

Washington Update

COUNTY OF SANTA BARBARA

June 26, 2020

COVID-19 RELIEF LEGISLATION

We continue to advocate for assistance to the County in the current pandemic emergency. The House of Representatives passed H.R. 6800, the *Health and Economic Recovery Omnibus Emergency Solutions (HEROES Act)*, on May 15 and we are urging the Senate to take similar action to address the impacts of the coronavirus. H.R. 6800 includes several important provisions advocated for by local government representatives, including fiscal relief funding, funding for health care providers, Medicaid policy changes, funding for testing/contact tracing, and a two-year repeal of the cap on the amount of state and local taxes (SALT) that can be deducted on individual tax returns.

We continue to focus particular attention on advocacy for fiscal relief for the County and other local governments in the region. Earlier this month, Senator Feinstein, Senator Harris and 15 other Senators wrote a joint letter to Senate Majority Leader McConnell (R-KY) urging him to allow a vote on additional funding for state and local governments before the July 1 start of the State fiscal year. Another effort of note was a “Big 7” letter co-signed by the leading national organizations representing state and local governments that requested immediate action on flexible fiscal aid to states and localities of all sizes. Several helpful proposals have been introduced in the Senate on this issue, including bipartisan legislation proposed by Senators Cassidy (R-LA) and Menendez (D-NY) to set up a \$500 billion State and Municipal Aid for Recovery and Transition (SMART) Fund.

INFRASTRUCTURE

House Democrats have scheduled a floor vote on H.R. 2, the *Moving Forward Act*, for June 30. This legislation includes \$1.5 trillion in

funding for infrastructure through a wide variety of new and existing federal programs. H.R. 2 includes a \$494 billion reauthorization of surface transportation programs and hundreds of billions of dollars in funding for other infrastructure, such as airports, broadband, public housing, clean energy grants, health care infrastructure, and drinking water programs. The legislation also includes several tax provisions drafted by the House Ways and Means Committee to support green energy use and reduce greenhouse gas emissions. We are working with our local delegation to highlight the County’s priorities as this legislation comes up for debate next week and will be continuing to advocate for the funding as the bill continues through the legislative process.

SURFACE TRANSPORTATION PROGRAMS

One of the core elements in the House infrastructure initiative is Transportation and Infrastructure Committee Chair DeFazio’s (D-OR) draft of the next surface transportation reauthorization bill. The *Investing in a New Vision for the Environment and Surface Transportation in America Act (INVEST Act)* includes provisions to help transportation stakeholders respond to the impact of the coronavirus and provide stimulus spending for economic recovery. The bill would authorize \$494 billion over five years for surface and rail transportation, including \$411 billion over five years out of the Highway Trust Fund. The spending would be distributed as follows:

- \$319 billion for the Federal-aid highway program under the Federal Highway Administration,
- \$105 billion for transit programs under the Federal Transit Administration,
- \$4.6 billion for highway safety programs,

- \$5.3 billion for motor carrier safety programs, and
- \$60 billion for rail programs.

These funding levels would increase federal investment in transportation programs a significant amount above the baseline (current spending plus inflation) levels. A rough estimate is that the bill would increase highway funding by 27 percent above baseline levels, while transit would be increased by 54 percent and passenger rail by over 300 percent.

Current spending levels on federal transportation programs cannot be sustained by the amount of revenues being deposited into the Highway Trust Fund. H.R. 2 resolves the financing issue by transferring \$106.7 billion from the general fund of the Treasury to the Highway Account of the Highway Trust Fund and an additional \$38.6 billion from the general fund to the Mass Transit Account. There are no “pay-fors” in the bill for the transfer, and there are no highway user tax increases.

POLICING REFORMS

On June 25, the House passed H.R. 7120, the *George Floyd Justice in Policing Act of 2020*, to implement policing reforms to respond to recent misconduct cases. Provisions in the bill would make chokeholds and carotid holds a potential civil rights violation, deny federal law enforcement grants to jurisdictions that permit “no-knock warrants” in drug cases, and reform qualified immunity so that individuals are not barred from recovering damages when police violate their constitutional rights.

Senator Scott (R-SC) has drafted S. 3985, the *Just and Unifying Solutions To Invigorate Communities Everywhere Act of 2020 (JUSTICE Act)*, which is being supported by Senate Republicans as an alternative to the legislation passed by House Democrats. Senate Democrats are holding out for more expansive policing reforms and that has so far prevented S. 3985 from moving forward under Senate procedural rules.

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