

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

October 23, 2019

The Honorable Richard C. Shelby Chairman
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

The Administration appreciates that the Senate is diligently working through its appropriations bills that would provide a majority of the Federal Government's appropriations for the fiscal year (FY) ending September 30, 2020.

On August 2, 2019, the President signed into law the Bipartisan Budget Act of 2019, which amended the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA) discretionary spending caps for FYs 2020 and 2021. The Administration also formed an agreement with congressional leaders to adhere to a set of principles with respect to full-year FY 2020 appropriations bills.

The Administration would like to take this opportunity to share additional views regarding the Senate's versions of the appropriations bills that have been released to date (see attached).

The Administration looks forward to working with you as these bills advance through the process.

Sincerely,

Russell T. Vought Acting Director

Enclosure

cc: The Honorable John Hoeven

The Honorable Jeff Merkley

The Honorable Jerry Moran

The Honorable Jeanne Shaheen

The Honorable Richard Durbin

The Honorable Lamar Alexander

The Honorable Dianne Feinstein

The Honorable John Kennedy

The Honorable Christopher Coons

The Honorable Shelley Moore Capito

The Honorable Jon Tester

The Honorable Lisa Murkowski

The Honorable Tom Udall

The Honorable Roy Blunt

The Honorable Patty Murray

The Honorable Lindsey Graham

The Honorable Susan Collins

The Honorable Jack Reed

Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2020

The Administration appreciates that the bill includes funding for critical priorities, including:

- Agriculture Research Agency Relocation. The bill provides \$25 million, as requested
 in the FY 2020 Budget, to continue the relocation of the Economic Research Service
 and the National Institute for Food and Agriculture to Kansas City, bringing the
 agencies closer to their clients and reducing administrative expenses.
- United States Department of Agriculture (USDA) Headquarters Modernization. The bill provides \$331 million, as requested in the FY 2020 Budget, to modernize USDA's facilities in the Nation's capital, including addressing health and safety concerns, energy efficiency, and improved space utilization.
- Food and Drug Administration (FDA). The bill provides select funding increases for FDA, which would help improve its ability to efficiently and effectively evaluate the safety of medical products and improve the safety of the Nation's food supply. The bill also provides funds for vital infrastructure improvements.

- Rural Development (RD) Topline. While the Administration appreciates the bill's support for priority USDA RD programs, including the expansion of rural broadband, it also provides funding in excess of the FY 2020 Budget request across a number of duplicative or ineffective rural housing, business, and utility programs.
- Public Law 480, Title II Food Aid (Title II). The bill provides \$1.7 billion for Title II international food aid. The Administration believes that all food aid should instead be provided through the International Humanitarian Assistance account proposed in the FY 2020 Budget request that consolidates overseas humanitarian assistance programs and funding of the Department of State and U.S. Agency for International Development (USAID). While the United States is the world's largest donor of food aid, taxpayers expect such aid to be provided in the most cost-effective manner possible. Unfortunately, Title II is cost-inefficient, slow, and limits the ability of USAID to use the most appropriate food aid intervention for a particular crisis.
- McGovern-Dole International Food for Education. The Administration is disappointed that bill provides \$210 million for the McGovern Dole International Food for Education program, which the FY 2020 Budget request proposed to eliminate. As described above, the Administration is prioritizing development assistance through USAID.

- USDA Research Programs. The bill provides \$3 billion for research grants and intramural research programs, \$576 million above the FY 2020 Budget request, including unrequested funding for duplicative and specific earmarked projects.
- Natural Resources Conservation Service (NRCS). The bill provides \$1 billion for NRCS conservation programs, \$255 million above the FY 2020 Budget request, including \$175 million in unrequested funding for planning and construction of small, locally-owned watershed projects and flood control structures that are not a Federal responsibility.
- Agricultural Marketing Service (AMS). The bill provides \$182 million for AMS, \$67 million above the FY 2020 Budget request. This total includes \$51 million in unnecessary and unrequested funding for a number of AMS programs.
- Animal and Plant Health Inspection Service (APHIS). The bill provides over \$1 billion for APHIS, \$17 million above the FY 2019 enacted level and \$46 million above the FY 2020 Budget request. This is a significant increase for APHIS, which would be able to address animal and plant health at lower funding levels.

Commerce, Justice, Science, and Related Agencies Appropriations Act, 2020

The Administration appreciates that the bill includes funding for critical priorities, including:

- Federal Law Enforcement. The bill provides \$15.6 billion for the Department of Justice (DOJ) law enforcement, \$619 million above the FY 2019 enacted level.
- Combating the Opioid Crisis. The bill fully funds anti-opioid efforts across DOJ, providing \$2.8 billion for the Drug Enforcement Administration in support of its efforts to eliminate prescription drug diversion and abuse, counteract growing heroin and fentanyl availability, and eradicate illicit drug marketplaces online. The bill also provides \$378 million for Comprehensive Addiction and Recovery Act grants including the Comprehensive Opioid Abuse Program, Drug Courts, Residential Substance Abuse Treatment, and Prescription Drug Monitoring Programs.
- Trade Enforcement. The bill provides strong support for the International Trade Administration (ITA) and Bureau of Industry and Security (BIS) trade enforcement programs within the Department of Commerce, which directly support the Administration's efforts to address unfair trade practices impacting U.S. businesses and national security. The funding increases requested in the FY 2020 Budget for ITA and BIS are necessary to allow these bureaus to implement the new authorities enacted in the Foreign Investment Risk Review Modernization Act of 2018 and the Export Control Reform Act of 2018.

- Executive Office of Immigration Review (EOIR). The bill provides \$669 million for DOJ's EOIR, \$110 million above the FY 2019 enacted level and equal to the FY 2020 Budget request. This funding would support the hiring of approximately 100 additional Immigration Judges and support staff to expand EOIR's adjudicatory capacity and reduce its pending caseload.
- Federal Prisoner Detention. The bill provides \$1.9 billion for Federal Prisoner
 Detention, \$315 million above the FY 2019 enacted level and equal to the FY 2020
 Budget request. This funding supports the Administration's request for additional
 resources; DOJ projects increases in the detention population due to increased
 enforcement of gun, drug, and immigration crimes.
- First Step Act of 2018. The bill provides \$75 million, the authorized level of funding, to support the historic First Step Act of 2018. The Act puts into place commonsense reforms to make our justice system fairer and help inmates successfully transition back into society. The Administration is committed to fully implementing the Act and would utilize this funding to expand inmate access to evidence-based, recidivism-reducing programs.
- State and Local Grants. The bill provides \$3 billion for DOJ State and local grants, \$153 million above the FY 2019 enacted level and \$730 million above the FY 2020 Budget request. This level supports several Administration priorities, such as school safety, mental health courts, elder initiatives, prisoner re-entry programs, background checks, victims of human trafficking, and efforts to address the opioid epidemic. The Administration, however, urges the Congress to deprioritize funding for programs that are that are not well targeted to achieve public safety outcomes.
- Commerce Information Technology (IT) Working Capital Fund. The bill provides \$22 million for the Business Applications Solutions project to be deposited in an IT Working Capital Fund at the Department of Commerce, pursuant to section 1077 of division A of the National Defense Authorization Act for Fiscal Year 2018. The Administration urges the Congress to include language to provide additional flexibility for transfers into the Fund from other appropriations headings as requested in the FY 2020 Budget.
- Industries of the Future (IoTF). The Administration appreciates the support provided in the report for IoTF, in particular the additional resources provided to expand the National Institute of Standards and Technology's ongoing Artificial Intelligence research and measurement science efforts, as well as the support provided for the development of Multidisciplinary Research Centers for Quantum Research and Education and Artificial Intelligence Research Institutes within the National Science Foundation (NSF) research account. The Administration looks forward to working with the Committee on funding levels for these and related areas across the government to support Industries of the Future.

- National Aeronautics and Space Administration (NASA). The Administration appreciates the Committee's continued support for space exploration, reflected in the \$22.8 billion provided in the bill for NASA, which includes an increase of \$680 million for lunar-focused exploration programs. However, the \$1.6 billion provided for exploration research and development (R&D) is insufficient to fully fund the lander system that astronauts would use to return to the Moon in 2024. Funding exploration R&D at the \$2.3 billion level requested in the FY 2020 Budget is needed to support the Administration's goal of returning to the Moon by 2024.
- Prison Construction. The bill fails to adopt the Administration's proposal requested in the FY 2020 Budget to achieve \$505 million in savings by cancelling the long-delayed construction of a new prison in the Mid-Appalachian Region.
- Census Bureau. The bill provides \$7.3 billion for the Periodic Censuses and Programs account, which funds a variety of surveys including the Decennial Census. This amount is \$1.4 billion more than the FY 2020 Budget request and fails to account for the \$1 billion in forward funding that the Congress previously appropriated to support execution of the Decennial Census. This funding level is not necessary to support all planned preparation, scale up, and operations anticipated in FY 2020.
- Project Safe Neighborhoods (PSN). The Administration is disappointed that the bill fails to provide the full \$100 million requested for the PSN program. PSN brings together law enforcement and their communities to develop effective, locally-based strategies to reduce violent crime. The Administration looks forward to working with the Congress to ensure the necessary funding is in place to fully support efforts to create safer neighborhoods through sustained reductions in violent crime.
- Program Eliminations. The bill would continue to fund programs that are proposed for elimination in the FY 2020 Budget request. These include the Economic Development Administration, the Manufacturing Extension Partnership, several grant programs within the National Oceanic and Atmospheric Administration, and the Legal Services Corporation. The Administration urges the Congress to discontinue funding for these programs that are that are duplicative, unauthorized, lower in priority, or that could be better managed by State and local governments.

The Administration would also like to take this opportunity to share its views regarding language provisions in the bill including:

- NASA Europa Mission. The bill requires that NASA use the Space Launch System (SLS) rocket to launch the Europa Clipper mission. The Administration is deeply concerned that this mandate would slow the lunar exploration program, which requires every SLS rocket available. Unlike the human exploration program, which requires use of the SLS, the Europa mission could be launched by a commercial rocket. At an estimated cost of over \$2 billion per launch for the SLS once development is complete, the use of a commercial launch vehicle would provide over \$1.5 billion in cost savings. The Administration urges the Congress to provide NASA the flexibility called for by the NASA Inspector General and consistent with the FY 2020 Budget request.
- Sanctuary Jurisdictions. The Administration urges the Congress to adopt the
 amendments requested in section 217 of the DOJ general provisions of the FY 2020
 Budget. These amendments would clarify that Federal, State, and local governments
 must comply with immigration detainer requests and authorizes the Department of
 Homeland Security and DOJ to condition financial assistance on cooperation with
 Federal immigration enforcement activities and requests.
- Crime Victims Fund. The Administration encourages the Congress to minimize the
 use of budget gimmicks such as the Crime Victims Fund (CVF) change in a
 mandatory program—or CHIMP. The Administration looks forward to working with
 the Congress to reform the CVF to limits receipts deposited into the CVF and to
 provide predictable and sufficient funding for crime victims and victim services.
- Working Capital Fund and Assets Forfeiture Fund Provisions. The bill places limitations on the use of funds from the Working Capital Fund and the Assets Forfeiture Fund. These provisions would restrict DOJ's ability to address vital unfunded capital equipment needs, and to cover the costs of unanticipated expenses.
- NASA financial systems report language. The Committee report includes directive language for NASA that would hinder the Administration's efforts to help the agency make necessary corrections to its financial systems. These changes are needed to eliminate current deficiencies and improve NASA's ability to efficiently comply with the Antideficiency Act.
- Satellite Instrumentation Report Language. The Committee report includes language that would direct the National Oceanic and Atmospheric Administration (NOAA) to study the impacts that instruments operating in the 23.6 to 24 gigahertz bands have on weather satellites. Such a study would be directly duplicative of past Agency studies on this subject, which were fully considered by the Administration in a lengthy interagency process earlier this year, leading to a carefully-wrought compromise that balances the spectrum needs of government and private enterprise. The Administration believes that further study is unnecessary, and asks that the language be removed.

Department of Defense Appropriations Act, 2020

The Administration appreciates that the bill includes funding for critical priorities, including:

• Space Force. The Administration greatly appreciates that the Committee establishes an "Operations and Maintenance, Space Force" appropriation within the Department of Defense (DOD) for the first time and has provided the requested funding for the initial operations of the United States Space Force. The Administration looks forward to working with the Congress to complement the Committee's work by modifying Title 10 of the United States Code to establish the Space Force as the sixth branch of the Armed Forces in FY 2020.

The bill includes funding that the Administration believes is not in line with the FY 2020 Budget request or underfunds key investments in critical areas supported in the FY 2020 Budget request, including:

- Missile Defense. The Administration appreciates the Committee's robust support for missile defense funding within DOD. However, the Administration strongly opposes the Committee's language, which purports to direct the President to fully fund the Next Generation Interceptor Program in the FY 2021 Budget request. The Administration is still evaluating several potential interceptor options for improving the Nation's homeland defense, and opposes tying funding to a specific missile defense solution that is still being evaluated.
- Research, Development, Test and Evaluation (RDT&E). The Administration appreciates the Committee's strong support for RDT&E priorities within DOD and its provision of \$104 billion in funding, \$8.4 billion above the FY 2019 enacted level. The bill, however, reduces the Navy's Precision Strike Weapons Development Program by \$30 million from the FY 2020 Budget request, which is inconsistent with the Administration priorities outlined in both the National Security and National Defense Strategies.

Energy and Water Development and Related Agencies Appropriations Act, 2020

The Administration appreciates that the bill includes funding for critical priorities, including:

• Nuclear Weapons Modernization. The Administration appreciates the Committee's support for the nuclear weapons modernization program of the National Nuclear Security Administration (NNSA) at the Department of Energy (DOE). The bill provides critical funding necessary to extend the life of key weapons systems and recapitalize NNSA's deteriorating infrastructure for production of strategic materials, including the capability to produce 80 plutonium pits per year by 2030. The bill also provides needed funding to ensure proper Federal oversight.

• Office of Science. The Administration appreciates the Committee's support for DOE's Office of Science's critical investments in the science and technology areas that fuel the IotF, particularly the Committee's inclusion of \$75 million for the establishment of up to five National Quantum Information Science Research Centers. The FY 2020 Budget request for the Office of Science would fund critically important IotF activities including artificial intelligence, quantum information science, and high performance computing and through basic research in the physical sciences implements the Administration's objectives for advancing U.S. science and technology and making the Nation prosperous and strong. The Administration encourages the Congress to fund this office at the level requested in the FY 2020 Budget.

- Infrastructure. The Administration believes it is imperative to extend section 1043 of the Water Resources Reform and Development Act of 2014, as amended, which authorizes non-Federal implementation of construction of Federal projects, an important tool for reforming and improving investment in water resources. The Army Corps of Engineers has already entered into two successful agreements to implement projects under section 1043, demonstrating the benefits of this authority. The Administration believes it should be removing, not creating, barriers that prevent or slow investments that non-Federal parties deem priorities.
- Transparency. The Administration notes that the bill fails to revise appropriations language in five accounts within the Corps of Engineers, as proposed in the FY 2020 Budget request, to enable greater transparency in how funds are spent. Establishing separate appropriations accounts for the navigation trust funds would improve accountability, ensure appropriations are used in a manner consistent with statutory requirements, and increase transparency for the public, including the users that pay fees to finance some of these costs.
- Formerly Utilized Sites Remedial Action Program (FUSRAP). The Administration urges the Congress to move the Army Corps of Engineers funding in this bill for the FUSRAP to DOE, as proposed in the FY 2020 Budget. Transferring responsibility for the administration and execution of this program to DOE would facilitate more efficient cleanup of contaminated sites, allow DOE to consider the full range of cleanup responsibilities in prioritizing work each fiscal year, reduce the costs for activities now undertaken by both agencies, and simplify the process for transferring these sites back to DOE for long-term surveillance and maintenance.
- Versatile Advanced (Fast) Test Reactor (VATR). The funding levels proposed in the bill are insufficient for the requisite ramp up of this high priority project within DOE. The VATR is critical to modernizing U.S. nuclear research and development (R&D)

infrastructure and reclaiming global leadership in the development of the next generation of advanced reactors. Shortchanging this project would substantially delay deployment, which would further hamper private-sector efforts to regain a competitive edge and continue to drive companies to use non-U.S. facilities for critical testing. The Administration urges the Congress to fully fund this program, as requested.

- Applied Energy Programs. The Administration believes that the bill provides excessive funding for DOE's applied energy programs at approximately \$5.3 billion, \$3.6 billion more than the FY 2020 Budget request. The Administration encourages the Congress to restrain funding levels across the applied energy technology programs. The Administration disagrees with the Committee's prioritization of technology demonstration and urges the Congress to ensure resources are directed toward early-stage R&D, where the Federal role is strongest. The private sector is best positioned to evaluate and invest in the commercial potential of energy technology advancements.
- Advanced Research Projects Agency-Energy (ARPA-E). The Administration believes that the continued funding of ARPA-E makes little strategic sense given the existence of applied energy research programs elsewhere within DOE. The Administration urges the Congress to eliminate ARPA-E and incorporate its approach to technology development into DOE's applied energy programs.
- Loan and Loan Guarantee Programs. The bill maintains the Title XVII Innovative Technology Loan Guarantee Program, the Advanced Technology Vehicle Manufacturing Loan Program, and the Tribal Energy Loan Guarantee Program within DOE. The Administration proposed eliminating these programs and using the unobligated carryover to fund administrative expenses necessary to monitor the existing portfolio. The Administration urges the Congress to adopt its elimination proposals and to recognize the private sector's primary role in taking risks to finance projects in the energy and automobile manufacturing sectors.
- Nonproliferation Fuels Development. The Administration objects to the bill's inclusion of funding within DOE for development of low-enriched fuels that could replace highly enriched uranium for naval applications. In 2018, the Secretaries of Energy and the Navy jointly determined that the United States should not pursue R&D of an advanced naval nuclear fuel system based on low-enriched uranium since such a system would result in a reactor design that is inherently less capable, more expensive, and unlikely to support the significant cost savings associated with life-of-ship submarine reactors. To fully execute a development effort of this magnitude would also incur significant risk and compete for resources against other defense priorities.

The Administration would also like to take this opportunity to share its views regarding the following language provision in the bill:

 Chickamauga Lock. The Administration opposes the preferential reduction in the share of the cost that the users of the inland waterways would pay for the construction of Chickamauga lock by the Corps of Engineers. The Administration believes the users' share of capital investments on the inland waterways should continue to be 50 percent.

Financial Services and General Government Appropriations Act, 2020

The Administration appreciates that the bill includes funding for critical priorities, including:

- Committee on Foreign Investment in the United States (CFIUS). The bill creates the newly-requested CFIUS fund and fully funds it with \$20 million in discretionary appropriations offset by up to \$10 million in user fee revenue. The Administration appreciates that the Committee provides sufficient resources to support anticipated increases in CFIUS caseload and the investments required to successfully implement the Foreign Investment Risk Review Modernization Act of 2018.
- Office of Terrorism and Financial Intelligence (TFI). The bill provides TFI with \$168 million, a \$1.0 million increase over the FY 2020 Budget request. The Administration appreciates the Committee's recognition of TFI's growing sanctions, enforcement, and intelligence analysis workload.
- Internal Revenue Service (IRS). The bill provides the IRS a total of \$11.4 billion. The Administration appreciates the bill's support for IRS enforcement activities. The additional funding requested for Business Systems Modernization would accelerate the modernization of core tax filing and compliance processing systems as well as the efforts to improve how the IRS interacts with taxpayers and tax professionals.
- National Archives and Records Administration's Electronic Records Initiative. The bill fully funds the \$22 million requested in the FY 2020 Budget to advance and improve electronic records management, consistent with OMB Memorandum M-19-21, Transition of Electronic Records.
- District of Columbia School Improvement. The Administration appreciates the increased funding for school improvement in the District of Columbia, and applauds the reduction to the poorly-targeted Tuition Assistance Grants program which the FY 2020 Budget request proposed to eliminate.

- Community Development Financial Institutions Fund. The bill provides \$251 million for the CDFI Fund within the Department of the Treasury, \$237 million above the FY 2020 Budget request. The \$14 million requested for administrative expenses is sufficient to support oversight of existing commitments and administration of other CDFI Fund programs.
- Small Business Administration (SBA) 7(a) Business Loan Program. The Administration is concerned that the Congress has not taken the necessary action to continue operations for this high priority program. Absent authorization to amend the fee structure, as proposed in the 2020 Budget, or a subsidy appropriation, the 7(a) program would shut down.
- SBA Entrepreneurial Development Programs. The bill provides \$243 million for SBA's Entrepreneurial Development Programs, \$62 million above the FY 2020 Budget request. The Administration is concerned that the bill does not include the reforms proposed in the FY 2020 Budget request to the Small Business Development Centers program to create a competitive set-aside and allow for data sharing, which would enable the program to better measure and evaluate effectiveness.
- Federal Buildings Fund (FBF) Capital Program. The Administration is disappointed that the bill continues to underfund the General Services Administration's (GSA) capital program. The diversion of more than \$622 million receipts fails to provide Federal agencies with the commercial equivalent space and services that agencies pay for in rent. The bill fails to fund critical construction, renovation, and consolidation priorities within the FBF capital program, including the next phase of construction at the Department of Homeland Security's consolidated headquarters at St. Elizabeths. Since FY 2011, the Congress has redirected approximately \$8 billion in GSA rent receipts to other congressional priorities.
- Technology Modernization Fund (TMF). The bill fails to provide funding for the TMF. The Administration urges the Congress to provide the full \$150 million FY 2020 Budget request, which would support a more rapid transition of legacy systems and the adoption of more secure commercial technology. Thus far, the TMF Board has announced funding for seven projects totaling \$89 million, all of which are undergoing Board oversight and are on track to deliver modernized technologies on an accelerated schedule thanks to TMF resources. With \$125 million in seed funding appropriated through FY 2019, the TMF Board has received 49 proposals from 17 agencies totaling \$549 million, far exceeding the amount of resources available in the fund.

- Public Buildings Reform Board (PBRB). The bill provides only \$1 million for the PBRB and fails to fund the Asset Proceeds and Space Management Fund within GSA, both of which were established by the Federal Asset Sales and Transfer Act of 2016. A lack of appropriations to the Asset Proceeds Fund in FY 2020 would hinder the ability of the PBRB to fully carry out its mission.
- Federal Capital Revolving Fund (FCRF). The Administration continues to support the establishment of the FCRF, a new budgetary mechanism for large civilian real property projects. The Administration transmitted legislative language in June 2018 and looks forward to working with the Congress to enact the FCRF proposal.
- Merger of the Office of Personnel Management (OPM) and GSA. The bill fails to provide funding for GSA's Working Capital Fund to support the transition of OPM functions to GSA. The Administration continues to stress the need for structural and organizational change at OPM. The status quo is unsustainable, and inaction would maintain an organizational construct that is ill-equipped to meet the needs of today's modern workforce. The Administration is pursuing this needed structural reform to better align resources with mission and create long-term stability, sustainability, and increased operational excellence.
- Election Assistance Commission (EAC). The bill provides \$250 million in unrequested funds to EAC for election security grants for States. Securing election infrastructure is a partnership between Federal, State, and local government and private sector entities, and the Administration is committed to working appropriately with all stakeholders to maintain and strengthen the security of our elections systems. States have only begun to expend the \$380 million received for election security grants in FY 2018. Additional support from the Federal Government should only be provided once existing funds have been deployed.
- High Intensity Drug Trafficking Areas Program (HIDTA) and Drug-Free Communities Support Program (DFC). The Administration is disappointed that the bill does not adopt the FY 2020 Budget proposal to transfer management of the HIDTA and the DFC from the Office of National Drug Control Policy to the DEA and the Substance Abuse and Mental Health Services Administration (SAMHSA), respectively. These transfers would ensure that the Administration's chief drug policy office could focus on coordinating opioid response efforts across the entire Federal government rather than on managing a handful of time-consuming grant programs. Further, transferring these programs could resolve execution concerns, such as those raised in the report language.

Department of Homeland Security Appropriations Act, 2020

The Administration greatly appreciates that the bill includes funding for critical priorities, including:

- Border Wall. The Administration greatly appreciates that the bill would fully fund
 the \$5 billion requested in the FY 2020 Budget for the border wall system along the
 U.S. southern border in a manner that allows the Department of Homeland Security
 (DHS) to construct the wall in areas that meet the Border Patrol's operational
 priorities as outlined in the Border Security Improvement Plan. The border wall is
 crucial to promoting national security and effectively stopping human traffickers and
 drug smugglers, who have long exploited the Nation's dilapidated and ineffective
 border barriers.
- Immigration and Customs Enforcement (ICE) Detention Beds. The bill provides funding to support an average daily population in ICE custody of 52,161, a level sufficient to sustain FY 2019 operational levels. Enhanced investment in ICE detention is needed to secure the U.S. southern border, prevent catch-and-release, detain removable aliens, and keep criminal aliens off our streets.

The bill includes funding that the Administration believes is not in line with the overall effort to control non-defense spending reflected in the FY 2020 Budget request or underfunds key investments in critical areas supported in the FY 2020 Budget request, including:

- Law Enforcement Officers. The bill fails to provide critical funding to hire additional Border Patrol Agents, ICE law enforcement officers, or the support staff necessary to secure the border, ensure community safety, and enforce the Nation's immigration laws. ICE suffers from dangerous staffing shortfalls, despite the fact that ICE was created in the aftermath of 9/11 to ensure immigration laws are upheld throughout the U.S. interior. While the bill does provide 119 additional U.S. Customs and Border Protection (CBP) Officers, as requested in the FY 2020 Budget, the Administration would like to work with the Committee to address critical staffing issues at DHS, particularly at ICE, so that the Department can fulfill its critical mission.
- Federal Emergency Management Agency (FEMA) Formulaic Grants. The Administration is disappointed that the bill sustains without reform Federal Emergency Management Agency formulaic grants that lack evidence-based distribution or justification.

The Administration would also like to take this opportunity to share its views regarding language provisions in the bill including:

• Trusted Traveler Vetting. The Administration objects to language in section 211 of the bill that would effectively bar CBP from moving its Trusted Traveler Vetting operations—located in Vermont—to the National Targeting Center (NTC) in Virginia. The relocation of this operation is already in progress as the Vermont

location cannot support classified vetting, whereas such vetting can be conducted at the NTC. Prohibition of the move to the NTC poses an increased risk to national security.

- Visiting DHS Facilities. The bill continues language in section 532 prohibiting DHS from preventing any Member of Congress from entering any DHS facility used to house alien minors. This provision is unnecessary, since DHS already honors congressional requests to visit its facilities.
- DHS and Department of Health and Human Services (HHS) Memorandum of Agreement (MOA). The Administration strongly objects to language in section 215 of the bill regarding the DHS and HHS MOA, which undermines the Administration's ability to combat the unlawful smuggling, transport, and trafficking of minors. Section 215 would prohibit ICE from taking enforcement action against a sponsor, potential sponsor, or household member unless a background check reveals a specified criminal history. The premise that a specific list of offenses is sufficient to adequately protect children is misguided. This provision would restrict ICE's ability to investigate and combat human smuggling and trafficking and in fact entices aliens to pay smugglers to get their children into the country in hopes of securing protection from immigration enforcement. Placing children in the hands of smugglers for an already perilous journey to the United States is incredibly dangerous, and the United States government has a responsibility not to incentivize such activity.
- Family Separations. The Administration objects to language added by amendment in Committee that would include overly specific, restrictive language that could limit DHS's flexibility to make necessary decisions to protect the welfare of children in situations not anticipated and specifically mentioned by the language. The Administration stands ready to work with Congress to fix our immigration laws and provide the resources necessary for law enforcement to secure our border in the most humane way possible. However, provisions such as this only serve to place children at graver risk and fail to provide the Department with the tools needed to manage the border crisis while protecting the most vulnerable populations.

Department of the Interior, Environment, and Related Agencies Appropriations Act, 2020

The Administration appreciates that the bill includes funding for critical priorities, including:

• Wildland Fire Costs. The bill provides \$5.1 billion for the Department of Agriculture (USDA) Forest Service and Department of the Interior (DOI) wildland fire, of which \$1.4 billion fully funds the base amount of wildland fire suppression funding needed to access up to \$2.3 billion in wildfire cap adjustment funds. The bill also includes an estimated \$643 million for hazardous fuels management across both Agencies, which is \$14 million above the FY 2019 enacted level and \$1 million below the FY 2020 Budget request.

- Offshore Energy. The bill provides a combined \$396 million, \$14 million above the FY 2019 enacted level, for the Bureau of Ocean Energy Management and the Bureau of Safety and Environmental Enforcement to support the Administration's efforts to safely expand energy development on the U.S. Outer Continental Shelf.
- National Park Service (NPS) Construction. The bill provides \$392 million for NPS construction within DOI. The Administration appreciates the Committee's prioritization of construction funding to help address deferred maintenance.
- NewPay Implementation. The bill provides \$12.5 million for NewPay implementation at DOI, equal to the FY 2020 Budget request. The Administration appreciates the Committee's support of this important initiative.
- U.S. Geological Survey (USGS) Satellite Operations. The bill provides \$32 million for development of the ground system for Landsat 9, equal to the FY 2020 Budget request. The new satellite would support near-weekly updates for hundreds of land cover applications, supporting tens of thousands of government, commercial, and academic users across the Nation.
- Great Lakes Restoration Initiative. The Administration appreciates that the bill would provide \$300 million for the Great Lakes Restoration Initiative, equal to the FY 2020 Budget request.

- Environmental Protection Agency (EPA) Operating Programs. In total, the bill provides an estimated \$3.3 billion for EPA's Environmental Program Management and Science and Technology accounts, approximately \$900 million more than the FY 2020 Budget request. The FY 2020 Budget request proposed to focus funding on EPA's core activities of protecting air, land, and water resources, and ensuring the safety of chemicals to make the Agency a better steward of taxpayer dollars. The bill, however, provides significant unrequested funding for additional activities and programs that go beyond EPA's core statutory requirements.
- Environmental Grants. The Administration is disappointed that the bill provides \$4.2 billion for EPA's State and Tribal Assistance Grant account, an increase of approximately \$1.7 billion over the FY 2020 Budget request and \$116 million over the FY 2019 enacted level. Within this account, the bill provides significant unrequested funding, including support for categorical grants, and activities that go beyond core statutory mandates.

- EPA Title 42 Hiring Authority. The Administration is concerned that the bill fails to provide an extension of EPA's use of Title 42 hiring authority. The authority allows EPA to hire up to 50 world-renowned scientists and engineers at competitive, market-based salaries. The current authority expires at the end of FY 2020. The FY 2020 Budget requested the authority be extended through FY 2025.
- DOI Topline. While the Administration appreciates the bill's support for priority DOI programs, it is disappointed that the bill also provides funding in excess of the FY 2020 Budget request across a number of DOI program areas. These include tribal programs, Bureau of Land Management operations, Fish and Wildlife Service programs, and USGS research. In total, the bill provides an estimated \$13.4 billion for DOI, \$2 billion more than the FY 2020 Budget request.
- USDA Forest Service Topline. The bill provides \$5.5 billion for Forest Service programs, including \$2.3 billion for wildland fire management, which is equal to the FY 2020 Budget request. The bill, however, also provides \$3.2 billion for non-fire programs, \$381 million more than was requested in the FY 2020 Budget, with nearly half of that increase for lower priority grants for local tree planting and non-Federal land acquisition projects.
- Federal Land Acquisition. The Administration is disappointed that the bill provides \$219 million for land acquisition at DOI and USDA, an increase of \$191 million above the FY 2020 Budget request, excluding rescissions. Acquiring new lands is a lower priority because DOI and USDA have a maintenance backlog that exceeds \$12 billion.
- Ending HIV Epidemic Initiative. The bill fails to include the \$25 million requested in the FY 2020 Budget for the Indian Health Service (IHS) to support the Administration's initiative in Indian Country.
- IHS Electronic Health Record (EHR) Modernization. The Administration is disappointed that the bill only provides \$3 million for the EHR modernization project, \$22 million below the FY 2020 Budget request. EHR modernization is critical to improving health care delivery and quality.
- National Endowment for the Arts (NEA), National Endowment for the Humanities (NEH), and the Woodrow Wilson International Center for Scholars (Wilson Center). The Administration is disappointed that the bill fails to eliminate or reduce Federal funding for NEA, NEH, and Wilson Center as proposed in the FY 2020 Budget request. The Administration recognizes the positive effects the arts and humanities have on our communities; however the FY 2020 Budget request proposed an orderly phase-out of Federal funding for these agencies, as the Administration does not consider their activities to be core Federal responsibilities.

<u>Departments of Labor, Health and Human Services, and Education, and Related Agencies</u> <u>Appropriations Act, 2020</u>

The Administration appreciates that the bill includes funding for critical priorities, including:

- Ending HIV Epidemic Initiative. The bill provides \$266 million for this
 Administration priority initiative, as requested in the FY 2020 Budget, including
 \$140 million for the Center for Disease Control, \$50 million in Health Centers,
 \$70 million in the Ryan White HIV/AIDS Program, and \$6 million for the National
 Institutes of Health (NIH) Centers for AIDS Research.
- Opioid Epidemic. The Administration appreciates that the bill provides \$1.5 billion for State Opioid Response grants as requested in the FY 2020 Budget to address the opioid epidemic.
- Apprenticeship. The Administration appreciates that the bill provides \$170 million for the Department of Labor's apprenticeship program, \$10 million above the FY 2020 Budget request. The Administration, however, urges the Congress to remove bill language that would prevent the Department from spending funds to provide a streamlined, employer-driven approach to establishing high-quality apprenticeship programs.
- Mental Health. The bill provides funding in the Substance Abuse and Mental Health Services Administration that would address serious mental illness and help reduce school violence. In particular, the Administration appreciates increases of \$50 million for Certified Community Behavioral Health Clinics and \$32 million for Project AWARE above Fiscal Year 2019 enacted levels.
- Student Aid Administration (SAA). The bill provides \$1.8 billion for SAA, \$100 million above the FY 2019 enacted level and equal to the FY 2020 Budget request. This funding would allow Federal Student Aid to continue to successfully implement the NextGen enterprise servicing solution, which would improve service for the over 40 million borrowers with Federal student loans.
- Reemployment Services and Eligibility Assessments (RESEA). The Administration strongly supports funding in the bill for RESEA in accordance with the Bipartisan Budget Act of 2018. RESEA is an evidence-based intervention that reduces improper payments in the Unemployment Insurance program while getting claimants back to work more quickly and at higher wages.
- Community Economic Development (CED) Program. The bill would eliminate \$20 million in funding for the CED Program. This is consistent with the FY 2020 Budget request and will allow for better utilization of Federal funds, as CED is duplicative of other programs.

- Over \$6 Billion in Unnecessary Spending at the Department of Education. The bill provides funding for over 20 programs that the FY 2020 Budget request proposed for elimination because they have achieved their original purpose, duplicate other programs, are narrowly focused, or are unable to demonstrate effectiveness. This includes \$2.6 billion for Title II Supporting Effective Instruction State Grants, \$1.2 billion for 21st Century Community Learning Centers, and \$840 million for Supplemental Educational Opportunity Grants.
- Job Corps. The bill provides \$1.7 billion for the Job Corps program at the Department of Labor, \$703 million above the FY 2020 Budget request, and continues to fund low performing centers that are failing their students.
- Bureau of Labor Statistics (BLS). The bill fails to provide the requested \$40 million to relocate BLS's headquarters to federally owned space in Suitland, Maryland. This amount is needed in FY 2020 for BLS and the General Services Administration (GSA) to begin planning and execution of this cost-saving move before BLS's lease expires in May 2022. Moving BLS to this space would save \$334 million compared to the equivalent cost of leasing over the next 30 years.
- Unemployment Insurance (UI) Improper Payments and Average Weekly Insured Unemployment. The bill fails to provide the requested \$90 million for State UI administrative grants to address the top causes of UI improper payments. These funds are necessary for improving UI program integrity, an ongoing issue in the program. In addition, the level of Average Weekly Insured Unemployment in the bill is above the Administration's estimate. If unemployment were to increase, the bill would leave a funding gap before additional administrative funds would become available.
- Corporation for National and Community Service (CNCS). The bill provides \$1.1 billion for CNCS, which the FY 2020 Budget request proposed to eliminate. Funding community service and subsidizing the operation of nonprofit organizations are outside the proper role of the Federal Government and should instead be supported with private donations.
- Teen Pregnancy Prevention (TPP) program. The bill provides \$101 million for the TPP program within the Department of Health and Human Services (HHS). The FY 2020 Budget request proposed to eliminate the TPP program, which serves less than one percent of teenagers in the United States.
- Temporary Expanded Public Service Loan Forgiveness (TEPSLF). The bill provides \$100 million for Federal student loan forgiveness for public service workers who have not met the qualifications for Public Service Loan Forgiveness. The

Administration opposes student loan forgiveness based on the tax-status of a borrower's employer.

- Unnecessary Spending on Health Professions Training Programs at HHS. The bill funds programs that the FY 2020 Budget request proposed for elimination because they use Federal funds to help individuals enter well-compensated professions with no requirement that they practice in underserved areas.
- Insufficient Protection of Union Members. The bill provides \$42 million for the Department of Labor's Office of Labor-Management Standards, \$7 million below the Administration's FY 2020 Budget request. The requested increase is needed to restore the Agency's enforcement capacity and protect workers by safeguarding union financial integrity.
- Office of Foreign Labor Certification (OFLC). The Department of Labor's OFLC protects American workers by ensuring that employers wanting to hire foreign workers have first demonstrated that U.S. workers are not available. Despite increasing workloads and additional processing responsibilities associated with the new CW-1 visa program, the bill provides \$8 million, or 12 percent less for OFLC than the level requested in the FY 2020 Budget. The Administration urges the Congress to fully fund the level included in the FY 2020 Budget request and to consider the Administration's proposed workload-based fee proposals, which would address the Congress' expressed concern about case processing backlogs.
- NIH. The Administration appreciates the Committee's support of high priority research areas identified in the FY 2020 Budget request, such as the Childhood Cancer Data Initiative at NIH. Strategic funding accelerates the development of treatments and interventions. The bill, however, provides \$7 billion more than the FY 2020 Budget request for NIH and the fifth consecutive \$2 billion increase, which is unsustainable and incompatible with the Administration's effort to focus resources on high priority research. The bill also fails to consolidate the Agency for Healthcare Research and Quality's activities into NIH within HHS, instead providing \$256 million, which is level with the FY 2020 Budget request for the Agency for Healthcare Research and Quality within NIH.

The Administration would also like to take this opportunity to share its views regarding language provisions in the bill including:

- Nonrecurring Expenses Fund (NEF). The bill would rescind \$1 billion from the NEF. The FY 2020 Budget request proposed to rescind \$400 million from the NEF. A \$1 billion rescission would likely impact HHS' ability to obligate funding for new projects in 2020, and could also impact ongoing projects which have been previously notified to the Congress.
- Grant Reporting Requirements. Section 527 would require the Departments of Education, Labor, and HHS to notify the Appropriations Committees at least three

business days before announcing a grant award. The Administration understands the Committee's desire for timely grant award notification, but is concerned that in certain circumstances—such as the end of the fiscal year—it may be difficult for agencies to provide the three day notification. The result may be funds lapsing or grant awards that are unable to be made.

- Reduce Grantee Burden. The Administration appreciates the inclusion of language that would permit NIH to support the 21st Century Cures Act Research Policy Board. The bill, however, also includes a number of objectionable language provisions, including section 224, which would prohibit changes to the method that NIH uses to pay grantee institutions for facilities and administrative costs. The section also prohibits other Federal departments and agencies from developing or implementing modified indirect cost policies, which inhibits agency staff and stakeholders from developing strategies to maximize effectiveness of Federal Government programs and reduce burden, such as through the Research Policy Board.
- Health Centers. The bill includes \$200 million specifically for Health Centers that would result in a reduction of base services grants.

Department of State, Foreign Operations, and Related Programs Appropriations Act, 2020

The Administration appreciates that the bill includes funding and language for critical priorities, including:

- U.S. Development Finance Corporation (DFC). The Administration appreciates that the bill largely reflects the language, structure, and funding level for the new DFC proposal included in the FY 2020 Budget request, including fully funds the \$150 million requested for the proposed new equity authority. The Administration, however, is disappointed that the Committee added additional language that would prohibit other agencies from transferring funds to the DFC for personnel and equity, and would cap transfers for loans and grants at \$50 million
- Women's Global Development and Prosperity (W-GDP) Initiative. The Administration appreciates the Committee's support for the initiative but recommends technical edits. As written, the bill would apply a \$100 million limit to the total amount spent on the W-GDP initiative, which should total no less than \$300 million, instead of the W-GDP Fund, which was funded at that level included in the FY 2020 Budget request. Without modification, the language would curtail existing women's economic empowerment programs at State and USAID that contribute to the goals of the initiative, beyond those funded by the W-GDP Fund. In addition, the Administration recommends eliminating the corresponding report language which limits the total amount made available by this act alone to \$50 million.

• Israel. The bill provides \$3.3 billion in Foreign Military Financing for Israel, fully supporting the 10-year Memorandum of Understanding between the United States and Israel.

The bill includes funding that the Administration believes is not in line with the overall effort to control non-defense spending reflected in the FY 2020 Budget request, including:

- International Affairs Topline. In total, the bill provides funding that far exceeds the amount requested in the FY 2020 Budget. It is counter to Administration efforts to rein in non-defense discretionary spending and eliminate the use of Overseas Contingency Operations funding for Function 150 programs. For the Department of State (State) and the U.S. Agency for International Development (USAID), the funding level in the bill is \$12.6 billion, or 31 percent, above the levels requested in the FY 2020 Budget.
- Economic and Development Assistance. The bill provides \$7.5 billion for economic and development assistance accounts, which is \$2.3 billion, or 44 percent, above the levels requested in the FY 2020 Budget. The Administration opposes this high level of spending because it exceeds what is needed to support U.S. national security, promote U.S. prosperity and economic opportunities, and advance American interests and values around the world. The bill also does not consolidate this funding into one Economic Support and Development Fund appropriation, as was proposed in the FY 2020 Budget request, maintaining unnecessary accounts with specialized objectives and limiting flexibility.
- Global Fund for HIV/AIDS, Tuberculosis, and Malaria (Global Fund). The Administration is disappointed that the bill misses an opportunity to seek improved international burden sharing in support of the Global Fund. The bill provides more than \$600 million above the levels requested in the FY 2020 Budget. While the Administration supports the work of the Global Fund, the proposal in the FY 2020 Budget request would challenge other donors to do more, rather than increasing U.S. funding unilaterally. The bill instead would undermine the United States' matching pledge and require the United States to play a larger role, even while U.S. support already represents well above half of global funding to combat AIDS.
- Program Eliminations and Reductions. The bill increases dedicated funding that the
 Administration proposed to eliminate or substantially reduce in the FY 2020 Budget
 request. This includes: Educational and Cultural Exchanges; the African
 Development Foundation; the Inter-American Foundation; the Asia Foundation; the
 East-West Center; the International Fund for Agricultural Development; the U.S.
 Agency for Global Media; the U.S. Institute of Peace; and the U.S. Trade and
 Development Agency.

The Administration would also like to take this opportunity to share its views regarding several unacceptable, problematic, or missing language provisions in the bill including:

- Apportionment Restrictions. The Administration strongly opposes section 7009(b), which would unacceptably prohibit all preconditions or limitations, including footnotes, on apportionments that must be met prior to obligation. The prohibition would affect any appropriation for which the bill specifies the date by which OMB must apportion the funds. Nine appropriations accounts include new unacceptable language requiring OMB to apportion and allot funds within 60 days of enactment, including several multi-billion dollar accounts such as Development Assistance, Global Health Programs, International Disaster Assistance, and Migration and Refugee Assistance. This section would also affect other funding directives in the bill that require funds to be apportioned within a specified time period or footnotes that require reporting before obligation. Contrary to the interests of U.S. taxpayers, these are fundamental attacks on the tools the President has to exert financial controls and accountability on appropriated funding. The restrictions would severely impinge upon the Administration's ability to prioritize and improve performance to increase the efficiency and effectiveness of using appropriated funds.
- Reduced Flexibility. The Administration strongly opposes provisions that would significantly reduce the Administration's flexibility to allocate funds as the President conducts his constitutional duty over foreign policy. Section 7019 of the bill again requires that allocations for assistance accounts conform to numerous detailed congressional funding directives. This bill, however, goes significantly beyond restrictions in prior acts, which have allowed the Administration to respond to changing conditions and apply exceptions on a case-by-case basis for urgent or unforeseen needs, by not allowing for any deviations except for one small account.
- Foreign Assistance Review Restrictions. The Administration strongly objects to Section 7040 of the bill, which states that none of the funds appropriated by this Act (and prior Acts) be used to implement the recommendations of any foreign assistance review prepared or conducted by the National Security Council, the Office of Management and Budget (OMB), State, or USAID, or any combination thereof, until an assessment of such review, including the methodology used to determine any such recommendations, is conducted by the Government Accountability Office and the findings of such assessment are submitted to the appropriate congressional committees. It is unclear how such restrictions could be implemented, given that any review of foreign assistance would likely touch on programs that are critical to national security and are priorities for both the Administration and the Congress.
- Central America. The Administration strongly opposes section 7035 of the bill, which would establish a minimum floor for Central America funding in the FY 2020 budget request while also retroactively amending last year's enacted appropriation to create a similar earmark for the FY 2019 budget. Such language would restrict the flexibility available to the President and Secretary of State to allocate foreign

- assistance funding in support of U.S. foreign policy objectives and would further complicate compliance with numerous other congressional directives.
- Country Earmarks. The Administration opposes language in the bill earmarking funding for a wide range of countries, which impedes the President's ability to conduct foreign policy and make adjustments as necessary to advance U.S. objectives.
- Saudi Arabia. Section 7031(h) of the bill would impose conditions on Export-Import Bank funding related to how the Administration should approach civil nuclear cooperation with Saudi Arabia. The Administration opposes language that would in any way aim to restrict the flexibility available to the Secretary of State pursuant to authorities under the Atomic Energy Act of 1954 (as amended). The language could also weaken the Administration's ability to support the United States civil nuclear industry's pursuit of commercial opportunities internationally, at a time when the entire United States Government should be instead redoubling efforts to counter Russian and Chinese influence in the civil nuclear market worldwide.
- Venezuela Transition. The Administration is concerned that the bill fails to provide the special transfer authority requested in the FY 2020 Budget that would allow for more flexibility in how the U.S. responds to the crisis in Venezuela. Language included in the report states that an emergency supplemental should be submitted to request this assistance when needed. Special transfer authority would enable the United States to initiate additional programming much more quickly to support a democratic transition and related needs. The Administration urges the Congress to provide such authority in a final bill to support the people of Venezuela in their fight against tyranny.
- Overseas Humanitarian Assistance Reorganization. The bill excludes provisions proposed in the FY 2020 Budget request that would strengthen and improve outdated and fragmented overseas humanitarian assistance, including a new International Humanitarian Assistance account where spending could adapt to meet the needs of affected populations as crises drive populations back and forth across borders and within their own countries. Section 7014 of the bill, moreover, retains language enacted in FY 2019 that limits improvements to the U.S. humanitarian structure by unnecessarily interfering in how bureaus are managed and funds are administered. The Administration believes that a stronger and seamlessly coherent U.S. Government structure that elevates humanitarian assistance is needed to resolve conflicts underlying the largest crises while optimizing the outcomes for both beneficiaries and U.S. taxpayers.
- Foreign Military Financing (FMF) Loan Authority. The Administration is disappointed that the bill fails to include authority requested to provide FMF loans and guarantees, which the Administration views as an important tool for making U.S. defense equipment a more competitive and affordable option for partner countries.

- International Expositions. While the Public Law 116-59 did not incorporate the Administration's proposed anomaly to use State Department funds for participation in international expositions, such authority would remain helpful as part of the full-year bill.
- Protecting Life. The Administration is concerned by the inclusion of language via the Manager's Amendment that implicitly raises questions about the integrity of USAID's selection of contractors for programs related to family planning/reproductive health (FP/RH) and HIV/AIDS programs. The committee did not previously request information or a briefing from USAID on its process before including an onerous and selective reporting burden in this one area of USAID's work, as well as a detailed GAO evaluation of FP/RH assistance. Moreover, the GAO evaluation requirement in the amendment extends to award processes used in several previous years, but restricts its review only to the current administration, bringing into question the fairness of the scope of this provision. Requiring USAID to provide selection criteria for implementers could lead to increased preference to contract with domestic groups that help fund abortion services internationally, as reporting these criteria may pressure USAID to favor these already established implementers. The requirement that USAID develop a mechanism for allowing groups to allege violations of USAID regulations could also be used as a vehicle to harass pro-life recipients.
- Federal Advisory Committee Act (FACA) Notification of Changes in Programs, Projects, or Activities. The Administration is concerned that Section 7011 (a)(4) of the bill withholds funds from entities established pursuant to FACA, Public Law 92-463, unless justification or notification 15 days in advance is provided to the Committees on Appropriations. This is a change to longstanding practice relative to the establishment of FACA entities and an infringement on Administration prerogatives.

<u>Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2020</u>

The Administration appreciates that the bill includes funding for critical priorities, including:

• Infrastructure Investments. The Administration appreciates that the Committee provides funding that would help to revitalize American infrastructure and is consistent with the Administration's goal to pursue additional investment in the Nation's highway, transit, rail, and aviation infrastructure. However, while discretionary increases to the Department of Transportation's (DOT) highway, transit, and aviation mandatory formula programs are useful, the Administration urges the Congress to provide an additional \$1 billion to the competitive Infrastructure For Rebuilding America (INFRA) grant program, as was proposed in the FY 2020

Budget. INFRA targets nationally- and regionally-significant projects and more effectively leverages Federal dollars.

- Capital Investment Grants (CIG). The bill provides \$2.0 billion, \$473 million above the FY 2020 Budget request for CIG at DOT, which the Administration believes is an excessive funding level, particularly for new full funding grant agreements.
- Amtrak. The Administration is disappointed that the Committee continued the status quo, providing Amtrak \$2 billion, \$58 million above the FY 2019 enacted level, for all its operations, including its highly inefficient long-distance trains. The Administration believes there is a real opportunity to reform and improve Amtrak service across the United States. To accomplish this, the Administration urges the Congress to support the proposal included in the FY 2020 Budget request to eliminate direct long distance operating subsidies, and instead provides grants to States through the Restoration and Enhancements Grant program. This proposal would begin a restructuring of the Amtrak network, which has not markedly changed in over 40 years. In addition, Amtrak should have the ability to manage their police force based on need rather than legislative mandate.
- Essential Air Service (EAS). The Administration is disappointed that the Committee did not include the proposals included in the FY 2020 Budget request to reform the EAS program at DOT. EAS needs to be reformed as total EAS spending has increased 600 percent since 1996. The Administration believes that commonsense, modest reforms can be implemented to control costs, while ensuring that truly remote communities receive air service.
- Rental Assistance Programs. The bill provides \$44.9 billion, \$6.9 billion above the FY 2020 Budget request, for rental assistance programs at the Department of Housing and Urban Development (HUD). The Administration is disappointed that the bill continues to reflect the status quo and does not include the proposed legislative reforms requested in the FY 2020 Budget to Housing Choice Vouchers, Project-Based Rental Assistance, Public Housing, and Housing for the Elderly and Persons with Disabilities. The Administration's proposal includes uniform work requirements and offers public housing authorities, property owners, and HUD-assisted families a simpler and more transparent set of rent structures. The Administration's proposed set of rent structures would reduce administrative burden, incentivize work, and place HUD's rental assistance programs on a more fiscally sustainable path.
- HUD Block Grants. The bill continues to provide funding for the Community
 Development Block Grant (CDBG) and HOME Investment Partnerships programs at
 HUD, both programs which the Administration proposed to eliminate in the FY 2020
 Budget request. The CDBG program is not well-targeted to the most distressed areas

and has not demonstrated a measurable impact on communities. The Administration also believes that State and local governments are better positioned than the HOME program to comprehensively address the unique market challenges, local policies, and impediments that lead to housing affordability problems.

• Other HUD Grant Programs. The bill provides \$100 million for the Choice Neighborhoods program rather than eliminating it as was proposed in the FY 2020 Budget request. The Administration believes that State and local governments play a greater role in addressing community revitalization needs. The bill also provides \$820 million for Native American Programs, which is \$220 million above the FY 2020 Budget request. The increased funding should be redirected to other Administration priorities.

The Administration would also like to take this opportunity to share its views regarding the following language provision in the bill:

• HUD Continuum of Care. The bill includes language that would limit HUD's ability to modify its Homeless Assistance Program's Notice of Funding Availability for the Continuum of Care by enshrining and failing to update out-of-date funding criteria. Over the past year, HUD has worked to make meaningful changes to the funding notice to promote self-sufficiency, so that homeless individuals can quickly get off the streets and on their feet. The language would inhibit HUD's ability to continue to make progress on these goals, and would also infringe upon Executive Branch authorities.