from Cuba, of which no more than \$100 can consist of tobacco products and alcohol combined. The U.S. will also review Cuba's designation as a State Sponsor of Terrorism, which it has been listed as since 1982. For more, click on Fact Sheet: Charting a New Course on Cuba. More to come on this dramatic new initiative.

Senate Committee Rosters in the 114th Congress

On Tuesday, the Senate finalized and made public its Committee rosters for the 114th Congress. Republican Senators have not finalized their Committee Chairmen yet. Many of the current Democratic Chairmen who won re-election will become Ranking Members of their Committees in the next Congress. Senator Patty Murray will make the switch from the Appropriations Committee to become Ranking Member of the Health, Education, Labor, and Pensions (HELP) Committee. Senator Barbara Boxer will become the Ranking Member of the Environment and Public Works (EPW) Committee, Senator Mike Enzi will become Chairman of the Budget Committee, Senator Thad Cochran will Chair the Appropriations Committee, and Senator Orrin Hatch will Chair the Finance Committee. Most of the House Committees are still sorting out their composition and leaders for the next Congress. For more, click on Senate Committee Rosters.

State and Local Fiscal Outlook Report

On Wednesday, GAO released a report on state and local governments' fiscal outlook, with projections to the year 2060. GAO's model shows that absent any policy changes, the sector will face an increasing gap between expenditures and receipts in future years. According to GAO, closing this gap will require state and local governments to make policy changes to assure that receipts are at least equal to expenditures. Because the model covers the sector in the aggregate, the fiscal outcomes for individual states and localities were not captured. For more, click on State and Local Fiscal Outlook Report.

Senate Ozone Rule Hearing

On Wednesday, the Senate Environment and Public Works Committee held a hearing entitled, "Oversight Hearing: EPA's Proposed National Ambient Air Quality Standards for Ozone," with witnesses including EPA's Acting Assistant Administrator for the Office of Air and Radiation Janet McCabe. For more, click on Senate Ozone Rule Hearing.

HUD's Rental Assistance Demonstration

While the Obama Administration supports the recent expansion of HUD's Rental Assistance Demonstration (**RAD**) from 60,000 units to 185,000, which was included as legislative language in the FY15 Cromnibus, not all low-income housing advocates are as supportive. Last week, House Financial Services Committee Ranking Member **Maxine Waters** sent a letter to President

Obama asking the Administration to "rethink its current strategy for preserving public housing." RAD permits public housing to be converted to private ownership as part of a preservation strategy. For more, click on Rep. Maxine Waters Letter.

Grants This Week



This week, we sent many of you grant notices on <u>DOL Registered</u>
<u>Apprenticeship Grants</u> and the <u>FHWA Value Pricing Pilot</u>
<u>Program (VPPP)</u>. *Please contact*

Jen Covino with any questions about grants.

White House Tech Hire Initiative

On Monday, courtesy of the Louisville Metro innovation team, we attended the **White House Tech Hire Initiative** – **Regional Workshop.** The purpose of the Tech Hire Initiative is to connect local governments with access to leading expertise on all aspects of the IT Jobs model, connect national philanthropic funds to match local efforts, and turnkey models to use federal funds to support local IT Jobs initiatives. The focus of the event was on building Ladders of Opportunity to help people from disadvantaged communities get better-paying IT jobs. For more, click on Tech Hire Initiative.

USCM Hunger and Homelessness Report

The U.S. Conference of Mayors has released its 32nd annual assessment of hunger and homelessness across 25 cities. Low wages led the list of causes of hunger cited by officials in the cities surveyed, with lack of affordable housing the chief cause of homelessness for families with children and unaccompanied individuals. For more, click on Hunger and Homelessness.

Road Diet Information Guide

DOT has published a **Road Diet Information Guide** that walks communities through the decision-making process to determine whether a road diet is a good fit. A typical road diet takes a segment of four-lane undivided roadway and reconfigures it into three lanes with two through lanes and a center two-way left turn lane. Often, a road diet creates space for bicycle lanes. The newly configured stretch improves safety by including a protected left-turn lane for motorists and reducing crossing distance for pedestrians. For more, click on Secretary Foxx Blog Post or Road Diet Information Guide.

Speaker Boehner Christmas Poem



We thought you would enjoy this special Christmas Video Poem from Speaker John Boehner. "Happy Christmas to all!"



Please contact Len Simon, Brandon Key, Jen Covino, or Stephanie McIntosh with any questions.

INCORPORATED

Washington Friday Report

Volume XVI, Issue 50

December 12, 2014

INSIDE THIS WEEK

- 1 Fiscal Year 2015 "Cromnibus" Spending Bill
- 2 Extenders, Immigration, Housing Fund, Profiling
- 2 Grants, Rail, Housing, Climate, SelectUSA, Roads

A rocky road to a budget for FY15 and some strong Mayoral action on immigration highlight the week. The holidays are coming and none too soon – this town could use some Yuletide cheer! Here's the highlights of the week for your review!

Cromnibus at Last!

As we write this, Congress is close to passing an FY15 Omnibus for most of the government and a Continuing Resolution for the Department of Homeland Security - the combined two efforts are called a "Cromnibus." Earlier this week, the House and Senate Appropriations Committees reached agreement and released details of the spending bill, which combines 11 bills to fund most of the federal government to the end of September 2015. However, the Department of Homeland Security will only receive enough funding to last until February 27, 2015, to give Republicans more leverage when they control both chambers of Congress next year, in response to President Obama's Executive Action on immigration. Last night, the House narrowly passed the bill, after some high-stakes political drama, by a vote of 219-206, with 71% of Democrats voting against it and 29% of Republicans voting against it. The House and Senate both passed a bill extending current government funding to midnight on Saturday. The Cromnibus bill is expected to pass the Senate, with some opposition, but a final vote might not happen until Monday. Here are highlights from the FY15 Cromnibus bill. We will send you a more comprehensive Special Report on Monday! For more, click on Cromnibus Bill Text, House Appropriations Summaries, or Senate Appropriation Summary.

Transportation

The bill includes \$500 million for the **TIGER** program, a decrease of \$100 million from FY14. While 20 percent of that amount will be reserved for rural areas, as it was in this year's competition, next year's TIGER competition will not have a Congressionally-mandated set-aside for Planning Grants. There is no additional federal funding for **high-speed rail**, but any previously-spent money for the project will not be rescinded by this bill. **Capital Investment Grants** will receive \$2.12 billion, an increase of \$177 million from FY14, which includes both New Starts and Small Starts, and Full Funding Grant Agreements.

Housing and Community Development

Community Development Block Grant formula grants will receive \$3 billion, a decrease of \$30 million from FY14. The agreement includes a provision that prohibits communities from selling a CDBG grant to another community. The HOME Program will receive \$900 million, a decrease of \$100 million from FY14. HUD-VASH vouchers will be level-funded at \$75 million. The Choice Neighborhoods Grants program will receive \$80 million, a decrease of \$10 million from FY14. Section 8 tenant-based rental assistance will receive a \$127 million increase, to \$19.3 billion, while Section 8 project-based rental assistance will be decreased by \$200 million, to \$9.7 billion. The bill increases the cap on the number of public housing units that can participate in the Rental Assistance Demonstration (RAD) Program, from 60,000 to 185,000.

Justice Department

The **COPS Hiring Program** will be level-funded from FY14, at \$180 million. **Byrne Justice Assistance Grants** will receive level-funding of \$376 million. **Violence Against Women Act** programs will receive an overall increase of \$13 million, to \$430 million. The **State Criminal Alien Assistance Program** (SCAAP) will receive \$185 million.

Commerce Department

The **Economic Development Administration** (EDA) will receive \$250 million, an increase of \$3 million from FY14. This includes level-funding of \$10 million for the **Regional Innovation Program**. The bill also establishes the **National Network for Manufacturing Innovation**.

Interior-Environment

The Land and Water Conservation Fund (LWCF) is levelfunded at \$306 million. The Clean Water State Revolving Fund will receive \$1.45 billion and the Drinking Water State Revolving Fund will receive \$906.8 million, both levelfunded. The NEA and NEH are both level-funded at \$146 million each.

Labor-HHS-Education

Workforce Innovation and Opportunity Act (WIOA) grants will receive \$2.624 billion, an increase of \$36 million from FY14. The bill includes \$2.742 billion through HHS to respond to **Ebola** and other infectious disease threats, both in the U.S. and abroad. **CCDBG** will receive \$2.435 billion, an increase of \$75 million from FY14. **Head Start** is level-funded at \$8.598 billion, and **Preschool Development Grants** continue to be funded at \$250 million. **LIHEAP** will receive \$3.39 billion and **CSBG** will receive \$674 million, both level-funded from comparable FY14 levels. There is no funding for the President's **Race to the Top** initiative.

Extenders at the End

It is expected that, prior to adjournment, the Senate will concur with the House-passed one-year tax extenders legislation by next week. We will update you further.

New York City Immigration Summit



This past weekend, courtesy of Mayors Ralph Becker, Paul Soglin, and Marilyn Strickland, we attended an immigration summit at Gracie Mansion in New York City hosted by Mayor Bill de Blasio. Over a dozen Mayors and representatives from across the country participated in the summit, which focused on coordinating and

sharing expertise to implement President Obama's Executive Action on immigration. Representing the President at the meeting were Secretary of Homeland Security Jeh Johnson, Senior Adviser to the President Valerie Jarrett, and Director of the White House Office of Intergovernmental Affairs Jerry Abramson. The Mayors also discussed the road ahead and strategies to push for comprehensive immigration reform. At Gracie Mansion, the Mayors signed on to Mayor de Blasio's Five Point Challenge to: (1) Launch a Mayoral "War Room" for federal action on immigration reform, (2) Establish local "Cities

United for Immigration Action" coalitions, (3) Safeguard immigrants from fraudulent services, (4) Reach all eligible applicants through community outreach and public education, and (5) Audit services and programs to ensure efficient and affordable delivery of services to maximize enrollment by city residents. For more, click on NYC Immigration Summit Summary.



More Affordable Rental Housing Approved

A major development in housing policy happened yesterday when the Federal Housing Finance Agency, after years of urging from cities and low-income housing advocates, directed Fannie Mae and Freddie Mac to begin setting aside and allocating funds to the **Housing Trust Fund** and **Capital Magnet Fund**, pursuant to the Housing and Economic Recovery Act of 2008. For more, click on FHFA Announcement or Rep. Maxine Waters Statement.

Justice Department Guidance on Profiling

On Monday, Attorney General **Eric Holder** announced that the Justice Department will take new steps to bar profiling by federal law enforcement agencies, building upon a 2003 policy that had previously only addressed the consideration of race and ethnicity in conducting federal investigations. The new policy will address the use of other characteristics as well – including national origin, gender, gender identity, religion, and sexual orientation. The new guidance also applies to state and local law enforcement officers who participate in federal law enforcement task forces. For more, click on New Justice Department Guidance.

Grants This Week



This week, we sent many of you grant notices on <u>EPA Environmental</u> Workforce <u>Development and Job Training Grants</u>. Please contact Jen

Covino with any questions about grants.

Passenger Rail Hearing

On Wednesday, the Senate Commerce Committee's Subcommittee on Surface Transportation held a hearing titled, "Passenger Rail: Investing in our Nation's Future." The hearing featured DOT Undersecretary for Policy Peter Rogoff and Amtrak Board Chairman Anthony Coscia. For more, click on Rail Hearing.

Inequality in the U.S. Housing Market

On Tuesday, the Senate Banking Committee held a hearing titled, "Inequality, Opportunity and the Housing Market." Witnesses included: Director of Housing Finance Policy at the Center for American Progress Julia Gordon. For more, click on Housing Market Hearing.

Climate Data Initiative Datasets and Tools

On Tuesday, Interior Secretary Sally Jewell announced the release of two new hubs of datasets that are part of the Climate Data Initiative (CDI), to help local and state leaders build greater community resilience in the face of climate change. Hundreds of datasets from numerous federal departments and agencies have been consolidated into two thematic CDI data hubs for "Ecosystem Vulnerability" and "Water." For more, click on Climate Datasets and Tools.

SelectUSA 2015

Commerce Assistant Secretary Jay Williams, head of the Economic Development Administration, and SelectUSA Executive Director Ambassador Vinai Thummalapally led a discussion earlier today on the Administration's ongoing manufacturing initiatives and the upcoming second SelectUSA Investment Summit. It will take place in Washington, DC on March 23-24, 2015. The summit presents an opportunity for cities, regions, and economic development organizations to meet with international business leaders in order to attract foreign direct investment to their communities. Eleven federal agencies will participate in the summit. Registration is now open. Visit SelectUSA for further details.

Surface Transportation Investment Needs

On Monday, AASHTO and APTA released their "Bottom Line Report" that finds the federal, state, and local governments need to increase highway and bridge funding by 45 percent in order to meet the country's needs. For more, click on Surface Transportation Investment Report.

Please contact Len Simon, Brandon Key, Jen Covino, or Stephanie McIntosh with any questions.

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December 5, 2014

INSIDE THIS WEEK

- 1 Community Policing, Extenders, Cromnibus, MFA
- 2 W&M, Ferguson, Ebola, Water, Ed, Grants, Climate
- 2 Ozone, HTF, Global Entrepreneurs, Jen and Jason

While the lame duck resumed following its Thanksgiving respite, post-Ferguson tensions, exacerbated by events in New York City, continued. The White House response, and lots more for your review in a busy December week, follows.

Community Policing Initiative

On Monday, **President Obama** proposed a three-year \$263 million investment package in response to the Ferguson protests, called the "Community Policing Initiative" that would increase use of body-worn cameras by police officers, expand training for law enforcement agencies, add more resources for "police department reform," and multiply the number of cities where the Justice Department would facilitate community and local engagement with law enforcement agencies. Of that \$263 million, \$75 million would be used to create a new **Body Worn Camera** Partnership Program that would provide a 50 percent match to States/localities who purchase body worn cameras and requisite storage. This money would need to be approved by Congress and the Administration requests that it be included as part of the FY15 omnibus legislation. The President has also instructed his staff to draft an executive order creating a Task Force on 21st Century Policing, and announced that the Task Force will be co-chaired by Philadelphia Police Commissioner Charles Ramsey and former Associate Attorney General Laurie Robinson. The Task will include, among others, law enforcement representatives and community leaders and will collaborate with COPS office Director Ron Davis. For more, click on Fact Sheet: Strengthening Community Policing or Blog: Improving Community Policing. We'll follow up with you on next steps on this exciting new initiative!

House Passes One-Year Extenders Bill

On Wednesday, by a vote of 378-46, the House voted on a bill (H.R. 5771) to extend about 50 corporate and individual tax breaks, generally through the end of 2014, so that taxpayers can claim those benefits on their 2014 tax returns next year. The House had previously been considering a more ambitious \$450 billion tax package that was a mix of permanent and short-term extensions, but the White House threatened to veto that proposal

and negotiations fell apart. The Senate is expected to take up the one-year extenders bill by Wednesday next week, at the earliest, without any amendments allowed. Senate Majority Leader Harry Reid was recently quoted as saying, "Everyone knows that we're trying to do some tax extenders. We're trying to do that, but we'll see." Among the tax extenders passed by the House are: the alternative fuel tax credit, empowerment zone tax incentives, the deduction of state and local general sales taxes, the minimum low-income housing tax credit rate for non-Federally subsidized buildings, and the new markets tax credit. Parity for employer-provided mass transit and parking benefits would only extend for less than a month, through to the end of 2014. All of the temporary tax breaks would not be counted in the long-term revenue baseline that the Congressional Budget Office uses to score legislation, so Republicans are not expected to demand cuts in spending to make up for the revenue loss. For more, click on Summary of House Tax Extender Provisions. We'll keep you up to date on the latest!

A CR and an Omnibus? It's a "Cromnibus"

With federal spending due to expire by Thursday, next week, the Senate and House Appropriations Committees are expected to release the text of draft spending legislation by Monday morning. Negotiations on the bill's provisions continue behind closed doors, with the most contentious disputes being resolved in negotiations at the leadership level. The outcome is most likely to be a "Cromnibus" bill, which combines 11 of the twelve annual spending bills slated to fund the federal government through to the end of September 2015. The twelfth bill, Homeland Security, would be funded through a short-term Continuing Resolution (CR) into the early months of 2015, to give the next Congress more leverage to cut funding for agencies that would implement President Obama's executive actions on immigration. Negotiations on bills related to Defense, Commerce-Justice-Science, and the Legislative Branch are nearly complete, while more contentious bills such as Interior-Environment and Labor-HHS-Education have a lot of ground left to cover. Any individual spending bills that remain unresolved could suffer the same fate as the Homeland Security bill, and be converted into a short-term CR for the next Congress to consider. We'll update you when we learn more details next week!

Marketplace Fairness Act

The "Big 7" state and local government organizations in D.C. held a press conference, led by Salt Lake City Mayor **Ralph Becker**, President of NLC on Wednesday, urging passage of the Marketplace Fairness Act. In a meeting preceding the press

conference, Rep. **Jason Chaffetz** of Utah, who has headed up MFA compromise efforts in the House, updated the group on how close he was to a consensus bill which all parties could agree to, though likely not in the lame-duck. Later that day, about 30 House Republicans met with Speaker **John Boehner**, who indicated he still had no plans to bring the bill up for a vote this

year, but could make it a high priority for next year. Thus, despite plans for the Senate to send a revised version of their bill to the House soon, prospects for the bill's passage this year remain unlikely, but progress made in this Congress is undeniable and should put MFA in a good position for fast action in 2015.



Mayor Ralph Becker, head of NLC, leads Hill MFA press conference.

New Ways and Means Vision

As Rep. **Paul Ryan** prepares to take the Chairmanship of the House Ways and Means Committee next year, we thought you might be interested in an interview he did with Politico on Wednesday. In it, he talked about his plans to push for existing GOP priorities like tax and entitlement reform in a more incremental way. For more, click on Rep. Paul Ryan's Vision.

Update on the Response to Ferguson

Yesterday, we listened in on a White House teleconference where we learned more about the Administration's response to the civil unrest in Ferguson, Missouri and elsewhere following the decision of the grand jury not to issue an indictment. Attorney General **Eric Holder** plans to participate in several round-table discussions around the country to help bring law enforcement, community leaders, and elected officials together. For more, click on Attorney General to Hold Roundtable Discussions, COPS Office: Body-Worn Camera Program Recommendations, President Obama Reacts to the Ferguson Grand Jury Decision, or Attorney General Holder Reacts to the Grand Jury Decision.

Update on the Ebola Response

On Tuesday, White House Ebola Response Coordinator **Ron Klain** provided an update on what the United States has done both domestically and internationally to cope with the threat of Ebola. For all the details, click on <u>Ebola Response Update</u>.

Innovation and Water Utilities

On Tuesday, the Senate Environment and Public Works Committee held a hearing titled, "Innovation and the Utilities of the Future: How Local Water Treatment Facilities are Leading the Way to Better Manage Wastewater and Water Supplies." For more, click on Water Management Hearing.

Regulations to Strengthen Teacher Preparation

The U.S. Department of Education has proposed regulations that help ensure teacher training programs are preparing educators

who are ready to succeed in the classroom. For more, click on Teacher Preparation Regulations.

Grants This Week



This week, we sent many of you grant notices on <u>IMLS Sparks! Ignition Grants for Libraries</u>. Please contact Jen Covino with any questions about grants.

Climate Action Champions for Leadership

We congratulate Mayor **Ralph Becker** and Salt Lake City for having been selected by the White House as one of sixteen "Climate Action Champions" communities. For more, click on <u>Climate Action Champions</u>.

EPA Proposes Tighter Standards for Ozone and Smog

EPA is proposing to strengthen air quality standards to within a range of 65 to 70 parts per billion (ppb) for ground-level ozone, or smog, to better protect Americans' health and the environment. For more, click on EPA Smog Standards.

Transportation Revenue Prospects

On Tuesday night, we participated in a meeting at APTA where we heard from **Dan Katz**, Counselor to DOT Secretary Foxx on the Administration's GROW AMERICA Act. He said that Congress's "habit of passing short-term 'patches' needs to end," and that the body must re-focus on passing long-term bills. Revenue raised from tax reform currently seems like the most viable option, he noted. On Wednesday, speaking to a business roundtable, **President Obama** said, "The gas tax hasn't been increased for 20 years. There's a reason for that. In fairness to members of Congress, votes on gas taxes are really tough."

Global Entrepreneurship Congress Cities Challenge

On Monday, the Kauffman Foundation invited cities to participate in the **GEC Cities Challenge**, to showcase how entrepreneurship is effectively supported at the urban level. Winning cities will be showcased at the 2015 GEC in March in Milan, Italy. The deadline to submit nominations is **December 30**, **2014**. For more, click on <u>GEC Cities Challenge</u>.

ENGAGED - Jen and Jason!



We warmly congratulate our colleague **Jen Covino** on her engagement to **Jason Berg**, TSgt, United States Air Force. Jason, who hails from Ohio, proposed to her on the grounds of the Boston Common in Jen's hometown. We wish them all the best for their fall wedding and a happy life forever!

Please contact Len Simon, Brandon Key, Jen Covino, or Stephanie McIntosh with any questions.

Melissa Garza

From: gus@khouriconsult.com

Sent: Monday, January 05, 2015 10:34 AM

To: Melissa Garza; Tony Boren

Subject: Governor Brown Sworn In, Delivers Inaugural Address

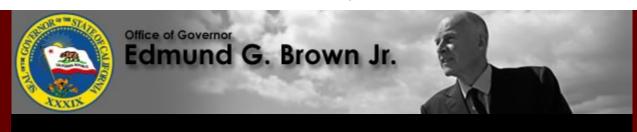
Good Morning,

Please see below to view the transcripts for the Governor's State of the State Address.

-Gus

View this email in a web browser

Forward to a friend



FOR IMMEDIATE RELEASE: Monday, January 5, 2015

Contact: Governor's Press Office (916) 445-4571

Governor Brown Sworn In, Delivers Inaugural Address

SACRAMENTO – Governor Edmund G. Brown Jr. today took the oath of office as Governor of California and delivered his inaugural address in the Assembly Chamber. The address serves as the Governor's constitutionally required annual report to the Legislature.

Edmund G. Brown Jr. Inaugural Address Remarks as Prepared January 5, 2015

Members of the Legislature, the Judiciary, Constitutional Officers, the extended family of my pioneering ancestors and fellow Californians:

An inauguration is always a special occasion but today it is particularly special as I think about that day 40 years ago when my father and mother watched me take the oath as California's 34th governor. It is also special because of how far we have come in the last four years. Then, the state was deep in debt – \$26 billion – and our unemployment rate was 12.1 percent. Now, the state budget, after a decade of fiscal turbulence, is finally balanced – more precariously than I would like – but balanced. California has seen more than 1.3 million new jobs created in just four years and the unemployment rate has dropped to 7.2

percent. Thanks goes to the Legislature for cutting spending, the economy for recovering and the people for voting for temporary taxes.

We also have the people to thank for Propositions 1 and 2, which save water and money and prepare us for an uncertain future. These are measures that nearly every Democrat and Republican voted to put on the ballot and nearly 70 percent of voters ultimately approved. And I'm proud to report that as a result, by the end of the year, we will be investing in long overdue water projects and saving \$2.8 billion in the state's new constitutionally protected Rainy Day Fund.

And we're not stopping there. Soon we will make the last payment on the \$15 billion of borrowing made to cover budget deficits dating back to 2002. We will also repay a billion dollars borrowed from schools and community colleges and another \$533 million owed to local governments.

California has made bold commitments to sustain our environment, help the neediest and build for our future. We are leaders in renewable energy and efficiency; we have extended health care to millions; we are transforming our educational and criminal justice systems; we are building the nation's only high-speed rail system; we raised the minimum wage; we are confronting the drought and longer-term water issues; and last, but not least, we have enacted real protections for our hardworking immigrants, including the issuance of long-awaited driver's licenses.

In 2011, we were handed a mess and through solid, steady work, we turned it around. While we have not reached the Promised Land, we have much to be proud of.

As I embark upon this unprecedented fourth term as governor, my thoughts turn to a time long ago when I first entered this chamber, January 5, 1959, for my father's inauguration. I sat there in front of the rostrum, next to my 81-year-old grandmother, Ida Schuckman Brown, feeling awkward in my priestly black suit and Roman collar. My perspective was different then. The previous August, as a young Jesuit living in what was then a pre-Vatican II seminary, I had taken vows of poverty, chastity and obedience. To me, the boisterous crowd, the applause, the worldliness of it all was jarring.

That was 56 years ago, yet the issues that my father raised at his inauguration bear eerie resemblance to those we still grapple with today: discrimination; the quality of education and the challenge of recruiting and training teachers; the menace of air pollution, and its danger to our health; a realistic water program; economic development; consumer protection; and overcrowded prisons.

So you see, these problems, they never completely go away. They remain to challenge and elicit the best from us.

To that end, over the next four years – and beyond – we must dedicate ourselves to making what we have done work, to seeing that the massive changes in education, health care and public safety are actually carried out and endure. The financial promises we have already made must be confronted honestly so that they are properly funded. The health of our state depends on it.

Educating the next generation is fundamental to our collective well-being. An issue that has plagued our schools for decades is the enormous barrier facing children from low-income families. When my father was governor, he sought to remedy the wide inequities among different school districts by calling for equalization of funding. His efforts were not successful.

Now – decades later – we have finally created a much fairer system of school funding, called the Local Control Funding Formula. Under the provisions of this law, state funds are directed to school districts based on the needs of their students. Districts will get significantly more funds based on the number of students from foster care, low-income families and non-English-speaking parents. This program also breaks with decades of increasing centralization by reducing state control in favor of local flexibility. Clear goals are set, and their enforcement is entrusted to parents and local officials. This puts California in the forefront of educational reform.

After years of underfunding and even borrowing from our local schools, the state now has significantly increased its financial support for education. Next year schools will receive \$65.7 billion, a 39 percent

increase in four years.

The tasks ahead are daunting: making sure that the new system of local control works; recruiting and training tens of thousands of teachers; mastering the Common Core Curriculum; and fostering the creativity needed to inspire students. Teachers need to be held accountable but never forget: they have a tough job to do. They need our encouragement, not endless regulations and micro-management from afar.

With respect to education beyond high school, California is blessed with a rich and diverse system. Its many elements serve a vast diversity of talents and interests. While excellence is their business, affordability and timely completion is their imperative. As I've said before, I will not make the students of California the default financiers of our colleges and universities. To meet our goals, everyone has to do their part: the state, the students and the professors. Each separate institution cannot be all things to all people, but the system in its breadth and diversity, through real cooperation among its segments, can well provide what Californians need and desire.

Along with education, health and human services constitute a major part of what state government does. And in the past few years we have made massive commitments in this area, which will require increasing levels of spending, the full extent of which is not yet known. For example, two years ago California embraced the Affordable Care Act, dramatically increasing its health insurance coverage under the Medi-Cal program. The state will enroll 12.2 million people during this new budget year, a more than 50 percent increase.

Providing the security of health coverage to so many Californians who need it is the right thing to do. But it isn't free. Although the federal government will temporarily foot much of the bill, new state costs – now and more so in the future – will run into the billions.

Another major state responsibility is our system of crime and punishment. And here too, I will refer to my father's 1959 address. He worried then about California's "dangerously overcrowded prisons." He talked about identifying "those prisoners who should never be released to prey again on an innocent public," but he also said, "we should also determine whether some prisoners are now kept confined after punishment has served its purpose."

We face these same questions today: what purposes should punishment serve and for how long should a person be confined to jail or prison – for a few days, a few years or for life?

In response to a large increase in crimes beginning in the 1970s, the Legislature and the people – through ballot initiatives – dramatically lengthened sentences and added a host of new crimes and penalty enhancements. Today, California's legal codes contain more than 5,000 separate criminal provisions and over 400 penalty enhancements, an arcane and complex mix that only the most exquisitely trained specialist can fathom. And funding has grown proportionately: during the 1970s we had 12 prisons holding fewer than 30,000 prisoners and corrections spending was only 3 percent of the budget; our system then grew to a peak of 34 prisons, with an inmate population of 173,000, eating up more than 10 percent of our budget dollars.

Four years ago, the United States Supreme Court held that our prisons were unconstitutionally overcrowded and imposed strict capacity limits, far below the number of inmates that were then being held.

Clearly, our system of crime and punishment had to be changed. And through the courts, the Legislature and the voters themselves, a number of far-reaching reforms have been enacted. The biggest reform is our realignment program, which places tens of thousands of lower-level offenders under county supervision. More recently, a federal three-judge panel ordered further measures to reduce prison overcrowding. And the voters, through Propositions 36 and 47, modified our criminal laws to reduce the scope of the Three Strikes law and change certain felonies into misdemeanors.

All these changes attempt to find less expensive, more compassionate and more effective ways to deal with crime. This is work that is as profoundly important as it is difficult, yet we must never cease in our efforts to assure liberty and justice for all. The task is complicated by our diversity and our divisions and, yes, by

shocking disparities. Since time immemorial, humankind has known covetousness, envy and violence. That is why public safety and respect for law are both fundamental to a free society.

As we oversee these important changes to education, health care and public safety, we must not lose sight of our long-term liabilities. We have to face honestly the enormous and ever growing burden of the many commitments we have already made. Among these are the costs of pensions and retiree health care, the new obligations under the Affordable Care Act, the growing government costs of dealing with our aging population, bonded indebtedness and the deferred maintenance on our roads and other infrastructure. These specific liabilities reach into the hundreds of billions of dollars.

My plan has been to take them on one at a time. We have now taken steps to deal with the unfunded teachers' pensions and those of the public employees. For the next effort, I intend to ask our state employees to help start pre-funding our retiree health obligations which are rising rapidly.

We must also deal with longstanding infrastructure challenges. We are finally grappling with the long-term sustainability of our water supply through the recently passed Proposition 1 and our California Water Action Plan.

Equally important is having the roads, highways and bridges in good enough shape to get people and commerce to where they need to go. It is estimated that our state has accumulated \$59 billion in needed upkeep and maintenance. Each year, we fall further and further behind and we must do something about it.

So I am calling on Republicans and Democrats alike to come together and tackle this challenge. We came together on water when many said it was impossible. We came together – unanimously – to create a solid Rainy Day Fund. We can do it again.

Finally, neither California nor indeed the world itself can ignore the growing assault on the very systems of nature on which human beings and other forms of life depend. Edward O. Wilson, one of the world's preeminent biologists and naturalists, offered this sobering thought:

"Surely one moral precept we can agree on is to stop destroying our birthplace, the only home humanity will ever have. The evidence for climate warming, with industrial pollution as the principal cause, is now overwhelming. Also evident upon even casual inspection is the rapid disappearance of tropical forests and grasslands and other habitats where most of the diversity of life exists." With these global changes, he went on to say, "we are needlessly turning the gold we inherited from our forebears into straw, and for that we will be despised by our descendants."

California has the most far-reaching environmental laws of any state and the most integrated policy to deal with climate change of any political jurisdiction in the Western Hemisphere. Under laws that you have enacted, we are on track to meet our 2020 goal of one-third of our electricity from renewable energy. We lead the nation in energy efficiency, cleaner cars and energy storage. Recently, both the Secretary-General of the United Nations and the President of the World Bank made clear that properly pricing carbon is a key strategy. California's cap-and-trade system fashioned under AB 32 is doing just that and showing how the market itself can generate the innovations we need. Beyond this, California is forging agreements with other states and nations so that we do not stand alone in advancing these climate objectives.

These efforts, impressive though they are, are not enough. The United Nations' Intergovernmental Panel on Climate Change, backed up by the vast majority of the world's scientists, has set an ambitious goal of limiting warming to 2 degrees Celsius by the year 2050 through drastic reductions of greenhouse gases. If we have any chance at all of achieving that, California, as it does in many areas, must show the way. We must demonstrate that reducing carbon is compatible with an abundant economy and human well-being. So far, we have been able to do that.

In fact, we are well on our way to meeting our AB 32 goal of reducing carbon pollution and limiting the emissions of heat-trapping gases to 431 million tons by 2020. But now, it is time to establish our next set of objectives for 2030 and beyond.

Toward that end, I propose three ambitious goals to be accomplished within the next 15 years:

- 1. Increase from one-third to 50 percent our electricity derived from renewable sources;
- 2. Reduce today's petroleum use in cars and trucks by up to 50 percent;
- 3. Double the efficiency of existing buildings and make heating fuels cleaner.

We must also reduce the relentless release of methane, black carbon and other potent pollutants across industries. And we must manage farm and rangelands, forests and wetlands so they can store carbon. All of this is a very tall order. It means that we continue to transform our electrical grid, our transportation system and even our communities.

I envision a wide range of initiatives: more distributed power, expanded rooftop solar, micro-grids, an energy imbalance market, battery storage, the full integration of information technology and electrical distribution and millions of electric and low-carbon vehicles. How we achieve these goals and at what pace will take great thought and imagination mixed with pragmatic caution. It will require enormous innovation, research and investment. And we will need active collaboration at every stage with our scientists, engineers, entrepreneurs, businesses and officials at all levels.

Taking significant amounts of carbon out of our economy without harming its vibrancy is exactly the sort of challenge at which California excels. This is exciting, it is bold and it is absolutely necessary if we are to have any chance of stopping potentially catastrophic changes to our climate system.

California, since the beginning, has undertaken big tasks and entertained big ideas. Befitting a state of dreamers, builders and immigrants, we have not hesitated to attempt what our detractors have called impossible or foolish. In the last four years, in the last 40 years, yes ever since Gaspar de Portola in 1769 marched along the King's Highway, California has met adversity with faith and courage. We have had setbacks and failures, but always in the end, the indomitable spirit of California has triumphed. Through it all, through good times and bad, California has been blessed with a dynamism and historic trajectory that carries each generation forward.

Whether the early explorers came for gold or God, came they did. The rest is history: the founding of the Missions, the devastation of the native people, the discovery of gold, the coming of the Forty-Niners, the Transcontinental Railroad, the founding of great universities, the planting and harvesting of our vast fields, oil production, movies, the aircraft industry, the first freeways, the State Water Project, aerospace, Silicon Valley and endless new companies and Nobel Prizes.

This is California. And we are her sons and daughters.

Yes, California feeds on change and great undertakings, but the path of wisdom counsels us to ground ourselves and nurture carefully all that we have started. We must build on rock, not sand, so that when the storms come, our house stands. We are at a crossroads. With big and important new programs now launched and the budget carefully balanced, the challenge is to build for the future, not steal from it, to live within our means and to keep California ever golden and creative, as our forebears have shown and our descendants would expect.

###

Governor Edmund G. Brown Jr.
State Capitol Building
Sacramento, CA 95814

Fresno Council of Governments Monthly State Legislative Report 1/16/2015

AB 1 (Brown D) Drought: local governments: fines.

Introduced: 12/1/2014

Status: 12/2/2014-From printer. May be heard in committee January 1.

Location: 12/1/2014-A. PRINT

Desk Policy F	iscal Floor	Desk Policy	Fiscal Floor	Conf.	Enrolled	Votood	Chantorod
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Summary: Would prohibit a city, county, or city and county from imposing a fine under any local maintenance ordinance or other relevant ordinance for a failure to water a lawn or having a brown lawn during a period for which the Governor has issued a proclamation of a state of emergency based on drought conditions.

Position

AB 2 (Alejo D) Community revitalization authority.

Introduced: 12/1/2014

Status: 12/2/2014-From printer. May be heard in committee January 1.

Location: 12/1/2014-A. PRINT

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Summary: Would state the intent of the Legislature to enact legislation that would authorize certain local agencies to form a community revitalization authority within a community revitalization and investment area, as defined, to carry out provisions of the Community Redevelopment Law in that area for purposes related to, among other things, infrastructure, affordable housing, and economic revitalization, and to provide for the financing of these activities by, among other things, the issuance of bonds serviced by tax increment revenues.

Position

AB 4 (Linder R) Vehicle weight fees: transportation bond debt service.

Introduced: 12/1/2014

Status: 12/2/2014-From printer. May be heard in committee January 1.

Location: 12/1/2014-A. PRINT

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Summary: Would, notwithstanding specified provisions or any other law, until January 1, 2020, prohibit weight fee revenues from being transferred from the State Highway Account to the Transportation Debt Service Fund, the Transportation Bond Direct Payment Account, or any other fund or account for the purpose of payment of the debt service on transportation general obligation bonds, and would also prohibit loans of weight fee revenues to the General Fund.

Position

AB 6 (Wilk R) Bonds: transportation: school facilities.

Introduced: 12/1/2014

Status: 12/2/2014-From printer. May be heard in committee January 1.

Location: 12/1/2014-A. PRINT

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Summary: Would provide that no further bonds shall be sold for high-speed rail purposes pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, expect as specifically provided with respect to an existing appropriation for high-speed rail purposes for early improvement projects in the Phase 1 blended system. The bill, subject to the above exception, would require redirection of the unspent proceeds received from outstanding bonds issued and sold for other high-speed rail purposes prior to the effective date of these provisions, upon appropriation, for use in retiring the debt incurred from the issuance and sale of those outstanding bonds. These provisions would become effective only upon approval by the voters at the next statewide election.

Position

AB 21 (Perea D) California Global Warming Solutions Act of 2006: emissions limit: scoping plan.

Introduced: 12/1/2014

Status: 12/2/2014-From printer. May be heard in committee January 1.

Location: 12/1/2014-A. PRINT

	Desk Policy Fis	cal Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chantered
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Summary: Would require the State Air Resources Board, no later than January 1, 2018, to recommend to the Governor and the Legislature a specific target of statewide emissions reductions for 2030 to be accomplished in a cost-effective manner. This bill contains other related provisions and other existing laws.

Position

AB 23 (Patterson R) California Global Warming Solutions Act of 2006: market-based compliance mechanisms: exemption.

Introduced: 12/1/2014

Status: 12/2/2014-From printer. May be heard in committee January 1.

Location: 12/1/2014-A. PRINT

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Summary: The California Global Warming Solutions Act of 2006 authorizes the State Air Resources Board to include the use of market-based compliance mechanisms. Current state board regulations require specified entities to comply with a market-based compliance mechanism beginning January 1, 2013, and require additional specified entities to comply with that market-based compliance mechanism beginning January 1, 2015. This bill would instead exempt those categories of persons or entities that did not have a compliance obligation, as defined, under a market-based compliance mechanism beginning January 1, 2013, from being subject to that market-based compliance mechanism through December 31, 2020.

Position

AB 28 (Chu D) Bicycle safety: rear lights.

Introduced: 12/1/2014

Status: 12/2/2014-From printer. May be heard in committee January 1.

Location: 12/1/2014-A. PRINT

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Summary: Current law requires that a bicycle operated during darkness upon a highway, a sidewalk where bicycle operation is not prohibited by the local jurisdiction, or a bikeway, as defined, be equipped with a red reflector on the rear that is visible from a distance of 500 feet to the rear when directly in front of lawful upper beams of headlamps on a motor vehicle. This bill would instead require that a bicycle operated under those circumstances be equipped with a white flashing light on the rear that is visible from a distance of 500 feet to the rear when directly in front of lawful upper beams of headlamps on a motor vehicle, or, in lieu of the white flashing light, reflective gear worn by the bicyclist.

Position

AB 33 (Quirk D) California Global Warming Solutions Act of 2006: scoping plan.

Introduced: 12/1/2014

Status: 12/2/2014-From printer. May be heard in committee January 1.

Location: 12/1/2014-A. PRINT

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Summary: The California Global Warming Solutions Act of 2006 requires the State Air Resources Board to prepare and approve a scoping plan for achieving the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions. The act requires the scoping plan to be updated at least once every 5 years. This bill, until January 1, 2020, would require, for purposes of advising the update of the next scoping plan, the state board to develop specified information by July 1, 2016. The bill would require the state board on or before January 1, 2017, to submit a report to the appropriate committees of the Legislature on the specified information.

Position

AB 61 (Allen, Travis R) Shuttle services: loading and unloading of passengers.

Introduced: 12/12/2014

Status: 1/5/2015-Read first time. **Location:** 12/12/2014-A. PRINT

	Desk Policy Fiscal Floor	Desk Policy Fiscal Floor	Conf.	Envalled	Votood	Chantarad
ı	1st House	2nd House	Conc.	Enronea	veroeu	Chaptered

Summary: Would also allow local authorities to permit shuttle service vehicles, as defined, to stop for the loading or unloading of passengers alongside specified curb spaces upon agreement between a transit system operating buses engaged as common carriers in local transportation and a shuttle service provider, as defined.

Position

SB 1 (Gaines R) California Global Warming Solutions Act of 2006: market-based compliance

mechanisms: exemption. Introduced: 12/1/2014

Status: 1/15/2015-Referred to Com. on E.Q.

Location: 1/15/2015-S. E.Q.

Desk Policy Fiscal Floor	Desk Policy Fiscal Floor	Conf.	Enrolled	Votood	Chantered
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Summary: The California Global Warming Solutions Act of 2006 authorizes the State Air Resources Board to include the use of market-based compliance mechanisms. Current state board regulations require specified entities to comply with a market-based compliance mechanism beginning January 1, 2013, and require additional specified entities to comply with that market-based compliance mechanism beginning January 1, 2015. This bill instead would exempt categories of persons or entities that did not have a compliance obligation, as defined, under a market-based compliance mechanism beginning January 1, 2013, from being subject to that market-based compliance mechanism.

Position

SB 5 (Vidak R) California Global Warming Solutions Act of 2006: market-based compliance mechanisms: exemption.

Introduced: 12/1/2014

Status: 1/15/2015-Referred to Com. on E.Q.

Location: 1/15/2015-S. E.Q.

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Summary: Under the California Global Warming Solutions Act of 2006, current State Air Resources Board regulations require specified entities to comply with a market-based compliance mechanism beginning January 1, 2013, and require additional specified entities to comply with that market-based compliance mechanism beginning January 1, 2015. This bill instead would exempt categories of persons or entities that did not have a compliance obligation, as defined, under a market-based compliance mechanism beginning January 1, 2013, from being subject to that market-based compliance mechanism through December 31, 2020.

Position

SB 6 (Galgiani D) Parole: medical parole: compassionate release.

Introduced: 12/1/2014

Status: 1/15/2015-Referred to Com. on PUB. S.

Location: 1/15/2015-S. PUB. S.

Desk Policy Fiscal Floor	Desk Policy Fiscal Floor	Conf.	Enrolled	Votood	Chantarad
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Summary: Would exempt from medical parole eligibility and compassionate release eligibility a prisoner who was convicted of the first degree murder of a peace officer or a person who had been a peace officer, as provided. This bill contains other existing laws.

Position

SB 9 (Beall D) Greenhouse Gas Reduction Fund: Transit and Intercity Rail Capital Program.

Introduced: 12/1/2014

Status: 1/15/2015-Referred to Coms. on E.Q. and T. & H.

Location: 1/15/2015-S. E.Q.

Desk Policy Fiscal Floor	Desk Policy Fiscal Floor	Conf.	Enrolled	Votood	Chantorod
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Summary: Would, under the Greenhouse Gas Reduction Fund, modify the purpose of the program to delete references to operational investments and instead provide for the funding of large, transformative capital improvements with a total cost exceeding \$100,000,000. The bill would require the Transportation Agency, in prioritizing and selecting projects for funding, to consider the extent to which a project reduces greenhouse gas emissions, and would add additional factors to be considered in evaluating applications for funding. This bill contains other existing laws.

Position

SB 13 (Pavley D) Groundwater.

Introduced: 12/1/2014

Status: 1/15/2015-Referred to Com. on N.R. & W.

Location: 1/15/2015-S. N.R. & W.

Desk Policy Fiscal Floor	Desk Policy Fiscal Floor	Conf.	Enrolled	Votood	Chantored
1st House	2nd House	Conc.	Ellionea	vetoeu	Chaptered

Summary: Would provide a local agency or groundwater sustainability agency 90 or 180 days, as prescribed, to remedy certain deficiencies that caused the State Water Resources Control Board to designate a groundwater basin as a probationary basin. This bill would authorize the board to develop an interim plan for certain probationary basins one year after the designation of the basin as a probationary basin. This bill contains other related provisions and other existing laws.

Position

SB 16 (**Beall** D) Department of Transportation.

Introduced: 12/1/2014

Status: 1/15/2015-Referred to Com. on RLS.

Location: 1/15/2015-S. RLS.

Ì	Desk Policy Fiscal Floor	Desk Policy	Fiscal Floor	Conf.	Enrolled	Votood	Chantered
	1st House	2nd H	House	Conc.	Ellionea	vetoeu	Chaptered

Summary: Current law provides that the Department of Transportation has full possession and control of the state highway system. This bill would state the intent of the Legislature that the department identify savings from implementing efficiencies in its current programs and direct those resources into expanded activities for road repair and litter cleanup.

Position

SB 25 (Roth D) Local government finance: property tax revenue allocation: vehicle license fee

adjustments.

Introduced: 12/1/2014

Status: 1/15/2015-Referred to Com. on GOV. & F.

Location: 1/15/2015-S. G. & F.

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Desk P	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Envalled	Votood	Chaptered
	1st H	ouse			2nd F	louse		Conc.	Enronea	vetoeu	Chaptered

Summary: Would modify specified reduction and transfer provisions for a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2014-2015 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation. This bill contains other related provisions and other existing laws.

Position

SB 32 (Pavley D) California Global Warming Solutions Act of 2006: emissions limit.

Introduced: 12/1/2014

Status: 1/15/2015-Referred to Com. on E.Q.

Location: 1/15/2015-S. E.Q.

Desk Policy Fiscal Floor	Desk Policy Fiscal Floor	Conf.	Envolled	Vatand	Chantorod
1st House	2nd House	Conc.	Enronea	vetoed	Chaptered

Summary: Would require the State Air Resources Board to approve a statewide greenhouse gas emission limit that is equivalent to 80% below the 1990 level to be achieved by 2050, as specified. The bill would authorize the state board to adopt interim greenhouse gas emissions level targets to be achieved by 2030 and 2040. The bill also would state the intent of the Legislature for the Legislature and appropriate agencies to adopt complementary policies that ensure long-term emissions reductions advance specified criteria.

Position

SB 39 (Pavley D) Vehicles: high-occupancy vehicle lanes.

Introduced: 12/1/2014

Status: 1/15/2015-Referred to Com. on T. & H.

Location: 1/15/2015-S. T. & H.

Desk Policy Fiscal Floor	Desk Policy Fiscal Floor	Conf.	Envalled	Vatand	Chantorod
1st House	2nd House	Conc.	Ellioned	vetoeu	Chaptered

Summary: Current federal law, until September 30, 2017, authorizes a state to allow specified labeled vehicles to use lanes designated for high-occupancy vehicles (HOVs). This bill would increase the number of those identifiers that the DMV is authorized to issue to an unspecified amount. This bill contains other related provisions and other current laws.

Position

SB 40 (Gaines R) Air Quality Improvement Program: vehicle rebates.

Introduced: 12/1/2014

Status: 1/15/2015-Referred to Coms. on T. & H. and E.Q.

Location: 1/15/2015-S. T. & H.

Ì	Desk Policy Fiscal Floor	Desk Policy Fiscal Floo	r Conf.	Enrolled	Votood	Chantarad
ı	1st House	2nd House	Conc.	Lillolled	Vetoeu	Chaptered

Summary: Would require incentives for qualifying passenger vehicles under the Clean Vehicle Rebate Project of the Air Quality Improvement Program to be limited to passenger vehicles with a manufacturer's suggested retail price of \$40,000 or less. The bill would require the rebate for qualifying passenger vehicles to be \$3,500, subject to availability of funds.

Position

SB 45 (Mendoza D) Economic development.

Introduced: 12/12/2014

Status: 1/15/2015-Referred to Com. on RLS.

Location: 1/15/2015-S. RLS.

Ì	Desk Policy	Fiscal F	loor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chantered
ı	1st Ho	ouse			2nd F	louse		Conc.	Ellionea	vetoeu	Chaptered

Summary: Current law provides for various economic development programs throughout the state that foster community sustainability and community and economic development. Current law also authorizes local agencies to finance the purchase, construction, expansion, improvement, or rehabilitation of certain types of facilities. This bill would state the intent of the Legislature to enact legislation that would authorize local governmental entities to use tax increment financing for the development of economic planning, infrastructure, and educational facilities.

Position

SB 64 (Liu D) California Transportation Plan.

Introduced: 1/5/2015

Status: 1/15/2015-Referred to Com. on T. & H.

Location: 1/15/2015-S. T. & H.

Desk Policy Fiscal Floor	Desk Policy Fiscal Floor	Conf.	Enrolled	Votood	Chantarad
1st House	2nd House	Conc.	Ellionea	vetoeu	Chaptered

Summary: Would require the California Transportation Commission to review recommendations in the update to the California Transportation Plan prepared by the department in 2015, and every 5 years thereafter, to prepare specific recommendations for statewide integrated multimodal transportation system improvements, and to submit a report in that regard to the Legislature and the Governor by December 31, 2016 and every 5 years thereafter.

Position

Total Measures: 21 Total Tracking Forms: 21