



LEGISLATIVE UPDATE

COLORADO COUNTIES, INC. | MAY 2023

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STATE OF PLAY

- President Biden and House Republicans reached a deal over the weekend – **Fiscal Responsibility Act of 2023**
- Suspends the national debt ceiling through January 1, 2025
- The deadline **DOES NOT** rescind ARPA SLFRF dollars
- The deal **DOES NOT** rescind ARPA LATCF dollars
- Other key provisions include:
 - Permitting reform legislation, the BUILDER Act (H.R. 1577) – NACo endorsed
 - Caps non-defense discretionary spending for FY 2024
 - New administrative requirements and eligibility restrictions to federal public assistance programs
 - Cuts to IRS funding
 - Reinstates federal student loan payments
- House is voting on the bill tonight – **up in the air whether McCarthy has enough votes from his caucus**

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STATE OF PLAY & NACo EFFORTS

- H.R. 2811 asked for the rescission of unobligated ARPA dollars – after conversations with Treasury and McCarthy’s office, NACo believes this does not include ARPA State and Local Fiscal Recovery Funds
 - Transit Infrastructure Grants
 - Funding for airports
 - Emergency Rental Assistance
- Amendment 81 – another proposal offered by Sen. Rick Scott (R-Fla.) would require the Treasury Secretary to identify and transfer unobligated funds from the ARPA’S SLFRF to the administrator of FEMA – *failed*
- NACo released a new resource that addresses common myths about the ARPA SLFRF that defends county investments and reporting
- NACo convened county Washington Representatives to discuss current proposals to clawback ARPA dollars and developed coordinated messaging/campaign

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- Two bipartisan bills introduced in House and Senate – Reentry Act and Due Process Continuity of Care Act – *NACo endorsed*
- FY 2023 omnibus bill included a provision to give states the option to continue Medicaid coverage for juveniles (21 and under) with pre-trial status
- HHS approved 1115 waivers that connect incarcerated individuals with community-based Medicaid providers 90-days before release – active in Calif. and pending in 14 states
- NACo hosted first fly-in for the Commission on Mental Health and Well-being
 - Coordinated and participated in the White House’s Mental Health Forum
 - Met with Bipartisan Mental Health Caucus and other Congressional leadership
- Nationwide campaign for Mental Health Awareness Month

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- Senate is ahead of the House in Farm Bill negotiations
- Current proposals in both chambers would make significant changes:
 - Clawback of unspent USDA funding authorized under IRA
 - FRA contains significant changes to SNAP eligibility requirements for ABAWDs
- NACo sent letters to Congressional leadership with Farm Bill priorities and program-specific recommendations:
 - Improve the ease of access and flexibility for Farm Bill programs
 - Provide at least \$1 billion dollars in mandatory funding for a grants-based rural capacity-building program
 - Fully extend Good Neighbor Authority eligibility to counties
 - Reauthorize programs to support rural broadband deployment
 - Strengthen SNAP to combat hunger
- Working with HSGAC & Regional Leadership Council on streamlining grant program applications for rural counties – *advocating for inclusion in 2023 Farm Bill*

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- Supreme Court issued a decision on Sackett v. EPA
- Limits the scope of the Clean Water Act – rejects the significant nexus test in favor of the relatively permanent standard
- EPA is set to introduce a new rule in Fall 2023 – new rule can no longer rely on significant nexus test
- Counties want certainty and clarity – current state does not provide that
- NACo is working closely with EPA to provide input on a new rule that would fulfill our responsibility as environmental stewards, protect our residents, but also provide clarity to local governments



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