



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, DC 20503

July 18, 2022
(House Rules)

STATEMENT OF ADMINISTRATION POLICY
H.R. 8294 —Transportation, Housing and Urban Development, Agriculture, Rural Development, Energy and Water Development, Financial Services and General Government, Interior, Environment, Military Construction, and Veterans Affairs Appropriations Act, 2023
(Rep. DeLauro, D-CT)

The Administration strongly supports House passage of H.R. 8294, making appropriations for the Departments of Transportation, Housing and Urban Development, 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; and military construction, the Department of Veterans Affairs, and related agencies for the fiscal year (FY) ending September 30, 2023, and for other purposes.

The President’s FY 2023 Budget builds on the bipartisan Consolidated Appropriations Act, 2022 (FY 2022 Omnibus) and makes key investments in the American people—from expanding economic capacity and improving our public health infrastructure, to combating the climate crisis and advancing equity, dignity, and security for all Americans. It advances a bipartisan unity agenda through proposals to combat the opioid epidemic, tackle the mental health crisis, support our veterans, and accelerate progress against cancer. During what will be a decisive decade for the world, it strengthens our military and leverages America’s renewed strength at home to help meet pressing global challenges and manage crises as they arise.

The Administration strongly supports the House Appropriations Committee in putting forth FY 2023 bills that reflect these shared priorities and continue to reverse a decade of self-defeating disinvestment. The Administration looks forward to the next steps in the appropriations process—including Senate action and bipartisan negotiations—to ensure that we seize this critical opportunity to invest in the American people.

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

Division A— Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2023

Department of Transportation (DOT)

Overall Infrastructure Investment Levels. The Administration strongly supports the bill’s significant investments to improve the Nation’s infrastructure, which are aligned with the

Administration's goals to build a safe, efficient, sustainable, and equitable transportation system. The bill provides \$74 billion in highway, highway safety, and transit formula funds, equal to the amounts authorized in the Infrastructure Investment and Jobs Act (Bipartisan Infrastructure Law).

Federal Aviation Administration. The Administration appreciates the \$18.7 billion provided in the bill for Federal Aviation Administration programs, including \$11.9 billion for the safe operation of the National Airspace System (NAS), \$3.6 billion in nationwide airport infrastructure investments, \$526 million for NAS facilities, and \$261 million for emerging technology innovation and climate change mitigation research.

Federal Transit Administration. The Administration appreciates the \$3.8 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 \$3.8 billion provided in the bill for the Federal Railroad Administration programs to sustain the significant investments in passenger rail provided by the Bipartisan Infrastructure Law. The bill provides continued support of Amtrak, and grants for safety and infrastructure improvements to passenger and freight rail.

National Infrastructure Investments. The Administration appreciates the \$775 million provided in the bill for the multi-modal Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant program to support infrastructure projects with a significant local or regional impact.

Department of Housing and Urban Development (HUD)

Housing Choice Vouchers. The Administration strongly supports the \$31 billion provided in the bill for the Housing Choice Voucher program. The Administration appreciates the significant increase to expand housing vouchers to an additional 140,000 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.

HOME Investment Partnerships Program. The Administration strongly supports the \$1.7 billion provided in the bill for HOME block grants to increase 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. These funds are critical to advancing the Administration's Housing Supply Action Plan.

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 \$75 million included in the bill for investments in energy efficiency and climate resilience,

supporting the Administration's priority to tackle the climate crisis.

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.

Division B—Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2023

Department of Agriculture (USDA)

Climate and Clean Energy. The Administration appreciates the Committee's recognition that continued funding is needed to respond to the climate crisis. The Administration would like to work with the Congress to ensure, as the bill moves through the process, that there is adequate funding to help rural communities accelerate to a carbon pollution free electricity sector by 2035 and to transition the USDA fleet to electric vehicles. In addition, the Administration supports increased funding for climate and clean energy research and programs that measure emissions reductions from on-farm and forest sources.

Special Supplemental Nutrition Program for Women, Infants, and Children. The Administration appreciates that the Committee provided \$6 billion as requested in the President's FY 2023 Budget to address the nutritional needs of pregnant and postpartum women, infants, toddlers, and young children and to support science-backed nutrition recommendations for over 6.2 million participants.

Rural Partners Network (RPN). The Administration appreciates the \$5 million in funding and transfer authority for the RPN. The Administration looks forward to working with the Congress to provide the funding necessary to make the program a robust whole-of-Government effort to help rural communities unlock Federal resources through targeted technical assistance and stronger coordination among agencies.

Department of Health and Human Services

Food and Drug Administration (FDA) Topline. The Administration appreciates the funding provided by the Committee to support a number of agency priorities, including increases to bolster FDA's maternal and infant health and nutrition activities, address emerging chemical and toxicology issues, strengthen inspection activities, and fund core infrastructure across the agency essential to protecting the American public. The Administration would like to work with the Congress to ensure that there is adequate funding to allow FDA to keep pace with new requirements and regulatory responsibilities as requested in the FY 2023 Budget.

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 and by preventing the President from recommending certain legislation to the Congress. The Administration looks forward to working with the Congress to address these and other concerns.

Division C—Energy and Water Development and Related Agencies Appropriations Act, 2023

Army Corps of Engineers (Corps)

Corps Topline. The Administration appreciates the Committee's investments in the Nation's water resources, in order to increase climate resilience, and to support disadvantaged communities. As the Corps works to deliver prior year commitments, the Administration urges the Congress to focus funding on projects that would provide a high economic or environmental return to the Nation or address a significant risk to public safety.

Department of Energy (DOE)

Energy Efficiency and Renewable Energy (EERE) Topline. The Administration appreciates the support for additional funding of EERE programs and urges the Congress to fully fund the programs as requested in the FY 2023 Budget.

Defense Production Act. The Administration appreciates the Committee's support for the Defense Production Act funding to accelerate domestic production of clean energy technologies, including those that go into the production of solar panels and enhance efforts to reduce emissions across the energy landscape.

Advanced Research Projects Agency-Energy (ARPA-E) and Office of Science. The Administration appreciates the Committee's support for ARPA-E. ARPA-E is critical to the Administration's effort to develop and advance revolutionary technologies that would enable the Nation to meet the net-zero emissions goals, as well its economic security. The Administration looks forward to working with the Congress to fully fund ARPA-E in order to further advance the Nation's ability to meet these challenges and ensure a wide array of technologies are commercialized. The Administration appreciates the Committee's robust support for the Office of Science.

National Nuclear Security Administration (NNSA). The Administration appreciates the Committee's support for DOE's NNSA and the Nuclear Posture Review (NPR). The Administration looks forward to working with the Congress to ensure that NNSA can implement the NPR and to fund critical activities appropriately.

Office of Clean Energy Demonstrations (OCED). The Administration appreciates the Committee's continued support of OCED. OCED would continue to 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. OCED is instrumental in executing the demonstration portfolio envisioned by the Energy Act of 2020 and continues to serve a project management center of excellence.

Equity and Justice. The Administration appreciates the Committee's support for a range of activities reflecting principles of equity and justice, including implementation of the Department's Equity Action Plan and the Justice40 Initiative. The funding provided in the bill would allow the Department to better engage underserved communities, including historically marginalized people, as well as Historically Black Colleges and Universities, Tribal Colleges and Universities, and other Minority-Serving Institutions across the portfolio of programs.

Indian Energy. The Administration appreciates the Committee's support for the Office of Indian Energy, which is necessary 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.

Office of Nuclear Energy (NE). The Administration appreciates the \$1.9 billion that the Committee provides in the bill for NE and for its support of developing high-assay low-enriched uranium which is critical to the Nation's energy security. These and other nuclear 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 good paying jobs in advanced manufacturing, and securing the Nation's place as the global leader in nuclear science and technology.

Loan Programs. The Administration appreciates that Committee bill provides \$15 billion in new Title 17 Innovative Technology Loan Guarantee Program authority, \$8 million in Tribal Energy Loan Guarantee Program credit subsidy, and strong support for administrative expenses. These investments are necessary to create good paying jobs with a free and fair choice to join a union and advance the Administration's climate goals.

Department of the Interior

Bureau of Reclamation. The Administration appreciates the Committee's investments in western water infrastructure, drought mitigation, and increasing resilience to climate change.

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, 2023

Department of the Treasury (Treasury)

Internal Revenue Service (IRS) Funding. The Administration appreciates the Committee’s support for the IRS. The investments in the bill would improve the taxpayer experience and expand customer service outreach to underserved communities and the taxpaying public at large, enable increased oversight of high-income and corporate tax returns, and accelerate the development of new digital tools to enable better communication between taxpayers and the IRS.

Treasury Administrative Funding for Office of Recovery Programs (ORP). The Administration appreciates that the Committee bill would allow unobligated mandatory COVID-19 pandemic funding to be used for the administrative needs of other pandemic recovery programs in FY 2023.

Financial Crimes Enforcement Network (FinCEN). The Administration appreciates the Committee’s support for FinCEN. Funding in the Committee’s bill would increase oversight of the financial sector, strengthen corporate accountability, and support law enforcement and investigative entities.

Community Development Financial Institutions (CDFI) Fund. The Administration appreciates the Committee’s support for investments in CDFI programs that flow to communities and geographic areas where access to capital is least efficient and 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. While OMB has expeditiously implemented the apportionment transparency requirements included in the FY 2022 Omnibus, the Administration objects to the new requirements included in Section 748 of the committee bill, which would impose additional burdens on our dedicated career staff. 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 full funding of GSA’s FBF. A robust capital program is essential to maintaining GSA buildings at an acceptable level, as well as taking advantage of rightsizing opportunities and strengthening energy efficiency of Federal buildings. The Administration looks forward to working with the Congress as this bill progresses to ensure that the FBF remains funded at a level that would allow

GSA to appropriately manage the Federal Government's real estate portfolio.

Federal Citizen Services Fund. The Administration appreciates the Committee's support by fully funding GSA's Federal Citizen Services Fund and recognizing the importance of investing in customer experience improvements to citizen-facing Government services and innovative technologies.

Electric Vehicles Fund. The Administration appreciates the Committee's support for GSA's electric vehicle funding in the bill and urges the Congress to provide the full \$300 million requested in the FY 2023 Budget 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.

Small Business Administration (SBA)

Entrepreneurial Development Programs. The Administration appreciates the Committee's support for investing in counseling and training programs targeted to women, people of color, and other underserved entrepreneurs, as well as programs to strengthen the innovation ecosystem. Access to these services and resources are essential to addressing inequities, expanding economic opportunity, and ensuring small businesses have the tools to succeed.

Small Business Veterans Certification. The Administration appreciates the Committee's support for the veteran-owned and service-disabled veteran-owned small business certification programs. Operating these certification programs at SBA would create a one-stop shop for veteran entrepreneurs to update and access their small business certification information.

COVID-19 Pandemic Administrative Funding Transfer. The Administration is concerned that the bill fails to adopt the Administration's proposal to transfer additional Targeted Economic Injury Disaster Loan Advance balances to SBA's Salaries and Expenses account for COVID-19 pandemic administrative expenses. Additional funding is essential to SBA's ability to provide ongoing servicing and oversight for the agency's COVID-19 pandemic portfolio.

Office of Personnel Management (OPM)

Office of Personnel Management. The Administration appreciates the Committee's funding for OPM to stabilize the agency's finances, strengthen its workforce, improve information technology (IT), and reassert OPM's policymaking leadership responsibilities.

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 help modernize and increase the security of and access to election systems.

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.

Division E—Department of the Interior, Environment, and Related Agencies Appropriations Act, 2023

Department of the Interior (DOI)

DOI Topline. The Administration appreciates that the bill provides \$16.3 billion for DOI. This funding is 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.

Tribal Programs. The Administration appreciates the Committee's support of DOI's tribal programs, including funding for tribal education, public safety and justice, climate resilience and clean energy development. The Administration looks forward to working with the Congress to provide a long-term and reliable funding solution for Contract Support Costs, 105(l) Leases, and future Indian Water Rights Settlements.

Sage Grouse. The Administration is pleased that the Committee 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.

Department of the Interior and Department of Agriculture (USDA), U.S. Forest Service

Wildland Fire Management Funding. The Administration appreciates the Committee's support for wildland fire management efforts at both Departments, notably for hazardous fuels management, firefighter pay, staffing increases, and wildfire suppression—via the wildfire cap adjustment. Within DOI, the Administration is also pleased with the Committee's strong support for burned area rehabilitation projects and the Joint Fire Science program. In addition, within USDA, the Administration appreciates the Committee's full support for additional aviation costs.

Department of Health and Human Services

Indian Health Service (IHS). The Administration appreciates the funding increase provided by the Committee, which would greatly benefit IHS' critical work of providing high-quality and comprehensive health services to American Indians and Alaska Natives. As outlined in the FY 2023 Budget request, the Administration continues to believe that mandatory funding is the best approach to ensure a more stable basis for IHS' efforts to provide high-quality healthcare and protect American Indians and Alaska Natives from the destabilizing impacts of continuing resolutions, budgetary uncertainty, and Government shutdowns. IHS remains the only major Federal provider of healthcare that is funded solely through regular appropriations on an annual

basis. The Administration is committed to working with the Congress and the Tribes to develop legislation for mandatory funding. Recognizing that this effort will take some time, the Administration believes that advanced discretionary appropriations, as proposed in the FY 2022 Budget, would be an essential bridge to a new mandatory structure. A measure of budgetary certainty for Tribes is long overdue; the status quo is unacceptable.

Environmental Protection Agency (EPA)

EPA Topline. The Administration appreciates that the bill provides \$11.5 billion for EPA's topline. This funding would support the agency's mission to protect human health and the environment.

EPA Operating Budget. The Administration appreciates that the bill provides \$4.8 billion for EPA's operating budget. This funding level would support EPA's staffing efforts; restoring and expanding the agency's ability to carry out its duties and functions including effective grants management.

Environmental Justice. The Administration appreciates that the bill provides funding above the level requested in the FY 2023 Budget, to continue accelerating environmental and economic justice 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.

Drinking Water and Wastewater Infrastructure Act. The Administration appreciates the \$65 million included in the bill for EPA's 10 new grant programs focused on drinking water and wastewater infrastructure. However, the Administration urges the Congress to appropriate the requested \$565 million for all 20 of the new grant programs authorized under the Bipartisan Infrastructure Law.

Hazardous Substance Superfund. The Administration looks forward to working with the Congress on the appropriations language within the Hazardous Substance Superfund account. As written, the current language may slow the agency's ability to clean up sites by allowing large sums of money to accumulate in the Trust Fund rather than permitting the agency to put those funds to use. Revising the funding order of use would allow all Superfund resources to be used as intended when the Congress reinstated the tax in the Bipartisan Infrastructure Law.

Other Agencies

Cultural Programs. The Administration appreciates the Committee's support for the Smithsonian Institution and other cultural agencies by fully funding these agencies at the level requested in the FY 2023 Budget. This funding would continue important work to preserve the Nation's heritage and share its collective experience through research, exhibition, and performance for the benefit of all.

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. The Administration looks forward to working with the Congress to address these and other concerns.

Division F—Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2023

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.

Department of Veterans Affairs (VA)

Agency Topline. The Administration appreciates the \$135 billion in discretionary appropriations that the bill provides for VA. This level would enable the Administration to deliver critical investments in high priority initiatives and infrastructure projects to ensure veterans receive high-quality care, benefits, and services—wherever they work or live. Ensuring high-quality care for veterans is also why the Administration supports setting a separate budget allocation for VA medical care, so that the Congress can properly assess and provide funding to meet the needs of American’s veterans without trading off against other critical programs, including other veterans’ services.

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 2023 appropriations process moves forward.

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