

Memo

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To: Leon County Board of Commissioners
From: Squire Patton Boggs LLP
Date: June 1, 2015
Subject: Federal Legislative and Regulatory Action Relevant to Leon County
Interests: First Five Months of the 114th Congress

This memorandum provides an update for local governments and their partners regarding actions on notable federal legislation and regulatory issues, summarizing action in first five months of the 114th Congress.

On January 6, the 114th Congress commenced with Republicans controlling both the House and the Senate, creating a new dynamic on the Hill. Although Congressional leaders were able to come together and ultimately pass the Department of Homeland Security (DHS) spending bill as well as the “Doc Fix”, we anticipate some continued partisan gridlock on the majority of key issues, which is expected to increase as the 2016 election draws closer.

In the coming weeks/months, Congress must take action on the Export-Import Bank Reauthorization (June 30), the Surface Transportation Reauthorization/Highway Trust Fund (July 31), the FAA Reauthorization (September 30) and the FY 2016 appropriations bills (September 30). The Supreme Court decision on certain provisions of health care reform is also expected this summer.

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BUDGET/APPROPRIATIONS

FY 2015 DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS

As previously reported, efforts to undermine the President’s November 2014 executive action on immigration resulted in an extended continuing resolution for the FY 2015 Department of Homeland Security (DHS) appropriations measure. While the remaining FY 2015 spending bills were encapsulated into an omnibus approved in December, DHS was funded only through February 27.

Shortly after convening the 114th Congress, House leaders re-introduced the FY 2015 DHS spending bill and approved it on January 14 after adopting five controversial immigration amendments. After four failed procedural votes in the Senate prevented Majority Leader Mitch McConnell (R-KY) from bringing the bill to the floor, he moved the bill forward without the immigration provisions and provided for a separate vote on a measure to block funding for implementation of the President’s immigration order. The Senate approved the spending bill on February 27. House Republicans rebuffed the amended version of the bill, forcing leaders to propose another continuing resolution. A vote on a three-week extension failed when 52 Republicans joined with the majority of the Democratic caucus in voting against the measure. In a last minute effort to prevent a shutdown of DHS and other security agencies, Congress adopted a one-week continuing resolution.

Ultimately, House leaders conceded to the Senate version of the appropriations bill. Finally, on March 4, the \$39.7 billion FY 2015 Homeland Security spending bill (H.R. 240/P.L. 114-4) was signed by the President.

FY 2016 PRESIDENT'S BUDGET PROPOSAL

On February 2, President Obama submitted his FY 2016 Budget Proposal to Congress, thus opening the FY 2016 appropriations season. The \$4 trillion proposal echoed many of the priorities the President outlined in his [2015 State of the Union address](#). The funding and policy priorities for the next two years of President Obama's Administration include:

- Elimination of sequestration and a seven percent increase in discretionary funding for defense and domestic programs;
- Imposition of a 28 percent cap on the tax-exempt interest on municipal bonds;
- Consolidation of the Federal Emergency Management Agency's (FEMA) first responder programs, including the Urban Area Security Initiative (UASI);
- A six-year, \$478 billion public works program of highway, bridge, and transit upgrades financed, in part, through repatriation ("GROW AMERICA");
- Introduction of a new category of municipal bonds, Qualified Public Infrastructure Bonds (QPIBS);
- Free community college for annual income earners at or under \$200,000 per year; and
- Improved access to high-quality child care and early education.

A comprehensive [analysis of the President's FY 2016 Budget Proposal](#) was published by Squire Patton Boggs on February 4.

FY 2016 BUDGET RESOLUTION

Both House Budget Committee Chairman Tom Price (R-GA) and Senate Budget Committee Chairman Michael Enzi (R-WY) released budget resolutions that would balance the federal budget within 10 years without raising taxes, and conform to the sequester's spending limits. However, there were some considerable differences between the budgets. In order to gain the support of defense promoters in the Senate, Chairman Enzi agreed to add \$38 billion to the Overseas Contingency Operation (OCO) account, but fiscal hawks included a point-of-order that would subject the additional spending to a 60-vote threshold. The House budget resolution included the additional funding, after some procedural wrangling by the Rules Committee, without restriction.

Another difference between the House and Senate budget resolutions was the use of reconciliation instructions. Reconciliation, which allows the Senate to pass legislation without the threat of a filibuster, is a useful tool to circumvent the Senate's 60-vote threshold and send legislation to the President's desk. The Senate budget resolution included reconciliation instructions only to the two Committees that oversee the Affordable Care Act, while the House resolution included instructions to many more committees, as several House members discussed the possibility of using reconciliation for tax reform or entitlement reforms.

The House and Senate budget conferees were able to resolve the differences in the resolutions. Conferees dealt with the OCO point-of-order by removing it for spending in FY 2016, but including it for

FY 2017, thereby winning the votes of defense hawks in the Senate. Additionally, the reconciliation instructions were limited to repealing and replacing the Affordable Care Act, as the House and Senate wait on the Supreme Court to rule on its current case regarding subsidies expected in June. Finally, the conferees included a deficit-neutral reserve fund (DNRF) for the Senate, which will allow defense and non-defense spending to increase its offset by other savings, essentially setting up the possibility for Congress and the President to work out a budget deal this summer. However, the House's DNRF would only allow an increase in defense spending, and only through spending cuts, which could set up a showdown over sequester relief.

While the House and Senate failed to make the April 15 deadline, they were able to pass a conferenced budget resolution for the first time in 6 years. Democrats and the President have already voiced their opposition to the resolution, which will play out in the FY 2016 appropriations process.

FY 2016 APPROPRIATIONS

Prior to adjourning for the Memorial Day recess, the House passed three FY 2016 appropriations bills – Energy and Water (H.R. 2028), Legislative Branch (H.R. 2550), and Military Construction-Veterans Affairs (H.R. 2029). Additionally, the Commerce-Justice-Science and Transportation-Housing bills were cleared by the full appropriations committee and the Defense subcommittee marked up its bill. Meanwhile, the Senate Appropriations Committee, which typically lags several weeks behind the House in commencing its appropriations work, approved its Energy and Water and Military Construction-Veterans Affairs spending bills just before the recess. By this time last year, the House had passed only one appropriations bill and the Senate was on a similar pace with only two out of full committee. *See Attachment A for subcommittee allocation comparison and pending programmatic funding level highlights.*

Despite the strong start, and closely aligned subcommittee allocations (302(b)s), the path to complete FY 2016 spending bills will be difficult, particularly in the Senate, where Majority Leader Mitch McConnell (R-KY) faces the same filibuster challenge from Democrats as Minority Leader Harry Reid (D-NV) did during his tenure. Senate Democrats, while working with their fellow Republican appropriators, pledged to block any FY 2016 spending bills from reaching the Senate floor without another budget deal. Likewise, the President threatened to veto any spending measure that adheres to current sequestration funding levels. Additionally, some in Congress are continuing a strategy of using the appropriations process to debate Administration policy, particularly with regard to EPA regulations, health care reform, and immigration.

Hence, discussions (and rumors) abound over the possibility of another bipartisan budget agreement, similar to that negotiated by then-House Budget Committee Chairman Paul Ryan (R-WI) and then-Senate Budget Committee Chairwoman Patty Murray (D-WA) in 2013 (P.L. 113-67). Unlike the 2013 agreement, any budget deal in this Congress would also include an effort to address entitlement reform.

There is also the matter of the expiration of the nation's borrowing authority. While the extension officially expired on March 16, the Treasury Department recently announced that "extraordinary measures" can be utilized to stave off a need for increased borrowing authority (debt ceiling) until November or December. Thus, the combination of debt ceiling and FY 2016 spending bill negotiations may spur another "fiscal cliff" and lead to an attempt at a broader, bipartisan budget agreement.

TRANSPORTATION

MAP-21 SURFACE TRANSPORTATION REAUTHORIZATION AND HIGHWAY TRUST FUND

Before returning home for a week-long Memorial Day recess, the House and Senate passed a two-month extension of MAP-21 (through July 31), which President Obama has indicated he will sign, averting a shutdown of Federal surface transportation programs on June 1. The length of the extension was dictated by the level of revenues remaining in the Highway Trust Fund; the US Department of Transportation has estimated that Highway Trust Fund resources are sufficient to support the Federal transit and highway programs through late July or early August.

While some in Congress hope to use the next 60 days to adopt a long-term Highway Trust Fund revenue solution, the leaders of the House and Senate tax-writing committees continue to support another patch through the end of the calendar year. This longer timeline keeps the Highway Trust Fund revenue solution tethered to those committees' tax reform efforts. Their thinking is that revenues derived from changes to corporate tax laws – along with current Federal gas tax revenues – could be sufficient to fund a single 5- or 6-year transportation bill at current program levels.

However, even if tax reform could generate sufficient additional revenues to fund the next transportation bill, that solution is several months – and several billion dollars – away. House and Senate transportation leaders must find almost \$11 billion in new revenues and/or spending cuts to offset the transfer of General Fund revenues to the Highway Trust Fund to pay for another extension through December 2015. This exact task proved too difficult to accomplish before May 31, resulting in the two-month patch using remaining Highway Trust Fund resources. An increase in the Federal gas tax, while an obvious and easily implemented revenue source, is politically unpalatable to Democrats and Republicans in Congress and to the White House.

Progress on legislation to reauthorize the policies and programs in MAP-21 has been limited to a series of oversight hearings this spring by the House and Senate transportation authorizing committees. To date, none of these committees has made public their legislative proposals. However, Senate Environment and Public Works Committee Chairman James Inhofe and Ranking Member Barbara Boxer recently announced plans to mark-up their multi-year highway reauthorization bill as early as June 24. Heeding the caution of the tax-writing committees that revenues are severely constrained, House and Senate authorizers are generally expected to maintain current top-line funding levels – little to no growth. After years of underinvestment in U.S. highways, bridges, and transit systems, this raises serious concerns that the next bill may be a zero-sum game, where a funding increase for one program can only come at the expense of another. Against this dynamic, stakeholders continue to push Congress to find significant additional revenue.

FEDERAL AVIATION ADMINISTRATION (FAA) REAUTHORIZATION

Current law, the Federal Aviation Administration (FAA) Reauthorization and Reform Act of 2012 (P.L. 112-95), expires on September 30.

The last FAA reauthorization required more than 23 extensions of the prior law spanning more than four years – and a temporary shutdown of the FAA in mid- 2011 – before lawmakers agreed to new legislation. Leaders in the aviation industry and aviation policy are not anxious to repeat that experience. Work is underway in both chambers of Congress to draft reauthorization bills. Multiple

hearings and roundtables have been held on various aspects of the reauthorization on perennial issues such as safety, whether to increase the Passenger Facility Charge (PFC), how to finance airport expansion and pilot qualification requirements.

Currently, most attention is focused on the Federal Aviation Administration's plan to overhaul and modernize the nation's air traffic control system. Just weeks after the National Research Council released a scathing report detailing the lack of progress on the FAA's \$20 billion Next Generation Air Transportation System (known as NextGen), many are calling for Congress to remove air traffic control responsibilities from the FAA and give them to an independent nonprofit corporation. Advocates, such leading airlines and the National Air Traffic Controllers Association, believe that it is time for a structural change to the way the FAA does business. They believe that moving air traffic control responsibilities from the regulatory agency to a nonprofit corporation would deploy modern technologies faster, improve service and reduce costs. Lawmakers are open to the idea, although some are concerned about safety and blame sequestration and budget woes for the problems of NextGen deployment.

As the hearings and roundtables wrap up this spring, it is anticipated that legislation will follow shortly.

"MOVE AMERICA" INFRASTRUCTURE PROPOSAL

Given the enormous political trepidation surrounding a tax increase to support a multi-year surface transportation bill, momentum continues to grow in Congress for tools to support transportation investment through the tax code, that is, without a direct tax/revenue increase. On May 4, Senate Finance Committee Ranking Member Ron Wyden introduced a bill to establish a new form of tax-exempt bond to finance a wide range of transportation projects that include significant private-sector participation (such that the bonds would not otherwise qualify for tax-exempt status under current tax law). The program would be subject to an annual volume cap of about \$17.5 billion, but any bonds issued would not be subject to the Federal alternative minimum tax.

Wyden's bill would also create a new tax credit program under which States could raise funds for transportation projects by selling these credits to investors seeking to offset Federal tax liability. Tax credit proceeds must be matched by an equal amount of private equity investment. The purpose for this dollar-for-dollar match is to increase private investment in transportation projects, enabling States to reduce their reliance on debt, tolls, taxes, or other revenues to fund project costs. This model is loosely based on the Low Income Housing Tax Credit, which has been successful in attracting private investment to affordable housing construction.

WIFIA: WATER INFRASTRUCTURE FINANCE AND INNOVATION ACT

Since passage of the Water Resources Reform and Development Act (WRRDA) last June, the EPA has made major strides in implementing WIFIA, the low-cost loan program created in WRRDA to help close the nation's widening water infrastructure investment gap. The agency held listening sessions across the U.S. to gather stakeholder input and is now crafting implementation guidance and marketing the program to prospective project sponsors. If Congress appropriates the loan subsidy funding authorized in WRRDA, EPA is on track to make its first WIFIA loans in the fiscal year starting October 1.

The WIFIA program does face a hurdle to implementation. The program's statutory ban on co-financing projects with tax-exempt bonds could impair WIFIA's effectiveness, as tax-exempt bonds would generally be the most cost-effective source of the required non-WIFIA share (51 percent) of project

costs. There is no infrastructure policy behind this bond ban. Instead, it was included to address a congressional tax “score” of the WIFIA legislation as inducing the issuance of additional tax-exempt debt. A broad range of stakeholders are advocating for a repeal of this bond ban, which would require a small revenue offset. Both the FAA and MAP-21 reauthorization bills will include new revenues and could therefore be appropriate legislative vehicles for advancing the repeal.

ENERGY AND ENVIRONMENT

EPA “WATERS OF THE U.S.” RULE

On Wednesday, May 27, the Environmental Protection Agency (EPA) and the Army Corps of Engineers announced the agencies are issuing the final rule concerning “Waters of the U.S.” However, according to the EPA, the final rule will likely take up two weeks from now to be published in the Federal Register. Once published, the Final Rule will become effective within 60 days. Of interest to cities and counties, the four most significant statements EPA provided today concerning the final rule were 1) there are “no new permitting requirements;” 2) “the rule will maintain all previous exclusions;” 3) for the first time, the rule provides a definition for “tributary;” and 4) the rule actually adds new exclusions for “artificial lakes and stock ponds, water-filled depressions from construction and grass swales.”

Congress has made efforts to derail the Waters of the U.S. final rule, with standalone legislation and appropriations language to prevent implementation of the rule pending in both chambers. While members in both parties were upset over this week’s action by EPA, until the final rule is published and a thorough analysis is complete, it’s unclear whether there is enough support to override a potential veto.

A preliminary analysis of the rule pre-publication was provided by Squire Patton Boggs on May 27.

PRESIDENT’S CLIMATE ACTION PLAN

Also of interest to cities and counties, a significant piece of President Obama’s Climate Action Plan includes EPA’s effort to roll out its “Clean Power Plan.” While both the House and Senate have made efforts to change EPA’s course, in July, EPA is expected to propose its federal plan for meeting Clean Power Plan goals for public review and comment. At the same time, EPA is also expected to release the final rules for its “Clean Power Plan for Existing Power Plants in States, Indian Country and U.S. Territories” and its “Carbon Pollution Standards for New, Modified and Reconstructed Power Plants.”

Beyond 2015, EPA has targeted “Summer 2016” to issue a due date for states to submit compliance plans to the agency. EPA has stated that these can be “complete plans or initial plans with requests for 1- or 2-year extensions.” At that time, EPA will provide a finalized federal plan for meeting Clean Power Plan goals for areas that do not submit plans.” The anticipated beginning of the compliance period is “Summer 2020.”

In addition, as part of the overall Climate Action Plan, the Administration plans to attend the United Nations Climate Change Conference to be held in Paris this December.

LAW ENFORCEMENT

THE PRESIDENT’S TASK FORCE ON 21ST CENTURY POLICING REPORT

The President’s Task Force on 21st Century Policing has finalized and released its report on policing, which can be accessed [here](#). Appendix E, which begins on page 85 of the report, provides recommendations and action items concerning policing in order for cities, counties and communities to implement best demonstrated practices for policing to build trust with the public.

As anticipated, the recommendations include body-worn cameras by police. To that end, the Department of Justice (DOJ) has released a “National Body-Worn Camera Toolkit,” with implementation guidance for communities, which can be found [here](#). In addition, as we previously notified you, the DOJ has issued a grant opportunity for body-worn cameras, which is due June 16.

Also as part of the task force’s recommendations, President Obama announced a ban on the sale or provision of “military-style” equipment from the federal government to local municipalities. The task force outlined new restrictions on existing equipment that the federal government does provide to police and communities.

HOUSING

CPD DASHBOARD

The Department of Housing and Urban Development’s Office of Community Planning and Development (CPD) released a funding matrix and dashboard reports which provide funding information for each city and state that receives CPD program funds (such as the Community Development Block Grant or Continuum of Care programs) in a place-based format. The report details the size of each grant received over the past several years as well as the total amount of funds currently available to be spent on affordable housing and community and economic development activities. To access these reports, visit: [CPD Cross-Program Funding Matrix and Dashboard Reports page](#).

PROMISE ZONES

On April 28, the Obama Administration announced eight additional Promise Zones across the country, including six cities, one rural area and one tribal community. Promise Zones are high poverty communities where the federal government partners with local leaders to increase economic activity, improve educational opportunities, leverage private investment, reduce violent crime, enhance public health and address other priorities identified by the community. The Promise Zone designations were: Camden, New Jersey; Hartford, Connecticut; Indianapolis, Indiana; Minneapolis, Minnesota; Sacramento, California; St. Louis, Missouri; Pine Ridge Indian Reservation of the Oglala Sioux Tribe, South Dakota; and South Carolina Low Country.

HUD anticipates that a competition to select a third round of Promise Zones will commence later this year. In the Summer, HUD will publish a Notice in the Federal Register requesting public comment on the proposed selection process, criteria, and submissions for the final round of the Promise Zones initiative. This notice will provide urban, rural, and tribal communities the opportunity to help shape the third round application guide and efforts to support other communities more effectively in future years.

PROTECTING TENANTS AT FORECLOSURE ACT

On May 21, the Senate Committee on Banking, Housing and Urban Affairs marked up Committee Chair Richard Shelby's (R-AL) "Financial Regulatory Improvement Act". On behalf of the Democrats on the Committee, Ranking Member Sherrod Brown (D-OH) offered a substitute to the Chairman's bill which failed on a party line vote. Among the provisions in Senator Brown's substitute bill was a permanent extension of the "Protecting Tenants at Foreclosure Act" (PFTA). The PFTA expired at the end of 2014 and it enabled renters whose homes were in foreclosure to remain in their homes for at least 90 days or for the term of their lease, whichever was greater. Only nine states and the District of Columbia have renter protection at foreclosure laws equal or surpassing that of the PFTA. Senator Richard Blumenthal (D-CT) and Representative Keith Ellison (D-MN) have introduced bills, S. 730 and H.R. 1354, respectively in this Congress to restore PFTA and make it permanent.

2020 CENSUS AND ACS FUNDING

The House Committee on Appropriations approved the FY 2016 Commerce, Justice, Science and Related Agencies (CJS) appropriations bill on May 20. The bill covers the US Census Bureau programs such as the 2020 Decennial Census and the American Community Survey. The funding level proposed for the US Census Bureau is \$1.1 billion, \$387 million below the President's budget request. According to the Census Project, a coalition of organizations dedicated to a fair and accurate census, this level of funding is not sufficient to carry out needed planning for the 2020 Census and maintain a robust and accurate ACS. Affordable housing organizations use these data to determine the need for affordable housing.

WORKFORCE

WIOA IMPLEMENTATION

In early April, the Departments of Labor and Education released a joint Notice of Proposed Rulemaking (NPRM) related to implementation of the Workforce Innovation and Opportunity Act (WIOA). The proposed rule introduced new regulatory proposals and key questions for stakeholders to consider. Additionally, separate rulemakings were published to implement specific requirements of the Act that fall under each Department's purview. Individuals or organizations that wish to comment on the proposed rules will have until June 15 to do so. The Departments' released NPRMs on the below topics:

- [The Unified and combined state plans, performance accountability, and the one-stop system](#) is the joint NPRM between the Department of Labor (DOL) and the Department of Education (ED). This NPRM seeks to propose regulations to lay the foundation, coordination, and collaboration processes for implementing the vision and goals of WIOA. More specifically, the proposed regulations (1) focus on procedural requirements on how to submit a State Plan to the DOL; (2) offers guidance for the interpretative rules; and (3) outlines the information to be collected and the process by which the Departments intend to collect the data.
- [The Title II Adult Education and Family Literacy Activities](#) (AEFLA) NPRM from the Department of Education proposes updates to regulations that establish procedures for determining the suitability of tests used for measuring State performance on accountability measures under AEFLA. It also

removes specific provisions in the Vocational and Adult Education code of federal regulations that are no longer applicable to the Federal adult education programs. Furthermore, the proposed rule offers an opportunity for stakeholders to comment on the newly proposed processes and requirements for States to award grants or contracts to local providers as well as the suggested definitions of what constitutes an adult education and literacy activity or program.

- [The Miscellaneous program changes](#) NPRM from the Department of Education proposes to amend several regulations governing a number of programs administered by the Rehabilitation Services Administration (RSA) to implement changes to the Rehabilitation Act of 1973, which governs services provided to individuals with disabilities. Additionally, the NPRM proposes to implement changes to the Rehabilitation Act of 1973 previously proposed by the Workforce Investment Act (WIA) that had not been implemented to otherwise update, clarify and improve the RSA's current regulations.
- [The State Vocation Rehabilitation Services program, state-supported Employment Service programs, and limitations on the use of subminimum wage](#) NPRM from the Department of Education proposes to amend the regulations governing the State Vocational Rehabilitation Services program and the State Supported Employment Services program. In addition, the NPRM proposes to issue new regulations regarding limitations on the use of subminimum wages that were added by WIOA.

In addition, in the weeks following the release of the NPRM's, both departments announced several workforce-related grant opportunities, including YouthBuild, Health Profession Opportunity Grants, and round five of the Workforce Data Quality Initiative grants, which reflect changes required by WIOA. We expect additional opportunities to roll out throughout the upcoming months as part of the Administration's implementation process.

TECHHIRE INITIATIVE

In March, the Administration launched the TechHire initiative to provide Americans with skills, through universities and community colleges, but also nontraditional approaches like "coding boot camps" and high-quality online courses that can rapidly train workers for a well-paying job, often in just a few months. It is recognized that many employers need talented people who do not require a four year computer science degree in order to fulfill the roles employers need. TechHire partnerships include:

- Using data and innovative hiring practices to expand openness to non-traditional hiring;
- Expanding models for training that prepare students in months, not years; and
- Active local leadership to connect people to jobs with hiring on ramp programs.

Twenty communities were early acceptors and committed to take action, working with each other and with national employers, to expand access to tech jobs. These original communities have over 120,000 open technology jobs and more than 300 employer partners in need of the workforce and are working to find new ways to recruit and place applicants based on their actual skills and to create more fast track tech training opportunities. The Administration is seeking more communities to participate.

The Administration is expected to launch a \$100 million H-1B grant competition by the Department of Labor to support innovative approaches to training and successfully employing low skill individuals with barriers to training and employment including those with child care responsibilities, people with disabilities, disconnected youth and limited English proficient workers, among others. This grant competition will support the scaling up of evidence based strategies such as accelerated learning, work-based learning and Registered Apprenticeships.

MANUFACTURING INITIATIVES

NATIONAL NETWORK FOR MANUFACTURING INNOVATION

The FY 2015 omnibus appropriations bill included language that directed the Secretary of Commerce to use existing funds to expand manufacturing innovation research hubs as part of the President's proposed National Network for Manufacturing Innovation (NNMI). The President noted in his State of the Union speech that he would build on the language included in the FY 2015 omnibus and the nine manufacturing institutes that already exist to complete 15 total institutes by the end of his term.

The original concept for NNMI included expanding the network to 45 institutes over a decade in order to leverage existing resources and expand collaboration between industry, academia and government partners to nurture manufacturing innovation and accelerate commercialization. The President's FY 2016 budget also included \$1.9 billion in mandatory funding that would support 29 NNMI institutes, though it is unlikely that all of these institutes would be funded in the FY 2016 appropriations bills.

INVESTING IN MANUFACTURING COMMUNITIES PARTNERSHIP

In January, the Department of Commerce's Economic Development Administration (EDA) announced the opening of the round two designation competition for the Investing in Manufacturing Communities Partnership (IMCP). IMCP is a government-wide initiative to help communities cultivate an environment for businesses to create well-paying manufacturing jobs in regions across the country and thereby accelerating the resurgence of manufacturing. EDA plans to designate up to 12 additional communities as "Manufacturing Communities" under the IMCP initiative for a period of two years.

In order to earn the designation, communities were required to demonstrate the significance of a manufacturing presence in their region and develop strategies to make investments in six areas: (1) workforce and training; (2) advanced research; (3) infrastructure and site development; (4) supply chain support; (5) trade and international investment; and (6) operational improvement and capital access. As with the previous competition, the manufacturing communities will receive preference for a range of future federal economic development funding and technical assistance offered by agencies that participate in IMCP.

Applications were due on April 1. EDA is likely to announce the second round of IMCP designations very soon.

TELECOMMUNICATIONS

BROADBAND OPPORTUNITY COUNCIL

At the end of March, the President signed a new Presidential Memorandum to create a new entity, the Broadband Opportunity Council, focusing on increasing broadband investment and adoption. The intent of the Council is to engage with industry and other stakeholders to understand ways the government can better support the needs of communities seeking broadband investment, identify regulatory barriers unduly impeding broadband deployment or competition, and report back on steps each Federal agency will take to advance these goals. Currently the Council is seeking public comment. To submit comments, visit: <http://www.ntia.doc.gov/press-release/2015/broadband-opportunity-council-seeks-comment>

Obama also announced that 98% of Americans had access to high-speed, mobile broadband (4G), based upon significant private investment. The Administration elaborated that they had set in motion the highest grossing auction of mobile spectrum to date, raising more than \$41 billion and that sets the stage for the Federal Communications Commission (FCC)'s upcoming "incentive auction" of television broadcast spectrum slated for early 2016. In addition, there has been an effort to free up wireless spectrum previously held by government agencies which have identified 335 Mhz of Federal and non-Federal spectrum for potential reallocation.

MUNICIPAL BROADBAND

Earlier in the year, the FCC took action against two of the nineteen state laws (Tennessee and North Carolina) that restrict communities from instituting community broadband. Currently the FCC decision is being challenged in court.

The Department of Commerce has created the BroadbandUSA program to support communities seeking to learn from experts on how to increase broadband investment and competition, including through municipal broadband. Since January, Commerce has provided ongoing one-on-one advice to communities across the US and has prepared a Guide to Public-Private Partnerships for Broadband Investment.

EXPORT-IMPORT BANK

The authorization for the Export-Import Bank (known as the Ex-Im Bank), which provides financing for US exports, expires on June 30. The reauthorization of the agency is expected to be one of the most heated political battles when Congress returns from Memorial Day recess. A number of vested interests on both sides of the debate have recently vigorously engaged - for example, Boeing, one of the greatest beneficiaries of the Bank, has weighed in in favor of the reauthorization whereas Delta Airlines has opposed the bid to extend the bank without a major overhaul because it claims that the bank helps Delta's foreign competitors purchase large jets from Boeing with attractive financing. Supporters cite the spin off jobs from suppliers to those receiving loans and that competitor countries support their domestic manufacturers which puts US companies at a disadvantage. Conservatives maintain that the bank picks winners and losers and would prefer to leave it to the free market.

Right before Congress recessed, the Senate passed Trade Promotion Authority (TPA), which is essentially fast track authority for the President to negotiate trade deals, which, if approved by the House in June, would pave the way for a major trade agreement with Japan and 10 other Pacific trading partners, the Trans Pacific Partnership (TPP). The TPA nearly stalled in the Senate when Senator Maria Cantwell (D-WA), along with Senator Patty Murray (D-WA), would not vote to advance the trade measure without a commitment that House and Senate leaders would hold a June vote on the Ex-Im Bank. Senate Majority Leader Mitch McConnell (R-KY) agreed that he would hold a June vote on the reauthorization.

In the House the Republican Study Committee (RSC) endorsed letting the agency wind down, but several of the members of the RSC do not agree with that position, including one who resigned from the group.

CYBERSECURITY

In April, the House passed two major pieces of cybersecurity legislation that seek to update and authorize voluntary information sharing platforms that allow the federal government and the private sector to share information about cyber threat indicators they are seeing on their networks. Within two days, the House passed the House Intelligence Committee bill – the Protecting Cyber Networks Act (H.R. 1560) – by a 307-116 vote and the Homeland Security Committee’s National Cybersecurity Protection Advancement Act (H.R. 1731) by a 355-63 vote.

H.R. 1560 focuses on cybersecurity information sharing activities between the private sector and the Intelligence Community, including the Department of Defense (DOD) and the Director of National Intelligence. The bill provides for targeted liability protections for private sector entities that choose to share information with the federal government regarding cyber threats. In addition, it includes a section on privacy and civil liberties to specifically address concerns from privacy advocates and requires multiple scrubs of data prior to sharing to remove personally identifiable information as a means to protect consumers.

H.R. 1731 authorizes the information sharing activities with the private sector and DHS, a civilian agency. It also includes liability protections for companies that share information with the federal government, which prompted several amendments to be proposed to scale back the liability protections in the bill. Given the similarities in the two bills and the complementary nature of the legislation, H.R. 1731 was combined with H.R. 1560 after the bills passed the House and they were then sent to the Senate for its consideration.

The Senate Intelligence Committee previously passed its own information sharing legislation – the Cybersecurity Information Sharing Act (S. 754) – and could move forward with considering the bill on the Senate floor this summer. It is unlikely that the Senate will choose to consider the House bill. Consideration of cybersecurity information sharing legislation in the Senate is currently up in the air due to the difficulties that the chamber has had in passing surveillance reform legislation to update the PATRIOT Act, which did not have the support it needed to pass out of the Senate prior to the Memorial Day recess.

In addition to information sharing legislation, Congress is also looking at updating the laws related to data breach notification and data security standards. Currently, companies are required to operate under a patchwork of state laws that vary from state to state. To date, six bills have been introduced in the House and Senate that would preempt state law and create one data breach notification standard. Only one of these bills has been marked up in committee and none of the bills have made it to the

House or Senate floor. Currently, they remain in a holding pattern while the relevant Congressional committees of jurisdiction determine how to move forward on data breach legislation.

MARKETPLACE FAIRNESS ACT

Congress is moving once again to improve sales tax parity between main-street and online businesses, but in a much different form than the 113th Congress. In 2013, the Senate passed the Marketplace Fairness Act with a broad, bipartisan vote (69-27) suggesting that Congress might pass legislation to solve a problem that has vexed state and local governments, retailers, and many other stakeholders for years. That progress ultimately stalled, however, after the House failed to consider the Marketplace Fairness Act in the last hours of the 113th Congress.

The political dynamic for sales tax parity legislation is far different in 2015 under unified Republican control of Congress. Senate Marketplace Fairness Act supporters have already indicated that the House must take the lead in the new Congress, and as a result, the legislative focus now rests in the House Judiciary Committee where Chairman Bob Goodlatte (R-VA) has offered an alternative draft proposal to the Marketplace Fairness Act. The Chairman's draft, titled the "Online Sales Tax Simplification Act of 2015 (or OSSA)," would require online businesses to collect and remit sales tax proceeds to the appropriate local governments, but do so through a structure that is vastly different than one envisioned by the Marketplace Fairness Act. Under the Chairman's draft, businesses would collect sales tax proceeds from online transactions based on "origin sourcing" rules that require a seller to collect sales tax proceeds based on rates that apply in their jurisdiction, as opposed to the "destination based" rules envisioned by the Marketplace Fairness Act, which require sellers to collect sales tax proceeds based on the applicable rate where a consumer receives the product. Chairman Goodlatte believes that OSSA better respects states' rights and provides a constitutionally sound solution for sales tax parity between on and offline businesses. Many public and private sector stakeholders disagree with this proposition, however, as comments posed by state legislators, governors, retailers, and others have roundly criticized the Chairman's draft.

Chairman Goodlatte's draft is not the only proposal on the table for House members to consider. Rep. Jason Chaffetz, a member of the Judiciary Committee and Chairman of the House Oversight and Government Relations Committee, is currently circulating a draft proposal titled the "Remote Transactions Parity Act of 2015 (or RTPA)." Chairman Chaffetz's draft is structurally similar to the Marketplace Fairness Act but includes a number of provisions designed to reduce remote sellers' potential for out-of-state regulatory exposure. For example, the RTPA would prevent a state from auditing a small seller (defined as a business with less than or equal to \$5 million in annual sales) unless the state suspects intentional misrepresentation or fraud. In other instances, a state would not be able to initiate an audit of a remote seller without going through that seller's certified software provider responsible for handling remote transactions – unless the state suspects intentional misrepresentation or fraud. Marketplace Fairness Act supporters, including former MFA sponsor Rep. Steve Womack (R-AR), are rallying behind Chairman Chaffetz and the RTPA. In fact, we do not expect Rep. Womack to offer the Marketplace Fairness Act in 2015.

The pace of House activity has been slow to date, but could pick up steam in the weeks and months to come. For example, next week, the Judiciary Committee may add Chairman Goodlatte's OSSA draft to an already noticed subcommittee hearing to review "nexus issues" revolving around three bills that implicate state tax issues. Those bills include the Business Activity Tax Simplification Act; the Digital Goods and Services Tax Fairness Act; and the Mobile Workforce State Income Tax Simplification Act. The

Committee has not publicly added OSSA to the hearing agenda on the website, but we understand that the Judiciary Committee is actively working to add a panel devoted entirely to reviewing the OSSA draft.

Looking forward, some believe that Congress may look to amend some version of sales tax parity legislation on to a bill to reauthorize the Internet Tax Freedom Act (ITFA), which expires on October 1. Marriage between ITFA and the Marketplace Fairness Act (or a similar alternative) remains popular amongst House and Senate MFA supporters.

TRADE ISSUES

Even before the New Year and the start of the 114th Congress, many expected trade to be a top executive and legislative agenda item and an area of potential compromise between the Democratic President and Republican-controlled Congress.

After a delayed start, the congressional committees of jurisdiction actively debated various trade measures, including Trade Promotion Authority (TPA), in April. The Senate passed its package of trade measures just before the Memorial Day recess. The House is expected to do the same in early June, at which point the two chambers will most likely conference their respective versions of each bill and send them to President Obama for his signature.

TRADE PROMOTION AUTHORITY

In his January 20th State of the Union address, President Obama formally requested Congress renew TPA, which creates an alternative mechanism for the consideration of trade agreements. Congress outlines overall negotiating objectives within the bill, and is closely consulted over the course of negotiations. The final agreement negotiated by the Administration is then sent to Congress for a simple up-or-down vote, without amendment. TPA would clear the way for consideration of two major trade agreements –the Trans-Pacific Partnership and Transatlantic Trade and Investment Partnership – solidifying President Obama’s foreign policy legacy in this area.

On Friday, May 22, the Senate passed H.R. 1314, its TPA measure, by a vote of 62-37. Senate Finance Committee Chairman Orrin Hatch (R-Utah) and Ranking Member Ron Wyden (D-Oregon) spent much of the week trying to find a compromise on how many of the 200 filed amendments would be brought to the floor for a vote; the Senate ultimately voted on only six before considering the full measure. The amended bill includes a compromise proposal on currency undervaluation offered by Senators Hatch and Wyden, as well as a provision offered by Senator James Lankford (R-Oklahoma) that would direct U.S. negotiators take into account conditions relating to religious freedom of any party to negotiations for a trade agreement.

House Republican aides indicated on May 22 that the House would vote on all four pending trade bills – (1) TPA; (2) Trade Adjustment Assistance (TAA); (3) a trade preferences measure (AGOA/GSP/Haiti program); and (4) a customs and trade facilitation measure – on the same day sometime after Congress reconvenes in the first week of June. At this time, the House vote on TPA is expected to be a close one – TPA’s advocates and opponents are strongly lobbying members to support their respective positions, and its passage is by no means a sure thing.

CUSTOMS AND TRADE FACILITATION MEASURE

On May 19, President Obama called for swift passage of the customs measure, which includes provisions on trade enforcement and facilitation. House Ways & Means Committee Chairman Paul Ryan (R-Wisconsin) pledged to Members of the House Steel Caucus on May 22 that he will accept the trade remedy law changes championed by Senators Rob Portman (R-Ohio) and Sherrod Brown (D-Ohio) in the Senate version of the customs bill when the legislation is conferenced sometime after House passage.

MY BROTHER’S KEEPER (MBK) ALLIANCE

On May 4, President Obama announced that the My Brother’s Keeper initiative gained new support in the form of an independent non-profit called My Brother’s Keeper Alliance. The new entity, which raised over \$300 million in the past year, is composed of a group of private-sector leaders and other philanthropic and community partners, including the chief executives of Sam’s Club, Deloitte Consulting, PepsiCo and Sprint, among others. Working together, these partners hope to achieve lasting change in improving life outcomes for boys and men of color. Concurrently, the White House MBK Task Force will continue its similar work in addition to the non-profit. Though the new MBK Alliance is a separate entity from the White House MBK Task force, President Obama is expected to transition into a major role within the new organization after leaving the presidency.

ELEMENTARY AND SECONDARY EDUCATION ACT (“NO CHILD LEFT BEHIND”) REAUTHORIZATION

In January 2015, House Education and the Workforce Committee Chairman John Kline (R-MN) and Senate Health, Education, Labor and Pensions (HELP) Committee Chairman Lamar Alexander (R-TN) announced that their Committee’s first priority in the 114th Congress would be the reauthorization of the Elementary and Secondary Education Act (ESEA), or the No Child Left Behind Act (NCLB).

The House began a fast-track approach with its version, the Student Success Act (H.R. 5), by moving directly into a markup and bypassing any Committee hearings. The full Committee approved the bill on February 11, after which it was expected to move to the floor. However, the final floor vote was postponed due to consideration of the FY 2015 Department of Homeland Security appropriations bill and concerns that Republican leadership did not have enough support for the bill. The Student Success Act has yet to reach the floor, as it continues to receive criticism from both sides of the political spectrum – from Democrats, for the bill’s Title I portability funding component and what they believe to be weak accountability standards, and from conservative groups, such as the Club for Growth and Heritage Action, for not going far enough to free states from annual testing and school performance ratings. Secretary of Education Arne Duncan has been very vocal about his opposition to H.R. 5, and President Obama has stated that he would veto the bill in its current form. Chairman Kline continues to push for a floor vote, though House leadership has given no indication of bringing up the bill in the near future. Chairman Kline has acknowledged he is exploring alternative paths to get a rewrite through the House.

Meanwhile, the Senate version, the Every Child Achieves Act of 2015 (S. 1177), has received bipartisan support and is expected to reach the floor in June or July. After three days of marking up S. 1177, the Senate HELP Committee unanimously passed the measure on April 16. While more contentious issues will play out during the floor consideration, such as federal protections from bullying for gay, lesbian, bisexual and transgender students and Title I portability, the rare unanimous vote in Committee sends a

message to other Senators regarding the urgency for updating No Child Left Behind. Secretary of Education Arne Duncan and early-learning advocates commended the Committee leaders for their work on the bill and particularly for the inclusion of language to expand access to high-quality early education programs. Specifically, the Senate bill would create competitive early learning grants and would ensure that existing funding streams may be applied to preschool programs. Secretary Duncan, Congressional Democrats, and other education stakeholders called for further improvements to be made on the floor, including proposals for universal prekindergarten programs, which Republicans are expected to block.

ATTACHMENT A

FY 2016 SUBCOMMITTEE ALLOCATIONS

Regular Appropriations (Budget Authority)			
Subcommittee	FY 2015 Appropriation	FY 2016 House 302(b)	FY 2016 Senate 302(b)
Agriculture	\$20.6 billion	\$20.7 billion	\$20.5 billion
Commerce, Justice, Science	\$50.1 billion	\$51.4 billion	\$51.1 billion
Defense	\$490.2 billion	\$490.2 billion	\$489.1 billion
Energy and Water	\$34.2 billion	\$35.4 billion	\$35.4 billion
Financial Services and General Government	\$21.8 billion	\$20.2 billion	\$20.6 billion
Homeland Security	\$39.7 billion	\$39.3 billion	\$40.2 billion
Interior and Environment	\$30.4 billion	\$30.2 billion	\$30 billion
Labor, HHS, Education	\$156.8 billion	\$153.1 billion	\$153.2 billion
Legislative Branch	\$4.3 billion	\$4.3 billion	\$4.3 billion
Military Construction and VA	\$71.8 billion	\$76.1 billion	\$77.6 billion
State, Foreign Operations	\$40.0 billion	\$40.5 billion	\$39 billion
Transportation, HUD	\$53.8 billion	\$55.3 billion	\$55.6 billion
TOTAL	\$1.014 trillion	\$1.017 trillion	\$1.017 trillion

PENDING PROGRAMMATIC HIGHLIGHTS

Funding levels in black are those proposed in the President's FY 2016 Budget Request; those in parentheses are enacted FY 2015 levels; those in blue are proposed House levels for FY 2016; and those in red are proposed Senate levels for FY 2016.

COMMERCE, JUSTICE, SCIENCE

Department of Commerce

- Strengthening NIST Cryptographic and Privacy Capabilities to Address the Cybersecurity Concerns of Today and Tomorrow: \$13.2 million (\$6.2 million FY 2015) [House \$]
- NIST Cybersecurity Framework: \$55.4 million (\$36.4 million in FY 2015) [House \$]
- Hollings Manufacturing Extension Partnership (MEP): \$141 million (\$130 million in FY 2015) [House \$ 130 million]
- Advanced Manufacturing Technology Consortia (AMTech): \$15 million (\$8.1 million in FY 2015) [House \$]
- Economic Development Assistance (EDA) Programs: \$228 million (\$209.5 million in FY 2015) [House \$ 213 million]

Department of Justice

- **State and Local Law Enforcement Grants:** \$1.14 billion (\$1.24 billion in FY 2015) [House \$1.99 billion]
 - **Byrne Memorial JAG:** \$388 million (\$376 million in FY 2015) [House \$409 million]
 - **Bulletproof Vests:** \$22.5 million (\$22.5 million in FY 2015) [House \$22.5 million]
 - **Byrne Competitive Grants:** \$15 million (not funded in FY 2015) [House \$0]
 - **Victims of Trafficking:** \$10.5 million (\$42 million in FY 2015) [House \$25 million]
 - **Prescription Drug Monitoring:** \$9 million (\$11 million in FY 2015) [House \$11 million]
 - **Second Chance/Offender Reentry:** \$120 million (\$68 million in FY 2015) [House \$68 million]
 - **Comprehensive School Safety Initiative:** \$75 million (\$75 million in FY 2015) [House \$75 million]
 - **Community Teams to Reduce the Sexual Assault Kit Backlog:** \$41 million (\$41 million in FY 2015) [House \$41 million]
 - **Body Worn Camera Partnership Program:** \$30 million (not funded in FY 2015) [House \$15 million]
- **Juvenile Justice Programs:** \$339.4 million (\$251.5 million in FY 2015) [House \$183.5 million]
 - **Youth Mentoring:** \$58 million (\$90 million in FY 2015) [House \$95 million]
 - **Title V: Local Delinquency Prevention Incentive Grants:** \$42 million (\$15 million in FY 2015) [House \$0]
- **Community Oriented Policing Services (COPS):** \$303.5 million (\$208 million in FY 2015) [House \$235 million]
 - **COPS Hiring:** \$249.5 million (\$180 million in FY 2015) [House \$0]
 - **Community Trust Initiative:** House \$50 million
- **Office of Violence Against Women Prevention and Prosecution Programs:** \$473.5 million (\$430 million FY 2015) [House \$474 million]
 - **STOP Grants:** \$193 million (\$195 million in FY 2015) [House \$196 million]
 - **Transitional Housing Assistance:** \$25 million (\$26 million in FY 2015) [House \$28 million]
 - **Grants to Encourage Arrest Policies:** \$50 million (\$50 million in FY 2015) [House \$51 million]
 - **Consolidated Youth Oriented Program:** \$10 million (\$10 million in FY 2015) [House \$11 million]
 - **Campus Violence:** \$26 million (\$12 million in FY 2015) [House \$16 million]
 - **Sexual Assault Services:** \$27 million (\$30 million in FY 2015) [House \$35 million]

ENERGY & WATER

Army Corps of Engineers

- **Army Corps of Engineers:** \$4.7 billion (\$5.45 billion in FY 2015) [House \$5.6 billion / Senate \$5.5 billion]
 - **Investigations:** \$97 million (\$122 million in FY 2015) [House \$110 million / Senate \$109 million]
 - **Construction:** \$1.17 billion (\$1.64 billion in FY 2015) [House \$1.63 billion / Senate \$1.64 billion]
 - **Harbor Maintenance Trust Fund:** \$915 million (\$1.1 billion in FY 2015) [House \$1.17 billion /
 - **Inland Waterways Trust Fund:** \$53 million (\$112 million) [House \$108 million / Senate \$108.6 million]

Bureau of Reclamation

- **Water and Related Resources:** \$978.13 billion (\$978.13 million in FY 2015) [House \$950.64 million / Senate \$988.13 million]

Department of Energy

- **Energy Efficiency and Renewable Energy:** \$2.7 billion (\$1.9 billion in FY 2015) [House \$1.65 billion / Senate \$1.95 million]
 - Hydrogen and Fuel Cell Technologies: \$103 million (\$97 million in FY 2015) [House \$94 million / Senate \$97 million]
 - Solar Energy: \$336.7 million (\$233 million in FY 2015) [House \$151.6 million / Senate \$241.6 million]
 - Wind Energy: \$145 million (\$107 million in FY 2015) [House \$90.45 million / Senate \$46 million]
 - Geothermal Technology: \$96 million (\$55 million in FY 2015) [House \$46 million / Senate \$71 million]
 - Water Power: \$67 million (\$61 million in FY 2015) [House \$38.7 million / Senate \$65 million]
 - Vehicle Technologies: \$444 million (\$280 million in FY 2015) [House \$255.4 million / Senate \$299 million]
 - Building Technologies: \$264 million (\$172 million in FY 2015) [House \$150 million / Senate \$178 million]
 - Advanced Manufacturing: \$404 million (\$200 million in FY 2015) [House \$205 million / Senate \$214 million]
 - Weatherization: \$228.4 million (\$193 million in FY 2015) [House \$190 million / Senate \$190 million]
- **Advanced Research Projects Agency-Energy:** \$325 million (\$280 million in FY 2015) [House \$280 million / Senate \$291 million]
- **Electricity Delivery and Energy Reliability:** \$270 million (\$147 million in FY 2015) [House \$160 million / Senate \$152.3 million]
 - Clean Energy Transmission and Reliability: \$40 million (\$34.2 million in FY 2015) [House \$31 million / Senate \$34 million]
 - Smart Grid Research and Development: \$30 million (\$15.4 million in FY 2015) [House \$20 million / Senate \$15.3 million]
 - Energy Storage: \$19 million (\$15.2 million in FY 2015) [House \$15 million / Senate \$13 million]
 - Cyber Security for Energy Delivery Systems: \$52 million (\$46 million in FY 2015) [House \$47 million / Senate \$46 million]
- **Office of Science:** \$5.3 billion (\$5.07 billion in FY 2015) [House \$5.1 billion / Senate \$5.1 billion]
- **Nuclear Energy:** \$907.6 million (\$833.5 million in FY 2015) [House \$936 million / Senate \$950 million]
- **Fossil Energy Research and Development:** \$560 million (\$560.6 million in FY 2015) [House \$605 million / Senate \$610 million]
- **Advanced Technology Vehicles Manufacturing Loan Program:** \$6 million (\$4.5 million in FY 2015) [House \$6 million / Senate \$6 million]

TRANSPORTATION-HOUSING

Department of Housing

- **Community Development Block Grant (CDBG):** \$2.8 billion (\$3 billion in FY 2015) [House \$3 billion]
- **Tenant-Based Rental Assistance (Section 8):** \$21.1 billion (\$19.3 billion in FY 2015) [House \$19.6 billion]
 - Voucher Renewals: \$18.33 billion (\$17.49 billion in FY 2015) [House \$18.5 billion]
 - Tenant Protection Vouchers: \$150 million (\$130 million in FY 2015) [House \$130 million]
 - HUD-VASH Vouchers: no funds were proposed for this program; however the President proposes 22,500 new vouchers for families, veterans, and tribal families experiencing homelessness (\$75 million FY 2015) [House \$75 million]
 - New Families, Veterans, and Tribal Homelessness Vouchers: \$177.50 million for 22,500 vouchers to be distributed through a competitive grant process.
 - Section 811 Vouchers: \$107.6 million (\$83.16 million in FY 2015) [House \$107.6 million]
- **Public Housing Capital Fund:** \$1.97 billion (\$1.9 billion in FY 2015) [House \$1.681 billion]
- **Public Housing Operating Fund:** \$4.6 billion (\$4.4 billion in FY 2015) [House \$4.4 billion]
- **Choice Neighborhoods Initiative:** \$250 million (\$80 million in FY 2015) [House \$20 million]
- **Housing Opportunities for Persons with AIDS:** \$332 million (\$330 million in FY 2015) [House \$332 million]
- **HOME Investment Partnerships Program:** \$1.06 billion (\$900 million FY 2015) [House \$900 million]
 - Self-Help Homeownership Program (SHOP): \$10 million (\$50 million in FY 2015) [House \$50 million]
- **Homeless Assistance Grants:** \$2.48 billion (\$2.14 billion in FY 2015) [House \$2.2 billion]
 - Emergency Solutions Grants (ESG): \$250 million (\$250 million in FY 2015) [House \$250 million]
 - Continuum of Care and Rural Housing Sustainability Assistance Program: \$1.94 billion (\$1.86 billion in FY 2015) [House \$1.905 billion]
 - National Homeless Data Analysis Project: \$7 million (\$7 million in FY 2015) [House \$5 million]
- **Lead Hazard Reduction:** \$120 million (\$110 million in FY 2015).
- **Project-Based Rental Assistance:** \$10.76 billion (\$9.3 billion in FY 2015) [House \$10.65 billion]
- **Housing for the Elderly:** \$445 million (\$420 million in FY 2015) [House \$461 million]
- **Housing for Persons with Disabilities:** \$177 million (\$135 million in FY 2015) [House \$152 million]
- **Housing Counseling Assistance:** \$60 million (\$47 million in FY 2015) [House \$47 million]
- **Rental Housing Assistance (Section 236):** \$30 million (\$18 million in FY 2015) [House \$30 million]

Department of Transportation

- **Federal Highway Administration (FHWA):** \$317 billion over six years for FHWA programs. FY 2016 funding level of \$51.3 billion (\$41 billion in FY 2015) [House \$40.25 billion]
- **Federal Transit Administration (FTA):** \$18.4 billion, including \$13.9 billion in formula grants (\$11 billion in FY 2015) [House \$10.7 billion (\$8.6 billion for formula grants)]
 - \$3.25 billion for Capital Investment Grants (New Starts/Small Starts); total of \$20.5 billion over six years (\$2.12 billion in FY 2015) [House \$1.9 billion (\$250 million for project entering an FFGA by the end of FY 2016)]
 - \$150 million for the Washington Metropolitan Area Transit Authority (WMATA) [House \$100 million]
- **Federal Railroad Administration:** \$28.6 billion total over six years.

- Amtrak: The President's Budget restructures current general-funded Amtrak capital, debt service, and operating grants (\$1.39 billion in FY 2015) [[House \\$1.14 billion](#)]
- \$203.8 million for Safety and Operations (\$186.9 million in FY 2015) [[House \\$186.9 million](#)]
- \$39.2 million for Research and Development (\$39.1 million in FY 2015) [[House \\$39.1 million](#)]
- **TIGER Grants:** \$1.25 billion annually, for a total of \$7.5 billion over six years, compared to \$500 million in FY 2015 [[House \\$100 million](#)]
- **TIFIA:** \$1 billion annually, for a total of \$6 billion over six years to support credit assistance to project sponsors under TIFIA program. [[House - The Committee continues a provision that requires congressional notification before the Department provides credit assistance under the TIFIA program](#)]

Federal Aviation Administration

- **Grants-in-Aid for Airports:** \$2.9 billion for FY 2016 (\$3.35 billion in FY 2015) [[House \\$3.6 billion](#)]
 - The President's Budget also proposes an increase to the PFC limit from \$4.50 to \$8.00 for all commercial service airports and eliminates guaranteed AIP entitlement funding for large hub airports.
- **Facilities and Equipment:** \$2.86 billion (\$2.6 billion in FY 2015) [[House \\$2.5 billion](#)]
- **Next Generation Air Transportation System:** \$956 million in funding for NextGen programs in FY 2016 (\$857 million in FY 2015) [[House \\$931 million](#)]
- **Contract Tower Programs:** \$144.5 million (\$144.5 million in FY 2015) [[House \\$154 million](#)]
 - Essential Air Service: \$175 million [[House \\$155 million](#)]

National Highway Traffic Safety Administration

- **Highway Traffic Safety Grants:** \$577 million (\$562 million in FY 2015) [[House \\$561.5 million](#)]

Pipeline and Hazardous Materials Safety Administration

- **Emergency Preparedness Grants:** \$28.3 million (\$26.2 million in FY 2015) [[House \\$28.3 million](#)]