



Akerman LLP
The Victor Building
750 9th Street, N.W., Suite 750
Washington, DC 20001

T: 202 393 6222
F: 202 393 5959

Memorandum

From: Jane Sargent, Rick Spees and Jose Villalobos

To: Chairman Esteban Bovo
Board of County Commissioners

CC: Joe Rasco

Date: September 28, 2018

Subject: September 2018 Monthly Report

Appropriations Update:

In September, Congress made significant progress on the Fiscal Year 2019 appropriations bills. While they will not pass all twelve appropriations bills that together make up the federal budget before the new fiscal year starts on October 1, they will have completed more appropriations bills on time than they have in more than two decades.

Last week, the President signed into law a bill that combines three of the FY2019 bills into one bill, referred to as a "minibus", which includes the FY2019 Energy and Water, Veterans Affairs-Military Construction, and Legislative Branch Appropriations bills. Also, last week, the Senate overwhelmingly passed a combined Defense-Labor, Health and Human Services (HHS), Education appropriations bill. The House passed the bill on September 26, by a vote of 361-61.

The House and Senate Appropriations Committees have also been working on a third minibuss that combines four appropriations bills -- Interior-EPA, Financial Services, Agriculture, and Transportation-Housing and Urban Development bills. Appropriators were trying to reach an agreement on the bill before the end of the fiscal year, but negotiations got bogged down over a number of controversial policy provisions, known as riders, in the bill.

There are three other appropriations bills that have not yet been completed – Commerce-Justice-Science, State-Foreign Operations, and Homeland Security. These bills, which also have some controversial provisions, are further behind in the process.

The Defense-Labor, HHS, Education bill also includes a Continuing Resolution (CR) that will keep the parts of the federal government without a completed appropriations bill operating at current funding levels through December 7, 2018. While the President had previously threatened to shut down the government over funding for the Southern border wall, he signed the combined Defense-Labor, HHS, Education and CR into law on September 28, averting a partial government shutdown.

The federal agencies under the five completed appropriations bills will operate with their full budgets beginning on October 1. The other agencies funded by the seven incomplete bills will operate at their current funding levels under the CR until December 7.

The House adjourned on September 28 and will be out of session until after the midterm elections on November 6. The Senate will remain in session longer to address outstanding nominations and pending legislation before adjourning for the elections.

During the post-election lame duck session, Congress will work on the outstanding appropriations bills. They will aim to finish them before the current CR expires on December 7, but that may be a difficult task given the controversial bills remaining to be finished. Furthermore, the outcome of the elections could impact the lame duck session. For instance, if the Democrats gain the majority in either chamber, they may be less willing to compromise on legislation during the lame duck when they could simply wait until January when they take control of the chamber.

In that scenario, Congress would have to pass another CR to keep the government funded into the new year until the bills could be finalized. Of course, President Trump would also have to agree to another CR. It will be an interesting lame duck regardless of the outcome of the elections.

FY2019 Labor-HHS-Education Appropriations Bill:

As discussed above, Congress passed a bill that funds the Departments of Defense, Labor, Health and Human Services and Education for Fiscal Year 2019, which begins on October 1, 2018. The Labor-HHS-Education bill is usually one of the more controversial bills, but this year they were able to keep the contentious policy riders out of the bill. Also, by attaching it to the Defense appropriations bill, which has strong bipartisan support, they were able to reach an agreement on the bill. It is the first time since 1996 that the Labor-HHS-Education bill has been completed on time, before the start of the new fiscal year.

As you may recall, when President Trump released his budget for FY2019 in February, he proposed significant spending cuts to many domestic programs. Similar to last year, Congress did not agree to them and instead provided critical funding for a number of programs of interest to the County.

Department of Health and Human Services

Ryan White HIV/AIDS Programs: The final bill includes \$2.32 billion (same as the FY2018 level, but \$58.6 million more than the President's FY2019 budget request) to provide HIV-related services.

Head Start: The final bill includes \$10.06 billion for Head Start, which is \$200 million more than FY2018 and \$313 million more than the President's budget request.

Child Care: The final bill includes \$5.276 billion for Child Care and Development Block Grants (CCDBG) (\$50 million above FY2018 and \$2.27 billion more than the President's budget request).

Preschool Development Grants: The final provides \$250 million, the same as FY2018, to support States' efforts to expand or create high-quality pre-school systems for 4-year-olds from low- and moderate-income families. The President's budget proposed to eliminate funding for these grants.

Healthy Start: The final bill includes \$122.5 million for the Healthy Start program (\$12 million more than FY2018 and \$19 million above the President's budget request).

Senior Nutrition Programs: The final bill includes \$906.8 million, which is \$10 million more than FY2019 and \$69 million above the President's budget request, for senior nutrition programs, which provides congregate meals and meals on wheels to needy seniors.

State Opioid Response Grants: The final bill includes \$1.5 billion for these grants (a \$500 million increase from FY2018) authorized under the 21st Century Cures Act to combat the opioid epidemic. The President did not request funding for these grants in FY2019.

Department of Labor

Job Training: The final bill includes \$3.5 billion (\$16.5 million above FY2018 and \$282 million more than the President's budget request) for job training programs, including \$903 million for youth employment and training activities and \$93 million for ex-offender retraining and reintegration activities.

Veterans Employment and Training: The final bill includes \$300 million (\$5 million above FY2018 and \$19 million more than the President's budget request) to expand employment

services to transitioning service members, veterans with disabilities, and their spouses and caregivers.

Disaster Relief:

Congress finalized negotiations on the Federal Aviation Administration (FAA) reauthorization legislation over the weekend. The bill includes \$1.68 billion in disaster assistance for victims of Hurricane Florence. The aid will come from the Department of Housing and Development's Community Development Block Grant disaster recovery program, which helps states and local governments respond to disasters. The Federal Emergency Management Agency (FEMA) currently has sufficient money to address immediate disaster assistance needs, but Congress expects that it will need to consider another disaster relief package during the lame duck session.

In addition to aid for Hurricane Florence, the bill also includes reforms to federal disaster assistance law aimed at improving predisaster planning and mitigation so that communities are better prepared for future disasters. The changes ensure that a percentage of post-disaster assistance through FEMA supports mitigation and resiliency efforts by communities to help address the growing costs of disasters and better prepare for hurricanes, floods, earthquakes, wildfires and other disasters.

The reforms were based on the Disaster Recovery Reform Act that the House passed earlier this year as part of its version of the FAA reauthorization bill. The Senate has also been working on legislation to reform FEMA and disaster assistance. Negotiators were able to work out an agreement on the reforms and included them in the final FAA reauthorization bill. The House passed the bill this week. The Senate is expected to pass it no later than next week, and the President is expected to sign the bill into law when it reaches his desk.

North American Free Trade Agreement (NAFTA):

As we previously reported, President Trump has been working to re-negotiate the North American Free Trade Agreement (NAFTA) since last year. In August, the Trump Administration notified Congress that it intends to sign a bilateral trade agreement with Mexico within 90 days, which could replace NAFTA. The formal notification is required to submit a final trade agreement to Congress under Trade Promotion Authority (TPA) or "fast track" authority, which allows trade agreements to move through Congress under special expedited procedures and pass by a simple majority in both chambers.

This week, the Administration announced that it has finalized its agreement with Mexico and expects to release the text of the agreement by this weekend. However, the U.S. and Canada have not been able to reach an agreement and will continue their negotiations. Bipartisan Members of Congress have expressed their concerns about any NAFTA agreement that does not include Canada, a key trading partner.

The Miami-Dade Congressional delegation has raised concerns about the proposed U.S.-Mexico agreement that was announced in August because it did not include language protecting Florida's specialty crop growers. They have pushed to include these protections in the final agreement that is due to be released this week. We will continue to keep the County updated on the agreement with Mexico and ongoing negotiations with Canada.

5G, Small Cell Deployment:

We have been monitoring the issue of 5G wireless technology deployment and legislation that has been introduced in the Senate, which will have a significant impact on local governments. We have been tracking the Senate bill as well as actions by the Federal Communications Commission (FCC) on this issue. In September, the FCC released a proposal, which is aimed at accelerating the deployment of next-generation 5G wireless networks. Local government organizations, including the National Association of Counties and U.S. Conference of Mayors have expressed concerns about the proposal. Those concerns include the proposed limits on application fees for small wireless facilities and recurring fees for small cells in public rights-of-way, limitations on allowable local aesthetic requirements, and the creation of new categories of "shot clocks" or time frames that local governments must review applications for proposed small cell siting. We will continue to track the issue and report on any developments.

Activities for October:

The House adjourned on September 28 for the midterm elections. The Senate plans to stay in session for a few more days to address nominations and other pending legislation. Congress plans to reconvene on November 13. Specifically, the Senate will remain in session to deal with the controversial nomination of Brett Kavanaugh for the U.S. Supreme Court. The Senate will also need to finalize the FAA reauthorization bill in the next week. After the Senate wraps up its work, it will also adjourn until after the midterm elections of November 6. We will continue to monitor and report on Presidential actions and any other legislative developments of interest to the County.