



TO: Honorable Mayor Regina Romero and Tucson City Council

FR: Tracy Tucker, Terry Bracy, Jim Brown & Michael Bracy

CC: City Manager Michael Ortega

Andrew Greenhill, Intergovernmental Relations Manager

DA: May 14, 2021

RE: Federal Legislative Report for Mayor and Council for May 18, 2021 Meeting

Congressional Schedule and Highlights

- **House:** This week, House Republicans voted for Rep. Elise Stefanik (R-NY) to be the No. 3 House GOP leader, replacing Rep. Liz Cheney (R-WY).

Next week, Speaker Pelosi is expected to bring to the floor a \$2 billion emergency spending bill to enhance Capitol security. The House will also vote on a bill to create a bipartisan commission to investigate the Jan. 6 Capitol Riot.

- **Senate:** The Senate will be in session on Monday, May 17. Hearings will be held all week including one in the Finance Committee to examine funding and financing options to bolster infrastructure.

COVID Relief: American Rescue Plan Act of 2021 Implementation

Treasury Office of Recovery Programs Leading State and Local Effort

The U.S. Department of the Treasury announced the availability of the State and Local Fiscal Recovery Fund on Monday this week. The \$350 billion program will help state, local, territorial, and Tribal governments respond to the COVID-19 emergency, address its economic fallout, and lay the foundation for a strong and equitable recovery.

Tucson will receive \$135,696,763.00. Pima County will receive \$203,421,668.00. The complete list of city allocations is [here](#) and the complete county allocations list is [here](#).

Treasury issued the allocations and an Interim Final Rule to provide guidance on the use of the funds. They opened the Interim Final Rule to a 60-day public comment period. The City Manager’s Office, IGR, and BTB participated on a series of conference calls this week to flesh out the guidance offered by Treasury, and will continue to participate on calls in the coming weeks.

Use of Funds

The funds provided by the Department of the Treasury must meet the following objectives as defined in the *American Rescue Plan Act*:

- Support urgent COVID-19 response efforts to continue to decrease the spread of the virus and bring the pandemic under control.
- Replace lost revenue for eligible state, local, territorial, and Tribal governments to strengthen support for vital public services and help retain jobs.
- Support immediate economic stabilization for households and businesses.
- Address systemic public health and economic challenges that have contributed to the unequal impact of the pandemic.

The Coronavirus State and Local Fiscal Recovery Funds provide substantial flexibility for each government to meet local needs – including support for households, small businesses, impacted industries, essential workers, and the communities hardest hit by the crisis. These funds can also be used to make necessary investments in water, sewer, and broadband infrastructure.

Treasury’s Office of Recovery Programs, led by Chief Recovery Officer Jacob Leibenluft, will oversee the State and Local Fiscal Recovery Fund, Emergency Rental Assistance Program (ERAP), and other programs authorized by the American Rescue Plan.

The Brookings Institute published a [report](#) on the four key takeaways of the new guidance for State and Local Fiscal Recovery Funds. The takeaways listed include:

Four takeaways on new guidance for state and local fiscal relief under the American Rescue Plan

ARP specifies that fiscal recovery funds have four authorized uses:

- 1 Responding to public health needs and economic damage from the pandemic
- 2 Providing premium (i.e., hazard) pay for essential workers
- 3 Replacing lost revenue
- 4 Investing in necessary water and broadband infrastructure

Four key takeaways to help guide state, local, and tribal leaders' funding decisions:

- 1 Recipient governments have enormous flexibility to help disproportionately impacted populations and communities.
- 2 Recipient governments have wide latitude to use the funds to provide premium (hazard) pay to workers earning modest wages.
- 3 Recipient governments can use the funds to address certain critical infrastructure needs, but not general ones.
- 4 Recipients governments cannot use the funds to pay down unfunded pensions, offset tax cuts, or contribute to rainy day funds.

Source: Brookings Institution

B Metropolitan Policy Program
at BROOKINGS

Emergency Rental Assistance Program (ERA2) Allocations and Guidance Released

The U.S. Department of the Treasury allocated \$21.6 billion in funding to states and local governments under the second round of the Emergency Rental Assistance Program (ERA2) authorized in the American Rescue Plan Act of 2021.

In total, the City of Tucson is expected to receive a \$13,194,486 allocation and an additional "high need" allocation of \$7,663,362. Pima County will receive \$12,018,046. The State of Arizona will receive \$229,148,493.

The Treasury Department released 40 percent of the Tucson allocation in the amount of \$5,277,794.44 on May 11, 2021.

Treasury published a [Fact Sheet](#), updated [grantee award terms](#), and [new guidance](#) on program requirements for both the ERA1 and ERA2 programs. Changes to the guidance include the ability to provide ERA assistance directly to tenants, streamlined documentation requirements, new uses of funds, and a moratorium on evictions while renters are receiving funding.

The National Low Income Housing Coalition (NLIHC) provided a [side-by-side document](#) detailing the differences between the first and second set of guidance.

Emergency Vouchers Awarded to Tucson & Pima County

Our region was awarded 202 emergency vouchers (172 for Tucson and 30 for Pima County). The work to distribute the vouchers will be coordinated through the Continuum of Care, Tucson Pima Collaboration to End Homelessness (TPCH). All referrals must come through the Coordinated Entry.

The vouchers are a part of the American Rescue Plan Act funding that provides an emergency voucher to persons who fit into one of four categories:

1. Homeless
2. At-risk Homeless
3. Persons fleeing domestic violence
4. Recently homeless that are in programs like Rapid Rehousing but need longer term subsidy.

Open ARPA Opportunities Available for the Community:

- **SBA Restaurant Revitalization Fund** – The U.S. Small Business Administration's Restaurant Revitalization Fund application portal is open. Information about the program and the application can be found at <https://www.sba.gov/funding-programs/loans/covid-19-relief-options/restaurant-revitalization-fund>

- **FCC Broadband Benefit Program** – The Federal Communications Commission launched the Emergency Broadband Benefit (EBB) program on Wednesday, May 12. The program will provide a discount of up to \$50 per month toward broadband service for eligible households and up to \$75 per month for households on qualifying tribal lands. Eligible households can also receive a one-time discount of up to \$100 to purchase a laptop, desktop computer, or tablet from participating providers. Eligible households can enroll through a participating broadband provider or directly with the Universal Service Administrative Company using an online or mail-in application. You can learn more about the [EBB Program](#), including eligibility and enrollment information at [GetEmergencyBroadband.org](https://www.fcc.gov/etf/ebb).

FY 2022 Appropriations

Biden Budget to Be Released on May 27

The White House will release its budget request for the upcoming fiscal year on May 27. The Biden Budget provide details on the administration's priorities and plans to address taxes and spending in the coming years.

The release of the proposal will provide the information Congress needs to begin to consider the FY 2022 spending bills and set the time frame for negotiating the infrastructure funding bill.

Community Funded Project Priorities in the House and Senate Appropriations Bills (otherwise known as “Earmarks”)

House Appropriations Committee Posts Community Project Funding Submissions

The 12 House Appropriations Subcommittees are in the process of drafting their annual spending bills. House Appropriations Chair Rosa DeLauro (D-CT) indicated the spending committee will begin considering the bills in June.

The Committee allowed House members to submit requests for Community Project Funding, otherwise known as “earmarks,” for the first time in 10 years. Each member was limited to a total of 10 requests to submit across the 12 bills and had to demonstrate strong community support for the provisions sought.

The House Appropriations Committee provided a “Transparency” tab on its website compiling the required disclosures from individual Member pages. The complete list of requests organized by congressional member can be found [here](#).

Detailing the next steps for considering the projects, the committee provides the following statement:

“All requests are submitted to the Appropriations Committee as a first step in the appropriations process. The Committee will carefully review requests as we develop fiscal year 2022 appropriations bills. Only a handful of each Member's requests may be funded. Information about Community Project Funding requests funded in appropriations bills will be available the same day as the Subcommittee markup, or 24 hours before full committee consideration if there was no Subcommittee markup.”

Projects submitted by Tucson Congressional delegation members for consideration to the Appropriations Committee include:

- [Rep. Raúl Grijalva](#)

Dunbar Pavilion and Dunbar School Arts and Culture Revitalization Initiative

Amount Requested: \$573,014

- [Rep. Ann Kirkpatrick](#)

City of Tucson Willard Apartments Improvement Project

Amount Requested: \$800,000

Dunbar Pavilion/Dunbar School Rehabilitation

Amount Requested – \$573,014

Senate FY 2022 Community Project Funding Process Begins

The Senate Appropriations Committee made public its guidance to Senators on eligible programs and activities under the newly reinstated Community Project Funding process in the Senate. The guidance solely applies to the Fiscal Year 2022 appropriations process, not the surface transportation authorization bill.

In general, the rules for the Community Project Funding in the Senate bans requests from for-profit entities, places a one percent cap of total discretionary spending on projects, and requires public disclosure by Members.

Infrastructure: American Jobs Plan & American Families Plan

President Biden held bipartisan meetings at the White House with Congressional leadership, and House and Senate members to find agreement on his American Jobs and Families Plans. Arizona’s Senator Sinema participated in one of the meetings with the White House this week.

One of the most consequential meetings the president hosted this week was with House Speaker Nancy Pelosi and Minority Kevin McCarthy, Senate Majority Leader Chuck Schumer and Minority Leader Mitch McConnell. Both sides left the meeting sharing positive remarks about the possibility of finding some bipartisan agreement. Minority Leaders McCarthy and McConnell gave some indication they would be willing to work on an infrastructure package that is limited to roads and bridges and does not reverse the 2017 tax cuts.

Further bolstering the possibility of a bipartisan agreement on an infrastructure package, President Biden held a meeting yesterday with select Senate Republican leaders. He urged them to present an offer higher than their original request to encourage a bipartisan agreement on the proposal. Senator Shelley Moore Capito (R-WV), one of several senators who attended the talks, called the discussion “productive” and said, “We’re very encouraged.”

We anticipate talks will continue in the next week between the White House and Senate leaders in an effort to reach bipartisan agreement on a portion of the infrastructure bill.

House Transportation Authorization Bill Being Prepared; Transportation Earmark Requests Submitted

House Transportation and Infrastructure Committee Chairman Peter DeFazio (D-OR) shared that he will bring his five-year transportation reauthorization bill up for consideration “very soon.” It is anticipated that Chair DeFazio could consider a bill soon after the Memorial Day recess. House Speaker Pelosi has said she would like to see the measure on the House floor by July 4.

Anchoring the transportation bill in the House is a series of Congressionally Directed Spending requests, also known as earmarks, that Congressional Members submitted for consideration in the highway and transit authorization bill.

House Members requested a total of 2,380 earmark project requests totaling \$14.9 billion – 1,775 by 213 Democratic members and 605 by 105 Republican members. The total amount is significantly more than is expected to be available. Each Member was originally told that they could receive approximately \$15 million to \$20 million in total funding for their earmark requests. Here is a [link](#) to the Committee website with information on the earmark requests, listed by House member in alphabetical order.

Among the surface transportation earmark projects submitted by members of the Arizona Congressional delegation were Tucson priorities, including:

- [Rep. Raúl Grijalva](#)
 - Tucson Bus Rapid Transit Project - \$7 million
 - Drexel Road and Bridge Project - \$5 million
 - South Campbell Avenue Complete Streets - \$7 million
 - 5th/6th Avenue Complete Streets - \$7 million

- [Rep. Ann Kirkpatrick](#)
 - Tucson Bus Rapid Transit Project - \$7 million
 - 5th/6th Avenue Complete Streets - \$7 million
- [Rep. Greg Stanton](#)
 - Tucson Bus Rapid Transit Project - \$3.5 million

POSTAL SERVICE

Postal Bills Passed Out of the House Oversight Committee this Week

The House Oversight and Reform Committee introduced and passed [Postal Service Reform Act](#) (H.R. 3076), this week. The bipartisan bill is supported by Democrats and Republicans in Congress as well as Postmaster General Louis DeJoy. The bill serves as the basis for comprehensive postal reform.

Among many provisions the bill would accomplish the following:

- Eliminates the requirement for USPS to pre-fund retiree health benefits.
- Would require postal employees to enroll in the Medicare government-retiree health plan.
- Requires USPS to establish a public facing website that shows weekly metrics for how quickly mail is being delivered across the U.S. It is a way to increase accountability for timeliness of mail delivery.
- Prohibits USPS from significantly increasing the cost of magazines and periodicals but would be allowed to enter into agreements with state, local and tribal governments to provide non-commercial services such as hunting and fishing licenses.
- Requires the postal service to operate six-days per week using an integrated network.
- The measure is expected to save USPS \$46 billion over 10 years.

The House Oversight Committee Chairwoman Carolyn Maloney, Subcommittee on National Security and Chairman Rep. Stephen F. Lynch also introduced and considered the [Postal Service Improvement Act](#) (H.R. 3077). The bill helps the Postal Service more efficiently and effectively manage mail-in ballots in federal elections by requiring all mail-in ballots to include a Postal Service trackable barcode and other stylistic requirements to make ballots easier to sort and track. It would also grant 12 weeks of paid parental leave to all USPS and Postal Regulatory Commission employees.

Amendments to the bill that passed in Committee included:

- Allow USPS managers and supervisors to appeal prohibited personnel practices to the Merit Systems Protection Board.
- Mandate that the postmaster general and deputy postmaster general be prohibited from serving until their financial disclosure statements are validated.
- Extends timely negotiations requirements for pay and benefits to supervisors.
- Authorizes \$8 billion to acquire an electric fleet with electric charging infrastructure.
- Require USPS to work with the Census Bureau to involve letter carriers in the 2030 enumeration process.
- Require USPS to maintain a one-to-three-day first-class mail service.
- Allow elected officials who have jurisdiction over postal facilities to be granted entrance to those facilities

With passage in committee this week, the bills head to the House floor for consideration.

Senate Confirms U.S. Postal Board of Governors Nominees McReynolds and Stroman

The U.S. Senate confirmed U.S. Postal Board of Governors nominees Ronald Stroman and Amber McReynolds on May 13.

Ronald Stroman, former Deputy Postmaster General, will serve on the USPS Board of Governors for a term expiring December 8, 2021, and a second term expiring December 8, 2028. He was confirmed by a vote of 69-21 for his first term and with a vote of 67-32 for his second term.

Amber McReynolds, former CEO of the National Vote at Home Institute, will serve on the USPS Board of Governors for a term expiring December 8, 2026. She was confirmed with a vote of 59-38.

The third of President Biden's nominees to the Postal Board of Governors, former American Postal Workers Union General Counsel Anton Hajjar, was not included in the Senate confirmation vote this week. It was cited as a scheduling issue and Mr. Hajjar's confirmation vote is expected to be held soon. The Democrat-aligned appointees will not have a majority on the board until Mr. Hajjar is confirmed.

Update on Other Postal Legislation Pending in Congress

Please see updates on other postal legislation introduced in Congress.

- **DEJOY Act** – The [Delivering Envelopes Judiciously On-Time Year-Round Act, or DEJOY Act](#), a bill to prohibit the Postal Service from lengthening mail-delivery windows and require it to adhere to present service expectations. The House Oversight and Reform Committee approved as an amendment to the postal bills considered on May 13 the part of the DeJoy Act that prohibits the Postal Service from slowing mail-delivery or decreasing service standards.
- **USPS Fairness Act (S. 145/H.R. 695)** – The USPS Fairness Act (H.R. 695) repeals the mandate that the USPS must pay retiree healthcare costs at 100 percent. The House version of the bill is sponsored by Rep. Peter DeFazio (D-OR) and has 265 co-sponsors, including Arizona Representatives Grijalva, Kirkpatrick, O’Halleran, Gallego, and Stanton. The Senate version of the bill (S. 145) is sponsored by Senator Steve Daines (R-MT) and has 10 cosponsors. The House Oversight and Government Reform Committee held a hearing on the bill on February 24.
- **H.Res. 47** – Expressing the sense of the House of Representatives that Congress should take all appropriate measures to ensure that the United States Postal Service remains an independent establishment of the Federal Government and is not subject to privatization. The resolution is sponsored by Rep. Stephen Lynch (D-MA) and has 141 cosponsors, including Arizona Rep. Grijalva, Rep. O’Halleran and Rep. Gallego.
- **H.Res. 108** – Expressing the sense of the House of Representatives that the dedicated employees of the United States Postal Service are frontline essential workers and must be prioritized accordingly for the purposes of the COVID-19 vaccination program and State vaccine distribution. The resolution is sponsored by Rep. Stephen Lynch (D-MA) and has 16 cosponsors.
- **H.Res. 109** – Expressing the sense of the House of Representatives that the United States Postal Service should take all appropriate measures to ensure the continuation of door delivery for all business and residential customers. The resolution is sponsored by Rep. Stephanie Murphy (D-FL) and has 108 cosponsors, including Rep. Grijalva (D-AZ) and Rep. Gallego (D-AZ).
- **H.Res. 119** – Expressing the sense of the House of Representatives that the United States Postal Service should take all appropriate measures to restore service standards in effect as of July 1, 2012. The resolution is sponsored by Rep. David McKinley (R-WV) and has 75 cosponsors, including Arizona Reps. Grijalva, Gallego and O’Halleran.
- **H.Res. 114** – Expressing the sense of the House of Representatives that the United States Postal Service should take all appropriate measures to ensure the continuation of its 6-day mail delivery service. The resolution is sponsored by

Rep. Gerald Connolly (D-VA) and has 90 cosponsors, including Rep. Gallego (D-AZ)

- **H.R. 1582** – To clarify and increase the restrictions on political activities that are applicable to the members of the Postal Service Board of Governors, including the Postmaster General and the Deputy Postmaster General. The sponsor is House Oversight Committee Chair Carolyn Maloney (D-NY) and the bill has 3 cosponsors.
- **H.R. 1623** – To amend title 39, United States Code, to modify procedures for negotiating pay and benefits of supervisory and other managerial personnel of the United States Postal Service, and for other purposes. The sponsor is Rep. Gerald Connolly (D-VA) and there are 3 cosponsors.
- **H.R. 1636** – To authorize funding for the purchase of electric or zero-emission vehicles for the United States Postal Service fleet, and for other purposes. The bill is sponsored by Rep. Jared Huffman and has 34 cosponsors.

PFAS Legislation Pending in Congress

A summary of other PFAS legislation of note is provided below:

- The [*PFAS Action Act*](#) establishes a national drinking water standard for select PFAS chemicals, designates as hazardous to allow the Environmental Protection Agency (EPA) to clean up contaminated sites across the country, as well as list under the Clean Water Act, limits industrial discharges, and provides \$200 million annually to assist water utilities and wastewater treatment. The bill was introduced by Rep. Debbie Dingell (D-MI) and Rep. Fred Upton (R-MI).
- The [*PFAS Registry Act*](#), H.R. 2742, introduced by Rep. Pappas (D-NH), requires the Secretary of Veterans Affairs to keep and maintain a registry for certain individuals who have been exposed to PFAS substances due to the environmental release of aqueous film-forming foam on military installations. The House Veterans Affairs Committee is holding a hearing on the bill on May 5, 2021.
- The [*Water Affordability, Transparency, Equity and Reliability Act of 2021*](#) (H.R. 1352/S. 916) to establish a trust fund to provide adequate funding for water and sewer infrastructure. Among many provisions, the bill provides assistance to a publicly owned, operated, and managed community water systems to update treatment plants or switch water sources due to PFAS contamination. It also provides a grant to owners of household water wells that have been contaminated with PFAS to allow them to purchase and install a household filtration system. There are 78 cosponsors of the bill in the House, including Rep. Grijalva (D-AZ) and Rep Gallego (D-AZ). Senator Bernie Sanders (I-VT) introduced the companion version of the bill, S. 916, in the Senate. There are three cosponsors of Senator Sander’s bill.

- The [Water Quality Protection and Job Creation Act of 2021](#), introduced by Rep. DeFazio (D-OR), Rep. Grace Napolitano (D-CA) and Rep. Fitzpatrick (R-PA). The bill establishes a new program to spend \$1 billion in grants over five years to municipalities to implement treatment standards for industrial discharges of PFAS. A factsheet is [here](#). A section-by-section summary of the bill is [here](#).
- The [Lift America Act of 2021](#), introduced by Rep. Pallone (D-NJ) and all 32 Democrats on the committee. The bill establishes a new program to provide \$2.5 billion in grants to help community water systems filter PFAS in drinking water. A section-by-section summary of the bill is [here](#).
- The [PFAS Act](#) (S. 231) - Senator Gary Peters (D-MI) introduced the *PFAS Act* (S. 231) to direct the Administrator of the Federal Emergency Management Agency to develop guidance for firefighters and other emergency response personnel on best practices to protect them from exposure to PFAS and to limit and prevent the release of PFAS into the environment, and for other purposes. The bill has 8 cosponsors, including Senator Sinema (D-AZ).
- The [Protecting Firefighters from Adverse Substances \(PFAS\) Act](#) was re-introduced by Senator Gary Peters (D-MI) in February and advanced by the Senate Homeland Security Committee on March 17, 2021. The bill, which passed the Senate last Congress, directs federal agencies to develop best practices, training, and educational programs to reduce, limit, and prevent exposure to PFAS. This would include information for federal, state, and local firefighters on training and best practices to prevent and reduce exposure to PFAS from firefighting foams and protective gear, as well as resources to identify alternatives for firefighting tools and equipment that do not contain PFAS.

Defense

Rep. Kirkpatrick Leads Delegation Letter to Protect the A-10

Congresswoman Ann Kirkpatrick led a letter to Acting Secretary of the Air Force John Roth expressing continued support for the A-10 Warthog and requesting more transparency regarding the future of the aircraft. Rep. Kirkpatrick's letter was signed by Senator Kyrsten Sinema, Senator Mark Kelly, and Reps. Gallego, Schweikert, Biggs, O'Halleran, Lesko and Stanton.

Defense Committees Will Take Up NDAA and Spending Bill After Release of Biden Budget

President Biden will release his full FY 2022 budget proposal on May 27. Last month, the president released the highlights of the bill to include \$769 billion for non-defense programs and \$753 million for national defense programs, including funds for overseas activities.

The release of President Biden's budget will give the Armed Services and Defense Appropriations Committees the information needed to begin considering their FY 2022 authorization and spending bills.