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Memorandum

From: Jane Sargent, Rick Spees and Jose Villalobos

To: Chairman Esteban Bovo
Board of County Commissioners

CC: Joe Rasco

Date: March 5, 2018

Subject: February 2018 Monthly Report

FY2018 Appropriations:

We are finally seeing the light at the end of the tunnel for the Fiscal Year 2018 federal budget. As you know the budget year started on October 1, but Congress has failed to enact any of the twelve appropriations bills that make up the federal budget. As a result, the government has been funded by a series of Continuing Resolutions (CR). A CR allows agencies to continue operations at last year's levels. The agencies cannot start any new projects or programs.

The big problem that prevented Congress from completing action on the appropriations bills was that the two parties disagreed on how much overall money to spend. The Republicans wanted to increase defense spending over the Fiscal Year 2017 levels by a considerable amount. The Democrats did not object to the defense spending increases but also wanted to increase non-defense spending. After months of negotiations the Congressional leadership, along with the President, agreed to new numbers. They passed legislation which locks in the new spending caps. They also included the provisions of another CR that runs until March 23.

With the overall numbers in place, it is now up to the House and Senate Appropriations Committees to allocate the monies between all the federal agencies and programs. There are always disagreements and political posturing in this process. But, in the end, the job will get done. We believe the Fiscal Year 2018 budget will be completed by the March 23rd deadline.

While the FY2018 bills are not yet completed, appropriations requests are due to the Congressional delegation in early March. We have been working with the OIA to complete and submit its programmatic appropriations requests to the Miami Dade Congressional delegation for FY2019. This includes requests for homeland security, law enforcement, community development, housing and health priorities.

President Trump's FY2019 Budget:

On February 12, President Trump released his budget proposal for FY2019. Congress is not expected to complete the FY2018 budget process until March, but the President decided to release his budget for next year without waiting for the final numbers. The President again proposes severe cuts to programs of interest to local governments. Congress has so far rejected many of his proposed cuts in the FY2018 budget process. We expect that Congress will again be making substantial changes to his request in FY2019.

We have highlighted below programs that may be of interest:

Department of Justice

State and Local Law Enforcement Activities: The budget proposes the following funding for State and local law enforcement and crime prevention programs:

Community Oriented Policing Services (COPS) Programs: The 2019 budget proposes \$99 million for COPS Hiring Grants and also proposes to merge the COPS Office into the Office of Justice Programs. However, of the \$99 million, \$35 million would be set aside for specific activities such as tribal law enforcement, Smart Policing, and the Regional Information System. This is a significant cut from the current funding level. For FY2017, COPS received \$221.5 million.

Byrne Justice Assistance Grants (JAG): The President proposes \$402 million for the Byrne JAG program, which is slightly below the FY2017 level of \$403 million. Within this amount, there are a number of set-asides for other programs, including \$22.5 million the Body Worn Camera grant program (same funding level as FY2017) and \$22.5 million for Bulletproof Vest grants (same funding level as FY2017). For FY2018, the Senate is proposing \$404.5 million for Byrne JAG. The House is proposing \$500 million for Byrne JAG in FY2018, but would also merge the COPS Hiring Grants under the program.

State Criminal Alien Assistance Programs (SCAAP): Same as last year, the President's budget proposes to eliminate funding for this program, which was funded at \$210 million in FY2017. The SCAAP program provides federal payments to state and local governments for the costs of incarcerating undocumented aliens.

DNA Analysis Grants: \$97 million is proposed for the DNA initiative, which is significantly below the FY2017 level of \$125 million.

Coverdell Forensic Science Grants: The budget proposes \$10 million (\$3 million less than FY2017) for these grants.

Opioid Initiative: The budget proposes \$20 million for the Comprehensive Opioid Abuse Grant (an increase over the FY2017 level of \$12 million).

Juvenile Justice and Delinquency Prevention Programs: The budget proposes \$229.5 million for Juvenile Justice programs, a substantial cut from the FY2017 level of \$247 million.

Violence Against Women Prevention and Prosecution Programs: \$485.5 million is proposed for VAWA programs, an increase over the FY2017 level was \$481.5 million.

Victims of Trafficking Grants: The budget proposed \$45 million (same as FY2017) for these grants.

Project Safe Neighborhoods (PSN) Block Grants: The budget proposes \$70 million for this new program, which will build on and expand the work of DOJ's PSN Initiative to create safer neighborhoods through sustained reductions in 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. The President proposed this new program in his budget last year, but neither the House nor Senate has included funding for it in FY2018.

Department of Housing and Urban Development

Community Development Block Grants (CDBG): The budget again proposes to eliminate funding for CDBG, which received \$3.06 billion in FY2017.

HOME: The budget does not request funding for the HOME Investment Partnership program in FY2019, same as last year. The HOME program received \$950 million in FY2017.

Homeless Assistance Grants: The budget requests \$2.4 billion for Homeless Assistance Grants, which is slightly above the FY2017 level of \$2.383 billion.

Housing Opportunities for People with AIDS: The budget proposes \$330 million for HOPWA, which is below the FY2017 level of \$356 million.

Choice Neighborhoods: The budget does not request funds for the Choice Neighborhood Initiative, which helps revitalize underserved communities. The programs was funded at \$137.5 million in FY2017.

HUD-Veterans Affairs Supportive Housing: The budget does not request funds for HUD-VASH, which received \$40 million in FY2017.

Department of Homeland Security

FEMA State and Local Programs: The President's budget proposed a total of \$2.1 billion for State and Local Programs, including:

- State Homeland Security Grant Program: \$349.4 million is requested (less than the FY2017 amount of \$467 million) for SHSGP.
- Urban Area Security Initiative (UASI): \$448.84 million is proposed for UASI (less than the FY2017 level of \$605 million).
- Public Transportation Security Assistance, Railroad Security Assistance and Over-the-Road Bus Security Assistance: \$36.36 million is requested (less than the FY2017 level of \$100 million).
- Port Security Grants: \$36.36 million is proposed (less than the FY2017 level of \$100 million).
- Education, Training, and Exercises: \$144.77 million is requested (less than the FY2017 level of \$274 million) for these programs.
- Firefighters Assistance Grants: \$344.3 million for SAFER (nearly the same as the FY2017 level of \$345 million) and \$344.3 million for Assistance to Firefighter Grants (nearly the same as the FY2017 level of \$345 million).
- Emergency Management Performance Grants: \$279.3 is proposed for EMPG (less than the FY2017 level of \$350 million).
- Predisaster Mitigation: \$39 million is proposed for the Predisaster Mitigation Fund, which is less than the FY2017 level of \$100 million.
- Emergency Food and Shelter Program: The budget proposes to eliminate funding for this program, which was funded at \$120 million in FY2017.
- FEMA Disaster Relief: The budget proposed \$7.23 billion for disaster relief, slightly less than the FY2017 level of \$7.328 billion.

Customs and Border Protection (CBP): The budget proposes \$14.2 billion in discretionary appropriations for CBP, which is an increase over the FY2017 level of \$11.4 billion.

Immigration and Customs Enforcement (ICE): The budget proposed \$8.2 billion in discretionary appropriations for ICE, and increase over the FY2017 level of \$6.4 billion.

Transportation Security Administration (TSA): The budget proposes \$7.4 billion in discretionary spending for TSA, which is below the FY2017 level of \$7.8 billion

Department of Transportation

FTA Formula and Bus Grants: The budget proposes \$9.9 billion for formula grants, which is slightly above the FY2017 level of \$9.7 billion.

Capital Investment Grants: The budget proposes \$1 billion for the New Starts/Small Starts program for projects with existing Full Funding Grant Agreements, which is below the FY2017 level of \$2.4 billion.

TIGER Grants: The budget does not request funding for TIGER grants in FY2019. The FY2017 omnibus included \$500 million for another round of TIGER grants.

Highways: The budget proposes \$45.3 billion for federal-aid highways, which is above the FY2017 amount of \$43.3 billion.

Aviation: The budget proposes \$16.1 billion for the Federal Aviation Administration, which is below above the FY2017 level of \$16.4 billion. This includes \$3.35 billion for airport grants (same as FY2017). .

Department of Health and Human Services

Head Start: The budget proposes \$9.2 billion for Head Start (same as FY2017).

Child Care: The budget proposed \$2.56 billion for Child Care and Development Block Grants (CCDBG) (slightly below the FY2017 level of \$2.86 billion).

Community Service Block Grants: The budget proposes to eliminate funding for the CSBG program, which was funded at \$714 million in FY2017.

Ryan White HIV/AIDS Programs: The budget programs proposes for \$2.26 billion to provide HIV-related services (a slight decrease from the FY2017 level of the \$2.3 billion).

Healthy Start: The budget proposes \$104 million for the program, a slight increase over the FY2017 level of \$103.5 million.

Senior Nutrition Programs: The budget proposes \$838 million (\$1 million more than FY2017) for senior nutrition programs, which provides congregate meals and meals on wheels to needy seniors.

Department of Education

Preschool Development Grants: The President's budget proposes to eliminate these grants, which were funded at \$250 million in FY2017, to support States' efforts to expand or create high-quality pre-school systems for 4-year-olds from low- and moderate-income families.

Department of Labor

Job Training: The budget proposed \$2 billion for Workforce Investment Act Grants to States to provide job training skills and assistance to low-skilled adults, dislocated workers, and low-income youth with barriers to employment. This is below the FY2017 level of \$2.7 billion.

Veterans Employment and Training: The budget proposed \$235 million (less than the FY2017 level of \$279 million) to expand employment services to transitioning service members, veterans with disabilities, and their spouses and caregivers.

Department of Commerce

Economic Development Administration: The budget proposes to eliminate funding for the Economic Development Administration. The budget requests \$14.9 million to conduct an orderly closeout of the EDA beginning in 2019. The FY2017 omnibus provided \$237 million for EDA Programs, including \$100 million for Public Works, \$31.5 million for Partnership Planning, \$9 for Technical Assistance, and \$35 million for Economic Adjustment.

Trump Infrastructure Package:

Also, in February the President released his infrastructure plan. Unfortunately, there are not many details. As everyone knows, the plan calls for the expenditure of \$200 billion in federal funds which would generate \$1.5 trillion. However, that \$200 billion is not new money. Instead it comes from cutting existing federal programs, such as Amtrak operating subsidies and Federal Transit Administration capital grants. It is also unclear how the federal investment will generate the matching funds.

At a meeting with Congressional leaders after the plan was released, the President suggested that Congress raise the gas tax to pay for the federal portion of the plan. He suggested increasing the tax by 25 cents a gallon. The Congressional leadership rejected that idea.

In the last week the Republican leadership in Congress has stated they do not intend to enact the plan this year. They said their agenda was too packed to tackle this legislation. However, off the record, they have said the details are too vague, that the revenues are not there to make it work and they are not willing to raise taxes to generate revenues.

The President will continue to press for his program. Congress will have hearings on the plan and will accept testimony from Administration witnesses. The Congressional leaders will also praise some parts of the program. However, his plan will not end up in legislation.

Activities for March:

Congress will be continuing to work on the FY2018 appropriations process. They are expected to complete an omnibus appropriations bill by March 23rd. They will also be working on legislation to resolve the DACA issue. The President gave Congress until March 5 to enact legislation to resolve the issue. However, Congress has not been able to reach a bipartisan agreement. In the meantime, federal courts have blocked the President's action to end the DACA program. Congress will keep trying to find a resolution. Also, Congress will begin working on the President's FY2019 budget request, starting with hearings with agency officials on the proposed budget. Both the House and Senate will be out of session the last week of March and first week of April. We will continue to monitor the appropriations process, Presidential actions, and any other legislation and developments of interest to the County.