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Memorandum

From: Rick Spees, Jane Sargent and Jose Villalobos

To: Board of County Commissioners

CC: Phillip Drujak

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Subject: December 2022 Monthly Report

The Fallout of the Vote for Speaker McCarthy:

Like good Washington Junkies, we were glued to the television all last week as the House voted 15 times before Kevin McCarthy was elected Speaker. As you all know, he won over the dissident 20 members by making a number of changes in the rules—the way the House will operate over the next two years. At the start of every Congress both the House and the Senate adopt rules that will govern their respective bodies, so the fact that there was a rules vote was standard procedure. What was different was the number and scope of the changes made (usually the changes in the rules from the preceding Congress are relatively minor). Many in the press are saying that the changes are devastating and will eventually cause Speaker McCarthy to lose his job. However, it is important to keep what happened in perspective.

First of all, it must be understood that some of the complaints about how the House has operated over the last three decades are valid. Ever since Newt Gingrich became Speaker, power has flowed away from the individual members and even the committees and into the Speaker's office. Newt started this when he created a number of task forces that operated outside the usual committees. As time went on the Speakers of both parties continued at accumulate power, until most major bills were either written in the Speaker's office or were heavily influenced by the Speaker's office. A few strong Committees were the exception to this rule, however, the Chairs were usually allies of the Speaker.

An example of how this worked last Congress was the Infrastructure bill. The House Transportation and Infrastructure Committee had hearings and markups and wrote a massive version of the infrastructure bill that passed the House overwhelmingly. However, it went nowhere in the Senate. Instead a few key members of the Senate, from both parties, worked together to develop their own bipartisan bill. The Administration supported the bill which passed the Senate. In the normal course of events, the bill would go to conference and a final version would be written. But Speaker Pelosi refused to allow this. Instead she insisted that the House take up the Senate bill on an take-it-or-leave-it basis. The progressives fought her and managed to delay the vote, but in the end the House agreed to the Senate bill. We felt sorry at the time for the Chair of the House Transportation and Infrastructure Committee that saw all his hard work go down the drain. Another example was the Fiscal Year 2023 Omnibus appropriations bill that was essentially written by the leadership in the House and Senate and was passed at the end of the session.

Of course, one cannot govern without some leadership in the House, but the feeling by back benchers in both parties in the House was that some power had to be returned to the members.

There is no question that the rules that Speaker McCarthy agreed to will weaken his office. But this will have less impact than the press thinks. There are several reasons for this. First of all, not much legislation was going to pass this Congress any way. With a divided government, it is hard to get bills done. Also, with all the bills that passed successfully last Congress, not as much needs to get done. Of course there are some very important issues, like immigration, that desperately need to be addressed, but that issue hasn't been addressed for decades. The fact that an immigration bill won't pass this Congress isn't surprising.

The House will focus on oversight hearings. They have already made this clear, and they have released a list of topics. Again, this is not unusual. The Democrats had a wide number of oversight hearings when they were in charge in 2019-2020, ending up with impeachments. The House Republicans will also pass a number of bills to generate press releases with no hope of getting through the Senate. Again, standard operating procedure.

The only bills the Congress must pass are the budget bills—the twelve appropriations bills and a bill to raise the debt ceiling. On the appropriations bills, the House will pass bills that reflect their values. The Democrats did the exact same thing last year. The Democratic House appropriations bills went nowhere in the Senate last year and the Republican House passed bills will go nowhere in the Senate this year. With the Senate almost evenly divided, they will pass versions of the bills that are more bipartisan. Then the bills will go to conference where a final version will be written. At that point, the bills will go back to the House where probably a combination of moderate Republicans and Democrats will pass them. The hard core conservatives will not be happy, but the bills will have gone through the rules process they just established. Of course, the appropriations process never goes that smoothly and things will get jammed up. We are assuming that they won't get all the bills done before the start of the fiscal year and we are also assuming that the House Republicans will force a government shutdown at

some point to express their displeasure with how things are going. But in the end, the bills will get done.

That leaves the debt ceiling. Quite frankly, we don't know how that will play out. Again, we assume that the House will pass a bill that includes a number of requirements to cut spending. The bill will go nowhere in the Senate. Beyond that, we can't predict.

One final note. The press is talking about how the ability of one member to move to have the Speaker removed will hurt McCarthy. We don't agree. First of all, what is really going on is that one member can go to the floor to make a motion that the Speaker be removed. Then it goes to a vote of the House. So whoever makes the motion needs to have enough votes to make it happen. We assume that McCarthy and his allies in the House will make sure that if a motion is filed there won't be enough votes to remove him. We also assume that McCarthy will keep in close touch with the conservatives to head off any motions. In other words, what the conservatives did was make sure that McCarthy pays attention to them, but that was going to happen anyway.

We have certainly been wrong on our predictions previously, and we may be wrong again. But we don't think the impact of the rules changes will be a serious as many think. We do, however, think that the hard core conservatives will press for very controversial policies (like cutting Social Security) that will be used against them in future elections.

Appropriations:

In December, Congress finally reached an agreement on the FY 2023 appropriations bills. They combined all twelve bills into one massive omnibus appropriations bill, totaling \$1.7 trillion, that will fund the entire federal government for the rest of Fiscal Year 2023. The Senate passed the bill on December 22nd by a vote of 86-29. It was signed into law by President Biden on December 29th. Below are highlights of the omnibus bill of interest to the County and local governments generally. In addition to programmatic funding, the omnibus included Community Project Funding, also known as earmarks, that were included in the House and Senate versions of the bills released in the summer.

Department of Justice

<u>Community Oriented Policing Services (COPS) Programs</u>: The omnibus includes \$662.88 million for COPS programs and projects, including \$324 million for COPS Hiring Grants. This is significantly above the FY 2022 level of \$511.7 million and \$246 million for COPS Hiring Grants.

Byrne Justice Assistance Grants (JAG): The omnibus includes \$770.805 million for the Byrne JAG program. Within the total amount proposed, there are several set-asides for other programs, including \$20 million for Project Safe Neighborhoods (same as FY 2022). This also includes

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\$229.55 million for earmarks. The FY 2022 level for Byrne JAG was \$674.5 million, which included \$184.7 million for earmarks.

State Criminal Alien Assistance Programs (SCAAP): The omnibus includes \$234 million for SCAAP, which is the same as the FY 2022 level. SCAAP provides federal payments to state and local governments for the costs of incarcerating undocumented immigrants.

<u>DNA Analysis Grants</u>: The omnibus includes \$170 million (\$19 million more than FY 2022), including \$130 million for Debbie Smith DNA Backlog grants (\$10 million more than FY 2022) and \$20 million for State and Local Forensic Activities (\$5 million more than FY 2022).

<u>Coverdell Forensic Science Grants:</u> \$35 million is included for these grants (\$2 million more than FY 2022)

Opioid Initiative: The omnibus includes \$445 million (\$30 million more than FY 2022) for programs to reduce opioid abuse authorized under the Comprehensive Addiction and Recovery Act (CARA) of 2016. This includes \$190 million for the Comprehensive Opioid Abuse Program (COAP) (same as FY 2022).

<u>Juvenile Justice and Delinquency Prevention Programs:</u> The omnibus includes \$400 million for juvenile justice programs, which \$40 million more than FY 2022.

<u>Domestic Violence and Sexual Assault Grants:</u> The omnibus \$700 million for Violence Against Women Act (VAWA) programs, which is \$125 million more than FY 2022.

<u>Victims of Trafficking Grants</u>: \$95 million is included for these grants, which \$7 million more than FY 2022.

Bulletproof Vest grants: \$30 million (same as FY 2022)

Body Worn Camera Partnership Program: \$35 million (same as FY 2022)

Missing and Exploited Children Programs: \$105 million (\$6 million more than FY 2022) for these programs, including the Internet Crimes Against Children (ICAC) program.

<u>Project Safe Neighborhoods (PSN) Block Grants</u>: \$20 million (same as FY 2022) for this program that creates safer neighborhoods by reducing gang violence and gun crime. The program is based on partnerships of federal, state and local agencies led by the U.S. Attorney in each federal judicial district.

<u>Victims of Crime Act (VOCA) Funds:</u> The omnibus includes a \$1.9 billion distribution from the Crime Victims Fund, which is below the FY 2022 cap of \$2.6 billion, but above the President's

budget proposal of \$1.75 billion. VOCA funds are used to provide federal support to state and local programs that assist victims of crime.

Miami Dade County Community Project Funding: The bill includes \$3.75 million for MDPD for the Miami Dade Police Department Mobile Computing Upgrade under the COPS Technology account as requested by Congresswoman Salazar.

Department of Commerce

<u>Economic Development Administration:</u> \$430 million is included for Economic Development Assistance Programs (\$100 million more than FY 2022). This includes \$121.5 million for Public Works, \$36 million for Partnership Planning and \$14 million for Technical Assistance grant programs.

Department of Housing and Urban Development

<u>Community Development Block Grants (CDBG)</u>: The omnibus includes \$3.3 billion for the CDBG formula program, which is the same as FY 2022.

<u>HOME</u>: The omnibus includes \$1.5 billion for the HOME Investment Partnerships program (same as FY 2022).

<u>Homeless Assistance Grants</u>: \$3.633 billion for Homeless Assistance Grants (\$420 million above FY 2022)

Emergency Solutions Grants: \$290 million for the ESG program (same as FY 2022)

<u>Housing Opportunities for People with AIDS</u>: \$499 million for HOPWA (\$49 million more than FY 2022)

<u>Choice Neighborhoods</u>: \$350 million (same as FY 2022) for the Choice Neighborhood Initiative, which helps to revitalize underserved communities.

<u>HUD-Veterans Affairs Supportive Housing</u>: The omnibus includes \$50 million for HUD-VASH (same as FY 2022).

<u>Public and Indian Housing:</u> The omnibus includes \$27.6 billion for Tenant-Based Rental Assistance, which is \$229.9 million more than FY 2022. The bill includes \$8.514 billion for the Public Housing Fund (\$62.5 million more than FY 2022). Within this amount, \$50 million is provided for public housing emergency capital needs and not less than \$10 million of this amount is to be used for safety and security measures in public housing.

<u>Miami Dade County Community Project Funding:</u> The House bill includes the following CPF under HUD's Community Development Fund Account:

- \$4 million for the Miami-Dade County Public Housing and Community Development for the Sweetwater Affordable Housing project as requested by Congressman Diaz-Balart
- \$3 million for the Miami-Dade County Water and Sewer Department for the Miami-Dade County Septic to Sewer Project as requested by Congressman Diaz-Balart
- \$1.5 million for Miami-Dade County for the Connect to Protect Assisting Property Owners to Convert from Septic Tank Systems to Sanitary Sewer as requested by Congressman Gimenez.

Department of Transportation

FTA Formula and Bus Grants: \$13.634 billion (\$279 million more than FY 2022) for transit formula grants as authorized by the Infrastructure Investment and Jobs Act (IIJA).

FTA Transit Infrastructure Grants: The omnibus includes \$541.96 million for transit infrastructure grants (\$37.696 million more than FY 2022), including \$90 million for competitive bus and bus facilities grants, \$50 million for Low or No Emission Grants, \$2 million for bus testing, \$2 million for innovative mobility demonstration projects, \$5 million for projects to accelerate the adoption of zero emission buses, and \$360.46 million for earmarks.

FTA Capital Investment Grants: \$2.21 billion for the New Starts/Small Starts program (\$38 million less than FY 2022)

<u>USDOT National Infrastructure Investments (RAISE) Grants:</u> The omnibus includes \$800 million for another round of RAISE grants (formerly TIGER/BUILD grants). This is \$25 million more than FY 2022.

<u>Highways</u>: The omnibus provides \$58.8 billion federal-aid highways, roads, tunnels and bridges consistent with the IIJA This is \$1.3 billion more than FY 2022.

<u>Aviation</u>: The omnibus includes \$19.02 billion for the Federal Aviation Administration (\$563.9 million more than FY 2022). This includes \$3.35 billion airport improvement grants, and \$558.56 million for additional Grants-in-Aid to Airports including \$283.56 million for airport related earmarks.

Department of Health and Human Services

<u>Ryan White HIV/AIDS Programs:</u> The omnibus includes \$2.571 billion (\$76.265 million more than FY 2022) to provide HIV-related services.

Head Start: \$11.997 billion for Head Start (\$960 billion more than FY 2022)

<u>Child Care</u>: \$8.02 billion for Child Care and Development Block Grants (CCDBG) (\$1.856 billion more than FY 2022)

<u>Preschool Development Grants</u>: \$315 million (\$25 million more than FY 2022) to support States' efforts to expand or create high-quality pre-school systems for 4-year-olds from low- and moderate-income families.

<u>Healthy Start</u>: \$145 million for the Healthy Start program (\$13.2 million more than FY 2022)

<u>Older Americans Act Programs:</u> \$2.565 billion for the Aging and Disability Services Programs (\$219.75 million more than FY 2022). This includes:

- \$550 million for Home and Community-Based Support Services
- \$1.07 billion (\$100 million more than FY 2022) for Senior Nutrition programs, which provides congregate meals and meals on wheels to needy seniors
- \$26.4 million (\$1.49 million more than FY 2022) for Preventive Health Services which fund activities that help senior remain healthy and avoid chronic diseases
- \$26.7 million (\$2 million more than FY 2022) for Protection of Vulnerable Older Americans for programs that provide grants to States for protection of vulnerable older Americans
- \$7.5 million (\$2.5 million more than FY 2022) for Falls Prevention grants that provide prevention tools in community settings
- \$10 million ((\$1.54 million more than FY 2022) for the Voting Access for Individuals Disabilities program.

<u>State Opioid Response Grants</u>: \$1.576 billion for these grants authorized under the 21st Century Cures Act to combat the opioid epidemic (\$50 million more than FY 2022).

Mental Health Block Grants: \$1 billion for MHBG (\$150 million more than FY 2022). The bill includes a 5 percent set-aside for evidence-based crisis care programs.

Department of Labor

<u>Job Training</u>: \$4.14 billion (\$228.6 million more than FY 2022) for Training and Employment Services programs, which provide job training skills and assistance to low-skilled adults, dislocated workers, and low-income youth with barriers to employment. The bill includes \$2.93 billion for Training and Employment Services Grants to States, \$115 million for Reentry Employment Opportunities, \$105 million for YouthBuild, \$885.6 million for Adult Employment and Training Activities, and \$1.095 billion for formula grants to states to provide WIOA dislocated worker services.

<u>Veterans Employment and Training</u>: \$335.3 million (\$10 million more than FY 2022) to expand employment services to transitioning service members, veterans with disabilities, and their spouses and caregivers.

Department of Homeland Security

FEMA State and Local Programs: The bill includes the following for State and Local Programs:

- State Homeland Security Grant Program: \$520 million (\$125 million less than FY 2022)
- Urban Area Security Initiative (UASI): \$615 million (\$125 million less than FY 2022)
- <u>Public Transportation Security Assistance</u>, <u>Railroad Security Assistance and Over-the Road Bus Security Assistance</u>: \$105 million (same as FY 2022)
- Port Security Grants: \$100 million (same as FY 2022)
- Education, Training, and Exercises: \$316.1 million (\$22.5 million more than FY 2022)
- <u>Firefighters Assistance Grants:</u> \$360 million each for SAFER and Assistance to Firefighter Grants (AFG) (same as FY 2022)
- Emergency Management Performance Grants: \$355 million (same as FY 2022)
- Emergency Food and Shelter Program: \$130 million (same as FY 2022)
- <u>FEMA Disaster Relief:</u> \$19.945 billion for disaster relief to fund recent major disaster response and recovery activities (\$1.15 billion above FY 2022).

<u>Customs and Border Protection (CBP)</u>: The bill includes \$16.464 billion, an increase of \$1.82 billion above FY 2022, for CBP, including \$150 million for border security technology.

<u>Immigration and Customs Enforcement (ICE):</u> \$8.42 billion for ICE, which is \$161 million more than FY 2022, for immigration enforcement.

<u>Transportation Security Administration (TSA):</u> \$9.32 billion for TSA (\$836 million more than FY 2022), which includes \$94.1 million to restore funding for TSA Security coverage at certain airport exit lanes.

Department of Interior

EPA, State and Tribal Assistance Grants: The bill provide \$4.48 billion for STAG grants (\$128.9 million more than FY 2022), which provide funds for State, tribal and local governments for infrastructure grants to improve air and water quality and clean up contaminated sites and operate environmental programs. This includes funding for Community Project Funding including the following Miami-Dade County projects under the STAG, Clean Water State Revolving Fund:

- \$420,000 for the Miami-Dade County Stormwater Drainage Improvement project as requested by Congressman Diaz-Balart
- \$420,000 for the Miami-Dade County Stormwater Local Revolving Fund Drainage Improvement Project for SW 216 Street from Old Cutler Drive to SW 87 Avenue requested by Congresswoman Salazar
- \$3,452,972 for the Miami-Dade County for Remediation of 127th Street Canal Opa Locka project as requested by Congresswoman Wilson

• \$3,452,972 for Miami-Dade County for a Septic to Sewer Conversion Project – El Portal

& Miami Shores as requested by Congresswoman Wilson.

USDOT RAISE Grants:

The US Department of Transportation has released the Notice of Funding Opportunity (NOFO) for the 2023 RAISE Grants (formally TIGER/BUILD). Applications are due on February 28th. A total of \$1.5 billion is available in this round of grants. The minimum grant award is \$5 million for projects in urban areas and cannot be greater than \$25 million. No more than 50 percent of funds (\$750 million) can be awarded to urban projects. The cost share is no more than 80 percent unless it is in a rural area, historically disadvantaged community or area of persistent poverty. However, to be competitive the local cost share should be higher than the required minimum. The NOFO is available on the USDOT's website along with FAQs and other useful information: https://www.transportation.gov/RAISEgrants/apply.

In addition to RAISE grants, the USDOT has released a chart for stakeholders of upcoming funding opportunities and anticipated dates for NOFOs for key programs in the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA). The chart is available at: https://www.transportation.gov/bipartisan-infrastructure-law/key-notices-funding-opportunity.

State, Local Tribal, and Territorial Fiscal Recovery, Infrastructure, and Disaster Relief Flexibility Act (S. 3011):

The FY 2023 Omnibus Appropriations Act also included the "State, Local Tribal, and Territorial Fiscal Recovery, Infrastructure, and Disaster Relief Flexibility Act". The bipartisan bill was added as an amendment to the omnibus bill. It provides additional flexibility for states, tribes, and units of local government to spend their allocations of the American Rescue Plan's Coronavirus State and Local Fiscal Recovery Funds, including for infrastructure, community development and disaster response. The cap on how much of the COVID money can be spent on these purposes would be the greater of \$10 million or 30% of the funds. The bill was signed into law as part of the FY 2023 Omnibus Appropriations Act on December 29th.

Activities for January:

The Senate convened on January 3rd to swear in the newly elected and re-elected Senators. The Senate then adjourned until January 23rd. In the meantime, they will continue organizing the committees for the 118th Congress. As discussed above, the House convened on January 3rd as well. The first order of business is to elect a Speaker before Members are sworn into office. While that is normally a straightforward process, it took several ballots and a few days to resolve. Late on January 6th, after days of negotiations and 15 ballots, the House Republican conference finally voted Congressman Kevin McCarthy (R-CA) in as the Speaker of the House. All Members were then sworn into office. The House will vote on its rules package on January 9th, which will allow them to start moving legislation. Over the next couple of weeks, they will

also finalize the committee chairs and make committee assignments. In early February, President Biden will be submitting his FY 2024 budget proposal to Congress, which will kick off the annual budget/appropriations process. As always, we will continue to monitor and report on legislative and executive branch developments of interest to the County.