

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Policy Session Worksheet

Presentation Date: 01/16/2024 **Approx. Start Time:** 11:00 AM **Approx. Length:** 60 minutes

Presentation Title: Federal Legislative Update and Congressional-Directed Spending Discussion

Department: Public & Government Affairs

Presenters: Tonia Holowetzki, Interim Director, Trent Wilson, Interim Government Affairs Manager
Mark Dedrick, Michelle Giguere, and Jake Oken-Berg – Summit Strategies

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Staff and our federal lobbying team with Summit Strategies are seeking to provide an informational update on the Federal legislative environment and seeking direction from the Board on an exploratory list for Federal Fiscal Year 2024-2025 Congressionally-Directed Spending.

EXECUTIVE SUMMARY:

In January 2023, the Board of County Commissioners approved the County's 2023 federal agenda with the following priorities:

- Federal funding to support the **I-205 Improvements Project**
- Funding and legislation to support the repair and ownership transfer of the **Willamette Falls Locks**
- Legislation for the responsible and sustainable **management of federal forest lands, including O&C Lands, for wildfire prevention and predictable revenue to counties from shared timber receipts**
- Legislation to support **Mt. Hood** recreation, access, and protection
- Policies and funding to support **housing and human services programs**, and other county operations that are reliant on federal resources
- Policies and funding to encourage **increased food production and production acreage in the county**, and support the farming industry – especially family farms – to thrive and adapt to market and climate impacts.

The County contracts with the lobbying firm Summit Strategies to develop and implement strategies to accomplish the County's federal goals. Today, the Summit Strategies team will provide an overview of the current federal climate and update the Board on the status of the County's federal priorities. Attached is a memo from Summit Strategies.

In addition, Public & Government Affairs staff have developed an exploratory list for Federal Fiscal Year 2024-2025 Congressionally-Directed Spending. This exploratory list is the launching point for further refinement of proposals and discussions with our Congressional delegation about their support for the proposals in the upcoming Federal budget. Staff will return in a couple months to confirm the viability of these projects and seek final Board approval before formally submitting them.

The list has two components, the first is two new requests that staff would further refine and evaluate, and the second is three proposals from the 2023-2024 list that were competitive but have not yet been funded. As of January 11, Congress has not approved a 2023-2024 budget, which means that these projects may not be funded in the current Federal fiscal year. In that light, staff are seeking direction on whether the two new proposals should be further evaluated, and whether the three existing proposals should remain on the list.

FINANCIAL IMPLICATIONS (current year and ongoing):

Depending on action or inaction by Congress, the County may face reduced or eliminated federal revenue sources for key County programs. Potential implications are outlined in the attached Congressional Update Memo.

STRATEGIC PLAN ALIGNMENT:

- How does this item align with your Department’s Strategic Business Plan goals?

This item aligns with the Public and Government Affairs Strategic Business Plan goals to provide intergovernmental connections and relationship building, strategic policy development and messaging, legislative, advocacy, and outreach services to county elected officials and departments so they can build key partnerships to achieve policy goals important to Clackamas County, with special emphasis on the strategic results in the BCC Strategic Plan.

- How does this item align with the County’s Performance Clackamas goals?

This item aligns with all five of the county’s Performance Clackamas goals:

- Build public trust through good government;
- Grow a vibrant economy;
- Build a strong infrastructure;
- Ensure safe, healthy, and secure communities; and
- Honor, utilize, promote, and invest in our natural resources.

LEGAL/POLICY REQUIREMENTS:

N/A

PUBLIC/GOVERNMENTAL PARTICIPATION:

Public and Government Affairs (PGA) continues to work closely with the Board of Commissioners, County Administration, and County departments to develop strategies and approaches to pursue federal funding for important County projects and to guide federal policy issues that have the potential to impact Clackamas County. PGA also continues to build and maintain effective partnerships with the Congressional delegation members and staff to work together on these shared priorities.

OPTIONS:

1. Direct staff to continue exploration on all 5 projects and return to the Board at a future date with a final submission list.
2. Direct staff to continue exploration on the list, as amended by the Board, and return to the Board at a future date with a final submission list.
3. Direct staff to take no further action and not submit earmark requests.

RECOMMENDATION:

Staff respectfully recommend Option 1, Direct staff to continue exploration on all 5 projects and return to the Board at a future date with a final submission list.

ATTACHMENTS:

FY2024-2025 Congressionally Directed Spending “Exploration List”
Congressional Update Memo from Summit Strategies

SUBMITTED BY:

Division Director/Head Approval _____
Department Director/Head Approval _____
County Administrator Approval _____



Memorandum

To: Board of County Commissioners (BCC)
From: Public and Government Affairs (PGA)
Date: January 16, 2024
RE: FY2024-2025 Congressionally Directed Spending "Exploration List"

Action Requested:

PGA is seeking two actions from the BCC:

1. Conditional approval of the two proposed projects as the projects to explore for Clackamas County's 2024 Congressionally Directed Spending requests.
2. In the event Congress does not approve the 2023-24 budget, PGA recommends the BCC also consider reapplying for those projects we know had congressional momentum in the previous cycle. Approval of this item would simply keep the 2023 projects on this year's 2024 exploratory list.

With the BCC's approval, PGA and the respective department staff will continue refining projects and begin socializing them to the federal delegation for feedback.

PGA will return in February to seek BCC approval on a final submission list, which will likely be limited to 2-3 projects. Final submission often occurs in March, but no timelines have yet been posted.

(Item 1) Recommended 2024 Project Exploration List:

PGA is seeking direction to explore the following projects for Congressionally Directed Spending in 2024. The following projects were identified in a department survey and in consultation with County Administration.

A Safe Place Family Justice Center (ASP-FJC)	
Request Target	\$1,000,000
Department Sponsor(s)	County Sheriff, District Attorney, Clackamas Women’s Services
<p>A Safe Place Family Justice Center (ASP-FJC) seeks to relocate its services into a larger space and continue its mission of improving the lives of adults and children impacted by domestic violence, sexual assault, stalking, human trafficking, and elder abuse through empowerment, coordinated service, and collaboration. Federal funds would support the overall repurposing and renovating of a new space, once identified.</p> <p>ASP-FJC has been operating out of the same space since 2013, where over ten public and non-profit agencies work together under one roof to reduce the times, locations, and steps victims must go through to seek help.</p> <p>ASP-FJC is in the process of mapping out a campaign and project plan that will outline milestones in fundraising, identifying a new location, renovation, and transition.</p> <p>No county general funds are being requested.</p>	

Oak Grove and Gladstone Libraries	
Request Target	\$500,000 (Working draft – Due Diligence in Process)
Department Sponsor	DTD – Libraries Division
<p>The Oak Lodge and Gladstone Library Projects are underway now, and include opportunities to create efficient, net-zero public spaces by including solar panels as well as electric vehicle charging stations in the parking area. Capturing federal funds will supplement current project costs for planned efficiencies, allowing the project to redirect existing funds to other needs.</p> <p>A financial match to this federal request would be reflected by the existing cost of the current project. No county general funds are being requested.</p>	

(Item 2) 2023 Projects to Consider for Re-Submittal:

The following three projects were highly competitive requests in 2023. If Congress does not approve a budget for the 2023-24 fiscal year, but instead opts to approve continuing resolution, the projects that were otherwise promising in 2023 will be void.

In that event, PGA recommends the following for projects remain on PGA’s exploratory list as potential projects to submit again.

911 Safety, Wellness, and Services Enhancements	
Request Target	\$1,000,000
Sponsoring Department	CCOM
Funding for facility safety improvements, evacuation readiness, a mobile trailer, employee respite space, and facility sound improvements	
Matching funds generated by ratepayer funds are identified for this project by CCOM. No county general funds are being requested.	

Mt Hood Transit Enhancements	
Request Target	\$2,800,000
Sponsoring Department	H3S – Transit Division (Mt Hood Express)
Development of a park and ride along Highway 26 in the Welches area, and public restrooms and bus stop enhancements in Government Camp.	
Matching funds for this request are available through State Transportation Improvement Funds planning dollars, upon successful award. No county general funds are being requested.	

School-Based Behavioral Health and Substance Abuse Juvenile Justice Prevention Program	
Request Target	\$1,000,000
Sponsoring Department	County Juvenile Justice
Expand a pilot program to middle school and older elementary students to improve their well-being, prevent substance abuse, and keep the community safe. The current program is being piloted with high schools students.	
As a programmatic request, the existing pilot has acted a match. No county general funds are being requested.	



DATE: January 9, 2024
TO: Clackamas County Board of County Commissioners
FROM: Mark Dedrick, Michelle Giguere, Jake Oken-Berg, Ryan Vislosky
RE: Congressional Update

We look forward to meeting with you during your upcoming January 16, 2024, Policy Session. We always appreciate the opportunity to provide you with a brief congressional update, and we hope this summary will be informative to you prior to our discussion.

Congress had an unproductive year in 2023, only passing 27 pieces of legislation. We offer an abbreviated summary of some of those actions below. Among the most relevant to the County is the Fiscal Responsibility Act of 2023 and the Further Continuing Appropriations and Other Extensions Act, 2024. While neither bill includes funding for County priorities, both bills have large implications for future spending bills that could benefit the County in the coming year.

Executive Summary:

The Fiscal Responsibility Act of 2023

President Joe Biden and Former Speaker of the House Kevin McCarthy reached a deal in June 2023 to raise the debt limit through the 2024 general election and avert a default in exchange for several House Republican priorities including rescinding roughly \$30 billion in unused and unobligated COVID relief funds. This included rescinding \$1.7 billion of unobligated Federal Highway Administration (FHWA) funds from the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA). The debt limit deal did not impact CRRSAA funding allocated to the Federal Transit Administration (FTA) and did not impact important legislation such as the Infrastructure Investment and Jobs Act (IIJA), Inflation Reduction Act (IRA), or the Chips and Science Act (CHIPS). In fact, language in the legislation protects funding provided in these laws by preventing any potential future cuts from being used to count towards the budgetary caps.

In addition to the rescissions, the legislation includes a hard budgetary cap on appropriations bills for the next two years and then less binding budgetary targets for the following four years. The cap is applied to both defense and non-defense spending. In Fiscal Year (FY) 2024, Non-defense spending will be cut by a little more than 5% from FY 2023. In 2025, funding will be capped at 1% growth. The impact this will have on transportation funding is to be determined as total allocation for the Transportation, Housing and Urban Development, and Related Agencies

(THUD) subcommittee and all other subcommittees will ultimately be determined by the annual appropriations bills, this does not apply to programs that received funding through the IJA (either contract authority or advanced appropriations). If FY2024 or FY2025 spending bills break the 1% cap, there would be automatic spending cuts (a process known as sequestration) to all programs included in that year's appropriation bills.

Stopgap Funding Measures and Congressionally Directed Spending:

Having been unable to pass FY 2024 annual appropriations bills before the end of the fiscal year, Congress has passed two short-term stopgap funding measures to keep the government running. The government is currently funded under a tiered stopgap funding measure, which sets two deadlines for when appropriations funding will expire. Funding for the Agriculture, Rural Development, Food and Drug Administration (Agriculture-FDA); Energy and Water Development and Related Agencies (Energy and Water); Military Construction, Veterans Affairs, and Related Agencies (Military Construction-Veterans Affairs); and Transportation, Housing and Urban Development, and Related Agencies (Transportation-HUD) bills will expire on January 19th. The rest of the spending bills will be funded until February 2nd. While an agreement has been struck between Speaker Johnson and Majority Leader Schumer on topline spending numbers, it is unclear if the government can pass annual appropriations bills before the deadlines. The Senate has passed all 12 spending bills out of committee with three spending bills passing the full chamber, Agriculture-FDA, Military Construction-Veterans Affairs, and Transportation-HUD. In the House, 7 bills have passed on the floor. With topline numbers agreed to, all indications are that final passage of the appropriations bills should happen in the near future. However, there are many political issues that could derail this effort. Senate leaders have suggested another stopgap funding measure might be necessary to avert a government shutdown.

While FY24 bills are not yet law, we do know what earmarks were included in the bills.

Of the four congressionally direct spending requests the County made, three made it into the drafts of the annual appropriations bills. These earmarks include \$750,000 for Clackamas 911 EOC Safety and Service Enhancements in the Homeland Security bill, \$500,000 for the Clackamas School Based Behavioral Health and Substance Abuse Juvenile Justice Prevention Program in the Commerce, Justice, Science, and Related Agencies bill, and \$850,000 for Mt. Hood Transit Enhancements in the Transportation, Housing and Urban Development, and Related Agencies bill. If Congress does enact appropriations measures, it is likely that all these projects will retain funding. If Congress is unable to do so, and if there is a long-term Continuing Resolution, the earmarks will not be approved.

Infrastructure Funding:

Congress passed the Infrastructure Investment and Jobs Act (IIJA), now also referred to as the Bipartisan Infrastructure Law (BIL), in November 2020. This legislation will provide \$1.2 trillion in funding through 2026 for a wide variety of infrastructure investments, and it includes \$550 billion in *new* funding for highways, bridges, broadband, water and waste-water infrastructure and other types of infrastructure projects. Much of this new funding is being

distributed annually on a formula basis, but nearly \$100 billion is being distributed through discretionary grant programs largely administered by the U.S. Department of Transportation (USDOT).

During the past year, USDOT has issued multiple Notices of Funding Opportunity (NOFOs) making billions of dollars available through various competitive grant programs. We have kept the County closely informed about these NOFOs.

The County applied for **Aschoff Road Replacement Project** funding under the National Culvert Removal, Replacement, and Restoration Grant Program. The County was awarded \$1,490,320 in funding to remove the existing culverts and replace them with a modular 20' clear span bridge.

The County also applied for **Bull Run Bridge Replacement Project** funding under the Fiscal Year 2022 Bridge Investment Program. The County was not successful in this application. We scheduled a meeting with FHWA on Thursday, September 21st, 2023, to receive a debrief on why this application was not successful, which will inform future applications.

In 2023, the County received a **\$330,000 Planning and Demonstration Grant** under the Safe Streets and Roads for All (SS4A) program to update their existing Transportation Safety Action Plan to integrate equity and community engagement and align the plan with the SS4A Action Plan requirements.

Priorities Appendix

As we did in our update last year, we developed a Priorities Table which is shown below as an Appendix to the above Executive Summary. This priorities appendix briefly identifies specific County priorities that were either included in the County's initial federal agenda or added throughout the year, reviews the status of each, and highlights tasks and actions that were or continue to be initiated to amplify the county's position on each of these issues.

2023 Priority	Status	Tasks/Actions/Results
I-205 Improvements Project	On-going efforts at national and regional levels	<ul style="list-style-type: none"> • Working with Representative Lori Chavez-DeRemer, we have worked to prevent federal tolling authority on Interstate 5 and Interstate 205 in Oregon. This included liaising with the member's office on the County's feedback on the I-205 Tolling Draft Environmental Analysis and regular meetings with the office. Due in part to this effort, an amendment prohibiting tolling on I-5 and I-205 is included in the House Transportation-HUD bill and will be resolved in final action on appropriations.
Willamette Falls Locks	On-going efforts at national, state, and local levels	<ul style="list-style-type: none"> • Monitored the situation with the Corps and briefed the congressional delegation.
Management of Federal Forest Lands and Wildfire Protection	New protections included in IJA and Summit closely followed implementation of same. New funding for various forest related initiatives included in IRA.	<ul style="list-style-type: none"> • Monitored federal actions and briefed the County.
Other transportation priorities including: <ul style="list-style-type: none"> • Bull Run Bridge Replacement 	On-going	<ul style="list-style-type: none"> • We worked with the FHWA to schedule a meeting on why the County's Bridge Investment Program application was rejected. The resulting meeting provided valuable feedback that will inform future grant applications.

		<ul style="list-style-type: none"> The team also met with Councilor Mapps to discuss the City of Portland's support for Bull Run Bridge replacement and next steps.
Housing and Human Services Programs	On-going	<p>Housing:</p> <ul style="list-style-type: none"> Monitored federal legislation and briefed the delegation on the County's needs.
Pending Legislative Proposals	On-going	<ul style="list-style-type: none"> H.R. 439 – Public Land Research and Rescue Act – We provided regular updates on this legislation, which directs the Department of the Interior to establish a program to allocate resources to remote search and rescue activities conducted on lands under the jurisdiction of the Department of Agriculture or Interior.
Notices of Funding Availability (NOFOS)	On-going	<ul style="list-style-type: none"> There are billions of dollars in funding available through Discretionary Grant programs from the IIJA, IRA, CHIPS, and more. We notify PGA regarding NOFOs as they are announced.
Federal Grant Announcements	On-going	<ul style="list-style-type: none"> In addition to monitoring the Federal Register for NOFOs, Summit Strategies shares announcements made by Environmental Protection Agency (EPA), USDOT, U.S. Department of Agriculture, U.S. Department of the Interior, and other federal agencies with County staff.
Amplifying the County's Voice	On-going	<ul style="list-style-type: none"> Summit works closely with several national and regional organizations such as the National Association of Counties (NACo), National League of Cities (NLC), Pacific Northwest Waterways Association (PNWA), and more. We regularly share examples of best practices highlighted by these organizations and regularly join with these organizations to amplify county policy positions when those positions align with the policy positions of these national organizations.
Scheduling BCC and PGA meetings with Members of Congress and their staff	On-going	<ul style="list-style-type: none"> In 2023, Summit scheduled several meetings between Members of Congress and County staff. Summit also scheduled periodic on-site briefings between Commissioners, PGA staff, and Congressional staff.
Helping the Cities of Clackamas County	Early 2023	<ul style="list-style-type: none"> In early 2023, at the request of Chair Smith, Summit briefed the Mayors and City Managers of Clackamas County's cities, providing information about the Congressionally Directed Spending process.

FY24 Spending Bills Appendix

While bicameral spending bills have not passed Congress, there is still a lot that can be learned from bills that have made it out of committee in the House and Senate. Below, we will highlight the House and Senate Transportation-HUD and Commerce spending bills.

Senate

THUD

Department of Transportation: The bill provides \$28.433 billion in funding for the Department of Transportation, including \$800 million for Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grants, \$150 million for the Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation Program (PROTECT), and \$1.145 billion for bridges. The bill also honors the funding levels and advanced appropriations provided through the BIL, which includes a total of \$60.096 for Federal-aid Highways.

For transit infrastructure, the bill provides nearly \$17 billion for the Federal Transit Administration, including \$2.45 billion for Capital Investment Grants (CIG), which represents a \$240 million increase over Fiscal Year (FY) 2023, \$365.8 million in budget authority for Transit Investment Grants, \$161.8 million for Buses and Bus Facilities, \$50 million for the Low- and No-emissions program, and \$45 million for areas of persistent poverty.

Housing and Urban Development: The bill provides \$70.06 billion in funding for the Department of Housing and Urban Development, which will maintain existing rental assistance while increasing efforts to combat homelessness. The spending bill provides \$100 million for permanent supportive housing and \$31 million for capacity building grants.

The bill also makes strides to boost affordable housing, including \$100 million for the “Yes In My Back Yard” grant program and \$1.5 billion for the HOME Investment Partnership Program.

Commerce

Department of Commerce: The Senate bill provides \$11.1 billion for the Department of Commerce, including \$41 million for the Economic Development Administration (EDA) Regional Technology and Innovation Hub Program, \$75 million for the National Institute of Standards and Technology (NIST) Manufacturing Extension Program, and \$12 million to improve supply chain resiliency.

Safety and Health: The Commerce bill contains \$732 million for grants provided by the Office of Violence Against Women (OVW) and \$55 million to support the Sexual Assault Kit Initiative, which supports community response teams tasked with developing and implementing comprehensive reform regarding sexual assault.

The bill also contains \$226 million for State and Local Law Enforcement Assistance and Community Oriented Policing Services (COPS) Office grant programs, with \$25 million dedicated to the COPS Community Policing Development Program and \$55 million for the Community Violence Intervention and Prevention Initiative.

To strengthen public health initiatives, the bill provides \$611.5 million to programs dedicated to fighting substance abuse disorders, with \$445 million of this funding for Comprehensive Addiction and Recovery Act (CARA) grants. To improve juvenile justice, the bill provides \$415 million for grant programs within the Office on Juvenile Justice and Delinquency Prevention.

Economic Development: The Commerce bill provides \$466 million for community economic development through the Economic Development Administration. This includes \$111.5 million for Public Works grants, \$39.5 million for Economic Adjustment Assistance grants, and \$50 million for the Regional Innovation program.

House

THUD

The House Transportation-HUD bill has not passed on the floor, but it has passed out of committee.

The House FY 2024 THUD spending bill provides a discretionary total of \$90.243 billion, but with a total allocation of \$65.208 billion—\$25.035 billion will be offset through cuts to IRS funding. The \$65.208 billion number represents a 25% cut to Fiscal Year 2023 enacted levels. Included in the cuts is a \$6.616 billion reduction in funding for DOT grant programs and \$1.733 billion reduction in funding for HUD grant programs.

While the bill fully funds the Infrastructure Investment and Jobs Act's (IIJA) contract authority levels for surface transportation programs funded from the Highway Trust Fund and does not reduce supplemental amounts of advanced appropriations provide through the IIJA, it includes severe reductions to surface transportation programs subject to annual appropriations.

Specifically, the bill does not provide any additional funding plus-ups for RAISE grant program (a reduction of \$800 million below FY 2023), additional PROTECT resiliency grants (a reduction of \$150 million from FY 2023), and bus and bus facilities (a reduction of \$112 million from FY 2023). It also reduces General Fund appropriations for Capital Investment Grants to \$392 million (a cut of \$2.24 billion from the FY 2023 level and \$2.6 below the level authorized in the IIJA).

Amendments: The FY24 THUD bill includes several important amendments. It includes an amendment from Representative Lori Chavez-DeRemer (R-OR), which would prevent federal funds from being used to carry out tolling projects along I-5 and I-205 in Oregon. The House will also consider votes on amendments from Rep. Scott Perry (R-PA). Perry's amendments include cutting the Capital Investment Grant (CIG) program entirely; prohibiting funds made

available by this Act for the Low or No Emission Vehicle Program; prohibiting the use of any funds for transit-oriented development; and reducing Transit Infrastructure Grant funding to \$0.

Commerce

Department of Commerce: The bill provides \$9.619 billion for the Department of Commerce, \$1.437 billion below Fiscal Year 2023 levels.

Safety and Healthy: The bill provides \$2.687 billion for the Office of Justice Programs and \$670.6 million for Community Oriented Policing Services (COPS). The bill also contains \$700 million for the Office on Violence Against Women.

Economic Development: The Commerce bill provides \$254.5 million for the Economic Development Administration, which is \$243 million below the FY23 enacted level.