



Federal Legislative Briefing

Kristi Fogle, Chief of Staff

Ralph Garboushian, Capital Edge

Debra DeHaney-Howard, Capital Edge

Overview

- General Advocacy Objectives
- DME Advocacy Objectives
- Community Project Funding Requests (Earmarks)
- 2024 Accomplishments
- Unfinished Business
- Looking Forward

Federal Advocacy Objectives

- Secure federal grant funding
- Engage legislators on areas of legislation that impact the City
- Monitor and participate in the federal rulemaking process

Denton Municipal Electric

- Support additional funding for increased domestic production of transformers.
- Protect and maintain local municipal legislation that allows DME to continue to set fees and standards.
- Protect and maintain local municipal authority that requires third-party entities to properly maintain the equipment poles and preserve authority that continues to allow MOUs to create standards for their Pole Attachment Agreements.
- Support legislation that will reinstate a municipality's ability to advance refund outstanding bonds more than 90 days before the scheduled call date.

Community Project Funding

- Community Project Funding requests (also called earmarks) allow legislators to allocate funding to specific projects in their districts.
- The practice of earmarks was discontinued in 2011 and reinstated by Congress in 2021.
- Individual Congressional members retain the discretion to establish their office policies regarding earmark requests, and until recently, none of the Denton delegation members accepted earmark requests.
- Rep. Ronny Jackson now accepts earmark requests.
- Staff have actively engaged in the FY25 earmark request process by submitting three proposals to Rep. Ronny Jackson's office.

Community Project Funding Requests

- In March 2024, the City submitted three requests to Congressman Jackson's Office.
 - Denton PD Special Event/Downtown Security Protective Barriers (Bollards) – \$1,296,000 (80%)
 - Hickory Creek Wastewater Interceptor Project – \$560,000 (80% of design cost)
 - North Masch Branch Wastewater Improvement Project— \$6,960,000 (80%)
- In April 2024, Congressman Jackson notified the City of his intention to include the North Masch Branch Wastewater Improvement Project in his submissions to the House Appropriations Committee at \$4,342,240 (50% of the total project cost).
- In June 2024, the Transportation-HUD Appropriations Subcommittee released the Community Project Funding table for the FY 2025 Transportation-HUD Appropriations bill, which included \$2 million for the Masch Branch Wastewater Improvement Project under the HUD EDI account.
- FY 2025 budget will not be finalized until December or later.
- Staff will continue to monitor and provide updates to Council as the budget process moves forward.

2024 Accomplishments – Grants

- Recent grant awards include:
 - \$576,000 Safe Streets & Roads for All planning grant for Vision Zero Plan
 - \$10.9 million Transportation Alternatives Program Grant for Pecan Creek Trail (via TxDOT)
 - \$750,000 Local Parks Grant for Briarcliff Parks Improvement (NPS & TPWD)
 - \$709,780 Federally Assisted Airport Development Grant for the Airport Master Plan (FAA & TxDOT)
 - \$1.015 million for CDBG (HUD)
 - \$471,992 for Home Partnership Investment Program (HOME)
- **Grand Total: \$14.5 million**

2024 Accomplishments

- Worked with Environmental Protection Agency (EPA) on Water Infrastructure Finance Innovation Act (WIFIA) loans for water and sewer capital improvement plans
- Worked with Texas Public Power Association (TPPA) and our Congressional delegation on efficiency standards for electric distribution transformers balance improved efficiency with supply chain challenges
- Lobbying for FY 2025 Defense Production Act funding to address transformer supply chain issues
- PFAS liability
- Denton Enterprise Airport capital projects

Unfinished Business

- Congress reconvened after the November elections for a lame duck session
- It will try to address unfinished business, but some issues may be punted to the 119th Congress
- Congress enacted a Continuing Resolution (CR) that runs through December 20, 2024
- FY 2025 appropriations will not be finalized until December at the earliest

Unfinished Business

- FY 2025 Appropriations Bills
- Disaster Assistance Fund
- Farm Bill
- National Flood Insurance Program
- Tax Bill
- Comprehensive mental health legislation
- Water Resources Development Act
- Workforce Innovation & Opportunity Act (WIOA) Reauthorization
- Telecom Preemption

Unfinished Business

- Several programs expire on December 20 and Congress must enact an extension to avoid a disruption of them
 - Farm Bill (including nutrition programs)
 - National Flood Insurance Program
- The final FY 2025 appropriations bill (likely an omnibus) and the FY 2025 Defense Authorization bill could become vehicles for other measures

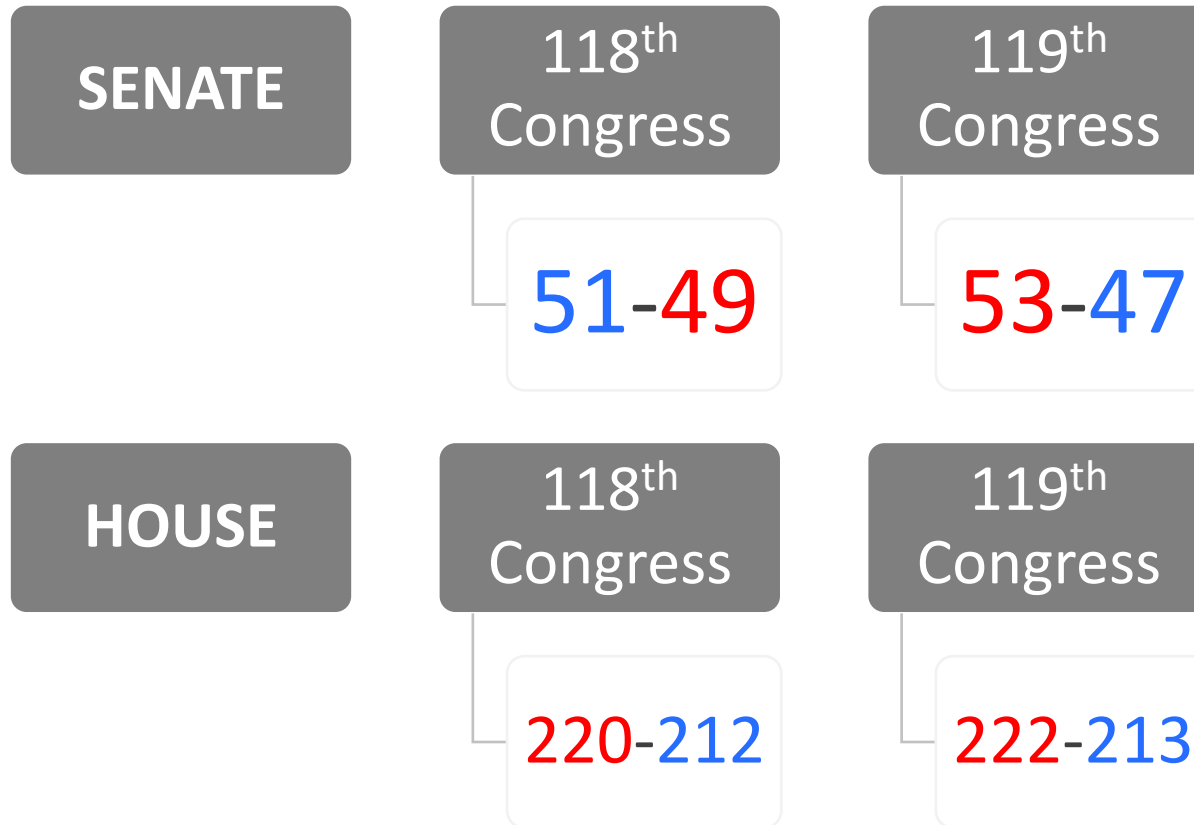
Lame Duck – Local Government Priorities

- Prevent/Limit cuts to core local government programs such as CDBG, HOME, UASI, and the Clean Water and Drinking Water State Revolving Loan Funds
- Replenish Disaster Assistance Fund
- Keep Telecom Preemption Bill (HR 3557) out of any end of session “must pass” bills
- If the Workforce Innovation & Opportunity Act (WIOA) reauthorization moves, turn back provision that poses a threat to local Workforce Investment Boards

Agency Regulations

- ADA Web Accessibility (final)
- Build America, Buy America (final)
- Electric distribution transformer efficiency (final)
- Particulate Matter (final)
- PFAS SDWA (final)
- PFAS CERCLA (final)
- OSHA Heat (pending)
- OSHA Emergency Response (pending)
- Financial Data Transparency Act (pending)
- **Supreme Court Chevron decision***
- **Election***

Looking Forward— 119th Congress



Looking Forward – 119th Congress

January 1: Debt limit suspension expires

January 3: 119th Congress sworn in

January 20: Presidential Inauguration

Late February – April: Earmark Submission

April-September: FY 2026 Appropriations Process

October 1, 2025: FY 2026 Begins

December 31, 2025:

- Numerous Tax Cut & Jobs Act tax provisions expire
- Inflation Reduction Act (IRA) enhanced Affordable Care Act subsidies expire

Looking Forward – 119th Congress

- Tax Bill
- Highway/Transit Reauthorization
- FY 2026 Appropriations (inc. earmark requests)

Looking Forward – Tax Bill

The Trump Plan (billions, 2026-2035)

Policy Proposals	Low	Central	High
Extend and Modify the Tax Cuts & Jobs Act (TCJA)	-\$4,600	-\$5,350	-\$5,950
Exempt Overtime Income from Taxes	-\$500	-\$2,000	-\$3,000
End Taxation of Social Security Benefits	-\$1,200	-\$1,300	-\$1,450
Exempt Tip Income from Taxes	-\$100	-\$300	-\$550
Lower Corporate Tax Rate to 15% for Domestic Manufacturers	-\$150	-\$200	-\$600
Enact or Expand Other Individual and Small Business Tax Breaks	-\$150	-\$200	-\$350
Strengthen and Modernize the Military	-\$100	-\$400	-\$2,450
Secure the Border and Deport Unauthorized Immigrants	\$0	-\$350	-\$1,000
Enact Housing Reforms, Including Credits for First-Time Homebuyers	-\$100	-\$150	-\$350
Boost Support for Health Care, Long-Term Care, and Caregiving	-\$50	-\$150	-\$300
Subtotal, Tax Cuts and Spending Increases	-\$6,950	-\$10,400	-\$16,000
Establish a Universal Baseline Tariff and Additional Tariffs	\$4,300	\$2,700	\$2,000
Reverse Current Energy/Environment Policies and Expand Production	\$750	\$700	\$550
Reduce Waste, Fraud, and Abuse	\$250	\$100	\$0
End the Department of Education and Support School Choice	\$200	\$200	\$0
Subtotal, Revenue Increases and Spending Reductions	\$5,500	\$3,700	\$2,550
Net Interest	-\$200	-\$1,050	-\$2,100
Total, Net Deficit Impact	-\$1,650	-\$7,750	-\$15,550

Looking Forward – Tax Bill

Local government priorities

- ***Preserve the tax exemption for municipal bonds***
- Reinstatement of advance refunding of municipal bonds
- State and Local Tax (SALT) deduction
- Preserve Inflation Reduction Act (IRA) direct pay clean energy tax credits

Looking Forward – Highway/Transit Reauthorization

Local government priorities

- “Localization” of highway program
- Safe Streets & Roads for All Program
- Transportation Alternatives Program
- Preservation of transit programs

Questions?

Debra DeHaney-Howard

ddehaney@capitaledge.com

Ralph Garboushian

ralphg@capitaledge.com

