



CITY OF EL PASO 2015 FEDERAL LEGISLATIVE AGENDA

The City of El Paso (City)'s success at the federal level over the past several years has been made possible due to clear and realistic goals and priorities established by the Mayor and Council. The City has successfully leveraged partnerships with federal agencies and representation from our federal delegation to improve infrastructure and amenities that will position the City to retain and attract high quality jobs.

With the start of the 114th Congress, the El Paso City Council has set forth the following priorities.

PRIORITY LEGISLATIVE INITIATIVES

FORT BLISS AND OUR COMMUNITY'S VETERANS

The City fully supports Fort Bliss and support regional efforts to ensure positive growth in anticipation of future realignment activities by the Department of Defense and Congress. The City will work directly with Fort Bliss leadership to ensure the successful future of the installation.

The City fully supports the El Paso veteran's community and requests additional funding to expand services and capabilities of the Veteran's Administration Health Care System. Additionally, the City supports efforts to the National Cemetery Administration to replace the xeriscaping at Fort Bliss National Cemetery with grass and sod.

TRANSPORTATION

The City fully supports efforts at the federal level to assist with the implementation of the BRIO Bus Rapid Transit System as well as other cost saving mechanisms needed for operation of Sun Metro.

BRIO Funding

Goal: Secure Funding to finalize the Dyer and Montana BRIO Corridors

The City asks that the Federal Transit Administration fund an additional \$5 million for the Dyer BRIO Corridor to total \$20.4 million and \$25.7 million for the Montana BRIO Corridor.

Transit Tax Credits

Goal: Extend Alternative Fuels Tax and Commuter Benefits credits

The City urges Congress to address the transit commuter benefit and alternative fuel tax credit. Currently, commuters who use public transportation can receive the same tax-free transportation benefit from their employers as commuters who drive private cars and pay for parking—up to \$245 per month. The Alternative Fuels Tax Credit provides public transportation providers with financial assistance in the form of a tax credit, to assist in the conversion of bus fleets from diesel to compressed natural gas. Without the tax credit, transit providers have less incentive to convert their fleets to a cleaner fuel.

MAP-21 Reauthorization

Goal: Reauthorize MAP-21 to include \$2 billion annually for the New Starts Program as well as the highest funding levels for Surface Transportation Program (STP).

The City urges Congress reauthorize the New Starts Program at a level of \$2 billion per year. Additionally, the City requests the highest funding level for the Surface Transportation Program (STP), which will translate into the highest figure for STP sub allocation to the El Paso MPO for funding projects on the Transportation Improvement Program (TIP). Each state is mandated by MAP-21 to sub allocate 50% of its STP funds to MPOs within each state.

TIGER Funding

Goal: Support the inclusion of \$550 million for the Department of Transportation TIGER Program

The City supports funding of the TIGER grant program. Previously, the City received funding from the TIGER program for the Northgate Transfer Center that will result in upwards of \$100 million in private investment in the Northeast. This investment will reap critical dividends in new jobs and more livable communities.

AVIATION

21st Century Small Community Air Service Development Program Act

Goal: Support efforts by Congressman O'Rourke to increase air traffic at the El Paso International Airport through the passage of the 21st Century SCASDP Act

The City supports efforts by Congressman O'Rourke to update the eligibility requirements for a Department of Transportation (DOT) grant program that helps expand air service at small and underserved airports like the El Paso International Airport.

Transportation Security Administration (TSA) Exit Area Staffing

Goal: Oppose efforts to transfer concourse area security from the TSA to the El Paso International Airport (EPIA).

President Obama has previously proposed transferring concourse exit area security to airports. Airports consider this a TSA responsibility; however, EPIA currently mans the security exit area of the American concourse. However, TSA currently operated the Southwest concourse exit area. The requirement would be burdensome to the EPIA budget and therefore is opposed.

The current Federal Aviation Administration (FAA) became law in 2012 and expires in September 2015. The reauthorization bill should be a multi-year bill and should recognize the importance of investing in airport infrastructure, which ensures passenger safety, security and airfield maintenance, by addressing the following:

Airport Improvement Program (AIP) Funding

Goal: Seek the highest level of funding for the Airport Improvement Program (AIP).

The AIP program is 100% funded by the Airport and Airway Trust Fund (AATF), the revenue of which are derived from aviation-related excise taxes on passengers, cargo and fuel. EPIA receives entitlement funding based upon passenger enplanements and cargo (approximately \$4.5 million per year). AIP funding for small hub airports should be protected at 90-95 percent of eligible costs and funding levels not be reduced, regardless of the outcome of the Passenger Facility Charges increase request.

Passenger Facility Charges (PFC)

Goal: Restore purchasing power of the PFC

PFCs were first authorized by Congress in 1990 and may be used to fund airport projects that preserve or enhance safety, security and capacity of the national air transportation system. EPIA receives approximately \$6.1 million in PFC user fees per year and have been utilized for terminal and airfield projects. PFCs have not been adjusted since 2000, diminishing the real purchasing power of PFCs; when adjusted for inflation, the \$4.50 in 2000 is equivalent to \$2.45 today. The cap on the PFC should be raised to \$8.50 and periodically adjusted for inflation.

Air Traffic Control Tower

Goal: Oppose cuts to the operations of air traffic control towers.

The City of El Paso opposes cuts to the operations of air traffic control towers through sequestration. In early 2013, EPIA was faced with possible nighttime closure of the air traffic control tower because of FAA budget reductions resulting from sequestration.

INTERNATIONAL TRADE AND PORTS OF ENTRY

The City is supportive of efforts at the federal level to help expedite the crossing of people and goods across our international ports of entry. The El Paso-Juarez region is one of the largest bi-cultural border communities in the world that includes more than 2.5 million people. El Paso is ranked among the top 30 largest exporters in the world. With US-Mexico trade totaling more than \$507 billion in 2013, El Paso is a major player in this market with close to \$100 billion of that trade crossing our international ports of entry. Our ports of entry are a national economic development driver with one in every 24 workers in the United States dependent on US-Mexico trade for their employment.

ADDITIONAL LEGISLATIVE INITIATIVES

PUBLIC SAFETY

Community Oriented Policing Services (COPS)

Goal: Secure funding for hiring additional police officers

The City continues to advocate for the highest available funding levels for the COPS grant. The City has been awarded the grant previously to allow for the hiring of additional police officers to continue keeping El Paso as the Safest City in the United States with a population over 500,000.

Assistance to Firefighters Grants (AFG)

Goal: Secure funding for firefighter equipment and training

Over the past two years, the federal governments has appropriated over \$1 billion in federal grant funding to help local fire departments hire firefighters, purchase necessary equipment and provide training. The City has received fire grants in the past and urges Congress to continue the funding levels for the program.

WATER

Sustainable Water for the El Paso Community

Goal: Support the five areas of legislative and funding priorities proposed by the El Paso Water Utilities

Bureau of Reclamation Title XVI Authorization

EPWU requests a new Title XVI funding authorization to construct the Advanced Purified Project. The estimated cost of the project is \$80 million, of which EPWU could provide \$40 million in local funding. This project will result in approximately 10 Million Gallons per Day (MGD) of sustainable drought-proof water supply for the City of El Paso.

U.S. Environmental Protection Agency

Border Environment Infrastructure Fund & Desalination Research Funding

EPWU's strongly supports funding for the Border Environment Infrastructure Fund (BEIF) to allow for long-term sustainability efforts to continue in order to address the ongoing drought. The availability of BEIF funding would provide EPWU an opportunity to strengthen the diversification of its water resources and protect public health as a border city. Given the ongoing drought throughout the Southwest and along the border, it is important to ensure that communities have water for health, safety and the economic purposes.

EPWU urges Congress to provide funding for continued funding for desalination research. It is critical that the local and federal research partnerships continue, as municipalities and local water utilities agencies seek and apply improved and lower cost technologies to diversify their water resources.

Corps of Engineers Budget

Rio Bosque Project & Water Resource Development Act

EPWU is asking for \$200,000 under the Standing authority (FY2015 – Under Section 206 of the Water Resource Development Act of 1996) to proceed with initial construction of the Rio Bosque Project, after completion of the currently contracted Feasibility Study with the Corps of Engineers.

EPWU continues to seek funding through the previously authorized \$25 million provision (#269) in the Water Resource Development Act (WRDA) of 2007 (PL 110-114, Section 5158) to fund a number of projects identified by EPWU.

ADDITIONAL ITEMS TO SUPPORT

Tax Reform

Goal: Protect Federal tax exemption for municipal bonds

The President's FY15 budget would impose a 28 percent cap on the value of certain tax benefits, including tax-exempt interest. This would have the effect of partially taxing otherwise tax-exempt municipal bond interest and would apply to taxpayers in the 33 to 39.6 percent tax brackets. As proposed, the cap would apply to both newly issued and outstanding bonds beginning in 2014. Currently, all taxpayers, regardless of income tax bracket, pay \$0 on interest earned from municipal bonds.

A 2013 study prepared for The National League of Cities and the US Conference of Mayors estimated that if the cap had been put in place in 2012, it would have reduced economic activity in the nation's cities by nearly \$25 billion. The same study projects losses of 311,000 jobs and \$24 billion in GDP as a direct result of the cap.

Marketplace Fairness Act

Goal: Support passage of legislation that levels the playing field between e-commerce and brick and mortar retailers

The Marketplace Fairness Act would allow state and local governments to enforce existing state and local sales and use tax laws on remote retailers so long as they simplify tax administration by adopting Streamlined Sale and Use Tax Agreement, or alternative minimum simplification requirements. It would exempt small (less than \$ 1 million in nationwide sales) remote sellers. According to an NLC report, in 2012 there was \$1.7 billion in uncollected use taxes in the state of Texas.

The legislation would allow states to require online retailers outside their borders to collect their sales taxes. It would also clarify that states could not impose on remote sellers sales tax requirements that are different from those required of in-state retailers. The bill would exempt retailers making \$1 million or less annually in remote sales. A report done by IHS Global Insight for the National Association of County, National League of Cities and U.S. Conference of Mayors indicates that between 2011 and 2013, the City of El Paso lost \$5.4 million in sales tax revenue.

Community Development Block Grant (CDBG)

Goal: Support the highest level of funding for the CDBG program

The CDBG program is the largest and most flexible stream of federal funding to cities and municipalities. The primary objective of the Community Development Block Grant Program is to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Accordingly, the majority of CDBG projects are designed to contribute to the revitalization of low and moderate-income neighborhoods. In FY14, El Paso received \$6.6 million in CDBG funding. The President's FY 15 budget proposes a \$230 million cut from the enacted FY14 CDBG funding level of \$3.03 billion (\$2.8 billion).

Energy Efficiency

Goal: Support passage of "Energy Savings and Industrial Competitiveness Act" (S. 761/H.R. 1616)

The legislation would promote energy savings in residential, commercial and industrial buildings by incentivizing the use of energy efficient technologies and fostering green job creation in America. Among other things, the bill would strengthen building codes to make new homes and buildings more efficient, create a new U.S. Department of Energy program called SupplySTAR to improve the efficiency of companies supply chains and require the federal government to adopt energy conservation strategies. Furthermore, the legislation provides opportunities for local governments to secure funding, technical assistance and training to implement and enforce building codes that improve energy efficiency.

Energy Efficiency and Conservation Block Grant Program

Goal: Support the creation of a \$250 million competitive Energy Efficiency and Conservation Block Grant (EECBG) Program

Congress provided initial funding for the EECBG program, which has been critical for local efforts to deploy green building, energy efficiency, and renewable energy projects and initiatives. This EECBG funding has been transformative in many communities, and has sparked new public-private sector clean energy development. EECBG helped many communities across the country to take their first steps in reducing energy use in homes, commercial buildings and public facilities. Additional federal resources are critical to helping cities and counties reach the next level in the deployment of clean energy strategies and technologies.

Integrated Planning and Investment Grant Program

Goal: Support the inclusion of \$75 million for the Housing and Urban Development Integrated Planning and Investment Grant Program

Funding from the program would allow the City to invest in additional livable communities, energy savings and carbon emission reductions. The City is interested in being able to apply for the grant funding to continue to carry out projects of interest.

Regulation of Payday Loan Lenders and Title Loan Companies

Goal: Regulation of payday lenders and title loan companies

The City of El Paso and other cities throughout Texas have passed local ordinances to regulate payday loan lenders and title loan companies. Many consumers turn to predatory lenders to help obtain cash quickly. The annual percentage rates are extremely high causing consumers to be forced into a cycle of debt. Local governments are being forced to take matters into their own hands due to lack of regulation at the state and federal levels.

The Dodd-Frank Wall Street Reform and Consumer Protection Act (PL 111-203) passed in July 2010. The Dodd-Frank Act prohibits unfair, deceptive and abusive acts and also created the Consumer Financial Protection Bureau (CFPB) with the task of enforcement of actions of people that engage in these acts. While the CFPB does not have the ability to regulate interest rates, it does have the authority to enforce and ban activities of these lenders.

Congress must ensure that the CFPB begins to take action under its authority while also working with other agencies that have jurisdiction over these lenders.

Flood Insurance Rate

Goal: Ensure fair implementation Biggert-Waters Flood Insurance Reform Act

The Biggert-Waters Flood Insurance Reform Act (Act) passed in 2012. The Act extended the National Flood Insurance Program (NFIP) for five years, but it also made significant reforms. Many of the changes are supposed to make the NFIP more financially stable and ensure that flood insurance rates more accurately reflect the real risk of flooding. The changes to all major components of the program, which include flood insurance, flood hazard mapping, grants, and

the management of flood plains, will be phased in over time. The changes will mean premium rate increases for some, but not all, policyholders.

A bi-partisan group of House and Senate members have introduced Homeowner Flood Insurance Affordability Act, which is an attempt to protect affected homeowners from increasing flood insurance premium rate hikes. To that end, the legislation would require the Federal Emergency Management Agency (FEMA) to complete a study to address affordability issues before any flood insurance premiums are raised. The study is required by the Act, but it has not been completed.

More specifically, the legislation would delay the implementation of rate increases on three types of properties until FEMA: (1) completes the affordability study mandated by the Act and proposes a draft affordability framework for Congressional review; and (2) the FEMA administrator certifies that the agency has implemented a flood mapping approach that utilizes sound scientific and engineering methodologies to determine varying levels of flood risk in all areas participating in the

Information Technology and the Federal Communications Commission (FCC)

The City supports efforts to guarantee net neutrality through the Federal Communications Commission. Additionally, the City supports modernizing the “E-Rate” program to increase broadband access to local schools and libraries. Modernizing E-Rate will help decrease the reoccurring lease line costs and extend municipally owned fiber optic cables.

Zoo

The City authorizes the El Paso Zoo to join forces with the Association of Zoos and Aquariums (AZA) on advocacy efforts that would benefit operations and management of the city-owned facility as well as animals currently or scheduled to be housed within the zoo. The El Paso Zoo is a member of the AZA, which is an organization of accredited zoos and aquariums. At times, the AZA asks its members to support legislative action to protect wild lands, endangered species or support animal welfare laws.

Parks

The City urges Congress to appropriate additional funds for urban parks. Additionally, as a member of the National Recreation and Parks Association (NRPA), the El Paso Parks and Recreation Department has been asked to support efforts to protect the Land and Water Conservation Fund, increase funding for urban parks, support legislation that improves children’s health and supports economic growth and maintain funding for programs that support health, wellness and physical activity. The City supports efforts of the NRPA.

Climate Action Plan

The City urges Congress to support and implement the President's Climate Action Plan as released in June 2013. The plan has three key pillars: 1) cut carbon pollution, 2) prepare for impacts of climate change on the US, and 3) combat global climate change. The City of El Paso has been taking steps to become a more sustainable community, including participation in the President's Better Building Challenge and recently being named as one of the inaugural 100 Resilient Cities by the Rockefeller Foundation for our efforts to work collaboratively to ensure our resiliency with unforeseen natural circumstances.

US Conference of Mayors

The City supports efforts by the US Conference of Mayors that are in line with the federal agenda and strategic plan of the City of El Paso. Efforts to support economic development initiatives, increased funding to agencies of interest and efforts to assist municipalities are just a few examples of initiatives that the US Conference of Mayors has supported in the past.

ITEMS TO OPPOSE

Unfunded Federal Mandates and Protect Local Authority with the Federal Communications Commission (FCC)

Goal: Protect El Paso's local authority regarding wireless facilities siting

On September 26, 2013, the Federal Communications Commission (FCC) released a Notice of Proposed Rulemaking (NPRM) that looks at local government practices regarding wireless facilities siting. As mobile communication needs steadily increase, industry will continue to look to local government for collocation and attachment permits. Comments on the NPRM will be due 60 days after it is published in the Federal Register, and replies due 90 days after publication. The FCC proposing rules to implement legislation (Section 6409 of the Middle Class Tax Relief and Job Creation Act of 2012) passed by Congress last year.

Section 6409 provides that "notwithstanding . . . any other provision of law, a State or local government may not deny, and shall approve, any eligible facilities request for a modification of an existing wireless tower or base station that does not substantially change the physical dimensions of such tower or base station."

Some industry groups have contended - among many other things - the language mandates cities to allow access to city facilities for wireless facility placement. The FCC is seeking comments on a previous order known as the "shot clock" rule. The "shot clock" rule mandates that cities approve an application for a new wireless communication tower within 150 days and a collocation request within 90 days. Specifically, the FCC is seeking comments on:

- whether the FCC should update its definition of collocation to match the standard it develops in the regulation to implement Section 6409;
- prohibiting local governments from using a moratorium on new construction to bypass the shot clock rule;
- applying the shot clock rule to DAS facilities; and

- whether preferences for placing wireless facilities on municipal property are unreasonably discriminatory because they limit the siting flexibility of subsequent wireless entrants.