

Washington Update

COUNTY OF SANTA BARBARA

APRIL 30, 2014

FY 2015 FEDERAL FUNDING

Congress returned this week from its two week Easter/Passover recess, and the respective House and Senate Appropriations Committees are continuing to hold hearings as they begin taking action on the FY 2015 Appropriations bills. With the campaign homestretch for the 2014 elections looming for the fall, House Appropriations Committee Chairman Rogers (R-KY) is pushing for the House to approve all twelve bills before the beginning of the August recess. So far, his committee has approved the Military-Construction-VA and Legislative Branch funding bills, and is beginning work this week at the subcommittee level on the *FY 2015 Commerce, Justice, and Science Appropriations* bill, which includes funding for a variety of Department of Justice programs of significance to the County's public safety responsibilities. At this point, specific information on the bill remains embargoed.

MAP 21 REAUTHORIZATION

President Obama initially unveiled some of the Administration's principles for MAP-21 reauthorization as part of his FY 2015 budget proposal to Congress early in March. On April 29, the President released his complete 350-page proposal for new surface transportation legislation, and we provided the document to County staff for analysis, along with a section-by-section analysis. The proposal would authorize \$302 billion over four years for highway, transit and highway safety programs. One of the key issues in MAP-21 reauthorization is how it will be paid for, given the present insolvency of the Highway Trust Fund. President Obama's proposal would address the problem by replenishing the trust fund through an infusion of \$150 billion.

MAP-21 expires on September 30, 2014, and the Administration's proposal is the first specific legislative draft released in the reauthorization process. As we discussed last month,

the House Transportation and Infrastructure Committee intends to begin drafting a bill later this spring, while Senator Boxer's Environment and Public Works Committee is targeting mid-summer for action on its MAP-21 reauthorization legislation.

IMMIGRATION REFORM

Immigration reform efforts were considered dead for the 113th Congress, but when they were recently revived we immediately contacted House Speaker Boehner (R-OH), the House Judiciary Committee, and members of the State's Congressional delegation to reiterate the Board's support for comprehensive reform, citing the impacts on local communities and their economies, especially the agriculture industry. Several prominent Republicans, including Speaker Boehner, are now indicating that momentum has shifted back toward addressing the issue sometime this summer, and bipartisan discussions are once again taking place.

PACE PROGRAMS

Congressman Thompson (D-CA) recently introduced H.R. 4285, the *PACE Assessment Protection Act of 2014*, and we provided the measure to County staff for analysis. H.R. 4285 would direct the Federal Housing Finance Agency (FHFA) to rescind its 2010 policy guidance that directed Fannie Mae and Freddie Mac to discontinue guaranteeing mortgages with Property Assessed Clean Energy (PACE) assessments. FHFA's decision has affected PACE programs across the nation, including PACE-related efforts in California and locally in the County, as authorized by AB 811. To address FHFA's concerns, the bill establishes minimum underwriting standards to ensure that homeowners are able to afford the PACE assessments, thereby protecting Fannie Mae and Freddie Mac from financial risk. The measure, which has some bipartisan support, has been referred to the House Financial Services Committee.

HOMELESS FUNDING

HUD Secretary Donovan has also announced the release of nearly \$1.6 billion in Tier 1 competitive Continuum of Care (CoC) awards for ongoing priority projects serving individuals and families experiencing homelessness. We were informed that the Santa Maria/Santa Barbara County CoC will receive \$1.27 million in CoC funding, which can be used for street outreach, client assessment, and direct housing assistance. Funding for new projects and Tier 2 grants is expected to be announced shortly.

COMMUNITY DEVELOPMENT FUNDING

Housing and Urban Development (HUD) Secretary Donovan recently announced formula allocations for community planning and development programs, based on enactment of the FY 2014 budget levels. We have been informed that the County will receive: \$1,511,673 in CDBG funding; \$937,493 under the HOME program; and \$126,795 in Emergency Solutions Grant (ESG) funding.

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