



July 12, 2019

TO: Californians for School Facilities; CASH Board of Directors
FROM: Bob Canavan, CSF Federal Legislative Advocate
SUBJECT: **CSF July Advocacy Trip Issue Update**

Californians for School Facilities representatives are traveling to Washington July 16 and 17 to work with House leadership, the California delegation, the House Education and Labor and Ways and Means Committees and other House and Senate Committees for federal support of CSF and CASH efforts to build, repair, and modernize California's schools and classrooms.

CSF is urging Congress to make federal investments with state and local partnerships supporting school facility infrastructure, advancing student achievement, success, and career development and generating local construction jobs. CSF is advocating for the House Education and Labor Committee's Rebuild America's Schools Act, the restoration of tax credit bonds, the House Energy and Commerce Committee's LIFT Act and other infrastructure legislation investing in our nation's schools and communities.

Major July Issues

Congress is in session, moving toward an August recess against the backdrop of having to raise the federal debt ceiling. Speaker Pelosi is indicating that she would like to address the debt ceiling and also raise the budget caps for Fiscal Years 2020 and 2021. The House has passed FY 2020 Appropriations bills based on higher budget caps for defense and non-defense programs. To date the Senate has not made FY 2020 budget caps adjustments or acted on any FY 2020 Appropriations bills.

A major sticking point is spending levels for fiscal year 2020 and possibly FY 2021, the last appropriations cycle facing steep sequestration cuts under the 2011 Budget Control Act (PL 112-25). Speaker Pelosi and House Democrats want roughly \$103 billion more than the Trump administration does for non-defense programs, including education. The House and the Administration are only \$17 billion apart on FY 2020 defense spending budget caps.

House and Senate leadership and the Administration definitely need to address the debt ceiling to prevent a possible federal debt default. They hope to reach an agreement before the August recess as the September 30 deadline for the next fiscal year approaches. They also need to reach an agreement on FY 2020 budget caps so they can complete FY 2020 Appropriations bills as the fiscal year closes on September 30.

Infrastructure

House and Senate Democratic leaders met with the President in May to discuss infrastructure and at one point agreed they should invest \$2 trillion in the nation's roads, bridges, and rural broadband. Democratic leaders also advocated that schools should be part of any infrastructure package. However, the Administration halted the talks. Congressional leaders are continuing to advocate for investing in our nation's road, bridge, broadband and school infrastructure.

Rebuild America's Schools Act, H.R. 865

The House Committee on Education and Labor on February 26 approved and reported favorably H.R. 865, the Rebuild America's Schools Act, as the Committee's first education-related bill in the 116th Congress. The Rebuild America's Schools Act introduced by the committee's chairman, Rep. Bobby

Scott (D-VA), is co-sponsored by 191 House Members. S. 266 has 27 co-sponsors including California Senators Feinstein and Harris.

The Rebuild America's Schools Act authorizes more than \$100 billion in grants and bonds to invest in physical and digital school infrastructure. House Democratic leaders are positioning the bill as one piece of the broader infrastructure effort. The bill addresses health and safety threats to millions of students and staff posed by older schools in poor condition across the country while creating nearly 2 million jobs, expanding access to high-speed broadband and creating a database on the condition of public school facilities.

Rebuild America's Schools Act Key Provisions:

Title I Grants for the improvement of public school facilities: authorizes \$70 billion allocation to states.

Title II School infrastructure bonds:

- **QZABS restored:** restores certain qualified tax credit bonds as if the repeal by the Tax Cuts and Jobs Act of 2017 had not taken effect.
- Allows for the proceeds from QZABs to be used for construction of public school facilities.
- **QZAB authorization raised to \$1.4 billion.**
- Local private contribution requirement removed.
- **Qualified School Infrastructure Bonds authorized for \$30 billion,** \$10 billion each for FY 2020, FY 2021, and FY 2022.
- **High Speed Broadband:** States may distribute up to 10% to enable LEAs to leverage existing public programs or public private partnerships to expand high speed broadband sufficient for digital learning.

The Rebuild America's Schools Act is now pending consideration by the full House.

Infrastructure negotiations between the President and Congressional leaders have stalled, but House leaders are committed to the importance of including schools in infrastructure packages.

39 members of the California Delegation are co-sponsors of H.R. 865:

Rep. Gomez, Jimmy [D-CA-34]*	01/30/2019
Rep. Harder, Josh [D-CA-10]*	01/30/2019
Rep. Hill, Katie [D-CA-25]*	01/30/2019
Rep. Huffman, Jared [D-CA-2]*	01/30/2019
Rep. Khanna, Ro [D-CA-17]*	01/30/2019
Rep. Lee, Barbara [D-CA-13]*	01/30/2019
Rep. Lieu, Ted [D-CA-33]*	01/30/2019
Rep. Lofgren, Zoe [D-CA-19]*	01/30/2019
Rep. Lowenthal, Alan S. [D-CA-47]*	01/30/2019
Rep. Matsui, Doris O. [D-CA-6]*	01/30/2019
Rep. McNerney, Jerry [D-CA-9]*	01/30/2019
Rep. Napolitano, Grace F. [D-CA-32]*	01/30/2019
Rep. Panetta, Jimmy [D-CA-20]*	01/30/2019
Rep. Roybal-Allard, Lucille [D-CA-40]*	01/30/2019
Rep. Sanchez, Linda T. [D-CA-38]*	01/30/2019
Rep. Schiff, Adam B. [D-CA-28]*	01/30/2019
Rep. Swalwell, Eric [D-CA-15]*	01/30/2019
Rep. Takano, Mark [D-CA-41]*	01/30/2019
Rep. Torres, Norma J. [D-CA-35]*	01/30/2019
Rep. Vargas, Juan [D-CA-51]*	01/30/2019
Rep. Waters, Maxine [D-CA-43]*	01/30/2019
Rep. Bass, Karen [D-CA-37]	02/05/2019
Rep. Cox, TJ [D-CA-21]	02/19/2019

Rep. Levin, Mike [D-CA-49]	02/26/2019
Rep. Sherman, Brad [D-CA-30]	03/12/2019
Rep. Rouda, Harley [D-CA-48]	04/01/2019
Rep. Porter, Katie [D-CA-45]	04/01/2019
Rep. Speier, Jackie [D-CA-14]	04/25/2019

Possible California Co-Sponsors:

R	D
La Malfa	Thompson
McClintock	Bera
Cook	Pelosi *
Nunes	Cardenas
McCarthy *	Ruiz
Calvert	Correa
Hunter	Peters

*Speaker and Majority Leader generally do not co-sponsor legislation.

Tax Credit Bonds

The House Ways and Means Committee has approved H.R. 3301 a tax extenders package which could not include the tax credit bond provisions of the Rebuild America's Schools Act. The Ways and Means is aware of the need to restore tax credit bonds such as the Qualified Zone Academy Bond (QZAB) program. The Committee expects to consider tax credit bonds as a larger bond-finance package is developed. Ways and Means Committee Chair Neal is a co-sponsor of the Rebuild America's Schools Act.

“LIFT America: Modernizing Our Infrastructure for the Future”

The House Energy and Commerce Committee also is proposing investing in infrastructure through The LIFT America Act making significant investments in rebuilding our country through clean energy. The LIFT America Act includes investments in several key areas, including:

Over \$33 billion for clean energy, including \$4 billion to upgrade the U.S. electric grid to accommodate more renewable energy and \$4 billion for the expansion of renewable energy use, including \$2.25 billion for the installation of solar panels in low-income and underserved communities.

LIFT America includes \$23 billion for energy efficiency efforts – retrofitting and weatherizing buildings, including schools.

LIFT includes more than \$21 billion to protect Americans' drinking water, including \$2.5 billion to establish a new grant program allowing PFAS-affected communities to filter the toxic chemicals out of water supplies. LIFT America also expands the 2017 Safe Drinking Water Act by extending and increasing authorization for the State Revolving Loan Fund, and other safe water programs.

Brownfields Redevelopment: \$2.7 billion for Brownfields redevelopment to revitalize communities and create jobs by returning valuable land to productive use.

Expanding Access to Broadband Internet

\$40 billion for the deployment of secure and resilient high-speed broadband internet service to expand access for communities nationwide and bring broadband to 98 percent of the country. \$5 billion in federal funding for low-interest financing of broadband infrastructure deployment through a new program that would allow eligible entities to apply for secured loans, lines of credit, or loan guarantees to finance broadband infrastructure build out projects.

The Energy and Commerce Committee held a successful hearing on the LIFT Act which is now pending Committee action.

The Rebuild America's Schools Act, LIFT Act and Tax Credit Bonds are some of the potential opportunities to advance school infrastructure investments in this Congress.

Californians for School Facilities will be working with the California Congressional delegation, House and Senate leaders, and Congressional Committees for federal support and investment in California school facility infrastructure.

Thanks to all who support the efforts of Californians for School Facilities and the Coalition for Adequate School Housing to build, renovate, repair and modernize California's schools to advance student achievement and success.