

**CITY OF SAN ANTONIO
GOVERNMENT & PUBLIC AFFAIRS DEPARTMENT
MEMORANDUM**

TO: Intergovernmental Relations Committee

FROM: Jeff Coyle, Assistant City Manager

SUBJECT: Update on Federal Appropriations and Infrastructure Legislation

DATE: August 13, 2021

The City's Government & Public Affairs Department will provide an update on recent Congressional actions on appropriations and infrastructure legislation and the possible next steps on the passage of these bills.

Bipartisan Infrastructure Deal

On Tuesday, August 10, the Senate passed the Infrastructure Investment and Jobs Act, a \$1 trillion Bipartisan Infrastructure Framework (BIF), on a 69-30 vote. The bipartisan agreement was negotiated over several months and focuses on funding for roads, railways, bridges and broadband. Included in the bill are \$550 billion in new federal investments in the areas of:

- Transportation - \$248 billion
- Water - \$55 billion
- Broadband - \$65 billion
- Energy & Power - \$73 billion
- Resiliency - \$46 billion
- Environmental Remediation - \$21 billion
- Water Storage - \$8 billion

The Senate BIF is larger than the House passed Surface Transportation Bill and includes infrastructure investments that go beyond what is included in the House bill. Because of the bipartisan agreement in the Senate, the House will be limited on the changes it can make to the BIF without placing final passage in jeopardy. The House is expected to return on August 23 to consider the legislation. GPA staff and consultants have joined NLC and the Texas Big City Mayors in advocating for the new funding included in the bipartisan infrastructure bill. There are various key funding opportunities for cities we are monitoring, such as, the Airport Improvement Program grants, RAISE grant, pedestrian safety, bridge repairs, and other infrastructure funding.

Federal Appropriations

President Biden released his budget request for FY22 in late May. The FY22 budget request included \$6 trillion in mandatory and discretionary spending and kicked off the appropriations process in Congress. The President's budget functions as a starting point for Congressional negotiation. Additionally, after a decade long pause, Congress agreed to establish the return of earmarks for FY22 appropriations.

The House Appropriations Committee has moved quickly and completed marking up all 12 of the appropriations bills in mid-July. Before leaving for August recess, the House moved forward with floor action for most of its appropriations bills. It passed a seven-bill "minibus," that included Agriculture/FDA, Labor/HHS/Education, Energy/Water Development, Transportation/Housing and Urban Development, Interior/EPA, Financial Services, and Military Construction/Veterans Affairs. The House also separately passed appropriations bills for State/Foreign Operations and the Legislative Branch.

The earmark process was opened for local governments and non-profits for FY 2022 appropriations. The City of San Antonio submitted several programmatic and funding requests through delegation members, however, not all members have opted to participate in the process, including Senators Ted Cruz (R-TX) and John Cornyn (R-TX) and Congressman Chip Roy (R-TX). San Antonio's submitted priorities were largely included in the House bills: \$75 million for the Defense Community Infrastructure Program (DCIP); \$705 million for the Urban Areas Security Initiative (UASI); \$2 million for the Home Repair earmark program; \$1 million for the SAPD Mental Health Expansion earmark; and the report language on broadband access. The City's Zarzamora/Frio City Road Railroad Overpass project was submitted as a member request and included in the House Surface Transportation Reauthorization bill.

The Senate has been slower to act and began marking up a few of its appropriations bills in early August before recess. It has marked up Military Construction/Veterans Affairs, Energy/Water Development, and Agriculture bills. The markups for the remainder of the bills will occur after the Senate returns in the fall.

With the fiscal year beginning on October 1st, Congress is almost certain to need at least one continuing resolution given the current pace of the appropriations process in the Senate. A continuing resolution will keep funding levels steady and prevent any lapse in federal funding while the House and Senate complete their appropriations packages and negotiate a final budget.