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Memorandum

From: Rick Spees, Jane Sargent and Jose Villalobos

To: Board of County Commissioners

CC: Phillip Drujak

Date: June 2, 2022

Subject: May 2022 Monthly Report

Appropriations Update:

We are in the time when the House and Senate Appropriations Committees are working on drafting the Fiscal Year 2023 federal budget. As reported previously, there are twelve subcommittees in both the House and Senate Appropriations Committees. Each subcommittee handles a part of the budget. Taken together, all twelve bills make up the entire federal budget. The jurisdiction of the subcommittees are identical in both the House and the Senate. This makes it easier to process the bills through the Congress.

The federal fiscal year starts on October 1st. Thus we are currently operating under Fiscal Year 2022. Fiscal Year 2023 starts on October 1st – four months from now. If Congress fails to pass any of the twelve bills before the start of the new fiscal year, it will pass a Continuing Resolution that will allow the government to continue to operate at last year's level until it can complete action on all the budget bills. As readers of these reports know, Congress has failed to pass all the bills on time for many years. Actually decades.

Appropriations bills start in the House. Currently the House leadership is saying that they will start marking up the bills the week of June 20th. That means the staff of the subcommittees are drafting the bills right now. However, before the markups can occur, Congress needs to decide how much they want to spend overall on the budget. This was one of the big sticking points last year. The Democrats want to spend more on domestic programs while the Republicans want to

spend less overall. And within the total, the Republicans want to spend more on defense which decreases the amount for domestic programs even more.

For weeks there have been discussions between the Democratic and Republican leaders of the House and Senate Appropriations Committees, but, to date, nothing has been decided. If an overall framework cannot be agreed upon by the middle of June, there is another option for the House leaders. They can go ahead and set their own spending ceilings, without Republican input, and start marking up the bills. However, if that happens, when the bills get to the Senate, they will not be considered. The Senate will not act without the bipartisan framework.

In other words, the House leaders can wait until there is an agreement and start working on the bills or they can start working on bills that will not eventually pass. Why would they take the second option? Because for political reasons they would like the world to see how the Democrats prioritize the budget. As you all know, this is an election year and both parties are making political statements with their legislation.

Everyone that works in the budget space is hoping that the two parties can work out a deal and quickly. Congress will be out of session all of August, which means the House needs to get done with the bills by the middle of July for the Senate to have time to work on them in late July and September. Frankly we do not believe Congress will get all the bills done before the end of September, but if there is an overall framework and both the House and Senate have done significant work on the bills before the election, there is a chance that the bills can be done in the post-election session in November and December.

Gun Control Legislation:

Following the latest mass shooting in Uvalde, Texas, Congress is again discussing the possibility of moving gun control legislation. The House Judiciary Committee is marking up a gun violence prevention package (H.R. 7910) on June 2. The measure combines six proposals that would raise the age limit to purchase some semi-automatic rifles to 21 years old, establish a federal ban on new high-capacity magazines, create a new federal firearms offense for gun trafficking and straw purchases, provide standards for safe gun storage, and codify federal regulations banning bump stocks and ghost guns. The full House is expected to consider the measure when they reconvene next week.

The House leadership has also announced that the House will consider the Federal Extreme Risk Protection Order Act of 2021 (H.R. 2377), which would establish a federal "red flag" court procedure which would allow for seizure of guns under an emergency order in federal court for anyone who is a danger to themselves or others.

While Democrats control the majority in the House, prospects of a gun control measure passing the 50-50 Senate is questionable. Senate Democrats would need to gain the support of 10 Republicans in order to avoid a filibuster of the legislation. Following the Uvalde school

shooting, some Senate Republicans have expressed an interest in bipartisan discussions on possible gun violence prevention measures. Senators involved in those discussions believe there may be room for compromise on some proposals, such as on the expansion of background checks, safe gun storage, and "red flag" laws. Those discussions are ongoing, but we remain skeptical that an agreement can be reached in the evenly divided Senate, particularly in an election year.

Miami Dade County Appropriations Requests:

This spring, we worked with the County to submit its FY 2023 programmatic appropriations requests to the House members of the Miami-Dade delegation and Florida's two Senators. We worked with the Office of Intergovernmental Affairs to complete and submit five of the County's programmatic appropriations requests, including the necessary forms and letters for each office. This includes appropriations requests for law enforcement, community development, public housing and health priorities. House Members had to submit their requests to the House Appropriations Committee in late April. Senators had to submit their requests to the Senate Appropriations Committee in May.

In addition to the programmatic appropriations requests, the County also worked to submit Community Project Funding requests to the House members. Those requests had to be publicly <u>disclosed</u> by members in May.

Throughout the FY 2023 appropriations process, we will work with the County to weigh in on the items it supports and opposes in the President's budget and help to secure funding for the County's priorities in the appropriations process.

Coronavirus State and Local Relief Funds (SLFRF):

In late May, the U.S. Treasury Department's released new information on the <u>Coronavirus State</u> and <u>Local Fiscal Recovery Fund</u> made available under the American Rescue Plan Act (ARPA). As you know, the ARPA provided \$350 billion to states, local and tribal governments to help respond to and recover from the COVID-19 public health emergency. This includes \$65.1 billion for counties. Recipients were allowed to use the funds to replace lost public sector revenue to provide government services, respond to the public health and negative economic impacts of the pandemic, provide premium pay for essential workers, and invest in water, sewer and broadband infrastructure.

Local governments will receive funds in two tranches, with 50% provided beginning in May 2021 and the balance delivered no earlier than 12 months after a county certifies for its first tranche. In May, the Treasury Department released new information to help counties prepare to receive their second tranche of funds.

The Treasury will open the submission portal and allow counties access to the portal for 30 days prior to their second tranche payment date. Notifications will be made to counties via email to the point of contract for the first tranche of payments. If the assigned point of contact has since changed, counties should notify the Treasury Department as soon as possible.

Activities for June:

Congress is out of session the first and last weeks of June. The House Appropriations Committee will start the process of marking up the FY 2023 appropriations bills. The Senate Appropriations Committee will also be starting to prepare their bills, but they, as usual, are further behind in the process. Both the House and Senate will be considering gun violence prevention legislation following the Uvalde school shooting. The Administration and Congress will also continue closely tracking the situation between Russia and Ukraine and providing assistance and diplomatic support to help resolve the conflict. As always, we will continue to monitor and report on Presidential actions and other legislative developments of interest to the County.