

OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, DC 20503

July 26, 2021 (House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 4502 — Labor, Health and Human Services, Education, Agriculture, Rural Development, Energy and Water Development, Financial Services and General Government, Interior, Environment, Military Construction, Veterans Affairs, Transportation, and Housing and Urban Development Appropriations Act, 2022

(Rep. DeLauro, D-CT)

The Administration strongly supports House passage of H.R. 4502, making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies; Agriculture, Rural Development, Food and Drug Administration, and related agencies; energy and water development, and related agencies; financial services and general Government; the Department of the Interior, Environment, and related agencies; military construction, the Department of Veterans Affairs, and related agencies; and the Departments of Transportation, Housing and Urban Development, and related agencies for the fiscal year (FY) ending September 30, 2022, and for other purposes.

Over the past decade, due in large measure to overly restrictive budget caps, the Nation significantly underinvested in core priorities such as education, research, and public health that are vital to our prosperity and strength. We have seen the consequences of this broad disinvestment in our lack of preparedness to effectively respond to a global pandemic. We see it in global competitors that are catching up or even surpassing the United States in research and development. In addition, we see it in longstanding inequities that have been deepened by chronic underinvestment in programs that are drivers of opportunity, such as Head Start and K-12 education. These cuts to public investment in basic services and protections have cost us all—and the moment to begin reversing this troubling trend is now.

The Administration is eager to incorporate the best ideas to reinvest in America. What we cannot accept is a continuation of damaging and self-defeating disinvestment. Instead, we must seize this moment to invest in our future—building an economy that works for everyone, not just those at the top; tackling the generational challenge of climate change; competing with rising powers and maintaining our position as a global leader; and preparing for the full range of challenges and opportunities ahead of us.

The President's FY 2022 Budget details a robust set of discretionary proposals to help deliver that future by reinvesting in the foundations of our Nation's strength. The Administration strongly supports the House Appropriations Committee in putting forth FY 2022 bills that reflect these shared priorities.

The Administration would like to take this opportunity to share additional views regarding the Committee's version of the bill.

<u>Division A—Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2022</u>

Department of Labor (DOL)

Worker Protection. The Administration appreciates the Committee's support for DOL's worker protection agencies, which would allow the Department to rebuild these agencies' staffing levels and better protect the health, safety, wages, rights, and benefits of America's workers.

Apprenticeship. The Administration appreciates the Committee's funding in the bill for the expansion of Registered Apprenticeship and efforts to increase access to the model for historically underrepresented groups.

Unemployment Insurance (UI) Administration. The Administration appreciates the funding provided in the bill to expand State grants for UI administration, accommodating workload increases and allowing the Department to fully modernize the funding formula for the first time in decades. Further, the Administration appreciates the critical support for UI National Activities, which would help modernize information technology and support States in administering the UI program.

Department of Health and Human Services (HHS)

Advanced Research Projects Agency for Health (ARPA-H). The Administration appreciates that the bill provides initial funding to establish ARPA-H so it can begin its important and transformative work to improve human health. However, the Administration is disappointed that the bill provides significantly less than the level requested in the FY 2022 Budget and that the funding is contingent on future congressional action. The Administration looks forward to working with the Congress to ensure that ARPA-H is funded at levels commensurate with its bold mission. It is critical that ARPA-H is established and operational in FY 2022 so the agency can rapidly undertake its life-saving work in such critical areas as cancer, infectious diseases, and Alzheimer's for the benefit of all Americans.

Centers for Disease Control and Prevention (CDC) Topline. The Administration appreciates that the bill fully funds the FY 2022 Budget request for CDC. This funding would help restore capacity at the world's preeminent public health agency, address health disparities, support community violence prevention, and promote health equity among other critical public health needs. Building on the investments in the American Rescue Plan Act of 2021, this funding would help CDC support core public health capacity improvements in States and Territories, modernize public health data collection nationwide, train new epidemiologists and other public health experts, and build international capacity to detect, prepare for, and respond to emerging global threats and the current COVID-19 pandemic.

Ending the Opioid Epidemic. The Administration appreciates that the bill provides robust funding to address the opioid overdose epidemic, which has worsened in the COVID-19 pandemic. CDC preliminary data estimates there were over 93,000 deaths related to drug overdoses in 2020, of which nearly 70,000 were related to opioid use, and the funding requested in the FY 2022 Budget request would increase access to prevention, treatment, and creates a new 10 percent set aside in the Substance Abuse Prevention and Treatment Block Grant for recovery support services.

Ending the HIV Epidemic. The Administration appreciates that the bill fully funds the FY 2022 Budget request for Ending the HIV Epidemic. This funding would help aggressively reduce new HIV cases while increasing access to treatment, expanding the use of pre-exposure prophylaxis, also known as PrEP, and promoting equitable access to services and support.

Community Mental Health Services Block Grant. The Administration appreciates that the bill fully funds the FY 2022 Budget request for the Community Mental Health Services Block Grant. This historic investment would help address the strains on the Nation's mental healthcare system, which have been exacerbated by the COVID-19 pandemic.

Strategic National Stockpile (SNS). The Administration appreciates that the bill fully funds the FY 2022 Budget request for the SNS. The COVID-19 pandemic has placed an extraordinary strain on the SNS and this funding would allow for the replenishment of critical material and preparation for the next public health emergency.

Syringe Services Program. The Administration appreciates that the bill does not place any restrictions on the use of Federal funds for syringe services programs and sterile syringes. These proven and effective community-based prevention programs provide a range of services, including linkage to infectious disease care and substance use treatment.

Child Welfare Funding and Equity Grants. The Administration appreciates the bill's strong funding for child welfare and child abuse prevention programs, especially the inclusion of \$100 million to create a new competitive grant program to advance equity and reduce racial disproportionalities in the child welfare system. This funding would help State and local child welfare agencies partner with education, health, and early childhood agencies and with community stakeholders to engage in a continuous improvement cycle to advance equity while safely reducing the number of children who enter foster care by re-orienting child welfare systems to a prevention-first model.

Early Childhood Education. The Administration appreciates the funding included for the Child Care and Development Block Grant, Head Start, and Preschool Development Grants, which total over \$20 billion and represent a \$3.1 billion increase over the FY 2021 enacted level. These investments would expand access to high-quality, affordable child care and early learning programs for children from low-income households that would foster healthy development and improve outcomes later in life.

Family Violence. The Administration appreciates the Committee's full support of the Administration's FY 2022 Budget request for increased funding for the Family Violence

Prevention and Services program and National Domestic Violence Hotline, as well as cash assistance for survivors of domestic violence.

Refugee Resettlement. The Administration appreciates the Committee's inclusion of funding to rebuild refugee resettlement infrastructure after years of neglect and to provide social services, time-limited cash, and medical assistance to resettle up to 125,000 refugees in FY 2022.

Department of Education (Education)

Overall Education Funding. The Administration appreciates the strong funding support in the bill for public schools, colleges, and universities with the inclusion of the full FY 2022 Budget request of \$102.8 billion. This historic investment would help the Nation build back better and lay the foundation for shared growth and prosperity for decades to come.

Title I. The Administration appreciates the Committee's historic increase of \$19.5 billion for the Title I program, which would provide critical support to students and teachers in high poverty schools. The Administration looks forward to working with the Congress on ways to advance shared priorities, including improving educator compensation and improving the equity and adequacy of State and local school finance systems.

Special Education. The Administration appreciates the Committee's inclusion of over \$17 billion for Individuals with Disabilities Education Act (IDEA) programs. The additional funding would support special education and related services for over 7.6 million students with disabilities and is a significant step toward fully funding IDEA. The bill also makes critical reforms to the IDEA Infants and Families program to expand access to early intervention services for underserved children, including children of color and children from low-income families.

School Counselors, Nurses and Psychologists. The Administration appreciates the Committee's inclusion of \$1 billion toward increasing the number of school counselors, nurses, and psychologists. The bill splits the funding into two existing education programs, with \$500 million to School-based Mental Health Services Grants and \$500 million to Mental Health Professional Demonstration Grants. This investment would help support the mental health and well-being of the Nation's students, teachers, and school staff as they navigate their new normal given all the COVID-19 pandemic disruptions.

Full Service Community Schools. The Administration appreciates the Committee's inclusion of \$443 million toward the Full-Service Community Schools program. Community schools have and will continue to play a critical role in providing comprehensive wrap-around services during and after the COVID-19 pandemic. This additional support would allow for the creation of an estimated 800 new community schools serving up to 2.4 million additional students, families, and community members.

Fostering Diverse Schools. The Administration appreciates the Committee's inclusion of \$100 million for this new competitive grant program, which would help communities develop and implement strategies to build more diverse student bodies.

Pell Grants. The Administration appreciates the Committee's \$400 increase to the maximum Pell Grant, for a new maximum award of \$6,895, and the expansion of eligibility for Pell Grants to Deferred Action for Childhood Arrivals recipients and those with temporary protected status. The Administration also appreciates the increase of \$2.3 billion in funding to support the approximately seven million Pell recipients.

Student Aid Administration. The Administration appreciates the bill's \$200 million increase to Student Aid Administration, the account that supports the administration of the Federal student financial assistance programs. These programs, that help students and families pay for the cost of post-secondary education, are the Nation's largest source of financial aid for post-secondary students. This increase is also critical to ensuring safe and effective loan servicing for over 40 million Federal student loan borrowers and to implement the necessary requirements in the FAFSA Simplification Act and the FUTURE Act.

Social Security Administration (SSA)

Limitation on Administrative Expenses. The Administration appreciates the Committee's funding for SSA's frontline operations to improve customer service and address the disability claims backlog.

Corporation for National and Community Service

AmeriCorps. The Administration appreciates the Committee's strong support for national service through the funding increases for AmeriCorps. This additional funding would allow the agency to increase its support for volunteers across the Nation, improving the lives of people served while building an ethic of national service.

National Labor Relations Board

National Labor Relations Board (NLRB). The Administration appreciates the Committee's funding for the NLRB, which would allow the agency to rebuild its staffing and support meaningful improvements in the protection of collective bargaining rights nationally.

Constitutional Concerns

One provision of the draft bill raises separation of powers concerns, including by conditioning the Executive's authority to take certain actions on receiving the approval of the House and Senate Committees on Appropriations. The Administration looks forward to working with the Congress to address these and other concerns.

<u>Division B—Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2022</u>

Department of Agriculture (USDA)

Climate and Clean Energy. The Administration appreciates the Committee's recognition that new funding is needed to respond to the climate crisis. The bill provides \$347 million in new investments across USDA, including many of the requested increases for climate change and clean energy. The Administration would like to work with the Congress to ensure, as the bill moves through the process, that there is adequate funding for Rural Cooperative Assistance, to help rural communities accelerate to a carbon pollution free electricity sector by 2035, for transitioning the USDA fleet to electric vehicles, and new climate funding requested for the Agriculture Research Service to support the Advanced Research Projects Agency for Climate that would support USDA technology needs including heat- and drought-resistant food and agriculture supply chain.

Special Supplemental Nutrition for Women, Infants, and Children. The Administration appreciates that the Committee provided \$6 billion in new budget authority to address the nutritional needs of pregnant and postpartum women, infants, toddlers, and young children and to support science-backed nutrition recommendations for 6.4 million participants.

StrikeForce Initiative. The Administration appreciates the Committee's funding for the new StrikeForce initiative at the requested level, which would allow USDA to leverage its extensive network of county-based offices for community outreach.

Rural Broadband. The Administration appreciates the Committee's support for rural broadband. The bill provides \$137 million above the FY 2022 Budget request for the ReConnect Program and refinancing budget authority for telecommunication loans, equal to the FY 2022 Budget request that would help rural providers deploy future-proof technology, while lowering the cost for consumers.

Rural Housing Programs. The Administration appreciates that the Committee funded the requested increases for the rural single-family homeownership direct loans, funded at \$1.5 billion and loan guarantees funded at \$30 billion, as well as rental assistance and housing vouchers at \$1.5 billion. The funding would provide approximately 182,000 loans and loan guarantees, and allow USDA to continue the necessary level of assistance to low income homebuyers, giving them opportunities to improve their living conditions and financial footing through investment in their own neighborhoods.

Rural Water and Wastewater Grants and Loans. The Administration appreciates the Committee's support for rural water and wastewater grants and loans, particularly the increases for grants targeted to Colonias, Native Americans, and Alaskan Native Villages as well as other rural communities, many of whom disproportionately lack access to quality water and sewer infrastructure.

Food Safety and Inspection Service (FSIS). The Administration appreciates the Committee's full funding for FSIS inspectors, which would allow the agency to continue to meet the demands of its critical food safety mission.

Department of Health and Human Services

Food and Drug Administration (FDA). The Administration appreciates the funding provided by the Committee to support a number of agency initiatives, including targeted increases to several priorities in the FY 2022 Budget request, such as emerging chemical and toxicology issues, drug safety surveillance and oversight, and medical device supply chain resilience. The Administration would like to work with the Congress to ensure, as the bill moves through the process, that there is adequate funding for: maternal and infant health and nutrition; efforts to address the opioid crisis; and critical public health infrastructure needs, including capacity building and enterprise-wide data-modernization in order to revitalize FDA's outdated data infrastructure and support fundamental FDA operations to keep pace with new requirements and regulatory responsibilities as requested in the FY 2022 Budget.

Constitutional Concerns

Certain provisions of the bill raise separation of powers concerns, including by conditioning the Executive's authority to take certain actions on receiving the approval of the House and Senate Committees on Appropriations. Other provisions would unduly interfere with the President's ability to supervise the Executive Branch. The Administration looks forward to working with the Congress to address these and other concerns.

<u>Division C—Energy and Water Development and Related Agencies Appropriations Act,</u> 2022

Army Corps of Engineers (Corps)

Corps Topline. The Administration appreciates the Committee's support for the Army Corps Civil Works program. The Administration also appreciates the commitment to climate resilient water infrastructure.

Department of Energy (DOE)

Office of Energy Efficiency and Renewable Energy (EERE) Topline. The Administration appreciates the Committee's robust support for EERE, a top Administration priority, at over \$900 million above FY 2021 enacted level. EERE would play a key role in achieving the President's goals of a carbon pollution-free electricity sector by 2035 and a net zero economy by 2050, all while creating good-paying jobs and building a more equitable economy. Not only does EERE drive innovation across renewables, buildings, vehicles, manufacturing, and fuels, it also helps weatherize homes in underserved communities and ensure that the Federal Government is an environmental steward across its physical footprint. The Administration appreciates that the Committee is funding several new programs within EERE, including the Build Back Better

Challenge Grants, Weatherization Readiness Fund, and Local Government Clean Energy Workforce Program, but strongly urges the Congress to provide the full levels requested in the FY 2022 Budget for these programs. The Administration looks forward to working with the Congress in maximizing the impact of these investments, as well as exploring what more could be done to meet critical climate goals.

Advanced Research Projects Agency-Energy (ARPA-E) and Advanced Research Projects Agency-Climate (ARPA-C). The Administration appreciates the Committee's support for ARPA-E at \$173 million above the FY 2021 enacted level, a key program that has proven effective at identifying and supporting revolutionary energy technologies that enhance the Nation's economic and energy security. The Administration continues to believe that the establishment of an ARPA-C would enable more effective cross Government collaboration that would lead to the development of innovative climate solutions. The Administration looks forward to working with the Congress on this urgent issue.

National Nuclear Security Administration (NNSA). The Administration appreciates the Committee's strong support for national security by providing a robust level of funding for DOE's NNSA, commensurate with the President's FY 2022 Budget request. The Administration is concerned, however, that certain provisions of the bill appear to pre-judge the outcome of the Nuclear Posture Review (NPR) now underway. As the Administration works to reduce the role of nuclear weapons in the national security strategy, it looks forward to working with the Congress to ensure that the most critical elements of the nuclear modernization program are fully funded and that the FY 2022 funding levels do not constrain policy options available for consideration by the President in the NPR.

Office of Clean Energy Demonstrations (OCED). The Administration appreciates the Committee's support for establishing the OCED. The OCED would serve as the Department's hub for accelerating the maturation of near- and mid-term clean energy technologies and systems with the goal of quicker commercial adoption and increased availability. The OCED would accomplish this through a systematic approach that is informed by, and integrated with, existing clean energy innovation initiatives across DOE's diverse program and functional offices, sites and associated National Laboratories. The OCED would also be instrumental in executing the demonstration portfolio envisioned by the Energy Act of 2020.

Equity and Justice. The Administration appreciates that the Committee recognizes the importance of increasing engagement with communities impacted by climate change, air and water pollution, systemic racism and underinvestment, high energy costs, and economic inequality. The Administration urges the Congress to support requested resources for the Environmental Management program toward this goal for Historically Black Colleges and Universities and other Minority Serving Institutions.

Indian Energy. The Administration appreciates that the bill provides \$70 million for the Office of Indian Energy, a tripling of the program over the prior year, needed to make substantial progress in achieving universal energy access for Indian country and for transitioning the Nation's tribal colleges and universities to renewable energy. While more opportunities may exist to advance

access to all communities equitably, this investment represents a significant step forward in achieving such equity in Indian country and tribal communities.

The Office of Nuclear Energy (NE). The Administration appreciates the \$1.8 billion provided in the bill for NE. The investments in the bill would allow for nuclear energy to play a critical role in combating climate change through the demonstration of advanced reactors, creating goodpaying jobs in advanced manufacturing, and securing the Nation's place as the global leader in nuclear science and technology. The Administration also urges the Congress to continue funding for the Versatile Test Reactor Project, an essential tool for America to regain its global nuclear energy leadership role in the development of advanced reactors.

Loan Programs. The Administration appreciates the Committee's support for administrative expenses necessary to run the loan programs and deploy available loan authority to advance its climate goals. The Administration urges the Congress to reconsider appropriating additional credit subsidy and loan authority for the Title 17 program to support innovative electric vehicle infrastructure, carbon management, and other clean energy projects that create good paying jobs with a free and fair choice to join a union.

Department of Interior

Bureau of Reclamation. The Administration appreciates that the Committee provides a net of \$1.9 billion for the Bureau of Reclamation and the Central Utah Project, \$413 million, or 28 percent, above the FY 2022 Budget request. The Administration also appreciates the funding for Reclamation, which would benefit the western water infrastructure and improve the Nation's climate resiliency, particularly in this time of severe drought.

Indian Water Rights Settlements. The Administration appreciates that the bill fully funds the request for Indian Water Rights Settlements. The Administration looks forward to working with the Congress on a proposal to reclassify as mandatory funding the amounts necessary to meet Federal commitments for existing enacted Indian Water Rights Settlements starting in FY 2023. This would provide a stable and comprehensive funding source to meet these legal requirements to Tribes.

Constitutional Concerns

Sections 101 and 201 of the bill would raise separation of powers concerns by conditioning the Executive's authority to reprogram funds on receiving the approval of the House and Senate Committees on Appropriations. The Administration looks forward to working with the Congress to address this and other concerns.

Division D—Financial Services and General Government Appropriations Act, 2022

Department of the Treasury

Internal Revenue Service (IRS). The Administration appreciates the Committee's support for the IRS. The investments in the bill would enable increased oversight of high-income and corporate tax returns, new and improved online tools for better communication between taxpayers and the IRS, and improved taxpayer customer service—including outreach and assistance to underserved communities.

Financial Crimes Enforcement Network (FinCEN). The Administration appreciates the Committee's support for FinCEN. The additional resources provided in the bill to create a database that tracks the ownership and control of certain companies and organizations would help combat the use of complex corporate structures to shield illegal activity.

Community Development Financial Institutions (CDFI) Fund. The Administration appreciates the Committee's support for increased investments in CDFI programs that flow to communities and geographic areas where access to capital is most needed, including rural areas and persistent poverty counties.

Executive Office of the President

Office of Management and Budget (OMB). The Administration appreciates the Committee's support for additional funding to invest in the career OMB workforce that is charged with helping the President meet policy, budget, management, and regulatory objectives in an effective and efficient manner. The Administration also shares the Committee's goal of increasing spending transparency. However, the Administration objects to sections 204, 747, and 749 of the bill which would impose new requirements, limitations, and conditions related to the thousands of apportionment actions processed by OMB each year. These requirements would undermine OMB's ability to ensure the effective implementation of the law, and efficient use of taxpayer resources. The Administration looks forward to working with the Congress to ensure appropriate levels of transparency while also preserving the Executive Branch's role in funds management. The Administration also objects to the inclusion of previously enacted provisions that are unnecessarily restrictive, such as one purporting to bar OMB from expending funds to alter the annual work plan of the Army Corps of Engineers.

General Services Administration (GSA)

Federal Buildings Fund (FBF). The Administration appreciates the Committee's support for the Federal Buildings Fund, including the Climate and Resilience Special Emphasis Program, and applauds the Committee's efforts to reinstate the capital program. However, the Administration urges the Congress to provide full funding for the FBF at the anticipated level of rent collections, as proposed in the FY 2022 Budget request, which would support priority repair and alteration projects as well as new construction projects.

Electric Vehicles Fund. The Administration appreciates the Committee's support for the requested \$300 million at GSA to support the Administration's goal of electrifying the Federal fleet. The Electric Vehicles Fund provides the mechanism for GSA to procure zero emission and electric vehicles and the associated charging infrastructure on behalf of Federal agencies.

Technology Modernization Fund (TMF). The Administration appreciates the funding provided in the bill for the TMF and urges the Congress to provide the full \$500 million requested in the FY 2022 Budget, which would support a more rapid transition of legacy systems and the adoption of more secure commercial technology. With \$1 billion in seed funding appropriated through the American Rescue Plan Act of 2021, the TMF Board has received more than 100 proposals from agencies totaling over \$2.1 billion in requested funds, far exceeding the amount of resources available.

Small Business Administration (SBA)

Entrepreneurial Development Programs. The Administration appreciates the Committee's support for the proposed investments in counseling and training targeted to underserved small businesses and innovation programs. The funds provided in the bill would enable SBA to expand access to free technical assistance services to help small businesses start, grow, and recover.

Office of Personnel Management (OPM)

Salaries and Expenses. The Administration appreciates the Committee's support for an additional \$42 million at OPM to strengthen its workforce, improve information technology (IT), address administrative funding gaps resulting from the transfer of the background investigations program to the Department of Defense, and reassert OPM's policymaking leadership responsibilities.

IT Working Capital Fund. The Administration appreciates the Committee's support for the necessary transfer authority requested to operationalize an IT Working Capital Fund at OPM and urges the Congress to also support transfer authority at other agencies to enable broader adoption of the funding flexibilities authorized by the Modernizing Government Technology provisions enacted in the National Defense Authorization Act for Fiscal Year 2018.

Other Independent Agencies

Election Assistance Commission (EAC) Election Security Grants. The Administration appreciates the Committee's support for the EAC and is committed to working with the Congress to modernize America's elections system and make those systems more secure.

Federal Trade Commission (FTC) Funding. The Administration appreciates the Committee's support for the FTC at the FY 2022 Budget request level of \$390 million, which would support antitrust investigations and consumer protections.

Other Provisions

Supervision of the Executive Branch. The Administration appreciates the Committee's

recognition of the crucial role played by the Federal workforce and their employee rights, but is concerned that the telework specific portion in section 750 of the bill may impede the President's ability to manage Executive Branch functions.

Constitutional Concerns

Certain provisions of the draft bill raise separation of powers concerns, including by conditioning the Executive's authority to take certain actions on receiving the approval of the House and Senate Committees on Appropriations. Other provisions would unduly interfere with the President's ability to supervise the Executive Branch. The Administration looks forward to working with the Congress to address these and other concerns.

<u>Division E—Department of the Interior, Environment, and Related Agencies Appropriations Act, 2022</u>

Department of the Interior (DOI)

Tribal Programs. The Administration appreciates the bill's support of DOI's tribal programs, including funding to support tribal students and teachers, tribal law enforcement, tribal clean energy development, and tribal land consolidation.

Land Management Operations. The Administration appreciates the bill's support for DOI's land management operations, which are critical to strengthening climate resilience and conservation partnerships and investing in healthy lands and waters that would create jobs and improve the economies of energy communities across the Nation.

Sage Grouse. The Administration is pleased that the bill supports sage grouse conservation efforts at the Bureau of Land Management and removes the statutory restriction on listing the sage grouse under the Endangered Species Act.

Indian Water Rights Settlements. The Administration appreciates that the bill funds Indian Land and Water Claim Settlements at the level requested in the FY 2022 Budget. The Administration looks forward to working with the Congress on a proposal to reclassify as mandatory funding for payments for enacted Indian Water Rights Settlements beginning in FY 2023, which would create a stable, comprehensive funding source to meet these legal requirements to Tribes.

DOI and Department of Agriculture (USDA), Forest Service

Wildland Fire Management. The Administration appreciates that the bill supports wildland fire management efforts at both departments, notably for hazardous fuels management and wildfire suppression—via the wildfire cap adjustment. Within DOI, the Administration is also pleased that the bill provides necessary resources for burned area rehabilitation projects and for the increase in funding for the Joint Fire Science program. Within USDA, the bill supports the Administration's request for the Salaries and Expenses account to fund staffing level increases

needed to achieve performance targets for hazardous fuel projects, and for preparedness increases to fund unmanned aerial systems, risk management assistance, and technology modernization.

Great American Outdoors Act. The Administration appreciates that the bill supports projects identified by DOI and USDA for funding under the Great American Outdoors Act, and looks forward to working with the Congress to execute projects in a timely and results-oriented manner.

Department of Health and Human Services

Indian Health Service (IHS). The Administration appreciates the funding increase provided by the Committee to carry out the IHS' critical work in providing high-quality and comprehensive health services. However, the Administration is concerned that the bill does not contain the requested advance appropriation for FY 2023, which is a tribal priority. The Administration urges the Congress to enact the FY 2022 Budget request's proposal for advance appropriations in FY 2023, which would provide funding and certainty to Tribal Health Programs, Urban Indian Organizations, and IHS federally-operated health programs in the event of continuing resolutions or other funding delays that affect continuity of patient care services and otherwise create barriers to providing high-quality healthcare services for American Indians and Alaska Natives.

Environmental Protection Agency (EPA)

EPA Topline. The Administration appreciates that the bill provides \$11.3 billion for EPA's topline, \$111 million above the FY 2022 Budget request. This robust funding would support the agency's mission to protect human health and the environment.

EPA Operating Budget. The Administration appreciates that the bill provides \$4.3 billion for EPA's operating budget. This funding level would support EPA staffing efforts, restoring and expanding the agency's ability to carry out its duties and functions. It is important to ensure sufficient funds are available for EPA to provide appropriate management of grants and of the Agency as a whole.

Environmental Justice. The Administration appreciates that the bill provides \$892 million above the FY 2021 enacted level toward a new Accelerating Environmental and Economic Justice initiative at EPA. This funding level would support initiatives that create good-paying union jobs, clean up pollution, and secure environmental justice for communities that have been left behind.

Water Infrastructure. The Administration appreciates the \$3.6 billion included in the bill for EPA's water infrastructure programs. This grant and loan funding would support critical drinking water and wastewater infrastructure investments.

Biomass Energy. The Administration appreciates that the bill removes the requirement for EPA, DOE, and USDA to treat forest biomass as carbon neutral. This would allow the agencies to determine and account for the net biogenic carbon dioxide emissions effects of using forest biomass fuels for energy.

Constitutional Concerns

Certain provisions of the draft bill raise constitutional issues, including by conditioning the Executive's authority to take certain actions on receiving the approval of the House and Senate Committees on Appropriations and by mandating certain legislative recommendations. The Administration looks forward to working with the Congress to address these and other concerns.

<u>Division F—Military Construction, Veterans Affairs, and Related Agencies Appropriations</u> Act, 2022

Department of Defense (DOD)

Detainee Matters. The Administration appreciates that the bill does not include language prohibiting the use of funds to construct, renovate, or expand any facility in the United States to house individuals held in the detention facility at Guantanamo Bay. Such provisions have historically constrained the flexibility that the Nation's Armed Forces and counterterrorism professionals need to best protect U.S. national security and intruded on the Executive Branch's ability to carry out its missions.

Reprioritization of Military Construction Funding to Unrequested Projects. The bill proposes to incrementally fund 12 military construction projects, creating an unfunded obligation of \$968 million needed to complete these projects in future years. The Administration looks forward to working with the Congress to ensure incremental funding does not endanger completion of these projects or raise the projected cost.

Department of Veterans Affairs (VA)

Agency Topline. The Administration appreciates the \$113.1 billion in discretionary appropriations that the Committee provides for VA. This level would enable the Administration to deliver critical investments in high-priority initiatives and infrastructure that would ensure veterans receive top quality care, benefits, and services—wherever they work or live. It would support key Administration priorities such as veteran suicide and opioid abuse prevention programs, mental healthcare, and women's healthcare, while providing the resources needed to assist VA in continuing to address the challenges presented by the COVID-19 pandemic. The level provided would also allow investments in other critical priorities, including homelessness assistance, infrastructure readiness, electronic health record modernization, information technology enhancements, and efforts to ensure that VA engrains diversity, equity, and inclusion into the fabric of the Department. In addition, the Administration appreciates that the bill continues to give VA the flexibility to provide veterans with the robust array of medical care services they deserve.

Related Agencies

Support for Arlington National Cemetery. The Administration appreciates that the Committee provided \$141 million for the Southern Expansion project at Arlington National Cemetery

(ANC), as requested in the FY 2022 Budget. This funding would ensure ANC continues to honor the service and sacrifice of those laid to rest at ANC and their families by expanding the cemetery's space and capacity well into the future.

Constitutional Concerns

Certain provisions of the draft bill raise separation of powers concerns, including by conditioning the Executive's authority to take certain actions on receiving the approval of the House and Senate Committees on Appropriations. The Administration looks forward to working with the Congress to address these and other concerns.

<u>Division G—Transportation, Housing and Urban Development, and Related Agencies</u> <u>Appropriations Act, 2022</u>

Department of Transportation (DOT)

Overall Infrastructure Investment Levels. The Administration strongly supports the bill's significant investments to improve the Nation's infrastructure, which is aligned with the Administration's goals to repair and rebuild aging infrastructure, reduce greenhouse gas emissions, improve resilience to the effects of climate change, and invest in disadvantaged communities. The bill provides \$72 billion in highway, highway safety, and transit formula funds, equal to the House Transportation Committee's "INVEST" Act surface transportation authorization bill.

Federal Aviation Administration. The Administration appreciates that the Committee provided \$18.9 billion for Federal Aviation Administration programs, including \$11.4 billion for the safe operation of the National Airspace System (NAS), \$3.75 billion in nationwide airport infrastructure investments, \$1 billion for NAS facilities upgrades and replacements, and \$261 million for emerging technology innovation and climate change mitigation research.

Federal Transit Administration. The Administration appreciates the \$15.5 billion provided in the bill for public transportation programs to support the Administration's goals to increase transit State of Good Repair efforts, expand access through the Capital Investment Grants program, and provide clean transportation alternatives through increased funding for zero-emission vehicles.

Federal Railroad Administration. The Administration strongly supports the \$4.1 billion provided in the bill for the Federal Railroad Administration programs to help spark the next rail revolution, including a new PRIME grant program that would support the improvement, expansion, or establishment of passenger rail service, continued support of Amtrak, and grants for safety and infrastructure improvements to passenger and freight rail.

National Infrastructure Investments. The Administration appreciates the \$1.2 billion provided in the bill for the multi-modal Rebuilding American Infrastructure with Sustainability and Equity grant program to support infrastructure projects with a significant local or regional impact.

Thriving Communities. The Administration appreciates the support the bill provides to the Thriving Communities initiative, which would help communities remove obsolete transportation barriers, and increase access to jobs, schools, and other key areas by better linking transportation and land use decision-making.

Department of Housing and Urban Development (HUD)

Housing Choice Vouchers. The Administration strongly supports the \$29.2 billion provided in the bill for the Housing Choice Voucher program. The Administration appreciates the significant increase to expand housing vouchers to an additional 130,000 low-income households, including focusing on those who are homeless or fleeing from domestic violence. The Administration also appreciates the funding to provide mobility services to help families find housing in high-opportunity neighborhoods, and renew assistance for all 2.3 million currently assisted households.

Public Housing Fund. The Administration appreciates the Committee's support for, and significant investment in, the Nation's Public Housing stock by fully funding the annual operating needs for 900,000 assisted units, as well as providing \$3.7 billion for capital needs for modernization and addressing health hazards. The Administration also appreciates the \$150 million for investments in energy efficiency and climate resilience, supporting the Administration's priority to tackle the climate crisis.

HOME Investment Partnerships Program. The Administration strongly supports the \$1.9 billion provided for HOME block grants to support critical investments in the supply of affordable housing, including a \$50 million set-aside to expand sustainable homeownership among first-generation and/or low-wealth first-time homebuyers.

Homeless Assistance Grants. The Administration appreciates the \$3.4 billion provided for Homeless Assistance Grants, which fund a variety of intervention programs that serve homeless and at-risk individuals and families, including survivors of domestic violence and homeless youth. This increase would provide assistance to nearly 55,000 additional individuals experiencing homelessness.

Salaries and Expenses (S&E). The Administration appreciates the \$1.6 billion provided in the bill for HUD S&E, but urges the Congress to fully fund S&E at the \$1.7 billion level requested in the FY 2022 Budget. The requested level would enable HUD to properly manage a growing portfolio of rental assistance, grants, and insured mortgages and deliver on key Administration priorities, including rigorous enforcement of the Fair Housing Act.

Constitutional Concerns

Certain provisions of the draft bill raise separation of powers concerns, including by conditioning the Executive's authority to take certain actions on receiving the approval of the House and Senate Committees on Appropriations. The Administration looks forward to working with the Congress to address these and other concerns.

The Administration looks forward to working with the Congress as the FY 2022 appropriations process moves forward.

* * * * * * *