

# City of Seattle

## Office of Intergovernmental Relations

Marco Lowe, Director  
Michael P. McGinn, Mayor



### MEMORANDUM

**TO:** Council Members  
**FROM:** Shauna Larsen, Federal Relations Director  
**DATE:** July 6, 2010  
**SUBJECT:** Federal Relations Update

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The past six months have been a busy time in Washington, DC. While the passage of health care reform was a big accomplishment, there is a host of other, long ignored, issues that still need to be addressed, such as climate change, immigration reform, and transportation reauthorization. In addition, Congress needs to complete its FY 2011 appropriations, as well as, a FY 2010 war and disaster supplemental.

#### **FY 2011 Appropriations Update**

The FY 2011 Appropriations process has gotten off to a slow start because of the inability of Congress to pass a FY 2010 Supplemental Appropriations bill. The House finally started their work on the appropriations legislation at the end of June, with subcommittee work on the following bills: Homeland Security; Commerce-Justice-Science; Agriculture; State and Foreign Operations; and Transportation-HUD. Below are some highlights of key programs relevant to local governments.

#### *Highlights of the House Homeland Security Appropriations Bill*

- **UASI:** \$907 million (FY 2010: \$887 million; President's Request: \$1.1 billion)
- **Interoperable Emergency Communications Grant:** \$50 million (FY 10: \$50 million; President's Request: \$0)
- **Emergency Operations Grant:** \$50 million (FY 10: \$60 million; President's Request: \$0)
- **Emergency Food and Shelter:** \$200 million (FY 10: \$200 million; President's Request: \$100 million)
- **State Homeland Security Grants:** \$950 million (FY 10: \$950 million; President's Request: \$1.05 billion)
- **Emergency Management Performance Grants:** \$345 million (FY 10: \$340 million; President's Request: \$345 million)

#### *Highlights of the House Commerce-Justice-Science Appropriations Bill*

- **Violence Against Women Act Implementation:** \$442 million
- **COPS Funding (including COPS Hiring):** \$690 million
- **Programs of the Office of Justice programs (including Byrne Grant):** \$2 billion

*Highlights of the House Transportation HUD Appropriations Bill*

- **USDOT Livable Communities:** \$20 million (FY 10: \$0; President's Request \$20 million)
- **TIGER Grants:** \$400 million (FY 10: \$400 million; President's Request: \$0 )
- **High Speed and Intercity Passenger Rail:** \$1.4 billion (FY 10: \$2.5 billion; President's Request: \$1.1 billion)
- **VASH:** \$75 million (FY 10: \$75 million; President's Request: \$0)
- **HOPE VI:** \$200 million (FY 10: \$135 million; President's Request: \$0)
- **Choice Neighborhoods:** \$0 (FY 10: \$65 million; President's Request: \$200 million)
- **CDBG (Overall):** \$4.352 billion (FY 10: \$4.45 billion; President's Request: \$4.380 billion)
- **Sustainable Communities Grants** (from the CDBG account): \$150 million (FY 10: \$150 million; President's Request: \$150 million)
- **Homeless Assistance Grants:** \$2.055 billion (FY 10: \$2.055 billion; President's Request: \$1.865 billion)
- **HOME:** \$1.825 billion (FY 10: \$1.825 billion; President's Request: \$1.65 billion)

*Earmarks of Interest in the Transportation-HUD Appropriations Bill*

- King County Bus Rapid Transit: \$21.274 million
- Sound Transit University Link: \$110 million

**Status of City of Seattle's FY 2011 Appropriations Requests**

The city of Seattle made requests for seven appropriations projects (chart below) for FY 2011. This year, both the House and the Senate required members to post on-line all of the requests that they forwarded on to the Appropriations Committee. The chart below shows a list of our project requests and which of our members forwarded our requests to the committee. Having a request forwarded to the committee does not guarantee that it will be funded, only that it will continue to move forward in the process.

	<b>Seattle Ask</b>	<b>McDermott</b>	<b>Cantwell</b>	<b>Murray</b>
Elliott Bay Seawall	\$1,100,000	1,100,000	1,100,000	1,400,000
King Street Station	850,000	850,000		850,000
Venema	750,000	750,000		
Motorcycle Cameras	700,000			
SYVPI	500,000		500,000	500,000
Hazardous Detection	3,000,000			
Residential Recovery	500,000	500,000	500,000	

**NOAA Marine Operations Center-Pacific**

On June 28, the Department of Commerce's Inspector General released their investigation of NOAA's site selection process for the Marine Operations Center-Pacific (MOC-P). The report shows that NOAA did not "adequately consider the use of existing federal facilities" for locating MOC-P and that the Inspector General is "unable to provide assurance that NOAA's award of the lease to the Port of Newport provided the most cost-effective solution for MOC-P."

The Department of Commerce Inspector General only plays an advisory role and cannot force with the Department or NOAA to take corrective action. While the Department and NOAA have indicated that they

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will be reexamining their leasing program going forward, they have shown no inclination to change their decision to move to Newport.

We should extend our thanks to Senator Cantwell and Congressman McDermott for their great work on behalf of the taxpayers.

### **FY 2010 Supplemental Appropriations**

On Thursday evening, the House took up the 2010 War Supplemental bill and passed an amendment that would add funding for important domestic priorities, including \$1 billion for summer jobs and \$10 billion for schools. This amendment is partially funded by taking funds from the second phase of the Race to the Top, which was part of the stimulus. The House did not vote on final passage of the bill. The White House has threatened a veto of the bill if it includes the rescission of Race to the Top funds. Since the Senate passed a supplemental appropriations bill already that did not include this domestic spending, this bill will have to go back to the Senate or there will need to be a conference

### **Tax Extenders**

Over the past month and a half, the Congress has been trying to pass a tax extenders bill that would act as an important catalyst for continuing economic recovery. The extenders bill included several key components for local government, including: extension of unemployment benefits; one-time capitalization of the National Housing Trust Fund; funding for summer jobs (Senator Murray is championing this); and reauthorizing Build America Bonds. It also included funding for FMAP (Federal Medical Assistance Percentages). FMAP provides funding to states for Medicaid. Securing funding for FMAP was a key assumption when the state passed its supplemental budget during the last legislative session. While the House has been able to pass some version of the extenders bill, the Senate has been unable to pass it. As of now, it is unclear if and/or when the bill will be taken up again.

Because the Senate couldn't get the extenders bill passed, the House took action on an stand alone unemployment benefits bill. The Senate tried to get cloture on the unemployment insurance bill, but came up one vote short.

### **Transportation Reauthorization**

Congress will not be acting on transportation reauthorization during 2010, so we should expect 2011 to be a busy year on reauthorization. Over the past year, there have been some steps taken by Congress and the Administration to move the discussion forward on what the future of transportation in this country should be. Secretary LaHood has participated in a series of listening sessions around the country on our transportation needs. In Congress, the House Committee on Transportation and Infrastructure passed their bill last year and the Senate Environment and Public Works Committee is currently working on draft principles (with their expected release in early fall). The current authorization bill has been extended through December 31, 2010.

The big hang up is how you pay for a transportation bill. The current gas tax will not cover the costs for future transportation legislation. While there has been a discussion of a wide variety of funding options, no one option or suite of options have been identified as the keys for moving the bill forward.

### **Climate Change**

While the House passed comprehensive climate change legislation last year, the Senate is only now seriously turning to legislation on climate change. The Senate Environment and Public Works passed legislation last fall, but without any Republicans even showing up to the committee to participate in the vote. Right now, the discussion revolves around whether the Senate should take up an energy only bill

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that does not address climate change through some sort of cap and trade system; a utility only bill that would only address climate change from the utility sector; the Kerry-Lieberman proposal which is a cap and trade bill that provides auction revenues to a variety of entities to mitigate the costs of moving to a price on carbon; and the CLEAR Act, sponsored by Senators Cantwell and Collins, which puts a cap on greenhouse gas emissions and then uses the auction proceeds to pay a dividend to every person in the US and provide incentives for low carbon technology.

There was a meeting at the White House last week to discuss next steps on climate, but the President did not commit to any one approach. Majority Leader Harry Reid has said that he hope to bring a climate bill to the floor this summer, but the Senate schedule from after the July 4 recess to the August recess is already getting full with consideration of Elena Kagan's Supreme Court nomination, 2010 Supplemental Appropriations, unemployment insurance, and a small business tax bill.

### **Immigration Reform**

On Thursday, the President gave a speech on immigration reform where he called on Congress to take action on comprehensive reform. He called on Republicans to join Democrats in crafting legislation that would include enhanced border security and a path to citizenship. The response from Republicans was lukewarm. This issue will continue to be a topic of conversation, but a resolution is unlikely in 2010.

### **TIGER II Project Funding**

In the FY 2010 Appropriations Bill, the Congress included \$635 million for the National Infrastructure Investment program, which is being called TIGER II. This program will help to fund projects that : contribute to the long-term economic competitiveness of the nation; improve the condition of existing transportation facilities and systems; improve energy efficiency and reduce greenhouse gas emission; improve safety of transportation facilities and improve the quality of life and working environments of communities through increased transportation choices. The city will not be applying for TIGER II funding. We expect that King County will apply for funding for South Park Bridge under this program. Pre-applications are due on July 26 and applications (for those who make it through the pre-application process) are due on August 23.