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Date: February 14, 2017
To: County of San Luis Obispo
From: Mike Miller
Re: Federal Agenda and Work Plan

2017 Federal Agenda

With the new Administration and Congress, we anticipate significant levels of work building relationships in the legislature as well as federal agencies to ensure proper attention is given to the County's federal priorities. TFG has initiated outreach to the County's two new congressional delegation Members and will brief appropriate congressional staff on the County's agenda once adopted.

TFG met with County officials and staff in January regarding County federal priorities. The County expressed a strong interest in funding for and regulatory relief related to County infrastructure. In particular, discussions focused on the following projects:

- **Arroyo Grande flood control.** Federal agencies, including the NMFS¹, NOAA², and COE³ have been reviewing the project for an unreasonable amount of time and the County seeks an expedited and appropriate decision on the project.
- **Drought.** The County continues to seek options to diversify its water supply portfolio, including movement options, desalination, additional storage, and reuse.
- **Transportation infrastructure funding.** The Trump Administration and Congress both support important infrastructure legislation and the County seeks federal support for several important transportation as well as water related infrastructure projects. This legislative package should be outlined in the President's upcoming budget statements and congressional leaders signaled legislation is likely to be introduced this summer.
- **Los Osos Waste Water.** The County will continue maintaining relationships with federal agencies and Congress to ensure additional funding opportunities for infrastructure – including on-lot cost assistance – are explored fully.

¹ National Marine and Fisheries Service

² National Oceanic & Atmospheric Administration

³ US Army Corps of Engineers

In addition to infrastructure, the County outlined several additional projects and issues of concern, including:

- **Diablo Canyon.** Two ongoing concerns regarding Diablo Canyon include (a) nuclear waste storage and possible eventual transfer to a permanent storage facility; (b) economic adjustment assistance, ongoing safety support, and reuse options in light of the eventual closure of the facility.
- **Salinas River Basin Study.** The County secured a \$950,000 grant from the US Bureau of Reclamation to study the Salinas River Basin. Progress on the study has slowed and the County seeks to speed up the process.
- **Affordable Care Act (“Obamacare”).** President Trump has pledged to make significant changes to current health care legislation. TFG will continue tracking and reporting.
- **Rail Safety.** TFG will continue tracking congressional and agency action in this area.
- **Tax Reform and Municipal Bond Tax Exemption.** TFG continues to monitor legislative and regulatory efforts to reform the tax code. The tax exempt status of municipal bonds is likely to be taken under consideration as part of tax reform legislation; we await the release of initiative details which could occur this spring. TFG is working with various groups to urge Congress to protect municipal bond tax exempt status.
- **CDBG,⁴ PILT⁵, SRS⁶ and other grant funding.** TFG will continue advocating for funding for these programs which provide significant funding to the County.

In addition to the projects and issues outlined above, the following list includes matters the County may wish to carry forward from the County’s 2015-2016 federal agenda:

- Habitat Conservation Plans (HCPs) generally and Lopez Lake HCP
- Water quality, including stormwater pollution/liability and NPDES – MSR4s Phase II⁷
- Invasive aquatic species
- Highway Trust Fund solvency
- Infrastructure resiliency
- Property Assessed Clean Energy Program (PACE)
- Climate change
- Waters of the United States (WOTUS) (USEPA and Corps of Engineers)
- Energy efficiency for public facilities
- Federal Aviation Administration (FAA) legislation and regulations related to passenger facility charges, contract towers, small communities air service, and employee screening
- Anti-gang program funding
- Human trafficking
- Veterans assistance and Veterans Treatment Court

⁴ Community Development Block Grants, administered by US Department of Housing and Urban Development

⁵ Payment in Lieu of Taxes, administered by the US Department of Interior

⁶ Safe Rural Schools, administered by the US Forest Service

⁷ NPDES – National Pollution Discharge Elimination System (EPA)

- DNA Cold Hit funding
- Cambria Library – program support
- Homeless services and facilities funding
- Housing and HUD Section 8 Program funding⁸
- Medicare reimbursement and other public health issues and funding
- Disaster preparedness and insurance
- Secure Rural Schools (US Forest Service)
- Payment In Lieu of Taxes (PILT – US Department of Interior)
- Homelessness
- Farm labor housing

⁸ Track legislation or rulemaking addressing discrimination against potential tenants.